New York Bight Commercial Wind Power Lease Sale

30 July 2021

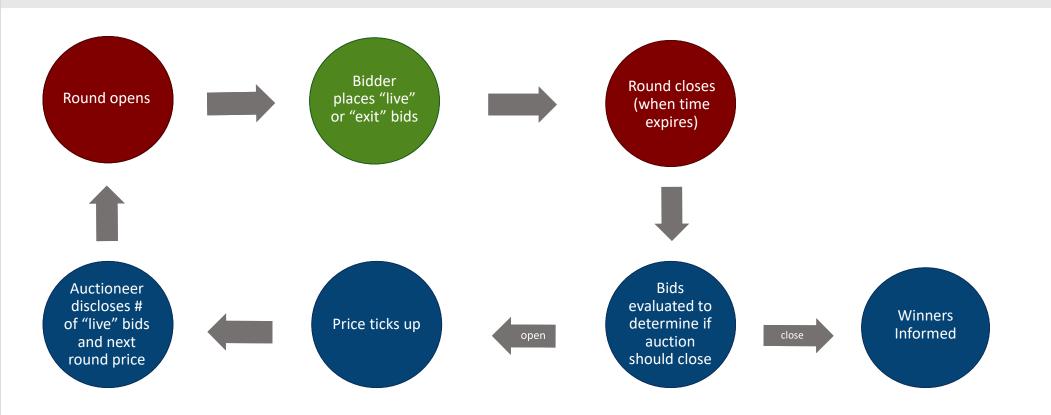


Auction Mechanics

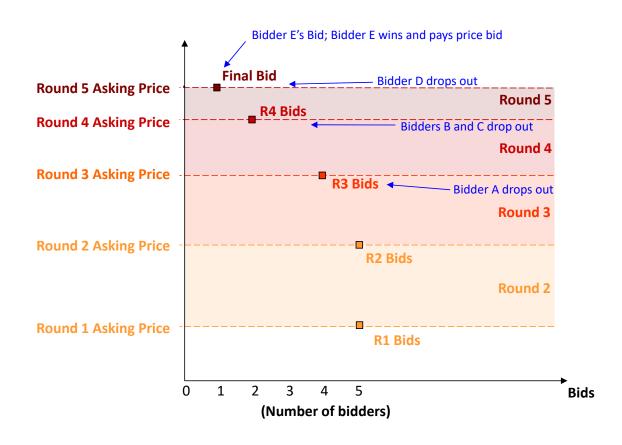
High-Level Overview of Ascending Clock Auction

- All eight lease areas are offered simultaneously
- An "asking price" is announced for each lease area before every bidding round
- To remain active in the auction, a bidder must submit a live bid for a lease area (or have a previous live bid carried forward) in every round
- After every bidding round, the auction manager discloses the number of live bids received for each lease area and raises the asking price of any lease area that has received two or more live bids
- Closing rule: The auction concludes when each lease area has received at most one live bid

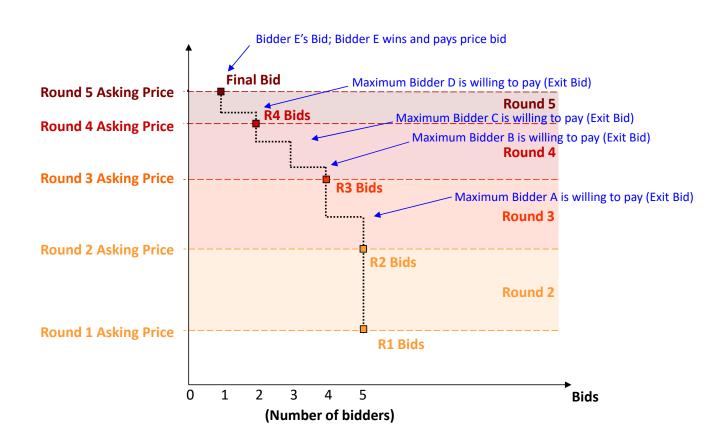
Schematic of Ascending Clock Auction Process



Demand for a Lease Area (live bids only)



Demand for a Lease Area (with exit bids depicted)



Bidding Detail (as proposed in PSN)

- Eight lease areas; each bidder can bid for only one lease area at a time and can win at most one lease area
- Live bids
 - In round 1, a bidder places a live bid on one of the lease areas
 - In subsequent rounds, the bidder can freely switch among lease areas, subject to the constraint that if the bidder was the only one who placed a live bid on a given lease area in the previous round (i.e., if demand = 1), the bidder must stay on the same lease area (at the same price)
- Exit bids
 - An exit bid can only be submitted for the lease area bid in the previous round, and only when the previous round's bid was contested
 - An exit bid must be for more than the previous round's asking price for the lease area and for less than the current round's asking price for the lease area
 - The exit bid is the last bid that a bidder can submit in the auction; when a bidder submits an exit bid, the bidder can no longer bid on any lease area (live bid or exit bid) in subsequent rounds

