



Environmental Law & Policy Center
Protecting the Midwest's Environment and Natural Heritage

Extending the Production Tax Credit to Keep Clean Energy on Track

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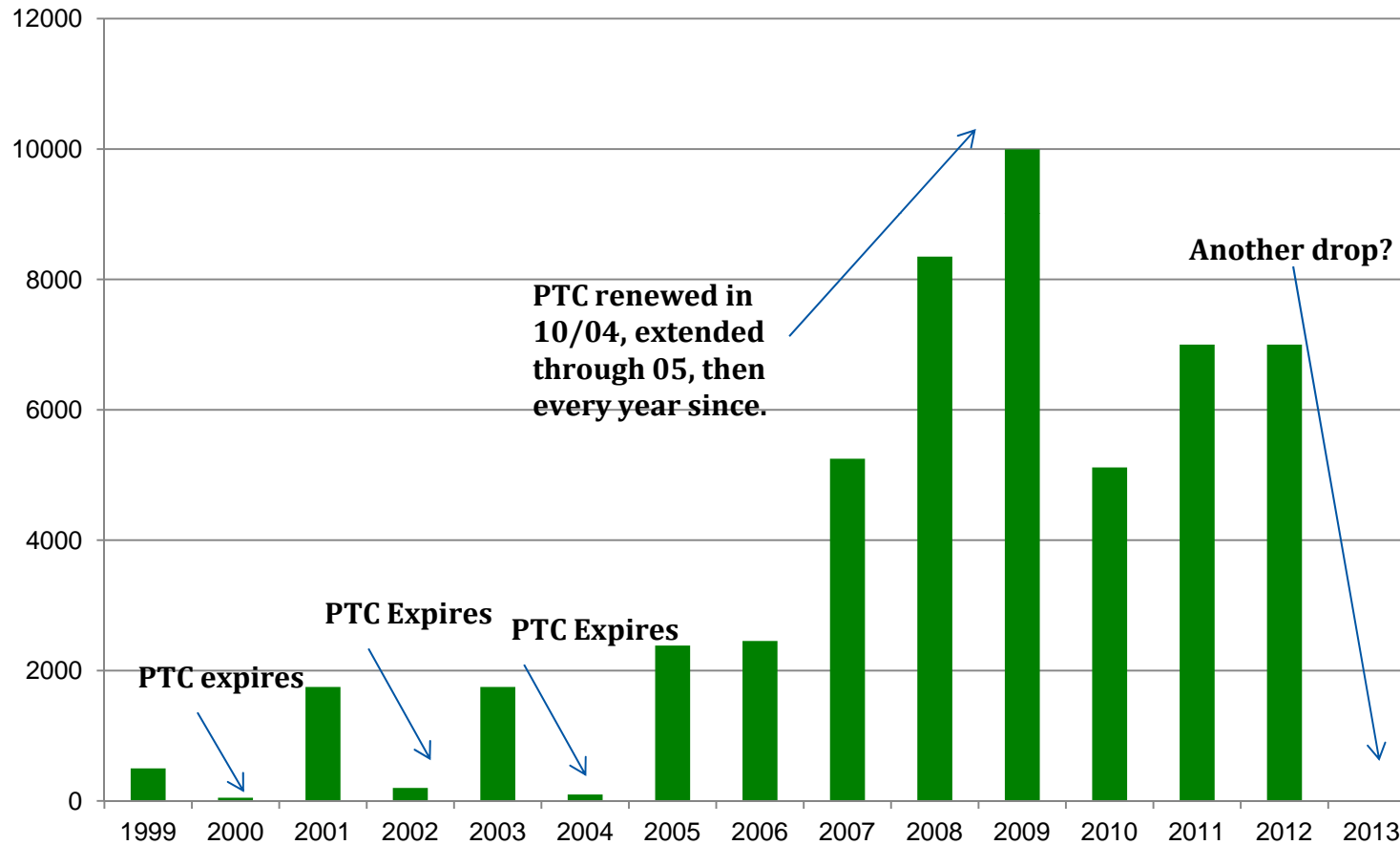
Wind: A PTC Success Story



- Wind development in the US has been largely driven by the Production Tax Credit (PTC).
- The PTC is set to expire at the end of 2012, but given the long lead time for wind development, the industry is already being effected.
- The wind industry has been a creator of jobs and economic opportunity, while generating U.S. made energy.

