

Attention: The Energy Tax Reform Working Group
Subject: Comments regarding the Wind Power Production Tax Credit

Wind power has come a long way in the past several decades – and a great deal of the credit for that progress goes to the Production Tax Credit (PTC) for wind generated power.

However, it is time to begin phasing it out. The cost of production per kilowatt has fallen by far more than the original value of the tax credit. Surely that means that wind power has become sufficiently profitable in suitable areas, without need of a PTC windfall.

New wind farms that lack the prospect of profitability without the PTC, are being built to farm subsidies more than wind.

Wind power producers certainly appear to be aware that the PTC is approaching its end of life. An immediate reduction of the production tax credit would clearly reinforce that understanding, while allowing them time to adapt their business operations to the new reality. A subsequent three year phase out of the credit seems more than fair and sufficient.

I would also encourage you to extend or expand credits for research and development of innovative wind power projects that seek to make wind power generation more economical and less harmful environmentally to the land around their sites and the wildlife inhabiting it. Perhaps wind towers near rail lines, but distant from cities, could directly use their energy to make products to ship by rail – such as liquid oxygen extracted from the air and compressed to be shipped to “Clean Coal” power plants.

Sincerely,
Thomas R. Craver