

Billing Code: 4340-98

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[Docket No. BOEM-2024-XXXX]

Atlantic Wind Lease Sale 10 for Commercial Leasing for Wind Power Development on the U.S. Central Atlantic Outer Continental Shelf – Final Sale Notice

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Final sale notice.

SUMMARY: This Final Sale Notice (FSN) contains information pertaining to the areas available for commercial wind power leasing during Atlantic Wind Lease Sale 10 (ATLW-10) on the U.S. Central Atlantic Outer Continental Shelf (OCS). Specifically, this FSN details certain provisions and conditions of the leases, auction details, the lease form, criteria for evaluating competing bids, and procedures for award, appeal, and lease execution. The Bureau of Ocean Energy Management (BOEM) will offer two leases for sale using an ascending clock auction with multiple-factor bidding: Lease OCS-A 0557 and Lease OCS-A 0558 (Lease Areas). Bidders will be subject to a ‘one-per-customer’ rule, as explained below. BOEM will use new auction software for the lease sale, resulting in minor changes to the auction rules. The Lease Areas are in the previously identified wind energy areas (WEAs) A-2 and C-1, offshore the States of Delaware and Maryland and the Commonwealth of Virginia. The issuance of any lease resulting from this sale will not constitute approval of project-specific plans to develop offshore wind energy. Such plans, if submitted by the Lessee, will be subject to environmental, technical,

and public reviews prior to a BOEM decision on whether the proposed activity should be authorized.

DATES: BOEM will hold an online mock auction for potential bidders starting at 9:00 a.m. Eastern Daylight Time (EDT) on August 12, 2024. The monetary auction will be held online and will begin at 9:00 a.m. EDT on August 14, 2024. Additional details are provided in the section entitled, “Deadlines and Milestones for Bidders.”

FOR FURTHER INFORMATION CONTACT: Bridgette Duplantis, Bureau of Ocean Energy Management, Office of Leasing and Plans, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123, (504) 736-7502 or bridgette.duplantis@boem.gov.

SUPPLEMENTARY INFORMATION:

I. Background

- a. *Call for Information and Nominations (Call):* On April 29, 2022, BOEM published the Call for Information and Nominations-Commercial Leasing for Wind Power Development on the Central Atlantic Outer Continental Shelf (see 87 FR 25539). The Call consisted of six areas labeled A-F. BOEM received 66 comments from the general public; Federal, State, and local agencies; the fishing industry; industry groups; developers; non-governmental organizations (NGOs); universities; and other stakeholders. Comments can be viewed at <https://www.regulations.gov/document/BOEM-2022-0023-0001/comment>. Three developers nominated areas for a commercial wind energy lease within the Call Area.
- b. *Area Identification (Area ID):* After modifying the Area ID process in a Notice to Stakeholders, which is available at <https://www.boem.gov/newsroom/notes-stakeholders/boem-enhances-its-processes-identify-future-offshore-wind-energy-areas>,

BOEM used this process to support identification of draft WEAs in the Central Atlantic. After the close of the Call comment period on June 28, 2022, BOEM initiated the Area ID process by reviewing the input received on the Call. BOEM and the National Oceanic and Atmospheric Administration's (NOAA's) National Centers for Coastal Ocean Science (NCCOS) Team used an ocean planning tool to identify the eight draft WEAs on the U.S. Central Atlantic OCS using the methodology outlined in the BOEM and NCCOS Draft Report: Development of the Central Atlantic Wind Energy Areas, which can be found at https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/BOEM_NCCOS_JointReport_DraftWEAs.pdf.

On November 16, 2022, BOEM opened a 30-day public comment period on eight draft WEAs on the OCS offshore the U.S. Central Atlantic coast, covering approximately 1.7 million acres. BOEM considered the following non-exclusive information sources when identifying the draft WEAs: comments and nominations received on the Call; information from the Central Atlantic Intergovernmental Renewable Energy Task Force; input from Delaware, Maryland, Virginia, and North Carolina state agencies; input from Federal agencies; input from federally recognized Tribes; comments from stakeholders and ocean users, including the maritime community, offshore wind developers, and the commercial and recreational fishing industry; state and local renewable energy goals; and information on domestic and global offshore wind market and technological trends. BOEM's draft WEA recommendations did not reflect a final assessment from the Department of Defense (DoD) regarding compatibility of the draft WEAs with DoD needs.

After the close of the draft WEA comment period on December 16, 2022, BOEM finalized the Area ID process after reviewing the input received from all stakeholders mentioned above and the DoD assessment. BOEM announced the final WEAs on July 31, 2023, by designating three WEAs within the Call Area. The first WEA (A-2) is 101,767 acres and located approximately 26 nautical miles (nm) from the mouth of the Delaware Bay. The second WEA (B-1) is 78,285 acres and located 23.5 nm offshore Ocean City, Maryland. The third WEA (C-1) is 176,506 acres and located approximately 35 nm from the mouth of the Chesapeake Bay. The final WEAs comprise 356,558 acres and would support approximately 4.3 – 8.1 GW of energy production if fully developed. BOEM, DoD (the Departments of the Air Force and Navy), and the National Aeronautics and Space Administration (NASA) agreed to undertake an in-depth review of WEA B-1 to determine if the impacts to military and NASA operations could be acceptable and/or mitigated. The Central Atlantic Area ID process and documentation can be found at <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>.

- c. *Environmental Reviews*: On August 1, 2023, BOEM published a notice of intent to prepare an environmental assessment (EA) to consider potential environmental consequences of site characterization activities (e.g., biological, archaeological, geological, and geophysical surveys and core samples) and site assessment activities (e.g., installation of meteorological buoys) that are expected to take place after issuance of wind energy leases in the Call Area. When scoping the EA, BOEM sought comments on the issues and alternatives that should inform the EA. BOEM received 104 comment submissions, which can be found at <https://www.regulations.gov> under Docket No. BOEM-2023-0034. In addition to the preparation of the Draft EA, including compliance

with threatened and endangered species requirements for certain data collection activities associated with OCS leasing (<https://www.boem.gov/sites/default/files/documents/renewable-energy/OSW-surveys-NLAA-programmatic.pdf>), BOEM initiated other required consultations under the Endangered Species Act, the Magnuson-Stevens Fishery Conservation and Management Act, and the Coastal Zone Management Act. The EA and associated consultations informed BOEM’s decision on whether to proceed with this FSN. BOEM will conduct additional environmental reviews upon receipt of a Lessee’s Construction and Operations Plan (COP) if the proposed leases reach that stage of development.

II. List of Eligible Bidders

BOEM has determined that the following 17 entities are legally, technically, and financially qualified to bid in the ATLW-10 auction, pursuant to 30 CFR 585.107 and 585.108:

Company Name	Company No.
Atlantic Shores Offshore Wind, LLC	15092
Avangrid Renewables, LLC	15019
BP Central Atlantic Offshore Wind LLC	15195
Corio USA Projectco LLC	15182
energyRE Offshore Wind Holdings, LLC	15171
Equinor Wind US LLC	15058
Invenergy Central Atlantic Offshore LLC	15193
OW North America Ventures LLC	15133
Reventus Power Central Atlantic, LLC	15194
RWE Offshore US CATL, LLC	15190
Seaglass Offshore Wind II, LLC	15155
Shell New Energies US LLC	15140
TotalEnergies Renewables USA, LLC	15136
US Mainstream Renewable Power Inc.	15089
US Wind Inc.	15023
Vineyard Central Atlantic LLC	15192
Virginia Electric and Power Company	15042

a. *Affiliated Entities*: On the Bidder's Financial Form (BFF), discussed in sections III(a)(i) and X below, eligible bidders must list any other eligible bidders with whom they are affiliated. For the purpose of identifying affiliated entities, a bidding entity is any individual, firm, corporation, association, partnership, consortium, or joint venture (when established as a separate entity) that is participating in the same auction. BOEM considers bidding entities to be affiliated when:

- i. They own or have common ownership of more than 50 percent of the voting securities, or instruments of ownership or other forms of ownership, of another bidding entity. Ownership of less than 10 percent of another bidding entity constitutes a presumption of non-control that BOEM may rebut.
- ii. They own or have common ownership of between 10 and 50 percent of the voting securities or instruments of ownership, or other forms of ownership, of another bidding entity, and BOEM determines that there is control upon consideration of factors including the following:
 - a. The extent to which there are common officers or directors.
 - b. With respect to the voting securities, or instruments of ownership or other forms of ownership: The percentage of ownership or common ownership, the relative percentage of ownership or common ownership compared to the percentage(s) of ownership by other bidding entities, if a bidding entity is the greatest single owner, or if there is an opposing voting bloc of greater ownership.

- c. Shared ownership, operation, or day-to-day management of a lease, grant, or facility, as those terms are defined in BOEM's regulations at 30 CFR 585.113.
- iii. They are both direct, or indirect, subsidiaries of the same parent company.
- iv. With respect to any lease(s) offered in this auction, they have entered into an agreement prior to the auction regarding the shared ownership, operation, or day-to-day management of such lease.
- v. Other evidence indicates the existence of power to exercise control, such as evidence that one bidding entity has power to exercise control over the other, or that multiple bidders collectively have the power to exercise control over another bidding entity or entities.

Affiliated entities are not permitted to compete against each other in the auction. Where two or more affiliated entities have qualified to bid in the auction, the affiliated entities must decide prior to the auction which one (if any) will participate in the auction. If two or more affiliated entities attempt to participate in the auction, BOEM will disqualify those bidders from the auction.

