



House Dems Push For Renewable Energy Tax Credits As Coronavirus Stimulus

As predictable as the sun coming up in the East, open calls have already emerged for stimulus money to be spent on Green New Deal initiatives and alternative energy. This malinvestment will not help recovery.

During the 2008 financial crisis, President Barack Obama snuck in massive stimulus spending for Smart Grid rollout that now ubiquitously controls energy distribution and consumption. Today, it is renewable energy that is in focus. Can you see that both are directly focused on ENERGY and the control thereof? □ TN Editor

As lawmakers continue to hammer out legislation to address the impact of the coronavirus pandemic, House Democrats are looking to insert renewable energy tax credit provisions into a larger stimulus package aimed at stabilizing the economy.

The House Sustainable Energy and Environment Coalition co-chairs said in a joint statement to Morning Consult that they have an eye toward addressing “both the economic slowdown we are facing as a result of

COVID-19 and the ongoing climate crisis” with these measures.

“Our members pushed for these credits in the [2019] end-of-year funding package and will continue to fight for them in this round of economic stimulus,” said Reps. Gerry Connolly (D-Va.), Paul Tonko (D-N.Y.) and Doris Matsui (D-Calif.).

The seven potential tax credit provisions were the subject of a [Feb. 27 letter](#) that 24 environmental advocacy groups and renewable energy trade associations sent to the leaders of the House Ways and Means Committee and the Senate Finance Committee. The groups pushed Congress to prioritize codifying clean energy tax incentives promoting the use and production of electricity storage systems, solar, wind and electric vehicles, among others.

Now, those same advocacy and trade groups have seized the opportunity to rally support for the measures as part of a potential economic stimulus package to address the coronavirus pandemic. They are in touch with members of the House sustainable energy coalition, as well as the Senate Climate Crisis Special Committee, the House Ways and Means Committee, the Senate Finance Committee and leadership in both chambers of Congress, according to Bill Parsons, chief operating officer of the American Council on Renewable Energy.

Lawmakers reportedly have two separate stimulus packages in the works: one that would attend to more immediate public health and emergency financial concerns of those impacted by the coronavirus pandemic, and one that would shore up the [industries impacted by the anticipated economic downturn](#). Renewable energy tax credit provisions are currently being considered as part of the latter package.

“The renewable energy industry is definitely not immune to the supply-chain disruptions that accompany a pandemic like this,” Parsons said. “Because of supply-chain disruptions and the time sensitivity of developers’ ability to monetize these tax credits, COVID-19 is already having a damaging impact on the renewable sector, and we expect that impact will only worsen over time.”

As a consequence of the pandemic, the U.S. renewables industry is

facing widespread supply chain issues because the materials needed for wind and solar infrastructure come largely from China. And these concerns are compounded by the fact that two existing tax credits are approaching their ends: the investment tax credit for solar and other technologies (which decreased from 30 percent in 2019 to 26 percent to 2020, and is subject to future phase-downs) and the production tax credit for wind (which is expiring in 2021). The last time renewable energy tax credits saw a major extension was in the [2009 stimulus bill](#) following the 2008 financial crisis.

“If the purpose of an economic stimulus bill is to provide support to people and industries that have been adversely impacted by coronavirus, the renewables sector absolutely meets that criteria,” said Parsons, citing the supply-chain disruptions, the tax credit availability and the urgency of addressing climate change.

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