

Testimony of David Lewis at PUC hearing re Docket 4185 New Shoreham Wind Farm  
July 22, 2010. E-copy to follow by email.

Members of the Commission:

My name is David Lewis and I live at 1335 Cooneymus Road, Block Island.

It has been over a year now since Deepwater arrived in the community with its information campaign. Right from the beginning it didn't feel right. And while I was prepared to accept an inshore wind farm in the Block Island water viewshed, I was not prepared to accept it without full knowledge about what the community was getting into, and it had to be overwhelming clear that an inshore wind farm was the only way to achieve what the community really needs, specifically, lower rates for electricity, regardless of source. For me, that meant pulling every thread to its end, taking nothing for granted, and questioning most of what I was told for accuracy and authenticity.

It has been clear to me from the beginning that arguments of "viewshed this", "green energy that", and rallying cries to think globally but act locally would be mostly irrelevant in this discussion. Because it is really only about money.

You may recall that in my testimony for docket 4111, given on January 3<sup>rd</sup>, 2010, I lamented the lack of information coming to the public beyond what we heard from Deepwater. There was little detail of the critical financial and infrastructure issues that would play out, either to our advantage or disadvantage. There was No discussion of suboptimal impacts. No one was pulling any threads to see where they led. Docket 4111 provided the early PPAs, pre-filed testimony, responses to data requests, and other discovery that the public needed to perform its own due diligence. Challenging questions were asked and alternative voices were heard. Suboptimal impacts were finally being discussed.

Besides the decision you rendered on docket 4111, a significant outcome is that you acknowledged what Block Island really needs; not a wind farm, but lower electrical rates, regardless of source – and you committed to opening a “cable only” docket for Block Island, decoupling, at least for the moment, the linkage with Block Island Wind Farm.

And this brings us to today’s public hearing. Earlier I noted the overwhelming clarity I needed before committing my support for the Block Island Wind Farm. I believe in seeing information first hand. I have read the Joint Development Agreement, the 2009 legislation, the 2010 legislation, and most of the docket information posted online for docket 4111 and now docket 4185. One doesn’t need to be an expert to find guidance in this material. One only needs to read the information, testimony, rebuttals, and think independently. Sometimes new questions arise, and one searches for more info.

With all that under my belt, and acknowledging that the docket 4185 filings are still evolving, (I’m especially waiting to read EDC’s responses to their 1<sup>st</sup> set of Data Requests from PUC), but using those existing filings as supporting evidence, it is NOT yet overwhelming clear to this layman, that the new PPA satisfies the more tolerant standard of review imposed by the new legislation. Ultimately, of course, that is left to your expert judgement.

However, what the new legislation does bring to the table includes, 1) that the Federal Energy Regulatory Commission has some role in deciding how a transmission cable to Block Island might be paid for, and that there are accepted methodologies in place to accomplish this fairly, without a wind farm, and without unduly burdening this island economy; and 2) that the legislation acknowledges and formalizes the concept of socializing the cost of a cable to Block Island across a wider base.

But I am still troubled by answers I don’t have. The key information I am missing is whether the cable cost allocation methodology cited in the legislation, or a similar methodology, is available in a ‘cable only’ scenario such as the one to be studied in

docket 4179. Or is the Block Island Wind Farm the only scenario that provides the cost sharing that Block Island really needs to bring a cable to fruition? That is the key fact. Unfortunately, the layman doesn't generally have free and easy access to the consultants and experts who are well versed in these topics, and most everyone else has a bias. Perhaps only the regulators know for sure.

I have to think that you had some visibility into this answer when you opened docket 4179; suggesting that adequate tools are likely in place to socialize a cable's cost given rational fact-based economic argument. Many in the community believe that lower electricity rates are critical to sustaining the long-term viability of Block Island as a tourist destination, and of our tourist economy. I also think that, totally independent from the Block Island Wind Farm, an economic case can be made that lower electricity rates for Block Island's tourist economy are important to the State of RI, and that socializing the cost can be justified when the appropriate economic impact analysis is done, including the sales tax returned to the state from the island tourist economy, hotel taxes retained by the state, personal income and corporate taxes paid to the state, and the statewide multiplier effect of wages paid to industry employees stemming directly from Block Island tourism.

Block Island is, in fact, a revenue center for the state. According to Chapter 6 of the Ocean SAMP, in 2007 Block Island generated \$259M of tourist related expenditures. Simply the 7% sales tax alone returned \$18M of sales tax revenue in 2007.

So it is NOT overwhelming clear that Block Island's only hope for a cable runs through a wind farm. And I cannot support Block Island Wind Farm until it is demonstrated to me clearly and without a doubt, and without bias, that a cable only scenario is not achievable. Because it is really only about money.

So I'm in a quandary. Only 2 groups benefit by the Block Island Wind Farm; Deepwater and Block Island. I think the state will ultimately suffer a net economic loss from this project.

I have no interest in Deepwater's success or failure, only to the extent that Block Island benefits, or is not caught in Deepwater's backwash. And if a 'cable only' scenario is achievable, I am against docket 4185, and in favor of docket 4179. But I am also in the position of having to choose now, before the fact, where to place my bet.

I can follow the lead of many of my Island friends and throw total support behind Deepwater, regardless of the impact on the state, or, I can take your expression of concern, which led to docket 4179, at face value. I'm putting my bet on you. Some think I'm naïve; I hope I'm not.

I close with comment about community opinion about the Block Island Wind Farm. I hope that no one will step to this podium today and cite how wide or narrow the community support is for the Block Island Wind Farm. The topic of community support is now sufficiently polarized that no one really knows for sure. The 2009 Pavlides survey may have been statistically valid but the underlying credentials of the author have never been published with his results, and it is not clear that the survey's construction was consistent with industry best practice. And the Block Island Residents Association regularly cited its membership support for the Block Island Wind Farm, but the board of directors never made clear to the public that the only poll taken was within the 18 member board of directors.

Thank you for your time.