



BOEM BUREAU OF OCEAN
ENERGY MANAGEMENT

Gulf of Maine Task Force Meeting

Understanding Lease Stipulations and Bidding Credits

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PSN: What does a lease do?

- Offers the exclusive right to the lessee to submit plans to BOEM that propose work on the lease.
 - Survey Plans, SAP, COP
 - NO construction authorization
- The lease is broken into sections, highlights include:
 - Addendum A – location and activities
 - Addendum B – LEASE TERM AND FINANCIAL SCHEDULE
 - Lease length, rent and operating payments
 - Addendum C - LEASE-SPECIFIC TERMS, CONDITIONS, AND STIPULATIONS

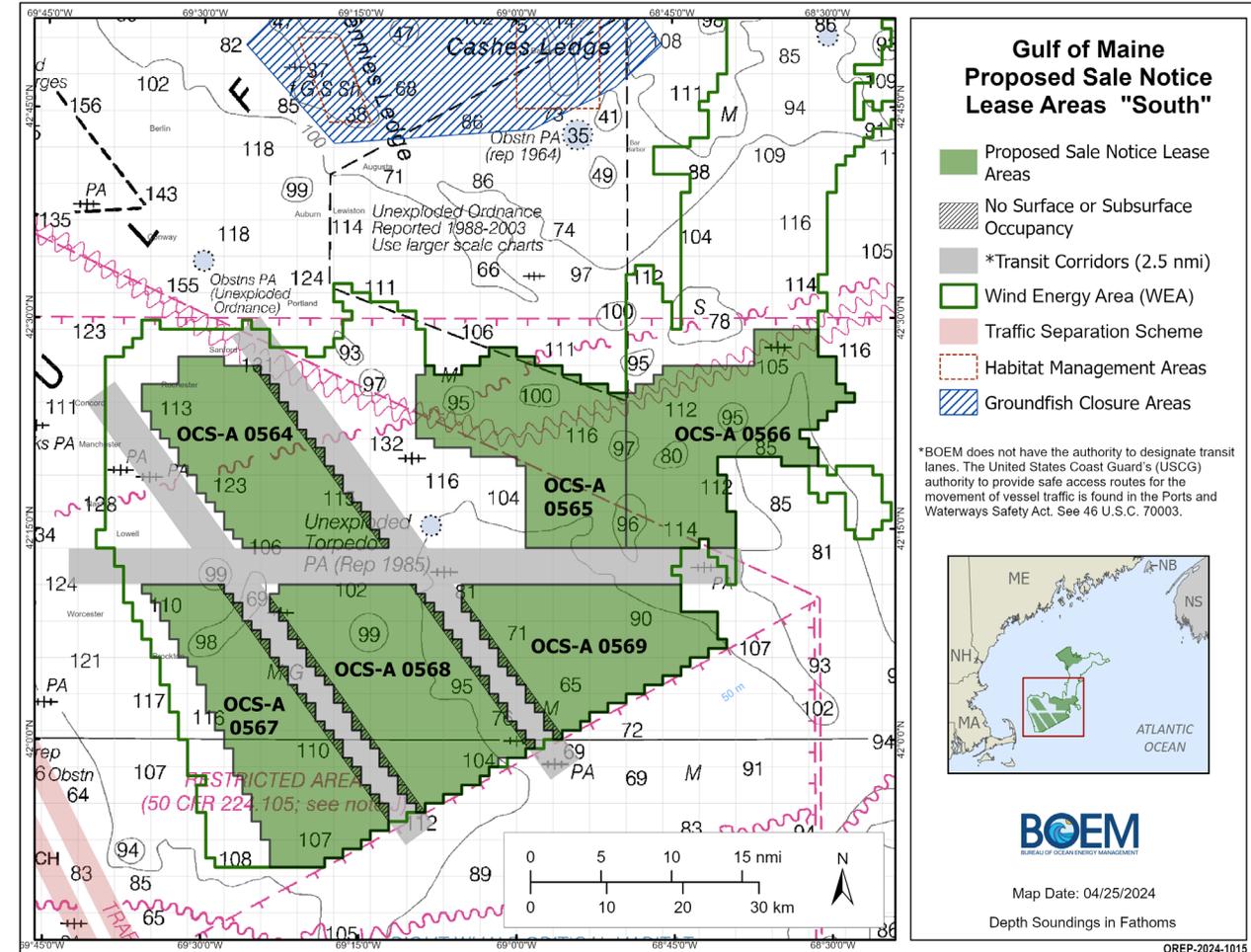
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY
MANAGEMENT

**COMMERCIAL LEASE OF
SUBMERGED LANDS FOR
RENEWABLE ENERGY DEVELOPMENT
ON THE
OUTER CONTINENTAL SHELF**

Paperwork Reduction Act of 1995 statement: This form does not constitute an information collection as defined by 44 U.S.C. § 3501 et seq. and therefore does not require approval by the Office of Management and Budget.

