



STATEMENT FOR THE RECORD

Senate Finance Subcommittee on Energy, Natural Resources, and Infrastructure
Hearing on Powering our Future: Principles for Energy Tax Reform
July 31, 2013

Dear Madam Chairwoman:

On behalf of our thousands of member companies and more than half a million Americans working in our industries, we urge the Congress to extend the production tax credit (PTC) and the investment tax credit (ITC) [in Sections 45, 48 and 25D of the Internal Revenue Code], with a commence construction eligibility standard for both tax credits. Moreover, under any given tax incentive structure, there should be parity in the tax code between technologies. This would mean updating the tax code to ensure that technologies receive comparable incentives rates and equal accessibility within any given tax incentive structure.

Access to a diverse, abundant, reliable and affordable supply of energy is inarguably in the national interest. Over the last century, federal policies have provided a legislative and regulatory framework that have helped every major source of energy utilized in the U.S. reach commercial scale. Well-crafted tax incentives have played, and should continue to play, a vital role in developing new domestic energy resources, contributing significantly to America's long-term economic prosperity and growth.

Over the past five years, more than 35% of all new domestic power generation has come from renewable energy resources, including more than 49% of all new power generation in 2012 – surpassing all other energy sources. The production tax credit and the investment tax credit have been the primary policy drivers for this growth, spurring private sector investment, creating jobs, and driving down costs significantly, making renewable and clean technologies more cost competitive.

The clean energy sector has the potential to be one of the greatest engines of middle class job growth in the 21st century, while providing our nation with secure sources of clean and renewable domestic energy. To realize that objective, however, we must have a supportive and certain tax policy environment. Renewable tax incentives help make the tax code fairer, aid in

our national and energy security and have promoted job and economic growth across the country.

Our trade associations, which represent a broad portfolio of clean and renewable energy technologies, urge the Congress to maintain long-term tax incentives that will continue to encourage the growth of clean and renewable domestic energy resources in the United States.

Sincerely,



Rhone Resch, President and CEO
Solar Energy Industries Association



Tom Kiernan, CEO
American Wind Energy Association



Jim Lanard, President
Offshore Wind Development Coalition



Ted Michaels, President
Energy Recovery Council



Karl Gawell, Executive Director
Geothermal Energy Association



Linda Church Ciocci, Executive Director
National Hydropower Association



David Gardiner, Executive Director
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Robert E. Cleaves, President & CEO
Biomass Power Association



Patrick Serfess, Executive Director
American Biogas Council



Jennifer Jenkins, Executive Director
Distributed Wind Energy Association