Senate tax reform bill would keep promise to U.S. wind workers

The proposed Senate tax reform bill honors the 2015 bipartisan phase-out terms for the wind energy Production Tax Credit (PTC). The PTC has been used to enable billions in capital investment in rural America and to support thousands of manufacturing and construction jobs spanning 50 states. In 2015, the American wind industry tax reformed itself, supporting the bipartisan PATH Act to phase out the PTC through 2020, providing businesses with the certainty needed to continue to grow wind farms and jobs.

"The Senate tax reform bill keeps a promise to America's more than 100,000 wind-energy workers and restores the confidence of businesses pouring billions of dollars into rural America," said Tom Kiernan, CEO of the American Wind Energy Association. "For a rapidly growing number of Americans, including our nation's veterans, wind power means well-paying, stable jobs. Fortunately for Americans, the Senate language honors Congress's commitment to these workers and Senators Grassley, Thune, Heller, and others are speaking out against retroactive tax hikes proposed in House tax legislation."

The PTC has been used to enable billions in capital investment in rural America and to support thousands of manufacturing and construction jobs spanning 50 states. (Courtesy: energy.gov)

The Senate's tax reform bill rejects the House bill's drastic changes to the PTC phase down, including retroactive rule changes that put at risk thousands of jobs and at least $50 billion of investment tied to projects already under construction and nearly complete. The House tax bill is already sending shock waves through the market. Bloomberg New Energy Finance and Goldman Sachs project new wind projects could be cut by more than half if the House language becomes law, also costing the jobs needed to build them and manufacture the 8,000 parts in a wind turbine.

The impact of the House's retroactive tax hike on the wind industry creates uncertainty for all industries. If Congress can arbitrarily retroactively change the rules, any business is forced to think twice before inking a deal to invest billions in U.S. infrastructure. Undermining infrastructure investment, including wind farms, hurts rural communities seeking to harness their resources as a source of jobs and drought-resistant income.

"The Senate has shown leadership in putting together a tax plan that works for U.S. wind workers, rural communities, and consumers who want affordable, reliable wind energy — but the fight to preserve America's wind jobs isn't over," Kiernan said.

Navigant Consulting projects that maintaining stable investment policy through the five-year PTC phase out will create $85 billion in economic activity and help grow another 50,000 American jobs, including 8,000 jobs at U.S. factories, through the end of President Donald Trump's first term.

Boosting production of U.S. wind energy helps increase American energy independence and security. The majority of the value of an American wind farm is made-in-the-USA by 102,500 workers and 500 factories across all 50 states.

Source: American Wind Energy Association

For more information, go to www.awea.org

An artist's rendering of the Verano Capital solar project. (Courtesy: Verano Capital)

Record low bid for 24/7 block at Chile Tender

Verano Capital, an American project developer headquartered in Santiago, recently announced the 47 MW solar project it initially developed was selected in Chile's latest energy tender with a winning bid at $25.38/MWh, the lowest 24/7 block price combining solar and wind ever recorded in the history of energy tenders.

The winning bid was offered by a solar project that will be coupled with wind projects to offer a 24/7 supply over a 20-year period.

Dylan Rudney, CEO of Verano Capital, who originally designed and developed the solar project before partnering with the fund who eventually took the project to bid, expressed his satisfaction with the results of the tender.

"It was an extremely competitive tender," he said. "Contracts were awarded at an average price of $32.50/MWh, which represents a 75 percent drop from the peak of $130/MWh reached in the 2013 tenders. These are the lowest renewable energy prices we have ever seen on a 24/7 energy auction anywhere in the world. This will be most directly beneficial to Chilean energy consumers, but it also underpins the changing trend in the energy industry, where conventional energy sources are no longer able to compete with increasingly low renewable energy costs."

Verano Capital, whose core business is to offer turnkey development, EPC, O&M, and asset management services to investment funds, has ambitious growth plans going forward. Verano is the leader in the PMGD* development market in Chile, with five operating utility-scale projects and five more to be commissioned in 2017. In addition, the company has more than 20 projects seeking equity under development, representing a 150 MW pipeline to be commissioned over the next 18 months.

Verano, which has offices in Chile, Argentina, and the U.S., is set to expand to Colombia this year. It also submitted a project totaling 100 MW in Argentina's upcoming renewable energy tender.

"Our plan is to continue to strengthen our position in the booming Latin American renewable energy sector," Rudney said. "Our broad range of in-house capabilities enables us to deliver complete projects, from early stage development all the way through to operation and maintenance."

*PMGD projects (from the Spanish acronym, Pequeños Medios de Generación Distribuida) refers to projects with an installed capacity up to 9 MW and a connection to the distribution grid. Under the PMGD regime, projects get automatic grid access with a no curtailment guarantee, transmission toll reductions, as well as access to the stabilized pricing scheme.

