

Alternative Energy Programs: Current Status and Next Steps

Bureau of Ocean Energy Management, Regulation and Enforcement
Outer Continental Shelf
Scientific Committee Meeting
May 17, 2011

Michelle Morin
Chief, Environmental Review Branch
Office of Offshore Alternative Energy Programs

Energy Policy Act 2005 (EPAAct)

Gave the Secretary of the Interior the authority to regulate a broad spectrum of activities:

- Production, transportation, or transmission of energy from sources other than oil and gas – “Renewable Energy”
- Use of currently or previously OCSLA-authorized facilities for energy-related purposes or for other authorized marine-related purposes – “Alternate Use”

OCS Renewable Energy Program Philosophy

- Coordinate with federal, state, and local agencies, tribal governments, and stakeholders
- Apply our renewable energy regulatory framework in conjunction with interagency-led planning activities
- Focus on multiple-use
- Work within the current authorities and responsibilities of agencies and continue ongoing activities

Renewable Energy Program Stages

- **Planning and Analysis**—identify suitable area for renewable energy leasing through collaborative, consultative and analytical processes
- **Leasing**—issue renewable energy leases through a competitive or noncompetitive process
- **Site Assessment**
 - lessee gathers data through site characterization surveys
 - lessee may conduct site assessment activities (e.g., meteorological towers/buoys) in accordance with BOEMRE-approved site assessment plan (SAP).
 - data supports the lessee's preparation of a site-specific construction and operations plan (COP)
- **Commercial Development**—lessee constructs and operates its facility in accordance with a BOEMRE-approved COP and prescribed conditions and stipulations

Applicable Statutes & Executive Orders

- National Environmental Policy Act
- Endangered Species Act
- Marine Mammal Protection Act
- Magnuson-Stevens Fishery Conservation and Management Act
- Marine Protection, Research, & Sanctuaries Act
- National Marine Sanctuaries Act
- Migratory Bird Treaty Act (MBTA)
- E.O. 13186 (Migratory Birds)
- Coastal Zone Management Act
- Clean Air Act
- Clean Water Act
- Marking of Obstructions
- E.O. 13547 (Stewardship of the Oceans, Our Coasts & the Great Lakes)
- Ports and Waterways Safety Act
- Executive Order 13175(Consultation and Coordination With Indian Tribal Governments)
- National Historic Preservation Act (NHPA)
- Archeological and Historic Preservation Act (AHPA)
- Native American Graves Protection and Repatriation Act (NAGPRA)
- American Indian Religious Freedom Act (AIRFA)
- E.O. 13007 (Indian Sacred Sites)
- Rivers and Harbors Appropriation Act
- Resource Conservation and Recovery Act
- Federal Aviation Act
- Federal Power Act

Planning and Analyses Stage

- Engage Intergovernmental Task Force, stakeholders, and public
- Publish Planning Notices
 - Request for Interest (RFI)
 - Call for Information and Nominations (Call)
- Announce Area Identification
- Conduct environmental compliance and consultation

Intergovernmental Task Forces

- Meetings have been held in ten states
- Affected State, local, & tribal governments and Federal agencies participate
- Does not replace consultation under existing Federal laws and regulations
- Forum to:
 - Educate each other about permitting and statutory responsibilities, and stakeholders' issues
 - Exchange data about biological, cultural, and physical resources, uses, and priorities
 - Continue dialogue about renewable energy activities throughout the leasing process
- BOEMRE considers task force input in our renewable energy leasing decisions

Agreements With Federal Agencies

BOEMRE is working with interested federal agencies to establish agreements facilitating coordination on OCS renewable energy development:

- Completed a MOU with Department of Energy (DOE)
- Completed a MOU with U.S. Fish and Wildlife Service
- Work is proceeding on agreements with Department of Defense, U.S. Army Corps of Engineers, U.S. Coast Guard, and National Oceanic and Atmospheric Administration (NOAA)
- Continuing to work with Federal Energy Regulatory Commission (FERC) to refine procedures relating to marine hydrokinetic projects under an existing MOU

Atlantic Offshore Wind Energy Consortium

- In June 2010, Secretary Salazar and 11 Atlantic Coast Governors signed MOU that **promotes Federal-state cooperation** and coordination for the **efficient and responsible development** of OCS wind resources
- Two of the Consortium's **Working Groups** drafted **action plans** to implement the objectives of the MOU:
 - Permitting and Regulatory Processes
 - Data and Science

