

**MINUTES  
VIRGINIA OFFSHORE WIND DEVELOPMENT AUTHORITY**

**VIRGINIA HOUSING CENTER – HENRICO ROOM 1  
GLEN ALLEN, VIRGINIA**

**TUESDAY, JULY 26, 2011  
10:00 A.M.**

**CALL TO ORDER AND INTRODUCTIONS**

Chair Art Moye called the meeting to order.

**Members Present:** Art Moye, Joan Bondareff, Mary Doswell, Bob Matthias, Brian Redmond, and Ron Ritter

**Members Absent:** Lisa Johnson

**Staff Present:** Conrad Spangler, Department of Mines, Minerals and Energy (DMME) Director; Cathie France, DMME Deputy Director for Energy Policy; Al Christopher, DMME Division of Energy Director; Ken Jurman, DMME Renewable Energy Manager; Kerri Nicholas, Assistant Attorney General, Carrie Cantrell, Deputy Secretary of Commerce and Trade

**APPROVAL OF MINUTES**

The Chair called for a motion to approve the June 14, 2011, minutes as presented. A motion was made by Mary Doswell and seconded by Ron Ritter. The minutes were unanimously approved.

**REVIEW AND ADOPTION OF FINALIZED WORK PLAN**

**Presenter: Cathie France, DMME Deputy Director for Energy Policy**

Cathie and Art led discussion on VOWDA's Work Plan to identify critical items and revise as needed. Cathie circulated a copy of the revised Work Plan to members in advance of the meeting. The work plan is broken down into segments that are manageable with limited resources. A new item will be added to the Regulatory Structure/Policy section of the Work Plan to develop a process for VOWDA's involvement in federal legislation and initiatives on offshore wind development. Once the stakeholder survey data is compiled, VOWDA will utilize it to inform its policy recommendations as part of its annual report and to guide its focus on items for next year's work plan.

## **UPDATES ON WORK PLAN ACTIVITIES**

### **BY-LAWS**

**Presenter: Joan Bondareff**

With assistance from AAG Kerri Nicholas, Joan drafted the VOWDA By-Laws which were distributed to members in advance of the meeting. After discussion, it was agreed that the By-Laws would be finalized with the noted technical changes and state law references, and circulated to members and staff. Mary Doswell made a motion, seconded by Bob Mathias, to adopt the By-laws as presented. The motion passed unanimously.

### **STAKEHOLDER SURVEY**

**Presenter: Cathie France**

Cathie provided a copy of the draft stakeholder survey. After discussion, members agreed to the following changes. Any additional comments can be sent to Cathie who will finalize the survey.

- Section 2 – Change to Data Resources for offshore wind development
- Section 3 – Change to Barriers to offshore wind development. Also, include in the explanation to consider all types of barriers, i.e. economic, policy, regulatory, etc.

Because the VOWDA annual report is due October 15, 2011, the survey needs to go out within the next two weeks to provide enough time for staff to compile and distribute information to members. Mary Doswell and Bob Mathias will compile the first cut of names/email addresses of survey recipients and forward the list to Cathie by Friday, July 29, who will circulate it to the other VOWDA members. Members are requested to send Cathie any additional contacts to be added to the list. Anyone else who has contact information can also forward the information to Cathie. The target date to send out the survey is August 5 and survey findings will be presented at the next VOWDA meeting

### **PROTOCOL FOR ADVOCACY TO FEDERAL AND STATE BODIES**

**Presenter: Carrie Cantrell**

At the last meeting, staff was asked to consider a VOWDA protocol for establishing/communicating positions on state and federal regulatory and legislative policy and ensuring coordination with the state and federal government policy development processes. For state legislative policy, Carrie reported that Virginia's legislative review process, through the Department of Mines, Minerals and Energy, is the proper way for VOWDA to submit input. Discussions can be conducted at VOWDA meetings during a closed session if necessary. The deadline for pre-file legislation is December 1; however, the Governor's process to consider agency recommended policy initiatives will have taken place before VOWDA releases its Annual Report in October. While there is some flexibility, it is best for VOWDA to present any requests in advance of the October report to be able to address in

legislation if needed. The same applies to funding requests as the Governor's budgeting process will be well under way by the October 15<sup>th</sup> report date. If VOWDA members become aware of any proposed legislation, Carrie asked that the Secretary of Commerce and Trade be advised as early as possible. Any VOWDA positions on federal legislation, regulations, or potential grants should go through the Governor's office for review before submission.

Joan commented that it is important for VOWDA to be aware of what's going on and to be prepared to comment. She recommended that a process be established for VOWDA to (1) analyze bills and approach legislators, and (2) analyze what other states are doing and advise the Governor's office. Cathie said that the staff will develop a VOWDA policy for commenting on legislation and policy. Mary stated that the VOWDA Regulatory Subcommittee will draft the policy and send it to Cathie who will forward it to the Secretary's and Governor's offices for review. Brian said he would provide a one-page summary on legislation. These items will be incorporated into the work plan accordingly.

