



FOR IMMEDIATE RELEASE

Contact: Frank Maisano, (202) 828-5864, c: (202) 997-5932

frank.maisano@bgllp.com

Caitlin Andrews, (202) 828-7637

caitlin.andrews@bgllp.com

Offshore Wind Transmission Project (AWC) Reaches Major Milestone with Department of Interior Action

WASHINGTON, DC (May 14, 2012) – Continuing its significant momentum supporting offshore wind energy and transmission, the Department of Interior today declared there to be no competitive interest for the use of certain areas of the U.S. Outer Continental Shelf (OCS) to construct an offshore transmission system being proposed by the Atlantic Wind Connection (AWC). After a year of intensive internal and public review, the decision allows the project to move forward in its permitting process.

“The Department has shown strong leadership on renewable energy projects, including offshore wind,” AWC Chief Executive Officer Bob Mitchell said. “This decision is an important step to advancing what could be the world’s first integrated electric transmission superhighway for offshore wind. Studies conducted in Europe and the UK show that a backbone grid is critical to the success of large-scale offshore wind and could reduce the cost of offshore wind by 25%.

This milestone allows the AWC to proceed to intelligently plan for the backbone transmission system that is necessary for an entirely new robust offshore wind industry to develop in America.” “There is no reason for the United States to have to yield all of the factories and jobs to Europe and China,” Mitchell added.

“The Mid-Atlantic region’s offshore waters hold vast opportunities for wind energy production. The Atlantic Wind Connection provides an offshore superhighway that allows large-scale development so that the States of New Jersey, Maryland and Delaware will be able to use offshore wind to reach their renewable energy goals. Offshore wind can provide an important clean, domestic energy resource,” said Markian Melnyk, president of Atlantic Grid Development, AWC’s development company. “Compared to each wind farm building its own transmission lines, our project is the most affordable, efficient, and environmentally-sensitive solution for connecting offshore wind.” Melnyk added, “The AWC will also make a significant contribution to strengthening the electric grid and national security.”

A Determination of No Competitive Interest (DNCI) has been made by Interior's Bureau of Ocean Energy Management (BOEM), after soliciting input from other potential competitors and the public. The DNCI issuance allows BOEM to grant the project a right-of-way (ROW) on the OCS once the environmental impact of the project is reviewed under NEPA, and with further public input. The lack of competitive interest means that the delays associated with an auction are avoided.

The AWC project will be built in several phases designed to link Offshore Wind Energy Areas identified by the Department of Interior and complement the progression of the Mid-Atlantic

offshore wind industry while maximizing grid reliability and the most efficient use of existing electric generation plants. Currently, AWC continues to advance in other areas of the project as well. These include preparing the project's General Activities Plan (GAP) filing; significant project engineering; and continued transmission planning with regional grid operator PJM and the Mid-Atlantic States.

AWC is the first offshore backbone electric transmission system proposed in the United States. The project configuration will enable up to 7,000 megawatts of offshore wind turbine capacity to be cost-effectively integrated into the regional power grid operated by PJM. This will increase system reliability and reduce congestion costs for rate payers in the heavily-congested corridor between Washington, DC and the metropolitan New Jersey/New York City area. This cutting-edge, high-voltage, direct-current subsea backbone transmission system will be constructed 12 to 15 miles off the coasts of New York, New Jersey, Delaware, Maryland and Virginia, spanning approximately 300 miles, and constructed over approximately ten years.

In selecting the transmission system ROW, nearly 9,700 square miles of the OCS were examined in a process that included extensive analysis of the offshore marine environment, seafloor conditions, conflicting uses like shipping lanes and commercial fishing, wrecks and obstructions, cable and other infrastructure crossings, protected species, cultural resources, geologic and geotechnical hazards and public safety. AWC also modeled wind speeds, offshore turbine foundation costs and wind turbine output to discover the optimal places to locate offshore wind farms within the offshore areas BOEM has designated for wind energy projects. This analysis eliminated 75% of the initial area from consideration and focused on the most productive and lowest environmental impact areas.

Project Background: AWC is the first offshore backbone electricity transmission system proposed in the United States. The populous east coast has large energy needs and it has become increasingly difficult to build new land-based transmission lines to relieve grid congestion. Congestion on the power grid blocks the efficient flow of power and raises costs for ratepayers, just like highway congestion impedes the efficient flow of goods and people. AWC uses cable buried in the sandy bottom of the OCS instead of towers and overhead lines across the land that often raise public objection. The project uses cutting-edge, high-voltage direct-current transmission technology to make long-distance transmission underground possible.

Additional Comments by AWC investors on AWC's project and Interior's DNCI approval:

Daniel Dobbeni, CEO Elia Group: "The AWC will provide the foundation for creating an entirely new offshore wind energy industry in the United States and could put the United States in the lead role of developing an offshore transmission grid."

John Breckenridge, Managing Director at Good Energies: "The AWC backbone will both relieve transmission congestion in one of the nation's most restricted power markets as well as enable the development of a huge offshore wind capacity that can bring stability and security to

the Eastern Power Grid. With this line in place, offshore projects can be constructed at lower cost, with less impact on the environment and with the ability to deliver power wherever it is needed along the Mid-Atlantic coast.”

Rick Needham, Director of Green Business Operations at Google: “We’re excited about the potential of this project to help the states meet their renewable energy goals by providing a platform that can rapidly accelerate the deployment of clean offshore wind at lower total cost.

Transmission is one of the key constraints to the wider adoption of clean energy, so this project was a natural fit with our corporate goal of investing in attractive renewable energy projects that can have dramatic impact.”

Richard Straebel, Executive Vice President of Marubeni Power International: “The U.S. will require large investments in its electric transmission grid to meet its renewable and energy independence goals. Over the past few years this sector has been an increasingly important part of Marubeni’s U.S. power market activities and we are very excited about our role in this strategic and transformational project.”

#####