

Exhibit DFLD-TK-5

Excerpts from:

**Cape Wind Energy Project
Draft Environmental Impact Statement**

**Issued November, 2004
By the U.S. Army Corps of Engineers**

**Available in Its Entirety at:
<http://www.nae.usace.army.mil/projects/ma/ccwf/deis.htm>**

Regardless of the availability of existing documentation that indicates that the value of property within the viewshed of a wind farm is not likely to be negatively impacted by wind farm development, the Applicant has taken measures to mitigate the potential impact of the Project on property values. The mitigation measures are summarized in Section 5.16.6.

5.16.4.6 Tourism and Recreation

The significant tourist industry on Cape Cod and the Islands is closely dependent on the availability of high quality recreational resources in the area. As a result, potential impacts to either tourism or recreation would likely affect the other and there are discussed together in this EIS. Potential impacts on tourism and recreation would result from either direct physical effects, the effects of increased noise or the visual impact, should the wind farm be located in the viewshed of a resource.

Direct physical impacts would disrupt or occupy all or a portion of a tourist/recreational site or prevent or deter access to those sites. There may be temporary traffic disruptions in the immediate vicinity of the construction of the portion of the onshore cable installation beneath public roads which may effect the parking lot to a recreational resource at Englewood Beach, off of New Hampshire Avenue. However, any impact to this onshore recreational resource is expected to be minimal and limited to off-season beach visitors due to the onshore construction timeframe (Labor Day through Memorial Day). Given the proposed location of the offshore wind farm and transmission cable and the onshore electric transmission line underground beneath existing public roads and the NSTAR ROW, with the exception of the parking lot mentioned above there will be no physical impact or change of use to existing onshore tourist/recreational resources such as beaches, parks, light houses and other historic areas, golf courses, freshwater fishing, and other onshore attractions on the Cape and Islands. Construction/decommissioning, operation and maintenance of the Project will not physically affect the present day or continuing use of onshore recreational or tourist resources.

There will be temporary noise impacts in the immediate vicinity of the onshore cable installation during construction, but no tourist or recreational resources (other than the parking lot to Englewood Beach mentioned above) should be affected, given the distances of these resources from the cable route. There will be no impact on existing noise levels at onshore tourist/recreational areas from operation of the Project.

The most significant potential for adverse effects on tourism and recreational areas is from visual effects of the Project. However, visual impacts associated with the construction of the onshore and offshore facilities would be temporary in nature and would not have a significant long-term effect. In addition, given the proposed location of the onshore electric transmission line underground beneath existing public roads and the NSTAR ROW, the Project would not have long-term visual effects on any resources during operation.

Potential visual impacts from development of the Cape Wind Project on recreational areas are presented and discussed in detail in Section 5.10. Since recreation and tourism are so closely integrated on the Cape and the Islands, these impacts could also result in potential impacts on tourism. In order to evaluate the potential for measurable adverse effects on tourism and recreation post-construction, from changes in existing views of Nantucket Sound, the Applicant conducted additional research into existing studies of the overall impact on tourism from existing wind power developments. The following paragraphs summarize that research.

Studies conducted on wind farms throughout the world have shown that wind farms generally have a positive impact on tourism. One study performed for the British Wind Energy Association (BWEA) and Scottish Renewables Forum titled, "Tourist Attitudes towards Wind Farms", found many examples of wind farms that enhanced tourism, and no examples of wind farms that had a negative impact on local tourism (MORI Scotland, 2002).

Three distinct qualities of the Cape Wind Project location are relevant in assessing the Project's potential impact on tourism:

- 1) It is located in proximity to an established tourist destination;
- 2) It is located offshore; and
- 3) It is located in the Northeastern United States.

Wind farm projects that had one or more of the above characteristics were reviewed for their impact on tourism to help assess the potential impacts of the proposed Cape Wind Park Project on tourism. It was not possible to review wind farm projects with all three of the characteristics since there are currently no offshore wind farms in the United States.

Wind Farms Located in Proximity to Established Tourist Areas

The previously-referenced study completed in September 2002 for the BWEA and Scottish Renewables Forum titled, "Tourist Attitudes towards Wind Farms" (MORI Scotland, 2002), was conducted in Argyll and Bute, two towns in Scotland that are frequently visited due to their high landscape value. The area has the highest concentration of wind farms in Scotland. The study concluded that the wind farms have had a positive effect on visitor's impressions of the local town, with 43% of those polled saying that the wind farms had either a completely positive effect or a generally positive effect and 43% saying that the wind farms made no difference. When asked if the wind farms would affect their likelihood to visit the town in the future, 91% said that it made no difference.

A large 4,000 turbine wind farm is located in the San Geronio Mountain Pass approximately 5 miles north of Palm Springs, California. Prior to construction of the wind farm, Palm Springs was primarily a tourist destination and still remains a tourist destination today. A local company, Windmill Tours, Inc., runs tours of the Palm Springs wind farm and estimates that up to 10,000 people tour the wind farm each year (Regalado, 2003). The Visitors Bureau of Palm Springs featured the wind farm on the cover of their Fall 2001/Winter 2002 visitors guide. Palm Springs saw no measurable decline in tourism after the wind farm was constructed (Perkovich, 2003).

Ten Mile Lagoon and Salmon Beach in Southwestern Australia were heavily visited tourist locations prior to the construction of two wind farms. Both of these areas are adjacent to "the Great Ocean Drive", a well promoted tourist drive. The Ten Mile Lagoon wind farm is a nine turbine wind farm located on this 'tourist loop' that now includes an access road to the wind farm. A road counter was placed on this access road to record the number of visitors to the site. This road counter measures approximately 80 cars per day (AusWEA, 2003). According to the Australian Wind Energy Association, the Esperance Region, where the Ten Mile Lagoon and Salmon Beach wind farms are located, attracts 150,000 visitors each year, a large percentage of which will visit the wind farms. The Tourist Bureau in this region directs visitors to the wind farms and includes them in their information and visitor guides (AusWEA, 2003).

