

# Save Indiana's Wind Energy Manufacturing Supply Chain!

## 2011-2012 Action Plan



## Indiana Renewable Energy Association Annual Meeting and Conference November 13, 2011

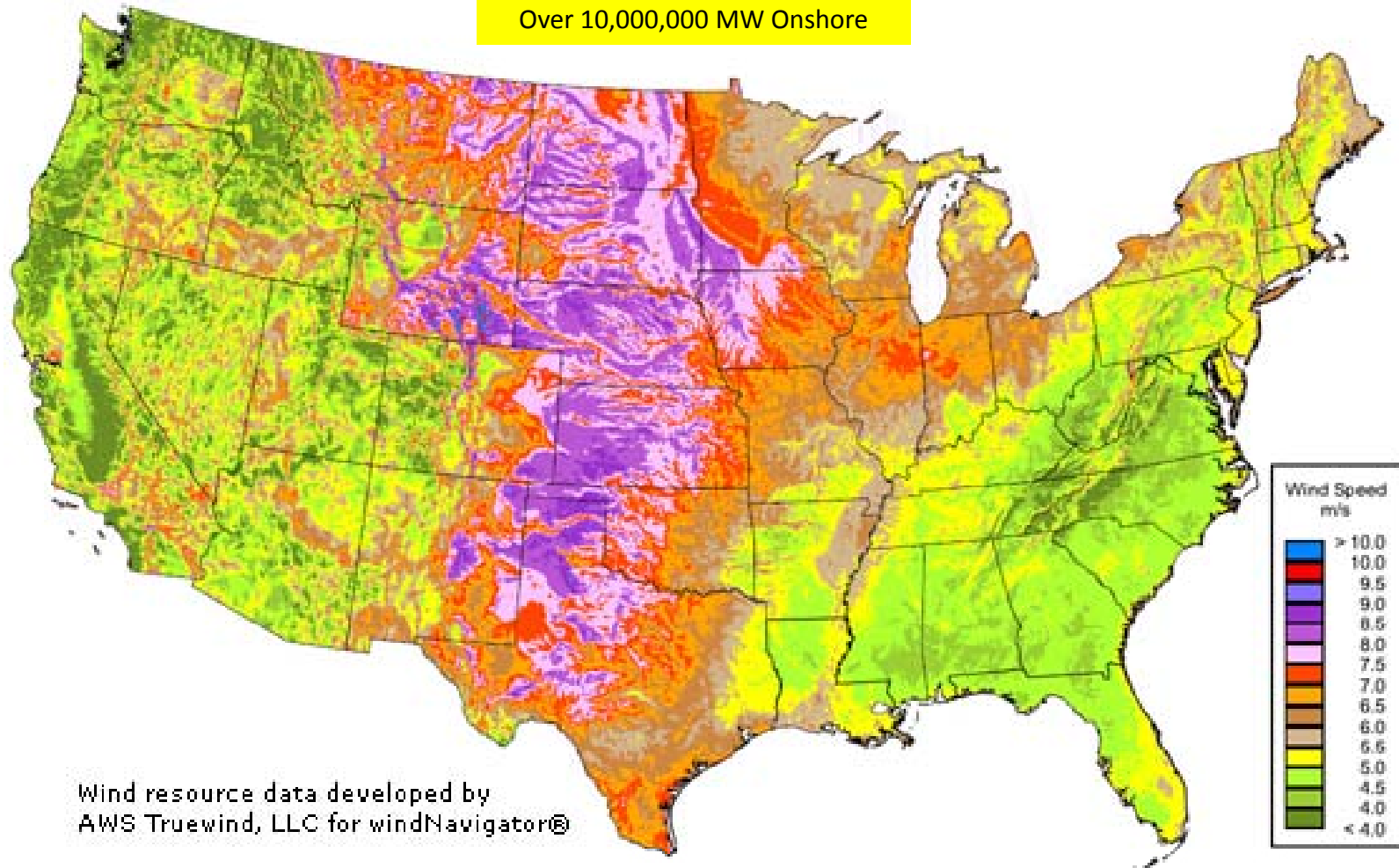
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# National Renewable Energy Laboratory AWS Truewind 2010 U.S. Land Wind Potential

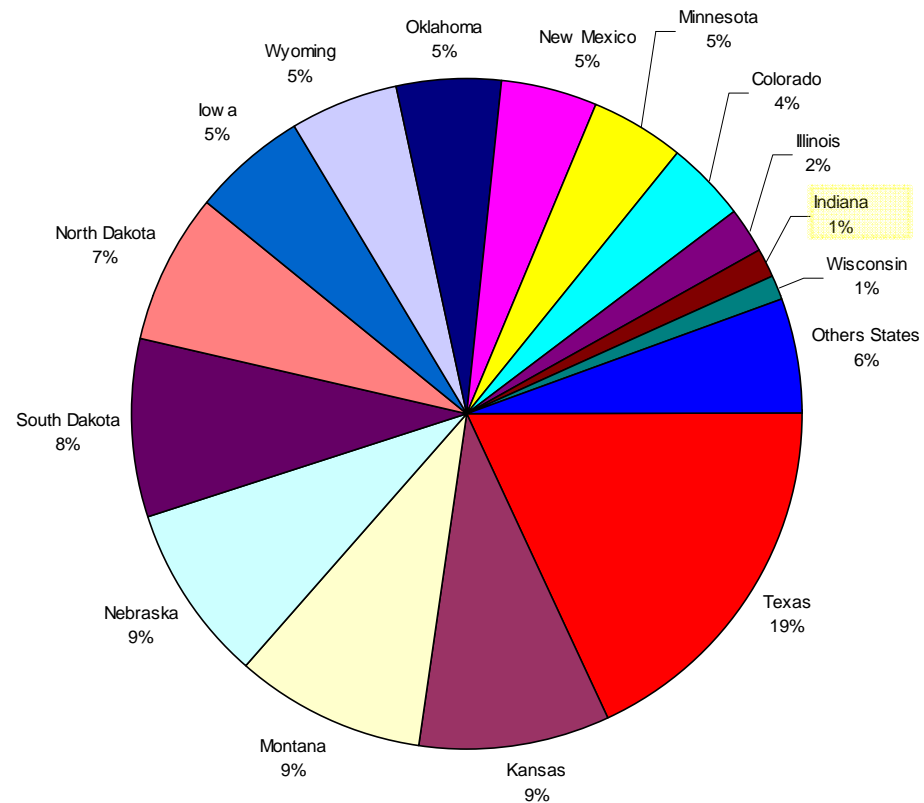
Over 10,000,000 MW Onshore



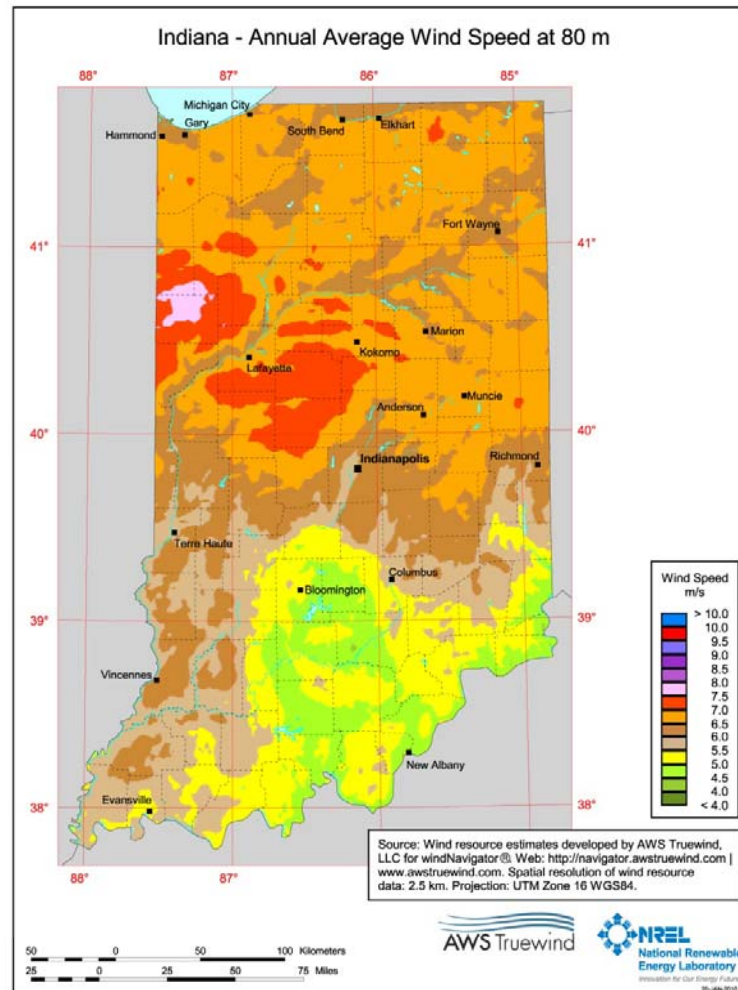
## 2010 Land Wind Energy Potential Installed Capacity – Top 15 States Indiana 14<sup>th</sup>

State	Megawatts of Rated Capacity	
1 Texas	1,901,529.70	18.18%
2 Kansas	952,370.90	9.11%
3 Montana	944,004.40	9.03%
4 Nebraska	917,998.70	8.78%
5 South Dakota	882,412.40	8.44%
6 North Dakota	770,724.30	7.37%
7 Iowa	570,714.20	5.46%
8 Wyoming	552,072.60	5.28%
9 Oklahoma	516,822.10	4.94%
10 New Mexico	492,083.30	4.70%
11 Minnesota	489,270.60	4.68%
12 Colorado	387,219.50	3.70%
13 Illinois	249,882.10	2.39%
14 Indiana	148,227.50	1.42%
15 Wisconsin	103,757.10	0.99%
Others States		5.54%
Top 15 State Total:	9,879,089.40	94.46%
US 48 State Total:	10,458,945.00	100%

