

BOEM's Offshore Renewable Energy Program: MHK Authorization Process

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DOI/FERC MOU

- Signed in April 2009
- Clarifies jurisdiction over MHK projects in federal waters
- A revised guidance document for developers was published in 2012

BOEM has jurisdiction to issue **leases** on the OCS for MHK projects, and FERC has jurisdiction to issue **licenses** for these same projects.

- A commercial lease, issued by BOEM, gives the lessee the exclusive right to seek BOEM approval for the development of a leasehold.
- A lease does not grant the right to construct any facilities.

OCS Leases

- What types of leases does BOEM issue?
 - BOEM has the authority to issue three types of leases for MHK projects: commercial leases, limited leases, and research leases.
 - BOEM will issue a lease on a competitive basis, unless BOEM determines no competitive interest.
- How do I obtain a lease for an MHK project on the OCS?
 - You may either respond to a BOEM notice regarding a specific area of interest or submit an unsolicited application or request for a lease.

BOEM's Staged Offshore Marine Hydrokinetics Authorization Process

- 1 - Planning and Analysis
- 2 - Leasing
- 3 - Site Assessment
- 4- Construction & Operations*

* For MHK projects, the FERC license takes the place of the traditional Construction & Operations Plan (COP) and therefore, BOEM will not require submission of a COP or any associated engineering reports

Stage 1: Planning and Analysis

- Establish Intergovernmental Task Force, engage stakeholders
 - Facilitate coordination among Federal, State, local and tribal government organizations for potential renewable energy leasing efforts in Federal waters offshore Florida's Atlantic Coast.
- Task Force members will be able to provide input throughout the leasing process. Some examples are:
 - Providing input on the required BOEM notices and announcements, such as the Request for Interest (RFI)/Call for Information and Nominations (Call).
 - Identify potential conflict areas such as environmental, military, navigational, etc.

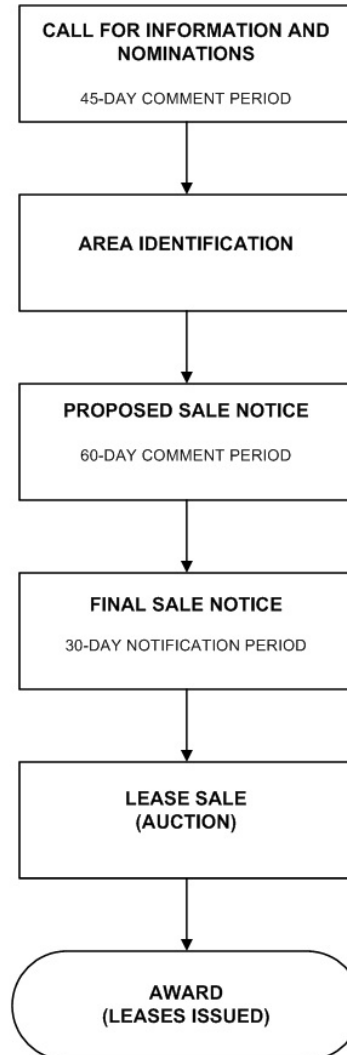
Stage 2: Leasing Process

- BOEM determines whether competitive interest for an area exists based on responses to a *Federal Register* notice.
- This area could be delineated by BOEM through collaboration with members of the Task Force, or included in a developer's unsolicited application and potentially modified by BOEM in coordination with members of the Task Force.



Source: Florida Atlantic University

**PROCESS FOLLOWING BOEM DETERMINATION OF COMPETITIVE INTEREST IN
COMMERCIAL MHK LEASING AND DECISION TO HOLD A SALE**



BOEM's Non-Competitive Leasing Process

- Publish an RFI or Call
- Publish a *Determination of No Competitive Interest* in *Federal Register*
- Conduct any necessary environmental reviews
- Enter into lease negotiations
- Execute negotiated lease

Stage 3: Site Assessment

- *Site assessment activities* mean those initial activities conducted to characterize a site on the OCS involving the installation of bottom-founded facilities, such as the emplacement of a meteorological buoy or technology testing facilities
- For commercial MHK leases a Site Assessment Plan (SAP) is required within 12 months of lease issuance and must be approved by BOEM before conducting any activities on the lease.

BOEM & FERC

- When should developers begin the FERC licensing process?
 - Competitive: A Pre-Application Document (PAD) should be filed with FERC after a BOEM lease is issued.
 - Non-Competitive: File a PAD with FERC after BOEM has published its determination of no competitive interest in the *Federal Register*.
 - Opportunities exist for BOEM and FERC to coordinate required reviews.
 - More information can be found within the BOEM / FERC Guidelines on Regulation of MHK projects on the OCS. (<http://www.boem.gov/BOEM-FERC-staff-guidelines/>)

Questions?

Bureau of Ocean Energy Management

www.boem.gov

Renewable Energy Program

www.boem.gov/Renewable-Energy

State Activities

www.boem.gov/Renewable-Energy-State-Activities

Regulatory Information

www.boem.gov/Regulatory-Development-Policy-and-Guidelines