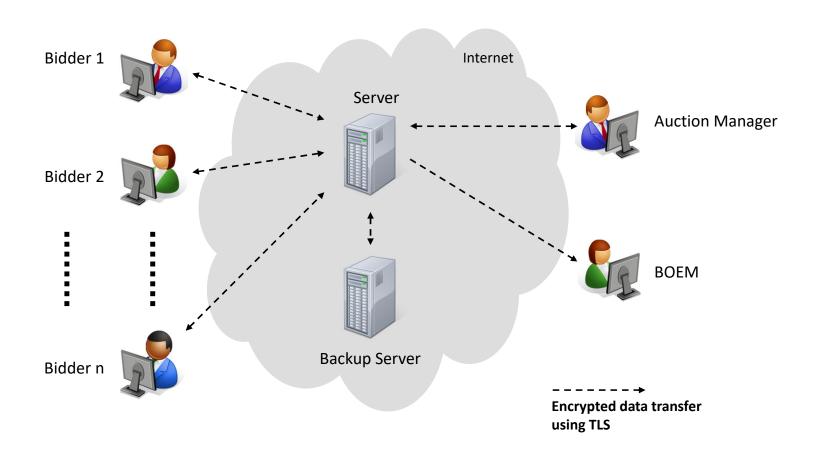
Winner Determination (as proposed in PSN)

- The highest bid received by a lease area in the final round (whether live bid or exit bid) becomes a provisionally winning bid
- If a lease area did not receive any bids in the final round, it is allocated to someone
 who bid for it in a prior round, so as to maximize auction revenues subject to each
 bidder winning at most one lease area
- Ties (e.g., identical exit bids, or more than one live bid for a lease area in a prior round) are resolved by randomization within the auction system

Bidding Detail (alternative described in PSN)

- Eight lease areas; each bidder can bid for up to two lease areas at a time and can win at most two lease areas
- Live bids
 - In round 1, a bidder places a live bid on up to two of the lease areas
 - In subsequent rounds, the bidder can freely switch among lease areas, subject to the constraint that if the bidder was the only one who placed a live bid on its given lease area(s) in the previous round (i.e., if demand = 1), the bidder must stay on the same lease area(s) (at the same price(s))
- Intra-round bids
 - An intra-round bid can only be submitted for the lease area(s) bid in the previous round, and only when the previous round's bid was contested
 - An intra-round bid must be for more than the previous round's asking price for the lease area(s)
 and for less than the current round's asking price for the lease area(s)
 - Submitting an intra-round bid irrevocably reduces a bidder's eligibility from two lease areas to one, or from one lease area to zero

Bidding System Architecture

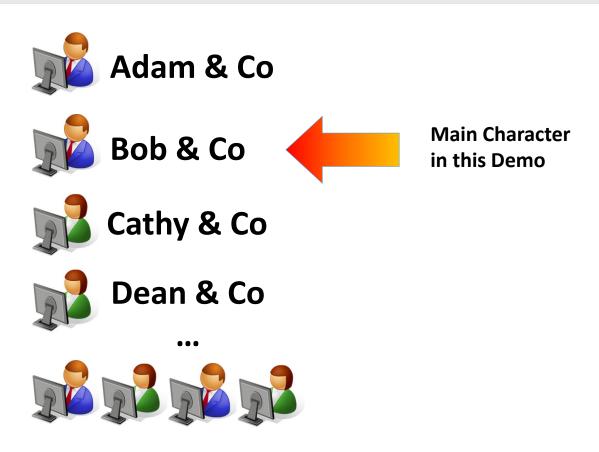


Requirements for Participation

- Computer requirements
 - Computer with a 1.2 GHz processor or higher
 - 1920 x 1080 or higher resolution monitor
 - Web browsers supported:
 - V Google Chrome (Windows or Mac platforms, newest version)
 - √ Microsoft Edge (recent Chromium version)
- Recommended backup facilities
 - Secondary means to access the internet, such as a mobile wireless card
 - More than one individual authorized to bid for your company; up to three are allowed

Bidding Software

Demo Bidders



Home Screen



Login Screen

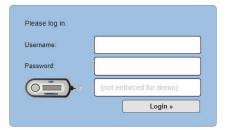
Bureau of Ocean Energy Management

B©EM Auction No. ATLW-8, Atlantic Wind 8

Offshore New York

Auction Login

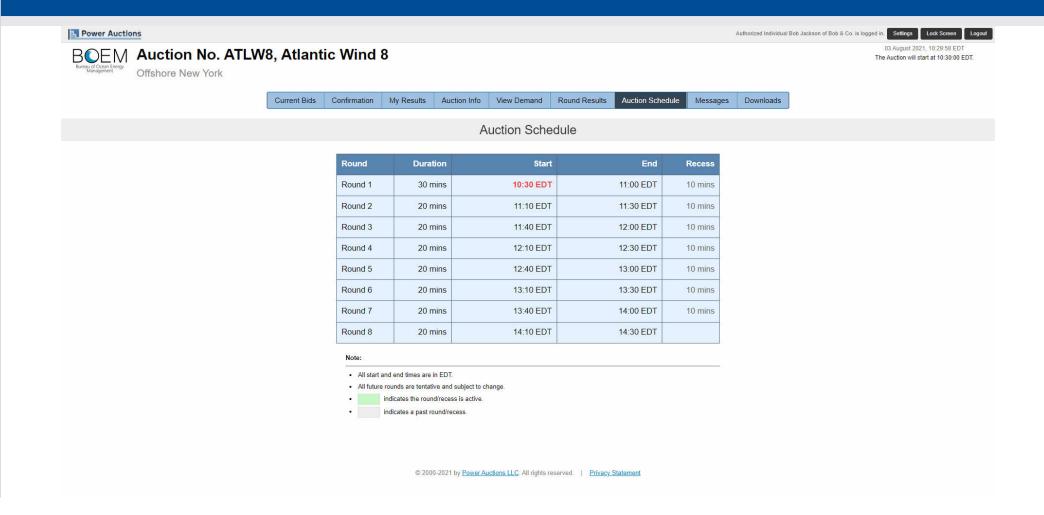
This web site is operated for the U.S. Government. Any unauthorized access is prohibited. Access of this system may be monitored, recorded, and subject to audit. Use of this system indicates consent to the monitoring and recording of the user's use of the system. The data and documents on this system include Federal records that may contain sensitive information protected by various Federal statutes. Unauthorized user attempts or acts to (1) access, upload, change, delete or deface information on this system, (2) modify this system, (3) deny access to this system, or (4) otherwise misuse this system are strictly prohibited and may result in criminal and civil penalties.



