

Overview and Status Update of the §1603 Program

October 15, 2014

This document provides a brief overview and status update of the §1603 *American Recovery and Reinvestment Tax Act* (ARRTA) program.

The §1603 program offers renewable energy project developers cash payments in lieu of investment tax credits (ITC).¹ The value of an award is equivalent to 30% of the project's total eligible cost basis in most cases.

Qualifying technologies include:

- biomass
- combined heat and power
- fuel cells
- geothermal
- incremental hydropower
- landfill gas
- marine hydrokinetic
- microturbine
- municipal solid waste
- solar
- wind

As of October 15, 2014

- total number of projects funded = **98,816**
- total §1603 funding = **\$23.0 Billion**
- total estimated private, regional, state, and federal investment in §1603 projects = **\$81 Billion**
- total installed capacity of funded projects = **31.1 GW**
- total estimated annual electricity generation from funded projects = **83.4 TWh**

Impact

- 83.4 TWh is the equivalent of the following:
 - Roughly 7,700,000 homes.²
 - The state of Colorado used 52.5 TWh in 2012³

¹ An additional provision of ARRA allows project developers who are eligible for the production tax credit (PTC) to instead elect to receive the ITC or an equivalent cash grant.

² US Energy Information Administration. "Average monthly residential electricity consumption, prices, and bills by state". In 2012, average residential consumption was 10,837 kWh per year. <http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3>. 5/12/2014.

³ US Energy Information Administration. "Colorado Electricity Profile 2012". <http://www.eia.gov/electricity/state/colorado/>. 5/12/2014.

