The American Renewable Energy Act of 2021

Rep. Peter Welch and Rep. Yvette D. Clarke

As our planet faces a climate crisis, the Biden Administration and Congress must take bold action to avert the runaway impacts of climate change and transition our communities towards a green future that eliminates the economic, health, social, and justice disparities of a fossil fuel-based economy.

The American Renewable Energy Act (AREA) establishes an ambitious renewable energy standard to drastically reduce emissions, decrease pollution, and promote community resiliency.

By shifting our electric generation from fossil fuels to renewable energy, we can reduce emissions, improve air quality and health outcomes, and create millions of renewable energy jobs. Our bill seeks to achieve these goals by establishing a 70% renewable standard by 2030 and ensuring that the generation mix is truly renewable and clean.

Renewable Schedule. AREA requires retail electricity suppliers to achieve at least 70% renewable electricity generation by 2030. This requirement begins at 20% in 2021 and rises to 70% in 2030.

Renewable Electricity. AREA prioritizes the use of solar, wind, and geothermal energy, and includes marine energy, limited forms of hydropower, and a limited allowance of methane digesters for smaller farms and wastewater plants.

Pollution Reduction in Impacted Communities. Retail electricity suppliers will be required to address existing pollution disparities through requirements to deploy an increasing share of their renewable generation in impacted communities. This will begin immediately in 2021 at 15% and increase after 5 years to a 20% deployment requirement.

Prioritizing Resilient Distributed Renewable Energy. Retail electricity suppliers will be required to meet an increasing share of their generation through distributed renewable energy generation, such as rooftop solar, starting with 15% in 2021 and increasing to a 20% deployment requirement after 5 years.

Addressing pollution. AREA ensures that regulations result in a net decrease in emissions of criteria air pollutants, such as ozone, carbon monoxide, sulfur dioxide, and lead, in impacted communities. This bill also seeks to ensure that all renewable energy deployment provides economic, health, and resiliency investments and benefits to the communities and areas where renewable generation is deployed.

Investments in Impacted Communities and Community Ownership. In addition to renewable generation compliance in impacted communities, AREA requires at least 50% of funds collected from the bill's enforcement mechanism be invested in renewable energy, energy efficiency, and

storage projects in impacted communities. AREA also prioritizes distributed, community, and public ownership of renewable energy projects.

Regional Credit Markets. There will be no fewer than 6 regional credit trading markets to track compliance and ensure the benefits of renewable expansion are spread throughout the country.

Strong Enforcement. Retail electricity suppliers must meet their requirements by submitting renewable energy credits or paying an alternative compliance payment that begins at $50/MWh and increases with inflation.

Public Support. Government investment in clean energy jobs is popular and bipartisan. [Polling from Data for Progress](#) finds that a 72% bipartisan majority of likely voters support the government making investments to create clean energy jobs and 70% of voters support building new renewable energy projects.

Endorsing Organizations:
Sierra Club
Sunrise Movement
League of Conservation Voters
Working Families Party
Public Citizen
Greenpeace USA
Indivisible
Data for Progress
Physicians for Social Responsibility
Anthropocene Alliance
Chesapeake Climate Action Network
GreenFaith
Green Latinos
National Hispanic Medical Association
Health Care Without Harm
Climate Law & Policy Project
Earth Action, Inc.
The Juggernaut Project
Dayenu: A Jewish Call to Climate Action
350 Seattle
People's Action
Vote Solar
Solar Energy Industries Association (SEIA)

Supporting Organizations:
Evergreen Action