

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF OCEAN ENERGY MANAGEMENT COMMERCIAL LEASE OF SUBMERGED LANDS FOR RENEWABLE ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF <i>Paperwork Reduction Act of 1995 statement: This form does not constitute an information collection as defined by 44 U.S.C. § 3501 et seq. and therefore does not require approval by the Office of Management and Budget.</i>	Office Sterling, VA	Renewable Energy Lease Number OCS-A 0565
	Cash Bonus and/or Acquisition Fee	Resource Type Wind
	Effective Date	Block Number(s) See Addendum "A"

This lease, which includes any addenda hereto, is hereby entered into by and between the United States of America ("Lessor"), acting through the Bureau of Ocean Energy Management ("BOEM"), its authorized officer, and

Lessee	Interest Held
	%

("Lessee"). This lease is effective on the date written above ("Effective Date") and will continue in effect until the lease terminates as set forth in Addendum "B." In consideration of any cash payment heretofore made by the Lessee to the Lessor and in consideration of the promises, terms, conditions, covenants, and stipulations contained herein and attached hereto, the Lessee and the Lessor agree as follows:

Section 1: Statutes and Regulations.

This lease is issued pursuant to subsection 8(p) of the Outer Continental Shelf Lands Act ("the Act"), 43 U.S.C. §§ 1331 *et seq.* This lease is subject to the Act and regulations promulgated pursuant to the Act, including but not limited to, offshore renewable energy regulations at 30 CFR Part 585 as well as other applicable statutes and regulations in existence on the Effective Date of this lease. This lease is also subject to those statutes enacted (including amendments to the Act or other statutes) and regulations promulgated thereafter, except to the extent that they explicitly conflict with an express provision of this lease. It is expressly understood that amendments to existing statutes, including but not limited to the Act, and regulations may be made, and/or new statutes may be enacted or new regulations promulgated, that do not explicitly conflict with an express provision of this lease, and that the Lessee bears the risk that such amendments, regulations, and statutes may increase or decrease the Lessee's obligations under the lease.

Section 2: Rights of the Lessee.

- (a) The Lessor hereby grants and leases to the Lessee the exclusive right and privilege, subject to the terms and conditions of this lease and applicable regulations, to:
 - (1) submit to the Lessor for approval a Site Assessment Plan (SAP) and Construction and Operations Plan (COP) for the lease activities identified in Addendum "A" of this lease; and
 - (2) conduct activities in the area identified in Addendum "A" of this lease ("leased area") or Addendum "D" of this lease ("project easement(s)"), that are described in a SAP or COP that has

been approved by the Lessor. This lease does not, by itself, authorize any activity within the leased area.

- (b) The rights granted to the Lessee herein are limited to those activities described in any SAP or COP approved by the Lessor. The rights granted to the Lessee are limited by the lease-specific terms, conditions, and stipulations required by the Lessor in Addendum "C."
- (c) This lease does not authorize the Lessee to conduct activities on the Outer Continental Shelf (OCS) relating to or associated with the exploration for, or development or production of, oil, gas, other seabed minerals, or renewable energy resources other than the renewable energy resource(s) identified in Addendum "A."

Section 3: Reservations to the Lessor.

- (a) All rights in the leased area and project easements not expressly granted to the Lessee by the Act, applicable regulations, this lease, or any approved SAP or COP, are hereby reserved to the Lessor.
- (b) The Lessor will decide whether to approve or disapprove a SAP or COP in accordance with the applicable regulations in 30 CFR Part 585. Disapproval of plans will not subject the Lessor to liability under the lease. The Lessor also retains the right to approve a SAP or COP with conditions, as provided in applicable regulations.
- (c) The Lessor reserves the right to suspend the Lessee's operations in accordance with the national security and defense provisions of Section 12 of the Act and applicable regulations.
- (d) The Lessor reserves the right to authorize other uses within the leased area and project easements that will not unreasonably interfere with activities described in a SAP and/or COP approved pursuant to this lease.

Section 4: Payments.

- (a) The Lessee must make all rent payments to the Lessor in accordance with applicable regulations in 30 CFR Part 585, unless otherwise specified in Addendum "B."
- (b) The Lessee must make all operating fee payments to the Lessor in accordance with applicable regulations in 30 CFR Part 585, as specified in Addendum "B."

Section 5: Plans.

The Lessee may conduct those activities described in Addendum "A" only in accordance with a SAP or COP approved by the Lessor. The Lessee may not deviate from an approved SAP or COP except as approved pursuant to applicable regulations in 30 CFR Part 585.

Section 6: Associated Project Easement(s).

Pursuant to 30 CFR 585.200(b), the Lessee has the right, following approval of (X, Y, Z), to one or more project easement(s), without further competition, for the purpose of installing, maintaining, repairing and replacing: gathering, transmission, distribution and inter-array cables; power and pumping stations; facility anchors; pipelines; and associated facilities and other appurtenances on the OCS as necessary for the full enjoyment of the lease, and under applicable regulations in 30 CFR Part 285 and 30 CFR Part 585. As part of submitting a COP for approval, the Lessee may request that one or more easement(s) be granted by the Lessor. If the Lessee requests that one or more easements

be granted when submitting a COP for approval, such request will be considered by the Lessor in accordance with the Act and applicable regulations in 30 CFR Part 585. Such easements must be in a location acceptable to the Lessor and will be subject to such conditions as the Lessor may require. The project easement(s) issued in conjunction with an approved COP under this lease will be incorporated into this lease as Addendum "D".

Section 7: Conduct of Activities.

The Lessee must conduct, and agrees to conduct, all activities in the leased area and project easements in accordance with an approved SAP or COP, all applicable laws and regulations, and the lease-specific terms, conditions and stipulations in Addendum "C".

The Lessee further agrees that no activities authorized by this lease will be carried out in a manner that:

- (a) could unreasonably interfere with or endanger activities or operations carried out under any lease or grant issued or maintained pursuant to the Act, or under any other license or approval from any federal agency;
- (b) could cause any undue harm or damage to the environment;
- (c) could create hazardous or unsafe conditions; or
- (d) could adversely affect sites, structures, or objects of historical, cultural, or archaeological significance, without notice to and direction from the Lessor on how to proceed.

Section 8: Violations, Suspensions, Cancellations, and Remedies.

If the Lessee fails to comply with (1) any of the applicable provisions of the Act or regulations, (2) the approved SAP or COP, or (3) the terms of this lease, including associated Addenda, the Lessor may exercise any of the remedies that are provided under this lease, the Act, and applicable regulations, including, without limitation, issuance of cessation of operations orders, suspension or cancellation of the lease, and/or the imposition of penalties, in accordance with the Act and applicable regulations.

The Lessor may also cancel this lease for reasons set forth in subsection 5(a)(2) of the Act (43 U.S.C. § 1334(a)(2)), or for other reasons provided by the Lessor pursuant to applicable regulations in 30 CFR 585.422 and 30 CFR 285.437.

Non-enforcement by the Lessor of a remedy for any particular violation of the applicable provisions of the Act or regulations, or the terms of this lease, will not prevent the Lessor from exercising any remedy, including cancellation of this lease, for any other violation or for the same violation occurring at any other time.

Section 9: Indemnification.

The Lessee hereby agrees to indemnify the Lessor for, and hold the Lessor harmless from, any claim caused by or resulting from any of the Lessee's operations or activities on the leased area or project easement(s) or arising out of any activities conducted by or on behalf of the Lessee or its employees, contractors (including Operator, if applicable), subcontractors, or their employees, under this lease, including claims for:

- a. loss or damage to natural resources,
- b. the release of any petroleum or any Hazardous Materials,
- c. other environmental injury of any kind,
- d. damage to property,
- e. injury to persons, and/or
- f. costs or expenses incurred by the Lessor.

Except as provided in any addenda to this lease, the Lessee will not be liable for any losses or damages proximately caused by the activities of the Lessor or the Lessor's employees, contractors, subcontractors, or their employees. The Lessee must pay the Lessor for damage, cost, or expense due pursuant to this Section within 90 days following receipt of written demand by the Lessor. Nothing in this lease will be construed to waive any liability or relieve the Lessee from any penalties, sanctions, or claims that would otherwise apply by statute, regulation, operation of law, or that could be imposed by the Lessor or other government agency acting under such laws.

"Hazardous Material" means

1. A "hazardous substance" or a "pollutant or contaminant" as defined by the *Comprehensive Environmental Response, Compensation, and Liability Act* at 42 U.S.C. §§ 9601(14) and (33);
2. Any "regulated substance" as defined by the Resource Conservation and Recovery Act ("RCRA") at 42 U.S.C. § 6991(7), whether or not contained in or released from underground storage tanks, and any hazardous waste regulated under RCRA pursuant to 42 U.S.C. §§ 6921 *et seq.*;
3. "Oil," as defined by the Clean Water Act at 33 U.S.C. § 1321(a)(1) or the Oil Pollution Act at 33 U.S.C. § 2701(23); or
4. Other substances that applicable federal, state, tribal, or local laws define and regulate as "hazardous."

Section 10: Financial Assurance.

The Lessee must at all times maintain the financial assurance required prior to issuance of this lease, as provided in 30 CFR Part 585. The Lessee must also provide and maintain a supplemental surety bond(s) or other authorized financial assurance if the Lessor determines that additional financial assurance is necessary to ensure compliance with 30 CFR Part 585, applicable plan approvals, and the terms and conditions of this lease.

Section 11: Assignment or Transfer of Lease.

This lease may not be assigned or transferred in whole or in part without written approval of the Lessor. The Lessor reserves the right, in its sole discretion, to deny approval of the Lessee's application to transfer or assign all or part of this lease, in accordance with applicable regulations at 30 CFR Part 585. Any assignment will be effective on the date the Lessor approves the Lessee's application. Any assignment or transfer made in contravention of this section is void.

Section 12: Relinquishment of Lease.

The Lessee may relinquish this entire lease or any officially designated subdivision thereof by filing with the appropriate office of the Lessor a written relinquishment application, in accordance with applicable regulations in 30 CFR Part 585. No relinquishment of this lease or any portion thereof will relieve the Lessee or its surety of the obligations accrued hereunder, including but not limited to, the

responsibility to remove property and restore the leased area and project easements pursuant to section 13 of this lease and applicable regulations.

Section 13: Removal of Property and Restoration of the Leased Area and Project Easement(s) on Termination of Lease.

Unless otherwise authorized by the Lessor, pursuant to the applicable regulations in 30 CFR Part 285 and 30 CFR Part 585, the Lessee must remove or decommission all facilities, projects, cables, pipelines, and obstructions and clear the seafloor of all obstructions created by activities on the leased area and project easement(s) within two years following lease termination, whether by expiration, cancellation, contraction, or relinquishment, in accordance with any approved SAP, COP, or approved decommissioning application, and applicable regulations in 30 CFR Parts 285, 585, and 586.

Section 14: Safety Requirements.

The Lessee must:

- a. maintain all places of employment for activities authorized under this lease in compliance with occupational safety and health standards and, in addition, free from recognized hazards to employees of the Lessee or of any contractor or subcontractor operating under this lease;
- b. maintain all operations within the leased area and project easement(s) in compliance with regulations in 30 CFR Parts 285 and 585 and orders from the Lessor and other federal agencies with jurisdiction, intended to protect persons, property and the environment on the OCS; and
- c. provide any requested documents and records, which are pertinent to occupational or public health, safety, or environmental protection, and allow prompt access, at the site of any operation or activity conducted under this lease, to any inspector authorized by the Lessor or other federal agency with jurisdiction.

Section 15: Debarment Compliance.

The Lessee must comply with the Department of the Interior's non-procurement debarment and suspension regulations set forth in 2 CFR Parts 180 and 1400 and must communicate the requirement to comply with these regulations to persons with whom it does business related to this lease by including this requirement in all relevant contracts and transactions.

Section 16: Equal Opportunity Clause.

During the performance of this lease, the Lessee must fully comply with paragraphs (1) through (7) of Section 202 of Executive Order 11246, as amended (reprinted in 41 CFR 60-1.4(a)), and the implementing regulations, which are for the purpose of preventing employment discrimination against persons on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin. Paragraphs (1) through (7) of Section 202 of Executive Order 11246, as amended, are incorporated in this lease by reference.

Section 17: Certification of Nonsegregated Facilities.

