



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT
WASHINGTON, DC 20240-0001

Mr. James S. Gordon
Manager, EMI Cape, LLC
Manager and Member of Cape Wind Associates, LLC
20 Park Plaza, Suite 320
Boston, Massachusetts 02116

SEP - 9 2014

Dear Mr. Gordon:

This letter serves to inform you that the Bureau of Ocean Energy Management (BOEM) has approved the revisions proposed by Cape Wind Associates (CWA) to its Construction and Operations Plan (COP), dated July 25, 2014, and that all previous objections to CWA's Facility Design Report (FDR) and Fabrication and Installation Report (FIR) have been resolved to BOEM's satisfaction. Pursuant to 30 C.F.R. §585.700(c), CWA may commence the activities described in these two reports; however, all activities under Renewable Energy Lease Number OCS-A 0478 must be performed in conformance with all applicable lease stipulations, conditions of the 2011 COP approval, and conditions of the approval of the revisions to the COP.

On May 20, 2014, CWA submitted a FDR and FIR for the project pursuant to 30 C.F.R. §585.700. As part of its review, BOEM's Office of Renewable Energy Programs (OREP) evaluated whether the activities described within the reports represented a change to those described in the approved COP, as required by 30 C.F.R. §585.632. OREP found that, in some cases, the activities described in the reports differed from what was described in the approved COP. Due to the nature of the proposed changes and in consideration of the criteria outlined in 30 C.F.R. §585.634, OREP determined that portions of the approved COP needed to be revised. Hence, BOEM notified CWA via telephone and email on June 30, 2014, that it objected to the FDR and FIR pending CWA's submission of revisions to the COP and resolution of other identified issues.

Subsequently, on July 25, 2014, CWA submitted revisions to the COP describing changes relating to: (1) the intra-array cables routes; (2) the Federal Aviation Administration (FAA) lighting plan; (3) the Tekmar[®] cable protection system; (4) electrical service platform (ESP) modifications; (5) potential drilling through boulders; and (6) potential phased development. BOEM has reviewed the information that CWA provided and determined that it is sufficient in describing project updates and changes.

With regard to #6 above, BOEM acknowledges there is the potential for phased development, such as an initial installation of 101 turbines, followed by a subsequent installation of up to 29 turbines, as described in the COP revision. Pursuant to 30 C.F.R. §585.629, BOEM may allow phased development of the project if requested by the lessee. The potential for phased development as outlined in the revisions to the COP on July 25, 2014, is approved by BOEM pursuant to 30 C.F.R. §585.629.

Although CWA's revisions to its COP are not deficient, BOEM has identified a number of COP revision approval requirements that are addressed in this letter. After evaluating your July 25, 2014 submittal and in light of the required conditions listed below, pursuant to 30 C.F.R. 585.634(e) BOEM has determined that the proposed revisions are: (1) designed not to cause undue harm or damage to natural resources; life (including human and wildlife); property; the marine, coastal, or human environment; or sites, structures, or objects of historical or archaeological significance; and (2) otherwise consistent with the provisions of subsection 8(p) of the Outer Continental Shelf Lands Act.

Therefore, BOEM approves CWA's revisions to its COP subject to the following conditions:

