



BOEM Bureau of
Ocean Energy Management



**Gulf of Maine
Draft WEA
NEFMC Habitat Committee**

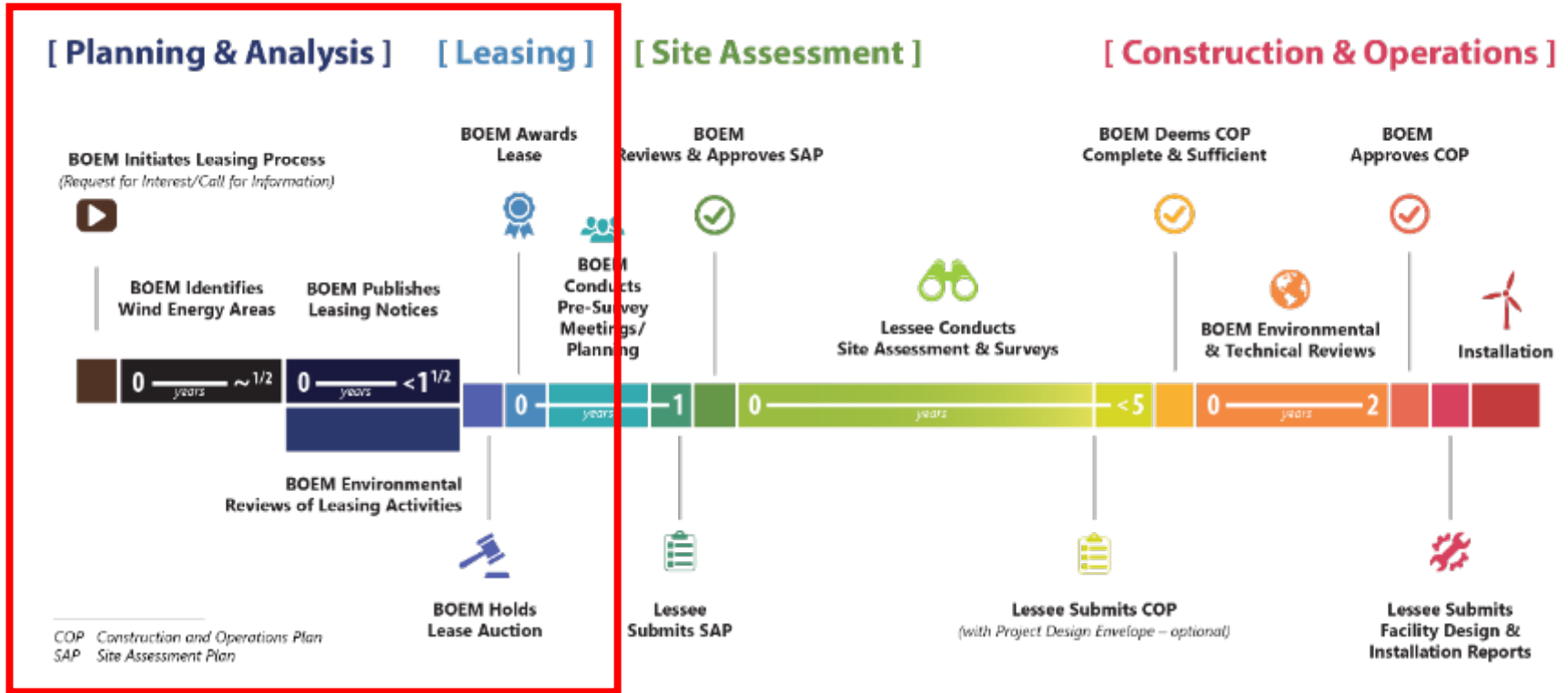
November 14, 2023

Focus for Today

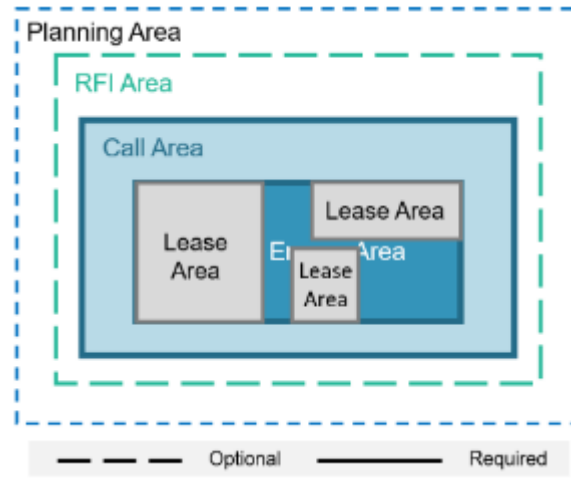
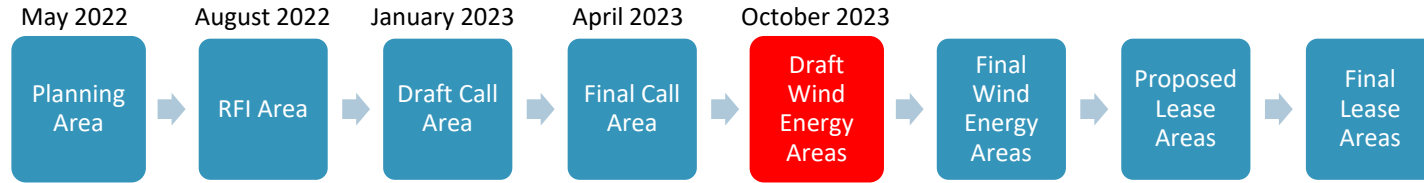
- Explanation and Q&A on the modeling process & the Draft WEA
- Better understand the concerns within the Draft WEA and Secondary Areas
- Discuss next steps in the planning/leasing process, for example:
 - Approach to identifying Final WEAs
 - Proposed Sale Notice (lease stipulations, bidding credits)



