

## **BOEM Virtual Meeting**

Gulf of Maine Proposed Sale Notice & Maine Research Lease Update

Zach Jylkka and Luke Feinberg, Renewable Energy Program Specialists

June 10, 2024

## **Today's Meeting**

#### **Objectives**

- Exchange information and provide opportunities for feedback regarding the Proposed Sale Notice
- Provide an update on the Maine Research Lease

#### **Public Feedback**

- This meeting will help participants make more informed comments in regulations.gov
- Feedback today won't we treated as official public comment, but a high-level meeting summary will be included in regulations.gov

### **Our Focus Today**

- General Public
  - o Date: Thursday, May 23, 2024
  - o Time: 6-8pm
- Commercial Fishing (Mobile & Fixed Gear)
  - o Date: Thursday, June 6, 2024
  - Time: 5-7pm
- Recreational Fishing and Highly Migratory Species
  - o Date: Tuesday, June 11, 2024
  - Time. 5-/pm
- Environmental Non-Governmental Organizations (eNGOs)
  - o Date: Monday, June 10, 2024
    - Time: 1:30-3:30pm
- Commercial Maritime (Shipping)
  - o Date: Monday, June 10, 2024
  - Time: 4-6pm



## Today's Agenda

- Proposed Sale Notice Process to identify proposed lease areas
  - Presentation
  - Discussion
- II. Lease stipulations and bidding credits
  - Presentation
  - Discussion
- III. Maine Research Lease update
  - Presentation
- IV. Next Steps



## **Gulf of Maine Engagement Meetings** – Spring 2024

#### Meeting Guidelines

- Share the floor
  - Please be brief
- Respect different views
  - It's OK to bring different perspectives. Show others
     the respect you'd want people to show you
- Focus on specific comments & questions related to tonight's topic



Also, we're all together in a public meeting. Let's keep basic decorum, just like in a Fisheries Council meeting. No profanity, no threats, etc.





## **BOEM Virtual Meeting**

Gulf of Maine Proposed Sale Notice

Zach Jylkka and Luke Feinberg, Renewable Energy Program Specialist

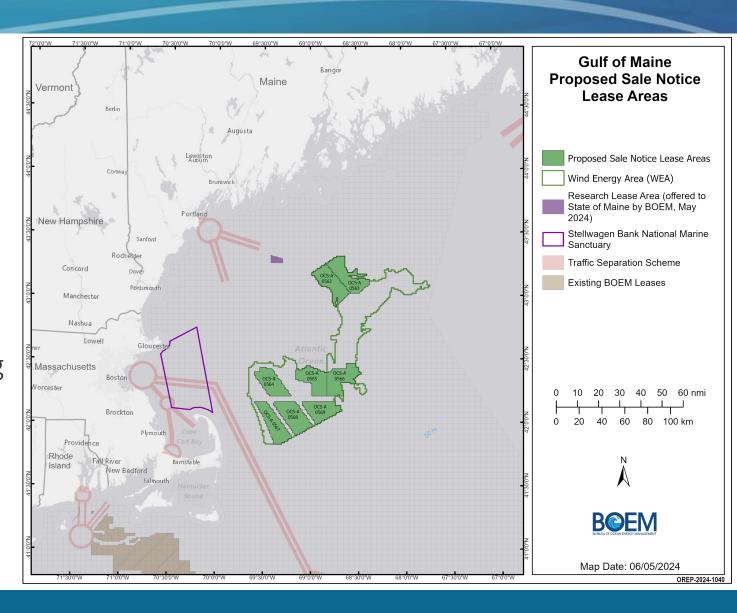
## **BOEM's Office of Renewable Energy Programs**

Agency Mission: facilitate the responsible development of renewable energy resources on the OCS through conscientious planning, stakeholder engagement, comprehensive environmental analysis, and sound technical review.

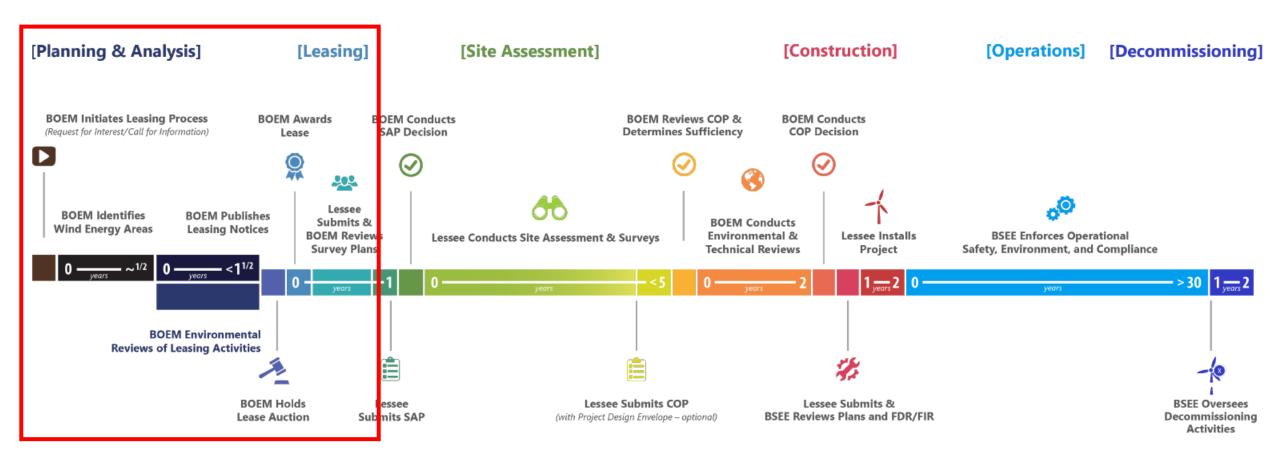


## **Proposed Sale Notice (PSN)**

- On April 30, 2024, the Interior
   Department <u>announced</u> its proposal for a first offshore wind energy auction in the Gulf of Maine.
- The PSN published in the <u>Federal</u>
   Register on May 1, 2024, initiating a
   60-day public comment, which closes
   on July 1, 2024.
- Individuals may comment by navigating to Regulations.gov and searching for BOEM-2024-0026, or by attending one of the BOEM public meetings on the PSN.



### **Renewable Energy Authorization Process**

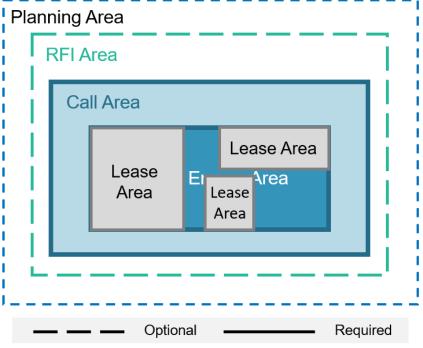






## **Gulf of Maine Planning & Leasing Process**





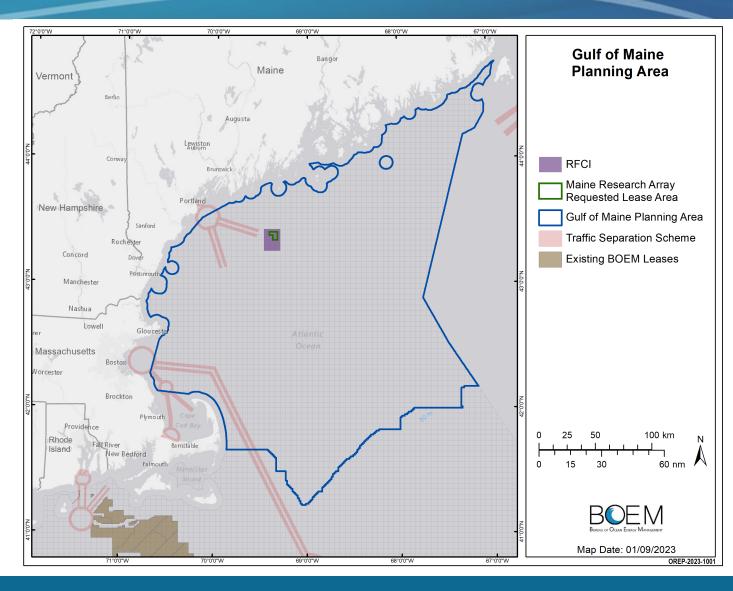




### **Planning Area**

Planning Area Proposed Lease Areas Proposed Lease Areas

- Preliminary and optional step in the BOEM Planning Process
- Shared Planning Area and Draft RFI Area at the <u>May 2022 Task Force</u> <u>meeting</u>







### Request for Interest (RFI) Area

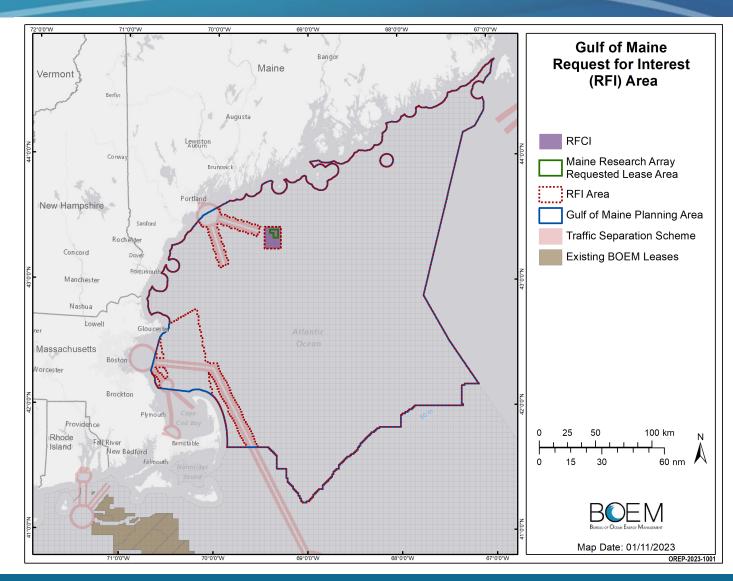


#### Published RFI on August 19, 2022

 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



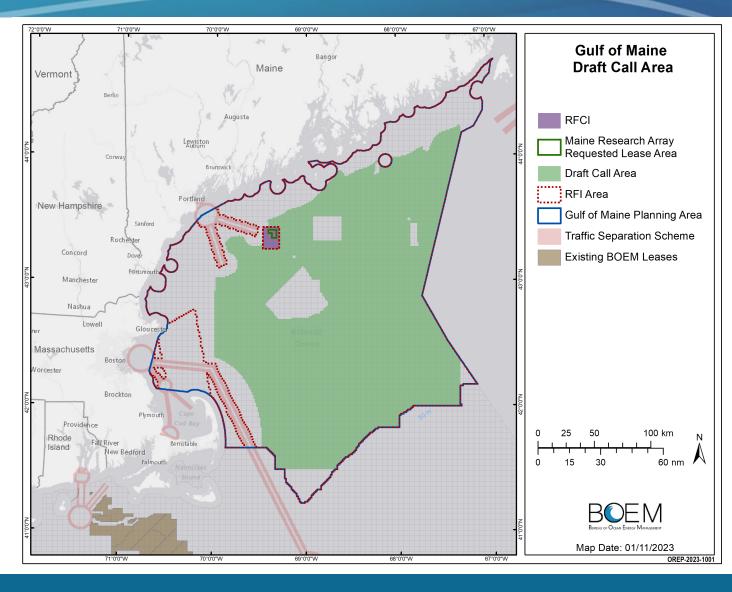




#### **Draft Call Area**



- BOEM reviewed responses to RFI and worked with NOAA NCCOS to conduct spatial analysis to inform Draft Call Area
  - 27% reduction from RFI Area
- BOEM held a series of in-person and virtual <u>meetings</u>.



