

May 25, 2021

The Honorable Ron Wyden, Chair
Senate Committee on Finance
221 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Mike Crapo, Ranking Member
Senate Committee on Finance
239 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Richard Neal, Chair
House Committee on Ways and Means
372 Cannon House Office Building
Washington, DC 20515

The Honorable Kevin Brady, Ranking Member
House Committee on Ways and Means
1011 Longworth House Office Building
Washington, DC 20515

Dear Chairmen Wyden and Neal and Ranking Members Crapo and Brady:

On behalf of the Business Council for Sustainable Energy (BCSE), I commend you for your leadership and urge Congress to continue its bipartisan support for clean energy tax policy by including clean energy and demand-side energy efficiency tax measures in the infrastructure legislation under consideration in the 117th Congress. This will create jobs and spur economic growth, while improving the resilience and reliability of our energy system and help to reduce greenhouse gas emissions.

The BCSE is a coalition of companies and trade associations from the energy efficiency, energy storage, natural gas, renewable energy, sustainable transportation and emerging decarbonization technology sectors. BCSE also has an independent small- and medium-size businesses initiative under its banner, the Clean Energy Business Network (CEBN). Together, the BCSE and CEBN represent a broad range of the clean energy economy, from Fortune 100 companies to small businesses working in all 50 states and over 350 Congressional districts. On a national basis, these industries support over 3 million U.S. jobs

BCSE is encouraged by the work underway in both Chambers to advance clean energy tax policy. To have its highest impact, tax measures should be inclusive of a broad range of technologies and should be in sync with the investment and project development cycles of these sectors. Long-term and durable credits lead to steady growth.

Specifically, your respective Committees are developing legislation that includes new and expanded tax credits for renewable energy, energy efficiency, energy storage, electric transmission, sustainable transportation, hydrogen and carbon capture and storage, among other areas. These bills also aim to modernize the measures overall. BCSE supports this approach.

For example, Congress should look to improve the measures by ensuring the tax credits fit the project cycles and investment patterns of all the eligible technologies. A number of renewable energy technologies such as hydropower, biomass, biogas, waste to energy and geothermal have long project development cycles and a one- or two-year tax credit extension does not



BCSE Letter on Clean Energy Tax Policy

impact deployment. For energy efficiency, reforms should also be made to improve their market impact.

A document which includes pieces of tax legislation supported by individual BCSE members can be found [here](#). This list continues to evolve as more measures are introduced this Congress. Of note, as a diverse coalition, not all BCSE members endorse or take a position on the tax proposals on this list.

The [2021 Sustainable Energy in America Factbook](#) recently released by the BCSE and BloombergNEF shows that despite major headwinds brought about due to the COVID-19 pandemic, the transformation of how the U.S. produces, delivers, and consumes hydrocarbons, electrons and heat marched onward. Congress has the opportunity to build on these market conditions, securing our future prosperity and leading our nation's economic recovery.

The Council welcomes the opportunity to work with your Committees as you refine your tax proposals and develop federal infrastructure legislation. Please feel free to reach out to Ruth McCormick at <mailto:rmccormick@bcse.org> with any questions or to arrange a time to meet.

Sincerely,

Lisa Jacobson, President
Business Council for Sustainable Energy