



SOUTHEASTERN WIND COALITION

2020 ANNUAL REPORT

PRESIDENT'S LETTER

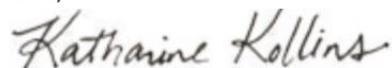
Dear SEWC Supporters -

For all of the craziness that 2020 brought us, the Southeast wind industry has a lot to be thankful for. First, we have one of the country's first offshore wind projects operating in waters off the coast of Virginia. We've seen supply chain announcements setting up Southeast ports as competitive locations for offshore wind manufacturing. And we've seen real commitment from both states and utilities to fundamentally shift the future of electricity generation with more and more commitments to a zero-carbon future. In fact, when we hosted our first virtual Utility Advisory Group meeting this year, the core topic wasn't about wind energy, but a discussion between the utilities on each of their plans to move away from the business of carbon emitting resources and towards advanced technologies that will generate electricity without harmful air pollutants, all while adding billions in new economic development opportunities to the Southeast.

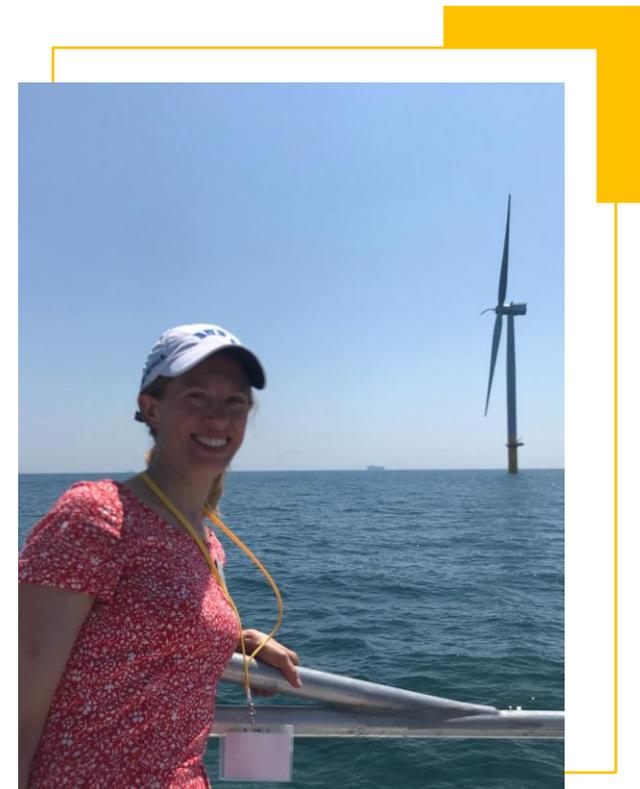
With prospects for land-based and offshore wind looking uncertain in 2019, SEWC spent a good portion of 2020 exploring the energy storage market, conducting a deep-dive 'opportunities and barriers analysis' on the technology. And while we continue to look for ways to incorporate energy storage education into our work, we are incredibly excited to see so many new opportunities for wind energy in the Southeast and will be working hard in 2021 to make sure those opportunities are fully realized.

As always, we thank you for your support. We couldn't do this important work without our members and funders.

Best,



Katharine Kollins
President



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LAND-BASED WIND

REGIONAL

- SEWC's Utility Advisory Group meeting successfully demonstrated the important role wind will play in a carbon free electricity system. This year's topic focused on how Southeast utilities will meet their carbon free goals in the coming decades and included presentations from EPRI, NREL, Bank of America Investments, and discussions between Dominion, Duke, and Southern Company on their plans to date. We look forward to supporting additional discussion around how wind specifically will fall in this mix.

NORTH CAROLINA

- SEWC contributed expert insight to multiple modeling efforts in North Carolina and will continue to do so into 2021, including Duke Energy & NREL's carbon modeling as well as the state's Clean Energy Plan A-1 process. These results to date indicate a need for a diverse generation portfolio and demonstrate the importance of studying this resource as the state moves towards its carbon free goals.
- Commissioners in Chowan county proposed a restrictive wind ordinance this year, jeopardizing what could be the state's second utility-scale wind farm, Apex Clean Energy's Timbermill project. Despite SEWC's comprehensive media and outreach campaign to oppose the ordinance, the changes were ultimately approved. SEWC will be working closely with partners to support the project's progression to see that Chowan county and eastern North Carolina secure this important economic opportunity.

