

Update on Regional Wind Purchase Program in the Washington, DC-MD-VA Region

Wind Energy purchases are currently included in the voluntary bundle of the region's attainment plans for both ozone and fine particles.

Lead Agencies

Montgomery County Purchasing Group
Virginia Energy Purchasing Governmental Association
Washington Suburban Sanitary Commission (WSSC)

Participants

Arlington County
City of Alexandria
Fairfax County
Prince William County
Montgomery County
Prince George's County

Total Wind Energy Purchase Commitments

>141 MWh/year

Emission Benefit

0.15 tpd NO_x

Contract Terms

Maryland Contract Renegotiated in 2009.
Virginia Contract to be Renegotiated in 2010.
WSSC Contract is for 10 years.

Summary of Status for Current Commitments

Both the Montgomery County Purchasing Group and the VEPGA participants have met their wind power purchase obligations through 2009. The WSSC program wind farm is now at full capacity but WSSC has decided to sell a portion of the associated RECs thereby lowering its overall contribution to the bundle. NO_x allowances have not yet been retired for the most current commitment year. The next Evaluation Report is due to EPA in March 2010.

Expectations Moving Forward

In recent months, the prices for local RECs have risen dramatically. The prices for local RECs are now above \$20-\$25 while out of region RECs are available for as low as \$2-\$3. Due to these price pressures, purchase of local RECs to meet the requirements for the SIP may no longer be feasible. For this reason, the Maryland contract currently being finalized contains purchase of only out-of-region RECs. As the wind power purchase program evolves in the near term to a focus on out-of-region RECs, we expect higher contribution to meeting carbon targets, but a loss of local air quality benefits for SIP purposes. The local agencies and state governments are already in discussions to identify new emission reductions to help offset the reduced contribution from the regional wind power purchase program.

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