

January 22, 2014

The Honorable Max Baucus
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Dave Camp
Ranking Member
Committee on Ways and Means
United States House of Representatives
Washington, DC 20515

Advanced Energy Businesses Urge Extension of Federal Tax Credits

Dear Chairman Baucus and Chairman Camp:

As energy business leaders, we are writing to share our strong support for the retroactive extension of advanced energy tax credits to ensure stability and certainty for businesses and investors until a new tax policy for energy can be placed into law and phased in.

We commend each of you for your commitment to comprehensive tax reform, as many aspects of the current code are problematic for businesses. As noted in a recent letter from the Governor's Wind Energy Coalition, over 5,000 Americans lost their jobs because of the anticipated expiration of the Production Tax Credit (PTC) at the end of 2012.

We believe that an appropriately designed new tax credit policy would focus support on technologies making our energy system more secure, clean, and affordable; allow facilities to qualify on a technology-neutral basis; and provide more certainty for investment decisions by tying any sunset of tax credits to the attainment of policy-based objectives as opposed to arbitrary calendar deadlines. While we look forward to continuing to work with you on comprehensive tax reform, we encourage you to support the extension of current advanced energy tax credits until a new policy can be phased in.

We urgently encourage the extension of the PTC, which expired at the end of 2013. We believe there should be a multi-year extension of the PTC and other advanced energy tax credits expiring at the same time to allow time for any new tax reform policy to be enacted. We also encourage the continuation of authority that allows PTC-qualifying facilities to opt for the business energy investment tax credit (ITC) in its place, as the ITC is more economically feasible for technologies such as offshore wind power.

Additionally, we believe the ITC statute should be modified to allow all eligible facilities that commence construction by the end of 2016 to qualify, providing investment certainty for projects that can take years to plan, just as similar language included in the most recent PTC extension allowed. The other advanced energy tax provisions that have expired, and we believe should be extended, include:

- Biofuels tax credits such as the Cellulosic Biofuel Producer Tax Credit and the Biodiesel and Renewable Diesel Fuels Credit
- A host of energy efficiency tax provisions, including those for appliances, commercial buildings, and new homes

Extending the current advanced energy tax credits until a more stable regime can be implemented will provide business certainty for investment in America's energy economy. Tax credits remain critical to securing financing for advanced energy deployment. While a number of advanced technologies can claim the PTC or ITC, wind power provides a great example of how expiring tax credits can halt growth, while extending the tax credits can spur growth. Just as the looming expiration led to layoffs earlier this year, the extension led to new development, new jobs, and new manufacturing opportunities later in the year.

It's important to remember that the federal government has played a substantial role in virtually every energy sector. For example, Congress created the percentage depletion allowance in 1926 to encourage oil and gas exploration in the western US – and it is still a permanent feature in our tax code. Advanced energy tax credits are likewise necessary to grow these important sectors of our economy.

Please support a multi-year extension of advanced energy tax credits to provide certainty for businesses until a new tax policy is phased in. Advanced energy tax credits are necessary for the continued growth of significant industries that create American jobs while making our energy system more secure, clean, and affordable.

Sincerely,



Graham Richard
CEO, Advanced Energy Economy

CC: All members of the Senate Finance and House Ways and Means Committees







alt.Consulting, Charles Fullen, Managing Director. Active in AR, TN, MS

American Biogas Council, Patrick Serfass, Executive Director. Active across 50 states

Arkansas Advanced Energy Association, Steve Patterson, Executive Director. Active in AR

Bergey Windpower Co., Michael Bergey, President & CEO. Active in OK

Bluenergy Solarwind, Inc., Joel Goldblatt President/CEO. Active in NM, TX, CO

BlueWave Capital, John DeVillars, Managing Principal. Active in MA

BMZ USA Inc., Mike Griese, Vice President/Managing Director. Active across 50 states

Clean Energy Project, Lydia Ball, Executive Director. Active in NV

Clean Energy Trust, Amy Francetic, CEO. Active in IL

CodeLab Cleantech, Laura Draxler, CEO. Active in CA, NV

Colorado Cleantech Industries Association, Chris Shapard, Executive Director. Active in CO

Conservation Services Group, Pat Stanton, Senior VP of Policy & Advocacy. Active in AL, AZ, CA, GA, IL, IA, KY, ME, MA, MN, MS, MO, NH, NJ, NY, NC, OH, OR, PA, RI, SD, TN, VA, WA, WI

Competitive Power Ventures, Sean Finnerty, Senior Vice President. Active in CA, KS, OK, MN, TX, MD, NJ, VA, CT, NY

Current-C Energy Systems, Inc, Sandra McCardell, President. Active in NM, CA, CO, UT, WY

