



# Carolina Long Bay Task Force Renewable Energy Leasing Overview

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July 21, 2021

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Office Of Renewable Energy Programs





# Agenda

- BOEM Leasing Process
- Leasing Strategy
- PSN
  - Areas in the PSN
  - Environmental Considerations
  - Auction Elements



# Renewable Energy Process: From RFI/Call to Operation

## [ Planning & Analysis ]

## [ Leasing ]

## [ Site Assessment ]

## [ Construction & Operations ]

Initiate Leasing Process (RFI/Call)



Area Identification  
Wind Energy Areas

Publish Leasing Notices

Lease Granted

Submit SAP

BOEM Deems COP Complete & Sufficient

BOEM Approves COP



Pre-survey Meetings/Plan

Site Assessment & Surveys  
*(maximum timeframe)*

BOEM Environmental & Technical Reviews

Installation

0 ——— ~1/2

0 ——— < 1/2

0

1

0

<5

0

2

NEPA/Environmental Reviews



Auction

BOEM Reviews & Approves SAP

Submit COP  
*(with Project Design Envelope – optional)*

Submit Design & Installation Plans





# Renewable Energy Leasing Process

Request for Interest



Call for Information and Nominations



Area Identification  
*Wind Energy Areas*

Leasing Document Development

Auction



Public Comment

45 days



Public Comment

45 days

0 ————— ~1/2

0

< 1 1/2

Environmental Assessment Process & Public Involvement



60 days



Proposed Sale Notice



Final Sale Notice



Proposed Sale Notice

Potential Task Force Meetings / Webinars



Request for Interest



Call



Area Identification



Proposed Sale Notice



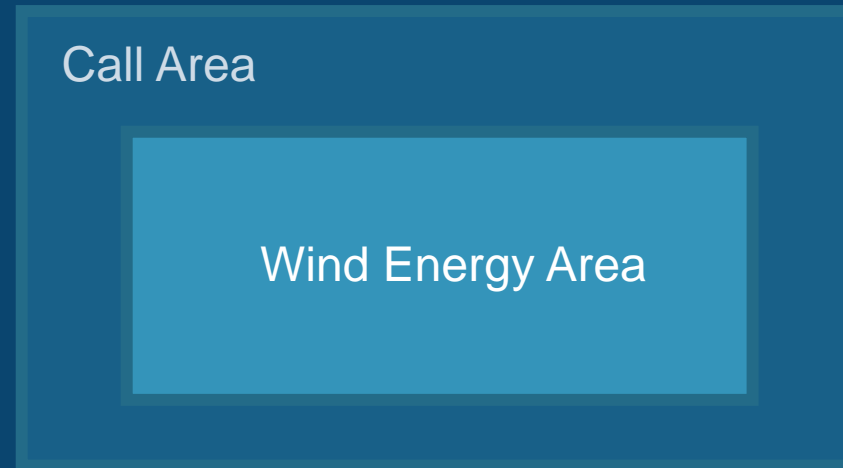
# Call for Information and Nominations

- Areas for special consideration and analysis
- Conditions in the Call Area
- Areas to be considered for leasing

Call Area

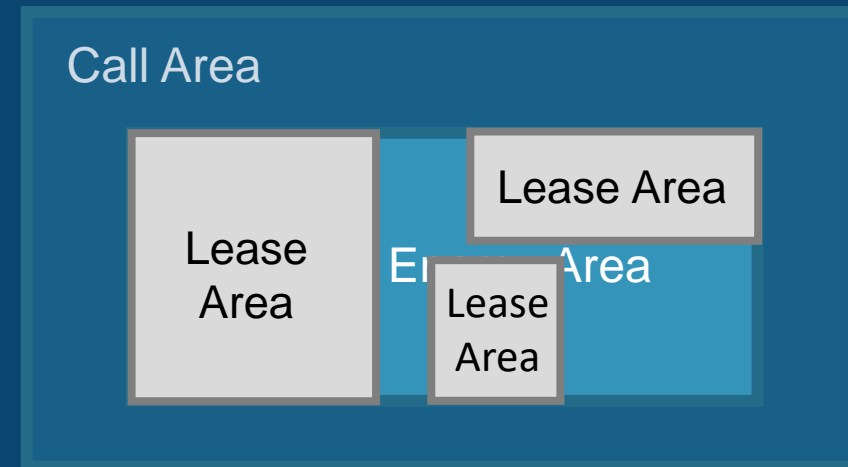
# Wind Energy Area

- A portion of the Outer Continental Shelf (OCS) identified by BOEM for NEPA analysis (Environmental Assessment)
- The basis for a Lease Area



# Lease Areas

- Wind Energy Areas have the potential for further division into Lease Areas



# Stakeholder Outreach in the Carolina Long Bay

- 11 Task Force Meetings
  - 6 North Carolina
  - 5 South Carolina
    - First meeting July 2012
    - Joint meetings began in April 2016
- 3 Public Meetings
  - Informational, Public Scoping, Environmental Assessment meetings
- Engagement with Stakeholder Groups
- Last Task Force Meeting: **May 17, 2016**

