

Joint Rhode Island & Massachusetts Renewable Energy Task Force Meeting May 16, 2017

Contractor Notes and Summary

Prepared: May 2017

DISCLAIMER: This meeting summary was prepared by BOEM's contractor, Consensus Building Institute (CBI), and is not meant to be a word for word account of the Task Force meeting, but to be used as a reference. For any questions regarding the content of the meeting, please contact BOEM's Office of Renewable Energy Programs at (703) 787-1300.

1.0 Introduction

The Bureau of Ocean Energy Management (BOEM) convened an in-person meeting of the Joint Rhode Island and Massachusetts Renewable Energy Task Force at the Holiday Inn Cape Cod-Falmouth in Falmouth, Massachusetts, on May 16, 2017. The purpose of the meeting was to provide updates on BOEM and the States' offshore renewable energy activities, introduce development activities from the three leaseholders, and obtain input from the Task Force on upcoming proposed lease processes.

The meeting included several presentations, each followed by discussion with Task Force members. These presentations included the following:

- Opening remarks by James F. Bennett, Chief, BOEM Office of Renewable Energy Programs (OREP); Ned Bartlett, Undersecretary of Energy and Environmental Affairs, Massachusetts; and Grover Fugate, Executive Director, Rhode Island Coastal Resources Management Council (CRMC).
- Overview and discussion of the commercial leases offshore Rhode Island and Massachusetts by Luke Feinberg, Project Coordinator, BOEM.
- Presentations and discussion by the commercial lessees: Pernille Hermansen, Bay State Wind; Aileen Kenney, Deepwater Wind; and Richard Andre, Vineyard Wind.
- Overview and discussion of next steps for commercial leases offshore Rhode Island and Massachusetts by Will Waskes, Project Coordinator, BOEM; Brian Krevor, Environmental Protection Specialist, BOEM.
- Overview and discussion of BOEM's path forward on planning for renewable energy leasing by James F. Bennett, OREP and Jeff Browning, Project Coordinator, BOEM.
- Overview and discussion of findings and next steps of BOEM's Task Force initiative by Luke Feinberg, BOEM and Patrick Field, Facilitator, Consensus Building Institute.
- Task Force member updates by Bill White, Senior Director, Offshore Wind Sector Development at MA Clean Energy Center (CEC) and Mr. Fugate, CRMC, for the State of Rhode Island.



- A meeting wrap-up and discussion of next steps by Patrick Field, CBI.
- Closing remarks by James F. Bennett, OREP.
- A public question and comment session prior to lunch.
- A post-meeting round table discussion with all meeting attendees.

Meeting materials are available on the BOEM website: <u>https://www.boem.gov/Task-Force-Meeting-on-May-16-2017/</u>. Meeting participants are listed in the appendix.

2.0 Summary of Presentations and Discussion Points

2.1 **Opening Remarks**

James F. Bennett, Chief of OREP, opened the meeting by welcoming the many participants. He reviewed BOEM's purpose and noted the rapid progress of offshore wind development in U.S. waters. The domestic wind industry is strong, as demonstrated by leases and engagement by the Northeast states. BOEM is also responding to three unsolicited applications for two unleased area portions of Wind Energy Areas (WEAs) off of Massachusetts (MA) and Long Island. BOEM is currently determining the appropriate path forward with wind leasing and is looking for Task Force input on this topic.

Ned Bartlett, Undersecretary of Energy and Environmental Affairs for MA, also offered opening remarks. He noted the many years of collaboration between MA and Rhode Island (RI). In a recent letter to Secretary of the Interior Zinke, Mr. Bartlett emphasized the importance of offshore wind development to the Commonwealth and thanked BOEM and the Secretary for their continued interest in developing this industry. Wind energy is critical for greenhouse gas reduction, addressing energy needs, and creating jobs. Last August, Governor Baker signed into law H. 4568 *An Act Relative to Energy Diversification*, which calls for increased wind development between 2017 and 2027. The first solicitation under this new law will be published by June 30, 2017. The solicitation is currently out for comment with the Department of Public Utilities. MA is supportive of BOEM auctioning the two unleased areas of the MA WEA.

Grover Fugate, Executive Director of the Rhode Island Coastal Resources Management Council (CRMC), concluded the opening remarks by reminding participants of the role his agency has permitting certain activities related to offshore wind through the Coastal Zone Management Act. CRMC oversaw the permitting, planning, and leasing of the Block Island wind farm (BIWF), which is located in State waters.

Patrick Field, facilitator from the Consensus Building Institute, reviewed the agenda and meeting protocols, and facilitated a brief round of Task Force member introductions.

2.2 Overview and discussion of the commercial leases offshore Rhode Island and Massachusetts



Luke Feinberg, Program Coordinator at BOEM, reviewed the commercial leases offshore Rhode Island and Massachusetts. Mr. Feinberg presented a broad overview of renewable energy leases on the Atlantic Outer Continental Shelf. BOEM has held seven competitive lease sales with the potential to power over five million homes. Once Avangrid's provisional lease for the Wind Energy Area (WEA) offshore Kitty Hawk, North Carolina (NC) is executed, there will be offshore wind energy leases off every state from MA to NC. Mr. Feinberg reviewed the lease status and recent project activities for four leases, a right of way and two unleased WEAs off of RI and MA:

- Deepwater Wind New England LLC
- Narragansett Electric Company (TNEC) (right of way for the BIWF cables)
- Bay State Wind
- Offshore MW (Vineyard Wind)
- Cape Wind
- OCS-A 0502 and OCS-A 0503 (which are previously unleased areas in the WEA offshore MA)

Details are available in the presentation slides on the **BOEM website**.

