



Public Service Commission of Wisconsin

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For Immediate Release – October 10, 2008

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PSC Issues Draft Report on Wisconsin's Off-Shore Wind Energy Potential, Seeks Public Comment

MADISON – Today, the Public Service Commission of Wisconsin (PSC) issued a draft report on the feasibility, economic potential and environmental impacts of developing wind energy on Lake Michigan and Lake Superior. The PSC is asking for public input on the draft report.

The report summarizes a preliminary investigation into off-shore wind generation, and includes key findings and challenges. The report also identifies options for addressing the most significant barriers to the development of off-shore wind should the State of Wisconsin decide to pursue this alternative energy source.

“With the inevitability of a carbon cap-and-trade program, Wisconsin needs to generate electricity that is both cost-effective and carbon free,” said PSC Commissioner Lauren Azar, who lead the initiative. “The wind speeds over the Great Lakes are both stronger and more consistent than those on land in Wisconsin. Depending on how strong and consistent, we may find that wind generation on the Great Lakes is one of the answers to the state’s search for a carbon-free energy source that is homegrown to Wisconsin, furthering the Governor’s goal of energy independence. I want to commend everyone involved in this study for a job well done.”

The Study Group that prepared the report is comprised of a diverse member roster representing utilities, environmental organizations, customer and community groups, Indian tribes and state agencies such as Department of Natural Resources, Department of Administration and Board of Commissioners of Public Lands. The group began its work investigating the potential for off-shore wind generation in April of this year in response to a recommendation by Governor Jim Doyle’s Task Force on Global Warming.

“I want to thank Commissioner Azar and everyone who worked so hard on this investigation,” said PSC Chairperson Eric Callisto. “In keeping with Governor Doyle’s vision of Wisconsin being a leader in renewable energy, this report will help us identify the most effective ways to tap Wisconsin’s abundant renewable energy potential. Off-shore wind is not without its challenges, but this study is an important step forward in evaluating, in a comprehensive manner, the potential costs and benefits of its generation.”

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The study found that off-shore wind projects in the Great Lakes are technologically feasible; however there are significant technical, economic, environmental, and legal challenges that would need to be addressed.

Other key findings in the report are:

- **In the near term, the cost of energy generated from an off-shore wind will likely exceed the cost of energy generated from terrestrial wind projects, assuming no changes in current technology, or energy prices. As off-shore wind technology and operational experience improve, the cost of energy for off-shore wind may decrease.**
- **Off-shore wind projects are technically feasible in the near-shore areas of the Great Lakes with present day technology. There are significant technological challenges with the development of wind projects in deeper water locations where the best project sites may be located, based on wind resources and other considerations.**
- **Wisconsin's existing transmission system could support the development of smaller-scale off-shore wind projects less than 600 MW that are located near a city without substantial upgrades to the system. However, projects larger than about 600 MW may require more substantial upgrades to the existing transmission system, including developing new transmission lines.**
- **While development of off-shore wind in the Great Lakes represents a potential approach to meeting a portion of the state's long-term energy needs, the development of such projects will require a coordinated effort by state and federal agencies, local government, affected Indian tribes, and possibly the Wisconsin Legislature.**

According to the report, if a decision is made to continue investigating off-shore wind development in the Great Lakes, the likely next steps would be to collect wind resource, wildlife, and other ecological data; further study research and development on deep water foundations; initiate discussions with other states and Canada on procuring a construction vessel for the Great Lakes; and begin working with the Wisconsin Legislature to consider legislative changes that would facilitate the development of off-shore wind on the Great Lakes.

The PSC is looking for the public to comment on the draft report before November 10, 2008. The draft report, Wisconsin's Off-Shore Wind Investigation, can be found by visiting the PSC website and clicking on the Regulatory Filing System (ERF) at <http://psc.wi.gov/>. Type case numbers 5-EI-144 in the boxes provided on the ERF system.

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