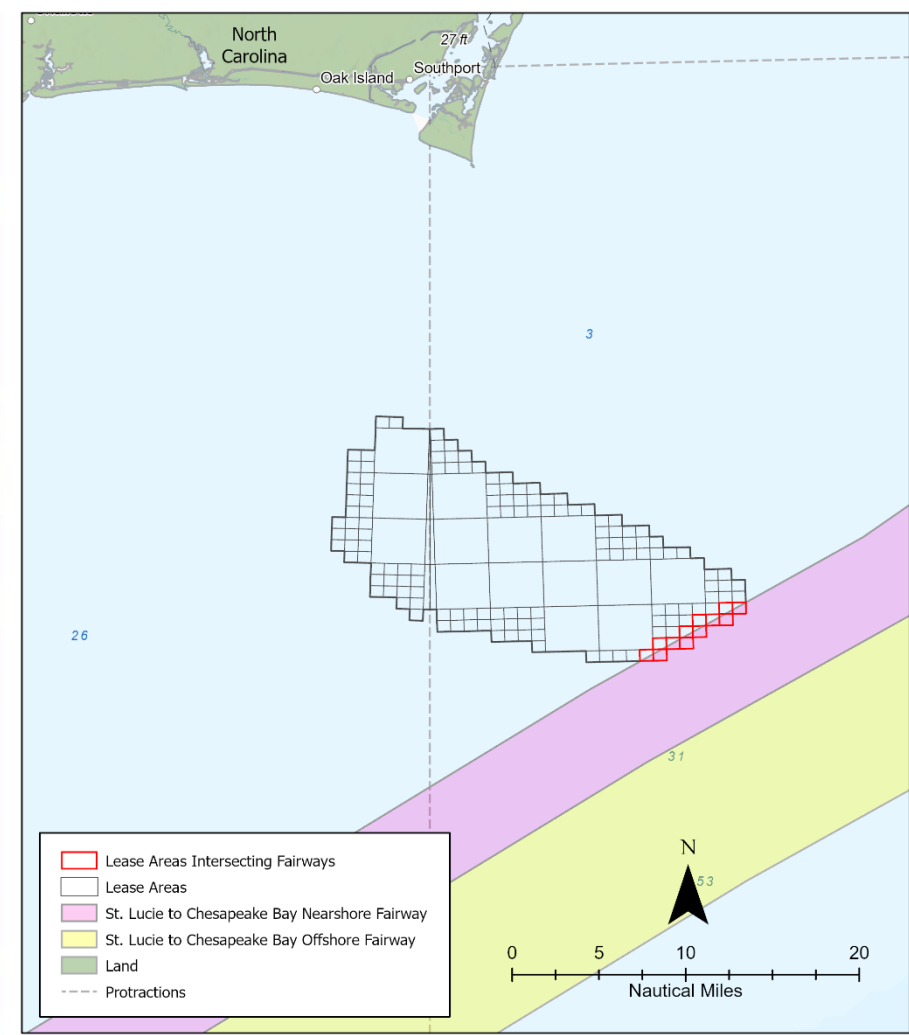
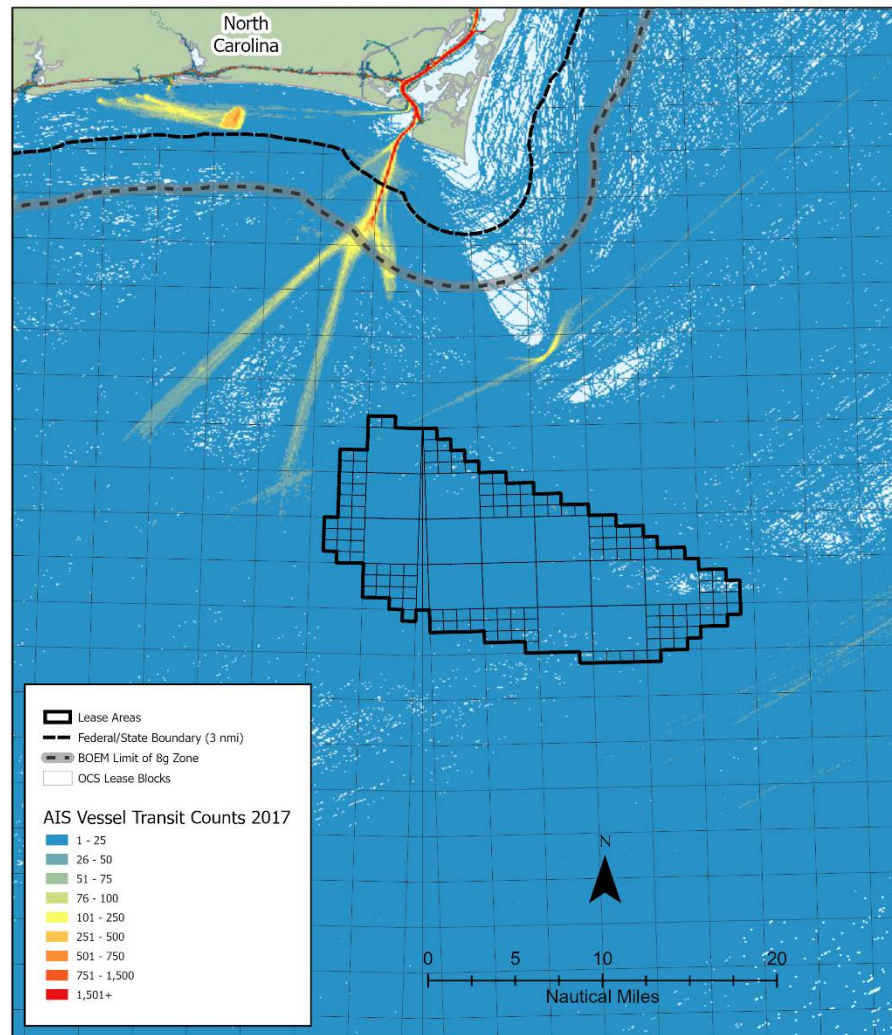