A Task Force member asked for further clarification on the status of the Cape Wind project and whether and when that development might occur on Horseshoe Shoal. Mr. Feinberg noted that BOEM has a court order to supplement the Environmental Impact Statement (EIS). BOEM is proceeding with that responsibility but cannot comment on the ability of Cape Wind to construct. Jennifer Kilanski, BOEM, added that Cape Wind is up to date on its lease payments. It has applied for a two-year suspension of activities that ends in July 2017. The lease is in good standing now but BOEM cannot speculate on next steps.

2.3 Presentations and discussion by the commercial lessees

Representatives from three commercial lessees presented brief overviews of their companies and/or partnerships and recent development activities in their lease sites.

2.3.1 Bay State Wind

Pernille Hermansen, DONG Energy Wind Power AS, presented an overview of the Bay State Wind joint venture partnership and recent activities in the lease site. The Bay State Wind project is an equal partnership between DONG Energy and Eversource. Bay State Wind will develop the lease in phases with the capacity to produce 2,000MW. They submitted a COP Survey Plan to BOEM for review on February 27, 2017. The Bay State Wind Environmental Program is comprised of both site-specific surveys and desktop studies and analysis.

Lease area reconnaissance and FLIDAR surveys were conducted in August through October 2016. Cable Reconnaissance Surveys were conducted in May 2017. Avian surveys in the lease area will be conducted Mid-May through October 2017. Benthic Surveys will be conducted in late summer/early fall 2017.



Bay State Wind has also undertaken outreach and coordination with agencies and stakeholders as they move forward with development. They have hired John Williamson of Sea Keeper Consulting as their Fishery Industry Liaison Officer¹ and are undertaking additional coordination through Fishing Industry Representatives for geotechnical and geophysical (G&G) surveys, informal advisors, and regular provision of information to industry and quayside. Additional details are available in the presentation slides on the <u>BOEM website</u>.

Task Force members asked questions focused on clarifying details of the proposed surveys and the phased-in development of the site. *Responses from Ms. Hermansen are in italics*:

- Is Bay State Wind receptive to alternative survey designs or new approaches? We have not yet finalized our protocol for these surveys. We are looking at our previous data to inform our benthic protocol. We would be interested in hearing about alternative designs.
- Could you describe the phases you are proposing? We feel the site could be developed up to 2GW but we cannot do it all at once. The draft MA Request for Proposals (RFP) process is soliciting 400-800MW for the first round. Our phase plans are not yet finalized.
- Will your benthic surveys address the impact of sediment disturbance on lobster habitat during turbine and cable installation? We are trying to characterize the baseline right now. We will then assess the data and proposed installation methods that minimize sediment disturbance.
- Whales and other marine species are somewhat of a knowledge gap. Is Bay State Wind willing to do more of these surveys? *BOEM and the State of Massachusetts have conducted several marine mammal surveys. There have been three years of marine mammal surveys in our lease area region, and one more year of surveying is occurring now.*[Note from editor: See MA CEC update in 2.7.1 for additional details.]

2.3.2 Deepwater Wind

Aileen Kenney, Deepwater Wind, presented an overview of its leases and recent activities off Rhode Island and Massachusetts. The BIWF, 3 miles off of Block Island, Rhode Island is currently operating five 6MW turbines. Last week, Maryland Public Service Commission awarded Off-Shore Renewable Energy Credits (ORECs) for Deepwater's proposed 120MW project named Skipjack, to be developed in the lease off the Delaware coast. They also have a power purchase agreement from the Long Island Power Authority for the potential 90MW South Fork Long Island project, which will be located in the south-western part of RI-MA lease. Deepwater Wind hopes to get its last permits for the South Fork project in 2020 and sell power to NY, MA, and RI. They will build out the lease area in phases.

¹ Note from BOEM: Contact information for developers' fishery liaison officers are available at www.boem.gov/Atlantic-Fishing-Industry-Communication-and-Engagement



Deepwater Wind is conducting a number of surveys this summer, including testing new real-time marine mammal detection technology. A key issue for the South Fork project is the cable route so these surveys will help characterize the sediment along the preferred route. They are currently working with the town of East Hampton and other stakeholders to determine the best landfall for the cable. Cable siting requires coordination with many states and Deepwater Wind is looking for input on the full lease area as they plan the full build-out. They plan to respond to the MA RFP and hope to sell into Rhode Island as well.

Deepwater Wind is also increasing their outreach to stakeholders. Building on the network from the BIWF, they are working with environmental groups, tribes, and the fishing industry. They will host a pre-survey meeting with tribes sometime in June. Beth Cassoni is the Deepwater Wind Fishing Liaison Officer (FLO) and they have engaged Ed Washburn as their FLO for New Bedford Harbor. They are currently interviewing for a Long Island FLO and have hired CBI to work on structured outreach to the fishing community this summer. Details from this presentation are available in the presentation slides on the BOEM website.

2.3.3 Vineyard Wind

Richard Andre, Vineyard Wind and Vineyard Power, presented an overview of their work and recent activities in the lease site. Vineyard Wind entered into a partnership with the co-op Vineyard Power in 2010, aiming to maximize benefits to the Martha's Vineyard community. Vineyard Wind received its lease in 2015 after several years working with BOEM on the leasing process. The leased site can generate 2,000 MW when fully built out.