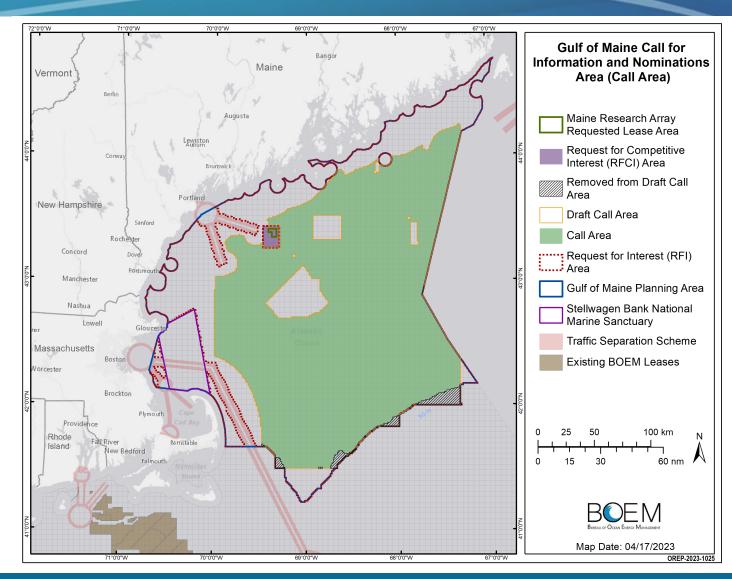




#### **Final Call Area**



- The Final Call Area was published on April 26, 2023
  - 45-day public comment period (closed June 12, 2023)
- BOEM removed areas from the southern edge of the Call Area to better avoid Georges Bank
- BOEM held a <u>Task Force meeting</u> (May 2023) and invited public comment on, and assessed interest in, possible commercial wind energy development in areas within the Call Area.







### Area ID: Step 1 (Draft WEA)

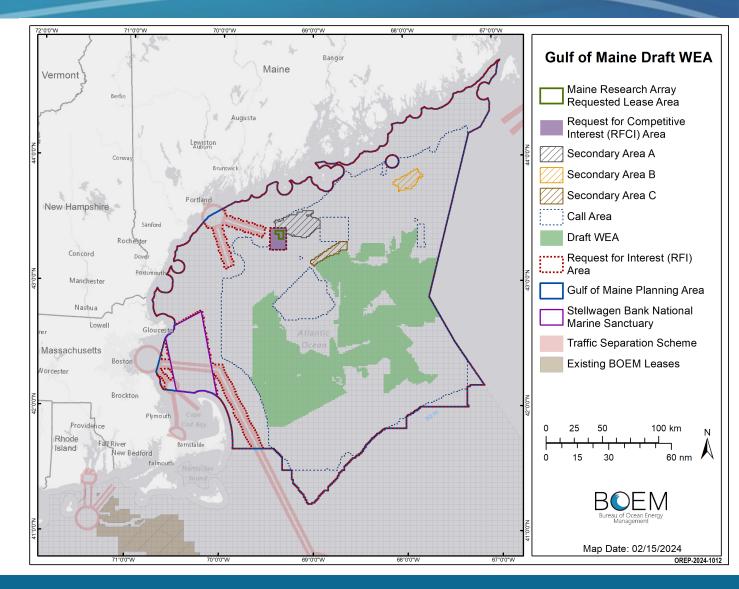
Planning Area

Planning Area

Proposed Lease Areas

Proposed Lease Areas

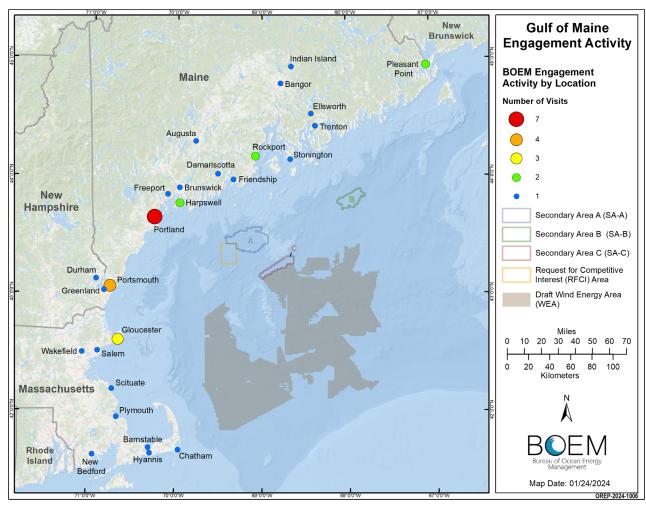
- Draft WEA was published on October 19, 2023—opening a 30-day public comment period (closed November 20, 2023)
- ~3.5 million acres, representing a 64% reduction from the Call.
- Request for Comment
  - Explained the Draft WEA and Secondary Areas
  - Asked questions about:
    - Relative developability 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
- Public Meetings
  - BOEM held public meetings in <u>July 2023</u> on the NCCOS model and underlying data, before holding additional meetings in <u>October 2023</u> on the Draft WEA



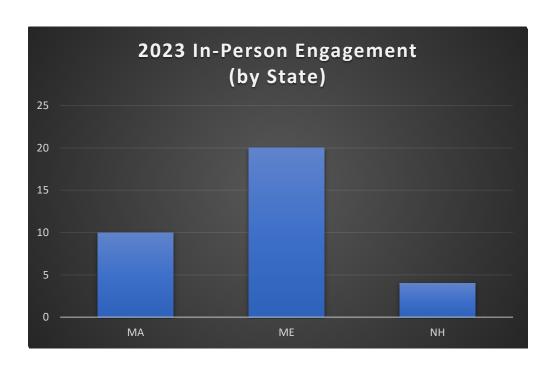




## **2023 Gulf of Maine Engagement**



Engagement in the map spans 2019-2023; however, all but 5 meetings took place in 2023



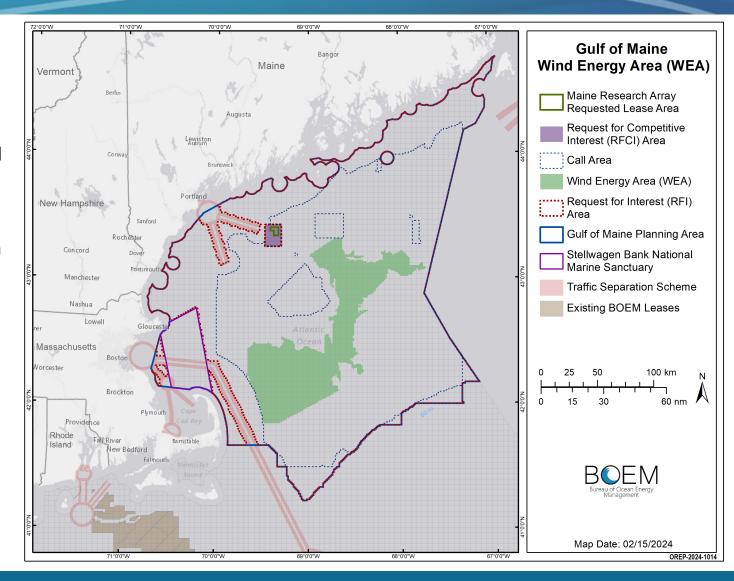
Specific to the Draft WEA, we held 7 meetings in ME, 6 in MA, 2 in NH



## **Area ID: Step 2 (Final WEA)**



- Area ID Memo: published March 15, 2024
- ~2 million acres (~80% reduction from Call Area; 43% reduction from Draft WEA)
  - Combined capacity of 32 gigawatts (4 MW/km2)
  - Exceeds area/capacity needed for regional offshore wind goals (13-18 gigawatts)
  - Area allows for additional deconfliction
  - Could support multiple GoME Lease Sales
- BOEM worked with NCCOS to run a revised suitability model on the Draft WEA
  - Removed Secondary Areas A & B, included most of C
  - Constrained
    - Area representing top 10% of revenue for the multispecies groundfish (VTR)
    - 5-mile buffer around Cashes Ledge Groundfish Closure/HMA
- Geographic diversity
  - Includes areas that are potentially HVAC compatible (within ~75 mi of a POI) for both MA and ME
  - Avoids several key fishing grounds and important areas of North Atlantic Right Whale Critical Habitat, Tribal fishing grounds







#### **Proposed Sale Notice (PSN)**



#### Area summary:

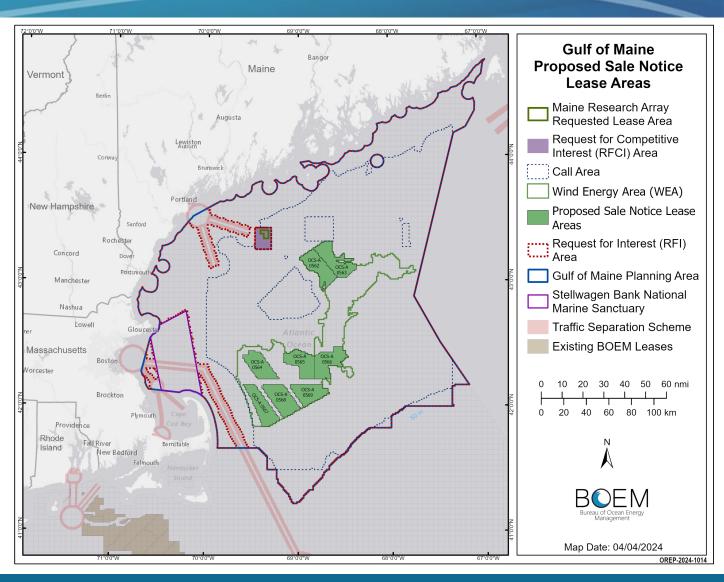
- 8 Leases
- 969,999 acres (944,422 "developable" acres)
- ~50% reduction from the Final WEA;
   ~90% reduction from the Call Area
- Average lease size: 121,250 acres
- Combined capacity of 15 gigawatts (4 MW/km2)
- Within range of the regional offshore wind goals (13-18 gigawatts)

#### Geographic diversity

 Includes areas that are potentially HVAC compatible (within ~75 mi of a POI) for both MA and ME

#### Areas avoided from Final WEA:

- Several heavily utilized areas for groundfish fishery
- 3 transit corridors in southern region of WEA
- Mayo Swell; Rogers Swell (important fishing/habitat areas)
- Areas furthest offshore and likely most expensive to develop







#### Discussion about lease area identification

## Discussion Guidelines

- Share the floor
  - Please be brief
- Respect different views
  - It's OK to bring different perspectives. Show others
     the respect you'd want people to show you
- Focus on specific comments & questions related to tonight's topic

Also, basic decorum, just like in a Fisheries Council meeting. No profanity, no threats, etc.