# Land Wind Energy Potential - Installed Capacity Top 15 States as of February 4, 2010

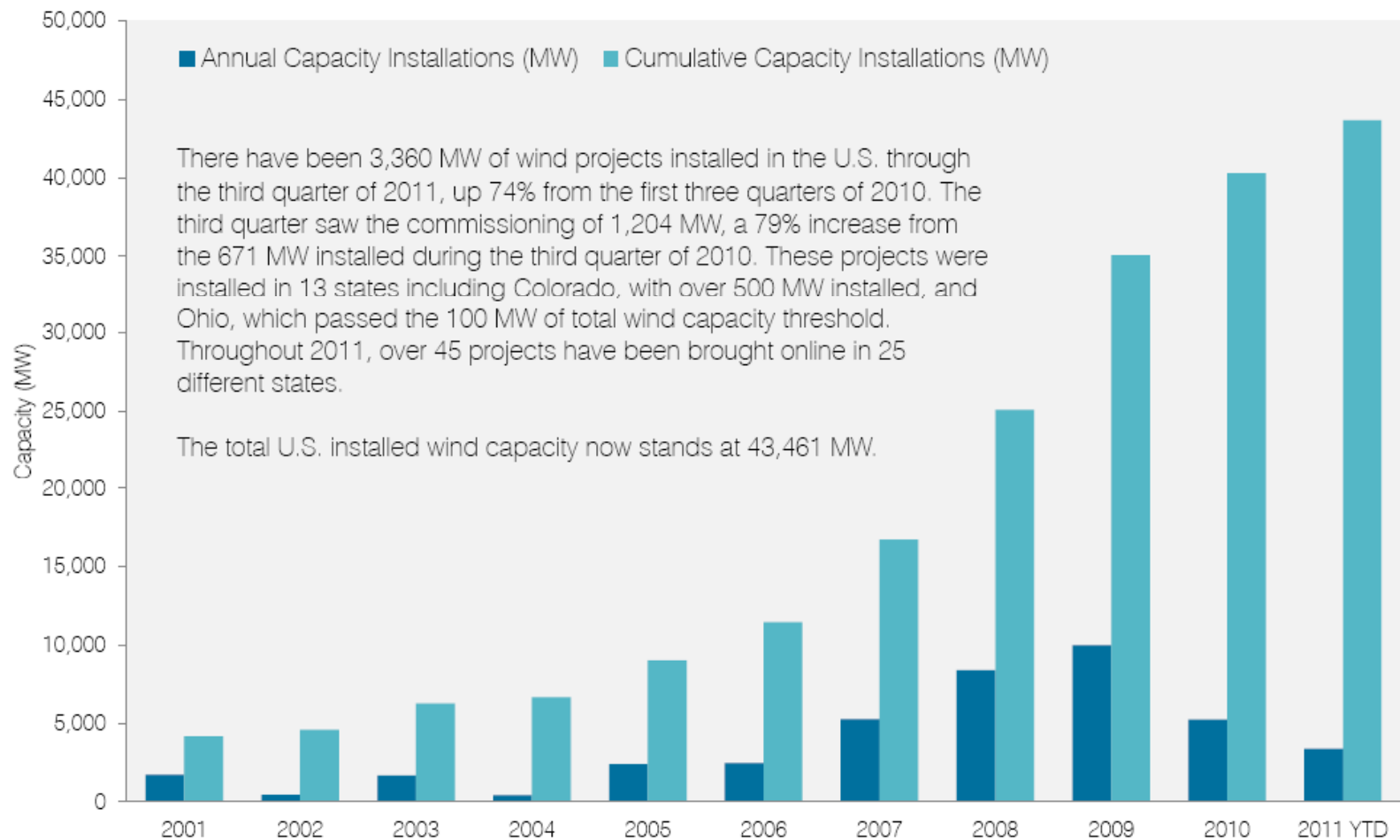


# Indiana "On Land" Wind Potential – Only 14<sup>th</sup> In The U.S. With 148.228 MW Rated Capacity

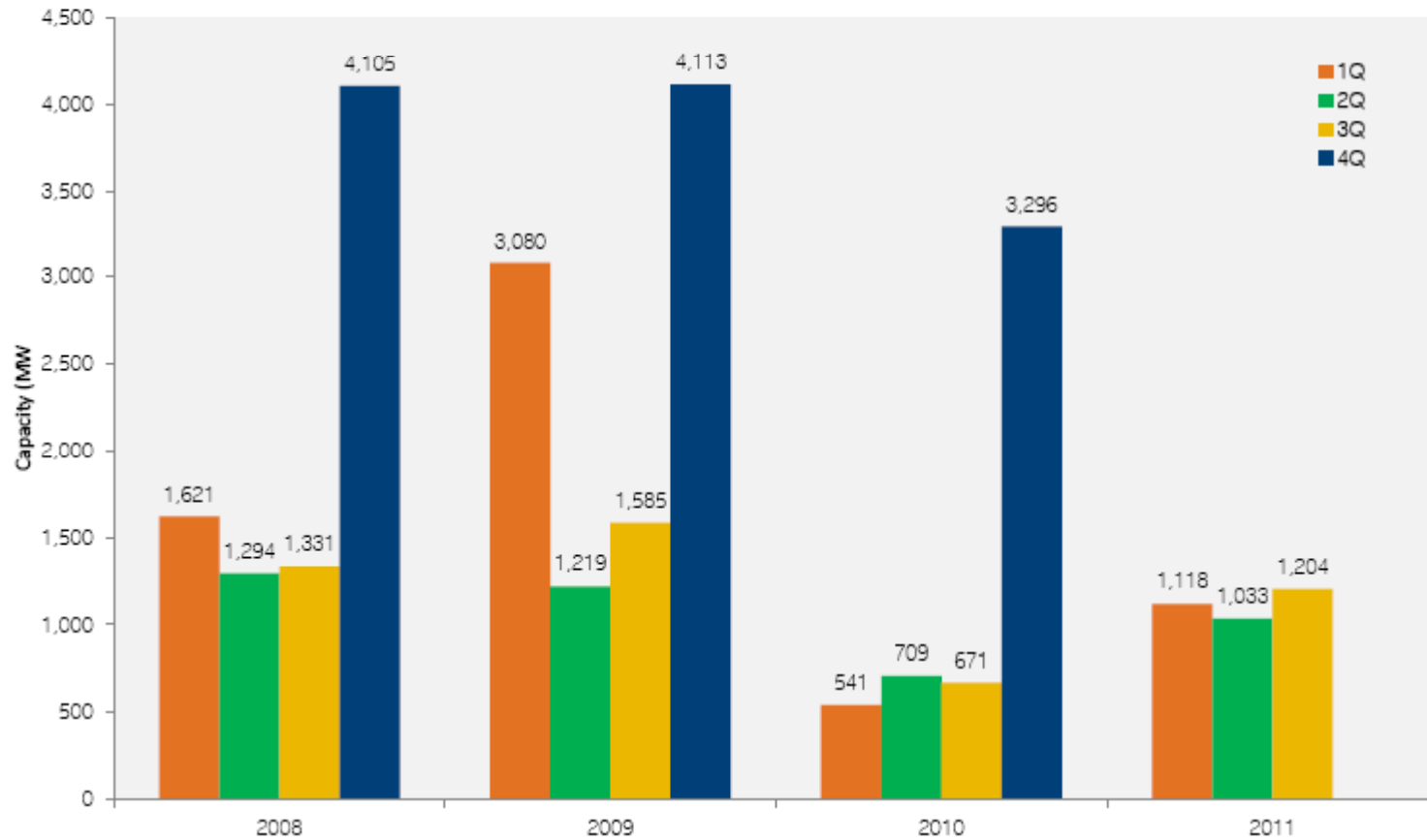


148,228 MW = over  
400% of State's  
Current Electricity  
Needs

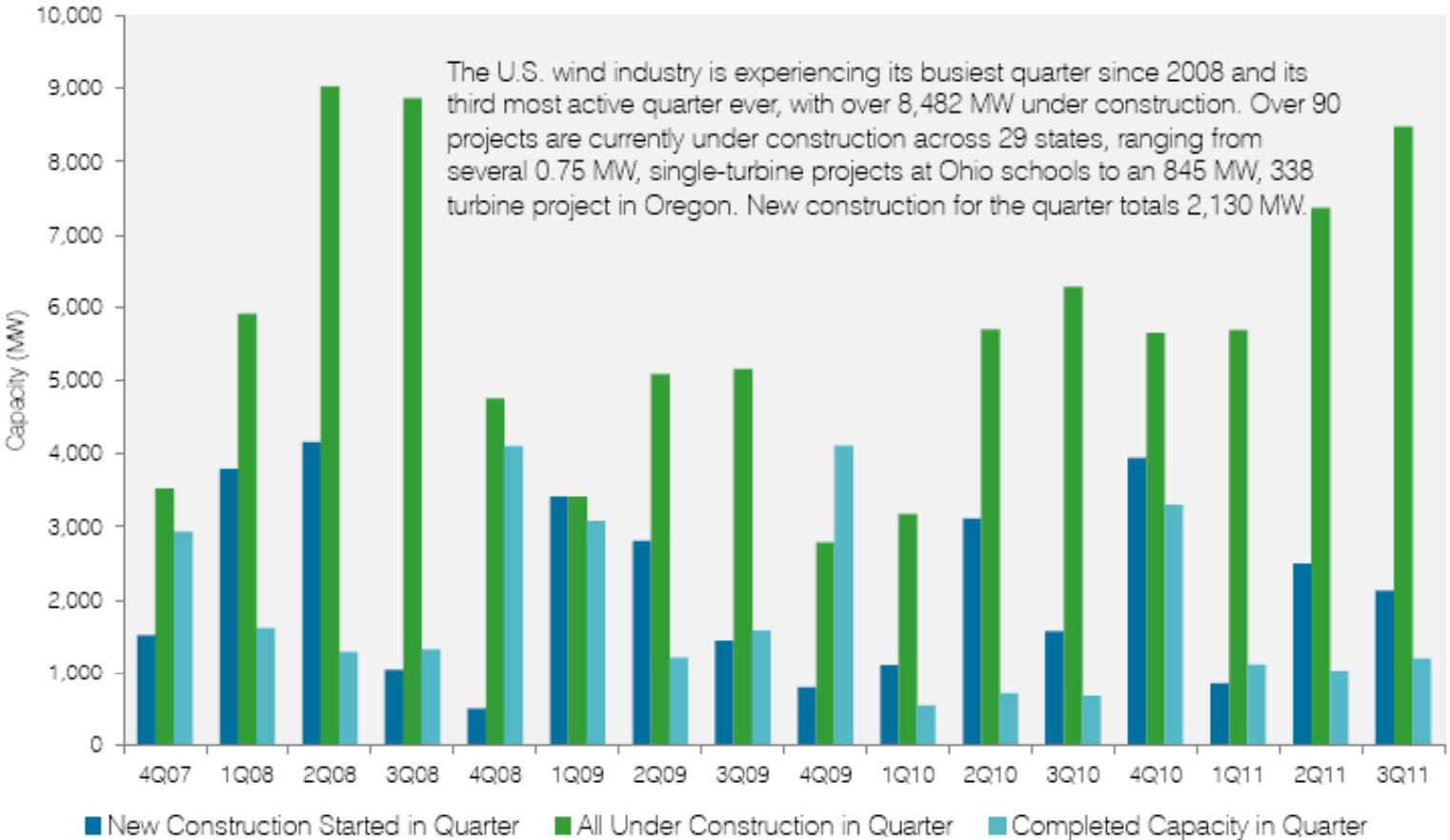
## U.S. Annual and Cumulative Wind Power Capacity End of Third Quarter 2011



# U.S. Wind Power Capacity Installations by Quarter End of Third Quarter 2011



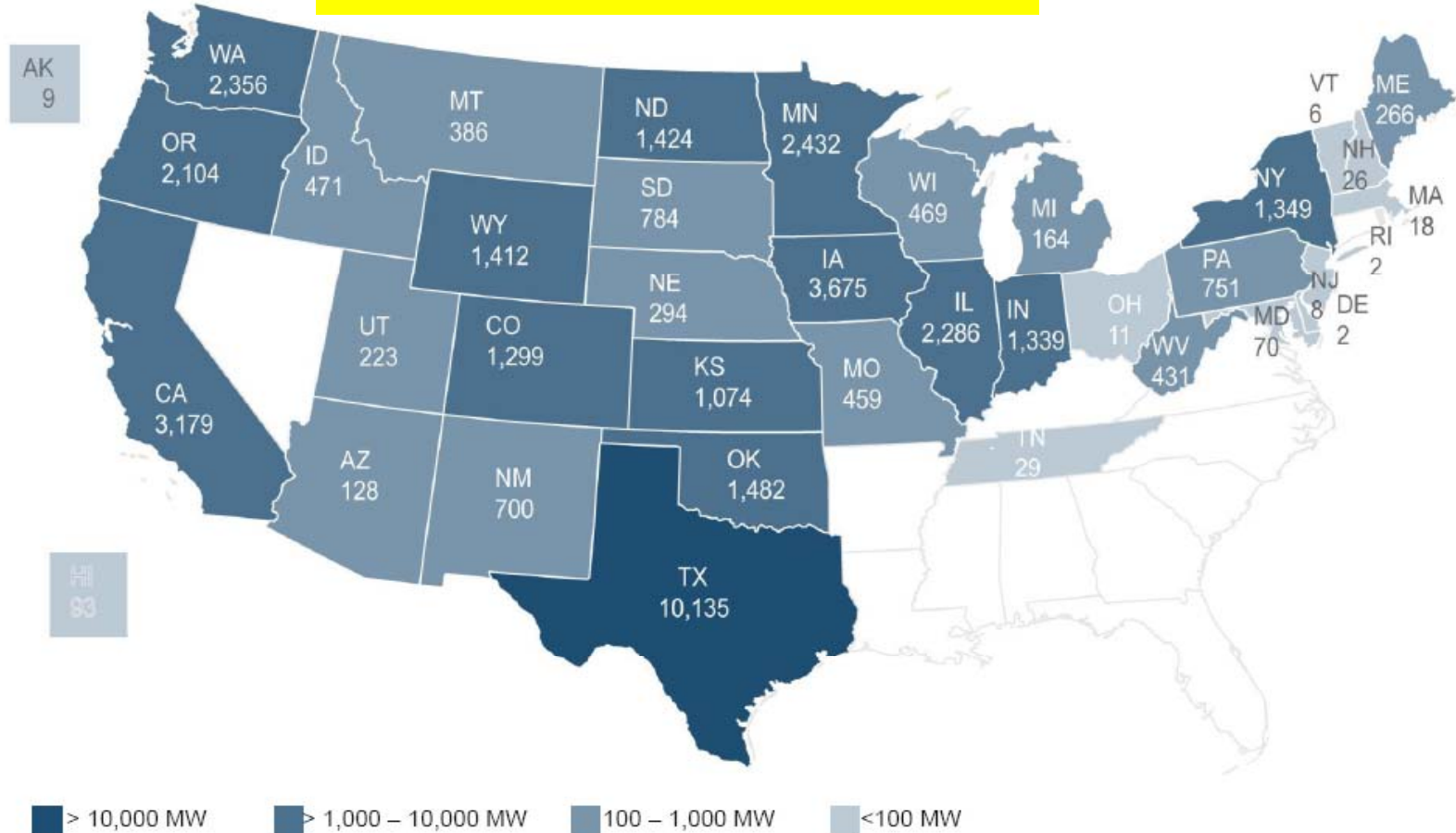
# U.S. Wind Power Capacity Under Construction End of Third Quarter 2011





