

Pat McCrory Governor Donald R. van der Vaart Secretary

February 23, 2015

The Honorable Abigail Rose Hopper, Director Bureau of Ocean Energy Management 1849 C Street, NW Washington, DC 20240

Dear Director Hopper:

Thank you for the opportunity to comment on the Environmental Assessment (EA) for site characterization and assessment activities related to future lease sales and siting wind energy facilities in the Atlantic Outer Continental Shelf (OCS) off North Carolina's coast. We believe there are excellent opportunities for energy development off our coast but also recognize that energy projects must be consistent with ongoing activities. Mitigation measures are needed as necessary to maintain natural viewsheds; protect sensitive marine habitats and resources; and minimize conflicts with activities, such as shipping and fishing. Furthermore, sharing a portion of the offshore lease revenues with states and local communities is essential to help fund infrastructure upgrades necessary to support offshore energy development.

Secretary Jewell recently announced three Wind Energy Areas (WEAs) offshore North Carolina to be considered for leasing. These include the Kitty Hawk WEA, which begins about 24 nautical miles (nm) from shore and extends approximately 25.7 nm in a general southeast direction at its widest point; the Wilmington West WEA, which starts about 10 nm from shore and extends approximately 12.3 nm in an east-west direction at its widest point; and the Wilmington East WEA, which begins about 15 nm from Bald Head Island at its closest point and extends approximately 18 nm in the southeast direction at its widest point.

First, we request that no lease sales be offered within 24 nm of the North Carolina coastline. It is our understanding that the National Park Service requested that areas within 33.7 nm of Bodie Island Lighthouse be excluded from wind energy development as a result of visual projections showing turbines would impair visibility from the Bodie Island Lighthouse and Cape Hatteras National Seashore and thus, likely impact the coastal tourism industry. Similar consideration should be given to the Wilmington East and West WEA's to protect the economies and land values of Brunswick and New Hanover counties. Almost one billion dollars in economic activity was generated in 2013 from visitors to these two counties, providing more than 10,000 jobs and \$90 million in state and local tax revenues. Four independent studies commissioned by the State of New Jersey found that a significant decline in tourism and a net loss to the state's economy would occur where offshore energy projects were visible from the coastline. While the unemployment rate in Brunswick and New Hanover counties are down by five percentage points since Governor McCrory took office in January 2013, it remains important that our coastal economies continue to improve. Page 2 of 2

Second, we appeal to you to prepare an Environmental Impact Statement (EIS), similar to the Programmatic EIS being prepared in support of the 2017-2022 OCS Oil and Gas Leasing Program, for the construction and operation of wind farms within the proposed leasing areas prior to offering a lease sale. North Carolina's coastline is unique compared to other east coast states. As Governor McCrory discussed in the Five Year Oil and Gas Leasing Program request for information (RFI) response, the convergence of the southward flowing cold water in the Labrador Current and the northward flowing warm waters of the Gulf Stream, in conjunction with the Western Boundary Undercurrent, causes an upwelling of nutrient-rich waters over unique bathymetric features and enhances the ocean's productivity off the North Carolina coast. Consequently, our state's coastal and ocean waters are filled with a particularly diverse and important mix of fish and other organisms at various stages of their life cycle, including a variety of endangered and threatened sea turtles, pelagic seabirds and marine mammals. Proceeding with lease sales prior to the preparation of an EIS puts these habitats, including hard-bottom and benthic, at risk, as purchasers could use their investment in the lease as pressure to allow subsequent construction and operation. Completing an EIS will ensure the preservation of sensitive habitats and resources prior to any investments in the leased area.

Finally, we encourage further navigational studies prior to offering lease sales with consideration given to the deeper and wider channels proposed in the 25 Year Vision for North Carolina to support movements of the newest generation of shipping vessels at the Wilmington Port. It is important that offshore energy activities be appropriately sited to minimize navigational safety and spill risks. Your report entitled, "Environmental Risks, Fate and Effects of Chemicals Associated with Wind Turbines on the Atlantic Outer Continental Shelf," which studied OCS call areas off Rhode Island, Maryland and North Carolina, stated "The highest release probabilities (1 time per month) were in the North Carolina Call Area, resulting from vessel allisions causing small releases of up to several hundred gallons" [of hydraulic oil, naphthenic oil, lubricating oil and ethylene glycol.] The estimated annual incident rate of 28.2 large vessel allisions and 4.6 small vessel allisions with wind turbine generators in the Kitty Hawk WEA presents an unacceptable safety risk.

Thank you for your consideration of our comments. We are happy to coordinate and consult with you to ensure that offshore energy projects are carried out in a manner that provides for safety, protection of the environment and prevention of interference with reasonable uses. Please direct any questions to Jenny Kelvington, Senior Policy Advisor, at jenny.kelvington@ncdenr.gov or via telephone at 919-707-8481.

Sincerely.

Donald R. van der Vaart Secretary Department of Environment and Natural Resources