

Geithner gives the green light for green jobs

Treasury officials get a taste of Minnesota's pro-environmental manufacturing and tout new tax credits for their investments.

By Leslie Brooks Suzukamo

lsuzukamo@pioneerpress.com

Updated: 01/28/2010 10:59:12 PM CST

He jumped out of the Washington, D.C., frying pan and into a sub-zero Minnesota green-jobs gathering.

U.S. Treasury Secretary Timothy Geithner, who received a grilling Wednesday in Congress over his role in the bailout of insurance giant AIG, came to the Twin Cities to talk about how the Obama administration proposes to create jobs in the green-energy sector.

Geithner said Thursday that the administration's budget next week will include \$5 billion in tax credits for investments in factories that make products ranging from wind turbines and solar panels to smart-grid controls — and energy-efficient motors for building heating and cooling systems, which he saw during a tour of Honeywell International's Golden Valley plant.

The administration already has awarded \$2.3 billion in tax credits under the economic recovery act for clean-energy manufacturing projects. The project provides a 30 percent tax credit for investments in factories, and altogether, the projects are expected to attract up to \$15 billion in total capital investment, the administration calculates.

With one in 10 Americans unemployed, Geithner was one of several Cabinet officials who fanned out across the country the day after President Barack Obama's State of the Union address to hammer home the president's message that the administration is going to focus on job creation.

"The economic crisis is causing a lot of pain and wreckage, but the economy is starting to heal," Geithner said.

Geithner said he was impressed as Twin Cities business, labor and political leaders told him how they worked together to develop green manufacturing jobs. Geithner met with elected officials, educators and heads of companies that make solar thermal heating systems, build wind farms and invest in clean-energy projects.

"You sit down together and you get along and you get things done," Geithner told the gathering.

A survey conducted by the University of Minnesota for the Blue Green Alliance, a national group of labor and clean-energy advocates, showed the Twin Cities metro area has created 20,000 green manufacturing jobs, said Dave Foster, executive director of the alliance.

Geithner saw some of those jobs in action during a morning tour of the Honeywell plant, where 1,700 people work, including 400 on the assembly line making controls and engines for energy-efficiency projects.

Honeywell, best known for the round wall thermostats found in many homes, is developing products ranging from jet airplane biofuels made from nonedible plants to smart thermostats that allow utility companies to control demand and save energy on hot summer days.

Its Golden Valley facility also competes in the \$5 billion market for energy-efficiency retrofitting that guarantees savings for its clients, including municipalities, public housing authorities, schools and businesses.

Minnesota officials said they appreciated Geithner's appearance, saying his role as treasury secretary is to get clean-energy projects more access to credit.

"He and I used almost the same language — we have constrained resources and we need to unleash literally trillions of dollars of capital that is sitting on the sidelines," said state Rep. Jeremy Kalin, DFL-North Branch, the former chairman of the state's Green Jobs Task Force.

✓ Federal grants are helping install solar panels on the roof of St. Paul's RiverCentre this year, and they helped save 475 jobs at the Rock-Tenn paper recycling plant in St. Paul by paying for a retrofit that made the plant more energy-efficient, said St. Paul Mayor Chris Coleman.

Geithner also toured Standard Heating and Air Conditioning in Minneapolis, a small business that installs energy-efficient products.

Leslie Brooks Suzukamo can be reached at 651-228-5475.