VIRGINIA

- Apex Clean Energy's Rocky Forge Wind Project, located in Botetourt county, received approval of their modification to increase turbine height by to 680ft, making Rocky Forge one of the tallest projects in the U.S when constructed in 2021. SEWC provided supportive comments to both the county and state level processes to ensure the revisions were adopted, which will deliver the lowest cost generation possible to the state with the greatest economic benefit to Botetourt county.
- This year, Virginia passed the landmark Virginia Clean Economy Act (VCEA) which included a provision for up to 16,100MW of solar or land-based wind development. This presents a significant opportunity for the Commonwealth to take advantage of the complementary generating profiles provided by these combined resources.



2020 has been a positive year for land-based wind in the Southeast. Multiple projects have taken important steps forward, while state and utility-level commitments to a carbon-free grid bode well for wind's future. A diverse generation portfolio that includes wind, will be needed to meet these goals.

OFFSHORE WIND

REGIONAL

- In a bipartisan effort, governors from Maryland, Virginia, and North Carolina have entered into the Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources (SMART-POWER), which will enhance regional collaboration among the states in the collective pursuit of the offshore wind industry. The collaboration promotes sharing best practices, streamlining regulatory requirements, and strategizing as a region on how to attract more of the offshore wind supply chain.

VIRGINIA

- The Commonwealth made a significant step towards securing Virginia as a hub for offshore wind on the East Coast with the passage of the VCEA. SEWC visited with multiple legislators during session to discuss the substantial economic impact of this industry, and highlighting Virginia's unique existing strengths in the space. Signed by Governor Northam in April 2020, the VCEA puts 5,200MW of offshore wind in the public interest, with the first 2,600MW tranche to be built by Dominion Energy.
- Virginia claims the FIRST project in U.S. Federal waters! The Dominion Energy & Ørsted Coastal Virginia Offshore Wind (CVOW) project is nearing commercial operation and paves the way for Dominion's larger adjacent project.

NORTH CAROLINA

- This year, the North Carolina Department of Commerce contracted with BVG Associates and other partners to conduct a supply chain and infrastructure assessment to assist the state in developing a meaningful strategy forward to attract the offshore wind supply chain.
- Through a public policy request made by SEWC, The North Carolina Transmission Planning Collaborative (NCTPC) is currently undertaking an offshore wind transmission study which will model the least-cost injection of up to 15,000MW along the state's coast. The study is scheduled to be published in January 2021.
- SEWC hosted three North Carolina-focused offshore wind webinars this year in an effort to capitalize on the state's momentum and educate stakeholders on the economic benefits of the industry.

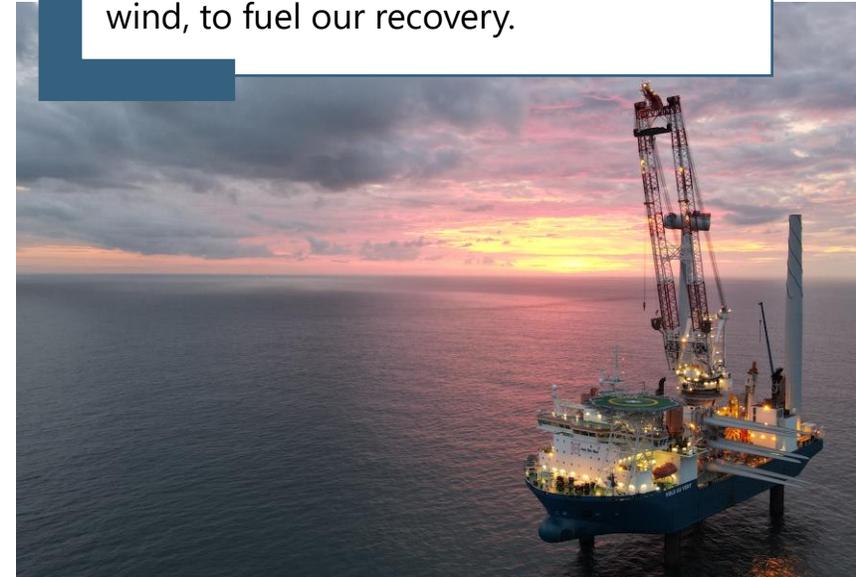
LOUISIANA

- At the inaugural meeting of the state's Climate Initiatives Task Force, Governor Edwards announced his request to the Bureau of Ocean Energy Management (BOEM) to initiate a renewable energy task force, setting the stage for future offshore wind development in the Gulf of Mexico.
- SEWC hosted a webinar in partnership with the American Wind Energy Association to elevate the increasing consideration for offshore wind development off the coast of Louisiana, which attracted over 300 attendees.

