

January 19, 2016

The Honorable Mitch McConnell
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Harry Reid
United States Senate
522 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Orrin Hatch
United States Senate
104 Senate Hart Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Paul Ryan
United States House of Representatives
1233 Longworth House Office Building
Washington, D.C. 20515

The Honorable Nancy Pelosi
United States House of Representatives
233 Cannon House Office Building
Washington, D. C. 20515

The Honorable Kevin Brady
United States House of Representatives
301 Cannon House Office Building
Washington, D.C. 20515

The Honorable Sandy Levin
United States House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Senators and Representatives,

The American Biogas Council, Biomass Power Association, Energy Recovery Council, Geothermal Energy Association and National Hydropower Association, which represent member companies that generate firm, reliable baseload renewable power, have come together on the following joint principles with regard to tax incentives for our renewable energy technologies.

- Baseload renewable technologies provide reliability and other attributes that are going to be increasingly needed by the power system of the future.
- We support a 5-year extension of the production tax credit for baseload renewable electricity technologies at the full credit rate.

- We advocate that any extension should continue to apply the current-law beginning of construction rules to our technologies, and should extend the eligibility to elect investment tax credits at existing levels in lieu of the PTC.
- Further, Congress should approve certain technical adjustments to the beginning of construction rules that would allow our technologies to better access the credits.

The PATH Act enacted into law at the end of 2015 extended tax credits for our technologies through the end of 2016, while tax incentives for wind and solar – non-baseload technologies with which we directly compete – were extended for a much longer period of time.

As proposed, baseload energy projects continue to compete for scarce investment dollars, the policies adopted at the end of 2015 tip the scales against investment in our technologies, putting them at a distinct disadvantage.

We appreciate Congress's attentiveness toward renewable energy generally, but urge you to approve legislation that provides the necessary support and long term certainty that our industries also need to fully realize their growth potential.

In the days and weeks to come, our associations and industry members look forward to serving as a resource to the Congress and the Administration in the further deliberations on energy tax incentives, including other distinct tax issues affecting our individual industries beyond these principles.



Linda Church Ciocci
Executive Director
National Hydropower Association



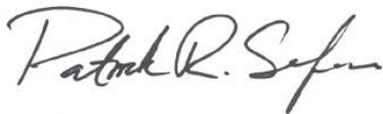
Robert E. Cleaves
President
Biomass Power Association



Karl Gawell
Executive Director
Geothermal Energy Association



Ted Michaels
President
Energy Recovery Council



Patrick Serfass,
Executive Director
American Biogas Council