

LONG ISLAND / SUFFOLK

Exhibit E

Deepwater, PSEG agree to increase output of South Fork wind farm

The offshore wind company will use more powerful generators to increase the output of the project to 130 megawatts.

By Mark Harrington

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Deepwater Wind, the Rhode Island offshore wind company recently acquired by Danish wind-giant Orsted, will increase the size of its project for LIPA by 44 percent by employing larger turbines than originally planned, PSEG Long Island said Thursday.

The project, slated for completion by the end of 2022, will still be composed of 15 turbines placed in the same location some 35 miles from Montauk Point off the coast of Rhode Island.

But Deepwater will use more powerful wind generators to increase the output of the project to a total 130 megawatts from a previously planned 90 megawatts, PSEG said.

In doing so, the cost of power from the project will see a “substantial” reduction from the originally negotiated price, said Paul Napoli, vice president of power markets for PSEG Long Island, which operates the Long Island grid for LIPA and which is negotiating the Deepwater contract.

Napoli said increasing the size of the project to 130 megawatts would increase the number of homes the wind-farm would be able to power by another 18,000, to up to 70,000 homes.

Meanwhile on Thursday, New York State issued a bid request for at least 800 megawatts of offshore wind energy, the state's first large-scale offshore wind solicitation. Under the bid request, the state's Energy Research and Development Authority will award 25-year contracts for projects from 200 megawatts to 800 megawatts or larger. Bids are due in February and awards anticipated in the spring, NYSERDA said.

“We will be bidding for sure,” said Jeff Grybowski, co-chief executive of the newly named Orsted US

Offshore Wind and former CEO of Deepwater, of the New York solicitation.

Under Deepwater's new plan, which will be voted on by the LIPA board next week, the company will use 8.6-megawatt turbines instead of the originally planned 6-megawatt units.

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Napoli said it will serve not only to feed growing power demand on the South Fork, but also be used to meet demand farther west of the Hamptons, particularly in winter, when the need on the South Fork is lower. That would allow LIPA to power down certain fossil-fuel plants during those periods, he said.

PSEG and LIPA previously said the cost for the South Fork power improvements, including two large battery storage units and programs to lower customer usage of energy, would cost all LIPA customers an average \$1.19 per month. By increasing the output of the wind farm, the increased capacity will lower the cost per megawatt hour LIPA will pay for power. But because LIPA will be buying more power from the wind farm, the cost per customer is expected to increase from the \$1.19 a month estimate by 20 cents to 38 cents, PSEG said.

PSEG is also undertaking a transmission-grid enhancement project on the South Fork that will improve the grid and increase its capacity, allowing the power to move west and east from an East Hampton substation. That portion of the upgrade will cost all Long Island customers around \$2.48 a month.

Fishing groups who oppose the wind farm because it could limit or harm fishing grounds have argued that the grid upgrades alone will solve the South Fork power shortage, and the wind farm is too costly and not needed. Napoli said the larger amount of clean energy will help LIPA meet state renewable energy goals sooner.

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