



solar electric power association

PRESS STATEMENT

Immediate Release:
July 9, 2009

Contact: Josephine Mooney
(202) 559-2024
jmooney@solarelectricpower.org

Cash Grant Program to Facilitate Utility Integration of Solar Electric Power

U.S. Department of the Treasury Releases Guidance on Renewable Energy Grants

The Solar Electric Power Association (SEPA) is pleased to recognize the U.S. Department of the Treasury's release of guidance documents for the federal cash grant program for solar electric projects. The program is expected to further strengthen U.S. electric utilities' ability to integrate solar electricity into the power grid in the near-term. These cash grants can be utilized in lieu of federal tax credits, which have become more difficult to monetize under current economic and market conditions. The Program Guidance, Terms and Conditions, and Sample Application documents will provide solar project developers, including electric utilities, with much needed guidance as they move forward in this uncertain business environment.

"In October 2008, the federal solar investment tax credit was extended to electric utilities - an important step in moving the electric utility industry towards a cleaner future," stated Julia Hamm, SEPA's Executive Director. "The tax credits boosted utility interest in solar power, and the addition of the federal cash grant program will further assist electric utilities as they strive to meet their renewable portfolio standards and future power generation needs."

Thousands of megawatts of solar electric projects have been announced in the last year, many of which are on hold until they can utilize the cash grant program. Electric utilities are eligible to participate in the program directly for utility-owned projects, but are also working with project developers to purchase the solar electric output from third party-owned systems. "Utilities across the country are developing portfolios of distributed and centralized solar projects," said Hamm. "The solar-utility nexus will continue to gain momentum in the coming months and years, especially as technology prices rapidly decline. The cash grant program will provide a short-term measure to prevent many of these projects from dying on the vine just as utility interest is gaining strength."

More information on the U.S. Treasury cash grant program, including the Guidance documents, can be found online at the Treasury website: <http://www.treas.gov/recovery/1603.shtml>.

About the Solar Electric Power Association: SEPA is comprised of over 560 utilities and solar industry members. From national events to one-on-one counseling, SEPA is the go-to resource for unbiased and actionable solar intelligence. Breaking down information overload into business reality, SEPA takes the time and risk out of implementing solar business plans and helps turn new technologies into new opportunities. www.solarelectricpower.org

end