Figure 1: Number of Projects by Type

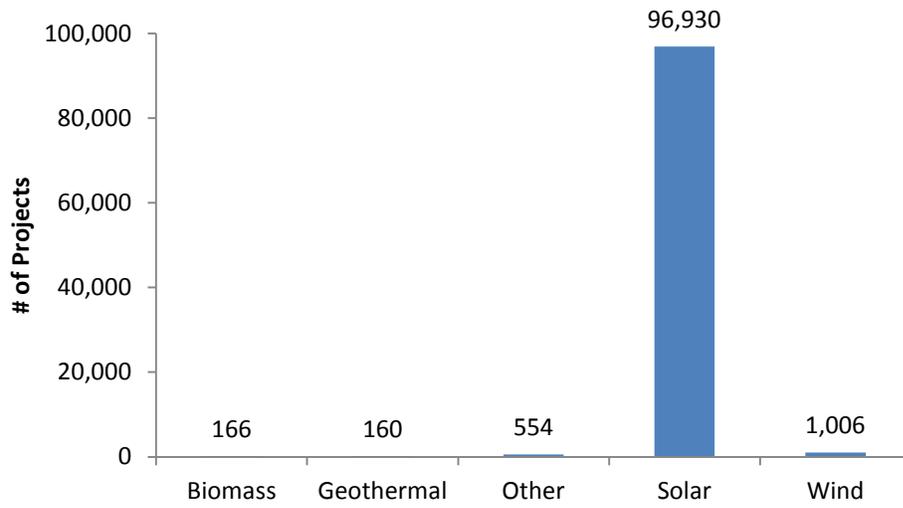


Figure 2: Awards by Project Type

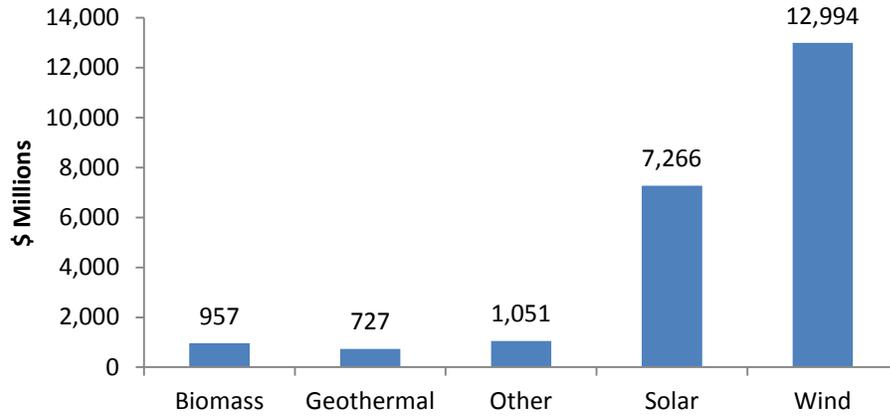


Figure 3: Generation Capacity by Project Type⁴

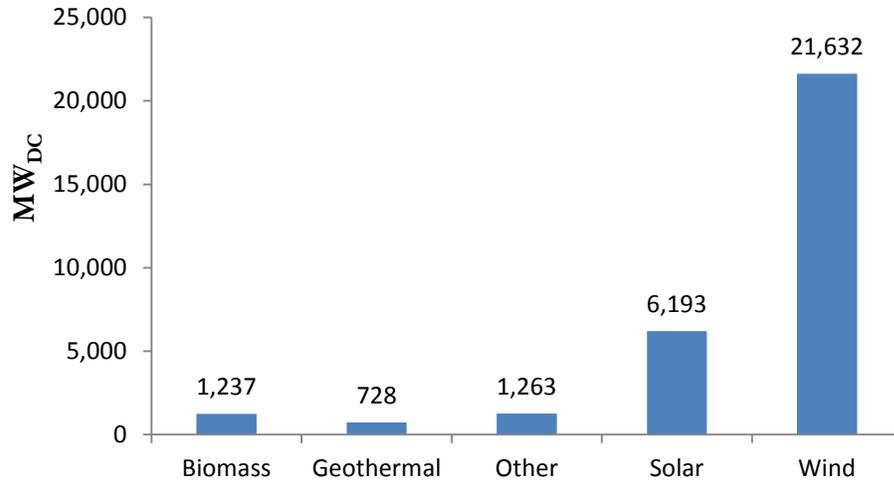
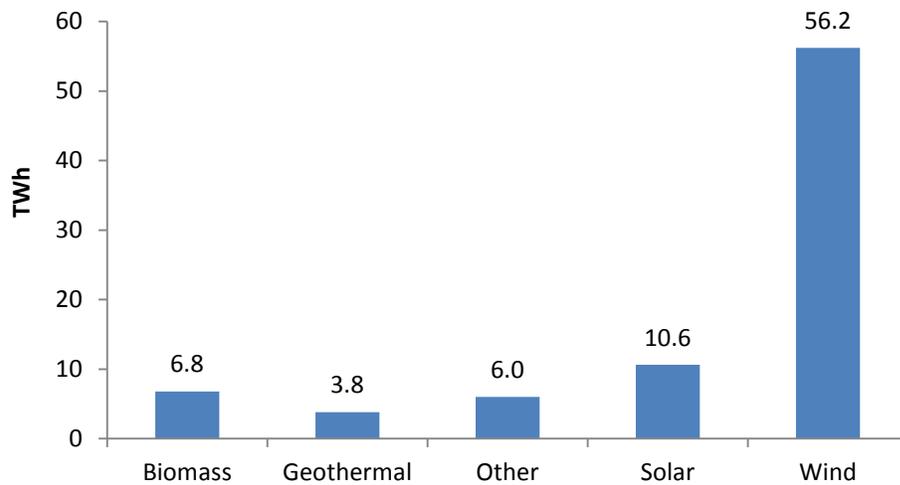


Figure 4: Estimated Generation by Project Type



⁴ Previous reports have included total hydroelectric capacity under the “Other” category. This figure has been updated to only include incremental hydroelectric capacity additions and turbine replacements.

Table 2: Summary of the Section 1603 Program by State

State	Sum of Total Funding [\$ Millions]	# of Projects	Installed Capacity [MW]
Alabama	2.4	24	5.31
Alaska	24.6	9	25.59
Arizona	1,369.8	12,362	1,298.27
Arkansas	0.3	12	0.13
California	4,903.1	46,129	5,889.53
Colorado	537.7	6,705	657.04
Connecticut	132.6	1,377	92.26
Delaware	102.2	135	47.68
District of Columbia	3.5	134	1.27
Florida	381.1	1,386	211.28
Georgia	195.5	177	243.76
Hawaii	244.1	2,925	212.48
Idaho	498.5	80	899.66
Illinois	1,262.4	122	2,092.34
Indiana	372.9	55	637.61
Iowa	571.8	172	997.77
Kansas	109.8	44	212.00
Kentucky	2.8	27	2.51
Louisiana	30.4	3,283	33.08
Maine	328.7	67	457.36
Maryland	145.9	1,555	230.96
Massachusetts	341.2	3,329	299.13
Michigan	301.4	204	506.42
Minnesota	437.8	273	676.70
Mississippi	0.6	19	0.64
Missouri	245.8	566	350.04
Montana	150.4	29	190.67
Nebraska	134.2	23	183.85
Nevada	644.5	341	745.53
New Hampshire	97.6	45	186.70
New Jersey	976.8	8,699	716.43
New Mexico	228.1	127	325.20
New York	719.3	2,007	1,045.01
North Carolina	323.5	312	328.89
North Dakota	263.2	18	483.55
Ohio	328.3	353	518.49
Oklahoma	407.0	49	684.47
Oregon	1,058.3	1,885	1,781.94
Pennsylvania	760.5	1,169	1,003.42
Puerto Rico	104.5	49	142.36
Rhode Island	40.4	43	38.51
South Carolina	23.3	71	59.44
South Dakota	257.2	14	469.83
Tennessee	54.7	330	62.04
Texas	2,001.2	734	3,405.67
Utah	247.8	469	338.11
Vermont	79.2	359	81.05
Virgin Islands	1.9	20	0.95
Virginia	95.3	90	139.96
Washington	975.7	160	1,469.67
West Virginia	203.1	6	256.13
Wisconsin	161.4	240	114.79
Wyoming	110.8	3	200.02
Total	22,995.1	98,816	31,053.50