1. The Lessee must provide the Lessor with "approved for construction" drawings of the Tekmar[®]/Teklink[®] cable protection system for the monopiles and the electric service platform, 30 calendar days prior to the commencement of offshore cable installation activities. The Lessee must also provide the Lessor with a verification statement for the "approved for construction" drawings from the Lessee's Certified Verification Agent (CVA) prior to the commencement of offshore cable installation activities. This statement must list the "approved for construction" drawings that the CVA has reviewed, and document that, based on the CVA's review of the drawings, the CVA still concludes that the design and installation methods set forth in the Lessee's FDR and FIR are consistent with the requirements stipulated in 30 CFR Part 585 Subpart G, and the approved Construction and Operations Plan for the project, and still recommends that the FDR and FIR be accepted by the Lessor.
2. The Lessee must provide the Lessor with "approved for construction" drawings of the Lessee's submarine transmission cable crossing with the National Grid cable, 30 calendar days prior to the commencement of offshore submarine transmission cable installation activities. The Lessee must also provide the Lessor with a verification statement for the "approved for construction" drawings from the Lessee's CVA prior to the commencement of offshore submarine transmission cable installation activities. This statement must list the "approved for construction" drawings that the CVA has reviewed, and document that, based on the CVA's review of the drawings, the CVA still concludes that the design and installation methods set forth in the Lessee's FDR and FIR are consistent with the requirements stipulated in 30 CFR Part 585 Subpart G, and the approved Construction and Operations Plan for the project, and still recommends that the FDR and FIR be accepted by the Lessor.
3. The Lessee must provide the Lessor with "approved for construction" drawings of the wind turbine generator (WTG) tower electrical system (i.e., those found in Section 5.5 of the FDR at drawings 123407-CW-WTG-SS-20-002 through 123407-CW-WTG-SS-20-033), 30 calendar days prior to the commencement of offshore WTG tower installation activities. The Lessee must also provide the Lessor with a verification statement for the "approved for construction" drawings from the Lessee's CVA prior to the commencement of offshore WTG tower installation activities. This statement must list the "approved for construction" drawings that the CVA has reviewed, and document that, based on the CVA's review of the drawings, the CVA still concludes that the design and installation

methods set forth in the Lessee's FDR and FIR are consistent with the requirements stipulated in 30 CFR Part 585 Subpart G, and the approved Construction and Operations Plan for the project, and still recommends that the FDR and FIR be accepted by the Lessor.

4. The Lessee must provide the Lessor with "approved for construction" drawings of the electric service platform's (ESP) fire suppression system 30 calendar days prior to the commencement of the fabrication of the ESP fire suppression system. The Lessee must also provide the Lessor with a verification statement for the "approved for construction" drawings from the Lessee's CVA prior to the commencement of the fabrication of the ESP fire suppression system. This statement must list the "approved for construction" drawings that the CVA has reviewed, and document that, based on the CVA's review of the drawings, the CVA still concludes that the design and installation methods set forth in the Lessee's FDR and FIR are consistent with the requirements stipulated in 30 CFR Part 585 Subpart G, and the approved Construction and Operations Plan for the project, and still recommends that the FDR and FIR be accepted by the Lessor.
5. The Lessee must not begin offshore construction or installation activities before the remaining geophysical survey data and associated geophysical information required by Renewable Energy Lease Number OCS-A 0478 (see Lease Stipulation C.1 and C.2.1.c) are submitted and reviewed by the Lessor. As described in BOEM's letter to CWA dated May 22, 2013, the Lessor will review this information using the process outlined in 30 CFR 585.700(b)-(c). The Lessor will have up to 60 calendar days to review the information, ensure that it is consistent with the activities and the plans described in the FDR and FIR, and raise objections it deems appropriate. All objections raised by the Lessor during its review must be resolved to the Lessor's satisfaction before offshore construction or installation activities can commence.
6. As required by Term and Condition #1 for the May 21, 2014, amended Incidental Take Statement issued by the National Marine Fisheries Service (NMFS) for the December 30, 2010, Biological Opinion under Section 7(a)(2) of the Endangered Species Act, the Lessee must ensure that the Right Whale Sightings Advisory System is monitored by project personnel prior to leaving port each day. Information on right whale sightings is available at: <http://www.nefsc.noaa.gov/psb/surveys/>
7. As required by Term and Condition #2 of the May 21, 2014, amended Incidental Take Statement issued by NMFS for the December 30, 2010, Biological Opinion under Section 7(a)(2) of the Endangered Species Act, the Lessee must ensure that a lookout is posted on all vessels associated with the project. This lookout must be on watch for whales and be in direct communication with the vessel captain so that if a whale is spotted, speed can be reduced and whales can be avoided, pursuant to Lease Stipulation C.I.b.i. and ii.
8. As required by Term and Condition #1 of the Biological Opinion issued by NMFS on December 30, 2010, under Section 7(a)(2) of the Endangered Species Act, the Lessee must provide BOEM with the names and resumes of all protected species observers to be employed at the project site at least 30 calendar days prior to the start of construction. If

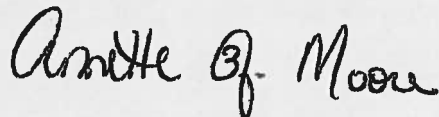
during project construction or operations, the Lessee determines that one or more additional protected species observers are necessary, the Lessee will provide those names and resumes to the Lessor at least 10 calendar days prior to the date that the protected species observer(s) is/are expected to start work at the site. No observer will work at the project site without written approval of NMFS.

