



FACTS Private Use of Public Property

The issue of private use of public property has often been a focal point of contention regarding the Cape Wind project. Although Cape Wind President, Jim Gordon, has long said that he will pay any future lease cost, his statement alone has not been sufficient to quell the criticism.

The passage of the Energy Act of 2005 authorized the Minerals Management Service (MMS) of the Department of the Interior to take over the permitting process for offshore wind projects, giving them the authority to require offshore wind developers to lease public lands for use. MMS has expertise in permitting and oversight of offshore oil and gas drilling.

In terms of shared use of public land, the 2005 Energy Act states:

- The Secretary of the Interior is directed to establish fees for leases to transmit alternative energy from sources such as offshore wind farms.
- Coastal states within 15 miles of the project will receive 27percent of the revenues collected by the federal government.
- The leaseholder (Cape Wind) will not have exclusive use of the project site, thereby insuring a shared use policy. This means recreational boaters and commercial fishermen will be welcome to share the use of Horseshoe Shoal among the turbines.
- Before construction starts, the developer will be required to post a bond to ensure that sufficient funds are available for removing the turbines and cables at the end of the project and that the project site will be returned to its prior condition.

In addition, Cape Wind has already made a host community agreement with the Town of Yarmouth to bring the power transmission cable to the electrical substation near the Barnstable Municipal Airport. The 20 year agreement includes a \$2.7 million charitable gift and approximately \$6.7 million dollars in taxes to the town of Yarmouth.

The implementation of this federal lease process certainly insures that the public will receive a fair return for Cape Wind's use of Horseshoe Shoals especially bearing in mind offshore wind energy is not an extractive industry. For this consideration we will receive the enormous societal benefits of the most benign source of non-polluting electrical energy available along with achieving a major first step to energy independence.