Renewable Energy Authorization Process



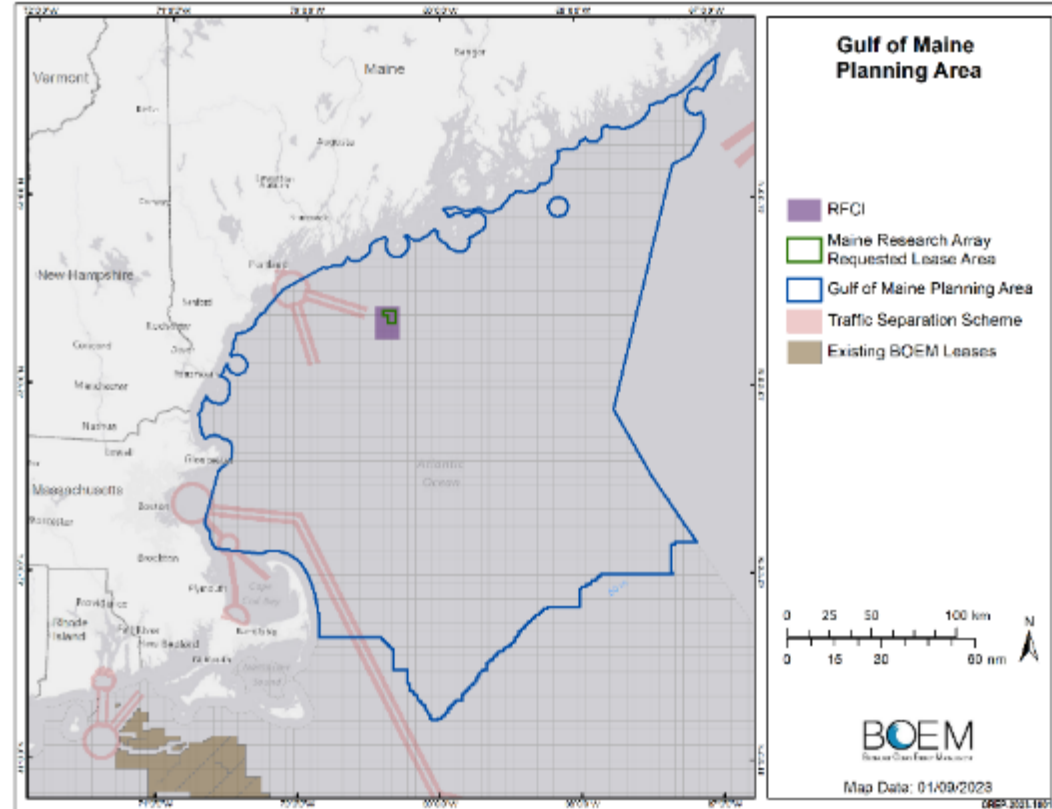
Gulf of Maine Planning Process



Planning Area



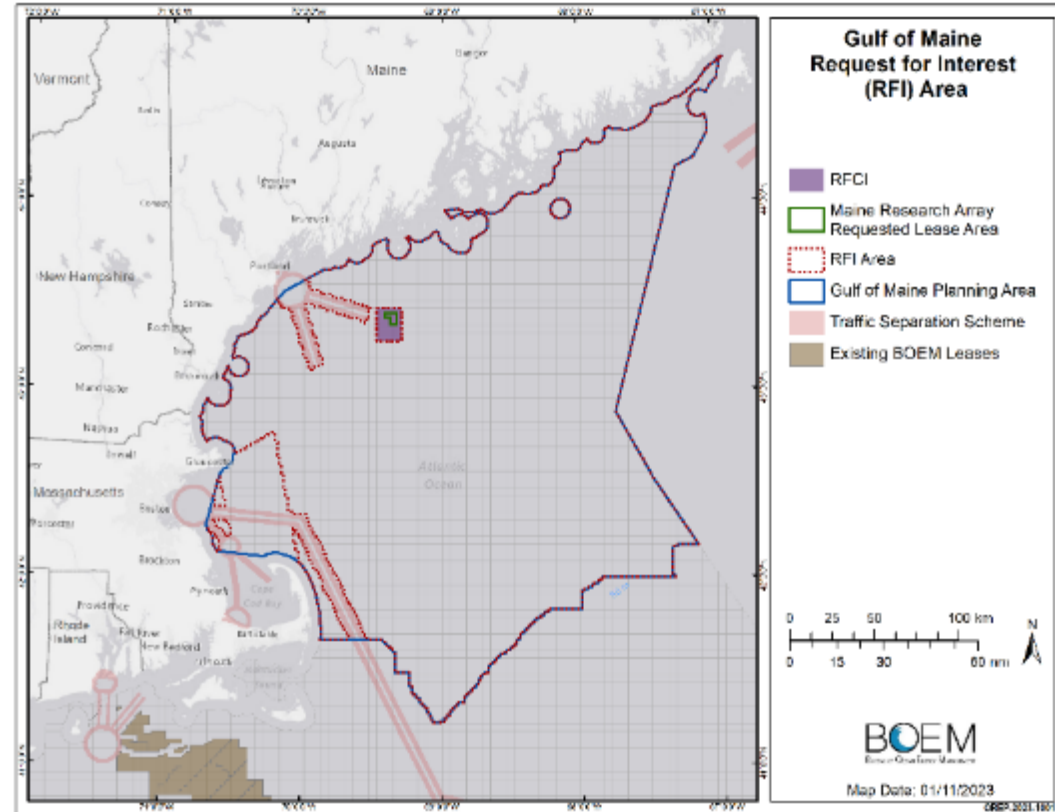
- Preliminary and optional step in the BOEM Planning Process



