



SOUTHEASTERN WIND COALITION

2017 ANNUAL REPORT

PRESIDENT'S LETTER

Dear Coalition Team,

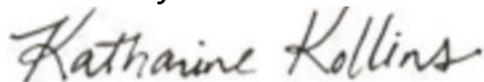
This past year has been a year of organizational growth for SEWC. We are maturing into an organization that has better insight into our wide geographic footprint, connections and relationships across 11 states, and operational programming critical to ensuring the success of wind power across the Southeast.

SEWC made an important investment this year in a new Program Associate who is focused on the Gulf Coast, where we did not previously have as much knowledge or as many connections as we do on the Atlantic Coast. In only a few short months, we have completed our in-depth opportunities and barriers analysis on four Gulf states and made inroads with utilities, state agencies, and other stakeholders looking to encourage wind.

This year brought our region some encouraging actions as well as a few setbacks. Duke Energy Carolinas released an RFP for 500MW of wind, SWEPCO plans to build a 2000MW project in Oklahoma designed to bring wind to Arkansas, Dominion announced a partnership with Ørsted on a 12MW offshore project, and we continue to see developer interest in pockets across the Southeast. Unfortunately this year we also dealt with state level wind moratoriums in North Carolina and Tennessee. SEWC is working actively to ensure those moratoriums are temporary and do not lead to reduced development activity in either state.

We continue to work tirelessly to bring more wind to the Southeast and are incredibly thankful to all of our partners, members, and funders who help make our work possible.

Sincerely,



Katharine Collins

President, SEWC



MEMBERS

FULL MEMBERS

Coastal Carolina University
Nucor Corporation
Parker Poe
Pattern Development
Santee Cooper
SC Coastal Conservation League
SCANA
VA Offshore Wind Coalition

BOARD LEVEL MEMBERS

Apex Clean Energy
Avangrid Renewables
Clean Line Energy Partners
Dominion
Duke Energy
GE Renewable Energy
RES Americas
SAERTEX
ScottMadden, Inc.
Southern Company

ASSOCIATE MEMBERS

American Council on Renewable Energy
Arkansas Advanced Energy Association
American Wind Energy Association
AWS Truepower
AXYS Technologies
Clemson University
Consumer Energy Alliance
COWI

EDF Renewable Energy
Fisher Associates
Georgia Institute for Technology
K&L Gates
LM Wind Power
NC State Ports Authority
NC Sustainable Energy Association
Nexans

Normandeu Associates
REAP
Renewable NRG Systems
Resource Environmental Solutions
SWCA Environmental Consultants
Tetra Tech
Vaisala
Virginia Renewable Energy Alliance

The Coalition's membership is critical in supporting our efforts to advance wind energy in the Southeast. Many thanks to all of our members and particularly to our Board of Directors for their guidance and strategic direction. Revenues from membership will be increasingly important in the coming years, so please let others know the importance of supporting our work

LAND-BASED WIND

LAWMAKER TOUR OF WIND FARM

- In January SEWC hosted a tour of the Amazon Wind Farm U.S East for 13 members of the North Carolina General Assembly
- The tour included testimony from six local County Commissioners on the benefits the farm has provided their counties
- North Carolina Speaker of the House Tim Moore issued a positive statement about wind energy in North Carolina after the tour

NORTH CAROLINA HOUSE BILL 589

- A bill originally intended to help the solar industry had an unfortunate 18-month wind moratorium and military mapping requirement attached at the last minute
- SEWC has been deeply engaged around this issue; working with partners in the state to push for a transparent mapping process as well as highlight the economic damage these actions could have on the state

