

# SOUTHEASTERN WIND COALITION

2018 ANNUAL REPORT



# PRESIDENT'S LETTER

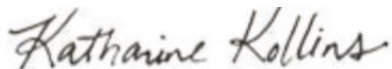
Dear SEWC Supporters -

We are privileged to be part of the growing clean energy movement across the Southeast. Our small, but mighty team of three continues to forge ahead ensuring stakeholders across our region have the information they need to make well informed decisions when it comes to wind development. We spent the year traveling to each of our states to engage with utilities, policymakers, and other decision makers.

Offshore wind emerged as a bright spot in 2018. Along the Atlantic coast, offshore wind is no longer a pipe dream, but a massive industry ready to emerge over the next few years. We are supporting the Southeast efforts to jump on the bandwagon as numerous state policies in the Northeast ensure thousands of turbines will be generating electricity in federal waters over the next decade. Supply chain and clean energy opportunities abound, and with the groundwork we have laid in 2018, offshore will undoubtedly be a prime focus moving forward.

Through our wind stakeholder engagement efforts we have seen a need for broader clean energy education across certain parts of our footprint. With energy technology advancing rapidly, it is often up to organizations like SEWC to help stakeholders take advantage of these technologies. The SEWC board of directors is leading the charge on a strategic plan that leverages SEWC's strengths and expertise to meet some of these needs in the coming years. We look forward to rolling out and implementing this strategic plan in 2019. Thanks to all of you who help make our work possible!

Best,



Katharine Kollins  
President



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 as our activities and scope develop, so please let others know the importance of supporting our work.

## BOARD LEVEL MEMBERS

AWEA  
Apex Clean Energy  
Avangrid Renewables  
Dominion Energy  
Duke Energy  
GE Renewable Energy  
SAERTEX  
ScottMadden, Inc.  
Southern Company

## FULL MEMBERS

Coastal Carolina University  
Parker Poe  
Pattern Energy  
North Myrtle Beach Chamber  
Scout Clean Energy  
South Carolina Coastal Conservation League  
SWEPCO  
TVA  
UC Synergetic

## ASSOCIATE MEMBERS

3Degrees  
ACORE  
Arkansas Advanced Energy Associates  
DARE Strategies  
Clemson University  
Fisher Associates  
Georgia Tech University  
LM Windpower  
Mott McDonald  
North Carolina Sustainable Energy Association  
North Carolina Ports  
Nexans  
Normandeau Associates  
Nucor Steel  
Ørsted  
REAP  
Renewable NRG Systems  
Tetra Tech  
Sierra Club VA  
SWCA Environmental Consultants  
Vaisala  
Virginia Offshore Wind Coalition



## North Carolina House Bill 589

- Originally intended to support the utility-scale solar industry, NC's House Bill 589 ultimately included a needless 18-month moratorium on wind energy permits.
- SEWC worked with in-state partners throughout the year to educate the public on the economic benefits of NC's first wind farm that other Eastern NC communities haven't been able to experience as a result of the bill.
- The team & our media partners created three videos to highlight these impacts, which in total garnered over 450,000 views.



## Tennessee House Bill 1731

- The TN General Assembly passed House Bill 1731 earlier this year, enacting a blanket, restrictive permitting regime for the state but allowed for counties to implement their own ordinances by January 1st, 2019.
- The SEWC team conducted outreach to multiple western TN counties to make commissioners and other local decision makers aware of this legislation, and provide insight and resources in developing local regulation.

## Military Education

- In addition to public education, the SEWC team worked to inform state policymakers on the existing process in place for regulating wind development, and therefore how legislation such as NC HB 589 is redundant and unnecessary.
- Multiple military experts including retired Lt. General John Castellaw and retired Vice Admiral Dennis McGinn visited the offices of NC state legislators to discuss how thorough and efficient the Department of Defense Clearinghouse process is that all wind farms must undertake.
- SEWC leveraged this knowledge to provide subject matter information in SC and VA as well.



Despite having few installations in the Southeast, there are many parts of the region with developable land-based resource, particularly in rural areas in need of the significant economic investment that wind projects generate.

Higher hub heights and longer blades are now industry standard, and will help utilize the best resources the Southeast has to offer.

In 2018, SEWC worked with developers, state agencies, and local governments to support projects in NC, MS, LA, AR, & VA.

Two years after the country's first offshore wind installation began operation, this multi-billion dollar industry is starting to gain meaningful traction in the Northeast and Mid-Atlantic.