Marine Spatial Planning

- EPA Act 2005 Section 388:
“establish an Outer Continental Shelf (OCS) Digital Mapping Initiative to assist in decision making related to alternative energy uses on the OCS”
- BOEMRE has funded the development of a Multipurpose Marine Cadastre for this purpose
- Partnering with NOAA (the technical lead) to ensure success

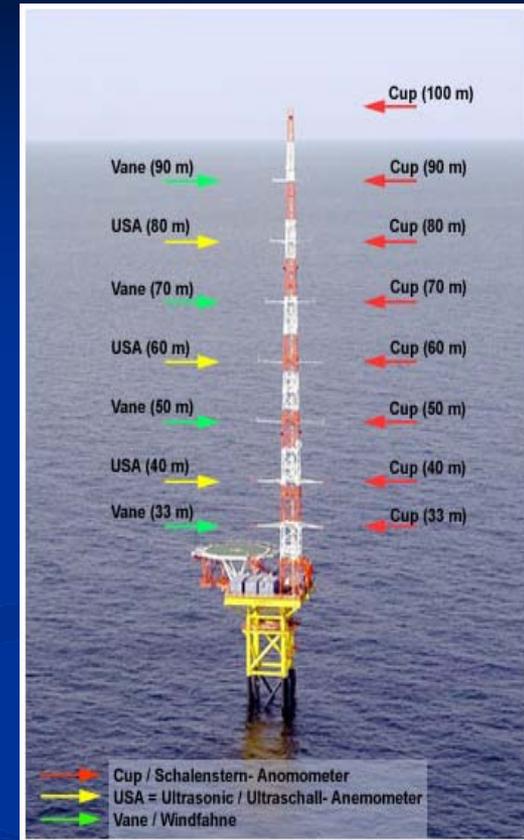
www.MarineCadastre.gov

Lease Issuance

- Exclusive right to submit plans
- Does not authorize construction
- Only reasonably foreseeable activity is surveys
- Posted guidance to developers on appropriate geological and geophysical, hazards, and archaeological survey methods
- Developers would typically run their high resolution geophysical (HRG) surveys prior to soil borings/vibracores

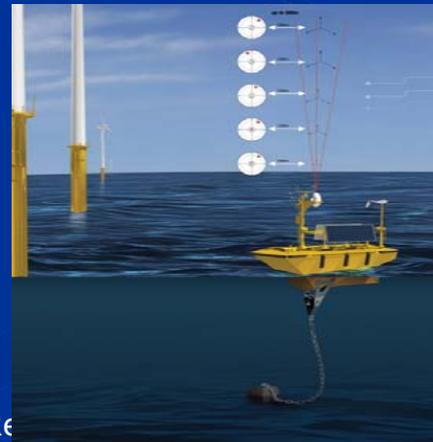
Site Assessment Activities

- 5 year period
- Site Assessment plans (SAP)
- Bottom-founded data collection facilities (i.e., meteorological towers and buoys)
- Lessee can not commence construction until BOEMRE reviews the survey results
- Exact location adjusted to avoid adverse effects to offshore cultural resources, if present
- Visual impacts to historic properties anticipated to be minimal to non-existent



May 11, 2011

DCS Re



Overview of Regulatory Framework

- Coordination (throughout rule)
 - Federal/State/Local/Tribal Task Forces
- Leasing Process and Issuance (Subpart B)
 - Commercial & Limited Leases
 - Competitive & Noncompetitive Leasing
 - Research Activities
- Payments (Subpart E)
 - Bonding, Payments, Revenue Sharing
- Plans (Subpart F)
 - Site Assessment and Construction & Operations
 - General Activities
- Conduct of Approved Plan Activities (Subpart H)
 - Environmental & Safety Monitoring & Inspections
- Decommissioning (Subpart I)

