



Biomass Power Association Hails Fiscal Deal Package

“Extenders” Provision in Package Will Allow New Biomass Facilities to Qualify for Production Tax Credits

Washington, DC – January 2, 2013 – The Biomass Power Association today applauded the passage of the American Taxpayer Relief Act of 2012, which includes energy tax provisions that will allow biomass facilities to qualify for crucial production tax credits (PTC).

“The Biomass Power Association is grateful to Congress and the Administration for reaching an agreement, and for including legislation that will allow the biomass industry, and all dispatchable power renewables, to continue to grow,” said Bob Cleaves, President and CEO of the Biomass Power Association. “This is a small accommodation that costs the government very little in additional revenue, but will make a tremendous difference for qualifying facilities.”

The fiscal deal includes language that alters the date by which a renewable energy facility can qualify for a production tax credit (PTC). Instead of having to begin producing energy by a “placed in service” date to qualify, new facilities can now become eligible for these essential credits based on the date they begin construction. Without these important amendments, the current “placed in service” deadline of December 31, 2013, would have made it nearly impossible for any new open-loop facility to qualify.

In early December, Biomass Power Association joined with National Hydropower Association, Geothermal Energy Association and Energy Recovery Council to send a letter to the Administration on the importance of these credits. The letter read, in part: “A rule that will allow renewable projects to go forward based on when construction begins is a major policy improvement that will allow many more clean energy projects to move forward during the statutory duration of the Section 45 Production Tax Credit.”

The Senate Finance Committee originally passed this legislation in its “Family Business and Tax Cut Certainty Act of 2012,” on August 2, 2012.

###