



# Presentation to the BOEM Virginia Renewable Energy Task Force

## Draft Proposed Sale Notice

June 5, 2012

# PSNs 101

- Competitive Process
- Components of a PSN
  - NOA of a PSN (FRN)
  - Draft PSN
  - Draft Lease
  - Bidder's Financial Form
  - Auction Rulebook (if available)
- PSN Draft Walkthrough

# The Competitive Process

- Call for Information
- Proposed Sale Notice  We are here.
  - 60-day Comment Period
- Final Sale Notice
  - 30-day Waiting Period
- Auction
  - 30-day DOJ/FTC Review
- Send blank leases to winner
  - Winner has 10 days to sign, file financial assurance, and pay balance of auction bids.
- BOEM signs

# The Proposed Sale Notice

- The *Federal Register* Notice itself may consist of a Notice of Availability directing the reader to BOEM's web site where all materials will be made available. ("The PSN and FSN will include, *or describe the availability of*, information pertaining to...")
- 30 CFR 585.216: Elements of a PSN
  - The area available for leasing
  - Lease provisions and conditions (term, payment terms, site-specific stipulations, environmental conditions, etc.)
  - Auction details (bidding procedures and systems, minimum bids, bid deposits, place and time of the auction, etc.)
  - The lease form
  - Criteria BOEM will use to evaluate bids
  - Award procedures
  - Appeal procedures

# Components of the Proposed Sale Notice

- Notice of Availability (the *Federal Register* Notice)
- The Proposed Sale Notice
- The Lease Form
  - Lease Form, Addenda A-D
  - Will allow bidders to see what they are bidding on, in context.
- Bidder's Financial Form

# Sections of the Draft PSN

- Title: Question—should we assign a “Sale Number”?
- Summary
- Dates (for comments and completion of qualifications)
- Addresses, Further Information, Authority
- Background
- Financial Terms and Conditions
- Place and Time
- Mock Auction—preferred location?

# Sections of the Main PSN Document (continued)

- Bid Deposits
- Area offered for Leasing
- Division into Lots
  - The area will be auctioned as a single lot. This will simplify the auction.
- Withdrawal of Blocks
- Lease Terms and Conditions: Most were developed during the EA preparation, and will be similar in other mid-Atlantic states.

# Sections of the Draft PSN (continued)

- Qualifications: Deadline to submit materials is end of comment period.
- Auction Procedures: Greg Adams will cover this in his presentation.
- Public Seminar: Location preference? To be held during the comment period.
- Acceptance, Rejection, or Return of Bids
- Steps between Auction and Issuance of Leases
  - 30-day DOJ antitrust review
  - Send leases to winners
  - Winners have 10 days to:
    - Sign
    - File Financial Assurance
    - Pay balance owed to BOEM
  - BOEM signs lease.

# Sections of the Draft PSN (continued)

- Anti-Competitive Behavior:
  - Reminder of antitrust laws.
  - DOJ/FTC review period
- Post-Auction Certification
  - Anticompetitive bidding behavior
  - Good faith effort
- Non-Procurement Debarment and Suspension Regulations
- Force Majeure
- Appeals

# Review and Discussion

# Questions and Comments

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