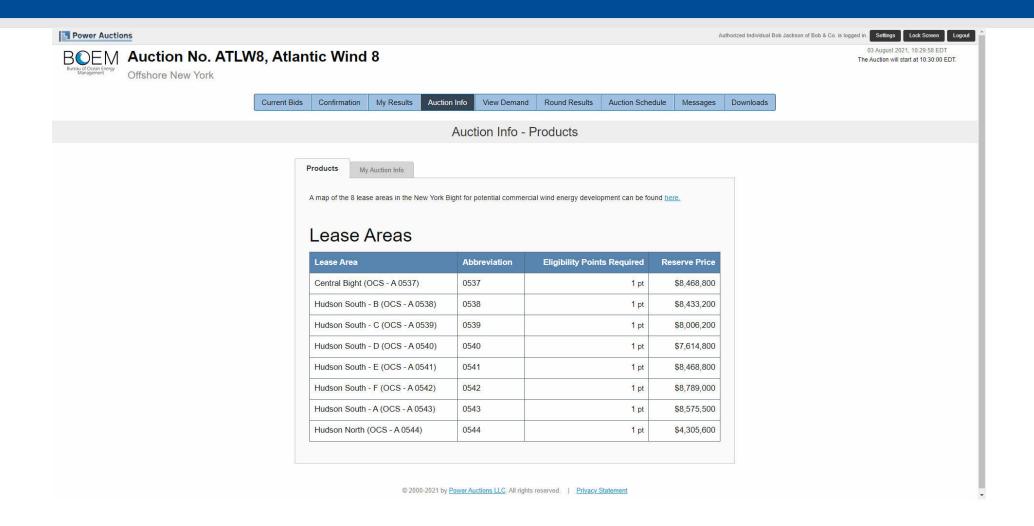
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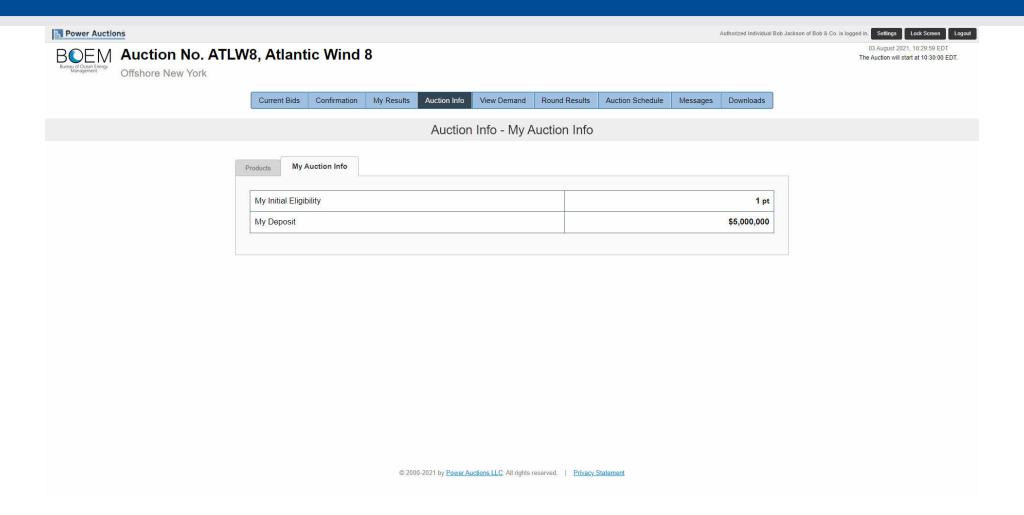
Auction Schedule