RFI Area



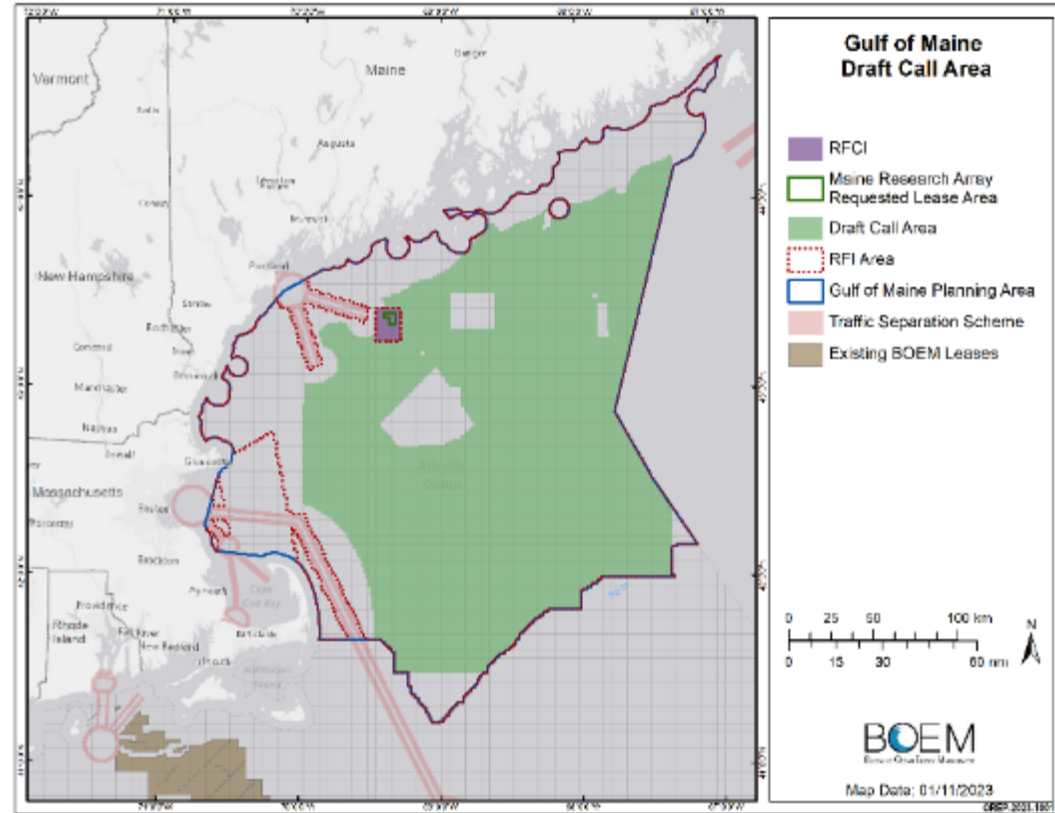
- Shared Draft RFI Area at May 2022 Task Force Meeting
- Published RFI on August 19, 2022
 - 45-day comment period closed October 3, 2022
- RFI Area excluded “incompatible areas”
 - National Park System, National Wildlife Refuge System, **National Marine Sanctuary System**, or any National Monument (§585.204)
 - **Existing Traffic Separation Schemes (TSS)**, fairways, or other internationally recognized navigation measures
 - **Unsolicited lease request areas** that are the subject of a separate request for competitive interest



Draft Call Area



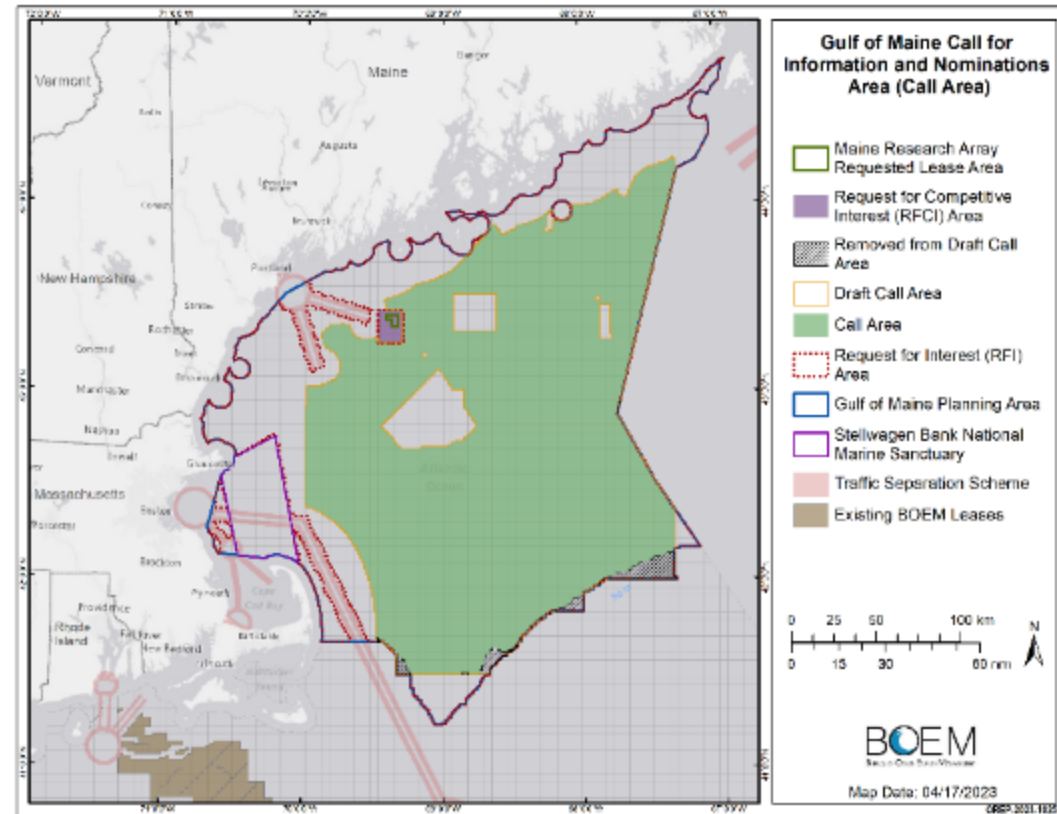
- BOEM reviewed responses to RFI and worked with NOAA NCCOS to conduct spatial analysis to inform Draft Call Area
 - 27% reduction from RFI Area



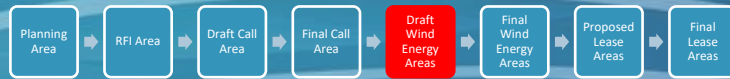
Final Call Area



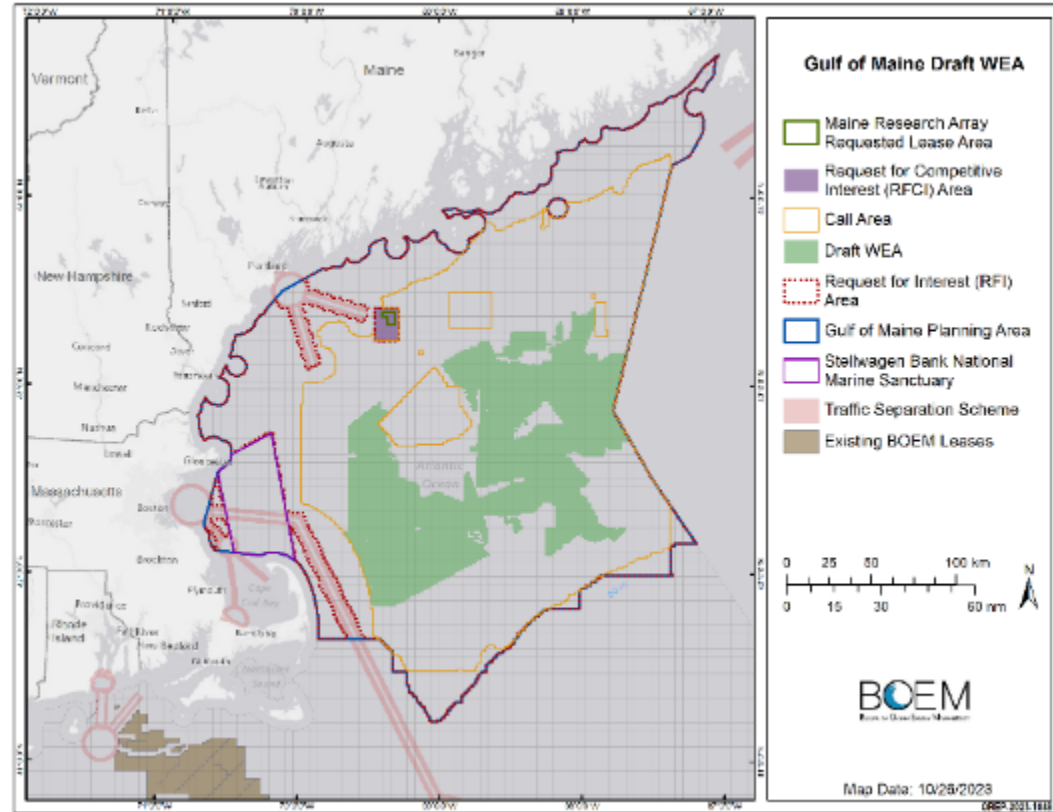
- The Final Call Area was published on April 26, 2023—opening a 45-day public comment period (open thru June 12)
- BOEM removed areas from the southern edge of the Call Area to better avoid Georges Bank
- BOEM invites public comment on, and assesses interest in, possible commercial wind energy development in areas within the Call Area.