PSN: Lease Stipulations

- Areas of no surface/subsurface occupancy in the southern region of the Final WEA.
 - facilitate existing transit (three 2.5 nm corridors).
- “Good Neighbor” stipulation
 - neighboring leases must maintain 2 common lines of orientation (WTG layout) or have a setback from the lease boundary.
- PSN Questions:
 - Transit
 - Baseline monitoring for marine mammals/habitat



PSN: Addendum C Highlights

- Reporting - Enhanced Engagement
 - Communication Plans for fisheries, Tribes, and agencies
 - Progress Report every 6 months providing:
 - Summary of engagement with all affected ocean users, Tribes, stakeholders (including underserved communities)
 - Efforts to invest or direct benefits to, OR avoid, minimize, or mitigate conflict with, ocean users, Tribes, and stakeholders
 - Planned next steps to engage with ocean users, Tribes, and stakeholders
 - Progress Reports posted on BOEM website

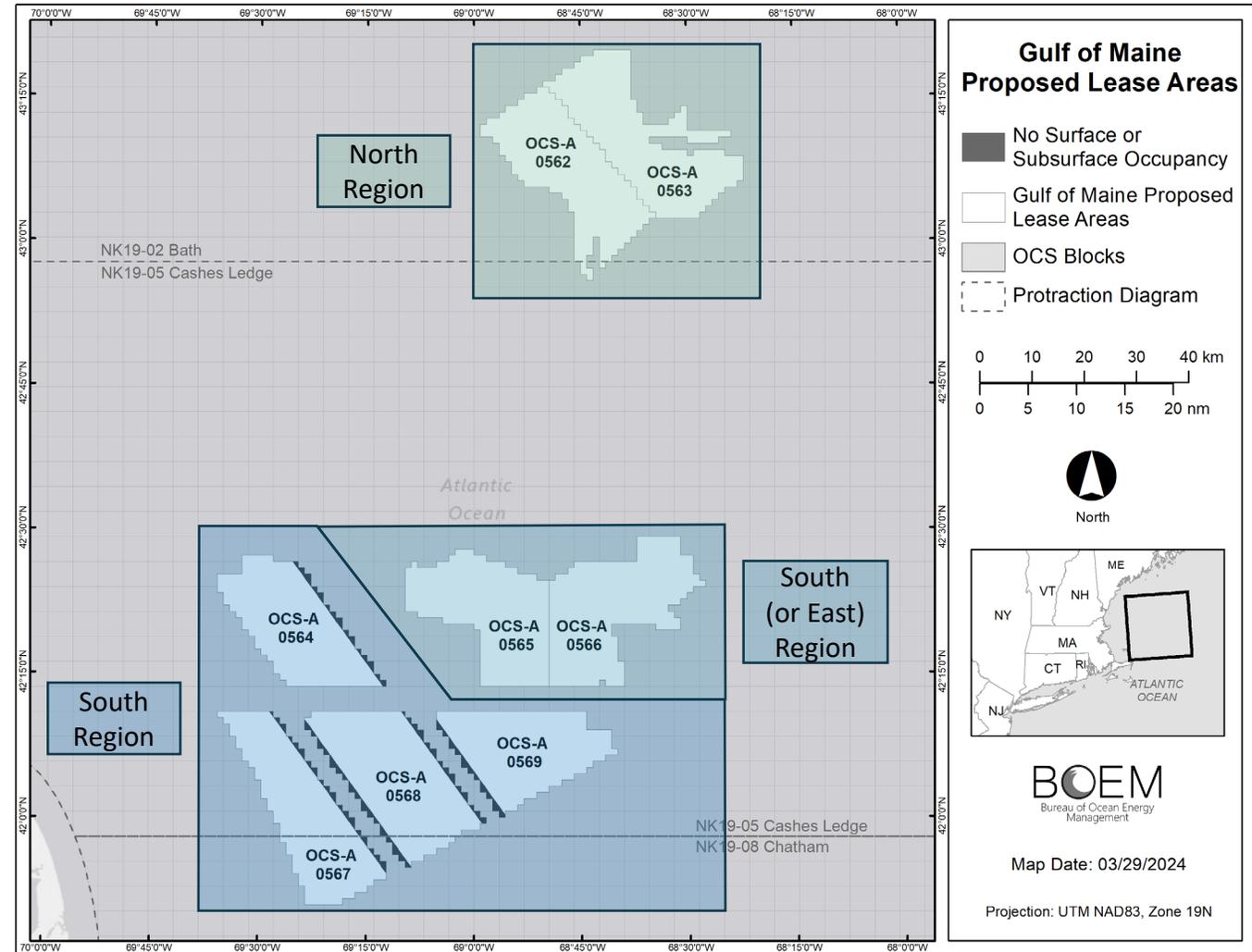


PSN: Addendum C Highlights *continued*

- **Survey Plans**
 - Must submit plans for review prior to activities.
- **Protected Species**
 - Ensures that project activities comply with statutes related to protected species
 - Resulting from consultations with federal family resource agencies
- **Project Labor Agreements**
 - Must make every reasonable effort to enter a PLA for construction
- **Bidding Credit**
 - Details and commitments

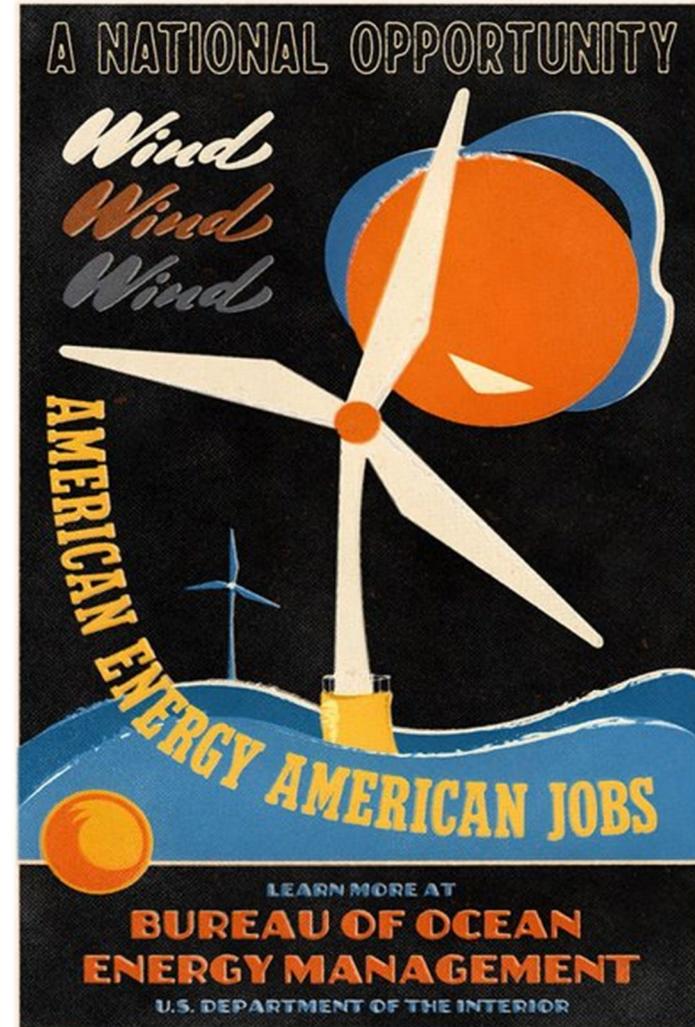
PSN: Auction Format

- As proposed, a bidder can win a maximum of two South Region leases, or one North Region lease and one South Region lease.