Shallow waters, strong wind resource, and an existing supply chain position states like Virginia and North Carolina to be leaders in the offshore wind space.

SEWC has worked hard this year to ensure that decision makers are aware of these benefits, and are able to capture the opportunity while it's ripe.

## Dominion Energy & Ørsted's Coastal Virginia Project

- SEWC-members Dominion Energy and Ørsted announced their partnership on a 12 MW demonstration project off the coast of VA.
- Over the past year, we have worked to convey to the General Assembly and State Corporation Commission (SCC) the valuable experience this would bring to the state, as well as momentum for the industry to consider Virginia as a hub for future development.



## Virginia Offshore Wind

- The team visited with multiple VA state legislators at the beginning of the year to set the stage for offshore wind's momentum in the state, ensuring that decision makers had accurate information on the potential economic development opportunities at stake.
- SEWC was pleased to join stakeholder meetings and submit comments during the creation of the 2018 State Energy Plan on how the Commonwealth should focus on supply chain recruitment and encourage future offshore wind development.
- This most recent plan included several encouraging recommendations for VA, including a commitment to 2,000 MW of offshore wind by Governor Northam.

## Avangrid Renewables' North Carolina Kitty Hawk Project

- Offshore wind in NC was predicted to become viable in the late 2020's, but SEWC-member Avangrid Renewables, the leaseholder of 122,000 acres off the coast of Kitty Hawk, anticipates a project in operation much sooner.
- We've worked closely with Governor Cooper's administration to ensure that the value of offshore projects like Kitty Hawk is fully realized.



# WIND IMPORTS & SUPPLY CHAIN



## Saertex Manufacturing Facility Tours

- Twice this year, SEWC coordinated tours for NC legislators and local chambers to visit Saertex's manufacturing facility in Huntersville, where the company manufactures non-crimp fabrics used in the manufacturing of wind turbine blades and nacelles.
- Attendees heard presentations from both Saertex and their primary supplier, Shelby-based NEG, who spoke to their companies' contribution to the wind industry and the North Carolina economy.

## SWEPCO's Wind Catcher Project

- What was set to be the country's largest single-site wind farm, SEWC-member SWEPCO's Wind Catcher project would have provided customers with 2,000 MW of cheap, clean electricity, ultimately saving customers nearly \$7 billion over its lifetime.
- SEWC developed informational content to promote the many benefits of Wind Catcher; and while it was approved in both Louisiana & Arkansas, the Texas Commission denied the project and SWEPCO ultimately did not move forward.



## Pattern Development's Southern Cross HVDC Project

- The Southern Cross project is a high voltage direct current (HVDC) transmission line that will provide wind energy from Texas to the customers in the Southeast.
- We will continue to support SEWC-member Pattern Development in educating stakeholders in the Southeast on this exceptional opportunity to benefit from some of the most cost-effective power in the country.



While the region has yet to see many wind projects, the wind industry does provide significant benefits to the Southeast through inexpensive imported wind from the the Midwest and the robust manufacturing supply chain present in the Southeast.

SEWC works to incorporate these benefits in our engagement with decision makers throughout the region.

# OPPORTUNITIES & BARRIERS

## FLORIDA

- Public support for renewable energy is quickly growing in the state, which many stakeholders attribute to the state's vast coastline and its susceptibility to impacts from climate change.
- Solar is the most cost-competitive renewable technology in the state, rivaling the price of traditional generation.
- Nearly all favorable renewable energy legislation has been repealed within the last 5 years.
- There is a significant presence in the state of major players from multiple facets of the wind industry; NextEra Energy, Siemens Gamesa, and GE Renewable Energy all have manufacturing hubs or headquarters located in Florida.
- Wind projects in the past have been met with substantial pushback from the environmental advocacy community due to proximity to wildlife habitats and preserves, as well as the tourism industry.

**SEWC will continue to update each states' analysis as relevant information is constantly evolving**

## KENTUCKY

- Many decision-makers in the state are skeptical of the role that renewable energy may play in coal retirements.
- Multiple wholesale markets operate in the state, and demand for fuel diversity is growing.
- At 110-m heights, Kentucky has the third highest resource potential in the region.
- Ten municipalities that originally sourced from Kentucky Utilities have formed the Kentucky Municipal Energy Agency (KyMEA), which has prioritized fuel diversity and renewable energy procurement.
- Previous attempts to procure wind from out of state or develop in-state projects have failed, potentially discouraging the consideration of wind in the future.
- The Public Service Commission is committed to ruling based exclusively on lowest cost.

