Amendment to defense bill would stall Cape Wind project

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A powerful Virginia senator has proposed a last-minute amendment to a national defense financing bill that would halt the Cape Wind energy project and freeze offshore wind power developments around the country.

Sen. John Warner, R-Va., chairman of the Senate Armed Services Committee, has suggested adding language to a \$447-billion defense spending bill that would change the long-recognized process for approving such projects.

The amendment would prohibit offshore wind projects from moving forward until Congress establishes new requirements and regulations for them.

Supporters of the Cape Wind project say the amendment is a political maneuver aimed at derailing the planned wind farm off the coast of Massachusetts.

"It's clearly an effort to kill the proposed Cape Wind project," said Jaime Steve, legislative director for the American Wind Energy Association, a lobbying group based in Washington, D.C.

The Warner amendment has surfaced "at the 11th hour and 59th minute" of Cape Wind's permitting process, said James Gordon, president of Cape Wind Associates, the private company that has proposed the wind farm.

"This has clear national policy interests that should be debated in the light of day," he said.

Cape Wind Associates has proposed building a 130-turbine wind farm in Nantucket Sound. The company says the turbines will generate up to 420 megawatts of electricity, and will supply three-quarters of the electricity needs for Cape Cod and the islands. It would cost more than \$800 million to build and provide jobs and other economic benefits to Rhode Island and Southeastern Massachusetts, according to Cape Wind Associates.

The project has drawn support from a number of groups that say it will cut down on the country's dependence on foreign oil and lower the amount of air pollution emitted from power plants. But there are also a number of critics who are concerned that a wind farm would spoil the pristine seascape of Nantucket and the Cape. Some also object to a private company being allowed to profit off of a natural resource.

For the past three years, the project has wound its way through the permitting process, overseen by the Army Corps of Engineers.

According to a copy of the proposed amendment obtained by The Providence Journal, the Army engineers would be prohibited from acting on any offshore wind energy project on the outer continental shelf until Congress establishes new regulations for competitive bidding, compensation to the United States for land-use rights and the issuance of environmental standards.

The amendment is being debated in an Armed Services conference committee, where members of Congress are in the final stages of hammering out the defense spending bill. It authorizes financing for the Department of Defense and the national security programs of the Department of Energy and is expected to be completed by tomorrow, when Congress adjourns until mid-November.

The amendment would essentially nullify the three years of hearings, debate and testimony conducted by the Corps of Engineers, which worked with 16 other federal and state agencies to assess the impact of the Cape Wind project.

The Army engineers recently completed a 400-page draft environmental impact report, although the Department of Defense has ordered that the report be kept under wraps while it is reviewed.

So far, the Cape Wind project has survived opposition by citizen groups, such as the Alliance to Protect Nantucket Sound, and politicians, including Sen. Edward Kennedy, Massachusetts Governor Romney and Massachusetts Attorney General Thomas F. Reilly.

Late yesterday afternoon, it was unclear whether the Warner amendment would be included in the final defense bill, according to a spokesman for Sen. Jack Reed, a member of the Armed Forces Committee. Warner's office did not return several phone calls requesting comment.

But that a proposal to change the permitting process was made in an unrelated defense spending bill has some wind energy supporters questioning Warner's intent.

The senator, who has two daughters who are summer residents of Osterville, on Cape Cod, has opposed the project in the past. In August 2003, he was against granting a permit to build a data-collection tower and also expressed concerns about constructing the wind farm.

The Warner amendment "reaches back and penalizes businesses that have

put millions of dollars and three to four years of efforts into these proposed projects," said Steve of the American Wind Energy Association.

"It's retroactive and we think any changes in the rules should be prospective."

The Union of Concerned Scientists said in a statement that it "strongly objects" to the amendment because it singles out wind power projects, and it has no connection to defense spending.

"New England and the United States need to develop sound wind energy projects that pass the rigorous scrutiny of the current review process," said Deborah Donovan, senior energy analyst for the organization. "That process is working, and should be allowed to continue."

The Warner amendment may also affect a proposed wind farm off the south coast of Long Island. The Long Island Power Authority has proposed a 140-megawatt wind turbine project about three miles south of Long Island.

"We do have a concern there could be an impact on our project," said Bert Cunningham, vice president of communications for the power authority. "That's why we want to sort through the facts." Timothy C. Barmann covers energy, utilities and technology. He can be reached at tbarmann [at] projo.com