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Duke Energy axes North Carolina offshore wind pilot

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North Carolina's Pamlico Sound lagoon holds particular challenges for offshore wind development, but Duke Energy could look to ocean-side sites for a larger project

Power company Duke Energy has called off its efforts to develop a small offshore wind facility in a North Carolina lagoon.

The company said almost a year ago it would build three wind turbines in Pamlico Sound to demonstrate offshore wind technology.

However, it said yesterday that analysis of the proposals has suggested permitting, design and construction are “no longer economically viable”.

As Rhode Island has found with its eight-turbine Block Island demonstration project, small offshore wind projects can be expensive for the capacity they provide, although in Rhode Island's case other benefits were taken into account in last week's PPA approval ([see this BrighterEnergy.org story](#))*.

Duke Energy said to make a project worthwhile, offshore wind farms must be much larger in extent.

The company based in Charlotte, NC, said the high costs were demonstrated by estimates suggesting it would cost \$88 million to get the first wind turbine operating in Pamlico Sound, with the cost falling to \$14 million for the second turbine.

The Pamlico Sound location also meant for difficult construction techniques and a greater than expected potential for environmental impacts, it said.

Large-scale

Duke Energy said instead of the demonstration project, it would work with its partner, the University of North Carolina at Chapel Hill, to pave the way for a large-scale offshore wind development in North Carolina's ocean waters.

Paul Newton, senior vice president of strategy for Duke Energy's franchised businesses, said "The cost of the project simply exceeds the benefits our customers would receive if we were to continue."

Duke Energy, which serves 2.4 million customers in the Carolinas, now intends to continue funding a university bird study started through the offshore demonstration plan, while also providing \$405,000 for an ocean-side study of coastal wind resources.

Dr Harvey Seim, professor of marine sciences at UNC-Chapel Hill, said: "Duke Energy's commitment to the ocean-side studies, together with funding from other partners, will enable us to identify and assess the areas with the highest potential for successful wind power generation."

Legislation

Duke Energy is now calling on state lawmakers to consider legislation that could help the development of large-scale offshore wind capacity off the North Carolina coast.

State Senator Marc Basnight said: "As a state government, we support this effort, but also understand that if the private sector is bearing the costs of developing wind energy, it must be economically feasible."

"I am pleased that Duke Energy is retooling their focus and moving forward with additional study of offshore wind as a commercial power source of the future," Sen Basnight added.

** Amended (August 20) to make it more clear that Rhode Island's demonstration offshore wind project has been approved.*