



Council Process & Member Survey Results

Bill Rustem

Executive Order Charge

Provide to the Governor a report by September 1, 2009 that:

- Identifies criteria to review offshore wind applications
- Identifies criteria for identifying areas most and least desirable for offshore wind development

Council's report shall also include:

- A recommended process for public engagement in permitting process
- A summary of lessons learned from American and international offshore experience
- Options for how to compensate the public for bottomland leasing and wind rights
- Recommendations for legislation and changes in administrative rules and policies related to the siting and development of offshore wind energy systems
- A recommendation on whether Michigan should support a federal programmatic environmental impact statement for permitting offshore wind development in the Great Lakes basin
- An estimate of the costs and description of the benefits of continuing the work of the Council, if the Council deems it advisable

Council Process

- **Grounding** (Meeting 1 in March)
 - Review council protocol
 - Expert presentations
 - ◆ Learning from Europe and the East Coast
 - ◆ Risk assessment and decision making
 - ◆ Recent example of spatial analysis for wind resource planning in Ontario
 - Background materials (e.g., briefing report and survey results)
 - Discussion

Council Process (cont.)

- **Grounding & Visioning** (Meeting 2 in April)
 - Expert presentations
 - ◆ Public acceptance
 - ◆ Environmental monitoring
 - ◆ Michigan mapping efforts
 - ◆ Bottomland leasing and compensation
 - Discussion
- **Review & approve report outline**
- **Assign issue/task groups** (as needed)
 - Criteria for mapping and application review
 - Bottomland leasing
 - Public engagement related to permitting

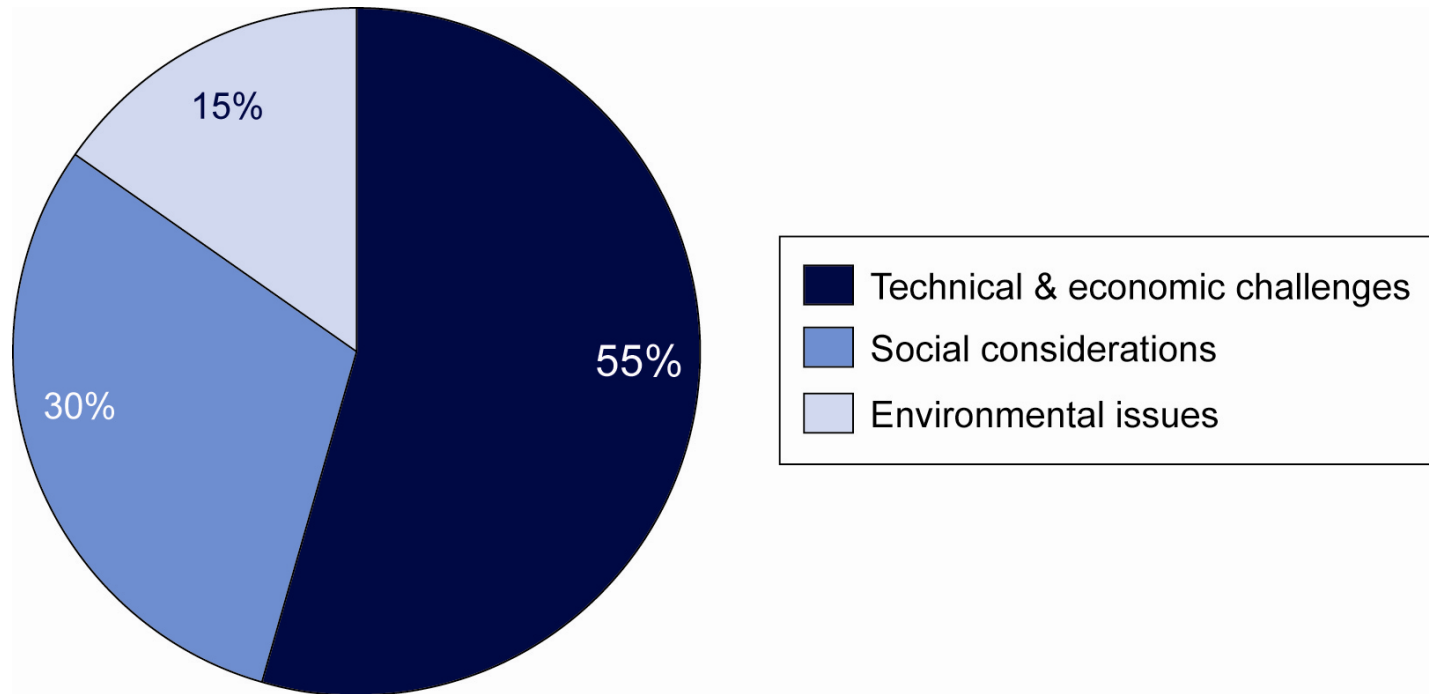
Council Process (con't)

