

House Bill 586

By: Representatives Drenner of the 57th, Benfield of the 56th, Post 1, Porter of the 119th,
Morris of the 120th, Noel of the 44th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2A of Title 46 of the Official Code of Georgia Annotated, relating to
2 electric utilities, so as to provide for goals for use of renewable energy by electric utilities;
3 to provide for legislative intent and purpose; to provide definitions; to provide for standard
4 goals; to provide for reports; to authorize incentives; to provide for related matters; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 (a) It is the intent of the legislature to recognize the economic, environmental, and fuel
9 diversity benefits of renewable energy resources and to encourage the establishment of a
10 market for renewable energy in Georgia using the state's renewable energy resources and
11 to encourage the further development of those resources. The legislature finds that there
12 may be more that the state can do to encourage the development and implementation of
13 renewable energy. These efforts can reduce the amount of imported oil used for the
14 generation of electricity. Accordingly, the legislature finds that it should establish goals
15 for electric utilities to guide them in incorporating renewable resources into their resource
16 portfolios to reduce the use of imported oil.

17 (b) The purpose of this Act is to lessen Georgia's dependence on imported oil by
18 encouraging the greater use of renewal energy by establishing goals for electric utility
19 companies in implementing renewable portfolio standards.

20 **SECTION 2.**

21 Chapter 2A of Title 46 of the Official Code of Georgia Annotated, relating to electric
22 utilities, is amended by designating the existing provisions as Article 1 and inserting a new
23 article to be designated Article 2 to read as follows:

"ARTICLE 2.

1

2 46-2A-10.

3 As used in this article:

4 (1) 'Electric utility company' means an electric utility as defined under Code Section
5 46-1-1.6 (2) 'Renewable energy' means electrical energy produced by wind, solar energy,
7 hydropower, landfill gas, methane gas resulting from the anaerobic decomposition of
8 organic materials, waste to energy, geothermal resources, ocean thermal energy
9 conversion, wave energy, biomass including municipal solid waste, biofuels or fuels
10 derived entirely from organic sources, hydrogen fuels derived entirely from renewable
11 energy, fuel cells where the fuel is derived entirely from renewable sources, electrical
12 energy savings brought about by the use of solar and heat pump water heating; and any
13 of the following forest-related resources, not including old-growth timber:

14 (A) Mill residues;

15 (B) Precommercial thinnings;

16 (C) Slash;

17 (D) Brush;

18 (E) Waste pallets, crates, and dunnage and landscape or right of way trimmings, not
19 including unsegregated municipal solid waste and post-consumer waste paper; or20 (F) Agricultural sources, including orchard tree crops, vineyard, grain, legumes, sugar,
21 switchgrass, and other crop by-products or residues.

22 46-2A-11.

23 Each electric utility company that sells electricity for consumption in this state shall
24 establish a renewables portfolio standard goal of:

25 (1) One percent of its net electricity sales by December 31, 2003;

26 (2) One and one-half percent of its net electricity sales by December 31, 2004;

27 (3) Two percent of its net electricity sales by December 31, 2005;

28 (4) Two and one-half percent of its net electricity sales by December 31, 2006;

29 (5) Three percent of its net electricity sales by December 31, 2007; and

30 (6) Three and one-half percent of its net electricity sales by December 31, 2008.

31 46-2A-12.

32 (a) Any electric utility company not meeting the renewable portfolio standard goal shall
33 report to the Public Service Commission within 90 days following the goal dates

1 established in Code Section 46-2A-11 and provide an explanation for not meeting the
2 renewable portfolio standard.

3 (b) The Public Service Commission may provide incentives to encourage electric utility
4 companies to exceed their renewable portfolio standards or to meet their renewable
5 portfolio standards ahead of time, or both.”

6 **SECTION 3.**

7 All laws and parts of laws in conflict with this Act are repealed.