

COUNTER OFFER 2

Sunrise Wind Project

FAB Recommendations

20 August 2023

Orsted's Compensatory Mitigation Offer

Direct Compensation Fund \$16,938,000

Provided as direct financial mitigation to Rhode Island fishermen, commercial and for hire charter, operating in the Sunrise Wind lease area and export cable area in federal waters. Adjusted to 2023\$. Assumes a 5% discount factor.

Coastal Community Fund \$300,000

Provided for the establishment of a Coastal Community Fund to benefit the fishing industry and Rhode Island's coastal communities through grants.

The Direct Compensation Fund and Coastal Community Fund would be established under the RI Fishermen's Future Viability Trust and claims processes managed by a third party Technical Assistance Provider.

Recreational Fishing Study \$50,000

Provided to fund a study to evaluate level and type of recreational fishing in the Sunrise Wind lease area up to 5 years.

Navigational Safety and Training \$333,333

Funds set aside for a voucher program to provide eligible fishermen with pulse compression radar systems and AIS transceivers. The program also provides for fishermen to attend a professional training program of their choice and participate in a session of Orsted's wind farm simulator.

Total compensation of \$17,621,333

Additional Mitigation Efforts

In addition to comprehensive mitigation measures already taken by the Project, Sunrise Wind will agree to:

- permanently drop 3 WTG positions in the NW corner of the lease area to eliminate impacts to complex habitat,
- microsite around complex habitat to the extent practicable and within technical limitations/feasibility for WTG, IAC, and ECR, and
- provide electronic copies of its monthly discharge monitoring reports (plan to submit on a quarterly basis) and annual biological and thermal monitoring reports and corresponding data related to the OCS-DC under the EPA NPDES permit.

FAB COUNTER OFFER 2

- ▶ FAB appreciates the changes made by Orsted in response to the FAB Counter Offer 1
- ▶ FAB Counter Offer 2 includes the following adjustments from Counter Offer 1
 - ▶ Adjusted cable safety footprints to 0.25 nautical mile (463 m) buffer for all gears as per ESCA and ICPC, as opposed to 700 m for mobile bottom tending gears
 - ▶ Adjusted cable safety footprint inside Wind Lease Area to reflect updated plan as shown on Page 2 of SRW Response (dated June 13, 2023) to CRMC Request for Information (May 25, 2023) re: SRW COP
 - ▶ FAB maintains that the appropriate discount rate is 3%. However, it is clear that Orsted disagrees, therefore we include examples of our calculations with a 5% discount rate for reference and comparison.
 - ▶ An adjustment to the per-day adjustment language to be inclusive of all days Sunrise access is closed to fishers regardless of “active” construction
 - ▶ Removal of language related to third party Technical Assistance Provider in the RI Fishermen’s Future Viability Trust

PER-DAY ADJUSTMENT

- ▶ Orsted's offer (8/18/2023) states:

A per-day adjustment, up or down, to the direct compensation amount based on the actual days of active installation of the project during construction.

- ▶ FAB appreciates this addition, and requests this language be changed to ensure fishers are compensated for all Sunrise-related area closures related to construction, even if active installation is not occurring (e.g., area closed for construction, but active construction that day is canceled due to weather or sea conditions); it should read:

A per-day adjustment, up or down, to the direct compensation amount, will be based upon the windfarm closure days.

ADDED VESSEL OPERATOR

- ▶ Orsted has offered a voucher program to provide eligible fishermen with pulse compression radar systems and AIS transceivers, as well as professional training
- ▶ FAB maintains that radar technology, including pulse compression, is not sufficient to effectively alleviate radar interference in wind farms. FAB refers to memo titled “FAB Issue: Vessel Safety – additional vessel operators”, and emphasizes that the 2022 NAS report states that *“no standard approach to active radar deployment in a WTG environment is available.”*
- ▶ Training existing crew without replacement, and adding radar or AIS systems is not an acceptable alternative to this adding a vessel navigator.