Interim Policy

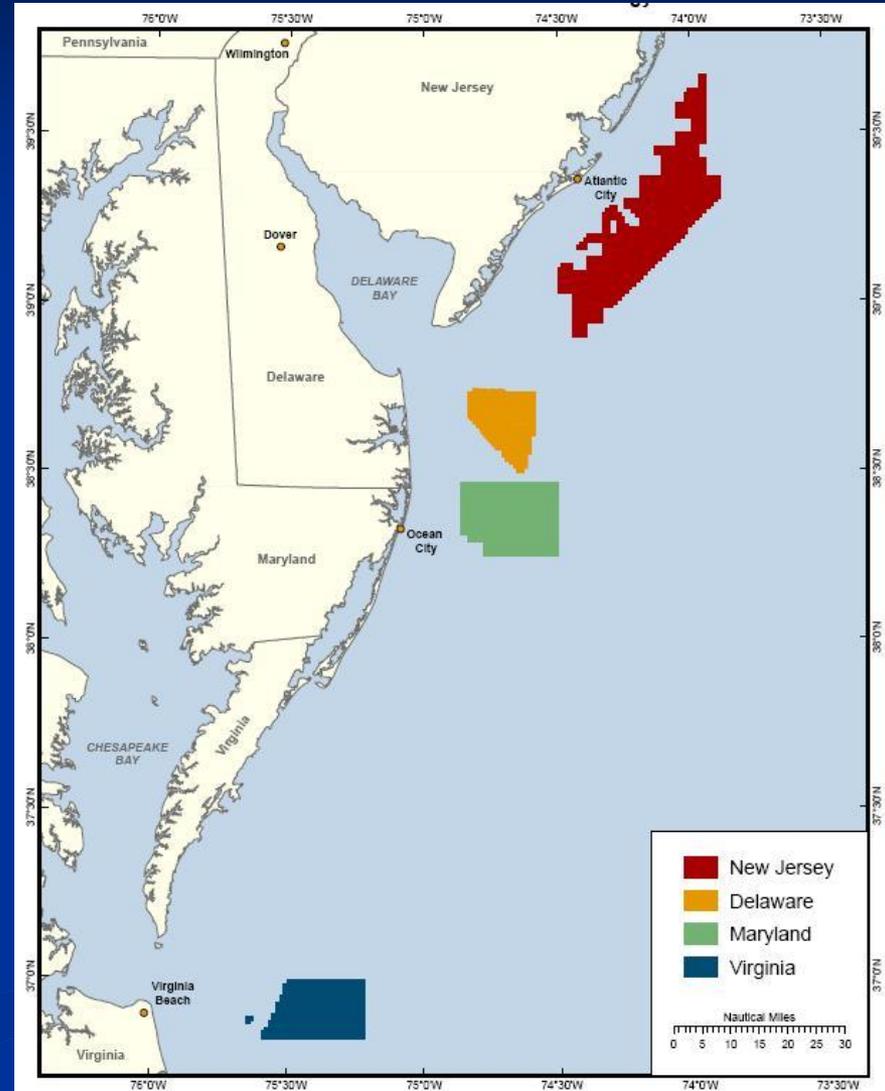
- Announced on November 6, 2007
- Issuance of leases for the installation of offshore data collection and technology testing facilities on the OCS
- 40 nominations received
- On April 18, 2008, 16 areas identified for priority consideration
- Four interim policy leases issued (2009)
- Applications have been received for two more

Secretary Salazar's "Smart from the Start Atlantic" Wind Initiative

- Announced November 23, 2010 in Baltimore
- Key Elements:
 - Identification of **wind energy areas** (WEAs) followed by information gathering and prospectus building to spur investment
 - **Streamlined processes** (including more efficient NEPA review) for renewable energy lease issuance;
- Goal: Issue commercial wind leases offshore certain Mid-Atlantic states in **2011**

Wind Energy Areas (WEAs)

- February 7, 2011, Secretary Salazar announced OCS WEAs offshore New Jersey, Delaware, Maryland, and Virginia suitable for further consideration as sites for future offshore wind development



Mid-Atlantic Regional EA and Consultations

- Notice of Intent (NOI) published on February 9, 2011
- Comment period closed March 11, 2011
- Draft EA to be published late-June 2011
- Focus on impacts of leasing and associated site characterization surveys and site assessment activities
- Ongoing consultations, including NHPA Section 106 and ESA Section 7.

