

Waxman-Markey Bill's Tentative Compromise on Renewable Energy Offers a Weak Standard | 1



When Representatives Waxman and Markey introduced their energy bill concept, they included a requirement that utilities deliver 25% renewable-derived power by 2025. According to the [New York Times](#), a tentative agreement with Democrats unenthusiastic with the original proposal would reduce the target to 15% by 2020.

And the 15% gets watered down even further. States that are simply having trouble making that target can reduce it to 12% if they accomplish a higher level of energy efficiency improvements — something that they should be doing anyway. In addition states with nuclear power, and those able to develop carbon-captured coal-fired projects can subtract power from the facilities from the “base” upon which the 15% or 12% is calculated. That means that what starts as a 15% goal could actually become a whole lot smaller. Let’s suppose that a state that has already reduced its target from 15% to 12% gets a quarter of its power from nuclear plants. In such circumstances, the 12% renewable energy target would only apply to 75% of the delivered power. Then, that state’s renewable energy obligation would be reduced to 9% of delivered power — about a third of what the bill would have required in its earlier form. For comparison, consider California, which is shooting for 20% by 2010, and (most likely) 33% by 2020. None of the hedges that would be available under the tentative federal agreement apply under California’s current program.

In crafting public policy, one always has to ask when a third of a loaf is better than none. No clear answer here, yet. Regardless, the authors’ efforts to achieve a national renewable energy standard are critically important.