

Rep. McDowell offered the following resolution:

House Resolution No. 259.

A resolution to urge the United States Congress to renew for an extended period the federal Production Tax Credit to promote wind and renewable energy.

Whereas, Expanding domestically produced clean renewable energy is key to the future well being of Americans and the strength of the American economy. Renewable energy enhances national security by reducing dependence on foreign energy supplies, decreases environmental impacts compared to traditional energy production, helps mitigate climate change, and stimulates state and local economies; and

Whereas, Since its inception, the federal Energy Production Tax Credit (PTC) Program has been a key component in the expansion of renewable wind development across the country. The United States Congress established the PTC Program in the Energy Policy Act of 1992, to provide an inflation-adjusted 1.5 cents per kilowatt hour tax credit for electrical energy produced from new wind turbines. In 2004, the Congress expanded the credit to other renewable energy technologies, including solar, geothermal, small irrigation power, landfill gas, and biomass. A recently released study by the University of Minnesota concluded that the single most important federal incentive to invest in wind is the federal PTC; and

Whereas, Since first enacted, the PTC has been renewed or extended on five occasions. The original PTC program expired in June 1999 and was renewed in December 1999 for a two-year period. The credit expired and was renewed again in 2002 and 2004. In 2005, and most recently in 2006, the PTC was extended before it was allowed to expire; and

Whereas, The short term, start-and-stop status of the PTC discourages utilities, developers, and manufacturers from maximizing the full potential of wind and other renewable energies. Data shows that when the PTC is allowed to expire, construction of new wind farms drops precipitously. When it expired in 2003, wind development dropped by 75 percent the next year. Many wind projects have been delayed or cancelled due to uncertainty about the PTC. Failure to extend the PTC Program means that contracts will be put on hold, workers will be laid off, and the growing momentum toward developing renewable energy markets will be brought to a halt. Clearly, in these energy-challenged times, Congress should send a message to the market that it is prudent to invest in domestic wind and renewable energy. This important program should be renewed and extended until 2015 to provide the necessary stability to the private sector to plan and finance renewable energy projects; now, therefore, be it

Resolved by the House of Representatives, That we urge the United States Congress to renew for an extended period of time the federal Production Tax Credit to promote wind and renewable energy; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.