By entering into this lease, the Lessee certifies, as specified in 41 CFR 60-1.8, that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. As used in this certification, the term "facilities" means, but is not limited to, any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees. Segregated facilities include those that are segregated by explicit directive or those that are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise; provided, that separate or single-user restrooms and necessary dressing or sleeping areas must be provided to assure privacy as appropriate. The Lessee further agrees that it will obtain identical certifications from proposed contractors and subcontractors prior to awarding contracts or subcontracts unless they are exempt under 41 CFR 60-1.5.

Section 18: Notices.

All notices or reports provided from one party to the other under the terms of this lease must be in writing, except as provided herein and in the applicable regulations in 30 CFR Parts 285, 585, and 586. Written notices and reports must be delivered to the Lessee's or Lessor's Lease Representative, as specifically listed in Addendum "A," either electronically, by hand, by facsimile, or by United States first class mail, adequate postage prepaid. Each party must, as soon as practicable, notify the other of a change to their Lessee's or Lessor's Contact Information listed in Addendum "A" by a written notice signed by a duly authorized signatory and delivered by hand or United States first class mail, adequate postage prepaid. Until such notice is delivered as provided in this section, the last recorded contact information for either party will be deemed current for service of all notices and reports required under this lease. For all operational matters, notices and reports must be provided to the party's Operations Representative, as specifically listed in Addendum "A," as well as the Lease Representative.

Section 19: Severability Clause.

If any provision of this lease is held unenforceable, all remaining provisions of this lease will remain in full force and effect.

Section 20: Modification.

Unless otherwise authorized by the applicable regulations in 30 CFR Parts 285 and 585, this lease may be modified or amended only by mutual agreement of the Lessor and the Lessee. No such modification or amendment will be binding unless it is in writing and signed by duly authorized signatories of the Lessor and the Lessee.

Section 21: Variance.

The Lessee may submit a written request via email to the BOEM Office of Renewable Energy Programs Chief and/or BSEE via TIMSWeb (<https://timsweb.bsee.gov/>), requesting a variance from the requirements of this Lease. The request must explain why compliance with a particular requirement is not technically or economically practical or feasible and any alternative actions the Lessee proposes to take. To the extent not otherwise prohibited by law and after consideration of all relevant facts and applicable legal requirements, BOEM or BSEE may grant the request for a variance if the appropriate Bureau(s) determine that the variance: -(1) would not result in a change in the Project impact levels described in the Environmental Assessment EA and the Finding of No Significant Impact issued for this Lease; (2) would not alter obligations or commitments resulting from consultations performed by BOEM or BSEE under federal law in connection with this Lease in a manner that would require BOEM to re-initiate or perform additional consultations (e.g., Endangered Species Act (ESA), Coastal Zone Management Act (CZMA), National Historic Preservation Act (NHPA)); and (3) would not alter BOEM’s determination that the activities associated with the Project would be conducted in accordance with section 8(p)(4) of OCSLA. After making a determination regarding a request for variance, BOEM or BSEE will notify the Lessee in writing whether the appropriate Bureau(s) approve the variance(s) from the lease requirements requested by the Lessee pursuant to this section. Approvals of variance requests will be made publicly available.

		The United States of America
Lessee		Lessor
(Signature of Authorized Officer)		(Signature of Authorized Officer)
(Name of Signatory)		(Name of Signatory)
(Title)		(Title)
(Date)		(Date)

U.S. DEPARTMENT OF THE INTERIOR BUREAU
OF OCEAN ENERGY MANAGEMENT

ADDENDUM "A"

DESCRIPTION OF LEASED AREA AND LEASE ACTIVITIES

Lease Number OCS-A 0565

I. Lessor and Lessee Contact Information

Lessee Company Number: _____

(a) Lessor's Contact Information

	Lease Representative	Operations Representative
Title	Deputy Chief for Operations, Atlantic Outer Continental Shelf Office of Renewable Energy Programs	Same as Lease Representative
Address	U.S. Department of the Interior Bureau of Ocean Energy Management 45600 Woodland Rd., Mail Stop VAM-OREP Sterling, VA 20166	
Phone	(703) 787-1300	
Fax	(703) 787-1708	
Email	renewableenergy@boem.gov	

(b) Lessee's Contact Information

	Lease Representative	Operations Representative
Name		
Title		
Address		
Phone		
Fax		
Email		

II. Description of Leased Area

The total acreage of the leased area is approximately 103,191 acres, more or less.

This area is subject to later adjustment, in accordance with applicable regulations (e.g., contraction, relinquishment) in 30 CFR Part 585.

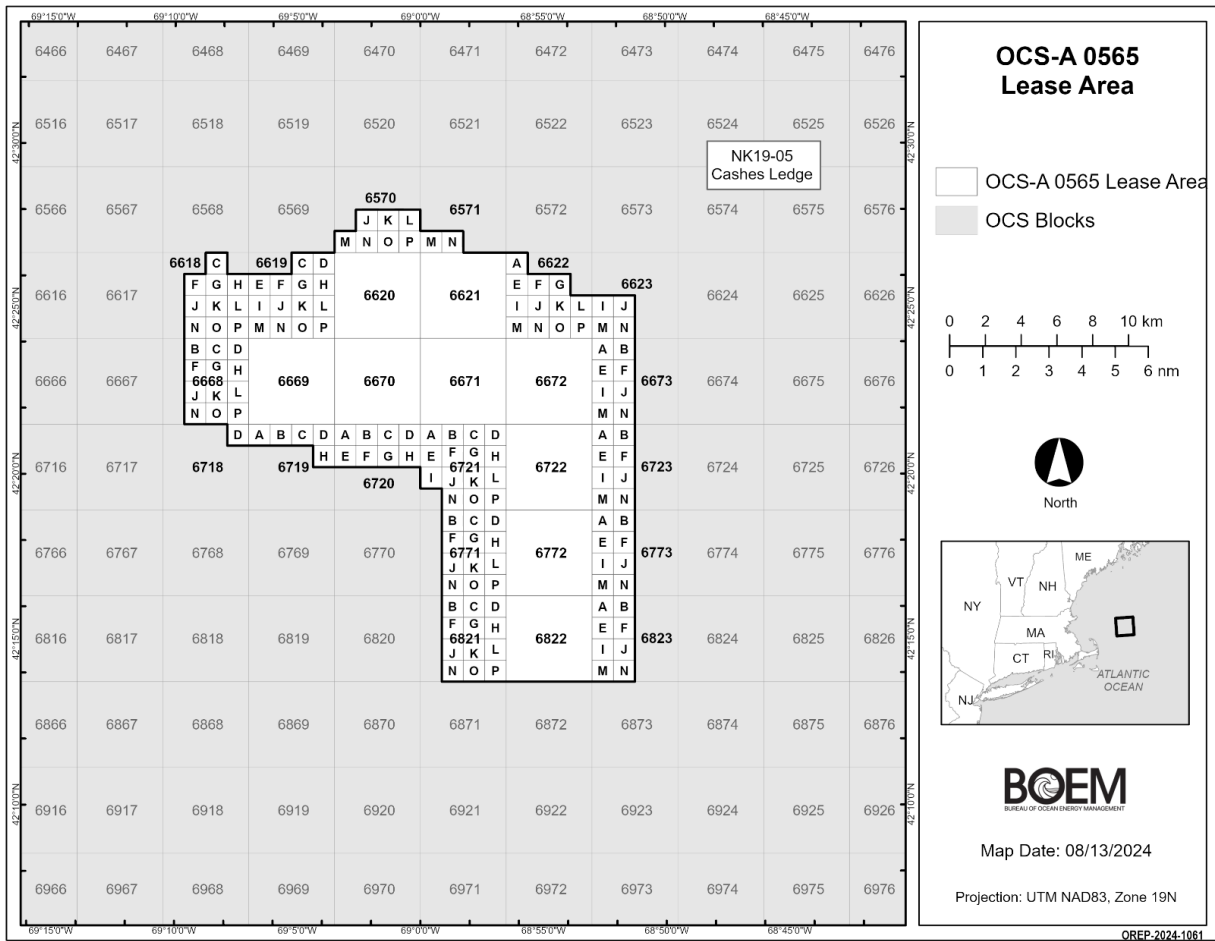
Lease OCS-A 0565

The following Blocks or portions of Blocks lying within Official Protraction Diagram NK19-05 (Cashes Ledge) are depicted on the map below and comprise 103,191 acres, more or less.

- 1) Block 6570, NE1/4 of SW1/4, S1/2 of SW1/4, SE1/4

- 2) Block 6571, S1/2 of SW1/4
- 3) Block 6618, NW1/4 of NE1/4, S1/2 of NE1/4, SE1/4 of NW1/4, E1/2 of SW1/4, SE1/4
- 4) Block 6619, NE1/4, S1/2 of NW1/4, S1/2
- 5) Block 6620, All
- 6) Block 6621, All
- 7) Block, 6622, SW1/4 of NE1/4, NW1/4 of NW1/4, S1/2 of NW1/4, S1/2
- 8) Block 6623, SW1/4
- 9) Block 6668, E1/2, E1/2 of W1/2
- 10) Block 6669, All
- 11) Block 6670, All
- 12) Block 6671, All
- 13) Block 6672, All
- 14) Block 6673, W1/2
- 15) Block 6718, NE1/4 of NE1/4
- 16) Block 6719, N1/2 of N1/2, SE1/4 of NE1/4
- 17) Block 6720, N1/2
- 18) Block 6721, N1/2, N1/2 of SW1/4, SE1/4 of SW1/4, SE1/4
- 19) Block 6722, All
- 20) Block 6723, W1/2
- 21) Block 6771, E1/2, E1/2 of W1/2
- 22) Block 6772, All
- 23) Block 6773, W1/2
- 24) Block 6821, E1/2, E1/2 of W1/2
- 25) Block 6822, All
- 26) Block 6823, W1/2

For the purpose of these calculations, a full Block is 2,304 hectares. One hectare equals 2.471043930 acres.



Map of Lease OCS-A 0565

III. Renewable Energy Resource
Wind

IV. Description of the Lease Activities

Generation of energy using wind turbine generators and associated offshore substation platforms, inter-array cables, and subsea export cables. Site assessment activities consistent with 30 CFR Part 585.600(a)(1).

V. Description of Project Easement(s)

Once approved, the Lessor will incorporate Lessee's project easement(s) into this lease as ADDENDUM "D."

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY MANAGEMENT

ADDENDUM “B”

LEASE PERIODS AND PAYMENTS

Lease Number OCS-A 0565

I. Lease Periods

The duration of each period of the lease is described below. The Lessor may extend or otherwise modify the periods in accordance with applicable regulations in 30 CFR Part 585.

Period	Duration
The Preliminary Period	begins on the effective date of the lease and ends either when a COP is received by the Lessor for review or at the expiration of five years, whichever occurs first.
The COP Review Period	begins when the Lessor receives a COP from the Lessee and ends upon COP approval, disapproval, or approval with conditions.
The Design and Construction Period	begins at COP approval and ends when the operations period begins.
The Operations Period	begins when the requirements of 30 CFR 285.637 are met and ends in 35 years or the duration included and approved as part of the Lessee’s COP.

Renewal: The Lessee may request renewal of the operations period of this lease, in accordance with applicable regulations in 30 CFR part 585. The Lessor, at its discretion, may approve a renewal request to conduct substantially similar activities as were originally authorized under this lease or in an approved plan. The Lessor will not approve a renewal request that involves development of a type of renewable energy not originally authorized in the lease. The Lessor may revise or adjust payment terms of the original lease as a condition of lease renewal.

II. Definitions

Day(s) means calendar day(s) unless otherwise specified

Lease Anniversary means the anniversary of the Effective Date of the lease.

End Date means the earlier of a) the last calendar day of the last month of the Operations Period; or b) the date on which the lease terminates for another reason under 30 CFR 585.432.

Commercial Operations means the generation of electricity or other energy product for commercial use, sale, transmission or distribution.

Commercial Operations Date, or COD, means the date on which the Lessee first begins Commercial Operations on the lease.

Delivery Point means the meter identified in the Construction and Operations Plan (COP) where the Lessee's facility interconnects with the electric grid to deliver electricity for sale.

Available for Commercial Operations means the date on which an individual wind turbine generator (WTG) is engaged in Commercial Operations on the lease. An individual WTG is no longer available for Commercial Operations on the first day that it is permanently decommissioned. These dates are determined by the COP, the Facility Design Report (FDR) or the Fabrication Installation Report (FIR).

III. Lease Payments

Unless otherwise authorized by the Lessor in accordance with the applicable regulations in 30 CFR Part 585, the Lessee must make payments as described below.

