WHERE DO WE GO FROM HERE?

BUSINESS OPPORTUNITIES IN WIND ENERGY

PRELIMINARY FINDINGS

Ryan Romaneski, Northwest SEED
Our Mission

- Northwest Sustainable Energy for Economic Development (Northwest SEED) works to establish a clean, diverse, and affordable Northwest energy system based on the efficient use of renewable resources, with maximum local control and ownership of energy assets.
About Northwest SEED

- Northwest SEED empowers community scale clean energy through expert guidance that combines technical support, community education, policy advocacy, and practical implementation.
Project Purpose and Methods

- Partners: USDA, SEWEDA, Port of Walla Walla, WWCC
- Goal: Identify barriers and opportunities for small businesses interested in the wind industry
- Three phases: research, outreach, technical assistance
- In-depth interviews with 20 developers, contractors, and industry experts

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Wind Industry Update

- SE Washington accounts for 25% of capacity in state
- Growth driven largely by energy policies and incentives
  - RPS
  - Production Tax Credit (PTC)
  - Investment Tax Credit (ITC) and Section 1603 Treasury Grant

Wind industry is in state of flux.
Contracting and Procurement

- What impacts decision making?
  - Permitting agencies
  - RPS
  - Company policy
  - Company culture
  - Local capacity
Contracting and Procurement

- Development
  - Public relations
  - Met tower installation and maintenance*
  - Real estate services, including title and escrow*
  - General retail and hospitality*
  - Environmental compliance, permitting

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Contracting and Procurement

- Construction
  - Road construction and grading
  - Sand, gravel, and rock*
  - Concrete*
  - Reseeding/reclamation*
  - Metal fabrication*
  - Rebar and rodbusting*
  - Equipment rental
  - Tower cleaning*

- Rigging
- Warehousing and transport
- Trenching and excavation*
- Dust control*
- General retail*
- Cranes
- Gearbox repairs*
Contracting and Procurement

- **O&M**
  - Road maintenance*
  - Fire, dust, and weed control
  - Metal fabrication*
  - Trenching and excavation*
  - Heavy equipment rental
  - General retail*

- Janitorial*
- Reconditioned parts*
- Cranes
- Parts replacement, including gearboxes and bearings*
- Tower and blade cleaning
- Lubricants
Lessons Learned: General

- No single answer
- Opportunity is in O&M
- Seek out local decision makers
- Get in early
- Explore local and national partnership opportunities
- Understand prequalification requirements
Lessons Learned

- Technical expertise – and be specific!
- Lowest total cost of ownership
- On time deliveries
- Ethics
- Insurance requirements
- OSHA/Safety Records

“Only 2 in 5 businesses can do this.”
It’s Not Impossible!

- Barker, Inc., Dayton
- Vertical Technologies, Dayton
- Gemmell’s Machine Works, Dayton
- Spin Trends, Touchet
- Narum, Walla Walla
- Pasco Machine, Pasco
- H&N Electric, Pasco
Gemmell’s Machine Works, Dayton

- Machine shop
- Contacted by Vestas about small metal fabrication and machining
- Small but growing segment of business
- Lessons:
  - Focus on O&M
  - Relationships matter
  - Time is critical
Spin Trends, Touchet

- Turbine and tower inspections
- Leveraged experience in aviation to start new business
- Partnered with Frontier Pro Services (acquired in 2011)

Lessons:
- Focus on O&M
- Be clear about what you can do—and what you can’t
- Explore partnerships
H&N Electric, Pasco

- Core business is electric motors
- Connected to Hitachi through partner relationship
- Partnered with Wazee (acquired in 2011)

Lessons:
- Focus on O&M
- Utilize partnerships
- Customer service, not just revenue
- Time is critical!
- Safety records, insurance, and QA

“You have to be persistent. You are going to lose a lot before you gain.”

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What’s Next?

- Community roundtables
- Meetings with small business owners and business groups
- Complete final report
  - *Policy recommendations*
  - *Strategy proposals*
- Resource guides for small businesses and local governments

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Questions?

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