Federal Production Tax Credit for Wind Energy

THE AMERICAN WIND INDUSTRY URGES CONGRESS TO EXTEND THE PTC & ITC AS QUICKLY AS POSSIBLE

America needs a secure, diverse supply of homegrown energy resources to power the nation. American wind power is competing against energy sources that have been supported through public policy for the last century. Like other domestic energy sources, American wind power needs a predictable, stable, pro-growth tax policy.

Extending the renewable energy production tax credit (PTC) and the investment tax credit (ITC) as soon as possible for the longest possible term will help grow our economy, benefit consumers, create jobs, improve our energy security, and support a new U.S. manufacturing sector. U.S. wind farms now provide enough power for 16.7 million American homes, foster economic development in all 50 states, and have attracted over $100 billion in private investment to the U.S. economy since 2008.

Unfortunately, the PTC/ITC was allowed to expire at the end of 2014, and Congress has yet to extend these critical tax credits. The PTC/ITC must be extended as soon as possible for as long as possible to prevent wind power production and investment from falling dramatically like it has done in previous years when the policies were allowed to expire.

THE PTC AND ITC FOSTER ECONOMIC SECURITY

With the support of the PTC/ITC, the U.S. wind energy industry has boosted the American economy:

- Over 70% of congressional districts have a wind project and/or wind-related manufacturing facility, which boost local economic development.

- The wind industry employs more than 73,000 people in the U.S., with a manufacturing supply chain of more than 500 factories across 43 states.

- With over 98% of all wind farms on private land, wind energy projects deliver at least $195 million a year in lease payments to landowners.

- As drought affects many parts of the wind-producing regions of the U.S., water savings are an increasingly important economic benefit. In 2014 alone, wind energy avoided the consumption of over 68 billion gallons of water in the U.S.

Over 500 U.S. facilities manufacture for the wind energy industry.

0 to 100 MW ▪ >100 MW to 1,000 MW ▪ >1,000 MW to 5,000 MW ▪ >5,000 MW to 10,000 MW ▪ >10,000 MW
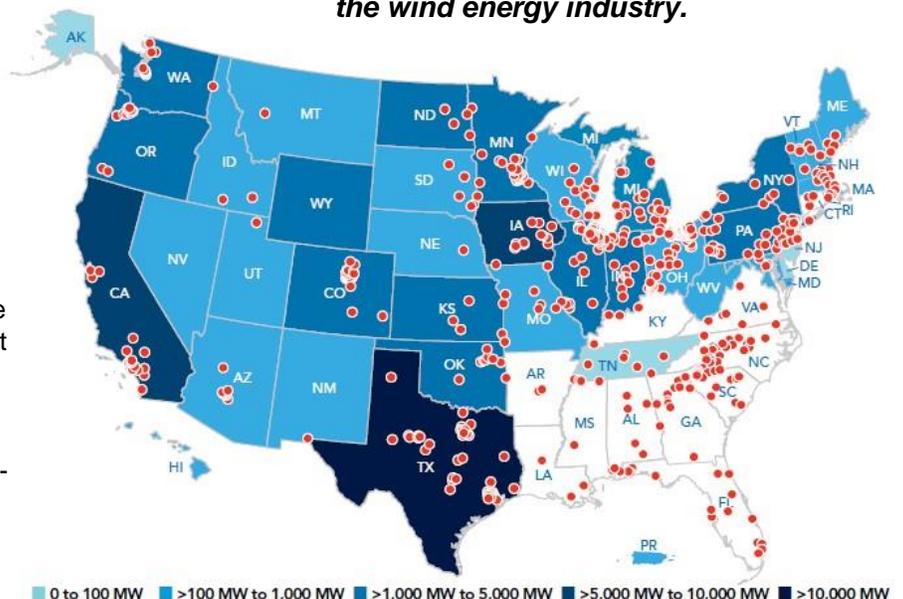
Source: AWEA U.S. Wind Industry Annual Market Report Year Ending 2014
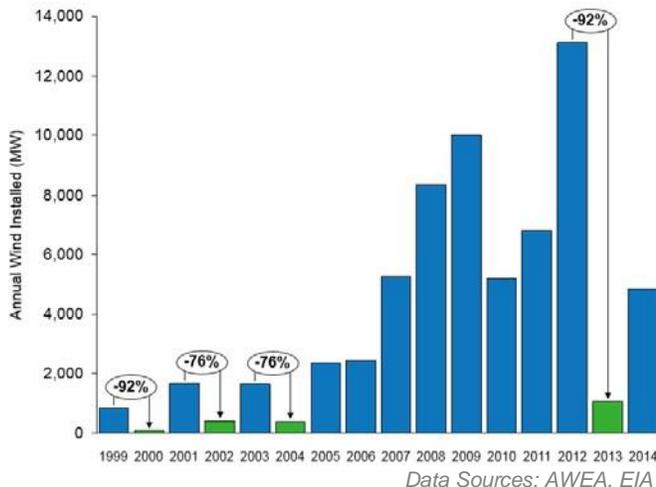
Federal Production Tax Credit for Wind Energy

