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Atlantic Wind files to build offshore power line

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NEW YORK (Reuters) - Atlantic Wind Connection filed with federal energy regulators for permission to build a giant power transmission project in the Atlantic Ocean along the U.S. Mid-Atlantic coast to enable the region's offshore wind potential, a spokesman for the project said Tuesday.

Announced in October, the project will stretch from New Jersey to Virginia and enable up to 6,000 megawatts of wind power that could be built out of sight from land, enough to serve about 1.9 million homes with carbon-free power.

Independent transmission company Trans-Elect is developing the project, expected to cost about $5 billion.

Private equity firm Good Energies (37.5 percent), Internet search and technology firm Google Corp (37.5 percent) and Japanese trading company Marubeni Corp (15 percent) have put up "tens of millions" to sponsor the project. The development team, including Trans-Elect, have an option for the remaining 10 percent, Trans-Elect CEO Bob Mitchell told Reuters.

Mitchell said the companies hope to obtain the needed approvals and funding by 2013 so they can start construction. They hope to finish the first phase of construction in 2016 with the entire project complete by 2020.

The Mid-Atlantic region has more than 60,000 MW of offshore wind potential in the relatively shallow waters of the outer continental shelf, Trans-Elect said.

The project could create thousands of jobs, spur economic growth, help states meet renewable energy and greenhouse gas reduction goals and reduce power congestion costs in the PJM power grid by injecting low priced power into higher priced locations, according to a study by economic consultant The Brattle Group.

TRANSMISSION BACKBONE

In addition, Brattle said the project could provide "substantial cost savings" when compared with the piecemeal development of individual wind farms interconnected via radial high voltage alternating current transmission links to the onshore grid.

Atlantic Wind Connection will use High Voltage Direct Current (HVDC) technology to create a transmission backbone that could connect several large wind farms to the onshore grid in multiple locations.

And, Trans-Elect said the system could be expanded to accommodate more offshore wind energy as the industry develops further.

In addition to the filing on Monday with the U.S. Federal Energy Regulatory Commission (FERC), Trans-Elect said it will also need approvals from the U.S. Department of Interior, other federal, state, regional and local regulators and regional power grid operator PJM.

PJM operates the power grid and energy market serving 51 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

(Reporting by Scott DiSavino; Editing by Walter Bagley)