

Issue Brief
February 2010

WPUDA urges funding of Renewable Energy Production Incentive program

The Renewable Energy Production Incentive program allows public power utilities and cooperatives to lower the cost of renewable generation.

REPI was created by Congress in 1992 to provide consumer-owned utilities with an incentive to make investments in renewable generation comparable to the tax incentives available to privately-owned companies.

But while the demand for renewable energy has increased, along with growing concerns about climate change and the nation's desire to become more energy independent, REPI, which is dependent on annual congressional appropriations, has never been adequately funded.

Consumer-owned utilities applied for an average of \$42 million in REPI funding in the last five years [for which data is available (2004-2008)], yet Congress appropriated less than \$5 million per year.

Most recently, REPI was zeroed out in Fiscal Year 2010 and the Administration did not request funds for REPI in Fiscal Year 2011.

WPUDA is urging Congress to include at least \$25 million for REPI in the FY 2011 Energy and Water Development Appropriations Act.

Given the public's demand for "green" power and increasing state and federal calls for renewable generation, it is time to finally fund the program at an appropriate level.



The REPI program provides a 1.5 cent/kWh incentive (indexed for inflation) for consumer-owned utilities to develop renewable energy generation, including solar, wind, geothermal, certain biomass and ocean power resources.

Importantly, the incentives are paid only after projects are online and are based on the actual energy generated.

While REPI is a national program, Washington has been one of the largest beneficiaries. WPUDA urges the Washington Congressional delegation to work to restore funding to this important program.