

In the Wind

If something is said to be in the wind, it generally means that people are talking about it and it may happen, but it might just be a rumor. If someone is said to be in the wind, it usually means they are missing, especially after escaping. Well, I can tell you that the Perennial Wind Farm is no rumor, and it certainly isn't missing. Bluestem Energy Solutions, the installer, owner, and operator of the wind farm completed construction on the project in July, so its full speed ahead. That is, of course, when the wind is blowing.

The data shows that the site west of Fairmont where the turbines are located has all the characteristics, including wind availability and speed, of a good wind power site. But it takes more than just a good wind resource to develop a wind project. The siting process is just as important. Utility-scale wind farms typically require access to a market via large transmission facilities. However, the Perennial Wind Farm didn't need a transmission interconnect. It is connected at the distribution level, which by itself is a challenge. One issue is having enough electric load on the windiest days to make sure there is a place to put the electricity. The good news is these turbines are located in an area of the district with some of our heaviest electric loads.

Like most large projects, financing is a large hurdle to overcome when installing any type of power generation. For us this wasn't a concern. Bluestem was responsible for all capital costs of construction and will also bear the burden of all expense for ongoing operation and maintenance. Our only financial commitment over the life of the power contract will be to purchase the output of electricity from the turbines.

While our wholesale power contract with NPPD limits how much renewable energy that we can purchase from other suppliers, we expect that the wind turbines will produce about 25 million kilowatt-hours of electricity per year, which

represents around 8 percent of the total amount of energy that we buy for our customers annually.

Even though the energy that we purchase from Bluestem will only account for a small portion of the amount that our customers consume every year, we decided to go forward with this project for economic reasons. For one, Bluestem offered guaranteed pricing over the life of the power purchase agreement. This price certainty will help us from a budgeting standpoint for years to come. In addition, locking into long-term rates on a small percent of our total wholesale energy acts as a hedge against rate increases in the other wholesale power that we purchase in the future. Then there is also the revenue the District will receive from the sale of the Renewable Energy Certificates that will be established as proof of the megawatt-hours of electricity generated from the Perennial Wind Farm.

But there are other benefits that will be realized with our purchase of energy from this wind farm. For example, I believe there will be days in the summer when the wind turbines are operating where we will be able to allow a significant number of irrigation wells in our load control program to continue to run, rather than having to shut them off to maintain our peak load at the desired level.

The amount of money that was infused into the local economy during the turbine construction phase was considerable. And investments will continue to be made locally during operations and maintenance, both in the way of property tax revenue as well as direct spending by maintenance contractors.

A segment of our customers want access to renewable energy, either because it can help their company's bottom line, or they just flat out support cleaner energy. You might say that they are pleased that Perennial is in the wind.



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