They have submitted their SAP and are currently working on their COP. Vineyard Wind conducted G&G surveys in fall 2016 and will conduct an export cable reconnaissance survey in state and federal waters this summer. They have filed an interconnection application with ISO New England to connect the project to Cape Cod. They are preparing for the MA RFP and have submitted comments on the draft RFP.

Vineyard Wind has designed a 30-year stakeholder outreach effort, beginning around 2012, with fisheries as the largest focus. They have retained Jim Kendall as their Fisheries Representative and they have held over two-dozen meetings with fisheries groups to date. Vineyard Wind is complying with the marine mammal and avian survey approach proposed by the environmental NGOs and also held tribal consultations last year. They are now doing post- and pre-survey consultations. Vineyard Wind has held over a dozen meetings on Martha's Vineyard and the Cape with municipalities. Details from this presentation are available in the presentation slides on the BOEM website.

Task Force members asked questions focused on clarifying details of the proposed surveys and the phased-in development of the site. *Responses from Mr. Andre are in italics*:



Please clarify your roles in both Vineyard Wind and Vineyard Power and how Vineyard Power fits into development now. *Mr. Andre clarified that he is on staff at Vineyard Power and reports to the Board of Directors. Vineyard Power and Vineyard Wind outlined their respective roles in a January 2015 agreement. Vineyard Power's role is to provide local input and concerns to Vineyard Wind and they are part of the permitting team.*

2.3.4 Discussion of the lessee presentations

Task Force members asked the following questions and made the following comments during the discussion period, focused on how lessees coordinate between themselves, cable routing and installation, and community benefits. *Responses from Ms. Hermansen, Ms. Kenney, and Mr. Andre are in italics*:

- Although the three lessees are competitors, to what extent are you coordinating with each other on laying cables, planning surveys, and conducting outreach to stakeholders?
 - Ms. Hermansen, Bay State Wind: We do try to coordinate. We are also involved in [the state-led fisheries and habitat] working groups, which can help reduce the time stakeholders spend talking to us. We are doing cable reconnaissance surveys this summer to see if the proposed corridor is a good option.
 - Ms. Kenney, Deepwater Wind: It can be difficult to coordinate in some areas. We have to be sensitive to stakeholders and minimize stakeholder fatigue and confusion. Our industry should coordinate on meeting regional science goals and we can work with agencies to make sure we are contributing to overall science goals. For outreach to the fishing industry and tribes, we can coordinate more closely here. We are looking for opportunities to have fewer cable lines to connect on shore but this process is still in the early stages.
 - Mr. Andre, Vineyard Wind: We can pull best practices on outreach from the European experience. The Vineyard Wind project will have three undersea cables. We have filed for interconnection to the Cape and are determining this summer exactly where those lines will go. In the array, there are ways to attach the cables to reduce laid cable. But we are not currently coordinating on this issue.
- The US Coast Guard encourages coordination between the lessees. BOEM has a role in this; the lessees will need guidance from BOEM on the spacing of turbines as steel starts to go in the water because of the impacts on later installation efforts as well as navigation.
- Menemsha lobstermen are very concerned about sediment redistribution on lobster grounds as turbines and cables are installed.
- NOAA encourages all of the lessees to meet with us more regularly to go over their survey methods, to go over the data once you have it, and ask if we need more information to review your plans.



- When will the federal agencies be reviewing the monitoring surveys for baseline impacts? *Brian Krevor, BOEM: We will cover this in the next presentation.*
- The Navy is interested in any passive acoustic data collected and its availability to the general public. We have an office that the lessees should reach out to for coordination around this.
- Ms. Kenney from Deepwater Wind said that they are looking at alternative cable routes for its proposed South Fork project. How does the BOEM process work in terms of timing as more information and alternative sites emerge? *Ms. Kenney: This information will be included in our COP application. While we may start with a number of alternatives, some are weaned out based on feedback from stakeholders. Our COP will likely include three alternatives with one indicated as the preferred alternative. The National Environmental Policy Act (NEPA) and NYS Article 7 allow BOEM and NY to permit all the alternatives we include in our COP, especially if a location is not yet settled. Mr. Krevor, BOEM: Alternatives are ways we can address the challenge of emerging information. NEPA specifically requires BOEM to look at alternative options.*
- How are the lessees addressing questions of community benefits?
 - Ms. Hermansen, Bay State Wind: DONG's experience is mostly in Europe. We partner on this topic in Europe and we are looking to improve these efforts in the U.S. We are in the process of hiring a community liaison.
 - Ms. Kenney, Deepwater Wind: While we are focused on delivering community benefits, we do not yet have a structured program. We are open to what communities want to see. For example, Block Island wanted to take their diesel generators offline and have a cable connection to the mainland for the first time. We approach this issue on a customized, caseby-case basis.
 - Mr. Andre, Vineyard Wind: We have a Community Fund in our agreement. We also have a direct relationship with the fishing community.

2.4 Overview and discussion of next steps for commercial leases offshore Rhode Island and Massachusetts

2.4.1 Next steps for Construction and Operations Plans

Will Waskes reviewed the components and requirements for a COP. A lease covers site assessment activities and site characterization work (i.e. surveys) but meteorological towers and buoys require an approved SAP and COP to move forward. A COP package must include the following components:

- Project information
- Survey results
- Certification verification agent (CVA)
- Oil spill response plan
- Safety management system
- Other information and certifications



The BOEM regulations are not specific about time scales, resolution, and quantity of information so BOEM has developed <u>guidelines</u> to guide lessees.

