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News Release

Secretary Salazar Promotes Clean Energy, Signs Cape Wind Lease at AWEA Conference

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ATLANTIC CITY, NJ.—Today, Secretary of the Interior Ken Salazar delivered the keynote address at the American Wind Energy Association's (AWEA) annual North American Offshore Wind Conference in Atlantic City, New Jersey.

Following his remarks, Secretary Salazar and Cape Wind Associates, LLC signed the nation's first lease for commercial wind energy development on the Outer Continental Shelf (OCS).

Secretary Salazar's remarks, as prepared for delivery, are below:

**Remarks to the American Wind Energy Association
Atlantic City, New Jersey
Wednesday, October 6, 2010
Secretary of the Interior Ken Salazar**

Good morning!

Welcome to the American Wind Energy Association Offshore Wind Conference.

And welcome to a key chapter in America's New Energy Frontier as we move forward to stand up the first ever offshore wind project in the United States with a lease for the Cape Wind project!

I want to thank Denise Bode, Rob Gramlich and the American Wind Energy Association for hosting this event.

Like the AWEA conference last year in Chicago, being here gives you a real sense of possibility and promise.

Walking through the displays on the exhibit floor, you see how fast the wind industry is moving.

Wind blades are getting stronger, lighter, and more efficient.



Companies are testing old assumptions and delivering new designs.

And developers are finding smart solutions to fit the needs of communities around the globe.

The old saying that “there will always be a frontier where there is an open mind and a willing hand” is as true today as it was in the first half of the twentieth century.

Under the leadership of President of Obama, the renewable energy world is opening a new frontier.

With the relentless efforts of my Deputy Secretary David Hayes, Assistant Secretary for Lands and Minerals, Wilma Lewis, counselor for energy, Steve Black, Director of the Bureau of Ocean Energy Management Regulation and Enforcement, Michael Bromwich, and countless others, the Department of the Interior is resolute and determined to secure a safer, cleaner energy future for our nation.

We do so because we can't afford to remain so dependent on foreign oil.

We do so because we can't afford the risks that our energy dependence creates for national security, economic security, and environmental security.

And we do so because we can't afford to fall behind China, Germany and India in the race for new energy technologies and renewable energy jobs.

We will not accept second place.

Today, I want to talk about the path President Obama has charted to a safe, secure, and sustainable energy future.

I want to begin by briefly addressing the role of conventional energy in this future.

The fact is that, even as we transition to a sustainable energy economy, we will continue to rely on oil, gas, and conventional fuels.

The Energy Information Agency projects that U.S. energy demands will rise 14 percent over the next 25 years.

We need oil and gas.

But – as the Deepwater Horizon oil spill made so clear - we need to produce it safer, smarter, and with stronger protections for the environment.

For thirty years, under the oversight of both Democratic and Republican administrations and congresses, industry ventured into deeper and deeper waters without adequate oversight.

Drilling technologies accelerated, but safety technologies and the government's regulatory framework were left behind.

That gap is unacceptable.

That is why we have launched the most aggressive and comprehensive reforms to offshore oil and gas regulation and oversight in U.S. history.

We are raising the bar on industry's safety practices and equipment.

We are requiring companies that want to drill to prove they are prepared to deal with catastrophic blowouts and oil spills like the Deepwater Horizon.

We are continuing our work to put science back in its rightful place in decisions about offshore oil and gas development.

And we are building a strong and independent agency with the resources, tools, and authority it needs to hold offshore operators accountable.

The former Inspector General for the Department of Justice, Michael Bromwich, is spearheading these reforms, and has already implemented a new internal investigations and review unit that will root out problems within the regulatory

agency and target companies that aim to game the system.

Our offshore oil and gas reforms touch every stage of the planning, permitting, and development process.

They are comprehensive, and they will continue over the coming weeks and months.

But, while oil and gas are a necessity, our nation's future depends on our ability to capture the power of sustainable renewable energy.

Now, to build a safer, more secure, and clean energy future, we must continue to expand on the progress we have made in the last two years on the renewable energy front.

President Obama understands that the jobs of tomorrow are in clean energy.

Those jobs are in places like Holland, Michigan, where the Recovery Act's \$2.4 billion investment in advanced battery technology has helped get a new manufacturing plant under way.

300 people are helping build the plant, and another 300 will find jobs when it opens.

Clean energy jobs are in places like Pueblo, Colorado, where a wind tower manufacturing plant opening there will put over 500 people to work.

The new energy revolution is springing to life across the country.

The U.S. installed a record 10,000 megawatts of new onshore wind capacity in 2009, or enough to power over 2 million new homes.

This is a great start, but it is only the beginning.

If we fully pursue our potential for wind energy on land and offshore, wind can generate as much as 20 percent of our electricity by 2030 and create a quarter-million jobs in the process.

As President Obama has said: it's a win-win. Good for the environment, great for the economy.

As the department that oversees one-fifth of the nation's land and 1.7 billion acres of Outer Continental Shelf, we have a major role to play in the transformation of our nation's energy future.

We oversee sunny deserts in the southwest, windy open spaces across the Rockies and the West, and the breezy expanses of the Atlantic Outer Continental Shelf.

The renewable energy potential on America's public lands is staggering.

But to capture that potential, the Department of the Interior – in the last two years – has had to change how we do business.

When I became Secretary of the Interior, companies were eager to capture solar power on public lands, but dozens of permit applications were stalled.

There was a long backlog of pending applications and no process for transforming ideas on paper into projects on the ground.

