



Wind Industry Starts Receiving Grants in Lieu of PTC

AWEA welcomed the U.S. Treasury and Energy Departments' announcement of nearly \$500 million in grants in lieu of production tax credits (PTC) that were issued for 10 wind projects. The grants are the first round of awards from an American Recovery and Reinvestment Act program to address economic conditions affecting the renewables industries.

The grants are designed to temporarily replace the PTC, which has been wind power's primary incentive and which helped make wind among the top two energy sources for new installed electric capacity. The recession and the freeze in the credit markets that began late last year rendered the PTC much less useful as an investment incentive.

"For these grantees and many other projects that are preparing their applications, we are seeing business activity picking up and turbine and parts orders being sent all the way up the value chain," said AWEA Senior Vice President for Public Policy Rob Gramlich. "That activity had all but dried up, and it is very encouraging to see this turnaround underway. Time will tell if that market signal is strong enough to keep the 85,000 people working in the wind industry employed for the next couple of years."

The Treasury Department opened the application process for the program on July 31. Additional awards will be announced in the coming weeks, the Department of Energy said.

The 10 wind projects awarded are located in Maine, Minnesota, New York, Oregon, Pennsylvania, and Texas. Iberdrola Renewables, Inc., one of the largest U.S. developers, received Treasury Department approval of five grants totaling nearly \$295 million for new wind projects in four states. The grants represent investment by Iberdrola of approximately \$1 billion in U.S. wind power, the company said. Iberdrola projects receiving grants include the Penascal facility in Texas, Moraine II in Minnesota, Locust Ridge II in Pennsylvania, and the Hay Canyon and Pebble Springs projects in Oregon. Another developer receiving grant funds is Horizon Wind Energy, which secured \$47.7 million for the 97-MW Wheat Field Wind Farm in Oregon.

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