About BCSE

The Business Council for Sustainable Energy (BCSE) is an organization dedicated to providing a diverse, secure mix of energy resources. Founded in 1992 by senior executives in the natural gas, energy efficiency, electric utility, and renewable energy industries, the Council offers a business-oriented perspective on energy, economic and sustainability issues. The Council’s members provide America with clean energy services, technology products, and power generation in all fifty states. For more information, please visit http://www.bcse.org.

Extend Clean Energy Tax Incentives

Affordable, homegrown and clean energy sources are powering the U.S. economy with jobs and investment, and promoting the security and diversity of our energy supply. Stable tax policy provides predictable market conditions and is needed to enable clean energy businesses to grow, reduce costs and attract investment.

Congress should extend clean energy tax incentives which drive economic growth, promote global competitiveness, and energy security.

Long-Term Tax Policy Keeps Electricity Rates Low

The Production Tax Credit (PTC) and Investment Tax Credit (ITC) have been effective policy tools to keep electricity rates low and encourage development of a wide range of proven clean energy projects. As a counterpart to these private sector tax incentives the Clean Renewable Energy Bond (CREB) program provides tax credit bonds to consumer-owned utilities. The CREB program assists in the financing of renewable electricity facilities whose benefits would flow directly to utility customers.

The 150 megawatt Elk River Wind Project in Butler County, Kansas will provide enough electricity to serve 42,000 homes. Photo: courtesy of Iberdrola Renewables.

Federal Clean Energy Programs Mobilize Private Investment

The 1603 Treasury Program encourages the development of a wide variety of domestic energy technologies including: biomass, combined heat and power, fuel cells, geothermal, hydropower, landfill gas, marine hydrokinetic, micro-turbines, municipal solid waste, solar and wind. The program allows energy developers to receive a federal grant in lieu of the Investment Tax Credit (ITC) that they would otherwise be entitled to claim. The program has funded 19,875 projects with a total estimated electricity generation capacity of 35 terawatts (TWh) since 2009, enough to power approximately 3,212,188 homes. The 1603 Treasury Program continues to play a vital role that is necessary to create jobs and build a more competitive U.S. clean energy industry.

Meridian Vineyards is a 1.25 megawatt rooftop solar project located in Paso Robles, California. The project will generate 40 percent of the vineyard’s electricity. Photo: courtesy of D.C. Taylor Co.
Energy Efficiency Credits Help Consumers Save Money

Energy efficiency tax credits for commercial buildings, appliances, and new and existing residential buildings, help consumers save money. For example, the “non-business Energy Property” tax credit, which has varied in recent years from 10 to 30 percent of expenditures, has saved consumers a maximum of $500 or $1500 in different years, for improvements to a home’s envelope (such as attic insulation or efficient windows) and for some heating, ventilation, and air conditioning equipment. The credit helps consumers overcome the upfront costs to such improvements, or to the additional costs of choosing an efficient option over an inefficient one.

A 2009 report by McKinsey 
and Company¹, estimated that a $500 billion investment in energy efficiency could result in savings of $1.2 trillion and a 23 percent reduction in projected non-transportation energy use by 2020. According to the Brookings Institute the energy and resource efficiency segment of the economy accounted for more than 830,000 jobs nationwide in 2010.²

Tax Policy Provides Affordable, Secure Clean Energy

Tax incentives that lower the cost and risk of exploration and drilling for natural gas, like the Intangible Drilling Cost (IDC) Deduction, enable the industry to find new areas for domestic production. Domestic production of natural gas provides consumers and businesses with affordable, secure and clean energy sources to power the U.S. economy. According to the American Gas Association, over 600,000 jobs are directly involved in exploring for, producing, transporting and distributing natural gas. In addition, the natural gas industry provided $70 billion of direct income for workers in 2008.