

**Proposal to Form a Private/Public Foundation to Lead & Coordinate
Ocean Wind Energy Development in the Gulf of Maine**

The Ocean Energy Task Force (OETF), initiated by Governor Baldacci in November 2008, is scheduled to complete its recommended plan of action to develop grid-scale ocean wind energy capacity, encourage tidal and wave energy development, and evaluate federal oil and gas initiatives offshore on October 31, 2009. The purpose of this memo is to outline a strawman organization, the Gulf of Maine Ocean Wind Energy Foundation, to bring public and private interests together to continue and build on OETF's work and promote the development of ocean wind energy in the Gulf of Maine.

During the past year, a remarkable series of accomplishments have advanced Maine from a bystander to creative proponent of ocean wind development:

- The University of Maine developed an extensive GIS database to support site discussions and decisions.
- The Maine Legislature unanimously approved test site legislation.
- The Maine Department of Economic & Community Development featured Maine's ocean energy development capabilities at the OCEAN ENERGY 2009 Conference in Rockport.
- The Maine Department of Environmental Protection negotiated a MOU with FERC to coordinate state and federal review of tidal energy development proposals.
- Maine's Congressional delegation has introduced the University of Maine to Secretary Chou of the U.S. Department of Energy to position the University as a contender for designation as a national ocean wind laboratory.
- The University of Maine organized a large group of ocean wind development interests to submit a proposal to fund a national test lab in Maine.

Looking beyond the completion of the Ocean Energy Task Force's work on October 31, 2009, there is an urgent need for an organization that is totally focused on ocean wind energy to:

- Inspire, engage, and coordinate private and public efforts to promote ocean wind energy development on a long-term basis;
- Provide an entrepreneurial mechanism for securing corporate, foundation, state, and federal funding to support ocean wind development efforts;

- Support the implementation of OETF's recommendations, including but not limited to insuring that the Legislature approves a bill that will be proposed for commercial wind energy development in Maine waters;
- Insure that appropriate parties in Maine are aware of and pursuing the many federal funding opportunities that are emerging from the U.S. Department of Energy and other federal agencies, particularly during the current window of stimulus funding;
- Identify and focus attention on resolving conflicts that may emerge from time to time among the many stakeholders in ocean wind energy development;
- Provide a forum to review, advise, and support ocean wind energy development initiatives that may be undertaken by individual or collaborative groups of public and/or private organizations.

Development of ocean wind energy in the Gulf of Maine will succeed or fail as function of our ability to engage a diverse mix of corporate, research, community, environmental, state, and federal interests in navigating the complexities of state and federal policy, regional and international grid politics, transmission constraints, and financing challenges.

Proposed Not-For-Profit Private/Public Gulf of Maine Wind Energy Foundation

The kind of organization that could carry out the actual implementation of the OETF recommendations to facilitate wind energy development of the Gulf of Maine should be an entity that will equitably represent Maine's businesses and citizens and has the flexibility to secure funding from a variety of sources. A not-for-profit private/public Gulf of Maine Wind Energy Foundation would seem to best meet these requirements. Similar examples of private/public organizations created in Maine to serve the broad interests of all parties include the Maine Development Foundation and the Maine International Trade Center. However, given the current financial challenges facing the State of Maine, there would not be an expectation for the State to fund this new Foundation. Initial funding would be secured by contributions from the business community, individuals, and grants.

The Foundation's Primary Responsibilities and Functions

The Foundation's primary responsibility is to lead and to coordinate Maine's efforts to facilitate the development of large-scale, commercially feasible wind turbine farms in the Gulf of Maine. The Foundation's scope of responsibilities would include:

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- Provide an entrepreneurial forum to bring together of corporate, research, community, environmental, and state private ocean wind energy interests;
- Research, analyze, select, coordinate, prepare, and submit requests for ocean wind energy-related funding to the US Department of Energy and other appropriate funding sources, on its own behalf and that of others;
- Develop and obtain federal and/or private funding for one or more offshore wind monitoring platforms to be erected at selected locations in the Gulf of Maine, in cooperation with the research community and with the assistance of ocean wind engineers;
- Take responsibility for the operation of offshore wind monitoring platforms in the Gulf of Maine, either directly or through some other appropriate organization, and assure that data is made available without obligation to developers, turbine manufacturers, and the interested public;
- Pursue federal and/or private funding to gather and/or develop other environmental information, in cooperation with the research community and state agencies, that is essential to facilitating the development of ocean wind energy (e.g., fishing and marine commerce activities, bird and bat behavior, marine mammal behavior, etc.);
- Support sharply-defined research essential to ocean wind energy development;
- Advise and support commercial ocean wind energy development efforts;
- Maintain cooperation and communication with the agencies of the State of Maine and the federal government that regulate offshore wind energy development;
- Maintain an active liaison with offshore wind energy developments and sources of information in Europe; and,
- Solicit private and public funds to meet the Foundation's operating needs.

