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As Congress struggles to avert the year-end "fiscal cliff" of tax-and-budget policy, there's one expiring tax law that isn't getting much press: The federal tax credit that subsidizes wind-power production. Wind-power advocates and leading politicians in the West say this credit, which expires in a week, should be extended to preserve thousands of jobs and a growing, clean-energy industry. But others say it's time to let this subsidy die, for its skewing electricity markets, hurting other power producers, and not delivering on its promise of jobs.

"They go build a wind farm, they're there for three-to-six months," says Bob Winger, a union boilermaker from Billings and vocal critic of wind-power subsidies. "Coal mines and coal-fired power plants are jobs day-in, day-out. ... Who are all of these people (in wind) that they say are employed?"

According to figures compiled by the state and the wind-power industry, wind projects in Montana have created about 1,300 construction jobs in the past seven years -- but only 86 permanent jobs. Montana coal mines, whose product is burned to produce power, employ about 1,100 people, and coal-fired power plants here employ at least another 400. The wind-power production tax credit pays project owners \$22 for every megawatt hour (mWh) of electricity they produce. In the Pacific Northwest right now, spot-market prices for electricity are averaging \$25 per mWh. So, while sellers of other types of power get \$25 per mWh, a wind-power plant will get \$47 per mWh, with the subsidy.

On rare occasions this year, during "off-peak" hours of low consumption, wholesale electricity prices have actually fallen below zero on the spot market, with wind-power producers paying suppliers to buy their power so projects can continue to collect the subsidy.

They might pay the "buyer" \$5 per mWh to accept the power, but they still make \$17 per mWh because of the subsidy.

Wind-power advocates say this "negative pricing" is a rarity, and that the subsidy is justified because it levels the playing field for wind, in the face of long-standing tax breaks and favorable public policy for the production of oil, gas and coal.

Wind-industry officials say the \$22-per-mwh production-tax credit is vital for the industry, and without it, scores of projects will founder and thousands of jobs will be lost. In addition to spending on turbines and labor, wind projects also make land-lease payments to landowners and pay property taxes.

While the coal industry and coal-fired plant owners may grumble about the wind tax credit, they've not been waging all-out political war against its extension, acknowledging the benefits of a mix of different types of power sources for the country.

Electricity Pricing – Dec 26, 2012

	On-Peak	Off-Peak
2013	\$0.03933	\$0.02573
2014	\$0.04064	\$0.02660
2015	\$0.04224	\$0.02792

LMP Electric Price

Time Period	Average per Kwh
Dec, 2011	\$0.02971
Jan, 2012	\$0.03043
Feb, 2012	\$0.02963
Mar, 2012	\$0.02894
April, 2012	\$0.02659
May, 2012	\$0.02816
June, 2012	\$0.03089
July, 2012	\$0.04303
Aug, 2012	\$0.03112
Sep, 2012	\$0.03034
Oct, 2012	\$0.02829
Nov, 2012	\$0.03327
Dec 1 – Dec 24	\$0.03083

Extended Temperature Forecast:

Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	35	36	35	32	31
Low	29	30	28	22	26