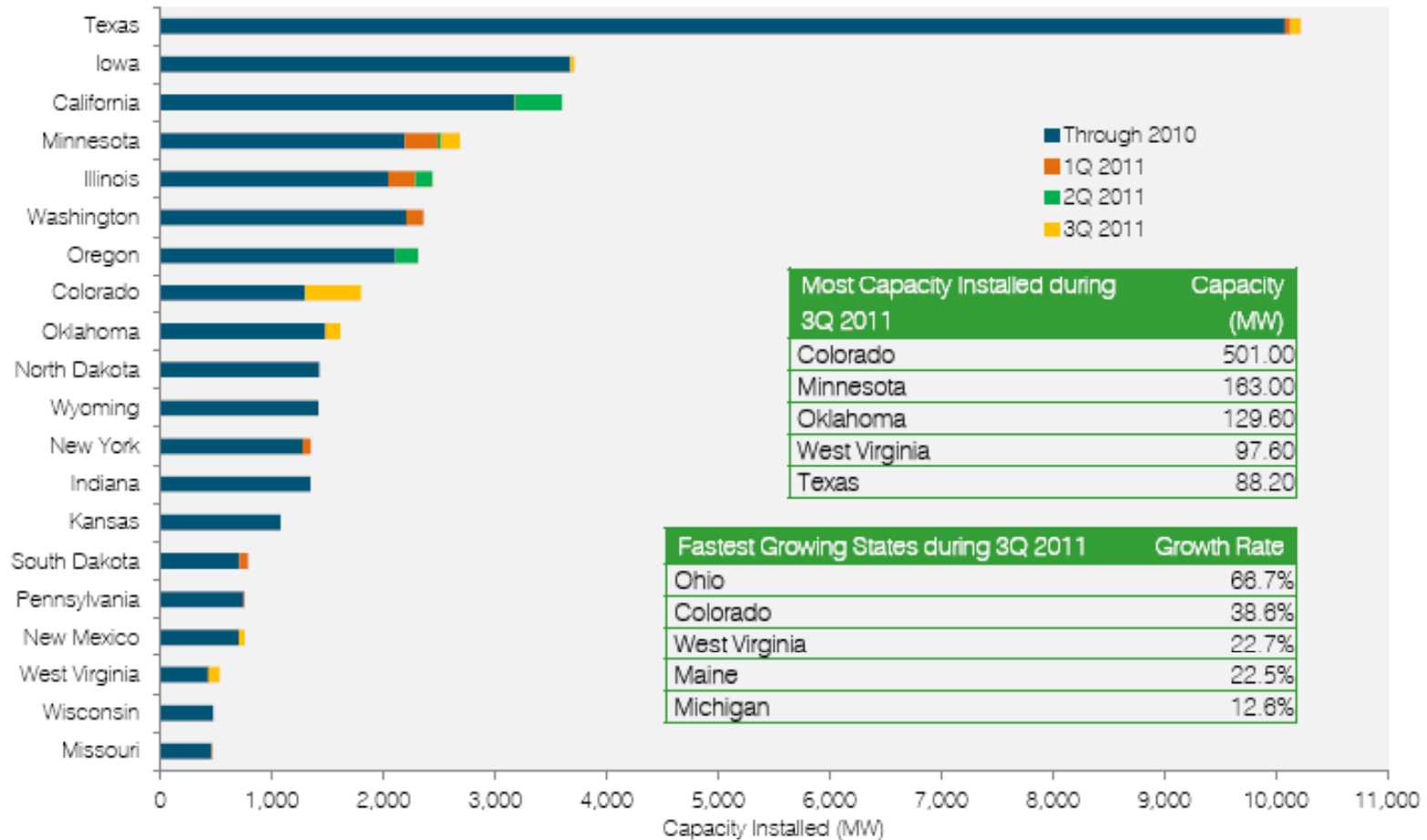
# U.S. Wind Power Capacity Installations by State Indiana – 1339 MW as of March 31, 2011

Total Investment: \$1.6 billion - \$2.6 billion



# U.S. Wind Power Capacity Installations, Top States

## Indiana – 13<sup>th</sup> as of October 31, 2011



## Indiana Wind Energy Development Existing Developments

- Indiana increased its installed windpower capacity more than seven-fold in 2009, adding 905 MW to its existing 131 MW Base (Total at end of 2009: 1,036)
- Indiana added the second most new windpower capacity of any state in 2009 and was the third fastest-growing state for windpower
- In 2010, Indiana added an additional 303 MW, a 29% increase in installed windpower capacity (Total at end of 2010: 1,339) compared to a national growth rate of only 14.5%
- Total Wind Project Development Investment in Indiana: \$1.7 billion - \$2.6 billion
- 2009 Indiana Wind Project Construction Jobs Supported: 750 -900
- 2010 Wind Project Construction Jobs Supported: 250 – 300
- Total Direct and Indirect Jobs Supported in 2009: 3,000 – 4,000
- Total Direct and Indirect Jobs Supported in 2010: 1,000 – 1,320
- Wind Project Operations and Management Jobs: 100
- Annual Property Tax Payment by Wind Project Owners: \$21 million
- Annual Lease Payments by Wind Project Owners: \$4 million

Source: AWEA October, 2010

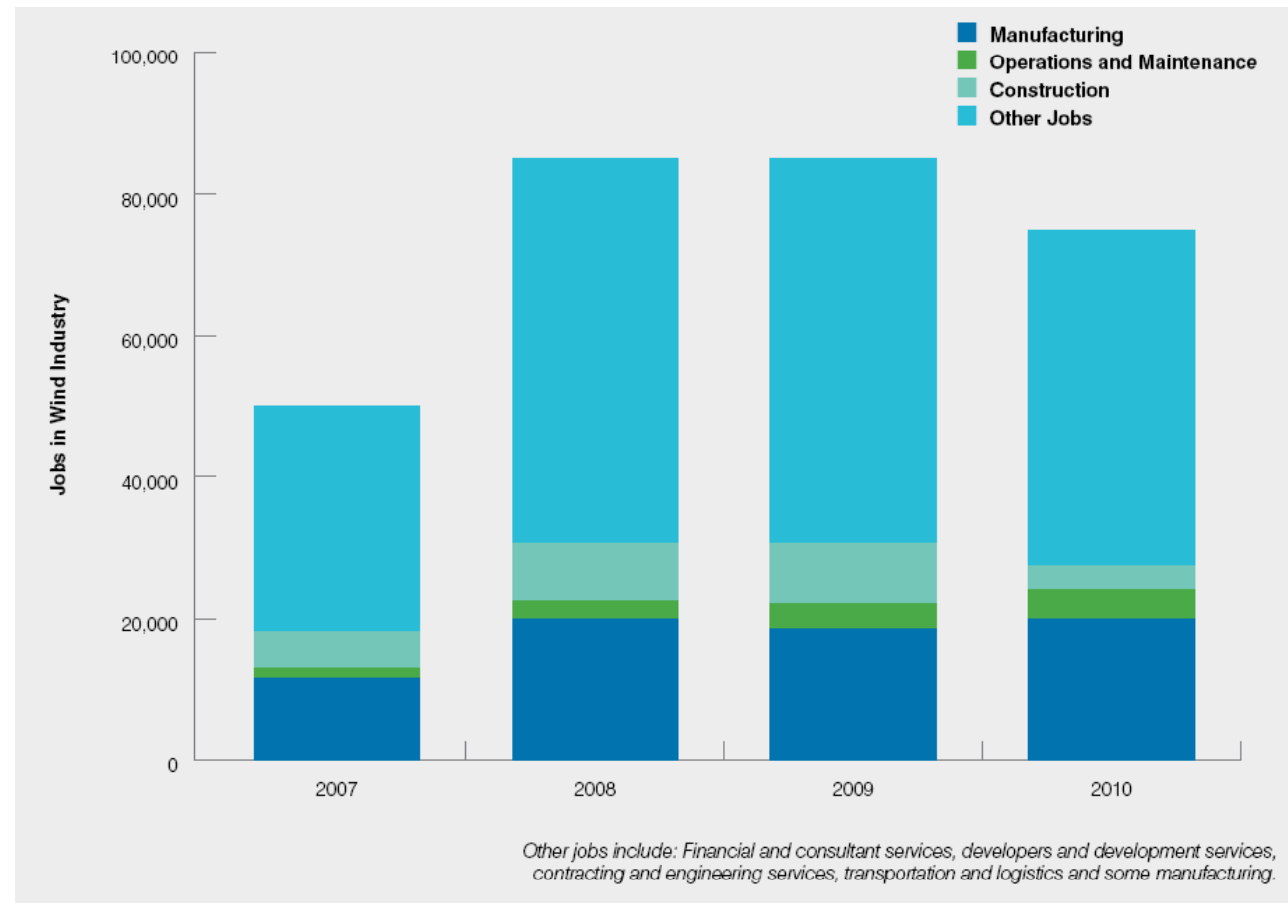
## Indiana Wind Energy Development Potential New Projects

- Wind Projects Capacity in the Queue: 8,426 MW
- New Wind Projects Investment in the Queue: \$11.3 billion to \$16.85 billion
- Potential Construction Jobs: 15,000
- Potential Operation Jobs: 1,000 full-time
- Potential Landowner Royalties: \$40,000,000 per year
- Potential Property Taxes: \$40,000,000 per year

# U.S. Wind Industry Total Employment Lost 10,000 Jobs in 2010

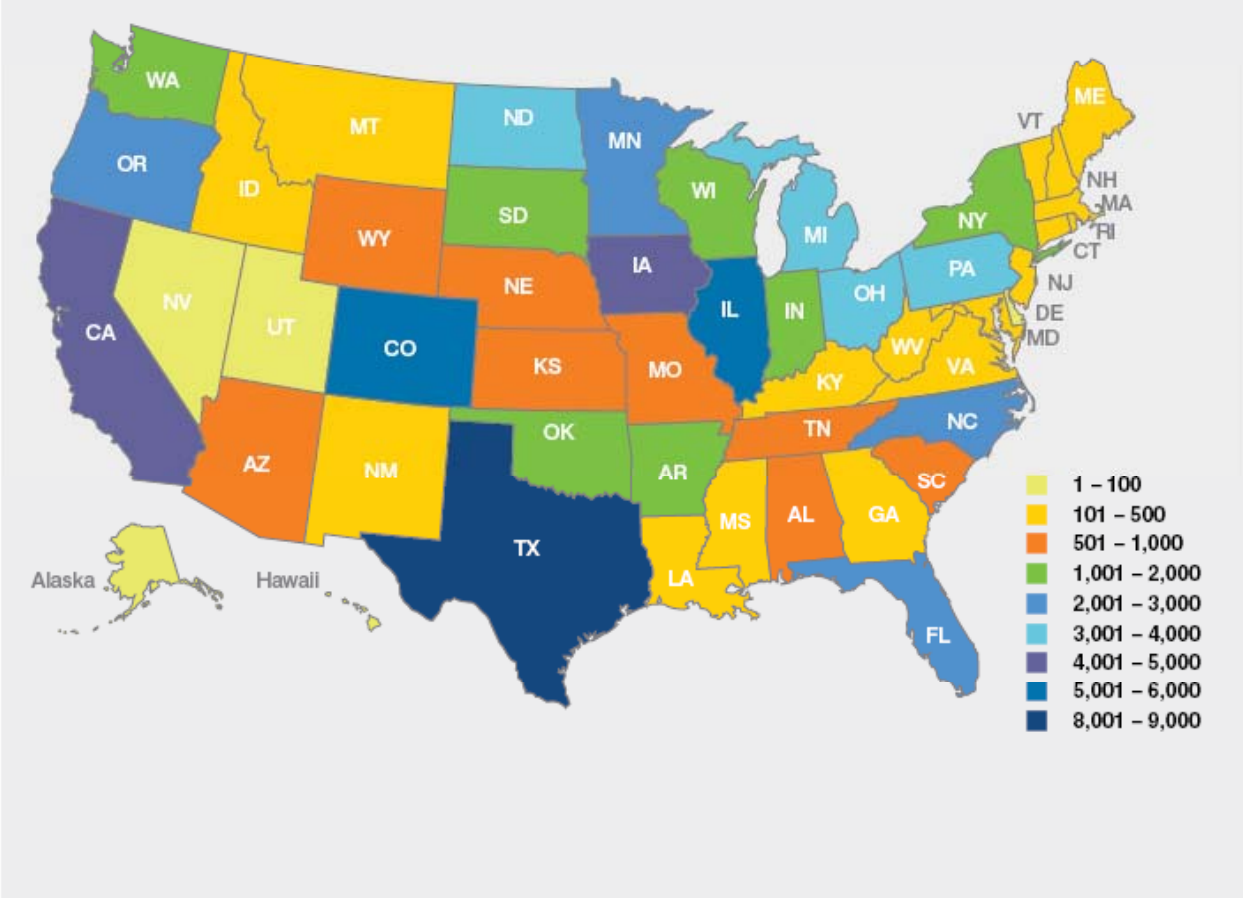
## U.S. Wind Industry Total Employment Over Time

- Manufacturing continued to grow in 2010, leading to a year-end total of roughly 20,000 jobs in wind-related manufacturing.
- Increase in permanent operations & maintenance jobs to help run the expanding wind power fleet.
- However, jobs in construction and the various service sectors that support project installation were reduced from 2009 due to the decline in new wind installations.
- Overall, even with the economic headwinds, the U.S. wind industry was still able to support 75,000 direct and indirect jobs in 2010, compared with 85,000 in 2009.

