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Thomas Noyes
DNREC, Division of Climate, Coastal, & Energy
100 Water St., Suite 5A
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Dear Mr. Noyes,

Please accept my comments on the draft recommendations of the Offshore Wind Working Group.

- 1) **Offshore wind is four times as expensive as power supplied from existing power plants, and is three times as expensive as utility scale solar and onshore wind power. The proposed Maryland offshore wind project will cost Maryland ratepayers an average of \$177 million a year for the next several decades to create about 50 direct permanent jobs based on National Renewable Energy Laboratory estimates. That is \$3.6 million a year for each job. Leaving that money in electric customer pockets would create about 1000 jobs. Cost is not expected to fall much in the next decade. The Maryland PSC consultant determined there would be no air quality or health benefits from the project¹. Therefore, all state sponsored support for offshore wind should cease, including any state funding for follow up studies conducted by any Delaware college or university.**
- 2) Should the Working Group recommend follow up effort here are several recommendations:
 - A) Environmental benefits should be considered PJM wide, not just within Delaware
 - B) Economic impacts should be based on current dollars as of the project construction start date, should use a 7% discount rate to calculate Net Present Value as recommended by the US Office of Management & Budget, should include indirect and induced labor impacts on both the benefit and cost sides of the equation, and should be reported in annual dollars to residential, commercial, and industrial electric customers.
 - C) No Willingness to Pay Survey is needed as several already exist including the recently published University of Michigan² survey which concluded 34 percent of the U. S. population is not willing to pay anything extra for CO₂ reduction, with another 28 percent only willing to pay \$50 a year. Four other national surveys confirm the University of Michigan results. Coincidentally, \$50 a year is about the same amount the Delaware Legislature set as a cumulative cost cap of 3% on electric bills. Delmarva Power residential customers are already paying an extra \$150 a year for the RPS. In particular, no willingness to pay survey should be delegated to the University of Delaware which has already been shown to produce biased surveys on offshore wind acceptance.
- 3) The list of follow up questions in the draft recommendations of the Working Group should simply be shelved until such time as legislation is introduced that would require offshore wind be included in Delaware's Renewable Portfolio Standard.

Notes:

- 1) Levitan and Associates Inc. for the Maryland Public Service Commission Docket 9431 item 85, "Evaluation and Comparison of US Wind and Skipjack Proposed Offshore Wind Project Applications" pages 92 and 160, revised public version, March 17, 2017, <http://www.psc.state.md.us/search-results/?keyword=9431&search=all&search=case&x.x=15&x.y=13>
- 2) University of Michigan Center for Local, State, and Urban Policy, "National Surveys on Energy & Environment", willingness to pay Q31, <http://closup.umich.edu/national-surveys-on-energy-and-environment/nsee-data-tables/nsee-2017-spring/#Q31>

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