

WASHINGTON – Efforts to build the world's largest solar-thermal energy plant under Arizona's sunny skies would get a significant boost under the Renewable Energy and Energy Conservation Tax Act, which the House of Representatives is set to consider Wednesday morning.

U.S. Rep. Harry Mitchell, who supports the legislation, said Congress has a responsibility to lead the way and invest in clean, renewable sources of energy that will help end our nation's dependence on foreign oil.

Last week, Abengoa Solar announced plans to build the Solana Generating Station, a 280-megawatt solar-thermal facility that would be the world's largest of its kind, outside of Gila Bend. Arizona Public Service would purchase and distribute the energy. But according to an Abengoa executive, if Congress fails to extend solar energy tax incentives set to expire in December, "Solana will not happen." [Source: [The Arizona Republic](#), Feb. 21, 2008]

"We have a real opportunity to brighten our state's future and establish Arizona's reputation as the 'Solar State,'" Mitchell said. "Investing in solar energy is critical to Arizona's economy and our national security. We're on the right path, but the future of this important project depends on these essential tax incentives. I'm confident my colleagues in the House will pass this legislation, and I urge the Senate to take action as soon as possible."

HR 5351, the Renewable Energy and Energy Conservation Tax Act, would

- Extend a 30 percent investment tax credit for solar energy property for eight years until 2016. Public utilities would be allowed to claim this investment tax credit to offset alternative minimum tax (AMT).
- Extend residential solar property tax credit for six years through 2014 and increase annual cap to \$4,000 from \$2,000. This tax credit can be used to offset the AMT.
- Set new credits for qualified plug-in hybrids.