 - Supports competitive bidding and States' desire for a competitive offtake procurement process.
 - BOEM is soliciting public comment on the proposal, as well as an alternative structure that includes three regions.
 - Under this alternative, bidders could win a maximum of two leases, with a limit of one per region.
- Multiple-factor auction format.
 - The bidding system will be a combination of monetary (75%) and non-monetary factors (25%).
 - The proposed minimum bid is \$50 per acre.



PSN: Bidding Credits

- Bidders may receive bidding credits up to 25% in exchange for committing to a qualifying monetary contribution to programs or initiatives supporting offshore wind.
 - The proposed bidding credits are the same as those offered in GOMW-1, although the individual credit percentages may vary.
 - Bidding credits are calculated as a percentage of the bid.



PSN: Bidding Credits

Two bidding credits are proposed:

1. **12.5% bidding credit for a commitment to invest in programs that will advance U.S. floating offshore wind energy workforce training and/or supply chain development.**
 - The credit is intended to incentivize investments that would not occur otherwise.
 - Includes investments in port infrastructure related to component manufacturing and assembly areas for offshore wind construction and deployment (e.g., foundations, turbine components).
2. **12.5% bidding credit for establishing or contributing to a Fisheries Compensatory Mitigation Fund.**
 - BOEM encourages lessees to work together to establish or contribute to a single regional fund

