

Clean, Low-cost Wind Energy Is a Smart Choice

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Minnesota now gets over 17% of its electricity from wind energy. That's great news for all Minnesotans. We can all benefit from lower electricity costs. Across the Midwest, low-cost wind energy is a smart choice.

Wind has become one of the most affordable sources of electricity generation, which keeps more money in your pocket and helps keep costs low for businesses. In fact, wind power's price has dropped 66 percent in the last 6 years due to siting and technology improvements. Utilities in Minnesota are investing in renewables for multiple reasons. Their customers are demanding more renewables, but it's cost effective, too. Xcel Energy, the largest electric utility in Minnesota, has found that wind is the cheapest way to provide electricity for its customers. Xcel Energy has announced it will invest in enough wind farms to power more than 750,000 homes over the next 15 years because it is a great value for their customers.

Xcel Energy isn't the only electric utility that is investing in low-cost wind farms. Minnesota Power announced in 2016 that it will invest in 300MW of wind energy, adding to the 625 MW of wind it already has. "We're serving customers with a more balanced set of power sources, including more wind and solar while retaining critical baseload power, and doing so in a way that protects customers, the communities we serve and the quality of life in our region," said Minnesota Power/ALLETE Chairman, President and CEO Alan R. Hodnik.

Great River Energy, which provides energy to 28 Minnesota's electric co-ops, announced in January 2017 it will add 65 percent more wind energy to its system, totaling over 700MW. "We are on track to meet our renewable energy targets. Our portfolio is getting cleaner," stated Great River Energy CEO David Saggau. "Wind is becoming the new baseload." Because of wind energy's low cost, utilities want to use wind energy first, and use other sources to fill in the gaps. The message is clear: electric providers in Minnesota are increasingly adding wind to power their systems in a way that helps their bottom line, and protects their consumers.

Because of the electric grid system, low-cost wind from the Midwest can provide benefits across the country, too. Early in 2014, wind power <u>saved consumers \$1 billion</u> over just two days across the Great Lakes and Mid-Atlantic states during the "polar vortex." And, our regional grid operator MISO <u>noted</u> that, "wind [is] one of the fuel choices that helps us manage congestion on the system and ultimately helps keep prices low for our customers and the end-use consumer." It's simple: wind energy is one of the least-cost sources of electricity generation. Because wind has no fuel cost, its low cost can be locked in for 20-30 years. This protects consumers from price fluctuations that can occur with other fuels. By keeping more money in consumer's pockets and protecting them from spikes in their electric bill, it's clear that wind energy is a smart choice.

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