Wind Energy Areas (WEAs)

- The next steps: announce/identify WEAs in North Atlantic followed by South Atlantic
- Comments received in response to public notices, results of environmental analyses, and Section 106 consultations, may refine or modify these WEAs
- Additional refinements of lease areas possible at the COP stage

North Atlantic OCS

Maine

- 2 task force meetings (most recent November 16, 2010)
- Next step: identify area of interest in consultation with Task Force

Massachusetts

- 6 task force meetings (most recent joint with RI on May 2, 2011)
- Request for Interest (RFI) – Dec 29, 2010 (RFI reopened – March 17, 2011)
- Approximately 260 comments, including 11 expressions of interest from 10 companies
- Received 1 research lease nomination
- Next step: publish a Call for Information and Nominations (Call)

North Atlantic OCS (continued)

Rhode Island

- 3 task force meetings (most recent joint with MA on May 2, 2011)
- Received 2 unsolicited requests for commercial leases
- Next step: publish a Call

New York

- 1 task force meeting (November 18, 2010)
- Anticipate receiving an unsolicited request for commercial lease in 2011

Mid-Atlantic OCS

New Jersey

- 3 Interim Policy leases – waiting on final project plans
- 3 task force meetings (most recent January 13, 2011)
- Received 1 unsolicited application for a commercial lease
- Call published on April 20, 2011 (closes on June 6, 2011)

Delaware

- 1 Interim Policy lease – waiting on final project plan
- 4 task force meetings (most recent March 24, 2011)
- RFI – April 26, 2010
- Request for Competitive Interest (RFCI) – Jan 26, 2011
- Determination of No Competitive Interest (DNCI) – April 12, 2011
- Could issue a commercial lease as early as Fall/Winter 2011

Mid-Atlantic OCS (continued)

Maryland

- Four task force meetings (most recent March 23, 2011)
- RFI — Nov 9, 2010
- Majority of comments expressed concerns over navigational and shipping issues; other comments describe issues regarding commercial and recreational fishing
- Received 9 individual expressions of interest from 8 entities
- Next step: publish a Call

Virginia

- Three task force meetings (most recent December 6, 2010)
- Received two unsolicited applications for commercial leases
- Received a request for a research lease from the Commonwealth of Virginia
- Next step: refine area of interest and publish a Call

South Atlantic OCS

North Carolina

- Two task force meetings (most recent May 11, 2011)
- Received an unsolicited application for a commercial lease
- Next step: define area of interest and draft Call

South Carolina

- Initiated discussions with the State Energy Office regarding task force membership and next steps for scheduling the first task force meeting

Georgia

- Southern Company submitted an application under the Interim Policy for one meteorological tower on April 6, 2011

Florida

- Processing a project application from Florida Atlantic University (FAU) for technology testing under the Interim Policy on February 9, 2011

Washington/Oregon OCS Planning Area

Washington

- The State is focusing on state waters, and will assert state interests as a partner with federal agencies on the OCS
- Interest in an OCS Task Force would depend on the submittal of an OCS renewable energy project
- Continue coordination on OCS renewable energy opportunities through West Coast Governors' Agreement on Ocean Health

Oregon

- First task force meeting held on March 31, 2011
- Oregon expects to finalize their Territorial Sea Plan (TSP) in under one year
- BOEMRE Pacific Region will partner with Oregon and Oregon State University to hold the "Oregon Coastal and Marine Data Network Workshop" in early June 2011
- Next step: next task force meeting in August 2011

California OCS Planning Areas

- No BOEMRE task force established
- California continues to conduct studies and process ocean renewable energy projects in state waters
- The City and County of San Francisco, Principle Power and PG&E have expressed interest in developing proposals for both wind and wave projects on the OCS

Hawaii

- Anticipate Governor's request for research lease(s) and task force.
- Programmatic EIS for includes analysis of a potential OCS subsea power cable for inter-island energy transmission and two potential onshore wind projects
- Anticipate submittal of subsea power cable ROW application following Final Programmatic EIS (April 2012)
- The University of Hawaii and the Natural Energy Laboratory of Hawaii have expressed written interest in obtaining OCS research leases offshore Oahu and the Big Island (Hawaii).
- Received draft application for 400 MW OCS wind project offshore Oahu received from Ewindfarms, Inc. on April 27, 2011.

Atlantic Wind Connect (AWC)

- Received unsolicited ROW grant application on March 31, 2011
- Subsea backbone transmission system in state and federal waters offshore New York, New Jersey, Delaware, Maryland and Virginia
- Would be constructed in five phases
- Application is being reviewed for completeness
- Next step: issue notice to determine whether there is competition



Questions?

Michelle.Morin@BOEMRE.gov or 703-787-1722

<http://www.boemre.gov/offshore/RenewableEnergy/index.htm>