

Law360 Quotes Partner Henry T. Kelly on Renewable Portfolio Standard Compliance

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Partner **Henry T. Kelly** was quoted in the *Law360* article, "State Green-Energy Mandates Hold Firm Despite Opposition." The article discusses the recent failure of recent efforts to roll back or repeal state renewable energy mandates. The article also addresses a few of the roadblocks that may prevent a state from reaching full compliance of these mandates. The renewable portfolio standards, also known as RPS, have been challenged in several states by conservative lawmakers and think tanks who claim that increased usage of renewable power sources increases electricity rates for customers. Even with this strong opposition, proposed bills aiming to reduce or eliminate several state's RPSs have not been advanced.

State efforts to open up their electricity sales markets, long dominated by utilities, to more competition has been one of the stumbling blocks for compliance with the RPS. In order to comply with an RPS, utilities have been encouraged to enter into long-term contracts to purchase power from renewable projects in the works. "Yet those contracts won't make much economic sense if electricity customers flock to other sellers," according to Mr. Kelly. "Competitive providers that are entering the market aren't saddled by the long-term contracts," Mr. Kelly said. "States haven't yet found a way for all energy suppliers to participate in those long-term contracts in order to finance renewable projects. There's been a regulatory lag."