



BUSINESS *for* INNOVATIVE
CLIMATE & ENERGY POLICY
a project of Ceres

September 18, 2012

The Honorable John Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Harry Reid
Senate Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
House Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Senate Minority Leader
U.S. Senate
Washington, DC 20510

Re: Production Tax Credit for Wind Energy

Dear Speaker Boehner, Majority Leader Reid, Minority Leader Pelosi, Minority Leader McConnell:

As major U.S. employers and some of the largest non-utility purchasers of renewable energy, we urge you to extend the Production Tax Credit (PTC) for wind energy before the end of the 112th Congress. A failure to pass an extension will amount to levying a tax on companies committed to buying American energy and growing the U.S. economy. In today's economic climate, a tax hike on American businesses buying American renewable energy is unwarranted.

In the past decade American businesses have significantly ramped up their purchase of American wind energy. For consumers of wind electricity, the economic benefits of the PTC are tremendous. Electricity rates, which reflect marginal costs for power plant operations and fuel prices, consistently decrease when wind enters the market. Because wind prices can be locked in up front, businesses incorporating wind into their energy portfolios are better equipped to hedge market volatility in traditional fuels markets caused by supply shocks. We are concerned that allowing the PTC to expire will immediately raise prices for the renewable electricity we buy today.

The PTC has enabled the industry to slash wind energy costs – 90% since 1980 – a big reason why companies like ours are buying increasing amounts of renewable energy. Wind now supplies over 3% of US demand and accounts for 35% of new power capacity installed in the last four years. In the seven years that the PTC has been continuously in place, installed wind capacity has grown sevenfold to nearly 47 Gigawatts representing more than \$79 billion in private investment.

As Congress investigates ways to spur business growth, we urge you to ensure an extension of the PTC. Failure to extend the PTC for wind would tax our companies and thousands of others like us that purchase significant amounts of renewable energy and hurt our bottom lines at a time when the economy is struggling to recover. Extending the PTC lowers prices for all consumers, keeps America competitive in a global marketplace and creates homegrown American jobs.

Sincerely,

Akamai Technologies

Annie's, Inc.*

Aspen Skiing Company*

Ben & Jerry's*

Clif Bar*

Johnson & Johnson

Jones Lang LaSalle*

Levi Strauss & Co*

New Belgium Brewing*

The North Face*

Pitney Bowes

Portland Trail Blazers*

Seventh Generation*

Sprint

Starbucks*

Stonyfield Farm*

Symantec*

Timberland*

Yahoo!

*Indicates BICEP [Business for Innovative Climate & Energy Policy] Member.