# Background Navigation

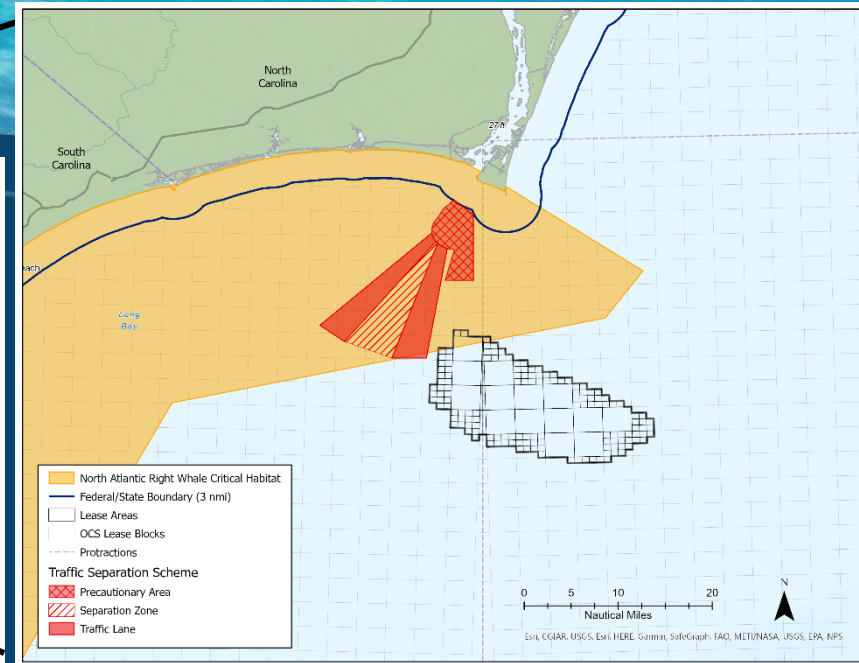
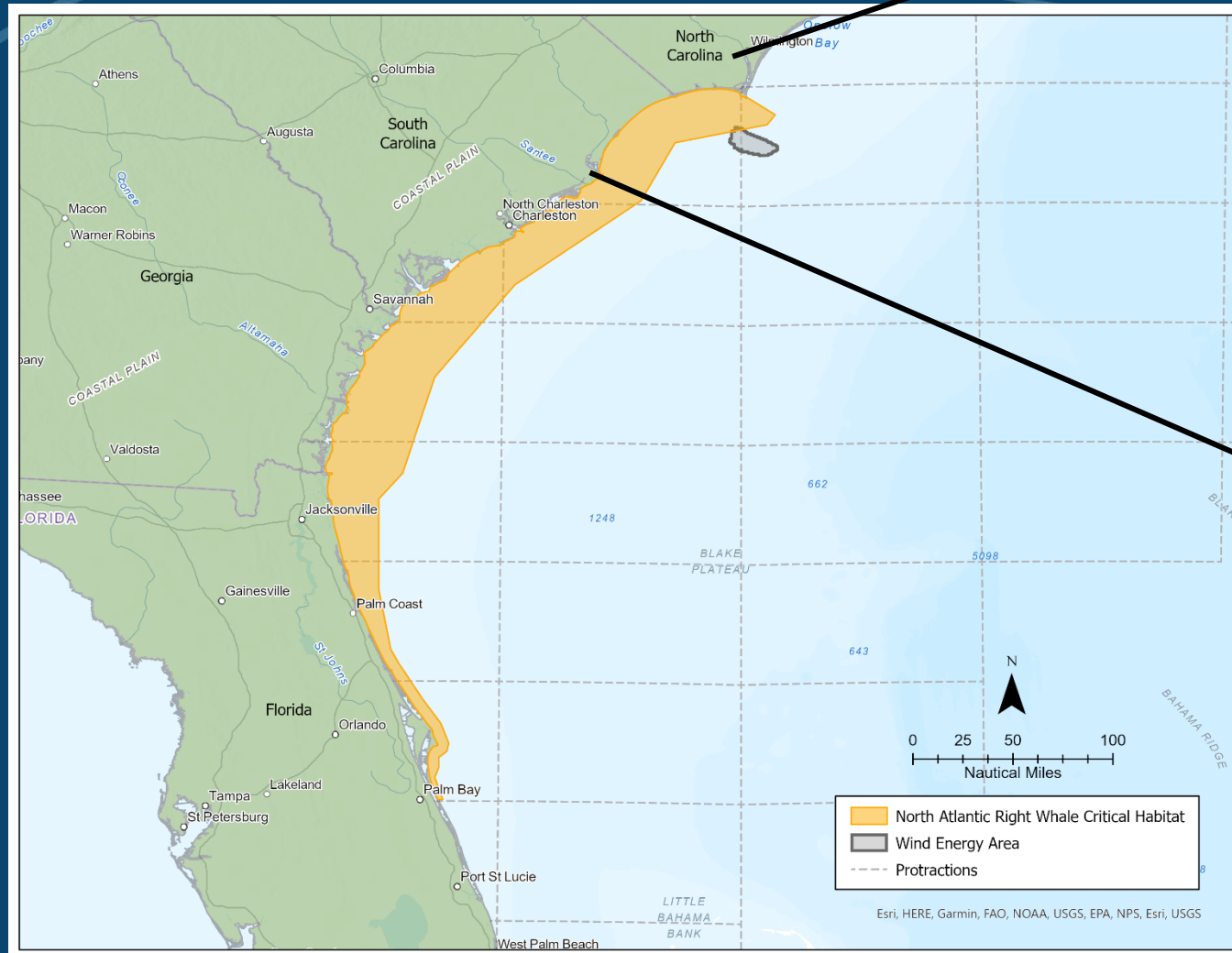


2015 Deepwater Vessels  
(Cargo and Tankers)



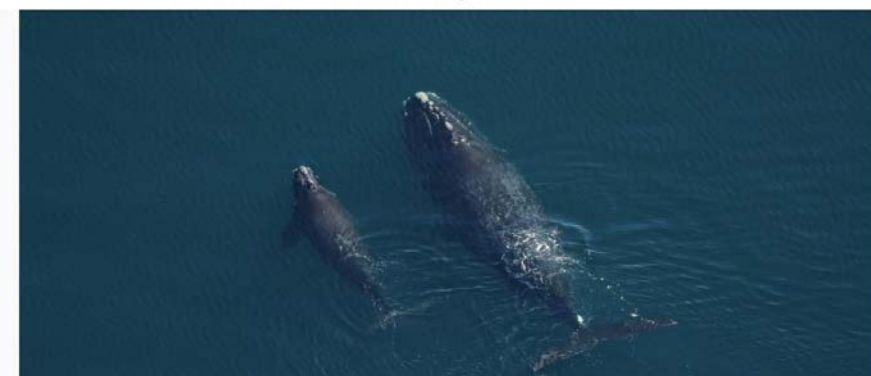
2020 Fairway (proposed)

# Background NARWCH Expansion 2016



## Oh, baby! New right whale calf spotted off the coast of North Carolina

The endangered right whale calf is the 17th documented calf of the 2020-2021 calving season