Draft WEA

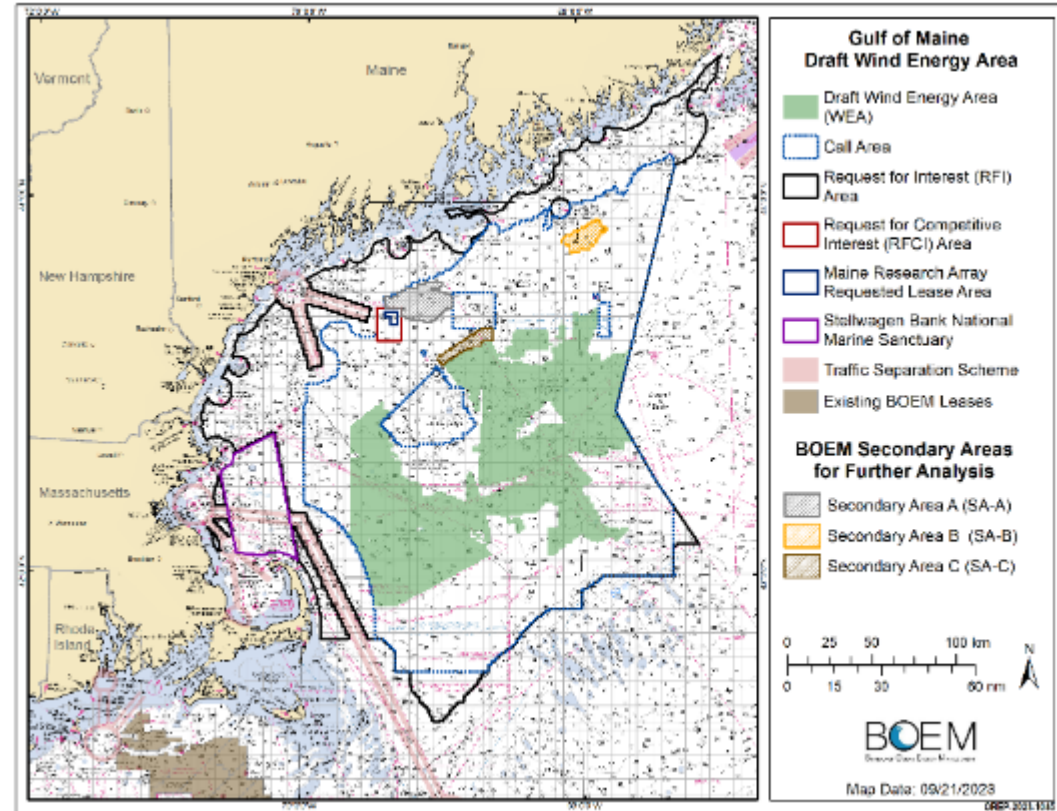


- Draft WEA was published on October 19, 2023—opening a **30-day public comment** period (closes November 20, 2023)
- **~3.5 million acres**, representing a **64% reduction** from the Call.
- **Request for Comment**
 - Explains the Draft WEA and Secondary Areas
 - Asks questions
 - Relative developability of different areas
 - Phased leasing
 - Fishing gear used, migration patterns of fish, protected species
- **Draft NCCOS Report: Wind Energy Siting Analysis**
 - Modeling methodology
 - Model performance across different resource groups/stakeholder interests.



BOEM Secondary Areas for Further Analysis

- 3 Secondary Areas for Further Analysis
 - Excluded from the Draft WEA
- Why include them at all?
 - Model transparency
 - Opportunity for feedback before Final WEAs are established.
 - BOEM seeks comment on whether these areas (or a certain portion of them) should receive consideration as Final WEAs, and if so, under *what recommended conditions*.
 - Phased leasing
 - More data
 - Research Lease
- BOEM's mandate is to provide access to the OCS – need to consider cost of development/cost to ratepayers.



How Many Acres Are Potentially Needed?

- Planning and Analysis phase is based on **winnowing** – starting large, receiving feedback and deconflicting
- Spatial modeling acreage assumptions
 - Call comments documented several capacity requests
 - MA – 10 GW of capacity by 2050
 - ME – 3 GW of capacity by 2050
 - ISO-NE – 18GW
 - American Clean Power – 20 GW
- BOEM will strive to identify sufficient area to meet the States’ planning goals; however, *this may not be possible.*
- Draft WEA is ~ **3.5 million acres.**

Capacity (GW) to acreage – **Energy Density***

MW	PLANNING DENSITY ~0.012 MW/acre or 3 MW/km ²	AVERAGE DENSITY OF BOEM PROPOSED PROJECTS ~ 0.019 MW/acre or 4.7 MW/km ²
13,000	1,083,333	683,482
18,000	1,500,000	946,360
20,000	1,666,666	1,051,511

