

Introduction to a Proposed Sale Notice

WILMINGTON, NORTH CAROLINA
OCTOBER 7, 2015

OFFICE OF RENEWABLE ENERGY PROGRAMS
BUREAU OF OCEAN ENERGY MANAGEMENT



Leasing Process Overview

Publish Proposed Sale Notice (PSN)

- Federal Register Notice
- 60 day comment period
- Last Chance for developers to submit qualifications

Publish Final Sale Notice

Execute Lease (s)

Hold Auction Seminar

- Open to the Public
- Targeted to Bidders

Hold Lease Sale

- No sooner than 45 days from the publication of the FSN.

Detailed Leasing Process

Publish Proposed Sale Notice (PSN)

- Date TBD
- 60 day comment period
- Process New Company Qualification

Publish Final Sale Notice

- Date TBD

Bid Deposit & Non-Monetary Packages Due

- Date TBD
- \$450,000 per Lease Area
- Credit is TBD for NC

Non-Monetary Phase of Auction

- Date TBD
- BOEM notifies bidders of credit via email

Auction Seminar

- Open to the Public
- Targeted to Bidders

Bidders' Financial Forms Due

- Date TBD

Mock Auction

- Date TBD

Monetary Phase of Auction

- Date TBD

45 Days

15 Days

Post Auction Timeline

Determine & Announce Provisional Auction Winner(s)

- Day of Auction Conclusion

Send Auction Results to DOJ

- 30 Day Antitrust Review

Send Leases to Winner(s)

- 45 Days to pay first year's rent
- 10 Business days to:
 - File financial assurance
 - Return Signed Lease Copies
 - Pay Balance of Bonus Bid

Convene Panel to Review & Certify Auction Results

- Date: TBD

Refund Bid Deposits of Non-winners(s)

Execute Lease(s)

Contents of a Proposed Sale Notice Document

 <p>Summary</p>	 <p>Comment Period Dates & Where to Send</p>	 <p>For Further Information Contact</p>	 <p>BOEM's Authority</p>	 <p>Background</p> <ul style="list-style-type: none">• Environmental Reviews• Other Activities
 <p>Deadlines and Milestones</p>	 <p>Financial Terms and Conditions</p> <ul style="list-style-type: none">• Rent & Operating Fee	 <p>Financial Assurance</p>	 <p>Public Seminar</p>	 <p>Mock Auction</p>
 <p>Bid Deposit</p>	 <p>Minimum Bid</p>	 <p>Areas Offered for Leasing</p> <ul style="list-style-type: none">• Area Delineation	 <p>Withdrawal of Blocks</p>	 <p>Lease Terms and Conditions</p>
 <p>Qualifications: Who May Bid</p>	 <p>Auction Procedures</p>	 <p>Credit Factors</p>	 <p>Lease Issuance Process</p>	 <p>Anti-Competitive Behavior</p>
 <p>Bidding Behavior Certification</p>	 <p>Non-Procurement Debarment and Suspension Regulations</p>	 <p>Final Sale Notice</p>	 <p>Force Majeure</p>	 <p>Appeal Procedures</p>
		 <p>Protection of Privileged or Confidential Information</p>		

What is in a Proposed Sale Notice (PSN)?

Areas for Leasing

Location

Identification of OCS Blocks

Areas of Concern

Fiscal Terms and Financial Assurance

Rental Rates

Operating Fee Calculation

Royalty Rate & Price Index

Payment Schedule

Financial Assurance

Auction Details

Place & Time

Non-Monetary Credit

Bidding Procedures

Bid Deposit Amount(s)

Minimum Bids

Award Procedures

Appeal Procedures

Critical Steps For Bidders

Bidder Financial Form

Bid Deposits

Non-monetary Packages

Mock Auction

Non-Monetary Panel

Monetary Auction

Lease Execution

Performance Requirements

Environmental and Other Stipulations

Diligence Requirements

Ex. New Jersey Lease Sale Timeline



Bidders
Financial Forms
due October 6,
2015

Deposit: (Check one) <input type="checkbox"/> Checking <input type="checkbox"/> Savings		Date
Checking or savings account number		Cash
Name		Total Checks
Address		Subtotal
Please sign in bidder's presence		Less Cash Rec'd
Total \$		

Bid Deposits
Due October 20,
2015

- \$450,000



Non-monetary
Packages Due
October 20,
2015

- OREC
- PPA



Mock Auction

- November 4,
2015



Non-monetary
Phase of
Auction: Panel
Meets to
Evaluate Non-
monetary
Packages on
November 5,
2015

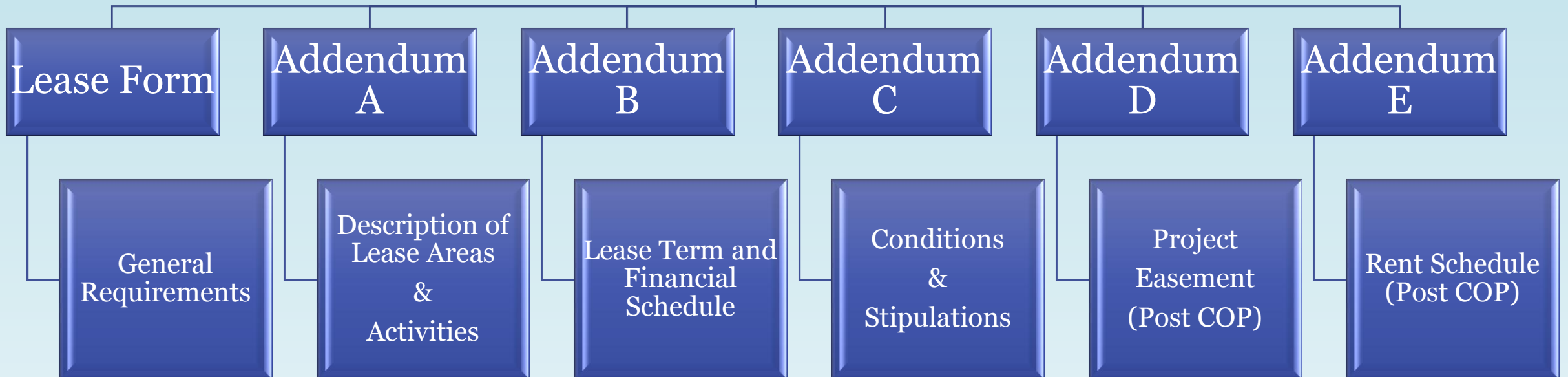
- BOEM notifies
bidders of bid
credit via
email



Monetary Phase
of Auction
November 9,
2015

Lease Package Components

Lease Package



Next Steps

Circulate Draft PSN to NC Task Force

- Task Force Comment Period

Hold Task Force Meeting/ Webinar



Hold Auction Seminar

- Open to the Public
- Targeted toward Bidders

Consider Feedback in Response to the PSN

Consider Task Force Feedback

Publish Proposed Sale Notice (PSN)

- 60 day comment period
- Last Chance for developers to submit qualifications material

Finalize any New Company Qualifications

Legal and Technical Qualifications

Publish Final Sale Notice

Questions

