



DOI's Salazar Issues Exploratory Leases for Offshore Jersey, Delaware Projects

In a major milestone toward getting offshore wind energy development underway in the U.S., Secretary of the Interior Ken Salazar issued a total of five exploratory leases for three companies to collect wind-resource data at sites off the coasts of New Jersey and Delaware.

The exploratory leases give the companies the go-ahead to deploy meteorological towers to collect data in the designated locations, which are between six and 18 miles offshore. The leases, the first of their kind ever issued by the federal government, went to two subsidiaries of Bluewater Wind, LLC, as well as Fishermen's Energy of New Jersey, LLC, and Deepwater Wind, LLC.

"We are entering a new day for energy production in the United States—a time of clean energy from renewable domestic sources on our Outer Continental Shelf," said Salazar. "Other nations have been using offshore wind energy for more than a decade. We made the development of offshore wind energy a top priority for [the Department of] Interior. The technology is proven, effective, and available and can create new jobs for Americans while reducing our expensive and dangerous dependence on foreign oil."

This issuance of the leases is not the first important announcement concerning offshore renewable energy for the Obama administration. Taking the occasion of Earth Day to unveil a long-awaited and delayed document, President Obama announced the issuance of the U.S. Minerals Management Service's (MMS) regulations for the development of the nation's offshore energy resources, including wind. The regulations were in the works for literally years, and offshore developers were not able to move forward (in most waters) without them. In addition, on April 9 the Administration announced that the Department of Interior had negotiated a breakthrough agreement with the Federal Energy Regulatory Commission that clarified the jurisdictional responsibilities for leasing and licensing renewable energy projects.

"A number of offshore wind project developers have been waiting years to get some steel in the water and start collecting wind and other data," said AWEA Manager of Siting Policy Laurie Jodziewicz. "These leases will kick off that process and move projects ahead in Delaware and New Jersey."

"I am honored to join [New Jersey] Governor [Jon] Corzine (D) and Secretary Salazar today as we move one significant step closer to a cleaner and more stable-priced energy future in New Jersey," said Bluewater President Peter Mandelstam, who attended the announcement on the Atlantic City, N.J., boardwalk. "Politicians often get criticized for measuring which way the wind blows, but today these two innovative leaders deserve praise for their outstanding leadership on energy issues."

Fishermen's Energy received a lease for a site off the coast of New Jersey and Bluewater Wind received leases for two sites, one off the coast of New Jersey and the other off Delaware's coast. Deepwater, meanwhile, received two leases for sites off New Jersey. Deepwater is working with New Jersey utility PSEG through a joint venture called Garden State Offshore Energy.

"This is great news for New Jersey and for the future of offshore wind," said Nelson Garcez, vice president, PSEG Renewable Generation. "With these leases in hand, we can move forward with the environmental and wind studies necessary to ensure the viability of the sites—and we're on track to install a meteorological tower in the summer of 2010."

The data collected under the leases will be shared with MMS and used to inform and support future commercial renewable energy projects.

New Jersey is actively pursuing the development of offshore wind energy through various state initiatives (e.g., grant solicitations, reimbursement programs, and a renewable electricity standard). Last October the New Jersey Board of Public Utilities established a meteorological tower reimbursement program, which provides \$4 million per company to help expedite the development of offshore wind. As for Delaware, last June Delmarva Power signed a power purchase agreement with Bluewater Wind for up to 200 MW; the pact was ratified by the state in July.

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