*this table has been updated since the July 2023 Meetings



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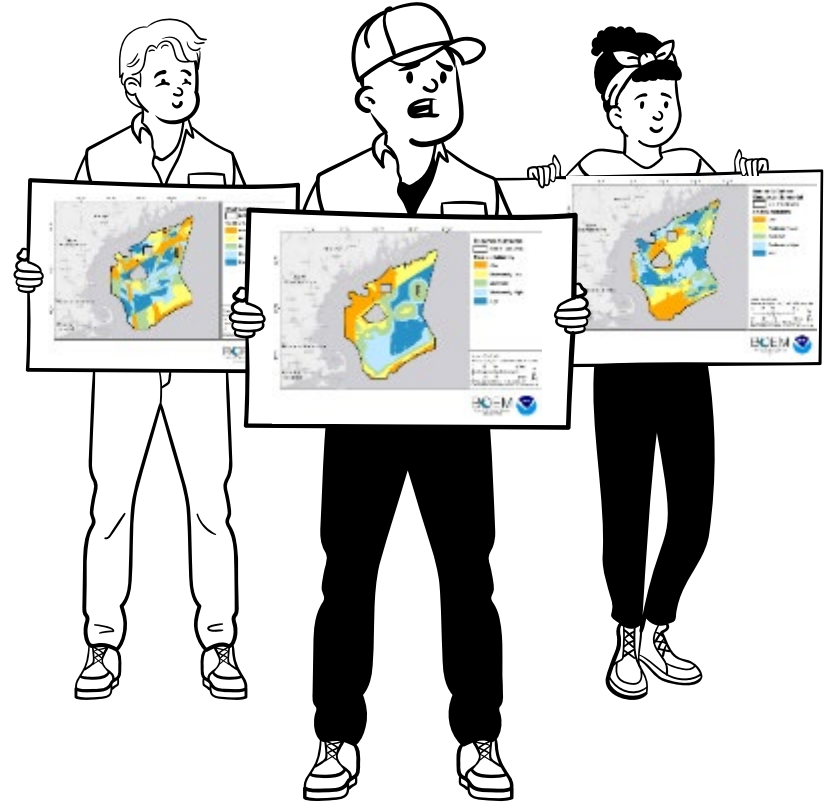
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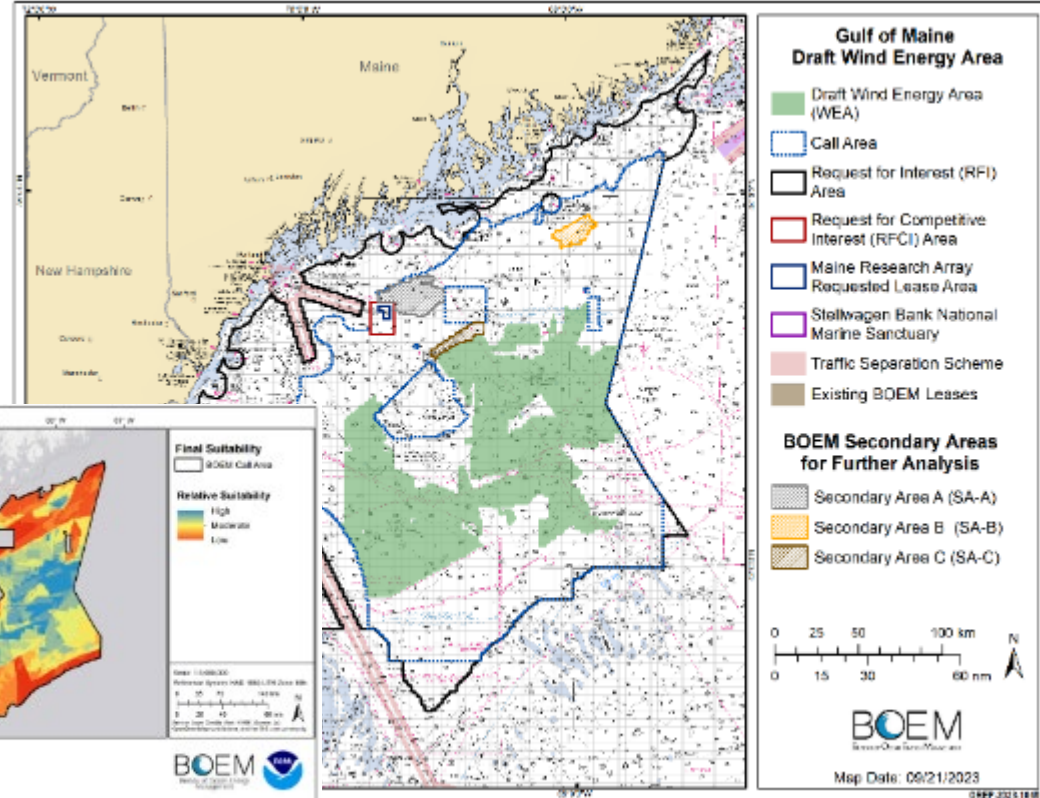
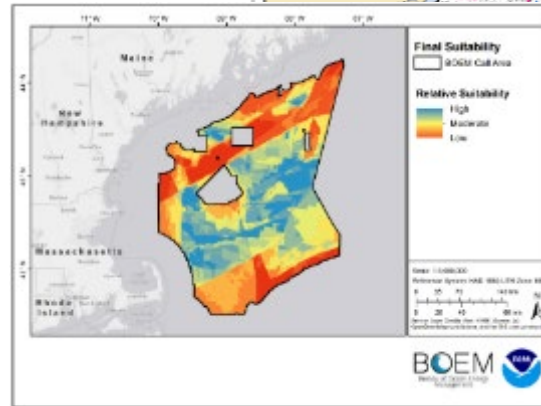
How did BOEM choose the Draft WEA?

- Key for us is **balance** – Ocean users and stakeholders have drastically different visions of which areas are high/low suitability.
- Every area of the OCS that is conflicted in some way.
- BOEM weighed over a dozen different scenarios.



How did BOEM choose the Draft WEA?

