

February 1, 2013

The Honorable Neal Wolin
Acting Secretary and Deputy Secretary
U.S Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

The Honorable Steven Miller
Acting Commissioner
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, D.C. 20004

Dear Acting Secretary Wolin and Acting Commissioner Miller,

The members of the House Sustainable Energy and Environment Coalition (SEEC) encourage you to act swiftly in issuing guidance to clarify the eligibility qualifications for the renewable energy tax credit that was extended in the American Taxpayer Relief Act (P.L. 112-240). Specifically, we are referring to 26 USC § 45(d), the commencement of construction for wind facilities eligible to claim the electricity production credit, the construction of which begins before January 1, 2014.

As you know, the American Taxpayer Relief Act of 2012 (PL 112-240) changed section § 45(d), commonly referred to as the production tax credit (PTC), to apply to projects that have “commenced construction” instead of projects that have been “placed-in-service.” We are supportive of this critical change and encourage the guidance to ensure inclusion of all projects begun in 2013. We believe this will facilitate increased electricity generation from clean energy sources like wind, geothermal, biomass, and hydropower. However, until the Internal Revenue Service (IRS) provides new guidance, it remains unclear to investors and the renewable industry what construction threshold must be met by an individual project in order to claim the incentive.

The wind energy industry sustains nearly 75,000 good-paying, American jobs and, according to the Energy Information Administration, accounted for 44 percent of all new electrical generating capacity in 2012. As supporters of clean energy development and production, we believe it is critical to develop and maintain policies that move our country toward a clean energy future. Because the PTC has been extended for one year only, it is imperative that you work to clarify the specific criteria that will define the commencement of construction as soon as possible.

Thank you for your consideration and attention to our request. We greatly appreciate your efforts to address this important issue in a timely manner.

Sincerely,

Members of the House Sustainable Energy and Environment Coalition

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