Wind trumps water despite higher cost as source of power

Darn this wet winter.

Mother Nature has dumped tons and tons of snow in the mountains of Oregon and in the headwaters of the Columbia River in Idaho and Montana. Above average snowpack exists in many places.

Now all of that snow is going to melt, sending extra water down the river. It will want to pass through the Bonneville Power Authority dams and generate extra cheap electricity.

There was a day when such a wet year would be a bonanza for power companies and their customers. There is no source of power in the Pacific Northwest cheaper than hydro. This source of inexpensive electricity has powered the Oregon economy for decades.

Now comes wind power and huge government contracts for subsidized “clean” power.

It turns out the wind also tends to pick up in the spring at about the same time the snow melt is heading downstream. More wind means more electricity from this source, too.

The BPA thus has found itself in a position where it needs to cut back on power generation from sources other than hydro to take advantage of the cheap power produced by the extra Columbia River water.

The proposed BPA plan announced earlier this week was to start pulling the plug on wind turbines when there was too much water and wind energy being generated at the same time.

This sent the hot air blowing hard from the wind developers and utilities who buy their output.

A story in The Oregonian quotes them as saying shutting their turbines would be discriminatory and would breach transmission agreements and compromise wind-farm economics because the projects rely on production tax credits and renewable energy credits that are generated only when turbines are generating power.

Wind farm generating capacity connected to BPA lines has jumped from 250 megawatts in 2005 to more than 3,500 megawatts today. Thousands more megawatts could be added in the next few years as additional wind farms are built and come online.

The development has been made possible by state requirements, such as those in Oregon and California, that require utilities to purchase a certain amount of power from renewable sources. Wind farm developers have signed firm contracts at high rates with utilities to supply that power.

The federal government also has kicked in billions of dollars in subsidies to help build the farms. Oregon taxpayers have kicked in additional money via tax credits and indirectly through higher utility rates to pay for this more expensive power.
The Oregonian story reported the cost of curtailment for wind farm operators, including the loss of production tax credits and renewable energy tags they generate when operating, has been estimated by the BPA recently at $37 a megawatt hour.

Wind producers argue that any move to single them out and curtail their production is discriminatory and violates the equal-access provisions of the laws governing the federal transmission system.

They have the support of Oregon’s Rep. Earl Blumenauer and Sen. Jeff Merkley, two Democrats who have criticized the agency in the past for dragging its feet on wind issues.

Under this pressure, the BPA has backed off its plan to cut back on power from the wind turbines in favor of extra hydro.

I think we all get the picture by now.

Taxpayers directly, and through their utility bills, are about to pay a premium for wind power over the available, cheaper, more reliable hydro power.

Too bad old Mother Nature can’t get this right. Blow on the turbines when the snow melt is gone. Don’t melt snow and generate wind at the same time.

Sadly, Oregon citizens are about to pay a price. Maybe not a big one. but nonetheless a direct price for government policies that favor wind over hydro and other sources of power generation.

Think of that next time your electric bill shows up in the mail. Or when you hear some politician argue that we must “subsidize” wind and other sources of clean energy.

It does not make sense to do this at the expense of cheap hydro power.