- Chose an option that:
 - equally balances four submodels
 - removes many heavily conflicted areas
 - retains sufficient acreage to potentially meet state renewable energy goals
 - acreage allows for significant/meaningful engagement



Looking ahead to what's next

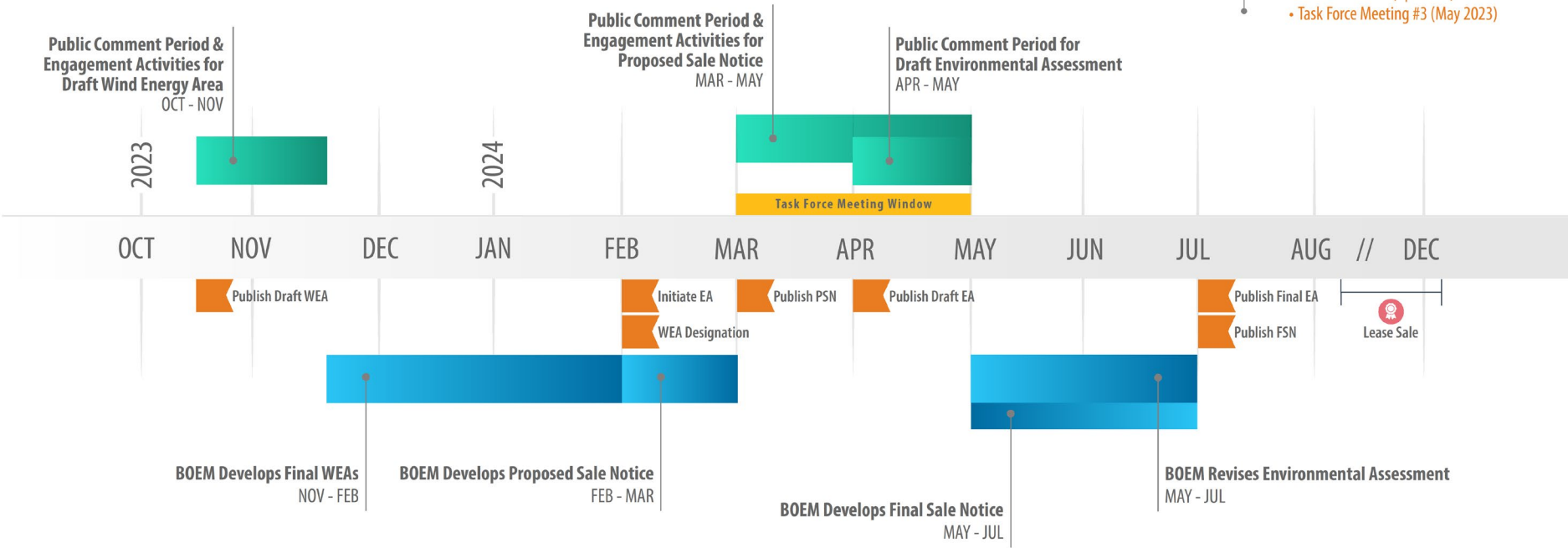
- Listen to and read comments
 - Comment period closes
November 20, 2023 (11:59pm)
- Analyze comments
- Consider additional areas for removal to inform Final WEAs
 - NCCOS model
 - Additional “constraints”
- Begin developing the Proposed Sale Notice



Gulf of Maine

From Wind Energy Areas to Sale

- Prior Milestones**
- Task Force Meeting #2 (May 2022)
 - Publish RFI (Aug 2022)
 - Call Publication (Apr 2023)
 - Task Force Meeting #3 (May 2023)



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Engagement Opportunities BOEM Activities

NOTE: The dates of proposed meetings and planning/leasing milestones are all tentative.

as of October 2023



BOEM Bureau of Ocean Energy Management

Commercial Leasing Milestones

Milestone*	Action	Target Date**
Publish Request for Interest	Publish RFI <i>45-Day Comment Period</i>	August 19, 2022
Publish Call for Information & Nominations	Publish Call <i>45-Day Comment Period</i>	April 26, 2023
Area Identification	Draft Wind Energy Areas <i>30-Day Comment Period</i>	Oct. 19, 2023 – Nov. 20, 2023
	Designate Final Wind Energy Areas	Q1 2024
Lease Sale	Proposed Sale Notice (PSN) <i>60-Day Comment Period</i>	Q1 2024
	Final Sale Notice (FSN)	Q3 2024
	Hold auction	Q3 2024

COMPLETE

* Task Forces are incredibly valuable tools in the leasing process and **additional meetings** can be expected, likely to be scheduled around significant process milestones.

** Dates of planning/leasing milestones are all tentative; Quarters refer to Calendar Quarters, and not Fiscal Year Quarters



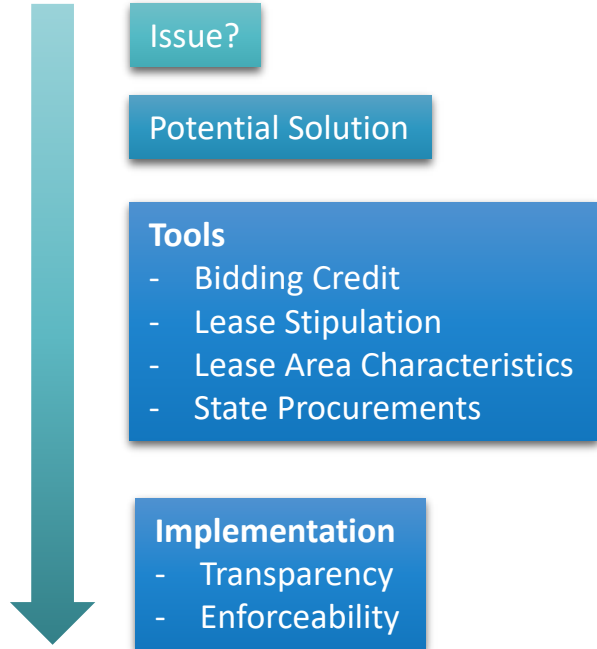
Key Questions Moving Forward

- **Phased leasing**
 - What are the benefits and drawbacks of such a program?
- **Remaining conflicts within the Draft WEA and Secondary Areas**
 - What makes those conflicts more/less compatible with offshore wind development?
- **Visual simulations**
 - If BOEM produced visual simulations, which key observation points should be prioritized?
- **Transmission**
 - Opportunities and constraints
- **Lease Stipulations and Bidding Credits**



How to Address Concerns with Offshore Wind in the Gulf of Maine

It starts with understanding what the concerns/needs are!