III. Deadlines and Milestones for Bidders

This section describes the major deadlines and milestones in the auction process from publication of this FSN to execution of a lease issued pursuant to this sale.

- a. *FSN Waiting Period*: During the period between FSN publication and the lease auction, qualified bidders must take several steps to remain eligible to participate in the auction.
 - i. *Bidder's Financial Form*: Each bidder must submit a BFF to BOEM to participate in the auction. The BFF must include each bidder's Conceptual Strategy for each

bidding credit for which that bidder wishes to be considered. BOEM must receive each bidder's BFF on or before July 12, 2024, and it is each bidder's responsibility to ensure BOEM's timely receipt. If a bidder does not submit a BFF by this deadline, BOEM, in its sole discretion, may grant an extension to that bidder only if BOEM determines the bidder's failure to timely submit a BFF was caused by events beyond the bidder's control. The BFF can be downloaded at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>. Once BOEM has processed a bidder's BFF, the bidder is allowed to log into *pay.gov* and submit a bid deposit. For purposes of this auction, BOEM will not consider BFFs submitted for previous lease sales. An original signed BFF may be mailed to BOEM's Office of Renewable Energy Programs. A signed copy of the form may be submitted in PDF format to renewableenergy@boem.gov. A faxed copy will not be accepted. BFF submissions should be accompanied with a transmittal letter on company letterhead. The BFF must be executed on paper with a wet signature or with a digital signature affixed by an authorized representative listed on the bidder's current legal qualification card on file with BOEM, subject to 18 U.S.C. 1001 (Fraud and False Statements). Further information about the BFF can be found in the "Bidder's Financial Form" section X of this notice.

- ii. *Bid Deposit*: Once BOEM has processed a BFF and provided the appropriate information to the Office of Natural Resources Revenue (ONRR), ONRR will populate the Bid Deposit Forms and notify the bidders of access to *pay.gov* for the bid deposits. The bidder must log into <https://www.pay.gov> to submit a bid deposit. To participate in the mock auction and the monetary auction, each

qualified bidder must provide a bid deposit of \$5,000,000 no later than July 29, 2024. BOEM will grant extensions to this deadline only if BOEM, in its sole discretion, determines that the failure to timely submit the bid deposit was caused by events beyond the bidder's control. Further information about bid deposits can be found in the "Bid Deposit" section XI of this notice. In accordance with 30 CFR 585.222(e), BOEM will send a written notice of its decision to accept or reject bids to all bidders whose deposits we hold.

Conducting the Auction:

- i. *Affirmative Action:* Prior to bidding in the monetary auction, each bidder must file the Equal Opportunity Affirmative Action Representation Form BOEM-2032 (February 2020, available on BOEM's website at <http://www.boem.gov/BOEM-2032/>) and the Equal Opportunity Compliance Report Certification Form BOEM-2033 (February 2020, available on BOEM's website at <http://www.boem.gov/BOEM-2033/>) with the BOEM Office of Renewable Energy Programs. The forms can be submitted digitally to renewableenergy@boem.gov or mailed to the BOEM Office of Renewable Energy Programs. This certification is required by 41 CFR part 60 and Executive Order (E.O.) 11246, issued September 24, 1965, as amended by E.O. 11375, issued October 13, 1967, and by E.O. 13672, issued July 21, 2014. Both forms must be on file with BOEM for the bidder(s) prior to the execution of any lease contract.
- ii. *Notification of Eligibility for Bidding Credits:* BOEM will notify each bidder of its eligibility for bidding credits prior to the Mock Auction.

- iii. *Mock Auction:* BOEM will hold a Mock Auction on August 12, 2024, beginning at 9:00 a.m. EDT, which is open only to qualified bidders who have met the requirements and deadlines for auction participation, including submission of the bid deposit. The Mock Auction is intended to give bidders an opportunity to clarify auction rules, test the functionality of the auction software, and identify any potential issues that may arise during the auction.
- iv. *The Auction:* On August 14, 2024, BOEM, through its contractor, will commence the multiple-factor auction. The first round of the auction will start at 9:00 a.m. EDT. The auction will proceed electronically according to a schedule to be distributed by the BOEM Auction Manager at the beginning of the auction, subject to any revisions (which will be communicated to bidders during the auction). BOEM anticipates that the auction will last one or two business days, but the auction may continue for additional business days, as necessary, until the auction ends in accordance with the procedures described in the “Auction Procedures” section of this notice.
- v. *Announce Provisional Winners:* BOEM will announce the provisional winners of the lease sale after the auction ends.

b. *From the Auction to Lease Execution:*

- i. *Refund Non-Winners:* Once the provisional winners have been announced, BOEM will provide the non-winners with a written explanation of why they did not win and will return their bid deposits.
- ii. *Department of Justice (DOJ) Review:* DOJ will have 30 days in which to conduct an antitrust review of the auction, pursuant to 43 U.S.C. 1337(c).

- iii. *Delivery of the Lease:* BOEM will send three lease copies to each provisional winner, with instructions on how to execute the lease. Once the lease has been fully executed, a provisional winner becomes an auction winner. The first year's rent is due 45 calendar days after the auction winners receive the lease copies for execution.
- iv. *Return the Lease:* Within ten business days of receiving the lease copies, the auction winners must post financial assurance, pay any outstanding balance of their winning bids (i.e., winning cash bid less applicable bid deposits), and sign and return the three executed lease copies. The winners may request extensions and BOEM may grant such extensions if BOEM determines the delay was caused by events beyond the requesting winner's control, pursuant to 30 CFR 585.224(e).
- v. *Execution of Lease:* Once BOEM has received the signed lease copies and verified that all other required materials have been received, BOEM will make a final determination regarding its issuance of the leases and will execute the leases, if appropriate.

IV. Areas Offered for Leasing

The two Lease Areas included in this FSN are the same size and orientation as described in the Proposed Sale Notice (PSN). BOEM's designation of the two Lease Areas offered in the FSN is informed by extensive coordination with BOEM's intergovernmental task force members, consultation and engagement with Tribes, stakeholder engagement, a partnership with NOAA's NCCOS to utilize spatial modeling to inform the identification of WEAs, and consideration of the 42 comments that BOEM received in response to the PSN. The two areas BOEM is offering for lease are: Lease Area A-2, OCS-A 0557, which consists of 101,443 acres and is approximately

26.4 nm from the mouth of the Delaware Bay; and Lease Area C-1, OCS-A 0558, which consists of 176,505 acres and is approximately 35 nm from the mouth of the Chesapeake Bay.

Descriptions of the proposed Lease Areas can be found in Addendum A of the proposed leases, which can be found on BOEM’s website at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>. The areas available for lease, as listed in Table 1, will be auctioned in a single auction.

Table 1: ATLW-10 Final Lease Areas

Lease Area Name	Lease Area ID	Acres
A-2	OCS-A 0557	101,443
C-1	OCS-A 0558	176,505
<i>Total</i>		<i>277,948</i>

- a. *Map of the Area for Leasing:* A map of the lease areas, and GIS spatial files X, Y (eastings, northings) UTM Zone 18, NAD83 Datum, and geographic X, Y (longitude, latitude), NAD83 Datum can be found on BOEM’s website at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>.

V. Lease Stipulations

BOEM is including several lease stipulations in Addendum C of each lease related to reporting requirements, avoiding and minimizing potential future user conflicts and environmental impacts, project labor agreements, national security, and project design.

- a. *Reporting requirements:* BOEM is including stipulations similar to those found in previous leases requiring a semi-annual progress report from lessees and regular engagement with Tribes and parties that may be affected by lessees’ activities on the OCS. The lease stipulations require working with BOEM to identify: Tribes that have cultural and/or historical ties to the Lease Areas, and potentially affected parties;

coastal communities; commercial and recreational fishing industries and stakeholders; educational and research institutions; environmental and public interest NGOs; federal, state, and local agencies; mariners and the maritime industry; ocean users; submarine cable operators; and underserved communities, as defined in section 2 of E.O. 13985. The report must identify Tribes and parties that may be affected by lessees' activities on the OCS and with whom the lessees have engaged; provide updates on engagement activities; document potential adverse effects to the interests of Tribes and parties; document how, if at all, a project has been informed or altered to address those potential effects; include feedback from engagement regarding transmission planning prior to proposing any export cable route; provide information that can be made available to the public; and include strategies to reach potentially affected individuals with Limited English Proficiency.

The stipulations include requirements for lessees to engage in ways that minimize linguistic, technological, cultural, capacity, or other obstacles. The stipulations encourage lessees to work collaboratively with governments, community leadership and organizations, and Tribes and to develop specific frameworks for capacity building.

In acknowledgment of the existing and growing consultation burden placed on many of the Tribes and parties, the stipulation also requires, to the maximum extent practicable, that lessees coordinate with one another on engagement activities. It is BOEM's intention that this requirement for lessees to coordinate their engagement apply not only to meetings proposed by lessees, but also to reasonable requests to coordinate engagement made by Tribes and parties. Coordinated engagement among

Tribes and lessees is strongly encouraged and is in addition to BOEM's responsibilities to federally recognized Tribes under E.O. 13175.

In addition, the reporting stipulation requires that the progress report incorporate separate lease requirements for the development of communication plans for Tribal governments (Native American Tribes Communications Plan), agencies (Agency Communications Plan), and fisheries (Fisheries Communications Plan). Lastly, the progress report must include an update on activities executed under any survey plan.

