

The Oklahoma WinCharger

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Oklahoma Wind Power Initiative

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based at the

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OK Renewable Energy Legislation 2006

This year's legislative session kicked off on February 6th, 2006. As outlined in the Legislative Recommendations Report released by Corporation Commissioner Denise Bode at the September 27, 2005 Emerging Energy Technology Conference, this year there are some bills of interest to renewable energy supporters.

HB 2444, Author: Rep. Covey – Calls for the recommendation that government institutions purchase 20% of their electricity from renewable energy sources when those sources are available.

HB 2446, Author: Rep. Covey – Calls for the creation of the Oklahoma Renewable Energy Transmission Advisory Board to undertake a transmission study, to be chaired by a member of the Oklahoma Corporation Commission.

HB 2447, Author: Rep. Covey – Calls for the Corporation Commission to solicit proposals and award grants for economically feasible renewable energy pilot projects that develop and establish a model for future small projects. The projects would consist of three small wind projects and three small hydro projects. The recommendations for projects would come from the Oklahoma Wind Power Assessment Committee.

HB 2469, Author: Rep. Covey – Calls for an amendment to the state level Production Tax Credit for zero-emission facilities. The bill would reduce the rated size requirement of the project from 50 MW to 1 MW. The bill also amends the tax credit to be paid over the time of ten years, similar to the federal Production Tax Credit.

HB 2512, Author: Rep. Terrill – Creates a state tax credit for the purchase of small wind, solar, and geothermal systems.

HB 2637, Author: Rep. Covey – Creates the Renewable Energy Education and Resources Act. This bill consists of four different parts:

- The creation of educational materials for Oklahoma students regarding renewable energy. These materials would be created by the Oklahoma Wind Power Initiative and distributed via the State Department of Education. Materials would include lesson plans, project materials, informational packets, an informational website, and workshops.
- A call for the Oklahoma State Regents for Higher Education to study and determine the feasibility of establishing a renewable energy degree program or certification program at Oklahoma educational institutions.
- A call for the Oklahoma Department of Commerce to create and implement a

renewable energy public education program, including an annual event to celebrate renewable energy in Oklahoma, a public education campaign to disseminate information regarding renewable energy including print, TV, and other forms of media.

- A call for the Oklahoma Department of Commerce to work with the Oklahoma Wind Power Initiative to create a statewide energy resource mapping project to include geographic information, data and maps created with geographic information systems (GIS) that would be readily available to the public and serve as a tool to assist in the development of the renewable energy industry in Oklahoma.

As you see, there are a lot of interesting items taking place in our state legislature this session.

OK Legislator's Workshop - March 2nd

On March 2nd, the Oklahoma Wind Power Initiative, partnered with the National Conference of State Legislatures, will be hosting an informational workshop for Oklahoma's state legislators. The meeting will begin at 8:30 am with continental breakfast in Room 104 at the State Capitol. Discussions will begin at 9:00 am with an introduction to the overarching issues and current policies associated with wind energy development. Following a short break, discussions shall resume with a technology expert from the National Renewable Energy Laboratory on the history and progression of wind technology.

During a catered lunch, regional discussions will be facilitated regarding the issues associated with wind development across all parts of Oklahoma. Finally, in the afternoon discussion, policy options for renewable energy will be explored along with what has and has not worked in surrounding states. Topics will include incentives, siting issues, and renewable portfolio standards and renewable energy credits.

If you have questions regarding this workshop, please call Kylah McNabb at 405-447-8412 or Jennifer DeCesaro at 303-856-1379.

OREC Officers Installed

On January 11, at the first meeting of the year for the Oklahoma Renewable Energy Council, new board members and officers serving for the 2006 calendar year were elected.

OREC's new officers are:

President: Shannon L. Ferrell

President-Elect: Rep. James Covey

Secretary: Clayton Robinson

Treasurer: Kylah McNabb

OREC's current board members are:

Serving CY 2004-2006

Kylah McNabb – OWPI-OU

Jim Roberts – Horizon Wind Energy

Ross Robinson – Norman Economic Development Coalition

Serving CY 2005-2007

Greg Adams – Chermac Energy

Representative James Covey – OK House of Representatives, District 57

Shannon Ferrell – Hall Estill, P.C.

