

NPPD shifts focus to private wind projects

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What a difference a year makes.

At this time last year, Nebraska advocates for wind energy were bracing for another legislative session of mostly futile efforts to nudge public power out of its resistance to privately developed wind projects.

Now, the Nebraska Public Power District, the state's largest public utility, is negotiating with three private developers on projects totaling 150 megawatts — a figure that would dwarf the state's current production of 73 MW per year.

So what happened? John Hansen, president of the Nebraska Farmers Union and a strong supporter of wind energy, points to the bill laying the groundwork for community-based energy development, LB629, which was passed unanimously by the Legislature last spring.

“That’s a very resounding and convincing message,” Hansen said. “I think we’re just in the beginning stages of public power responding to that.”

This certainly isn't Nebraska utilities' first foray into wind energy. The state has five wind projects, including NPPD's 60 MW wind farm near Ainsworth, launched in 2005.

But if the three new projects come to fruition, they would be the first privately run wind initiatives in this public-power state.

NPPD spokesman Mark Becker said the NPPD board has been committed to developing wind power for several years, noting the utility's goal to have 5 percent of its power supply come from renewable resources.

But he said wind energy has become more attractive recently as proposed coal plants in Kansas have been denied permits from government environmental agencies. Wind may become more economical by comparison when thousands of dollars poured into design for a coal plant could go to waste.

The possibility of a federal renewable energy standard for electricity has also encouraged production, Becker said.

“If there is any kind of a Renewable Portfolio Standard, it does put NPPD in a better position to be pursuing projects like these,” he said.

Becker said NPPD is negotiating power purchase rates on the three projects, as well as talking with utilities throughout the state about buying in.

Grand Island Utilities Director Gary Mader said the city has been involved in preliminary discussions but would not elaborate further, citing a confidentiality agreement.

Becker said the NPPD board had hoped to reach agreements by its December meeting last week and now hopes to have things hammered out by next month's meeting.

NPPD is also purchasing easements for future monitoring sites for wind potential throughout the state, Becker said. Up to 10 meteorological towers may be erected, starting in January near Verdigre in northeast Nebraska.

But not everyone is excited about the push into wind. Several of NPPD's wholesale customers, including Southern Power District, have expressed concerns about moving into something they see as a costly, unnecessary trend.

Southern spokeswoman LeAnne Doose said the utility's board is concerned about installing a traditionally more costly form of power at a time when utilities are passing double-digit rate increases.

Doose said she has seen a groundswell of support for wind energy, but she's concerned that utilities might bow to popular pressure rather than coming at wind with "a common-sense approach."

"It's coming," Doose said. "We just hope that it's done in more of a sensible way."

Specifically, Southern has called on NPPD to wait on decisions about wind projects until its five-year Integrated Resource Plan, which sets the utility's agenda for energy generation and efficiency, is completed next summer.

Without that plan, Doose said, "it's kind of acting before we know what we need to do."

Doose said Southern has traditionally opposed wind power because a poll several years ago of its customers indicated that they didn't think it was a priority, especially if it meant higher rates. The utility is conducting another poll on the issue through its Web site.

Hansen contends that the tide of public opinion has turned on the issue, with many residents wondering why Nebraska hasn't developed as much wind power as neighboring states such as Minnesota and Iowa.

And Becker said he has seen a load of would-be private wind developers spring up this year, with 10 proposals submitted for wind projects and many more hatching plans.

"There are a lot of companies wanting to do wind energy in the state of Nebraska," he said.