

# Final Overview of the §1603 Program

March 1, 2018

**This document provides a final summary of the §1603 American Recovery and Reinvestment Tax Act (ARRTA) program. The program began accepting applications on July 31, 2009.**

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

Qualifying technologies included:

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

## Program Results

- total number of projects funded = **109,766**
- total §1603 funding = **\$26.2 Billion**
- total estimated private, regional, state, and federal investment in §1603 projects = **\$94.3 Billion**
- total installed capacity of funded projects = **34.6 GW**
- total estimated annual electricity generation from funded projects = **91.5 TWh**

## Impact

- 91.5 TWh is the equivalent of the following:
  - Roughly 8,500,000 homes.<sup>2</sup>
  - 2.3% of the total net generation of the United States in 2017.<sup>3</sup>
  - The state of Colorado used 54.32 TWh in 2017.<sup>3</sup>

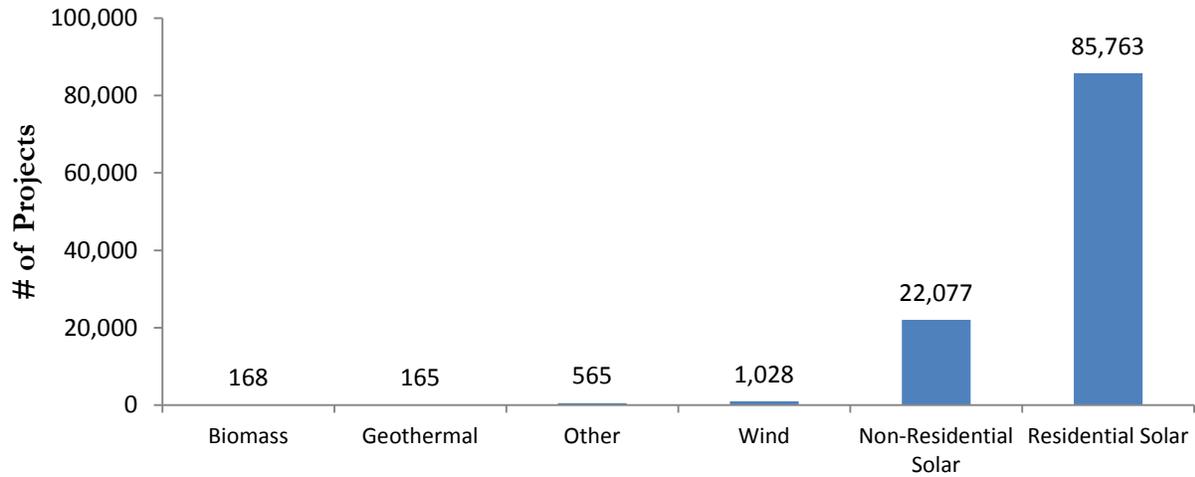
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<sup>1</sup> An additional provision of ARRA allows project developers who are eligible for the production tax credit (PTC) to instead elect to receive the ITC or an equivalent cash grant.

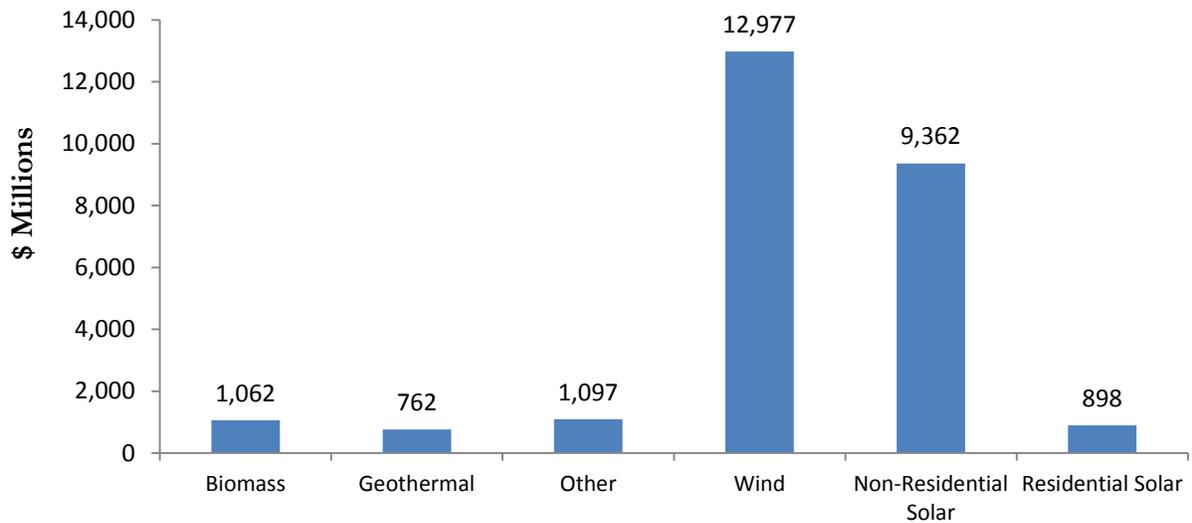
<sup>2</sup> US Energy Information Administration. "Average monthly residential electricity consumption, prices, and bills by state". In 2016, average residential consumption was 10,766 kWh per year. <http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3>. 11/07/2017.

