

PROPOSAL: NEWPORT SITE FOR THE PACIFIC MARINE ENERGY CENTER

EXECUTIVE SUMMARY

The Newport Community Site Selection Team has selected a Newport ocean site and proposes that it serve as the site for the Pacific Marine Energy Center (PMEC) with Newport and Toledo supplying land-based assets. Our team has identified options for elements needed to support the development of the PMEC test site as detailed in our proposal.

Our unique blend of a strong marine science research base, one of the largest fishing fleets on the west coast, a strong education presence, and a top tourist destination on the Oregon Coast makes us an ideal choice for PMEC's location. With emphasis on ocean-based economic development, our region has superb attributes for PMEC that will improve with time. The infrastructure that supports these ongoing activities will also support the users of PMEC.

All primary stakeholders, including the Fishermen Involved in Natural Energy (FINE), the Central Lincoln People's Utility District (PUD), Lincoln County, the Cities of Newport and Toledo, and the Ports of Newport and Toledo, have been directly involved in the preparation and approval of this proposal.

We propose a 4.5 square nautical mile ocean site approximately 6 nautical miles offshore from Yaquina Bay. This area has a sandy bottom with depth of 32 to 41 fathoms. The FINE representatives who have approved this area have said, "We're willing to give up good fishing assets because we're staunchly for natural energy research."

Six marine cable landing locations were studied and all represent easy connectivity into the PUD power grid. Three are recommended for further consideration.

We have located sites in and around Yaquina Bay for PMEC storage and staging areas, administrative office space, and a visitor center. The Cities and Ports are willing to assist in providing space and facilities to support PMEC. A sample list based on current availability is included.

A unique, cooperative, and strong education and research presence and other human resources abound in our community. Community partnerships will be possible on many levels. Our strong tourism industry also offers excellent public education opportunities.

Our team focused on cost sharing options unique to what our area has to offer for the successful development of PMEC. We identified viable cable landing sites involving public lands and rights-of-way that could be leveraged as a match, alleviating the need for NNMREC to acquire easement rights for cable infrastructure, or to construct access roads and related improvements. City, County, and /or State Parks have the potential to cost share through the provision of favorable lease terms.

The organizations in Lincoln County have a strong presence in the State of Oregon. Witness our coming together to win our bid for becoming the homeport for the National Oceanic and Atmospheric Administration's Pacific research fleet. This same presence and sense of community will be there to support the development and continuing activities of PMEC.

We request that NNMREC representatives visit Newport's proposed sites for PMEC.

INTRODUCTION: Newport, Oregon, is the leading coastal city in the Pacific Northwest and Northern California in marine and coastal science, education, and ocean industries. It represents the ideal site for the location of the Pacific Marine Energy Center (PMEC). In this proposal, we describe the ocean and land-based sites for PMEC facilities as well as the attributes of Newport and Toledo that make our site for PMEC compelling.

THE OCEAN SITE: A rigorous process was used to define an optimal ocean site for PMEC that meets approval of all stakeholders. Initially recommended by FINE based on their broad knowledge of the regional ocean, the proposed ocean location has been agreed to by all stakeholders. The site is located about 6 nautical miles off shore and is roughly 3 nautical miles in north-south dimension and about 1.5 nautical miles in the east-west dimension. This relatively flat, sandy-bottom area varies in depth from 32 to 41 fathoms. The main shipping lane into the Yaquina Bay deepwater port runs across the northern boundary of the site. This site is partially located within a Yaquina Bay tugboat lane. An expert in marine operations has stated that neither of these issues poses a problem as lanes are not strictly used once one is out on the open ocean. The boundaries are: North latitude 44 degrees, 36 minutes, and 0 seconds. South latitude 44 degrees, 33 minutes, and 0 seconds. West longitude 124 degrees, 14 minutes, and 30 seconds. East longitude 124 degrees, 11 minutes, and 30 seconds. (See map.)

Marine habitats at this site have been characterized in a number of studies, and the proximity of the Hatfield Marine Science Center (HMSC) and its sampling programs mean that the physical and ecological systems are well known, providing critical, long-term baseline environmental information. The gray whale migratory route passes generally shoreward of this area but can extend out to about 35 fathoms in depth. The users of the area are represented by FINE. They have thoroughly vetted this proposal and are represented on the Team. Port commissioners also sit on the Team to represent maritime commerce.