## **BOEM Virtual Meeting**

Lease Stipulations and Bidding Credits

Luke Feinberg and Emma Chaiken

#### PSN: What does a lease do?

- Offers the exclusive right to the lessee to submit plans to BOEM that propose work on the lease.
  - Survey Plans, SAP, COP
  - NO construction authorization
- The lease is broken into sections, highlights include:
  - Addendum A location and activities
  - Addendum B LEASE TERM AND FINANCIAL SCHEDULE
    - Lease length, rent and operating payments
  - Addendum C LEASE-SPECIFIC TERMS, CONDITIONS, AND STIPULATIONS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY
MANAGEMENT

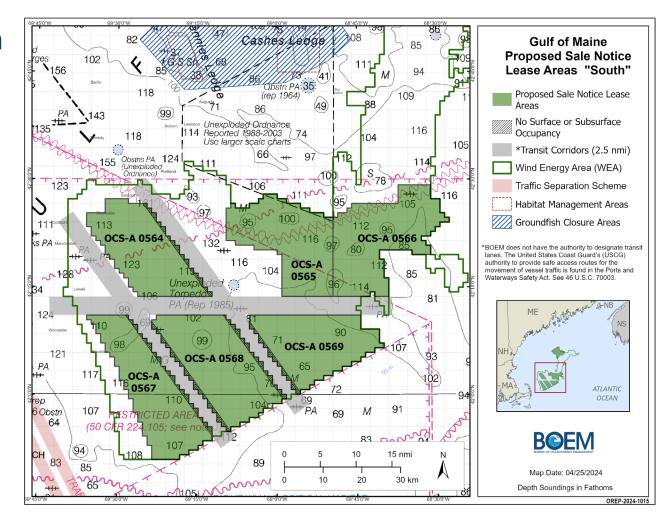
COMMERCIAL LEASE OF SUBMERGED LANDS FOR RENEWABLE ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF

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### **PSN:** Lease Stipulations

- Areas of no surface/subsurface occupancy in the southern region of the Final WEA.
  - facilitate existing transit (three 2.5 nm corridors).
- "Good Neighbor" stipulation
  - neighboring leases must maintain 2 common lines of orientation (WTG layout) or have a setback from the lease boundary.
- PSN Questions:
  - Transit
  - Baseline monitoring for marine mammals/habitat







## PSN: Addendum C Highlights

#### Reporting - Enhanced Engagement

- Communication Plans for fisheries, Tribes, and agencies
- Progress Report every 6 months providing:
  - Summary of engagement with all affected ocean users, Tribes, stakeholders (including underserved communities)
  - Efforts to invest or direct benefits to, OR avoid, minimize, or mitigate conflict with, ocean users, Tribes, and stakeholders
  - Planned next steps to engage with ocean users, Tribes, and stakeholders
  - Progress Reports posted on BOEM website



## PSN: Addendum C Highlights continued

#### Survey Plans

Must submit plans for review prior to activities.

#### Protected Species

- Ensures that project activities comply with statutes related to protected species
  - Resulting from consultations with federal family resource agencies

#### Project Labor Agreements

 Must make every reasonable effort to enter a PLA for construction

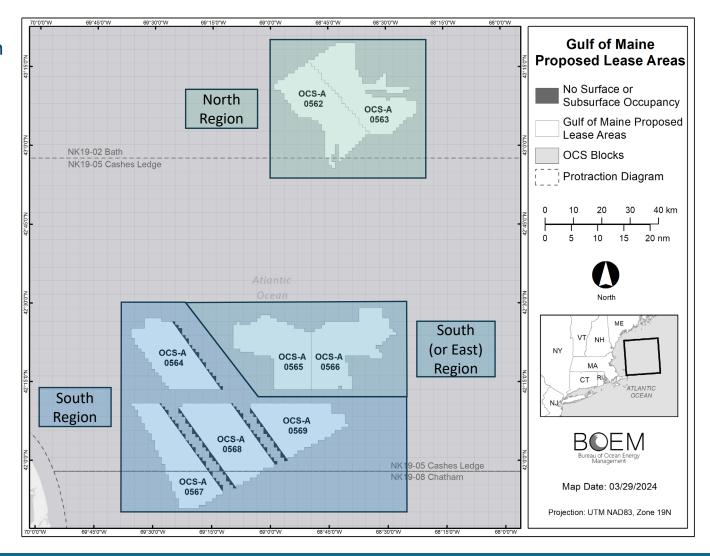
#### Bidding Credit

Details and commitments



#### **PSN:** Auction Format

- As proposed, a bidder can win a maximum of <u>two</u> South Region leases, or <u>one</u> North Region lease and <u>one</u> South Region lease.
  - Supports competitive bidding and States' desire for a competitive offtake procurement process.
  - BOEM is soliciting public comment on the proposal, as well as an alternative structure that includes three regions.
    - Under this alternative, bidders could win a maximum of <u>two</u> leases, with a limit of <u>one</u> per region.
- Multiple-factor auction format.
  - The bidding system will be a combination of monetary (75%) and non-monetary factors (25%).
  - The proposed minimum bid is \$50 per acre.

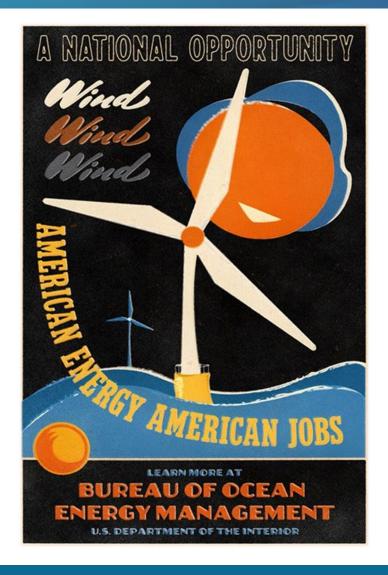






## **PSN:** Bidding Credits

- Bidders may receive bidding credits up to 25% in exchange for committing to a qualifying monetary contribution to programs or initiatives supporting offshore wind.
  - The proposed bidding credits are the same as those offered in GOMW-1, although the individual credit percentages may vary.
  - Bidding credits are calculated as a percentage of the bid.







## **PSN:** Bidding Credits

#### Two bidding credits are proposed:

- 1. 12.5% bidding credit for a commitment to invest in programs that will advance <u>U.S. floating offshore wind energy workforce training and/or supply chain development.</u>
  - The credit is intended to incentivize investments that would not occur otherwise.
  - Includes investments in port infrastructure related to component manufacturing and assembly areas for offshore wind construction and deployment (e.g., foundations, turbine components).
- 2. 12.5% bidding credit for establishing or contributing to a <u>Fisheries Compensatory Mitigation Fund.</u>
  - BOEM encourages lessees to work together to establish or contribute to a single regional fund







## Discussion about lease stipulations and bidding credits

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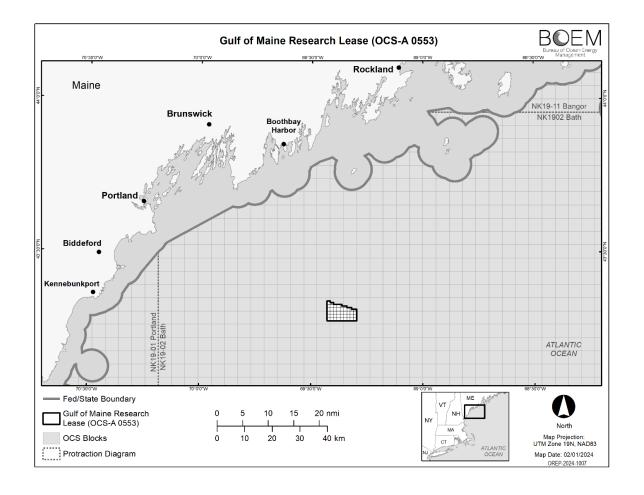
## **BOEM Virtual Meeting**

Maine Research Lease

Luke Feinberg, Renewable Energy Program Specialist

#### **Research Lease Location**

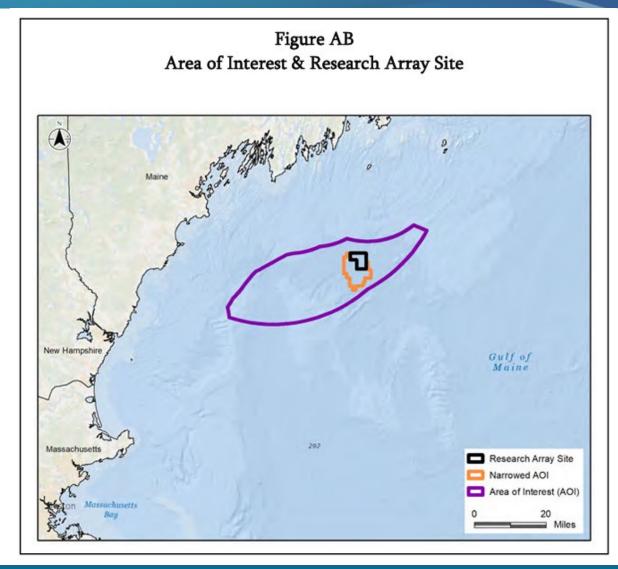
- Area selected represents the most deconflicted area in the RFCI that would facilitate the goals of the Research Lease
- o How did we get here?



### **State Request**



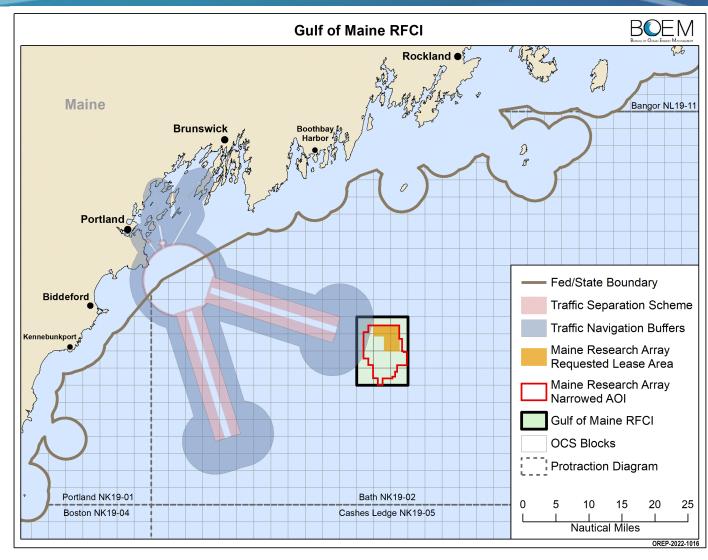
- Oct. 2021 Research Lease Application proposed the Requested Lease Area
- Collaborative spatial process outlined in the application identified ~9,700 acres as the Maine Research Array Requested Lease Area (BLACK)



## **Request for Competitive Interest**



- August 19, 2022 Request for Competitive Interest (RFCI) issued by BOEM
  - Area enlarged to account for use conflicts
  - Public comment
- March 20, 2023 <u>Determination of No Competitive Interest</u> in the RFCI is published enabling leasing negotiations to begin





#### **Site Review**



 Review of the requested area for the research lease <u>identified significant</u> <u>navigational conflict</u> with the USCG Port Access Route Study: Approaches to Maine, New Hampshire, and Massachusetts (88 FR 20547) (April 6, 2023)

