

Excerpt from ETF Trends, April 24, 2013

<http://www.etftrends.com/2013/04/solar-clean-energy-etfs-rally-on-mlp-parity-act/>

Solar, Clean Energy ETFs Rally on MLP Parity Act

... and ... were up more than 2% on Wednesday after a group of U.S. senators reintroduced the Master Limited Partnerships Parity Act.

The bill is designed to “level the energy playing field by giving investors in renewable energy projects access to a decades-old corporate structure whose tax advantage is available now only to investors in fossil fuel-based energy projects,” U.S. Senators Chris Coons (D-Del.), Jerry Moran (R-Kan.), Debbie Stabenow (D-Mich.) and Lisa Murkowski (R-Alaska) said in a statement.

“Recall, an earlier version of this bill quietly languished in committee in the last (112th) Congress, and with the new session having started in January, it is being revived in both chambers,” ...

The analyst said the bill could reduce the cost of capital by up to 50%.

However, it’s not clear whether the bill will pass.

....

“Forming a renewable project under such a structure would stop profits from being taxed at both the corporate and shareholder level since it would be treated as a partnership for tax purposes,” it adds. “Oil and gas projects can currently be structured as MLPs, which they have been doing since the 1980s, but renewables projects cannot.”

Clean energy ETFs such as PowerShares WilderHill Clean Energy Portfolio (NYSEArca: PBW) also rallied Wednesday. ...