ON-SHORE CABLE LANDFALL OPTIONS: Six cable landfall options were initially proposed. Off-shore rock reefs, dredging activities in Yaquina Bay, landfall private property owners versus publicly owned sites, in-water and on-shore cable runs, available infrastructure, ease of access, visibility, and other issues were considered. (See addenda.)

Three Preferred Sites, the estimated Marine Cable Run, and Key Choice Factors are (in alphabetical order):

Lost Creek State Park 6.5 NM Owner: Oregon State Park (public). Mid range marine cable run, shortest PUD cable run, fewer rock reef issues. Further to the ocean site, but is the only landfall without marine cable rock reef issues.

South Beach State Park 5.5 NM Owner: Oregon State Park (public). Closest to ocean site, multiple landfalls, existing infrastructure and access, rock reef. This location would be closer but could have marine cable rock reef issues. It is closest to the PUD South Beach power substation.

Yaquina Bay South Jetty 6 NM County/State Park ownership. Zoning is P-2/"Public Recreation" and is subject to the South Beach State Park Master Plan. HMSC user, existing infrastructure and access, PMEC cables must be routed up ship channel. This is highest cost and has issues with rock reefs, but has existing equipment connections with HMSC and NNMREC.

POWER GRID CONNECTION: Central Lincoln PUD has existing high capacity 12.5kV distribution lines along Highway 101 and close to potential cable landing sites from Newport to Seal Rock. PUD representatives state that grid interconnection for the wave energy test facility is viable for these locations with minimal interconnection facilities required. The PUD has existing telemetering with BPA's Toledo substation which will allow metering as required to meet federal interconnection requirements. In

addition, the PUD has experience installing and operating SCADA, ION metering, Distribution Automation, Smart Grid technologies, and fiber optic communications that will facilitate a successful test facility operation.

OFFICE, VISITOR, AND STORAGE SPACE

Port of Newport: The Port of Newport has land on either side of Yaquina Bay for siting offices and a visitor center. The Port is investigating the development of an Ocean Technology Center building to be located adjacent to the NOAA site. This site will also house tenants in related ocean research and operations for up to 30,000 total square feet. Potential tenants include academic and business institutions involved in the National Science Foundation's Ocean Observatories Initiative, marine technology firms, and federal and state agencies. This will provide an excellent collaborative environment where tenants can get to know one another and form connections. The Port of Newport Business Plan will be available March 2013. Near its International Terminal is waterfront acreage (owner: W. Hall) suitable for storage.

Hatfield Marine Science Center: Possibilities also exist for the co-location of the PMEC Visitor Center with the HMSC Visitor Center. This facility, which focuses on interpreting marine science to the public and conducts research on how people learn in informal environments, already has several displays that emphasize marine renewable energy. The HMSC Visitor Center recently opened a wave tank display with computerized, user-operated wave tanks and the opportunity to test "mini-wave energy converters". While this development would require negotiations and agreements between PMEC and OSU, the synergies of co-location are evident.

An additional option for the administrative offices and staging area for PMEC could exist on the HMSC campus. While there is no existing space available for such activities, OSU has considered preliminary concepts for an "Ocean Observing Initiative Support Building" between OSU Ship Support and the HMSC Visitor Center. This project would provide a facility supporting the broad ocean observing initiative at OSU and the University of Washington. OSU is a national leader in this area, and has significant research funds through the National Science Foundation already secured to conduct the research. If built, this 21,600 sq. ft. facility would serve as an adjunct to OSU Ship Support Facility at the north end of the HMSC Campus. It will allow staging for cruises, buoy repair and maintenance, and instrument development for OSU and several supporting institutions. It is possible that this facility, if built, could also house PMEC's administrative needs, subject to negotiations with OSU.

The City of Newport has invested millions into the streets, paths, lighting and related utilities in South Beach so that in the event a suitable "build to suit" option can be identified on Port property or the HMSC campus those costs will not have to be borne by NNMREC (as is typically the case with new development).

Other Existing Office: West Coast Bank building, 222 NE Hwy 20, Toledo. Owner: West Coast Bank. Zoned commercial. This former bank would provide first-class office space for PMEC and has dense wiring for data.

Western Title Building ground floor, 255 SW Coast Hwy, Newport. Owner: Western Title (Slape Investment). Zoned commercial. This space is a former dispatch center and is densely wired for communications. Of 24,000 square feet, about half is or will become available.

Cardinal Building, 914 SW Coast Hwy, Newport. Owner: Richmond family. Zoned commercial. Office building has 3 floors of mostly empty offices near the bridge and has ocean view.