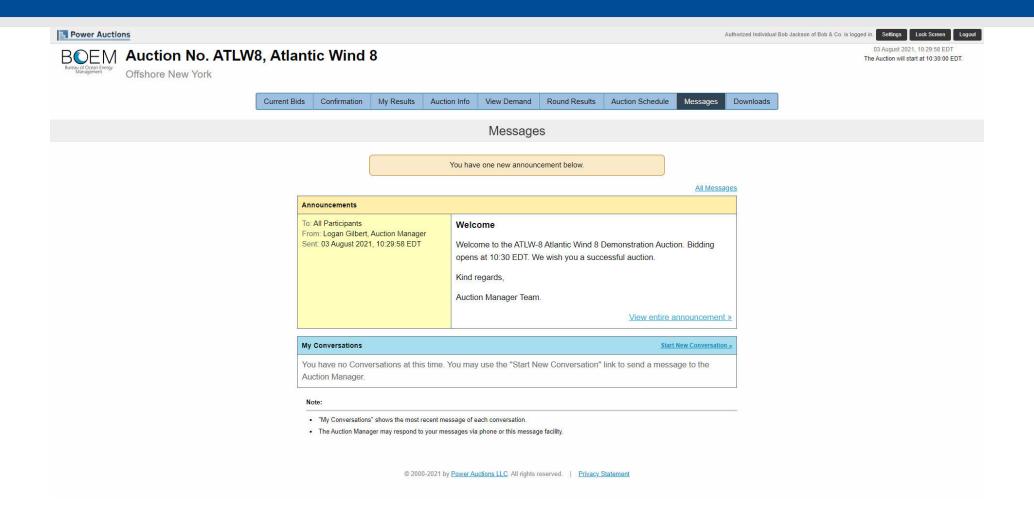
Auction Info



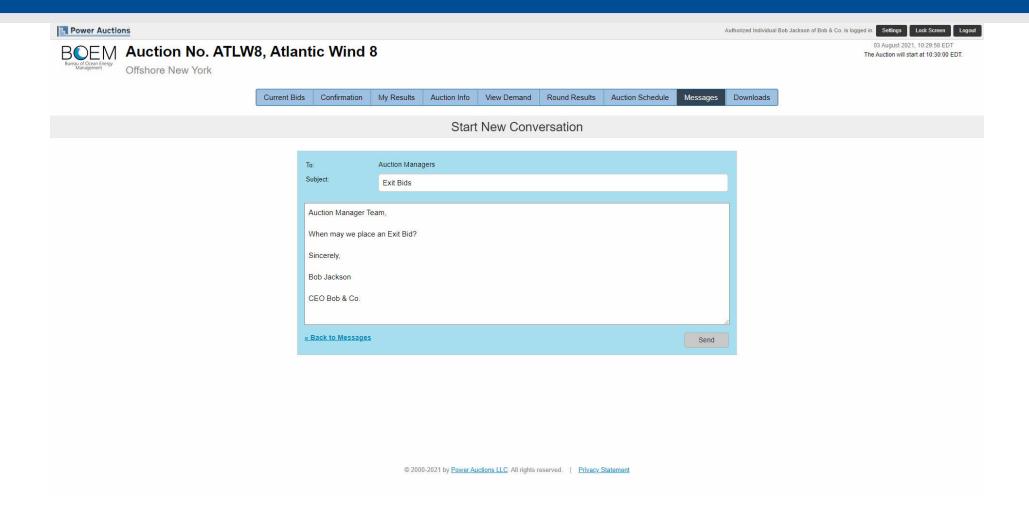
My Auction Info



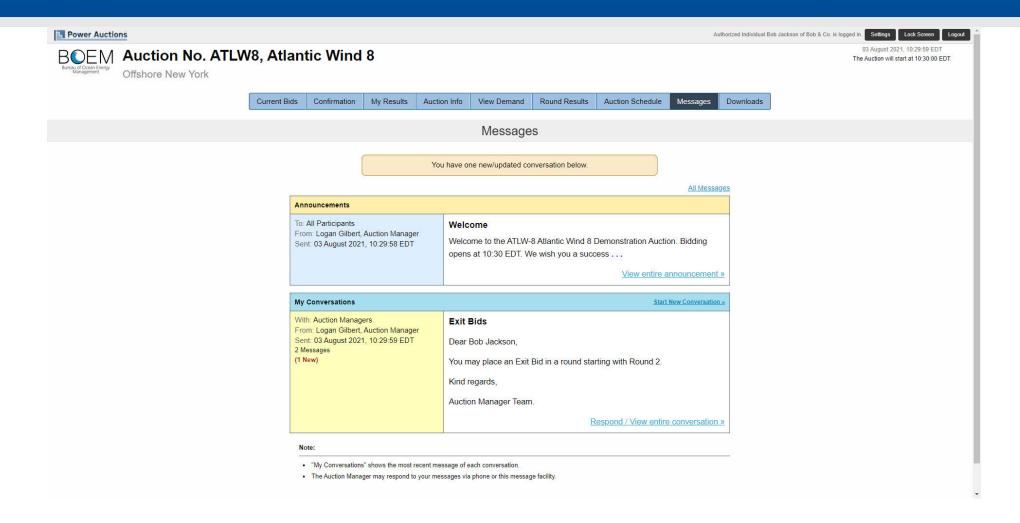
Announcement



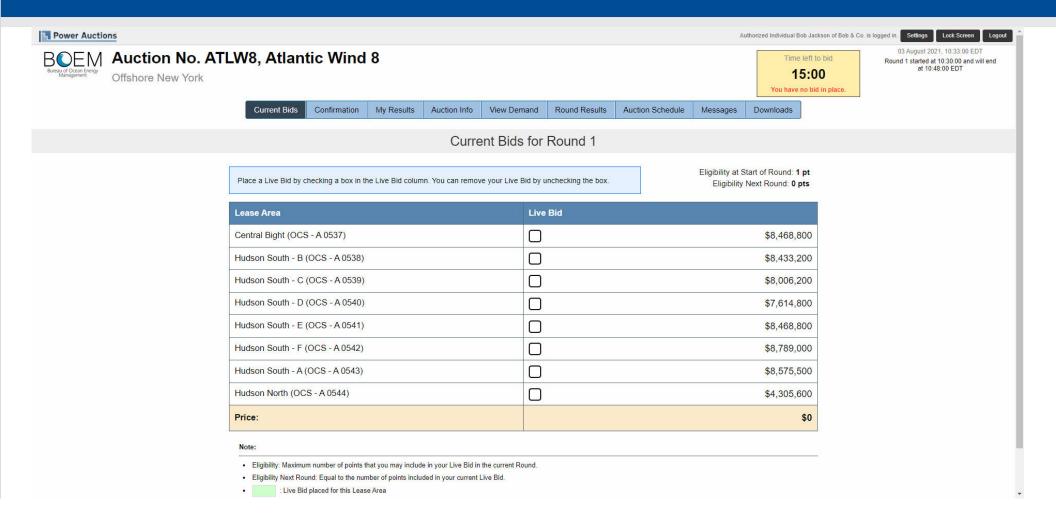