(a) **Rent.** The Lessee must pay rent as described below:

Rent payments prior to the COD, or prior to the lease End Date in the event that the Lease terminates prior to the COD, are calculated by multiplying the acres in the leased area times the rental rate per acre. Lease acreage includes acres that are subject to no surface or subsurface occupancy restrictions. The acreage for the lease is documented in Addendum A. For example:

- Acres: 100,000
- Annual Rental Rate: \$3.00 per acre or fraction thereof
- Rental Fee for Entire Leased Area: $\$3.00 \times 100,000 = \$300,000$

The first year's rent payment is due within 45 calendar days of the date that the Lessee receives a copy of the executed lease from the Lessor, in accordance with 30 CFR 585.500(c)(3). Rent for the entire leased area for the next year and for each subsequent year is due on or before each Lease Anniversary through the year in which the COD occurs. The rent for each year subsequent to the COD on the portion of the lease not authorized for Commercial Operations is due on or before each Lease Anniversary.

Rental payments account for lease acreage that will begin commercial operations during the upcoming lease year. Rent will only be due for the undeveloped or non-operating acreage. The rent calculation becomes a three-step process:

(1) rent is calculated on the portion of the lease not authorized for Commercial Operations.

(2) rent is calculated on the portion of the lease authorized for Commercial Operations but without operating turbines.

(3) the sum of (1) and (2) yield the rent due.

Step (1): The Lessee will continue to pay rent at the lease rate for acreage outside the approved commercial project area. The demarcation between acreage for a commercial project and undeveloped acreage will be defined in the COP or supplemental documents approved by BOEM. For example, if the total lease acreage is 100,000 acres and exactly one-quarter of the lease acreage

is approved for commercial operations, 75,000 acres is not authorized for commercial operations. An example is shown below:

- Acres: 75,000
- Annual Rental Rate: \$3.00 per acre or fraction thereof
- Rental Fee for Undeveloped Leased Area: $\$3.00 \times 75,000 = \$225,000$

Step (2): The portion of the acreage approved for commercial operations subject to rent will be equal to one minus the operating name plate capacity divided by the total nameplate capacity, $\frac{M_t}{\sum N_w}$, as defined in Section III (b) (4) below, prior to any adjustments as specified in the most recent approved COP for turbine maintenance, replacements, repowering, or decommissioning. If contiguous acreage for an approved project cannot be developed due to buffers or other surface occupancy restrictions, it will be considered part of the operating area of the lease and covered by the lease's operating fee payment.

- Acres: 25,000
- Annual Rental Rate: \$3.00 per acre or fraction thereof
- Rental Fee for Undeveloped Acreage Authorized for Commercial Operations: $\$3.00 \times 25,000 \times (1 - \frac{M_t}{\sum N_w}) = \Rent

Using the summed capacity of 14.21 MW from the 30 MW project in Table 1 from Section III (b) (4) below, the rental calculation for the project area is: $\$3.00 \times 25,000 \times (1 - 0.473667) = \$39,475$

Step (3): Summing the rent due in steps (1) & (2): $\$225,000 + \$39,475 = \$264,475$.

- The Adjusted Annual Rent Payment will be rounded up to the nearest dollar.

All rent payments must be made as required in 30 CFR 1218.51. Late rent payments will be charged underpayment interest in accordance with 30 CFR 1218.54.

Advance lease rent and operating fee payments are due annually, before the Lease Anniversary date. All rent payments, including the last rent payment, are payable for the full year.

During the construction and decommissioning periods, the rental paid can be adjusted following a reconciliation process. The adjustment of rent for the commercial project area will be calculated based on actual construction and decommissioning dates and will equal the fractional remainder of the operating nameplate capacity as calculated for M_t in (b)(4). The Lessee should work with BOEM's Office of Renewable Energy Programs and the Office of Natural Resources Revenue (ONRR) on any payment reconciliation as instructed in Section III (c).

(1) Project Easement.

Rent for any project easement(s) is described in ADDENDUM "D."

(2) Relinquishment.

If the Lessee submits an application for relinquishment of a portion of the leased area within the first 45 calendar days following the date that the lease is received by the Lessee for execution, and the Lessor approves that application, no rent payment will be due on that relinquished portion of

the leased area. Later relinquishments of any leased area will reduce the Lessee’s rent payments due the year following the Lessor’s approval of the relinquishment, through a reduction in the acres in the leased area, the corresponding rent payment for the entire leased area, and any related adjusted annual rent payments.

(b) **Operating Fee.** The Lessee must pay an operating fee as described below:

(1) Initial Operating Fee Payment.

The Lessee must pay an initial prorated operating fee within 90 calendar days after the COD. The initial operating fee payment covers the first year of Commercial Operations on the lease and will be calculated in accordance with subsection (4), below, using an operating fee rate of 0.02 and a capacity factor of 0.4.

(2) Annual Operating Fee Payments.

The Lessee must pay the operating fee for each subsequent year of Commercial Operations on or before each Lease Anniversary following the formula in subsection (4). The Lessee must calculate each operating fee annually subsequent to the initial operating fee payment using an operating fee rate of 0.02 through the thirty-five-year operations period of the lease. The capacity factor of 0.4 will remain in effect until the Lease Anniversary of the year in which the Lessor adjusts the capacity factor.

(3) Final Operating Fee Payment.

The final operating fee payment is due on the Lease Anniversary prior to the End Date. The final operating fee payment covers the last year of Commercial Operations on the lease and will be calculated in accordance with the formula in subsection (4) below.

(4) Formula for Calculating the Operating Fee in Year *t*.

F_t	=	M_t	*	H	*	C_p	*	P_t	*	r_t
(annual operating fee)		(nameplate capacity)		(hours per year)		(capacity factor)		(power price)		(operating fee rate)

Where:

$t =$	the year of Commercial Operations on the lease starting from each Lease Anniversary, where t equals 1 represents the year beginning on the Lease Anniversary prior to, or on, the COD.
$F_t =$	the dollar amount of the annual operating fee in year t .
$M_t =$	<p>the nameplate capacity expressed in megawatts (MW) rounded to the nearest second decimal place in year t of Commercial Operations on the lease. The capacity calculation is a two-step process: (1) scaling each turbine’s nameplate capacity in proportion to the number of days in the year that it is operational and (2) summing these scaled values across all turbines</p> <p>The value of M_t, reflecting the availability of turbines, will be determined based on the FDR or FIR. This value will be adjusted to reflect any changes to installed capacity approved by BOEM as of the date each operating fee payment is due, in accordance with the calculation in Equation 1, for each year of Commercial Operations on the lease.</p> <p>(1) $M_t = \sum_{w=1}^{W_t} \left(N_w \times \left[\frac{Y_{w,t}}{D} \right] \right)$</p>

Where:

W_t = Number of individual wind generation turbines, w , that will be available for Commercial Operations during any day of the year, t , per the FDR or FIR.

N_w = Nameplate capacity of individual wind generation turbine, w , per the FDR or FIR expressed in MW.

$Y_{w,t}$ = Number of days that turbine w is commercially available during year.

D = Days in the year set equal to 365 in all years for purposes of this calculation.

M_t may be reduced only in the event that installed capacity is permanently decommissioned. M_t will not be changed in response to routine or unplanned maintenance of units, including the temporary removal of a nacelle for off-site repair or replacement with a similar unit.

EXAMPLE: Table 1 illustrates the calculations represented by Equation (1) for a single lease year for a lease on which the Lessee plans to erect six turbines, each with a nameplate capacity of 5 MW. Based on the days in each turbine's Commercial Operations period (column B), the exhibit shows the number of days during the year that the turbine is available for Commercial Operations. Dividing this value by 365 (column D) yields the percent of days during the year that the turbine is available for Commercial Operations (column E). For each turbine, the resulting percentage (column E) is multiplied by its nameplate capacity (column A) to calculate its scaled capacity for the year (column F). The individual values in column F are then summed across all six turbines to calculate total capacity (M_t).

Table 1: Example of M_t Calculations for Installation

Turbine	Nameplate Capacity (N_w) [A]	Days in Turbine's Commercial Operations Period [B]	Number of days available for Commercial Operations in year t ($Y_{w,t}$) [C]	Number of days in the Year [D]	Percent of days available for Commercial Operations ($\frac{Y_{w,t}}{D}$) [E = C ÷ D]	Turbine capacity scaled based on percent of days in Commercial Operations $N_w \times \frac{Y_{w,t}}{D}$ [F = A × E]
#1	5	January 1 to December 31	365	365	100%	5.00
#2	5	January 1 to December 31	365	365	100%	5.00
#3	5	October 1 to December 31	92	365	25.2%	1.26
#4	5	October 1 to December 31	92	365	25.2%	1.26
#5	5	October 1 to December 31	92	365	25.2%	1.26
#6	5	December 1 to December 31	31	365	8.5%	0.42
Available capacity summed across all turbines: $M_t = \sum_{w=1}^{W_t} \left(N_w \times \frac{Y_{w,t}}{D} \right) = 14.21$						

	The same calculation would be performed for the lease during the decommissioning phase.																																								
H =	the number of hours in the year for billing purposes which is equal to 8,760 for all years of Commercial Operations on the lease.																																								
c _p =	<p>the “Capacity Factor” in Performance Period p, which represents the share of anticipated generation of the facility that is delivered to where the Lessee’s facility interconnects with the electric grid (i.e. the Delivery Point) relative to its generation at continuous full power operation at the nameplate capacity, expressed as a decimal between zero and one. Performance Period (p) is the period of Commercial Operation Years (t) that have the same capacity factor.</p> <p>The initial Capacity Factor (c₀) will be set to 0.4.</p> <p>The Capacity Factor will be subject to adjustment at the end of each Performance Period. After the sixth year of Commercial Operations on the lease has concluded, the Lessee will utilize data gathered from years two through six of Commercial Operations on the lease and propose a revised Capacity Factor to be used to calculate subsequent annual payments, as provided for in Table 2 below. A similar process will be conducted at the conclusion of each five-year Performance Period, thereafter.</p> <p>Table 2: Definition of Performance Periods1</p> <table border="1"> <thead> <tr> <th>Performance Period (p)</th> <th>Commercial Operation Years (t)</th> <th>Payments Affected by Adjustment</th> <th>Capacity Factor (c)</th> <th></th> </tr> </thead> <tbody> <tr> <td>0 (COD)</td> <td>Not Applicable</td> <td>Payments 1 to 7</td> <td>c₀=0.4</td> <td>--</td> </tr> <tr> <td>1</td> <td>t = 2 to 6</td> <td>Payments 8 to 12</td> <td>c₁</td> <td>n₁=6</td> </tr> <tr> <td>2</td> <td>t = 7 to 11</td> <td>Payments 13 to 17</td> <td>c₂</td> <td>n₂=11</td> </tr> <tr> <td>3</td> <td>t = 12 to 16</td> <td>Payments 18 to 22</td> <td>c₃</td> <td>n₃=16</td> </tr> <tr> <td>4</td> <td>t = 17 to 21</td> <td>Payments 23 to 27</td> <td>c₄</td> <td>n₄=21</td> </tr> <tr> <td>5</td> <td>t = 22 to 26</td> <td>Payments 28 to 32</td> <td>c₅</td> <td>n₅=26</td> </tr> <tr> <td>6</td> <td>t = 27 to 31</td> <td>Payment 33 to 37 (as applicable)</td> <td>c₆</td> <td>n₆=31</td> </tr> </tbody> </table> <p>Adjustments to the Capacity Factor The Actual 5-year Average Capacity Factor (X_p) is calculated for each Performance Period after COD (p > 0) per Equation 2 below. X_p represents the sum of actual, metered electricity generation in megawatt-hours (MWh) at the Delivery Point to the electric grid (A_t) divided by the amount of electricity generation in MWh that would have been produced if the facility operated continuously at its full, stated capacity (M_t) in all of the hours (h_t) in each year, t, of the corresponding five-year period.</p> $(2) X_p = \frac{\sum_{t=n-4}^n A_t}{(\sum_{t=n-4}^n M_t \times h_t)}$ <p>Where: M_t = Nameplate Capacity as defined above. n = “Date End Year” value for the Performance Period, p, as defined in Table 2.</p>	Performance Period (p)	Commercial Operation Years (t)	Payments Affected by Adjustment	Capacity Factor (c)		0 (COD)	Not Applicable	Payments 1 to 7	c ₀ =0.4	--	1	t = 2 to 6	Payments 8 to 12	c ₁	n ₁ =6	2	t = 7 to 11	Payments 13 to 17	c ₂	n ₂ =11	3	t = 12 to 16	Payments 18 to 22	c ₃	n ₃ =16	4	t = 17 to 21	Payments 23 to 27	c ₄	n ₄ =21	5	t = 22 to 26	Payments 28 to 32	c ₅	n ₅ =26	6	t = 27 to 31	Payment 33 to 37 (as applicable)	c ₆	n ₆ =31
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1 The Lessor acknowledges that there is a potential scenario where the design and construction period under 585.235(a)(3) may significantly overlap commercial operations as defined in Section II of this Addendum “B”. In the event that the payment schedule appears likely to extend beyond 37 payments, the Lessor will provide an updated payment schedule to the Lessee.

