

More taxpayer dollars for corrupt “green energy” insiders?

by [Marita Noon](#)

There is an intentional tension in Washington. Our founding fathers planned that opposing views would balance each other out—a push-pull takes place. Spend. Don’t spend.

This tug-of-war is seen, perhaps most obviously, in the so-called renewable energy field. After Solyndra, and the [more than fifty](#) other stimulus-funded green energy projects that have failed or are circling the drain, the public has grown weary, and wary, of any more spending on green energy. The money isn’t there to spend and the motive behind the 2009 rush to push billions of taxpayer dollars out through the Department of Energy has been tainted by corruption and illegal activity.

The green-energy emphasis was sold as a job creator for unemployed Americans, as a cure for global warming, and a way to slow a perceived energy shortage. It sounded so positive in the many speeches President Obama gave as a sales pitch to the American public.

Today, Americans know better.

They knew about Solyndra—which took millions and then folded. Thanks, in large part to my [exposé](#), many now know about Abengoa and the Solana solar project—which took billions of tax-payer dollars and is now functioning and producing electricity but does so by breaking immigration and labor laws, giving foreigners hiring preference, and stiffing American suppliers.

Watching multiple predictions fail and proponents get rich, Americans instinctively know that the whole global warming agenda doesn’t add up—as evidenced by this week’s [International Conference on Climate Change](#) where more than 600 “skeptics” from around the world gather to discuss real science and policy.

With headlines [heralding](#): “North Dakota has joined the ranks of the few places in the world that produce more than a million barrels of oil per day,” people know there isn’t an energy shortage. And America’s new energy abundance is on top of our rich reserves of coal and uranium that can provide for our electrical needs for centuries to come.

Yet, the White House keeps pushing the green-energy narrative and, on July 3, 2014, “The Energy Department Just Announced \$4 Billion For Projects That Fight Global Warming,” as the [headline](#) reads at ThinkProgress.org.

Wind Energy and the Production Tax Credit

Simmering just below the headlines is the push-pull over the [Production Tax Credit](#) (PTC) for Wind energy that expired at the end of 2013.

A recent [study](#) from the Institute for Energy Research (IER) that examined the state-by-state burden of the PTC, called the PTC “an amazing subsidy” because it can “effectively give a utility a bigger

subsidy than the actual market price. It would be as if Uncle Sam allowed car dealers to knock off \$60,000 from their tax bill for every \$50,000 car they sold. Indeed, the PTC is so generous that it can result in negative wholesale electricity prices.” The “Sharing the Burden of the Wind PTC” report shows which states benefit most from the federal subsidy and which lose—with Texas being the biggest winner having received \$394 million in the form of PTC credits.

Texans might be elated at their good fortune, however the IER study points out that individual consumers “still lose from the existence of the wind subsidies.” It states: “it’s not as if the IRS takes the population of Texas and divides \$394 million among them, evenly. Rather, the wind subsidies are concentrated in the hands of a small group of wind producers.” As a result, wind serves as a tax shelter for large corporations.

On June 26, wind energy proponents—including pages of signatories who benefit financially from the tax credit—sent a [letter](#) to the top Congressional leaders urging them to “support the immediate passage of the Expiring Provisions Improvement Reform and Efficiency (EXPIRE) Act.”

On the other side, citizens, like [Mary Kay Barton](#) of New York, are sending their elected federal representatives letters asking them not to support a PTC extension as proposed in EXPIRE. She sent a letter to Senator Charles Schumer (D-NY) and he sent one back to her.

Schumer opens: “Thank you for writing to express your opposition to tax credits, and subsidies for alternative energy. I share your opposition to unsuccessful and unnecessary subsidies.”

He then goes into a long paragraph about his effort to put an “end to subsidies for huge oil companies” and brags about being a “cosponsor of S.940, the Close Big Oil Tax Loopholes Act, which would roll back huge subsidies and tax credit for large oil companies.” Green energy supporters, such as Schumer, like to mix the terms “subsidies” and “tax credits” with “tax deductions”—when they are completely different. A subsidy, or loan guarantee, and tax credit involves taxpayer dollars being doled out—or taxes not collected—to incentivize a favored activity. This is not how America’s oil-and-gas producers are treated. They do, however, receive tax deductions—like any other business—that allow them to write off losses and the cost of doing business against income. Additionally, as the New York Times, in a story about corporate tax rates, [reported](#) last year: “Large oil companies typically pay high rates.” It shows that the average tax rate among companies is roughly 29 percent, while “large oil companies” are paying 37 percent and utility companies that “benefited from the 2009 stimulus bill, which included tax breaks,” have an “overall” rate of 12 percent.

