

## **CAPE LIGHT COMPACT Minutes of Meeting**

**Date of Meeting:** May 10, 2006

**Attendance;** C Stribel M Downey, B R Worth, J Burns, P Cabana, K Johnson., J Soares, D Fitton, J Hohl, W Worthington, F Fenlon, B Bigelow, D Kuech, J Cunningham, A Loughnane, J Hodgkinson, W Doherty, R Philbrick, J Howard, D F Hohl, M Song, O Kahn.

**Public:** C Powicki, C Carroll, A Parker, D Turcely, J Clark, J Gordon

**Public Comment:** C Powicki noted that the Compact was formed to protect the public interest. C Carroll detailed a number of questions he hoped the members of the governing board would ask the two presenters today. M Palmer of Clean Power Now expressed his hope that the Compact would not make a hasty decision today

**Approval of Minutes:** The minutes of the April 12 meeting were approved as written

**Presentations:** C Stribel turned the meeting over to Maggie Downey to facilitate the presentations to the board, noting that 15 minute presentations were to be made with questions only from Board Members to be answered after each presentation. Ms Downey asked representatives of Cape Wind and The Alliance to Protect Nantucket Sound to make their presentations without being argumentative or critical of the other persons words. An update on activities and of the project were requested.

### **Jim Gordon of Cape Wind**

- Mr. Gordon noted 31 years in business of developing electric generating plants
- Family has been on Cape for 35 years, lives in So Yarmouth
- In 2000, Electric Management Inc noted need in northeast for renewable energy project
- Applied to Army Corp of Engineers for permit to build Cape Wind on Horseshoe Shoals
- Federal and State Agencies undertook studies
- Mass Energy Siting Board undertook 32 month study and concluded that a plant such as Cape Wind was needed by grid in southeast Mass
- ESB stated such a plant would provide capacity, improve system reliability and provide environmental benefits
- ISO New England noted need for 1080 MW of increased capacity in southeast New England in 2005
- ISO also determined a need for additional capacity to prevent a deficiency
- Increased generation by diversified fuel sources needed to have a positive impact on health
- Mr Gordon also noted that CLC 2003 power supply study noted desire for wind energy to meet area requirements in 2015

- Cape Wind has gained approval for the installation of underwater transmission cables from the wind farm to shore in Yarmouth
- Mr Gordon stated that Cape Wind is seeking long term power supply contracts

### **Questions for Mr.Gordon**

P Cabana-Asked about depth of water where the wind farm is to be located and the level of sustained wind . Water depth was noted as 18' to 30' Mr Cabana noted that the Federal Department of Energy has listed Cape Wind as a good source of future power. He also discussed a Canadian initiative

K Johnson asked if Cape Wind power would always lower price paid by ISO to all power producers. In response J Gordon detailed the process utilized on an hourly basis for pricing the power being produced,, noting that wind power comes in at zero fuel cost, therefore at the lowest cost, thus allowing ISO to eliminate the highest cost energy being produced and therefore lowering all power costs for that hour. It was noted that all producers are paid at rate of the cost of the highest cost producer on line for that time period.

J Cunningham asked if a “White Paper” had been developed by Cape Wind detailing the merits. This has not been done

F Fenlon noted that the ISO Reliability Committee had voted a positive need for the Cape Wind project

A Loughnane asked about advantages to Cape Cod and Martha’s Vineyard specifically. Response related mainly to the environmental improvements which are projected to be gained. .

### **Audra Parker for the Alliance to Protect Nantucket Sound**

- The Alliance is saying that Nantucket Sound is not the right spot for a wind farm
- Ms Parker stated that in Mr Gordon’s presentation, he omitted discussion of public safety concerns.
- The Alliance asks what is the gain for Cape Cod from Cape Wind
- 50 to 60% of the fishing in Nantucket Sound is in Horseshoe Shoals and this industry has concern for how the project affects their ability to continue productively
- It was also noted that the shipping lanes and Steamship Authority routes are too close to the footprint of the project.
- In response to Cape Wind claim of utilizing only one acre of the Shoals for turbines instead of 24 square miles the Alliance compares that statement to one where size of a golf course states that it utilizes only the area of the sum of the size of 18 cups.
- The issue of radar interference from wind turbines has surfaced in Europe and is an issue here

- Production Tax Credits are being utilized to subsidize the project and make it financially profitable.
- The Alliance noted that an increase in Energy Efficiency efforts would offset the need for additional power in the area, noting that NEEP has stated that it is possible to get to 50% level of a possible energy efficiency improvements. This is a long way from where the area is presently.
- Better evaluation of deep water sites and the affect of larger, 5 MW units should be accomplished prior to making a decision on Cape Wind.

After a short question period, the session ended at 330PM as the invited participants left the meeting

**Solarize our Schools-** D Fitton noted that site visits have been completed and RFP for the purchase of all 21 installations has been prepared and will be issued today. The RFP is available on our website for detailed review and is also available in hard copy form at Cape Light Compact offices in Barnstable. There are 21 locations with size ranging from 2 to 2.5 KW. Some difficulty has been found in the design needed for EDPM membrane roofs.

M Downey noted that seven towns have not yet returned the letter of commitment needed to get the town's portion of the funding made available to complete the projects. If these letters are not received, the towns will not get to see the projects completed . A draft agreement is being prepared for each town to sign . Bidders conference in scheduled for May 16 and it is anticipated that all work will be competed by 12/1/06. Falmouth in particular with a surplus of funding will have money to be applied for other energy efficiency projects.

**Chatham-** M Downey announced that the Town of Chatham has appointed Cameron Koblisch to be there representative. It has been some time since Chatham was represented on the board

**Executive Board Activity-** C Striebel noted that Bob Mahoney and Maggie Downey had met with Ntar and Attorney General representatives relative to Default Service Discovery. We had objected to the NStar claim that up to \$20 million dollars had been under-collected and their intention to collect same from all customers, whether they were NStar generation customers or not,. It turns out that better calculations by NStar forced them to restate the under- collection as \$4.3 Million. Our objective is to become part of future discussion in action like this.

**Cape Wind- Board member discussion-** Just before the meeting ended the board had a short discussion to reflect on the presentations made relative to the Cape Wind project. It was noted that further discussion and a possible action was to part of the June board meeting.

Bill Doherty stated that he felt it inappropriate for an agency which is is part of a governmental body to be asked to endorse the efforts of a for profit, private sector entity that requires the future commitment of tax payer funds.

There were no issues resolved at this point.