

New Jersey Auction Results

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New Jersey Auction Overview

- Competitive lease sale held November 9, 2015
- 2 Lease Areas (LAs) offered
- Change from Proposed Sale Notice (PSN) to Final Sale Notice (FSN) in response to comments received on the PSN

A bidder can bid on and win only one of the two LAs

New Jersey Auction Overview

- Online auction hosted by Power Auctions LLC
- Three bidders participated
 - 1) Fishermen's Energy, LLC
 - 2) RES America Developments Inc.
 - 3) U.S. Wind Inc.

Auction Format

- Simultaneous ascending clock auction (SACA) format
Timed rounds, asking prices ↑ from the previous round
- Eligibility restricted to one LA (i.e., one bid per round)
- Bidders allowed to switch from one LA to the other

Format: Round Structure

- BOEM publishes the asking price
 - Round 1: minimum bid prices published in the FSN

- Bidders place bids

Live bid: meets BOEM's full asking price for current round

Exit bid: greater than last round's price but less than current round

- Round closes

Format continued

- At the end of each round, BOEM provides to bidders:

Next round's asking price

Number of bidders who met the previous round's asking price

- The auction continues until there is at most one bidder on each LA
- Prices increase from round to round when there is more than one bid on a LA

Round Results

Company Name	Bid Type	Bid Amount	Lease Area
Round 1:			
RES America Developments Inc.	Live	\$320,960	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$366,706	North (OCS-A 0499)
Fishermen's Energy, LLC	Live	\$366,706	North (OCS-A 0499)
Round 2:			
RES America Developments Inc.	Live	\$320,960	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$513,388	North (OCS-A 0499)
Fishermen's Energy, LLC	Live	\$513,388	North (OCS-A 0499)
Round 3:			
RES America Developments Inc.	Live	\$320,960	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$320,960	South (OCS-A 0498)
Fishermen's Energy, LLC	Live	\$320,960	South (OCS-A 0498)
Round 4:			
RES America Developments Inc.	Live	\$449,344	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$718,743	North (OCS-A 0499)
Fishermen's Energy, LLC	Live	\$449,344	South (OCS-A 0498)
Round 5:			
RES America Developments Inc.	Live	\$629,082	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$718,743	North (OCS-A 0499)
Fishermen's Energy, LLC	Live	\$629,082	South (OCS-A 0498)
Round 6:			
RES America Developments Inc.	Live	\$880,715	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$718,743	North (OCS-A 0499)
Fishermen's Energy, LLC	Live	\$718,743	North (OCS-A 0499)
Round 7:			
RES America Developments Inc.	Live	\$880,715	South (OCS-A 0498)
U.S. Wind Inc.	Live	\$1,006,240	North (OCS-A 0499)
Fishermen's Energy, LLC	Exit	\$739,000	North (OCS-A 0499)

**New
Jersey**

**Atlantic
City**

U.S. Wind Inc.
OCS-A 0499

**RES America
Developments, Inc.**
OCS-A 0498



Post-Auction Review

- In accordance with the Act at 43 U.S.C. 1337(c), following the auction, and before the acceptance of bids and the issuance of leases, BOEM:
 - “allow[s] the Attorney General, in consultation with the Federal Trade Commission, 30 days to review the results of the lease sale.”
- Department of Justice completed review December 7, 2015
 - Awarding the LAs would not create or maintain a situation inconsistent with antitrust laws.

Wind Energy Leases

- The Office of Renewable Energy Programs executed the leases on February 4, 2016
- Effective date for leases is March 1, 2016

Questions

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