



CLEAN AIR
TASK FORCE

ALTERNATIVE ENERGY PORTFOLIO STANDARD

Pennsylvania

Policy type

Renewable Portfolio Standard

Form of the standard

Energy-based

% of renewable energy required

Targets

Interim: Incremental increases each year or each three years, beginning in 2007
Final: 18% by 2021 (8% Tier I, 10% Tier II, 0.5% solar carve-out)

Economy-wide goal: Executive order establishing a 26% reduction by 2025 and 80% reduction by 2050, compared to 2005 levels

Point of regulation: Retail sales

Regulated entities: Public utilities, including Investor-owned utilities, and municipal utilities

Percent of retail sales covered by RPS: 98%

Implementing agencies: Pennsylvania Public Utility Commission; Department of Environmental Quality (environmental standard enforcement)

Enforcement mechanisms: The Commission conducts an annual review, and if it determines a regulated company failed to comply, the Commission imposes an alternative compliance payment.

Compliance flexibility and cost containment: Alternative Compliance Payments (ACP) of \$45 multiplied by the number of additional alternative energy credits needed to comply. Solar photovoltaic share: 200% market value of solar renewable energy credits sold. Electric generation suppliers may be excused by the Commission under force majeure.

Carve-outs and incentives: In addition to Tier I and Tier II, solar carve-out: 0.5% by 2020 and thereafter

Compliance tracking: [PJM-GATS](#)

Notable features: Beginning October 30, 2017, only solar PV systems in-state count towards compliance

Links to agency website and statutes/rules: [73 Pa. Stat. § 1648.3](#); [Pennsylvania Public Utility Commission: Alternative Energy Portfolio Standards Act](#); [Pennsylvania Alternative Energy Credit Program](#); [Retail Electricity Sales](#); [EPA's REC Tracking Systems](#)

Last updated December 2025

Eligible sources

Biogas

Biomass

Demand Response

Distributed Generation

Energy Efficiency

Geothermal

Hydrogen Fuel Cells

Hydropower

Solar

Waste Coal

Waste Heat

Waste-to-Energy

Wave/Tidal

Wind

See [73 Pa. Stat. § 1648.2](#) for definitions of eligible alternative energy sources. Certain limits may apply.