July 17, 2017

The Honorable Orrin Hatch
Chairman, Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member, Committee on Finance
United States Senate
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

Thank you for offering the opportunity for stakeholders to provide comments on federal tax policy issues being considered by the Senate Finance Committee.

The Clean Energy Business Network is a large and diverse clean energy coalition in the United States, with more than 3,000 members across all 50 states. Started in 2009 by The Pew Charitable Trusts, the CEBN transitioned in May 2017 to become an independent, grassroots initiative of the Business Council for Sustainable Energy. CEBN members are primarily executives of small- to medium-size businesses working with a broad suite of technologies, including renewable energy, efficiency, natural gas, storage, advanced grid technologies, and more.

We are writing today to outline perspectives consistent with the views expressed by hundreds of our members who have written letters to Congress about their tax priorities in the past few years. However, we do not purport to speak on behalf of our membership as a whole. As we progress in transitioning the Clean Energy Business Network to its new home and assessing our members' priorities, we will apprise the committee of any additional tax policy recommendations we uncover.

As Congress considers tax legislation this fall, we recommend establishing stable policies that provide support across a broad range of energy technologies. Doing so will attract jobs and investment to the United States. To that end, our members have been particularly engaged on the following issues:

1. In December 2015, Congress enacted a five-year extension and gradual ramp-down of the tax incentives for wind and solar, including the Sec. 45 Production Tax Credit (PTC), Sec. 48 Investment Tax Credit (ITC), and Sec. 25D residential tax credit. These existing provisions for wind and solar should be maintained in order to signal to energy companies and investors that the United States is a reliable place to do business.

2. Incentives for a number of other clean and efficient technologies expired on December 31, 2016. These include various tax incentives for residential and commercial energy efficiency. Credits have also expired for non-solar and non-wind technologies that formerly accessed the PTC, ITC, and/or Sec. 25D, such as: combined heat and power, microturbines, fuel cells, small wind, biomass, biogas, geothermal, landfill gas, waste to energy, hydropower, and marine and hydrokinetic energy. Multi-year extensions of these credits should be enacted as soon as possible to provide businesses and investors with the confidence needed to plan and execute projects that can take years from start to finish.

3. Congress should carefully examine other clean energy technologies that have been excluded from these credits in the past—such as waste heat to power and storage—and consider

definitional changes to make them eligible. Doing so would provide greater competition and consumer choices in the marketplace.

4. As Congress considers tax reform, we recommend examining approaches that would continue incentivizing investment in a broad suite of energy technologies. There should be an appropriate transition to any new tax laws so as to avoid jeopardizing projects currently being planned or constructed.

The Clean Energy Business Network would be happy to serve as a resource to the committee if you wish to speak directly with our members and learn more about how they are impacted by the federal tax policies under your jurisdiction. Your staff can reach me at labramson@cebn.org or 202.785.0507.

Thank you in advance for your consideration.

Sincerely,

Lynn Abramson
Executive Director
Clean Energy Business Network