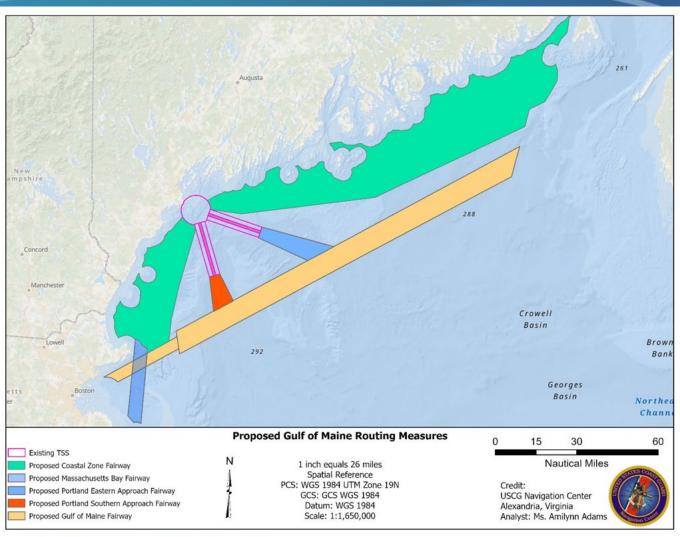


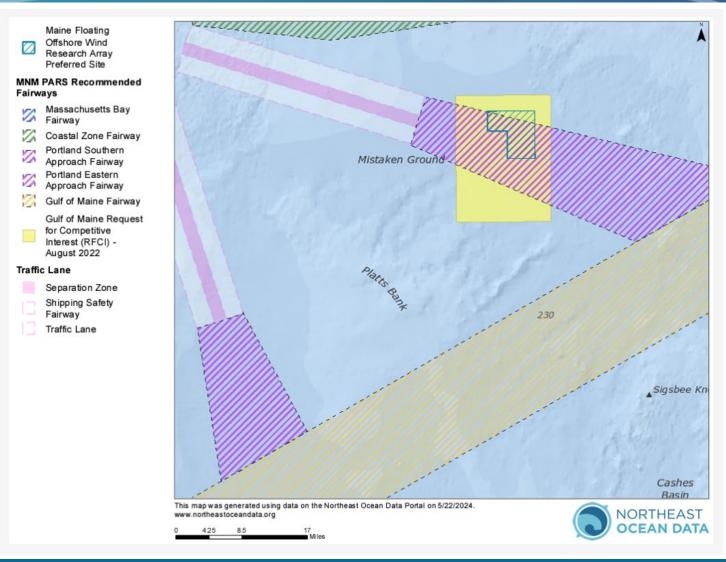
Figure 1-MNMPARS Recommended Fairways



#### **Site Review**

Request RFCI Area Site Review USCG & NCCOS Modeling Coffered

 Review of the requested area for the research lease <u>identified significant</u> <u>navigational conflict</u> with the USCG Por Access Route Study: Approaches to Maine, New Hampshire, and Massachusetts (88 FR 20547)





## Modeling

Request

RFCI Area

Site Review USCG & NCCOS Modeling

Lease Area Offered

#### Two modeling efforts

- USCG Preliminary Draft Analysis of Alternative Routing Measures in the Vicinity of the Proposed State of Maine Floating Offshore Wind Research Array<sup>1</sup>
- BOEM partnership with NCCOS



1. Preliminary Draft Analysis of Alternative Routing Measures Near Proposed State of Maine Research Array.pdf (uscg.gov)









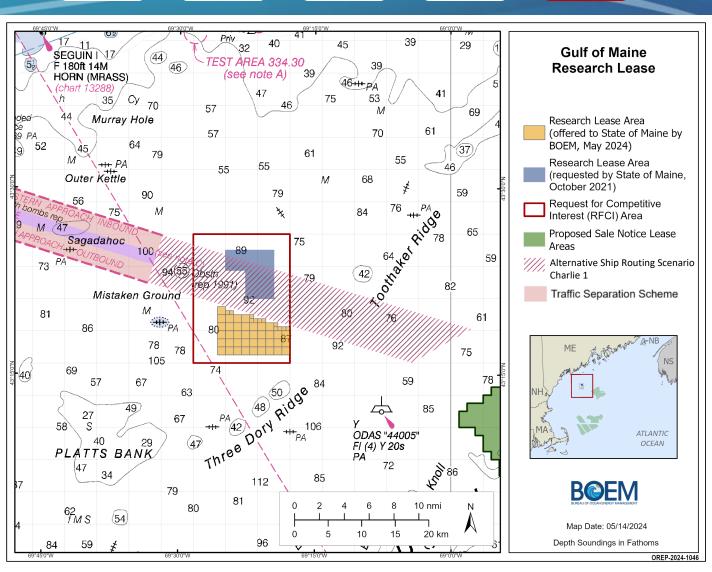




#### **Lease Area**

Request RFCI Area Site Review Site NCCOS Modeling Coffered

- Given the constraints in the area, USCG, the State and Maine and BOEM identified a location for the research lease area (ORANGE) that aligns with the Alternative Ship Routing Scenario Charlie 1 which represented the least amount of risk
- USCG has <u>not</u> designated fairways in the Gulf of Maine.
- 15,000 acres; 32.2 statute miles or 28.0 nm from mainland.
  - More acres than requested to account for:
    - Additional site survey
    - deconfliction
  - Lessee limited to a 9,700 acre project (original request)



### Maine Research Lease: Lease Stipulations

## Similar structure to commercial leases, but what stipulations are different?

- Navigational Safety Lessee may not include in their RAP any portion of the leased area that overlaps with any proposed or officially designated traffic measures implemented by the USCG
- Research Framework requirement to outline how the lessee will implement the research framework outlined in original application. Data from research to be made public
- Reporting required on research progress every 6
   months
- Project proposed is limited to 9,700 acres, not the whole lease area

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF OCEAN ENERGY MANAGEMENT

#### RESEARCH LEASE OF SUBMERGED LANDS FOR RENEWABLE ENERGY ACTIVITIES ON THE OUTER CONTINENTAL SHELF

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## Maine Research Lease: Goals and Opportunity

- Research leases must support the future production, transportation, or transmission of renewable energy
- No fees or payments as research is expected to benefit the public
- The Research Lease is expected to continue to inform the commercial process. Dialogue to date has:
  - Increased awareness of offshore wind
  - Identified opportunities and challenges





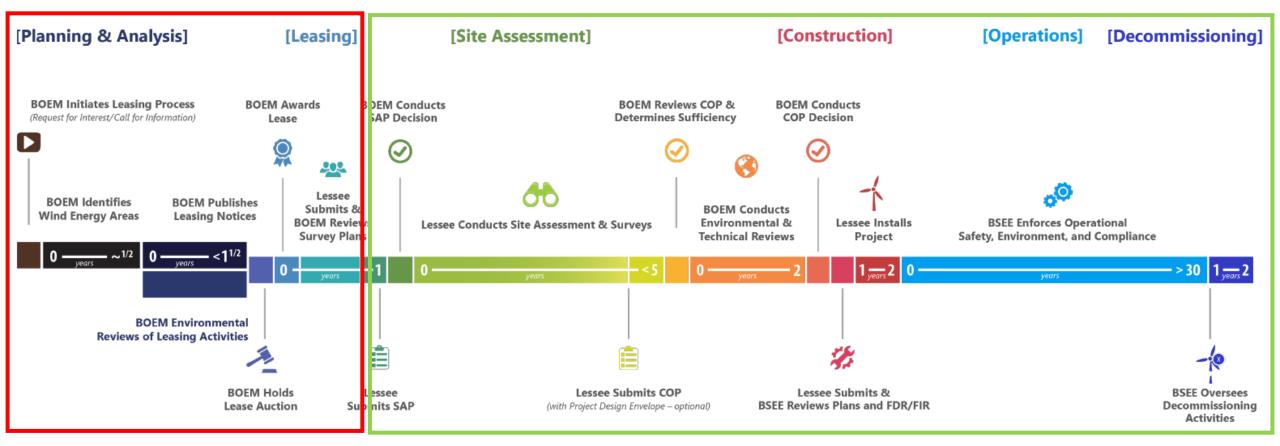
# **BOEM Virtual Meetings**

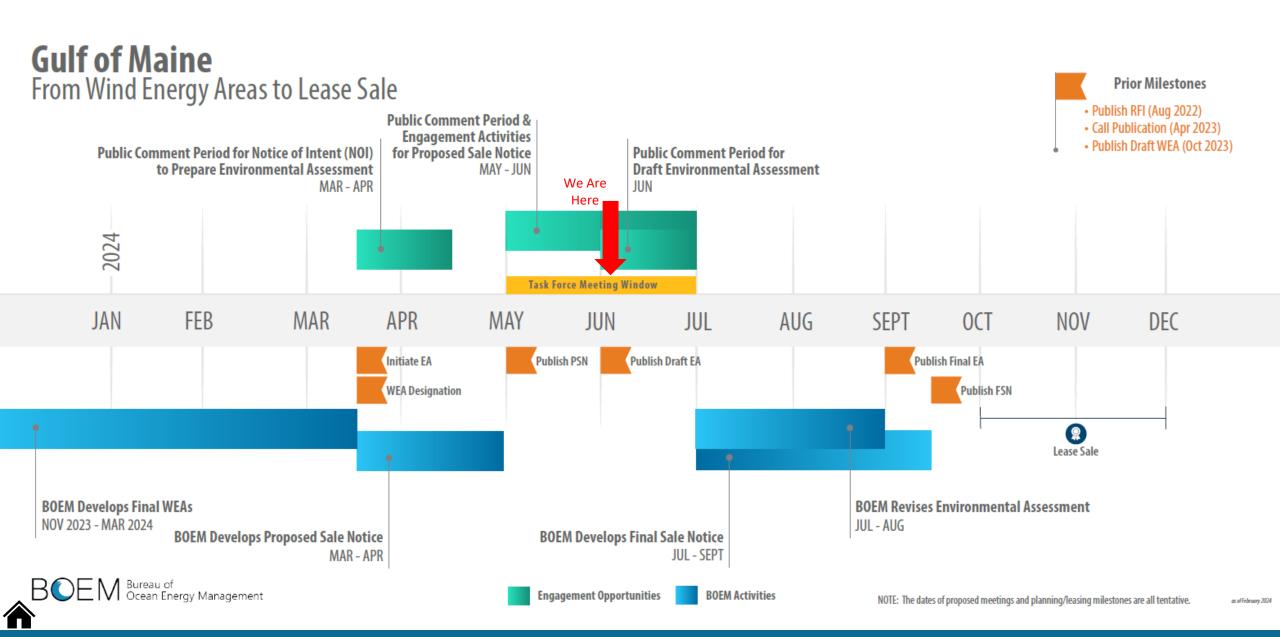
Next Steps

#### **Renewable Energy Authorization Process**

#### Pre-Lease Issuance

#### Post-Lease Issuance







#### **PSN:** Public Meetings (In-Person)

- For the most up-to-date public meeting information, see <u>BOEM's website</u>.
- Open House Portland, Maine
  - o Date: Tuesday, May 28, 2024
  - o Time: 5-8pm
  - Location: Holiday Inn Portland-by the Bay (88 Spring Street Portland, ME 04101
- Open House Portsmouth, New Hampshire
  - Date: Wednesday, May 29, 2024
  - o Time: 5-8pm
  - Location: Urban Forestry Center (45 Elwyn Rd, Portsmouth, NH 03801)
- Open House Danvers, Massachusetts
  - o Date: Thursday, May 30, 2024
  - o Time: 5-8pm
  - Location: DoubleTree by Hilton, North Shore (50 Ferncroft Rd, Danvers, MA 01923)
- Task Force Meeting Plymouth, MA
  - Date: Friday, May 31, 2024
  - Time: 8:30am-4:30pm
  - Location: Hotel 1620 (180 Water St, Plymouth, MA 02360)