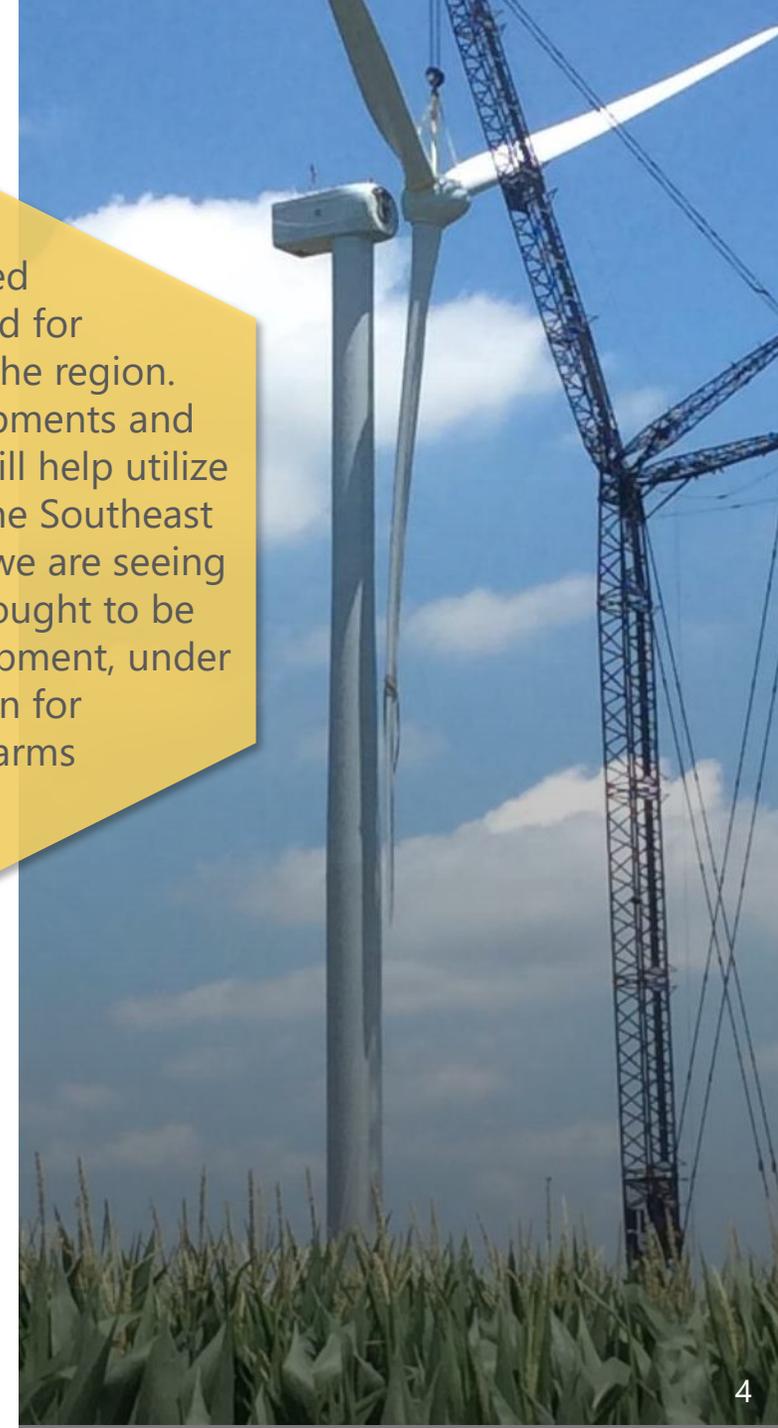
REGULATOR TOUR OF WIND FARM

- In December SEWC held a tour of the Amazon Wind Farm U.S East for NC regulators
- The tour was a great opportunity for regulators to experience a wind farm first hand before they embark on permitting projects under the 2013 state permitting program

TENNESSEE SENATE BILL 1336

- SB 1336 passed in May of this year, imposing a year-long moratorium on wind development, and requires a joint legislative committee to study the laws regulating wind facility siting in other states
- SEWC met with elected officials, environmental and economic groups, state agencies to ensure the best, most recent information is being considered in any state permitting

Land-based wind is poised for expansion across the region. Technology developments and higher hub heights will help utilize the best resources the Southeast has to offer. Already we are seeing areas previously thought to be unsuitable for development, under consideration for large-scale farms



OFFSHORE WIND



SEWC continues to be the go to resource for offshore wind energy development in the Southeast

KITTY HAWK

- In March, Avangrid Renewables won the rights to begin developing an offshore wind project in the Kitty Hawk WEA, a 122,000 acre parcel located about 24 nautical miles from shore
- We've partnered with several NGO's in NC to work with the Cooper administration on initiatives for offshore wind

BOEM GULF OF MEXICO FEASIBILITY STUDY

- SEWC attended BOEM's informational transfer meeting in New Orleans this year, which introduced the offshore renewable energy feasibility study
 - We are working to create new partnerships and leverage the study's findings to encourage future development