BOEM follows a number of steps when a COP is submitted for review. First, they conduct an initial review to determine if all the required information was included and if it is sufficient for BOEM's analyses. If the COP passes the first review, BOEM conducts technical and environmental reviews. At this point, BOEM can approve the COP, disapprove the COP or approve the COP with modifications. If approved, the lessee submits a Facility Design Report (FDR), a Fabrication and Installation Report (FIR), and a Safety Management System before construction starts. If BOEM doesn't provide any objections to the FDR and FIR with a designated amount of time, the lessee can proceed with development.

BOEM is aware that Deepwater Wind plans to submit a COP for the South Fork project in early 2018. Bay State Wind has not set a target submittal date. A MA RFP will be coming out shortly and there are some unsolicited applications on the table offshore MA and NY. Mr. Waskes noted that if developers follow a phased in approach, each phase could have its own COP.

Task Force members asked the following questions and made the following comments. *Responses from Mr. Waskes are in italics*:

- I am interested in consistency between BOEM's process and our Coastal Zone Management process. Can you say more about the long-term need for a monitoring plan over project phases; what does BOEM need for this? We try to capture a lot of monitoring information in the guidelines. We keep these updated and talk to other agencies about them so that we can be as consistent as possible. We want to avoid redundant data collection. One monitoring plan we are funding now is the RODEO project to look at before/after installation impacts on Block Island. When we get a survey plan (e.g. avian), we send it to our subject matter experts, they comment, and teleconference with the U.S. FWS and lessee to provide our comments. We do this for NOAA/NMFS related surveys too. Coastal Zone Management review is also a step here. So far this process has been in support of SAPs and a few early COP surveys and coordination discussions.
- You said you could approve a COP with conditions (e.g. more baseline surveys needed). Can other agencies review and comment on the proposed COP before the final approval, potentially with conditions? I know there is a five-year window for COPs but many are coming out sooner. I do not want to wait until an EIS comes out to comment if my agency thinks more monitoring is required and it will conflict with the COP schedule. *Once a COP is submitted, that is BOEM's trigger for NEPA and ESA review. At that point an agency can comment on the COP as part of BOEM's NEPA and consultation process. BOEM encourages developers to have communication with federal and state agencies, along with stakeholders prior to submission of a COP to resolve concerns.*

2.4.2 Next steps for environmental reviews



Mr. Krevor presented an overview of recent activities related to environmental reviews in the lease areas. The Massachusetts Environmental Assessment (EA) for the wind energy areas overall analyzed the lease issuance, site characterization surveys, and the site assessment (i.e. meteorological towers and buoys). The EA did not analyze wind energy facilities. The revised EA and a Finding of No Significant Impact (FONSI) were published in June 2014. BOEM also conducted agency consultations related to the EA.

BOEM has received three SAPs for the leases offshore RI and MA. Deepwater Wind's SAP environmental review is complete. Bay State Wind and Offshore MW's SAPs are under review to determine if the MA EA and consultations adequately considered the proposed activities. Unless the effects are significantly different, no additional NEPA review is required. The National Historic Protection Act (NHPA) Section 106 consultation is complete for Deepwater Wind. With these reviews and consultations complete, BOEM anticipates receiving two COPs this winter.

Mr. Krevor discussed the purpose and process of an Environmental Impact Statement (EIS). It provides public comment opportunities through scoping meetings and comment periods, as well as a draft EIS comment period. Stakeholders can provide input on what kind of monitoring they want to see during the construction phase. There are many factors influencing the timing of an EIS including scale and complexity of the proposed facility and activities, levels of public controversy, and the number of environmental and socioeconomic issues.

BOEM is exploring the use of a "design envelope" (e.g., developer can propose a range of potential turbine sizes) which allows BOEM to approve a number of options for a single plan during its environmental reviews. This concept has been utilized by offshore wind developers in Europe to provide flexibility when not all of the project details are known. BOEM hopes to issue draft guidance on this concept in July, 2017. To satisfy NEPA regulations, a range of activities will be analyzed with the most impactful end of the range analyzed for each resource. This is a great tool because it improves environmental review certainty while allowing flexibility for the developer.

Task Force members asked the following questions and made the following comments. *Responses from Mr. Krevor are in italics*:

- With multiple COPs being submitted at once, how does BOEM address cumulative impacts? We will include in our review as much information as we have to hand. We will look at past, present, and future activities to determine cumulative impact. Ed LeBlanc (USCG) made a good point about navigation alignment. Cumulative analysis is particularly important for this kind of planning.
- The first developer that builds is going to affect subsequent development because the first COP is a determinant. They set the tenor. Is this reality being factored into decisions when other developers start to build? *Yes. When COPs are approved or in review, we have that information available to us. We also do cumulative effects analysis. If our monitoring shows impacts from the first build-*



out (e.g. displacement or changing migration patterns), we will factor that into new projects.

