



For Immediate Release
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Contact: Glenn Wattley
508.775.9767
617.851.5237

**Statement on Cape Wind Draft Environmental Impact Statement (DEIS)
*MMS Misses Mark on Key Issues***

Based on a preliminary review, MMS has missed the mark in at least two key areas. While MMS has acknowledged negative impacts to birds, fisheries, and threatened and endangered species, the report neglects to adequately address key safety and cost issues that would unfairly burden the people of Cape Cod, Nantucket, and Martha's Vineyard.

Although MMS reports that impacts to airports and aviation would be negligible to minor, a recent letter to Congressman Delahunt from the Acting Director of the Federal Aviation Administration (FAA) states that the FAA has issued a presumed hazard determination for the proposed Cape Wind project and that there are concerns for local flights between Barnstable, Nantucket and Martha's Vineyard. The FAA will be conducting additional studies to address these concerns. In addition, the United States Coast Guard has stated that radar interference to shipping and sea navigation must also be investigated prior to approval.

In terms of project cost, MMS states that it is evaluating "economically viable" projects, but it also states inconsistently that "none of the sites [including Horseshoe Shoal] appear to be profitable at today's electricity prices." At \$122 per MWh, Cape Wind is projected to cost more than double the average current price of electricity in southeast Massachusetts, which is \$59 per MWh as reported by ISO New England. Several other offshore projects have been cancelled in the last year because of projected high electric costs to consumers. As Alliance CEO Glenn Wattley observed: "Cape Wind will have a devastating effect on the cost of electricity to the consumer."

Furthermore, the DEIS release is premature, as MMS has not issued proposed regulations. The Energy Policy Act of 2005 required MMS to establish, by May 2006, the regulatory program to govern decision-making on projects like Cape Wind. Putting the Cape Wind "cart" before the regulatory "horse," MMS has not only undermined the public's right to comment on the proposed project, it also has abdicated its duty to develop a fair, objective and rational offshore energy program. Wattley stated: "The Cape and Islands should not be forced to pay the price of MMS' failure to follow the sequence of actions called for by Congress."

After nearly seven years of federal review, including a previous EIS by the Corps of Engineers in 2004, MMS has declined to identify the Cape Wind proposal as the "preferred alternative" for offshore renewable energy development in New England. Wattley stated: "It is a real blow to Cape Wind that, after years of trying to force this project into Nantucket Sound, MMS has refused to even give the developer's proposal the status of 'preferred' over other alternatives, including the 'no project' option."

4 Barnstable Road, Hyannis, Massachusetts 02601

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

www.saveoursound.org
a 501(c)(3) tax-exempt organization



Expensive renewable energy projects with risks to safety, the environment, and the local economy like Cape Wind, fail to meet the standards for federal approval defined by Congress. The Alliance will conduct a thorough review of every aspect of the DEIS to ensure that, in addition to the problems already noted, it serves as a fully sufficient basis for federal decision-making.

The Alliance has assembled an extensive team of experts in all relevant fields to thoroughly review the DEIS. Detailed comments will be provided as the Alliance review goes forward.