



December 8, 2011

[Oregon, Washington](#)

Regulators tell Bonneville Power Administration to stop pulling the plug on wind farms

By Ted Sickinger, The Oregonian, www.oregonlive.com 7 December 2011

Federal energy regulators told the Bonneville Power Administration Wednesday that it can no longer discriminate against wind farm owners by cutting off their transmission during periods of excess electricity generation in the region.

The decision is a rare defeat for the federal power marketing agency, which sells electricity generated at 31 federal hydroelectric projects in the region to 140 public utilities. BPA also controls three quarters of the high voltage transmission system in the Northwest.

During last spring's massive runoff, BPA adopted a policy of curtailing generation by wind farms in the region when there was too much power going into the grid, and substituting its own hydropower for free to satisfy those wind farms' contracts with customers.

BPA contended that it couldn't dial back hydroelectric generation because sending excess water over the dams' spillways rather than through turbines would create too much turbulence and violate dissolved gas limits established to protect salmon.

Wind farm economics are heavily dependent on renewable energy credits and production tax credits that are only produced when turbine blades are spinning and sending power into the grid. Consequently, wind companies in the region, led by Iberdrola Renewables, filed a complaint with the Federal Energy Regulatory Commission in June. They alleged that BPA was using its transmission market power to discriminate against wind farms and protect its own public utility customers from costs they would otherwise bear because of excess hydro generation.

FERC agreed. On Wednesday, it directed Bonneville to file a new tariff within 90 days that provides transmission service on a non discriminatory basis.

A BPA spokesman did not have a response Wednesday morning.

Rachel Shimshak, director of the renewable advocacy group, Renewable Northwest Project, said she was pleased by the ruling

"We have a lot of work to do," she said. "I hope people will take this as a moment of clarity from FERC, and this gives us all a lot of momentum to roll up our sleeves and identify solutions."

Critics of BPA's policy have suggested a variety of ways to deal with excess generation events, including new water storage agreements with Canada, advanced agreement with fossil fuel plants in and out of the Northwest to back off generation in these situations, and agreements with Washington and Oregon to allow additional spill over the dams.

BPA could also agree to pay other generators to turn off their plants, a situation known as negative pricing.

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