- NEPA scenarios are not necessarily the ones that will be built in the end. They cover the maximum build-out that could happen but that will not actually play out. How does BOEM address this? *There are two parts to this: public understanding and regulations. For the public, we need to put this into context. It is better to tell the public about the most realistic scenarios. Lessees are trying to narrow this envelope of possible designs over time and we try to communicate this process to the public when we can. For regulations, as long as the activity is within the range we analyze, BOEM is ok with it.*
- At some point a project becomes economically viable (or not). From a NEPA standpoint, we need to understand the suite of impacts for an economically viable project compared to the other alternative projects. Lessees have sunk costs and know their minimum project size. Right now, we do not look at the environmental impact differently between that minimum size project and the full project proposal. We have not been able to have this discussion yet. *BOEM cannot determine what is economically viable right now but we can try talking to lessees and helping them adjust their range. This issue may also be determined by state legislation to some extent.*
- How does the National Ocean Plan and Northeast Portal intersect with your current efforts? We are using the Portal and intend to use it when we receive COPs to help us develop our environmental analysis. We use this information frequently and try to contribute to the suite of available portals as well. A lot of the data on the Portal comes from NOAA and BOEM's <u>Marine Cadastre</u>.

2.5 Overview and discussion of BOEM's path forward on planning for renewable energy leasing

James F. Bennett, BOEM, and Jeff Browning, BOEM, gave an overview of BOEM's current thinking on BOEM's path forward on leasing off Rhode Island and Massachusetts. There is strong demand for wind energy, as demonstrated by the 13 active leases on the Eastern Seaboard. There are off-take support mechanisms in MA and Maryland, and a number of unsolicited applications. Based on this industry activity and interest, BOEM is determining the best path forward for leasing. BOEM plans to issue a Request For Feedback this summer to begin to define new areas to focus on (particularly off NY and the Carolinas).

In MA and RI, the focus will be on two unleased areas within existing Wind Energy Areas (WEAs), blocks OCS-A 502 and 503. BOEM offered these up during the last auction but only now do these blocks have industry interest. BOEM received unsolicited applications for these two areas in December 2016 and January 2017 from Statoil and PNE. Because the applications are for the same area, BOEM has determined there is competitive interest and will start the competitive leasing process.



BOEM is seeking input from the Task Force to draft a Proposed Sale Notice (PSN) and has identified five preliminary issues as it moves forward with this leasing. Task Force members asked the following questions and made the following comments on the five issues identified. They are grouped by question. *Responses from Mr. Bennett and Mr. Browning are in italics*:

BOEM asked: what is the best timing for the PSN? The current proposal is for a summer or fall 2017 publication.

- Publish the PSN in the fall; summer is a busy time for communities who depend on summer tourism.
- BOEM should bring this to the attention of the town's Board of Selectmen. There are potential impacts and benefits to Nantucket. We are particularly interested in how this new development could help us get a third cable from the wind projects instead of paying for one ourselves. BOEM should ask communities for their thoughts.
- We need to establish a predictable pipeline for developers. We ultimately want to reach a tipping point that enables easier investment.
- BOEM is implying there are other developers interested in these areas. How much competition is actually out there? We only know about our two applicants right now but when we post the PSN we will know if there are more. These two developers came in within a month of each other for the same areas so we determined it was appropriate to initiate the competitive leasing process. We have offered these areas in the past so we feel we can skip a call and other early stages and go straight to the PSN.
- What is BOEM's capacity for reviewing all of these documents coming in? I encourage internal examination of your capacity. *We believe we are in a position to handle this workload. We will assess our capacity when we consider moving forward with additional leasing.*

BOEM asked: we are considering a minimum bid of \$2/acre and a \$450,000 bid deposit. What are participants' views on this? Mr. Browning noted that the last auction had a minimum bid of \$1/acre, though other auctions have been \$2/acre.

- What is the rationale for the \$2/acre and the minimum deposit? It was grounded in our experience leasing for oil and gas. The original wind energy numbers were comparable to a shallow water oil and gas lease. At that time, it was \$7/acre for G&O and given the newness and uncertainty of the new industry, we settled on \$2/acre as the industry got started.
- Time has passed. I assume there's a better understanding of these companies' revenues. I cannot comment on the exact number but hopefully we can use lessons learned. Why should we stay with status quo if we have better information? *Keep in mind this is just a minimum bid, it does not take revenues into account that will also require a royalty payment. This is still a nascent industry and statistically we do not have enough price information to feel comfortable bumping up the minimum bid number at this time.*



- Is there value in having one bid price lower for floating technology and a higher bid price for putting steel in ground? *We do not currently differentiate by technology*.
- BOEM might consider having depth and distance-from-land classes for bids. Shallower and closer areas are easier to develop than deep and farther offshore areas and thus those closer areas may bring a higher value.
- I see no downside to having a low entry bid if BOEM holds a progressive auction. The market will bear what the market will bear on the high-end.
- I understand the four lots offered before had different depths, with the hope of utilizing different technologies in the future. Is that true? *I believe all four had shallow to deep areas. Developers can phase in the site from shallow to deep if they so desire. We try to leave this up to the developer.*

BOEM asked: should the auction be an ascending auction (highest bid wins) or a multi-factor auction (credits are incorporated into the bid value)?

• If community benefits can count as a credit, then multi-factor is preferable.

BOEM asked: Should one entity be able to win both lease areas? Mr. Browning noted that there are already neighboring leases in this case. Usually BOEM would restrict someone from winning both auctions but this is a different situation and BOEM may not feel it is necessary to do so.

- Relating back to our discussion of cable laying, it could be good to have more than one developer win the auctions so they can coordinate this process.
- If a developer won both auctions, would they phase in the site or develop it all at once? We cannot answer that today that would be determined later.
- The auction parameters should depend on the interest that exists. BOEM should look at who registers and qualifies to bid. Given the interest already expressed, I should think you are safe to set the auction parameters differently.

