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MAJOR NEW TECHNICAL REPORT FINDS WIND CAN PROVIDE 20% OF U.S. ELECTRICITY NEEDS BY 2030

U.S. Department of Energy Analysis Finds That Wind Can Be Major Contributor to Energy Mix

Wind power is capable of becoming a major contributor to America's electricity supply over the next three decades, according to a report released today by the U.S. Department of Energy. The groundbreaking report, *20% Wind Energy by 2030: Increasing Wind Energy's Contribution to U.S. Electricity Supply*, looks closely at one scenario for reaching 20% wind energy by 2030 and contrasts it to a scenario of no new U.S. wind power capacity.

"DOE's wind report is a thorough look at America's wind resource, its industrial capabilities, and future energy prices, and confirms the viability and commercial maturity of wind as a major contributor to America's energy needs, now and in the future," DOE Assistant Secretary of Energy Efficiency and Renewable Energy for the U.S. Department of Energy Andy Karsner, said. "To dramatically reduce greenhouse gas emissions and enhance our energy security, clean power generation at the gigawatt-scale will be necessary, and will require us to take a comprehensive approach to scaling renewable wind power, streamlining siting and permitting processes, and expanding the domestic wind manufacturing base."

Included in the report are an examination of America's technological and manufacturing capabilities, the future costs of energy sources, U.S. wind energy resources, and the environmental and economic impacts of wind development. Under the 20% wind scenario, installations of new wind power capacity would increase to more than 16,000 megawatts per year by 2018, and continue at that rate through 2030.

"The report shows that wind power can provide 20% of the nation's electricity by 2030, and be a critical part of the solution to global warming," said AWEA Executive Director Randall Swisher. "This level of wind power is the equivalent of taking 140 million cars off the road," he said. "The report identifies the central constraints to achieving 20% - transmission, siting, manufacturing and technology - and demonstrates how each can be overcome. As an inexhaustible domestic resource, wind strengthens our energy security, improves the quality of the air we breathe, slows climate change, and revitalizes rural communities."

The report finds that achieving a 20 percent wind contribution to U.S. electricity supply would:

- Reduce carbon dioxide emissions from electricity generation by 25 percent in 2030.
- Reduce natural gas use by 11%;
- Reduce water consumption associated with electricity generation by 4 trillion gallons by 2030;
- Increase annual revenues to local communities to more than \$1.5 billion by 2030; and
- Support roughly 500,000 jobs in the U.S., with an average of more than 150,000 workers directly employed by the wind industry.

At 20% of electric power generation, significant growth in the manufacturing supply chain would create jobs and remedy the current shortage in parts for wind turbines.

Reducing the use of natural gas could save money for consumers due to the resulting downward pressure on the price of natural gas, according to AWEA.

"We must look at meeting future electric demands in a cost-effective way," said Suedeen Kelly, FERC

Commissioner. "The 20% wind scenario would only cost 2 percent more than the cost of the baseline scenario without wind. At 50 cents per month for the average ratepayer, that is a small price to pay for the climate, water, natural gas, and energy security benefits it would buy--and it does not even count the stability provided to consumers by eliminating fuel price risk."

"Though economic and other factors will ultimately determine our energy future, we believe the 20 percent wind scenario is feasible, but only with a major national transmission highway system. Delivering power from the best windy regions to the growing urban supply requires a bigger, stronger transmission system. Strong regional and interregional planning as well as broad allocation of costs will allow the United States to rely on a broader diversity of generation resources," said Mike Heyeck, Senior VP of AEP Transmission.

The report comes at an important time in wind development. In 2007, wind was one of the fastest growing sources of electricity in the nation, second only to natural gas for the third consecutive year. According to an AWEA report released last week, the U.S. wind energy industry continued new installations at a breakneck pace in the first quarter of 2008, putting 1,400 megawatts (MW) or approximately \$3 billion worth of new generating capacity in place--enough to serve the equivalent of 400,000 homes--coupled with investment in 17 new manufacturing facilities over the past year.

"Wind is an important part of BP Alternative Energy's business and of BP's diverse energy portfolio. Siting and wildlife issues will be a challenge, but AWEA and industry leaders are committed to working with stakeholders to make wind the environmental electricity choice," said Bob Lukefahr, President, Power Americas, BP Alternative Energy North America. "This report underscores the benefits of diversifying our electricity sources. Growing to 20% wind requires investment in new manufacturing and capital projects, an estimated 500,000 jobs, and brings rural economic development across the country."

Background

In 2006, President Bush articulated a national imperative for greater energy efficiency and a more diversified energy portfolio. Citing wind energy as part of the solution, he noted that areas of the nation with good wind resources could satisfy up to 20 percent of America's total electricity demand.

Subsequently, government and industry came together to thoroughly explore the feasibility of generating 20 percent of U.S. electricity from wind by 2030 and produced this joint report to aid policy-makers and the public in better understanding the issues, investments, and likely outcomes associated with pursuing this objective.

To download the full report, please go to www.20percentwind.org.

***AWEA** is the national trade association of the U.S. wind energy industry. The association's membership includes global leaders in wind power development, wind turbine manufacturing, and energy, as well as a broad range of component and service suppliers. More information on wind energy is available at the AWEA web site: www.awea.org.*

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