The Port and City of Toledo have land available to construct build-to-suit office and storage facilities to meet identified PMEC space needs.

MARINE INFRASTRUCTURE

The Port of Toledo operates a boatyard in Toledo, which is classified as an open boatyard. The Port operates a 25-ton and 85-ton mobile boat lifts, a 200-ton floating dry dock, a 15-ton hydro-crane, and has man-lifts and forklifts available. As an open boatyard, outside marine service vendors are licensed to work through the boatyard. It has marine electricians, welders, fitters, hydraulic specialists, sandblasting and painting services available. All aspects of vessel maintenance can be performed at the boatyard either through boatyard staff, or local service providers. These capabilities and experience will serve wave energy developers. This includes land and buildings for assembly of wave energy devices, maintenance work in a protected environment, fully functioning docks for equipment deployment and haul out. The Port worked closely with OSU staff of NNMREC, having staged, help outfit, and launch the Ocean Sentinel. They also worked with Pacific Energy Ventures to launch their prototype wave energy device, the WETNZ.

The Port of Toledo has just completed and adopted a Strategic Business Plan that highlights its Boatyard Build-Out Plan. The permits for the in-water portion of the project are being filed this month, with construction planned to start in November 2013. With the proposed expansion of the boatyard to include a 300-ton mobile lift and a covered high-bay work area, the boatyard could easily support existing and future PMEC service and storage needs.

Toledo is served by rail that loops through the city and serves several places, connecting inland along the Yaquina River toward Corvallis. Dredging maintains the channel for barging or towing out to sea.

The Port of Newport also has assets being completed at their International Terminal site. As a shipping dock, there will be ample opportunity for inbound and outbound freight for wave energy developers. Yaquina Bay has one of the easiest and safest channels for navigation on the west coast. It is served by Land – Sea – Air – Rail. There is an on-site customs agent for the international firms. The community is interested in investigating a Foreign Trade Zone.

Newport has a municipal airport that can handle jet traffic and has a sophisticated navigation system for its users. Fed Ex has a hub for daily air shipping.

The PUD: The final piece of infrastructure we want to draw attention to is the reliable grid and the fiber optic backbone. Outage history shows that the PUD operates a highly reliable system; history can be provided upon request. Lincoln County was a pioneer in buried fiber optic loops that undergo continual expansion. There is a high degree of available (dark) fiber.

HUMAN RESOURCES

The workforce of Lincoln County has a high percentage of people employed both directly and indirectly in a marine-related enterprise. The skills and knowledge of some of our local people were built over a lifetime. There are specialists in boat maintenance and fabrication, marine technology, and a highly advanced fishing industry. Vessel owners are branching into scientific purposes through partnerships at HMSC and have increased their crew knowledge and capabilities. The addition of large NOAA vessels will only increase the human resource pool over time. Due to the HMSC campus, the human resource in marine science is of the highest caliber and is doing cutting-edge research that would fit well with the goals of PMEC. Schools, the community college campus, and amenities such as the arts are superb for a place of its size.

COMMUNITY PARTNERSHIPS

There is a valuable partnership in place with a technologically advanced fishing industry. This has contributed to the success of current scientific endeavors and has a strong tourism component. Newport is known for its working waterfront and Toledo for its wooden boat show.

Newport is a unique community where partnerships and collaboration are particularly strong in research and education. The South Beach Peninsula is a highly focused center for marine research and education, and many elements are directly pertinent to the success of P MEC. With a combined budget of over \$70 million per year and employment of more than 500, this activity has been embraced as an economic development cluster by the City of Newport, the Economic Development Alliance of Lincoln County, and the Yaquina Bay Economic Foundation.

Newport has capability in all levels of education around marine sciences. The Lincoln County School District has an objective for its students to become the most ocean literate in the nation. Its collaborations with HMSC and the Oregon Coast Aquarium (OCA) create great opportunities for local youth and for training teachers to learn about and incorporate marine science and P MEC renewable energy in their curricula. The Oregon Museum of Science and Industry has purchased property and is developing a field camp that will accommodate some 200 youth for field camps in marine and coastal science. This presents an opportunity for significant outreach to educate young students about P MEC and marine renewable energy because most of these students come from larger Oregon metropolitan areas. Along with some 600,000 public visitors per year to the OCA and HMSC Visitor Center combined, this represents a tremendous outreach capability difficult to duplicate in other locations.