- b. *Commercial Fisheries*: BOEM is including a stipulation that contains components of stipulations included in prior commercial leases issued by BOEM, including a requirement for a Fisheries Communications Plan.
- c. *Protected Species*: Unless otherwise authorized by BOEM, Lessee's OCS activities must comply with the standards in the Project Design Criteria and Best Management Practices found in BOEM's notice (<https://www.boem.gov/sites/default/files/documents/PDCs%20and%20BMPs%20for%20Atlantic%20Data%20Collection%2011222021.pdf>) last revised on November 22, 2021. The 2021 Biological Assessment and letter of concurrence from which these measures were derived may be found here: <https://www.boem.gov/renewable-energy/state-activities/nmfs-esa-consultations>. At the Lessee's option, the Lessee, its operators, personnel, and contractors may satisfy this requirement by complying with the National Marine Fisheries Service approved measures to safeguard protected species that are most current at the time.

- d. *Marine Mammal Protection Act Authorization(s)*: If the Lessee is required to obtain an authorization pursuant to section 101(a)(5) of the Marine Mammal Protection Act prior to conducting survey activities in support of plan submittal, the Lessee must provide to BOEM a copy of the authorization prior to commencing these activities.
- e. *Project Labor Agreements (PLAs) and Supply Chain*: BOEM is committed to workforce safety and the establishment of a durable domestic supply chain that can sustain the U.S. offshore wind energy industry, including for the leases offered in this sale. To advance these goals, BOEM is including two lease stipulations, one that encourages construction efficiency for projects and one that contributes towards establishing a domestic supply chain:
 - i. The first stipulation requires lessees to make every reasonable effort to enter into a PLA covering the construction stage of any project for the Lease Areas.
 - ii. The second stipulation requires lessees to establish a Statement of Goals in which the Lessee describes its plans for contributing to the creation of a robust and resilient U.S.-based offshore wind industry supply chain that would facilitate this or other renewable energy projects permitted by BOEM. The Lessee is required to provide regular progress updates on the achievement of those goals to BOEM, and BOEM will make those updates publicly available.
- f. *Research Site Access*: This stipulation makes explicit that BOEM, its designated representative, or any entity to which BOEM provides access retains the right to access the Lease Area for purposes of future research. This provision does not limit the Lessor's authority to access the lease for other purposes, including, but not limited to, inspections conducted pursuant to 30 CFR 285.822.

- g. *Archaeological Survey Requirements*: This stipulation requires that the Lessee provide to BOEM, in the associated plan submissions, a description of the methods it will use to conduct archaeological surveys in support of plans (*i.e.*, Site Assessment Plan (SAP) and/or COP), in addition to the survey results. The Lessee is required to coordinate a Tribal pre-survey meeting with Tribes that have cultural and/or historical ties to the Lease Area, and the Lessee must work with BOEM to identify such Tribes. In the post-review discovery clauses, the stipulation requires that, in the event of an unanticipated discovery of a potential archaeological resource, the Lessee will immediately halt bottom-disturbing activities occurring within 305 meters (1,000 feet) or less of the discovery and that the avoidance distance must be calculated from the maximum discernible extent of the archaeological resource.
- h. *Foreign Interest*: To protect national defense capabilities and military operations, BOEM is requiring the Lessee to provide to DoD specific information about the personnel allowed to access the wind turbine structures and associated data systems. That information includes the names of entities or persons having a direct ownership interest in an offshore wind facility, as well as any changes in ownership interests; and the names of the material vendors, entities, and persons with which the Lessee will potentially execute contracts to perform construction, supply turbines or other components, or conduct construction and operational activities at the facility. In addition, the Lessee must resolve DoD's security concerns before it allows access to the site by foreign persons or representatives of foreign entities for which DoD has raised concerns and before the Lessee uses wind turbines or other permanent on-site equipment manufactured by such an entity.

- i. *Notice of Assignment to the Committee on Foreign Investment in the United States (CFIUS)*: Under BOEM's regulations, a Lessee must be one of the following: (1) a citizen or national of the United States; (2) an alien lawfully admitted for permanent residence in the United States, as defined in 8 U.S.C. 1101(a)(20); (3) a private, public, or municipal corporation organized under the laws of any State of the United States, the District of Columbia, or any territory or insular possession subject to U.S. jurisdiction; (4) an association of such citizens, nationals, resident aliens, or corporations; (5) an Executive Agency of the United States, as defined in 5 U.S.C. 105; (6) a State of the United States; or (7) a political subdivision of States of the United States. BOEM is including a stipulation that requires any proposed assignee of the lease that is a foreign-controlled business entity under the regulations at 31 CFR part 800 to provide joint notice, with the Lessee/assignor, to CFIUS of the proposed leasing transaction, in accordance with applicable regulations at 31 CFR part 800, subpart D, and provide a copy of the notice to the DoD. In addition, approval of any assignment of lease interest to a foreign-controlled business entity under 31 CFR part 800 is subject to this CFIUS notice stipulation. Such assignments would take place only after CFIUS provides notice that it has concluded all necessary reviews under section 721 of the Defense Production Act of 1950, as amended, with respect to the leasing decision or assignment.
- j. *Transmission Planning*: The Lessee must - to the extent that it is technically and economically practical or feasible - consider the use of shared cable corridors, regional transmission systems, meshed systems, or other mechanisms for transmission facilities proposed in a COP. Such consideration must be done in

accordance with stipulation 3.1.1, which requires the Lessee to engage with Tribes and parties regarding transmission planning prior to proposing any export cable route. The foregoing does not prevent the Lessee from proposing the use of transmission systems traditionally constructed in a Project easement in any COP that the Lessee submits; nor does it prevent BOEM from requiring in a COP approval the use of cable corridors, regional transmission systems, meshed systems, or other mechanisms for transmission facilities, if deemed technically and economically practical or feasible by BOEM.

- k. *NASA Operations (Lease OCS-A 0558)*: NASA and the Missile Defense Agency identified potential impacts to operations originating from the Wallops Island Flight Facility. BOEM has included stipulations in Lease OCS-A 0558 to avoid and minimize this potential conflict with wind energy development. In response to public comment, BOEM worked with NASA to provide additional clarification on the type and frequency of NASA activities expected to impact the lease area, the affected portions of the lease area, and the circumstances necessitating suspension of operations and/or evacuation. The additional information is found on BOEM's website at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>.
- l. *Siting Conditions (Lease OCS-A 0558)*: BOEM has included lease stipulations addressing surface structure layout and orientation based on input from the U.S. Coast Guard to avoid and minimize potential vessel navigation issues as a result of Lease OCS-A 0558 being adjacent to existing lease OCS-A 0483. An additional stipulation has been added to avoid and minimize impacts to the existing Dunant cable within Lease Area OCS-A 0558.

VI. Potential Future Restrictions

a. *Potential Future Restrictions to Mitigate Potential Conflicts with Department of Defense Activities:* Those interested in bidding should be aware of potential conflicts with DoD's existing uses of the OCS. BOEM coordinates with DoD throughout the leasing process and the Military Aviation and Installation Assurance Siting Clearinghouse (Clearinghouse) conducted a DoD assessment of the Call Area. The assessment identified the following potential issues that may require mitigation. Lessees will be expected to coordinate with the Clearinghouse to assess and mitigate the impact on DoD activities as they design their proposed facilities.

i. *Air Surveillance and Radar:* The North American Aerospace Defense Command (NORAD) mission may be affected by the development of the Lease Area(s). Considering both the expected height of offshore turbines and future cumulative wind turbine effects, adverse impacts can be mitigated through the use of Radar Adverse-impact Management (RAM)¹ and overlapping radar coverage. For projects where RAM mitigation is acceptable, BOEM anticipates including the following project approval conditions:

(1) Lessee will notify NORAD when the project is within 30-60 days of completion of commissioning of the last wind turbine generator (WTG) (meaning every WTG in the Project is installed with potential for blade rotation), and again when the project is complete and operational, for RAM scheduling;

¹ RAM is the technical process designed to minimize the adverse impact of obstruction interference on a radar system.

(2) Lessee will contribute funds to DoD in the amount of no less than \$80,000 toward the cost of DoD's execution of the RAM procedures for each radar system affected; and

(3) Lessee will curtail wind turbine operations for national security or defense purposes as described in the lease.

ii. Advanced Dynamic Aircraft Measurement System (ADAMS) operations:

The operation of wind turbines within Lease Area OCS-A 0558 (C-1) may interfere with the operations of the Advanced Dynamic Aircraft Measurement System (ADAMS), located at Naval Air Station Patuxent River, Maryland.

Should interference and negative impacts on ADAMS be identified as a result of a Lessee's operations on Lease OCS-A 0558, BOEM may require the Lessee as a future condition of approval to work with the Department of Defense (DoD) to mitigate impacts to ADAMS. The extent of impact, if any, is not currently known and DoD is undertaking modeling and data collection to assess impacts using the turbines constructed on the existing, neighboring Lease OCS-A 0483.

Expected mitigation for interference with ADAMS caused by wind turbine operation is currently limited to curtailment of turbine operations during test events. Depending on the degree of impact and availability of additional mitigations, BOEM may require the Lessee to curtail operation of the wind facility to support ADAMS operation, if DoD determines curtailment is required. DoD projects curtailment requirements to be up to 1750 scheduled hours per year. This estimate is based on assumptions that can be refined as more information becomes available. Assumptions include:

- DoD projections for research, development, test, and evaluation demands on ADAMS;
- interference from a wind facility would occur every time a test is scheduled (as opposed to only during periods when atmospheric ducting coincides with ADAMS operations and interference is possible);
- the Lessee has limited flexibility to continue or resume power generation once the curtailment is scheduled with the power grid operator in the event ADAMS operations are canceled or suspended;
- Power grid scheduling assumptions include: 1) curtailment must be scheduled at least 72 hours prior to the ADAMS event; 2) curtailment cannot be canceled within the 24-hour window prior to the scheduled event; and 3) curtailment hours cannot be adjusted within the 72-hour window prior to the scheduled event.