Other Comments made included the following:

• Nantucket needs another cable. It is likely that developers will reach out to us as a potential landing spot. How as a small town can we negotiate and stay strong in this interaction? Block Island is still using dial-up internet rather than fiber because they did not negotiate well enough.² How can BOEM or the states help these communities? *Bruce Carlisle, MA CZM: We are happy to sit down with you and help you identify resources for this negotiation. Bill White, MA CEC, said they want to see this process move forward but we want good stakeholder engagement. There is now increased interest in these leases due to the state legislation passed last year to encourage offshore development. The legislation requires securing competitive leases every 24 months. We will miss the first procurement but we would like to see competition for two to four procurements in the near future. Lastly, competition can drive down costs for ratepayers and this is important to MA residents.*

² Editor's note: A high speed fiber optic cable now connects the Block Island to the main land. However, no one to date has undertaken the laying of local cables to bring high speed internet island wide.



- How can we create a mechanism for revenue sharing that will benefit the communities impacted by this development? *BOEM noted that development has to be 3-6 miles from shore for the state to share in revenues. These are federal waters so the lease auction revenue also goes to the federal government.*
- Should we be talking to Congress about changing the relevant laws on revenue sharing?

2.6 Overview and discussion of findings and next steps of BOEM's task force initiative

As part of the National Offshore Wind Strategy, BOEM is revisiting the structure and purpose of its Task Forces. BOEM engaged the Consensus Building Institute (CBI) to interview a variety of BOEM staff and Task Force members and draft a report of its findings. Mr. Feinberg noted that while many Task Force members were interviewed, CBI was unable to interview everyone on the roster. Two main themes are under discussion during this initiative: addressing regional concerns and the purpose of Task Forces in a post-leasing world. The RIMA Task Force is an example of regional collaboration. As projects move to SAPs and COPs and there are longer stretches of time between milestones, BOEM wants to maintain the community of stakeholders that has formed around this industry.

Mr. Field, CBI, briefly reviewed the preliminary findings of the assessment. CBI interviews found that the Task Forces are effective for information sharing, building understanding, and keeping government stakeholders up to date on key issues and processes. The interviewees held more mixed opinions on moving to a regional approach but there was strong sentiment among participants to maintain Task Forces in some form all through upcoming wind energy development phases. Interviewees also identified a number of areas where BOEM could improve the Task Forces, including increasing transparency (e.g. post meeting summaries) and articulating a roadmap for discussing, deciding, and communicating on issues raised at Task Force meetings. Luke Feinberg noted that BOEM has already implemented some of CBI's recommendations. BOEM will review these findings and possible recommendations and release a public report in the late summer or early fall summarizing this initiative.

Task Force members asked the following questions and made the following comments focused on the value of Task Forces and how well a regional approach might work. *Responses from Mr. Feinberg and Mr. Field are in italics*:

- Can BOEM conduct an online survey in addition to its interviews? In any case, the Coast Guard would be happy to be interviewed.
- We felt like we were promised engagement throughout the whole process. But there were long time lags or things happening for which we were not engaged. If you are going to engage us, we need to be engaged on a regular basis. Task Forces should not just be a showpiece for BOEM. Local communities receive the impacts of development so you asked us to represent our communities on the Task Forces. As we go forward, that original reason for having us here needs to be kept in



mind. If you change your philosophy, that is ok. But if we are here, you need to utilize us. We need to feel like we are part of the process and not a showpiece.

- Task Forces should continue. Their input will be useful to BOEM in the coming years, particularly because some issues have not been satisfactorily addressed. For example, I am particularly concerned that we have not addressed how wind farm development will impact the fishing community. Will commercial and recreational boats be restricted or prohibited from fishing within these farms? Our confidence in BOEM and the Task Forces will be strengthened if you answer these questions. If fishing is restricted, what will be the decision making process?
- *Mr. Krevor, BOEM: We have talked about this issue in fishing working groups and we have tried to answer it. BOEM does not have the legal authority to restrict fishing within a wind energy facility. USCG can clarify this. The only restriction might be during construction around one turbine while it is being built.*
- *Mr. LeBlanc, USCG: USCG has no intention of restricting fishing. There is a spectrum of action we could take, from prohibition on boat traffic to no restrictions or navigational aids at all. We have no plans to implement either of these extremes. We cannot guarantee we will not restrict fishing but we cannot see a scenario where we would advice BOEM to restrict fishing traffic.*
- For another lease, USCG determined there was no restriction as long as fishing boats carried a second person. But this was a problem for many small boats with guys who fish alone. Such a condition can be a restriction. *Mr. LeBlanc, USCG: We cannot condone practices that do not conform to federal regulations. Federal regulations require a proper lookout at all times. We understand that some fishermen put their boat on autopilot while pulling up traps but we do not condone this. This is not particular to wind energy areas, but to general good marine safety in general*
- We encourage a regional approach to Task Forces. Our port infrastructure does not align along state lines. The federal government needs to help induce interstate collaboration and a regional approach can encourage this.
- A regional Task Force feels like a natural fit for us. New England lends itself to a regional approach because we do regional power grid planning. These are federal projects that are wholesale in nature. Transmission is interstate too.
- A regional approach is a good idea but it is still important to have state Task Forces. BOEM could try having state liaisons at neighboring meetings. A shift to only regional meetings would create very large meetings in which it could be very difficult to speak, especially for local governments.
- There have been problems with late notice of meetings. We should receive a reminder notice too. All stakeholders could benefit from summaries from agencies that are working on relevant issues. This is especially important for someone representing a town and not an agency or state department. How can we create that kind of mechanism?
- BOEM should publish an analysis of how successful projects have been (e.g., BIWF). We want to hear if it is producing the expected wattage. Are there construction issues we could learn from?