Higher education is similarly well developed. The Oregon Coast Community College has developed a new main campus in South Beach, which houses the unique Aquarium Science Program, a two-year degree program that creates trained specialists for the aquarium and aquaculture industry. This program was developed in partnership with the OCA and HMSC, with funding from the National Science Foundation. Preliminary discussions have been held about a similar program in technical education for renewable energy at OCCC focused on marine renewables, potentially in collaboration with Columbia Gorge Community College (wind energy) and the Oregon Institute of Technology (geothermal). Siting of P MEC in Newport could serve to jumpstart this collaborative program, fostering efforts that would produce trained employees for marine renewable energy development. HMSC brings many activities from OSU to the coast, and these have the potential to increase understanding of marine renewables should P MEC locate in Newport. If P MEC needs undergraduate or graduate students for internships, HMSC has the facilities and infrastructure to provide both students and the student support. It also provides the linkage to the larger OSU that can provide needed specialists directly to developers associated with P MEC.

The research enterprise on the South Beach Peninsula complements the educational program and will also serve as a valuable resource for P MEC. HMSC includes diverse research programs in many facets of marine science, including marine biology and ecology, oceanography, fisheries, aquaculture, marine geology and biogeochemistry, acoustics, marine mammals, ocean health, and marine resource economics. From the academic programs at OSU to the diverse research portfolio of the eight state and federal agency activities at HMSC (ODFW, three in NOAA, US EPA, US Fish & Wildlife Service, USDA-ARS, and USGS), a good deal of research on the environmental effects of marine renewable energy is conducted out of Newport. Several of the agencies serve regulatory functions and are asked to comment on permits related to ocean activities, including marine renewables. The research community has been augmented by NOAA's Marine Operations Center of the Pacific, and those elements of infrastructure support that are beneficial to our fishing industry and for research vessels and the marine research enterprise will similarly benefit P MEC. P MEC staff as well as developers deploying wave energy

devices will have access to experienced scientists who can advise on questions related to marine renewable energy – from environmental effects to permitting questions.

Finally, the vast volumes of data collected about the ocean and marine habitats off Newport can serve as valuable baseline data against which environmental effects can be evaluated. All of these benefits will be difficult or impossible to duplicate elsewhere on the Oregon Coast.

Recreational users of the ocean are another potential for community partnerships, as well as the conservation groups that value the beach and ocean resources.

COST SHARING IDEAS FOR P MEC

LOCAL GOVERNMENT: Ports of Newport, Toledo (i.e., sources available to them); Lincoln County lottery sources; Bonding/ Financing /Debt servicing; City of Newport, lower costs of siting; City of Newport, urban renewal; City of Newport, room tax; City and County in-kind opportunities; Corvallis and Benton County.

NONPROFIT SECTOR: OSU Foundation; Foundations interested in renewables; Grand Ronde Tribal Charitable Fund; Siletz Tribal Charitable Fund; Three Rivers Tribal Charitable Fund; School District; Oregon Coast Aquarium; OMSI; Conservation groups; Gates Foundation; Bullit Foundation; Ford Family Foundation; Environmental Defense Fund; Oregon Community Foundation.

PRIVATE SECTOR: Banks; Cascades West Financial Services; ShoreBank Cascadia or other community development banks; renewable energy companies; Georgia Pacific grant program; P MEC users.

STATE OF OREGON: We have identified at least five state agencies that may have an interest.

