Block Island Energy Forum
October 22, 2011
Summary

Background and Objective

Block Island has among the highest cost electricity in the US due to its reliance on diesel generators to produce electricity and because of the small size of its electricity system. Current rates average 55 cents/kWh of which 33 cents /kWh is fuel-related. The Town Council of the Town of New Shoreham created the Electric Utility Task Group (EUTG) to consider ways to reduce the cost and enhance the reliability of electricity on Block Island, including alternative generation sources as well as alternative ownership of the power company. At the current time, Block Island faces a bi-modal situation. Deepwater Wind has proposed a wind farm off the coast of Block Island that would include an electric cable to the mainland. However, the future of the Deepwater project remains uncertain. If the Deepwater project does not go forward, Block Island needs to consider its alternatives in order to achieve lower costs and enhanced reliability.

The EUTG has reviewed a wide range of potential electricity supply options for Block Island absent the Deepwater project and has concluded that all of the reasonable options would entail significant financial investment and might generate both positive and negative non-financial impacts on the community. Prior to recommending to the Town Council any of these options, the EUTG believes that community discussion, hopefully leading to consensus, will be essential in order to bring about broad community acceptance and support.

As an early step in the process of engaging the community, the Town of New Shoreham, with financial support from the Block Island Residents Association, sponsored a Block Island Energy Forum on October 22, 2011, facilitated by the Consensus Building Institute. Fifty one members of the Bock Island community attended the forum and provided their views on various options available to Block Island.

General Conclusions

The participants at the Forum first listed the Community Priorities they believed should be met by any electricity program and then grappled with several scenarios presented by the EUTG. Since this was an initial public community discussion of the topic and since the Forum attendees were a non-representative sample of the community, the Forum was not designed to make recommendations of specific options. Rather, the goal was to generate discussion and deeper understanding of the issues.

From that perspective, the Community Priorities listed by the participants showed the range of issues and the complexity of the problem. These issues ranged from economic (costs), supply (reliability), on-island environmental matters (view, sound, natural beauty, maintain tourism) and off-island environmental matters (pollution and global warming). Because of the nature of the forum, the process of listing issues did not cover how each issue might be balanced against the others.

As a second exercise, the participants considered seven options presented by the EUTG, made comments on any or all options, voted on their preferences, and then discussed each option in small groups:

1. Do Nothing
2. Stand-alone Cable
3. Wind
4. Solar
5. Conservation/Efficiency
6. Combination of Wind/Solar/Conservation
7. Nonprofit/Ratepayer Ownership of BIPCo

A stand-alone cable was the most popular option followed by a combination of wind, solar photovoltaics and conservation/efficiency. On-shore wind and conservation alone elicited the least support. There was considerable uncertainty in each of the small group discussions about the costs and benefits of each option. There was general consensus that there should be alternative ownership of the power company regardless of which generation option(s) are chosen.

There seemed to be general consensus that it was much too preliminary to reach any sort of final conclusion or recommendation. Many participants expressed a desire for more information, especially on the true cost of a cable to the mainland separate from the Deepwater project. There was also an observation that the attendees of the Forum were not necessarily fully representative of Block Island as a whole and that there should be an effort to expand the discussion.

Next Steps for the EUTG

The EUTG has identified several immediate next steps that it will undertake:

- Update analysis of wind and solar costs, including small-scale as well as community-scale systems
- Further research on costs and feasibility of cable
- Solicit state and federal support
- Provide more information on analysis of acquisition of power company
- Solicit input from other constituencies not represented at forum