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## US wind energy adds 1,400 MW of capacity

AP Associated Press

By Dirk Lammers, AP Business Writer | October 22, 2008

SIOUX FALLS, S.D. --The U.S. added nearly 1,400 megawatts of new wind energy capacity during the second quarter of 2008, providing enough electricity to power more than 400,000 homes, according to an industry report released Wednesday.

The American Wind Energy Association said new wind turbines this year will generate some 7,500 megawatts of additional electricity, far surpassing the 5,249 megawatts installed in 2007.

Wind power accounted for more than one-third of the new electric generating capacity installed in the U.S. in 2007, and the industry is projected to grow at a 45 percent pace for the second straight year, said Randall Swisher, the association's executive director.

"We're past the point of wind being a marginal player," Swisher said.

A financial bailout package passed by Congress and signed by President Bush earlier this month provided an eight-year extension of investment tax credits for the solar industry but gave just a one-year extension of production tax credits for the wind industry.

Swisher said wind advocates were disappointed they couldn't secure a more long-term policy, but the industry will work with a new administration headed by either Democrat Barack Obama or Republican John McCain on a stable five-year tax credit extension and a federal renewable energy standard.

The government, utilities and financiers will also have to come together to build a nationwide network of high voltage lines that will provide a backbone so the country can fully access its wind potential.

"In 2009, energy will be front and center with the new Congress and the new administration," he said. "Both McCain and Obama have made that clear."

Swisher said the credit crisis and overall economic downturn will undoubtedly have some effect on the capital-intensive industry, but it's too early to predict to what extent.

He said capital in the near-term clearly will cost more and be more difficult to get, but other factors provide a bit of a silver lining. Transportation costs are continuing to come down, and steel prices have dropped significantly in the past few months. A wind turbine, by weight, is 89 percent steel, Swisher said.

Industry growth is also occurring on the manufacturing side.

Eight new wind turbine component manufacturing facilities opened in the U.S. this year, nine were expanded and 19 new facilities were announced, according to the trade group.

Swisher said governors from states such as Colorado and Iowa have worked hard to attract companies that build turbines, towers and blades to fuel their local economies.

"Wind will be one of the leading sources of new manufacturing jobs in the 21st century," he said. "And there are a bunch of governors that are starting to figure that out and are driving their own state economic development strategies to take advantage of that." ■