

March 28, 2003

Hon. Eleanor Stein
Administrative Law Judge
State of New York
Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

Re: CASE 03-E-0188 Proceeding on Motion of the Commission Regarding a Retail Renewable Portfolio/Comment Submission

Honorable ALJ Stein:

In the matter of the subject proceedings, the Wind Turbine and Energy Cables Corporation offers the following comments.

1. Concerning Threshold Issue #1: Wind is clearly a renewable energy source. The source of wind energy is solar based. Wind was used for centuries in conjunction with maritime activities and has constantly been renewed.
2. Threshold Issue #3: Any person, group, business or government agency that wants to buy renewable should be allowed to without changing energy suppliers. The complications encountered with Internet service access should not be mimicked in the RPS implementation.
3. Threshold Issue #5: The issue of retailers owning generation should be revisited but not as a result of and solely concerning the RPS. In any event, merchant wind plants should be allowed to compete.
4. Threshold Issue #8: While we do not pretend to comprehend the entire range of wind generation equipment, one OEM can provide VAR control technology that is capable of improving local grid stability. Wind energy production should not be hampered by the perception of grid weakening. With regards to intermittently, we believe that conventional spinning reserve requirements can be successfully used to mitigate the deleterious effects of intermittent operation in all cases except for possibly peak load periods.
5. Threshold Issue #12: We do not feel it is advisable to foster the construction of wind turbine farms in high load (urban) centers. Wind energy can be readily bulked up and transported longer distances than some of the other renewable sources. New transmission to high load areas is not needed solely for the RPS. The purpose of the RPS is, as we see it, to reduce tons of emissions and foster energy independence.

6. Threshold Issue #10 and NYSERDA Implementation Consideration #9: One of the largest problems faced by WT&ECC in developing wind energy in New York State involves the firm power issue. While trading "attributes" can offer some help, it is too reminiscent of Enron's "financialization" of the weather. The inclusion of energy storage facilities on the wind farm destroys an already weak economic scenario. Clearly the best solution is to actually bulk up the energy and "firmatize" it. One innovative solution, available only in New York State, would be to store off peak (night) and weekend wind generation at the NYPA Blenheim-Gilboa facility. Some advanced mathematics would be required but it appears possible that the B-G site could offer actual wind energy to back up the wholesale wind energy contracts for daytime consumption. It may take some years for regressive analysis to pinpoint the most likely production pattern. The pattern potentially would change with the addition of each farm. It is further suggested that NYSERDA operate an insurance fund in the unlikely event contract demand cannot be met during the break in period. It should be noted that under this scenario a period of wind energy shortage could be identified early enough to avoid high-priced spot purchases. The energy losses from the storage/regeneration process would be handled similar to the existing line loss treatment, perhaps billable only to the final wind generation users. We believe that title to the energy should transfer at B-G; it would not matter to us whether to a Green wholesaler or NYPA.

Thank you for this opportunity to provide our comments and in particular for the extra week to prepare.

Sincerely,

Douglas W. Schmidt, PE
Director of Engineering