- **Transmission Planning Engagement**
 - How would a transmission line impact existing OCS activities?
 - Lease: Engagement and planning requirements; reporting
- **Transit through potential WEAs**
 - Lease layout/orientation
- **Coexistence**
 - Turbine and anchor layout
- **Lessons learned from the Research Lease**
- **Data uncertainty; new lobster data**
- **Ensuring future generations have fishery access**



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Looking Beyond Siting:

Preliminary discussion of possible lease stipulations in the
Proposed Sale Notice

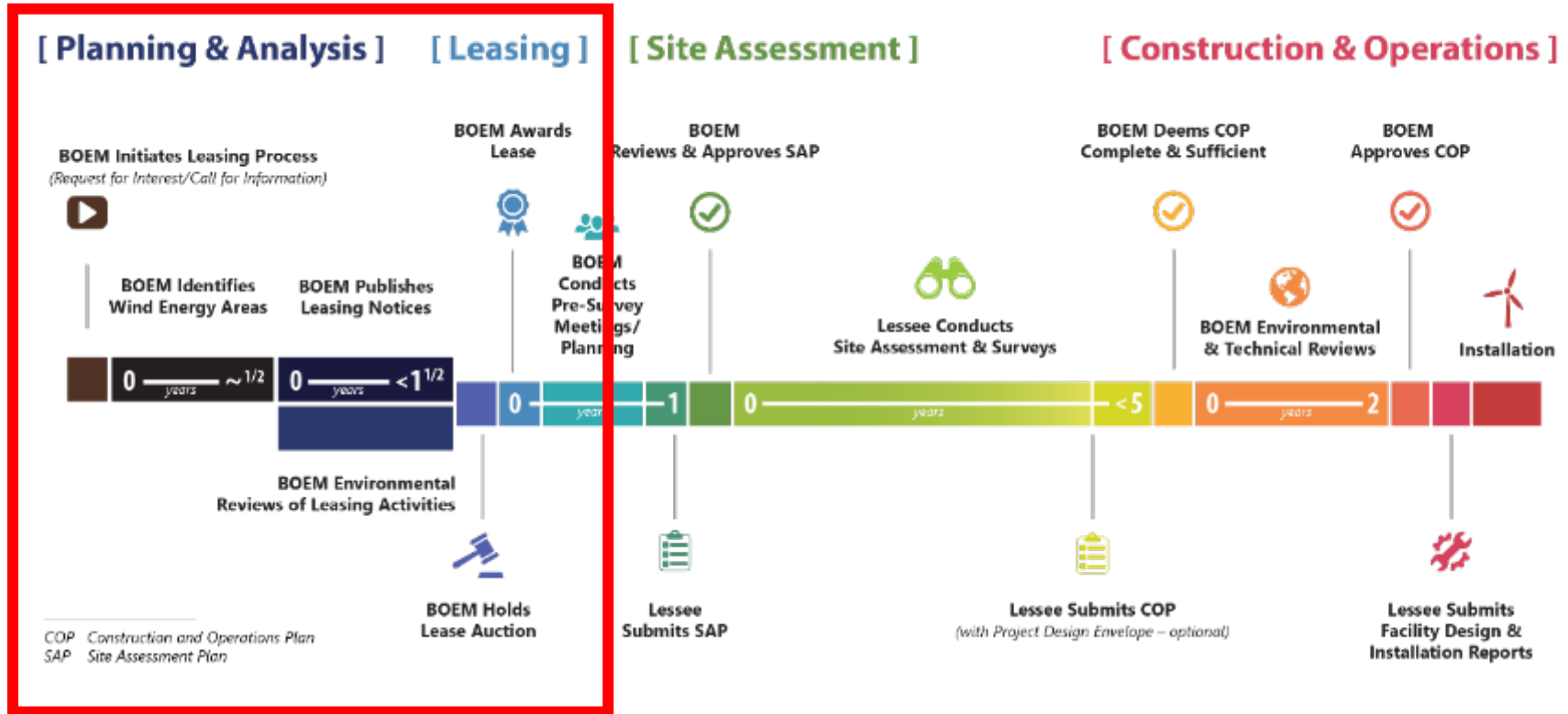
November 14, 2023

Agenda

- What is a Proposed Sale Notice?
- How do Bidding Credits Work?
- What is a Lease Stipulation?
- How does a bidding credit or lease stipulation get developed?
- Next Steps



Renewable Energy Process: From RFI to Operations



Request for Interest to Lease Sale



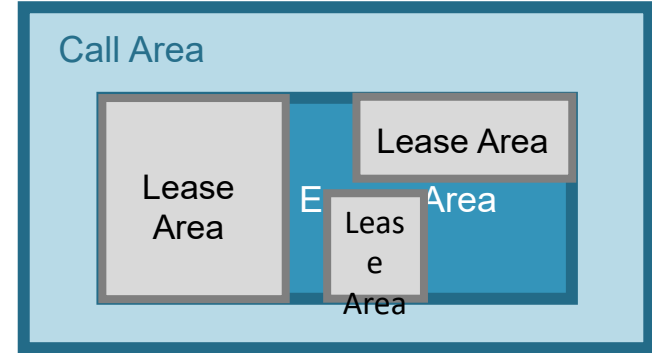
What is a Proposed Sale Notice (PSN)?