Newly elected Board Members which will serve for the *CY 2006-2008*

Bud Ground - Public Service Company of OK

Bob Moore - Cash Financial Services

Clayton Robinson - OK Department of Commerce

Steve Stadler - OWPI – OSU

Congratulations to all those elected as board members and as officers!

Steve Stadler Presents at Power Conference

Recently, Steve Stadler of the Oklahoma State University component of OWPI was invited to speak at the 38th Frontiers of Power Conference in Stillwater. He presented "Oklahoma Wind, Present and Future", which highlighted OWPI's wind resource assessment, the status of utility-scale projects, and Oklahoma's Windpower Assessment Committee's recommendations to the legislature.

The audience was largely power engineers and engineering academics. Stadler made the point that utility-scale wind is now well-established in the state and that other scales of wind energy (small and community) should be pursued so that some of the ownership benefits can reside in Oklahoma. After

the talk, there was discussion with the engineers as to the problems of connecting non-utility scale wind generation to the power grid. Despite some technical problems with smaller generation, and legislative and legal uncertainty in Oklahoma, energy economics make these installations viable. Oklahoma might be poised to be a wind energy market niche.

FPL to Fund Bat Conservation Projects

The University of Central Oklahoma's Selman Living Laboratory is proud to be one of the two bat conservation projects picked for funding from Florida Power & Light (FPL). The laboratory, through the work of Dr. William Claire, will create and install bat-friendly gates in a winter roosting cave where tens of thousands of Oklahoma's largest winter population of bats resides.

The project will carry out tests to see that the bats are not harmed with the new structure. Beginning in 2006, the project will be complete, after two summers. The second bat conservation project chosen was from the USDA Forest Service Northeastern Research Station in West Virginia.

Tom Gray, AWEA deputy executive director commented that, "Wind energy is already one of the cleanest, most environmentally-friendly sources of electricity in the world today, but no energy generation source is free of impacts to the environment, and the wind energy industry takes the responsibility of environmental stewardship seriously. Since shortly after considerable bat mortality was discovered at a wind project in 2003, AWEA and the wind industry have been working collaboratively with the Bats & Wind Energy Cooperative with the goal of understanding and mitigating impacts of wind farms on bats."

Editor's Note: The above is a summary from AWEA's Wind Energy Weekly #1175.

100% Wind for Whole Foods Market

Whole Foods Market, a natural and organic foods supermarket and a Fortune 500 company, has purchased more than 458,000 MWh of renewable energy from wind farms. The company calls this the "largest wind energy

credit purchase in the history of the United States and Canada." Whole Food's purchase will displace more than 700 million pounds of carbon dioxide. This is the equivalent to more than 60,000 cars taken off the road or more than 90,000 acres of trees being planted.

They chose Renewable Choice Energy in Boulder, Colorado as their supplier of renewable energy credits. "Whole Foods market has made the largest-ever corporate purchase of renewable energy credits in the nation," stated Kurt Johnson, U.S. Environmental Protection Agency Green power Partnership director. "Whole Foods Market's commitment to wind power is providing an outstanding example of environmental leadership."

Editor's Note: The above is a summary from Renewable Energy Access, January 12, 2006.

U.S. Wind Industry – No Sign of Slowing Down in 2006

The U.S. wind industry expanded by 35% in 2005 due to the installation of nearly 2,500 MW, making the nation's total close to 9,200 MW. This equates to \$3 billion worth of new generating equipment for the U.S. Instead of slowing after such a successful year, the wind industry expects to install close to 3,000 MW in 2006.

Of the wind energy already established, it can power a total of 2.3 million homes and displace 15 million tons of carbon dioxide annually. "Thanks to Congress's extending the wind energy production tax credit before it expired for the first time in the credit's history, the wind industry is looking forward to several record-breaking years in a row," commented AWEA Executive Director Randall Swisher.

Wind power is growing at a rapid rate at a time in which natural gas prices are skyrocketing due to shortages. Last year's monthly average prices for natural gas was \$5-7/mcf while this winter the average price is reaching \$15/mcf. Wind power will reduce the dependency on natural gas by approximately 5% during 2006.

