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US advances on clean energy with first offshore wind farm

Offshore wind farms are in development across the country, but the election of Donald Trump may weaken federal support and squelch an emerging industry



The \$300m Block Island project, which came online off Rhode Island yesterday, is the very first wind farm in US waters. Photograph: Deepwater Wind

Several miles off the coast of Rhode Island, a clean energy landmark quietly just powered up.

Five 560-foot-tall wind turbines are now spinning their 240-foot-long blades, sending electricity out onto New England's regional grid. The wind turbines, which are connected to the sea floor via steel foundations, are linked to the broader grid by transmission cables deep under the sea.

The wind farm is quite small at just 30 megawatts. That's a fraction of the amount of energy that can come from an average coal or natural gas plant - it's enough energy to power about 17,000 average American homes.

But what the project lacks in size, it makes up for in importance. The close to \$300m Block Island project, which came online yesterday, is the very first wind farm in America. Developed by a company called Deepwater Wind, the wind farm could pave the way for more successful projects in the US after other high profile American offshore wind projects have failed. A 468-megawatt project called Cape Wind was blown off course after wealthy residents of Cape Cod in Massachusetts protested the turbines marring

their views.

The small size of the Block Island project and the placement of the turbines have helped the Block Island Wind Farm dodge strong criticism, though some local residents are [still upset](#) about the new additions to their views.

Rhode Island also showed more support for offshore wind. The governor of Rhode Island, Gina M Raimondo, said on Monday that she was proud that the state was the very first to "have steel in the water and blades spinning over the ocean".

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Tapping the strong wind out in the ocean for electricity isn't a new concept. For years, thousands of offshore wind turbines off the coast of European countries have been supplying the continent with an important source of carbon emissions-free electricity. Over that time, the European offshore wind industry has matured, and today the cost of electricity from wind turbines in European seas is at a record low.

If the US can follow in the footsteps of Europe, it could find an important source of power for coastal states that have been closing large coal and nuclear plants and are looking for new clean energy sources. Some states with their own renewable mandates have struggled to find large

sources of clean energy.

Over the years, the federal government has supported the development of an offshore wind industry. As of last year, the Department of Interior had awarded 11 commercial leases for offshore wind development that could one day deliver 14.6 gigawatts of capacity. That's the equivalent power of 15 large coal or gas plants.

Other offshore wind projects are under development, including a 765-megawatt proposal in California that would erect wind turbines on [floating foundations](#).

But the election of Donald Trump as the next president may weaken federal support and squelch an emerging industry. Trump has been [vehemently opposed](#) to an offshore wind farm off the coast of one of his golf courses in Scotland because it disrupted the course's views, and has expressed his [dislike of wind farms in general](#). Last month, he even [reportedly](#) met with a British politician to discuss campaigning against offshore wind farms.

Historically, renewable energy businesses such as solar and wind have relied on generous federal tax credits to help reduce the initial high costs of developing the technology and building power plants. Those costs have fallen significantly as more solar and wind farms come online from California to Florida.

The still new offshore wind business is also counting on the same federal incentives, and it will need them more than the solar and onshore wind industries, both of which have grown large enough to compete in price with electricity from coal and natural gas power plants in parts of the country.



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The Block Island wind farm is eligible to get a tax credit worth 30% of the cost of building the project. That tax credit is set to be lowered in 2019, and its renewal will [require an approval from Congress and support from the Trump administration](#).

Trump could make it difficult for the offshore industry to take off even if he doesn't oppose the extension of the tax credit. If he follows through with his campaign promise to reduce corporate tax rates, his actions could reduce the tax appetite of companies and likewise the interest in tax equity investments, according to Daniel Shurey, an analyst with Bloomberg New [Energy Finance](#), in a new report.

Deepwater Wind refused to comment on the Trump administration's possible effect on the offshore wind industry. The company has another offshore wind project in the works off the coast of Maryland, and its CEO, Jeffrey Grybowski, has noted that the industry has other sources of help, including tax and other incentives passed by states such as Massachusetts.

Offshore wind proponents hope the jobs that can be created with the new industry could win them support from Trump, who counts job creation as an important part of his agenda. The Block Island wind farm employed 300 local workers over the several years it took to build and commission.

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