

April 14, 2013

To House Ways & Means Committee:

Re: Comments: Energy Tax Reform Working Group”

I will never believe that throwing tax dollars blindly at any presumed problem is helpful. It is usually wasteful and frequently will be seen as a really dumb plan at some point later on.

The production tax credits (PTC) for wind energy is a perfect case in point. It is now time to stop them completely. Actually, it past that time but better late than not at all. I submit a short list of 8 reasons why I believe as I do.

I understand that the current administration is enthralled about wind generation. But, I would point out that this question is not a Republican vs. Democrat issue because it crosses party lines. This would create a great opportunity to work “across the aisle” and get this one matter correct for the public good. Please say no to the PTC for wind energy.

My list follows:

PRODUCTION TAX CREDITS (PTC) FOR WIND ENERGY IS A WASTE

The PTC for Wind Energy Facilities creates multiple penalties to the general public in the form of increased taxpayer costs.

1. The PTC distributes Federal Dollars in the form of a subsidy that requires our government to borrow more money and places our nation further in debt.
2. The PTC impact on our Federal Budget unfairly re-allocates tax dollars from necessary programs and requires taxpayer penalties in the form of reduced income and/or higher costs, e.g. sequestered work weeks, reduced transportation construction projects, sequestered funds to western states intended to reimburse western counties for payments in lieu of timber receipts.
3. The PTC will reduce our national security by reducing funds available to our military and defense spending.
4. The mandated PTC reimbursement from the BPA in periods that high water runoff in the Columbia river requires curtailing wind production ultimately ends up creating higher electric rates for both direct and indirect consumers of BPA power. Paying wind farms for non-production is Un-American.
5. The PTC subsidized wind energy generation variability requires base load providers (hydroelectric, nuclear, natural gas, and coal) to operate inefficiently by bypassing their turbines while still consuming fuel therefore increasing their operating costs which ultimately increases rate payers costs.
6. The PTC calculation does not require a deduction for electricity consumed to provide heating of lubricants and maintenance of operational readiness during idle periods due to lack of wind.

7. The PTC artificially increased Wind Energy facilities are then located in rural areas which requires expensive transmission infrastructure further escalating ratepayer costs and impacting the natural environment.
8. The PTC subsidized facilities requiring huge physical footprints are sited in rural geography, typically home to multiple wildlife species, thus destroying or compromising habitat. Many of the compromised species are sources of related income to the rural communities impacted. Examples include, but are not limited to hunting, fishing and viewing.

There are numerous examples that can provide detail to the above examples of costs due to the PTC for wind energy facilities however this short list is more than enough reason to eliminate this waste of taxpayer funds.

Thank you

Ray Randall

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