SOUTH CAROLINA

- SEWC capitalized on momentum from our offshore wind meeting in North Myrtle Beach last year to help organize support for in-state efforts to provide a path to rate-base an offshore wind demonstration project
- A demonstration project would provide valuable experience for the state and send a strong signal to the offshore wind industry that South Carolina is open for business

DOMINION ENERGY

- Dominion Energy announced a 12 MW demonstration project in partnership with Ørsted, an experienced European offshore development firm
- Target operation date of late 2020
- The project will be used to learn more about developing offshore wind in Virginia with an eye towards greater development in the future

WIND IMPORTS

CLEAN LINE ENERGY PARTNERS PLAINS & EASTERN LINE

- Texas to Arkansas & Tennessee
 - 700 miles long
- 4,000 MW of wind power
- \$145 million in tax revenue

WIND IMPORT FACT SHEET

- Despite few installed wind farms in the region, utilities in the Southeast have been able to leverage this cost-effective resource through imports from the Midwest. Presently, contracts for wind power imported into the Southeast exceed 3,500 MW
- SEWC published a fact sheet detailing the existing imports in the region, and has served as a tool to educate and engage decision makers on the benefits of imports

Importing energy from the wind-rich Midwest is a great way for the Southeast to take advantage of this cheap, clean resource

PATTERN DEVELOPMENT SOUTHERN CROSS LINE

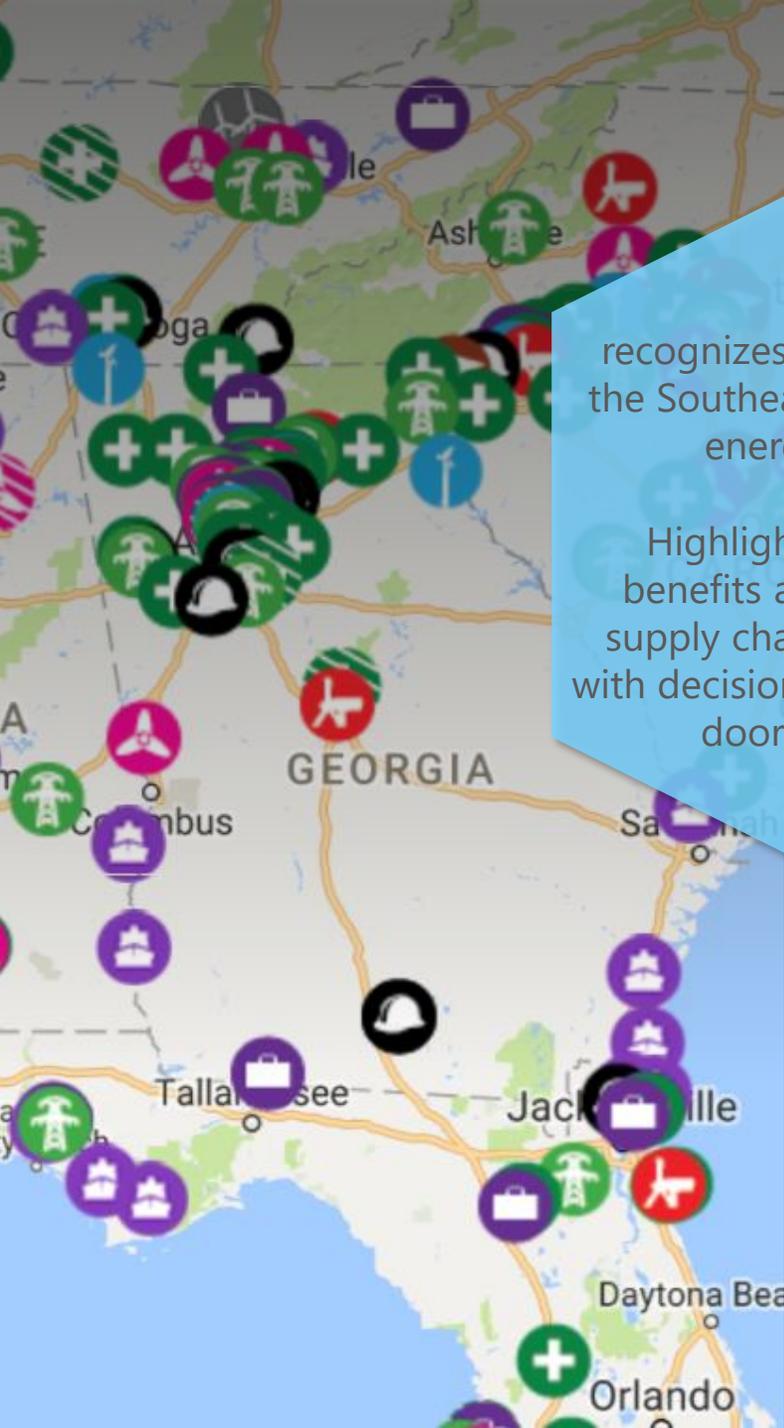
- Texas to Mississippi & Alabama
 - 400 miles long
 - 2,000 MW of wind
 - \$15 million per year in tax revenue

