

One giant step for renewable energy in Idaho

By The Times-News Staff | 08/26/10

This isn't the greenest state in America, but you can't help but like the prospects for renewable energy in Idaho. On Tuesday, Exergy Development Group broke ground on a \$500 million complex of wind farms near Hagerman, Bliss and Burley backed by global giant GE Energy Financial Service.

The Oregon Trail Wind Farm, scheduled to be completed by the end of the year, will include 122 turbine housings the size of small buildings and 366 turbine blades, which are taller than a 10-story structure. The complex will create up to 175 jobs and power about 39,700 homes.

And as Idaho Power adds wind energy, the pace of development for geothermal energy is likely to quicken as well. Because wind is not a constant source of power, the utility must have a backup. Geothermal fits the bill perfectly.

The Magic Valley may be the best place in Idaho to build wind and geothermal projects. Three of the six windiest cities in the state are in south-central Idaho — led by Twin Falls and Jerome — as are 63 of Idaho's 131 planned or existing wind farms.

Geothermal is just getting started in these parts. Six of Idaho's 21 prospective or operating projects are in the Magic and Wood River valleys, according to the Idaho Office of Energy Resources. But the potential is vast.

One reason wind energy development is exploding is a farsighted action by the Idaho Legislature in 1978. The Public Utility Regulatory Policies Act requires utilities to buy energy from small renewable generation projects such as hydropower, wind, geothermal and solar. Under state law, renewable energy producers can avoid up-front taxes by paying 3 percent from the sale of energy over several years.

That allows developers to spread the tax burden out over multiple years.

State Rep. Stephen Hartgen, R-Twin Falls, and others are hoping to give geothermal a similar boost with legislation that would reduce the rate developers pay to lease public lands in Idaho.

“The lease rates were developed around 1973 for oil leases, so one of the things we need to do is bring that rate down to bring in more serious developers,” Hartgen said.

The biggest question for the future of both wind and geothermal is how much renewable energy Idaho power is willing to buy in the long run. Last week the utility announced it would no longer accept proposals to supply the company with wind power.

In May 2009, Idaho Power asked for proposals from developers to purchase about 150 megawatts of wind-powered generation by 2012. Developers responded by flooding the utility with proposals, but Idaho Power suddenly ended the process without awarding a contract.

The company says its wind-generated power exceeds projections set out in its Integrated Resource Plan — a two-year roadmap that identifies sources of electricity.

It has begun the lengthy process of developing the next resource plan, which will go into effect in 2011. Idaho Power spokeswoman Stephanie McCurdy said it’s too early to know if the company will seek additional wind-generated power in its next resource plan.

Until the utility’s plans become clearer, wind energy’s development future in southern Idaho will be in limbo. But there’s plenty of development in the pipeline that will bring an infusion of money and jobs to the Magic Valley in the short run.

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