Two bills now in the legislature aim to improve our modest Alternative Energy Portfolio Standard (AEPS). The law, initially passed in 2004, requires electricity distributors and suppliers to deliver a minimum percentage of electricity from alternative sources by 2021.

The sources are divided into two tiers. Cleaner Tier I sources are required to supply at least 8% of our electricity by 2021, which includes 0.5% of total electricity sales from solar. Dirtier Tier II sources are required to supply at least 10%.

HB 100 sponsored by Rep. Greg Vitali and SB 1171 sponsored by Sen. Daylin Leach will increase the amount of renewable energy offered by our utilities from just 8% to 15% by 2023. They would triple the amount of solar power included in the standard and, like neighboring states, require that solar be installed in Pennsylvania where we earn the greatest economic benefits. By the end of 2023, we would increase clean energy generation by nearly 10 million megawatt-hours annually – the equivalent of three average Pennsylvania coal plants. This would make Pennsylvania more competitive with neighboring states that currently have stronger renewable energy standards.

Utilities comply with the AEPS by purchasing and retiring credits for each megawatt hour of qualifying electricity. Revenue from credit sales goes to the generator of the electricity, which helps finance the project. If the credit price is higher for a tier, there is a greater incentive to develop energy projects in that tier.

The Public Utilities Commission is responsible for ensuring compliance with the AEPS. More information can be found on their site at paaeps.com

For more information about efforts to strengthen the AEPS, contact: Tom Schuster, Sierra Club Senior Pennsylvania Campaign Representative at tom.schuster@sierraclub.org or (814) 467-2614