To address the problem, Director Bob Abbey and the Bureau of Land Management worked to create a collaborative, coordinated permitting process.

BLM identified and prioritized onshore renewable energy proposals that could show they were ready for prime time.

Those projects went through a vigorous assessment, extensive environmental review, and input from the public.

Just yesterday, I approved the first two projects from this fast-track process.

The two projects, both in California, are the first large-scale solar projects ever to be approved on public lands.

Together these projects will generate over 700 megawatts of power, and are among the world's largest solar power

plants.

And they will not be the last.

The Department of Interior is in the final stages of processing several major wind, solar, geothermal, and transmission energy projects in western states.

The goal is to get them reviewed by the end of 2010, when they can take advantage of the significant incentives in the Recovery Act.

As we announce these projects in the weeks ahead, they will represent the fruits of 18 months of work to fulfill a vision for smart, coordinated permitting for solar projects on public lands.

I am proud of the progress we have made.

It shows we can cut red tape without cutting corners.

And, if we can do this type of work on the 250 million acres of the Bureau of Land Management, we should be able to do the same on the 1.75 billion acres of our nation's outer continental shelf.

I am determined to accomplish a similar objective of orderly, responsible, and straightforward permitting for wind development on the Atlantic Outer Continental Shelf.

The Atlantic OCS is receiving significant – and increasing – interest from communities frustrated by rising energy costs, states seeking to meet renewable energy mandates, and companies looking to advance their respective turbine and transmission technologies.

But as with any new frontier, there needs to be a clear, common-sense, and fair process for exploration and development.

Until we started laying the rules of the road for offshore wind development a year and a half ago, no such process existed.

That's why it took the Cape Wind project eight years to clear necessary reviews.

Eight long years.

But it's a new day.

At the end of my remarks today, I will mark a historic occasion by signing the Cape Wind lease.

It will be our nation's first lease for commercial wind energy development on the Outer Continental Shelf.

The 130 planned wind turbines could generate a maximum electric output of 468 megawatts with an average anticipated output of 182 megawatts.

At average expected production, Cape Wind could produce enough energy to power more than 200,000 homes in Massachusetts, or approximately 75 percent of the electricity demand for Cape Cod, Martha's Vineyard and Nantucket Island combined.

The 28-year lease I am signing today will cost the company a 2 to 7 percent operating fee during production.

The fee is based on revenues from selling the offshore wind energy in regional markets. Cape Wind is a good project.

And it's an improved project thanks to the robust review, consultation, and input it received. Cape Wind now includes stronger protections for archaeological resources, has a smaller footprint than initially proposed, and has been reconfigured to reduce visual impacts.

Cape Wind, in many ways, has been a pioneer for offshore wind development in the U.S.

Our responsibility now is to take the lessons learned from that process – and from the growing pool of experiences with offshore wind development around the globe – and build a smart U.S. program.

I believe, for example, that we can cut the permitting time for offshore wind projects significantly if we are focused and proactive.

To achieve this objective, we need to be smart at every step of the process.

First, we need to get organized and coordinated at all levels of government.

We are working closely across federal agencies.

The Department of Energy, in particular, has been and will continue to be a key partner.

And the Atlantic Offshore Wind Energy Consortium that I established earlier this year now includes 11 governors.

Through task forces the Consortium has established in 8 states, we are identifying high priority areas that may be appropriate for wind development off our coasts.

We are looking for areas that have bountiful wind energy, and relatively fewer potential environmental and use conflicts than other offshore areas.

We expect to identify high priority areas in most of the Atlantic states by the end of this year.

Second, to help shorten the permitting process, we aim to gather – up front – the best information available about resources, potential conflicting uses, and environmental concerns for these high priority areas.

We want to help investors identify places that make sense for their projects.

The federal government – working closely with the states – can and should help jump-start the permitting process in this way.

Third, once we assemble information about resources and potential development in high priority areas, we should coordinate area-wide environmental reviews up front.

Developing strong environmental analysis early-on will help investors and developers design proposals that have a greater chance of success.

Fourth, by identifying high priority areas offshore for potential wind projects, we can explore the development of a transmission backbone in the Atlantic Ocean to serve those areas.

Rather than develop transmission infrastructure plans on a piecemeal basis, we should – in close coordination with the private sector, states, and tribes – lay out a smart transmission system, up front.

Finally, when permit applications are submitted, project proponents and investors deserve a clear, coordinated process that ensures thorough review and public input.

The offshore wind rules we finalized last year are only a beginning.

Those rules provide a framework from which we can and will build.

This brings me to you.

And what you're doing.

I recognize that you are the engine for the ideas that will help our nation transition to a clean energy economy.

You hold a key to the technology and the ingenuity that will help our nation compete with countries like China, Germany, and India.

Somewhere in the room is the next bright idea.

Somewhere in this room is the person who will push the boundaries of knowledge and possibilities for offshore wind development.

President Obama reminds us that: "Today's frontiers can't be found on a map. They're being explored in our classrooms and our laboratories, in our start-ups and our factories...This is the nation that will lead the clean energy economy of tomorrow, so long as all of us remember what we have achieved in the past and we use that to inspire us to achieve even more in the future."

So let us take stock of how much we have already accomplished.

Let's celebrate the first solar projects approved for construction on public lands.

Let's celebrate the great strides the wind industry has made to deliver clean power and to create jobs here in America.

And let's venture into the new frontier of Atlantic OCS wind production with the signing of the Cape Wind lease.

Thank you all, now let's sign the lease!

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