

Qualification Guidelines to Acquire and Hold Renewable Energy Leases and Grants and Alternate Use Grants on the U.S. Outer Continental Shelf

This document provides guidelines to prospective lessees and grantees on the requirements to qualify for and hold renewable energy leases and grants and alternative use grants on the Outer Continental Shelf (OCS) and the type of information you should submit to the Bureau of Ocean Energy Management (BOEM) so that BOEM can evaluate whether you meet these requirements. This document will be updated periodically – you can contact the appropriate BOEM office under “Addresses and Contacts” below to ensure that you are consulting the most up-to-date version of this document.

Authority and Background

The BOEM published the regulations found at 30 CFR part 585 to establish a process for issuing leases, rights-of-use and easement (RUE) grants, and rights-of-way (ROW) grants for orderly, safe and environmentally-responsible development of renewable energy and alternate use activities on the OCS.

These regulations require that before you hold such a lease or grant, you must show that you are qualified to be a lessee or grantee by (1) evidencing that you are a person eligible to hold a lease or grant (30 CFR 585.106) **and** (2) demonstrating your technical and financial capability to conduct the activities to be authorized by the lease or grant (30 CFR 585.106 and 585.107). These regulations specify who can hold a renewable energy lease or grant or alternate use grant and how you show that you are qualified to be a lessee or grantee.

Renewable Energy Leases and Grants

Documentation to Prove that You are an Eligible Person (Legal Qualifications)

The first step in qualifying to hold a renewable energy lease or grant is to provide documentation to prove that you are an eligible person as defined in 30 CFR 585.112 and further explained in 30 CFR 585.106 and 107. This step is referred to as legal qualification. An eligible person is:

- a citizen or a national of the United States;
- an alien lawfully admitted for permanent residence in the United States;
- a private, public, or municipal corporation organized under the laws of the United States, any of its States or territories, or the District of Columbia;
- an association of any of the parties described previously;
- an Executive Agency of the United States;
- a State of the United States; or
- a political subdivision of a State of the United States.

You must show that you are an eligible person by submitting evidence acceptable to BOEM as provided in 30 CFR 585.107.

You may not qualify as an eligible person if you are excluded or disqualified from participating in transactions covered by the Federal nonprocurement debarment and suspension system (2 CFR part 1400), you have failed to meet or exercise due diligence under any OCS lease or grant, or you remained in violation of the terms and conditions of any lease or grant issued under the OCS Lands Act for a period extending longer than 30 days after BOEM directed you to comply and you took no action to correct the noncompliance within that time period.

When you are qualified as an eligible person, BOEM will assign you a unique company number that must be used in all correspondence when referencing your qualifications to be an OCS renewable energy and alternate use lessee or grantee. As long as you remain an eligible person, you do not need to resubmit legal qualification documentation for subsequent renewable energy leases and grants and alternate use grants that you wish to acquire. As an eligible person, you only need to submit your unique company number in addition to the documentation to establish your technical and financial capability as discussed below.

Further information describing BOEM's legal qualifications process and examples of documentation that you may submit to demonstrate your legal qualifications can be found in Chapter 2 and Appendix B of the BOEM Renewable Energy Framework Guidelines, available at: http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/REnGuidebook_03August2009_3_.pdf.aspx

Documentation to Prove Your Technical and Financial Capability to Develop Your Proposed Project

As a second step, you must demonstrate your technical and financial capability to construct, operate, maintain, and terminate/decommission the type and scope of the project for which you are requesting authorization (30 CFR 585.106 and 107). The BOEM will determine your technical and financial capabilities to hold each lease or grant you wish to acquire. Therefore you must demonstrate these capabilities each time you pursue a lease or a grant.

(a) Technical Capability

You should provide documentation that describes any international or domestic experience with renewable energy or other electric-energy-related projects, or other experience that you deem relevant to your proposed lease or grant activities.

