

To: IPA.ContactUs@illinois.gov
Re: Offshore Wind Comments - IPA Draft Policy Study
Date: February 12, 2024

Dear Illinois Power Agency:

Please see below for brief comments on the offshore wind component of the IPA's Draft 2024 Policy Study, submitted on behalf of the Union of Concerned Scientists, Environmental Defense Fund, and Sierra Club Illinois.

The IPA was directed to consider the offshore wind policy proposal in HB 2132 alongside the much larger energy storage and HVDC policy proposals. Given the significantly larger magnitude of the latter two proposals, a relatively small offshore wind project (such as the one HB 2132 is intended to facilitate) faces substantial challenges with respect to comparing overall cost-effectiveness. It is not surprising that a 200 megawatt (MW) project—particularly one based on 6 MW capacity turbines versus 11, 13, or 15 MW turbines—does not pencil out well economically.

However, the benefit-cost picture for even that small 200 MW start would seem to come out much closer to positive if it included all the various benefits and costs detailed in the study. We suggest ensuring that the final version of the Policy Study includes a tally of *all* benefits and costs.

Additionally, while the Draft Policy Study does point out (p. 216) that Lake Michigan offshore wind would be strongest in winter (though also a potential good complement to solar in summer), and that Illinois's current summer peaking could shift toward winter with electrification, the draft doesn't point out that offshore wind's seasonal capacity contribution (ELCC or other) could be appreciably higher. PJM, for example (see [here](#), slide 8), suggests that offshore wind could have a winter accreditation value of 68%—4 times its projected summer value of 17%. (See [Muller 2024](#) for an assessment of offshore wind's value during a severe winter storm like that of late December 2022 in New England.)

Illinois is smart to be thinking about all the aforementioned options—energy storage, HVDC, and offshore wind—not to the exclusion of each other, but as part of a portfolio for achieving the state's carbon-free electricity goals and encouraging economic development. The IPA Policy Study represents a helpful checkpoint into the status of offshore wind potential in Lake Michigan and a basis for continued consideration of its future viability as part of Illinois' overall approach to decarbonization.

Sincerely,

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