



For Immediate Release

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***The federal Draft Environmental Impact Statement for Cape Wind
What's changed since 2004 Army Corps of Engineers' review?***

With today's release of the Cape Wind Draft Environmental Impact Statement (DEIS), the controversial offshore wind energy development faces lingering questions about its finances, and concerns about the resulting cost of electricity to consumers. Cape Wind also finds itself entangled in a precedent-setting fight with the Cape Cod Commission, Cape Cod's regional land use agency.

Cape Wind was recently denied a permit by the Commission, which found the developer had run out the time clock and failed to answer such fundamental questions about the project that a proper review could not be conducted. Cape Wind has appealed the Commission's procedural denial to the state's Energy Facilities Siting Board, which is not authorized by law to hear appeals of Commission decisions. Moreover, Cape Wind has asked the Siting Board to overrule ALL state, local and regional permits and to issue one super permit that would render every other review process irrelevant. Any super permit would subvert the local home rule authority of not only the Cape Cod Commission but also the towns of Barnstable and Yarmouth.

What has changed for Cape Wind since the Army Corp released its 2004 DEIS?

- The federal Environmental Protection Agency (EPA) gave an inadequate rating - its worst possible evaluation - to the Corps' DEIS document. Other key reviewing agencies were also critical of Cape Wind's environmental report.
- The federal Energy Policy Act of 2005 transferred lead agency status for review of Cape Wind from the Army Corps of Engineers to the US Department of the Interior (Minerals Management Service bureau). Cape Wind and the Long Island Power Authority (LIPA) projects were put on a separate track for review while the broader regulations for offshore wind are being developed.
- Cape Wind is the only offshore project still under review. Following the cancellation of a multibillion-dollar project off the coast of Texas, the controversial LIPA project to install 40 wind turbines off the coast of Jones Beach, NY was also cancelled. A report showed the costs of the NY project to be significantly higher than traditional forms of energy generation. In Delaware, the Bluewater offshore proposal received a serious setback when a report by the state Public Services Commission determined the project could increase electricity bills by as much as \$55 per month.
- Cape Wind's project costs have risen from \$700 million at the outset to a reported \$1.7 billion. Based on the \$20 million per-turbine costs for the shelved LIPA project, Cape Wind construction costs could exceed \$2 billion. Where once Cape Wind said it would

4 Barnstable Road, Hyannis, Massachusetts 02601

Tel 508-775-9767
Fax 508-775-9725

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save electricity customers money, it is now retreating from that claim in the face of rising costs and offshore project cancellations.

- Incentives for new capacity and demand reduction were established as part of the Forward Capacity Market (FCM) settlement. Once the frontrunner project nationally, Cape Wind is no longer a unique proposition as many new renewable and fossil fuel projects have since been proposed in New England to address potential electricity shortages.
- Cape Wind's developer, EMI, recently canceled plans to build a polluting diesel-fired power plant in Chelsea, north of Boston. Like the Cape Wind project, the proposal was strongly opposed by local residents. EMI recently announced plans to construct a natural gas-fired power plant in Westfield, Massachusetts. It would likely produce well over 1 million tons of CO₂ per year, nullifying any emissions reductions that might result from Cape Wind.
- Cape Wind expanded its footprint from 24 to 25 square miles; boosted its turbine height from 417 to 440 feet; and modified its site layout after state boundaries were changed seaward.
- Danish projects, like Horns Rev and Nysted - which Cape Wind used to illustrate what it intended to build in Nantucket Sound - suffered extensive and costly mechanical failures. Nysted's 140-ton transformer failed in June, putting the world's second largest wind plant out of service for roughly five months.
- European countries expanded their offshore wind programs to go further off shore into deeper water. Two German commercial scale deepwater projects are slated for construction next year in up to 100 feet of water and 20 miles or more offshore.
- Dutch company Blue H Technologies recently launched the world's first deepwater floating wind turbine to be anchored more than 10 miles off the coast of southern Italy in more than 350 feet of water. Unlike traditional turbines, its Submerged Deepwater Platform does not need to be drilled into the seabed and can be used in depths far greater than 164 feet – potentially mitigating various siting and environmental concerns, and capitalizing on stronger, more regular winds to increase efficiency and cut costs.

Please visit www.saveoursound.org for updates on the DEIS review process and public hearing information.