

United States Senate

WASHINGTON, DC 20510

February 1, 2023

The Honorable Janet L. Yellen
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington DC 20220

Dear Secretary Yellen:

We write to ask that the Department provide needed official guidance, as soon as practicable, to clarify that offshore wind developers can treat assets leading up to, and including, the onshore transformer and project substation as qualifying for purposes of claiming the investment tax credit ("ITC"). This is consistent with the intent of Congress when it created this credit as part of the Consolidated Appropriations Act of 2021 and is critically important for offshore projects to move forward.

Realizing the importance of offshore wind, in 2020 Congress enacted a new 30% ITC to incentivize our domestic offshore wind industry, but Congress did not define the assets that were eligible for this new credit. Instead, Congress relied on existing guidance for other renewable ITCs, such as solar, to help determine qualifying assets. The Bluebook released by the Joint Committee on Taxation, JCS-1-22, also contained additional clarifying language stating that subsea cables and voltage transformers are necessary properties to condition electricity for the grid. We encourage Treasury to quickly provide official guidance that incorporates these statements of congressional intent either directly or as an example of qualified property.

We look forward to working with you and your staff to secure clarifying guidance expeditiously. Please let us know what we can do to further assist you in this effort.

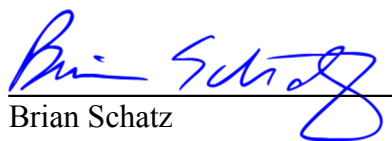
Sincerely,



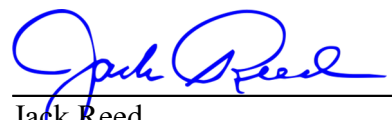
Martin Heinrich
United States Senator



Susan M. Collins
United States Senator



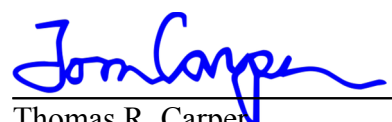
Brian Schatz
United States Senator



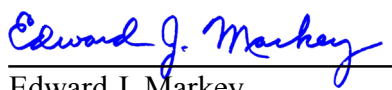
Jack Reed
United States Senator



Chris Van Hollen
United States Senator



Thomas R. Carper
United States Senator



Edward J. Markey
United States Senator



Kirsten Gillibrand
United States Senator



Christopher S. Murphy
United States Senator



Cory A. Booker
United States Senator



Elizabeth Warren
United States Senator



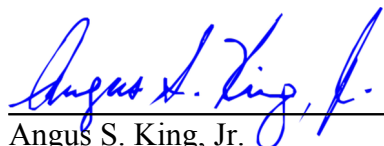
Christopher A. Coons
United States Senator



Dianne Feinstein
United States Senator



Richard Blumenthal
United States Senator



Angus S. King, Jr.
United States Senator



Sheldon Whitehouse
United States Senator