

## WHAT IS A FEED-IN TARIFF (FIT) FOR RENEWABLE ENERGY?

**FITs** are payments for energy generated from renewable sources and fed into the grid.

**FIT Laws** permit the interconnection of renewable sources of electricity to the electric-utility network, and specify how much the customer-generator is paid for their electricity and over how long a period.

FITs have led to major increases in renewable energy production around the world. More than 63 countries have established FIT laws. Ontario, Canada launched the first comprehensive FIT program in North America in 2009, designed to replace the energy from coal plants that it will close in 2014. By 2015 the Ontario FIT is projected to create 72,000 jobs and generate 3,000 megawatts of electricity from solar PV.

In 2009 Oregon became one of the first states to experiment with the FIT concept when it enacted a Solar Pilot Program to test the effectiveness of paying customers of privately owned utilities to produce 25MW of electricity from solar PV by 2015. The pilot's effect on Oregon's solar industry will also be measured.

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*FITs are responsible for approximately 75% of global PV and 45% of global wind deployment.*

*Countries such as Germany, in particular, have demonstrated that FITs can be used as a powerful policy tool to drive RE deployment and help meet combined energy security and emissions reductions objectives.*

National Renewable Energy Laboratory:  
*A Policymaker's Guide to Feed-in Tariff Policy Design*



### WHAT YOU CAN DO:

Please contact OREP at [www.OregonRenewables.com](http://www.OregonRenewables.com) if you:

- ☀ see opportunities to improve access to the Solar Pilot Program
- ☀ would like a speaker on FITs for your group
- ☀ want to join our email list to learn more about FITs or volunteer with OREP
- ☀ can support OREP's work with a donation

We encourage you to contact your legislators and write letters to the editor about the need for innovative policies like Feed-In Tariffs to help break our dependence on fossil fuels.

### RESOURCES

To learn more about Feed-In Tariffs worldwide and in the U.S. visit:

Oregonians for Renewable Energy Policy  
[www.OregonRenewables.com](http://www.OregonRenewables.com)

World Future Council  
[www.futurepolicy.org/renewableenergy.html](http://www.futurepolicy.org/renewableenergy.html)

Wind-Works  
[www.wind-works.org/FeedLaws](http://www.wind-works.org/FeedLaws)



OREP is a sponsored project of the Alliance for Democracy

## DEMOCRATIZING THE GRID A SUSTAINABLE ENERGY FUTURE FOR OREGON

Renewable energy Feed-in Tariffs (FIT):

- Encourage clean energy investment
- Build energy security
- Create local family-wage jobs
- Reduce healthcare costs through improved air and water quality
- Mitigate climate change
- Foster a sustainable economy



## PLANNING FOR OREGON'S ECONOMIC & ENERGY FUTURE

As we plan Oregon's economic revival and low-carbon energy future, we need to consider the benefits of generating electricity from renewable sources in our cities and towns. Distributed generation takes advantage of existing urban infrastructure like homes, businesses, government buildings, schools, and houses of worship.

Community-based renewable power, generated close to the end-user, reduces energy losses from transmission and avoids the cost and environmental impacts of new long-distance transmission lines. Small-scale projects financed with local capital create jobs in communities of all income levels which distributes the economic benefits widely.

**Feed-In Tariff laws promote community-based generation by encouraging electricity customers to produce and sell renewable energy to their utility.** Unlike renewable energy tax credits or grants, cost-effective FITs pay only for electricity actually generated.

We have a choice about how and where our energy dollars are invested in a rapidly changing energy economy. We can continue to send our energy dollars in a single direction, away from our communities as with fossil fuels. Or we can recirculate our energy dollars locally with renewables and invest in our communities, our families and our future.

## INTRODUCING OREGONIANS FOR RENEWABLE ENERGY POLICY (OREP)

OREP, a project of the Alliance for Democracy, has worked since December 2008 to enact and build public support for an economically just Oregon FIT Law that:

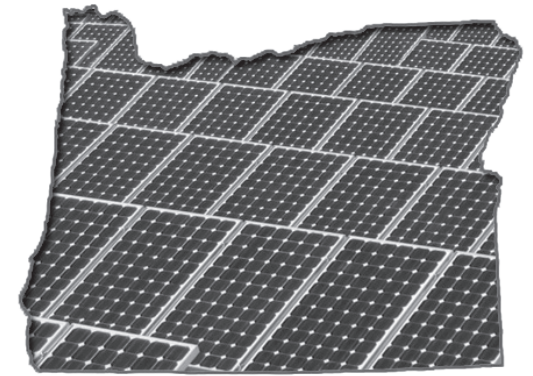
- ☀ stimulates local generation of renewable energy;
- ☀ fosters a stable and flourishing solar industry with living wage jobs; and
- ☀ spreads the costs and benefits of the transition from fossil fuels equitably across all ratepayers.

OREP helped shape and write the rules for the nation's first solar energy statute dedicating capacity to small-scale systems in 2009-2010.

Oregon's Solar Pilot Program that launched in July 2010 has been well-received, but it needs improvement to achieve its true economic and environmental potential.

OREP works actively to improve opportunities for farmers, small business owners, homeowners, and non-profit organizations to participate in the Solar Pilot Program.

OREP develops partnerships with other organizations to build a more robust Oregon FIT law that brings more community-based renewable energy to Oregon's towns and cities.



## HOW DO OREGONIANS BENEFIT FROM FIT POLICY?

- ☀ Cheapest and fastest way to deploy renewables
- ☀ Revitalize the Oregon economy by recirculating energy dollars locally
- ☀ Living wage jobs for urban and rural Oregon
- ☀ Protection against inevitable future electric rate increases from fossil fuels
- ☀ Clean energy resources to replace Oregon's coal-fired plant at Boardman
- ☀ Equitable distribution of costs and benefits of renewable energy deployment
- ☀ Reduce burden on state tax revenue by reducing reliance on tax subsidies for renewable energy deployment

