# Wind Farm Development 101

**NEBRASKA WIND POWER 2009** 



# Wind Farm Development 101

- FIRST PRIVATE COMPANY TO DEVELOP A PROJECT IN NEBRASKA – 80 MW ELKHORN RIDGE
- CURRENT PROJECT DEVELOPMENT PORTFOLIO 5200 MWS
  - Six projects (568 MWs) currently on line or under construction
  - Selected for two more 80 MW PPA negotiations w/NPPD at Petersburg and Broken Bow



• MWE IS RESPONSIBLE FOR ALL PROJECT DEVELOPMENT WORK FROM "CONCEPT TO CONSTRUCTION"



## Finding Suitable Sites

#### 1. Best Possible Wind Resource

- ~8.75-9.0 m/s wind speed in Nebraska
- Topography a good indicator
- Lots of publicly available data suitable for prospecting

#### 2. Transmission Availability

- Proximity of existing transmission...
   with capacity
- Is it possible to run a private transmission line? If so, how far?
- Factor in necessary upgrades to substations





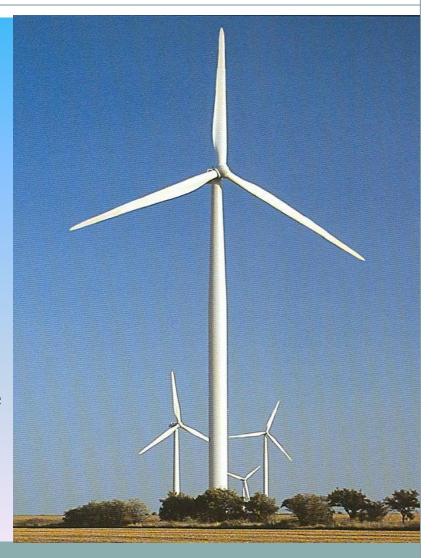
## Finding Suitable Sites

#### 3. Sufficient Landowner Interest

- Meet with landowners to gauge interest
- Will the project be supported by the community?
- Enough land to develop a project (approx 4000 acres for an 80 MW project)

#### 4. Other Factors

- Federal, State, County/local regulations
- Any environmental concerns?
- Likelihood of obtaining a Power Purchase Agreement





### Looks Good So Far

Sites that meet the previous criteria now need:

- 1. A project company and funding
- Cooperation Agreements with Landowners (initial land rights)
- 3. On-site wind data
- 4. Initiate fatal flaw review
- 5. Begin transition from prospecting into development

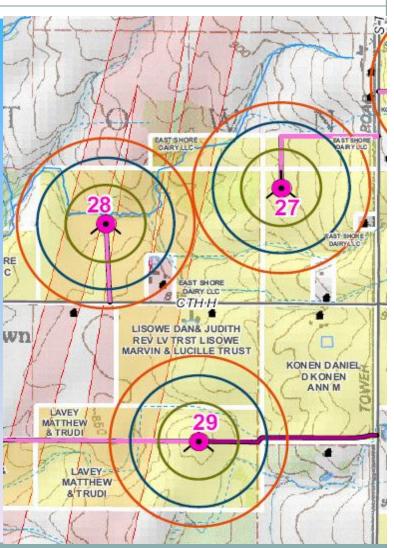




## Turbine Layout Plan

#### What factors into a Turbine Layout Plan?

- 1. Setbacks applied to project acreage to obtain buildable area.
- 2. Within buildable area, wind resource and constructability used to determine turbine sites.
- 3. Landowners approve locations of turbines and access roads.
- 4. Other factors include microwave beam paths, environmental issues, pipelines, etc.
- 5. Final plan used to submit for permits.





## **Energy Production Estimate**

- Used to determine how much power a given wind turbine or farm will produce in a year
- Most important value is the "Net Capacity Factor" or the % of power produced versus maximum rating
- Individual turbine NCF and rankings used to make adjustments to increase production
- Also estimates losses due to wake effect and line loss





#### Wind Turbine Lease

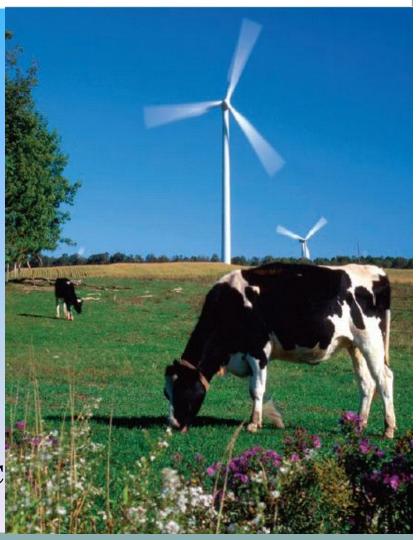
- 25 year land lease for each turbine site and associated access roads and underground cables
- 100' x 100' square centered on turbine base plus 16' gravel access road is the only ground taken out of production
- Rent paid annually per turbine either by MW or % of revenue of entire farm
- All commercial terms mirror any power purchase agreement that is obtained
- Contains provisions for crop damages, decommissioning, repowering, etc





# **Obtaining Permits**

- Obtaining all permits is the "critical path" for a project and can take two years or longer
- Begin interaction with Federal and State agencies as soon as possible
- Environmental protection is an important focus (Army Corps, USFWS, NGPC)
- Local zoning process is the main forum for communities to discuss wind development
- Also need approvals from the FAA, FCC and other agencies





### Interconnection and PPA's

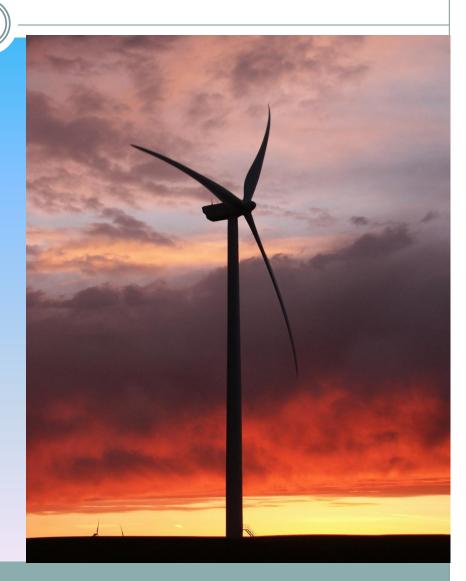
- Interconnection process is another critical path issue taking at least a year
- Involves working with transmission owner (NPPD), regional transmission operator (SPP) and power purchaser through complicated regulatory process
- Available capacity dictates project size
- Could add \$\$\$ to the project depending on upgrades needed to the system





## Finishing Up

- Finalize turbine layout plan
- Obtain final FAA approvals
- Finish entitlements (leases, easements, local permits, etc)
- Finalize energy production estimate
- Execute Power Purchase Agreement
- Execute Interconnection Agreement
- Commence construction





#### Construction

- Construction takes about a year
- It takes ~2500 man/hours to construct each turbine or approx 1.25 full-time jobs for one year
- The crawler crane takes 18 semi-truck loads to deliver to the site
- Each foundation is a continuous pour needing 60-80 cement truck loads
- One full-time job created for every 10 MW's
- A typical 80 MW wind farm generates enough power 24,000 houses





# Questions?

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