Dominion interested in Va offshore wind generation(2)

The Associated Press

Dominion Virginia Power is telling the federal government that it's interested in leasing areas off the coast of Virginia to develop wind energy.

The state's largest electric provider filed comments Monday with the Bureau of Ocean Energy Management formally expressing its interest in offshore wind generation in what could be a powerful message for a slowly emerging domestic source of clean energy.

Richmond-based Dominion expressed its interest in the entire 113,000 acres the government is making available about 24 miles off the Virginia coast. The company said the leases have the potential of generating between 1,500 and 2,000 megawatts of electricity, enough energy to power 500,000 households.

"Offshore wind generation holds great promise in the long term as a scalable source of emissions-free renewable electricity," Mary Doswell, Dominion's senior vice president for alternative energy solutions, said in a news release.

Companies had until Monday to submit their interest in commercial leasing for wind power off the Virginia coast.

Apex Offshore Wind, based in Charlottesville, also was to file a submission on Monday for leasing, company president Tim Ryan said.

A spokeswoman for the Bureau of Ocean Energy Management didn't immediately return a call seeking information on other possible filings. The agency has said that interest from more than one party could lead to a competitive bidding process for the leases.

Dominion had previously said it was interested in building up to 400 wind turbines in Atlantic waters, but cautioned that keeping costs down will be the challenge.

The U.S. Energy Information Administration projects the cost of offshore wind generation in 2016 at about 24 cents per kilowatt-hour generated. Dominion said that's a significantly higher premium than what its residential customers currently pay for electricity.

Dominion, with about 2.3 million customers in Virginia, has a $500,000 Department of Energy grant to study approaches to bring down the costs of offshore wind development, including turbine designs and other new technologies.

Clean-energy advocates have promoted Virginia's offshore power because of

optimal winds and shallow waters in the areas the government designated for development. They have said the state's shipbuilding and port industries are platforms for the design, manufacture and shipping of turbines.

If awarded a federal lease, any Dominion project would be subject to approval by Virginia regulators.

Parent company Dominion Resources Inc. is one of the nation's largest producers and transporters of energy and has the nation's largest natural gas storage system. It serves retail customers in 15 states.

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