Our region boasts substantial assets to both the offshore wind supply chain and development, including shallow waters, a competitive workforce, and a strong manufacturing and infrastructure base.

SEWC's role is to inform decision makers of these strengths to capture this once-in-a-generation opportunity.

In light of the economic stress the Southeast has endured this year, it is increasingly imperative that states invest in industries of the future, like offshore wind, to fuel our recovery.



ENERGY STORAGE

As the Southeast moves towards a carbon-free future and higher renewable penetration, the economics of energy storage have become more favorable.

SEWC conducted a year-long analysis on the opportunities and barriers for energy storage deployment across our footprint. SEWC examined the market structures, policy and regulatory environments, utility actions, and other factors affecting energy storage deployment.

Here we present some of our high-level findings.



VIRGINIA

- The Virginia Clean Economy Act mandates 3100MW of energy storage by 2035, currently the most progressive target in the country
- A vast, strong, and influential network of storage-focused clean energy advocates is active in the state
- The two largest IOUs are on board and plan to increase the use of energy storage in the near future
- PJM interconnection queues pose challenges to developing storage projects

NORTH CAROLINA

- All IOU's, the G&T cooperative and municipal power agencies have existing or proposed energy storage assets
- The NCUC is actively working to understand considerations for energy storage through an exploratory docket and is developing storage provisions in multiple dockets including CPRE, interconnection, and avoided cost
- Storage-specific legislation was never heard in committee in 2019, which may signal a lack of priority

SOUTH CAROLINA

- Due to legislation from 2014 and 2019 encouraging the deployment of solar, increased demand for storage may follow
- SC PSC recently approved Dominion South Carolina's energy storage tariff
- Duke Energy is currently in proceedings regarding the revision of interconnection standards, which could fast track energy storage additions to existing solar projects in the queue

FLORIDA

- All IOU's that operate in the state have existing or proposed storage projects, and indicate a significant pipeline of energy storage through the companies' 2020 10-year site plans
- Municipal utilities in the state are increasing their consideration and deployment of energy storage, with most cities in Florida making 100% carbon free commitments
- No advanced energy legislation that has been proposed in the past 6 years has been passed or heard in committee

ALABAMA

- Alabama Power Company proposed the development of five 80MW solar + 80MW/160MWh battery storage systems
- While the PSC has typically supported Alabama Power's storage initiatives, the five proposed storage systems were rejected in this recent docket
- Southern Research's Energy Storage Research Center, located in Birmingham, AL, serves as a hub for storage research in the Southeast
- Little to no legislative action on energy storage issues

GEORGIA

- The GPSC is favorable to and active in expanding storage via agreements with Georgia Power
- GPSC created the Renewables Cost Benefit framework to evaluate solar, giving a valuation mechanism to paired storage systems
- Georgia Power is actively developing 80MW of energy storage assets
- Cost remains the biggest barrier to utility-scale storage

ENERGY STORAGE

MISSISSIPPI

- The Public Service Commission has recently implemented an IRP rulemaking, leading to greater transparency of the utilities' insight on energy storage
- Mississippi Power is a subsidiary of Southern Company, which is conducting significant research in energy storage
- TVA is the only utility in the state making any investments in energy storage

LOUISIANA

- The LPSC has vocalized interest in understanding energy storage through the open green tariff Docket
- The New Orleans City Council is considering a Renewable Portfolio Standard for the city that could increase the need and value of energy storage
- No storage-specific policies or regulation exist in Louisiana

ARKANSAS

- Net-metering legislation passed in 2019 creates significant opportunity for behind-the-meter storage to be co-located with distributed generation
- The APSC initiated a docket seeking to eliminate non-price barriers to advanced and distributed energy technologies, including energy storage
- MISO and SPP current market offerings are not conducive to large scale deployment of energy storage

KENTUCKY

- Governor Beshear has experience in the energy space, and through the Energy and Environment Cabinet has recently awarded grants through DOE for EV and renewable energy projects
- Four IOU's, three generation and transmission organizations and two RTO's exist in the state, creating market diversity
- The Commission rules strictly on least-cost resources, recently rejecting an energy storage pilot proposal by Duke Energy Kentucky

SEWC's Storage Advisory Committee has played a crucial role in the success of the organization's year-long energy storage analysis.

