

Wind tax break going before US Senate again

DAN ELLIOTT - Associated Press - Associated Press

A bipartisan group of senators introduced a bill Thursday to extend a wind-energy tax break for two years, just two days after the U.S. Senate shot down a similar proposal.

The tax break will expire at the end of the year without an extension.

"What's important is we're not giving up," said Sen. Mark Udall, D-Colo., one of the sponsors.

The Senate voted against a one-year extension on Tuesday, primarily because the sponsors hadn't identified any cuts in federal spending to offset the cost of the break, Udall said.

Sponsors still have to identify cuts in the range of \$6 billion to \$7 billion, he said.

A two-year extension would provide the wind industry with a degree certainty while Congress tries to agree on a comprehensive energy policy, Udall said.

The revised proposal is more narrowly focused on the tax break for wind, hydro, geothermal and biofuels energy production, without some grant provisions that were included in the earlier version, Udall said.

Udall and Sen. Michael Bennet, D-Colo., another sponsor, warned that the budding wind industry in their state would suffer a serious setback without the extension.

The state Office of Economic Development and International Trade estimates that about 5,000 people work in the wind energy industry in Colorado, the fifth-highest total in the country.

Danish wind turbine maker Vestas has four plants and 1,800 employees in Colorado.

In January, when Vestas announced it planned to lay off 2,335 people worldwide, it warned that 1,600 jobs in the U.S. could be at risk if Congress doesn't extend tax breaks for renewable energy.

The tax break is called a producer tax credit. It helps offset the cost of electricity production during a wind farm's first 10 years.

Other sponsors of the measure are Republican Sens. Chuck Grassley of Iowa, Scott Brown of Massachusetts and Dean Heller of Nevada and Democrats Tom Harkin of Iowa and Ron Wyden of Oregon.

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