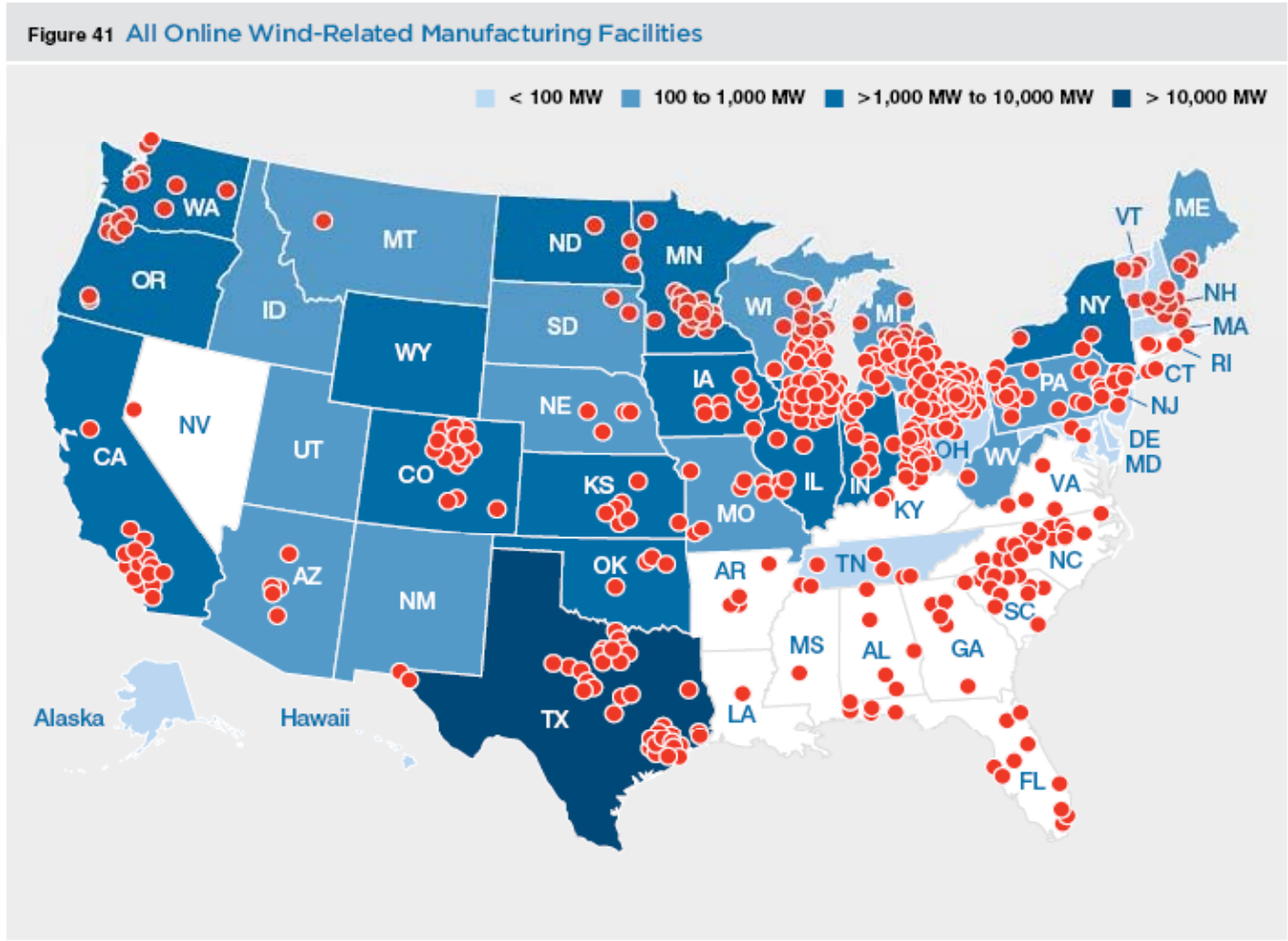


# Wind Industry Jobs : Indiana – Top 20 1,001 to 2,000 Jobs Year Ending 2010

Figure 49 U.S. Wind Industry Jobs by State



# 2011 U.S. Manufacturing Plants Over 400 Facilities



## Major Indiana Established Supply Chain Companies – AWEA 2010 Report

	City	Company Name	Component Type
1	Griffith	Aeomet Industries	Components, Other
2	Auburn	Ambassador Steel Corp.	Material: steel
3	Valparaiso	AOC LLC	Material: composite coatings
4	La Porte	ATI Casting Service	Structural castings
5	Bedford	Bedford Machine & Tool	Power transmission: machining/fabrication
6	Bloomington	Carlisle Industrial Brake and Friction	Power transmission: brakes
7	Lafayette	Coleman Cable	Electrical: power transmission
8	Richmond	Coleman Cable	Electrical: power transmission
9	Kouts	Draka	Electrical: power transmission
10	Gary	Industrial Steel Construction	Equipment: manufacturing machinery
11	Lafayette	Oerikon Fairfield	Power transmission: gears
12	Indianapolis	O'Neal Steel	Structural: steel products
13	Westfield	Standard Locknut	Power transmission: bearings
14	Gary	Universal Steel America	Material: steel



## Major New Indiana Supply chain Company Brevini Wind USA – Opened in 2010

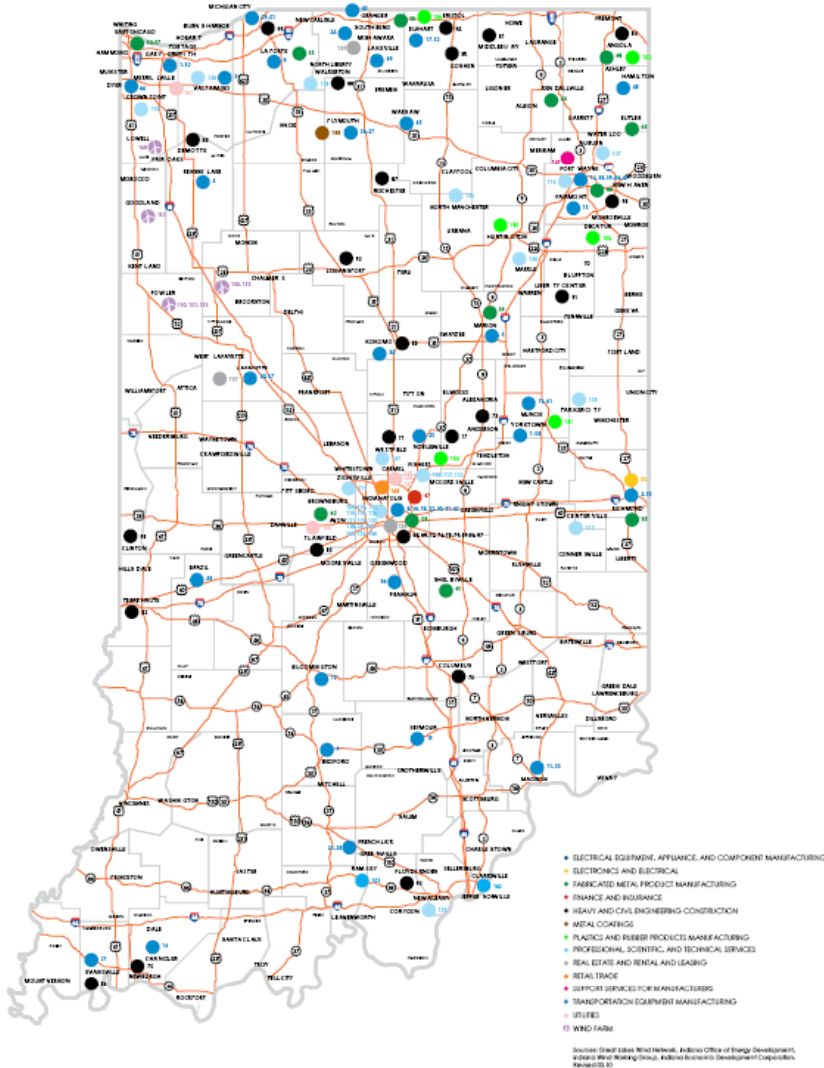
- Major gearbox manufacturer
- Located in Yorktown, Indiana
- Over \$60 million investment
- Over 450 workers



# Energy Policy: Jobs! Jobs! Jobs! Production vs. Manufacturing Jobs

<u>Indiana Examples</u>	<u>Capital Invested</u>	<u>Permanent Jobs</u>	<u>Capitalization Per Job</u>
Benton County Wind Farms	\$2.6 billion	100	\$26,000,000
Brevini Wind Gear Manufacturer Delaware County	\$60 million	450	\$133,333

# Indiana Economic Development Corporation 2010 Supply Chain Map



- Over 155 companies
- Only 5 Wind Developers

## 2008 Indiana Road To Energy Independence Report By the Blue Green Alliance

### Manufacturing Jobs and Investment for 185,000 MW

Location	# of Firms	Jobs Wind	Jobs Solar	Jobs Geothermal	Jobs Biomass	Jobs Total
Illinois	2,289	30,010	19,298	3,396	3,875	56,579
Indiana	1,321	25,180	7,485	3,191	3,365	39,221
Wisconsin	1,331	25,179	4,943	2,037	2,974	35,133
Michigan	2,050	24,350	6,644	1,502	2,281	34,777
Missouri	785	10,260	7,532	2,907	2,097	22,796
Minnesota	1,070	9,246	5,238	1,477	2,444	18,405
Kansas	425	3,934	5,430	719	1,408	11,491
Iowa	457	4,914	2,889	648	779	9,230
Washington	790	3,902	3,190	618	852	8,562
Nebraska	200	2,817	2,368	294	731	6,210
South Dakota	109	2,253	64	944	217	3,478

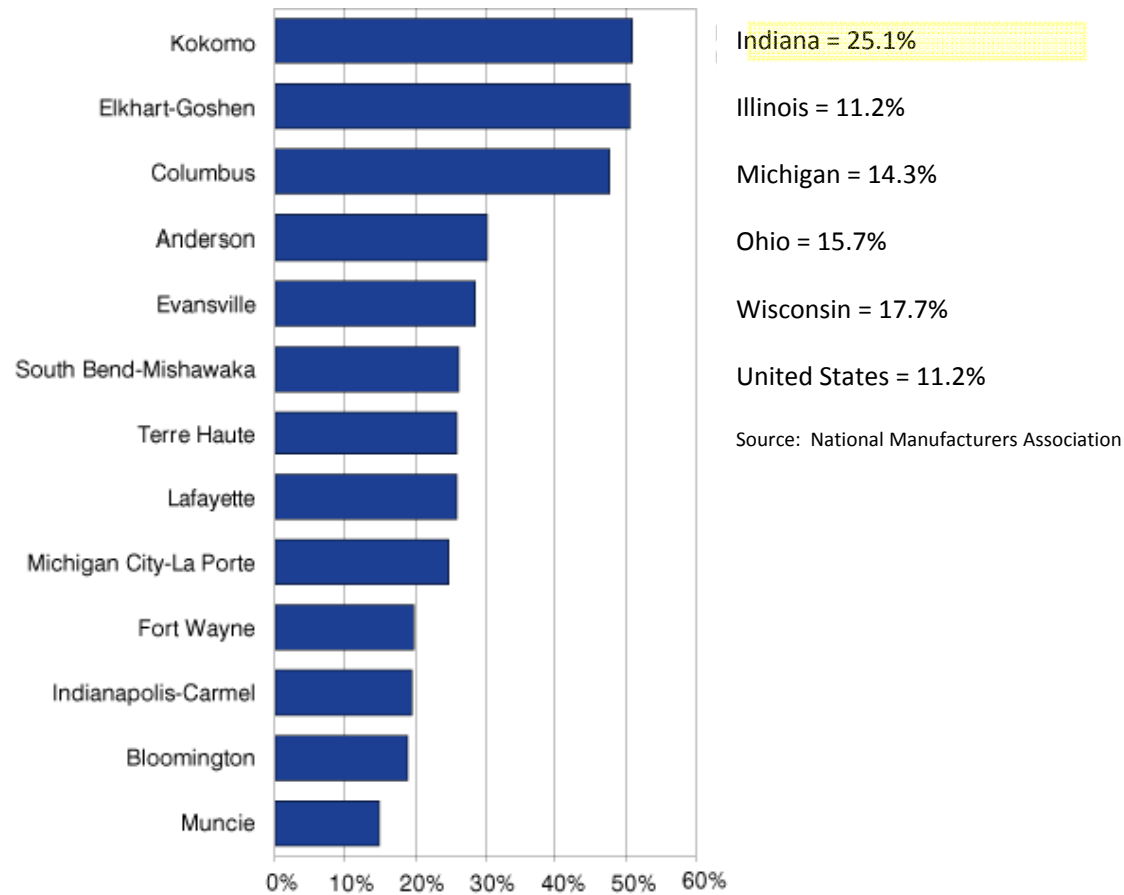
# 2008 Indiana Road To Energy Independence Report By the Blue Green Alliance

