

# The Washington Times

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## Tax dollars blowing in the wind-energy production credit

### ANALYSIS/OPINION:

Crony capitalism plans are so lucrative for a select few that they are hard to kill. Those who get rich make generous campaign contributions, hire lobbyists and run massive public relations propaganda campaigns, using the billions of our tax dollars that they receive.

One “temporary” measure — the wind-energy production tax credit (PTC) — has received eight “temporary” extensions since 1992 and now backers want to add several years more. After 20 years of soaking taxpayers for billions of dollars in subsidies and raising electric bills, it’s overdue for the PTC to end. It expired at the end of 2013, yet some lawmakers want to give it new life, plus an additional \$18 billion, during the postelection lame-duck session of [Congress](#).

Typically, those getting the money boast of being job creators or “green energy” saviors who will save our planet from roasting owing to global warming. They omit that the job numbers are inflated, often temporary and often filled by overseas vendors.

They also omit that taxpayers are paying twice — through taxes and through higher electric bills. Green energy is not cheap and not affordable. If it were, green energy would not need subsidies.

To maximize chances of backroom deals and minimize public accountability, the fate of the PTC will be decided as part of a tax package in the lame-duck [Congress](#), when wheeling, dealing and political horse-trading are at their worst. That’s because [Congress](#) will have two years before facing the voters again. Departing senators and [House](#) members won’t have to face voters at all.

Green energy sounds good and polls well — until people learn how much it costs them. The Congressional Research Service reports the annual cost to taxpayers of green grants and tax subsidies is \$40 billion. That’s only part of the picture, however. It also raises your electric bill because wind simply is less efficient than generating power from fossil fuels. And less consistent.

The managing editor of Environment and Climate News, James M. Taylor, citing the U.S. Energy Information Administration, writes, “Data show nine of the 11 largest wind-power states are experiencing skyrocketing electricity prices, rising more than four times the national average.” Those states are: Colorado, up 14 percent; Idaho, up 33 percent; Iowa, up 17 percent; Kansas, up 29 percent; Minnesota, up 22 percent; North Dakota, up 24 percent; Oregon, up 15 percent; South Dakota, up 26 percent; and Wyoming, up 33 percent.

These increases come even after federal taxpayers absorb some of the higher costs of wind energy by giving producers a subsidy of 2.3 cents for each kilowatt-hour generated. They've had this benefit for 20 years, but still clamor to revive the PTC, which expired at the end of 2013. Sponsors not only want it restored, but to make that retroactive to 2013 and to extend it through 2017. That would carry an \$18 billion price tag.

Since 1999, the PTC has been renewed eight times, and three times the extension was retroactive. It had expired but was resurrected. Three resurrections is more than the rest of us get. The PTC doesn't deserve a fourth.

In the lame-duck [Congress](#), Senate Finance Committee Chairman Ron Wyden, Oregon Democrat, is leading the push to revive the PTC. Fortunately, [House](#) members, such as Ways and Means Committee Chairman Dave Camp, Michigan Republican, have been unwilling to include that in the tax package that will be considered. It's vital for [House](#) members to hold the line.

But the cronyists haven't gone away. Their position is illustrated by how billionaire Warren Buffett explained his investments in wind power, "We get a tax credit if we build a lot of wind farms. That's the only reason to build them. They don't make sense without the tax credit."

[Congress](#) should resist all the pressures and let the thing die. Wind power is fine — so long as its backers don't seek special favors. If it's so expensive that 20 years of subsidies aren't enough to make it competitive, then the sponsors need to improve their technology. They also don't deserve the state-level mandates that force utilities to buy wind-generated power from them.

It's overdue that we embrace free enterprise and abandon crony capitalism. We'll have less national debt, and consumers will benefit from more affordable energy.

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