The actual number of ADAMS operating hours executed will be less than scheduled but may not be known until less than 24 hours in advance of the ADAMS event. If the future Lessee is not constrained by the grid operator (as in the power grid assumptions above), the number of hours of curtailment could be substantially less.

Actual curtailment requirements will be subject to validation by DoD of the project's effects on ADAMS and may increase or decrease based upon national defense mission requirements. Alternative mitigation measures may also be developed prior to construction and operation of the project.

iii. *U.S. Air Force and U.S. Air Force Air National Guard operations:* The U.S. Air Force noted that the airspace above both proposed Lease Areas has a floor of 1,000 feet above sea level. The U.S. Air Force requested BOEM limit structure heights to no higher than 1,000 feet above sea level.

BOEM will further coordinate with DoD and the Lessee to deconflict potential impacts throughout the project design and COP review stage, which may result in adding mitigation measures or terms and conditions as part of any COP approval. BOEM may require the Lessee to enter into an agreement with DoD to implement any conditions and mitigate any identified impacts.

b. *Potential Future Restrictions within Significant Sediment Resource Areas:* Potential bidders are advised that BOEM has developed sand resource areas in aliquots offshore the Mid Atlantic (MMIS Application (<https://mmis.doi.gov/BOEMMMIS/>)). OCS sand resource areas are composed of sand deposits found on or below the surface of the OCS seabed. If it is determined that significant OCS sand resources may be impacted by a proposed activity, BOEM may require the Lessee to undertake measures deemed economically, environmentally, and technically feasible to protect the resources to the maximum extent practicable, including minimizing, avoiding, and mitigating impact to these resources. Measures may include modification of proposed transmission corridor locations. There is also potential for sand resources to exist in aliquots not currently identified. BOEM and/or the Bureau of Safety and Environmental Enforcement (BSEE) will not approve future requests for in-place decommissioning of cables in sand resource areas unless BOEM's Marine Minerals

Program has determined that the cable corridor does not unduly interfere with other uses of the OCS, specifically sand resource use.

- c. *Potential Future Restriction to Mitigate Potential Conflicts with Environmental Resources:* All potential bidders should be aware that site specific surveys may reveal features requiring mitigation at the COP stage. This includes sensitive benthic resources and cultural resources.
- d. *Potential Future Restriction to Mitigate Potential Conflicts with Lease Area OCS-A 0557 and USCG Proposed Traffic Separation Schemes (TSS) Precautionary Areas:* Those interested in bidding should be aware that Lease Area OCS-A 0557 is spaced less than 1nm from the northern portion of the proposed Off Delaware Bay Southern Approach Precautionary Area, which includes the Delaware Bay Eastern Approach TSS extension lane. These areas are identified in the Final Consolidated Port Approaches Port Access Route Studies and have been included in the United States Coast Guard's Notice of Proposed Rulemaking (NPRM) for Shipping Safety Fairways Along the Atlantic Coast, published on January 19, 2024. The USCG NPRM begins the formal process for codifying the TSS and Precautionary Areas for vessel use with the intended purpose of facilitating navigational safety. Per the United States Coast Guard's Marine Planning Guidelines outlined in the October 5, 2023, USCG Navigation and Vessel Inspection Circular NO. 02-23 Enclosure 4, the preferred recommended setback distance for any offshore structure to parallel any International Maritime Organization routing measure is 2 nm. There is less than 2 nm spacing between the northern boundary of Lease Area OCS-A 0557 and the proposed Delaware Bay Eastern Approach TSS extension lane. Table 2 lists the sub-

blocks that are within the 2 nm of the proposed Delaware Bay Eastern Approach TSS extension lane and which may be subject to mitigation measures (i.e., no surface occupancy).

Table 2 – OCS – A 0557: Blocks of Concern

Protraction Name	Protraction No.	Block No.	Sub-block
Salisbury	NJ18-05	6330	D, H
Salisbury	NJ18-05	6331	A, B, C, D, E, F, G, H
Salisbury	NJ18-05	6332	A, B, C, D, E, F, G, H
Salisbury	NJ18-05	6333	E

Maps identifying these OCS blocks and sub-blocks are available on BOEM’s website at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>.

VII. Lease Terms and Conditions

BOEM has made available the terms, conditions, and stipulations for the commercial leases that will be offered through this sale.² BOEM reserves the right to require compliance with additional terms and conditions associated with the approval of a SAP and a COP. The lease forms³ are on BOEM's website at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>. Each lease will include the following attachments:

1. Addendum A (“Description of Leased Area and Lease Activities”);

² On May 15, 2024, BOEM published in the *Federal Register* the Renewable Energy Modernization Rule (Rule), which once effective on July 15, 2024, will require updates to the lease published with this FSN. Those updates are likely to reflect changes to the timing of lease terms and the formula for calculating operating fees. After July 15, 2024, BOEM will revise the lease to conform to the Rule and will inform qualified bidders of the changes. BOEM expects no other updates or changes to the lease published with this FSN.

³ Note to potential bidders: The title and content of Section 21, *Waiver*, of Lease OCS-A 0558 has been removed and replaced with *Variance*, which is an updated provision that was included in Lease OCS-A 0557, but inadvertently omitted from Lease OCS-A 0558, in the PSN published in the *Federal Register* on December 12, 2023.

2. Addendum B (“Lease Term and Financial Schedule”);
3. Addendum C (“Lease-Specific Terms, Conditions, and Stipulations”);
4. Addendum D (“Project Easement”).

Addenda A, B, and C provide detailed lease terms and conditions. Addendum D will be completed at the time of COP approval or approval with modifications, should a COP be approved.

- a. *Required Plans for Potential Development of Executed Leases:* To the extent required under BOEM’s regulations at 30 CFR part 585, the Lessee may submit a SAP, if the Lessee intends to conduct site assessment activities under that SAP, and must submit a COP to avoid lease termination under 30 CFR 585.432(a).

VIII. Lease Financial Terms and Conditions

This section provides an overview of the required annual payments and financial assurances under the lease. Potential bidders should review the lease for more detailed information, including any changes from past practices.

- a. *Rent:* Pursuant to 30 CFR 585.224(b) and 585.503, the first year’s rent payment of \$3 per acre is due within 45-calendar days after the Lessee receives the unexecuted lease copies from BOEM. Thereafter, annual rent payments are due on the anniversary of the Effective Date of the lease (the “Lease Anniversary”). Once commercial operations under the lease begin, BOEM will charge rent only for the portions of the Lease Area remaining undeveloped (i.e., non-generating acreage). For example, for the 101,443 acres of OCS-A 0557 (A-2), the rent payment would be \$304,329 per year until commercial operations begin.

If the Lessee submits an application for relinquishment of a portion of its leased area within the first 45-calendar days after receiving the lease copies from BOEM and BOEM approves that application, no rent payment will be due on the relinquished portion of the Lease Area. Later relinquishments of any portion of the Lease Area will reduce the Lessee's rent payments starting in the year following BOEM's approval of the relinquishment.

A lease issued under this part confers on the Lessee the right to one or more project easements, without further competition, for the purpose of installing gathering, transmission, and distribution cables, pipelines, and appurtenances on the OCS as necessary for the full enjoyment of the lease. A Lessee must apply for the project easement as part of the COP or SAP, as provided under subpart F of 30 CFR part 585.

The Lessee also must pay rent for any project easement associated with the lease. Rent commences on the date that BOEM approves the COP that describes the project easement (or any modification of such COP that affects the easement acreage), as outlined in 30 CFR 585.507. Annual rent for a project easement is the greater of \$5 per acre per year, or \$450 per year. If a COP revision results in increased easement acreage, BOEM will require the appropriate amount of additional rent when it approves the COP.

- b. *Operating Fee:* For purposes of calculating the initial annual operating fee payment under 30 CFR 585.506, BOEM applies an operating fee rate to a proxy for the wholesale market value of the electricity expected to be generated from the project during its first 12 months of operations. This initial payment will be prorated to

reflect the period between the commencement of commercial operations and the Lease Anniversary. The initial annual operating fee payment will be due within 90-calendar days of the commencement of commercial operations. Thereafter, subsequent annual operating fee payments will be due on or before the Lease Anniversary.

The subsequent annual operating fee payments will be calculated by multiplying the operating fee rate by the imputed wholesale market value of the projected annual electric power production. For the purposes of this calculation, the imputed market value will be the product of the project's annual nameplate capacity, the total number of hours in a year (8,760), the capacity factor, and the annual average price of electricity derived from a regional wholesale power price index. For example, the annual operating fee for a 976 megawatt (MW) wind facility operating at a 40 percent capacity (i.e., capacity factor of 0.4) with a regional wholesale power price of \$40 per megawatt hour (MWh) and an operating fee rate of 0.02 will be calculated as follows:

$$\text{Annual Operating Fee} = 976 \text{ MW} \times 8,760 \frac{\text{hrs}}{\text{year}} \times 0.4 \times \frac{\$40}{\text{MWh}} \text{Power Price} \times 0.02 = \$2,735,923.20$$

- i. *Operating Fee Rate:* The operating fee rate is the share of the imputed wholesale market value of the projected annual electric power production due to ONRR as an annual operating fee. For the Lease Areas, BOEM will set the fee rate at 0.02 (2 percent) for the entire life of commercial operations.
- ii. *Nameplate Capacity:* Nameplate capacity is the maximum rated electric output, expressed in MW, which the turbines of the wind facility under commercial

operations can produce at their rated wind speed as designated by the turbine's manufacturer.