In response to Barton’s letter about ending the PTC for industrial wind, Schumer continues: “I believe that it is necessary to balance our country’s increasing energy needs with the need to protect the environment. We must also focus on renewable energy and energy conservation in order to meet our growing energy demands. According to one study, if the U.S. increases its efficiency by 2.2 percent per year, it could reduce foreign oil imports by more than 50 percent. Such actions would not only reduce our dependence on foreign oil but would also safeguard the environment.”

Barton told me: “You’ll note that Senator Schumer still seems to think that subsidies for wind energy (electricity) will somehow ‘reduce foreign imports,’ and then references increasing ‘efficiency’ in

response to a letter about inefficient, unreliable wind?” She’s picked up on one of my favorite soapboxes: we could cover every available acre with wind turbines and solar panels and it would do nothing to “reduce our dependence on foreign oil” or increase America’s energy independence. Wind and solar produce electricity and, through our coal, natural gas, and uranium supplies, we are already electricity independent. We import oil to fuel our transportation fleet.

As the fight over the PTC points out, wind energy cannot survive without the tax credits.

High Cost, Low Benefit

Wind energy is also more expensive than almost all other electricity sources—only solar is higher. A new [study](#) from the Brookings Institute on the “best path to a low-carbon future,” assumes that CO2 emissions are causing climate change and therefore must be reduced. It analyzes the costs and benefits of the most common solutions. The study found: “Adding up the net energy cost and the net capacity cost of the five low-carbon alternatives, far and away the most expensive is solar. It costs almost 19 cents more per KWH than power from the coal or gas plants that it displaces. Wind power is the second most expensive. It costs nearly 6 cents more per KWH.” The study puts these additional costs in context: “The average cost of electricity to U.S. consumers in 2012 was 9.84 cents per KWH, including the cost of transmission and distribution of electricity. This means a new wind plant could at least cost 50 percent more per KWH to produce electricity, and a new solar plant at least 200 percent more per KWH, than using coal and gas technologies.” The study concludes: “renewable incentives that are biased in favor of wind and solar and biased against large-scale hydro, nuclear and gas combined cycle are a very expensive and inefficient way to reduce carbon dioxide emissions.”

Wind energy proponents cling to the idea that we must reduce fossil fuel use and believe, therefore, that the extra cost is worth it. However, because of the intermittency issues with wind and the reliability demand from the consumer, it requires fully dispatchable back-up power generation. Natural gas is the best form of back up because it can be easily adjusted to produce more or less electricity—however the constant adjustment results in less efficient use and more CO2 emissions.

I like to explain the preference for natural-gas back ups this way. Suppose you are going to cook a hamburger. You can cook it over charcoal or natural gas/propane. To use charcoal, you mound up the charcoal in the grill, soak it in lighter fluid, and toss in a match. You then wait 30 minutes for the coals to get nice and hot. Once hot, you put on your burger and cook it for 5-8 minutes. You remove your burger and leave the coals to die down—which could take several hours. On natural gas/propane, you simply turn it on and light the grill. After giving it 5 minutes to heat up, you toss on your burger. When your burger is cooked, you turn off the grill, and it is cool in minutes.

Natural gas is the preferred back up for wind (and solar) energy because, as in the burger example, its production can more easily be increased and decreased to follow the needed output—even though it operates most efficiently at a consistent level. Coal-fueled electricity generation cannot be simply turned up and down.

By way of answering the question: “Why are the costs of wind and solar so much higher, and the benefits not much different from other low-carbon alternatives?” the Brookings study states: “The

benefits of reduced emissions from wind and solar are limited because they operate at peak capacity only a fraction of the time.”

It's Not Just About the Money

If cost issues weren't enough to make you a wind energy opponent, think of the health issues.

