

ENERGY: Huffing and puffing over wind power

By Jeremy Moule on December 2, 2009

Did the federal government, as some have said, give millions of dollars in stimulus funds to a non-producing wind farm in the Southern Tier town of Cohocton? Not exactly.

Cohocton Wind is a 50-turbine project with a total 125-megawatt generation capacity - the potential to power 50,000 homes, say officials with First Wind, Cohocton Wind's parent company. In September, the project was awarded \$74.6 million in federal stimulus funds from the US Departments of Energy and Treasury - part of a large block of funding meant to encourage renewable energy development nationwide.

That grant's come under protest, however, by Congress member Eric Massa, who wrote the president to ask that the funding be revoked.

"We should not be rewarding anything, let alone cash grants, to companies like this that have abused the public trust and created such a toxic atmosphere in our region on the topic of wind power," Massa wrote.

The project's been plagued by controversy, including lawsuits and an attorney general's office investigation into First Wind and other wind power development companies. Since the project came online in January, it's been dogged by questions about what it's actually producing electricity-wise - lately that's been one of the most persistent issues. Massa made the claim in his letter, which he sent in September, that the project wasn't producing any power, information he said he received from the organization that operates New York's power grid.

"Nobody knows what they produce or what they don't produce," Massa said in an interview last week. "They demand the privacy of a private corporation and the subsidies of a public utility."

But John Lamontagne, a First Wind spokesperson, says the turbines produced 133,370 megawatt hours of electricity from when they came online in January, to the end of September. That's enough energy to power 1,200 homes with average monthly electricity consumption.

The wind farm hasn't produced the amount of energy the company would like, but it's had some maintenance issues involving gears and blades, Lamontagne says. The same issues plagued the company's Steel Winds development in Lackawanna, near Buffalo.

"The project hasn't been at 100 percent," he says.

The New York Independent Systems Operator, the body that operates the state's power grid, issues a yearly report detailing the amount of electricity produced by the state's individual power plants. Cohocton Wind's status as a producer was not included in this year's report, because the farm only came online in January. It should be included in next year's report, however. Calls to the ISO were not returned by this paper's deadline.

Massa's comments illustrate just one aspect of the ongoing feud between wind farm critics and developers. Critics say that wind companies oversell the turbines' performance and play down

potential drawbacks such as noise, visual impact, and an intermittent electric supply. Wind developers say the turbines are vital clean energy generators that will help the US reduce dependence on fossil fuels, and that they serve as an economic benefit to the communities they're in.

The federal stimulus money serves as an incentive to develop wind farms, which is exactly what the government intended. But these recent grants -about \$475 million went out to renewable energy projects across the country - replaced tax credits. It's a swap of sorts - the companies get upfront funding and agree to forgo the tax credits in future years. The idea was to create upfront funding for companies that, thanks to the economy, were having trouble getting financing, say statements from the US Departments of Energy and Treasury.

The stimulus money came with no restrictions on how it can be used - whether it's to finish an uncompleted project, to add on to an existing project, or to pay back investors. In Cohocton Wind's case the project was already finished by January of this year.

Massa said he was told initially that First Wind was going to use the money for repairs to its wind generators, and that the parts would come from overseas - and that would violate the Buy American clause of the stimulus act, he said. But First Wind's Lamontagne says the money might be reinvested in the development of other renewable projects.

"We have no clue where the money's going," Massa said. "We have no way of knowing. They're under no obligation to tell anyone where the taxpayer money is going."

Massa said that his plea to revoke Cohocton Wind's stimulus funding has gone unheeded. The check's been cut, he said, and while he'd like to see the action reversed, he doesn't expect that will happen.

And he doesn't have much faith in the wind companies operating in the Southern Tier: not just First Wind, but Ecogen, and others as well.

First Wind, formerly known as UPC, was one of a handful of wind power companies operating in New York that was investigated by the state attorney general. The office wanted to probe allegations that wind company officials improperly sought land-use agreements, and whether public officials were given improper benefits to influence official actions.

The investigation resulted in a code of conduct, developed by the AG and agreed to by the wind companies. First Wind was one of the initial adopters. The code prohibited wind companies from providing gifts or benefits to municipal officials or their families, and required lease agreement disclosures.

Massa, however, said that some of these companies are already violating the spirit, if not the letter of the code. Ecogen, for example, is suing the Towns of Prattsburgh and Italy, claiming that both town boards have prevented the company from moving forward with proposed wind power projects.

"They have millions and millions of dollars to spend on attorneys and they know these small towns don't have any money at all," Massa said. "What they do is they just go in and overrun the ability of the community to defend itself."