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Vestas to announce Pueblo plant

COURTESY PHOTOS/VESTAS

Something's in the wind

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Vestas Wind Systems will build the world's largest wind tower factory in Pueblo, a top company executive said Thursday.

The \$240 million plant will employ 500-550 people and include room for expansion.

The plant will be built south of Pueblo off Lime Road, the same road that leads from Interstate 25 to the new GCC cement plant to the south. The tower plant will go to the north of Lime Road.

A formal public announcement is expected at 3 p.m. today at the Pueblo Convention Center. Gov. Bill Ritter is scheduled to attend. Company executives also will attend.

Knud Bjarne Hansen, president of Vestas Towers, a division of the Denmark-based Vestas, confirmed the company's plans Thursday night after arriving in

Pueblo for today's formal announcement. The plant will produce 1,000 tower units a year, the most of any factory in the world, Hansen said. A plant in Windsor, Colo., and two more planned for Brighton, Colo., will make blades and turbine housing units.

The Pueblo plant also represents Vestas' largest investment ever in a single plant, Hansen said. Vestas is the world's largest supplier of wind tower systems.



"The size of this facility, when it's fully operational in 2010, will produce 50 percent of what we have now on the globe. It is the biggest tower manufacturing facility in the world," Hansen said.

Vestas first considered building a plant in Pueblo in 2000 and, recalling good relations with the city's leaders, re-opened talks last summer as the wind energy market improved, Hansen said.

Among other factors, the company likes the city's stable work force, its long history in the steel-making industries and its infrastructure opportunities, including good rail access, he said. Ritter issued a statement Thursday night, calling the Vestas plant a major prize for Pueblo and Colorado in the state's ongoing efforts to become a national leader in the green industry.

"Vestas' decision to locate what will be the world's largest wind tower manufacturing plant in Pueblo demonstrates that our New Energy Economy is benefiting every corner of Colorado," Ritter said.

"I applaud Vestas for investing \$240 million to build this facility and bringing 450 new jobs to one of the greatest communities in Colorado."

Job incentive agreements with Vestas calls for the company to guarantee 450 jobs, but company executives say they expect the plant to employ 500-550 workers when brought to full capacity.

Vestas plans an aggressive building schedule, with construction set to start immediately and the tower plant set to open about a year from now in fall 2009.

The city of Pueblo plans to annex the Vestas site into the city limits.

To further capitalize on the Vestas plant, Pueblo plans to transform a 3,500-acre site that includes Vestas into a new industrial park. The city is working in cooperation with the area's private land owners.

The infrastructure planned for the Vestas plant will assist other manufacturers to locate to the area, and local economic development officials are now talking with prospects to join Vestas.

Vestas also expects to draw supplies and other wind energy related companies to the area, Hansen said. "You will find related industries coming next to us," he said.

The area's current neighbors include the GCC cement plant, the expanding Xcel Energy coal-fired

power plant and the southern boundary of Evraz Rocky Mountain Steel Mills.

The area is served by two north-south rail lines.

Today's announcement culminates more than 15 months of talks between Vestas executives and Pueblo leaders, including the Pueblo Economic Development Corp.

Pueblo offered Vestas a variety of economic development incentives in a bid to get the tower factory, including job creation subsidies and infrastructure-related subsidies, PEDCo officials say.

The full scope of the incentive package remains unannounced pending formal approval by the participating local governments, but more details may be released at today's public ceremony.

The incentive package includes funding from the city, including the half-cent sales for job creation; Pueblo County; state and federal grants; and other support, PEDCo officials say.

Vestas acquired 800 acres of land, of which 300 acres will be used for the tower factory. The remaining acreage was acquired for other companies and possible expansion, Vestas officials said.

Vestas also acquired permits to erect up to three test towers at the 300-acre site, but currently there are no definite plans for any on-site towers. The option will remain available to the company.

The steel for the towers will be imported by rail (Evraz Rocky Mountain Steel Mills' recycled steel is of a different form than sought by Vestas) and the finished towers also will be shipped by rail.