Another blow to the US' offshore wind ambitions



Offshore wind energy giant Ørsted is pushing back the start date for Revolution Wind, the project it's building off the coasts of Rhode Island and Connecticut.

It's a another setback to the Biden administration's hopes of sourcing clean energy from new offshore wind farms that have faced a myriad of challenges since the covid-19 pandemic.

Revolution Wind is now expected to start running by 2026 instead of next year, Ørsted announced today. The problem lies on land. Ørsted's partner on the project, Eversource Energy, is building a substation on a former naval station where lingering soil contamination is apparently going to take longer to clear than expected.

"Risk is an integrated part of projects."

"Risk is an integrated part of projects. The early stage US market is hit harder than anywhere else," Ørsted CEO Mads Nipper said in a call with reporters.

The delay comes after Ørsted canceled two other big projects off the coast of New Jersey last October called Ocean Wind 1 and Ocean Wind 2 that collectively would have generated 2,248 megawatts of renewable energy. The Danish company dropped those projects after facing rising interest rates and inflation on top of lingering supply chain problems since the pandemic.

The company did complete its smaller 132MW South Fork Wind farm off the coast of New York this year, another joint venture with Eversource. Ørsted is also building Sunrise Wind, a 924MW project off New York's coastline expected to start operating in 2026 or 2027.

Revolution Wind isn't quite as large, expected to generate 704MW of renewable energy once complete. That's roughly enough energy to power 350,000 homes in Connecticut and Rhode Island.

Soon after stepping into office, President Biden set a goal of ramping up US offshore wind capacity from just 42MW to 30,000MW by the end of the decade. The US is still far from that target, with active projects in the pipeline estimated in July to total 4,800 MW of new capacity if they make it to the finish line.

https://www.theverge.com/2024/8/15/24221100/us-offshore-wind-energy-orsted-project-delay-revolution