

## Resolution Supporting a Renewable Energy Tax Credit

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**WHEREAS**, Encouraging cost-effective use of renewable energy resources has been an important national goal under past utility regulatory policy, including the Energy Policy Act of 1992; and

**WHEREAS**, Renewable energy production has steadily improved in cost-effectiveness and performance and promises continued improvement; and

**WHEREAS**, Renewable energy supply brings fuel diversity benefits and mitigates fuel market power in the nation's mix of energy supplies, enhances national security by reducing dependence on imported fuels, and decreases environmental impacts; and

**WHEREAS**, Public preference and customer demand support cost-effective renewable energy product development and commercialization; and

**WHEREAS**, The Energy Policy Act of 1992 included a wind production tax credit of 1.5 cents per kilowatt-hour (adjusted for inflation) for energy produced from a new facility brought on-line after December 31, 1993, and before July 1, 1999, for the first ten years of the facility's existence; and

**WHEREAS**, In 1999, Congress extended the wind production tax credit established in the Energy Policy Act of 1992 for energy produced from a new facility brought on-line before December 31, 2001, for the first ten years of the facility's existence; and

**WHEREAS**, The wind production tax credit expired on December 31, 2001; and

**WHEREAS**, Given the two-to-three-year lead time required for bringing facilities on-line, the expiration of the production tax credit is currently slowing the implementation of hundreds of megawatts worth of future projects; and

**WHEREAS**, All renewable technologies could benefit from a production tax credit, just as wind has done; now therefore be it

**RESOLVED**, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 2002 Winter Meetings in Washington, D.C., acknowledges the value of a production tax credit to the continued development and commercialization of renewable technologies; and be it further

**RESOLVED**, That the NARUC urges the Congress to approve a five-year renewal of the 1.5 cent per kilowatt-hour (adjusted for inflation) production tax credit for electricity generated from new facilities brought on-line after December 31, 2001, using wind, solar, geothermal, and energy from waste facilities.

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Sponsored by the Committee on Energy Resources and the Environment

Adopted by the NARUC Board of Directors February 13, 2002