

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220
ASSISTANT SECRETARY

December 23, 2009

The Honorable Ike Skelton
U.S. House of Representatives
514 Northwest State Route 7
Blue Springs, MO 64014-2733

Dear Representative Skelton:

Thank you for your recent letter regarding the interest of Cass County, Missouri, in obtaining an allocation of bond financing authority to issue Clean Renewable Energy Bonds ("CREBs") under the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") and section 54C of the Internal Revenue Code. In general, the Recovery Act provides \$2.4 billion in bond-issuing bond authority for the CREBs program to enable State and local governments and cooperative electric companies to issue tax credit bonds at lower borrowing costs to finance eligible clean renewable energy projects.

The statute delegates to the U.S. Treasury Department the responsibility for allocating this bond authority among eligible projects within statutory parameters. In IRS Notice 2009-33, 2009-17 I.R.B. 865 (April 27, 2009), the Treasury Department solicited applications for CREBs projects and set a deadline of August 4, 2009, for these project applications. On October 15, 2009, the Treasury Department announced the bond allocation awards for \$2.2 billion of the CREBs bond authority to over 800 projects.

Only a \$200 million portion of CREBs authority remains unallocated and that portion is reserved by law for use by cooperative electric companies. As a result, unfortunately, no CREBs authority remains available under the existing bond authorization for potential use by your constituent Cass County, Missouri.

Thank you for your interest in this important program.

Sincerely,

Kim N. Wallace
Assistant Secretary for Legislative Affairs