

Resolution Requesting an Extension of the Federal Investment Tax Credit for Solar Energy Systems

WHEREAS, America should diversify its energy portfolio to protect against rising energy prices, reduce energy price volatility, and lessen the environmental impact of electricity generation; *and*

WHEREAS, Solar energy accounts for less than 1/10th of 1% of all electricity produced in the U.S.; *and*

WHEREAS, The U.S. has the best solar resources of any developed country in the world and has more solar and fuel cell manufacturers and developers than any other country; *and*

WHEREAS, There is potential for increased reliance on solar generation in meeting our nation's energy needs, thus creating the potential for substantial additional employment in solar-related industries; *and*

WHEREAS, The success of California's Solar Initiative and New Jersey's Clean Energy Program, which have the potential to serve as models for the development of solar energy programs throughout the U.S., are dependent upon further extension of the existing investment tax credit applicable to solar facilities; *and*

WHEREAS, Solar energy has the potential to provide power at times of peak demand and can help in reducing our dependence on fossil fuels; *and*

WHEREAS, Solar energy is among the cleanest forms of energy available; *and*

WHEREAS, The tax credit created under the Energy Policy Act of 2005 – which established a new investment tax credit (ITC) for solar energy systems – is working and has helped stimulate growth in the market for solar generation; *and*

WHEREAS, The limited size and duration of the existing tax credit has restricted manufacturing investment in solar-related facilities, which is needed to drive down the cost of solar generation; *and*

WHEREAS, Needed expansion of solar power would be furthered by removing existing uncertainties resulting from the limited duration and amount of the existing tax credit; *now, therefore, be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened in its 2008 Winter Meetings in Washington, D.C., urges Congress to extend the federal solar production investment tax credit for a minimum of eight additional years; expand the credit for photovoltaic investments to \$1,500 per ½ kilowatt; remove the \$2,000 cap on residential solar systems, the existing exclusion for utility investments in solar facilities, and other provisions that limit efforts to expand the use of solar energy in the U.S., and provide comparable financial incentives for entities that are not able to take advantage of the federal investment tax credit for entities.

Sponsored by the Committee on Electricity

Adopted by NARUC Board of Directors February 20, 2008