



The Beacon Hill Institute for
Public Policy Research

8 Ashburton Place
Boston, Massachusetts 02108-2770

phone: 617.573.8750
fax: 617.720.4272
email: bhi@beaconhill.org
web site: www.beaconhill.org

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Contact:
Frank Conte,
Communications
617-573-8050; 8750
fconte@beaconhill.org

BHI Study: Windmills would cut into region's economy with job losses and lower property tax revenues

(BOSTON) -- A proposal to build 130 windmills in Horseshoe Shoal in Nantucket Sound would cause Cape Cod to lose at least \$57 million in tourist spending, 1,173 jobs and \$28 million in earnings. In addition, property values would fall by \$1.35 billion, with the loss of \$8 million in tax revenues. These are the findings of a new study by the Beacon Hill Institute at Suffolk University.

The study was conducted over a period of six months and is based on a survey of close to a thousand Cape Cod tourists and homeowners in Cape Cod communities most affected by the windmill project. The survey, which was conducted for the Institute by DAPA Research, Inc., has a margin of error of +/- 4.4%. The towns covered in the survey are Barnstable, Mashpee, Falmouth, Edgartown, Oak Bluffs and Yarmouth.

Other findings are:

- ◆ 2/3 of tourists and home owners believe that the wind mill project would worsen the view of Nantucket Sound "slightly" or "a lot".
- ◆ 84% of tourists and 89% of home owners believe that the project should have to pay a royalty in order to operate in Nantucket Sound. Based on their responses, the royalty would be 8% of revenues or \$8 million per year.
- ◆ Tourists and home owners would, on balance, pay at least \$1.3 million to keep the project out of Nantucket Sound.

The study, entitled *Blowing in the Wind: Offshore Wind and the Cape Cod Economy* is the first of its kind. David G. Tuerck, Executive Director of the Beacon Hill Institute, observed that the study provides information that federal, state and local authorities should take into account as they review the project for its environmental and economic effects. "We now know that the project will exert negative effects on the Cape Cod economy," said Tuerck. "The job and tax-revenue losses that the project would inflict must be weighed against any environmental benefits that it might confer." Today the U.S. Army Corps of Engineers will conduct hearings as part of its review of the project.

The study is available online at www.beaconhill.org and from BHI at 617-573-8750.