

2008: Another Record Year for Wind Energy Installations

"Our numbers are both exciting and sobering," said AWEA CEO Denise Bode. "The U.S. wind energy industry's performance in 2008 confirms that wind is an economic and job creation dynamo, ready to deliver on the President's call to double renewable energy production in three years. At the same time, it is clear that the economic and financial downturn will take a toll on new wind development."

But we cannot rest on past achievements. We need the right policies in place for our industry to maintain its momentum. A national Renewable Electricity Standard, requiring utilities to generate 25 percent of their electricity from renewable energy sources by 2025, is vital to provide the long-term, U.S.-wide commitment businesses need to invest tens of billions of dollars in clean energy installations and manufacturing facilities, and create hundreds of thousands of American jobs."

The U.S. wind energy industry shattered all previous records in 2008 by installing over 8,500 megawatts (MW) of new generating capacity (enough to serve over 2 million homes), increasing the nation's total wind power generating capacity by 50% to over 25,300 MW and channeling an investment of some \$17 billion into the economy.

For the fourth year, wind power was second only to natural gas in terms of new capacity added. The new wind projects completed in 2008 account for about 42% of the entire new power-producing capacity added nationally last year, according to initial estimates, and will avoid nearly 44 million tons of carbon emissions, the equivalent of taking over 7 million cars off of the road.

2009 will most likely be a slower year in terms of new installations than 2008 was, yet industry analysts are hopeful that new renewable energy incentives will quickly bear fruit. At least 5,000 MW of new wind installations are expected to be commissioned in 2009. The American Recovery and Reinvestment Act (ARRA) of 2009 includes a three-year extension of the renewable energy production tax credit (PTC) and a new program that allows renewable energy developers the option of forgoing the PTC and instead securing a grant from the Treasury department in the amount of a 30% investment tax credit (ITC). This program to help monetize renewable tax credits is considered critical for the wind industry to continue its growth in the face of the economic downturn, which has dramatically reduced the ability to secure value for renewable tax credits.



