April 25, 2012

Attention: U.S. House Subcommittee on Select Revenue Measures (Committee on Ways & Means)

Subject: Hearing on Certain Expiring Tax Provisions

For 20 years, taxpayers have propped up the wind energy industry. Despite the many tens of billions of dollars ($14 billion last year) given to them via the production tax credit, the more recent investment tax credit, and other tax and regulatory provisions, as well as loan guarantees and outright grants, the industry still comes begging.

And even after 20 years of such largesse, the industry can not show any meaningful benefit concerning any energy, pollution, or carbon problem. Instead, rural communities have been left divided, landscapes degraded, bird and bat populations threatened, and already dwindling natural habitats destroyed.

In this very difficult period of trying to gain control of our nation’s spending, why would one even consider extending tax provisions or cash grants to the wind energy industry?

At some point our government needs to stop the hand holding for industries that should be grown up and able to stand on their own two feet. If our government continues to provide financial support, what will their incentive be to improve performance and overcome weaknesses in their industry?

The wind industry continues to lobby for government subsidies and why not, it is free money to them and the ultimate entity paying the bill, the US Taxpayer, has virtually no say in the matter.

The wind industry falls very short of fulfilling commitments in job creation, sustainable/reliable electricity generation, and carbon emission reduction. After 30 years of development in the United States it should be in a position to stand on its own two feet without subsidies from the US taxpayers.

On October 28, 2011, trade journal Restructuring Today published an article on Exelon 2020 strategy. The article is as follows: The power industry can slash harmful air pollutants for as little as one-quarter the cost of other politically popular approaches by relying on competitive markets, Exelon said yesterday. Markets are far cheaper than other options being discussed such as subsidizing favored generation technologies, the firm said in a new analysis under its “Exelon 2020” strategy. The evidence is clear, Markets are delivering more than cost savings and reliability. They are also delivering clean energy, said Exelon CEO John Rowe. “We believe that they will continue to be the best mechanism for delivering clean, reliable and affordable electricity. Under the Exelon 2020 strategy, the firm has been looking at ways to cut CO2 and this year included NOx, SO2, and toxic air pollutants that the EPA has new regulations on. Exelon
would like to see federal and state policymakers avoid picking favored technologies. The EPA should finalize its Cross-State Air Pollution Rule and Air Toxics Rules and competitive power markets should be allowed to work, said the firm.

I encourage you not to reinstate section 1603 cash grants or extend the production tax credit but instead to support the Energy Freedom and Prosperity Act of 2011. Let markets, not subsidies, drive improvements that lead the way into the future.

I urge you to END the Production Tax Credit, the Investment Tax Credit, and any other federal support of industrial wind energy.

Respectfully submitted

Russell Mead
10052 Crockett Hwy
Blissfield, MI  49228
517-443-5604
e-mail: rmead@ogdentel.net