

Billing Code: 4310 MR-W

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[Docket No. BOEM-2021-0077]

Call for Information and Nominations – Commercial Leasing for Wind Power Development on the Outer Continental Shelf in the Gulf of Mexico

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Call for information and nominations; request for comments.

SUMMARY: In June 2021, the Bureau of Ocean Energy Management (BOEM) issued a request for interest (RFI) to gauge specific interest in obtaining commercial wind energy leases in an area on the Outer Continental Shelf (OCS) in the Gulf of Mexico (GOM). Based on the expressions of interest received in response to the RFI, BOEM has determined that competitive interest exists in the area identified. This call for information and nominations (“Call” or “notice”) initiates the competitive leasing process on the GOM OCS for the area identified herein. The publication of this Call does not mean that BOEM will ultimately grant a lease to any particular party in the area identified in the GOM OCS. Rather, the publication of this Call indicates that the area described (“Call Area”) may be subject to future leasing.

DATES: Submissions indicating your nomination or interest in or providing comments on commercial leasing within the Call Area must be received no later than [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. Late submissions may not be considered.

ADDRESSES: Please submit nomination or interest information as discussed under the “Supplementary Information” heading in the section entitled “Required Nomination Information” via U.S. Postal Service, Fedex, UPS, or any other mail carrier to: Bureau of Ocean

Energy Management, Office of Emerging Programs, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123. In addition to a paper copy, please include an electronic copy on any digital data storage device. Do not submit nominations via the Federal eRulemaking Portal. Please submit comments and other information as discussed in the section entitled “Requested Information from Interested or Affected Parties” under “Supplementary Information” by either of the following two methods:

1. Federal eRulemaking Portal: <http://www.regulations.gov>. In the search box at the top of the webpage, enter BOEM-2021-0077 and then click “search.” Follow the instructions to submit public comments and view supporting and related materials.
2. U.S. Postal Service or other mail delivery service. Send your comments and other information to the following address: Bureau of Ocean Energy Management, Office of Emerging Programs, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123.

For information about submitting public comments, please see the section under “Supplementary Information” entitled “Protection of Privileged, Personal, or Confidential Information.”

FOR FURTHER INFORMATION CONTACT: Tershara Matthews, Chief, Office of Emerging Programs, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123, (504) 736-2676 or tershara.matthews@boem.gov.

SUPPLEMENTARY INFORMATION:

1. *Authority*

43 U.S.C. 1337(p)(3); 30 CFR 585.210 and 585.211.

2. *Purpose*

BOEM is using this notice both to solicit lease nominations beyond those identified in response to the earlier RFI and to request comments from interested and affected parties

regarding site conditions, resources, and uses of the identified area that would be relevant to BOEM's potential leasing and development authorization process. Those interested in leasing within the Call Area for a commercial wind energy project should provide detailed and specific information described in the section 5 of this Call entitled "Required Nomination Information." Those interested in providing public comments and information regarding site conditions, resources, and multiple uses in close proximity to, or within, the Call Area should provide information requested in the section 4 of this Call entitled "Requested Information from Interested or Affected Parties." Any nominations, expressions of interest, or any other information and comments that were previously submitted in response to the RFI do not need to be resubmitted. BOEM will consider previously submitted nominations, expressions of interest, and any other information and comments along with any information received in response to this notice

BOEM is also preparing an environmental assessment, which will analyze leasing and reasonably foreseeable site assessment activities. Additional opportunities will be provided for public involvement during the environmental assessment process. See the section of this Call entitled "BOEM's Environmental Review Process."

The Call Area was established in consultation with BOEM's GOM Intergovernmental Renewable Energy Task Force. Comments received in response to the RFI also were considered when delineating the Call Area. A detailed description of the Call Area is found in section 3 below.

The OCS Lands Act requires BOEM to award leases competitively, unless BOEM determines that there is no competitive interest (43 U.S.C. 1337(p)(3)). BOEM has determined that competitive interest exists in the identified Call area. BOEM now solicits nominations for

any additional areas not previously identified as being of interest for obtaining a lease in the Call Area and requests information from interested and affected parties on issues relevant to BOEM's review of nominations for potential leases.