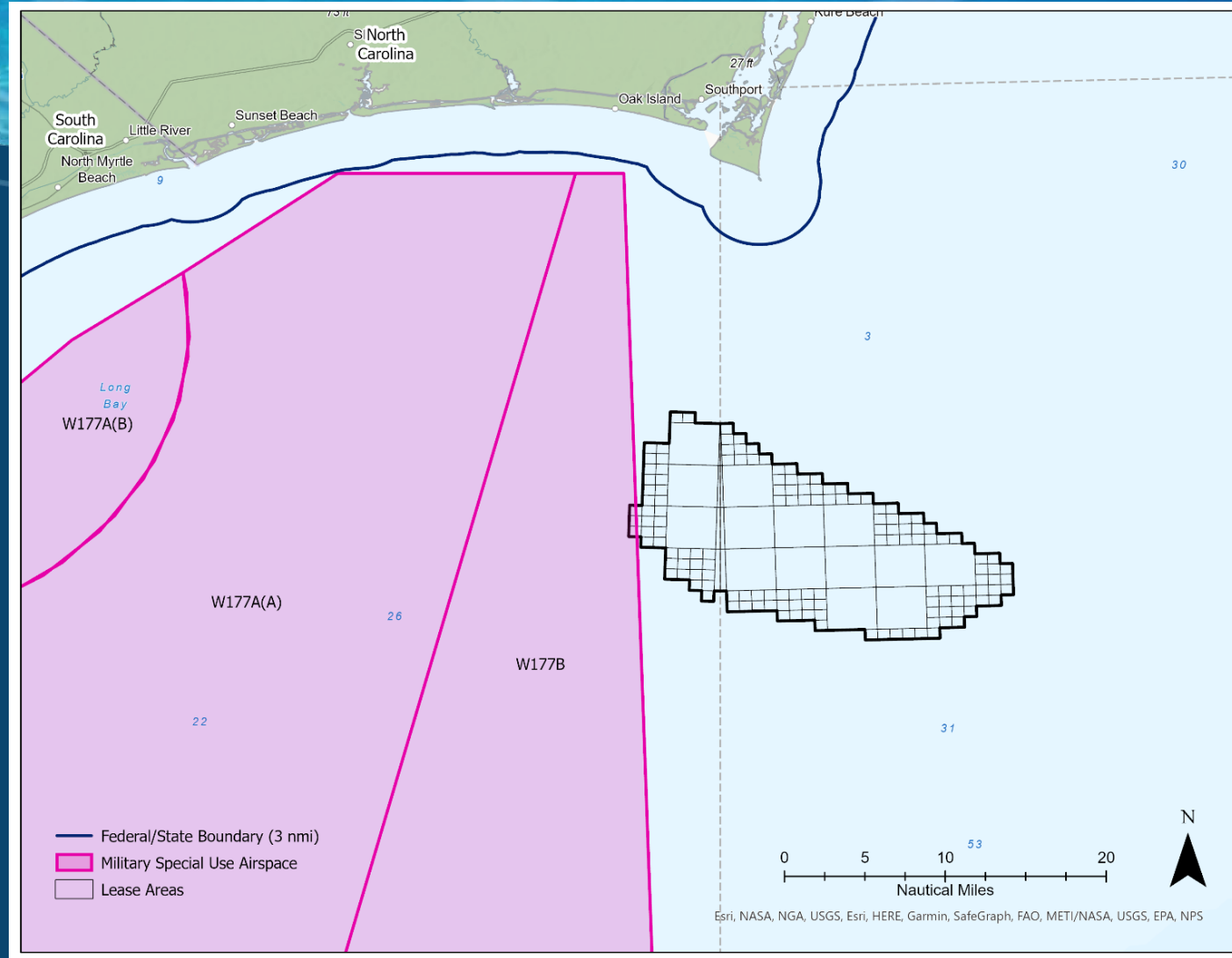


• This designation impacts ~16 aliquots of the Wilmington East Lease area





# Background Military



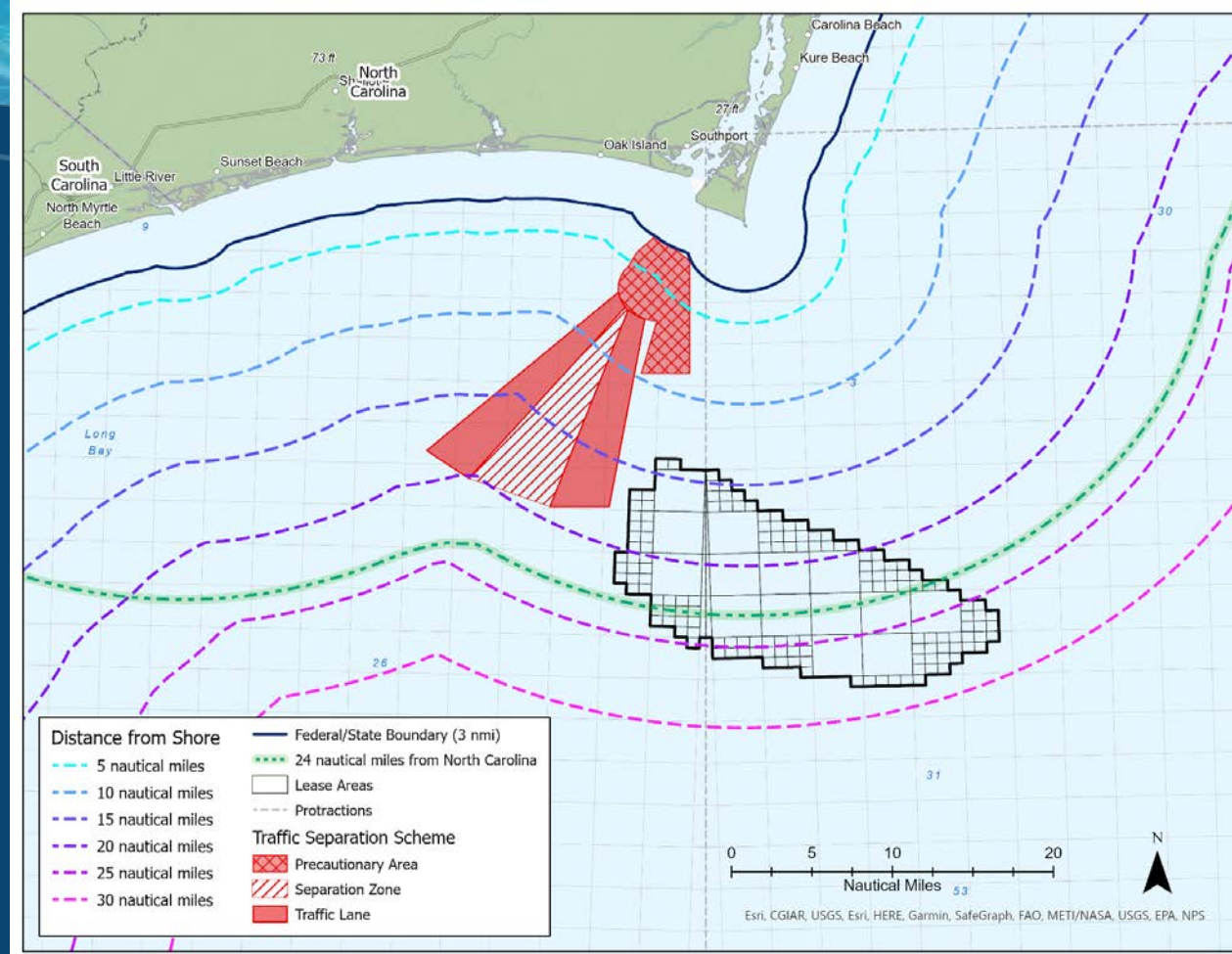
- The 20th Fighter Wing, Shaw Air Force Base, and the 169th Fighter Wing a unit of the South Carolina Air National Guard, stationed at McEntire Joint National Guard Base, South Carolina currently conducts combat aerial combat sorties and defensive countermeasures (i.e., chaff and flares) training in overwater warning areas W177A/B.



