



Press Release  
January 22, 2008

**Solar Energy is Economic Engine for U.S. Economy  
Record Growth at Risk If Federal Tax Credits Expire**

Statement by Rhone Resch, SEIA President:

“Over the past few years, the solar energy industry, which includes manufacturers and distributors of photovoltaic, concentrating solar power and solar heating technology, has witnessed unprecedented growth. 2007 was a record year for solar energy, with 314 megawatts of new solar installed in the U.S. This is an increase of 125 percent from 2006. This growth pumped over \$2 billion into the U.S. economy and created 6,000 new jobs. And Wall Street invested billions of dollars in solar energy companies, foreseeing the growing global demand for clean, renewable energy sources.

“Last year saw the completion of many significant solar projects. In December, Nellis Air Force Base in Nevada flipped the switch on the largest PV array in the country at 14 megawatts. This public-private partnership will supply 25 percent of the total electricity used by the 12,000 people who live and work on the base, while saving the tax-payers \$1 million annually. Also, Nevada Solar One, a 64-megawatt CSP plant went live in June, the first major CSP installation since the Mojave Desert SEGS plants built in the late 80’s.

“Hundreds of solar energy companies announced expansions in 2007. For example, GT Solar in Merrimack, New Hampshire is expanding their equipment plant and creating hundreds of new high-quality manufacturing jobs. Ausra is building a manufacturing plant for solar thermal equipment in Las Vegas, Nevada. And, Schott Solar is building a state-of-the-art PV and CSP manufacturing plant in Albuquerque, New Mexico.

“But what is most intriguing is the potential to create jobs in the solar industry in those communities hardest hit by the down turn in our economy. In Michigan, a state with the highest unemployment in the country, solar is providing opportunity. Hemlock Semiconductor in Midland has invested a billion dollars to expand their plant capacity - all dedicated to solar. Unisolar, a thin-film manufacturer, is creating hundreds of jobs at their six new plants in Greenfield, Michigan. Solar is an economic engine in Michigan.

“In addition to manufacturing, solar creates development jobs. As of today, there are 80 utility-scale solar energy projects in the planning stages that represent about 56,000 megawatts of new electric power and 20 thousand permanent jobs. As these projects move forward, they will create hundreds of thousands of construction jobs.

“We recently conducted a survey of our members and found that developing solar energy is an economic engine for America. From 2006 to 2007, their collective revenue grew by 116 percent and their job base grew by 103%. For 2008, the industry projected 60% growth in jobs and a 108% increase in revenues. Almost all of this growth is directly attributable to the solar investment tax credits created in the 2005 Energy Bill that are scheduled to expire at the end of this year.

“However the poll also showed that should the solar investment tax credit be allowed to lapse, after only three years in existence, companies will see a substantial loss of jobs and reduced revenue growth.

“Specifically, if the investment tax credit for solar energy is not extended and expanded early in 2008, we will see a net job loss of over 40,000 high quality jobs by 2009.

“And it is important that Congress take steps immediately to extend and expand the credits. Already we are seeing projects cancelled and sales beginning to decline for larger projects, which take more than a year to site, permit and construct. And several manufacturers are reallocating solar panels from the U.S. to Europe, impacting the ability for small installers to stay in business.

“I want to echo the words of my colleagues and ask Congress to make an investment in renewable energy. Make an investment that will create jobs, improve our energy independence, ensure American energy security, and begin to address the biggest environmental issue that we face today - global warming. Extending the tax credits for solar energy is timely, targeted and temporary and will help stimulate the US economy.

“According to a 2007 poll\*, more than 70% of Americans want to support renewable energy, recognizing its potential to create jobs and economic growth and give us national energy security. It is time for Congress to listen to the will of the American people and pass common-sense policies like the solar investment tax credit.”

\*A survey found 71 percent of U.S. voters favored providing tax credits to people who use solar and wind energy and companies who produce alternative sources of energy to expand the use of these new sources. This survey of 1000 registered voters was conducted March 19 - 22, 2007 by Greenberg Quinlan Rosner Research.