	<p>p = Performance Period as defined in Table 2.</p> <p>A_t = Actual generation in MWh associated with each year of Commercial Operations, t, on the lease that is transferred at the Delivery Point; Delivery Point meter data supporting the values submitted for annual actual generation must be recorded, preserved, and timely provided to the Lessor upon request. The generation data for the facility must be the same data reported on the Energy Information Administration’s EIA-923.</p> <p>h_t = Hours in the year on which the Actual Generation associated with each year of Commercial Operations, t, on the lease is based; this definition of “hours in the year” differs from the definition of H in the operating fee equation above. The hours in the year for purposes of calculating the capacity factor must take into account the actual number of hours, including those in leap years.</p> <p>The value of the Capacity Factor at the outset of Commercial Operations ($p = 0$) is set to 0.4 as stated in equation 3:</p> <p>(3) $c_0 = 0.4$</p>
P_t =	<p>a measure of the annual average wholesale electric power price expressed in dollars per MW hour.</p> <p>The Lessee must calculate P_t at the time each operating fee payment is due, subject to approval by the Lessor. The Price (P_t) must equal the simple average of the “on-the-hour” spot price indices for ISO New England .H.INTERNAL_HUB. Aggregated data from commercial subscription services such as S&P Global Market Intelligence Platform or Hitachi ABB Velocity Suite can also be used and may be posted by BOEM for reference. BOEM may post the power price data it intends to use for the Lessee’s reference at boem.gov.</p> <p>The source of data used in the calculations must be noted in the Lessee’s documentation supporting their estimate of the value of P_t each year for review and approval by the Lessor. BOEM will use the posted prices to verify the Lessee’s calculations.</p>
r_t =	<p>the operating fee rate of 0.02 (2%).</p>

(5) Operating Fee Reporting, Validation, Audits, and Late Payments.

The Lessee must submit a statement of the values used in the operating fee formula to the Lessor at the time the annual payment based on these values is made. Submission of this and other reporting, validation, audit and late payment information as requested by the Lessor must be sent to the Lessor using the contact information indicated in Addendum “A”, unless the Lessor directs otherwise. Failure to submit the estimated values and the associated documentation on time to the Lessor may result in penalties as specified in applicable regulations.

Within 60 calendar days of the submission by the Lessee of the annual payment, the Lessor will review the data submitted and validate that the operating fee formula was applied correctly. If the Lessor validation results in a different operating fee amount, the amount of the annual operating fee payment will be revised to the amount determined by the Lessor.

The Lessor also reserves the right to audit the meter data upon which the Actual 5-year Average Capacity Factor is based at any time during the lease term. If, as a result of such audit, the Lessor determines that any annual operating fee payment was calculated incorrectly, the Lessor has the right to correct any errors and collect the correct annual operating fee payment amount.

If the annual operating fee is revised downward as a result of the Lessee's calculations, as validated by the Lessor, or an audit of meter data conducted by the Lessee or Lessor, the Lessee will be refunded the difference between the amount of the payment received and the amount of the revised annual operating fee, without interest. Similarly, if the payment amount is revised upward, the Lessee is required to pay the difference between the amount of the payment received and the amount of the revised annual operating fee, plus underpayment interest on the balance, in accordance with 30 CFR § 1218.54.

Late operating fee payments will be charged underpayment interest in accordance with 30 CFR § 1218.54.

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY MANAGEMENT

ADDENDUM "C"

LEASE-SPECIFIC TERMS, CONDITIONS, AND STIPULATIONS

Lease Number OCS-A 0565

The Lessee's rights to conduct activities on the leased area are subject to the following terms, conditions, and stipulations. The Lessor reserves the right to impose additional terms and conditions incident to the future approval or approval with modifications of plans, such as a Site Assessment Plan (SAP) or Construction and Operations Plan (COP).

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1 DEFINITIONS

1. *Archaeological Resource* has the same meaning as “archaeological resource” in the Bureau of Ocean Energy Management (BOEM) regulations at 30 CFR 585.113.
2. *Commercial fisheries* means commercial fishing and processing businesses engaged in catching and marketing fish and shellfish for sale from the U.S. exclusive economic zone of the Gulf of Maine.
3. *Day(s)* means a calendar day(s) unless otherwise specified.
4. *For-hire recreational fisheries* means charter and headboat fishing operations that use vessels-for-hire engaged in recreational fishing in the U.S. exclusive economic zone of the Gulf of Maine 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).
5. *Geological and Geophysical Survey (G&G Survey)* serves as a collective term for surveys that collect data on the geology of the seafloor and landforms below the seafloor. High-resolution geophysical surveys and geotechnical (sub-bottom) exploration are components of G&G surveys.
6. *Geotechnical Exploration*, also referred to as “Sub-bottom Sampling,” or “Geotechnical Testing,” is used to collectively refer to acquiring site specific sediment and acquiring underlying geologic data from the seafloor and the sub-bottom and includes geotechnical surveys using deep borings, vibracores, and cone penetration tests.
7. *High Resolution Geophysical Survey (HRG Survey)* means a marine remote-sensing survey using, but not limited to, such equipment as side-scan sonar, magnetometer, shallow and medium (seismic) penetration sub-bottom profiler systems, narrow beam or multibeam echo sounder, or other such equipment employed for the purposes of providing data on geological conditions, identifying shallow hazards, identifying archaeological resources, charting bathymetry, and gathering other site characterization information.
8. *Indian Tribe or Tribe* means any American Indian or Alaska Native Tribe, band, nation, pueblo, rancheria, village, or community that the Secretary of the Interior acknowledges

to exist as an Indian Tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C. § 5131.

9. *Protected Species* means a species protected under the Endangered Species Act (ESA) or the Marine Mammal Protection Act, or both.
10. *Qualified Marine Archaeologist* means a person retained by the Lessee who meets the Secretary of the Interior's Professional Qualifications Standards for Archaeology (48 FR 44738–44739) and has experience analyzing and interpreting marine geophysical data.
11. *Site Assessment Activities or "site assessment,"* has the same meaning as "site assessment activities" in 30 CFR 585.113.
12. *Tribal Subsistence Fishing:* refers to a fishery where the fish caught are shared and consumed directly by the families, kin, and fellow Tribal members of the fishers rather than being sold.

2 SITE CHARACTERIZATION

2.1 Survey Plan(s):

Prior to conducting each physical, biological, or cultural resources survey in support of the submission of an SAP or COP, the Lessee must submit to the Lessor a survey plan. Each distinct survey effort (e.g., mobilization) must be addressed by a survey plan, although a single survey plan may cover more than one survey effort and may cover multiple types of activities (e.g., geotechnical and geophysical surveys on lease and along cable routes).

Each survey plan must include details of activities to be conducted and timelines of each survey effort necessary to support the submission of an SAP or COP (i.e., necessary to satisfy the information requirements in the applicable regulations, including but not limited to 30 CFR 585.606, 610, 611, 621, 626, 627, et al.). The Lessor will not accept survey plans that do not provide sufficient detail for review, including but not limited to specific description and illustration of the geographic areas to be surveyed, specific discussion of the survey methods and equipment to be employed, and a schedule of survey activities. The Lessee should refer to [Guidelines for Providing Geophysical, Geotechnical, and Geohazard Information Pursuant to 30 CFR Part 585](#) for recommendations on data collection, site characterization reports, and data submissions for BOEM technical review.

The Lessee must demonstrate compliance with each of the stipulations set forth in Section 5 of this Addendum "C" and must include any variance requests in its initial survey plan. Each survey plan must be consistent with the Lessee's Fisheries Communication Plan (FCP) (see 3.1.2.1), the Native American Tribal Communication Plan (NATCP) (see 3.1.2.2), and the Agency Communication Plan (ACP) (see 3.1.2.3), and include a description of the Lessee's intentions to coordinate with the U.S. Coast Guard (USCG) to prepare a Notice to Mariners for the specific survey activities described in the survey plan.

The Lessee must submit a survey plan to the Lessor at least 90 days prior to commencement of any survey activities described in the survey plan. Within 30 days from receipt, the Lessor may request the Lessee modify the survey plan to address any comments the Lessor submits to the Lessee on the contents of the survey plan. Comments must be addressed by the Lessee in a manner deemed satisfactory by the Lessor prior to commencement of the survey activities. If the Lessor does not respond with comments within 30 days of receipt of the

survey plan, the Lessee may proceed with the survey activities per the proposed schedule, provided that, in such circumstances, Lessor retains all rights to independently evaluate and weigh the methodology and results of Lessee's survey activities, including when Lessor evaluates any SAP or COP submitted by Lessee.

2.2 Pre-Survey Meeting(s) with the Lessor:

If requested by the Lessor, the Lessee must hold a pre-survey meeting with the Lessor prior to the commencement of survey activities to discuss the applicable survey plan. The Lessee must ensure the presence at this meeting of any relevant subject matter experts, particularly any requested by the Lessor.

3 REPORTING

3.1 Progress Report:

Unless the Lessor directs otherwise, the Lessee must submit to the Lessor a progress report every six months during the preliminary period that includes a brief narrative of the overall progress since the last progress report, or—in the case of the first report—since the Effective Date. Within 60 days from receipt, the Lessor may request the Lessee to modify the progress report to address any comments the Lessor submits to the Lessee on the contents of the document. The Lessee must address comments in a manner deemed satisfactory by the Lessor. Should the Lessee not address the comments provided by the Lessor in a timely and adequate manner, BOEM reserves the right to require specific mitigation such as, but not limited to, third party verification/mediation at the Lessee's expense or adjustment of required reporting frequency. This obligation does not expire at the end of the preliminary period and continues until approval of a COP.

3.1.1 Engagement:

Lessee engagement must allow for early and active information sharing focused on discussion of potential issues and collaborative identification of solutions. The Lessee must make reasonable efforts to engage with Tribes and parties that may be affected by the project activities on the OCS, which include, but are not limited to, the following:

- Coastal communities
- Commercial and recreational fishing industries
- Educational and research institutions
- Environmental and public interest non-governmental organizations
- Federal, state, and local agencies
- Federally recognized Tribes
- Mariners and the maritime industry
- Ocean users
- Submarine cable operators
- Underserved communities, as defined in Section 2 of Executive Order 13985

The Progress Report must:

- Identify Tribes and parties with whom the Lessee made reasonable efforts to engage with under 3.1.1 above.
- Document, and update for subsequent reports, engagement with Tribes and parties since the previous reporting period.

- Document potential effects from the Lessee’s project to the interests of Tribes and parties.
- Document how, if at all, the design or implementation of the project has been informed by or altered to address these potential effects (including by investing in, or directing benefits to, Tribes and parties).
- Include a description of any anticipated or scheduled engagement activities for the next reporting period.
- Include feedback from engagement with Tribes and parties regarding transmission planning, prior to proposing any export cable route.
- Provide information that can be made available to the public and posted on the BOEM website; and
- Include strategies to reach individuals with Limited English Proficiency who may be affected by future offshore wind development.

The intent of the Progress Report requirements and associated communication plans is to improve communication and transparency among affected Tribes and parties, and to ensure that feedback from affected Tribes and parties is incorporated into the Lessee’s plans where possible. These requirements are also meant to encourage lessees to identify and engage with underserved communities, including environmental justice communities that may be disproportionately impacted by a project’s OCS activities, in order to avoid, minimize, and mitigate potential adverse effects by, for example, investing in these communities.

BOEM will protect privileged or confidential information that you submit, as required by the Freedom of Information Act (FOIA) and 30 CFR 585.114. Exemption 4 of FOIA applies to “trade secrets and commercial or financial information that you submit that is privileged or confidential.” 5 U.S.C. 552(b)(4). If you wish to protect the confidentiality of such information, 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. 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.

