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FOR IMMEDIATE RELEASE  
December 1, 2011

## **Coalition of Over 750 Companies, Small Businesses and Organizations Urge Congress to Extend Successful 1603 Treasury Program**

*Extension would create tens of thousands of American jobs across all 50 states*

WASHINGTON— Today, a coalition of more than 750 companies, small businesses and organizations will send a letter to Congress calling for a one-year extension of the Department of Treasury's Section 1603 Program. The signatories on the letter represent hundreds of thousands of jobs in all 50 states across a dozen energy technology industries and related sectors including electrical contractors, roofers and engineers.

The program was originally enacted to address the shortage of available tax equity as a result of the 2008 financial crisis. The tax equity market modestly improved in 2010, but still has not recovered to pre-recession activity while demand from clean energy projects has grown dramatically. A July 2011 survey of the major tax equity investors by the U.S. Partnership for Renewable Energy Finance estimates expiration of the program would shrink the total financing available for energy projects by 52 percent in 2012. This would stifle job creation and severely restrict the market's ability to leverage private sector capital to finance new domestic energy projects.

Since its enactment, the program has leveraged nearly \$23 billion in private sector investment to support over 22,000 projects utilizing a wide range of energy technologies in all 50 states. This has resulted in tens of thousands of new American jobs. The 1603 Treasury Program is an efficient financing mechanism that allows taxpayers and small businesses to maximize the return and value of existing energy tax incentives and the program is technology neutral so it encourages the development of a wide variety of domestic energy technologies.

"The 1603 program was the single biggest driver of renewable energy deployment over the last two years, leveraging nearly \$23 billion of private sector funding," said Rhone Resch, President and CEO of the Solar Energy Industries Association (SEIA). "Allowing it to expire at the end of the year, while tax equity markets remain limited, would have a severe impact on the few industries actually creating new American jobs in this economy."

"The wind energy industry in Iowa currently employs over 3,000 full-time workers," said Harold D. Prior, Ph.D., Executive Director of the Iowa Wind Energy Association. "An extension of the 1603 Treasury Program will mean even more jobs, new projects, increased investment in our communities, and expanded opportunities for economic growth."

“The 1603 program has helped new biogas businesses based on farms and in urban areas make private investments in biogas production that otherwise would not have been made,” said Patrick Serfass, Executive Director of the American Biogas Council. “Because these new businesses often do not yet have adequate access to tax liability to benefit from the underlying credits, an extension of the 1603 program is vitally important to the approximately 300 biogas projects under development across the country.”

“The Section 1603 program is crucial for the continued growth of all clean and renewable energy manufacturing, including fuel cells and hydrogen energy,” said Morry Markowitz, President of the Fuel Cell and Hydrogen Energy Association (FCHEA). “America is the world leader in fuel cells and hydrogen energy, and the 1603 program will help keep us there - creating high-tech, high-skill manufacturing jobs here in the U.S., while allowing us to produce products for export around the world.”

“For the CHP industry, an extension of the 1603 program means more energy, more investment and more jobs,” said Jessica Bridges, Executive Director of the U.S. Clean Heat and Power Association (USCHPA).

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#### **Background Resources:**

Full Text of Coalition Letter with all Signatories: <http://tinyurl.com/dy9gxjm>

Background on Need for 1603 Program: <http://tinyurl.com/brg45b6>

Department of Treasury List of 1603 Awards: <http://tinyurl.com/cwjufs8>

Department of Treasury Status Overview of 1603: <http://tinyurl.com/c5fcwoc>

#### **About the 1603 Coalition**

The signatories of the 1603 Coalition letter are trade associations and businesses spanning a dozen clean energy technologies\* that are currently building energy projects and creating high-quality American jobs in all 50 states with support from the successful 1603 Treasury Program. The letter includes over 700 individual companies active in manufacturing, project development, construction, and installation. From small businesses to some of the largest energy infrastructure firms in the world, they speak with one voice to call on Congress to extend the program before it expires on December 31. In addition to companies, the letter boasts over 20 trade groups and associations and represents the broader energy value chain, such as electrical contractors, roofers, and engineers. For more information on the 1603 Coalition, please visit [www.seia.org/1603coalition](http://www.seia.org/1603coalition).

*\* The following are eligible technologies for the 1603 Treasury Program: Biomass; Combined Heat & Power; Fuel Cells; Geothermal; Geothermal Heat Pump; Landfill Gas; Marine & Hydrokinetic; Microturbines; Solar; Waste to Energy; Large Wind; Small Wind*

#### **About the American Biogas Council**

The non-profit American Biogas Council represents over 140 companies dedicated to maximizing the production and use of biogas from organic waste. Members include anaerobic digester designers, multi-national engine manufacturers, farmers, waste management companies, municipalities, natural gas providers, engineering and law firms, non profits and

universities and other organizations covering the entire biogas supply chain. [www.americanbiogascouncil.org](http://www.americanbiogascouncil.org) ( <http://www.americanbiogascouncil.org/> ).

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