THE AMERICAN WIND INDUSTRY URGES CONGRESS TO PROVIDE STABLE, PREDICTABLE POLICY FOR THE WIND INDUSTRY BY EXTENDING THE PTC/ITC

THE PTC/ITC FOSTERS ENERGY DIVERSITY, PROTECTING CONSUMERS

A vote for the PTC/ITC is a vote for growing clean, homegrown, affordable energy resources.

- The PTC/ITC drives energy diversity by allowing developers to secure private financing to build wind projects, bringing over $100 billion in private investment to the U.S. economy since 2008.

- Diversifying energy portfolios protects consumers by hedging against increases in the price of fuels. In fact, wind energy saved consumers in the Mid-Atlantic and Great Lakes states $1 billion over just two days when electricity prices spiked during the polar vortex in 2014.

- The U.S. generated 4.4% of its electricity from clean wind energy in 2014. In Iowa and South Dakota, wind now generates above 25% of the states' electricity needs. Wind energy provides more than 20% of the total electricity generated in Kansas, and more than 15% in 9 states.

- With the right policy support allowing U.S. workers to produce more energy right here at home, wind is capable of reaching 20% of the nation's electricity mix by 2030.

Wind provided 28% of all new U.S. power capacity in the last five years.
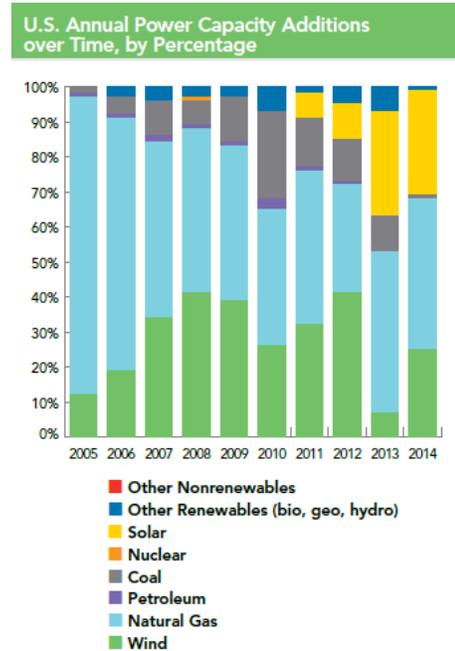
Chart Source: AWEA U.S. Wind Industry Annual Market Report Year Ending 2014

Historic impact of PTC expiration on annual wind installation

Data Sources: AWEA, EIA

Our economy lost $23 billion and nearly 30,000 well-paying jobs the last time Congress didn't provide wind power with policy stability, causing wind installations to drop 92 percent the following year.

Now is the time to support a stable, predictable policy for the wind industry by extending the PTC/ITC.