The Lessee must make reasonable efforts to implement the project in a manner that avoids, minimizes, mitigates, or redresses the project’s adverse effects, if any, on Tribes and parties. The Lessee will engage in ways that minimize linguistic, technological, cultural, capacity, or other obstacles to Tribes and parties. To facilitate engagement under this section, the Lessee must work collaboratively with federal, state, and local governments, community leadership and organizations, and Tribes. The Lessee is strongly encouraged to work with Tribes and parties to develop specific efforts to increase their capacity to participate in the engagement activities described in this lease.

3.1.2 Hosted Engagement Opportunities

To facilitate early and continuous engagement with Tribes and parties, the Lessor may initiate and host meetings to enhance communication and information sharing among the Lessees, Tribes and parties. When notified by the Lessor, the Lessee must engage in meeting planning, including agenda development, and participate in such meetings in a meaningful manner.

3.1.3 Communication Plans:

The Progress Report must include a section with plan(s) on how the Lessee will communicate with fisheries, Tribes, and agencies (see 3.1.2.1, 3.1.2.2, 3.1.2.3). In addition to the plans, each progress report should provide updates on the progress of communication efforts with those and other affected stakeholder or ocean user groups during the reporting period (see 3.1.1).

3.1.3.1 Fisheries Communication Plan (FCP) and Fisheries Liaison:

The Lessee must develop a draft FCP and make it publicly available within 180 days of the lease effective date, which deadline may be extended at the Lessor's discretion. The Lessee must update and refine the FCP from time to time, in response to feedback obtained by engagement with the Tribes and parties described in Section 3.1.1 and by BOEM consultation. The plan must include the following:

- A description of the strategies that the Lessee intends to use for communicating with commercial, recreational and Tribal subsistence fisheries prior to and during activities in support of the submission of a plan (i.e., SAP or COP). This description must include mechanisms to distribute notices to federal, state, and Tribal fisheries license holders known to operate in the region through a local "Notice to Mariners" and outreach to, e.g., Fisheries Management Councils, newsletters, websites, Fisheries Liaison Officers and/or Fisheries Representatives, and applicable state and Tribal agencies.
- The contact information for an individual retained by the Lessee as its primary point of contact with commercial, recreational and Tribal subsistence fisheries (i.e., Fisheries Liaison).
- The strategy and general timing of discussions with commercial, for-hire recreational, and Tribal subsistence fisheries regarding the reduction of conflicts with facility designs, pursuant to the lease stipulation in subsection 3.1.1.
- A process to file a complaint with the offshore wind operator or an appropriate Fisheries Mitigation Fund to seek the replacement of or compensation for lost gear.
- Plans to coordinate with commercial, recreational and Tribal subsistence fisheries to identify peak fishing seasons and, to the extent practicable, avoid unnecessary interaction offshore between survey vessels and commercial fishers.

Additionally, the Lessee is required to (i) notify applicable ocean users two weeks in advance of any geological and geophysical survey activities and, (ii) provide an annual summary of fishing gear interactions with facilities and/or survey activities, including filed complaints, operator-observed incidents, location and type of interaction, and outcomes, to help BOEM better understand the frequency and extent of gear interactions.

3.1.3.2 Native American Tribal Communication Plan (NATCP):

The Lessee must develop a publicly available NATCP that describes the strategies that the Lessee intends to use for communicating with Tribes, and that should outline specific methods for engaging with and disseminating information to Tribes with cultural and/or historical ties to the Lease Area. The Lessee must work with BOEM to identify Tribes with cultural and/or historical ties to the Lease Areas and invite those Tribes to participate in the development of the NATCP. The NATCP must include the contact information for an individual retained by the Lessee as its primary point of contact with Tribes (i.e., a Tribal Liaison). The NATCP must include detailed information and protocols for regular engagement with Tribes including, but not limited to, the types of engagement activities (e.g., one-on-one meetings, group meetings, open houses, open information sharing meetings, etc.); the frequency of proposed engagements/meetings (e.g., monthly, quarterly, bi-annually, annually, etc.); meeting locations and/or virtual platforms; and contact information (e.g., telephone numbers, email addresses, website addresses, etc.).

The Lessee must make the NATCP available to the Lessor and the Tribes upon request. The Lessee must provide the draft NATCP to the Lessor and Tribes for review and comment and host a meeting with the Lessor and Tribes to discuss the draft NATCP, within 180 days of the lease effective date. The Lessee is encouraged to provide ample notice of the meeting (e.g., 60 days) to the Tribes and host it in a reasonably accessible location, or virtually. The Lessee may request that the Lessor extend the 180-day deadline, and meetings may include multiple interested Tribes. The Lessor may extend this deadline at its discretion. The Lessee must invite Tribes with cultural and/or historical ties to the Lease Area to participate in the development of the NATCP. If a Tribe wishes to so participate, the Lessee should request that the Tribe designate a primary point of contact for communicating with the Lessee. If a Tribe does not respond to outreach from the Lessee, the Lessee must continue to invite the Tribe to participate in NATCP engagement opportunities until the Tribe provides a written response to the Lessee or Lessor. If a Tribe elects not to participate in the development of the NATCP and communicates that to the Lessee and/or BOEM in writing, the Lessee is no longer required to include that Tribe in NATCP communications.

3.1.3.3 Agency Communication Plan (ACP):

The Lessee must develop a publicly available ACP that describes the strategies that the Lessee intends to use for communicating with federal, state, and local agencies with authority related to the Lease Area and should outline specific methods for engaging with and disseminating information related to permits and trust resources to these agencies. The purpose of the ACP is to ensure early and active information sharing, focused discussion of potential issues, and collaborative identification of solutions in order to improve the quality and efficiency of various agency decision-making processes and to promote the sustainable development of offshore wind energy projects. The ACP must include the contact information for an individual retained by the Lessee as its primary point of contact with agencies, (i.e., an Agency Liaison). The ACP should include detailed information and protocols for regular engagement with permitting and resource agencies including, but not limited to, the types of engagement activities (e.g., one-on-one meetings, interagency meetings, open information sharing meetings, etc.); the frequency of proposed engagements/meetings (e.g., monthly, quarterly, bi-annually, annually, etc.); meeting locations and/or virtual platforms; and contact information (e.g., telephone numbers, email addresses, etc.).

The Lessee must make the ACP available to the Lessor and other agencies upon request. The Lessee must provide a draft ACP to BOEM and other permitting and resource agencies with authority related to the Lease Area for review and comment, and host a meeting with each interested agency, to discuss the ACP within 180 days of the lease effective date. The Lessee may request the Lessor extend the 180-day deadline and meetings may include multiple agencies. The Lessor may extend this deadline at its discretion. The Lessee must invite agencies with permitting roles and/or resource expertise to participate in the ACP. The Lessee should request that the agency designate a primary point of contact(s) for communicating with the Lessee. If an agency states in writing to the Lessee or Lessor that it does not wish to participate in the ACP, the Lessee need no longer include that agency in ACP communications and must document this change in the ACP. If an agency does not respond to outreach from the Lessee, the Lessee must continue to invite the agency to participate in ACP engagement opportunities until the agency provides a response. Note that a decision to not participate in the ACP in no way changes the agency regulatory authority or the need to communicate with that agency. Any subsequent revisions to the ACP resulting from engagement with participating agencies must be submitted to the Lessor with supporting documentation.

3.1.4 Coordinated Engagement:

To the maximum extent practicable, the Lessee must coordinate engagement activities for Tribes and parties (see Section 3.1.1) with other Regional Lessees and document their activities in the Progress Report. Lessee(s) must design coordinated engagement activities to decrease the communication and consultation burden on Tribes and parties. BOEM appreciates that not all engagement can be coordinated.

3.1.5 Survey Plans and Meteorological and/or Oceanographic Buoy Deployment:

The progress report must include an update regarding progress in executing the activities included in the survey plan(s) and include as an enclosure an updated survey plan(s) accounting for any modifications in schedule. The progress report also must include an update on any meteorological and/or oceanographic buoy deployment planned or undertaken within the leased area that includes confirmation of the measures the Lessee took or will take, to satisfy the conditions of any applicable lease stipulations.

3.2 Confirmed Munitions of Concern (MEC)/Unexploded Ordnance (UXO) Notification:

In the event the Lessee discovers a confirmed MEC/UXO, the Lessee must coordinate with the USCG to ensure the MEC/UXO discovery is published in the next version of the Local Notice to Mariners (LNM) for the specified area and provide BOEM and BSEE a copy of the LNM once it is available. The Lessee must also provide the following information to BOEM (BOEM_MEC_Reporting@boem.gov), BSEE (env-compliance-arc@bsee.gov), and other relevant agency representatives specified by Lessor (e.g., the United States Coast Guard, National Oceanic and Atmospheric Administration, or United States Fish and Wildlife Services) within 48 hours of discovery during site assessment activities, investigation surveys, and identification surveys, and within 24 hours of discovery during seabed clearance activities, construction, and operations:

- A description of the activity at the time of discovery (site assessment, survey activities, seabed clearance, cable installation, etc.)

- A narrative description of activities that resulted in the identification of confirmed MEC/UXO
- A description of the location (latitude, longitude, Lease Area, and block)
- The water depth (meters) of the confirmed MEC/UXO
- A description of the MEC/UXO type, dimensions, and weight
- The MEC/UXO vertical position (description of exposure or estimated depth of burial)

4 NATIONAL SECURITY AND MILITARY OPERATIONS

4.1 Hold and Save Harmless:

Whether compensation for such damage or injury might be due under a theory of strict or absolute liability or otherwise, the Lessee assumes all risks of damage or injury to persons or property, which occur in, on, or above the OCS, to any persons or to any property of any person or persons in connection with any activities being performed by the Lessee in, on, or above the OCS, if such injury or damage to such person or property occurs by reason of the activities of any agency of the United States Government, its contractors, or subcontractors, or any of its officers, agents or employees, being conducted as a part of, or in connection with, the programs or activities of the individual military command headquarters (hereinafter “the appropriate command headquarters”) listed in the contact information provided as an enclosure to this lease.

Notwithstanding any limitation of the Lessee’s liability in Section 9 of the lease, the Lessee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors or subcontractors, or any of its officers, agents, or employees. The Lessee further agrees to indemnify and save harmless the United States against all claims for loss, damage, or injury in connection with the programs or activities of the appropriate command headquarters, whether the same be caused in whole or in part by the negligence or fault of the United States, its contractors, or subcontractors, or any of its officers, agents, or employees and whether such claims might be sustained under a theory of strict or absolute liability or otherwise.

4.2 Evacuation or Suspension of Activities:

4.2.1 General:

The Lessee hereby recognizes and agrees that the United States reserves and has the right to temporarily suspend operations and/or require evacuation of this lease in the interest of national security consistent with Section 3(c) of this lease.

4.2.2 Notification:

Every effort will be made by the appropriate military agency or appropriate command headquarters to provide as much advance notice as possible of the need to suspend operations and/or evacuate. Temporary suspension of operations may include, but is not limited to, the evacuation of personnel and appropriate sheltering of personnel not evacuated. “Appropriate sheltering” means the protection of all Lessee personnel for the entire duration of any Department of Defense (DoD) activity from flying or falling objects or substances and will be implemented by an order (oral and/or written) from the Lessor Lease Representative as specifically listed in Addendum “A”, or designee, after consultation with the appropriate command headquarters or other appropriate military agency, or

higher federal authority. The appropriate command headquarters, military agency, or higher authority will provide information to allow the Lessee to assess the degree of risk to, and provide sufficient protection for, the Lessee's personnel and property.

4.2.3 Duration:

Suspensions or evacuations for national security reasons will not generally exceed seventy-two (72) hours; however, any such suspension may be extended by order of the Lessor Lease Representative or designee. During such periods, equipment may remain in place, but all operations, if any, must cease for the duration of the temporary suspension if directed by the Lessor Lease Representative or designee. Upon cessation of any temporary suspension, the Lessor Lease Representative or designee will immediately notify the Lessee such suspension has terminated and operations on the leased area can resume.

4.2.4 Lessee Point-of-Contact for Evacuation/Suspension Notifications:

The Lessee must inform the Lessor of the persons/offices to be notified to implement the terms of 4.2.2 and 4.2.3.

4.2.5 Coordination with Command Headquarters:

The Lessee must establish and maintain early contact and coordination with the appropriate command headquarters in order to avoid or minimize the potential to conflict with, and minimize the potential effects of conflicts with, military operations.

