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Eversource, Dong Energy eye wind farm project

If approved, could power 1 million homes in southern New England

By Luther Turmelle, New Haven Register

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Hartford-based Eversource Energy will join forces with a Danish energy company to develop a wind farm south of Martha's Vineyard that, if approved, would produce enough electricity to power one million homes in southern New England.

No financial details were available Wednesday on what it will cost Dong Energy and Eversource to build the Bay State Wind project. But Eversource will have a 50 percent ownership interest in the project, said Lee Olivier, executive vice president in charge of strategy and business development at Eversource.

Olivier said what made Bay State Wind attractive to Eversource officials was its location and the fact that states across New England have established goals for procuring renewable energy.

"You have to ask, 'How can we fulfill that need,'" he said. "We could try to bring it in from Northern New England, but that is expensive. This project is right beside New England's load centers in Massachusetts, Connecticut and Rhode Island."

Thomas Brostrom, general manager of Dong Energy in North America, said new wind power technology is driving down the cost of projects in Europe 50 percent to 60 percent from where they were a decade ago.

Right now, Brostrom said his team is reviewing exactly where the wind farm should be. The company has leased 186,000 acres of the ocean in an area 15 miles to 25 miles south of Martha's Vineyard and is testing to determine which part of the ocean bed can best handle the weight of the wind turbines and the towers upon which they will be erected.

Brostrom said the two business partners have until next June to meet the deadline for a request for proposals from Massachusetts officials. That is when the state will issue a request for proposals seeking to fulfill a mandate adopted in August that requires 1,600 megawatts of off-shore wind power be purchased by Massachusetts utilities by 2027.

If Bay State Wind is selected from that request for proposals, it could be producing wind power for New England's electric grid by the middle of the next decade.

"New England's water depths and wind speeds are similar to those in Europe and provide attractive conditions," Brostrom said.

But some are skeptical about the chances Bay State Wind will ever be built.

Robert McCullough, a principal in a Portland, Oregon-based research firm that bears his name, said Northeast Utilities, which merged with NStar to form Eversource, helped sink a plan to build a wind farm in Nantucket Sound at the start of 2015, NU and National Grid terminated the long-term power purchase agreements they had with the Cape Wind project.

Olivier said conditions are completely different now.

“That project goes back to 13 years ago,” he said. “We have smaller technology now. They didn’t have legislative mandate to purchase wind power; now they do.”

But McCullough said his prediction that Bay State Wind may be dead in the water before it even starts has more to do with economics than it does with the utility company’s track record.

“Off-shore wind is a particularly bad choice for renewable generation given the rapidly diminishing costs of on-shore wind and solar,” he said. “These have fallen in price by 40 percent over the last five years. Like LED light bulbs, economies of scale are driving down the delivered cost.”

The president of a group representing power plant owners across New England said approving the Bay State Wind project would give Eversource an unfair advantage.

Dan Dolan with the New England Power Generators Association said that as one of the Massachusetts utilities that would buy the power produced by Bay State Wind, Eversource has influence on both the supply and the demand.

“They will be the ultimate decider of who wins,” Dolan said. “What we’re seeing here is an undue influence on the competitive market.”

Olivier told the Springfield (Mass.) Republican that [Eversource operates as a holding company with separate business units](#). The subsidiary that would purchase any power Bay State Wind generates operates separately from the power generation business unit.

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