

August 5, 2020



The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
S-230, U.S. Capitol  
Washington D.C. 20510

The Honorable Chuck Grassley  
Chairman, Committee on Finance  
United States Senate  
219 Dirksen Senate Office Building  
Washington D.C. 20510



Leader McConnell and Chairman Grassley:



On behalf of millions of taxpayers and consumers across the country, we are writing to express our opposition to extending the production tax credit (PTC) and the investment tax credit (ITC) which are scheduled to expire at the end of this year.



We urge the Senate to reject any legislative proposals that would extend these handouts to mature energy technologies which place an unacceptable burden on taxpayers.



The PTC and ITC were initially intended to support “infant” industries that were too expensive to succeed in their early stages without government support. However, after decades and billions of dollars in subsidies the solar and wind industry are more than capable of supporting themselves without federal “incentives.”



The U.S. House of Representatives passed legislation — the “Moving Forward Act” — that would provide the wind and solar industries an additional five years to start construction on new facilities in order to qualify for ten years of tax credits once the new facilities start operation. For reference, the PTC for wind has already been extended 12 times since 1999, despite Congress agreeing in 2015 to phase it out. The extension in the House bill means that taxpayers could be on the hook to subsidize new wind facilities through 2037. If the deadlines are extended, the cost of tax credits for new wind and solar facilities has been estimated to be at least \$13 billion. This cost to taxpayers would be in addition to the \$131 billion [already estimated](#) for wind and solar subsidies during 2010-2029.



[According](#) to the American Wind Energy Association, “U.S. wind power has more than tripled over the past decade and today is the largest source of renewable energy in the country ... growth in the wind industry is expected to remain strong when the PTC is fully phased out. Because the PTC has been successful ... wind will continue to expand capacity ...” Similarly, the Solar Energy Industries Association [states](#) that, “In 2019, solar was the number one source of new electric generating capacity installed in the United States, representing 40% of all new capacity installed. Over the last 10 years, solar deployment has grown an average of 48% every year.”





It's also worth noting that, in addition to tax subsidies, some 37 states have mandatory targets or voluntary goals for using renewable energy sources to generate electricity. These state programs continue to bolster wind and solar power at the expense of taxpayers and consumers. There's no need for another layer of poorly targeted programs for "renewables."



These industries do not need more taxpayer dollars and federal favoritism to keep them afloat. We, therefore, urge you to oppose the extension of the production and investment tax credits.



Sincerely,

David Williams  
President  
Taxpayers Protection Alliance

Matthew Kandrach  
President  
Consumer Action for a Strong Economy



Brent Wm. Gardner  
Chief Government Affairs Officer  
Americans for Prosperity

Tom Schatz  
President  
Council for Citizens Against Government Waste



Bethany Marcum  
Executive Director  
Alaska Policy Forum

Robert Roper  
President  
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Phil Kerpen  
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Annette Meeks  
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President / CEO  
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Jessica Anderson  
Executive Director  
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Grover Norquist  
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