

**Internal Revenue Service**

Department of the Treasury  
Washington, DC 20224

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Person To Contact:  
, ID No.

Telephone Number:

Refer Reply To:  
CC:ITA:7  
PLR-137742-12  
Date:  
September 06, 2012

Re: Revocation of Private Letter Ruling Regarding § 167

Legend

Taxpayer =

Representative =

Dear :

As discussed in our telephone conversation with Representative, Taxpayer's authorized representative, on August 29, 2012, we are revoking Private Letter Ruling 201214007, dated January 3, 2012. In addition, this letter limits the revocation's retroactive effect pursuant to § 7805(b) of the Internal Revenue Code.

In Private Letter Ruling 201214007, the Internal Revenue Service concluded that where Taxpayer acquired wind energy facilities subject to facility-specific power purchase agreements (PPAs), no portion of its purchase price shall be allocated to the PPAs and the purchase price of such wind energy facilities that is attributed to such PPAs shall be taken into account in determining the adjusted basis of the wind energy facilities.

Since issuing this letter ruling, the Service has determined that Private Letter Ruling 201214007 is not in accord with the current views of the Service. After reconsideration, we have concluded that the portion of the purchase price paid by Taxpayer that is attributable to the PPAs is to be allocated to the PPAs and not to the wind energy facilities.

Accordingly, Private Letter Ruling 201214007 is revoked. Pursuant to the authority granted by § 7805(b), this revocation will apply to Taxpayer's taxable years beginning on or after September 6, 2012, the date on which this letter is issued.

This letter does not constitute an adverse letter ruling with respect to the above issue. Nevertheless, you may request a conference to discuss this matter further.

In accordance with the power of attorney, we are sending a copy of this letter to Taxpayer's authorized representative. We are also sending a copy of this letter to the appropriate operating division director.

Sincerely,

Kathleen Reed

KATHLEEN REED  
Chief, Branch 7  
Office of Associate Chief Counsel  
(Income Tax and Accounting)

Enclosures (2):

Copy of this letter

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