4.2.6 Reimbursement:

The Lessee is not entitled to reimbursement for any costs or expenses associated with the suspension of operations or activities or the evacuation of property or personnel in fulfillment of the military mission in accordance with 4.2.1 through 4.2.5 above.

4.3 Coordination with Military Operations:

The Lessee, prior to entry into any designated defense operating area, warning area, or water test area, must coordinate planned survey, construction, or operations/maintenance activities with the appropriate command headquarters. The Lessee and DoD will develop a communication protocol to identify mission compatibility concerns or conflicts. The Lessee will resolve conflicts to the maximum extent practicable or provide justification to DoD stating why resolution is infeasible.

4.4 Foreign Interest:

It is a priority for the DoD and Lessor to protect national defense capabilities and military operations, including military installations, research, development, test and evaluation activities, and military readiness activities, from compromise and exploitation that may occur due to any OCS activity under foreign ownership, control, or influence occurring in the vicinity of those national defense capabilities and military operations. To further these goals, the Lessee must coordinate with DoD to enable a risk assessment. Such coordination must be with the DoD contacts listed in this lease's Contact Information for Reporting Requirements (see enclosure) and must be done at least 120 days after the Lease effective date, or within another appropriate timeframe determined acceptable by DoD, and annually thereafter on the lease effective date. The information required by DoD from the Lessee, includes, but is not limited to:

- The names of each entity and person having beneficial ownership or control of 5 percent or more of the Lessee and the designated operator.
- The names of material vendors and manufacturers who will regularly visit the Project on the OCS, who supply or manufacture equipment used on the OCS, control equipment used on the OCS, or have access to associated data systems.
- In addition, the following information must be provided for each director and the top five executives of the Lessee and the designated operator: full legal name, date of birth, country of citizenship, and permanent address.

This reporting obligation is ongoing and applies to any new entity that will be performing activities in the Lease Area and for which the information was not previously provided to the DoD. Any security concerns identified by the DoD during its review of information provided about potential foreign interests pursuant to this stipulation must be resolved before the Lessee allows access to the Lease Area to any foreign persons (as defined in 31 CFR § 800.224).

4.5 Notice of Assignment to the Committee on Foreign Investment in the United States (CFIUS):

If a prospective assignee is a foreign person (as defined in 31 CFR § 800.224), the assignor and the proposed assignee must jointly provide notice of the proposed transaction to CFIUS in accordance with applicable regulations (31 CFR parts 800-802) and provide a copy of the notice to the DoD. Nothing in this lease prohibits or limits the DoD from submitting objections to CFIUS about the transaction, nor limits DoD's communications with CFIUS during national security reviews and investigations, and during any mitigation, tracking, and post-assignment monitoring and enforcement, pursuant to applicable statutes and regulations. Approval of any assignment of lease interest that is subject to this stipulation may conclude only after any of the following three CFIUS outcomes: 1) CFIUS concludes action on the Declaration; 2) CFIUS does not conclude action on the Declaration, but also does not request a Joint Voluntary Notice (JVN) or initiate a unilateral review; or 3) CFIUS requests a JVN be filed or initiates a unilateral review subsequent to the Declaration, and then concludes action on that further review.

4.6 National Security Risk Assessment:

Lessee will coordinate with and enable DoD to conduct a national security risk assessment of proposed distributed optical fiber sensing equipment and Lessee controlled acoustic monitoring devices. Lessee will work with DoD to identify information needs and include the information as part of its COP submittal to Lessor. The risk assessment may be completed prior to submission of the COP, as determined through coordination with DoD. Mitigation measures will be identified as necessary and upon completion of Lessor's and DoD's review of the COP.

5 STANDARD OPERATING CONDITIONS

5.1 General Requirements:

- 5.1.1 Prior to the start of operations, the Lessee must hold a briefing to establish responsibilities of each involved party, define the chains of command, discuss communication procedures, provide an overview of monitoring procedures, and review operational procedures. This

briefing must include all relevant personnel, crew members and Protected Species Observers (PSOs). New personnel must be briefed as they join the work in progress.

5.1.2 The Lessee must ensure that all vessel operators and crew members, including PSOs, are familiar with, and understand, the requirements specified in this Addendum "C".

5.1.3 Research Site Access:

The Lessor, or its designated representative, retains the right to access, for research purposes, the site of any operation or activity conducted under this lease. The Lessor will make a good faith effort to provide prior notice of its need for access. This provision does not limit the Lessor's authority to access the lease for other purposes, including, but not limited to, inspections conducted by the Bureau of Safety and Environmental Enforcement (BSEE) pursuant to 30 CFR 285.822.

5.2 Protected Species and Sensitive Habitat:

5.2.1 Endangered Species Act (ESA) Coordination for Biological Surveys:

The Lessee must consult with BOEM, the NMFS, and the U.S. Fish and Wildlife Service (USFWS) prior to designing and conducting biological surveys intended to support offshore renewable energy plans that could interact with ESA-listed species. Please see the 2021 Biological Assessment (BA) and letter of concurrence here:

(<https://www.boem.gov/renewable-energy/nmfs-esaconsultations>) for data collection activities that have been previously consulted upon.

5.2.2 Protected Species:

Unless otherwise authorized by BOEM, Lessee's OCS activities must comply with the requirements 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, and June 29, 2021, concurrence letter from NMFS, as amended. The 2021 BA 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 NMFS approved measures to safeguard protected species that are most current at the time.

5.2.3 Habitat Impact Minimization Measures:

To the maximum extent practicable, the Lessee should use the best available data to identify sensitive biological resources or habitats and avoid or minimize bottom-disturbing activities likely to be harmful to any identified sensitive resources, including the deployment of Passive Acoustic Monitoring (PAM) equipment and placement of anchors and meteorological and/or oceanographic buoys.

5.2.4 Baseline Monitoring:

The Lessee must collect a minimum of 3 years of PAM data for monitoring the presence of large whales in the Gulf of Maine North Atlantic Right Whale Critical Habitat² within their lease area to support the submission and review of the COP. The Lessee must follow the Regional Wildlife Science Collaborative (RWSC) best practices³ for data processing and archiving to ensure data comparability and transparency. All raw data must be sent to the National Centers for Environmental Information (NCEI) Passive Acoustic Data archive on an annual basis and the Lessee must follow NCEI guidance for packaging the data. Confirmation of this submission may be provided as part of the certification of compliance statement submitted pursuant to 30 CFR 285.633(a).

5.3 Avian and Bat Survey and Reporting Requirements:

- 5.3.1 Lighting: Any lights used by the Lessee to aid marine navigation during construction, operations, and decommissioning of a meteorological buoy must meet USCG requirements for private aids to navigation (https://www.navcen.uscg.gov/pdf/AIS/CG_2554_Paton.pdf) and BOEM's Guidelines for Lighting and Marking of Structures Supporting Renewable Energy Development (<https://www.boem.gov/2021-lighting-and-marking-guidelines>). For any additional lighting, the Lessee must use such lighting only when necessary, and the lighting must be hooded downward and directed, when possible, to reduce upward illumination and illumination of adjacent waters.
- 5.3.2 Motus Wildlife Tracking System: To help address information gaps on offshore movements of birds and bats, including ESA-listed species, the Lessee must install Motus stations on meteorological or environmental data buoys in coordination with USFWS's Offshore Motus network before deployment on the OCS.
- 5.3.3 Bird Deterrents: To minimize the attraction of birds, the Lessee must install bird deterrent devices (e.g., anti-perching), where appropriate on meteorological and/or oceanographic buoy(s) before deployment on the OCS.
- 5.3.4 Avian and Bat Annual Reporting: The Lessee must provide an annual report to both the Lessor and USFWS using the contact information provided as an Enclosure to this lease, or updated contact information as provided by the Lessor. This report must document any dead or injured birds or bats found during activities conducted in support of plan submittal. The first report must be submitted within 6 months of the start of the first survey conducted in support of plan submittal, and subsequent reports must be submitted annually thereafter until all surveys in support of plan submittal have been concluded and all such birds and bats have been reported. If surveys are not conducted in a given year, the annual report may consist of a simple statement to that effect. An annual report must be provided to BOEM and USFWS by January 31 documenting any dead (or injured) birds or bats found on vessels and structures during construction, operations, and decommissioning. The report must contain the following information: the name of species, date found, location, a picture to confirm species identity (if possible), and any other relevant information.

2 Defined in 50 CFR 226 (<https://www.govinfo.gov/content/pkg/FR-2016-01-27/pdf/2016-01633.pdf>)

3 RWSC Marine Mammal Subcommittee. (2022), Data Management & Storage Best Practices for Long-term and Archival Passive Acoustic Monitoring (PAM) Data <https://rWSC.org/wp-content/uploads/2022/12/RWSC-PAM-Data-Management-Storage-Best-Practices.pdf>

Carcasses with Federal or research bands must be reported to the United States Geological Survey Bird Band Laboratory, available at <https://www.usgs.gov/labs/bird-banding-laboratory>.

- 5.3.5 Survey Results and Data: The Lessee must provide the results of avian surveys and data to BOEM and USFWS when the Lessee submits its plans for approval (i.e., SAP and COP).

5.4 Archaeological Survey Requirements:

- 5.4.1 No Impact without Approval: In no case may the Lessee knowingly impact a potential archaeological resource without the Lessor's prior approval.
- 5.4.2 Archaeological Survey Required: The Lessee must provide the results of an archaeological survey with its plans (i.e., SAP and/or COP). The Lessee must provide to the Lessor, with its plans (i.e., SAP and/or COP), the results of the archaeological survey which includes a description of the methods it uses to conduct archaeological surveys in support of plans (i.e., SAP and/or COP). Additional guidance may be found at BOEM's Guidance Portal (<https://www.boem.gov/about-boem/regulations-guidance/guidance-portal>) and on the Bureau's North Atlantic NHPA Section 106 consultations page: <https://www.boem.gov/renewable-energy/state-activities/historic-preservation-activities-and-offshore-renewable-energy>
- 5.4.3 Qualified Marine Archaeologist: The Lessee must ensure that the analysis of archaeological survey data collected in support of plan (i.e., SAP and/or COP) submittal and the preparation of archaeological reports in support of plan submittal are conducted by a Qualified Marine Archaeologist.
- 5.4.4 Tribal Pre-Survey Meeting:

The Lessee must coordinate a Tribal pre-survey meeting by sending a letter through certified mail to Tribes that have cultural and/or historical ties to the region and by sending subsequent emails or making phone calls, as necessary. The Lessee must send notification of the Tribal pre-survey meeting at least 30 days prior to the date of the proposed Tribal pre-survey meeting. If a Tribe does not respond to the Lessee, the Lessee must continue to invite the Tribe to participate in any future pre-survey meetings until the Tribe provides a written response to the Lessee or Lessor. If a Tribe does not wish to participate in the meeting, the Lessee is no longer required to include them in the meeting.

The purpose of this meeting is for the Lessee and the Lessee's Qualified Marine Archaeologist to discuss the Lessee's Survey Plan and consider requests to monitor portions of the archaeological survey and the geotechnical exploration activities, including the visual logging and analysis of geotechnical samples (e.g., cores, etc.). The meeting must be scheduled for a date at least 30 days prior to commencement of survey activities performed in support of plan submittal and at a location and time that affords the participants a reasonable opportunity to participate. The anticipated date for the meeting must be identified in the timeline of activities described in the applicable survey plan (see Addendum "C," Section 2.1). The Lessee must provide the Lessor with documentation of compliance with this stipulation prior to commencement of surveys.

- 5.4.5 Geotechnical Exploration and Deployment of Meteorological and/or Oceanographic Buoys: The Lessee may conduct geotechnical exploration activities and/or deploy meteorological and/or oceanographic buoy(s) only in support of plan (i.e., SAP and/or COP) submittal in

locations where an analysis of the results of geophysical surveys has been completed. The analysis must demonstrate avoidance of anthropogenic hazards and MEC/UXOs by a minimum of 15 meters. This analysis must include a determination by a Qualified Marine Archaeologist as to whether any potential archaeological resources are present in the area. Except as allowed by the Lessor under Section 5.4.1, the geotechnical exploration and/or deployment of meteorological and/or oceanographic buoy (s) must avoid potential archaeological resources by a minimum of 50 meters (164 feet), and the avoidance distance must be calculated from the maximum discernible extent of the archaeological resource. A Qualified Marine Archaeologist must certify, in the Lessee's archaeological reports, that geotechnical exploration and/or deployment of meteorological and/or oceanographic buoy(s) did not impact potential historic properties identified as a result of the HRG surveys performed in support of plan submittal.