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

In 2017, ScottMadden released a white paper on our early findings, and in 2018 SEWC completed the analysis for each state in the Southeast.

# 2018 SOUTHEAST WIND CONFERENCE

## SUPPLY CHAIN

A diversified group of senior supply chain leaders whose companies operate in the Southeast supported a candid discussion around both the challenges and advantages of having their businesses located in the region.

## COMMUNITY ENGAGEMENT

Leaders in strategic communications, federal and state policy, and stakeholder engagement discussed success stories, challenges, and what needs to happen next to grow wind in the Southeast.

## TECHNOLOGY ADVANCEMENTS

Panelists explored the advancements in wind technology that have transformed the Southeast's viability for development, which was once deemed impossible. Technologies discussed including mapping and forecasting advancements, increased scale of turbine blades and towers, and improvements in output capabilities.



## SOUTHEAST WIND CONFERENCE

ATLANTA, GA | JANUARY 25, 2018



## FUTURE OF WIND IN THE SOUTHEAST

With some early successes, the question remains, what needs to happen to bring large scale deployment of wind in the southeast? This panel explored the most likely options: offshore, land-based, or imports, and what models and technologies are needed to drive deployment.

## DEVELOPMENT IN THE SOUTHEAST

A panel including three seasoned developers and the Army's regional council discussed the particular permitting regimes employed for their projects, development strategies that proved successful, and how the DoD Clearinghouse process has successfully protected military readiness while facilitating wind development.

Together with the American Wind Energy Association (AWEA), SEWC held a one-day conference on Thursday, January 25, 2018 in Atlanta Georgia.

This conference focused on the most relevant topics for wind energy in the Southeast.

We received excellent feedback from the 200 attendees, and are looking forward to hosting our next conference in 2020. A sincere thank you again to our sponsors, board members, and all who helped to make the conference an exceptional event!



## US Department of Energy's WindEXCHANGE Program

- 2018 marked the final year of DoE's WindEXCHANGE program, where SEWC has served as the Regional Resource Center for the past 5 years.
- The WindEXCHANGE program provides fact-based resources to help communities weigh the benefits and impacts of wind energy, a core function of SEWC.
- We've developed relationships with DoE and the other Regional Resource Centers over the years and will continue working together and finding opportunities for collaboration as they arise.



## Southeast Academic Group

- Over the past year, SEWC has facilitated the development of a Southeast Academic Group, and created a centralized space for researchers to share ideas and collaborate on work that promotes and advances wind energy in the region.
- As part of this effort, SEWC was asked to serve on the Strategic Advisory Network for a DOE funded Offshore Wind Research Consortium.
- We are excited to provide the New York State Energy Research and Development Authority (NYSERDA), which was awarded the grant, a Southeast perspective and serve as a representative for Southeast offshore wind interests and researchers.

## Gulf Coast Engagement

- SEWC began meaningful engagement in the Gulf in 2017, and has made tremendous progress over the past year.
- With an upcoming need for added generation and a growing demand for renewable energy, the team traveled to Louisiana to engage state and local regulators and legislators on the potential for wind energy to be incorporated into Louisiana and the city of New Orleans' near and long-term generation mix.
- The coalition developed a white paper that details the investment opportunity surrounding a Northwest Mississippi wind project proposed in 2012. We hope that by sharing this compelling information with regulators, utilities, and state agencies in 2019, we can help encourage the project's development.



## SEWC In The News

The coalition continued to serve as a trusted resource for media outlets on wind development and policy in the Southeast.

- Quoted multiple times in the Triangle Business Journal, the Daily Advance and Wavy.com regarding NC's House Bill 589 and offshore wind development off the coasts of NC and VA.
- Opinion pieces printed in the Washington Post, the Daily Press and WRAL on the opportunities for offshore wind in VA, and the potential for post-House Bill 589 land-based wind in NC.



## Speaking Engagements

SEWC had the opportunity this year to speak to groups, conferences, and universities across the region on the benefits of wind energy.