- Initial recommendations (Meeting 3 in June)
 - Review and discuss staff and task group draft recommendations
- Review full draft report and provide written comments prior to Meeting 4
- Final recommendations (Meeting 4 in July)
 - Review and adopt final recommendations and report



Summary of Member Survey Results

Top issues related to offshore wind energy in the Great Lakes by category



- 18 out of 33 issues identified by respondents classified under technical/economic challenges

Issue: Technical & Economic Challenges

- Issues identified
 - Transmission efficiency (grid infrastructure, transmission costs, etc.)
 - Site locations
 - Costs compared to other sources of energy
 - Construction of structures in deep water
 - Transportation of wind turbine equipment

Action: Technical & Economic Challenges

■ Possible actions

- Form an engineering and economics working group
- Conduct feasibility studies
- Map suitable/unsuitable zones
- Use lessons learned in Europe
- Conduct cost-benefit analysis
- Use stimulus monies for infrastructure if appropriate
- Leverage Michigan's wind energy manufacturing capacity

Issue: Social Considerations

- Issues identified
 - Global attention to renewable energy industry in Michigan
 - Public acceptance of wind farms
 - Aesthetics
 - Recreational and commercial fishery issues
 - Legal issues pertaining to wind development
 - Ease of permitting process

Action: Social Considerations

- Possible actions
 - Gather public input through hearing process
 - Ensure that wind farms are not visible from shoreline
 - Get input from all state agencies
 - Have one-stop process for applications
 - Determine wind rights and payment schemes

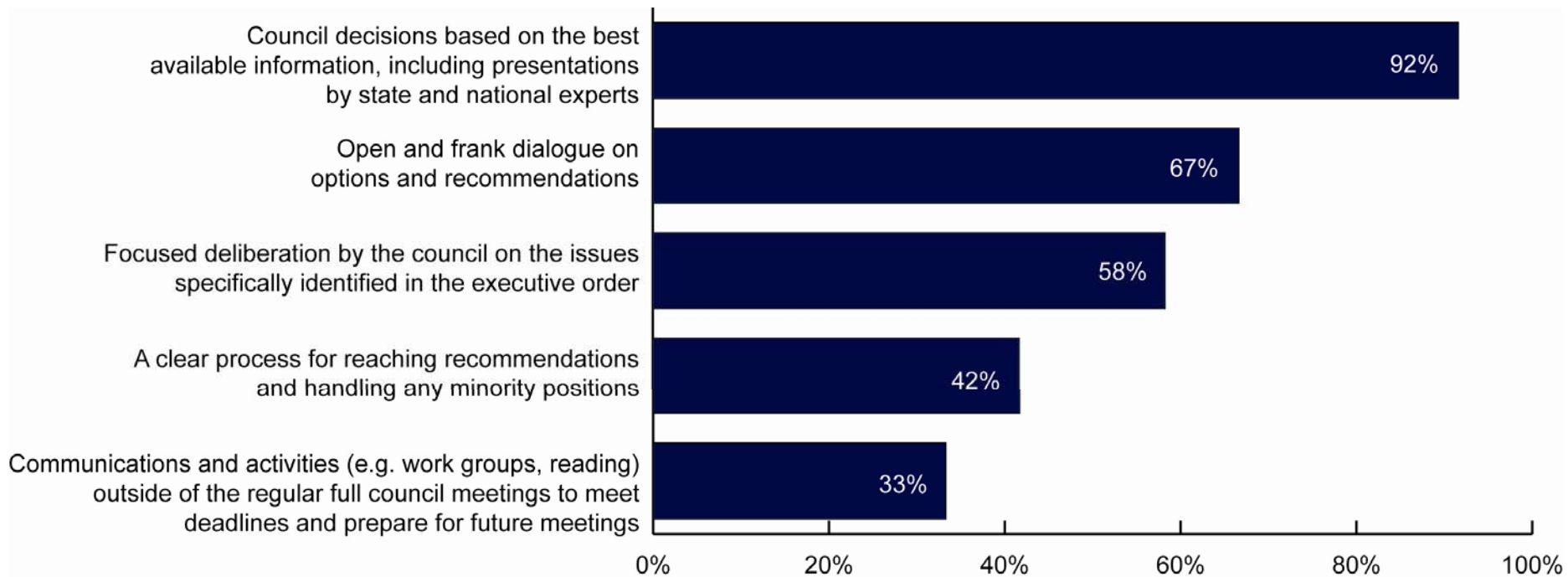
Issue: Environment

- Issues identified
 - Fisheries impacts
 - Climate change
 - Bird and bat collisions

