GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 710

Short Title:	Swine and Poultry Waste RECs.	(Public)
Sponsors:	Senators Rucho; and Hise.	
Referred to:	Agriculture/Environment/Natural Resources.	

April 20, 2011

A BILL TO BE ENTITLED

AN ACT TO ALLOW RENEWABLE ENERGY CERTIFICATES (RECS) DERIVED FROM THE THERMAL ENERGY OUTPUT OF COMBINED HEAT AND POWER FACILITIES THAT USE SWINE WASTE OR POULTRY WASTE AS A FUEL TO MEET THE REQUIREMENTS OF THE SWINE WASTE SET-ASIDE AND THE POULTRY WASTE SET-ASIDE.

The General Assembly of North Carolina enacts:

SECTION 1. Legislative Findings. – The General Assembly makes the following findings regarding the need to allow renewable energy certificates (RECs) derived from the thermal energy output of combined heat and power facilities that use swine waste or poultry waste as a fuel to meet the requirements of the swine waste set-aside under G.S. 62-133.8(e) (Compliance With REPS Requirements Through the Use of Swine Waste Resources) and the poultry waste set-aside under G.S. 62-133.8(f) (Compliance With REPS Requirements Through the Use of Poultry Waste Resources):

(1) The electric power suppliers have experienced considerable difficulty in procuring sufficient electricity derived from the use of swine waste and poultry waste at a reasonable cost to meet the especially restrictive language of the swine waste set-aside and the poultry waste set-aside.

(2) The public interest of the State will be served by providing a cost-effective option for the electric power suppliers to use in order to comply with the swine waste set-aside and the poultry waste set-aside.

(3) The State and the public will benefit directly from reduced process steam costs to North Carolina businesses, which will help North Carolina businesses remain competitive and viable.

(4) The State and the public will benefit directly from diversifying the State's viable generation resource options, which utilize indigenous North Carolina resources to foster development of renewable projects in the State and encourage investment in new renewable projects.

(5) The health and safety of the citizens of the State will be served through improving air quality and water quality through the controlled destruction of methane, the capture of organic residuals, and addressing the very important environmental concern involving the current disposal practice of land application of swine waste and poultry waste, which poses an ever increasing threat of pollution and contamination of the waters of the State.

SECTION 2. G.S. 62-133.8 reads as rewritten:

"**§ 62-133.8. Renewable Energy and Energy Efficiency Portfolio Standard (REPS).**

…

(e) Compliance With REPS Requirement Through Use of Swine Waste Resources. – For calendar year 2018 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State or an equivalent amount of energy shall be supplied, or contracted for supply in each year, by swine waste. The electric power suppliers, in the aggregate, shall comply with the requirements of this subsection according to the following schedule:

Calendar Year	Requirement for Swine Waste Resources
2012	0.07%
2015	0.14%
2018	0.20%

(f) Compliance With REPS Requirement Through Use of Poultry Waste Resources. – For calendar year 2014 and for each calendar year thereafter, at least 900,000 megawatt hours of the total electric power sold to retail electric customers in the State or an equivalent amount of energy shall be supplied, or contracted for supply in each year, by poultry waste combined with wood shavings, straw, rice hulls, or other bedding material. The electric power suppliers, in the aggregate, shall comply with the requirements of this subsection according to the following schedule:

Calendar Year	Requirement for Poultry Waste Resources
2012	170,000 megawatt hours
2013	700,000 megawatt hours
2014	900,000 megawatt hours

…."

SECTION 3. This act is effective when it becomes law.