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Mid-Atlantic Utilities Join to Buy Wind Power

Delaware Electric Cooperative and Old Dominion Electric Cooperative link with Delmarva Power in Expanding Renewable Energy

GREENWOOD, DE – The Delaware Electric Cooperative and Old Dominion Electric Cooperative have joined Delmarva Power's competitive bidding process to acquire land-based wind energy to supply their customers, the companies announced today.

The utilities made the announcement after Delmarva Power received more than 35 price bids from land-based wind developers from across the region. Early indications from the bids are that buying land-based wind power through this competitive process could save customers an estimated 50 percent compared to Bluewater Wind's current proposal to Delmarva Power for a 25-year contract. Final bids from wind providers are due at the end of March. The utilities will conduct a thorough analysis of the bids. The analysis will likely be complete by the end of April.

In addition to a lower price, most of the onshore bids have no built-in price escalators. The Bluewater Wind proposal, by comparison, automatically increases the price to customers by 2.5 percent each year, starting in January 2008.

Onshore wind energy provides consumers with the same environmental benefits as offshore wind energy but at significantly less cost, in part because of the many costs associated with building and maintaining power generation and transmission equipment in the ocean's harsh and corrosive environment.

"We are pleased to join with the Delaware Electric Cooperative and the entire family of Old Dominion Electric Cooperatives in this groundbreaking process to bring clean, affordable renewable energy to the region up to five years ahead of any offshore proposal," said Delmarva Power President Gary Stockbridge. "Together we can achieve considerable savings for our customers, establish a long-term source of renewable energy for both Delaware and the region, while doing what's right to help protect the environment. The addition of the family of Old Dominion Cooperatives to Delmarva's ongoing wind power bidding process should expand the growth of wind energy throughout the entire Delmarva Peninsula and the Commonwealth of Virginia. This is an exciting day for the development of renewable energy in the region," Stockbridge said.

J. William Andrew, President and CEO of the Delaware Electric Cooperative, said the cooperative is pleased to join with Delmarva Power on this issue. “This agreement demonstrates that Delaware’s largest electric utilities are acting responsibly and aggressively in obtaining renewable energy for customers at a time when issues of climate change and energy sustainability are at the forefront of the public agenda,” he said. “We see this as a great opportunity to bring renewable energy to our members and maintain the low rates our customers expect from us.”

Jackson E. Reasor, President and CEO, of the Old Dominion Electric Cooperative, said the Cooperative is pleased to join this process and expand the opportunities to the region and the over 500,000 members of the cooperatives they serve. “Wind power will play a strong role in moving us all toward cost effective renewable energy for our future and we are excited to get in early on this rapidly growing technology.”

The benefits of any potential agreement will be spread to more than 90 percent of the electric ratepayers on the Delmarva Peninsula and an additional 400,000 on the Virginia mainland.

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