You should describe such experience in detail. BOEM has determined that items described below would be helpful to the bureau in determining your technical capability:

- The identification of the key personnel who would be directly involved with management of the proposed project. This should include names, titles, and a description of their relevant experience. This description may take the form of résumés (please redact personally identifiable information), credentials and/or relevant training.
 - You may also identify and describe in a similar manner any proposed contractors and consultants with renewable energy or other relevant project experience (e.g., consultants on retainer). Please include documentation of a business relationship

- with these contractors or consultants, such as non-binding letters of agreement; and
- For your prior or current projects:
 - A general description, including project name, type, location, size (nameplate capacity in Megawatts, if applicable), years in operation, and operating status;
 - Your specific role (for example, principal or contractor);
 - The role, if any, of the key personnel who would be directly involved with management of the proposed project (that is, the role that the key personnel for your proposed OCS project had in your prior or current projects); and
 - The role, if any, of any contractors and consultants you intend to use for your proposed project (that is, the role that the potential consultants and contractors for your proposed OCS project had in your prior or current projects).
 - Any significant, relevant and adverse legal or regulatory actions taken against you in the last 5 years, and the resolution of such actions. If there have been no such actions, please include a statement to that effect. If you are a publicly-traded company, BOEM considers the Securities and Exchange Commission's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system as an acceptable source for this information.

(b) Financial Capability

You should provide documentation establishing that you have access to sufficient capital to carry out all anticipated activities. BOEM has determined that items described below would be helpful to the bureau in determining your financial capability:

- A well-considered financing plan for your proposed activities that contains:
 - Detailed information on how you intend to finance the acquisition of your lease and initial activities on your lease. This should include:
 - An estimate of the costs associated with obtaining the Federal and state authorizations that you will be required to obtain and performing the site characterization activities that you will need to and/or that you intend to conduct, and
 - A plan describing how you intend to finance these measures; and
 - A brief description of how you intend to finance all subsequent phases of project development.
- A description of your experience in raising capital for similar projects or projects of similar scale;
- Name, location, and description of your business entity;
- Company profile;
- A description of your corporate structure (parent company(s), subsidiary(s), publicly-disclosed investor(s), and the relationships between these parties, as applicable). BOEM considers a chart or other illustration depicting this information to be an acceptable format for submitting this documentation;
- Bank references;
- Years in operation;

- Current audited financial statement from an independent certified public accountant, preferably using accounting standards accepted by the Securities and Exchange Commission, if available. If not available, please include a statement to this effect;
- Information regarding any bankruptcy or other adverse financial proceedings within the last 5 years, if applicable. If not applicable, please include a statement to this effect; and
- Other information that you deem relevant.

Some of these criteria may not apply to particular lessees and grantees, for example, state or Federal entities. These potential lease and grant holders should contact the appropriate BOEM office as specified below under “Addresses and Contacts” for further instruction.

Timing for Submittals

The BOEM strongly encourages persons intending to do business on the OCS to submit their qualification information as far in advance as possible.

You must submit information demonstrating your legal, technical and financial qualifications at the time that you (1) respond to a Request for Interest (RFI) or a Call for Information and Nominations (Call) during the leasing process (30 CFR 585.213(e)), or (2) submit an unsolicited request for a lease (30 CFR 585.230(f)).

You should submit information establishing that you qualify to be a grantee at the time that you request an ROW or RUE grant for renewable energy activities (30 CFR 585.302).

If you wish to bid in an auction for a renewable energy lease or grant and have not previously submitted your qualifications documentation, you must submit your legal, technical and financial qualifications documentation to BOEM no later than 60 days after the publication of the Proposed Sale Notice (PSN), though **BOEM strongly recommends that you submit this documentation no later than 30 days after the publication of the PSN**. If BOEM does not qualify you by the publication date of the Final Sale Notice (FSN), then you may not submit a bid for a lease or a grant in that auction.

If you have submitted your legal, technical and financial qualifications documentation to BOEM, for example, in response to an RFI or Call, and BOEM determines that you are not legally, technically and/or financially qualified to move forward with those proposed activities, you may submit a revised package in an attempt to establish your qualifications at a later point in the competitive leasing process, such as during the comment period of the PSN for that lease sale. As described above, if BOEM does not determine that you are legally, technically and financially qualified to move forward with your proposed project by the publication date of the FSN, then you may not submit a bid for a lease or a grant in that auction.