Other 2005 noteworthy news items included:

- The top five states with installed wind power are as follows: California (2,150

MW), Texas (1,995 MW), Iowa (836 MW), Minnesota (744 MW), and **Oklahoma (475 MW).**

- GE Energy turbines can take credit for almost 60% of the newly installed capacity. Vestas is second with nearly 30% and Mitsubishi is third with 8% of the new capacity.
- The top five developers responsible for adding the most new wind energy are: FPL (>500 MW), PPM (394 MW), Horizon Wind Energy (220 MW), Invenergy (200 MW), and enXco (150 MW).

Editor's Note: The above is a summary from AWEA's Wind Energy Weekly #1176.

Chuck Ward Honored in NA Windpower

Chuck Ward, former wind advocate for Oklahoma, was honored in the January 2005 edition of *North American Windpower*. Below is the article from the magazine:

“Oklahoma Wind Pioneer Dies”

Chuck Ward, the executive director and founder of Oklahomas United, a non-governmental organization charter with protecting Oklahomans on a number of policy fronts, recently lost a long battle with leukemia.

He was a key wind industry stakeholder that provided tireless and successful support of the industry's benefits of low cost and clean energy to the citizens of Oklahoma. He championed his role as the voice of Oklahomans, joining industry and academia in efforts at the state capital and the Oklahoma Corporation Commission that were pivotal to early successes, including the state production tax credit and a utility's green power wind rider.

Ward's efforts to make Oklahoma a leading state in wind energy were recognized both at the federal and state level, including certificates of recognition from the U.S. Department of Energy and the Oklahoma Renewable Energy Council.

Ward, who was also a veteran, was buried with full military honors at the Ft. Sill National Cemetery, which is only a short distance from Blue Canyon wind farm.

As we move into this year's legislative session Chuck will certainly be missed. A tribute to Chuck is currently in progress at the Blue Canyon wind farm.

More Wind Power for Oklahoma

Harper County residents will soon start seeing wind turbine blades and tower sections being brought into their area. OG&E has announced a non-binding letter of intent for the purchase of 120 MW from this new project. Invenergy Wind, LLC is the developer for this project, which is expected to cost \$180 million. If all is successful - meaning there is approval from the Oklahoma Corporation Commission and the two companies - the wind farm could be online and producing power by December 31, 2006.

Editor's Note: The above is a summary from AWEA's Wind Energy Weekly #1172.

USDA Grant Money Available

Renewable energy projects and value-added agricultural business ventures have the opportunity to apply for funding from the USDA Farm Bill Section 9006 & Section 6401. More than \$19 million of grant money is available for application. The USDA has granted close to \$290 million in renewable energy projects since 2001. There are important changes in the application process and eligibility requirements. They are as follows:

Applicant Eligibility

- Progress towards completion of the awarded project must be shown by those applicants who already received previous funding.
- Small rural businesses with headquarters outside rural locations are now eligible.

Project Eligibility

- For guaranteed loans, improvements to existing renewable energy projects are now eligible.
- The project location must be “controlled by” the project applicant for guaranteed loans.

Funding Levels & Matching Funds

- Energy efficiency grants and the minimum funding has been lowered to \$1,500 from \$2,500.

- Guaranteed loan funding levels has been set at \$5,000.
- Renewable energy projects eligible for the federal production tax credits can use third party equity investments as matching funds.

Simplified Application Process

- The short form in the Business and Industry Guaranteed Loan program can be used for guaranteed loan project applications under \$600,000.
- Projects with total costs of under \$200,000 will be able to use a simplified application process. This will do away with the detailed financial information or a “business-level feasibility study”. Only after the project is complete and operating will the applicant be reimbursed the grant amounts.

Technical Reports

- Each technology has two sets of technical reports, one for projects under \$200,000 and one for projects over \$200,000.

Awards will be given on a competitive basis and applications should be received no later than **March 31, 2006**. More information is available at <http://www.rurdev.usda.gov>.