- iii. *Capacity Factor*: The capacity factor relates to the amount of energy delivered to the grid during a period of time compared to the amount of energy the wind facility would have produced at full capacity during that same period of time. BOEM will set the capacity factor at 0.4 (*i.e.*, 40 percent) for the year in which the commercial operations begin and for the first 6 full years of commercial operations on the lease. At the end of the sixth year, BOEM may adjust the capacity factor to reflect the performance over the previous 5 years based upon the actual metered electricity generation at the delivery point to the electrical grid. BOEM may make similar adjustments to the capacity factor once every 5 years thereafter.
- iv. *Wholesale Power Price Index*: Under 30 CFR 585.506(c)(2)(i), the wholesale power price, expressed in dollars per MWh, is determined at the time each annual operating fee payment is due. For the leases offered in this sale the following table provides the price data. A similar price dataset may also be used and may be posted by BOEM at <https://www.boem.gov> for reference.

Lease Area Name	Wholesale Power Price
A-2, OCS-A 0557	PJM DPL
C-1, OCS-A 0558	PJM DOM

- c. *Financial Assurance*: Within 10 business days after receiving the unexecuted lease copies for execution and pursuant to 30 CFR 585.515–585.516, the provisional winners must provide an initial lease-specific bond or other BOEM-approved financial assurance instrument in the amount of \$100,000. The provisional winners

may meet financial assurance requirements by posting a surety bond or other financial assurance instrument as detailed in 30 CFR §§ 585.526–585.529. BOEM encourages the provisional winners to discuss the financial assurance instrument requirements with BOEM as soon as possible after the auction has concluded.

BOEM will base the amount of all SAP, COP, and decommissioning financial assurance on cost estimates for meeting all accrued lease obligations at the respective stages of development. The required amount of supplemental and decommissioning financial assurance will be determined on a case-by-case basis.

The financial terms described above can be found in Addendum “B” of the lease, which is available at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>.

IX. Bidder’s Financial Form

Each bidder must submit to BOEM the information required in the BFF referenced in this FSN. A copy of the form is available at: <https://www.boem.gov/renewable-energy/state-activities/central-atlantic>. BOEM recommends that each bidder designate an email address in its BFF that the bidder must use to create an account in *pay.gov* (if it has not already done so). BOEM must receive BFFs, including Conceptual Strategies, no later than July 12, 2024. If a bidder does not submit a BFF for this sale by the deadline, BOEM, in its sole discretion, may grant an extension to that bidder only if BOEM determines the bidder’s failure to timely submit a BFF was caused by events beyond the bidder’s control. The BFF is required to be executed by an authorized representative listed in the bidder’s qualification package on file with BOEM. BFFs

submitted by bidders for previous lease sales will not satisfy the requirements of this auction.

For the ATW-10, BOEM will accept bidders' BFFs and Conceptual Strategies electronically or by mail. Instructions for submission can be found in the BFF. The BFF must be executed on paper with a wet signature or with the application of a digital signature by an authorized representative listed on the legal qualification card currently on file with BOEM as authorized to bind the company. Winning bidders who have committed to bidding credit(s) must meet the bidding credit requirements no later than submission of their first Facility Design Report (FDR) or the applicable Lease Anniversary, whichever is sooner.

X. Bid Deposit

A bid deposit is an advance cash payment submitted to BOEM to participate in the auction. ONRR will notify the bidders that they have access to the Bid Deposit Form in *pay.gov*, and bidders must use the Bid Deposit Form on the <https://www.pay.gov> website to submit a deposit. Bidders may need to create an account in *pay.gov* to access the Bid Deposit Form and submit a deposit. Each bidder must submit a bid deposit of \$5,000,000 no later than July 29, 2024, to be eligible to bid for one lease area. Any bidder who fails to submit the bid deposit by this deadline may be disqualified from participating in the auction. BOEM will consider extensions to this deadline only if BOEM, in its sole discretion, determines that the failure to timely submit the bid deposit was caused by events beyond the bidder's control.

Following the auction, provisional winners' bid deposits will be applied against their winning cash bids. Once BOEM has announced the provisional winners, BOEM will refund bid deposits to the other bidders.

If BOEM offers a lease to a provisionally winning bidder and that bidder fails to timely return the signed lease form, establish financial assurance, or pay the balance of its bid, BOEM may retain the bidder's \$5,000,000 bid deposit. In such a circumstance, BOEM may determine which bid would have won in the absence of the bid previously determined to be the winning bid and may offer a lease to this next highest bidder if this next highest bidder is not a provisionally winning bidder of the other lease area in the auction. This process will be repeated if needed.

XI. Minimum Bid

The minimum bid is the lowest dollar amount per acre that BOEM will accept as a winning bid and is the amount at which BOEM will start the bidding in the auction. BOEM has established a minimum bid of \$100.00 per acre for this lease sale.

XII. Auction Procedures

- a. *Multiple-Factor Bidding Auction:* As authorized under 30 CFR 585.220(a)(4) and 585.221(a)(6), BOEM will use a multiple-factor auction format for this lease sale. The bidding system for this lease sale will be a multiple-factor combination of monetary and non-monetary factors. The bid made by a particular bidder in each round will represent the sum of the monetary factor (cash bid) and the value of any non-monetary factors in the form of bidding credits. Bidders will be subject to a 'one-per-customer' rule, meaning that each bidder can acquire at most one lease area. BOEM will start the auction using the

minimum bid price for each lease area and will increase prices incrementally until no more than one bidder remains bidding on each lease area in the auction.

In response to public comments, BOEM is revising the bidding credit percentages from those proposed in the PSN. The total bidding credits remain at 25 percent. BOEM is increasing the credit for contributing to a fisheries compensatory mitigation fund from 8 percent to 12.5 percent, and is reducing the credit for supporting offshore wind workforce training programs or supply chain development from 17 percent to 12.5 percent. These changes reflect the potential conflicts of offshore wind with commercial fisheries and the many existing efforts of state and other federal initiatives for offshore wind workforce training and supply chain development.

For this sale, BOEM is calculating bidding credits as a percentage of the whole bid, which is a change from the method used in prior sales, where bidding credits were calculated as a percentage of the cash portion of the bid. The intended purpose of this change is to simplify the bidding credit calculation.

BOEM will grant bidding credits to bidders that commit to one or both of the following, subject to review of the bidder's BFF and Conceptual Strategy.

- i. Supporting workforce training programs for the offshore wind industry or supporting the development of a domestic supply chain for the offshore wind industry, or a combination of both; or
- ii. Establishing and contributing to a fisheries compensatory mitigation fund or contributing to an existing fund to mitigate potential negative impacts to commercial and for-hire recreational fisheries caused by OCS offshore wind development in the Atlantic.

These bidding credits are intended to:

- i. Enhance, through training, the offshore wind workforce and/or enhance the establishment of a domestic supply chain for offshore wind manufacturing, assembly, or services, both of which will contribute to the expeditious and orderly development of offshore wind resources on the OCS; and
- ii. Minimize potential economic effects on commercial fisheries impacted by potential offshore wind development, as cooperation with commercial fisheries impacted by OCS operations will enable development of the lease areas to advance.

Changes to Auction Rules: BOEM will be employing new auction software for lease sales held in 2024. The auction format remains an ascending clock auction with multiple-factor bidding. There are five main changes to the ascending clock auction rules in the new software, as follows:

- i. If a bidder decides to bid on a different lease area in a given round of the auction, it may submit a bid to reduce demand for the lease area it bid on in the previous round and, simultaneously, submit a bid to increase demand for another lease area. This allows a bidder the option to switch to another lease area if the price of the first lease area exceeds the bidder's specified bid price.
- ii. Provisional winners will no longer be determined using a two-step process. The auction rules are implemented in a way such that, when the auction concludes, the bidder who remains on a lease area after the final round becomes its provisional winner. There will be no additional processing step.

- iii. The auction will use a ‘second price’ rule. A given lease area will be won by the bidder that submitted the highest bid amount for the lease area, but the winning bidder will pay the highest bid amount at which there was competition (i.e., the ‘second price’).
- iv. Each bidder’s bidding credit will be expressed directly as a percentage of the final price of the lease.
- v. For sales in which bidders are allowed to bid for and potentially acquire two or more lease areas, any bid for two or more lease areas will be treated as independent bids for those lease areas, rather than as a package bid.

Changes i. through iv. listed above are applicable to the ATW-10 sale. However, change v. to the ascending clock auction rules is inapplicable, due to the ‘one-per-customer’ rule.

All potential bidders should review the complete Auction Procedures for Offshore Wind Lease Sales (Version 1) located at: <https://www.boem.gov/renewable-energy/lease-and-grant-information>

The Auction: Using an online bidding system to host the auction, BOEM will start the bidding for Leases OCS-A 0557 and OCS-A 0558 as described below.

Lease Area Name	Lease Area ID	Acres	Minimum Bid
A-2	OCS-A 0557	101,443	\$10,144,300
C-1	OCS-A 0558	176,505	\$17,650,500

The auction will be conducted in a series of rounds. Before each round, the auction system will announce the prices for each lease area offered in the auction. In Round 1, there is a single price for each lease area equal to the minimum bid price (also known as

the ‘opening price’ or ‘clock price of Round 1’). Each bidder can bid, at the opening price, for one lease area. After Round 1, the bidder’s “processed demand” is one for the lease area (if any) for which the bidder bid in Round 1.⁴ The bidder’s eligibility for Round 2 equals the number of lease area for which the bidder bid in Round 1.