SWEPSCO WIND CATCHER PROJECT

- Oklahoma to Louisiana, Arkansas & Texas
- 2,000 MW farm – largest in the US
- Expected to save customers \$5 billion total, net of cost



SUPPLY CHAIN



SEWC recognizes the value brought to the Southeast by the robust wind energy supply chain

Highlighting the economic benefits and growth from the supply chain is an effective tool with decision makers and can open doors in unexpected places

SUPPLY CHAIN MAP

- Throughout the year, SEWC has continued to grow and update our supply chain map, a comprehensive database of companies that supply the wind industry
- Over 500 companies supply wind turbine manufacturers in the US, with 104 of those located in the Southeast
- We've added new features to the map, such as port and wind farm locations

SUPPLY CHAIN COMMITTEE

- In order to help direct SEWC's growing work around the wind supply chain, SEWC's Board of Directors formed a Supply Chain Committee
- The committee has tasked themselves with finding new ways to promote and utilize the region's supply chain to further SEWC's mission

SUPPLY CHAIN FACT SHEET

- SEWC published a fact sheet this year which illustrates how a blade could be produced using only companies and parts sourced from the Southeast
- Supply chain companies demonstrate the economic benefits wind is already providing to states - even those without an active wind farm

OPPORTUNITIES & BARRIERS

NC



- The first large-scale wind project in the region has and will continue to be an excellent resource for educating decision-makers on the economic benefits of wind development
- Vague permitting requirements foster uncertainty for developers, and vocal opposition in the legislature has impeded further development

MS



- TVA, which operates in the state, is already a significant importer of wind energy, and Pattern Development's Southern Cross project could present an opportunity for additional imports
- Overall, minimal consideration has been given to the potential of wind due to a lack of presence of potential projects and exposure to wind

In partnership with esteemed consulting firm and member organization, ScottMadden, this analysis is a state-by-state examination of our footprint to better understand the dynamics and unique set of circumstances faced by wind energy development

AR



- Transmission constraints within the two RTO's operating in state create challenges for importing from the Midwest
- SWEPCO's proposed Wind Catcher project presents an opportunity to circumvent these constraints, and decision-makers have expressed interest in promoting generation diversity that could facilitate the procurement of wind

LA



- New Orleans' climate action plan calls on the city's utility to adopt low-carbon generation, creating the potential for the implementation of wind
- The geographic location of the state presents similar barriers to imports and in-state development, as well as Louisiana's energy prices being the lowest in the country

AL



- 140 meter hub heights would be of particular benefit to the state, as the resource at that height is the highest in the region
- Development may prove difficult, as the state legislature imposed mandatory zoning requirements in counties with prospective wind projects that made large-scale wind energy unviable

SPEAKING ENGAGEMENTS



OUTREACH

ACADEMIC WIND RESEARCH GROUP

- SEWC convened an academic group to facilitate collaboration between researchers in organizations across the Southeast to promote and advance wind energy
- Nearly 40 researchers have joined the group in just a few months

SC WIND WORKING GROUP

- The South Carolina Wind Working Group launched in July in order to provide stakeholders in South Carolina with wind related updates and create a forum for connection and collaboration
- Presentations included BOEM, Vaisala, and state legislators

DOE WIND EXCHANGE PROGRAM

- We are in our fourth year serving as the DOE's Southeast Regional Resource Center for the WINDexchange program, and have continued to provide relevant, fact-based information to the region

Stakeholders Engaged in 2017:

