



THEODORE R. KULONGOSKI
Governor

March 26, 2008

Mr. Joseph T. Kelliher, Chairman
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

Mr. Charles F. Dunleavy, Executive Director
Ocean Power Technologies, Inc.
1590 Reed Road
Pennington, NJ 08534

Dear Chairman Kelliher and Mr. Dunleavy:

I am aware that Ocean Power Technologies (OPT) has submitted a notice of intent (NOI) to file an application for a license from the Federal Energy Regulatory Commission (Commission, FERC) for the placement of up to 200 wave energy buoys in Oregon waters adjacent to the north spit of Coos Bay. Before the Commission takes any action on this NOI or subsequent application, I want to make you aware of several things.

I am a strong proponent of the development of wave energy technology and hope that it will one day help Oregon and others transition to clean energy. I also have been working cooperatively with OPT on its application for a small scale demonstration project composed of 14 wave energy buoys off the coast near Reedsport

However, my support for the use of Oregon waters is presently limited to testing and research and a limited number of small demonstration projects in order to commercialize the technology and develop the scientific analysis of the potential impacts of the technology on ocean resources and existing uses. Large scale use of Oregon's territorial waters for commercial-scale wave energy development must be preceded by a comprehensive evaluation of this and other uses of these waters to ensure that ocean resources and other ocean values and uses will not be harmed.

These positions are reflected in the Memorandum of Understanding (MOU) that I signed this week with the Commission. The MOU acknowledges that Oregon will amend its Territorial Sea Plan and its Coastal Zone Management Plan to address the possible siting of wave energy facilities and a determination of whether such facilities can be accommodated in Oregon's waters and, if so, where they would be located. The MOU expresses support for a limited number of

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small scale pilot projects until the comprehensive planning is completed and needed scientific studies and data are generated around the pilot projects.

Accordingly, I am asking FERC to not process any future application by OPT for large scale commercial development until Oregon has completed an amendment to its Coastal Zone Management Plan.

Oregon's territorial sea is a very limited area of ocean that already supports diverse and viable economic, recreational and personal activities. While I am an advocate for the testing and development of renewable energy technologies, like wave energy, I do not intend for new uses, like wave buoys, to come at the expense of existing ocean uses. That is why Oregon is committed to undertaking a planning process that addresses the potential siting of wave energy facilities before commercial deployment of such facilities can occur.

Thank you for your attention to these concerns.

Sincerely,



THEODORE R. KULONGOSKI
Governor

TRK:mc:jb

c: Dr. George W. Taylor, Chief Executive Officer, OPT
Mr. Herbert T. Nock, VP Business Development & Marketing, OPT
Kimberly D. Bose, Secretary, FERC