BOEM Review and Approval

The BOEM will review your application to determine whether you have provided acceptable documentation evidencing your legal, technical, and financial qualifications to hold a renewable energy lease or grant.

Unless otherwise stated, you must submit one paper copy and one electronic copy of your qualification application (30 CFR 585.110(b)). BOEM considers an Adobe .pdf file stored on a compact disc (CD) to be an acceptable format for submitting an electronic copy. Electronic copies sent via e-mail are not considered an acceptable format for submitting an electronic copy.

There is no filing fee for qualification applications.

If BOEM determines that you have not met one or more of the requirements to qualify to be a lessee or grantee of the project for which you are requesting authorization, BOEM will notify you of the problem or deficiency and may request additional documentation. If you submit all of the information requested by BOEM and BOEM determines that you have not met the requirements, BOEM will notify you of its decision. If BOEM does not qualify you to hold the lease or grant you are pursuing, we will not issue you that lease or a grant. You may appeal BOEM's final decision pursuant to 30 CFR 585.118.

Qualification Updates

The BOEM may require you to submit updated and/or additional information at any time when considering your application or bid for a lease or grant.

Alternate Use RUEs

Documentation to Prove that You are an Eligible Person (Legal Qualifications)

You must legally qualify to hold an Alternate Use RUE under the process and criteria outlined above for the renewable energy leases and grants.

Documentation to Prove Your Technical and Financial Capability to Develop Your Proposed Project

You must demonstrate your technical and financial capability to construct, operate, maintain, and terminate/decommission the type and scope of the project for which you are requesting authorization (30 CFR 585.106 and 107). The BOEM will provide specific technical and financial capability documentation information and will determine your technical and financial qualifications on a case-by-case basis.

Timing for Submittals

You must submit information demonstrating your legal, technical and financial qualifications at the time that you request an Alternate Use RUE (30 CFR 585.1005).

If you wish to participate in a competitive offering and have not previously submitted information demonstrating your legal, technical and financial qualifications, you must submit your legal, technical and financial qualifications to BOEM by a date that BOEM specifies (30 CFR 585.1007).

BOEM Review and Approval

The BOEM will review your application to determine whether you have provided acceptable documentation evidencing your legal, technical, and financial qualifications to hold an Alternate Use RUE grant.

Unless otherwise stated, you must submit one paper copy and one electronic copy of your qualification application (30 CFR 585.110(b)). BOEM considers an Adobe .pdf file stored on a CD to be an acceptable format for submitting an electronic copy. Electronic copies sent via e-mail are not considered an acceptable format for submitting an electronic copy.

There is no filing fee for qualification applications.

If BOEM determines that you have not met one or more of the requirements to qualify to be an alternate use grantee of the project for which you are requesting authorization, BOEM will notify you of the problem or deficiency and may request additional documentation. If you submit all of the information requested by BOEM and BOEM determines that you have not met the requirements, BOEM will notify you of its decision. If BOEM does not qualify you to hold the alternate use grant you are pursuing, we will not issue you that grant. You may appeal BOEM's final decision pursuant to 30 CFR 585.118.

Qualification Updates

The BOEM may require you to submit updated and/or additional information at any time when considering your application or bid for an Alternate Use RUE.

Addresses and Contacts

You should submit your application for qualification to the filing address for the appropriate BOEM office listed in the "Applications for Renewable Energy Leases and Grants and Alternate Use Grants on the U.S. Outer continental Shelf" document, by your proposed project location. This document can be found at: <https://www.boem.gov/NTL-2016-REN-NO2/>

Should you have any questions or need further information, you should contact that office by mail or telephone, or refer to BOEM's renewable energy information at:
<http://www.boem.gov/Renewable-Energy-Program/index.aspx>.

Paperwork Reduction Act of 1995 Statement

The Office of Management and Budget (OMB) has approved the information collection requirements in 30 CFR part 585. This notice does not impose additional information collection requirements subject to the Paperwork Reduction Act of 1995.