



Governors'
Wind
Energy
Coalition

2200 Wilson Boulevard, Suite 102-22
Arlington, Virginia 22201-3324
Phone 402 651-2948
www.GovernorsWindEnergyCoalition.org

Iowa

Gov. Terry Branstad
Chairman

Oregon

Gov. John Kitzhaber
Vice Chairman

November 12, 2012

The Honorable Harry Reid
Majority Leader
U.S. Senate
S-221 U.S. Capitol Building
Washington, DC 20510

The Honorable John Boehner
Speaker of the House
U.S. House of Representatives
H-232 U.S. Capitol Building
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
S-230 U.S. Capitol Building
Washington, DC 20510

The Honorable Nancy Pelosi
Minority Leader
H-204 U.S. Capitol Building
Washington, DC 20515

Dear Leader Reid, Leader McConnell, Speaker Boehner, and Leader Pelosi:

We write to again express our support for a multi-year extension of the renewable energy production tax credit (PTC). Thousands of jobs in the wind industry have already been impacted by the credit's looming expiration and thousands more are at risk. We urge you to take swift action to extend the PTC before the end of this congressional session.

As governors from diverse areas of the nation, we share a common interest in harnessing affordable and homegrown renewable resources to power our towns and cities. As the wind energy sector has developed, a robust manufacturing sector to build the components for wind turbines has also developed and resulted in 60 percent of a wind turbine's value being manufactured in the U.S. at nearly 500 facilities. America's wind energy industry has generated up to \$20 billion in private investment annually in each of the past five years and employed 75,000 Americans.


The wind industry urgently needs a PTC extension to diversify our nation's energy portfolio and fuel these high-tech jobs. While the industry has lowered its costs significantly over the past decade, we believe the industry will be competitive in the not-so-distant future with other well-established fuel sources. As you deliberate on the PTC extension, we encourage you to account for the 18 to 24 months of time needed to plan and finance projects. The bipartisan bill passed by the Senate Finance Committee accounts for this necessary business timing. In short, a multi-year extension would be more effective for manufacturers.

Without a PTC extension, it is estimated that the U.S. economy will lose 37,000 wind industry jobs and the opportunity to leverage over \$10 billion of private investment. Our states are already seeing these impacts. For example, wind turbine manufacturer Vestas laid off 182 of its employees, and has stated that 1,600 of its employees — most of whom are Colorado-based — are at risk. Clipper Wind Power has laid off 100 workers at its plant in Cedar Rapids, Iowa. Siemens laid off 407 workers at its blade manufacturing facility in Fort Madison, Iowa.

Turbine manufacturer Gamesa furloughed 165 of its Pennsylvania-based employees, and Vermont-based NRG Systems laid off 18 employees from its wind measurement technology company. Oregon-based project developer Iberdrola Renewables has laid off 50 of its employees and has cancelled several U.S. projects. Without congressional action now, wind industry layoffs will accelerate and these private sector investment dollars will go to other countries.

The United States has some of the best wind resources in the world, but the lack of policy stability hinders the nation's ability to develop them fully. Please support our states in the pursuit of economic strength, energy diversity, and consumer savings by acting quickly to extend the PTC.

Sincerely,



Terry Branstad, Chairman
and Governor of Iowa



John Kitzhaber, Vice Chairman
and Governor of Oregon

c: Members, Energy and Natural Resources Committee
Members, Finance Committee
Members, House Ways and Means Committee
The Honorable Steven Chu, Secretary, U.S. Department of Energy
The Honorable Ken Salazar, Secretary, U.S. Department of the Interior