



NYPIRG NEWS RELEASE

For Immediate Release: 2 pages

April 12, 2018

Contact:

Megan Ahearn, mahearn@nypirg.org

Blair Horner, bhorner@nypirg.org

NYPIRG's Earth Day Counts Down of Ten Steps New York Must Take to be a Green Leader

Step 4: Speed Up New York's Wind Energy Development

(NY) – From now until Earth Day, NYPIRG is counting down ten steps that New York must take to be a national environmental leader. With climate deniers firmly in control of national policies, it will be up to the states to act. In recent years, New York has unveiled ambitious environmental programs and actions. But, announcements must be backed up by achievements.

Step 4 is for Governor Cuomo to ramp up New York's efforts to promote wind energy – both offshore and on land.

New York must commit to obtaining at least 5,000 Megawatts (MW) of offshore wind by 2025. The area off of Long Island is one of the best places for offshore wind (OSW) on the planet. New York should at least triple its present plans for Power Purchase Agreements for offshore wind (currently 400 MW for 2 years) to better attract the infrastructure investments that lower the costs of OSW. The failure to make a sufficient commitment to offshore wind threatens New York's ability to meet the state's greenhouse gas reduction and renewable energy goals, as well as achieving the potential for job creation and economic development.

The state needs to focus on speeding up the siting (permitting) of on shore wind projects while ensuring that local community concerns and needs are addressed.

The state that builds the first major offshore wind project is likely to attract the infrastructure investment in manufacturing, shipping, ports, and supply chain that will position it to be the center of the OSW build out along the East Coast. NYPA-funded studies show that a single OSW project could generate total economic activity of \$1 billion in sales, 8,700 job-years and \$610 million in wages for New York State.¹ A 2014 study by Stony Brook University found that if 2,500 MWs of projects were developed, Long Island would get 58,457 construction and operations phase jobs, as well as approximately \$12.9 billion in local economic activity.²

NY Wind By The Numbers

- New York currently gets 3% of its electricity from wind
- NY was ranked 13th in 2016 for installed wind capacity, nationally³
- Governor Cuomo announced a goal of 2,400 MW by 2030 – but so far has only committed to two years of PPAs of 400 MW
- A peer-reviewed report on how to get 100% of the state's energy from renewables says that 40% should come from offshore wind and 10% from onshore wind⁴

¹ Economic Impact Assessment: Long Island – New York City Offshore Wind Project. Prepared for NYPA by AWS Truepower and Camion Associates. Contract No. 4500191884. at 10 (November 1, 2010.)

² New York Energy and Policy Institute- Stony Brook University, "Offshore Wind Energy and Potential Economic Impacts in Long Island", 12-13 (Nov. 24, 2014).

³ <http://www.neo.ne.gov/statshtml/205.htm>; see also, <https://www.chooseenergy.com/news/article/best-worst-ranked-states-wind-power/>

⁴ <https://windexchange.energy.gov/maps-data/321>, click on NY

Compared to Other States

- Texas, the nation's tops in installed wind capacity, gets 17% of its electricity from wind⁵
- In Vermont, four utility-scale wind farms contribute 15% of Vermont's net electricity generation⁶

New York has been slow to develop its massive offshore wind potential, though it has taken some steps in recent years.

More than two dozen wind farms are operating or are in development around the state. The operating wind farms are located in Clinton, Franklin, Herkimer, Lewis, Madison, and Wyoming counties.⁷ New York has an estimated potential for nearly 140,000 megawatts of onshore wind energy, particularly around Lake Erie and Lake Ontario, on peaks of the Adirondack Mountains and the Catskill Mountains, and along the Long Island shoreline.⁸

Since offshore wind is in its infancy in the United States, it costs more than other forms of renewables, such as solar and on-shore wind. This is one reason why advocates had urged the Governor to enact a separate carve-out for offshore wind in the revised Clean Energy Standard, which sets mandatory targets for renewable energy purchases by utilities. Advocates had urged the state to be more aggressive, calling for OSW Power Purchase Agreements of 5,000 MW by 2025; others also pushed for 10,000 MW by 2030. **Instead, the Governor set a goal of 2,400 by 2030 – but so far has only committed to two years of PPAs of 400 MW.**

The federal government did award a lease for a major offshore wind project off Long Island last year, to StatOil, a Norwegian company. The project is expected to be 240 MW. It is quite possible that the company will build the turbines in Europe, rather than investing in local manufacturing facilities – and jobs. Earlier this week the federal Bureau of Ocean and Energy Management (BOEM) launched a 45-day comment period on the further development of OSW off of Long Island. A small project is also under development off the eastern end of Long Island.

While it took Governor Cuomo seven years to adopt these limited goals for offshore wind, Gov. Murphy of New Jersey surpassed NY in his first month in office, setting a goal of 3,500 MW by 2030.⁹

Despite his go-slow approach, Governor Cuomo's own study (NYSERDA and University of Delaware) shows that the biggest way to achieve economies for offshore wind (up to 30%) is to provide the long-term commitment to subsidies and financing to support the infrastructure investment that drive down costs, as Europe has done.¹⁰ Instead, NYSERDA went ahead with mapping the ocean floor, which might lower costs by 1 to 2%.

In Europe, which has invested in offshore wind over the last several decades,¹¹ one of the newest projects in Germany was able to operate without the need for subsidies.¹² OSW costs have fallen 50% over the last two years,¹³ with Germany now getting 23% of its power from wind.¹⁴ The United Kingdom gets over 13% from wind, including 5.6% from offshore wind (which is expected to double by 2020).¹⁵

The U.S., in comparison, only has one operational offshore wind farm supplying Block Island at this time. Governor Cuomo has laid the foundation for New York to be a national climate leader, but he must ramp up the state's commitment to wind energy for the state to fully benefit from the environmental and economic development opportunities that will come from a bolder vision.

⁵ <https://blogs.scientificamerican.com/plugged-in/texas-got-18-percent-of-its-energy-from-wind-and-solar-last-year/>

⁶ <https://www.eia.gov/state/analysis.php?sid=VT#89>

⁷ https://en.wikipedia.org/wiki/Wind_power_in_New_York

⁸ <https://www.eia.gov/state/analysis.php?sid=NY>

⁹ <http://offshorewind.nwf.org/news-new-jersey-gov-murphy-leads-on-offshore-wind-power/>

¹⁰ NY Offshore Wind Cost Reduction Study, NYSERDA, Feb. 2015

¹¹ <https://www.windpoweroffshore.com/article/1456323/record-year-european-offshore-wind>

¹² <https://www.offshorewind.biz/2017/04/13/germany-accepts-first-subsidy-free-offshore-wind-auction-bid/>

¹³ <https://www.greentechmedia.com/articles/read/offshore-wind-costs-towards-a-zero-subsidy-era#gs.xFHCjbM>

¹⁴ <https://www.cleanenergywire.org/factsheets/germanys-energy-consumption-and-power-mix-charts>

¹⁵ <http://www.renewableuk.com/news/294516/Offshore-Wind-Project-Timelines.htm>