Salazar: 2nd offshore wind lease could be soon

ALEX DOMINGUEZ - Associated Press - Associated Press

The nation's second offshore wind power lease could be weeks away, and more could follow, Interior Secretary Ken Salazar said Tuesday at the opening of a wind power conference.

Salazar said his agency has nearly completed environmental impact assessments and leases could quickly follow if no significant problems are found.

"We expect we will be to issue the second offshore wind lease within months, maybe within weeks," Salazar after delivering the keynote address to open the American Wind Energy Association's annual offshore wind power conference.

Salazar said there has been significant interest in a number of states, and more leases are expected. He did not have an exact number, but said it should be over five in the Atlantic in the year ahead.

Last year, Salazar approved the Cape Wind project in Massachusetts after years of federal review, clearing the way for work to begin on the nation's first offshore wind farm.

However, Salazar admitted offshore wind has struggled. While the nation has 21 percent of the world's onshore wind power, not a single megawatt is produced offshore.

Cape Wind, for example, has found a buyer for half of the project's power, but has struggled to find one for the other half. The New York Power Authority, meanwhile, has decided against a Great Lakes wind power project because of cost concerns.

Salazar said his agency was not giving up on the Cape Wind project and called on Congress to help spur the industry, saying it was at a crossroads.

Salazar said an investment tax credit was needed "so we don't face the boom and bust that we saw in the 1970s with solar."

Denise Bode, chief executive officer of the American Wind Energy Association, noted natural gas exploration using hydraulic fracturing was aided by tax credits and the nuclear power industry was helped by loan guarantees.

Salazar has also promised to spur offshore wind projects in the Atlantic by expediting permits and identifying promising areas. And the Interior Department has also identified sites off the coasts of Virginia, Maryland, Delaware and New Jersey. Internet giant Google and others have pledged up to $5 billion for a network of transmission lines for offshore wind farms.

Maryland Gov. Martin O'Malley, meanwhile, said his administration was working on another offshore wind energy bill. A bill that would have required utilities to enter into long-term contracts was shelved for further study during the last legislative session after some lawmakers questioned the costs it would place on consumers.

The governor said customers were willing to pay more for clean energy, particularly if it would also help the economy, which he and other offshore wind power proponents say will happen.

O'Malley, however, said the bill was still a "work in progress."

"The shape of that bill is still very much under consideration," O'Malley said, adding details on power purchase requirements, or other means to promote offshore power had not been decided.

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