9. As required by Term and Condition #6 of the May 21, 2014, amended Incidental Take Statement issued by NMFS for the December 30, 2010, Biological Opinion under Section 7(a)(2) of the Endangered Species Act, the Lessee must report to NMFS all observations of listed whales within 3 calendar days of the observation. All reports must be submitted via e-mail (incidental.take@noaa.gov) and must include the following information: (a) date and time of observation; (b) species identification; (c) location of whale and location of observer/lookout documenting the sighting; (d) any notes on the behavior of the animal(s); and, (e) description of project operations at the time of the observation.
10. As required by Term and Condition #7 of the May 21, 2014, amended Incidental Take Statement issued by NMFS for the December 30, 2010, Biological Opinion under Section 7(a)(2) of the Endangered Species Act, the Lessee must report any interactions with listed whales, including a ship strike, and/or any observations of injured or dead whales, regardless of whether the injury or death was caused by project operations, to NMFS via e-mail within 24 hours of the interaction (incidental.take@noaa.gov). Each report must include the following information: (a) date and time of observation; (b) species identification; (c) location of whale and location of observer/lookout documenting the sighting; (d) any notes on the behavior of the animal(s) and, (e) description of project operations at the time of the observation. Additionally, the Lessee must report any interactions with listed whales, or observations of injured or dead whales, as soon as practicable to NMFS' Northeast Regional Hotline (866-755-6622). This condition does not apply for interactions associated with pile driving activities.
11. As required by Term and Condition #5 of the Biological Opinion issued by NMFS on December 30, 2010, under Section 7(a)(2) of the Endangered Species Act, during pile driving operations the Lessee must ensure that sound levels at 3.4 km from the pile being driven are less than 160 dB 1 μ Pa (RMS). Also, the Lessee must ensure that sound levels at 750 m from the pile being driven are less than 180dB 1 μ Pa (RMS). A pile driving noise abatement system must be used in the piling of the first pile to ensure that predicted sound levels are not exceeded. The Lessee must report acoustic measurements of the first pile to the Lessor and NMFS prior to the driving of any subsequent piles. If the results of the acoustic monitoring conducted during the piling of the first pile support a request to no longer use the noise abatement system, the Lessee may request approval from the Lessor to conduct subsequent pilings without the noise abatement system. Acoustic monitoring of the first three piles must follow the requirements during construction as described in Section 8.1.3 of the May 2008 Biological Assessment unless superseded by subsequent NMFS Biological Opinion(s). A final comprehensive acoustic monitoring report for all three monitored pile driving events must be submitted to the Lessor within 45 calendar days following the driving of the third pile.

12. The Lessee must submit a revised FDR and FIR pursuant to 30 C.F.R. §585.700 for the subsequent installation effort described in the revisions to the COP. The Lessee must use a CVA to review and certify the revised FDR and FIR pursuant to 30 C.F.R. §585.705-708. The Lessor will review the revised FDR and FIR pursuant to 30 C.F.R. §585.700(b)-(c).

Additionally, as part of its review of the FDR and FIR, BOEM provided CWA with multiple rounds of comments, questions, and requests for additional information. CWA responded to all comments and requests for supplemental information in a series of responses between May 2014 and August 2014. After considering all information provided, and with approval of the revisions to the COP complete, we have determined that all previous objections to the FDR and FIR have been resolved to BOEM's satisfaction. Therefore, pursuant to 30 C.F.R. §585.700(c), BOEM has no objections to the FDR and FIR. If you have any questions, please contact Jessica Stromberg at 703-787-1730 or Jessica.Stromberg@boem.gov.

Sincerely,

A handwritten signature in cursive script that reads "Annette Moore".

Annette Moore
Acting Program Manager
Office of Renewable Energy Programs