NEWPORT COMMUNITY SITE SELECTION TEAM

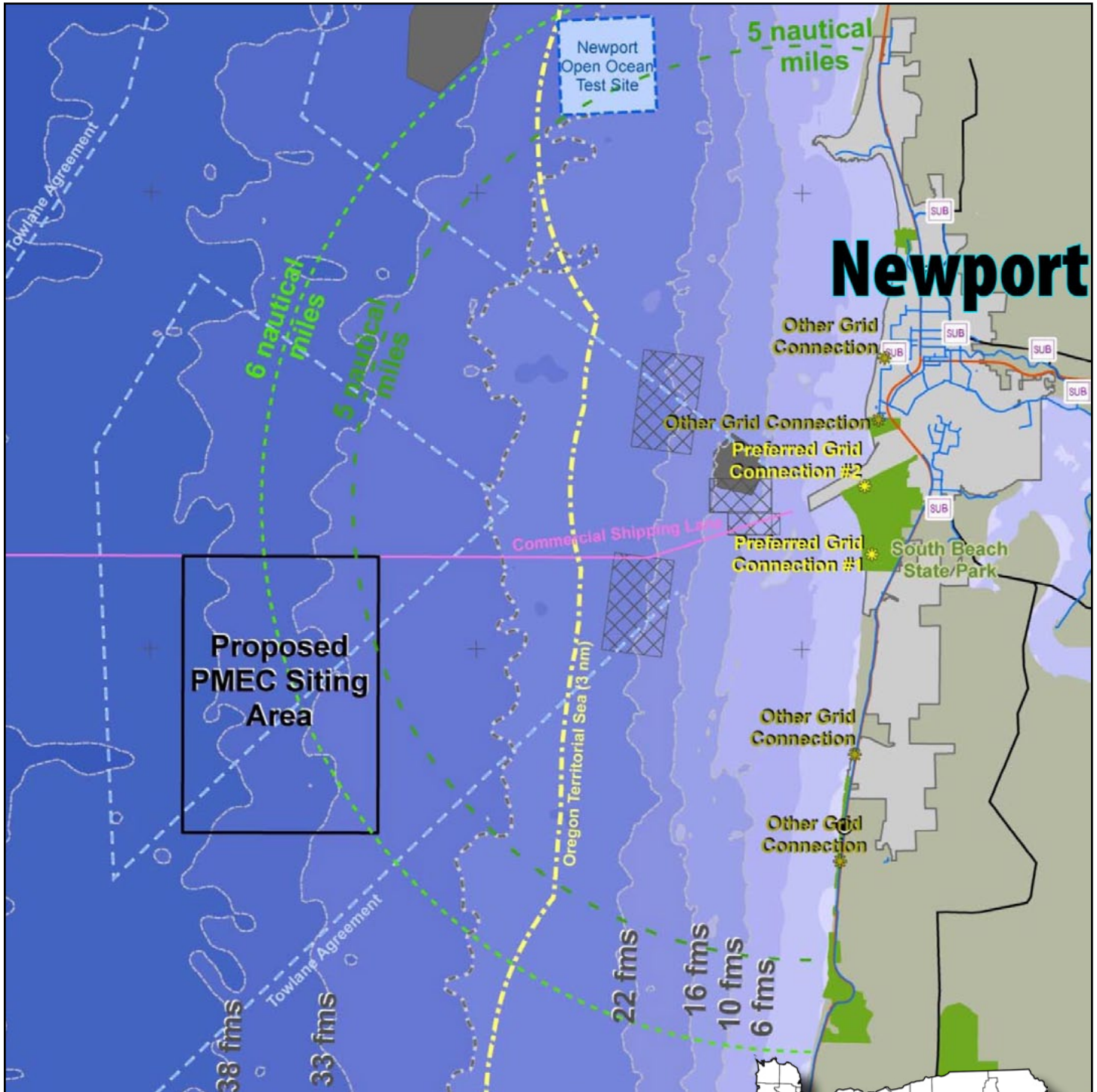
David Allen	Public at Large	Paul Amundson	Chair, Public at Large
Tracy Bailey	Tribes /Econ. Devel.	Caroline Bauman	Economic Development
George Boehlert	Economic Devel.	Walter Chuck	Port of Newport
Jack Craven	Charter Fishing	Ralph Grutzmacher	Local Government
Doug Hunt	Local Government	John Lavrakas	Marine Infrastructure
Bruce Lovelin	Central Lincoln PUD	Paul Stannard	Commercial Fishing
Derrick Tokos	Local Government	Fred Sickler	Ocean Recreation

Technical Advisors:

Bud Shoemaker, Port of Toledo Manager.

John Schaad, Customer Services, Bonneville Power Administration.

Proposed PMEC Siting Area



Newport, Oregon



Build To Suit: Port Property or HMSC Campus



- Characteristics:**
- Existing marine research and education area
 - Partnering opportunity with HMSC visitor center
 - Infrastructure available (water, sewer, streets, etc.)
 - Size: 6,000 sq. ft. (office, visitor center, warehouse)
 - Cost: \$1.65 million
 - Financing: Port, State, others

Hildenbrand, Kaety

Subject: FW: P MEC**From:** info@portoftoledo.org [<mailto:info@portoftoledo.org>]**Sent:** Thursday, December 06, 2012 2:41 PM**To:** 'John Lavrakas'**Cc:** 'Ralph'; Hildenbrand, Kaety**Subject:** P MEC

The Port of Toledo Commission and Staff fully supports the effort to locate P MEC off of Newport.

