

**FOR THE EXCLUSIVE USE OF
BIZ@LEECHTISHMAN.COM**

From the Pittsburgh Business Times:

<http://www.bizjournals.com/pittsburgh/blog/energy/2015/12/federal-tax-credit-extension-gives-pittsburgh.html>

Federal tax credit extension gives Pittsburgh wind power company a boost

🔑 **SUBSCRIBER CONTENT:**

Dec 22, 2015, 2:28pm EST **Updated: Dec 22, 2015, 2:55pm EST**

When Congress passed its budget last week, it contained a gift for EverPower Wind Holdings, the wind power company based in downtown Pittsburgh.

The gift: the House and Senate granted extensions to the 2.3-cent-per-kilowatt-hour wind production tax credit (PTC) for wind power.

That could result in a real boost to the wind power energy, said Kenneth C. Foltz, Sr., a partner at Leech Tishman Fuscaldo and Lampl in Pittsburgh, who represents EverPower.

At the end of 2014, a previous version of the PTC expired. As Foltz explained to the Business Times, that threw a number of projects into flux.



EverPower Wind Holdings employees.

"EverPower and many other wind farm companies have projects that they have been working to bring to fruition and to try to build," he said. "But with the uncertainty on the tax credits, they weren't able to move forward with those projects."

"You'll now probably see a boom in wind projects starting construction," said Foltz.

He explained that EverPower intends to use an alternative form of the tax credits to boost its business.

Instead of taking in 2.3-cents-per-kilowatt-hour, companies can take an upfront investment of 30 percent toward the construction of a wind power project. A typical turbine can cost between \$3 million and \$4 million to construct. The tax credit can inject close to \$1 million into just one turbine. And wind farms can encompass hundreds of turbines.

The investment will allow EverPower and other companies to more easily receive loans to build large-scale wind power projects.

"From a financing perspective, the investors and the lenders that are financing [wind power] would rather have the upfront dollars that they get back on the project," Foltz said. "On day one, once the project is completed, you have almost a 30 percent equity built into the project."

The hope is that tax credits won't be necessary in the future, he said. But for now, the wind energy industry is happy to have the boost.

"These are key to get this industry moving," he said.

Michael Speerschneider, EverPower's chief permitting officer, said that the tax credits are appreciated.

"Policy uncertainty is not ideal," Speerschneider said. "The extension gives us more of a horizon to plan around. We're developers, so we didn't stop all of our development because tax credits stopped. But this certainly helps."

EverPower builds and oversees large, industrial, utility-sized wind farms all

over North America. Speerschneider said projects are either underway or in planning in Ohio, Pennsylvania, Maryland, and Montana.

Pittsburgh is also home to WindStax Wind Power Systems, based in the Strip District. A WindStax representative did not immediately return a call for comment.

Matt Stroud

Reporter

Pittsburgh Business Times