2.7 Task Force Member Updates

2.7.1 Massachusetts update (Bill White, MA CEC)

In August 2016, Governor Baker signed legislation into law that will accelerate offshore wind development. It is the largest state commitment to offshore wind in the U.S. to date and the first procurement will be published shortly. The draft RFP can be found <u>here</u>. MA is hoping these efforts will generate around 10% of the Commonwealth's load. We have created fisheries working group and a habitat working group to bring key constituencies, along with developers, to the table to work with federal partners.

MA is funding environmental surveys this year that will contribute to its existing data sets. MA has three years of marine mammal and avian data and this summer will be an additional year of data. Based on its surveys of birds, whales, turtles, and other marine mammals, MA has identified some best practices and next steps:

- Consider seasonal management of construction
- Assess long-term impacts
- Look at underlying patterns
- Consider supplemental survey methods to look at changes in abundance and distribution.

MA is also developing real-time acoustic detection technology in partnership with the Woods Hole Oceanographic Institute, the University of Rhode Island, BOEM, and the MA Clean Energy Center. This technology could be used to detect marine mammals during construction activities. As part of its met-ocean data initiative, MA is also installing LIDAR technology on offshore towers and hopes to make this data broadly available to universities, developers, and researchers.

MA is exploring opportunities for infrastructure and supply chain development to support the offshore wind industry. The Wind Technology Testing Center in Charlestown, MA allows industry to test prototype blades and the New Bedford Marine Commerce Terminal was built to handle high capacity heavy load and can deploy offshore wind components. The Terminal has signed a letter of intent with three developers. MA also funded an offshore wind transmission study in 2014 that looks at available technology, routes, and on-land interconnection. The Commonwealth has established the MA Supply Chain Initiative that brings businesses together with industry to plan for workforce needs. MA is currently completing an offshore wind ports and infrastructure assessment and has hired Apex-Ramboll to lead a team looking at additional waterfront locations that could host wind staging areas. Lastly, the Commonwealth has established the MA Offshore Wind Research Partnership that is exploring ways for MA to become a hub for offshore wind research.

2.7.2 Rhode Island update (Grover Fugate)

We in Rhode Island are reviewing lessons learned from the BIWF installation. They found that it is important for the state to be present during the COP phase and ensure things are done as described in the approved proposal. It was useful to have Task Force



meetings during the COP phase and will be important to keep meeting during postconstruction phases and maintenance. Rhode Island considers the Block Island project a scale model that can help inform larger projects. To inform future development, the state is pushing forward on some data collection efforts with a focus on the COP phase. These include data on acoustics during pile driving, paleo-cultural aspects, avian species, tourism, water quality, tower structural performance, property sales, recreational fishing, and baseline lobster fishery health. Rhode Island has also been reaching out to fishermen about the deployment of wind farm components.

2.7.3 Discussion

Task Force members asked the following questions. *Responses from Mr. White and Mr. Fugate are in italics*:

- When will we see preliminary findings of these studies as mentioned by BOEM? BOEM holds a science conference in Virginia every year and some of this data will be discussed there. I think the Northeast would benefit from a regional discussion, perhaps a forum, on the latest science being done here.
- Are there any monitoring requirements tied to a permit that have an action limit if an agency saw unacceptable damage? Yes, these are built into the permits. In Rhode Island, the CRMC can also enforce action limits. We had Deepwater Wind hire an independent monitoring group that was onsite 24 hours a day and reported back to us.
- Are there any ongoing studies to determine the degree to which the towers are benefiting recreational fishermen? Do they attract fish? *There is an ongoing study to track and document that behavior. The towers are actually an attractant because the towers are so popular with recreational boats and it can get crowded. We have not studied how fish aggregation behavior and benthic communities vary between towers.*
- Have there been more conversations about siting aquaculture facilities with wind infrastructure? We have not had any conversations yet. The towers were not designed to have additional load on them. We would have to do a complete analysis and we do not see an advantage in this location to warrant that expenditure.

2.8 Meeting Wrap Up and Next Steps

Mr. Field, CBI, briefly reviewed the subjects discussed during the meeting. He noted how Task Force members emphasized how developers can coordinate to benefit the industry, the region, and communities.

Mr. White, MA CEC, reminded participants that a MA-focused public meeting on offshore wind development would be held from 5:30-7:00pm that evening in the same location.

2.9 Closing Remarks



To conclude the meeting, Mr. Bennett from OREP thanked all participants for coming. Offshore wind is an important industry in the Northeast and Task Forces are a key component of BOEM's efforts to grow this industry. He noted that in the future, BOEM hopes to organize Task Force meetings when there is a need to discuss a particular issue or new milestone and if there is public demand for a meeting.

3.0 Action Items

The following action items came out of the meeting:

- BOEM
 - Provide slide presentations to Task Force members.
 - Provide draft guidance on design envelope concept to Task Force members when it is available.
 - Notify Task Force members when the final report on BOEM's Task Force initiative is available.
- Task Force members
 - Submit comments on the draft PSN for the two unleased areas.

4.0 Public Input Session

There was one public input session just prior to lunch. Three members of the public offered comments during the session.

