

## Community Reinvestment Act: Interagency Questions and Answers Regarding Community Reinvestment

Date: October 22, 2014

To: OCC, Docket ID OCC-2014-0021; Board, Docket No. OP-1497; Robert E. Feldman, Executive Secretary, Attention: Comments, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington DC 20429

From: Jennifer Jenkins, Executive Director, Distributed Wind Energy Association

Via email: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov), [regs.comments@occ.treas.gov](mailto:regs.comments@occ.treas.gov)

### Background

The Distributed Wind Energy Association (herein “DWEA”) is a national trade association representing the full value chain for distributed wind power. Our members are predominantly small businesses located in over twenty states. Distributed wind power is often “behind the meter,” and not for sale to a 3<sup>rd</sup> party. Our members place turbines at farms, homes, factories, schools, hospitals, even on Federally protected lands. These turbines have been installed in every single state across the U.S.

DWEA is working to expand access to this carbon free renewable energy source of power, across the U.S. and abroad. **Notably about 90% of all turbines sold in the U.S. are made right here in America.** That is the highest percentage of domestic manufacturing content of any renewable energy technology.

### Introduction

DWEA is very pleased to submit comments in support of further renewable energy investment and authorities, especially distributed wind power, through Federal lending institutions.

While we greatly appreciate the attention being paid to renewables in this request for comment United States regulated financial institutions have been slow to adopt wind power and other renewable energy in their lending practices. Regulated financial institution guidelines do not expressly list wind and other technologies among pre-approved investment authorities. This problem persists even though the Administration and federal regulators clearly support such investments and project lending.

Currently the absence of clearly worded regulations that provide affirmative support for renewable electricity causes otherwise eligible financial institutions to forgo investment in, or loans to, deserving renewable energy projects. This situation should be reversed, allowing the power of Federal lending institutions to help usher in a new era of clean, job creating, climate friendly renewable energy. This is vitally important, especially in light of the lack of consistent support provided in other areas.

### Recommendations

We agree with the generally favorable language in the Notice. In particular we support the agencies’ recognition of renewable energy on page 31 as eligible for community development loans.

DWEA also strongly supports renewable energy and in particular that distributed wind power be considered and included in Community Reinvestment Act (CRA) regulations. All communities, rural, urban, high and low-income, deserve to have access to clean, renewable wind power. Nearly every community in America has had access to fossil fuels to heat or cool their homes, and businesses for decades. We have the

technology, and innovative financing tools to deploy distributed energy projects in tens of thousands of communities across the country. It is important that access to “energy choice,” clean air and a healthy environment are made available to moderate and low-income communities and individuals. Countless citizens’ groups in these areas across the country support clean, renewable energy to help build healthier vibrant communities.

DWEA strongly supports language to provide explicit authority to federal financial lending institutions for renewable energy deployment. DWEA proposes adding wind and other renewable energy project investment and lending to Federal regulations 12 CFR 24.6 and 12 CFR 25.12.

#### Proposed Amendment to 12 CFR 24.6

(d) Other public welfare investments, including:

(1) Investments that provide credit counseling, job training, community development research, and similar technical assistance services for non-profit community development organizations, low- and moderate-income individuals or areas or targeted redevelopment areas, or small businesses located in low- and moderate-income areas or that produce or retain permanent jobs, the majority of which are held by low- and moderate-income individuals;

(2) Investments of a type approved by the Federal Reserve Board under 12 CFR 208.22 for state member banks that are consistent with the requirements of § 24.3; ~~and~~

(3) Investment in, or lending to, wind or other renewable energy generation facilities eligible for the tax credit under either Internal Revenue Code Section 45, 48 or 25 as if such provisions remained in effect at the date of such investment or lending, and including the investment in, or lending with respect to, the land or interests in such land that is essential to the function of generating energy at such facility; and

~~(3)~~(4) Investments of a type previously determined by the OCC to be permissible under this part.

#### Proposed Amendment to 12 CFR 25.12(g)

Subsection (g) of 25.12 is amended by adding at the end the following new paragraph:

(6) Investment in, or lending to, wind or other renewable energy generation facilities eligible for the tax credit under either Internal Revenue Code Section 45, 48 or 25 as if such provisions remained in effect at the date of such investment or lending, and including the investment in, or lending with respect to, the land or interests in such land that is essential to the function of generating energy at such facility.

Thank you for your consideration.

Sincerely,

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