## Top 20 Counties in Indiana

County	Firms	Wind		Solar		Geothermal		Biomass		Total	
		Millions \$	Jobs	Millions \$	Jobs	Millions \$	Jobs	Millions \$	Jobs	Millions \$	Jobs
Marion	161	\$542.80	3,236	\$85.10	502	\$267.40	1,284	\$90.70	468	\$2,622.60	16,338
Tippecanoe	24	\$581.90	3,916	\$60.50	263	\$0.00	0	\$0.30	2	\$1,688.90	11,071
De Kalb	25	\$343.70	2,274	\$24.30	158	\$8.10	29	\$4.40	16	\$1,031.90	6,969
Vanderburgh	41	\$91.70	703	\$27.50	190	\$71.70	483	\$168.90	1,191	\$465.30	3,186
Bartholomew	20	\$336.10	2,287	\$0.40	3	\$0.90	6	\$0.90	6	\$302.40	2,024
St. Joseph	89	\$186.90	1,333	\$69.40	452	\$5.00	23	\$5.90	32	\$262.40	1,294
Noble	33	\$102.10	733	\$119.90	695	\$10.00	54	\$6.40	41	\$210.80	1,336
Marshall	22	\$91.30	601	\$66.60	339	\$0.00	0	\$0.30	2	\$177.00	1,023
La Porte	45	\$39.00	273	\$11.10	46	\$33.30	185	\$71.80	514	\$150.50	1,133
Kosciusko	22	\$81.10	568	\$71.30	402	\$0.00	0	\$1.80	12	\$134.00	900
Allen	72	\$100.40	673	\$26.30	163	\$11.30	64	\$14.60	94	\$124.60	496
Elkhart	111	\$104.40	707	\$28.70	162	\$6.90	33	\$3.90	18	\$111.90	716
Tipton	3	\$49.20	164	\$0.00	0	\$68.20	227	\$19.20	64	\$109.80	693
Fountain	4	\$8.10	57	\$93.50	491	\$0.90	7	\$3.10	22	\$105.10	613
Steuben	27	\$35.80	240	\$64.30	422	\$1.80	10	\$3.10	21	\$104.90	709
Vigo	17	\$37.50	226	\$65.20	221	\$0.40	2	\$0.50	3	\$93.90	588
Fayette	6	\$6.80	48	\$0.10	1	\$79.20	572	\$13.20	92	\$64.20	438
Perry	4	\$91.90	635	\$0.00	0	\$0.00	0	\$1.90	13	\$60.90	466
Fulton	9	\$50.50	357	\$0.50	4	\$36.90	266	\$4.80	35	\$57.10	352
Whitley	16	\$45.90	283	\$45.20	293	\$0.10	1	\$1.40	10	\$52.50	380

# Indiana The Most Manufacturing Intensive State in the U.S

## Manufacturing's Share of Total GDP in Indiana MSAs



## Summary of Indiana Wind Industry Jobs

- Current Construction Jobs: High 3,000 – 4,000 ; Low: 250-300
- Potential Construction Jobs (assuming 900 MW per year): 3,000 – 4,000
- Current Operations and Maintenance Jobs: 100
- Total Current Wind Industry Jobs: 1,000 – 2,000
- Potential Operations and Maintenance Jobs (assuming 9,500 MW installed): 1,000
- Potential Manufacturing Jobs (assuming 9,250 MW per year of Renewable Energy installed): 12,500
- Potential Manufacturing Jobs (assuming 18,500 MW per year of Renewable Energy installed): 25,000

Source: AWEA & Blue Green Alliance

## Indiana Wind Industry Jobs by Comparison

Indiana Wind Industry Jobs (per AWEA): 1,000 – 2,000

Illinois Wind Industry Jobs: Over 15,000

Michigan Wind Industry Jobs: Over 10,000

Ohio Wind Industry Jobs: Over 7,500

Source: Based on IL, MI and OH Supply Chain Reports recently completed by the Environmental Law & Policy Center & AWEA



# Energy Policy: 2007-2010 Annual Accumulated Installations & Growth Rates

## Growth Rates In the Top 10 Markets

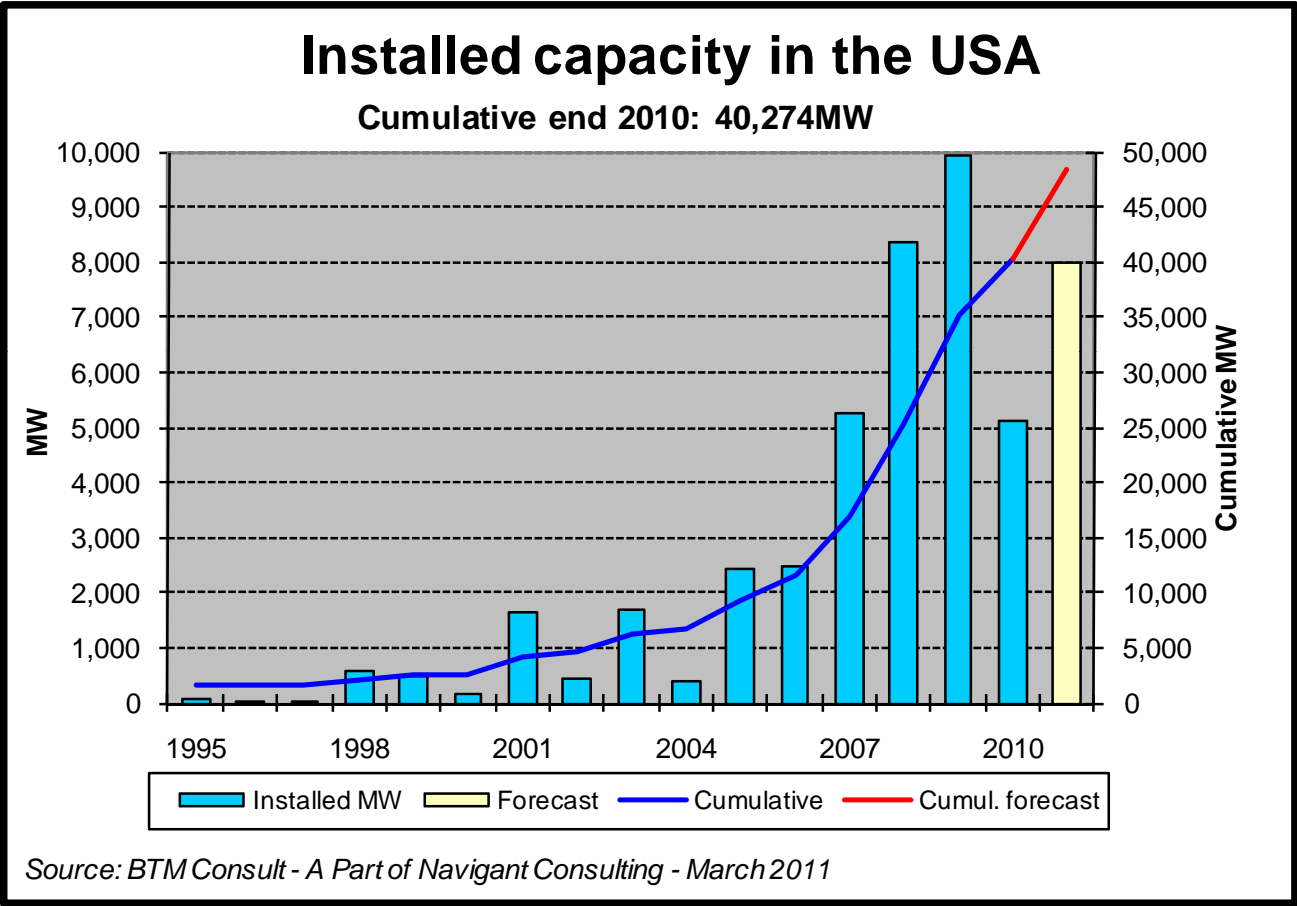
	Accu. end 2007	Accu. end 2008	Accu. end 2009	Accu. end 2010	Growth rate 2009-2010 %	3 years average %
Country						
P.R. China	5,875	12,121	25,853	44,781	73.2%	96.8%
USA	16,879	25,237	35,159	40,274	14.5%	33.6%
Germany	22,277	23,933	25,813	27,364	6.0%	7.1%
Spain	14,714	16,453	18,784	20,300	8.1%	11.3%
India	7,845	9,655	10,827	12,966	19.8%	18.2%
France	2,471	3,671	4,775	5,961	24.8%	34.1%
UK	2,394	3,263	4,340	5,862	35.1%	34.8%
Italy	2,721	3,731	4,845	5,793	19.6%	28.6%
Canada	1,845	2,371	3,321	4,011	20.8%	29.5%
Portugal	2,150	2,829	3,474	3,837	10.4%	21.3%
<b>Total "Ten"</b>	<b>79,171</b>	<b>103,263</b>	<b>137,191</b>	<b>171,149</b>	<b>24.8%</b>	<b>29.3%</b>

Source: BTM Consult - A Part of Navigant Consulting - March 2011

## Energy Policy: Potential jobs – Nonmanufacturing vs. Manufacturing

<u>Type of Jobs</u>	2010 AWEA USW Report for U.S.	%	2008 EWEA Report for Europe	%
Construction, Operations, Maintenance & Other Non-Manufacturing Jobs	66,500	78.25%	44,280	41.0%
Manufacturing Jobs	18,500	21.75%	63,720	59.0%
Total Wind Related Jobs	85,000	100.00%	108,000	100.00%
Annual Installed MW; Year Prior to Study	9,922 MW		8,681 MW	
<b>2011 Environmental Law &amp; Policy Center Supply Chain Studies for IL, MI &amp; OH (based on 9,992 MW)</b>				
Constructional, Operations, Maintenance & Other Non-Manufacturing Jobs	44,529	20.88%		
Manufacturing Jobs	168,674	79.12%		
Total	213,203	100.00%		

# Energy Policy: Annual Installed Capacity 1995-2010

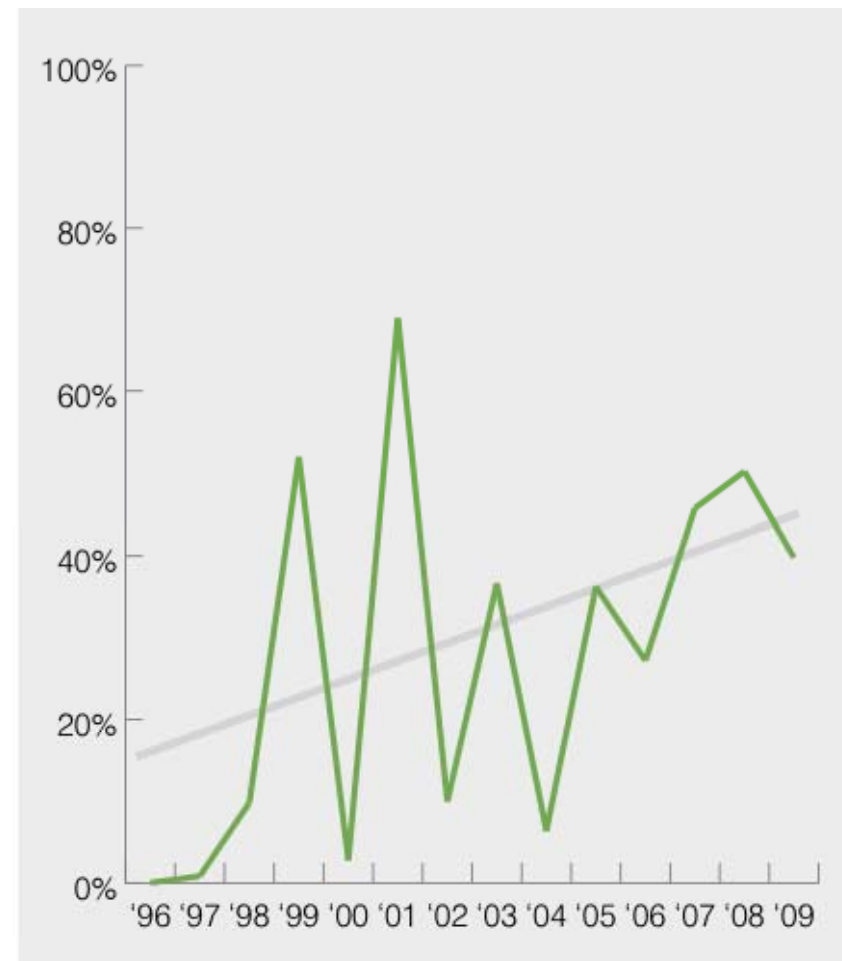


## Energy Policy: 1996-2009 Quarterly Installations Reflect Market Volatility

The five-year average annual growth rate for the industry (2005-2009) was 39%, up from 32% between 2004 and 2008.

As annual installations have doubled twice during a 3 year period (2007-2009) in the last three years.

The volatility in this quarterly chart in the early 2000s reflects the strong effect that on-again, off-again tax policy had on the market.



