

**Volume 318 January 8, 2013**

### *Wind power credit tied to budget deal*

Senate and House negotiators have added a one-year extension of the federal tax credit for wind-power manufacturers to the tax and spending deal that lawmakers hoped would keep the federal budget from going over the "fiscal cliff" of automatic higher taxes and spending cuts.

The tax credit pays developers 2.2 cents per kilowatt-hour, which can account for nearly one-third of the funding for an average project. The tax credit is one leg of a three-legged stool supporting the wind industry with the other two legs being demand for energy and the ability to deliver energy to consumers.

The wind-power Production Tax Credit (PTC) has been dangling all year -- caught in the political crossfire between House Republicans and Senate Democrats and then the fight for the White House. Wind turbine manufacturers have been laying off workers this fall as they warned would happen if Congress did not extend the 20-year-old tax credit. It was unknown whether in the last minute wrangling over raising tax rates, House and Senate negotiators also would include tax credit extensions for some key industries, such as wind-power manufacturers. But President Barack Obama made it clear in a speech Monday that he expected a final deal to include the much sought- after Production Tax Credit for the wind industry.

It's estimated that manufacturer Vestas has laid off about 500 of its 1,800 workers in Colorado, including about one-quarter of its 450 employees at its Pueblo tower plant. Other wind turbine manufacturers laid off many workers as well.

Colorado Sens. Mark Udall and Michael Bennet, both Democrats, were among those who repeatedly tried to get the credit attached to several Senate bills this year. Opponents, primarily Republicans, voiced the opposition from major oil companies that wind power was too expensive to be self sustaining.

House Republican leaders never included the PTC in their budget plans, although individual lawmakers such as Rep. Scott Tipton, R-Colo., support it. The fate of the PTC even surfaced in the fight over the White House with Obama supporting it while Republican challenger Mitt Romney opposed it. As Democrat and Republican negotiators kept working on a last-minute budget deal Monday, the PTC surfaced as one tax credit that negotiators wanted in the deal.

### Electricity Pricing – Jan 8, 2012

	On-Peak	Off-Peak
2013	\$.03724	\$.02444
2014	\$.03985	\$.02626
2015	\$.04191	\$.02808

### LMP Electric Price

Time Period	Average per Kwh
Jan, 2012	\$.03043
Feb, 2012	\$.02963
Mar, 2012	\$.02894
April, 2012	\$.02659
May, 2012	\$.02816
June, 2012	\$.03089
July, 2012	\$.04303
Aug, 2012	\$.03112
Sep, 2012	\$.03034
Oct, 2012	\$.02829
Nov, 2012	\$.03327
Dec, 2012	\$.03081
Jan1 – Jan 7, 2013	\$.03015

### Extended Temperature Forecast:

#### Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	42	46	41	52	57
Low	33	31	40	47	24