Starting in Round 2, each lease area is assigned a range of prices for the round. The start-of-round price is the lowest price in the range, and the clock price is the highest price in the range. A bidder still eligible to bid after the previous round can either continue bidding at the new round’s clock price for the same lease area for which the bidder’s processed demand is one or submit a bid at any price in the range for that round to reduce demand for that lease area. A bid to reduce demand at some price indicates that the bidder is not willing to acquire that lease area at a price exceeding the specified bid price. A bidder that bids to reduce demand for a lease area can optionally bid to increase demand for the other lease area in the same round.

If an eligible bidder does not place a bid during the round for the lease area for which the bidder’s processed demand is one, the auction system will consider this a request to reduce demand for that lease area at the round’s start-of-round price. That bidder can nonetheless win that lease area if it is the last remaining bidder for that lease area.

After each round, the auction system processes the bids and determines each bidder’s processed demand for each lease area and the posted prices for the lease areas. The bidder’s eligibility for the next round equals the number of lease areas for which the

⁴ Bidders specify their demand for a lease area with either a 0 or 1 in the auction system. A demand of 1 indicates the lease area that they are bidding on. Processed demand is the demand, either 0 or 1 of a bidder for a lease area following the processing of the bids for the round.

bidder had a processed demand of one. If, after any round, a bidder's processed demand is zero for both lease areas, the bidder's eligibility drops to zero and the bidder can no longer bid in the auction. The posted price is the price determined for each lease area after processing of all bids for a round. If only one bidder remains on a lease area, the posted price reflects the "second price" (i.e., the highest price at which there was competition for the lease area).⁵

If, after the bids for the round have been processed, there is no lease area with excess demand, the auction will end. When this occurs, each bidder with a processed demand of one for a Lease Area will become the provisional winner for that lease area. Otherwise, the auction will continue with a new round in which the start-of-round price for each lease area equals the posted price of the previous round.

The increment by which the clock price exceeds the start-of-round price will be determined based on several factors including, but not limited to, the expected time needed to conduct the auction and the number of rounds that have already occurred. BOEM reserves the right to increase or decrease the increment as it deems appropriate.

The provisional winner of each lease area will pay the final posted price (less any applicable bidding credit) or risk forfeiting its bid deposit. A provisional winner will be disqualified if it is subsequently found to have violated auction rules or BOEM regulations, or otherwise engaged in conduct detrimental to the integrity of the competitive auction. If a bidder submits a bid that BOEM determines to be a provisionally winning bid, the bidder must sign the applicable lease documents, post

⁵ The *Auction Procedures for Offshore Wind Lease Sales* provides details on how bids are prioritized and processed.

financial assurance, and submit the outstanding balance (if any) of its winning bid (i.e., winning bid minus the applicable bid deposit and any applicable bidding credits) within 10 business days of receiving the lease copies, pursuant to 30 CFR 585.224.

BOEM reserves the right to not issue the lease to the provisionally winning bidder if that bidder fails to: timely execute three copies of the lease and return them to BOEM, timely post adequate financial assurance, timely pay the balance of its winning bid, or otherwise comply with applicable regulations or the terms of this FSN. In any of these cases, the bidder will forfeit its bid deposit and BOEM reserves the right to offer a lease to the next highest eligible bidder as determined by BOEM.

BOEM will publish the names of the provisional winners of the lease areas and the associated prices shortly after the conclusion of the sale. Full bid results, including round-by-round results of the entire sale, will be published on BOEM's website after a review of the results and announcement of the provisional winners.

Additional Information Regarding the Auction Format:

- i. *Authorized Individuals and Bidder Authentication:* An entity that is eligible to participate in the auction will identify on its BFF up to three individuals who will be authorized to bid on behalf of the company, including their names, business telephone numbers, and email addresses. All individuals will log into the auction system using Login.gov. Prior to the auction, each individual listed on the BFF form must obtain a Fast Identify Online (FIDO) compliant security key,⁶ and must

⁶ FIDO keys are produced by many manufacturers, such as Yubico and Google. They are widely available and can easily be purchased from Amazon, Best Buy, Walmart, or any other seller of electronics. The latest generation of the FIDO standard is FIDO2, and each authorized individual should obtain a key compliant with the FIDO2 authentication standard. FIDO keys are typically inserted into a computer's USB port, so the authorized individual should obtain a FIDO key compatible with their computer (USB-A or USB-C) or a USB adapter, as necessary.

register this security key on Login.gov using the same email address that was listed in the BFF. The Login.gov registration, together with the FIDO-compliant security key, will enable the individual to log into the auction system. BOEM will provide information on this process on its website.

After BOEM has processed the bid deposits, the auction contractor will send an email to the authorized individuals, inviting them to practice logging into the auction system on a specific day in advance of the mock auction. The Login.gov login process, along with the authentication process for the auction helpdesk, will also be tested during the mock auction.

If an eligible bidder fails to submit a bid deposit or does not participate in the first round of the auction, BOEM will deactivate that bidder's login information.

- ii. *Timing of Auction:* The auction will begin at 9:00 a.m. EDT on August 14, 2024. Bidders will be able to log into the auction system beginning 30 minutes before the start of the auction. BOEM recommends that bidders log in earlier than 9:00 a.m. EDT on that day to ensure that any login issues are resolved prior to the start of the auction.
- iii. *Messaging Service:* BOEM and its auction contractors will use the auction system's messaging service to keep bidders informed on issues of interest during the auction. For example, BOEM could change the schedule at any time, including during the auction. If BOEM changes the schedule during the auction, it will use the messaging service to notify bidders that a revision has been made and will direct bidders to the relevant page. BOEM will also use the messaging service for other updates during the auction.

iv. *Bidding Rounds:* Bidders are allowed to place bids or to change their bids at any time during the bidding round. At the top of the bidding page, a countdown clock shows how much time remains in each round. Bidders will have until the end of the round to place bids. Bidders should do so according to the procedures described in this FSN and the Auction Procedures for Offshore Wind Lease Sales. Information about the round results will be made available only after the round has closed, so there is no strategic advantage to placing bids early or late in the round.

The Auction Procedures for Offshore Wind Lease Sales elaborate on the auction procedures described in this FSN. In the event of any inconsistency between the Auction Procedures for Offshore Wind Lease Sales, the Bidder Manual, and the FSN, the FSN is controlling.⁷

v. *Alternate Bidding Procedures:* Redundancy is the most effective way to mitigate technical and human issues during an auction. BOEM strongly recommends that bidders consider authorizing more than one individual to bid in the auction—and confirming during the mock auction that each individual is able to access the auction system. A mobile hotspot or other form of wireless access is helpful if a company’s main internet connection should fail. As a last resort, an authorized individual facing technical issues may request to submit its bid by telephone. To be authorized to place a telephone bid, an authorized individual must call the help desk number listed in the auction manual before the end of the round. BOEM will

⁷ The Bidder Manual describes use of the auction platform and is provided to the auction participants in advance of the auction.

authenticate the caller's identity, including requiring the caller to provide a code from the software token. The caller must also explain the reasons why a telephone bid needs to be submitted. BOEM may, in its sole discretion, permit or refuse to accept a request for the placement of a bid using this alternate telephonic bidding procedure. The auction help desk requires codes from the Google Authenticator application (app) as part of its procedure for identifying individuals who call for assistance. ***Prior to the auction***, all individuals listed on the BFF should download the Google Authenticator™ mobile app⁸ onto their smartphone or tablet.⁹ The first time the individual logs into the auction system, the system will provide a QR token to be read into the Google Authenticator app. This token is unique to the individual and enables the Google Authenticator app to generate time-sensitive codes that will be recognized by the auction system. When an individual calls the auction help desk, the current code from the app must be provided to the help desk representative as part of the user authentication process. BOEM will provide information on this process on its website.

- b. *12.5 Percent Bidding Credit for Workforce Training or Supply Chain Development or a Combination of Both:* This bidding credit allows a bidder to receive a credit of 12.5 percent of its bid in exchange for a commitment to make a qualifying monetary contribution (“Contribution”), in the same amount as the bidding credit received, to programs or initiatives that support workforce training programs for the U.S. offshore wind industry or development of a U.S. domestic supply chain for the offshore wind

⁸ Google Authenticator must be installed from either the Apple App Store or the Google Play Store.

⁹ Installing the Google Authenticator app is only required if the app has not already been installed on the smartphone or tablet.

industry, or both, as described in the BFF Addendum and the lease. To qualify for this credit, the bidder must commit to the bidding credit requirements on the BFF and submit a Conceptual Strategy as described in the BFF Addendum.