The Committee's collective experience in the industry and technical knowledge have provided to be vital resources for content and contacts in SEWC's target states.

SEWC held monthly calls with the Storage Advisory Committee to present its findings on a state-by-state basis.

TENNESSEE

- While TVA doesn't have a battery storage project in Tennessee, they own and operate a 1600MW pumped hydro facility in the state
- Several coops and munis are considering and/or exploring energy storage
- Tennessee has not had success in passing favorable renewable energy policies and passed unfavorable wind permitting legislation in 2017
- A strong network of renewable energy advocates and storage-focused research institutions exists in the state



OUTREACH

SPEAKING ENGAGEMENTS

Despite the changing landscape for in-person meetings and events, SEWC has had the opportunity this year to speak remotely to groups and conferences across the region on the benefits of wind energy.

- 2020 UNC Clean Tech Summit
- Outer Banks Chamber of Commerce Summit
- Pullen Memorial Baptist Church
- Clean Energy Virginia: Utility Scale Solar, Onshore Wind
- Rotary Clubs
- E4 Carolinas Carbon Reduction Webinar
- Virginia DMME Land-based wind webinar
- Georgia Clean Energy Webinar
- NC Teaching Fellows
- NCSU CREM Seminar
- NCSEA's Candidate Education

SEWC IN THE NEWS

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

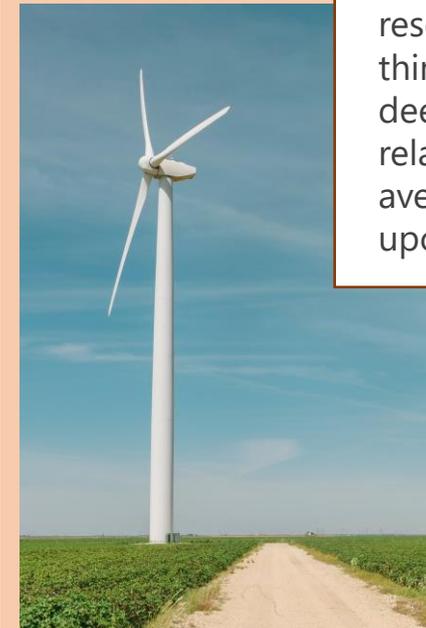
- Triangle Business Journal
- Charlotte Business Journal
- NPR
- News & Observer
- Energy News Network
- Public News Service
- SC Post and Courier
- Donna and Rick Martinez Radio show
- Cleantechica

DIGITAL OUTREACH

- An increasingly important element of our work is being conducted through digital avenues including our social media channels, webinars, newsletters and the organization's website
- This year, SEWC celebrated AWEA's "American Wind Week" to highlight land-based and offshore wind accomplishments in the Southeast; elevating the region's strengths and opportunities for growth
- SEWC took part in a social media campaign for National Manufacturing Day on October 2nd by featuring five wind industry manufacturers in the region and their contribution to local economies
- The Coalition hosted four timely offshore wind webinars- three focused on North Carolina and one on Louisiana; these provided stakeholders a way to stay informed and build on the momentum in each state

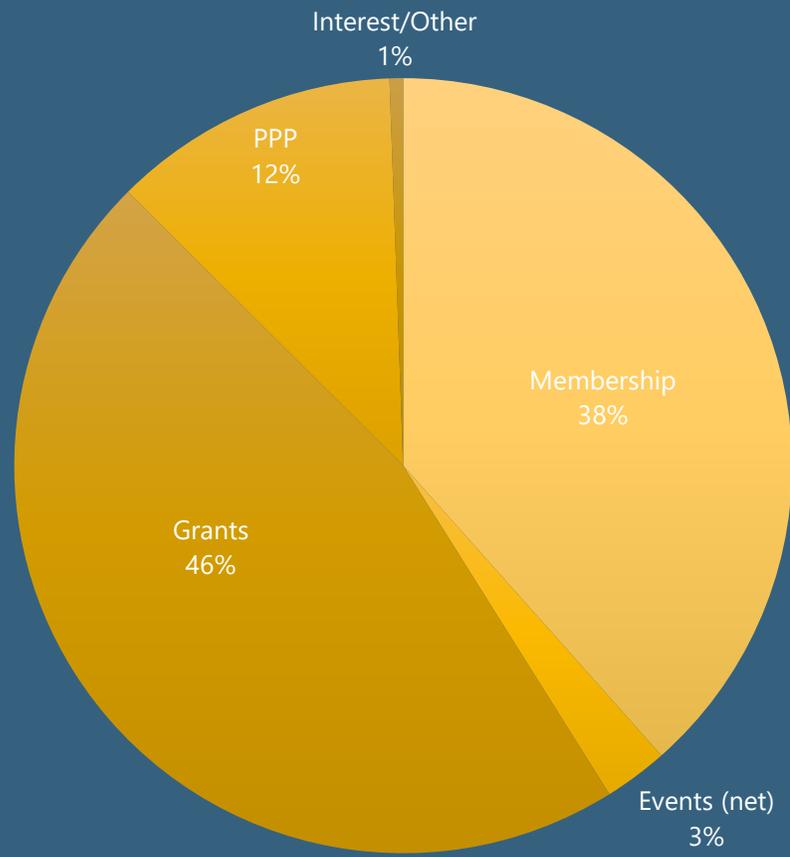
Providing accurate information on the economic development benefits and technology developments of wind energy, and facilitating stakeholder collaboration in and among Southeastern states, is a key function of SEWC.

