



September 6, 2019

The Honorable Chuck Grassley
135 Hart Senate Office Building
Washington, DC 20510

The Honorable Richard Neal
2309 Rayburn House Office Building
Washington, DC 20515

The Honorable Ron Wyden
221 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Kevin Brady
1011 Longworth House Office Building
Washington, DC 20515

Dear Chairmen Grassley and Neal and Ranking Members Wyden and Brady,

The Geothermal Resources Council (GRC) kindly urges Congress to immediately pass legislation to extend the expired federal tax credits benefiting geothermal energy.

The tax credits have remained lapsed since the end of 2017, creating confusion for the numerous industry sectors that utilize these incentives to support deployment of clean energy solutions. The continued uncertainty also undermines the effectiveness of these incentives and stands as a needless barrier to additional job creation and economic growth.

Extend the §45(d) and §48 tax credits for the baseload renewable energy technologies. S. 617, the “Tax Extender and Disaster Relief Act” (§107) and H.R. 3301, the “Taxpayer Certainty and Disaster Relief Act” (§127) would retroactively extend these credits, which expired at the end of 2017. The bills’ “Credit for electricity produced from certain renewable resources”, extends the tax credits for geothermal energy; qualified hydropower; and marine and hydrokinetic.

As the professional association for the geothermal industry and community, the GRC can attest to the vital importance of the tax credits to the success of geothermal energy business. Our industry needs an extension of the expired tax credit — two years retroactive (2018-19) and ideally at least two years forward (2020-21). The tax credits provide a predictable market signal for project development, which in turn leverages

private investment and promotes job creation and local economic benefits across the country.

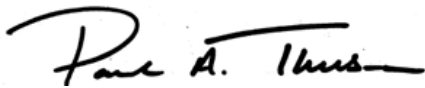
We strongly support the Tax Extender and Disaster Relief Act of 2019 introduced on February 28 by Senate Finance Committee Chairman Chuck Grassley and Ranking Member Ron Wyden. We applaud them for including an extension within “Section 107. Credit For Electricity Produced From Certain Renewable Resources”, specifically Section 107(a)(3), which benefits geothermal energy. We urge the Senate to take up this bill as soon as possible and for the House to follow suit expeditiously. Quick action on this issue is critical. Once the extenders package is passed, we look forward to a discussion on the long-term future of geothermal energy incentives.

Geothermal power is a critical source of renewable electricity for U.S. households and businesses as we transition to a clean energy future. It is affordable, reliable and plays a critical role in maintaining a functioning electric grid – due to its position as flexible, renewable, baseload resource that can complement other intermittent renewable resources. Extension of the expired tax credits will play an important role in continuing the development and support of our industry.

The GRC is a non-profit professional association for the geothermal industry and community in the USA and abroad. We were founded in 1972 and are headquartered in Davis, California. We have over 1,300 members from around the world and are working to advance our industry by supporting the development of geothermal energy resources through communication of robust research, knowledge and guidance.

We thank you for your consideration. We are available to answer questions and discuss further at your convenience.

Respectfully,



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