50% RPS SWOT

Environment Focus Group Discussion

The discussion below reflects two kinds of comments. Some comments are specific strengths/ weaknesses/opportunities/threats identified by a Focus Group member. Others are recommendations for how to approach a topic, e.g., considering ratepayer impacts over different time frames.

Considerations

- Requirements assumed to be met with resources not ACP's due to low cost of ACP's; could REC prices increase enough to cause ACP's
- How does RGGI fit in with the RPS projections? How would the GHG Act fit?
- Could there be an increase in emissions due to intermittency? Or storage reliance on fossil fuels?
- How will offshore wind be addressed?
- Could higher electricity prices reduce the rate of EV adoption, leading to higher emissions?
- In terms of emissions, looking at: grid-wide? Lifecycle GHG? In-state v. out-of-state generation?
- Land use considerations beyond agricultural should be included.
- What is the risk of a 50 percent requirement?
- How would a 50 percent requirement affect nuclear power?
- Are the recent increases in renewable requirements in NJ and VA an opportunity or a threat when looked at from the perspective of an increase to the MD RPS?
- If Maryland has no control over other states' policies, then should Maryland keep the status quo or lead by example?

Strengths

- Emissions – 50% RPS would mean a reduction in emissions, which would also mean greater air quality benefits when considering EV's and building electrification efforts
- Infrastructure – An increase in the RPS would likely increase investment in the DG infrastructure, which could lead to improved resiliency in the face of natural/other disasters.
- Environmental Justice – An RPS increase could lead to an increase in community solar, as well as greater access to clean energy for LMI populations
- Social Responsibility – progressive RE policy could attract socially-conscious corporations to MD

Weaknesses

- Emissions – An increase in the RPS could result in an increase in emissions if there is a greater dependence on renewable sources with emissions.
- Infrastructure – The possible need for the expansion of transmission and distribution infrastructure could have negative environmental and cost impacts.

- Considerations/Constraints – An operational constraint may be “common mode” failure; solar energy is only available during the day, and wind mostly generates energy at night. A financial risk is the possibility that RE incentives could go away.
- Land Use – An increase in the RPS could have an impact on historical/wetland/cultural areas, though this is dependent upon the specific technology and project size (e.g., residential vs. utility-scale solar). The impact of renewable projects on the Department of Defense must also be considered, such as loss of air space.

Opportunities

- Emissions – Greater RPS requirements could result in carbon pricing that is in addition to RGGI.
- Land Use - An increased RPS could lead to the identification of specific areas for solar development; the possible incentivizing of brownfields as sites to develop; and a better understanding of best land use practices for renewables.
- Jobs/Economic development – Expanded net metering could evolve from an increased RPS policy, with the incorporation of lessons learned from other jurisdictions. Also, the life cycle costs of renewables may be lower than for fossil fuels.

Threats

- Infrastructure – In considering an increase to the RPS, attention should be given to the potential effects to existing energy sources on the grid. Also, could an increase in the RPS affect grid stability and balance? Could an increase in reliance on battery storage lead to safety concerns?
- Considerations/Constraints – A higher RPS could strain PJM and distribution interconnection processes. PJM should revisit/update the RE integration study to consider increases to RPS requirements. FERC/PJM capacity market re-designs and their potential impact on renewable energy development should be considered.