Action: Environment

- Possible actions
 - Protect sensitive bottomlands
 - Promote clean renewable energy
 - Bury transmission cables in nearshore waters
 - Set up conservation funding from royalties
 - Balance fisheries and wildlife impacts with potential resource gains

Three Most Important Elements of *Successful Council Deliberations*



Expectations concerning outcome of *council's report and recommendations*

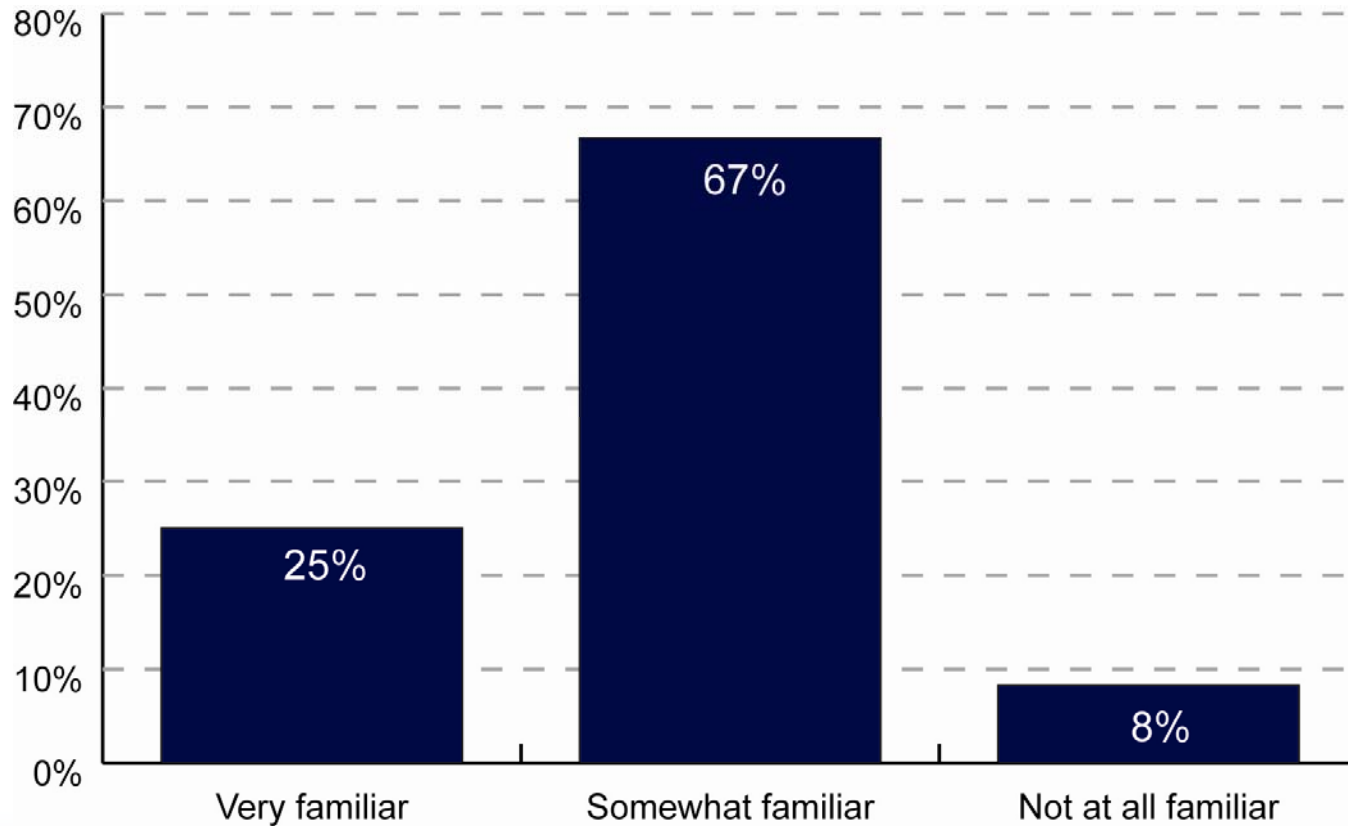
■ Responses

- Identification of sites that are most cost-effective and least intrusive
- Specific action steps that are realistic
- Usable product for the legislature and governor
- Clear assessment of benefits and costs in Michigan
- Create a working document

Initial thoughts or recommendations on *criteria for evaluation of applications*

- Use Part 325, Great Lakes Submerged Lands Act, of PA 451 to address offshore wind sites
- Develop clear criteria for evaluating impacts
- Wind resource suitability
- Public acceptance of the project
- Benefits and costs
- Consider creating public entity in charge of all wind energy projects

Familiarity with bottomland leasing issue



Suggestions to engage the public in permitting process

- Use local public hearing procedures
- Examine other case studies (e.g., Europe)
- Conduct focus group discussions
- Use media for training and education

THANK YOU!

- ANY QUESTIONS?