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## DEPARTMENT OF ENERGY

### 10 CFR Part 451

[EERE-2025-OT-0037]

RIN 1904-AF76

### Renewable Energy Production Incentives

**AGENCY:** Office of Critical Minerals and Energy Innovation, Department of Energy.

**ACTION:** Final rule.

**SUMMARY:** In 1992, Congress directed to be established a program to encourage production of electric energy from facilities owned by a State, a political subdivision of a State, or a non-profit electric cooperative using certain renewable energy resources. In response, the U.S. Department of Energy (DOE or the Department) implemented the Renewable Energy Production Incentive (REPI) program following the statute's requirements through a final rule in 1995. Incentive payments to eligible recipients were subject to the availability of appropriated funds; funds were last appropriated for this program in Fiscal Year 2009. This final rule is necessary to align the regulations with the underlying statute, which includes a payment sunset date at the end of Fiscal Year 2026. Specifically, the statute provides that no payment (incentive) may be made after September 30, 2026.

**DATES:** This rule is effective on October 1, 2026.

**FOR FURTHER INFORMATION CONTACT:** Ms. Audrey Robertson, U.S. Department of Energy, Office of Critical Minerals and Energy Innovation, 1000 Independence Avenue, SW, Washington, DC 20585; *EE.Communications@ee.doe.gov*; 202-586-5000.

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## **I. General Discussion**

On May 16, 2025, DOE published a notice of proposed rulemaking (May 2025 NPRM) to rescind the REPI program regulations at 10 CFR part 451 in preparation for the approaching sunset of the REPI program. 90 FR 20939. As described in the May 2025 NPRM, the REPI program was authorized through section 1212 of the Energy Policy Act of 1992 to encourage production of electric energy from facilities owned by a State, a political subdivision of a State, or a non-profit electric cooperative using certain renewable energy resources and implemented through the procedures set in part 451. The May 2025 NPRM invited comments and sought to provide stakeholders with advanced notice of the Department's intent to rescind 10 CFR part 451 at the close of fiscal year 2026. This final rule aligns with the statute's underlying sunset provision, which once passed would render the regulations obsolete. 90 FR 20939, 20940.

## **II. Responses to Comments**

DOE received two comments in response to the May 2025 NPRM.

**Table II.1 List of Commenters from the May 2025 NPRM**

<b>Commenter</b>	<b>Reference in this Final Rule</b>	<b>Comment No. in the Docket</b>	<b>Commenter Type</b>
Redge Johnson on behalf of the State of Utah, Public Lands Policy Coordinating Office	State of Utah	02	State Government
Shannon Smith	Smith	03	Individual

One individual commenter opposes ending renewable energy production incentives, arguing that renewable energy reduces household energy costs and improves air quality.<sup>1</sup> The State of Utah Public Lands Policy Coordinating Office recommends DOE retain the REPI program in the instance that Congress extends the program beyond FY 2026 and appropriates funds, noting that the State of Utah’s State Energy Plan establishes an “any of the above” energy plan that may be supported by incentives.<sup>2</sup> As a general response to the comments received, DOE notes that Congress has not appropriated funding for the REPI program in over 15 years. Further, the President’s Budget Request for Fiscal Year 2026 does not include funding for the REPI program. While commenters identify benefits of this program, DOE finds that the regulations for the REPI program are no longer necessary for supporting renewable energy, given that other federal and state incentives may be available, including tax credits, loan guarantees, and other grants. In addition, weatherization, bill payment, and home energy efficiency assistance are offered by many states and utilities, which may lower household energy costs and improve indoor air quality. Additionally, if Congress were to extend the REPI program beyond FY 2026 as the State of Utah suggests, DOE would have time to respond as needed because DOE’s actions through this final rule do not take effect until October 1, 2026.

### **III. Conclusion**

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<sup>1</sup> Smith, No. 03.

<sup>2</sup> State of Utah, No. 02.

For the reasons discussed in the preceding sections of this document, DOE is finalizing this rule, as originally proposed, to rescind the regulations for the Renewable Energy Production Incentive Program after September 30, 2026. This final rule removes an inactive and obsolete regulatory program.

#### **IV. Procedural Issues and Regulatory Review**

##### *A. Review Under Executive Order 12866*

Section 6(a) of Executive Order (“E.O.”) 12866, “Regulatory Planning and Review,” requires agencies to submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (“OIRA”) in the Office of Management and Budget for review. OIRA has determined that this regulatory action does not constitute a “significant regulatory action” under section 3(f) of E.O. 12866. Accordingly, this action was not submitted to OIRA for review under E.O. 12866.