Send Messages to Auction Manager Team



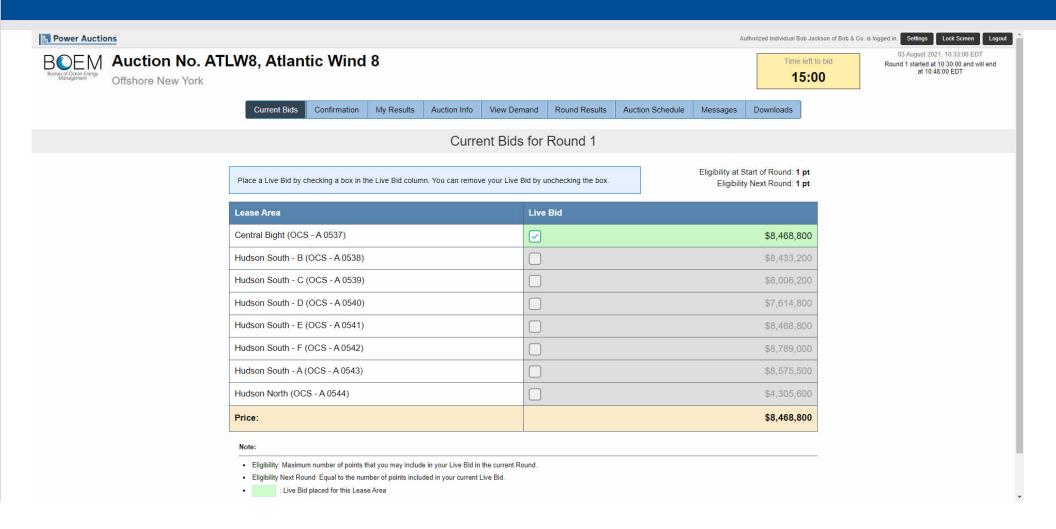
Announcement and Response from Auction Manager



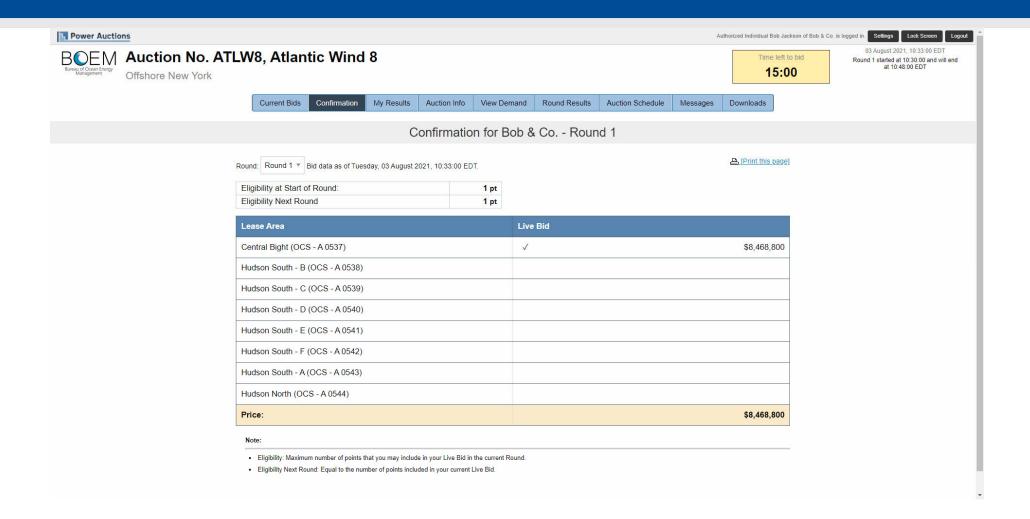
Current Bids Screen before Placing Bids in Round 1



