

Ocean Policy Advisory Council, Wave Energy Working Group
January 7, 2008, 1:00 – 4:30 P.M. -- Loft at the Red Building, Astoria, OR
Meeting Summary

Agenda:

- 1:00 - 1:15 Introductions
- 1:15 - 2:00 Overview/general update- Robin Hartmann (and other WEWG members)
 - OPT settlement discussions
 - Status of other proposals in the state
 - Ecological effects report
 - Fishing groups (Onno)
- 2:00 - 2:30 Update on OWET - Justin Klure
 - Update on federal legislation, FERC process
- 2:30 - 2:45 Update on Finavera buoy - DSL, NOAA
- 2:45 - 3:30 Cumulative Effects Scope of Work - Cathy Tortorici
- 3:30 - 4:00 Public Comment
- 4:00 - 4:30 Next steps - WEWG members

Participants:

WEWG members:

Jeff Kroft, DSL (Dept. State Lands), OPAC
Scott McMullen, OFCC (Oregon Fishermen's Cable Committee), OPAC
David Allen, OPAC
Greg McMurray, DLCD (Dept. of Land Conservation and Development), OPAC
Terry Thompson, Lincoln Co., OPAC
Jonathan Allen, DOGAMI (Oregon Dept. of Geology and Mineral Industries), OPAC
Cathy Tortorici, NOAA (National Oceanic and Atmospheric Administration), OPAC
Jack Brown, OPAC
Mike Donnellan, ODFW (Oregon Dept. of Fish and Wildlife)
Onno Husing, OCZMA, (Oregon Coastal Zone Management Assoc.), OPAC
Justin Klure, OWET (Oregon Wave Energy Trust)
Randy Henry, Oregon State Marine Board, OPAC
Karen Chase, ODOE (Oregon Dept. of Energy)
Robin Hartmann, Oregon Shores Conservation Coalition, OPAC

Others:

Jim Relaford, Port Brookings Harbor
Neal Coenen
Fran Recht, PSMFC (Pacific States Marine Fisheries Commission)
Suzanna Stoike, POORT (Port Orford Ocean Resource Team)
Hugh Link, ODCC (Oregon Dungeness Crab Commission)
Nick Furman, ODCC
Nancy Fitzpatrick – OSC
Barry Nelson – OSC
Margaret Nelson, fisherman



Steve Bodner, CB & H, BSCC
Andy Lanier – DLCD
Tanya Haddad – OCOMP
Jay Rasmussen – Oregon SeaGrant
Laurel Hillmann – Oregon Parks and Rec. Dept.
Gus Gates
Pete Stauffer, Surfrider
Sean Carlton, taxpayer
Chenin Carlton, Pacific City
Kathy Wall, Port of Coos Bay
Diana Lynch, Lynch Assoc.
Kathy Sanders, Port of Astoria
Jeff Feldner, Sea Grant

OPT Settlement Discussions:

- Working to find agreement on about 20 of studies.
- The preliminary reports from the Wave Energy Ecological Effects Workshop have been helpful to inform the work of the settlement group when focusing on particular stressors or receptors.
- The settlement agreement will include a recovery plan to address lost or sunken equipment, which is being prepared by the public safety subgroup.
- OPT is working with FINE, and other fishing groups, to consider placement of wave energy projects at a deeper depth to avoid key crabbing sites. This would have an effect on cost of the project and ability to service it in deeper water. As has been the case of the Finavera buoy, the deeper you go, the harder it will be to recover a sunken buoy. So, recovery plans for deeper water have to be considered.
- The first meeting to discuss OPT's Coos Bay project is scheduled for the week after this WEWG meeting, and will be "anchored" through the Port of Coos Bay.

Makah Bay Project:

- This four-buoy project in Washington uses Finavera's technology and is a pilot project licensed for five years. The license issued is conditioned on the project receiving permits and approvals from other state and federal agencies. The work being done on the OPT Reedsport project to develop the study plan has been drawn upon for the Makah Bay project.

FERC Pilot Project Process:

- The result of the October 2007 FERC conference focused on the pilot project process was for FERC to issue a policy regarding conditioning licenses prior to completion of permitting from other state and federal agencies. This would allow FERC licenses to go forward, conditioned, without ESA consultation; meeting coastal zone consistency; NEPA; the MMA; receiving a biological opinion on salmon; and other state/federal requirements. Basically, a conditional license says you can't start construction until the other federal and state requirements are met. FERC offers conditional licenses for liquefied natural gas



projects, which may be the model the Commission is drawing upon for wave/tidal projects.

- NOAA send a letter on Dec 14, 2007 during the two and a half week comment period stating that, with the uncertainty around impacts of wave energy, a conditioned license is inappropriate. Lincoln County and the US Fish & Wildlife Service sent letters of concern to FERC as well. It was discussed that what the conditional license does, politically, is “moves FERC out of the way of the project” and sets up the scenario that “the resource agencies are impeding the process”.

“No dead fish rule” discussion:

The rule was put in place years ago as a barrier to new hydropower developments on rivers, but could be considered a “deal killer” for wave energy projects. There has been talk about addressing the issue legislatively or defining it out of Oregon law, as not pertaining to wave energy development, in the 2009 session. Relisting of coastal coho as a threatened species under the ESA makes this a real issue for wave energy development proposals. State agencies (in particular the Water Resources Dept.), might have to consider the placement of wave buoys or other equipment, which may attract sea lions or predatory fish that will likely kill some juvenile salmon, as problematic under the no dead fish rule.

