



## One Penny for Clean Energy

Charlottesville, VA  
3 October 2010

The Virginia Alliance for a Better Renewable Energy System (VABRES) recently released a study estimating the costs of developing a significant amount of clean and renewable energy to meet the Commonwealth's growing energy demands.

Last week VABRES member Al Weed, Co-Executive Director of Public Policy Virginia, briefed the Virginia Commission on Energy and the Environment on the study's findings. He stated "If we are to look to renewable electricity as a growing percentage of our energy we should also have some understanding of what this might cost. Meeting Virginia's demands with clean energy will cost *less* than filling the gap with a combination of nuclear and carbon capture and storage (CCS) Coal fired electricity."

The Virginia Rate Impact Study assumed an aggressive goal of 25% of Virginia's fossil energy being replaced with Virginia renewable energy resources by the year 2025. The potential sources, including off and on-shore wind, solar, hydro and, especially, biomass power, are identified in the recently release Virginia Energy Plan. The results from modeling done by La Capra Associates, a Boston-based consulting firm, are the first effort to put a real dollar number to what renewable energy will cost.

The projected delivery of roughly 7,200 MW of new renewable energy capacity will cost Virginia ratepayers \$.01 per kilowatt hour more than if we projected electricity costs based on current technology. Virginia's mix of coal and nuclear sources, however, will also become more expensive and delivering that same new capacity from nuclear and coal will cost \$.016 per kWh.

Weed noted "One cent per kilowatt hour is the equivalent of roughly \$11 per month for the average customer. While nobody likes to pay more for energy, this investment will create jobs in Virginia, cleaner air and more vibrant rural communities. As things are going now, energy costs are going up with no job creating benefits in our state. We can do better."

For more information: Read the "Virginia Rate Impact Study" and its appendix "Estimates on Biomass Potential" or call Al Weed at 434-970-2232.