

Going with the wind?

by Brianna Bailey

Published: November 9th, 2011



From left are Stuart Solomon, Pete Delaney and Aubrey McClendon at the Governor's Energy Conference. (Maike Sabolich)

OKLAHOMA CITY – Chesapeake Energy Corp. CEO Aubrey McClendon sparred with utility company executives over what role natural gas should play in Oklahoma's energy future and railed against what he views as special treatment of the wind industry in the state on Wednesday during the Governor's Energy Conference.

"We would like to see Oklahoma become a leader in transitioning away from coal-fired power to natural gas," McClendon said during a fireside chat Wednesday afternoon moderated by state Energy Secretary Mike Ming at the Cox Convention Center.

The prestigious panel of energy executives included OGE Energy Corp. CEO Pete Delaney; Stuart Solomon, president and chief operating officer of the Public Service Company of Oklahoma; and John Krenicki, vice chairman of GE and CEO of GE Energy.

McClendon called on both OG&E and PSO to convert their aging coal-fired power plants in the state to natural gas in the coming years. That is something utilities have voiced reluctance to do because of perceived volatility in natural gas prices, as well as the billions of dollars it would cost to make such conversions, leading to rate increases for consumers.

OG&E is looking not just to decrease its reliance on coal, but also to reduce its peak demand, so it won't have to spend billions to build new power plants, Delaney said.

The utility is looking at energy-reducing measures to diminish its peak demand by 70 megawatts next summer, he said.

"Our portfolio is definitively going to move toward natural gas in the future, but our goal is not to build a new plant," Delaney said.

McClendon also criticized what he perceived as an emphasis on wind power at the Governor's Energy Conference.

"Please recognize that Oklahoma is driven today on how the natural gas industry goes and we need to be focused on how to create more opportunities for that," he said. "Wind power reduces demand for natural gas and that is bad for Oklahoma."

PSO is looking to move away from coal by using more natural gas, as well as wind power, Solomon said.

About 15 percent of PSO's power comes from wind, he said.

"All fuels have trade-offs," Solomon said. "We have two indigenous fuels that can both have their place in this state."