

August 1, 2012

Create Jobs with Clean Economy Tax Provisions

Dear Senator:

On behalf of the BlueGreen Alliance, our fourteen national labor and environmental partners and the over 15 million people they represent, we strongly urge you to incorporate the following three vital clean energy tax provisions into the tax extender legislation to be marked up tomorrow. While we support a number of other credits that relate to advanced transportation and energy efficiency, we are prioritizing these tax provisions that support the production and manufacturing of clean energy for this markup.

The clean economy already employs over 2.5 million workers¹. It has the potential to employ many, many more with family sustaining careers, but only if we provide the necessary support to keep our domestic industries competitive. The following three credits must be included in the final package that moves out of the Finance Committee:

- *Advanced Energy Project Credit (Section 48C)*: Section 48C leveraged its allocation into \$5.4 billion in private funds for qualified investments in advanced, clean energy projects, to support new, expanded, or re-equipped domestic manufacturing facilities. This shared public and private investment created jobs and economic growth in communities across the country in the highly competitive clean economy manufacturing sectors. Yet this program received applications for nearly three times the amount of projects it could fund, indicating enormous potential for the program's future impact on domestic clean energy manufacturing deployment. **This support is critical to America's nascent clean energy manufacturing industry. We urge that additional funds be allocated for this program.**
- *Renewable Energy Production Tax Credit (PTC)*: The PTC is vital for a variety of clean energy technologies, including wind, biomass, and hydropower. The domestic wind industry supports over 400 manufacturing facilities across 43 states. Tens of thousands of workers are employed constructing wind projects and manufacturing the turbines, parts and components. The PTC is vital to keep the industry robust and growing, yet it expires at the end of 2012. When the PTC has been allowed to expire in the past, installations have dropped

¹ http://www.brookings.edu/reports/2011/0713_clean_economy.aspx

between 73% and 93% with corresponding job losses. **We are already seeing job losses from the failure to extend the PTC this year.** We urge that the PTC be extended for two years or longer.

- *Section 48 Investment Tax Credit for Offshore Wind Energy:* Offshore wind energy represents a huge untapped resource that stands to generate clean electricity and increased manufacturing jobs for the future of the nation. But as 2012 draws to a close, there are still no operating offshore wind facilities in U.S. waters. Section 48 should be extended for offshore wind facilities up to the first 3,000 MW installed, as provided by the Carper-Snowe (S. 1397) bill.

We must continue to foster demand for the clean economy markets, including clean energy production and manufacturing, energy efficiency, and our budding transit and advanced vehicles sector. Passing these extensions, improvements and new credits would go a long way toward keeping America competitive in global markets, creating family-supporting jobs, and reducing our climate footprint.

We look forward to working with you as you craft a tax package that takes us further towards an American clean economy future.

Sincerely,

Blue Green Alliance * United Steelworkers * Sierra Club * SMART, International Association of Sheet Metal Air, Rail and Transportation * Natural Resources Defense Council * UAW, International United Automobile, Aerospace and Agricultural Implement Workers of America * National Wildlife Federation * Communications Workers of America * Union of Concerned Scientists * Utility Workers Union of America * United Association of Plumbers and Pipefitters

