

Senator introduces bill to promote energy research and cut wind tax credits

July 12, 2016

Senator Lamar Alexander (R-TN) introduced a bill (S. 3169) that would authorize new basic energy research funding for the Department of Energy (DOE) Office of Science programs by eliminating the long-standing wind production tax credit (PTC) that has helped to expand wind power production in recent years.

Since it was established 1992, the PTC has been renewed 10 times and is currently scheduled to expire on December 31, 2019.

Sen. Alexander's plan, however, would eliminate the credit at the beginning of 2017, which he estimates would free up \$8.1 billion over the next ten years.

Sen. Alexander's bill contends that between 2008 and 2014 the wind PTC cost taxpayers \$7.3 billion, and "distort[ed] the electricity market and [made] other sources of electric power less cost competitive." The bill also maintains that wind power is a "mature technology" that no longer needs the support of tax credits.

Funds made available by the bill, would support the authorization of \$8.524 billion in FY 2017 for DOE's Office of Science, a boost from the President's FY 2017 request of \$5.572 billion, as well as support \$8.936 billion in FY 2018 and \$9.377 billion in FY 2019. By nearly doubling the amount of funds available for basic energy research activities, the bill aims to "increase innovation in energy technologies" and "produce clean, reliable and affordable energy."

Source: American Institute of Physics, Congress.gov, Energy.gov, National Renewable Energy Laboratory, Office of Management and Budget

Updated 9/7/2017
