

WHEREAS, Investments in clean renewable energy and energy efficiency can enhance our nation's energy security and independence, promote rural economic development, provide a new income stream for farmers and ranchers, provide environmental benefits for everyone, and improve electric grid reliability; and

WHEREAS, There are many clean energy development opportunities in the agricultural sector, including:

- Developing farm-based wind and biomass energy;
- Implementing fuel cell and hydrogen-based energy;
- Helping mitigate climate change; and
- Obtaining energy cost savings through the implementation of energy efficiency measures on farms and ranches that can cost-effectively reduce wasteful energy consumption; and

WHEREAS, The proposed Clean Energy Title (Title IX) in the 2002 Federal Farm Bill (S. 1731) provides funding over five years totaling \$550 million in mandatory appropriations for clean renewable energy development projects, energy efficiency improvements, and carbon sequestration programs to reduce greenhouse gases; and

WHEREAS, The proposed Clean Energy Title provides for:

- Funding for 75 percent of the costs of whole-farm energy efficiency audits and renewable energy assessments linked to supportive grant and loan programs for implementation of clean energy recommendations;
- Low-interest loans, loan guarantees and grants directly to farmers, ranchers, and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements;
- Low-interest loans, loan guarantees and grants to assist farmers and ranchers in becoming equity owners (through new

cooperatives or participation in other business ventures) of utility-scale renewable energy projects and marketers of electricity produced from renewable energy plants;

- Cooperative grants for demonstrations of fuel cells and other hydrogen technologies in farm and rural applications, and for studies of new technologies not yet ready for demonstration;
- Authorization of basic and applied research programs to promote a better understanding of net sequestration of organic carbon in soil and plants, and net emissions of other greenhouse gases from agriculture;
- Demonstration and outreach projects for measuring and monitoring carbon sequestration and greenhouse gas reductions;
- New authority for the United States Department of Agriculture to make loans, loan guarantees, and grants to rural electric cooperatives and rural utilities to promote development of economically and environmentally sustainable new renewable energy projects to serve the needs of rural communities or for rural economic development; and

WHEREAS, The proposed Clean Energy Title will provide a new income stream for farmers and ranchers, create jobs and spur rural economic development, provide environmental quality benefits for everyone, and increase our national security; and

WHEREAS, The Clean Energy Title received strong bipartisan support when the 2002 Federal Farm Bill was passed by a strong bipartisan majority of the Senate Agriculture, Nutrition and Forestry Committee; now therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its February 2002 Winter Meetings in Washington, D.C., urges Congress to enact legislation with provisions consistent with the Clean Energy Title (Title IX) of the Federal Farm Bill (S.1731), with mandatory appropriations.

Sponsored by the Committee on Energy Resources and the Environment

Adopted by the NARUC Board of Directors February 13, 2002