## UNSOLICITED APPLICATION FOR AN OCS RENEWABLE ENERGY COMMERCIAL LEASE UNDER 30 C.F.R. § 285.230

## I. INTRODUCTION

Statoil North America, Inc. (Statoil NA) is pleased to submit this unsolicited request for a commercial lease in accordance with the requirements of 30 C.F.R. § 285.230. Statoil NA is incorporated in Delaware, headquartered in Connecticut, and is a wholly owned subsidiary of Statoil ASA (Statoil). Statoil NA expects to establish a project company to which the requested lease may be assigned in the future, pursuant to 30 CFR § 285.408.

Statoil is an international energy company, headquartered in Norway, with operations in 34 countries. Statoil has 20,000 employees worldwide, is listed on the New York and Oslo stock exchanges (NYSE: STO), and has a current market capital valuation in excess of \$85 billion (USD). Statoil is the largest operator on the Norwegian continental shelf, and a license holder in numerous oil and gas fields worldwide.

In addition to international growth in oil and gas, Statoil plans to establish itself in renewable market segments where the company has competitive advantages. With more than 35 years of experience gained from offshore oil and gas operations on the Norwegian continental shelf, and as the world's largest deep-water operator, Statoil sees a unique opportunity in using this competence to build a position in the growing offshore wind market.

Statoil is pursuing offshore wind in multiple locations, and is working extensively toward reducing the costs of offshore wind, through technology qualification programs and in industry symposia (e.g., the Offshore Wind Accelerator consortium<sup>1</sup>). In 2009, Statoil committed to develop the 315 MW Sheringham Shoal Offshore Wind Farm in the United Kingdom. The wind farm, consisting of 88 turbines, started power production in 2011, providing energy to 220,000 British homes. Other locations are being pursued, such as the Dogger Bank site where Statoil has secured an option to develop 9,000 - 13,000 MW of offshore wind in a consortium with three other park developers. In September 2009, Statoil commissioned its "Hywind" demonstration deep-water floating wind turbine (Hywind Demo). The Hywind Demo is the world's first full-scale floating wind turbine.

Statoil intends to build upon the Hywind Demo experience, expand economies of scale, and further optimize the Hywind technological concept through the installation and operation of a multi-turbine offshore wind park that incorporates larger turbine units. Statoil NA proposes to take this step through a pilot project proposal in response to a Request for Proposals (Maine RFP) issued by the Maine Public Utilities Commission (MPUC) on September 1, 2010.<sup>2</sup> This project, designated the Hywind Maine pilot project, is the subject of the following request for commercial lease.

See www.carbontrust.co.uk for more information.

<sup>&</sup>lt;sup>2</sup>"Request for Proposals for Long-term Contracts for Deep-Water Offshore Wind Energy Pilot Projects" issued by the Maine Public Utilities Commission on September 1, 2010. Statoil is currently engaged in negotiating with the MPUC staff terms and conditions for a contract(s) to sell the output of the Hywind Maine project to designated Maine utilities.

## II. INFORMATION REQUIRED FOR AN UNSOLICITED REQUEST FOR A COMMERCIAL LEASE

The Bureau of Ocean Energy Management (BOEM) regulations allow for the submission of an unsolicited request for a commercial lease. The following information addresses each of the elements required, under 30 C.F.R. § 285.230, for a commercial lease.

## A. The Area Requested for Lease - 30 C.F.R. § 285.230(a)

The Hywind Maine pilot project contemplates the deployment of a multi-turbine floating wind park in the Gulf of Maine at a location that is approximately 460-520 feet in depth and approximately 12 nautical miles from any land area of the State. See the figure below for location of the area in the Gulf of Maine.<sup>3</sup>

Example of wind park site within lease area street.

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Figure 1: Gulf of Maine lease area overview

The proposed legal description of the area for the renewable energy lease is within the Bath Area, OCS Official Protraction Diagram NK19-02, covering the following blocks:

20 km

<sup>&</sup>lt;sup>3</sup> This red square shows a potential pilot park location, not the preferred location and is illustrative only.

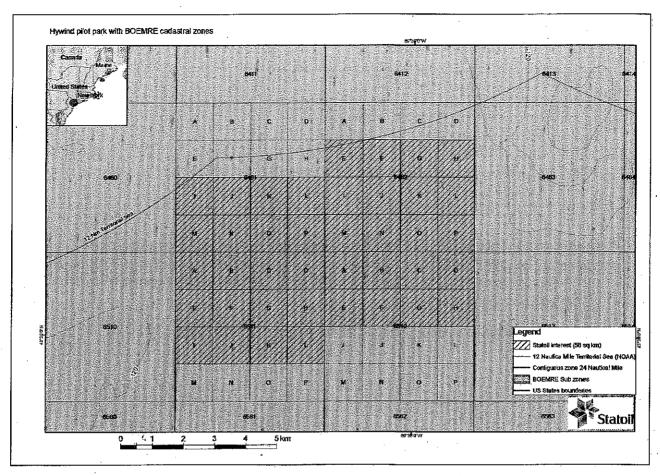
Table 1: Lease area blocks

BLOCK NO	PARTIAL BLOCK DESIGNATION
6461	I, J, K, L, M, N, O, P
6462	E, F, G, H, I, J, K, L, M, N, O, P
6511	A, B, C, D, E, F, G, H, I, J, K, L
6512	A, B, C, D, E, F, G, H

The gross size of the area is  $57.5 \text{ km}^2$  (22.2 square miles). The area is expected to be reduced in size when detailed assessments of environmental impact, sea bed conditions, and wind resources have been undertaken. The final park size is assumed to be approximately  $6 - 10 \text{ km}^2$  (2.32 – 3.86 square miles).

Figure 2 gives a detailed view of the requested lease area, including partial block identification.

Figure 2: Gulf of Maine lease area detail



The chosen offshore site has good wind resources and is reasonably proximate to possible onshore connection points with the New England electrical grid. Further, Statoil NA has a good understanding of local conditions at the proposed lease site, including met-ocean conditions and environmental issues, since much work has been done in a report funded by U.S. Department of Energy (DOE) in anticipation of the Maine RFP and in support of a nearby University of Maine offshore wind test site.<sup>4</sup>

A towing route from a sheltered inshore assembly site to the proposed lease area has been identified, and a preliminary hydrographic survey has been performed.

<sup>&</sup>lt;sup>4</sup> The report, entitled "Maine Deepwater Offshore Wind Report" (February 23, 2011), was undertaken by the University of Maine in conjunction with the James W. Sewall Company (University of Maine Report). It is available at <a href="http://www.deepcwind.org/">http://www.deepcwind.org/</a>. For a description of the test site, see <a href="http://www.deepcwind.org/research-initiative/related-activities">http://www.deepcwind.org/</a>. For a description of the test site, see <a href="http://www.deepcwind.org/research-initiative/related-activities">http://www.deepcwind.org/</a>.