# Background Visual

- During BOEM's offshore wind planning process, the need for accurate representations of offshore wind turbines to help evaluate potential visual impacts became apparent.
- The simulations included:
  - 2015 Visual simulation open houses to inform stakeholders
  - 234 offshore wind turbine simulations were created.
  - 18 different locations (from Corolla Lighthouse to Sunset Beach);
  - Four lighting conditions (morning, afternoon, starlit night and misty nights)

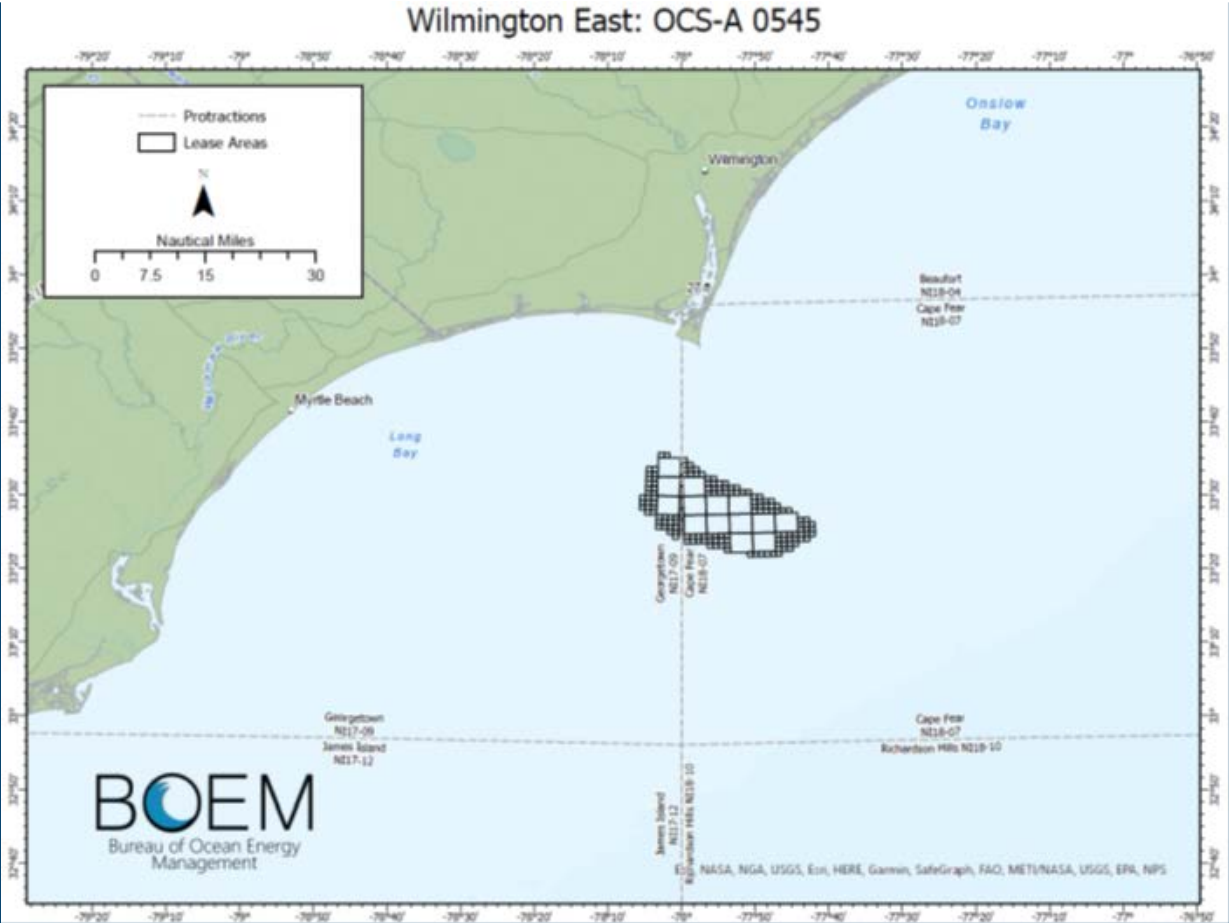
Start  
Mon 10/1/10



<http://www.boem.gov/Renewable-Energy-Program/State-Activities/NC/Offshore-North-Carolina-Visualization-Study.aspx>

# OREP Proposed Sale Notice Area

<u>Planning Area Name</u>	<u>Acres</u>	<u>MW</u>	<u>Closest Distance to Shore (nmi)</u>
North Carolina WEA - Wilmington East	133,59 1	1,622	15



# OREP Leasing Strategy/Schedule

Milestone	Action	Date	Notes
Area ID	Completed		ATLW-9 <ul style="list-style-type: none"> <li>OCS-A 0545 (WE)</li> </ul>
Environmental Assessment	Review underway	Updates In Process	Review EA concurrent w/ consultations and updates to lease conditions in Addendum C
Proposed Sale Notice	Draft PSN/RFI to Task Force	July 8, 2021	
	TF Meeting	July 21, 2021	
	Review and incorporate Comments and new information received from TF into PSN	August- September	
	Publish PSN	NLT October 31, 2021	
	60-Day Comment Period	October - December 2021	Public auction seminar, process qualifications
	Final Sale Notice	Publish FSN	NLT March 31, 2022
Minimum 30-Day Waiting Period (45 days recommended)		April 2022	Receive bidder financial forms, bid deposits, non-monetary packages, hold mock auction
Lease Sale	Sale Date	NLT May 15, 2022	
	Lease Execution	NLT June 30, 2022	