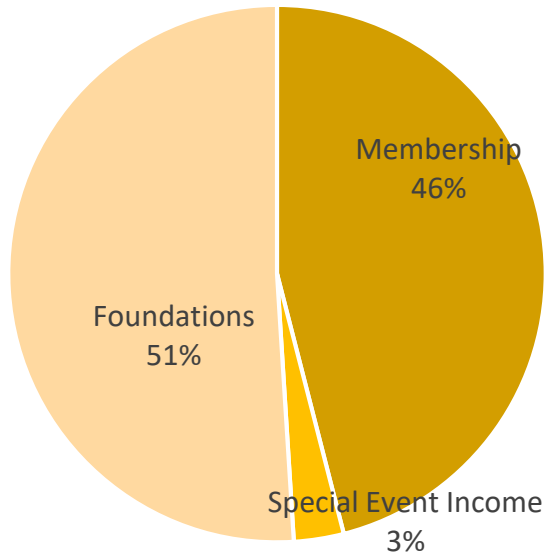
- 2018 Sandhills Clean Energy Summit
- 2018 NC State Energy Conference
- Southeast Clean Power Summit
- North Carolina Beach, Inlet & Waterway Association 2018 Local Governments Meeting
- Green \$aves Green Expo
- Southeast Renewable Energy Summit
- Virginia Offshore Wind Town Halls
- Currituck Chamber of Commerce Renewable Energy Panel
- Currituck Planning Board Meeting
- South Carolina Coastal Renewable Energy Task Force
- Piedmont Sustainability Juntao
- Lectures at UNC Chapel Hill, Duke University, and Wake Forest University



## "Reinventing Power: Renewing North Carolina's Economy"

- The Amazon wind farm in Eastern NC is highlighted in a Sierra Club-produced film released this year titled "Reinventing Power". The film speaks to how advanced energy has transformed communities across the country, from the Block Island offshore wind farm in Rhode Island to a coal worker-turned-rooftop solar installer in Missouri.
- SEWC's Adam Forrer is featured in the film, speaking to wind energy's significant local investment in the rural communities in which they operate, providing stable income for landowners and millions in tax revenue.

## 2018 Revenue

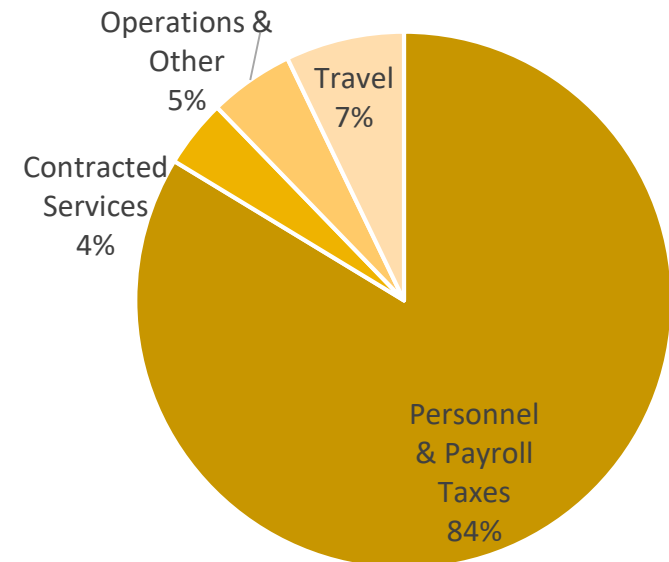


SEWC has long been the trusted resource for utility-scale wind energy issues in the region, taking a data-driven approach to promote the economic development benefits of this clean, low-cost fuel source.

In 2018, the SEWC Board of Directors formed a strategy committee to evaluate market fluctuations, and how the coalition may be able to leverage our unique business model to support a variety of advanced energy technologies that can bring additional benefit to the Southeast.

With SEWC in a solid financial position, we are excited to finalize an ongoing strategic plan and look forward working with all of our members to ensure wind energy is in the best position possible going forward.

## 2018 Expenses





# LOOKING AHEAD

## 2019 GOALS

- Finalize and implement strategic plan expansion
- Schedule and plan 2020 wind conference
- Support first potential in-state wind projects in two Gulf states
- Engagement with NOLA city council and Entergy New Orleans as opportunity is timely for clean energy
- Gulf engagement with regulators on clean energy, with a focus on Mississippi
- Capitalize on offshore wind momentum to bring development conversation to the Southeast
- Early education of state level decision makers on federal OSW permitting process and state-level policies relevant to development in federal waters
- Help facilitate a regional collaboration to bring the offshore wind supply chain to the Southeast
- Capitalize on more positive legislative environment to implement pro-wind campaign for NC
- Support first offshore wind project in the Southeast
- Maintain up to date information in O&B analysis to remain highly relevant
- Revitalize Utility Advisory Group by hosting a meeting in the Gulf focused on expanded strategic plan

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!

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