

Offshore wind farm increased tourism on Block Island

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Researchers at the University of Rhode Island who analyzed AirBnB rental data before and after construction of the Block Island Wind Farm have found that, contrary to some concerns, the turbines have increased tourism on the island.

Corey Lang, URI associate professor of environmental economics, and doctoral student Andrew Carr-Harris, said that many <u>coastal</u> <u>communities</u> that rely on tourism to sustain their economy have worried that <u>offshore wind farms</u> would negatively affect tourism.

"It's a common argument for pushback against siting <u>offshore wind</u>, but there isn't a lot of empirical evidence about it one way or the other," said Lang. "There have been surveys done assessing how tourists might feel about it, based on potential images of turbines in offshore waters, but those are hypothetical."

""Some of the recent surveys suggest that people consider offshore wind farms to bean eyesore," said Carr-Harris. "People tend to think the turbines will ruin the seascape and detract from their beach experience."

The researchers collected lodging data from AirBnB to examine trends in monthly revenues, occupancy rates and reservations from roughly two years before construction of the turbines to one year after construction was completed. They compared AirBnB rental trends in Block Island to those in nearby communities that are also dependent on summer vacation rentals—Narragansett, Westerly and Nantucket.



The results were almost entirely positive for the peak summer months of July and August, and there were no noticeable effects during the rest of the year.

During July and August following construction of the turbines, AirBnB rentals in Block Island experienced, on average, a 19 percent increase in occupancy rates and a \$3490 increase in monthly revenue compared to those in Narragansett, Westerly and Nantucket.

"We have multiple indicators for the tourism market, and they seem to be indicative that there was an increase in interest in visiting Block Island in the year after construction of the wind farm," said Lang.

While the data didn't indicate the reason for the increase in occupancy, Lang and Carr-Harris suggest that people were curious about the wind farm and wanted to see it for themselves.

"I think there has been some excitement about it. People are excited about renewable energy and sustainability, and they want to get behind it," Lang said. "So for the nation's first offshore wind farm, we believe our results indicate that it has had a <u>positive effect</u> on tourism."

"There are other factors that could be at play, too," said Carr-Harris. "It's perceived that there is better fishing near the turbines, for instance, so more people may be coming to the island to go fishing."

The researchers noted that the curiosity factor may dissipate shortly, so the positive effects on vacation rentals may not persist for long. "The long-term trajectory might be very different," Lang said. "If it's driven by curiosity, then we might expect it to go back to normal. But if there are fundamental things that have changed, like better fishing, then it's likely that some enhanced opportunities that come from renewable energy may be sustained. But that's speculation."



Also, because the Block Island Wind Farm is the first of its kind in North America, it may be generating more tourism interest than will future wind farms, they said. And a small wind farm like at Block Island may not generate the negative impressions that a much larger wind farm may generate in the future.

"So it's difficult to extrapolate our results to other communities," said Lang. "But it mitigates some fear that there's going to be big negatives."

Lang plans to follow up this study with an investigation of perceptions of the wind <u>farm</u> from the perspective of those who live on Block Island year-round.

"It's one thing to look at a <u>turbine</u> for a few days and be mesmerized by it," he said. "But to have it there constantly may be different."

The research was published in the journal *Resource and Energy Economics*.

More information: Andrew Carr-Harris et al, SUSTAINABILITY AND TOURISM: THE EFFECT OF THE UNITED STATES' FIRST OFFSHORE WIND FARM ON THE VACATION RENTAL MARKET, *Resource and Energy Economics* (2019). DOI: 10.1016/j.reseneeco.2019.04.003

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