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In This Section:



WIND

## WindPole Signing Up Customers To Its Wind Resource Info Feed

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VENTURE CAPITAL

10/19/2009 – WindPole Ventures LLC is homing in on a $1 million round of working capital as it aims to sign up wind energy developers as customers of its real-time wind speed data feed.

WindPole plans to install wind speed measuring instruments on tall communication towers and sell the raw data as a subscription to wind developers, power traders, grid operators, and companies that predict how wind will behave.

Steve Kropper, president and founder of the Boston company, says this data is much better than what is currently being collected.

The state of wind resource modeling today is akin to "lousy data getting fed into sophisticated models," Kropper said in an interview with Clean Technology Insight.

WindPole acquired rights to put wind measuring instrumentation on 1,150 communication towers owned by American Tower. It has access to the towers for the next 22 years, Kropper said. WindPole assessed the tower sites and decided that about 600 of them are suitable to generate useful wind data.

WindPole signed its first contract with Invenergy LLC, the fifth-largest independent wind power producer in the U.S., earlier this month. Invenergy will receive wind resource data from WindPole by the end of the year. Invenergy's subscription is for three years, Kropper said. He declined to disclose terms of the deal.

On average, Kropper estimated that each tower in WindPole's network will generate $12,000 in revenue for the company per year per customer. The company expects that it will have to spend about $15,000 per tower to equip each with instruments, he said. It will also pay annual fees to American Tower for the rights to use the towers.

"Our goal is to have [deals] with the top 10 operators in the next few months," Kropper said.

The company, founded in March 2008 and sustained on founders' capital, recently received a $500,000 convertible debt commitment from the Commonwealth of Massachusetts, Kropper said. "We anticipate on closing a $1 million working capital round in the next 30 days," Kropper said. Boston-area individuals are interested in providing a portion of that money in equity, he added.

That financing should cover the company's expenses for the next 12 months, he said. "We are finding that customers are willing to prepay for the information," he said, instead of doling out money each month for the subscriptions.

The advantage of WindPole's data lies in the fact that the towers are high up, at 80 to 100 meters, which is about the height of standard wind turbine towers. This compares to current wind data collection that comes from satellites or installations at below 30 meters, Kropper said.

The data is not meant to replace that which is collected by wind developers' meteorological towers on the property where a projected wind farm would be built, Kropper said. That is still necessary to get an accurate read on the site. But WindPole's data would be useful to developers that are evaluating opportunities around the country and haven't yet bought into all the land.

AWS Truewind, a company that analyzes wind data, says on its Web site that using current data, it can get wind speed accuracy estimates with an error of 0.35 meters per second.

"Better data would be great," said Timothy P. Ahrens, senior project manager, at AWS Truewind, but he warned that putting instruments up so high could lead to interference from the microwaves. It's something that must be taken into consideration, he said.

Kropper said there is "no interference" because the instruments would be placed up to five feet away from the cellular equipment. He said there should be no interference between the data gathered, and the data sent by WindPole and communications instruments.

Another advantage, according to Kropper, is that the towers are located on the windward side of wind projects and, therefore, are hit with the same wind that will later hit the turbines. That means subscribers can know an hour ahead of time what the production at a certain wind farm would be.

When Kropper and his team first considered the communication towers as useful for wind, they thought of putting turbines right on the towers, but quickly learned that that wouldn't be possible. "They'd fall over," he said. That idea led to the realization that the towers are still useful to the wind industry because of their location and size.

Before founding WindPole, Kropper created Domania.com, which automated real estate information services and was sold to Lending Tree, now part of IAC/Interactive. Kropper also served as senior vice president at Equinox Corp.

"Most energy sectors have a vibrant information sector, but the wind sector doesn't have that," Kropper said.

http://www.windpoleventures.com