

Economic Development Impacts in Colorado from Four Vestas Manufacturing Facilities

Wind Powering America Fact Sheet Series

Vestas manufactures blades at its new facility in Windsor. Frank Oteri/PIX16018

On August 22, 2008, Colorado Governor Bill Ritter announced that Vestas, a Denmark-based turbine manufacturer, would significantly expand its Colorado operations, bringing approximately \$700 million in capital investment and nearly 2,500 jobs to Colorado by locating four manufacturing facilities in the state.

In the midst of an economic slowdown during which numerous U.S. manufacturers have closed their doors, wind energy component manufacturing is one U.S. industry that has experienced unprecedented growth during the past few years. As demand for wind power in the United States has increased and transportation costs have increased around the world, states have seen a significant increase in the number of manufacturers that produce wind turbine components in the United States.



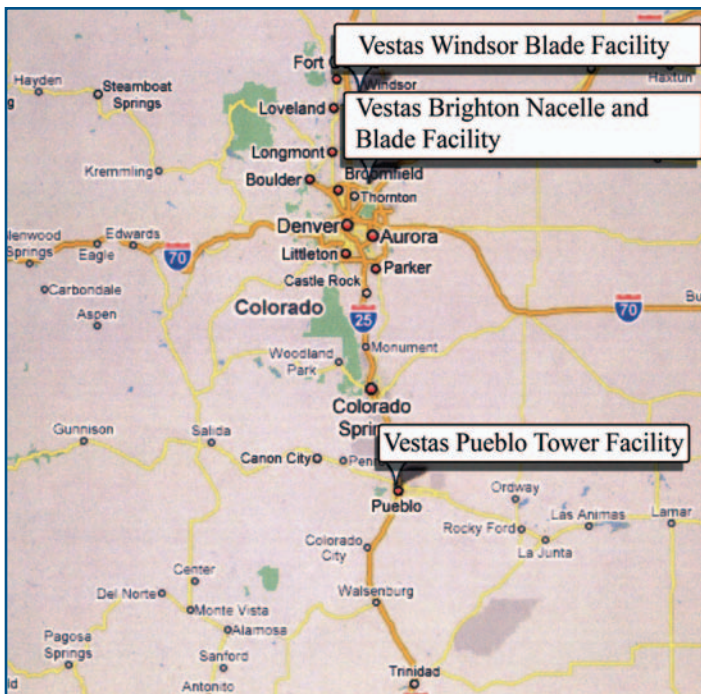
Frank Oteri/PIX16009

Windsor, Colorado

In March 2007, Vestas announced that it would locate a new factory in the Great Western Industrial Park in Windsor. The plant, a blade production facility, would be approximately 200,000 square feet, have a full production capacity of 1,200 blades per year, and employ approximately 400 individuals.

Vestas considered more than 70 communities for its first North American factory. According to Larry Burkhardt, president and CEO of Upstate Colorado Economic Development, Vestas chose Windsor for three reasons: 1) the geographical location of Colorado on the continent and its relative closeness to Vestas customers; 2) the close proximity of rail for transportation; and 3) the quality, skilled workforce. In addition, Vestas received an approximately \$4 million incentive package from various state and local agencies. The package includes grants, tax rebates, and job-training funds.

In June 2007, a groundbreaking ceremony for the facility was held. In November 2007, plans changed as Vestas announced that it would expand its investment in Windsor. The expansion is expected to increase the number of employees by 250, bringing the total to 650. Annual blade production capacity is expected to increase to 1,800



Denmark-based Vestas will locate four manufacturing facilities in Colorado.



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Courtesy office of Colorado Governor Bill Ritter/PIX15309

Colorado Gov. Bill Ritter (center) takes part in the ceremonial groundbreaking of the first U.S. Vestas blades factory in Windsor, Colorado, in June 2007.

A 1.8-MW Vestas V80 turbine. Ohio Office of Energy Efficiency

blades per year, and the facility's square footage will double to almost 400,000.

Scott Ballstadt, senior planner for the town of Windsor, said Vestas will be one of the largest employers in Windsor, joining Kodak (producers of thermal media, motion picture film, and color paper) and Owens-Illinois (a glass container manufacturer). He said the full range of Vestas' impact on Windsor's economy will be realized in 2009 when the town collects all of the building and permit fees, along with the first year's property taxes.

Ballstadt also noted that the new Vestas jobs are "650 very good jobs with a European benefit package that includes health insurance for the whole family."

Brighton, Colorado

The second Vestas investment, a nacelle assembly plant and an additional blade plant, is expected to reach full production in Brighton in 2010. The nacelle assembly plant will employ approximately 700 individuals, and the blade assembly plant will employ 650.

Vestas will locate the new facilities at a 178-acre site in unincorporated Weld County, which will be annexed into Brighton. According to Brighton city manager John Bramble, when construction of the factories commences, the peak number of workers on site will approach 300. Bramble stated that Brighton residents will benefit by Vestas' investment in multiple ways, including high-quality jobs located within the city of Brighton that could help alleviate residents seeking employment outside of the city.

According to Don Elliman, director of the Colorado Office of Economic Development and International Trade, Vestas' Brighton investment may be the single highest investment in Colorado in 2009. Elliman also pointed out a secondary benefit to Vestas' choice of Colorado: Two to three wind component suppliers could follow Vestas to Colorado in the near future, employing up to 100 workers each.

Pueblo, Colorado

Pueblo will be the site of Vestas' new tower facility, intended to be the largest tower-manufacturing facility in the world. The facility is scheduled to be fully operational by mid 2010 and employ about 500 workers who will produce up to 900 steel towers annually.

According to Elliman, the state of Colorado bundled incentives totaling approximately \$2.5 million for both the Pueblo and Brighton projects (not including job training). For both projects, Vestas will rely heavily on the local community colleges, Aims Community College in Brighton and Pueblo Community College in Pueblo, for job training.

