



# South Dakota Renewable Electricity Mandate Status

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## Renewable Goal Status: Not on Track

- 2009 Qualified Renewable Percentage: Effectively 0% (7,570 MWh RECs retired / 8,580,013 MWh)<sup>1</sup>
- 2015 Renewable Goal: 10% of retail sales

**Renewable portfolio history:** In 2008, South Dakota passed HB 1123 that established a voluntary objective of 10% by 2015. However, Utilities must give annual reports on their progress.<sup>2</sup> For renewable and recycled energy, the objective is measured by qualifying megawatt-hours (MWh) delivered at retail or by certificates representing credits purchased and retired to offset non-qualifying retail sales. With conserved energy, the objective will be measured by methods established by the South Dakota Public Utilities Commission (PUC).<sup>3</sup>

**Credit Trading:** Yes

**Noncompliance penalty:** None

**Electricity Price Ranking:** 15<sup>th</sup> Lowest<sup>4</sup>

- 7.5 cents/KWh
- 10.58 cents/KWh in mandated states

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<sup>1</sup> See South Dakota Public Utilities Commission, *South Dakota's Renewable, Recycled and Conserved Energy Objective*, Dec. 29, 2010, Appendix C, <http://puc.sd.gov/commission/Energy/REO/20101223RRCEORreport.pdf>. According to EIA data, in 2009 South Dakota generated 5.2% of its electricity from renewable sources. However, because of how the South Dakota law works, a very small percentage of renewable energy credits were retired in South Dakota (7,570 MWh out of 8,580,013 MWh) which is why the percentage is listed as effectively zero.

According to Brian Rounds of the South Dakota Public Utilities Commission, however, most utilities are "banking their credits for further use."

<sup>2</sup> South Dakota Legislature, 2009; Chapter 49-34A-104;

<http://legis.state.sd.us/statutes/DisplayStatute.aspx?Type=Statute&Statute=49-34A-104>.

<sup>3</sup> Database of state Incentives for Renewables and Electricity, South Dakota,

[http://www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=SD02R&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=SD02R&re=1&ee=1).

<sup>4</sup> EIA, Electric Power Monthly, Table 5.6.B., Average Retail Price of Electricity, June 2010, Released Sept. 15, 2010, [http://www.eia.doe.gov/cneaf/electricity/epm/table5\\_6\\_b.html](http://www.eia.doe.gov/cneaf/electricity/epm/table5_6_b.html).

## Price of Electricity (Cents/KWh)