## **RESEARCH ON FINANCIAL GRANTS / INCENTIVES**

**Presenter: Ron Ritter**

Available information includes (1) The U.S. DOE's 2010 Wind Technologies Market Report, which provides current information on developments and trends in the U.S. wind power market; (2) VEDP Summary of Offshore State Initiatives; and (3) The Virginia Offshore Wind Resource Guide produced by VOW. DMME staff will send copies to VOWDA members. Another source of current financial incentives is available on the U.S. Department of Energy's Database of State Incentives for Renewables and Efficiency website, <http://www.dsireusa.org/>. It also is possible to register by area of interest at the federal grants clearinghouse website to receive email notifications of funding opportunities at <http://www.grants.gov/>.

Carrie Cantrell mentioned that funds may be available through the CIT, which received \$4 million from the Governor's Opportunity Fund.

## **REPORT ON MEETING WITH BOEMRE**

**Presenter: Cathie France**

Following BOEMRE's presentation to VOWDA at the June 14 meeting, BOEMRE extended an invitation to meet with Virginia representatives to discuss moving forward with Virginia's Call. Maureen Matsen, George Hagerman, and Cathie France met with BOEMRE staff at their Herndon office. The draft Environmental Assessment (EA), which will drive the timeline for the Call, was released July 11 and comments will be received through August 11. After discussion, it was agreed that VOWDA would submit comments. Joan made a motion, seconded by Ron, to respond to the EA in favor of Alternative A and provide comments why this is the preferred alternative, i.e. lowest cost option, contiguous lease blocks, increased efficiency. The motion passed unanimously.

The next Task Force meeting is scheduled for August 17, 9 a.m. in Norfolk at ODU. The meeting is open to the public. DMME staff will send VOWDA members information on the meeting location and agenda when available. Information received from the EA will be used to finalize the Call. BOEMRE anticipates Virginia's Call will be ready by October; hopefully in time to announce its release at the Governor's Second Annual Energy Conference.

## **CHESAPEAKE LIGHT TOWER UPDATE**

**Presenter: Bob Matthias**

DOE hosted a meeting in Washington D.C. on June 21 of representatives from various groups, including the NOAA, NASA, BOEMRE, CORPS, DoD, DMME, and City of Virginia Beach, to discuss partnership opportunities for the Chesapeake Light Tower (CLT). Several agencies have expressed interest in potentially supporting the CLT as an offshore renewable energy reference facility. There was discussion about going forward with the City of Virginia Beach's option to purchase the CLT and the possibility of transferring ownership to another state or federal agency, such as DMME/VOWDA. Bob said that the engineering consultant's feasibility report, authorized by the City of Virginia Beach, is expected to be available in the next two weeks; a copy will be distributed to VOWDA members. A federal partnership paper has been drafted and when it's ready for release, Bob Matthias will forward a copy for distribution to VOWDA members.

## **SUMMARY OF DOMINION DOE OFFSHORE WIND GRANT APPLICATIONS**

**Presenter: Mary Doswell**

Mary distributed a summary of and reviewed Dominion's two DOE offshore wind grant applications. DOE released three solicitations, representing \$50.5 million over five years, to develop breakthrough offshore wind technology and to reduce specific market barriers to its deployment. DOE is expected to announce its decision in September 2011.

Project 1 (\$500,000) – Integrated Optimization and Cost Analysis of an Innovative Offshore Wind Plant Design for Shallow and Transitional Water Depths: Dominion is the lead principal investor for this project to conduct cost of energy modeling and analysis.

Project 2 (\$500,000) – Utility Integration Case Studies of Offshore Wind, Shared Interconnection Alternatives for the Mid-Atlantic Region: Dominion is a party to this application which will look at grid impact.

## **APPOINTMENT OF LIAISONS TO THE CHESAPEAKE BAY BRIDGE TUNNEL COMMISSION WORK GROUP**

**Presenter: Art Moye**

This Commission regulates the Chesapeake Bay Bridge Tunnel. JMU has proposed using one of the islands off the bridge tunnel as a site to build a wind test turbine and the possibility of the Commission purchasing power from this test turbine. The Board agreed that Art Moye and Bob Matthias would serve as VOWDA liaisons to this Work Group.

### **ANNOUNCEMENTS**

**Research Lease Qualifications:** As part of Virginia's application for an OCS research lease, we must submit a technical and financial qualifications letter to BOEMRE. Information we provide should demonstrate our previous experience and capacity to conduct or manage proposed research lease activities. Al Christopher asked VOWDA members to submit their resumes and a brief description of any marine energy projects that could be used to support Virginia's application to DMME staff by Friday, July 29.

**Future Meetings:** The next meetings are scheduled for Wednesday, September 7<sup>th</sup> and Wednesday, October 5<sup>th</sup>. Locations will be announced at a later date.

### **PUBLIC COMMENTS**

**Jerry Giles, Virginia Economic Development Partnership:** VEDP will have a booth at the American Wind Energy Association Offshore Wind Power 2011 Conference and Exhibition to market Virginia's offshore wind. The conference will be held in Baltimore, Maryland, October 11-13, 2011. Mr. Giles offered to include information about VOWDA and will send VOWDA members information about the conference.

### **ADJOURNMENT**

The meeting adjourned at 12:55 p.m.