Written Comments for the Record: Hearing on Certain Expiring Tax Provisions

House Ways and Means Subcommittee on Select Revenue Measures

April 26, 2012

The Honorable Carl Levin
United States Senate
Washington, DC 20510

The Honorable Debbie Stabenow
United States Senate
Washington, DC 20510

The Honorable Justin Amash
U.S. House of Representatives
Washington, DC 20515

The Honorable Dan Benishek
U.S. House of Representatives
Washington, DC 20515

The Honorable Dave Camp
U.S. House of Representatives
Washington, DC 20515

The Honorable Hansen Clarke
U.S. House of Representatives
Washington, DC 20515

The Honorable John Conyers
U.S. House of Representatives
Washington, DC 20515

The Honorable John Dingell
U.S. House of Representatives
Washington, DC 20515

The Honorable Bill Huizenga
U.S. House of Representatives
Washington, DC 20515

The Honorable Dale Kildee
U.S. House of Representatives
Washington, DC 20515
The Honorable Sander Levin  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Thaddeus McCotter  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Candice Miller  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Gary Peters  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Mike Rogers  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Fred Upton  
U.S. House of Representatives  
Washington, DC  20515

The Honorable Tim Walberg  
U.S. House of Representatives  
Washington, DC  20515
Dear Senator Levin, Senator Stabenow, Congressman Amash, Congressman Benishek, Congressman Camp, Congressman Clarke, Congressman Conyers, Congressman Dingell, Congressman Huizenga, Congressman Kildee, Congressman Levin, Congressman McOtter, Congresswoman Miller, Congressman Peters, Congressman Rogers, Congressman Upton and Congressman Walberg:

Thank you all for your service to Michigan. We are writing you today to encourage you to stand up for clean affordable electricity, economic development and Michigan jobs by passing a four-year extension of the renewable energy production tax credit (PTC) as soon as possible. It is extremely urgent that the PTC is extended immediately to avoid a massive tax increase on wind energy. Right now, investment in wind energy has already begun to stall and will continue to do so if no action is taken. This will place many Michigan jobs at risk until legislation to extend the PTC is passed.

The federal PTC is a very effective tool to not only keep electricity rates low, but also promote development of clean energy projects. Clean energy must play an important role in our nation’s long-term supply of electricity and doing so will not only protect our environment, but also our national security. With the PTC, the wind energy industry has made significant contributions to U.S. energy security and economic development. Since 2005, wind energy has sparked more than $60 billion of investment. American wind turbine manufacturing has grown more than 12-fold—60% of a wind turbine’s value is now produced here in America. Before 2005, that number was only 25%. The PTC has played a huge role in lowering cost and support the U.S. economy in the process. On top of that, overall costs for the wind energy industry have been reduced by more than 90% since 1980. All of these developments have led to wind energy providing 35% of all new power capacity in America.

Michigan plays an important role in this development. Our rich manufacturing heritage has created many opportunities for the wind energy industry in our state, with even more opportunities for the future. For the past 10 years, our state has made headlines for all the wrong reasons—recessions, lost jobs, and economic hardship—but the wind energy industry has helped change that landscape. In 2010, 4,000 Michigan jobs were supported by the wind energy industry. These are skilled, high quality positions that are good for Michigan workers and our communities and are transforming our economy. Michigan is already considered a manufacturing powerhouse for wind energy and this growth is expected to continue far into the future. New wind energy projects are already flocking to Michigan to invest in our talented workforce, businesses, and our valuable wind resources.

However, the federal PTC will play an important part for Michigan’s future as a leader for the wind energy industry. Despite its very clear success, the PTC has been allowed to expire frequently and is slated to do so again at the end of 2012. This creates a great deal of uncertainty for an industry that has invested so much in Michigan communities. There is plenty at stake for Michigan should the PTC be allowed to expire and our state cannot afford to lose any more jobs and investments. Too many of our friends and neighbors have felt that hardship the past decade. The PTC should be extended for at least another four years so workers in our state and across the country can use their skills to produce clean domestic energy.
The next few years are crucial to ensure that properly sited wind energy remains a viable component of a balanced domestic energy portfolio. We look forward to working with you to continue creating economic opportunities for Michigan communities through clean, affordable, and homegrown energy. Please speak loudly in support of PTC so Michigan’s voice is heard in Washington.

Sincerely,

Astraeus Wind Energy
Eaton Rapids, MI

EDP Renewables
District 8 Developer, MI

Danotek Motion Technologies
Canton, MI

Dowding Industries, Inc.
Eaton Rapids, MI

Fabory North America
Byron Center, MI

Gratiot County Wind LLC
Breckenridge, MI

Heritage Sustainable Energy
Traverse City, MI

International Paint
Petersburg, MI

Invenergy Wind Development
Breckenridge, MI

ITC Holdings
Novi, MI

Loc Performance Products, Inc.
Plymouth, MI

Mona Lake Investment Co. LLC
Muskegon, MI

Orisol Energy US, Inc.
Ann Arbor, MI

RES Americas
Pigeon, MI

Shepherd Advisors
Ann Arbor, MI

SKF USA
Plymouth, MI

Steel Craft Technologies
Belmont, MI
Comments submitted by:

Brad Lystra
Manager of State Campaigns
American Wind Energy Association
1501 M Street NW, Washington, DC 20005
202.383.2500
blystra@awea.org