Wind Development Driven by PTC

Capacity Additions (MWs)



PTC has driven development, lowering costs



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- Over the past two years wind turbine prices have declined approximately 20%, and since 2008 the average decline has been closer to 33%.⁴
- And over the long-term, the decline has been even greater: *“Equipped with the PTC, the wind industry has been able to lower the cost of wind power by more than 90%, provide power to the equivalent of 10 million American homes, and foster economic development in all 50 states.”*³

³ American Wind Energy Association, *Federal Production Tax Credit for Wind Energy*, www.awea.org

Wind is Now the Lowest Cost for New Generation

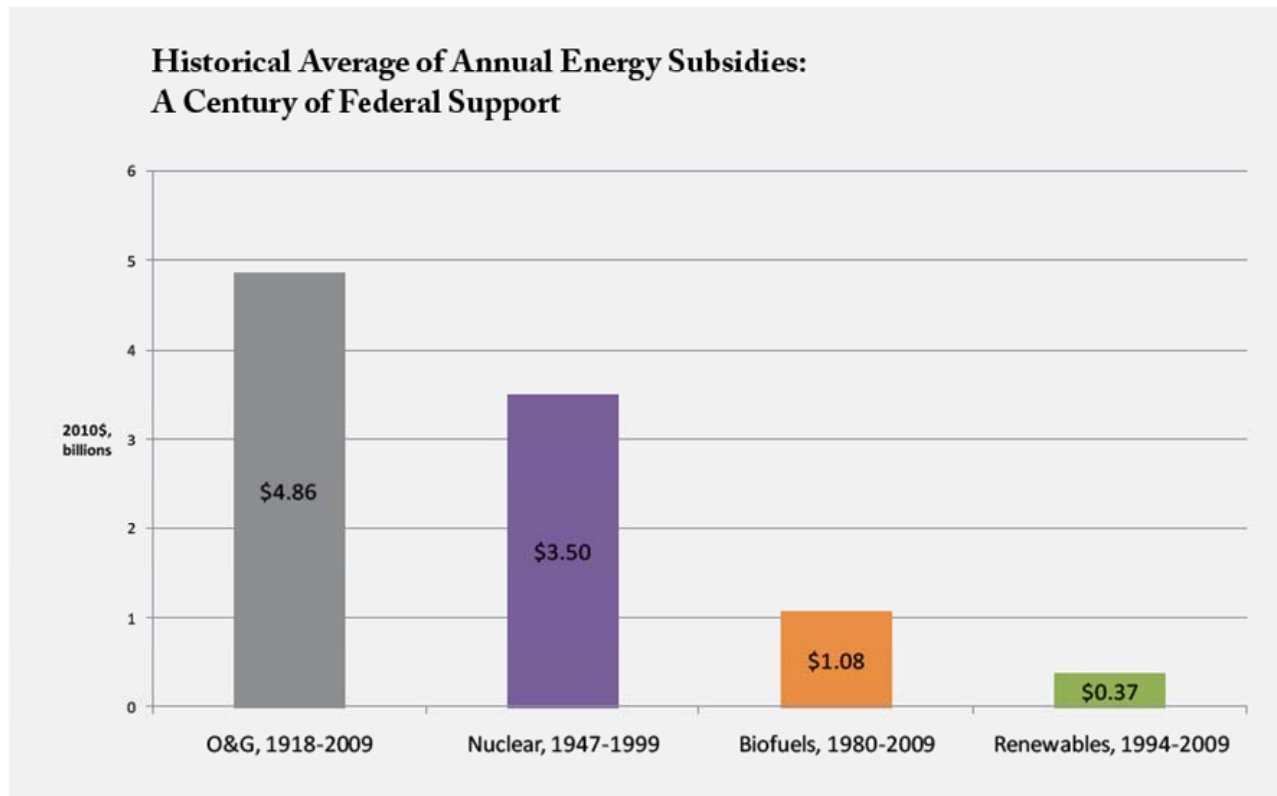


New Build Levelized Cost of Energy²:

- On-Shore Wind: \$30 - \$79
- Coal: \$70 - \$152
- Gas Peaking: \$211 - \$242
- Nuclear: \$77 - \$113
- Gas Combined Cycle: \$69 - \$97

²Lazard, June 2011, *Levelized Cost of Energy Analysis – Version 5.0*

Oil, Gas and Nuclear Have Received Federal Support for Decades

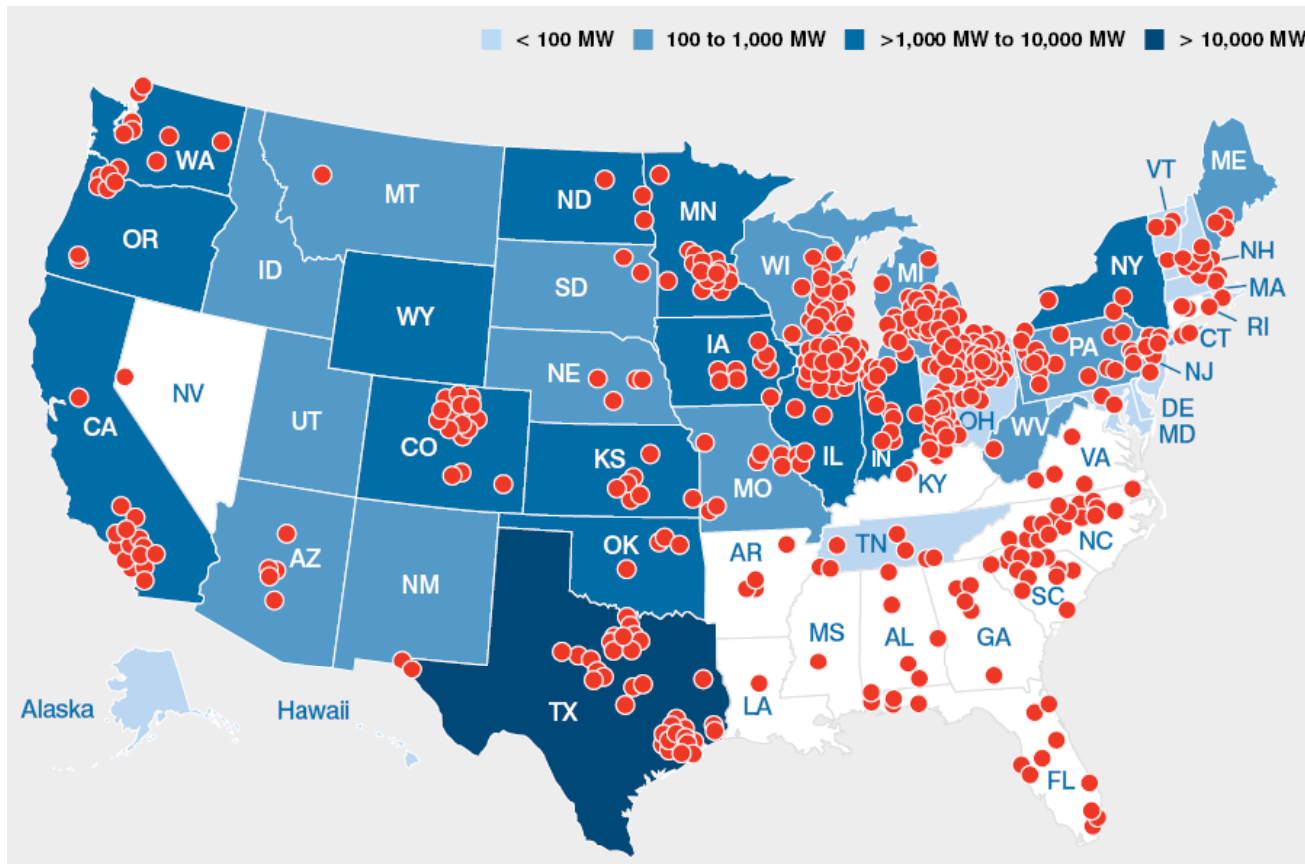


⁶Business Wire 2011, *Subsidies to New Energy Sources Are at Lowest Point in U.S. History*, <http://www.marketwatch.com/story/subsidies-to-new-energy-sources-are-at-lowest-point-in-us-history-2011-09-23>

Wind Creates Manufacturing Jobs



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Research Says PTC Extension will Create Jobs



- Dec 2011 Study by Navigant Consulting found PTC extension will create and save 54,000 jobs; expiration will kill 37,000 jobs.
- Navigant found that extension of the PTC will keep the wind sector on track toward supporting 500,000 jobs by 2030.