# BOEM

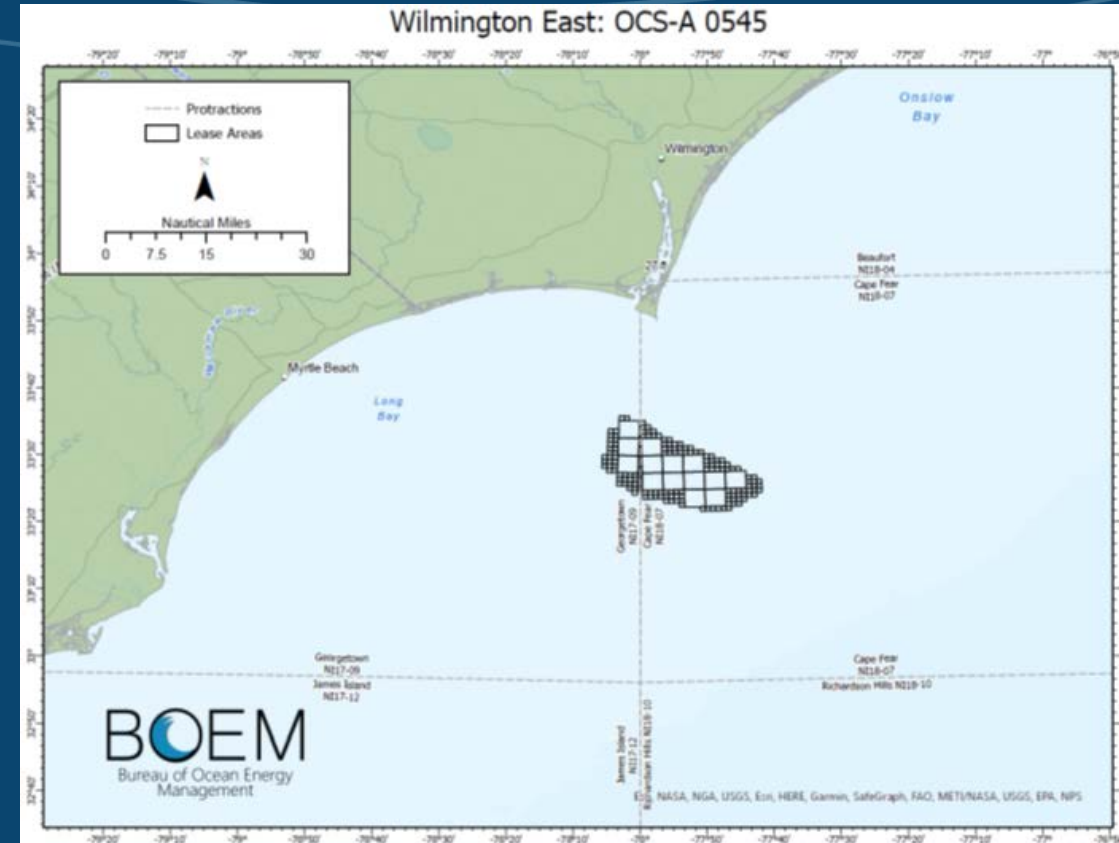
Bureau of Ocean Energy Management  
U.S. Department of the Interior

BOEM.gov



# Proposed Sale Notice

- The leasing phase results in the issuance of a commercial wind energy lease. OCS-A 0545
- Leases may be issued either through a competitive or noncompetitive process.
- A commercial lease gives the lessee the exclusive right to subsequently seek BOEM approval for the development of the leasehold.
- The lease does not grant the lessee the right to construct any facilities; rather, the lease grants the right to use the lease area to develop its plans, which must be approved by BOEM before the lessee can move on to the next stage of the process.

