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PBN EDITORIAL

No place for trust when it comes to finances

Gov. Donald L. Carcieri is right to crow that Rhode Island has much to gain from the agreement the state signed earlier this month with a developer for two offshore wind farms.

In exchange for the state's support on regulatory issues, New Jersey-based Deepwater Wind will base its East Coast operations for all projects between Maine and Delaware at Quonset Point, North Kingstown. The deal could bring hundreds of much-needed jobs to the Ocean State. Deepwater also has agreed to buy materials from Rhode Island businesses when possible.

It looks like a great deal for both sides, if the nine-month-old company can follow through on its big plans to develop a small wind farm off Block Island and a much larger, \$1.5 billion project in federal waters.

But what if the company can't back up its talk? Then the state will at best have wasted valuable time, not to mention potential tax breaks.

The governor has dismissed concerns raised by legislative leaders about a selection process, in which they were not involved, that leaves the state committed to a fledgling firm that has yet to open a local headquarters, let alone develop a track record.

Deepwater's project was chosen from seven proposals privately vetted by a team of experts appointed by the governor, who wants lawmakers and the general public to simply trust that selection process. If we've learned anything from the Bernard Madoff scandal and the collapse of some of the biggest financial firms on Wall Street, it is that there is no place for trust when it comes to finances.

Rhode Islanders deserve a public accounting of Deepwater's selection, including a detailed look at the firm's financial backers, before the state effectively signals other energy developers to look elsewhere. •

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On 1/19/09 at 11:16 AM, burt@graysharboroceanenergy.com wrote:

How can the Governor give an *exclusive* contract to a private contractor for an offshore project in Federal waters managed by Dept of Interior which requires competitive bidding for offshore leases?

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