Wind Turbine Tower
Manufacturer

Company Overview

Ventower Industries is a full service fabricator and supplier of utility-scale and community-scale, wind turbine towers. Focused on original equipment manufacturers and wind developers, we offer many unique and competitive advantages for our customers.

Our state of the art facility is equipped with the most technologically advanced fabrication equipment to insure that our wind towers are built to the highest quality standards, efficiently and on time.

Our renewable energy minded team has extensive operational, manufacturing, engineering and supply chain experience within the industry. We also employ the region's most highly skilled and certified fabrication workers.

Ventower's flagship location is strategically located at the Port of Monroe, Michigan with direct dock access to Lake Erie. Using waterborne, rail and truck transport we are able to effectively serve your projects around the Great Lakes States and beyond.



Our Product

- Specializing in painted, tubular steel, wind turbine towers with lengths of 65m - 100m and diameters of up to 5.5m
- Fabricating for both onshore and offshore applications
- Welding & installing of flanges, internal platforms, ladders and lifts
- Towers of the highest quality, competitively priced and manufactured without sacrificing safety.



The Production Tax Credit's Influence



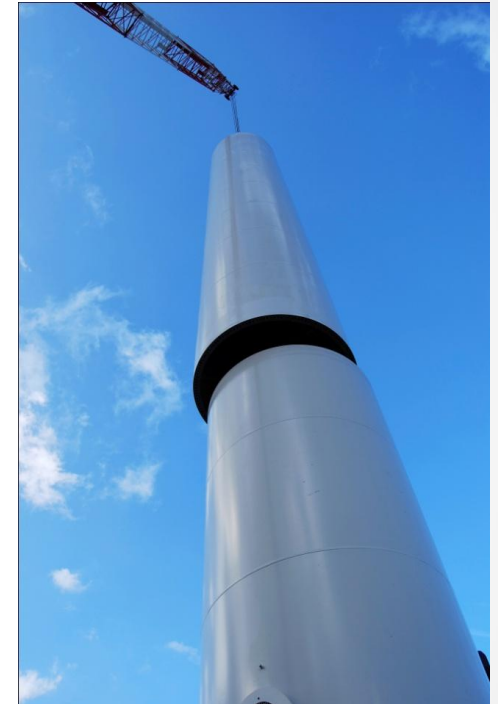
The PTC Supports:

- Renewable, diverse, affordable energy resources
- Lowers the overall price/cost of wind generated electricity
- Wind project development
- Investment in clean energy technology
- Creation of jobs focused on manufacturing, construction & engineering – Ventower currently has 30 full time employees with plans for approximately 150 full time positions at full production capacity (Phase 1)
- Advancement in turbine design and turbine efficiency
- Expansion of manufacturing facilities – Ventower plans on doubling production capacity at it's current facility (Phase 2)



Expiration of the PTC:

- Negatively impact the diversification of the U.S.'s electricity portfolio
- Definitive slowing and halting of project plans by many wind developers – Ventower is already seeing & hearing this from industry peers due to the indecision surrounding the PTC
- Unfortunate job layoffs
- Significant investment losses
- Definitive recurrence of a boom-bust cycle in regards to the overall U.S. wind industry



Bipartisan Legislation Would Extend PTC

- H.R. 3307, the American Renewable Energy Production Tax Credit Extension Act
- Extends PTC for 4 years.
- 36 Cosponsors, 11 Republican and 25 Democrat

**Ask Congress to extend the Production Tax Credit:
visit www.ELPC.org/PTCaction**



Questions & Comments

- Please type questions into the chat box in the lower right corner of your screen
- Slides and audio recording will be available later today at www.ELPC.org