Minerals Management Service (MMS) projects in federal water:

There was discussion about MMS’s recent effort to open a competitive bid process for temporary facilities within federal waters, under their alternative energy program, resulting from the 2005 Energy Bill. These projects would be to collect environmental data on devices and to conduct research and development in situ. These research projects could, conceivably, involve cables coming to shore across state waters. MMS rules are in draft at this time. Though some people have considered federal waters to be too deep or rough to allow for wave energy or other alternative energy projects, there are projects in place in the North Sea, so if a company comes in with an application it could happen. Oregon should be aware of that.

Justin Klure, update on Oregon Wave Energy Trust:

- Justin provided an overview of OWET projects that have been funded and how the trust’s budget is set up. Projects receiving funding to date include: \$25k for the wave energy ecological effects workshop; \$250k for the whale migration studies; \$50k for OCZMA/SeaGrant community outreach. All projects have had some sort of matching funds from other sources, leveraging over \$150k. OWET is finalizing a set of grant guidelines and a process for reviewing proposals. OWET funding, which was provided by the state legislature during the 2007 session, has to be committed by the end of 2009.
- Klure also provided an update on the federal omnibus appropriations bill, where \$8 million was being considered for Dept of Energy/National Renewable Energy Lab research. Federal funding will be sought for some Oregon research projects – possibly the sand transport study.



Ray Toste, WA Dungeness Crab Association:

Provided an update on the Gray's Harbor project, which is a proposed wind/wave project to average 168MW. The permit is for a 3x10 mi area just outside the entrance to Gray's Harbor, 3 miles off shore. Mr. Toste said the wave/wind project has helped to double his organization's membership in short time.

Finavera buoy:

- The governor's office will be working closely with the company within the license period to make sure the buoy is removed. The buoy sinking is not covered under ESA through NOAA. The collective understanding of the events leading to the sinking is that the buoy was inside 17 fathoms. A diver grabbed it with ropes to lift it, and it couldn't be moved. An ROV was sent down and the buoy could be seen in the sand in an east/west orientation, with broken ropes.
- Finavera has indicated that the salvage company needs 21 days advance time to get personnel back from the Gulf coast to conduct the salvage operation, and with the winter storms, it is hard to predict that far ahead. Seas need to be less than five feet for three to five days for the salvage operation to occur. One participant observed that, "If this industry is going to evolve, allied industries need to evolve along with it, including local salvage diver capacity."

Cumulative Effects scope of work:

- Cathy Tortorici and Jonathan Allen have been invited to present the cumulative effects scope of work to the OWET on January 14th, and will be coordinating with Dave Van 't Hoff, of the Governor's office, to do this, after consulting the full OPAC. Discussion occurred about how a wave energy cumulative effect study should be coordinated with an assessment of a marine reserves proposal. The two efforts are on parallel tracks, and the wave energy cumulative effect study may help to inform how marine reserves are evaluated. The two efforts could be paired up later and be complementary. Funding, if received from OWET, would be specifically for wave energy-related studies.
- There was discussion about who should have oversight of the wave energy cumulative effect study, and that it possibly could be a committee with representation from OWET, OPAC the Governor's offices and scientists identified by STAC -- or some other configuration. There was discussion about the socio-economic component including the use of existing data (county by county -- or port by port), and the possible need to invest in collection of some new data, (including a mention of work focusing on broader social changes (Sharon Davis or ??).
- An observation was made that the cumulative effects scope of work was, "almost ready for prime time," if we could put a cost estimate to it. A figure of \$200k or 250k was suggested, and a process for estimating costs of components of the work (e.g. data merging; original research) could be done to develop the estimate.



Public comment:

- Marine reserves effects on fisheries would be instantaneous, where wave energy projects would be phased in, taking some time to get hardware in the ocean and to get to a full build out before impacts would be apparent.
- Oregon should consider tsunami/seismic events and other hazards in a cumulative effect study, as well as catastrophic loss.
- The state could insist that the Finavera buoy come out without the 21-day timeline, and the state could have the funds from Finavera on hand to make sure that removal occurs as soon as possible. There are other ways to remove the buoy – retain the Savage Chief; have a manned vehicle with pincers; run a cable to get a line to the surface.
- The primary goal of the cumulative effect study should be to identify ways to assess and minimize impacts.
- Move step 7 to step 1 in the cumulative effects study and assess the risk/benefits of each type of wave energy technology available. For instance, Oregon could make the assumption that wave energy facilities placed on jetties would result in fewer impacts on the fishing community and would have a smaller footprint in the ocean. That step could be taken and we could learn how to minimize or avoid impacts. We could assess technologies as they come forward to us.
- Wave energy development should proceed cautiously, not at breakneck speed.
- Oregon should keep in mind the Marine Highway act when assessing cumulative effects or siting wave energy projects because project siting may result in moving the shipping lanes.

Next steps:

Robin will report out to the full OPAC and ask for the Council's support for having Cathy T. and Jonathan A. present the cumulative effects scope of work to OWET on January 14th, in coordination with the Governor's office.

