

United States Senate

WASHINGTON, DC 20510

July 16, 2015

The Honorable Orrin G. Hatch
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Hatch and Ranking Member Wyden:

We are writing to request that you refrain from resuscitating the expired wind production tax credit (PTC) or modifying the planned phase out of the renewable energy investment tax credit (ITC) in 2016.

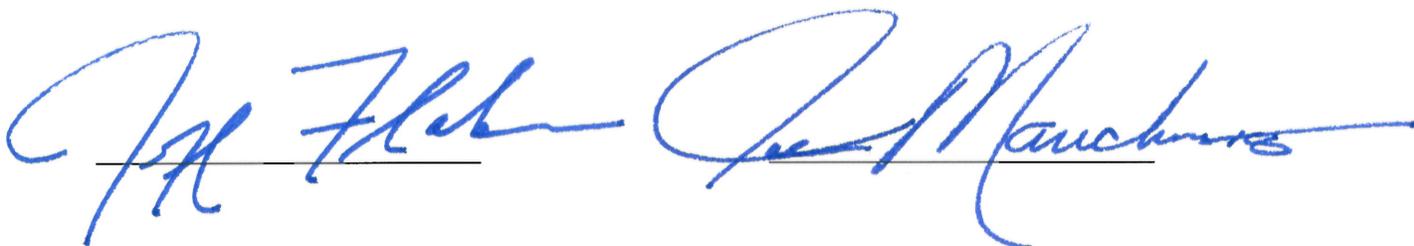
Recent reports suggest the Committee may soon consider legislation extending both programs. We believe these flawed policies should permanently end, leaving the technologies to stand on their own without costly market-distorting taxpayer subsidies.

Congress initially established the wind PTC in 1992. It has since extended the credit nine times, with nearly half of those extensions coming after Congress decided (as is the case here) to let the PTC expire. Last Congress, the Joint Committee on Taxation (JCT) estimated that the PTC would increase the deficit by \$13 billion between 2014 and 2018 – assuming the credit remained expired. Unfortunately, last year's tax-extenders package gave the PTC a temporary reprieve, while adding billions of dollars to JCT's earlier estimate.

Even more telling, last year's retroactive extension of the tax credit did not occur until late December, meaning that for most of the year any wind industry developers who began construction on a project did so because the market signaled that it was prudent to do so; not because taxpayers were subsidizing their investment.

As the Senate Finance Committee begins the difficult process of working on tax extenders legislation, we ask that the Committee refrain from retroactively extending the three-decade old subsidy for the PTC or the ITC.

Sincerely,

The image shows two handwritten signatures in blue ink. The signature on the left is more stylized and appears to be 'JH'. The signature on the right is more legible and appears to be 'R. Wyden'. Both signatures are written over horizontal lines.

Lana Alexander

John M. Li

Shelley Moore Capito

Mark R. ...

Joe ...

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