As you may be aware, the Port of Toledo operates a boatyard in Toledo. We have worked closely with OSU staff of NNMREC, having staged, help outfit, and launch the Ocean Sentinel. We also worked with Pacific Energy Ventures to launch their prototype wave energy device, the WETNZ.

Through our boatyard facility we helped to assemble the devices. We have provided support and heavy equipment such as travel lift, crane, and forklifts which were necessary for launching and retrieving the devices, as well as access to the Yaquina Bay's world class marine service industry.

The Port of Toledo has just completed its' Strategic Business Plan which includes a focus on its' Boatyard Build-Out Plan.

This plan was adopted by the Port Commission at our November 2012 meeting. The permits for the in-water portion of the project are being filed this month, with construction planned to start in November 2013. With the proposed expansion of the yard to include 300-tons mobile lift and covered, high bay, work area, the Boatyard could easily support the existing and future P MEC's service and storage needs.

Bud Shoemake
Port Manager

Port of Toledo
P.O. Box 428
496 NE Hwy 20, Unit 1
Toledo Oregon 97391
541.336.5207
www.portoftoledo.org
info@portoftoledo.org



November 26, 2012

Board of Commissioners

Courthouse, Room 110
225 W. Olive Street
Newport, Oregon 97365
(541) 265-4100
FAX (541) 265-4176

Governor John Kitzhaber, MD
900 Court St., NE
Salem, OR 97310

Dear Governor Kitzhaber:

On November 20, 2012 the Fishermen Interested in Renewable Energy (FINE) Committee unanimously voted to recommend to the Lincoln County Board of Commissioners that a 6 to 7 mile square mile area of ocean, west of Newport, become the site of the Pacific Marine Energy Center (PMEC). PMEC would be a grid-connected offshore energy research facility. The Oregon Wave Energy Trust (OWET) has identified development of PMEC as their highest priority. Laying the groundwork for PMEC has now also become a high priority for the Lincoln County fishing community and other key community stakeholders.

The area of ocean off Lincoln County selected by FINE poses fewer conflicts with recreational/commercial fishing activities and other existing uses of the ocean than other sites off the Central Coast. Dr. Belinda Batten, Director of Oregon State University's (OSU) Northwest National Marine Renewable Energy Center (NNMREC), attended the FINE meeting. Dr. Batten, working collaboratively with fishing industry representatives, provided valuable input that enabled FINE to delineate a site for PMEC that meets the key logistical features OSU needs to optimize their research program.

The membership of FINE has always been supportive of ocean energy *technology and environmental impacts* research. Since 2006, FINE has worked closely with OSU Sea Grant Extension and the faculty of NNMREC. For example, FINE worked with OSU to identify the existing one-square mile NNMREC wave energy research site off Yaquina Head. In addition, on an ongoing basis, FINE provides technical and practical advice to OSU and wave energy technology companies utilizing NNMREC on the logistics of marine operations at NNMREC. NNMREC and the wave energy companies will tell you that leveraging the collective experience of local fishermen, who understand the realities of working in a harsh marine environment, is a key ingredient of success.

Not surprisingly, with the growing cluster of world-class oceanographic research activities taking place in Newport, the members of FINE and other leaders in Lincoln County believe that *research* on ocean energy is a natural fit for our community.

However, the members of FINE also strongly oppose the identification of ocean areas adjacent to and near the Central Coast (*especially* within Oregon's Territorial Sea) for future utility-scale/commercial ocean energy projects.

The members of FINE are deeply concerned about the potential future loss of ocean space. The State of Oregon's marine reserve designation process and the siting of NNMREC consumed approximately 19% of Lincoln County's Territorial Sea. No other sub-region of the Oregon Coast was asked to absorb that level of reduced fishing effort.

Over the last few years the members of FINE developed a good understanding of the status of the wave energy industry. In a larger sense, they *don't* believe it is necessary, at this time, especially *in Oregon's Territorial Sea*, to establish very many sites for commercial-scale wave energy operations. Wave energy is a nascent industry. They are nowhere close to producing electricity at price points that are competitive with other renewable energy technologies (in particular, the terrestrial wind industry). The exception to that rule may be in niche markets, in particular, remote island communities where energy costs are prohibitive.

More than anything, the members of FINE believe a focus on research makes sense for both industries. Together, those industries can develop the most efficient and effective technologies for energy production. We all have a stake in the development of efficient wave energy technologies. That will help us concentrate and pinpoint the appropriate locations of commercial scale sites based on proven technologies. It follows, then, with highly efficient/effective ocean energy devices, ocean energy projects can have minimal impacts on the marine environment and the other sustainable/beneficial uses of the ocean.