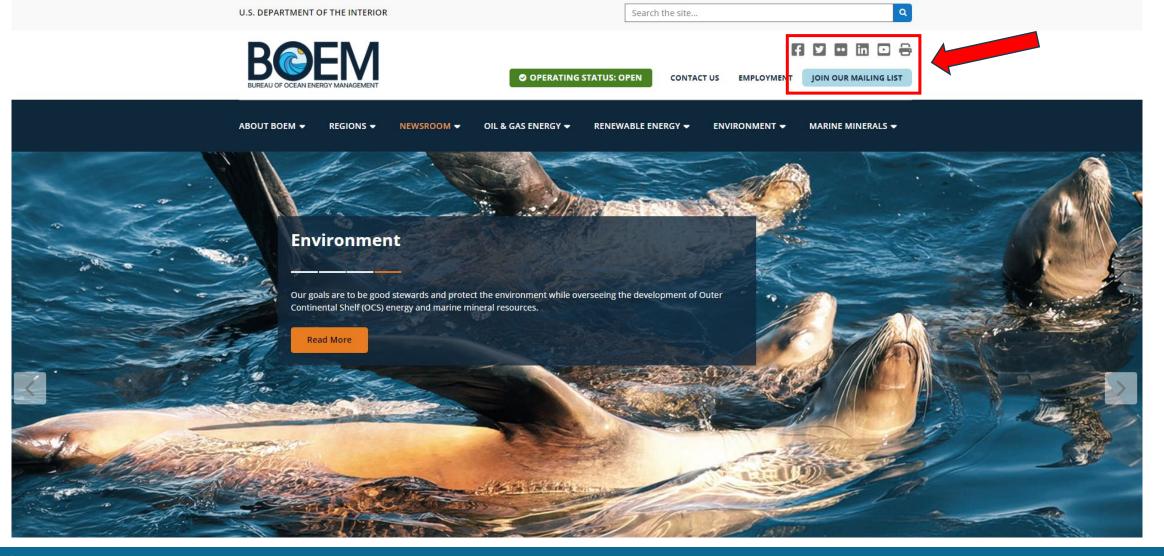
## **PSN:** Public Meetings (Virtual)