<sup>3</sup> US Energy Information Administration. "Electricity Data Browsers". <https://www.eia.gov/electricity/data/browser/> Accessed 3/1/2018.

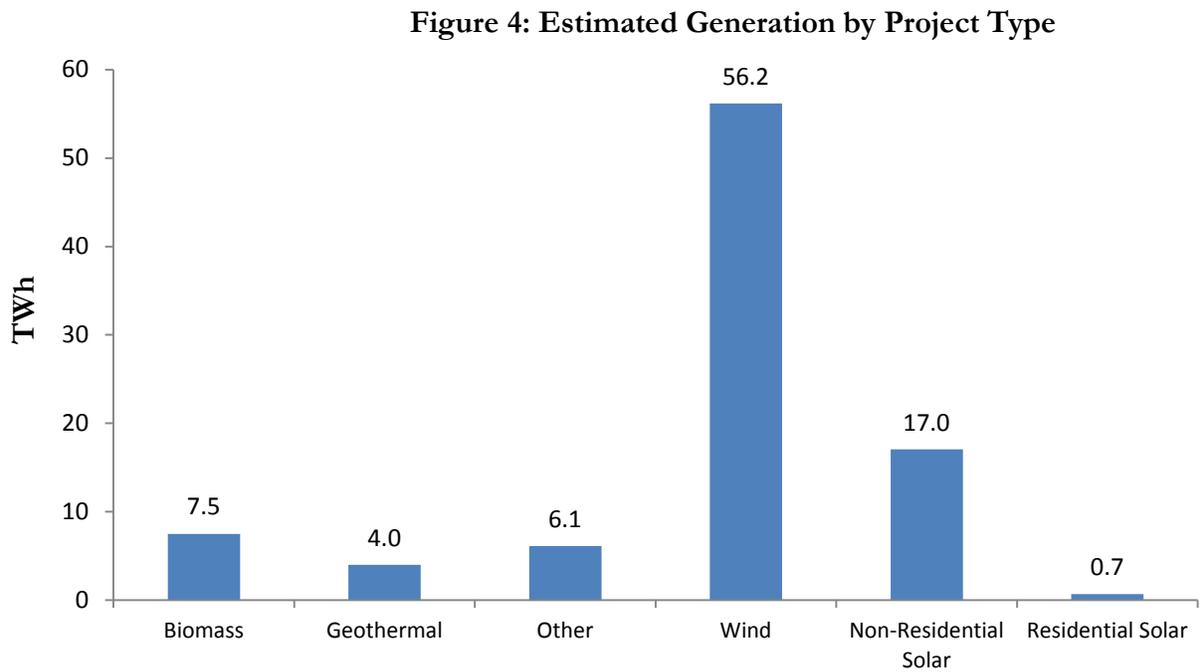
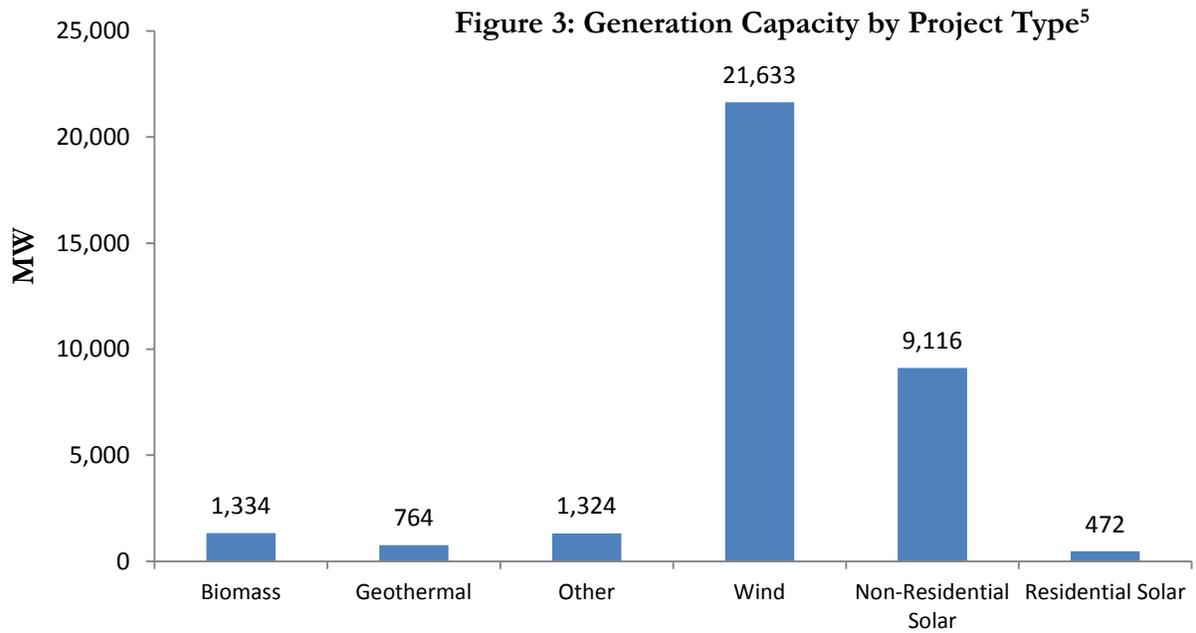
**Figure 1: Number of Projects by Type<sup>4</sup>**



