



# Massachusetts Proposed Sale Notice

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# Overview

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- Massachusetts Proposed Sale Notice
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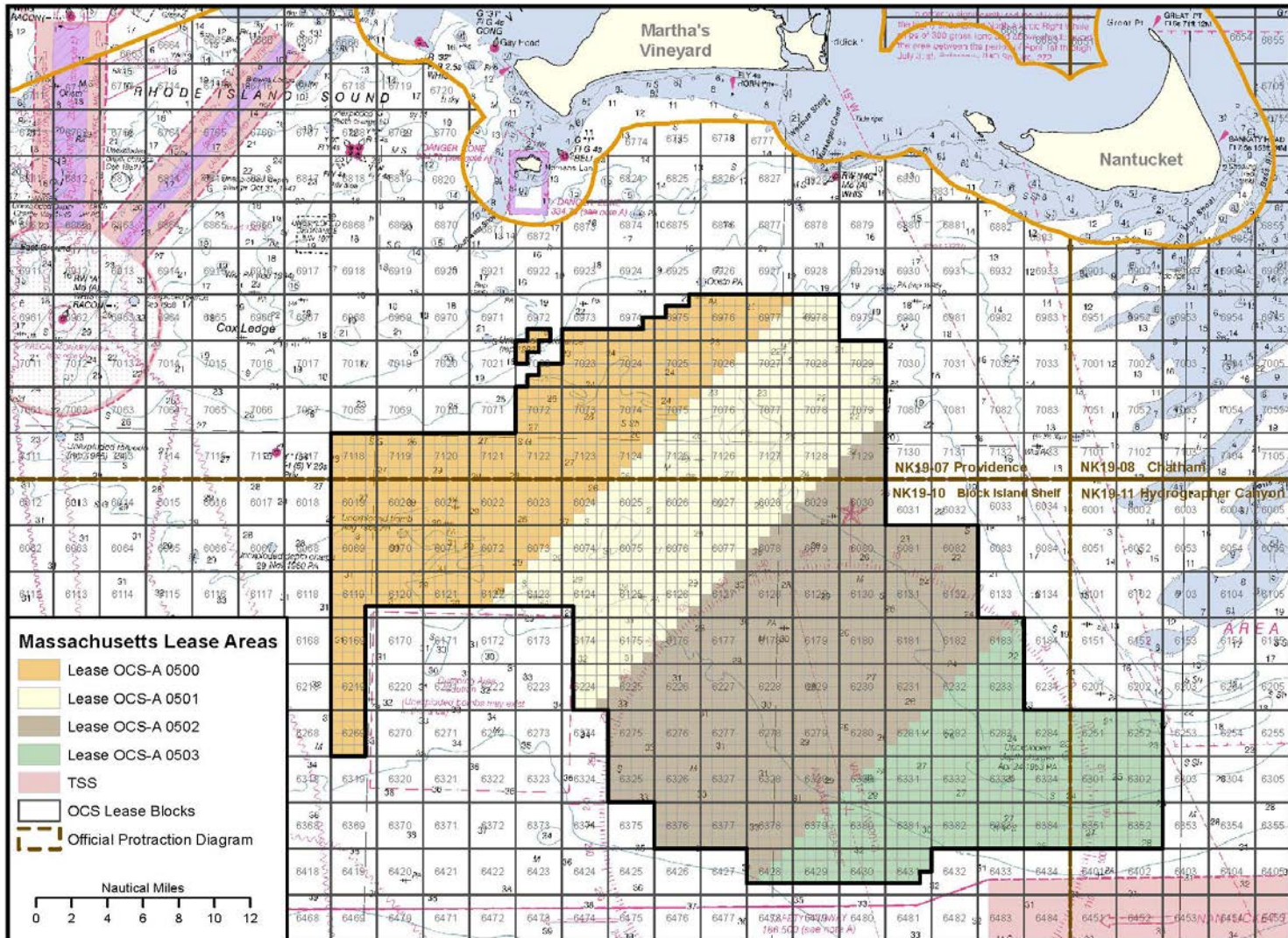
# Proposed Sale Notice (PSN)

- Notice published in the *Federal Register* for a **60-day public comment period** that describes BOEM's proposed lease sale terms and conditions for an area of the OCS.
- The PSN includes:
  - the **area** available for leasing,
  - the proposed **lease provisions** and conditions,
  - details of the **auction**,
  - the official **lease form**,
  - **bid evaluation** criteria and procedures,
  - **lease award procedures**,
  - **appeal** procedures,
  - procedures for execution of the **lease instrument**.

# Proposed Sale Notice (PSN)

- During the 60-day comment period:
  - BOEM invites **public comments** to be submitted
  - BOEM will hold an **auction seminar** to explain the auction format
  - Interested bidders **must** submit their **qualifications materials** (legal, technical and financial) **by the end of the PSN comment period**
  - If a potential bidder is not qualified by the publication of the Final Sale Notice (FSN), it may not participate in the auction
  - BOEM will publish a list of the Eligible Bidders in the FSN

# Massachusetts Lease Areas



# Massachusetts PSN

- Published in the *Federal Register* on **June 18, 2014**, 60-day public comment period closes on **August 18, 2014**
- Proposes to auction **4 lease areas** within the Massachusetts Wind Energy Area (WEA) using a **multiple-factor auction format**, which considers a combination of **monetary** and **non-monetary factors** in determining the outcome of the auction.
- The multiple-factor auction format for this sale will consist of two variables:
  - **Cash Bid**
  - **Non-monetary credit** (i.e., if a bidder holds a Community Benefits Agreement or a Power Purchase Agreement)

# Massachusetts PSN

- **Community Benefits Agreement (CBA)**
  - Legally binding contract between a bidder and one or more community-based organizations (CBO) where the bidder has committed to provide specified community benefits and the CBO has committed in specific ways to support the project in the governmental approval process.
- **Power Purchase Agreement (PPA)**
  - Legally enforceable long-term contract negotiated between an electricity generator and a power purchaser that identifies, defines, and stipulates the rights and obligations of one party to produce, and the other party to purchase, energy from an offshore wind project to be located in the lease sale area.

# Massachusetts PSN

- Non-monetary credit is limited to the **greater of 5% for a CBA, or up to 25% for a PPA** of 250 MW.
- Eligible bidders interested in obtaining a non-monetary credit for either a CBA or PPA must submit **non-monetary packages** to BOEM.
- BOEM will specify non-monetary package submission procedures in the **Final Sale Notice (FSN)**.
- BOEM will appoint a panel to review non-monetary packages and determine non-monetary bid credits, as appropriate.
- Bidders will be informed of their bid credit eligibility prior to the auction.



# How to Submit Comments

- **Comments** can be submitted:
  - On [www.regulations.gov](http://www.regulations.gov) search using keyword:  
**BOEM-2014-0034**
  - In written form, by hand or mail delivery to:  
Office of Renewable Energy Programs  
Bureau of Ocean Energy Management  
381 Elden Street, HM 1328  
Herndon, Virginia 20170-4817
- **Qualifications materials**, please contact BOEM.

For additional information:

<http://www.boem.gov/State-Activities-Massachusetts/>

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