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## **Stay in Touch!**



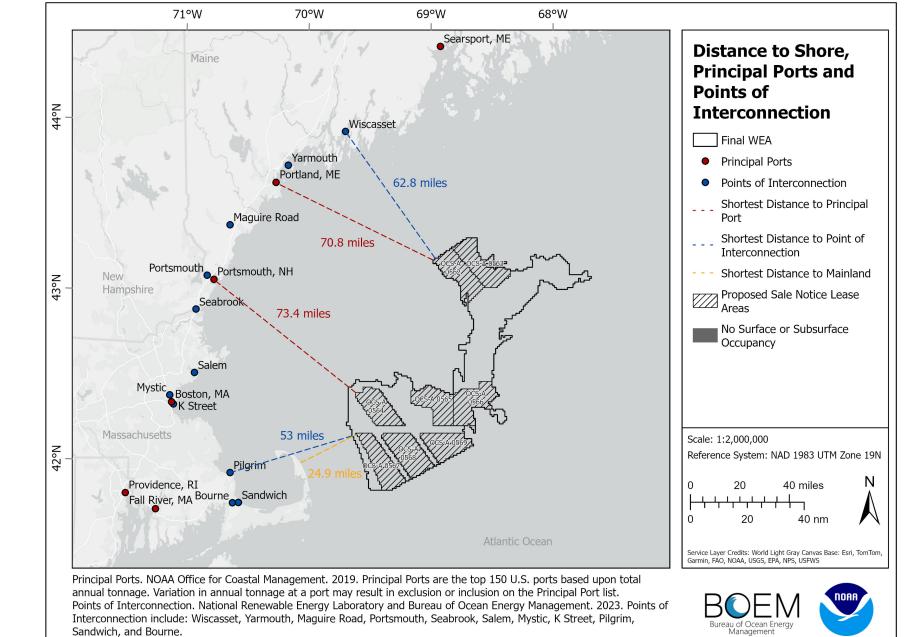






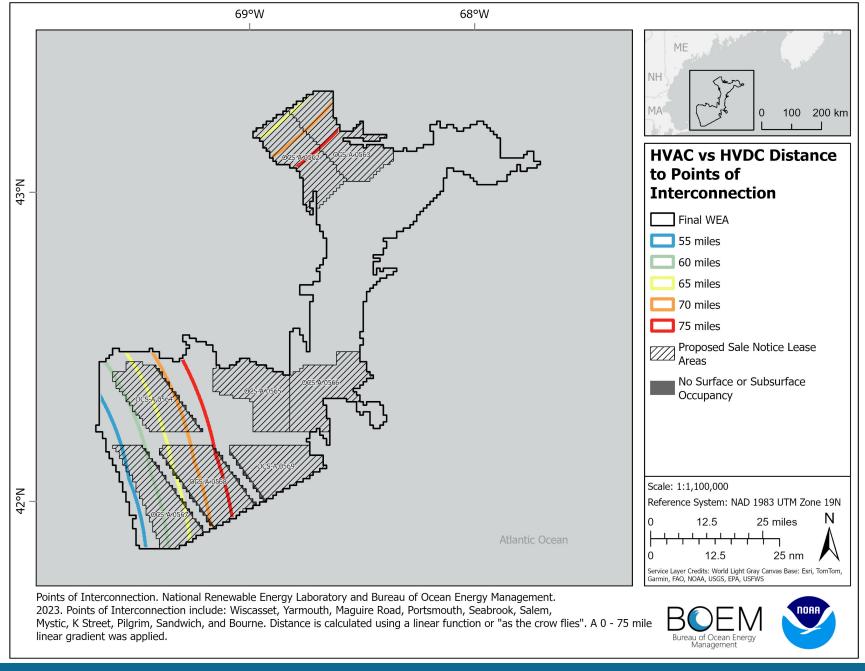


Zach Jylkka | Zachary.Jylkka@boem.gov | (978) 491-7732



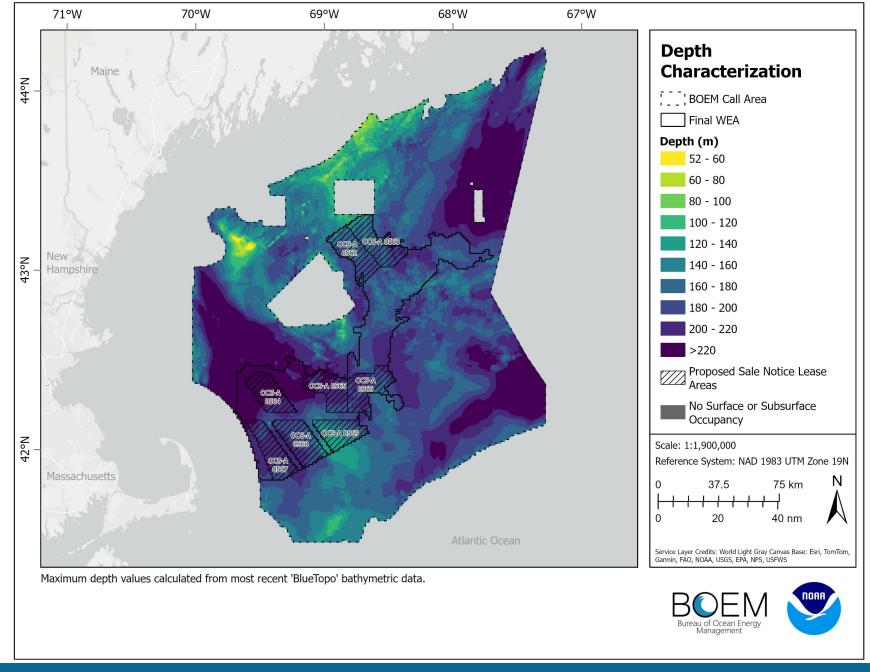






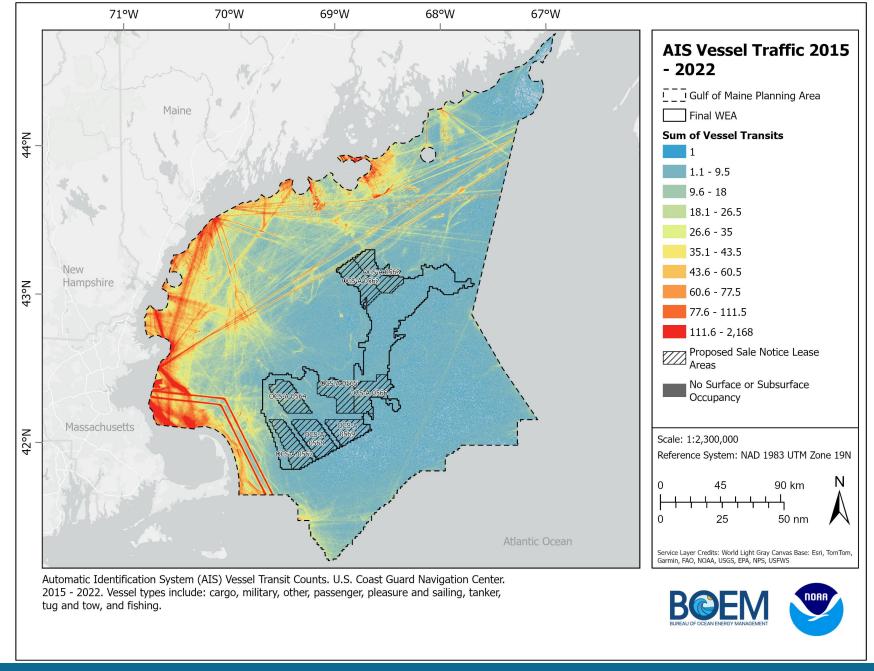






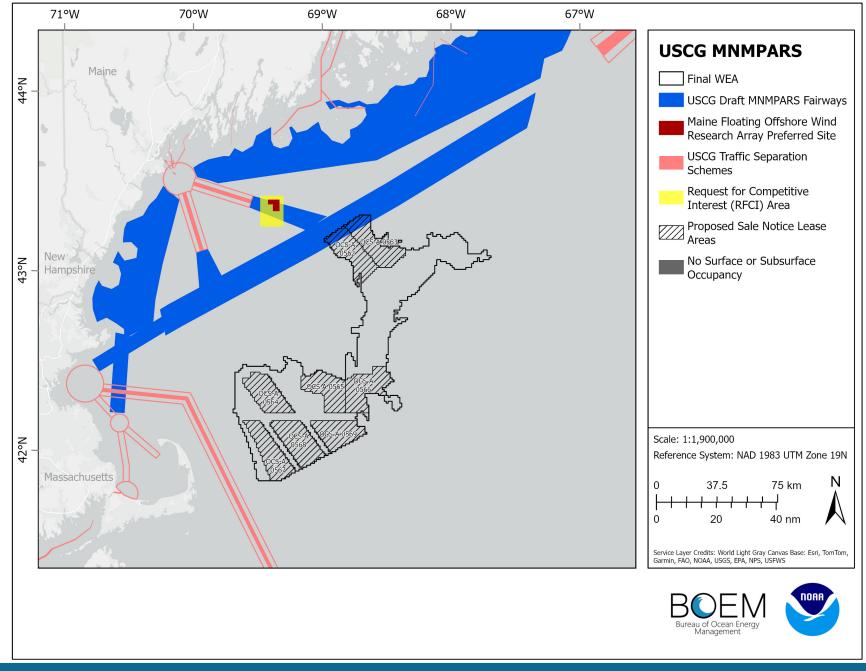






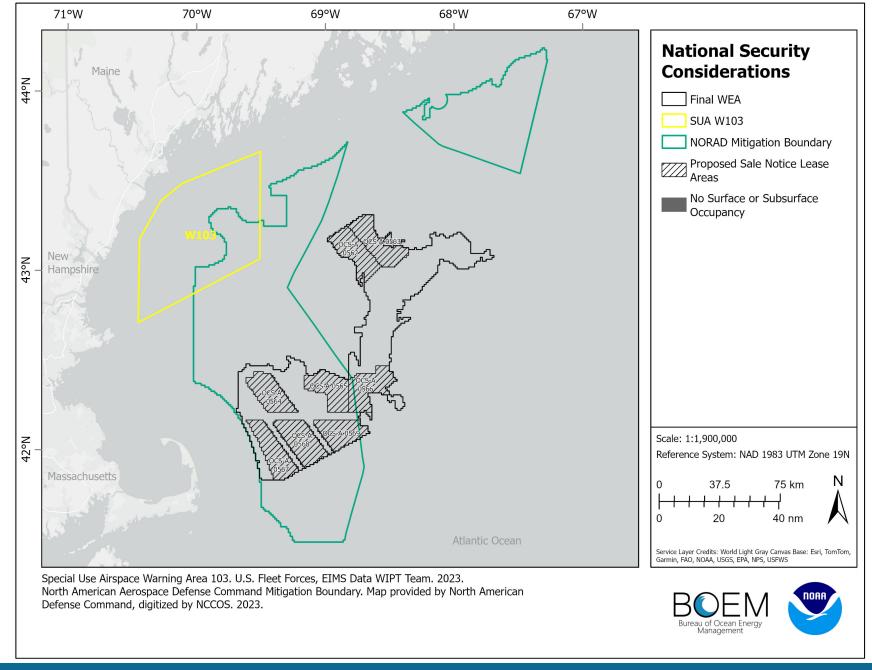






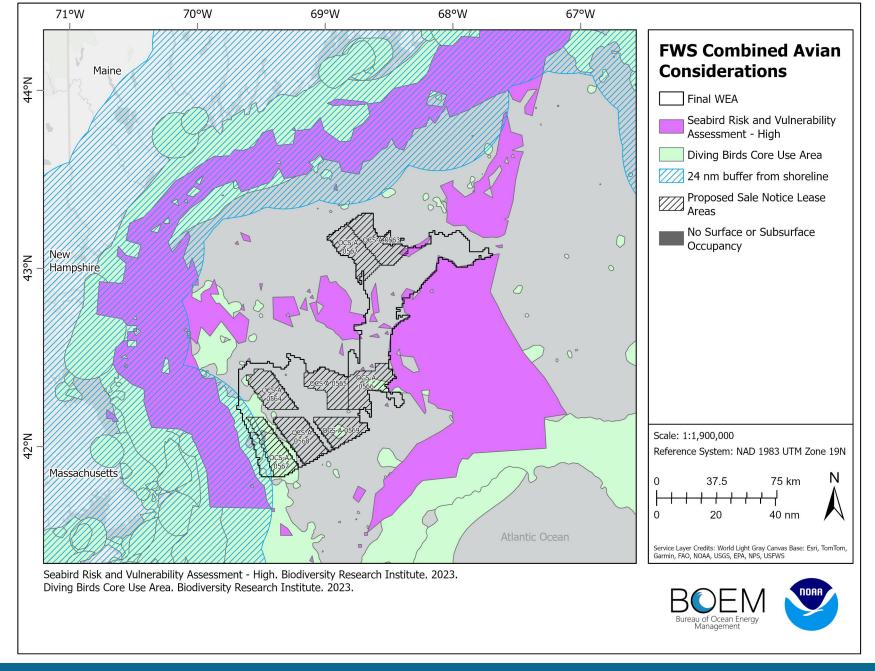






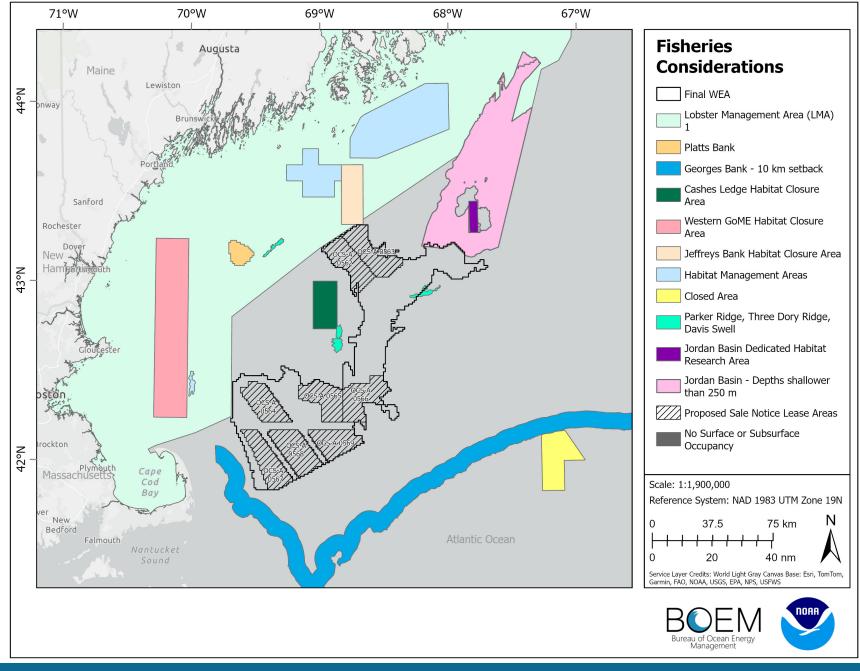






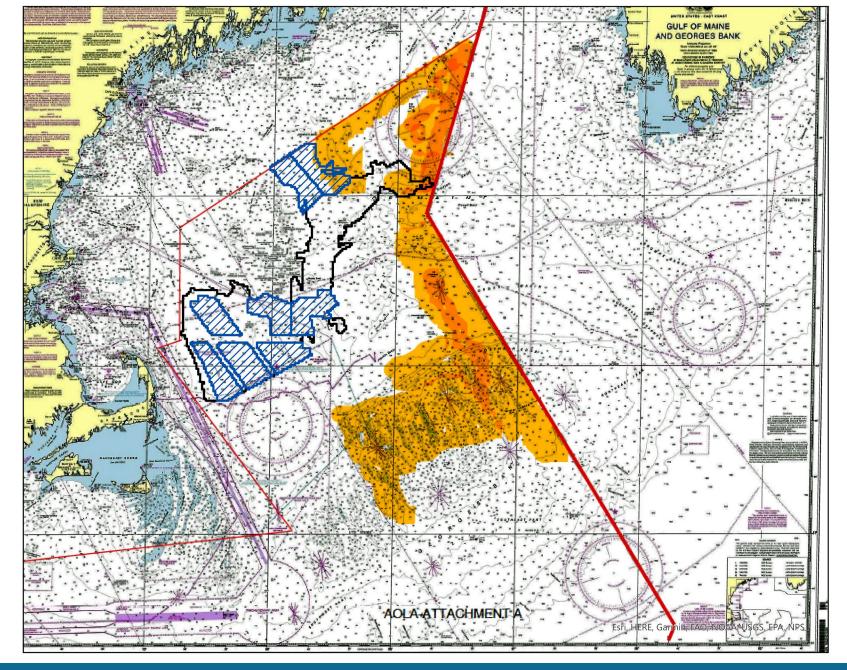








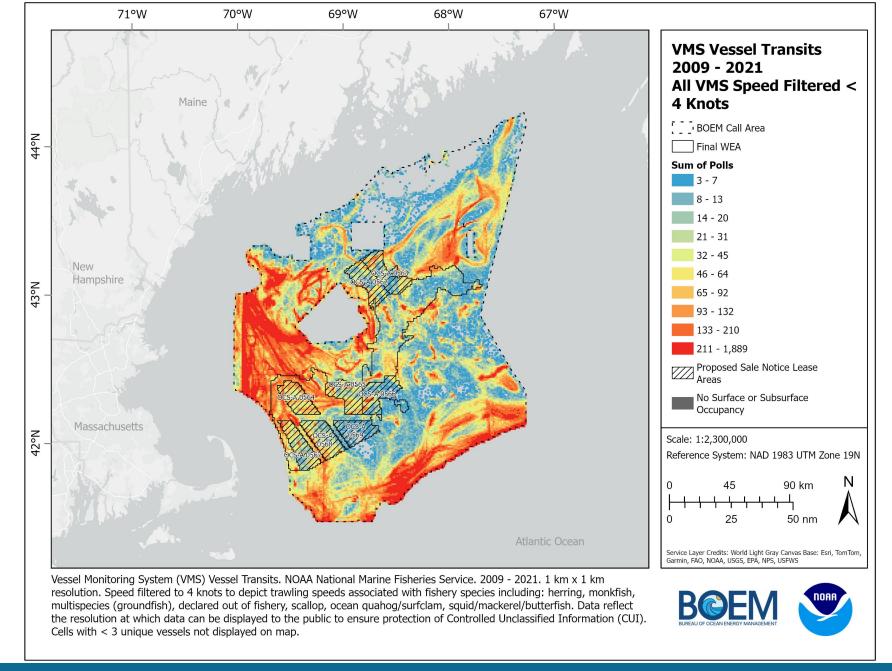




Note: The area in yellow is an **approximation** of the offshore lobster fleet's fishing footprint, as provided by the Atlantic Offshore Lobstermen's Association comment letter on the Draft WEA (11/20/2023). **BOEM** worked with NOAA NCCOS to georeference the footprint to create this approximate overlay of the Final WEA and Proposed Lease Areas.