Source: Verano Capital

For more information, go to veranocapital.com

ROMO Wind AG is named in the 2017 Global Cleantech 100 Ones to Watch list

ROMO Wind AG specializes in optimizing the productivity of wind turbines, reducing loads, and accurately calculating on-site wind conditions. (Courtesy: ROMO Wind AG)

The Cleantech Group (CTG) recently announced that ROMO Wind AG was named in the 2017 Global Cleantech 100 Ones to Watch list.

The GCT100 Ones to Watch list seeks to highlight a group of up-and-coming companies that are catching the eye of leading investors and corporations in the market. The companies made the top 250 in this year's Global Cleantech 100 program and carry pockets of strong support among the GCT100's Expert Panel, albeit they did not have quite enough market support to make the ninth edition of the Global Cleantech 100 list itself (which will be published January 22, 2018). As such, these companies represent this year's Ones to Watch.

"The Global Cleantech 100 program is our annual in-depth research exercise to identify the innovation companies leading players in the market are most excited by right now," said CTG's CEO Richard Youngman. "By the nature of the list, the Ones to Watch truly represent the next cadre of exciting disruptive companies."

"We are honored to be named as one of the Global Cleantech 100 Ones to Watch companies, and it accentuates us in being on the right path," said ROMO Wind CEO Jan Nikolaisen.

This year, a record number of nominations for the annual Global Cleantech 100 list were received: 12,300 distinct companies from 61 countries. These companies were weighted and scored to create a short list of 312 companies, with these nominees reviewed by the 86 members of Cleantech Group's Expert Panel. The Ones to Watch list, a sister list to the annual Global Cleantech 100 list, is created from the top 250 of the shortlist. To qualify for either list, companies must be independent, for-profit cleantech companies that are not listed on any major stock exchange.

Source: ROMO Wind AG

For more information, go to romowind.com

Wind industry points to expanded role for renewable energy in Ontario

Glenn Thibeault, Ontario's Minister of Energy, recently released the updated Long-Term Energy Plan (LTEP), Delivering Fairness and Choice. As part of this plan, the LTEP remains committed to achieving Ontario's climate goals and forecasts heightened need for electricity supply in the coming years to support the transition to a low-carbon economy. Ontario will need renewable energy, like wind energy, and more of it, if it is to meet greenhouse gas emission targets moving forward. New wind energy provides the best value for consumers to meet growing demand for affordable non-emitting electricity.

The LTEP lays out expectations for energy supply and demand and reflects upon changing consumer demands. It notes that investment in the electricity market has improved reliability and reduced emissions. It also comments on how securing wind power has changed over time, noting that "the introduction of the Large Renewable Procurement (LRP) process in 2014 resulted in strong competition between developers of large renewable projects. This significantly reduced the costs of wind and solar energy, saving money for electricity ratepayers."

This improved process resulted in an average 20-year procurement price of 8.45 cents per kilowatt hour (kWh), which was less than the average cost of generation, and enabled increased participation and support from host communities and indigenous groups.

Wind energy has become one of the lowest cost sources of new electricity generation in Ontario, and while wind power has helped reduce greenhouse gas (GHG) emissions in Ontario's electricity sector from 34.5 metric megatons of carbon dioxide equivalent (CO2e) in 2005 to 7.1 metric megatons CO2e in 2015, more work needs to be done.

Ontario will need more electricity supply before 2024. Over the next decade as much as 20 GW of electricity supply will be removed from the system, representing close to half of all supply in the province. This includes approximately 3 GW of supply coming off-line at Pickering Nuclear Generating Station (NGS), as well as 9 GW of expiring generation contracts. Wind energy will be needed to help fill this supply gap.

"Ontario's harnessing of wind power can help fight climate change while keeping electricity costs low," said Robert Hornung, CanWea president. "Without new wind energy, costs to electricity customers and carbon emissions will both continue to rise."

CanWEA has long supported that new supply needs in Ontario be competitively sought from affordable, non-emitting generation to maintain low greenhouse gas emissions in the electricity sector in the medium- to long-term while keeping costs in check. Ontarians also realize climate change is real, and that CanWEA and Ontario need to work together to ensure that emissions from the energy sector continue to be reduced, not increased.

CanWEA and the wind energy industry will continue to work with the Independent Electricity System Operator (IESO) on the implementation of the LTEP. It pledges also to collaborate with the IESO through the Market Renewal Program to enable affordable, non-greenhouse gas emitting generation.

"CanWEA supports competitive, market-based approaches to providing flexible, clean, and low-cost energy supply, to meet Ontarians' changing needs," said Brandy Giannetta, Ontario Regional Director of CanWEA.

Source: Canadian Wind Energy Association

For more information, go to canwea.ca