

1 **NORTHWEST PUBLIC POWER ASSOCIATION**

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3 **19-06 Archived Resolution**

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5 **IN SUPPORT OF REFORM AND REAUTHORIZATION OF THE**  
6 **RENEWABLE ENERGY PRODUCTION INCENTIVE PROGRAM**  
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8 The Northwest Public Power Association (NWPPA) supports  
9 reauthorization and reform of the Renewable Energy Production Incentive  
10 (REPI) program, as well as sufficient funding to make full incentive  
11 payments to all eligible projects.

12 As created in the Energy Policy Act of 1992 (the Act), the REPI  
13 program encourages the development of emerging renewable energy  
14 resources by public utilities.

15 The REPI program authorizes a payment to consumer-owned utilities  
16 of 1.5 cents/kWh, indexed for inflation, for electricity generated by emerging  
17 renewable resources for a period of ten years following the enactment of the  
18 Act. Qualifying emerging resources include: wind, solar, geothermal and  
19 biomass resources.

20 The REPI program is the counterpart to the 1.5-cents/kWh tax credit  
21 also authorized by the Act for investor-owned utilities (IOU's) developing  
22 qualified emerging renewable resources.

23 The IOU tax credit is automatic for qualifying resources, while the  
24 consumer-owned utility incentive requires an annual appropriation.

25 With the demand for REPI incentives far out-pacing the annual  
26 congressional appropriation, the incentives to qualifying projects have been  
27 lowered and thereby undermine the original purpose of the program.  
28 Financing arrangements for these needed and desired projects would benefit  
29 greatly from a predictable and stable multi-year funding source. Moreover,  
30 the program needs to be reauthorized for additional 10-years and amended  
31 to provide a mechanism for more equitable distribution of funds between  
32 qualifying "tiers." Because of the importance of the REPI program to  
33 encourage the development and investment in renewable energy by public  
34 power, NWPPA urges the reauthorization and reform of the current REPI  
35 program, and also encourages Congress to fully fund the program so that  
36 incentive payments are available to all eligible projects.

37 In the absence of full funding, Congress should enact legislation that  
38 would create parity with the IOUs for public power systems, which are  
39 unable to take advantage of tax credits. NWPPA supports legislation that  
40 would provide permanent, comparable tax incentives for consumer-owned  
41 utilities, as those received by IOUs, to meet the needs and demands of its  
42 customers in providing renewable resources.

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46 Origination Date: 5/2000 by Energy Northwest

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48 Revised: March 2005