The responses to this Call could lead BOEM to proceed with the competitive leasing process in some parts of the Call Area (i.e., where competition exists) and a noncompetitive process in other parts of the Call Area (i.e., where no competitive interest exists). The leasing process is described more thoroughly under the "Determination of Competitive Interest" and "Noncompetitive Leasing Process" sections of this Call. In any parts of the Call Area where an entity has nominated or identified an area of interest for a possible lease and where no competing submissions exist, BOEM may proceed with the noncompetitive lease process pursuant to BOEM's regulations at 30 CFR 585.232. If BOEM determines that competitive interest exists in some or all of the Call Area, then BOEM may proceed with area identification under 30 CFR 585.211(b) and the competitive leasing process under 30 CFR 585.211 through 585.225.

Whether issued through a competitive or noncompetitive process, a lease does not grant the lessee the right to construct any facilities on the OCS. The lease only grants the lessee the exclusive right to submit site assessment and development plans to BOEM. BOEM must approve these plans before the lessee may proceed to the next stages of lease development (30 CFR 585.600 and 585.601).

Whether competitive or noncompetitive, the leasing process will include subsequent opportunities for public input and review of any proposed actions for potential environmental impacts and multiple use conflicts. BOEM has not yet determined which areas may be offered for lease, if any. Further, BOEM may include less than the total footprint of the Call Area in any leasing decision or may offer no areas for leasing at all.

3. *Description of Call Area*

The Call Area comprises the area located seaward of the Gulf of Mexico Submerged Lands Act boundary, bounded on the east by the north-south line located at 89.858° W longitude, and bounded on the south by the 400-meter bathymetry contour and the United States–Mexico maritime boundary established by the Treaty between the Government of the United States of America and the Government of the United Mexican States on the Delimitation of the Continental Shelf in the Western Gulf of Mexico beyond 200 Nautical Miles, which took effect in January 2001. The area for potential wind energy leasing consists of approximately 29,901,285 acres. BOEM may issue an additional Call for areas in water depths between 400 meters and 1,300 meters when a better understanding exists of the competitive interest for floating wind energy development in the GOM.

4. *Requested Information from Interested or Affected Parties*

On June 11, 2021, BOEM published in the *Federal Register* the “Request for Interest in Commercial Leasing for Wind Power Development on the Gulf of Mexico Outer Continental Shelf (OCS).” Any information that was previously submitted in response to the section of that RFI entitled “Requested Information from Interested or Affected Parties” does not need to be resubmitted; BOEM will consider it along with any information received in response to this notice.

BOEM requests specific and detailed comments from the public and other interested or affected parties regarding the following features, activities, mitigations, or concerns within or around the Call Area:

- a. Geological, geophysical, and biological bathymetric conditions (including bottom and shallow hazards and live bottom).

- b. Known archaeological and cultural resource sites on the seabed.
- c. Information regarding the identification of historic properties or potential effects to historic properties from leasing, site assessment activities (including the construction of meteorological towers or the installation of meteorological buoys), or commercial wind energy development in the areas identified in the Call Area. This includes potential offshore archaeological sites or other historic properties within the areas described in this notice and also onshore historic properties that could potentially be affected by renewable energy activities within the Call Areas. This information will inform BOEM's review of future undertakings under section 106 of the National Historic Preservation Act (NHPA) and under the National Environmental Policy Act (NEPA).
- d. Information about potentially conflicting uses of the Call Area, including navigation (in particular, commercial and recreational vessel use), recreation, and fisheries (commercial and recreational). Additional information regarding recreational and commercial fisheries including, but not limited to, the use of the areas, the types of fishing gear used, seasonal use, and recommendations for reducing use conflicts.
- e. Information regarding the identification of protected species, federally designated (or proposed) critical habitat, essential fish habitat, or areas that are environmentally sensitive or crucial to marine productivity and are State or federally managed for their conservation value.
- f. Available and pertinent data and information concerning renewable energy resources and environmental conditions. Where applicable, spatial information should be

submitted in a format compatible with ArcGIS 10.8.1 in a geographic coordinate system (NAD 27).

