



Governors'
Wind
Energy
Coalition

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

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July 20, 2011

The Honorable Barack Obama
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

The Governors' Wind Energy Coalition was formed to address some of the nation's most pressing needs — jobs, energy, and economic development — through the use of domestic renewable energy resources.

As a bipartisan group of 24 governors from diverse regions of the nation, we share a common interest in the development of the nation's wind energy resources — an interest that you share with us. Unfortunately, deployment-focused legislative actions and administrative initiatives have stalled. Although tax credits for wind energy have long enjoyed bipartisan support, they are scheduled to expire next year. Wind-related manufacturing will slow if the credits are not extended, and some of the tax credit's benefit will be lost if Congress pursues a last minute extension. It is important to have consistency in policy to support the continued development of wind manufacturing in the United States. Extending the production tax credit and the investment tax credit, without a gap, is critical to the health of wind manufacturing in our nation. The wind manufacturing industry in the U.S. would benefit even greater if the extension of these credits would be for at least 7 years.

In this difficult legislative environment, it is critical that executive agencies focus on the deployment of today's wind energy resources. We believe that there are specific executive actions that your Administration can take today to further the development of wind energy.

We respectfully ask you to act quickly to address the following concerns and help advance the nation's wind energy development and economic potential:

- ***Establish a combined intergovernmental state-federal task force on wind energy development.*** This high-level task force, led by the Council on Environmental Quality, with participation by the U.S. Department of Energy (DOE), U.S. Department of the Interior (DOI), U.S. Department of Commerce, and governors' coalition representatives, would be charged with expediting deployment activities. The task force would coordinate development activities among state and federal agencies to ensure the administration's wind energy goals are met.
- ***Restore collaboration on wind deployment and expand technology development.*** The Department of Energy's renewable energy programs should focus not only on technology research and innovation, but also on technology

deployment and market development. DOE's wind power program has increasingly emphasized the next generation of wind systems at the expense of aiding states in their deployment initiatives. Our communities value the objective information provided by DOE through our Wind Working Groups and other outreach efforts, and other issues that come up in community discussions of wind energy development. Minimal attention to market development for *today's* emerging wind systems — which are at an early commercial stage — neglects our near and mid-term economic and energy development interests. Technology deployment and market development assistance in coordination with our states are precisely the types of efforts other nations are utilizing to successfully compete with the United States. We must recognize that a scientific breakthrough five or ten years from now, plus several more years for commercial acceptance, will be of little value if our wind industry has been relegated to minor players in the global marketplace. A more balanced approach is required by DOE to ensure research, development, and deployment activities are all supported.

- ***Improve siting collaboration.*** Airspace, radar, and wildlife are areas where conflicts can occur between agencies without careful management. Consistent with our letter last month to Secretary Salazar, we believe wind energy and wildlife protection are entirely compatible and we urge a prompt resolution of the Wind Energy Guidelines and Eagle Guidance concerns. Projects are being delayed because of the uncertainty these guidelines have created. Airspace, radar and wildlife issues are equally important to successfully deploying offshore wind energy projects and any offshore-specific policies in these areas need to take into account the realities of the development process.
- ***Expedite the Deployment of Offshore Wind.*** Offshore wind is an abundant source of renewable energy located near some of our nation's largest cities and areas of electricity demand, but the nation still has nothing installed to date. Europe currently has 2 GW of offshore wind installed. A new U.S. offshore wind sector would create tens of thousands of jobs in businesses ranging from R&D and engineering to manufacturing and marine construction. The long term extension of the investment tax credit and the restoration of funding for the DOE loan guarantee program are critical to the development of our offshore wind industry. In addition, there are several projects in various stages of development that could benefit from a more robust and aggressive deployment strategy. DOI should reduce its current leasing process from 7-10 years down to 4, and DOE should support R&D for offshore wind so that the sector realizes the same reductions in cost onshore wind experienced as a result of R&D investments the past decade.
- ***Identify transmission priorities for Power Marketing Administrations (PMAs).*** PMAs, including Bonneville Power Administration, Western Area Power Administration, and Southwestern Power Administration, have critical roles to play in the development of the nation's renewable resources. These agencies can improve integration with neighboring electricity systems, improve their own operations to integrate more renewables, build transmission, and partner with private investors on transmission line development. Recently, however, the Bonneville Power Administration has curtailed the transmission of wind energy because of high water levels in the Northwest. A long-term view is needed that ensures a diversified approach to increasing domestic energy production.

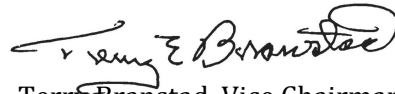
- **Release completed DOE analytical information.** A number of renewable energy experts have contributed to a DOE analysis of potential future renewable energy power options. This report would aid governors and other policy makers in assessing the potential for wind energy and other renewables, and contribute to setting the vision for the nation's energy future. DOE has completed a valuable report in this area, and we ask you to ensure that the results are made public without delay.

We believe these actions will help address some of the national economic and energy challenges before our nation. We look forward to working with you and your Administration to further our nation's wind energy development to help drive economic growth, energy development, and the creation of high-paying jobs.

Sincerely,



Lincoln Chafee, Chairman
and Governor of Rhode Island



Terry Branstad, Vice Chairman
and Governor of Iowa

c.
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Hon. Ken Salazar
Hon. Gary Locke
Hon. Nancy Sutley