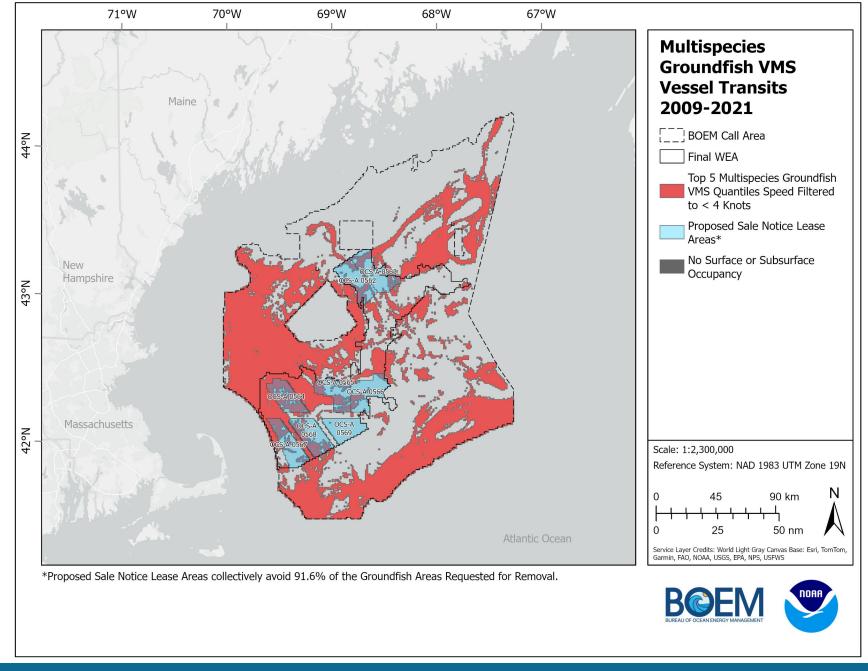






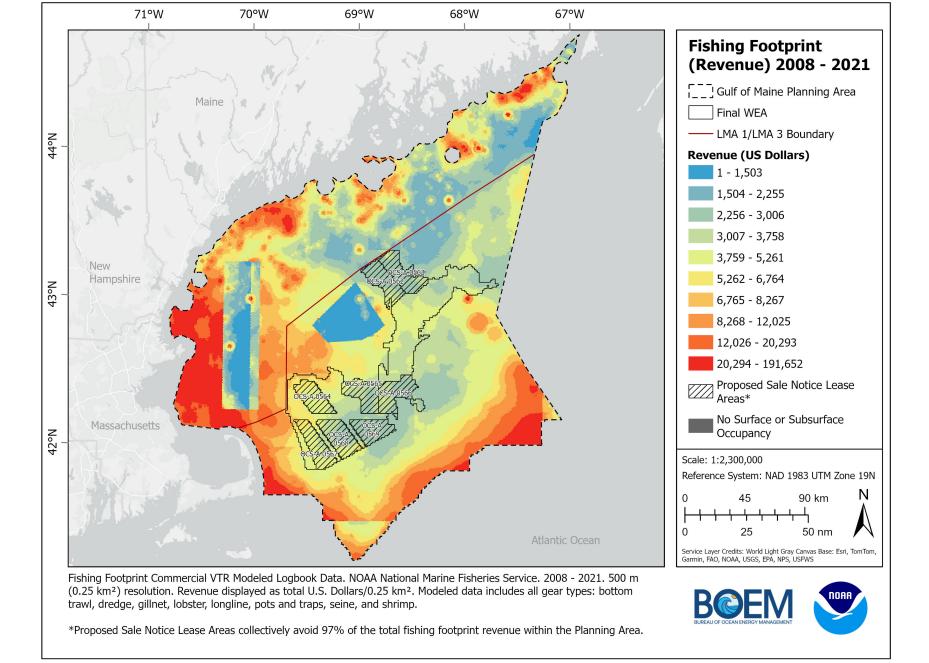






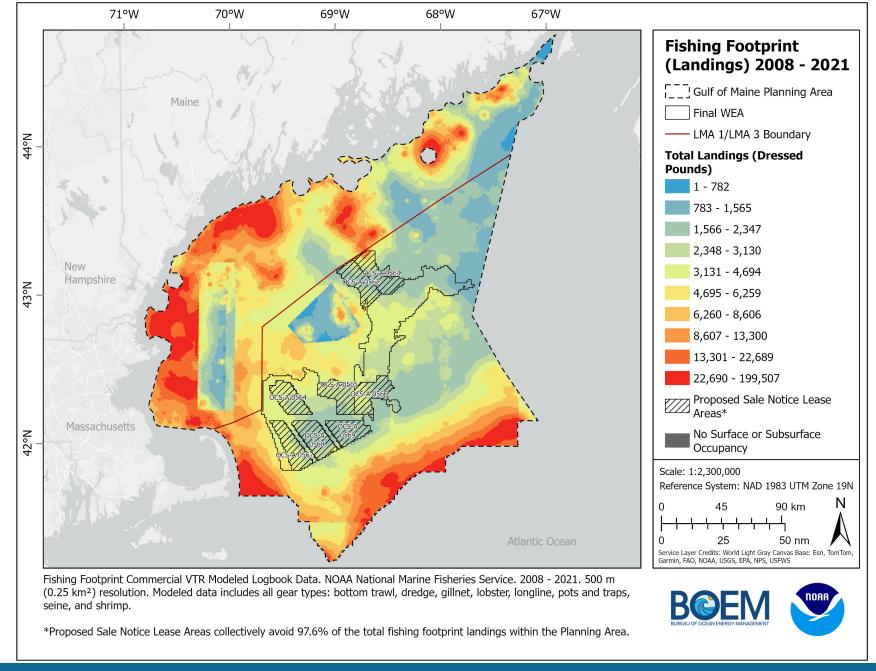






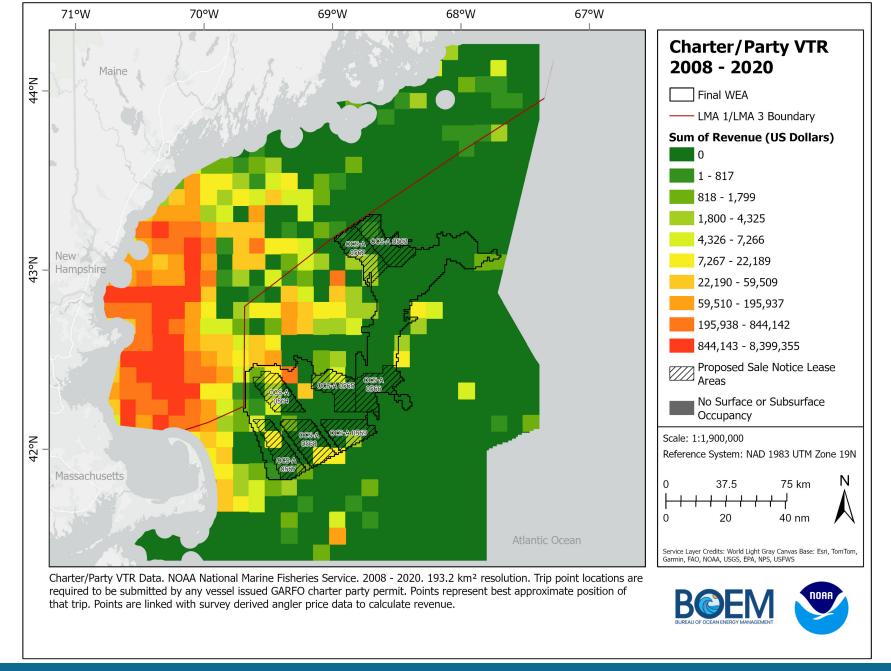






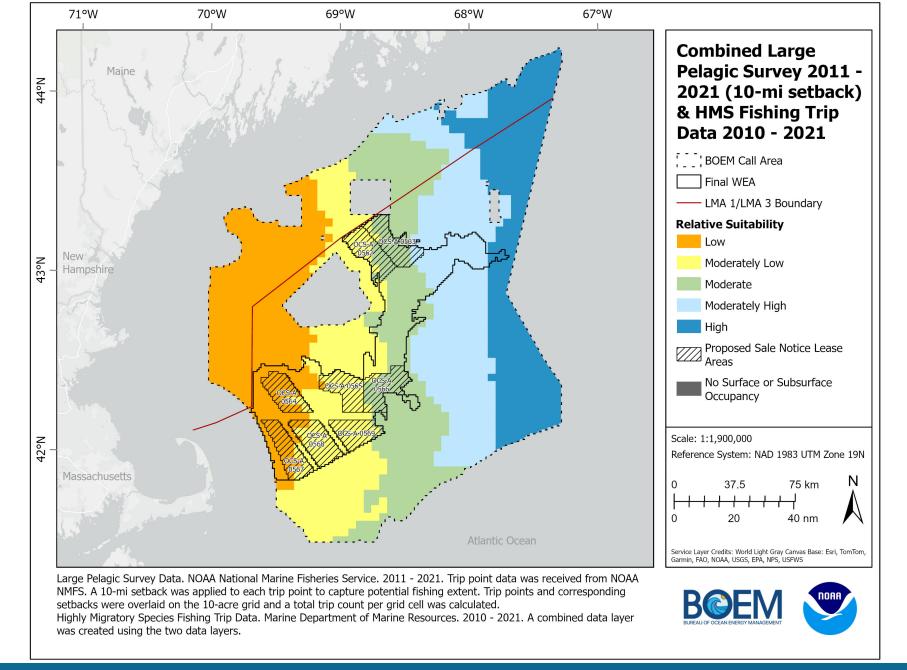






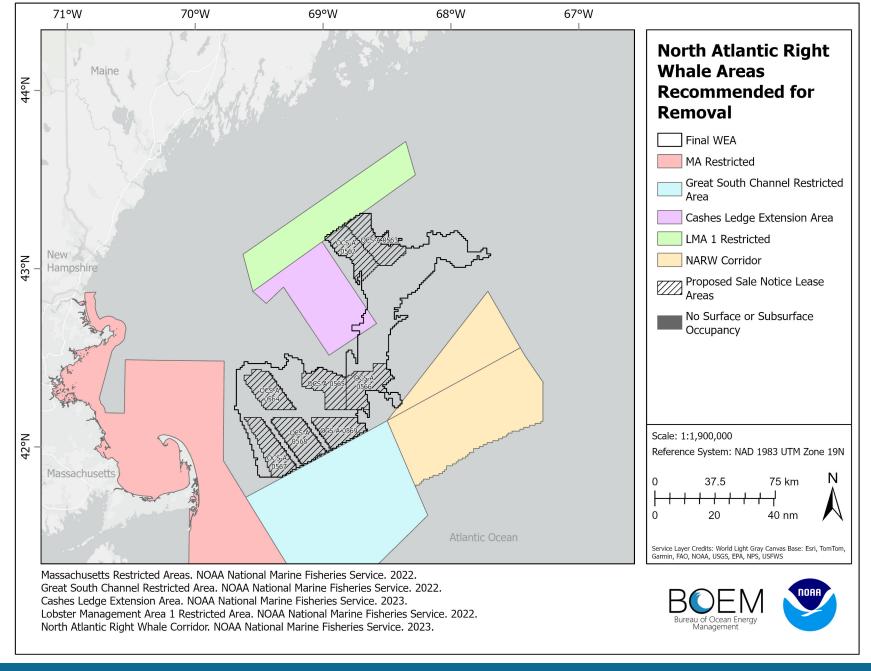






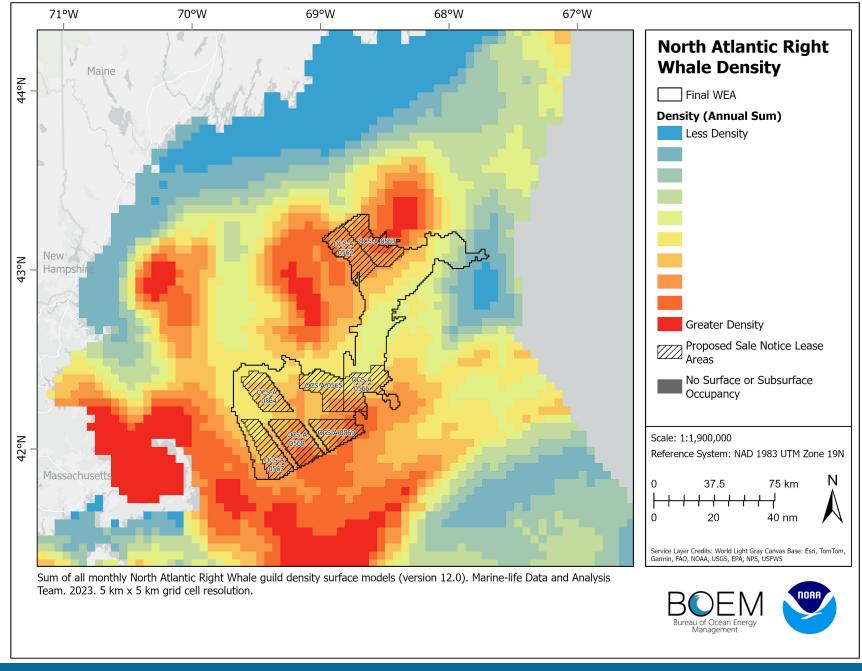






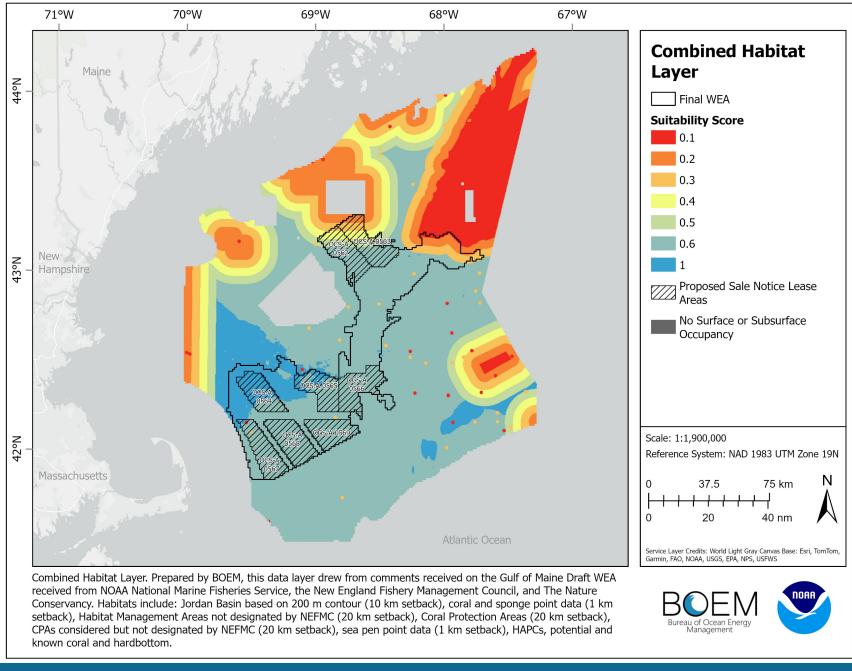






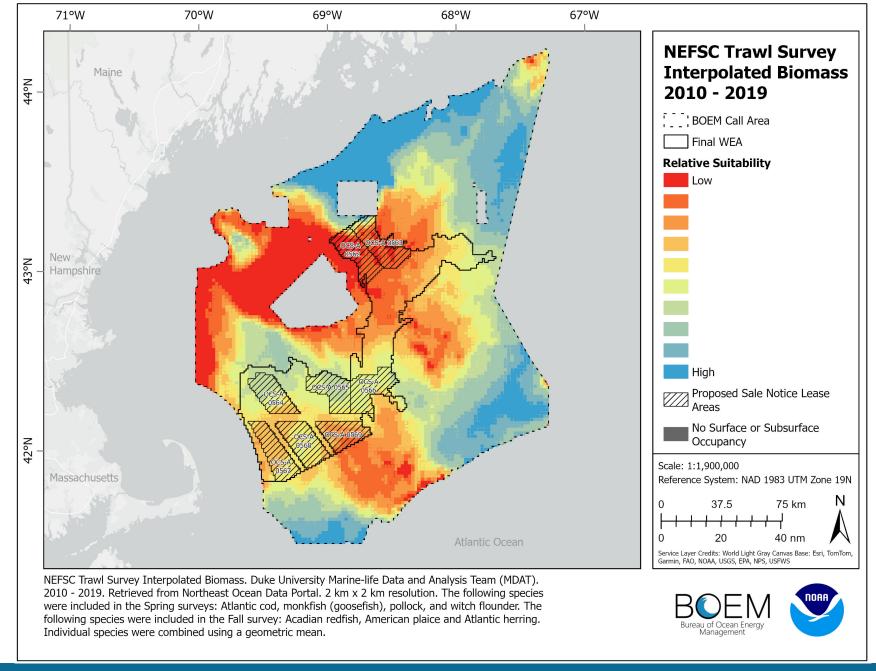






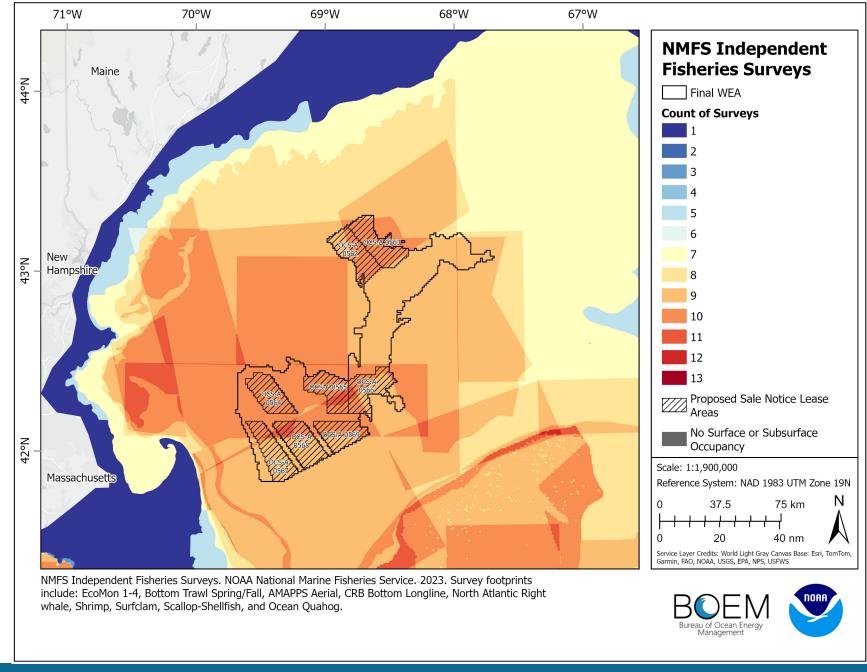
















### Renewable Energy Goals: How many acres are needed?

- Planning and Analysis phase is based on winnowing – starting large, receiving feedback and deconflicting
- Spatial modeling acreage assumptions
  - Call and Draft WEA comments documented several capacity requests
  - $_{\circ}$  MA 10 GW of capacity by 2050
  - $_{\odot}$  ME 3 GW of capacity by 2040
  - ISO-NE 18GW
  - American Clean Power 20 GW
- PSN Lease Areas are ~ 944,000 acres (developable acres).

#### Capacity (GW) to acreage - Energy Density\*

MW	PLANNING DENSITY (Old)  ~0.012 MW/acre or 3 MW/km²	PLANNING DENSITY (New)  ~0.016 MW/acre or 4 MW/km²	AVERAGE DENSITY OF BOEM PROPOSED PROJECTS  ~ 0.019 MW/acre or 4.7 MW/km²
13,000	1,083,333	812,500	684,211
18,000	1,500,000	1,125,000	947,368
20,000	1,666,667	1,250,000	1,052,632

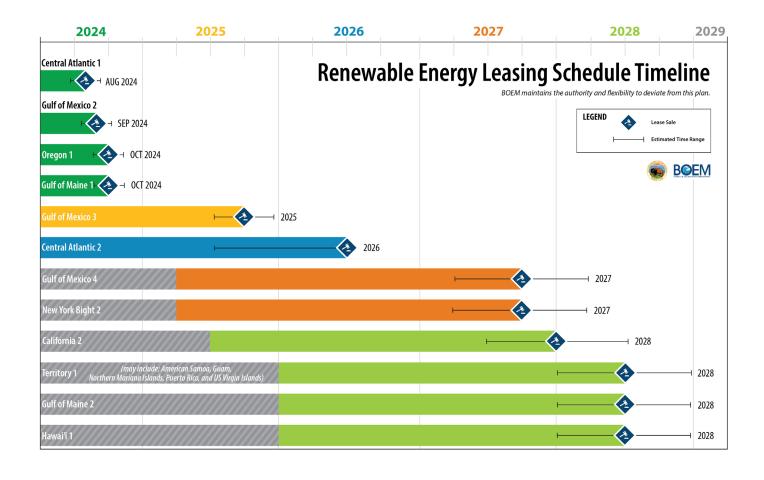