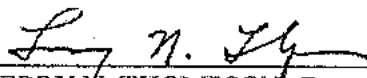
In closing, please know the members of FINE believe that the vote they took on November 20, 2012 (*to identify an optimal site for PMEC*) may rank among the most important/pragmatic steps ever taken to keep Oregon in forefront of the development of these emerging technologies.

Sincerely,

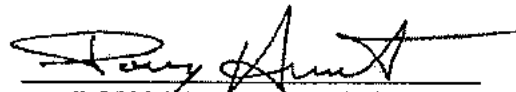
LINCOLN COUNTY BOARD OF COMMISSIONERS



BILL HALL, Chair



TERRY N. THOMPSON, Commissioner



DOUG HUNT, Commissioner

CC:

Bob Jacobson, Chair FINE
 FINE Members
 Belinda Batten, NMREC and PMEC
 PMEC Siting Committee
 The Coastal Caucus
 Ocean Policy Advisory Council
 The Oregon Congressional Delegation
 Julie Kiel, Oregon Wave Energy Trust President
 Stephen Chu, Secretary, U.S. Department of Energy
 Ken Salazar, Secretary, U.S. Department of Interior
 Jane Lubchenco, Administrator, NOAA

CITY of DEPOE BAY

Post Office Box 8 + Depoe Bay, Oregon 97341
Phone (541) 765-2361 + Fax (541) 765-2129
TDD# 1-800-735-2900



December 3, 2012

Scott McMullen, Chairman
Ocean Policy Advisory Council
635 Capitol Street N.E., Suite 150.
Salem, Oregon 97301-2540

Dear Chairman McMullen:

The City of Depoe Bay, Oregon and the Depoe Bay Near Shore Action Team (NSAT) continue to support the position of the Fishermen Involved in Natural Energy (FINE) group regarding wave energy in the Oregon Territorial Sea. We completely agree with the position they took at their Nov 20th meeting, namely that the proposed P MEC wave energy site off the Lincoln County coast be designated for research only and that wave energy development sites not be located in the Oregon Territorial Sea within the boundaries of Lincoln County. The people of Depoe Bay and Lincoln County have already had significant portions of the Oregon Territorial Sea off the coast of Lincoln County carved out for Marine Reserves. Additionally, we whole heartedly agree with the position on wave energy stated by the Lincoln County Commissioners in their November 26, 2012 letter to Governor Kitzhaber.

At this very early stage in the wave energy development, we do not believe it is in the best interest of the state of Oregon and communities and businesses which depend on the bounty of the waters of Oregon's territorial sea to commit to large parcels within the Oregon Territorial Sea to future commercial ocean energy projects. Further, we are of the position that not only should the P MEC and NNMREC sites be designated for research but they should be counted as part of the total number of sites selected by the State of Oregon.

Sincerely yours,

Carol Connors, Mayor
City of Depoe Bay

cc: Lincoln County Commissioners

FOR BOC REVIEW

Date Rec'd 12-5-12
Comm. Hall BFI
Comm. Thompson TA
Comm. Hunt JA
Requires
BOC Approval:

Copy to:

CITY OF NEWPORT
169 SW COAST HWY
NEWPORT, OREGON 97365

COAST GUARD CITY, USA



phone: 541.574.0629

fax: 541.574.0644

<http://newportoregon.gov>

mombetsu, japan, sister city

December 17, 2012

Scott McMullen, Chair
Ocean Policy Advisory Council
635 Capitol St. NE, Suite 150
Salem 97301-2540

Dear Chair McMullen,

We understand that you will soon be considering amendments to the Territorial Sea Plan to identify suitable locations and siting criteria for offshore wave energy development. The City Council recognizes that this is the culmination of many years of hard work by the Department of Land Conservation and Development, key stakeholders, and citizens and we would like to express our deep appreciation for all of their efforts.

As you may be aware, Oregon State University's Northwest National Marine Renewable Energy Center (NNMREC) has identified Newport and Reedsport as finalists for the proposed Pacific Marine Energy Center (PMEC) grid-connected wave energy test facility. The City is working with its community partners in Newport and Toledo on developing a proposal to NNMREC and it is our sincerest hope that we will be successful in this endeavor.