Name of the Foundation

The Foundation will be named the "Gulf of Maine Wind Energy Development Foundation".

State Endorsement

The Ocean Energy Task Force will request that Governor Baldacci endorse formation of the Foundation and its purpose and objectives by Executive Order and that the Legislature subsequently endorse the Formation by appropriate means.

Start-up Date

The Foundation will be launched no later than November 1, 2009, in order to provide immediate focus and leadership regarding pursuit of federal stimulus, earmark, and agency funding opportunities and implementation of Ocean Energy Task Force recommendations.

Board of Directors

The Foundation will be initiated with a minimum of 12 initial Directors, with bylaws that allow up to 30 Directors.

The following organizations and agencies will be invited to serve as initial Directors:

- Marine Construction (3)
 - Bath Iron Works President, or designee (1)
 - Cianbro President, or designee (1)
 - Reed & Reed President, or designee (1)
- Coastal Community (2)
 - Maine Lobster Association Executive Director, or designee (1)
 - Island Institute President, or designee (1)
- Composites
- Engineering
- Environmental (1)
 - Conservation Law Foundation, Vice President, Maine (1)
- Legal
- Utilities (2)
 - Central Maine Power Company President, or designee (1)
 - Bangor Hydro Electric Company President, or designee (1)
- Commercial Wind Energy Development
- Research (4)
 - Gulf of Maine Research Institute President, or designee (1)
 - Ocean Energy Institute President, or designee (1)
 - University of Maine (2)
- State Agencies (5)
 - Maine Department of Conservation Commissioner, or designee (1)
 - Maine Department of Environmental Protection Commissioner, or designee (1)

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- Maine Department of Marine Resources Commissioner, or designee (1)
- Maine Public Utilities Commission Chair, or designee (1)
- Maine State Planning Office Director, or designee (1)

Suggested initial Directors are not intended to imply a rigid, ongoing composition of Directors, but solely first generation Directors. A formal Nominating Committee process will be developed to annually assess the skills and attributes required from new Directors in order to address the Foundation's future board composition needs in the context of evolving ocean wind energy development opportunities and challenges.

The Directors would elect a Chair and an Executive Committee of four members (Chair, Vice Chair, Secretary, Treasurer) to direct Foundation activities until the first annual meeting in January, 2010.

The initial Chair will be a member of private industry as a symbol of the transition from OETF's public leadership to joint private/public ownership of the long-term development of ocean wind energy.

The initial Vice Chair will be from the non-profit or public sector to reflect the spirit of private/public partnership.

Additional Directors will be identified and added at the first annual meeting in January, 2010, to create a balance of private industry, non-profit organizations, and public agencies/organizations with a majority of private industry directors. (For example, if the proposed initial Directors are approved, the private industry Directors would be increased from five initial Directors to 13 private industry Directors in January, 2010 in order to achieve a majority. This would result in a total of 25 Directors.)

Nominating and Terms

Starting in 2010, a standing Nominating Committee comprised of two Directors and a representative of the Membership will propose a slate of Directors prior to the Foundation's annual meeting.

Directors will be nominated for a three-year term of service. Directors may serve two consecutive three-year terms for a total of six years.

The Nominating Committee will propose staggered terms (1-year, 2-year, 3-year) for the initial Directors in order to establish a normal annual rotation of Directors.

Membership

The Board of Directors will establish a procedure for accepting academic, non-profit, and private industry members (offshore wind farm developers, construction contractors, US and offshore-based suppliers to wind farms, turbine manufacturers, insurers, lenders, marine services groups, and other related organizations).

Services and information will be provided to members and they will be required to pay an annual tiered (by sector and size of organization) membership fee.

The memberships will afford the members a means of interaction and coordination with one another and with the Board.

The membership will elect the Directors by slate rather than individually.

Staff and Start-up Budget

The Directors will seek corporate, individual, foundation, state, and federal contributions to provide a start-up budget and annual operating budget.

A full-time, appropriately compensated senior executive will be hired as soon as funding allows.

In the interim, support may be provided through a willing state agency and/or part time consultant.

Host and Fiscal Agent

The Foundation will be sponsored by a willing non-profit host serving as fiscal agent until such time as the organization of an independent non-profit corporation is warranted. The Ocean Energy Task Force will request an indication of interest from potential non-profit hosts and fiscal agents by its October 7 meeting and recommend a host as soon as possible thereafter.