- i. The Contribution to workforce training must result in a better trained and/or larger domestic offshore wind workforce that provides for more efficient operations via increasing the supply of fully trained personnel. Training of existing Lessee employees, Lessee contractors, or employees of affiliated entities will not qualify.
- ii. The Contribution to domestic supply chain development must result in overall benefits to the U.S. offshore wind supply chain available to all potential purchasers of offshore wind services, components, or subassemblies, not solely the Lessee's project; and either: (i) the demonstrable development of new domestic capacity (including vessels) or the demonstrable buildout of existing capacity; or (ii) an improved offshore wind domestic supply chain by reducing the upfront capital or certification cost for manufacturing offshore wind components, including the building of facilities, the purchasing of capital equipment, and the certifying of existing manufacturing facilities.
- iii. Contributions cannot be used to satisfy private cost shares for any federal tax or other incentive programs where cost sharing is a requirement. No portion of the Contribution may be used to meet the requirements of any other bidding credits for which the Lessee qualifies.
- iv. Bidders interested in obtaining a bidding credit could choose to contribute to workforce training programs, domestic supply chain initiatives, or a combination of both. The Conceptual Strategy must describe verifiable actions that the Lessee

will take that would allow BOEM to confirm compliance when the documentation for satisfying the bidding credit is submitted. The Contribution must be tendered in full, and the Lessee must provide documentation evidencing it has made the Contribution and complied with applicable requirements, no later than the date the Lessee submits its first FDR.

- v. Contributions to workforce training must promote and support one or more of the following purposes: (i) Union apprenticeships, labor management training partnerships, stipends for workforce training, or other technical training programs or institutions focused on providing skills necessary for the planning, design, construction, operation, maintenance, or decommissioning of offshore wind energy projects in the United States; (ii) Maritime training necessary for the crewing of vessels to be used for the construction, servicing, and/or decommissioning of wind energy projects in the United States; (iii) Training workers in skills or techniques necessary to manufacture or assemble offshore wind components, subcomponents, or subassemblies. Examples of areas involving these skills and techniques include welding; wind energy technology; hydraulic maintenance; braking systems; mechanical systems, including blade inspection and maintenance; or computers and programmable logic control systems; (iv) Tribal offshore wind workforce development programs or training for employees of an Indian Economic Enterprise¹⁰ in skills necessary in the offshore wind industry; or (v) Training in any other job skills that the Lessee can demonstrate are necessary for the planning, design, construction, operation,

¹⁰ [https://www.bia.gov/sites/default/files/dup/assets/as-ia/ieed/Primer%20on%20Buy%20Indian%20Act%20508%20Compliant%202.6.18\(Reload\).pdf](https://www.bia.gov/sites/default/files/dup/assets/as-ia/ieed/Primer%20on%20Buy%20Indian%20Act%20508%20Compliant%202.6.18(Reload).pdf)

maintenance, or decommissioning of offshore wind energy projects in the United States.

- vi. Contributions to domestic supply chain development must promote and support one or more of the following: (i) Development of a domestic supply chain for the offshore wind industry, including manufacturing of components and subassemblies and the expansion of related services; (ii) Domestic Tier 2 and Tier 3 offshore wind component suppliers and domestic Tier-1 supply chain efforts, including quay-side fabrication;¹¹ (iii) Technical assistance grants to help U.S. manufacturers re-tool or certify (e.g., ISO-9001) for offshore wind manufacturing; (iv) Development of Jones Act-compliant vessels for the construction, servicing, and/or decommissioning of wind energy projects in the United States; (v) Purchase and installation of lift cranes or other equipment capable of lifting or moving foundations, towers, and nacelles quayside, or lift cranes on vessels with these capabilities; (vi) Port infrastructure directly related to offshore wind component manufacturing or assembly of major offshore wind facility components; (vii) Establishing a new or existing bonding support reserve or revolving fund available to all businesses providing goods and services to offshore wind energy companies, including disadvantaged businesses and/or Indian Economic Enterprises; or (viii) Other supply chain development efforts that the Lessee can demonstrate advance the manufacturing of offshore wind

¹¹ Tier-1 denotes the primary offshore wind components such as the blades, nacelles, towers, foundations, and cables. Tier 2 subassemblies are the systems that have a specific function for a Tier 1 component. Tier 3 subcomponents are commonly available items that are combined into Tier 2 subassemblies, such as motors, bolts, and gears.

components or subassemblies or the provision of offshore wind services in the United States.

- vii. *Documentation:* If a lease is issued pursuant to a winning bid that includes a bidding credit for workforce training or supply chain development, the Lessee is required to provide documentation showing that the Lessee has met the financial commitment before the Lessee submits the first FDR for the lease. The documentation must allow BOEM to objectively verify the amount of the Contribution and the beneficiary(ies) of the Contribution.

At a minimum, the documentation must include: all written agreements between the Lessee and beneficiary(ies) of the Contribution, which must detail the amount of the Contribution(s) and how it will be used by the beneficiaries of the Contribution(s) to satisfy the goals of the bidding credit for which the Contribution was made; all receipts documenting the amount, date, financial institution, and the account and owner of the account to which the Contribution was made; and sworn statements by the entity that made the Contribution and the beneficiary(ies) of the Contribution attesting that all information provided in the above documentation is true and accurate. The documentation will need to describe how the funded initiative or program has advanced, or is expected to advance, U.S. offshore wind workforce training or supply chain development. The documentation must also provide qualitative and/or quantitative information that includes the estimated number of trainees or jobs supported, or the estimated leveraged supply chain investment resulting or expected to result from the Contribution. The documentation will need to contain any information called for

in the Conceptual Strategy that the Lessee submitted with its BFF and to allow BOEM to objectively verify (i) the amount of the Contribution and the beneficiary(ies) of the Contribution, and (ii) compliance with the bidding credit criteria provided in Addendum “C” of the lease. If the Lessee’s implementation of its Conceptual Strategy changes due to market needs or other factors, the Lessee must explain the changed approach. BOEM reserves all rights to determine that the bidding credit has not been satisfied if changes from the Lessee’s Conceptual Strategy result in the Lessee not meeting the criteria for the bidding credit described in Addendum “C” of the lease.

- viii. *Enforcement:* The commitment for the bidding credit will be made in the BFF and will be included in a lease addendum that will bind the Lessee and all future assignees of the lease. If BOEM were to determine that a Lessee or assignee had failed to satisfy the requirements of the bidding credit, or if a Lessee were to relinquish or otherwise fail to develop the lease by the tenth anniversary date of lease issuance, the amount corresponding to the bidding credit awarded will be immediately due and payable to ONRR with interest from the lease Effective Date. The interest rate will be the underpayment interest rate identified by ONRR. The Lessee will not be required to pay said amount if the Lessee satisfied its bidding credit requirements but failed to develop the lease by the tenth Lease Anniversary. BOEM could, at its sole discretion, extend the documentation deadline beyond the first FDR submission or extend the lease development deadline beyond the 10-year timeframe.

c. *12.5 Percent Bidding Credit for Fisheries Compensatory Mitigation Fund:* The second bidding credit will allow a bidder to receive a credit of 12.5 percent of its bid in exchange for a commitment to establish and contribute to a fisheries compensatory mitigation fund, or to contribute to a similar existing fund, to compensate for potential negative impacts to commercial and for-hire recreational fisheries. The term “commercial fisheries” refers to commercial and processing businesses engaged in the act of catching and marketing fish and shellfish for sale from the Atlantic. The term “for-hire recreational fisheries” refers to charter and headboat fishing operations involving vessels-for-hire engaged in recreational fishing in the Atlantic that are hired for a charter fee by an individual or group of individuals for the exclusive use of that individual or group of individuals.

The Fund must compensate commercial and for-hire recreational fishers for gear loss or damage, as well as income loss claims incurred as a result of any stage of offshore wind project development (pre-construction, construction, operations, and decommissioning) resulting from this lease. Loss claims may also result from impacts from the development of easements associated with this lease and/or the conduct of surveys on this lease before the establishment of the Fund. Funds determined to be in excess of those needed to compensate for gear loss or damage and income loss as a result of lease development, based on actuarial accounting, may be used to:

- Support regional fisheries compensatory mitigation efforts for other Atlantic OCS offshore wind projects,
- Offset the cost of gear and navigational aid upgrades and other transitions for operating within a wind farm; or

- Promote participation of fishers and fishing communities in the offshore wind project development process or other programs that better enable the fishing and offshore wind industries to co-exist.

Lessees are encouraged to coordinate with other lessees to establish or contribute to a regional fund. The regional fund should ensure lease-specific claims are accounted for.

To qualify for this credit, the bidder must commit to the bidding credit requirements on the BFF and submit a Conceptual Strategy as described in the BFF Addendum.

The Conceptual Strategy must describe the actions that the lessee intends to take that will allow BOEM to verify compliance when the lessee seeks to demonstrate satisfaction of the requirements for the bidding credit. The lessee is required to provide documentation showing that the lessee has met the commitment and complied with the applicable bidding credit requirements before the lessee submits the lease's first FDR or before the fifth Lease Anniversary, whichever is sooner.

Any fund established or selected by the lessee to meet this bidding credit requirement must include a process for evaluating the actuarial status of funds at least every 5 years and publicly report information on fund disbursement and administrative costs at least annually.

The fisheries compensatory mitigation fund must be independently managed by a third party and must include trustees or board members from fishing stakeholder groups. The fund must be designed with fiduciary governance and strong internal controls while minimizing administrative expenses. The Contribution may be used for fund startup

costs, but the Fund should minimize costs by leveraging existing processes, procedures, and information from BOEM's draft Fisheries Mitigation Guidance, the Eleven Atlantic States' Fisheries Mitigation Project, or other sources.