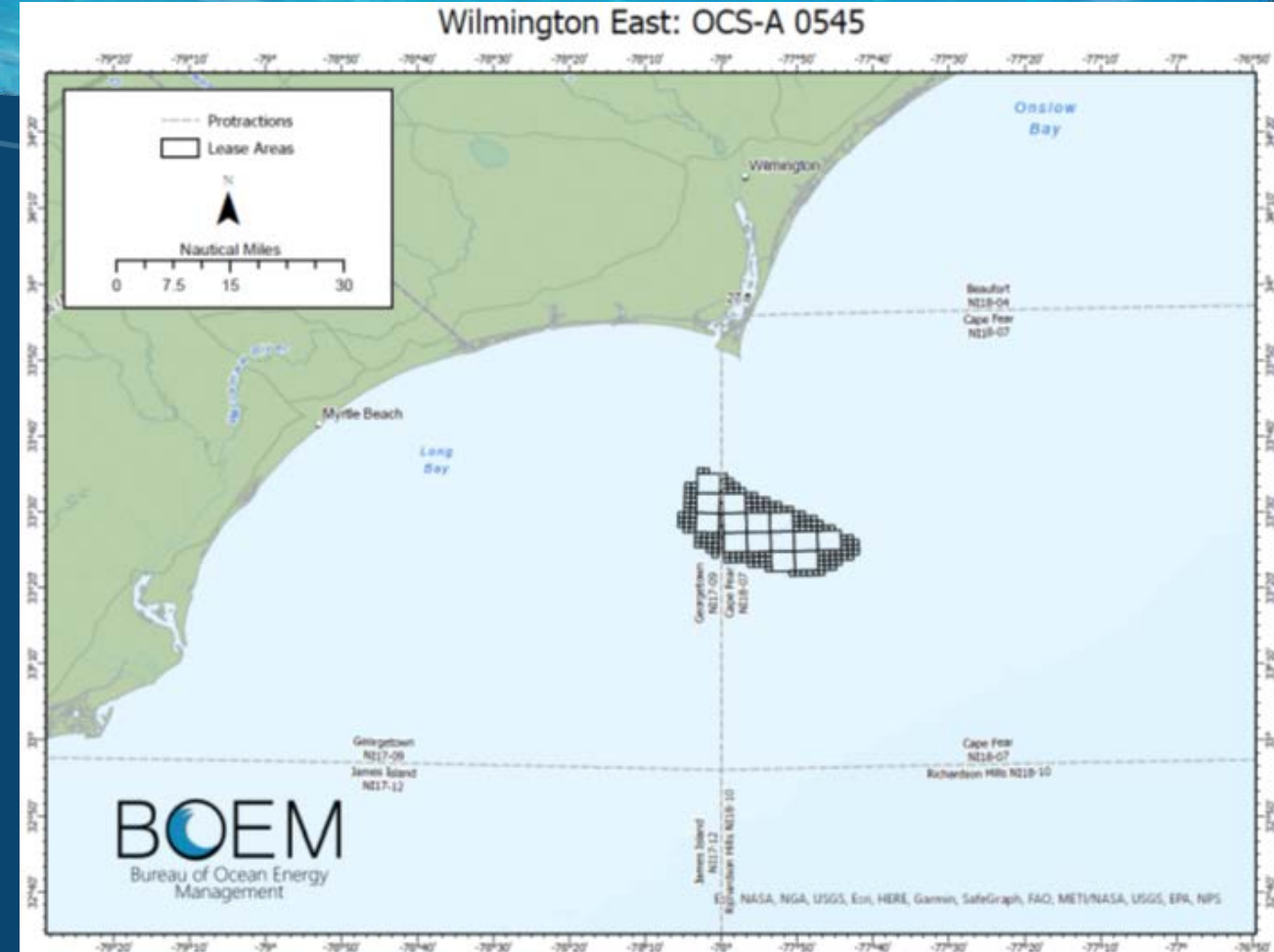




# Proposed Sale Notice

- Identifies proposed sale area
- Announces Lease OCS-A 0545 and Addenda
- Identifies proposed auction methodology
- Invites potential bidders to qualify
  - Legal, financial, technical requirements
- Initiates 60-day comment period for stakeholder input

Start  
Mon 10/1/10





# Proposed Sale Notice

- **BOEM published the Commercial Wind Lease Issuance and Site Assessment Activities on the Atlantic Outer Continental Shelf Offshore North Carolina - Revised Environmental Assessment (EA) in 2015**
  - <https://www.boem.gov/sites/default/files/renewable-energy-program/State-Activities/NC/NC-EA-Camera-FONSI.pdf>
  - Considered the environmental impacts of lease issuance, associated site characterization surveys and approving site assessment plans (e.g., construction and operation of meteorological towers and/or buoys) within the Kitty Hawk, Wilmington East and West WEAs
  - BOEM's preferred alternative included the leasing of all three WEAs, but BOEM only moved forward with the Kitty Hawk WEA

Start  
Mon 10/1/10



# Proposed Sale Notice

- **BOEM is currently evaluating the adequacy of the 2015 EA**
  - Evaluating new information such as new studies, newly-listed species, and the designation of NARW Critical Habitat
  - The impacts mostly align with the previous EA, but BOEM may need to supplement with additional NEPA analysis



# Proposed Sale Notice

- **Consultations**

- During the previous NEPA analysis, consultation under Section 7 of the Endangered Species Act was covered by a biological opinion (BO) which was issued in 2013 and valid until 2020
- The BO considered site characterization and site assessment activities that may occur as a result of:
  - 1. BOEM's own planning analysis;
  - 2. Unsolicited lease application to actualize plans for a renewable energy facility;
  - 3. Request for approval of a Site Assessment Plan to construct a meteorological tower or install meteorological buoys;
  - 4. Request for approval of a Construction and Operations Plan;
  - 5. Request for approval of a General Activities Plan