- g. Information relating to visual resources and aesthetics, the potential impacts of wind turbines and associated infrastructure on those resources, and potential strategies to help mitigate or minimize any visual effects.
- h. Other relevant socioeconomic, cultural, biological, and environmental information.
- i. Any other relevant information BOEM should consider during its planning and decision-making process for the purpose of issuing leases in the Call Area.
- j. BOEM is interested in understanding potential opportunities for all types of renewable energy development in the GOM. Please provide information to develop an understanding of the potential opportunities or interest in developing clean energy in the area. BOEM would like information on the economic viability of offshore renewable energy in the GOM, the potential insurance support, private equity investment, capacity of grid expansion, transmission concerns, and any positive net value analysis for industry support. Specifically,
 - Is development and production of offshore wind energy feasible when compared to the cost of electricity in GOM coastal States?
 - What impetus is necessary for utility companies located along the GOM to purchase offshore wind energy?
 - What could make offshore wind energy development in the GOM more attractive to investors?
 - What could make offshore wind energy development in the GOM more attractive to consumers?

- What is the viability, economic or otherwise, of using offshore wind to power green hydrogen production in the GOM?
- What is the economic viability of offshore wind energy in the GOM considering turbine size, hurricane class turbines, fixed charge rates, and insurance costs?
- What are the most viable locations for offshore wind energy projects in the GOM based on water depth, wind resources, turbine size, distance to port, and interconnection?
- What are the transmission constraints, known or anticipated, and advantages, including but not limited to points of interconnection, load, etc., in the GOM?

5. *Required Nomination Information*

If you wish to nominate one or more areas for a commercial wind energy lease within the Call Area, you must provide the following information for each nomination. Any nominations or information submitted in response to the RFI section entitled “Required Indication of Interest Information,” does not need to be resubmitted; BOEM will consider it along with any information received in response to this notice.

- a. The BOEM leasing map name and number, or official protraction diagram number, and the specific whole or partial OCS blocks within the Call Area that you are interested in leasing. This information should be submitted as a spatial file compatible with ArcGIS 10.8.1 in a geographic coordinate system (NAD 27) in addition to your hard copy submittal. If your nomination includes one or more partial blocks, please describe those partial blocks in terms of a sixteenth (i.e., sub-block) of an OCS block.

- b. A description of your objectives and the facilities that you would use to achieve those objectives.
- c. A preliminary schedule of proposed activities, including those leading to commercial operations.
- d. Available and pertinent data and information concerning renewable energy resources and environmental conditions in each area that you wish to lease, including energy and resource data and information used to evaluate the area. Where applicable, spatial information should be submitted in a format compatible with ArcGIS 10.8.1 in a geographic coordinate system (NAD 27).
- e. Documentation demonstrating that you are legally qualified to hold a lease in accordance with the requirements in 30 CFR 585.106 and 585.107(c). Examples of the documentation appropriate for demonstrating your legal qualifications and related guidance can be found in BOEM's "Qualification Guidelines to Acquire and Hold Renewable Energy Leases and Grants and Alternate Use Grants on the U.S. Outer Continental Shelf," available at <http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/QualificationGuidelines-pdf.aspx>. Legal qualification documents that you provide to BOEM may be made available for public review. If you wish that any part of your legal qualification documentation be kept confidential, clearly identify what should be kept confidential and submit it under separate cover (see section 6 of this Call entitled "Protection of Privileged, Personal, or Confidential Information Section," below).
- f. Documentation demonstrating that you are technically and financially capable of constructing, operating, maintaining, and decommissioning the commercial wind energy

facility described in your submission in accordance with 30 CFR 585.107(a). Guidance regarding the documentation to demonstrate your technical and financial qualifications can be found in “Qualification Guidelines to Acquire and Hold Renewable Energy Leases and Grants and Alternate Use Grants on the U.S. Outer Continental Shelf,” available at: <http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/QualificationGuidelines-pdf.aspx>. Any documentation you submit to demonstrate your legal, technical, and financial qualifications must be provided to BOEM in both paper and electronic formats. BOEM considers an Adobe PDF file on a media storage device to be an acceptable format for an electronic copy.