##### *B. Review Under Additional Executive Orders and Presidential Memoranda*

DOE has examined this final rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154 “Unleashing American Energy,” E.O. 14192, “Unleashing Prosperity Through Deregulation,” and Presidential Memorandum, “Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis.” While this final rule does not result in cost savings, DOE considers this a deregulatory action for the purposes of E.O. 14192 because it reduces the burden on society by eliminating obsolete regulations as discussed in this preamble. As such, DOE considers this final rule as one of the 10 regulations identified for elimination as required by E.O. 14192.

##### *C. Review Under Regulatory Flexibility Act*

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis (“IRFA”) and a final regulatory flexibility analysis (“FRFA”) for any rule that by law must be proposed for public comment, unless the

agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. As required by E.O. 13272, “Proper Consideration of Small Entities in Agency Rulemaking,” 67 FR 53461 (Aug. 16, 2002), DOE published procedures and policies on February 19, 2003, to ensure that the potential impacts of its rules on small entities are properly considered during the rulemaking process. 68 FR 7990. DOE has made its procedures and policies available on the Office of the General Counsel's website ([www.energy.gov/gc/office-general-counsel](http://www.energy.gov/gc/office-general-counsel)).

DOE reviewed this final rule under the provisions of the Regulatory Flexibility Act and the policies and procedures published on February 19, 2003. DOE concludes that the impacts of the rule will not have a “significant economic impact on a substantial number of small entities,” and that the preparation of an FRFA is not warranted. DOE will transmit this certification and supporting statement of factual basis to the Chief Counsel for Advocacy of the Small Business Administration for review under 5 U.S.C. 605(b).

#### *D. Review Under Paperwork Reduction Act*

This final rule imposes no new information collection requirements subject to the Paperwork Reduction Act and OMB clearance is not required. (44 U.S.C. 3501 *et seq.*)

#### *E. Review Under National Environmental Policy Act of 1969*

Pursuant to the National Environmental Policy Act of 1969 (“NEPA”), DOE has analyzed this final withdrawal in accordance with NEPA, as amended, and DOE's NEPA implementing regulations (set forth in 10 CFR part 1021), and DOE’s NEPA implementing procedures (published outside the Code of Federal Regulations on June 30, 2025 (Available at: [www.energy.gov/nepa/articles/doe-nepa-implementing-procedures-june-2025](http://www.energy.gov/nepa/articles/doe-nepa-implementing-procedures-june-2025))). On July 3, 2025, DOE published an interim final rule in the *Federal Register* that revised 10 CFR part 1021 to contain only administrative and routine actions excepted from NEPA review in appendix A, its existing categorical exclusions in appendix B,

related requirements, and a provision for emergency circumstances. 90 FR 29676. DOE notes that appendix A in 10 CFR part 1021 (formerly categorical exclusions) are now administrative and routine actions that do not require NEPA review.

DOE has determined that rescinding the procedures set out in part 10 CFR part 451 in preparation for the approaching sunset of the REPI program is administrative and routine; as such, is not a major Federal action significantly affecting the quality of the human environment within the meaning of NEPA and no further environmental review is needed.

*F. Review Under Executive Order 13132*

Executive Order 13132, “Federalism,” 64 FR 43255 (August 10, 1999), imposes certain requirements on Federal agencies formulating and implementing policies or regulations that preempt State law or that have federalism implications. The E.O. requires agencies to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. The E.O. also requires agencies to have an accountable process to ensure meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications. On March 14, 2000, DOE published a statement of policy describing the intergovernmental consultation process it will follow in the development of such regulations. 65 FR 13735. DOE has examined this final rule and has determined that it would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, no further action is required by E.O. 13132.

*G. Review Under Executive Order 12988*

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of Executive Order 12988, “Civil Justice Reform,” 61 FR 4729

(February 7, 1996), imposes on Executive agencies the general duty to adhere to the following requirements: (1) eliminate drafting errors and ambiguity; (2) write regulations to minimize litigation; and (3) provide a clear legal standard for affected conduct rather than a general standard and promote simplification and burden reduction. With regard to the review required by section 3(a), section 3(b) of E.O. 12988 specifically requires that Executive agencies make every reasonable effort to ensure that the regulation: (1) clearly specifies the preemptive effect, if any; (2) clearly specifies any effect on existing Federal law or regulation; (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction; (4) specifies the retroactive effect, if any; (5) adequately defines key terms; and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General. Section 3(c) of E.O. 12988 requires Executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. DOE has completed the required review and determined that, to the extent permitted by law, this final rule meets the relevant standards of E.O. 12988.

