



DEPARTMENT OF THE ARMY

NORFOLK DISTRICT, CORPS OF ENGINEERS
FORT NORFOLK, 803 FRONT STREET
NORFOLK, VIRGINIA 23510-1096

REPLY TO

ATTENTION OF

August 25, 2003

Northern Virginia Regulatory Section
03-V1337-01 (Atlantic Ocean)

Winergy, LLC.
Dennis Quaranta, President
640 Montuak Highway, Suite A.
Shirley, NY 11967-2115

Dear Mr. Quaranta:

This is in reference to the application submitted by Winergy, LLC for a 150-unit wind farm to be located between one and three miles off the coast of the Eastern Shore of Virginia. During our initial evaluation of your permit application, we noted that it is your intent to tie into the Mid-Atlantic electrical grid using existing infrastructure. Your application further indicates that 70 mega watts of power will go to Northampton County and 490 mega watts to Virginia Beach.

It has come to our attention that the infrastructure you are proposing to use is either inadequate or non-existent and will require rather significant and costly upgrades before it can accept the 560 mega watts that you are proposing to feed into the Mid-Atlantic power grid.

Specifically, there are no power cables running along the existing Chesapeake Bay Bridge-Tunnel utility corridor between the Eastern Shore and Virginia Beach that can accept 490 megawatts; preliminary information indicates that a sub-station will need to be constructed before power from the proposed wind farm can be provided to the Mid-Atlantic grid via the Eastern Shore; and upgrades to existing transmission lines on the Eastern Shore may be required to carry the proposed additional load. Clearly, without adequate infrastructure, your project will not be viable.

Therefore, it is necessary for you to provide us with the results of a verifiable inter-connect study that demonstrates that the existing system is adequate and if not, a definitive explanation that outlines the process and projected cost of any upgrades necessary to support your project. If in fact upgrades are necessary, we ask that you provide a cost analysis that shows us that this expense would be cost effective and will not adversely affect your ability to follow through with the proposed project.

The results of this study are critical for us to determine whether or not you have a viable project. The evaluation process to resolve all issues for a project of this magnitude can be very expensive for the applicant and time consuming for the reviewing agencies. We will continue to compile comments received in response to the Public Notice and the Public Scoping Meeting and will forward them to you within 30 days of the end of the comment period for your input. However, we do not propose to process your application any further until you have submitted the results of the required inter- connect study.

This information should be provided to us by October 15, 2003. If you cannot comply with this request you must notify us in writing at least 10 days prior to this deadline. If we do not hear from you by October 15, 2003 we will assume that you no longer wish to pursue a permit for this project and will withdraw your application.

Should have any questions regarding this letter, please contact Mr. Rick Henderson of my staff at (757) 441- 7653.

Sincerely,

J. Robert Hume, III
Chief, Regulatory Branch

Copy furnished:

Virginia Marine Resources Commission, Newport News
Virginia Department of Environmental Quality, Virginia Beach
Environmental Protection Agency, Philadelphia and Reston
U. S. Fish and Wildlife Service, Gloucester
National Marine Fisheries Service, Oxford
U. S. Coast Guard, Portsmouth
Federal Aviation Administration, Jamaica, N.Y.
U. S. Department of Energy, Philadelphia
Federal Energy Regulatory Commission, Washington, D.C.