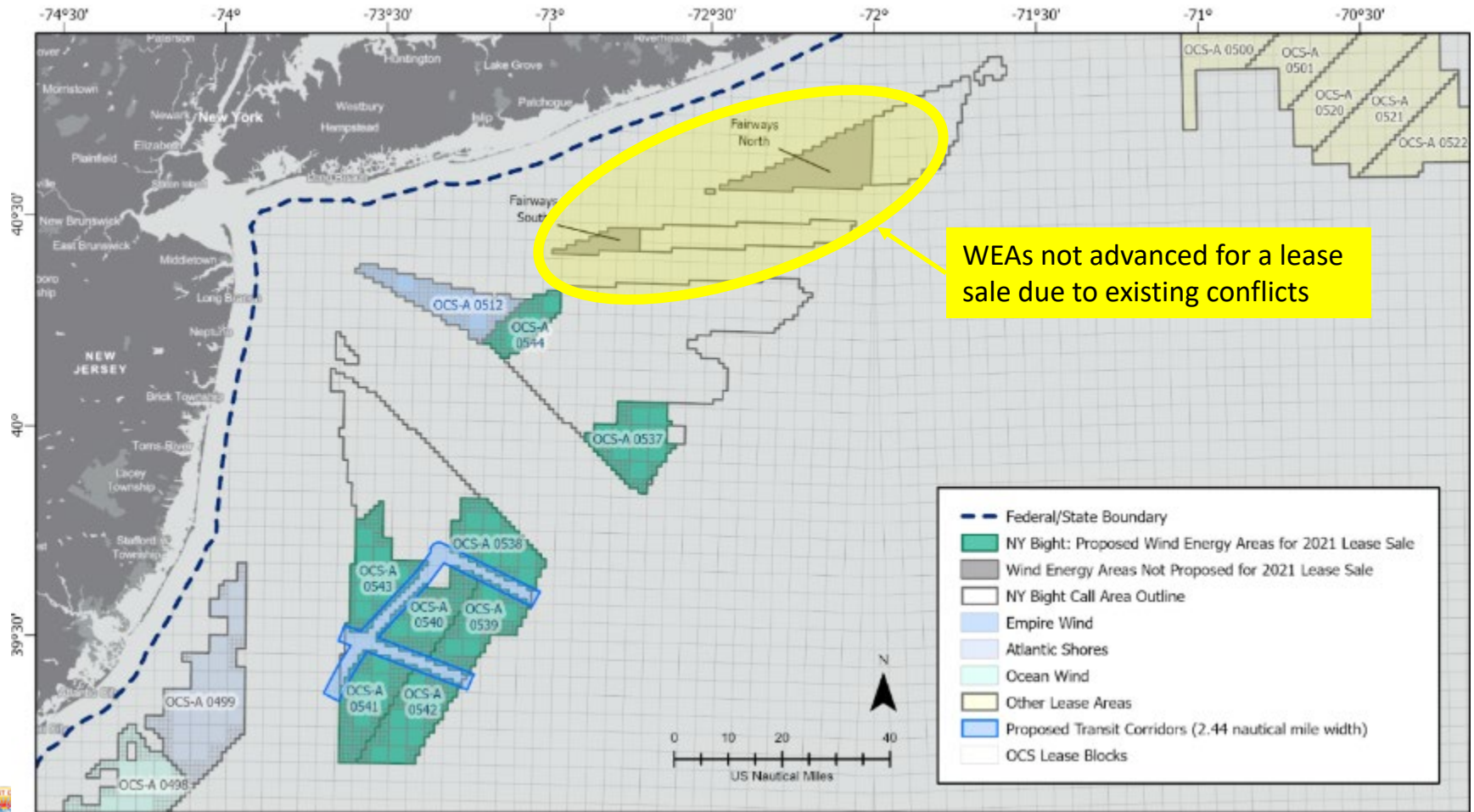
- It is what it says it is, a proposal for what a sale notice could look like. It describes:
 - An Area for Leasing
 - Who can participate in the sale
 - Questions for Stakeholders
 - Proposed Lease Sale format, dates and details
 - Lease Terms and Conditions
 - Fiscal Terms
 - Auction Format



Areas for Leasing

- Portions of the Outer Continental Shelf designated as Wind Energy Areas (WEAs) do not necessarily have to be leased.
 - WEA outline may be altered to accommodate co-existence
 - Some of the WEA may not be included in a sale due to existing levels of conflict





WEAs not advanced for a lease sale due to existing conflicts



What are Bidding Credits and Lease Stipulations?

○ Bidding Credits

- Nonmonetary factor that could be applied to a bid should certain conditions be met in advance of the auction.

○ Lease Stipulations

- A lease is an agreement between the Government and the Lessee
- BOEM can condition the lease to require certain attributes aimed at mitigating issues

BID

- \$ - (Monetary Factor)
- Actions that further BOEM mandates, that we assign \$ value (Nonmonetary)
- others?



Bidding Credits

Previously offered bidding credits:

- **Workforce Development/Supply Chain**
 - Supporting workforce training; Developing a domestic supply chain
- **Fisheries Compensatory Mitigation Fund**
 - Establishing and contributing to a fisheries compensatory mitigation fund
- **Community Benefits Agreements**
 - Provisions must be tied to BOEM's authorities or impacts related to the project

Process:

- Conceptual strategy proposed by bidder
- Pass/fail test based on BOEM requirements
- Implementation and documentation submitted prior to construction

Considerations

- BOEM has traditionally limited bidding credits to 25% of the asking price
- Scope of what can be included needs to fit under BOEM's jurisdiction (OCSLA)



Digging in: Fisheries Mitigation Bidding Credit

Gulf of Mexico FSN - Fisheries Mitigation (10%)

- Commitment to establishing or contributing to an existing regional fisheries compensation mitigation fund to mitigate potential negative impacts to commercial and for-hire recreational fisheries
- Fund must cover the impacts that result directly from preconstruction, construction, operations, and decommissioning of OSW projects
- Compensation must address gear loss or damage, lost fishing income in wind energy Lease or Project Areas

Implementation Challenges

- What if no fund already exists?
- Who manages and distributes the fund?
- Fisheries Mitigation Guidance published



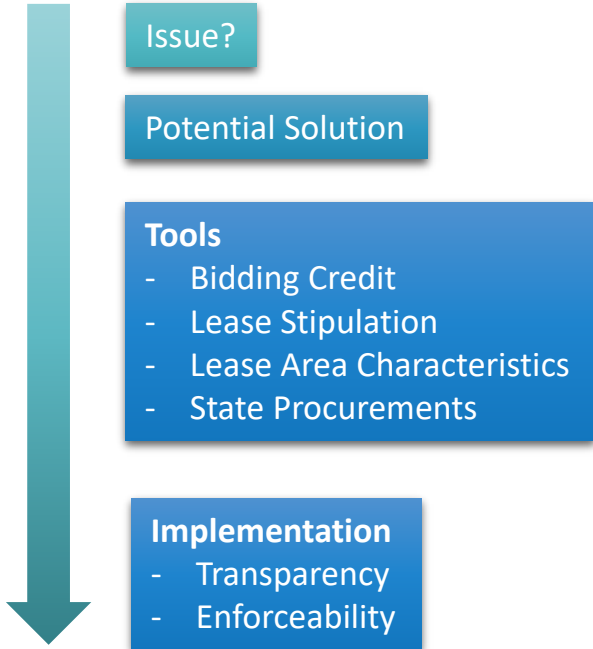
Lease Stipulations

- Enhanced Engagement
 - Progress Reports; Communication Plans
- No Surface Occupancy
 - Transit corridors
- Project Layout
 - Cumulative consistency
- Environmental Mitigation for Site Assessment Activities
- Supply Chain
 - Statement of goals as part of COP; reporting



What Can We Do for the Gulf of Maine?

It starts with what the needs are!



- **Transmission Planning Engagement**
 - How would a transmission line impact existing OCS activities?
 - Lease: Engagement and planning requirements; reporting
- **Transit through potential WEAs**
 - Lease layout/orientation
- **Coexistence**
 - Turbine and anchor layout
- **Lessons learned from the Research Lease**
- **Data uncertainty; new lobster data**
- **Permit Banks**



Next Steps

- Open invitation to work with BOEM to identify the issues, and propose solutions
 - Workshop
 - Engagement meetings
 - Comment Period
 - Open door policy
- Any measures will be included in a PSN, receive comment, and be finalized in a FSN prior to a lease sale.



Coastal Virginia Offshore Wind Pilot Project under construction



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