6. *Protection of Privileged, Personal, or Confidential Information*

a. Freedom of Information Act

BOEM will protect your privileged or confidential information in accordance with the Freedom of Information Act (FOIA). Exemption 4 of FOIA applies to trade secrets and commercial or financial information that is privileged or confidential. If you wish to protect the confidentiality of such information, clearly label it and request that BOEM treat it as confidential. BOEM will not disclose such information if BOEM determines under 30 CFR 585.113(b) that it qualifies for exemption from disclosure under FOIA. Please label privileged or confidential information with the words “Contains Confidential Information” and consider submitting such information as a separate attachment.

BOEM will not treat as confidential any aggregate summaries of such information or comments not containing such privileged or confidential information. Additionally, BOEM will not treat as confidential (1) the legal title of the nominating entity (for

example, the name of your company), or (2) the list of whole or partial blocks that you are nominating. Information that is not labeled as privileged or confidential may be regarded by BOEM as suitable for public release.

b. Personally Identifiable Information

BOEM does not consider anonymous comments; please include your name and address as part of your comment. You should be aware that your entire comment, including your name, address, and any personally identifiable information (PII) included in your comment may be made publicly available. All submissions from identified individuals, businesses, and organizations will be available for public viewing on regulations.gov. For BOEM to withhold your PII from disclosure, you must identify any information contained in your comments that, if released, would constitute a clearly unwarranted invasion of your personal privacy. You must also briefly describe any possible harmful consequences of the disclosure of information, such as embarrassment, injury, or other harm.

c. Section 304 of NHPA (54 U.S.C. 307103(a))

After consultation with the Secretary of the Interior, BOEM is required to withhold the location, character, or ownership of historic resources if it determines that disclosure may, among other things, risk harm to the historic resources or impede the use of a traditional religious site by practitioners. Tribal entities should designate in their submissions information that falls under section 304 of NHPA as confidential.

7. *BOEM's Environmental Review Process:*

Before deciding whether and where leases may be issued, BOEM will prepare an environmental assessment (EA) under the NEPA process, including a public scoping period to determine the scope of the EA and a public review and comment period on the draft EA. The EA will consider the reasonably foreseeable environmental consequences associated with leasing, such as site characterization activities (including geophysical, geotechnical, archaeological, and biological surveys) and site assessment activities (including installation of a meteorological tower or meteorological buoy). BOEM also will conduct consultations to consider the environmental consequences associated with issuing commercial wind energy leases within the Call Area. These consultations include, but are not limited to, those required by the Coastal Zone Management Act, the Endangered Species Act, the Magnuson-Stevens Fishery Conservation and Management Act, section 106 of NHPA, and Executive Order 13175—“Consultation and Coordination with Indian Tribal Governments.” Through the NEPA and consultation process, BOEM may evaluate mitigation measures to minimize possible impacts resulting from potential project activities to resources, such as migratory birds, marine mammals, and sea turtles.

Before BOEM allows a lessee to begin construction of a wind energy project on a lease issued within the Call Area, BOEM will consider the potential environmental effects of the construction and operation of any wind energy facility under a separate, project-specific NEPA process. This separate NEPA process will include additional opportunities for public involvement and likely will result in the publication of an environmental impact statement.

8. *BOEM's Planning and Leasing Process:*

1. **Determination of Competitive Interest:** Subsection 8(p)(3) of the OCS Lands Act (43 U.S.C. 1337(p)(3)) states that “the Secretary shall issue a lease, easement, or right-of-way... on a competitive basis unless the Secretary determines after public notice of a proposed lease, easement, or right-of-way that there is no competitive interest.”

Accordingly, BOEM must first determine whether competitive interest exists in acquiring a lease within the Call Area to develop offshore wind energy. At the conclusion of the comment period for this Call, BOEM will review the Call and RFI nominations received and determine if competitive interest exists in any part area of the Call Area.

For areas with two or more valid nominations, BOEM may consider proceeding with competitive leasing as described in section 8.2 of this Call entitled “Competitive Leasing Process.” For areas where BOEM determines that there is only one interested entity, BOEM may consider proceeding with noncompetitive leasing, as described in section 8.3 entitled “Noncompetitive Leasing Process.”

