

# DIRECTION

THE FUTURE OF WIND



renewables

EDP Renewables now has 10.6 GW secured out of its 20-GW target for 2021-2025. (Courtesy: EDP Renewables)

# U.K. awards contract to EDP Renewables' Ocean Winds project

The U.K. government has awarded Ocean Winds, the 50/50 offshore wind joint venture owned by EDP Renewables and ENGIE, a 15-year CFD (contract for differences) to sell the energy produced by 294 MW out of the 882 MW wind offshore project Moray West. The sale price will be £37.35 MW/h in 2012 prices.

The project is in the U.K., and it is expected to deliver its first power in 2024.

With this transaction, EDP Renewables now has 10.6 GW secured out of the 20-GW target for 2021-2025 recently announced in the company's Capital Markets Day. Additionally, EDP Renewables has now accomplished its target of about 1 GW of offshore capacity secured for 2021-2025.

**MORE INFO** [www.edpr.com/en](http://www.edpr.com/en)

## ONYX Insight: Offshore digitalization needs to ramp up

Owners and operators of offshore wind projects need to accelerate adoption of digitalization in a bid to head off the impact of soaring costs and supply chain challenges, according to ONYX Insight, a provider of data analytics and engineering expertise to the global wind industry.

Despite the first offshore wind turbine being installed more than 30 years ago, and there being more than 55 GW of offshore wind capacity worldwide, now just under 30 percent of U.K. offshore wind farms are implementing linked-up digital tools across their operation beyond relatively basic condition monitoring.

Turbine manufacturers face pressure to deliver against full order books while keeping prices low. They are responding to this challenge by developing newer, larger turbines with greater power density and more complicated designs.

The speed of turbine technology development means banks and investors do not typically finance the same turbine model twice, resulting in a limited track record and potentially greater risk exposure for offshore asset owners. At the same time, asset owners are under increasing pressure to make projects profitable in a competitive auction environment. Digitalization holds the key to de-risking new turbine technologies, keeping O&M costs low and unlocking new efficiencies in offshore wind.



Only 20 percent of top global offshore asset owners are making full use of digitalization, according to ONYX Insight. (Courtesy: ONYX Insight)

For offshore in particular, there are savings to be made in optimizing marine logistics. Crew hire, offshore cranes, and jack-up vessels, for example, all come at high costs. By using digitalization, owners and operators can rationalize vessel trips and construct collaborative maintenance zones where wind farms in close proximity synchronize O&M needs, sharing the cost burden.

Digitalization can enable the introduction of condition-based maintenance, targeting minor repairs — which are typically overlooked, but account for about half of scheduled O&M costs and have significant potential for optimization. Additional-

ly, by implementing coherent digital strategies early, operators can support life-extension strategies from Day 1, ensuring the offshore turbines of today keep performing optimally well into 2050.

“This is an exciting but challenging time for the offshore wind industry,” said Evgenia Golysheva, vice president of Strategy and Operations at ONYX Insight. “Huge demand for projects and a continual drive to lower the levelized cost of energy is squeezing turbine manufacturers, who are reporting enormous losses, limiting their ability to scale up and innovate. Given the precariousness of the macroeconomic situation, coupled with rocketing project demand all over the world, and the effect that this combination is having on supply chains, digitalization presents offshore wind operators and owners with a chance to empower their operations and increase efficiencies, independent of other industry stakeholders.”

**MORE INFO** [onyxinsight.com](http://onyxinsight.com)

## Exus to manage three wind farms in Pennsylvania

Exus Management Partners, an investment and asset management firm focused on the renewable energy sector, is partnering with commodities trader Vitol to manage three wind farms, totaling 244.4 MW, in Pennsylvania.

Exus will deliver full construction, energy, and asset management across the portfolio, applying latest wind technology to increase annual energy production and extend asset life. Exus has a detailed knowledge of the projects, having been involved in their original development and construction.

Vitol's agreement with Exus brings the partnership to almost 500 MW of combined wind assets in the U.S.,



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Vitol's agreement with Exus brings the partnership to almost 500 MW of combined wind assets in the U.S. (Courtesy: Exus Management Partners)

following the 240-MW Big Sky Wind farm repowering and management deal in Illinois, which began in 2021.

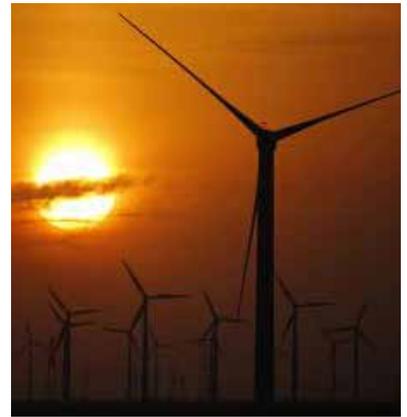
“Our ethos is to always deliver highest-grade work on or before deadline, and above expectation, and we are delighted to see our partnership with Vitol continue to mature within that framework. It’s an exciting time within the industry, and we look forward to continuing to offer our support to Vitol, a significant player in the ambitious and energetic drive toward a cleaner future,” said Dhaval Bhalodia, partner and head of Asset Management North America at Exus.

“Collaborating with Exus in the field of renewable asset management is a significant opportunity for both businesses. After successfully working together on our Big Sky project, we value the experience, expertise, and added value they are able to deliver across our renewables portfolio,” said Andrew de Pass, Vitol Inc.’s head of renewables.

MORE INFO [www.exuspartners.com](http://www.exuspartners.com)

## Prepared U.S. wind operators can benefit from summer prices

U.S. wholesale power prices will rise as much as threefold during this summer’s peak demand period due to high



Preventative maintenance, accurate weather forecasting and hedging of grid congestion will help wind farm owners optimize soaring power prices this summer. (Courtesy: Reuters)

gas prices and a switch away from coal-fired generation, the Energy Information Administration (EIA) warned in a note on June 16.

Extreme temperatures are becoming more likely and could lead to power shortages in the central and western U.S. as residents and businesses ramp up air-conditioning units, federal and state officials said. The Midcontinent Independent System Operator (MISO) is forecast to have 114.9 GW of available generation capacity, compared with a peak demand of 118.2 GW under a normal scenario and 125.2 GW under extreme hot temperatures, data from the federal grid regulator show.

Wind-farm operators that have completed preventative maintenance ahead of the summer will benefit most from volatile wholesale prices. Operators can then profit from selling into the wholesale market at high prices or avoid outages that force them to buy.

Power utility AEP has conducted preventative maintenance “to help ensure energy will be available to our customers and in the market,” a spokesperson at AEP told Reuters Events. AEP operates more than 7 GW of wind and solar and almost of the capacity is sold through long-term contracts. ↗

MORE INFO [www.reutersevents.com/renewables/wind](http://www.reutersevents.com/renewables/wind)