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## Bluewater hearings are necessary

By SEN. HARRIS McDOWELL

DELAWARE VOICE

Many people have been asking why the Senate Energy and Transit Committee is holding hearings on the state's green energy options during the General Assembly's budget break. My simple answer is that, as elected officials, we owe it to our citizens to gather as much information as possible on this fast-evolving subject before locking our people into the largest state-mandated contract in Delaware's history.

In December, four state agencies met under the rules set out in House Bill 6 to vote on that contract, known as a power purchase agreement. But the agencies couldn't reach the unanimous decision required to let the deal live or die, causing the [Office](#) of Management and Budget to move to table the issue. As a response, the Senate leadership asked our committee to hold hearings on Delaware's renewable energy future.

Several public hearings over six weeks doesn't seem like a lot to ask to enable the public to better understand a contract that, if approved, will legally bind Delmarva Power's residential customers to a \$5 billion power purchase agreement spanning the next quarter century. Moreover, these hearings shouldn't impede progress on the question since [house](#) leaders aren't expected to take action until the spring.

Some have called these hearings a "charade" or a delaying tactic. That's simply untrue; although it does leave me asking why those who want this deal so badly object so vociferously to a full, public airing of these issues before the state decides whether to take this major step.

Certainly, the participants don't seem to object. The Public Service Commission, Bluewater Wind, Delmarva Power and the Public Advocate, as well as [experts](#) in the renewable energy field, have agreed to appear before the committee, and have cooperated fully with our requests for information.

At the committee's first public hearing, citizens from around the state testified for almost four hours, presenting well-considered questions and eloquent statements in support of the plan. Had those folks thought the hearings were a waste of time, I don't think nearly as many people would have showed up to listen, observe and speak.

Senate leaders hope these hearings can address lingering concerns about the proposed power purchase agreement and how it would affect Delaware's future.

For instance, to date, no one has been able to offer precise numbers about what ratepayers will be paying over the next 25 years. When my colleagues hear cost estimates ranging from an additional \$14 to \$75 a month, it makes them understandably nervous. Several of the consultants hired by the Public Service Commission recommended against the project because of its potential risks.

Even the PSC's staff has said that the cost of land-based wind is estimated to be half the cost of the current offshore wind proposal over the life of the contract. Going with a more frugal option creates a direct savings to

ratepayers. With the price of gas lingering around \$3 a gallon, any savings that can be offered to consumers will help.

Everyone in the General Assembly recognizes the strong promise of offshore wind-generated power. Because of a glaring lack of leadership and guidance from the federal government in recent years, Delaware has been forced to set its own course toward providing a sure source of power at the most economical cost for years to come.

By this time next year, there will be a new president and administration in Washington. This will almost certainly bring long overdue policy changes and at least some of the billions of dollars in subsidies going to the oil industry will be siphoned off toward developing renewable energy.

In Europe and other parts of the world, the government commitment to clean energy is already a fact -- but at the national, not the state or local level. Even with those subsidies, customers in those countries still pay more for their electricity. But the cost is spread across the entire country and isn't limited to one small group of residential and small business customers.

Rather than haranguing our effort to inform the public, I think the media and other self-appointed watchdogs ought to be asking:

- How would a major policy change in Washington affect Delmarva's residential and small business ratepayers if a 25-year contract has already been locked in place?
- What if the price of wind power decreases before the wind farm is operational, or in the early years of the contract, and how that would affect the 25-year contract?
- Why has New Jersey been able to attract off shore wind developers, including Bluewater Wind, without mandating a 25-year power purchase agreement?

No one in the General Assembly has been more passionate about pursuing the development of renewable energy in Delaware than I have been. Not too long ago, it was hard to find more than one or two of my colleagues willing even to discuss the subject of renewable energy.

As committee chairman, it is my duty to ensure that our report from these hearings provides accurate, verifiable facts. Whatever the outcome, I hope we can continue discussing our renewable energy future as we are doing during these hearings. This issue is far too important to shove off to the side.

Sen. Harris B. McDowell III, D-Wilmington North, is chairman of the Senate Energy and Transit Committee.