

## **Issue Brief** **February 2008**

### **WPU DA urges funding of Renewable Energy Production Incentives**

**T**he Washington PUD Association is very disappointed that the Administration has chosen to “zero-out” funding for the Renewable Energy Production Incentive program in its FY 2009 budget proposal.

REPI is currently the only federal appropriations program that helps consumer-owned utilities buy down the high cost of developing renewable energy projects.

Given growing concerns about climate change and the nation’s desire to become more energy independent, the demand for affordable renewable power projects continues to increase significantly.

More than half the states, including Washington, have now adopted some form of renewable portfolio standard. This is the time to increase funding for renewable energy programs, not to eliminate them.

Administered by the Department of Energy, the REPI program provides a 1.5 cent/kWh incentive (indexed for inflation) for public power utilities and cooperatives to build renewable energy generation, using solar, wind, geothermal, certain biomass and ocean power resources.

Importantly, the incentive payments are awarded only after the project is completed and are based on the amount of energy actually generated by a qualified project.



Over the first 10 years of the program, REPI paid out a little more than \$30 million. Since FY 2005, Congress has appropriated \$19.7 million – or slightly more than \$4.9 million per year.

We urge Congress not only to continue REPI, but to increase funding to \$10 million in the Energy and Water Development Appropriations Act for FY 2009.

Washington has been the second largest beneficiary of the REPI program, behind California, having received almost \$12.5 million since the program’s inception.