



ORIGINAL

July 17, 2006

Honorable Magalie Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

RECORDED
OFFICE OF THE
SECRETARY
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- Re: (Response to Comments of Robert Cinq-Mars)**
- P-12664-000 New Hampshire - Portsmouth Area Tidal Energy Project**
 - P-12697-000 Alaska - Wrangell Narrows Tidal Energy Project**
 - P-12696-000 Alaska - Gastineau Channel Tidal Energy Project**
 - P-12695-000 Alaska - Icy Passage Tidal Energy Project**
 - P-12694-000 Alaska - Kachemak Bay Tidal Energy Project**
 - P-12672-000 Oregon - Columbia Tidal Energy Project**
 - P-12670-000 Massachusetts - Cape and Islands Tidal Energy Project**
 - P-12668-000 Maine - Penobscot Tidal Energy Project**
 - P-12666-000 Maine - Kennebec Tidal Energy Project**
 - P-12665-000 New York - Astoria Tidal Energy Project**
 - P-12663-000 Washington - Deception Pass Tidal Energy Project**

Dear Ms. Salas:

New Hampshire Tidal Energy Company ("NHTidal") hereby submits its response to the Robert Cinq-Mars ("Cinq-Mars") July 3, 2006 Comments on NHTidal's Preliminary Permit application for the Portsmouth Area Tidal Energy Project and other tidal energy projects as proposed by related entities owned by Oceana Energy Company. We believe that the comments of the individual are inaccurate and that the purported deficiencies are absent from the submitted application(s).

Cinq-Mars Comments

- A. Cinq-Mars comments that no information is provided concerning the identities, expertise or resources of the applicants beyond their authorized agents.**

We are unaware of any requirement under the Federal Power Act or the associated FERC regulations that require an applicant to reveal the identities of the principals of corporate entities or to furnish information on the expertise or financial capabilities of its staff or project partners as part of the Preliminary Permit application. However, Oceana, as the applicable parent company of the TECs, has submitted documentation at the Commission's request (on July 10) that refutes Mr. Cinq-Mars' comments on identity and expertise.

- B. Cinq-Mars comments that the coordinate boundaries do not appear to identify “sites,” but instead appear to represent boundaries of deep water channels or large regions of moving water. There is often inconsistency between the number of “sites” and the number of “devices”. It is maintained that the applicants do not know the actual sites and therefore are applying for substantial tracks of water – not specific sites at this time.**

NHTidal and Oceana have identified places where flowing water may potentially be extracted and converted into usable electricity. Whether these are “sites” or “large tracks of water” is indistinguishable to the companies. The applicants have requested Preliminary Permits in order to study these tracts of water to determine the feasibility of installing a configuration of devices that would be dependent on site and technology performance characteristics to be studied in parallel during the timeframe of the Preliminary Permits. In some instances, particular attention was paid to deep-water channels for practical permitting, installation, and operational reasons.

- C. Cinq-Mars comments that the *Description of the Proposed Project* section does not provide an accurate physical description of the devices, technology, configuration, footprint, anchoring systems, or interconnections, and that EPRI published its Final Report entitled, “Survey and Characterization – Tidal In-Stream Energy Conversion (TISEC) Devices on November 9th, 2005.”**

In order for NHTidal or Oceana to provide a precise physical description of the devices and their installation configuration, the companies must first undertake to perform the physical and environmental site studies as outlined in the Preliminary Permit applications. Unlike some Preliminary Permit applications submitted by other companies, each of our applications does provide representative cable interconnection routes. However, for us to provide a specific description of the technology would require access to the data proposed to be collected during the permit term.

Mr. Cinq-Mars also implies that because the EPRI study was published in November of 2005 that EPRI’s work in this field is finished. Oceana’s management met with EPRI as recently as July 7, 2006 and can assure Mr. Cinq-Mars that EPRI is continuing to assess technologies as they emerge and mature in this industry. Accordingly, Oceana expects to continue to interact with EPRI on an ongoing basis during this period.

Furthermore, Oceana has refrained from releasing detailed information regarding its own technology while requesting permit applications because we consider technical aspects of the system proprietary. We were in the process of seeking patent protection at the time the applications were submitted. Notwithstanding differences among the candidate technologies, the general technology descriptions as contained in the applications comprise a reasonably accurate conceptual description of the physical characteristics of a proposed installation given that the site characteristics will ultimately determine the physical attributes of any installation.

- D. Cinq-Mars comments that claims made concerning the estimates of energy and capacity are inconsistent with published data and are at best, unreliable.**

Neither NHTidal nor any of the other Oceana applicants claims or has claimed the ability to deliver the estimated energy output contained within the applications. The estimates were derived by calculating a range of variables (after reviewing available critical data on today's technology performance and site geometry) and settling on a reasonable, but not necessarily accurate, range for study. As we have already discussed the need to perform studies under the Preliminary Permits in order to understand the size, configuration, and operational parameters of any installation, it is unreasonable to predict the output of any installation at such an early stage with high accuracy.

E. Cinq-Mars comments that he is concerned over the blanket permitting of vast resources and that the granting of these permit applications may be discouraging or harmful to competitive applications, university research, or any other organization seeking to use a small portion of this resource for any reason.

Mr. Cinq-Mars may not understand that in order for a startup company to secure financing to undertake any meaningful advances in this industry, investors require the potential for growth before committing risk capital, regardless of the potential beneficial environmental possibilities. If NHTidal or Oceana had not submitted its applications when it did, a number of competing organizations would have likely requested at least some of the same areas. In the past two months, applications for Preliminary Permits have appeared for many sites that Oceana did not request, proving that we did not "blanket permit" the country. Since Oceana filed for its proposed study sites, there have been Preliminary Permit applications by others for about a dozen sites in Washington, Alaska and Maine. There are still plenty of areas for competitors to develop if Oceana's requested permits are issued. Furthermore, a Preliminary Permit does not simply exclude the use of a water resource by another entity seeking to use a portion of the resource for any reason.

Conclusion

Mr. Cinq-Mars has publicly acknowledged outside of his comments to the Commission that he "has his own agenda and would prefer to be conducting his own research" and that if the Portsmouth permit application is approved he "can no longer apply for one." Because Mr. Cinq-Mars does not request denial of the requested permit applications, NHTidal respectfully requests that the Commission approve the requested permit applications despite his concerns.

Please feel free to contact us if we can be of any assistance to the Commission. Thank you for your consideration in this matter.

With regards,



Mike Hoover
General Counsel
202-494-9232

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.
Dated on this 17th day of July, 2006.



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