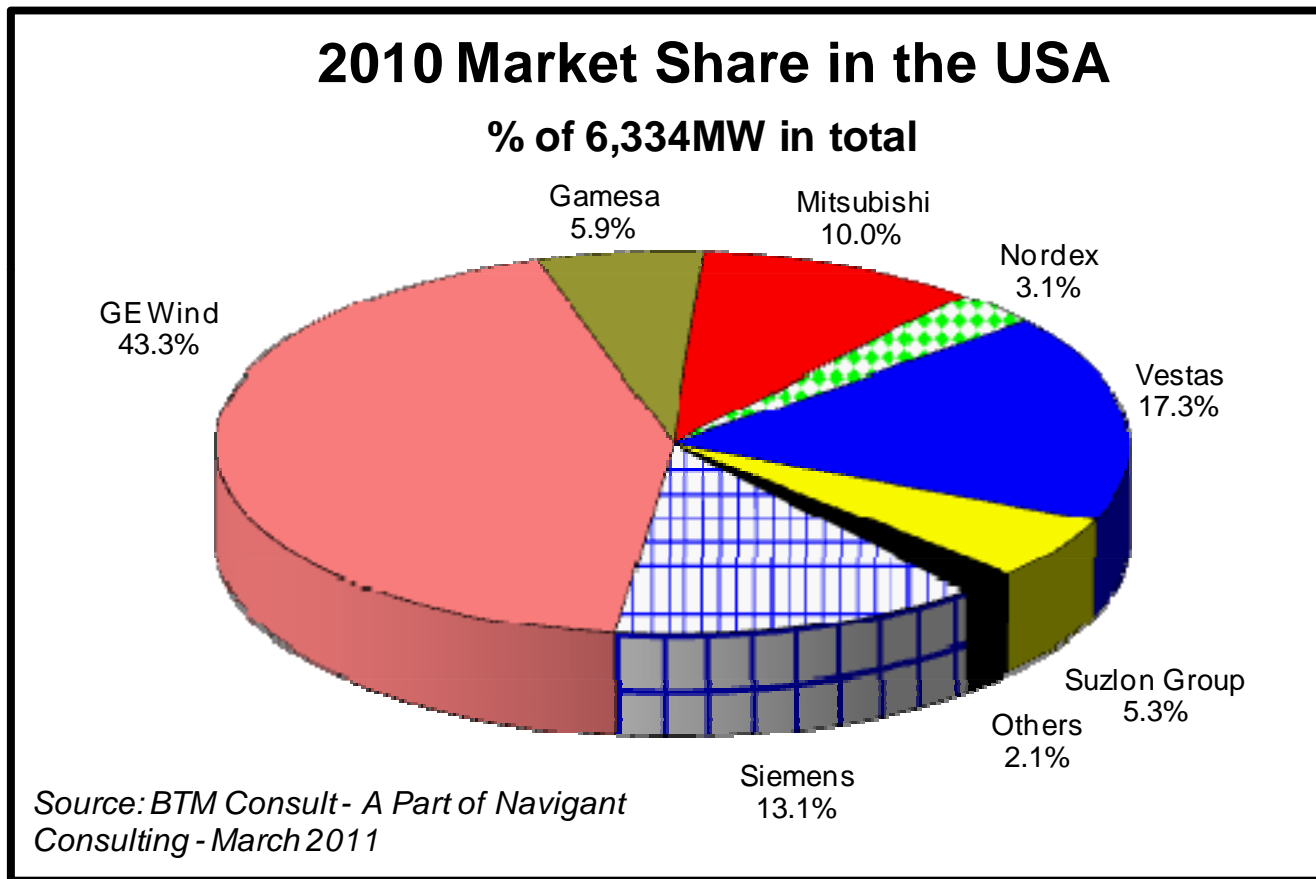
Source: American Wind Energy Association U.S. Wind Industry Annual Market Report – Year Ending 2009

## Energy Policy: Production Tax Credit – “Start, Almost Stop, Stop” Policy

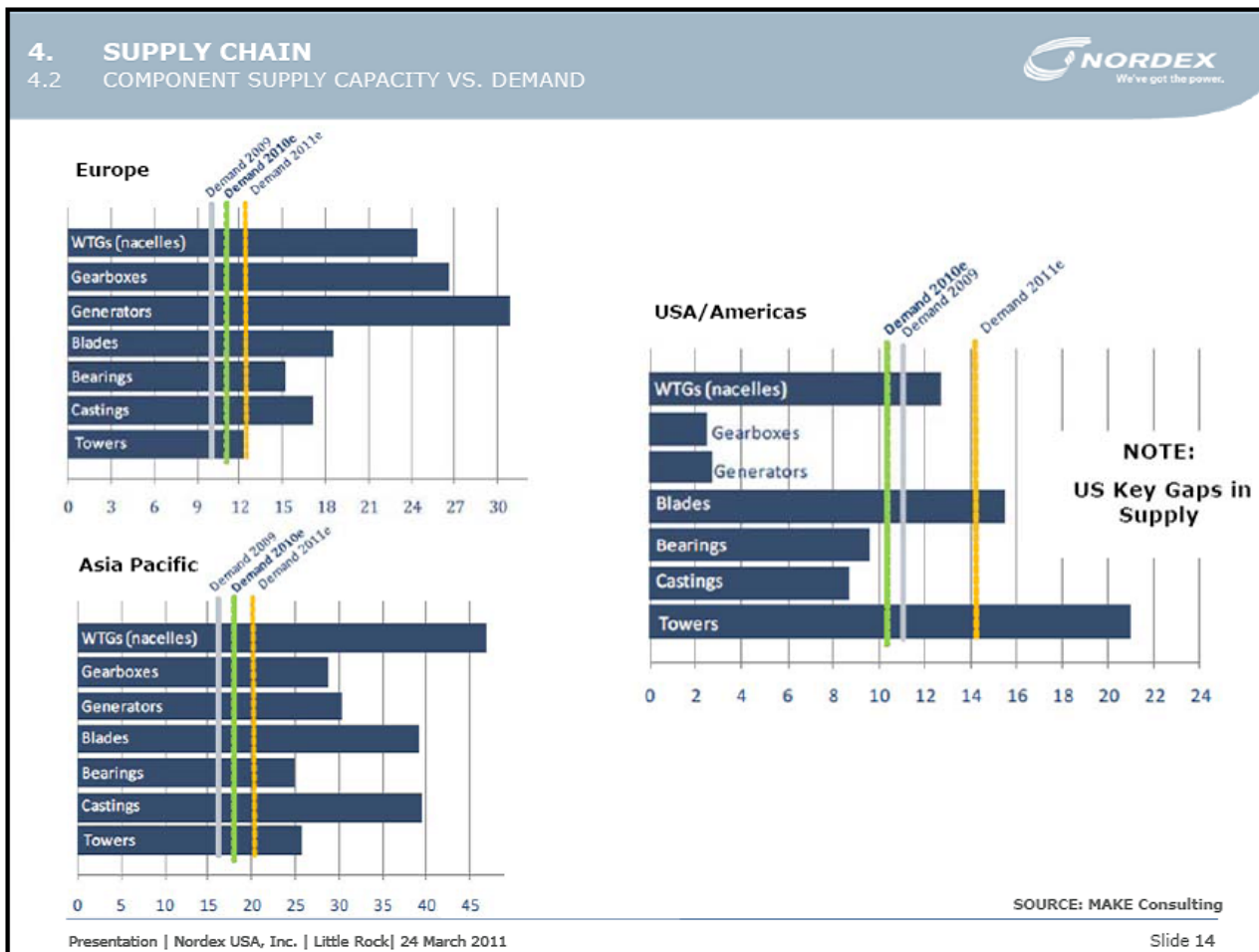
The PTC was initially enacted by Congress in the Energy Policy Act of 1992. **However, after the initial 1992-2001 period the PTC has incurred the following “star, almost stop and stop” congressional support:**

- **December, 2001 PTC expired.**
- March, 2002 PTC extended through December 31, 2002.
- **December, 2003 PTC expired.**
- October, 2004 PTC extended through December, 2005.
- July, 2005 PTC extended through December, 2007.
- December, 2006 PTC extended through December, 2008.
- **October, 2008 PTC extended through December, 2009.** (TARP Bill)
- February, 2009 PTC extended through December, 2012. (Stimulus Bill)

# Energy Policy: 2010 U.S. Manufacturers (G.E. only) – 43.3% U.S. Market Share



# Energy Policy: Supply Chain Capacity vs. Demand



## Energy Policy: The Complete Picture – Global Manufacturing Capability Comparison Percentages

<u>2009 Actual</u>	<u>Installed MW</u>	<u>Announced Turbine O.E.M. Manufacturing Capability</u>	<u>Manufacturing Capability As a Percentage of Installed MW</u>
Europe	10,738	21,228	197.69%
Americas (U.S.: 87.73%)	11,433	7,729	67.76%
China	13,750	13,660	99.35%
India	1,172	4,750	405.29%

<u>2012 Forecast</u>	<u>Installed MW</u>	<u>Announced Turbine O.E.M. Manufacturing Capability</u>	<u>Manufacturing Capability As a Percentage of Installed MW</u>
Europe	18,025	38,825	215.40%
Americas	18,400	10,329	56.14%
China	15,400	34,980	227.71%
India	3,500	8,790	251.14%

WEMA December 2010 Study based on data from BTM-C internal file September 2009.



## China Energy Policy vs U.S. Energy Policy

By establishing Aggressive Targeted Industry Incentive Programs, that required (i) domestic investment, (ii) transfers of foreign technology to domestic joint venture partners and (iii) domestic content **China has achieved the following dramatic growth in the Wind Energy Industry over the last seven (7) years:**

<u>Year</u>	<u>% of Domestic Wind Turbine Component Content</u>	<u>Domestic Annual Wind Turbine Installed Capacity</u>
2004	10%	197 MW
2010	90%	16,510 MW

At the end of 2010 China has the current domestic manufacturing capacity to produce over 150% of its own current annual installed turbine demand. **During the last six (6) year period of time without Aggressive Targeted Incentive Programs, the United States has achieve the following:**

<u>Year</u>	<u>% of Domestic Wind Turbine Component Content</u>	<u>Domestic Annual Wind Turbine Installed Capacity</u>
2005	25%	2,385 MW
2010	50%	5,115 MW

At the end of 2010, the United States has current domestic manufacturing capacity to produce wind turbine components of approximately 50% of its own current installed turbine demand.

# Energy Policy: US National Legislative Landscape

DEMAND

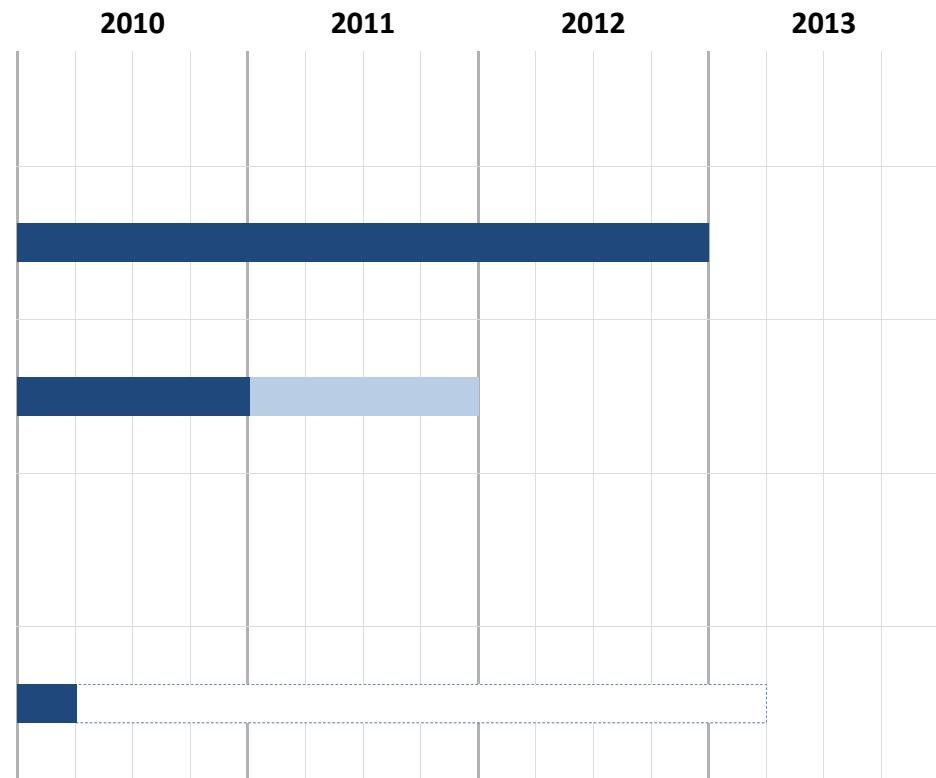
**National RES** *Sets minimum standards in 50 states*

