



Department of Energy

Golden Field Office
1617 Cole Boulevard
Golden, Colorado 80401-3393

June 21, 2011

To: Distribution List

Subject: Notice of Intent to Adopt a FERC EA for Hydropower License No. 12713-002 - Reedsport OPT Wave Park Project, Oregon (Wave Park EA).

Summary

The Federal Energy Regulatory Commission (FERC) issued a notice of availability on December 3, 2010 for FERC Project No. 12713-002 for the Ocean Power Technologies Company (OPT) Wave Park project. The U.S. Department of Energy (DOE) is proposing to adopt FERC's EA for this project to fulfill its National Environmental Policy Act (NEPA) obligations associated with providing federal funding for a marine hydrokinetic project off the coast of Oregon. A DOE cost share grant of approximately \$2.4 million would be authorized for expenditure to OPT. DOE's funding would be used to support the deployment and testing of a single, full-scale 150kW PB150 PowerBuoy. The funding would support Phase 1 of OPT's 3-phase project. Phase 2 would consist of installing nine more PowerBuoys and interconnection with the existing power transmission grid. Phase 3 would consist of further expansion of the power array. DOE

The single PowerBuoy would undergo two years of testing. During this time, the PowerBuoy would be monitored for power production capability, reliability, mooring, system performance, and sea-state responsiveness. Acoustic and electromagnetic field testing would also be conducted. The tests would provide the performance and reliability data required to develop manufacturing methodologies to maximize production and minimize cost for the deployment in future wave parks. The PowerBuoy would be located approximately 2.5 miles from the Oregon coast near Reedsport, Douglas County, in about 205 feet of water. The buoy would be 127 feet tall with 27 feet extending above the water's surface. The single PowerBuoy would not be connected to the electrical grid under Phase 1 of the Project.

The full 10-buoy array associated with Phase 2 would be connected to the existing electrical grid, therefore, OPT has applied to FERC for an operating license for the project. The application included extensive environmental analyses, which FERC used to prepare and issue



the Wave Park EA. As previously noted, the single PowerBuoy to be deployed and tested under Phase 1 of the Project would become part of the larger 10-buoy array.

Pursuant to DOE NEPA Implementing Procedures at 10 CFR 1021, particularly Appendix C to subpart D, C12, DOE is proposing the adoption of the Wave Park EA, for which FERC issued a Finding of No Significant Impact. DOE was not a cooperating agency for this EA. Because the FERC issued a FONSI for a 10-buoy array that indicated that the full project would not result in significant impacts, it is evident that a single buoy array, funded by the Department, would result in even fewer environmental impacts and thus be bounded by the FERC EA.

Process

As part of the adoption process, DOE will review the Wave Park EA for consistency with DOE's NEPA Implementing Procedures. The review will determine the adequacy of the analyses for DOE adoption. DOE may independently provide additional information as necessary.

FERC, in the Wave Park EA, analyzed the following environmental resource categories; geologic and soil resources; water resources; aquatic resources; marine mammals, reptiles, and birds; terrestrial resources; threatened and endangered species and essential fish habitat; recreation, ocean use, and land use; aesthetic resources; socioeconomic resources; and cultural resources. Additionally the document addressed cumulative impacts and unavoidable adverse impacts.

Supplemental Information

For purpose of this proposed adoption, DOE's Proposed Action would be to authorize the use of Energy Efficiency and Renewable Energy (EERE) Wind and Water Program funds by OPT for the proposed deployment and testing of a single PowerBuoy off the Oregon Coast as described in the above summary. DOE's No-Action Alternative would be consistent with that analyzed in the Wave Park EA in that it assumes that if the Department did not award the funds, OPT would either not proceed with the Phase 1 Project or seek alternative funding.

The purpose of the Proposed Action is to support the mission of the EERE Program, which works to improve the performance, lower the costs, and accelerate the deployment of innovative wind and water power. The need is to harness greater use of the nation's abundant wind and water resources for electric power generation to help stabilize energy costs, enhance energy security, and improve the environment through reduced use of fossil fuels.

The DOE is making this letter available to interested federal, state, and local agencies to provide information on issues to be addressed in the EA. Agencies are invited to identify the issues within their statutory responsibilities that should be considered in the EA. The general public is also invited to submit comments on the scope of the EA.

DOE has posted the FERC EA on its DOE Golden Field Office online reading room:

http://www.eere.energy.gov/golden/Reading_Room.aspx.

The DOE Golden Field Office welcomes your input throughout our NEPA process. Please submit your written comments by July 18, 2011 to:

Laura Margason
DOE Golden Field Office
1617 Cole Boulevard
Golden, Colorado 80401

Or via email to:

Laura.Margason@go.doe.gov

Sincerely,



Laura Margason
NEPA Document Manager