

Reedsport OPT Wave Park, LLC
1590 Reed Road, Pennington, New Jersey 08534

Via Email

November 4, 2010

Ms. Juna Hickner
Coastal State-Federal Relations Coordinator
Oregon Coastal Management Program
Oregon Department of Land Conservation & Development
635 Capitol Street, NE, Suite 150
Salem, Oregon 97301-2540

**Subject: Reedsport OPT Wave Park (FERC Preliminary Permit P-12713)
Request for Coastal Zone Management Plan Consistency Determination**

Dear Ms. Hickner,

Reedsport OPT Wave Park, LLC ("OPT" or "Company") filed a Final License Application for a Minor Project on February 1, 2010 with the Federal Energy Regulatory Commission. On June 2, 2010, the Federal Energy Regulatory Commission (FERC) issued a *"Notice of Application Accepted for Filing, Ready for Environmental Analysis, and Soliciting Motions to Intervene and Protests, Comments, Terms and Conditions, Recommendations, and Prescriptions"* for the Reedsport OPT Wave Park Phase II Project (FERC No. P-12713-002).

OPT is requesting the Department of Land Conservation and Development review the project and provide an affirmative declaration of the project's consistency with Oregon's applicable coastal policies. Please find attached OPT's Statement of Territorial Sea Plan Consistency. Additional relevant documentation for the consistency determination has previously been submitted to the Department, the Federal Energy Regulatory Commission, and the Oregon Department of State Lands.

If you have any questions or would like additional information, please feel free to contact me via email at rlurie@oceanpowertech.com or (609) 730-0400 ext. 257.

Sincerely,



Robert Lurie
Vice President, North America Business Development & Marketing of
Member, Ocean Power Technologies, Inc.

cc: Peter Browne
James Hastreiter
Jessica H. Keys
Michael Murphy
Cherise Oram
Reedsport (P-12713) File

Attachment

Reedsport OPT Wave Park (FERC P-12713-002)
Statement of Consistency with Oregon's Territorial Sea Plan

The Reedsport OPT Wave Park ("OPT") intends this 1.5 MegWatt, ten PowerBuoy® project to be first grid connected, commercial wave energy project in the United States. The project is planned to be located approximately 2.5 nautical miles off of Reedsport. It is anticipated to generate an average of 4,140 MegaWatt-Hours annually. A Final License Application was filed with the Federal Energy Regulatory Commission ("FERC") on February 1, 2010. An "Offer of Settlement", Joint Explanatory Statement, and Settlement Agreement ("Agreement") were filed with FERC on August 2, 2010. Eight Oregon Governmental Agencies, three non-governmental agencies representing Oregon fishing and recreational interests, and three Federal Agencies were signatories.

The Agreement encompasses six Aquatics and Water Quality study areas. It also addresses Public Safety and Recreation, Fishing and Crabbing, and Terrestrial and Cultural Resources. An Adaptive Management Process (AMP) is included to provide a means for mitigating any adverse effects which may occur. The Agreement represents more than three years of collaboration and consultation among the parties. One purpose of the project is to collect sufficient data after the 10 PowerBuoys are deployed for FERC and others to evaluate potential future expansion of the project. Another purpose is generating clean, renewable electricity for Oregonians.

OPT believes that the proposed project is consistent with Oregon's coastal policies regarding the goals and use of the Territorial Sea (Territorial Sea Plan, Section 1, Part G). Protection of marine resources is provided by the small size of the proposed project, which is approximately thirty acres in size. OPT will implement additional Protection, Mitigation, and Enhancement Measures in accordance with the Agreement and the Final License Application. The project offers stakeholders an opportunity to "support the development of ocean resources which are environmentally sound and economically beneficial to coastal communities and the state". This "first of a kind" project data will provide valuable knowledge about the potential of wave energy along the Oregon Coast and its environmental effects. The data will guide and inform the AMP, as needed.

Part 5 of the Territorial Sea Plan was enacted in November 2009 in recognition of the potential that renewable ocean energy facilities could play in reducing fossil fuel dependence. Part 5 states "Oregon's territorial sea has been identified as a favorable location for siting renewable energy facilities for research, demonstration and commercial power development". The Reedsport OPT project is intended to demonstrate responsible, phased development of commercial wave energy facilities. The project will also demonstrate the opportunities and benefits for coastal communities and the State of Oregon. OPT has applied or is pursuing licenses, permits, authorizations, and other relevant regulatory approvals for deployment and operation of the project. These activities are in accordance with Part 5, FERC regulations, and applicable state and federal requirements.

The siting, deployment and operation of the project is consistent with Part 5 and Goal 19 (OAR 660-015-0010(4)). The Preliminary Permit for the 1.5 MW, ten PowerBuoy project was issued by FERC in February 2007. OPT has worked with stakeholders in a collaborative process and Governor Kulongoski designated the Reedsport wave energy facility as an "Oregon Solutions" project. The Agreement's study plans and AMP allow data to be collected on this small scale project to inform stakeholders about this project and future, commercial scale wave energy development. This approach allows assessment of wave energy on marine resources and ecological functions. The information will help evaluate the long term ecological, economic, and social value and benefits of wave energy to the present and future generations.

OPT submits this Statement of Consistency with the Oregon Territorial Sea Plan in accordance with the requirements of the Coastal Zone Management Program. OPT believes that the 1.5 MW Reedsport project complies with the requirements of Oregon's coastal policies. OPT requests the Department of Land Conservation and Development grant the project a Consistency Determination in accordance with these state policies and applicable coastal Federal-State Agreements.