

# **BLOCK ISLAND TIMES ARTICLE**

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## **Deepwater moves ahead with wind farm**

By Chris Barrett

Deepwater Wind took one step closer Wednesday to building a wind farm off the southeastern coast of Block Island.

On Wednesday the Town Council unanimously approved a Special Temporary Permit that allows Deepwater to place a mobile radar unit by the Southeast Lighthouse to study bird patterns. The studies will prove crucial to Deepwater's plan to build five to eight turbines in an arc about three miles off the southeast coast of the island.

The company also shared more details with the council Wednesday and during an interview with the Times beforehand about the privately financed project.

The 20-megawatt farm, which Deepwater aims to complete by late 2011, would fall in waters just inside the three-mile state limit and provide electricity to the island and the mainland. At the same time, Deepwater is planning another, larger project about 15 miles east of the island that would contain about 100 turbines and tie directly into the mainland by the time it's completed in 2013.

Deepwater interim CEO Chris Wissemann said he expected the roughly \$85 million Block Island project to provide electricity to the island at a wholesale cost of about 16 cents a kilowatt-hour. That price would rise with the addition of distribution costs tacked on by the distribution company, which would likely be Block Island Power Company (BIPCo).

In addition, Wissemann said he "thinks" the town could also use the cable from the island to the mainland to sell electricity generated by any future town-owned generators such as a wind turbine. But the ownership of the cable must still be worked out and it would be subject to a host of state and federal regulations.

"We're going to be spending a lot of time together putting the options together," Deepwater lawyer Jeff Grybowski said.

The expectation is that the 20 megawatt-wind farm would power the entire island, which uses only about four megawatts at its peak demand in the summer. The 20-megawatt capacity cable to Narragansett could carry the farm's excess power to the mainland grid and provide backup power should the farm go offline.

Wissemann said the company is reviewing turbines ranging from 2.3 megawatts to 3.6 megawatts each. Ideally, he said he would like to install the fewest turbines possible needed to generate the 20 megawatts.

The turbines would be about 100 feet tall with blades about 206 feet from end to end, giving the turbines a total height of about 200 feet. Wissemann said turbines would have lights for boat navigation and planes. He said the company is investigating technology that would reflect the plane warning lights upwards and make them virtually invisible from the island.

"Our goal is to make it aesthetically appealing," he said.

The turbines would sit on platforms known as "jackets," which resemble four-legged barstools and are used commonly by the offshore oil industry. The jackets would be constructed at a yet-to-be-built facility in Quonset, which would employ about 800 workers. Wissemann said Deepwater would like to see a turbine manufacturer eventually set up shop next door to build the turbines.

Closer to Block Island the wind farm connection would land just north of the Beahead. Wissemann said the company would use a drilling technique that would start about 100 yards offshore and burrow a conduit under the beach. The cable would terminate at a new roughly 150-square-foot substation adjacent to the power company's existing substation on Ocean Avenue. Electricity would flow into BIPCo's distribution network with the bulk passing through to another underground and underwater cable ending at the mainland.

But before all that can happen Deepwater must go through a lengthy permitting process and allow the state to complete an Ocean Special Area Management Plan (SAMP). The final location of both wind farms could shift depending on the results of that plan being undertaken by scientists at the state Coastal Resources Management Council and the University of Rhode Island.

The SAMP is scheduled to be completed in July 2010 and will zone waters off the coast of Rhode Island for different uses, similar to how towns zone communities for residential, commercial, industrial and other uses. Deepwater will reimburse the state the \$3.2 million needed to conduct the study. Concurrently with the SAMP, Deepwater is planning its own studies.

"There has to be a little parallel path ... otherwise we wouldn't build this for a decade," Wissemann said.

Wissemann said he expected Deepwater to finalize a lease with the Southeast Lighthouse Foundation by the end of next week that will allow the placement of the radar equipment. By the end of February Deepwater will have constructed a wooden plank fence 18 by 32 feet and placed the unit mounted on a trailer inside. The unit will be about 15 feet high and surrounded by a 6-foot tall fence. Wissemann and Vice President of Development Clint Plummer assured the council the system would provide no health risks to the thousands of visitors that come to the lighthouse each summer.

He said the company plans to keep the unit at the lighthouse for a year. It will ask the council to extend the six-month permit acquired this week after six months, as allowed by ordinance.

Deepwater is also in negotiations with the town to install a bat monitoring system on the town's communications tower behind the police station. The system will gather information about the quantity and species of bats. Finally, Deepwater will soon install a miniature meteorological tower at a yet-to-be-determined location on the island to measure wind speeds.

Along the way Wissemann said the company will hold public meetings and keep the town informed of its progress. Already, he said the company sought to avoid a conflict with residents by turning down a suggestion by the state to ring the southern and eastern coasts of Block Island with 100 or so turbines.

Wissemann said the state initially encouraged the company to put the entire project within three miles of Block Island shores, figuring that keeping the project within state waters would make approvals simpler. The company, Wissemann said, decided to go a different route.

"It was not what we were planning on as our legacy," he said.

The entire project is being funded privately through equity and is expected to cost \$1.5 billion. Investors include the D.E. Shaw group and First Wind Energy, a developer of on-shore wind farms. Despite troubled times on Wall Street, Wissemann said the financing for the project

remained strong. Plus, he said he hopes that by the time the company actually starts the expensive phase of the project the economy will have rebounded.

Last year the state selected Deepwater Wind from among seven companies vying to be the state's preferred offshore wind developer. According to Deepwater, the state group appointed by the governor narrowed the choice to Deepwater and Providence-based Bluewater Wind before selecting Deepwater. The state will provide no funding for the project, but will help steer Deepwater through a host of state and federal approval processes. If completed on time the wind farm off Block Island would be the first offshore wind farm in the United States.