

Digg Del.icio.us Email

Blowing Offshore Power Into Oregon

Startup Principle Power is raising \$20 million and working to place about 30 wind turbines off the Oregon coast.

by: Rachel Barron
October 8, 2008

Renewable-project developer Principle Power told Greentech Media that the firm is raising \$20 million in funding and pushing ahead with its first project: a 150-megawatt offshore wind park.

The startup, which has offices in San Francisco and Seattle, has raised \$2.3 million in convertible debt. This type of loan allows the lender to take stock in a company instead of repayment.

Principle Power hopes to close the new funding during the first quarter of 2009, and plans to use it to support the business and help take an equity stake in Principle Power's renewable-energy projects, according to company co-founder and President Jon Bonanno.

Principle Power, founded in January, uses pre-commercial green technologies developed by other companies to build renewable-energy power plants. The firm then lines up the financing and develops the power plants.

In June, the company said it had scored an exclusive license from Marine Innovation & Technology for WindFloat, a floating foundation to support offshore wind turbines.

Bonanno said Principle has since signed an agreement with the Tillamook Intergovernmental Development Agency to develop a 150-megawatt offshore wind power plant off the Tillamook County coast in Oregon.

Bonanno said the plant wouldn't be built all at once. "There is going to be a small-scale pilot initially," he said.

Principle still has to secure permits for the project. But Bonanno said the company wouldn't go through the permitting process until there is a buyer for the electricity produced from the project.

Bonanno said his company is in talks with the Tillamook People's Utility District about signing a power purchasing agreement. Under the agreement, Principle Power would pay for the costs of building a power project in exchange for a long-term commitment from a customer, such as a utility, to buy the resulting electricity.



Principle Power is working to develop a 150-megawatt offshore wind power plant using a foundation developed by Marine Innovation & Technology in Oregon.
Principle Power

Advertisement



TURNKEY SOLUTIONS FOR A BRIGHTER FUTURE

COMMENTS

See what other people think about this article or leave your comments.

COMMENTS

RELATED CONTENT

- Principle Power Seeks \$1.5M A Long Green View
- Can Bluewater Blow Offshore Wind Into U.S.?

SOLAR POWER PARTNERS

Recent Project Completion: Walnut Farm Chico, CA

450kW ground mount

Investor placed

Up front cost to owner: \$0

SPP has the financial strength and know-how to get your solar project up and running fast.

No excuses.

Call today! (415) 389-8981



Principle Power also has to select a manufacturer to provide the wind turbines for the project. Bonanno said Principle will most likely use 30 wind turbines, each with a 5-megawatt capacity.

Building a successful offshore wind project won't be easy for Principle. No U.S. company has managed to build an offshore wind park.

Among those who have been pushing hard to pull off such a feat is [Cape Wind](#). But the company's efforts to put wind turbines off the coast of Cape Cod, Mass., have been stymied.

Local residents contend the wind farm would spoil views and harm birds. Opponents have filed suit against Cape Wind to stop the project.

Other offshore wind-farm developers include Bluewater Wind, which announced in June that it had signed a contract to sell Delmarva Power up to 200 megawatts of power from a project off the Delaware coast (see [Can Bluewater Blow Offshore Wind Into U.S.?](#)). Bluewater has not yet built the wind farm.

On Friday, the New Jersey Board of Public Utilities [said it had selected Garden State Offshore Energy](#), a joint venture between PSEG Renewable Generation and Deepwater Wind, to build a 350-megawatt wind farm off its coast.

Offshore wind farms offer advantages that landlocked wind parks don't have, including stronger and steadier winds to generate electricity consistently and reduce turbine wear and tear, according to the American Wind Energy Association.

So what makes a newbie like Principle Power think it can be among the first to bring offshore wind to the United States? For one, Oregon has shown support for offshore renewable energy, Bonanno said. Through a private-public partnership called [People of Oregon for Wave Energy Resources](#), the state is looking for a suitable location to build a wave-energy project.

Bonanno added that Principle has licensed a technology that isn't completely untested in the commercial market. The floating-foundation technology has incorporated ideas from designs that are being used by the oil and gas industry but has been tweaked to support wind turbines, he said.

Each floating foundation is a [three-legged structure](#) that keeps the wind turbine from bouncing around. The design allows developers to install offshore wind turbines in water deeper than 50 meters (164 feet), Bonanno said, limiting obstacles that have kept offshore wind development closer to shore.

Bonanno said he knows projects don't always work out. The company previously tried to develop a series of [small hydroelectric plants](#) on the McKenzie River in Oregon.

But the Federal Energy Regulatory Commission denied the company's application for the hydroelectric plants (see [Green Light post](#)).

Bonanno said Principle Power has since decided not to pursue the project, saying it wasn't viable.

comments (0)

Email Address Password

post comment

(Your e-mail address will never be displayed.)

[Join Now to Post a Comment >>](#)

[Sign Up for Greentech Media's Weekly Newsletter](#)

Email Address