**PTC** *10-year tax credit for developer/owner*

**1603** *30% cash grant paid to developer*

SUPPLY

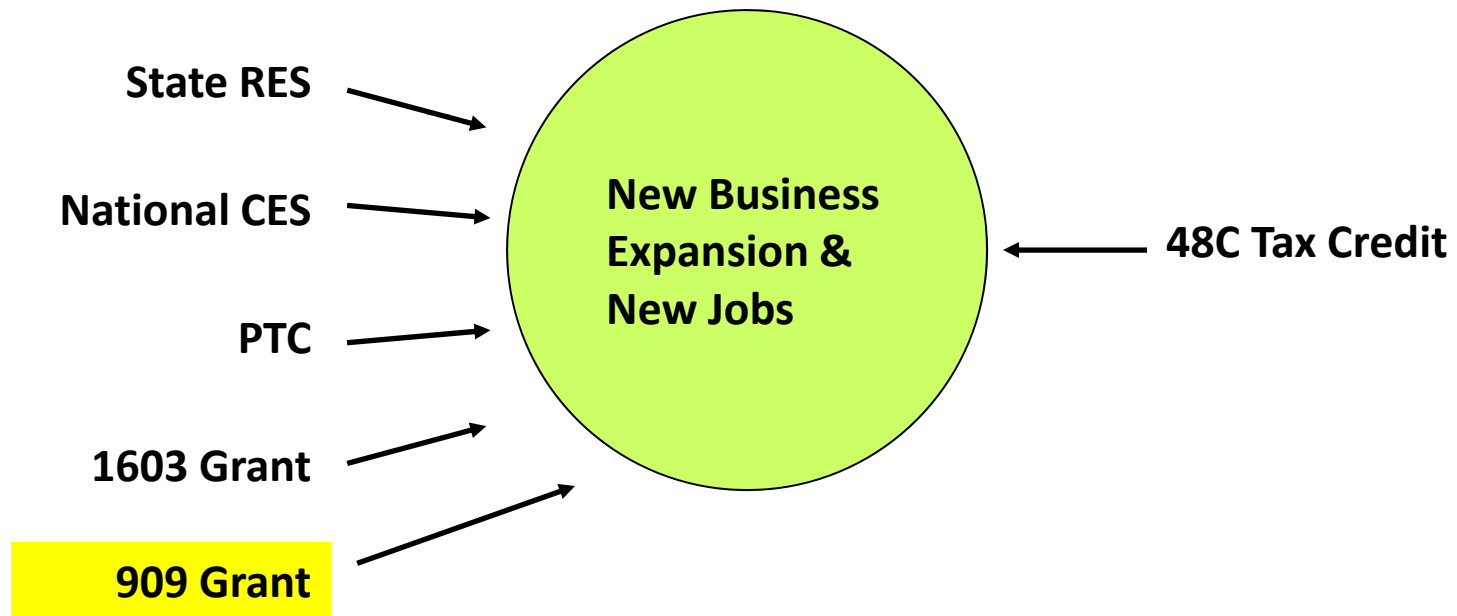
**48C** *30% tax credit for manufacturer*



# Energy Policy: US National Model: Implications for Supply Chain

**DEMAND**

**SUPPLY**



## What Do We Need To Do to Expand The Wind Energy Supply Chain In Indiana and The Rest of the U.S.?

- Extend the Renewable Energy Production Tax Credit for at least 5 years (Demand)
- Extend the 1603 Renewable Energy Grant Program for at least 5 years (Demand)
- Find other Creative Fund Sources for Renewable Energy Development (Demand)
- **Require all Renewable Energy Programs to Include a Performance Base Selection Process Awarding Those Renewable Energy Developers Who Commit to Cause Their Supply Chain to Retain and Create the Greatest Number of Jobs and Make the Largest Capital Investment in the United States (Demand Pull)**
- Pass a National Clean Energy Standard (Demand)

## What Do We Face In Congress? Congressman Marlin Stutzman (R, IN-3<sup>RD</sup>)

- Your typical conservative Midwestern Freshman House Republican who serves on the Budget Committee.
- Former State Representative
- Understands economic development and the need for incentives to make it happen
- Represents the most manufacturing intensive district (3<sup>rd</sup> District) in the most manufacturing intense State (Indiana) in the Country
- Represents a district that has lost the most manufacturing jobs in Indiana due to NAFTA and free trade with China
- Will find it difficult to support any incentives for Renewable Energy unless they are awarded based on jobs and capital investment in the United States (just like most State and Local economic development incentives)
- Has signed the Taxpayer Protection Pledge
- Ran on anti-stimulus anti-spending platform
- Does not want to get out front of the industry
- Wants the industry to communicate what it needs to create jobs in his district in Indiana and the rest of the U.S.



## With 85 New House Republicans – A Much More Conservative House

- Roughly one-third of the House Republican Caucus who are serving Congress for the first time, or who are doing so after having lost or retired from their seats previously and were elected in 2010
- Rhetoric and voting to date shows they are much more conservative than the Congressmen they replaced
- They appear to vote consistent with their campaign commitments
- All are anti-stimulus regardless of its success – thus will not support extensions of 1603 or 48C
- All say they do not want government picking “winners and losers”
- Many support the elimination of “Tax Loop Holes” in exchange for lowering federal income tax rates
- Few if any would publicly support the legislation targeted to just reduce green house gases
- Many will only support job creation legislation if it is on “their terms” vs “Obama’s terms”
- Many support oil and gas expansion as means to create jobs and reduce dependence on foreign oil
- Many in the Midwest want to support manufacturing jobs but without “tax expenditures”



## What Has The House Republicans Put On The Table For Renewable Energy To Date?



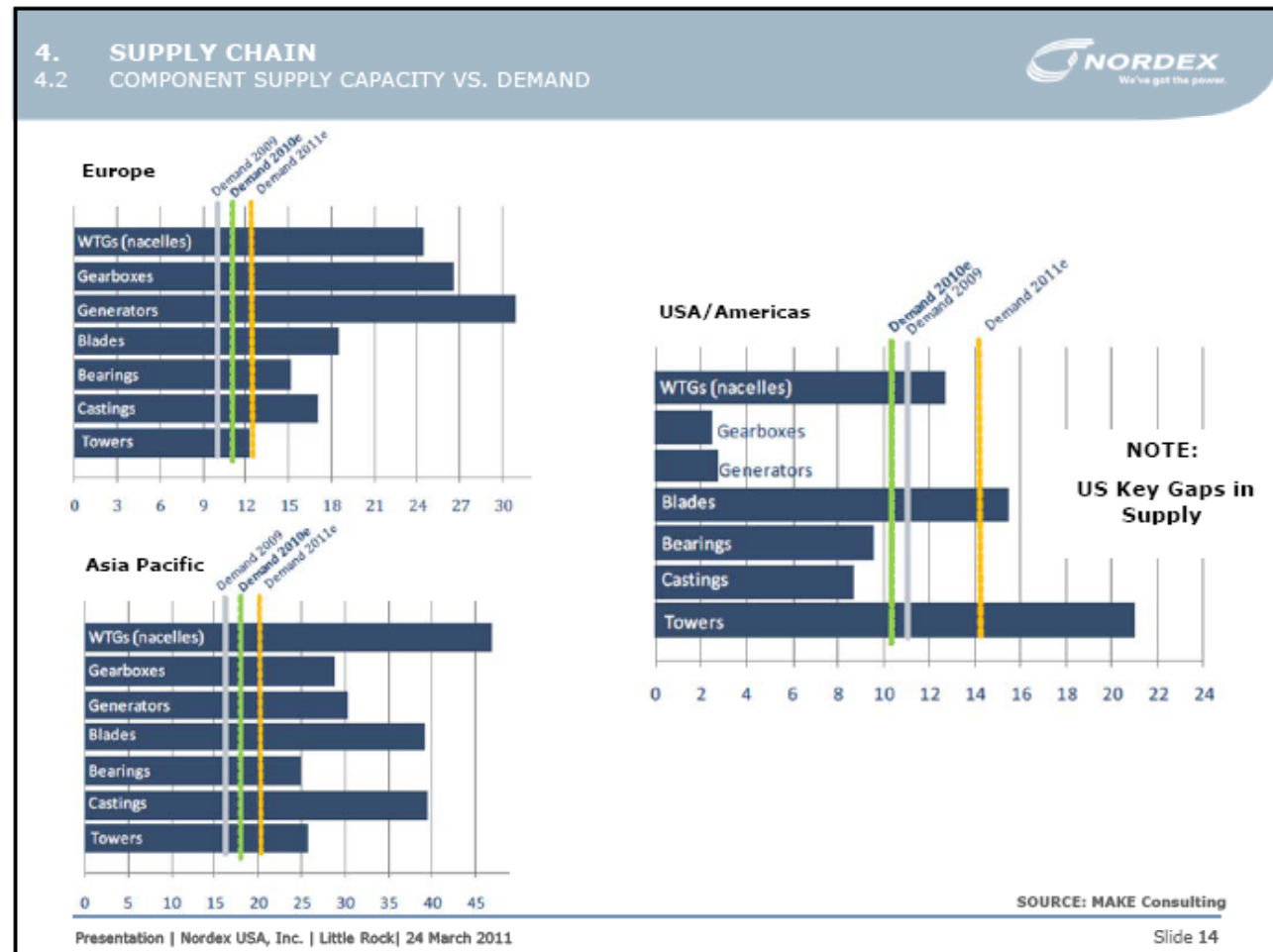
On June 3, 2011, the House Energy and Commerce - Subcommittee On Energy and Power held hearings on H.R. 909, A Roadmap for America's Energy Future, sponsored by Rep Devin Nunes (R, CA - 21<sup>st</sup>) with 72 Republican co-sponsors (H.R. 909) including Paul Ryan (R, WI-1<sup>st</sup>), chairman of the House Budget Committee. H.R. 909 seeks to expand domestic energy supplies by facilitating increased production of conventional sources of oil in the Outer Continental Shelf (OCS) and Arctic Wild Life Refuge (AWLR), nonconventional sources oil and gas such as oil shale and coal-to- liquids, and increased nuclear power.

The additional revenues from the anticipated expansion of oil and gas lease and production on federal lands and the OCS would be used to fund a "Renewable Energy Trust Fund" established in H.R. 909. The Renewable Energy Trust Fund would make grants to renewable energy electricity developers through a reverse auction (most MW per hour produced for the lowest cost) singular focused selection process.

It is anticipated that \$10 to \$40 billion per year would be deposited into the trust fund, and over 30 years total funding should exceed \$500 billion!

# WEMA Applauds Rep. Nunes' H.R. 909 Creative Long Term Funding Solution! But.....

With the current excess wind turbine component part manufacturing capacity recently developed in China and continuing to exist in Europe, WEMA is very concerned that the lowest bid reverse auction selection process will result in wind project developers and their O.E.M. turbine suppliers sourcing substantial all of the wind turbine components from China and Europe to assure the lowest cost and the lowest bid. This chart clearly sets forth why WEMA is concerned.





# WEMA Seeks To Modify And Expand The H.R. 909 Renewable Energy Trust Fund

WEMA seeks to modify and expand the H.R. 909 Renewable Trust Fund selection process to include:

- A Performance Based Selection Process awarding those Large Energy Developers (LED) Receiving a \$20 million + per year in grant funding to commit to Cause Their Supply Chain to Retain and Create the Greatest Number of Jobs and Make the Largest Capital Investment in the United States.
- Accountability with Annual Reporting Confirming Job Creation and Capital Investment Commitment Performance.
- Transparency With All Reports and Related Data Readily Available on the Internet.

WEMA's goal is to not only obtain a long term funding source for renewable energy development but also to retain and create U.S. manufacturing jobs and expand the U.S. Wind Energy Supply Chain.

## Democrat Senate Still Push Clean Energy – Trending More Conservative At This Point

- Democrats retained control but Republicans picked up 6 seats in 2010
- Senator Schumer recently confirmed that the Senate will pursue a Comprehensive Job agenda - “The Jobs First Agenda” - which will include an Energy Plan with incentives to create “Clean Energy Jobs” in the U.S.
- Senator Brown has again proposed the “Security In Energy and Manufacturing (SEAM) Act” that would renew the Advanced Manufacturing Tax Credit Program, also know as 48C which provides investment tax credits of 30 percent.
- Senator Schumer has recently warned that we “need to ensure that 48C investments comply with a “Made in America” requirement so that it creates jobs in the U.S.
- With the continuing debt crisis, high unemployment and a stagnating economy, many predict that the Republicans will take control of the Senate in 2012
- Just as in the House in 2011, it is anticipated that the Senate will be much more conservative in 2013
- Recent Senate Vote (73-24) To End Ethanol Subsidies Sends A Message!
- Yesterday’s “Gang of Six” Proposal to eliminate all Tax Incentives including Renewable Energy Production Tax Credit!!