**Figure 2: Awards by Project Type**



<sup>4</sup> Residential Solar comprises projects under 10kW. Residential Solar projects must be owned by an eligible applicant and used in a trade or business or for the production of income.



<sup>5</sup> 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 1: Summary of the Section 1603 Program by State

State	Sum of Total Funding [\$ Millions]	# of Projects	Installed Capacity [MW]
Alabama	2.5	26	5.41
Alaska	25.9	9	25.59
Arizona	1,444.6	12,723	1,323.46
Arkansas	0.3	12	0.13
California	7,045.6	49,346	8,377.72
Colorado	545.3	6,743	668.46
Connecticut	141.4	1,687	103.94
Delaware	102.2	135	47.68
District of Columbia	3.5	134	1.27
Florida	381.4	1,466	211.38
Georgia	197.5	178	248.19
Guam	26.7	227	38.43
Hawaii	268.7	3,040	231.47
Idaho	498.5	80	899.66
Illinois	1,260.2	122	2,092.34
Indiana	372.9	55	637.61
Iowa	569.9	172	997.77
Kansas	109.8	44	212.00
Kentucky	2.8	28	2.51
Louisiana	31.3	3,691	33.90
Maine	327.4	67	457.36
Maryland	146.0	1,556	231.03
Massachusetts	422.4	6,396	405.10
Michigan	302.3	207	506.63
Minnesota	439.7	293	677.32
Mississippi	0.6	19	0.64
Missouri	256.4	649	352.27
Montana	150.4	29	190.67
Nebraska	134.2	23	183.85
Nevada	1,069.8	353	1,202.40
New Hampshire	175.3	46	261.70
New Jersey	1,063.4	9,805	822.09
New Mexico	230.8	128	327.74
New York	751.0	3,708	1,063.45
North Carolina	328.9	314	338.09
North Dakota	263.2	18	483.55
Ohio	331.7	370	526.26
Oklahoma	405.0	49	684.47
Oregon	1,057.9	1,897	1,782.61
Pennsylvania	771.2	1,172	1,009.09
Puerto Rico	182.8	68	264.44
Rhode Island	45.9	47	43.50
South Carolina	44.7	72	80.74
South Dakota	257.0	14	469.83
Tennessee	55.4	332	63.24
Texas	1,993.1	743	3,406.56
Utah	279.0	470	368.91
Vermont	84.6	463	87.62
Virgin Islands	9.5	39	11.01
Virginia	95.3	90	139.96
Washington	975.4	160	1,469.67
West Virginia	203.1	7	256.13
Wisconsin	161.8	241	115.31
Wyoming	110.8	3	200.02
<b>Total</b>	<b>26,157.4</b>	<b>109,766</b>	<b>34,642.19</b>