Governors Call For Wind Energy Tax Credit Renewal

Jeff Barnard, Nicholas Riccardi, Associated Press

In a story Nov. 14 about a wind energy tax credit, The Associated Press misidentified Iowa's governor. He is Terry Branstad, not Tom Branstad.

A corrected version of the story is below:
The fate of a tax credit that advocates say is needed to maintain tens of thousands of wind energy jobs will be decided during high-stakes, last-minute negotiations between President Obama and House Republicans over fiscal issues, officials said Tuesday.

The wind energy production tax credit is due to expire at the end of the year. Its extension stalled in Congress this summer amid fierce opposition from some conservative House Republicans. The last chance to extend the measure is in the budget deal that will be cut between Obama and Republicans in the lame duck session of Congress.

Backers of the credit tried to ramp up pressure to extend the $12 billion break Tuesday with a teleconference featuring several governors, who noted that uncertainty over its fate has led to thousands of job losses across the country. A study by a wind energy group found that 37,000 jobs would be lost if the credit expires.

The credit's supporters say the government has subsidized fossil fuels like oil for more than a century. Opponents argue it distorts the energy marketplace and leads to higher prices.

The credit was first signed by President George H.W. Bush and backed by a number of prominent Republicans. But some conservative House Republicans objected to the extension of the latest form of the credit this summer, arguing it is wasteful spending. Their cause was taken up by the party's presidential nominee, Mitt Romney, who argued the credit should expire. Elimination of the break was written into the GOP party platform in August.

Still, Republicans governors Terry Branstad of Iowa and Sam Brownback of Kansas joined Democratic governors on Tuesday's call urging the credit's extension. They said they represented a bipartisan group of 28 governors who back the tax break.

"It is time to turn the page on the recent election and work together to get Americans back to work," Oregon Gov. John Kitzhaber, a Democrat, said in a statement

Rep. Mike Pompeo, R-Kan., who helped organize opposition to the wind tax credits,

said the election results have emboldened him and other opponents to stand firm.

"There was a discussion in a lot of races around the country, and I didn't see a single race in which consumers were demanding higher electricity bills," Pompeo said. He added his opponent had attacked his stance on the credit, but Pompeo ended up winning the race by more votes than during his first campaign in 2010.

Wind energy companies already have started shrinking their workforces in the face of the gridlock.

Danish wind turbine manufacturer Vestas has reduced its U.S. workforce by 20 percent. The company announced last week it plans to cut its global workforce by another 3,000 by the end of next year due to uncertainty over the tax credit.

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