

FACT SHEET: WIND ENERGY & THE PRODUCTION TAX CREDIT

US Wind Generation

- Today's US wind power fleet spans 34 states, generating approximately 17,000 megawatts of clean energy and powering the equivalent of more than 4.5 million homes, according to the American Wind Energy Association (AWEA).
- AWEA estimates that the total amount of electricity that could be generated from wind in the US is 10,777 billion kWh annually — more than double the total US electricity consumption from all sources today.
- The US Department of Energy estimates that wind energy could produce 20 percent of US electricity by 2030, if annual wind capacity additions increase more than threefold and if transmission capabilities are expanded.

Production Tax Credit (PTC) on US Wind Farms

- The PTC is a federal incentive that plays a major role in the development of wind farms.
- Wind power, geothermal power and power from "closed-loop" biomass projects receive this inflation-adjusted tax credit of 1.5 cents per kilowatt-hour in 1993 dollars, currently 2.1 cents. Other forms of renewable electricity receive a credit of half that amount. This credit applies to the first 10 years of electricity production.
- The PTC is set to expire Dec. 31, 2008. Congress' most recent attempt to renew the incentive failed in June 2008 in a Senate vote that centered on how to offset the cost of the PTC with tax revenues. The PTC has expired on three prior occasions, each time causing annual wind capacity additions to drop 76-90 percent.
- A GE study estimates that the PTC more than pays for itself through tax revenue generated by the wind projects themselves and the industry that builds and operates them.
- Wind farms built in 2007, supported by the PTC, carry an estimated net present value to the US Treasury of \$250 million.

GE Energy Financial Services' Investment in Wind Energy

- Wind makes up 80 percent of GE Energy Financial Services' more than \$3 billion renewable energy portfolio.
- GE Energy Financial Services' total US wind equity portfolio includes 34 farms that span 13 states and produce 3,550 MW of energy— enough to power approximately 1 million US homes.

About GE Energy Financial Services

GE Energy Financial Services' 350 experts invest globally with a long-term view, backed by the best of GE's technical know-how and financial strength, across the capital spectrum and the energy and water industries, to help their customers and GE grow. With \$19 billion in assets, GE Energy Financial Services, based in Stamford, Connecticut, invests more than \$5 billion annually in two of the world's most capital-intensive industries, energy and water. In renewable energy, GE Energy Financial Services is growing its portfolio of more than \$3 billion in assets in wind, solar, biomass, hydro and geothermal power. For more information, visit: www.geenergyfinancialservices.com.

Contact

Christa Bowers GE Energy Financial Services (203) 339-1434