Editor’s Note: The above is a summary from AWEA’s Wind Energy Weekly #1174 and the Farm Bill Clean Energy’s New 9006 Guidelines at www.farmenergy.org.

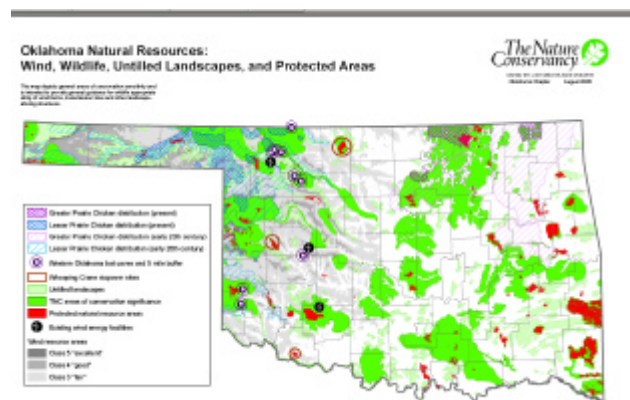
Renewables Included in President’s State of the Union Address

On January 31st President Bush outlined a number of items pertaining to renewable energy in his State of the Union address. President Bush called for the reduction in the amount of oil imports to the U.S. from the Middle East by 75% by 2025. As outlined in his Advanced Energy Initiative, he plans for a 22% increase in funding for clean energy research at the Department of Energy. This would include a \$5 million increase in wind energy research for a total budget for wind research of \$44 million.

The Advanced Energy Initiative has two major focus areas: how we power our homes and businesses and how we power our automobiles. This new initiative is aimed at building upon work done in the previous years including the signing of the Energy Policy Act of 2005 signed last year.

Coming soon to OWPI’s IMS Map.....

Be on the lookout in the next few weeks as OWPI is currently integrating a new map to showcase as part of their Interactive Wind Resource Map online. Working with The Nature Conservancy, OWPI will host a map showcasing wildlife and sensitive areas in Oklahoma. The Nature Conservancy created the map, and OWPI will be host to the map online.



Final touches are being placed on the map at this time to ensure the utmost accuracy. So be on alert as this new map comes online in the next few weeks.

Distribution of the WinCharger

Electronic distribution of The Oklahoma WinCharger is available. To sign up to receive your copy of the WinCharger by e-mail, go to the OWPI website at www.ocgi.okstate.edu/owpi, click on the link on the left side that says “Subscribe to the Oklahoma WinCharger,” and follow the instructions from there. Receiving your copy of the WinCharger by e-mail allows you to receive the newsletter faster and helps us keep our mailing costs down.

If you have recently moved or changed your e-mail address, please let us know. Address corrections or updates can be sent to Stephanie Buway at sbuway@gmail.com or by phone at 405-447-8412. Thanks!

Calendar of Coming Events

- Feb 20-21** **Oklahoma Farm Bureau 2006 Leadership Conference.** Marriott Hotel, Northwest Expressway in Oklahoma City. For more information, please call 405-523-2300.
- Feb 26-28** **Oklahoma Association of Conservation Districts Annual Meeting & Trade Show.** Biltmore Hotel, Oklahoma City. Contact Clay Pope at (405) 699-2087 or email at claypope@pldi.net for more information.
- Mar 7-8** **Community Wind Energy 2006,** hosted by Windustry. Iowa Events Center, Des Moines, IA. Call (612) 870-3461 or email info@windustry.com for more information.
- Mar 7-8** **Renewable Portfolio Standards Workshop 2006,** hosted by AWEA. Holiday Inn Chicago City Center, Chicago, IL. Call (202) 383-2504 or email semerine@awea.org for more information.
- Mar 8** Meeting of the **Oklahoma Renewable Energy Council,** 10 am to noon, OK Department of Commerce, Gallery 1-2. See www.ocgi.okstate.edu/orec for more information.
- Jun 4-7** **WINDPOWER 2006 Conference & Exhibition** hosted by AWEA. The David L. Lawrence Convention Center, Pittsburg, PA. For more information, call (202) 383-2512 or email mbundy@awea.org. Also see www.awea.org/wp06 for more information.

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