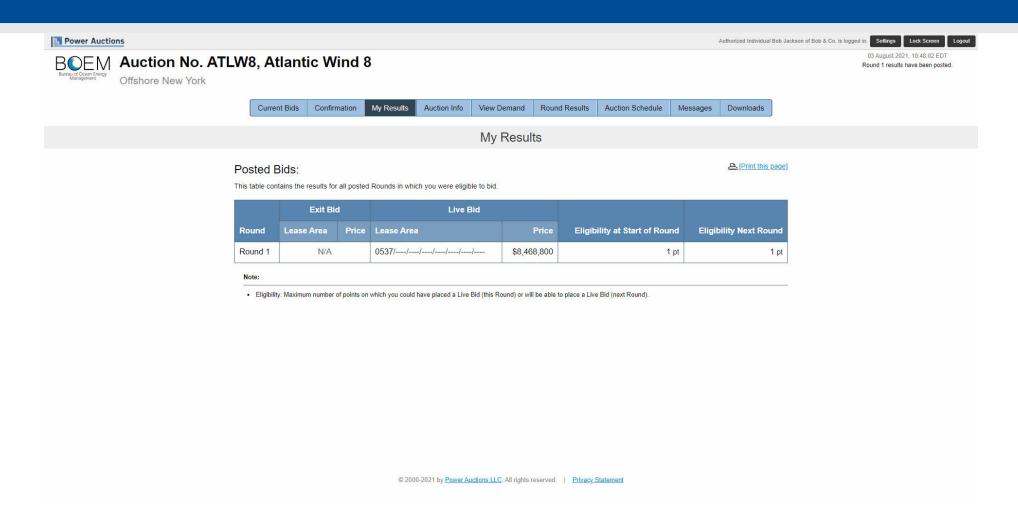
Bidding in Round 1



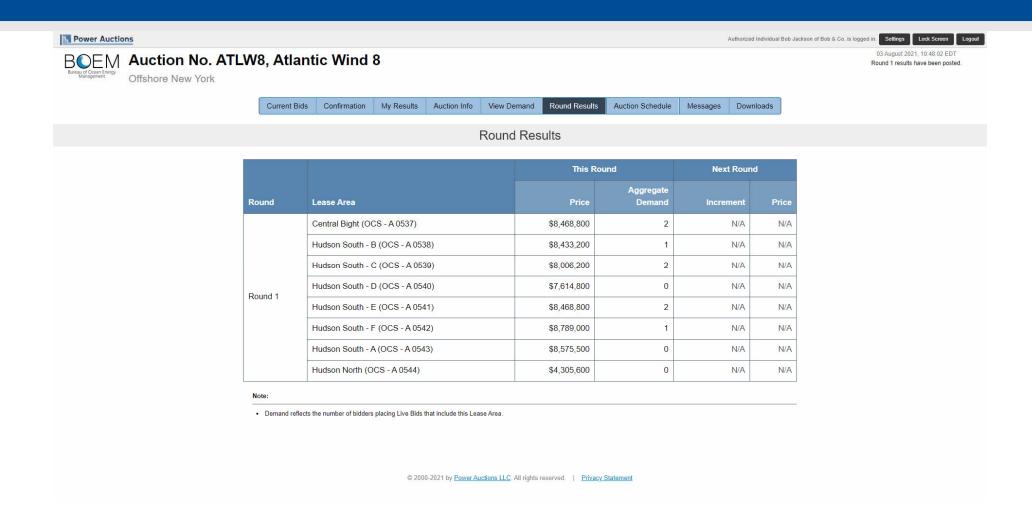
Bid Confirmation



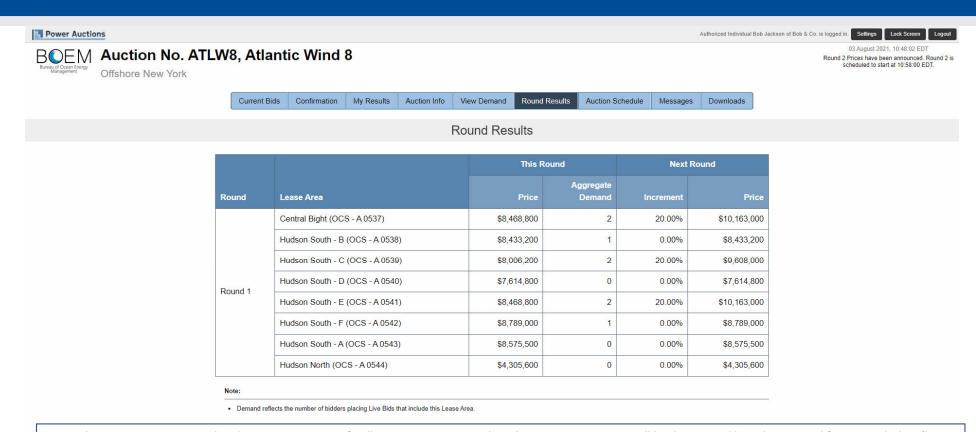
Round 1 Closed and Posted – My Results



Round 1 Posted – Round Results

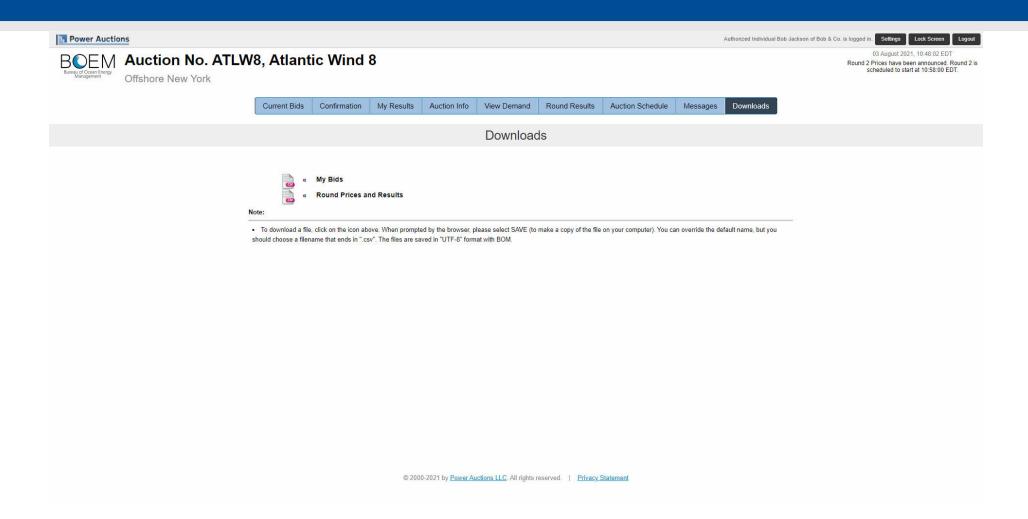


Round 1 Posted & Round 2 Announced – Round Results

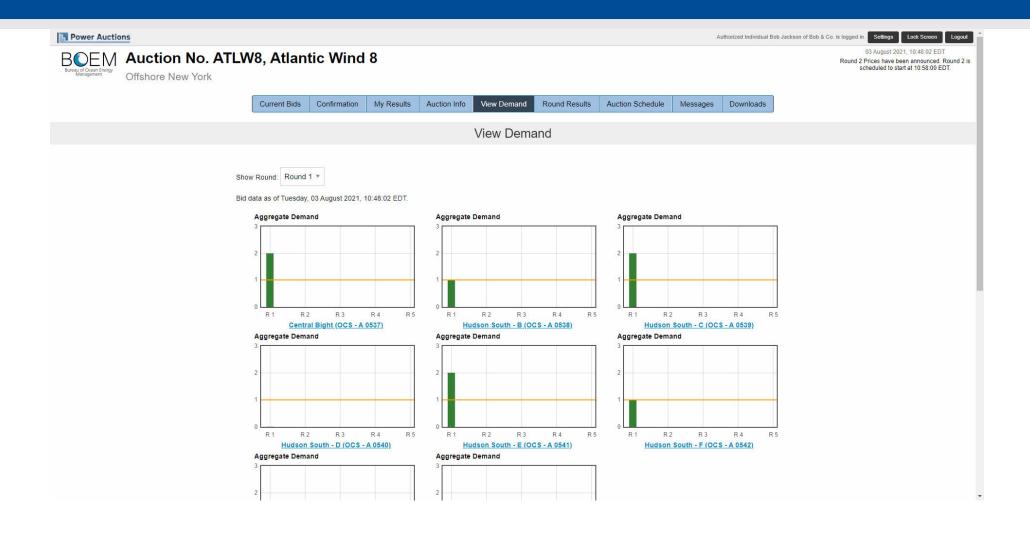


Note: The price increments used in this presentation are for illustrative purposes only. Asking price increments will be determined based on several factors, including (but not necessarily limited to) the expected time needed to conduct the auction and the number of rounds that have already occurred.

