



Utilities increase use of wind energy

Jim Offner, Waterloo Courier | Posted: Sunday, November 20, 2011 2:00 am

WATERLOO, Iowa - Change is blowing through Iowa's primary utilities, MidAmerican Energy Co. and Alliant Energy's Interstate Power & Light, and even smaller companies serving individual towns and regions.

Both of the major utilities are turning more than ever to wind as an increasing percentage of their energy portfolios.

Alliant's major foray into the sector is its Whispering Willow Wind Farm-East, which covers 33,000 acres in Franklin County, in north-central Iowa, and began commercial operation in December 2009. Alliant will add a West farm as economic conditions permit, the company says.

Whispering Willow-East consists of 121 turbines capable of generating up to 200 megawatts, which Alliant says is enough power for about 50,000 homes. If the West phase is added in the future, the Whispering Willow Wind Farm has the potential to produce up to 500 megawatts, or enough juice to power 125,000 homes.

"It's a big investment," said Tom Aller, president of Interstate Power & Light and senior vice president of Alliant Energy in Cedar Rapids. "The first was about \$450 million, give or take, and we estimate the second will be \$230 million to \$240 million for us. It's a big investment for us and the state of Iowa."

With the Whispering Willow plant, which employs nearly 30 workers directly and indirectly through contracts, in operation, IPL says about 6 percent of its electricity comes from renewable energy sources through a combination of purchased power agreements and other company-owned renewable facilities.

The company says eventually it is expected that more than 90 percent of IPL's renewable energy will come from wind power.

But there are caveats involved, Aller said.

"The first thing is what does Congress do relative to extending the credits for these wind farms that have spurred their growth over the last decade or so," he said. "If they're eliminated or reduced substantially, it will have a negative impact on more wind, not only around the Midwest but around the country. That's one of the real deciding factors when you're a private wind developer such as ours and how you allocate these benefits back to customers."

"Secondly, let's assume they are extended and not curtailed, then continued development of a robust system will be important to deliver that wind to parts of our country that really need it."

Without tax incentives from the government, wind energy development likely won't stop but it will lose momentum, Aller said.

"There are still states - Iowa's an example, already above the Midwest requirement for renewable energy," he said. "There are states with higher renewable energy standards utilities around the country are required to meet. It will make the costs more expensive because they want the tax credits or grants, which is the other option. It will make the eventual cost to the customer more expensive."

MidAmerican projects that 26 percent of its power capacity will be wind-generated by the end of this year. Coal will comprise 48 percent; natural gas, 19; and nuclear, wood and biomass, 7.

"This year, we're taking on our largest wind-expansion project," said Tina Potthoff, MidAmerican spokeswoman. "We're installing 258 turbines. All will be done by the end of the year. We will add 593.4 megawatts to our company portfolio. That power is about 190,000 average U.S. homes."

The company says it had 833 wind turbines in operation and 1,284 megawatts of owned wind-power generation at the end of 2010.

"We also had 109 megawatts of wind power generation that are available through our power purchase agreement - somebody is

doing maintenance - but if we need to, we can tap into that," Potthoff said. "We don't necessarily own the turbines but can tap into it, and it's all based in Iowa."

MidAmerican says it has wind farms in 15 Iowa counties.