

Client Alert: Brief Overview of Discussion Draft of Graham Energy Bill  
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## Article

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Earlier this week, Senator Lindsey Graham (R-SC) circulated a discussion draft of an energy bill (the "Clean Energy Act of 2009") designed to establish a standard requiring utilities to obtain a certain percentage of their power from renewable, clean and efficient energy sources. The bill expands the scope of what had been considered "clean energy" in previous bills to include nuclear plants and coal plants with carbon capture and storage, combined heat and power, other potential fossil energy plants (including natural gas plants), and a broader role for efficiency.

The draft departs from previous climate change bills which called for a cap-and-trade system, instead requiring utilities to obtain an increasing percentage of their electricity from "clean" resources. The percentage would begin at 13% from 2012 to 2014, increasing to 15% by 2019, then growing by 5% every 5-year increment until 2050. At that point, utilities would be required to obtain at least 50% of their electricity from clean and renewable sources. If an entity exceeds the clean energy requirements of the bill, it could sell its excess credits to help another entity meet some of its clean energy requirements. The draft would implement a credit system in which the use of complying sources would generate credits that would then be surrendered to the government. If a utility failed to meet the required number of clean energy credits, it would face a penalty for non-compliance.

[Click to read a copy of the discussion draft of the Graham Energy Bill.](#)

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