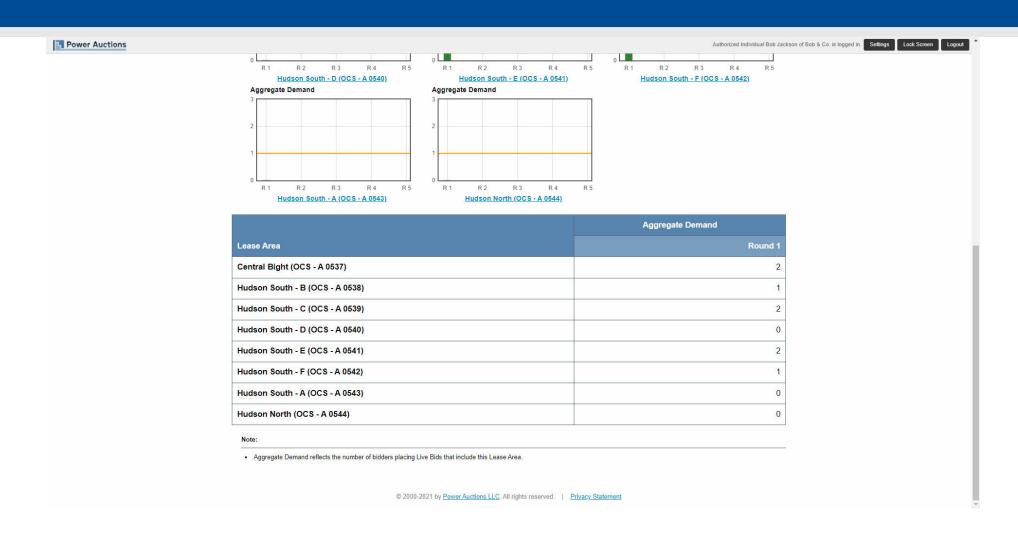
Round 1 Posted – Downloads



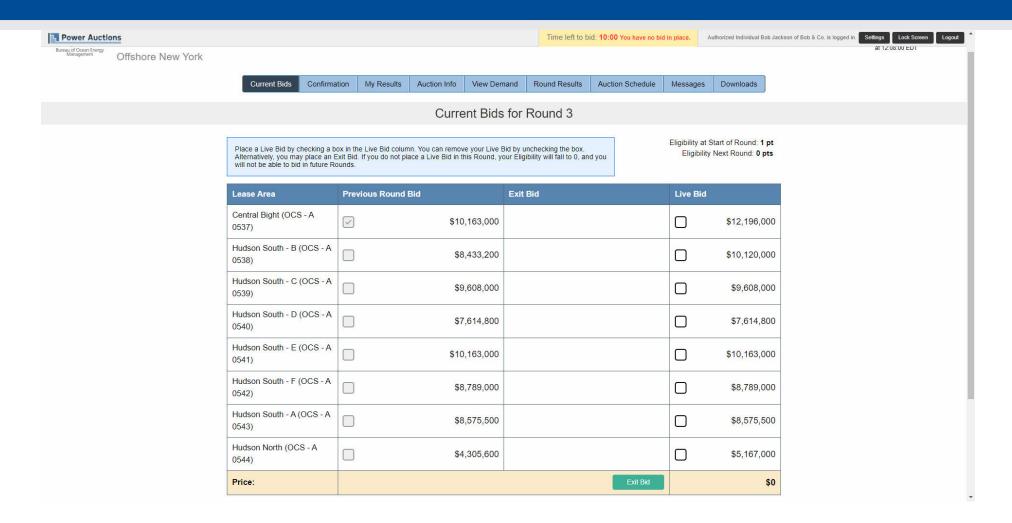
View Demand after Round 1



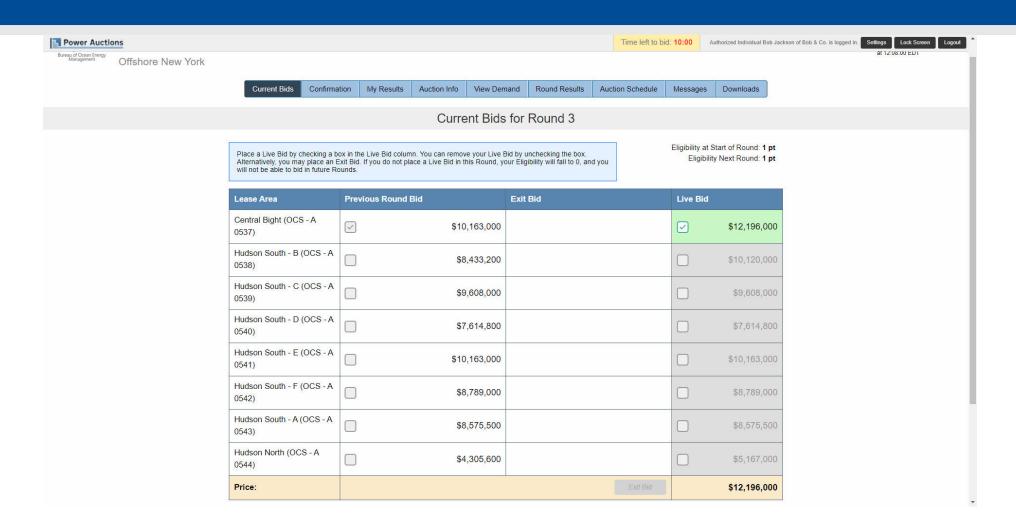