We are proud to be the trusted resource across the region on all things wind and look forward to deepening our existing relationships and exploring new avenues of engagement in the upcoming year.

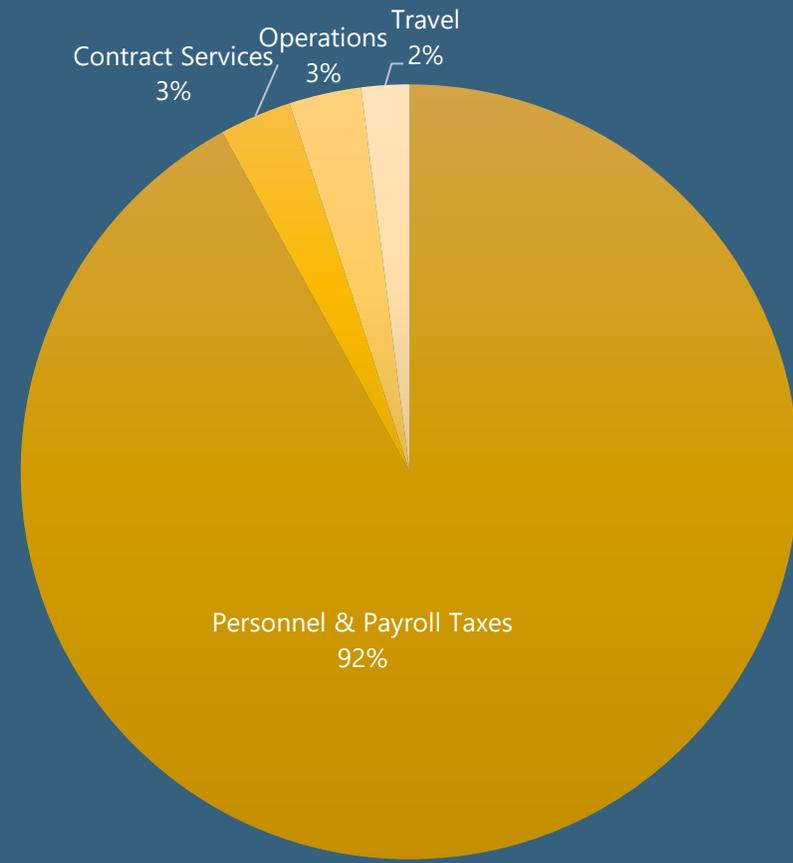


FINANCIAL SUMMARY

2020 REVENUES



2020 EXPENSES



LOOKING AHEAD

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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2021 GOALS

- Lead a comprehensive offshore wind campaign in North Carolina
 - Produce economic analysis with components from multiple sources to utilize in outreach and education
 - Considerable 1-1 engagement with state level stakeholders
- Support overall and project specific land-based wind across the footprint
- Engage in implementation of VCEA related to both offshore and land-based wind
 - Promote analyses of land-based wind in the generation mix
 - Work with Commonwealth stakeholders on path forward for 5,200MW of offshore wind
- Deepen connections with offshore wind stakeholders in Louisiana to maximize near term supply chain opportunities and elevate the consideration of Gulf coast offshore wind development in the longer-term
- Serve as a regional supply chain advocate by emphasizing the manufacturing, port, and other assets in the Southeast
- Continued outreach on military and wind compatibility for both land-based and offshore wind