FAB RECOMMENDED COMPENSATION (3% DR)

Fishery	Construction (Cost per Year)	Operations (BOEM Adjustment Period/full 30 years)	Decommissioning	TOTAL
Commercial/ Charter				
Landings	\$7,124,931	\$36,787,744	\$1,523,388	\$45,436,062
Safety/Navigation		\$129,149,972		\$129,149,972
Recreation	\$509,421	\$1,999,621	\$203,762	\$2,712,804
TOTALS:				
			GRAND TOTAL =	\$177,298,838

\$2023 Dollars
3% Discount Rate applied

FAB RECOMMENDED COMPENSATION (5% DR)

Fishery	Construction (Cost per Year)	Operations (BOEM Adjustment Period/full 30 years)	Decommissioning	TOTAL
Commercial/ Charter				
Landings	\$6,946,566	\$28,521,481	\$822,837	\$36,290,884
Safety/Navigation		\$99,361,814		\$99,361,814
Recreation	\$499,717	\$1,538,413	\$110,117	\$2,148,248
TOTALS:				
			GRAND TOTAL =	\$137,800,946

\$2023 Dollars
5% Discount Rate applied

FAB recommendation - Compensatory Mitigation (\$ amounts in parenthesis include 5% discount rate)

<u>Direct Compensation Fund</u>	<u>\$45,036,062</u>	<u>(\$36,290,884)</u>
<i>Fisheries Exposure (FAB)</i>		

Direct compensation fund includes for hire charter & commercial.

Adjusted cable safety footprints to 0.25 nautical mile buffer for all gears as per ESCA and ICPC

Adjusted cable safety footprint inside Wind Lease Area to reflect updated plan Assumes a 3% discount factor; 5% value in parenthesis.

Includes 5-yr 'adjustment period' based on BOEM Mitigation Recommendations

<u>Coastal Community Fund</u>	<u>\$300,000</u>
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The Direct Compensation Fund and Coastal Community Fund would be established under the RI Fishermen's Future Viability Trust

<u>Recreational Compensation Fund</u>	<u>\$2,712,803</u>	<u>(\$2,148,248)</u>
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Includes 100% loss during construction, 20% loss during 30-yr of operation, and 100% loss during decommissioning

SRW will fund a \$50,000 study to evaluate level and type of recreational fishing in the SRW lease area up to 5 years. SRW will directly compensate recreational fishing fleet for loss of use.

<u>Navigational Safety and Training</u>	<u>\$129,149,972</u>	<u>(\$99,361,814)</u>
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SRW will make funds available for commercial fisherman to add a ½ FTE (qualified vessel operators) for 146 boats, to their crew, in order to navigate in, through and around SRW.

<u>Total compensation of</u>	<u>\$177,298,838</u>	<u>(\$137,800,946)</u>
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Additional Mitigation Efforts

In addition to mitigation measures already taken by the Project, SRW will agree to:

- permanently drop 3 WTG positions in the NW corner of the lease area to eliminate impacts to complex habitat,
- microsite around complex habitat to the extent practicable and within technical limitations/feasibility for WTG, IAC, and ECR, and
- provide electronic copies of its monthly discharge monitoring reports (plan to submit on a quarterly basis) and annual biological and thermal monitoring reports and corresponding data related to the OCS-DC under the EPA NPDES permit.

ADDITIONAL ISSUES

- ▶ FAB appreciates Orsted's recognition and addition of BOEM mitigation recommendations, which the FAB believes will assist in mitigating for issues whose effects are challenging to quantify. Those issues include:
 - ▶ EMF impacts on Lobster/crab foraging and Haddock & Scallop Larvae
 - ▶ Cable heat impacts to sediments – cannot bury deeper than 4'
 - ▶ Improper burial depths -
 - ▶ Converter Station cooling water/impingement/entrainment ecological impacts
 - ▶ Continuous Noise Impacts
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