



Testimony before the Concho County Hospital District

by Cutter W. González, Policy Analyst

Directors:

Thank you for the opportunity to speak on behalf of the Texas Public Policy Foundation this evening.

In considering the establishment of a reinvestment zone for Maverick Wind, your board must consider the cost to residents and the benefit they will receive in return. My experience with those already living in the shadow of wind turbines indicates that the costs outweigh the benefits.

Chapter 312 of the Texas Tax Code—the section authorizing the district to provide this abatement—was enacted to bring jobs to Texas. This chapter works in concert with school district-administered abatements to provide a hefty incentive for businesses looking, potentially, to build here. The logic follows that taxpayers incentivize development via their local governments, the development brings jobs, and taxpayers benefit.

But how much benefit for how much payout? And what about the jobs? At this point, it isn't clear. In other cases, wind farms have filed with school districts to receive additional tax abatements. These agreements fall under Chapter 313 of the Texas Tax Code and have higher standards for reporting to the public. Those filings have allowed more informed public comment and have helped directors make these important decisions with the best information available. That isn't the case here, where citizens know little about what might happen and are concerned about statewide data showing that 87 percent of job-requirement waivers (i.e., permission to create fewer jobs than required by state law) were granted to wind developments.

The situation gets worse when considering the harm to the electric grid as greater proportions of energy come from volatile sources like wind. Subsidized renewable energy development is driving out baseload producers and jeopardizing the reliability of the entire grid. When the wind doesn't blow, dispatchable resources have to be ready to make up the difference—without the immense subsidies offered to wind. The government should not be in the business of picking winners and losers, especially when that choice implicates the availability of our unquestionably important energy resources.

Beyond the bad economic prospects, we need to consider the lived experiences Concho County residents will face with the encroachment of wind development. Residents in places like Comanche County, already littered with turbines, report sleepless nights, anxiety, higher stress levels, and other negative symptoms since their wind farm came to town. Should the district take an active role in promoting development that may harm the daily life of citizens in its jurisdiction?

Residents and stakeholders do not have enough information to make an informed decision on the specifics of the case. This, compounded with concerns from other experiences across Texas, should give the board pause when considering the creation of the reinvestment zone.



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