# Proposed Sale Notice

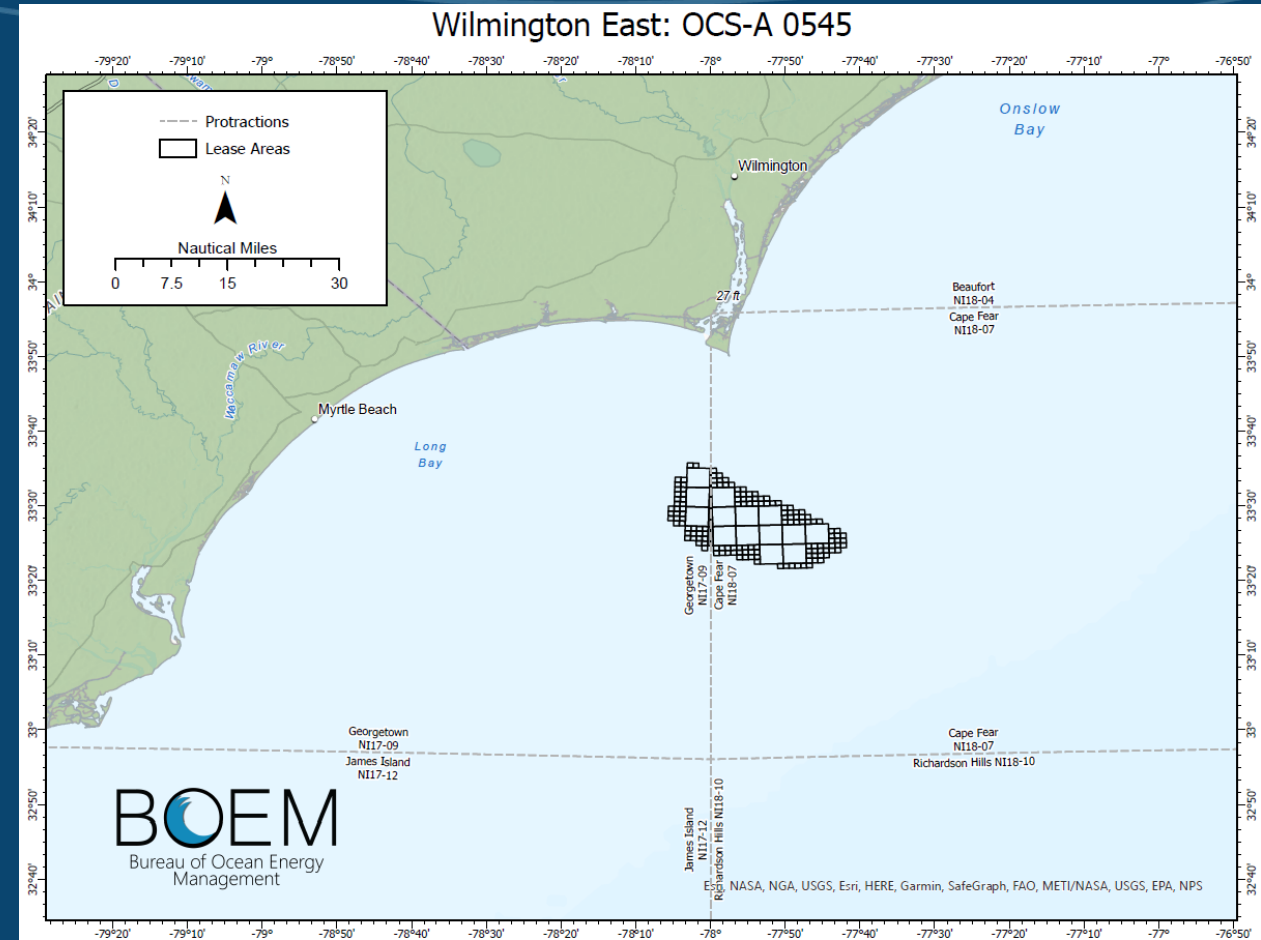
- **Consultations**

- Before the BO expired in 2020, BOEM requested a new consultation in 2018, with completion expected this summer
- The new BO includes project design criteria (PDCs) and best management practices (BMPs) that reduce the potential for adverse effects to discountable levels. These PDCs can be found in Appendix A of the biological assessment (<https://www.boem.gov/sites/default/files/documents/renewable-energy/OREP-Data-Collection-BA-Final.pdf>).
- While the BO will include coverage of lease issuance and site assessment activities, it does not cover fishery surveys, which may require further consultation with the National Marine Fisheries Service



# Proposed Sale Notice

- PSN highlights and seeks input on several provisions:
  - Project Labor Agreements
  - Commercial fishing engagement
  - Tribal nations consultations
  - Auction and leasing procedures
- Supports Implementation of EO 13985 & EO 14008



# Proposed Sale Notice

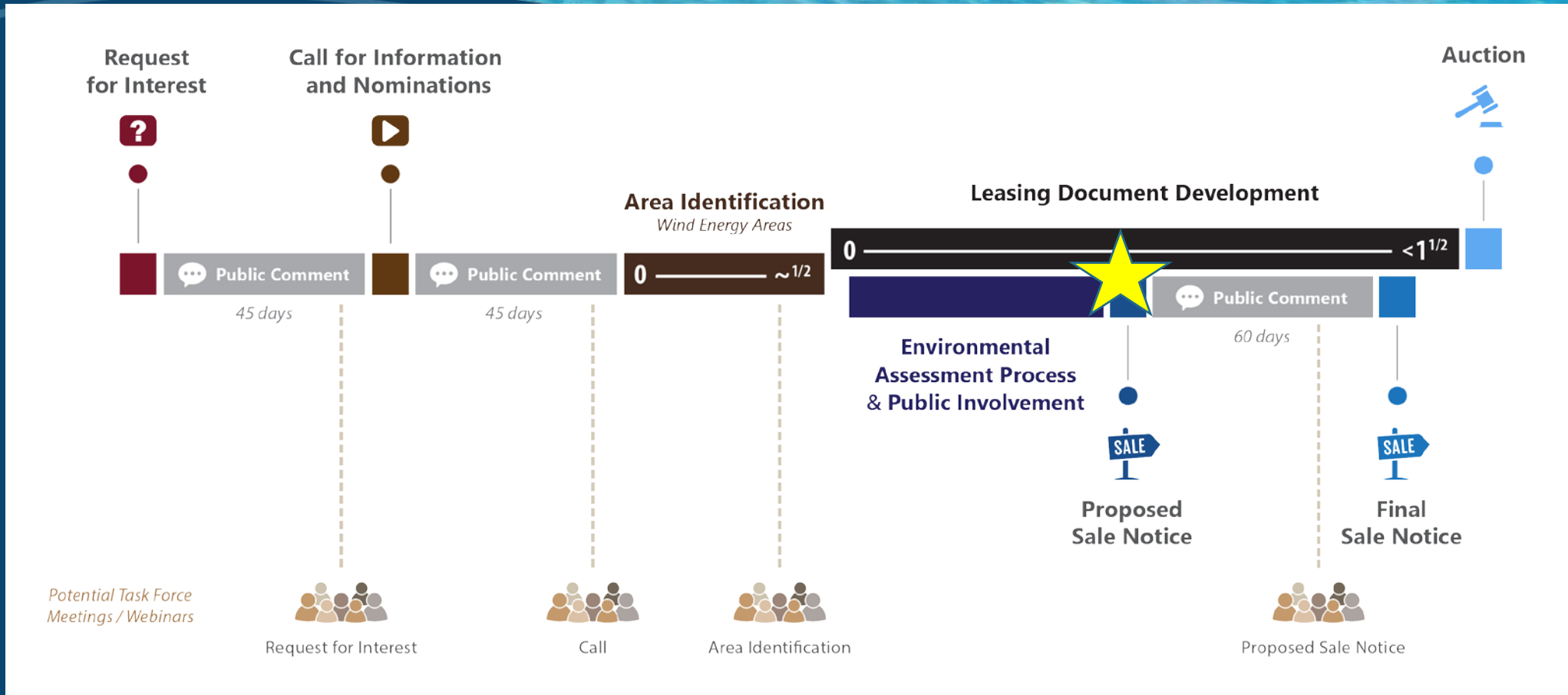
- **Bidding Credit for Underserved Communities**

- BOEM is considering including a 125 percent bidding credit for developers committing up to \$5 million for underserved communities.
- A bidder would earn a maximum bidding credit of \$6.25 million for its winning bid.
- The payment of the bidding credit can be deferred until the developer's submission of the lease's first Facility Design Report (FDR).





# Renewable Energy Leasing Process



- Federal Register publication of PSN is the last formal public comment period prior to an FSN

# BOEM

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U.S. Department of the Interior

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