

Winds of Change – Southern Utilities Boosting Wind Power Into Portfolio



Many utilities across the south already recognize the opportunity to secure wind energy as a part of their portfolio. **In fact, nearly 3.8 gigawatts of wind energy power purchase agreements (PPAs) are already in place across the Southern Wind Energy Association region.**

Because the southern region lacks renewable energy policy incentives, the majority of these PPAs have been made by the utilities voluntarily. **Utilities are making these wind energy purchases because they lower the costs for their customers.** As the utilities become more adept at handling wind energy, there appears to be a desire to purchase higher quantities of wind power.

With the already signed contracts and these request for proposals below coming down the pipeline, southern utilities could seek around 3,000-5,000 MW of new wind energy capacity - just in the South. Here is a preview of **approximately 1,500 megawatts (MW) of request for proposals (RFPs) for renewables** in the SWEA region:

Utility:	Type of Process:	Megawatts
Appalachian Power	RFP Wind only	150 MW
Entergy Arkansas	Renewable Energy RFP	100 MW
Entergy Louisiana	Renewable Energy RFP	200 MW
Entergy New Orleans	Renewable Energy RFP	20 MW
Georgia Power	Renewable Energy RFP	525 MW
SWEPCO (LA)	RFP Wind only	100 MW
SMEPA (MS)	Renewable Energy RFP	400 MW
Tennessee Valley Authority	Request for Information	TBD

By engaging in utility integrated resource planning (IRP) processes, **the Southern Wind Energy Association provides technical expertise on wind energy directly to decision-makers.** SWEA has successfully provided these decision-makers with accurate data on wind energy costs, capacity, and integration.



Credit: NREL

Through IRP advocacy, SWEA has been extremely successful. Thus far, **86% of utilities announce wind energy procurement processes following SWEA's IRP intervention.** In one particular IRP, SWEA was directly referenced by the utility in providing key data on wind energy pricing, which resulted in a 100 MW wind-only RFP.

The next step of SWEA's advocacy **is ensuring these utilities act quickly on securing new wind energy power purchase agreements.** At the end of 2015, Congress passed a long-term extension of the federal production tax credit (PTC) for wind energy. The PTC is a tax incentive that reduces the cost of wind energy, and those savings are passed on to ratepayers and utilities.

However, this important tax credit will begin to phase-out starting next year, and will be completely eliminated by 2020. Billions of dollars in wind power savings will be lost if utilities do not act fast enough to contract for significant amounts of wind power resources. **SWEA's advocacy is vital for developing the southern wind energy market.**



The Southern Wind Energy Association (SWEA) promotes wind energy use and development throughout the South. SWEA focuses on onshore wind energy development within the region, as well as importing wind power from outside the region. SWEA identifies and removes barriers to wind development at the federal, state and local levels by focusing on regulatory and legislative work. Encouraging favorable attitudes, regulation and policies for the adoption of wind energy throughout the South is SWEA's primary charge. To learn more about SWEA, visit southernwind.org or contact simon@southernwind.org

Sources:

- TVA (May, 2016): "[Request for Information](#)"
- Entergy Arkansas (April, 2016): "[2016 Request for Proposals](#)"
- Entergy Louisiana (May, 2016): "[2016 ELL Renewables RFP](#)"
- Entergy New Orleans (May 2016): "[2016 Request for Proposals](#)"
- SWEPCO (September, 2015): "[IRP Planning Report](#)"
- Georgia Power (January, 2016): "[Document Filing #161828](#)"
- Appalachian Power (January, 2016): "[Pre Qualifications for RFPs](#)"
- Southern Wind Energy Association (April, 2016): "[Electric Utilities Could Lose Billions of Dollars in Wind Energy Savings](#)"