



TAX REVENUES FROM WIND FARMS MORE THAN OFFSET TAX INCENTIVE, GE STUDY ESTIMATES

NEW YORK, June 18, 2008 – GE Energy Financial Services, a unit of GE (NYSE: GE), unveiled today a study estimating that a federal tax incentive set to expire Dec. 31 for wind energy projects more than pays for itself through tax revenues from the projects' income, vendors' profits and individual workers' wages. The study – released at the American Council on Renewable Energy's Renewable Energy Finance Forum in New York – estimated that wind farms built in 2007, supported by the production tax credit, carry a net present value benefit to the US Treasury of \$250 million.

“Congress is debating how to pay for the wind tax credits perhaps without realizing that, over time, wind farms pump more money into the US Treasury and state and local coffers than they take out,” Kevin Walsh, Managing Director of renewable energy at GE Energy Financial Services, said at the conference today. “Our study shows that the wind farms more than pay for themselves through existing tax revenues, so it's time to renew the incentives immediately.”

The production tax credit for wind – as well as similar incentives for solar and other renewable energy sources – has expired three times in the past nine years, each time causing a 76-90 percent drop in installed capacity from the previous year. The most recent attempt to renew the incentive failed earlier this month in a US Senate vote that centered on how to offset the cost of the production tax credit with tax revenues.

"Too often, politics, rather than economics, has shaped the debate about extending the production tax credit," said Michael Eckhart, President of the American Council on Renewable Energy. "GE's new study identifying additional economic benefits of the wind industry should bring all parties together, all supporting a proposition that is good for the environment, good for the economy, and even good for the federal treasury."

According to the study by GE Energy Financial Services, wind projects that went into operation last year generate federal income tax revenues from the projects, individual workers' wages, vendors' profits, and land leases. And they also provide federal tax revenue after 10 years, when the production tax credits expire. In addition to those federal tax revenues, the wind projects generate an estimated \$6 million per year in local property taxes, \$15 million annually in state income taxes on wages and profits during construction and \$1.5 million per year in taxes while operating. Using a model developed by the National Renewable Energy Laboratory, wind farms built in 2007 in

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the United States created more than 17,000 construction-related jobs and 1,600 long-term operations-related jobs. In addition, the new wind farms provided major environmental benefits, avoiding approximately 10 million metric tons of carbon dioxide emissions annually, equivalent to taking 1.8 million cars off the road, GE estimates. The GE study does not analyze the wind industry's economic effects on other energy sectors.

“Congress’ repeated failure to act could derail the wind energy industry at the worst possible time for the economy, placing 76,000 jobs and more than \$11.5 billion in investment at risk,” said Randall Swisher, Executive Director of the American Wind Energy Association.

Wind makes up 80 percent of GE Energy Financial Services’ more than \$3 billion renewable energy portfolio. The GE unit’s total US wind equity portfolio includes 34 farms that span 13 states and produce 3,550 megawatts of energy— enough to power approximately 1 million US homes. The company plans to invest \$6 billion in renewable energy projects by 2010, including wind, solar, biomass, hydro and geothermal power generation.

For the full study, [Click Here](#).

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.

About GE

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Editor's Note:

Kevin Walsh, Managing Director of renewable energy at GE Energy Financial Services, Michael Eckhart, President of the American Council on Renewable Energy and Randall Swisher, Executive Director of the American Wind Energy Association, will hold a press conference to discuss the GE wind industry economic benefits study at 11:30 am EDT in the West Foyer of the Waldorf Astoria Hotel in New York. RSVP to: <http://www.reffwallstreet.com/gepress>. Telephone dial-in to the press conference: US and Canada - 866-682-6100, International Callers - 201-499-0416.

TV news B-roll of a wind farm, from general archives, is available at:

<http://www.geenergyfinancialservices.com/RenewablesInvestments/>

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