- 5.4.6 Monitoring and Avoidance: The Lessee must inform the Qualified Marine Archaeologist that they may elect to be present during HRG surveys and bottom-disturbing activities performed in support of plan (i.e., SAP and/or COP) submittal to ensure avoidance of potential archaeological resources, as determined by the Qualified Marine Archaeologist (including bathymetric, seismic, and magnetic anomalies; side scan sonar contacts; and other seafloor or sub-surface features that exhibit potential to represent or contain potential archaeological sites or other historic properties). If the Qualified Marine Archaeologist indicates that they wish to be present, the Lessee must reasonably facilitate the Qualified Marine Archaeologist's presence, as requested by the Qualified Marine Archaeologist, and provide the Qualified Marine Archaeologist the opportunity to inspect data quality.
- 5.4.7 Post-Review Discovery Clauses: If the Lessee, while conducting geotechnical exploration or any other bottom-disturbing site characterization and/or deployment of meteorological and/or oceanographic buoy(s) in support of plan (i.e., SAP and/or COP) submittal, and after review of the location by a Qualified Marine Archaeologist under 5.3.5 discovers an unanticipated potential archaeological resource, such as the presence of a shipwreck (e.g., a sonar image or visual confirmation of an iron, steel, or wooden hull; wooden timbers; anchors; concentrations of historic objects; piles of ballast rock) or evidence of a pre-contact archaeological site (e.g., stone tools, pottery or other pre-contact artifacts) within the project area, the Lessee must:
- 5.4.7.1 Immediately halt seafloor/bottom-disturbing activities within the area of discovery by a minimum of 50 meters (164 feet), and the avoidance distance must be calculated from the maximum discernible extent of the archaeological resource;
 - 5.4.7.2 Notification: Notify the Lessor within 24 hours of discovery;
 - 5.4.7.3 Notification Report: Notify the Lessor in writing via report to the Lessor within 72 hours of discovery;
 - 5.4.7.4 Keep the location of the discovery confidential and take no action that may adversely impact the archaeological resource until the Lessor has made an evaluation and instructs the applicant on how to proceed; and
 - 5.4.7.5 If (1) the site has been impacted by the Lessee's project activities; or (2) impacts to the site or to the area of potential effect cannot be avoided, conduct additional investigations, as directed by the Lessor, to determine if the resource is eligible for

listing in the National Register of Historic Places (30 CFR 585.702(b)). If investigations indicate that the resource is potentially eligible for listing in the National Register of Historic Places, the Lessor will inform the Lessee how to protect the resource or how to mitigate adverse effects to the site. If the Lessor incurs costs in protecting the resource, then, under Section 110(g) of the National Historic Preservation Act, the Lessor may charge the Lessee reasonable costs for carrying out preservation responsibilities under the OCS Lands Act (30 CFR 585.702(c-d)).

5.5 Transmission Planning:

The Lessee must, to the extent technically and economically practicable or feasible, consider the use of shared cable corridors, regional transmission systems, meshed systems, or other mechanisms for transmission facilities proposed in a COP. This paragraph does not prevent the Lessee from proposing the use of other transmission systems 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 practicable feasible by BOEM.

6 PROJECT LABOR AGREEMENTS

6.1 Project Labor Agreements:

The Lessee must make every reasonable effort to enter a Project Labor Agreement(s) (PLA) that covers the construction stage of any project proposed for the Lease Area.

7 SUPPLY CHAIN STATEMENT OF GOALS

7.1 Supply Chain Statement of Goals:

The Lessee must submit to the Lessor an initial supply chain Statement of Goals at the time of COP submission. The Statement of Goals must describe plans for contributing to the creation of a robust and resilient U.S.-based offshore wind industry supply chain. The Lessee must describe its plans for investments in supply chain improvements that support the offshore wind industry, such as:

- Installation, downpipe, survey and other vessels;
- Port infrastructure related to offshore wind project component manufacturing and wind turbine assembly;
- Grid upgrades;
- Research and development;
- Manufacturing of components and facilities, including assistance in converting onshore wind turbine manufacturing facilities to offshore wind turbine manufacturing facilities;
- Supply chain architecture, such as fabrication and assembly halls, port storage, laydown areas;
- Lift cranes supporting offshore wind component manufacturing and assembly quayside;
- Dry docks and navigation channels;
- Onshore and offshore docking and refueling stations for autonomous vehicles;
- Workforce diversity, training, and development, including within underserved communities and with Tribes;

- Ensuring equal access to contracting opportunities, including to disadvantaged businesses⁴ and Indian Economic Enterprises.

If a COP is approved, the Lessee must provide annual updates to the Lessor on the Lessee's progress in meeting these goals. This information may be provided as part of the certification of compliance statement submitted pursuant to 30 CFR 285.633(a).

The Lessee must submit a final report evaluating the Lessee's success in meeting these goals no later than the first Fabrication and Installation Report (FIR) submission. The Lessee must submit two versions of the Statement of Goals, updates, and final report, one of which does not contain confidential information, so that BOEM can make them publicly available.

8 WORKFORCE TRAINING AND/OR DOMESTIC SUPPLY CHAIN DEVELOPMENT BIDDING CREDIT

8.1 General Requirements and Restrictions:

The Lessee has committed \$**X,XXX,XXX** for the benefit of workforce training and/or domestic supply chain development as part of its high bid (hereinafter, the "Contribution").⁵ The Contribution must support workforce training programs for the U.S. floating offshore wind industry, development of a U.S. domestic supply chain for the floating offshore wind industry, or both. The Contribution for workforce training and/or domestic supply chain development can be made in support of existing programs, or for the establishment of new programs or incentives associated with the planning, design, construction, operation, maintenance, or decommissioning of U.S. floating offshore wind energy projects, or the manufacturing or assembling of their components. The Contribution must be made by the Lessee, its parent company, or an affiliated entity.⁶ The Lessee must meet this commitment in accordance with the Conceptual Strategy submitted pursuant to the Bidder's Financial Form (BFF).

Contributions must be made to one or more of the following: (i) private, public, or municipal corporations, enterprises, companies, associations, or partnerships; counties, parishes, cities, or towns or other legal entities organized under the laws of any State of the United States, the District of Columbia, or the law of any Tribe or federal law applying to Tribes, or the law of any territory or insular possession subject to U.S. jurisdiction; (ii) an executive agency of the United States as defined in section 105 of Title 5 of the U.S. Code with authority to accept the Contribution for the purposes for which the bidding credit is authorized; or (iii) a State of the United States or a political subdivision thereof or a Tribe. Contributions cannot be made to the parent or affiliated entities of the Lessee or for purposes of directly or indirectly satisfying a purchase or work order of the Lessee.

⁴ A disadvantaged business entity is one at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals, as defined by the Small Business Administration (<https://www.sba.gov/federal-contracting/contracting-assistance-programs/small-disadvantaged-business>).

⁵ As used herein, "Contribution" includes: (i) direct transfers or payments of monetary funds and (ii) establishment of non-refundable monetary commitments or guarantees (including, but not limited to, revolving funds, trusts and loan guarantees).

⁶ See definition of "affiliated entities" in the Final Sale Notice. For purposes of this lease and the BFF, the term "affiliated entities" is not limited to persons that participated in the auction.

Any benefits provided should not duplicate benefits or mitigation measures imposed on the Lessee through, or pursuant to, statutes other than the Outer Continental Shelf Lands Act (OCSLA).

The Lessee, its parent company, or its affiliated entities are not permitted to retain an ownership/equity interest in the entity receiving the Contribution, receive a discount on the market price for goods and services provided by the recipient, or receive other preferential treatment resulting from the Contribution, but may purchase floating offshore wind goods and services from the recipient at market rates. The Contribution must be made before the Lessee submits the first Facility Design Report (FDR) or the tenth Lease Anniversary, whichever is sooner. 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.

8.1.1 Workforce Training Credit – Requirement and Restrictions:

The Contribution for workforce training must result in a better trained and/or larger floating offshore wind workforce in the United States that would provide for more efficient operations via an increase in the supply of fully trained personnel. Workforce training contributions must support the development of skills for the general workforce (i.e., not only the Lessee's workers) used in the planning, design, construction, operation, maintenance, or decommissioning of floating offshore wind energy projects.

Training of existing Lessee employees, Lessee contractors, or employees of affiliated entities will not qualify for this Contribution. All floating offshore wind Lessees must have the opportunity to hire individuals trained in programs that benefited from the Contribution. Trainees cannot be contractually required to enter into employment agreements with either the Lessee making the Contribution or the entity providing the training.

The workforce training must be provided in the United States and to citizens of the United States, nationals of the United States, or aliens lawfully admitted for permanent residence in the United States as defined in 8 U.S.C. 1101(a)(20).

Contributions to workforce training must be one or more of the following:

- 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 floating offshore wind energy projects on the United States OCS.
- Maritime training necessary for the crewing of vessels to be used for the construction, servicing, and/or decommissioning of floating wind energy projects on the United States OCS.
- Training workers in skills or techniques necessary to manufacture or assemble floating offshore wind components, subcomponents or subassemblies. Examples of these skills and techniques include those in the areas of welding; wind energy technology; hydraulic maintenance; braking systems; mechanical systems, including blade inspection and maintenance; or computers and programmable logic control systems.⁷

⁷ <https://www.bls.gov/ooh/installation-maintenance-and-repair/wind-turbine-technicians.htm#tab-4>

- Tribal floating offshore wind workforce development programs or training for Tribal citizens or employees of wholly owned Tribal corporations or enterprises⁸ in skills necessary to participate in the floating offshore wind industry.
- Training in any other job skills that the Lessee can demonstrate are necessary for the assessment, planning, design, construction, operation, maintenance, environmental monitoring, or decommissioning of floating offshore wind energy projects on the United States OCS.

Contributions to workforce training should not include those for K-12 education programming or other public education efforts or University scholarships or academic research even if related to floating offshore wind. BOEM has determined that these will not meet the requirements as outlined above.

8.1.2 Domestic Supply Chain Credit – Requirement and Restrictions:

The Contribution must result in overall benefits to the U.S. floating offshore wind supply chain available for all potential purchasers of floating 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 floating offshore wind domestic supply chain by reducing the upfront capital or certification cost for manufacturing floating offshore wind components, including the building of facilities, the purchasing of capital equipment, and the certifying of existing manufacturing facilities.. Supply chain development Contributions can be made to programs supporting the development of the supply chain or can be direct Contributions or incentives for manufacturing or other services supporting the floating offshore wind industry.

Contributions to domestic supply chain development must be for one or more of the following:

- Development of a domestic supply chain for the floating offshore wind industry, including manufacturing of components and sub-assemblies and the expansion of related services.
- Domestic Tier-2⁹ and Tier-3¹⁰ floating offshore wind component suppliers, such as mooring line manufacturers, and domestic Tier-1¹¹ supply chain efforts, including quayside fabrication of floating foundations and assembly of floating towers.
- Technical assistance grants to help U.S. manufacturers re-tool or certify (e.g., ISO-9001) for floating offshore wind manufacturing.

⁸ [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)

⁹ Tier 2: Subassemblies are the systems that have a specific function for a Tier 1 component. They may include subassemblies of a number of smaller parts, such as a pitch system for blades. Tier 2 manufacturers contract with Tier 1 suppliers as a subcontractor or vendor.

¹⁰ Tier 3: Subcomponents are commonly available items that are combined into Tier 2 subassemblies, such as motors, bolts, and gears. Tier 3 manufacturers are typically vendors that provide components to Tier 2 suppliers.

¹¹ Tier 1 components examples include the primary offshore wind components such as the blades, nacelles, towers, foundations, and cables. Tier 1 components are the major products that are purchased by an offshore wind project developer, such as the wind turbine, foundation, or cables. Tier 1 suppliers are primary suppliers that contract directly with the project developer. Contributions for Tier 1 supply chain development can include infrastructure necessary for quayside manufacturing, fabrication, or assembly.