On November 26, 2012 the Lincoln County Board of Commissioners wrote a letter to the governor, on behalf of the Fisherman Involved in Natural Energy (FINE) Committee, which expressed a similar view with respect to the value of the PMEC development to our community. The letter further notes that the fishing community has always stepped forward to assist Oregon State University in its efforts to research and develop wave energy technology and that the growing cluster of marine research activities in Newport makes this type of project a natural fit for our community.

This isn't without its risks though, and as the Board of Commissioner's points out there is growing concern within the fishing community about the potential future loss of ocean space should commercial-scale wave energy development projects seek to occupy our coastal waters in addition to sites reserved for research purposes.

Commercial fishing and fish processing contribute substantially to our local economy and in many ways define the character of our community. With that in mind, the City of Newport fully supports Lincoln County and FINE in their effort to limit future deployments off the County's coastline to non-commercial wave energy operations. This approach promotes wave energy research while at the same time protecting the critical needs of our fishing industry.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Mark McConnell". The signature is written in a cursive style.

Mark McConnell, Mayor
On Behalf of the Newport City Council

Yaquina Bay Ocean Observing Initiative

*Establishing Newport Oregon as a hub
for ocean observing in the Pacific
Northwest*

Supplier Listing

This document provides a listing of suppliers on the Oregon Coast and in other parts of Oregon that provide critical services needed to support ocean observation, research, and deployment. If your company is not in this list, and you would like to add it, please let us know on the comment form. While every effort has been made to ensure the information is complete and up to date, you should contact the supplier directly to obtain the most current information. If you wish to update a listing or provide us any other comments on this site, please notify us on our [Comment Page](#).

Companies who are qualified to do work with the government are identified with the words "Government Contractor Ready". If you are not currently a government contractor, but are interested in becoming one, visit the [BuyLocalLincolnCounty](#) website to learn more.

Categories:

Commercial Diving
Marine Construction & Repair
Marine Engineers
Marine Services
Marine Suppliers
Metal Fabricators
Plastic Fabricators
Research & Development
Riggers and Rigging Supply
Stevedores
Towing & Barge Companies
Underwater Housings

Commercial Diving**Advanced American Construction**

AAC provides full service diving services on a 24-hour, seven days a week, emergency and non-emergency response basis.

Website: www.callaac.com

8444 NW St. Helens Road

Portland, Oregon 97231

Telephone: 503-445-9000

REFERENCES:

1. Wave Energy Infrastructure Assessment in Oregon. This report was prepared for the Oregon Wave Energy Trust by the Advanced Research Corporation of Newport. John Lavrakas and Jed Smith, Dec. 1, 2009.
2. Port of Newport Business Plan, in process and finalized March 2013.
3. Port of Toledo Strategic Investment & Capital Investment, adopted Nov. 20, 2012.
4. Newport Travel Impacts, 1991-2011. Dean Runyan Associates. June 2012.
5. Non-consumptive Ocean Recreation in Oregon: Human Uses, Economic Impacts, & Spatial Data. Surfrider Foundation et al., March 3, 2011.
6. Supplier Listing, Yaquina Bay Ocean Observing Initiative. June 2012.

ADDENDA:**Other On-Shore Cable Landfall Options (northernmost site first):**

Don Davis Park/Nye Beach, 7.5 NM distance from site, City ownership, existing access and infrastructure, extensive reefs.

Lighthouse State Park, 7 NM distance from site, City ownership, marine cables must cross dredging channel.

Thiel Creek, 6 NM distance from site, lowest PUD costs, private property and access issues, infrastructure costs, special zoning exception needed, rock reefs.

Notes on Recreational Use (references 4 & 5):

In a statewide survey generated by Surfrider Foundation et al., “Non-consumptive Ocean Recreation in Oregon,” Lincoln County was ranked by far the most visited county. In 2010 Oregon residents took an estimated 27 million trips to the coast, 88% for recreation. A random sample of 4,000 residents found that over 80% had visited the Oregon Coast at least once in the past 12 months. The most popular activities were shore-based. Wildlife viewing activities such as tide pooling and whale watching were popular with nearly a third of respondents indicating participation. Ocean based activities such as surfing, kayaking and boating captured between 2-8% of the survey sample. These activities are trending upward.

Yaquina Bay is ranked by www.bestfishinginamerica.com as one of Oregon’s most popular all around recreational bays, safe for new boaters with plenty of crabbing supplies and boats to rent. ODFW has a link to Yaquina Bay for good clamming and crabbing areas.