

Taxes and policies

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Taxes and Policies An Open Letter to US Congress Renewable energy holds a great promise for the future, particularly when hydrocarbons are spoiling our environment, causing climate change and unpredictable weather across all parts of the nation. Everyone agrees unanimously that the nation needs a clean energy – a renewable energy, which keeps our air and water clean and it is high time that US government continues to extend their support by providing more and more incentives for the cause of developing renewable and clean energy.

The US hydropower industry has metamorphosed into a big league in recent years and this has been possible due to the production tax credit (PTC) available to hydropower industry. The PTC has provided a big impetus to the industry. Unfortunately, the PTC is going to expire at the end of 2013 and that is causing the ripples among developers. Hydropower industry has come a long way providing 8% of all power generation and remains the dominant industry among all renewable power generation facilities of the country. The US government did a stupendous job by formulating the PTC in their 2005 Energy Policy Act and since then the industry is on resurgence. It is not out of place to mention here that 84, 000 families have now access to the cleaner source of energy (Snyder 2012). It is strongly required that the PTC is provided a long-term extension to continue with the high growth that has been witnessed in these years.

There is no doubt that our country has absolute advantage in harnessing hydropower and that is evident from the fact that taking advantage of the PTC, 23 states have increased their hydropower output by around 11% and more can be done in the years to come provided the government continues

to grant their support as done in the past (Church 2012).

I am sure Senate will look into this and will extend the PTC until the period our dependency on hydrocarbon reaches to zero.

References

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