Drew Minkiewicz, a partner at the law firm Kelley, Drye, and Warren representing the Fisheries Survival Fund, offered comments from the perspective of the offshore scallop fleet from Georges Bank to the Delmarva peninsula. It is good that monitoring and surveys are being conducted but monitoring is not the same as enforcement. We have not addressed what will be done in conflict situations. When will there be too much conflict for a project to go forward? This is always unsaid and we are very frustrated with this. BOEM has no requirements for actually doing anything about conflicts. Additionally, meeting fatigue is an issue but I question why is it an issue in the first place. Are there too many meetings or is it the content of the meetings? We do not hear about meeting fatigue in fisheries management. We offer time for public comment throughout the meeting and there are actions and responses to the comments. I think meeting fatigue happens here because there are no responses. The public perception of this process is that BOEM is just checking the box. What has changed here as a result of public comment? There have been good processes, especially in RI and MA. Those states held public comment periods and we saw less conflict. This needs to be the norm, not the exception. No one feels they are being heard or responded to.

Megan Herzog, a staff attorney with the Conservation Law Foundation (CLF), reaffirmed CLF's support of offshore wind development to reduce emissions and address climate change. She thanked other stakeholders for engaging with this process and expressed gratitude to the Baker Administration for its leadership on this issue.



Jim Kendall, a former fisherman and fisheries liaison, offered comments on the importance of fishery liaisons and improving survey technology: Making a living today in the fishing industry is hard. This is partly fishermen's own fault because they rarely attend BOEM meetings but liaisons like myself are critical to ensuring their voices are heard. I applaud the lessees for hiring liaisons but BOEM should also do this. No fishing representative sits on the Task Forces yet we are probably the biggest user group in the proposed WEAs. It is wrong that we do not have representation at the table. I understand that this is part of the federal process but that does not make it right. On a different subject, we should be using camera survey technology for baseline surveys of the benthic habitat. We need true surveys of pre- and post-development impacts on the bottom. UMass's School for Marine Science and Technology (SMAST) might be a good organization to take the lead on this effort.



Appendix A: Participants, Public Observers, and Facilitation Team

Name	Affiliation
Nils Bolgen	MA Clean Energy Center
Bruce Carlisle	MA Office of Coastal Zone Management
Michele DesAutels	United States Coast Guard
Warren Doty	Town of Chilmark
Luke Feinberg	Bureau of Ocean Energy Management
Kathryn Ford	MA Division of Marine Fisheries
Ron Gagnon	RI Dept. of Environmental Management
Cheri Hunter	Bureau of Safety and Environmental Enforcement
Tristan Israel	Tisbury, MA Selectmen
Mary Krueger	National Park Service
Edward LeBlanc	United States Coast Guard
Pamela Loring	United States Fish and Wildlife Service
John Moskal	Environmental Protection Agency
Eric Nelson	Environmental Protection Agency
Megan Ottens-Sargent	Aquinnah
Ramona Peters	Mashpee Wampanoag Tribe
Eric Seltzer	MA Dept. of Energy Resources
Amy Stillings	Bureau of Ocean Energy Management
Jo-Ann Taylor	Martha's Vineyard Commission
Christopher Thompsett	Department of the Navy
Timothy Timmerman	Environmental Protection Agency
Susan Tuxbury	National Oceanic and Atmospheric Administration
Jim Vercruysse	Martha's Vineyard Commission
Richard Warner	Bureau of Ocean Energy Management
Bill White	MA Clean Energy Center

Federal, State, Local, NGO, and Tribal Participants

Public Observers

Name	Affiliation
Enrique Alvarez-Uria	EDP Renewables
Richard Andre	Vineyard Power
Jen Banks	U.S. Wind
Ned Bartlett	MA Energy and Environmental Affairs
David Borrus	Pile Drivers Local 56, UBC
Lauren Burm	DONG Energy
Joe Casey	IBEW



Fara Courtney	Power - US
Marcus Cross	DONG Energy
Bill Duffy	NOAA Fisheries Service
Aubrey Ellertson	Commercial Fisheries Research Foundation
Bob Erickson	ESS Group Inc.
David Fenton	IBEW 223
Melanie Gearon	Deepwater Wind
Christina Giordano	DONG Energy
	NY State Energy Research and Development
Doreen Harris	Authority
Sean Hayes	NOAA NMFS
Pernille Hermansen	DONG Energy
Megan Herzog	Conservation Law Foundation
Amber Hewett	National Wildlife Federation
Jim Kendall	NBSC
Aileen Kenney	Deepwater Wind
John Lamontagne	Vineyard Wind
Robert Laufewburg	UBC
Nicole Lengyel	RI DEM Marine Fisheries
Julia Livermore	RI DEM Fish and Wildlife/Marine
Drew Minkiewicz	Kelley, Drye, and Warren
Pamela Neubert	Stantec
John O'Keeffe	Deepwater Wind
Erik Peckar	Vineyard Power
Doug Pfeister	Renewables Consulting Group
John Ravis	Scully Capital
Matt Robertson	Tetra Tech
James Schmidt	R. Christopher Goodwin & Assocs.
Lauren Sinatra	Town of Nantucket
Mike Snyder	NYS Dept. of State
Michael Thompson	Northland Power
Rick Usher	A.I.S. Inc.
Gerritt Wolken-	
Mohlmann	Tufts University
Steven Wood	ESS Group Inc.

Facilitation Team

Name	Affiliation
Patrick Field	Consensus Building Institute
Rebecca Gilbert	Consensus Building Institute



Media

Name	Affiliation
Mary Ann Bragg	Cape Cod Times