<sup>\*</sup>Energy density estimates are highly variable, and mostly based on fixed offshore wind experience.





### 5-Year Renewable Energy Leasing Schedule

- April 2024, Secretary Haaland <u>announced</u> new 5-year renewable energy leasing schedule
- Required under new "Modernization Rule"
- Gulf of Maine-2 sale is envisioned for 2028.
  - BOEM asked about "Phased leasing" approach when we <u>published the Draft</u> WEA in October 2023.
  - Area Identification memo referenced broad support received for a phased leasing; however, recommendations for scale and timing of phases varied widely across individuals and stakeholder groups.
  - The Secretary's announcement is a continuation of this conversation on "phased leasing"
  - The timing and scope of a second Gulf of Maine sale would be directly informed by the results of the 2024 sale, as well as the future position of potentially affected Tribes, Gulf of Maine states, stakeholder engagement, relevant market conditions, and regional energy goals.







#### **PSN:** Lease Area Details

PSN Areas	Region	Total Acres	Developable Acres
OCS-A 0562	North	121,339	121,339
OCS-A 0563	North	132,369	132,369
OCS-A 0564	South	110,308	105,499
OCS-A 0565	South	115,290	115,290
OCS-A 0566	South	127,388	127,388
OCS-A 0567	South	123,118	117,391
OCS-A 0568	South	134,149	123,389
OCS-A 0569	South	106,038	101,757
Total		969,999	944,422
Average		121,250	118,053

