

Rahall backs bipartisan coalition to end wind power subsidies

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By Mandi Cardosi

In a letter to Congress, one House committee calls for the end of wind subsidies.

The Committee on Ways and Means wrote in a letter the urgency to "allow the wind production tax credit (PTC) to expire at the end of 2013 under current law and not to include an extension of the PTC in tax reform or tax extenders legislation."

Backed by 52 congressional signatures, including Rep. Nick Rahall, D-W.Va., the issue has been previously making noise with conservative groups who argue the wind industry has been getting taxpayer dollars for too long and should be able to hold its own.

Rahall said energy policies should ensure that America produces the energy it needs to fuel a strong economy and keep power sources affordable for families and businesses.

"Certainly alternative energy sources have some role to play but currently we are providing billions of dollars in the form of tax credits to subsidize wind production and it's gotten to the point where the credit is actually worth more than the value of the energy produced," Rahall said. "Tilting the playing field so dramatically is no way to construct a sound energy policy and the wind production tax credit is one that should be allowed to expire."

With a new bipartisan coalition, committee members hope to get Congress' attention.

In the letter, members argue the wind energy production tax credit, established by the Energy Policy Act of 1992, provided wind energy producers a 1.5 cent subsidy for every kilowatt hour of electricity produced and attached to a wind farm when it was built, continuing for its first ten years of operation. The letter says the way it is written now, even if a PTC expired, a wind farm built in 2013 would continue to receive subsidies until 2023.

"This constitutes a more than generous phase-out for a credit that is being awarded to a mature technology with over 600,000 megawatts of generation installed across the country," the letter says. "This increase in wind development is occurring despite flat demand for power and is straining the electric grid and threatening reliability with a dramatic increase in an intermittent power resource."

Rep. David McKinley and Rep. Shelley Moore Capito, both R-W.Va., also backed the letter.