



**Testimony of Mark W. Stiles,  
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**Before the Senate Committee on Environment and Public Works**

**Hearing on:  
Business Opportunities and Climate Policy**

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Chairman Boxer, Ranking Member Inhofe, and Members of the Committee, thank you for inviting me to testify on business opportunities in renewable energy. My name is Mark Stiles. I am Senior Vice President and Group President for Trinity Industries, Inc. Our corporate headquarters is in Dallas, Texas.

Trinity is a multi-industry company that owns a variety of market-leading businesses which provide products and services to the industrial, energy, transportation, and construction sectors. Our Rail Group is the leading freight railcar manufacturer in North America and a leading provider of leased railcars. Our Inland Barge Group is the leading producer of inland barges in the United States. Trinity Highway Products, LLC is a leading manufacturer of guardrails, crash cushions, end terminals, and proprietary products (i.e., cable barrier system) on our nation's highways. Trinity Structural Towers, Inc. is the leading manufacturer of structural wind towers in North America. The Structural Towers business and our involvement in the wind energy sector is the reason I am here today addressing your Committee.

Trinity Industries was incorporated in 1933. Since that time, we have aggressively pursued manufacturing opportunities in several industries. Our quality work force has enabled us to be entrepreneurial in growing businesses and in entering new markets when business opportunities are presented. One such opportunity is wind tower construction for commercial scale wind farms you see across the United States. We

started producing wind towers in the 1990s, when being “green” was not cool and many considered wind energy a “science experiment.”

Despite a rather stormy beginning in the wind energy industry, Trinity has shown its true resiliency as a company. From producing zero wind towers in 2003, Trinity Structural Towers has emerged today as the leader in wind tower manufacturing in the United States. Our customers are some of the leading wind turbine manufacturers in the world – General Electric, Suzlon, Acciona, Gamesa, Impsa, and Mitsubishi.

We manufacture the tower structure that supports the wind turbine as well as providing related products and services, including transporting services, for the wind energy industry. Currently, our primary markets are in the central United States. We are presently manufacturing wind towers at facilities in: Fort Worth, Texas; Clinton, Illinois; and Newton, Iowa. We also have an assembly plant in Coleman, Texas. We have other product manufacturing facilities that were recently idled because of the current economic recession’s impact on the railcar market. These facilities are located in Oklahoma City, Oklahoma; Tulsa, Oklahoma; and Denton, Texas. As the economic conditions improve, these facilities could build wind towers since they are strategically located in the best wind corridor in the United States. Our laid off workers are eager to return to work. We are hopeful that the easing of credit, the extension of the production tax credit, and the stimulus package’s provisions for renewable energy will re-invigorate wind energy development.

Needless to say, we are extremely supportive of the United States developing a complete energy portfolio that includes all forms of renewable energy. With the high cost of fossil fuel that is strongly influenced by foreign countries, Trinity has committed significant resources and capital to manufacture quality wind towers to meet OEM standards and for on-time delivery by our heavy haul trucking division to our customers. We are proud to be a part of the renewable energy industry in America. By investing in the manufacturing arm of clean, renewable energy sources, we are an integral part of the push for an energy independent America.

Our rapid expansion in wind tower manufacturing was made possible by the visionary initiatives provided by Federal and State governments to support renewable energy production. For example, Trinity received a long term agreement to manufacture wind towers for General Electric provided we could find existing manufacturing facilities in the Midwestern United States. Such a facility would be strategically located and would reduce transportation costs of shipping towers from the manufacturing facility to wind farm developers in that region of the country. Our search ultimately led us to Newton, Iowa.

We received tremendous assistance from Governor Chet Culver of Iowa, the Iowa Department of Economic Development, and the city leaders of Newton, Iowa. Their combined efforts made it possible for Trinity to convert a section of the closed Maytag plant in Newton into a state-of-the-art structural tower facility. This was a major endeavor to transform a plant making washing machines into a facility making wind

towers. We started this conversion in May, 2008 and produced the first wind tower in October, 2008. For illustrative purposes, compare a washing machine in your home to a wind tower that, when erected, stands 262 feet in height, with a diameter of almost 15 feet, and that weighs more than 150 tons. This tower structure will support a wind turbine that weighs more than 80 tons and blades that have a longer wing span than a Boeing 737 jet.

In addition to renovating the building, City of Newton leaders closed a road adjacent to the facility and are now in the process of building a new bypass road around the facility. The city of Newton received a Federal grant to renovate a storage yard next to the facility. All of the improvements necessary for our start-up were accomplished in 5 months. The flexibility of Trinity's engineering capabilities and our ability to react quickly to market conditions help differentiate us from other manufacturers. We stand ready to do the same to our reserve facilities when the demand for wind towers increases in the future.

Our Newton plant has the capacity to produce about 300 wind towers per year. When the General Electric turbines they support are in production, these wind towers will be part of an energy production unit that will annually generate approximately 450 MW. Over the next 10 years, the Newton plant will help provide enough electricity to service more than 1.2 million homes and businesses. By developing and promoting renewable energy initiatives, Congress is stimulating the entrepreneurial spirit of the private sector to create jobs and to enhance America's future energy portfolio.

On April 22, our employees at the Newton Plant were honored to host President Obama as he celebrated “Earth Day” by highlighting his energy policies and plans for the energy future of America. What we have done in Newton with the assistance of our customer and the State of Iowa is a model of how flexible and entrepreneurial manufacturers are succeeding in America.

Through the leadership and sustainable programs of Governor Culver, Iowa is now second in wind energy generation behind Texas. We take a great deal of pride in helping these and other states to execute their plans to meet their renewable energy standards.

Trinity has several other businesses that are actively involved in the energy sector. In addition to wind towers, our Energy Equipment Group manufactures steel containers primarily for the liquid propane gas. Our large storage tanks, up to 120,000 water gallons, are used for a wide variety of industrial uses, including ethanol production.

Trinity Specialty Products, Inc. builds OEM dump bodies for heavy hauling equipment for mining oil sands, coal, copper, and iron ore. Transit Mix Concrete & Materials Company, owned by Trinity, is a major producer of concrete foundations for wind and transmission towers. The newest operating division in our portfolio is TRENCOM, which stands for Trinity Renewable Energy Components. TRENCOM produces steel support structures for commercial solar energy plants. In the spirit of what has made Trinity an industry leader, we are continually searching for new business opportunities that are consistent with our core competencies.

The Trinity story is a story of American ingenuity and entrepreneurship meeting the challenge of providing renewable energy to America. The U.S. Congress and state governments have developed initiatives that make it possible for us to create jobs and to produce high quality products. These products serve as an investment in the energy independence for future generations of Americans. For this, my colleagues at Trinity say “thank you.”