- Development of Jones Act-compliant vessels for the construction, servicing, and/or decommissioning of floating wind energy projects in the United States, including semi-submersible barges for use during quayside manufacturing, assembly, or installation.
- Purchase and installation of self-propelled modular transporter systems (SPMTs), lift cranes capable of installing foundations, towers, and nacelles quayside, and domestic mooring manufacturing facilities.
- Port infrastructure related to floating offshore wind component manufacturing and preparation of quayside manufacturing and assembly areas for the construction and deployment of floating foundations for, or other components of floating offshore wind turbines.
- Establishing a new or existing bonding support reserve or revolving fund available to all businesses providing goods and services to floating offshore wind energy companies, including disadvantaged businesses,¹² and/or Indian Economic Enterprises.
- Other supply chain development efforts that the Lessee can demonstrate further the manufacturing of floating offshore wind components or subassemblies, or the provision of floating offshore wind services in the United States.

Contributions to domestic supply chain development should not include those for studies to evaluate suitable floating offshore wind manufacturing/assembly sites or recipients for bidding credit Contributions or carbon reduction or other greening efforts for manufacturing processes or ports. BOEM does not find that these efforts meet the requirements of the lease as outlined above.

8.1.3 Documentation:

The Contribution must be verifiable by BOEM. The documentation provided by the Lessee must contain and elaborate on the information specified in the Conceptual Strategy submitted with the BFF and must 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 subsections 8.1, 8.1.1, and 8.1.2 of this section. The Lessee must provide written documentation to BOEM demonstrating payment of the full Contribution to initiatives or programs supporting workforce training and/or domestic supply chain development, as provided in subsections 8.1, 8.1.1, and 8.1.2 of this section. The documentation, verifying fulfillment of the entirety of the Contribution, must be submitted to BOEM before the Lessee submits the lease's first FDR or before the tenth Lease Anniversary, whichever is sooner.

The documentation must also describe how the funded initiative or program has advanced, or is expected to advance, U.S. floating offshore wind workforce training and/or supply chain development. The documentation must provide qualitative and/or quantitative information that includes the estimated number of trainees and/or jobs supported, or the estimated leveraged supply chain investment resulting or expected to result from the Contribution.

At a minimum, the documentation must include the following:

- all written agreements between the Lessee and beneficiary(ies) of the Contribution, which must detail the amount of the Contribution and how it will be used by the

¹² A disadvantaged business entity would be one at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals as defined by the Small Business Administration.

beneficiaries of the Contribution 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 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.

If the Lessee's implementation strategy has changed from that in the Conceptual Strategy due to market needs or other factors, the Lessee must explain the changed approach in the documentation provided to BOEM.

8.1.4 Enforcement:

BOEM reserves the right to determine that the bidding credit has not been satisfied if changes to the Lessee's Conceptual Strategy or its implementation, occurring after the auction, do not meet the criteria for the bidding credit described herein. The requirements and restrictions applicable to the bidding credit commitment described in subsections 8.1.1, and 8.1.2 of this section bind the Lessee and any future assignee(s) of the Lease as per 30 CFR 585.411. Should BOEM determine the Lessee has not complied with all applicable requirements before the Lessee submits the Lease's first FDR or before its tenth Lease Anniversary, whichever is sooner, BOEM will notify the Lessee in writing of its noncompliance and allow the Lessee 30 days to remedy the deficiency, or additional time if approved by BOEM for good cause shown. During this time, the Lessee may request a meeting with BOEM to clarify any potential mitigating circumstances or provide additional information. BOEM will convene a Fulfillment Panel that will make a final determination of compliance or noncompliance within 30 days from the meeting or from the latest date of receipt of additional information, whichever is later. If BOEM's Fulfillment Panel makes a final determination that a Lessee or assignee has failed to satisfy the commitment, or if a Lessee or assignee relinquishes or otherwise fails to develop the lease by the tenth Lease Anniversary, the amount corresponding to the bidding credit awarded will be immediately due and payable to the Office of Natural Resources Revenue (ONRR) with interest from the Lease Effective Date. The interest rate is 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 relinquished or failed to develop the lease by the tenth Lease Anniversary. BOEM may, at its sole discretion, extend the documentation deadline beyond the first FDR submission or the 10-year timeframe.

9 FISHERIES COMPENSATORY MITIGATION FUND BIDDING CREDIT

9.1 General Requirements and Restrictions:

The Lessee has committed to contribute **\$X,XXX,XXX** into a Fisheries Compensatory Mitigation Fund (hereinafter, the "Fund") as part of its high bid (hereinafter, the "Contribution"). The Lessee must meet this commitment in accordance with the Conceptual Strategy submitted pursuant to the BFF.

The Contribution must provide compensation for potential adverse impacts in the Gulf of Maine resulting from project development under this lease to Tribal subsistence fishing,

commercial fisheries, and for-hire recreational fisheries.¹³ The Fund must compensate Tribal subsistence fishers, commercial fishers, and for-hire recreational fishers for Tribal subsistence loss, gear loss or damage, and any income loss claims incurred as a result of any stage of offshore wind project development (i.e., the 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.

The Contribution may be used for Fund startup costs, but the Fund should minimize costs by leveraging existing processes, procedures and information, including BOEM's Draft Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf, the Eleven Atlantic States' Fisheries Mitigation Project, or other sources. In addition,

- The Fund must be independently managed by a third party and must include trustees or board members from fishing stakeholder groups.
- The Fund must include fiduciary governance and strong internal controls, and must minimize administrative expenses.
- The Fund governance must include a process for evaluating the actuarial status of funds every five years, and for publicly reporting information on Fund disbursements and administrative costs at least annually.

The Fund's first priority will be to compensate fishers for Tribal subsistence fishing loss, gear loss or damage, and income loss for commercial fisheries and for-hire recreational fishing claims incurred as a result of project development under this lease in the Gulf of Maine, including impacts from surveys conducted before the establishment of the Fund. Funds that have been determined to be in excess of those needed to compensate for Tribal subsistence fishing loss, gear loss or damage, and income loss for commercial fisheries and for-hire recreational fishing as a result of lease development, based on an actuarial accounting, may be used to:

- Support regional fisheries compensatory mitigation efforts for other Gulf of Maine and 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 fishing and offshore wind industries to coexist.

¹³ The term "Tribal subsistence fishing" or "Tribal subsistence fishery" for the purpose of this bidding credit refers to a fishery where the fish caught are shared and consumed directly by the families, kin, and fellow Tribal members of the fishers rather than being sold. The term "commercial fisheries" refers to commercial and processor businesses engaged in the act of catching and marketing fish and shellfish for sale from the GOM. 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 Lessee is encouraged to coordinate with other lessees to establish or contribute to a regional fund mitigating fisheries impacts from Atlantic offshore wind leases. The terms and conditions of this bidding credit must be adhered to by the regional fund in order to ensure that fund disbursements are allocated in accordance with this lease.

The Fund must be established, and the Contribution made, before the Lessee submits the lease's first FDR or the fifth Lease Anniversary, whichever is sooner.

9.1.1 Documentation:

The Contribution must be verifiable by BOEM. The Lessee must submit to BOEM written documentation containing the information called for in the Conceptual Strategy submitted at the time of the bid deposit and must allow BOEM to objectively verify (i) the amount of the Contribution to the Fund; and (ii) compliance with the bidding credit criteria provided in subsection 9.1 of this section. The Lessee must provide written documentation to BOEM demonstrating payment of the full Contribution to a Fund, as described above. The documentation must be submitted to BOEM before the Lessee submits the lease's first FDR or the fifth Lease Anniversary, whichever is sooner. At a minimum, the documentation must include:

- the procedures established to compensate for Tribal subsistence fishing loss resulting from all phases of the project development on the Lease (pre-construction, construction, operation, and decommissioning) adherent to the requirements above;
- the procedures established to compensate for gear loss or damage resulting from all phases of the project development on the Lease (pre-construction, construction, operation, and decommissioning) adherent to the requirements above;
- the procedures established to compensate for income loss to commercial fisheries and for-hire recreational fisheries resulting from all phases of the project development on the Lease (pre-construction, construction, operation, and decommissioning) adherent to the requirements above;
- the Fund charter, including the governance structure, audit and public reporting procedures, internal controls, and standards for paying compensatory mitigation for impacts to fishers from all phases of offshore wind development adherent to the requirements above;
- all receipts documenting the amount, date, financial institution, and the account and owner of the account to which the Contribution was made, including any qualifying payments made in advance of the Fund being established; and
- sworn statements by the entity that made the Contribution and the independent Fund custodian attesting:
 - the amount and date(s) of the Contribution;
 - that the Contribution is being (or will be) used in accordance with the bidding credit requirements in the lease; and
 - that all information provided is true and accurate.

The documentation must also contain any information specified in the Conceptual Strategy that was submitted with the BFF. If the Lessee's Conceptual Strategy has changed due to market needs or other factors, the Lessee must explain this change.

9.1.2 Enforcement:

BOEM reserves the right to determine that the bidding credit commitment has not been satisfied because changes to the Lessee's Conceptual Strategy, or its implementation, occurring after the auction, do not meet the criteria for the bidding credit described herein. The requirements and restrictions applicable to the bidding credit commitment described in subsection 9.1 bind the Lessee and any future assignee(s) of the lease as per 30 CFR 585.411. Should BOEM determine the Lessee has not complied with all applicable requirements before the Lessee submits the Lease's first FDR or the fifth Lease Anniversary, BOEM will notify the Lessee in writing of its noncompliance and allow the Lessee 30 days to remedy the deficiency, or additional time if approved by BOEM for good cause shown. During this time, the Lessee may request a meeting with BOEM's Fulfillment Panel to clarify any potential mitigating circumstances or provide additional information. BOEM will convene a Fulfillment Panel that will make a final determination of compliance or noncompliance within 30 days from the meeting or the latest date of receipt of additional information, whichever is later. If BOEM's Fulfillment Panel makes a final determination that a Lessee or assignee has failed to satisfy the bidding credit requirements, or if a Lessee or assignee relinquishes or otherwise fails to develop the Lease by the fifth Lease Anniversary, 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 relinquished or failed to develop the lease by the fifth Lease Anniversary. BOEM may, at its sole discretion, extend the documentation deadline beyond the first FDR submission or the fifth Lease Anniversary.

10 SITING CONDITIONS

10.1 Surface Structure Layout and Orientation:

If the Lessee's lease area abuts a neighboring BOEM lease area, in its COP project design, the Lessee must endeavor to design a structure layout that contains two common lines of orientation across the adjacent leases (as described in Navigation and Vessel Inspection Circular 02-23). If the Lessee and the neighboring BOEM lessee cannot agree on such a structure layout, a minimum 1.25 nautical mile (nm) setback from the boundary of the neighboring lease will be required to provide a clear visual reference for mariners to easily distinguish the presence of two separate projects. This would create a minimum 2.5 nm distance between the proposed facilities of each lessee along the common border. No surface or subsurface occupancy is allowed within the 2.5 nm gap. Rent will be collected on all areas assigned to the lessee, as outlined in Addendum A, regardless of potential restrictions.

10.2 No Surface or Subsurface Occupancy:

Addendum "A" of this lease describes whether or not this lease contains areas of no surface or subsurface occupancy. No surface or subsurface occupancy is defined as a prohibition on the permanent placement of an object on the ocean surface or water column (i.e., floating foundations, mooring lines, anchor structures, or inter-array cables) within a specific space, but does not apply to placement of an object below the seabed or protected along the seabed (e.g., scour or cable protection). The intent of this designation is to enable fishing vessels to transit through BOEM-designated corridors.

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY MANAGEMENT

ADDENDUM "D"

PROJECT EASEMENT

Lease Number OCS-A 0565

This addendum includes a description of the Project Easement(s), if any, associated with this lease and the financial terms associated with it. BOEM will update this addendum as necessary.

I. Rent

The Lessee must begin submitting rent payments for any project easement associated with this lease commencing on the date that BOEM approves the Construction and Operations Plan (COP) or modification of the COP describing the project easement. Annual rent for a project easement is \$5.00 per acre per year or, a minimum of \$450.00 per year in accordance with 30 CFR § 585.507(a).

U.S. DEPARTMENT OF THE INTERIOR
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Lease Number OCS-A 0565

CONTACT INFORMATION FOR REPORTING REQUIREMENTS

The following contact information must be used for the reporting and coordination requirements specified in ADDENDUM "C," Section 4:

United States Fleet Forces (USFF) N46
1562 Mitscher Ave, Suite 250
Norfolk, VA 23551
(757) 836-6206

All other reporting requirements in Section 5:

Bureau of Ocean Energy Management
Environment Branch for Renewable Energy
Phone: 703-787-1340
Email: renewable_reporting@boem.gov

ENCLOSURE