E2SOL LLC, Anthony Baro, Co-Founder. Active in RI

Energy Inspectors, Galo LeBron, CEO. Active in CA, AZ, CO, TX, NV

EnerNOC, Inc., Rick Counihan, Vice President of Government Affairs. Active in AL, AZ, CA, CO, CT, DC, DE, FL, ID, IL, KY, MS, MA, ME, MD, MI, NH, NY, NJ, NC, NM, OH, OR, PA, RI, TN, TX, UT, VA, VT, WA, WV

EtaGen, Adam Simpson, Founder. Active in CA

First Solar, Kathy Weiss, VP. Active in AZ, CA, MD, NJ, NM, NV, NY

Flynn IP Law, Kevin Flynn, Founder. Active in NC

GreenerU, Robert Pratt, Chairman and CEO. Active in CT, MA, NH, RI



GreenMoney Journal and GreenMoney.com, Cliff Feigenbaum, Founder. Active across 50 states

National Harvest Power, Inc., Wayne Davis, Co-Founder and Vice President, Community & Government Affairs. Active in MA, CT, NY, NJ, DE, MD, VA, KY, CA

Histecon Associates, Inc., James Metzger, President. Active in AR

Independence Solar, James Schwartz, Vice President. Active in MA, RI, CT, NJ, PA, MD, DE

Interwest Energy Alliance, Sarah Propst, Executive Director. Active in AZ, CO, NV, NM, UT, WY

Longwood Energy Group, Scott Englander, President. Active across 50 states

Lucintech Inc., Alvin Compaan, President. Active in OH

Maryland Clean Energy Center, I. Katherine Magruder, Executive Director. Active in MD

Mascoma Corporation, William Brady, President and CEO. Active in MA, NH, NY

Natura Design and Consulting, Daryl Stanton, Owner. Active in NM

New England Clean Energy Council, Peter Rothstein, President. Active in CT, MA, NH, ME, RI, VT

New Mexico Green Chamber of Commerce, Celerah Hewes-Rutledge, COO, Active in NM

North Carolina Sustainable Energy Association, Ivan Urlaub, Executive Director. Active in NC

O2energies, Olee Joel Olsen Jr., CEO. Active in GA, NC, SC, TN, VA

Ohio Advanced Energy Economy, Ted Ford, President & CEO. Active in OH

Pattern Energy Group, Mike Garland, CEO. Active in CA, TX, NV

Positive Energy Solar, Maria Hondros, Technical Sales Advisor. Active in NM

Powers of Arkansas, Alan Hope, CEO. Active in AR

Pure Eco, Ryan Oswald, President. Active in MI

Recurrent Energy, Michael Wheeler, Senior Director of Policy. Active in CA, AZ, TX, NJ

Renewable Energy Alaska Project, Chris Rose, Executive Director. Active in AK

RES Americas, Anna Giovinetto, Vice President, Corporate Affairs. Active WA, OR, CO, TX, OK, NV, KS, MN, ND



Restoration Technologies, Gordon West, President. Active in NM, MT, AZ

Revolution Energy, LLC, Michael Behrmann, Partner. Active in NH

Ron Flavin Inc, Ron Flavin, President. Active in 50 states

Sandoval Moots architects, LLC, Gregory Sandoval, President. Active in NM

Seminole Financial Services, LLC, Chris Diaz, Principal. Based in FL and active across 50 states

Sol-Up USA, LLC., Frank Rieger, CEO. Active in NV

Solar Wind Works, Chris Worcester, Owner. Active in CA

SolarCity, John Stanton, Vice President, Policy & Electricity Markets. Active in AZ, CA, CO, CT, DE, HI, MD, MA, NJ, NY, OR, TX, WA, DC

South Carolina Clean Energy Business Alliance, James Poch, Executive Director. Active in SC

Southwest Energy Integrators, Kurt Albershardt, Vice President of Engineering. Active in NM

Southwest Green Building Center, Cathy Kumar, Owner/Operator. Active in NM

Sun & Earth Inc., James Graham, President. Active in NM

Sun City Solar Energy, LLC., John Gerrard, General Manager and Owner. Active in AR, MO, OK

The Stella Group, Ltd., Scott Sklar, President. Active in VA

Trem|Wel Energy, Terry Tremwel, Chair of the Board. Active in AR, OK

Vermont Energy Investment Corporation, Scott Johnstone. CEO. Active in VT, DC, OH, NJ

Viridian, Chris Ladner, Owner. Active in AR, TX, OK, MS, MO, TN

Wind on the Wires, Beth Soholt, Executive Director. Active in MN, IL, WI, MI, IN, IO, ND, SD

