



our Wind our Power our Future

May 2, 2012

Senator Baucus
511 Hart Office Building
Washington, DC 20510

Senator Hatch
104 Hart Office Building
Washington, DC 20510

Congressman Camp
341 Cannon House Office
Building
Washington, DC 20515

Congressman Levin
1236 Longworth HOB
Washington, DC 20515

Officers:

Michael Bergey, President
Bergey Windpower

Kevin Schulte, President-Elect
Sustainable Energy Developments

David Blittersdorf, Treasurer
AllEarth Renewables

Mick Sagrillo, Secretary
Sagrillo Light & Power

Dear Senators Baucus and Hatch, and Representatives Camp and Levin:

The Distributed and Community Wind Industry seeks an immediate extension of the Section 48 Investment Tax Credit ("ITC") through, at least, calendar year 2016 for land-based wind power. An extended ITC would provide business certainty to this growing segment of the wind industry which delivers renewable energy to rural communities and U.S. based agricultural, industrial, and commercial customers who are generally unable to utilize the production tax credit ("PTC"). The ITC extension for land-based wind power represents a critical piece of public policy necessary to continue the growth of the Distributed and Community Wind Industry.

Community and Distributed Wind represented 5.6% of all 2010 new wind projects in the U.S. and in 2011 that figure rose to over 7%. The uniqueness of many Community and Distributed Wind projects is that often local citizens and communities have an ownership stake in the project. Most benefits of the energy produced stay local, fueling clean energy development through renewable energy production and reduced costs for electricity. This segment represents \$2.3 billion in new energy infrastructure for America's rural communities and commercial/industrial energy consumers.

Several highly reputable studies have shown that Community Wind projects have a higher local economic impact than conventional wind projects, often providing a 2-3x multiplier to the community. Actual case studies of Distributed Wind projects where wind turbines are located on-site at industrial and commercial facilities to serve power to large energy consumers such as food processing, cement and sewage treatment plants have provided actual cost savings versus utility supplied, non-renewable electricity. Thus, Community Wind projects and Distributed Wind installations provide a powerful economic development tool for farmers, ranchers and rural communities as well as commercial and industrial energy users across America, at a time when job growth and job retention is a preeminent concern.

Community and Distributed Wind projects face unique challenges when compared to conventional wind large scale wind farms, ranging from access to financing, to the inability to take full advantage of federal tax benefits based solely on production. Despite these barriers, community wind projects have devised innovative financing structures to move

Directors:

Roy Butler
Four Winds Renewable Energy

Lisa DiFrancisco
North Coast Energy Systems

Roger Dixon
Skylands Renewable Energy

Tal Mamo
Talco Electronics

Brennen McLean
Endurance Wind Power

Brett Pingree
Northern Power Systems

Heather Rhoads-Weaver
Eformative Options



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forward with projects in areas with quality wind resources. However, like the larger wind industry, Community and Distributed Wind still faces great uncertainty with the potential expiration of the ITC this year.

Renewing the ITC for land-based wind power would provide a parallel for community wind comparable to the incentives for large commercial wind and solar. Extending the ITC for wind to 2016 would also allow the market to determine the optimal technology selection for a given site.

While we recognize the Federal government faces many budgetary challenges, this policy will provide the necessary financial support and stability to a budding segment of the wind power industry which has provided the ability to attract hundreds of millions of dollars in private sector capital. This will help reduce energy costs for those rural communities and commercial/industrial energy users who participate in and support a robust economic recovery, while simultaneously improving environmental quality and reducing demand for foreign energy.

Thank you for your leadership. We urge you to support this critical Community and Distributed Wind investment tax credit extension.

Sincerely,

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Bergey Windpower

Kevin Schulte, President-Elect
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