From:	Puco ContactOPSB
То:	Puco Docketing
Subject:	comment for 16-1871
Date:	Tuesday, August 10, 2021 3:33:28 PM
Attachments:	image001.png
	image004.emz
	image005.png

From: Sherri Lange
Sent: Tuesday, August 10, 2021 2:58 PM
To: Puco ContactOPSB
Subject: burning cash: wind power more than six times cost of (constant) gas fired power

### Burning Cash: (Occasional) Offshore Wind Power More Than Six Times Cost of (Constant) Gas-Fired Power



#### Dear Mr. Butler

Hope this finds you well.

We will be sending along additional materials, which contain knowledge that is accruing rapidly in the last year or so.

#### Please add these to the ICEBREAKER, Case 16 1871 EL BGN

It matters not floating or secured. All transmission continues to be extremely costly, and the losses do not in any way match the public monies spent.

We also do not have a decommissioning plan, which in OH is now required for all wind and solar of this magnitude. So we wonder if you might please comment on if SB 52 is retroactive to the Icebreaker?

## We might summarize Senate Bill 52:

- further review for future projects
- public consultation
- restrictions and areas restricted, can be PROHIBITIONS
- plans subject to referendum, requiring approval from elected officers
- **Decommissioning plans required**, before submitting an application to OPSB
- Adds two more voting members to the Ohio Power Siting Board (OPSB) to now include county and township government

representatives or designees on solar and wind projects.

We realize that the Bill becomes law October 9, 2021. However, given the magnitude of importance and possible harm for the water and life of the Basin and Lakes, we wonder if perhaps a retroactive application to these new provisions could be offered.

Your comments are welcome.

Many thanks, and best wishes,

Sherri

# Burning Cash: (Occasional) Offshore Wind Power More Than Six Times Cost of (Constant) Gas-Fired Power

August 10, 2021 by stopthesethings 1 Comment

The true cost of wind power is staggering – the cost of offshore wind power is astronomical: the latter is more than six times the cost of gas-fired power. The operating cost of maintaining any industrial machine in a marine environment starts out high and only increases over time, thanks to the corrosive power of saltwater and salt-laden sea air.

Andrew Montford runs the numbers on what is a staggeringly expensive way of

Take a machine that, at best, has an <u>economic lifespan of around 12 years</u> and it doesn't take long before the cost of operating a wind turbine offshore gets out of control.

generating a trivial amount of sporadically delivered electricity.

## The levelised cost of floating offshore wind

Global Warming Policy Forum

Andrew Montford

29 July 2021

We present what may be the first estimate of the levelised cost of floating offshore wind.

Last year, I wrote a blog post setting out the <u>financial situation of Hywind</u>, the UK's first commercial floating offshore windfarm, and indeed the first in the world. It was an ugly tale, with a hugely lossmaking operation kept in the black only by a vast transfer of subsidies. However, Hywind has recently published its second set of financial results since it became fully operational, and so we can now start to get a handle on its operational performance and underlying costs, and publish what I believe is the first estimate of the levelised cost of floating offshore wind.

Situated off Peterhead, in what appears to be something of a sweet spot for wind, it is unsurprising that Hywind's performance is rather better than your typical offshore windfarm. Renewables advocates are <u>keen to point out</u> that its capacity factor (the electricity generated as a percentage of the theoretical maximum) has reached 57%. However, in 2020/2021, that fell back to just 51%, which is only a few points ahead of recent fixed offshore windfarms.

Meanwhile its costs are extraordinarily high. We already knew that its capital cost, at  $\pounds 8.9$ m/MW. was around three times that of fixed offshore wind. But its opex costs are also much higher than might be expected. As a rule of thumb, fixed offshore wind opex starts at around £100,000/MW per year, and then rises from there as the turbines age. However, Hywind seems to have started out from a much higher base – its opex costs have averaged over £200,000/MW per year since it became operational.

With only marginally better operational performance than fixed offshore, and costs that are several times higher, there is no hope that Hywind's overall levelised cost will be anything other than disastrously expensive. I estimate the LCOE figure as £224/MWh, a value that is unchanged since last year, suggesting that the value is reasonably robust. This is approximately double that of fixed offshore wind, and perhaps five to six times what we would expect for electricity from gas turbines. (As always when comparing wind and gas, we should note that the comparison is misleading since wind should carry a considerable extra cost burden because of its intermittency, which is expensive to correct).

There can therefore be little doubt that Hywind is a failure. Kincardine, the UK's second floating offshore windfarm, looks as though it will be more expensive still. It seems beyond doubt that floating offshore wind is a financial disaster.

Unsurprisingly, the government is <u>ploughing ahead</u> with it regardless.

## **LCOE** assumptions

WACC: 5% Lifespan: 20 years Output deterioration: 2.1% per annum Opex increase: 5.7% per annum The calculations can be seen in this downloadable spreadsheet <u>hywind</u>. <u>*Global Warming Policy Forum*</u>

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Summary: Public Comment of Sherri Lange , via website. electronically filed by Docketing Staff on behalf of Docketing