In late June, the American Bird Conservancy (ABC) took President Obama up on his “so sue me” challenge and filed a lawsuit over his administration’s modification of the 1940 Bald and Golden Eagle Protection Act that now allows wind energy producers a thirty year permit to kill the majestic birds. According to ABC spokesman Bob Johns, “the Obama administration has gone too far with incentives for the wind industry.” The Washington Times [quotes](#) Johns: “Since the 1980s, wind turbines have killed an estimated 2,000-3,000 eagles, but the industry has paid only one fine.”

Wind turbines hurt more than birds. On June 16, a Michigan judge [agreed](#) with residents who live near the 56-turbine Lake Winds facility and who complained of health problems that began just after the turbines began operating. A lawsuit filed on April 1, 2013 argued that noise, vibrations, and flickering lights emanating from Lake Winds were adversely affecting their health.

Cape Wind

Despite these, and other harmful impacts—which include a loss of property values when wind turbines are installed in a neighborhood—and opposition from environmental groups and local fisherman, the Department of Energy has just approved a stimulus-funded \$150 million loan guarantee for the controversial [Cape Wind](#) project planned to be built in the Nantucket Sound. Cape Wind, scheduled to begin construction in 2015, will be the first utility-scale wind facility in U.S. waters.

Addressing the loan guarantee announcement, the Boston Globe [states](#): “Now, with a large portion of financing in place, regulatory approvals in hand, and most legal challenges resolved, the project has finally reached a threshold where it is likely to get done.” Validating my earlier point of higher cost, the Globe says the two largest utilities in Massachusetts “agreed to purchase a total of 77.5 percent of the power generated by Cape Wind at a starting price of 18.7 cents per kilowatt hour—well above typical wholesale prices.”

Like other wind energy projects, Cape Wind is dependent on the PTC extension. It is time for everyone who opposes government intervention in markets to [contact his or her representatives](#)—as Mary Kay Barton did—and voice opposition to the PTC extension. Call and say: “Stop supporting wind energy. It is an inefficient system that leads to perverse outcomes. The massive expansion of wind energy that we’ve seen in the past six years would not survive on a level playing field.”

The author of [Energy Freedom](#), Marita Noon serves as the executive director for [Energy Makes America Great Inc.](#) and the companion educational organization, the [Citizens' Alliance for Responsible Energy](#) (CARE). Together they work to educate the public and influence policy makers regarding energy, its role in freedom, and the American way of life. Combining energy, news, politics, and, the

environment through public events, speaking engagements, and media, the organizations' combined efforts serve as America's voice for energy.

[Abengoa Alert: New explosive whistleblower Intel reveals that the taxpayer-subsidized California Mojave Solar Plant is a massive green disaster](#)



Last March, as a result of droves of brave whistleblowers, energy columnist Marita Noon and I began to unleash how the Spanish Conglomerate Abengoa, which bagged billions in U.S. green energy stimulus funds for three projects, committed a chain of “atrocities” on American soil. In short, Abengoa intentionally violated American laws, codes and regulations that ... [Read more](#)

Green Energy Corporations Rolling in the Green, Thanks to Friends in High Places



This a portion of a much longer article entitled “Podesta Power and Center for American Progress: The dark, driving force behind the president’s massive green energy scheme“, published on March 3, 2014
Center for American Progress Finally Reveals its Corporate Donors: At least 17 raking in tens of billions of tax dollars from the Green ... [Read more](#)

Obama’s Green Team of Corporate Cronies



This a portion of a much longer article entitled “Podesta Power and Center for American Progress: The dark, driving force behind the president’s massive green energy scheme“, published on March 3, 2014.

While the original Green Team has now left for greener pastures, their example is still instructive of how things work in the rarified ... [Read more](#)

Center for American Progress: How Corruption Works

Center for American Pro



Center for A



This a portion of a much longer article entitled “Podesta Power and Center for American Progress: The dark, driving force behind the president’s massive green energy scheme“, published on March 3, 2014 by Christine Lakatos 2014 began with a bang: “Obama’s Second Term Is All About Climate Change.” New York Magazine, in their reporting, claimed ... [Read more](#)

Tags: [Abengoa](#), [Bakkan](#), [big oil](#), [cape wind](#), [Climate Change Alarmism](#), [CO2 Emissions](#) ,[crony corruption](#) ,[Department of Energy](#) ,[Global Warming](#), [Green Energy](#), [Senator Charles Schumer](#), [Solyndra](#), [Tax Rates](#), [Wind PTC](#),