County Commission: 77	Media: 115
Developers: 20	Regulators: 4
Educational Institutions: 104	State Government: 49
Industry: 169	General Groups: 388
Public: 14,265	International: 8
Local Government: 124	Utilities: 58

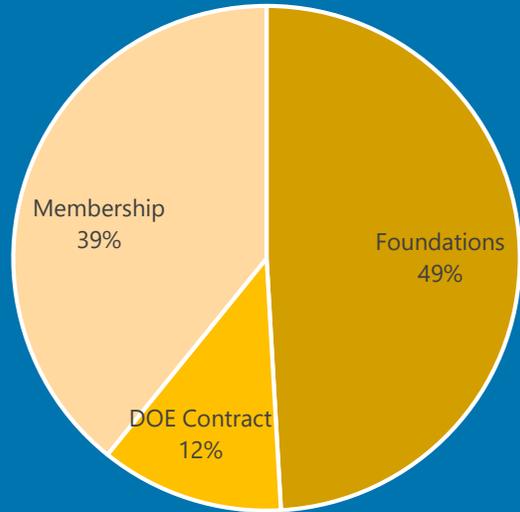
Facilitating collaboration and providing accurate information on wind energy to a wide range of stakeholders is a key function of SEWC

UTILITY ADVISORY GROUP

- The Coalition's Utility Advisory Group meetings continue to serve as an important space for utilities to share experiences, learn about technology advancements, and hear from industry leaders first hand
- Our spring meeting featured a tour of the Amazon Wind Farm U.S. East
- Speakers included Gamesa, Fisher Associates, Quanta, Dominion, and Avangrid Renewables

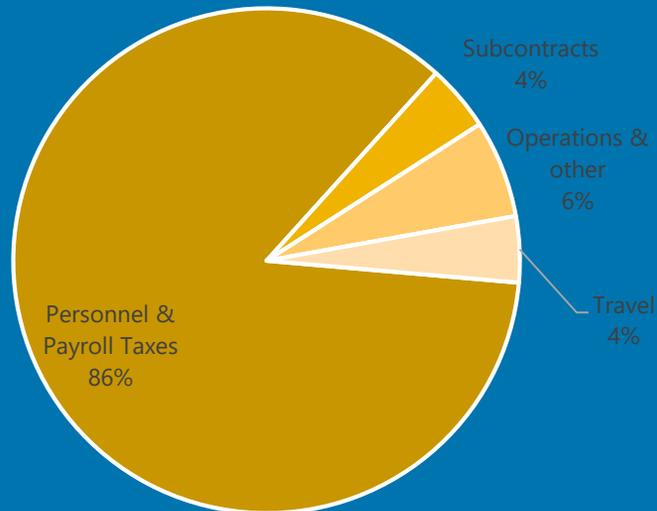
ORGANIZATION & FINANCIALS

Revenue



SEWC welcomed April Montgomery as our new Board Chair for 2017. April was elected unanimously at the end of 2016 after joining the Board earlier in the year

Expenses



We have reached a new level of board engagement this year. This renewed commitment will ensure that the many stakeholders with vast experience from the wind industry that are represented on our Board will help to drive our mission forward

As part of our commitment to an engaged, strategic and dynamic board, SEWC developed and adopted a number of new board policies including

- A formalized committee structure
 - Board diversity profile
 - Director Commitment
 - Updated by-laws

LOOKING AHEAD

2018 GOALS

Katharine Kollins
President
katharinek@sewind.org
(303) 564-9687

Adam Forrer
Manager, Atlantic
Region
adamf@sewind.org
(703) 328-2530

Jaime Simmons
Program Associate
jaimes@sewind.org
(614) 596-2113

Plan and host the best wind energy conference in the Southeast

Execute a pro-wind campaign across the region with a focus on North Carolina

Implement key activities from the Opportunities and Barriers findings

Begin state-focused wind energy conversations in Gulf states while forming relationships with new stakeholders

Complete the opportunities and barriers analysis for the remaining two states: Kentucky and Florida

Focused outreach to new stakeholders, especially within state agencies, to grow awareness of SEWC

Leverage newly formed academic wind group for industry support and growth

Promote and grow SEWC led working groups (SC WWG, Academic, UAG)

Continue to engage and bring awareness to the wind energy supply chain in the Southeast

We want to thank our members again for their continued support, which is critical to our success. We look forward to continuing our work in the region to expand the wind industry and benefit the Southeast!