Written by Bukata Hayes and Reggie Edwards, Sovereign Systems, LLC
Wednesday, 17 October 2012 09:14

Do low-to-moderate income folks possess an avenue to secure authentic prosperity and wealth?

Can we change the definition of prosperity and wealth so that it speaks to the entirety of our experience and leaves us whole? Sovereign Systems, LLC's economic principle of Micro Equity provides that path for all to benefit while presenting a more complete context of what it means to prosper and why prosperity is critical for our communities.

The Production Tax Credit is a crucial "means" to the important "end" for low-to-moderate income communities to realize this new reality. Let us explain why the Production Tax Credit plays such an important role.

Right now, Denmark meets 20 percent of its electrical demands by utilizing wind power. Spain, Germany and Portugal all produce between 7-9 percent of the electrical needs from wind. These three countries have far less desirable wind resources than the United States but far outpace us in regard to wind-generated energy. America produces less than 3 percent of its electricity from wind. What a sad state of affairs.

Wind energy, along with solar and biomass produced energy, present the United States with an unparalleled opportunity to power this country forward responsibly. The United States, as a whole, has some of the best conditions for all three renewable energy sources in the entire world. Texas, California, Iowa, Minnesota, Washington, and Oklahoma all have great conditions for wind-generated energy and now the U.S. has surpassed 50 gigawatts of wind energy capacity. This 50 gigawatts of wind energy could power 13 million American homes. Our wind energy potential is greatest along the coast lines and in the Great Lakes, but offshore wind energy projects have been few and far between due to anti-renewable energy policies,

politicians, legislative leaders and alliances backed by big oil companies. America's solar and biomass potential hold similar promise as wind yet are going unfulfilled currently and may go unmet, indefinitely, if the Production Tax Credit (PTC) is not extended.

Realizing America's unmet renewable energy potential is not the sole reason for the importance of the extension of the PTC – nor even the most critical.

The most critical reason for extending the PTC is that, if used properly, it provides America's low-to-moderate income population with an avenue for true empowerment –prosperity and wealth. See, the PTC was first enacted in 1992 with the Energy Policy Act as a way to stimulate renewable energy production (i.e. wind and biomass) in the United States. Wind projects were given a "credit," adjusted upwards in subsequent years to account for annual inflation, based upon wind energy produced. The PTC, historically, was utilized by large investors (Warren Buffet types), utility companies and/or well-funded smaller groups to build wind plants to connect back to the grid. The PTC was a major reason in implementing these projects as it provided some sort of return on investment almost immediately, thus making these wind projects more palatable to the investors. Low-to-moderate income people have never benefited financially from such projects or the PTC while being the main target for consumption of the energy produced from these PTC-assisted projects. But this changes with the introduction of Sovereign Systems, LLC's (SOV) financial principle, Micro Equity.

Therein lies the true importance of the PTC – its extension and accessibility to low-to-moderate income communities. As more renewable energy incentives and tax credits become commonplace in our country, access and ownership of renewable energy projects by those folks traditionally left out of the loop can also become the prevailing norm. The aggregate of our collective resources is more than sufficient to utilize the PTC and build community ownership within the burgeoning sector of renewable energy. Low-to-moderate income communities did not benefit personally from the gold rush or the tech boom in any appreciable way, but have a real opportunity to benefit personally and collectively from this new frontier, as long as quality incentives, tax credits and policies like the Production Tax Credit exist.

Sovereign Systems, LLC urges the extension of the PTC as its importance is critical to creating a clean energy culture that is sorely needed while simultaneously supporting an environment of empowerment within low-to-moderate income communities.

Bukata Hayes is co-founder of Sovereign Systems, LLC. Hayes also serves as the executive director of a community non-profit which focuses on proactively addressing demographic change and inclusion. Hayes received his Bachelor's Degree in Exercise Physiology from the College of St. Scholastica in Duluth, Minnesota and is currently pursuing his Master's Degree in Sociology at Minnesota State University, Mankato.

Reggie Edwards is co-founder of Sovereign Systems, LLC. It is at Sovereign Systems where Edwards combines all of his business, government and educational training to bare to "bring sovereignty in the lives of low to moderate income people through business development (i.e., renewable energy, nutritional water and technology investments.) Edwards is a current Doctorate student at Minnesota State University at St. Cloud where he is focused on

organization and systems dynamics.