

MINUTES
VIRGINIA OFFSHORE WIND DEVELOPMENT AUTHORITY
TUCKHAHOE LIBRARY
1901 STARLING DRIVE
RICHMOND, VIRGINIA
WEDNESDAY, DECEMBER 2, 2015

CALL TO ORDER

Chair Bob Matthias called the meeting to order at 10:05 a.m. Members, staff, and guests introduced themselves. He welcomed new member Varun Nikore, President of Banyan Global LLC, appointed by Governor McAuliffe to represent the Virginia Commercial Space Flight Authority.

Members Present: Joan Bondareff, Mary Doswell, Bob Matthias, Art Moye, Varun Nikore

Members Absent: Ron Rosenberg, Deborah Miller, Phillip Green, Brian Redmond

VOWDA Staff Present: John Warren, Al Christopher, Ken Jurman, Lynne Astroth, Barbara Simcoe, Robin Jones, Borna Kazerooni, Evie Christopher, Chris McDonald, Paul Kugelman

APPROVAL OF MINUTES

The Chair called for a motion to approve the October 7, 2015, minutes as presented. The motion to accept the minutes, made by Art Moye and seconded by Joan Bondareff, passed unanimously.

VOWDA 2015 WORK PLAN

Presenter: Ken Jurman, DMME Renewable Energy Manager

Ken Jurman reviewed the process for developing the VOWDA work plan, which was drafted using the recommendations of the 2015 VOWDA Annual Report and comments submitted by members. The report format was changed to reference specifically the recommendations of the annual report. After some discussion, members voted unanimously to accept the motion, made by Mary Doswell and seconded by Art Moye, to adopt the work plan as presented.

VOWDA LEGISLATIVE SUBCOMMITTEE REPORT

Presenter: Bob Matthias, VOWDA Chairman, Virginia Beach City Manager's Office

Bob Matthias talked with a senior member of the Virginia General Assembly who has expressed an interest in submitting legislation which reiterates that because wind power is in the interest of the public that the State Corporation Commission (SCC) shall approve a rate increase to accommodate up to \$300 million in costs for the Virginia Offshore Wind Technology Advancement Project (VOWTAP). It was noted that, regardless of new legislation, the SCC is an independent judicial body with authority to approve or not to approve costs paid by rate

payers. The deadline to submit draft legislation for pre-filing is December 7. Bob Matthias will keep the Board informed on the status of the proposed legislation. If legislation is introduced, staff will forward members the draft copy, which may not be available until after the start of the 2016 session. It was also noted that VOWDA has taken a formal position on this issue and this potential legislation is a critical component in supporting Dominion to make informed decisions on going forward with the VOWTAP.

VIRGINIA OFFSHORE WIND TECHNOLOGY ADVANCEMENT PROJECT (VOWTAP) UPDATE

Presenter: Mary Doswell, Dominion Resources

Mary Doswell provided a brief overview and a progress report update of the VOWTAP. The presentation can be viewed on the VOWDA website at <http://wind.jmu.edu/offshore/vowda>. Progress report highlights include:

- The U.S. Department of Energy (DOE) recently granted the VOWTAP (and the other two demonstration projects) a Budget Period 2 no-cost time extension until May 31, 2016. In order to move forward to Budget Period 3 in which Dominion would receive development and construction funding, DOE identified several criteria and the following two milestones that must be accomplished in Budget Period 2.
 - Issuance/evaluation of Request for Proposals (RFPs) for the VOWTAP fabrication and construction.
 - Letter to DOE from Dominion's Board (or authorized representative) by May 1, 2016, stating it intends to submit a Cost Recovery Rider to the SCC no later than July 31, 2016. In discussions with DOE, Dominion said it can provide this letter; but the letter would have to clarify that the SCC filing will need to state that by meeting the criteria/milestones, Dominion is eligible for Budget Period 3 funding.
- Two major construction RFPs for the wind turbine generators/twisted jacket foundation (unique to Dominion) and the drilling/cables were issued November 17, 2015, with responses due by January 15, 2016. There have been a total of 10 interested bidders to date, a number of which are U.S. bidders. Dominion engaged K2, a European company, to review the RFP scope of work and to later help in the evaluation of the bids.
- The two smaller RFP packages (foundation fabrication and on shore interconnection) are scheduled to be issued Q1 of 2016 but Dominion is trying to move those up to end of this year if possible.
- Dominion plans to engage a construction management firm to help with the project management, including smaller items that can be handled without an RFP. They also intend to create an industry team to advise VOWTAP as recommended by the Stakeholder group.
- In the February-March 2016 timeframe, Dominion will begin to develop the project costs and evaluate options on how to proceed. The Stakeholders group will also be updated sometime in Q2 2016.

- DOE will inform Dominion in Q2 2016 if they can move into Budget Period 3. Once Dominion files, the SCC has nine months to issue its decision (April 2017). In order to meet the 2018 commercial operation deadline, Dominion will have to spend monies during that nine month period. Working with DOE, Dominion will monitor cash flow/expenditures until they receive the SCC's ruling.

FREEDOM OF INFORMATION ACT (FOIA) AND CONFLICT OF INTEREST ACT (COIA) BRIEFING

Presenter: Paul Kugelman, Senior Assistant Attorney General

Paul Kugelman provided FOIA-COIA training to members of VOWDA. Members can contact Mr. Kugelman if they have any questions or need advice on a FOIA or COIA issue.

VIRGINIA OFFSHORE WIND (VOW) COALITION UPDATE

Chuck de Cuir, VOW Chairman, was unable to attend the meeting but provided members with a written update of recent VOW Coalition activities. A copy of the VOW Coalition Summary will be made available on the VOWDA website at: <http://wind.jmu.edu/offshore/vowda>.

DMME UPDATES

Presenter: Al Christopher, DMME Division of Energy Director

DMME's three cost share offshore wind research projects are nearing closure. Two were co-funded with BOEM and final reports will be available when completed. The research state funding request that was suspended on June 30th due to the VOWTAP delay/stakeholder process is still pending, awaiting a decision from the Governor's office.

BOEM recently solicited comments for research ideas for offshore minerals, offshore renewables, and offshore oil and gas. DMME submitted two comments for offshore renewables: (1) Continuation of the wave buoy project for collection of metocean data to provide more accurate offshore wave forecasts, which would benefit construction and maintenance activities. (2) Recommendation that BOEM work with DOE on the Chesapeake Light Tower (CLT). DOE, which purchased the CLT with the intent to remodel it into a Reference Facility for Offshore Renewable Energy, was unable to proceed due to lack of funds.

PUBLIC COMMENTS

None

ANNOUNCEMENTS

The next meeting is tentatively scheduled for Tuesday, May 3, 2016, in Richmond, venue to be announced later.

ADJOURNMENT

The meeting adjourned at 12:25 p.m.