Documentation: If a lease is awarded pursuant to a winning bid that includes a fisheries compensatory mitigation fund bidding credit, the lessee must provide written documentation to BOEM that demonstrates that it completed the fund Contribution before it submits the lease's first FDR or before the fifth Lease Anniversary, whichever is sooner. The documentation must enable BOEM to objectively verify the Contribution has met all applicable requirements as outlined in Addendum "C" of the lease. At a minimum, this documentation must include:

- a.* The procedures established to compensate for gear loss or damage and lost fishing income resulting from any stage of offshore wind development (pre-construction, construction, operation, and decommissioning) adherent to the requirements above;
- b.* The fisheries compensatory mitigation fund charter, including the governance structure, audit and public reporting procedures, and standards for paying compensatory mitigation for impacts to fishers from all phases of offshore development adherent to the requirements above;
- c.* All receipts documenting the amount, date, financial institution, and the account and owner of the account to which the Contribution was made; and
- d.* Sworn statements by the entity that made the Contribution, attesting to:
 - i.* The amount and date(s) of the Contribution;

- ii.* That the Contribution is being (or will be) used in accordance with the bidding credit requirements in the lease; and
- iii.* That all information provided is true and accurate.

The documentation must contain any information specified in the Conceptual Strategy that was submitted with the BFF. If the lessee's implementation of its Conceptual Strategy changes due to market needs or other factors, the lessee must explain this change. BOEM reserves the right to determine that the bidding credit has not been satisfied if changes from the lessee's Conceptual Strategy result in the lessee not meeting the criteria for the bidding credit described in Addendum "C" of the lease.

Enforcement: The commitment to the fisheries compensatory mitigation fund bidding credit will be made in the BFF. It will be included in Addendum "C" of the lease and will bind the lessee and all future assignees of the lease. If BOEM were to determine that a lessee or assignee had failed to satisfy the commitment at the time the first FDR is submitted, or by the fifth Lease Anniversary, whichever is sooner, the amount corresponding to the bidding credit awarded will be immediately due and payable to ONRR with interest from the lease Effective Date. The interest rate will be the underpayment interest rate identified by ONRR. The lessee will not be required to pay said amount if the lessee satisfied its bidding credit requirements by the time the first FDR is submitted, or the fifth Lease Anniversary, whichever is sooner. BOEM may, at its sole discretion, extend the documentation deadline beyond the first FDR or beyond the 5-year timeframe.

XIII. Rejection or Non-Acceptance of Bids

BOEM reserves the right to reject any and all bids that do not satisfy the requirements and rules of the auction, this FSN, or applicable regulations and statutes.

XIV. Anti-Competitive Review

Bidding behavior in this lease sale is subject to federal antitrust laws. Following the auction, but before the acceptance of bids and the issuance of the lease, BOEM will “allow the Attorney General, in consultation with the Federal Trade Commission, thirty days to review the results of [the] lease sale.” 43 U.S.C. 1337(c)(1). If a provisionally winning bidder is found to have engaged in anti-competitive behavior in connection with this lease sale, BOEM will reject its provisionally winning bid. Compliance with BOEM’s auction procedures and regulations is not an absolute defense to violations of antitrust laws.

Anti-competitive behavior determinations are fact-specific. Such behavior may manifest itself in several different ways, including, but not limited to:

1. An express or tacit agreement among bidders not to bid in an auction, or to bid a particular price;
2. An agreement among bidders not to bid;
3. An agreement among bidders not to bid against each other; or
4. Other agreements among bidders that have the potential to affect the final auction price.

Pursuant to 43 U.S.C. 1337(c)(3), BOEM will decline to award a lease if the Attorney General, in consultation with the Federal Trade Commission, determines that awarding the lease would be inconsistent with antitrust laws.

For more information on whether specific communications or agreements could constitute a violation of federal antitrust law, please see

<https://www.justice.gov/atr/business-resources> or consult legal counsel.

a. Process for Issuing the Lease

Once all post-auction reviews have been completed to BOEM's satisfaction, BOEM will provide three unsigned copies of the lease to each provisionally winning bidder. Within 10 business days after receiving the lease copies, the provisionally winning bidders must:

1. Sign and return the lease copies on the bidder's behalf;
2. File financial assurance, as required under 30 CFR 585.515–537; and
3. Pay by electronic funds transfer (EFT) the balance owed (the winning cash bid less the applicable bid deposit), if any. BOEM requires bidders to use EFT procedures (not *pay.gov*, the website bidders used to submit bid deposits) for payment of the balance, following the detailed instructions available on ONRR's website at: <https://onrr.gov/paying/payment-options?tabs=renewable-energy,bid-deposit-options..>

BOEM will not execute the lease until the three requirements above have been satisfied, BOEM has accepted the provisionally winning bidder's financial assurance pursuant to 30 CFR 585.515, and BOEM has processed the provisionally winning bidder's payment. BOEM may extend the 10-business-day deadline for signing a lease, filing the required financial assurance, and paying the balance owed if BOEM determines, in its sole discretion, that the provisionally winning bidder's inability to

comply with the deadline was caused by events beyond the provisionally winning bidder's control pursuant to 30 CFR 585.224(e).

If the provisionally winning bidder does not meet these requirements or otherwise fails to comply with applicable regulations or the terms of the FSN, BOEM reserves the right not to issue the lease to that bidder. In such a case, the provisional winner will forfeit its bid deposit. Also, in such a case, BOEM reserves the right to offer the lease to the next highest eligible bidder as determined by BOEM.

Within 45 calendar days of the date that a provisional winner receives lease copies, each provisional winner is required to pay the first year's rent using the "ONRR Renewable Energy Initial Rental Payments" form available at:

<https://www.pay.gov/public/form/start/27797604/>.

Subsequent annual rent payments must be made following the detailed instructions available on ONRR's website at: <https://onrr.gov/paying/payment-options?tabs=rent-payments>.

b. Non-Procurement Debarment and Suspension Regulations

Pursuant to 43 CFR part 42, subpart C, an OCS renewable energy Lessee will be required to comply with the Department of the Interior's non-procurement debarment and suspension regulations at 2 CFR parts 180 and 1400. The Lessee must also communicate this requirement to persons with whom the Lessee does business relating to this lease by including this requirement as a condition in their contracts and in other transactions.

c. Changes to Auction Details

The Program Manager of BOEM's Office of Renewable Energy Programs has the discretion to change any auction detail specified in the FSN, including the date and time,

if s/he deems that events outside BOEM's control may interfere with a fair and proper lease sale. Such events may include, but are not limited to, natural disasters (*e.g.*, earthquakes, hurricanes, floods, and blizzards), wars, riots, acts of terrorism, fire, strikes, civil disorder, Federal Government shutdowns, cyberattacks against relevant information systems, or other events of a similar nature. In case of such events, BOEM will notify all qualified bidders via email, phone, and BOEM's website at:

<https://www.boem.gov/renewable-energy/state-activities/central-atlantic>. Bidders should call BOEM's Auction Manager at (703) 787-1121 if they have concerns.

d. Withdrawal of Blocks

BOEM reserves the right to withdraw all or portions of each lease area prior to executing the leases with the winning bidders. If BOEM exercises this right, it will refund bid deposits to winning bidders, without interest, as provided in 30 CFR 585.224(f).

e. Appeals

Procedures to request reconsideration of rejected bids are provided in BOEM's regulations at 30 CFR 585.225 and 585.118(c). BOEM's decision on a bid is the final action of the Department of the Interior, and is not subject to appeal to the Office of Hearings and Appeals, but an unsuccessful bidder may apply for reconsideration by the Director under 30 CFR 585.225 as follows:

- (a) If BOEM rejects your bid, BOEM will provide a written statement of the reasons and will refund any money deposited with your bid, without interest.

(b) You may ask the BOEM Director for reconsideration, in writing, within 15 business days of bid rejection, under 30 CFR 585.118(c)(1). The Director will send you a written response either affirming or reversing the rejection.

f. Protection of Privileged or Confidential Information

BOEM will protect privileged or confidential information that the Lessee submits, as authorized by the Freedom of Information Act (FOIA), 30 CFR 585.114, or other applicable statutes. If the Lessee wishes to protect the confidentiality of information, the Lessee should clearly mark it “Contains Privileged or Confidential Information” and consider submitting such information as a separate attachment. BOEM will not disclose such information, except as required by FOIA. If your submission is requested under the FOIA, your information will only be withheld if a determination is made that one of the FOIA’s exemptions to disclosure applies. Such a determination will be made in accordance with the Department's FOIA regulations and applicable law. Labeling information as privileged or confidential will alert BOEM to more closely scrutinize whether it warrants withholding. Further, BOEM will not treat as confidential aggregate summaries of otherwise nonconfidential information.

XV. Compliance with the Inflation Reduction Act (Public Law No. 117-169 (Aug. 16, 2022)) (hereinafter, the “IRA”):

Section 50265(b)(2) of the IRA provides that “[d]uring the 10-year period beginning on the date of enactment of this Act... the Secretary may not issue a lease for offshore wind development under section 8(p)(1)(C) of the OCS Lands Act (43 U.S.C. 1337(p)(1)(C)) unless—(A) an offshore [oil and gas] lease sale has been held during the

1-year period ending on the date of the issuance of the lease for offshore wind development; and (B) the sum total of acres offered for lease in offshore [oil and gas] lease sales during the 1-year period ending on the date of the issuance of the lease for offshore wind development is not less than 60,000,000 acres.” Section 50264(d) of the IRA provides that “...not later than March 31, 2023, the Secretary shall conduct Lease Sale 259[.]” Oil and Gas Lease Sale 261 was held on December 20, 2023, satisfying the requirements in section 50265(b)(2) of the IRA for any offshore wind lease issued by December 20, 2024. BOEM expects to issue any leases resulting from ATLW-10 no later than the one-year anniversary of Lease Sale 261.

AUTHORITY: 43 U.S.C. 1337(p); 30 CFR 585.211 and 585.216.

Elizabeth Klein

Director, Bureau of Ocean Energy Management