If BOEM determines that competitive interest exists and that those areas are appropriate to lease, BOEM may hold one or more competitive lease sales for those areas. In the event BOEM holds a lease sale, all qualified bidders, including bidders that did not submit a nomination in response to this Call or the RFI, will be able to participate in the lease sale.

BOEM reserves the right to not lease nominated areas or to modify nominated areas before offering them for lease.

2. Competitive Leasing Process: BOEM will follow these steps required by 30 CFR 585.211 through 585.225 if it decides to proceed with the competitive leasing process:
 - (a) Area Identification: Based on the information received in response to this Call and the RFI, BOEM will determine the level of commercial interest and will identify the areas that would be appropriate to analyze for potential leasing. The areas identified will constitute wind energy areas (WEA) and will be subject to an EA as described in section 7 above, in consultation with appropriate Federal agencies, federally recognized Tribes, State and local governments, and other interested parties.
 - (b) Proposed Sale Notice (PSN): If BOEM decides to proceed with a competitive lease sale within the WEA after completion of its EA and consultations, BOEM will publish a PSN in the *Federal Register* with a comment period of 60 days. The PSN will describe the areas BOEM intends to offer for leasing and the proposed conditions of sale, auction format, and lease instrument, including lease addenda. Additionally, the PSN will describe the criteria and process for evaluating bids in the auction.
 - (c) Final Sale Notice (FSN): After considering the comments on the PSN, if BOEM decides to proceed with a competitive lease sale, it will publish a FSN in the *Federal Register* at least 30 days before the date of the lease sale.
 - (d) Bid Submission and Evaluation: Following publication of the FSN in the *Federal Register*, BOEM will offer the lease areas through a competitive sale process, using procedures specified in the FSN. Afterwards, BOEM will review the sale, including bids and bid deposits, for technical and legal adequacy. BOEM will ensure that bidders have complied with the FSN and all applicable regulations. BOEM reserves the rights to reject

any or all bids and to withdraw its offer to lease an area, even after bids have been submitted.

(e) Issuance of a Lease: Following identification of the winning bid on a lease area, BOEM will notify the successful bidder and will provide lease documents for signature. BOEM requires a successful bidder to sign and return the lease documents, pay the remainder of the bonus bid, if applicable, and file the required financial assurance within 10-business days of receiving the lease documents. Upon receipt of the required payments, financial assurance, and properly signed lease documents, BOEM may execute a lease with the successful bidder.

3. Noncompetitive Leasing Process: BOEM will follow these steps if it decides to proceed with a noncompetitive leasing process:

(a) Determination of No Competitive Interest: If, after evaluating all relevant information, including responses to this Call and the RFI, BOEM determines competitive interest does not exist in all or a portion of the Call Area, it may proceed with noncompetitive leasing under 30 CFR 585.231 and 585.232. BOEM will seek to determine if the sole respondent who nominated a particular area intends to proceed with acquiring the lease. If so, the respondent must submit an acquisition fee as specified in 30 CFR 585.502(a). After the acquisition fee is paid, BOEM will follow the process outlined in 30 CFR 585.231(d) through (i), which includes the publication of a determination of no competitive interest in the *Federal Register*.

(b) Review of Lease Request: BOEM will complete an EA and required consultations as discussed in section 7 before issuing a lease noncompetitively. Specifically, BOEM will coordinate and consult, as appropriate, with relevant Federal agencies, federally

recognized Tribes, affected State and local governments, and other affected or interested parties in formulating lease terms, conditions, and stipulations.

(c) Lease Issuance: After completing its review of the lease request, BOEM may offer a noncompetitive lease. Within 10-business days of receiving the lease documents, the respondent must sign them and provide a \$100,000 lease-specific bond, under 30 CFR 585.515, to guarantee compliance with all terms and conditions of the lease. Within 45 days of receiving the lease documents, the respondent must pay the first 12 months' rent pursuant to 30 CFR 585.231(g)(2).

Amanda Lefton
Director, Bureau of Ocean Energy Management

Date