#### *H. Review Under Unfunded Mandates Reform Act of 1995*

Title II of the Unfunded Mandates Reform Act of 1995 (“UMRA”) requires each Federal agency to assess the effects of Federal regulatory actions on State, local, and Tribal governments and the private sector. Public Law 104-4, sec. 201 (codified at 2 U.S.C. 1531). For a regulatory action likely to result in a rule that may cause the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector of \$100 million or more in any one year (adjusted annually for inflation), section 202 of UMRA requires a Federal agency to publish a written statement that estimates the resulting costs, benefits, and other effects on the national economy. (2 U.S.C. 1532(a), (b)) The UMRA also requires a Federal agency to develop an effective process to permit

timely input by elected officers of State, local, and Tribal governments on a “significant intergovernmental mandate,” and requires an agency plan for giving notice and opportunity for timely input to potentially affected small governments before establishing any requirements that might significantly or uniquely affect them. On March 18, 1997, DOE published a statement of policy on its process for intergovernmental consultation under UMRA. 62 FR 12820. DOE's policy statement is also available at [www.energy.gov/sites/prod/files/gcprod/documents/umra\\_97.pdf](http://www.energy.gov/sites/prod/files/gcprod/documents/umra_97.pdf).

DOE examined this final rule according to UMRA and its statement of policy and determined that the final rule does not contain a Federal intergovernmental mandate, nor is it expected to require expenditures of \$100 million or more in any one year by State, local, and Tribal governments, in the aggregate, or by the private sector. As a result, the analytical requirements of UMRA do not apply.

*I. Review Under Treasury and General Government Appropriations Act, 1999*

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105-277) requires Federal agencies to issue a Family Policymaking Assessment for any rule that may affect family well-being. This final rule would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, DOE has concluded that it is not necessary to prepare a Family Policymaking Assessment.

*J. Review Under Executive Order 12630*

Pursuant to E.O. 12630, “Governmental Actions and Interference with Constitutionally Protected Property Rights,” 53 FR 8859 (March 18, 1988), DOE has determined that this final rule would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

*K. Review Under Treasury and General Government Appropriations Act, 2001*

Section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516 note) provides for Federal agencies to review most disseminations of

information to the public under information quality guidelines established by each agency pursuant to general guidelines issued by OMB. OMB's guidelines were published at 67 FR 8452 (Feb. 22, 2002), and DOE's guidelines were published at 67 FR 62446 (Oct. 7, 2002). Pursuant to OMB Memorandum M-19-15, Improving Implementation of the Information Quality Act (April 24, 2019), DOE published updated guidelines which are available at: [www.energy.gov/cio/department-energy-information-quality-guidelines](http://www.energy.gov/cio/department-energy-information-quality-guidelines). DOE has reviewed this final rule under the OMB and DOE guidelines and has concluded that it is consistent with applicable policies in those guidelines.

*L. Review Under Executive Order 13211*

Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use," 66 FR 28355 (May 22, 2001), requires Federal agencies to prepare and submit to OIRA at OMB, a Statement of Energy Effects for any significant energy action. A "significant energy action" is defined as any action by an agency that promulgated or is expected to lead to promulgation of a final rule, and that: (1) is a significant regulatory action under E.O. 12866, or any successor order; and (2) is likely to have a significant adverse effect on the supply, distribution, or use of energy, or (3) is designated by the Administrator of OIRA as a significant energy action. For any significant energy action, the agency must give a detailed statement of any adverse effects on energy supply, distribution, or use should the proposal be implemented, and of reasonable alternatives to the action and their expected benefits on energy supply, distribution, and use.

This final rule is not a significant regulatory action under E.O. 12866. Moreover, it would not have a significant adverse effect on the supply, distribution, or use of energy, nor has it been designated as such by the Administrator at OIRA. Accordingly, DOE has not prepared a Statement of Energy Effects.

### *M. Congressional Notification*

As required by 5 U.S.C. 801, DOE will submit to Congress a report regarding the issuance of this final rule prior to the effective date set forth at the outset of this rule. The report will state that it has been determined that the rule is not a “major rule” as defined by 5 U.S.C. 801(2).

### **V. Approval of the Office of the Secretary**

The Secretary of Energy has approved publication of final rule.

### **List of Subjects in 10 CFR Part 451**

Building and facilities, Electric utilities, Energy conservation, Grant programs—energy, Income taxes, and Reporting and recordkeeping requirements.

### **Signing Authority**

This document of the Department of Energy was signed on May 14, 2026, by Audrey Robertson, Assistant Secretary of Energy (EERE), pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal

Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on May 18, 2026.

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Treena V. Garrett  
Federal Register Liaison Officer,  
U.S. Department of Energy

**Part 451 [Removed and Reserved]**

For the reasons set forth in the preamble, under the authority of 42 U.S.C. 7101, *et seq.*; 2 U.S.C. 13317, DOE is removing and reserving 10 CFR part 451.

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