

Wind projects generate jobs

By LARRY RULISON, Business writer

First published: Sunday, January 13, 2008

ALBANY -- Long, sleek, giant wind turbines have been making their way through the Port of Albany on a regular basis, hauled up the Northway and elsewhere toward wind farm projects across upstate New York.

In several rural areas, the large windmills have been generating a clean and renewable form of power for the electrical grid, free of greenhouse-gas emissions that come from power plants that use fossil fuels like coal and natural gas.

But there is also another benefit that often goes without notice as the giant blades cut through the air: jobs.

The remarkable thing is that many of the jobs are being created in cities like Albany and Schenectady, far away from places like rural Lewis and Madison counties where the projects have been developed.

In most cases, the job numbers aren't huge, although they are growing.

General Electric Co. is the exception. The company plans to add a significant number of jobs in Schenectady -- much of it to support its growing wind business.

The company, with both its power generation and renewable energy -- including wind -- divisions headquartered in Schenectady, is staffing up a new wind turbine service center that will eventually employ 150 people.

GE is also hiring 500 new engineers and project managers in Schenectady to support its booming power-generation business, much of it fueled by renewable technologies like wind turbines.

Many of the hundreds of new jobs will be located in a 200,000-square-foot building on the Schenectady campus that GE will renovate as part of a \$39 million project, helping to reverse decades of job losses in the city. The state is contributing \$5 million to the cost.

Vic Abate, vice president of renewable energy for GE, said the company's wind unit can benefit from the know-how and industry relationships created by its mainstream power generation business headquartered there. That includes expertise in gas and steam turbines and generators used in traditional power plants that utilities have historically relied on for power.

Years ago, wind turbines had higher failure rates, but GE is changing that equation through the power generation business.

"For a fuel to go mainstream, utilities have to embrace it," Abate said. "For utilities to embrace it, it has to be reliable. It has to be predictable. The wind industry didn't have that. Having this facility here, it benefits from all that expertise."

The wind business has been booming in the United States after having gained a significant hold in nations like Germany, where wind turbines dot the countryside.

The American Wind Energy Association, a trade group in Washington, D.C., estimates that wind energy projects with a total of 4,000 megawatts of generating capacity were completed last year, a significant increase over 2006 when 2,454 megawatts were installed.

One megawatt of wind energy capacity supplies enough electricity to power between 240 and 300 homes around the clock. This means new wind farms in the U.S. last year added enough capacity to serve about an additional 1 million homes.

GE has benefited from the surge in wind energy generation because it is a major worldwide wind turbine manufacturer, having installed more than 7,500 turbines with a total capacity of 9,800 megawatts. And cities like Schenectady are poised to benefit from GE's investment.

"They could have done that anywhere in the country," Schenectady Mayor Brian U. Stratton said of GE's wind expansion in the city. "That speaks volumes."

Other Capital Region cities have also benefited from the growth of wind power, especially from projects in New York. There are roughly 400 megawatts of installed capacity in the state, most of it located at the Maple Ridge Wind Farm in Lewis County, near Watertown.

A Houston company, Horizon Wind Energy, is operator and part-owner of the Maple Ridge project, which uses 195 turbines from the Danish company Vestas Wind Systems.

Patrick Doyle of Guilderland is director of development for Horizon's Northeast U.S. operations. Only a handful of people were employed by the company in the United States when Doyle joined it in 2001. Now there are more than 200 nationwide.

Eight people work at Horizon's downtown Albany office, which serves as a regional headquarters. With twice as many workers as a year ago, the company has had to find larger office space on James Street. Another handful of employees are scattered in field offices across upstate to manage projects. "There's a lot of growth," Doyle said.

He said New York has been able to quickly grow its wind energy sector for a number of reasons, including a deregulated electricity market and government policies that promote renewable energy sources and clean air.

One of those policies is the state's renewable portfolio standard, a state-run incentive program that pays a premium to renewable energy project developers for their electricity. The goal of the RPS, which is funded by consumers, is to get 25 percent of the state's electricity from renewable sources by 2013.

Deregulation of the state's energy market forced most utilities to divest their power plants to create more competition. This has opened doors for alternative energy producers who might otherwise get shut out of the equation if the utilities still owned all of the generation. Now there is a wholesale market that most any sizable generator can bid into.

"At least we know that if we show up at the door, someone will buy it," Doyle said. state's

The state's effort to reduce greenhouse gases in the Northeast, under a program called the Regional Greenhouse Gas Initiative, or RGGI, is also having an impact on the popularity of wind. Greenhouse gases are believed by many scientists to be responsible for global warming and climate change.

"There's a general view that burning fossil fuels has societal costs," Doyle said. "Generating electricity when you don't create greenhouse gases has benefits."

The local jobs at Horizon don't include the dozens of subcontractors who work in Lewis County and the hundreds of construction workers who are employed when a wind farm gets built. Horizon also has wind farms planned for five other sites across the state, including projects in Clinton and Franklin counties. And other farms are being considered that Horizon won't disclose at this time.

Horizon has also gone global. In July, the company was acquired from Goldman Sachs by Energias de Portugal in a deal worth well over \$2 billion -- the largest corporate deal in Portuguese history.

Spain is also a large center for wind power and has set its sights on New York. The Spanish utility Iberdrola, one of the largest wind power developers in the world, is a 50 percent owner of Maple Ridge Wind Farm and is planning a project in Herkimer County.

The company also is in the process of acquiring the parent company of New York State Electric & Gas of Rochester for \$4.5 billion. NYSEG serves about 55,000 customers in the Capital Region. The acquisition is before the state Public Service Commission for approval.

Because of its wind farm interests in New York, Iberdrola opened an office about a year ago in Saratoga Springs that employs two project managers.

Jose Luis del Valle, chief strategy and development officer for Iberdrola, visited the Times Union on Thursday talk about the company's interests in New York, including wind power. Although he wouldn't give specifics about the company's plans to develop additional wind projects in the state, he sounded optimistic about the future for wind here and across the United States.

"And we're just getting started," he said.

Carol Murphy, executive director of the Alliance for Clean Energy New York, an Albany-based trade group that represents wind farms as well as other clean-energy developers, said Albany has become a power center for the wind industry, with companies like Horizon setting up shop.

Murphy doesn't have any data on just how many jobs the wind industry has created, but she said the state announced last year that it is expecting \$1.4 billion in new investment for renewable-energy projects in the state from its latest round of RPS contracts, and a lot of that comes from wind.

Also, state agencies like the PSC and the New York State Energy Research and Development Authority, which oversee wind projects, are here, as is the New York Independent System Operator, the East Greenbush nonprofit that operates the state's wholesale energy market.

Murphy said AWS Truewind, a wind-mapping company and technical consulting firm that employs about 50 people in Colonie, also helps boost the local economy. Even another Spanish company, Acciona, has opened a local office.

And all that doesn't include the consultants, attorneys and engineers who get hired to work on wind projects, many of them located in the Capital Region.

"They've been hiring people in the area," Murphy said. "There's more than a few. It's definitely a growing trend as people move

forward with their development."

Larry Rulison can be reached at 454-5504 or by e-mail at lrulison@timesunion.com.

All Times Union materials copyright 1996-2008, Capital Newspapers Division of The Hearst Corporation, Albany, N.Y.

[HOME](#) | [CONTACT US](#) | [SUBSCRIBE TO NEWSPAPER](#) | [HOW TO ADVERTISE](#) | [PRIVACY RIGHTS](#) | [COPYRIGHT](#) | [CLASSROOM ENRICHMENT](#)

HEARST *newspapers*