The twelve turbine Albany wind farm, also located in Southwestern Australia, is on a bluff along some of the most scenic coastline in the region. During its first year of operation, 60,000 tourists visited the wind park (Kujda, 2003). Both the Albany and Ten Mile Lagoon wind farms are listed as attractions on the website of the Western Australian tourism commission (Western Australian Tourism Commission, 2003a & 2003b).

Offshore Wind Farms

Offshore wind farms in Denmark and Sweden have been a draw for tourism. Currently, the two largest offshore wind parks in the world are Horns Rev in the North Sea, six miles off Denmark's west coast; and Nysted in the Baltic Sea, two and a half miles off the south coast of Denmark's Lolland.

Horns Rev was completed late in 2002 and consists of 80 wind turbines offshore of Denmark in the North Sea. The nearest point of land is the resort community of Blåvandshuk near the center of a 60 kilometer stretch of beach. The focal point of the shoreline is a 100 year old, fully functional lighthouse. The 2003 Blåvandshuk Tourist Guide promotes the wind farm as part of the outstanding view. The guide encourages visitors to climb to the top of the lighthouse to enjoy the "outstanding view" and notes that the wind turbines are visible in clear weather. Blåvandshuk also has a visitor's/learning center with information on the wind farm (Nybo Jensen, 2003). Several local tour companies also offer airplane tours of the wind farm.

The Nysted wind farm project in the Baltic Sea is complete. Another rural resort area, the Nysted municipality's focal point is a 14th century chateau that overlooks a harbor of fishing and pleasure boats. The wind park is clearly visible. There is a substantial visitor's center focused on the wind park. In addition, a "World of Wind" experience center will be built at a nearby site overlooking the sea and the turbines. The cost is \$7.5 million and is expected to attract 40,000 visitors annually.

Other offshore wind farms in Denmark and Sweden include a 20 turbine offshore wind farm in Middelgrunden, located three miles off the coast of Copenhagen in Denmark. According to the website for Middelgrunden, presentations and tours of the facility are offered (Middelgrunden Wind Turbine Co-Operative, 2003). Utgrunden, a seven wind turbine facility off the coast of Torsås in Sweden is viewed by the town as a tourist attraction (Blank, 2003).

Wind Farms in the Northeastern United States

There are several wind farms throughout the Northeastern United States that have given rise to a new tourist industry within local towns. Madison County in upstate New York has seen an increase in tourism since the installation of the Madison and Fenner wind farms. A January 23, 2003 article in the Syracuse newspaper, the Post Standard, discussed the tourism industry that surrounds the twenty turbine Fenner wind project. Local residents sell souvenirs related to the wind farm and they are considering opening up a wind farm visitor's center to accommodate the high interest in the project (Coin, 2003). Madison County also features a wind turbine prominently on the cover of their visitor's guide (Madison County Travel Guide, 2002).

An eleven turbine wind farm located on a ridge-top in Searsburg, Vermont has brought more tourism to the community. The wind turbines have been a constant tourist attraction since their installation in 1997. They have brought a noticeable increase in tourists near the wind farm and the managing company, Vermont Environmental Research Associates, runs tours of the project (Leaning, 2003).

Conclusion

As evidenced by the experiences at other wind farms, the Project will likely have a negligible effect on the use of recreational resources and a positive effect on tourism in general for Cape Cod and the Islands. It is conceivable that the additional tourist activity could result in an increase in other recreational activities in the area. All the evidence presented in this research has shown wind farms to be a draw for tourists. The Project will likely help to maintain and add to the current tourism activity on Cape Cod and the Islands. Measures proposed to promote tourism and encourage educational opportunities related to the Project are discussed Section 5.16.6.

Potential impacts on offshore recreational boating and fishing are discussed in the following sections.

5.16.4.7 Boating

The presence of the Wind Park will not result in large-scale changes to recreational or commercial vessel movements on Horseshoe Shoal as previously discussed in Section 5.12.

Most of the Wind Park is located on the shallow portions of Horseshoe Shoal. Approximately 64% of the Wind Park area is located in areas with charted water depths of 30 feet MLLW or less. The portions of the Wind Park that are located in waters deeper than 30 feet at MLLW are in the central and easterly portions of the Wind Park, which are bounded on three sides by shallow water. Therefore, it is unlikely that a larger vessel would knowingly enter this area as it transits through Nantucket Sound in either an east-west or north-south direction, since grounding on the shoal is likely. The presence of the Wind Park will not restrict large vessel movements in the area since they are naturally restricted from the area by the charted water depths. Medium draft vessels could physically enter the Wind Park from the east, but this is unlikely since the shoal prevents these vessels from traveling to western portions of Nantucket Sound. Small vessels such as recreational boats and charter fishing boats will not be required to change their present operations. The common presence of breaking waves and strong tidal currents precludes the existing use of the shoal by large numbers of small vessels.

As described in more detail in Section 5.12 and demonstrated in Appendix 5.12-B, the WTGs will be constructed in a widely-spaced grid pattern (minimum 0.34 nautical mile by 0.54 nautical mile spacing) rather than randomly scattered throughout the Wind Park area. Mariners not restricted by depth, waves or currents will be able to easily navigate through the area by maintaining a straight course between the WTGs. Smaller sailboats (not limited by draft) and motor powered vessels will be able to maneuver safely between WTGs.

Each WTG will be an ATON simply by its presence in Nantucket Sound. The WTGs will be marked on NOAA navigation charts, and will serve as points of reference for mariners navigating in and around Horseshoe Shoal.