President Obama, Secretary Salazar Announce Framework for Renewable Energy Development on the U.S. Outer Continental Shelf

WASHINGTON, D.C. – Today, in an Earth Day speech at a wind turbine tower manufacturing plant, President Barack Obama announced that the Department of the Interior has finalized a long-awaited framework for renewable energy production on the U.S. Outer Continental Shelf (OCS). The framework establishes a program to grant leases, easements, and rights-of-way for orderly, safe, and environmentally responsible renewable energy development activities, such as the siting and construction of off-shore wind farms, on the OCS.

"It is fitting that on Earth Day President Obama is taking this bold step toward opening America's oceans and new energy frontier, so that we can wisely build a clean energy economy that will create millions of new jobs across the country," Secretary of the Interior Ken Salazar said. "This new framework will enhance our energy security and create the foundation for a new offshore energy sector that will employ Americans developing clean and renewable energy."

In addition to establishing a process for granting leases, easements, and rights-of-way for offshore renewable energy development, the new program also establishes methods for sharing revenues generated from OCS renewable energy projects with adjacent coastal States. Additionally the framework will enhance partnerships with Federal, state, and local agencies and tribal governments to assist in maximizing the economic and ecological benefits of OCS renewable energy development. The Final Framework has been submitted to the Federal Register, and is available online.

The Energy Policy Act of 2005 granted the Interior Department’s Minerals Management Service (MMS) the authority to regulate renewable energy development on the OCS, but no action had been taken under that authority until today. Since taking office, Secretary Salazar has made it a priority to finalize the rules that will govern offshore renewable energy development, given the enormity of this clean, renewable energy source and its proximity to major population centers. A number of other countries already are tapping significant energy from offshore winds.

The Interior Department and the Federal Energy Regulatory Commission (FERC) cleared the way for the publication of these final rules by signing an agreement on April 9, 2009 that clarifies their agencies' jurisdictional responsibilities for leasing and licensing renewable energy projects on the OCS.

Under the agreement, the MMS has exclusive jurisdiction with regard to the production, transportation, or transmission of energy from non-hydrokinetic renewable energy projects, including wind and solar. FERC will have exclusive jurisdiction to issue licenses for the construction and operation of hydrokinetic projects, including wave and current, but companies will be required to first obtain a lease through MMS.

The proposed wind farm off Nantucket Sound, known as Cape Wind, has been undergoing review independently of the rule making process, and no decision is being made on the project at this time. If approved, it will be subject to the terms of the final framework announced today.

The Interior Department’s Minerals Management Service is responsible for the management of the more than 1.7 billion acres of submerged lands on the OCS, to include mineral resource and renewable energy development.

Relevant Information (all PDF)

- Energy Policy Act of 2005
- OCS Renewable Energy Program Framework
- FERC/DOI Memorandum of Understanding

Contact:
Frank Quimby (202) 208-6416
Nicholas Pardi (202) 208-7746

MMS: Securing Ocean Energy & Economic Value for America
U.S. Department of the Interior