## WEMA Will Push the 1603 Program vs. 48C In the Senate. Why?

To date, the 1603 Renewable Energy Grant Program has been the driving force for:

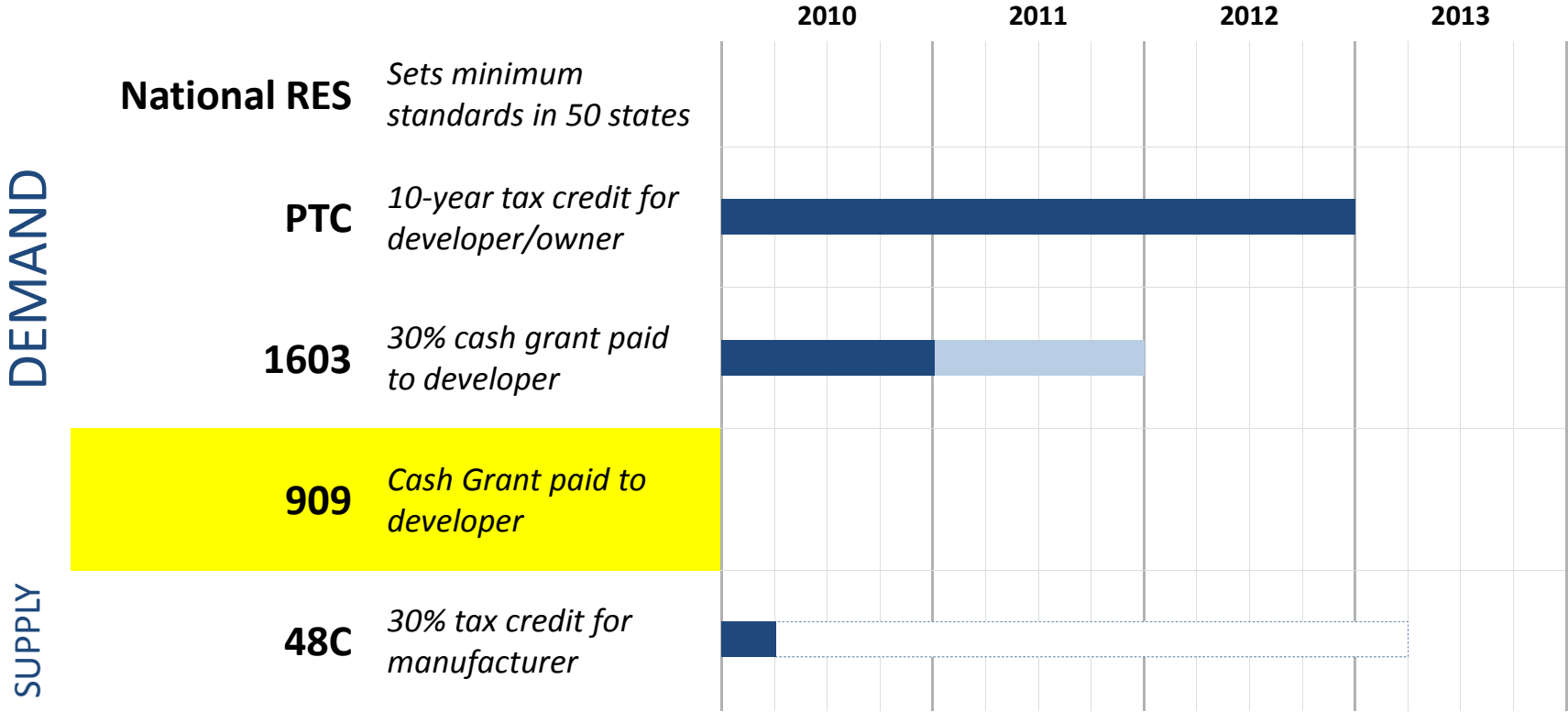
- 2009-2010 annual growth rate in U.S. wind energy installed electricity capacity of 59.68% jumping from a base of 25,237 MW installed at the end of 2008 to 40,274 MW installed at the end of 2010.
- 2009-2010 total capital investment in U.S. wind energy installed electricity capacity exceeding \$18.8 billion.
- 2008-2010 total annual growth in U.S. wind energy supported jobs of 50% from a base of 50,000 jobs at the end of 2007 to 75,000 jobs at the end of 2010.
- 2009-2010 annual growth rate in U.S. solar energy installs of 125.86% sky rocketing from a base of 1,156 MW installed at the end of 2008 to 2,593 MW installed at the end of 2010.
- 2009-2010 total capital investment in U.S. solar installed electricity capacity exceeding \$96. billion.
- 2008-2010 annual growth rate in U.S. solar energy supported jobs of 287.50% sky rocketing from a base of 24,000 jobs at the end of 2007 to 93,000 jobs at the end of 2010.
- Generating roughly twice as much electricity per dollar of federal grant funding as the Production Tax Credit incentive program.

## WEMA Seeks To Extend And Modify The 1603 Program In The Senate

WEMA's research establishes the basis for extending and modifying the 1603 Renewable Energy Grant Program to include:

- A \$15 billion Competitive Capped Allocation Application Process **For Individual Allocations Over \$20 million Per Year** (averaging \$3 billion per year over 5 years).
- Performance Based Selection Process Awarding those \$20 million + Developers who **commit to Cause Their Supply Chain to Create the Greatest Number of Jobs and Make the Largest Capital Investment in the United States.**
- Accountability with Annual Reporting **Confirming Job Creation and Capital Investment Commitment Performance over the next 5 years.**
- Transparency With All **Reports and Related Data Readily Available on the Internet.**

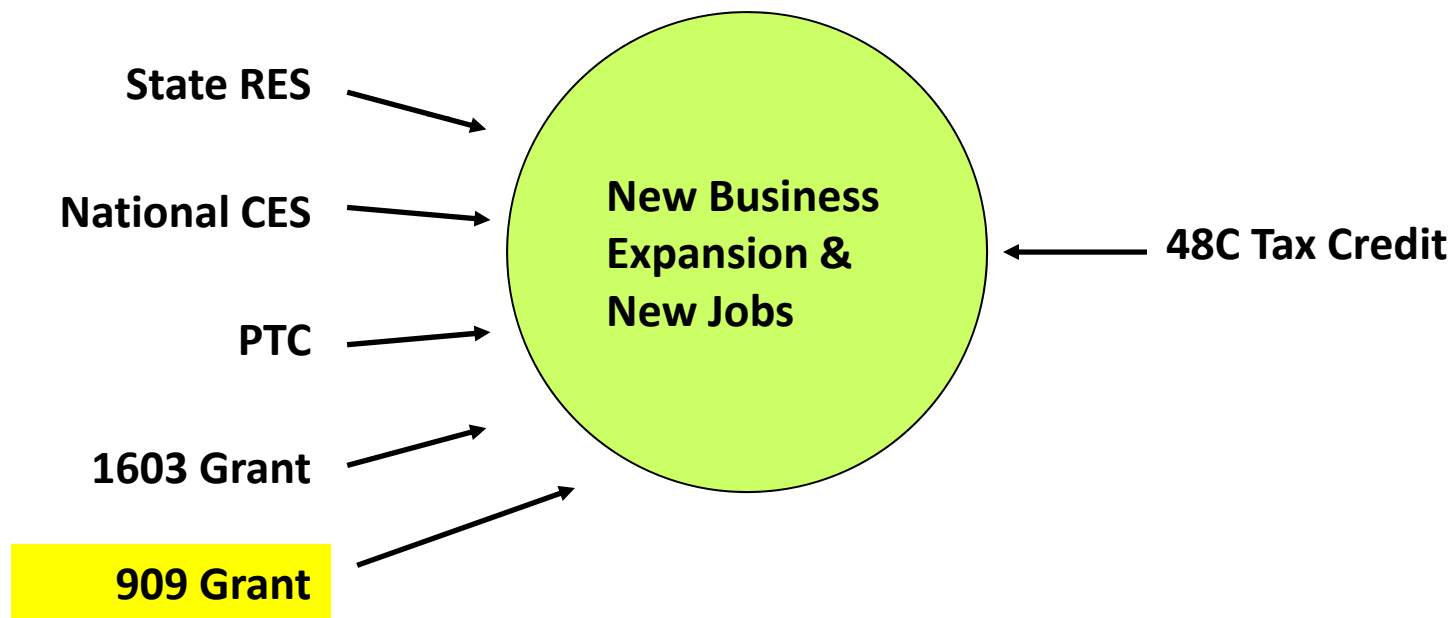
# US National Legislative Landscape



# US National Model: Implications for Supply Chain

**DEMAND**

**SUPPLY**



## Summary Of WEMA's 2011-2012 Action Plan

- Focus on the Demand Side
- Support CES & PTC Extension
- House push for H.R. 909 A Roadmap for America's energy future Renewable Energy Trust Fund Grant Program with grant selections based on U.S. Jobs and Capital Investment Commitments
- Senate push for an Extension of the 1603 Renewable Energy Grant Program with grant selections based on U.S. Jobs and Capital Investment Commitments.

## How? State By State Grassroots Effort

- Target Governors interested in creating manufacturing jobs in their State
  - Mitch Daniels – Most Manufacturing Intensive State in the Country
  - Chris Christie – Greatest Offshore Wind Potential in the Country
- Work with State’s Economic Development Teams
- Coordinate effort with each State’s Lobbying Team
- Draw State support through Wind Energy Supply Chain Manufacturers in each State
- **WE NEED YOUR SUPPORT IN INDIANA NOW!**



## Energy Policy: WEMA Grant LED Program Proposals

To learn more about the WEMA Large Energy Developer (LED) Grant Program Proposals go to: [www.wemawind.org](http://www.wemawind.org)

For a copy of this presentation go to:

[http://www.kriegdevault.com/our\\_professionals/frank-hoffman](http://www.kriegdevault.com/our_professionals/frank-hoffman)

# Energy Policy: Issues in the New Congress

Frank A. Hoffman is president of the newly formed Wind Energy Manufacturers Association ([www.wemawind.org](http://www.wemawind.org)) and a partner in the law firm of Krieg DeVault LLP with offices in Chicago, Atlanta and Indianapolis ([www.kriegdevault.com](http://www.kriegdevault.com)). The Wind Energy Manufacturers Association (WEMA) has been created to promote the manufacturing supply chain for the Wind Energy Industry in the United States. Frank Hoffman concentrates his practice in creative and complex federal, state, and local incentive-based financing transactions. Most recently Mr. Hoffman has assisted his clients and WEMA members in obtaining over \$40 million in Recovery Act, state and local economic development incentives and over \$50 million in permanent financing for wind energy component part manufacturing in the United States. ([http://www.kriegdevault.com/our\\_professionals/frank-hoffman](http://www.kriegdevault.com/our_professionals/frank-hoffman)).

## Tax Incentive Financing Experience

- Created the New Markets Tax Credit Program for the Indiana Bankers Association and its 180 member banks - 2004 \$50 million Allocation
- Assisted in the creation of the New Markets Tax Credit Program for the city of Fort Wayne – 2008 \$15 million Allocation
- Assisted in the creation of the New Markets Tax Credit Program for the town of French Lick and seventeen (17) participating southern Indiana counties – 2009 \$50 million Allocation
- Assisting in the creation of the New Markets Tax Credit Program for the City of Indianapolis – 2010 - \$32 million Allocation
- Combined Indiana CRED Credit, Local TIF Bond and NMTC to fund \$5.5 million start-up manufacturing plant (Marion, Indiana)
- Combined local TIF Bond and NMTC to fund \$20 million hotel/indoor waterpark facility (French Lick, Indiana)
- Closed over \$150 million in NMTC financing (2004 to present)
- Created the Wind Energy Manufacturers Associations, Inc. to attract capital investment under ARRA to Indiana in 2009
- Obtained over \$28 million in ARRA economic development incentives and \$53 million in permanent financing for Indiana start-up wind turbine component part manufactures since February 2009

## **Education**

DePauw University  
Indiana University School of Law  
Admitted to Indiana Bar

B.A., (Economics), June, 1979  
J.D., (Taxation); January, 1982  
1983, Indiana

**Birth Place:** Evansville, Indiana, September 1, 1957

**High School:** Andean Catholic High School, Merrillville, Indiana; 1975



# KRIEG DEVAULT OVERVIEW

- For clients throughout the Midwest and across the country, Krieg DeVault provides clear, practical legal advice that takes in the big picture without losing sight of the details. That's how we approach your legal challenges and how we deliver solutions that are focused on your needs, your business and your world.
- While much has changed since Krieg DeVault's founding in Indianapolis, over 130 years ago, our commitment to listening to our clients has not. Client satisfaction and loyalty have allowed us to grow from a two-lawyer general practice in the mid-1870s to our current status as a premier business-focused law firm. From offices that reach from the nation's heartland to the Sun Belt, we are ideally positioned to serve the needs of our diversified client base.
- Financial institutions, global manufacturers, national healthcare providers, successful organizations of various sizes and market focus, as well as individuals all rely on us for solutions that create success. They know their important cases, sophisticated transactions, and complex business issues require the big picture approach that has become a Krieg DeVault hallmark.

**"Clients expect us to help them achieve their goals. They entrust us with their most important legal matters. At Krieg DeVault, we never take that trust for granted. We learn our clients' businesses; we communicate openly, we follow up frequently; we respond timely; and we are always available. In short, we develop a relationship with our clients. Our clients' goals become our goals."**

Michael E. Williams, Managing Partner

# KRIEG DEVAULT LOCATIONS

## Working Where Clients Need Us

Krieg DeVault lawyers are at work where our clients do business, in major urban centers and dynamic smaller communities throughout the Midwest and Southeast. Some of our offices offer a broad range of legal services, while others are more focused on specific legal needs. They all, however, reflect the firm's commitment and capabilities for achieving solutions to real-world legal issues.

### [Indianapolis Office](#)

One Indiana Square  
Suite 2800  
Indianapolis, IN 46204-2079  
P: (317) 636-4341  
F: (317) 636-1507

### [Carmel Office](#)

12800 North Meridian Street  
Suite 300  
Carmel, IN 46032-9422  
P: (317) 566-1110  
F: (317) 636-1507

### [Noblesville Office](#)

949 E. Conner Street  
Suite 200  
Noblesville, IN 46060  
P: (317) 773-7818  
F: (317) 773-7918

### [Schererville Office](#)

833 West Lincoln Highway  
Suite 410W  
Schererville, IN 46375  
P: (219) 227-6100  
F: (219) 227-6101

### [Mishawaka Office](#)

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