View Demand after Round 1



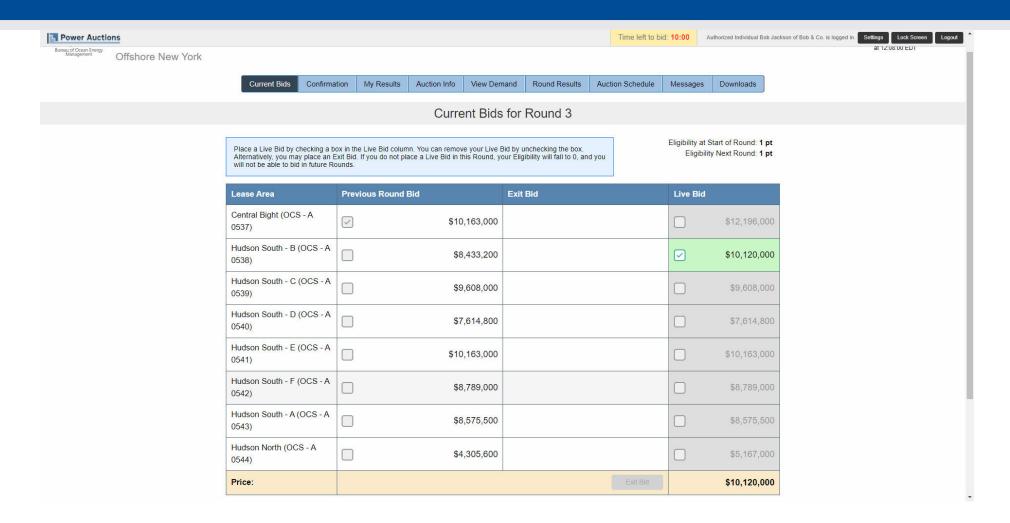
Round 3 – Current Bids Screen before Placing Bids



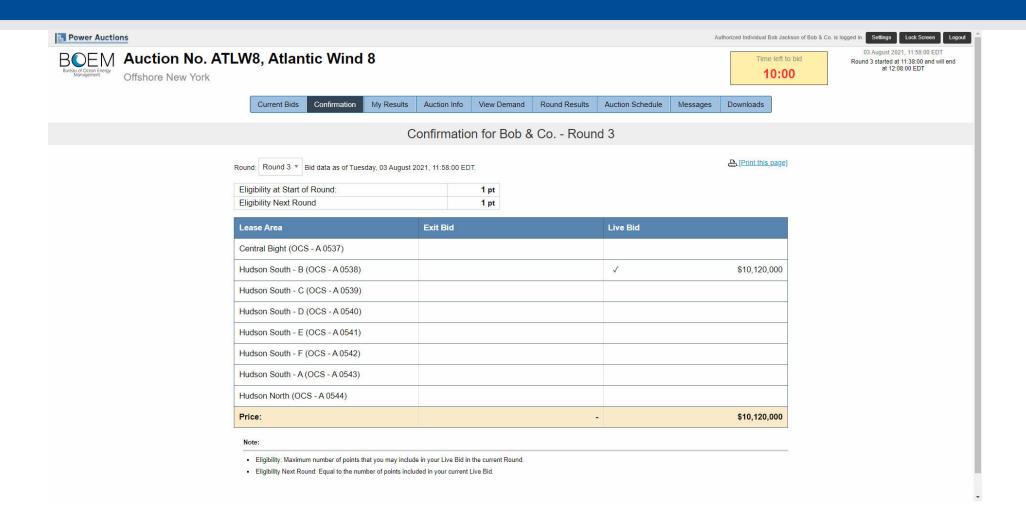
Round 3 – Live Bid Placed



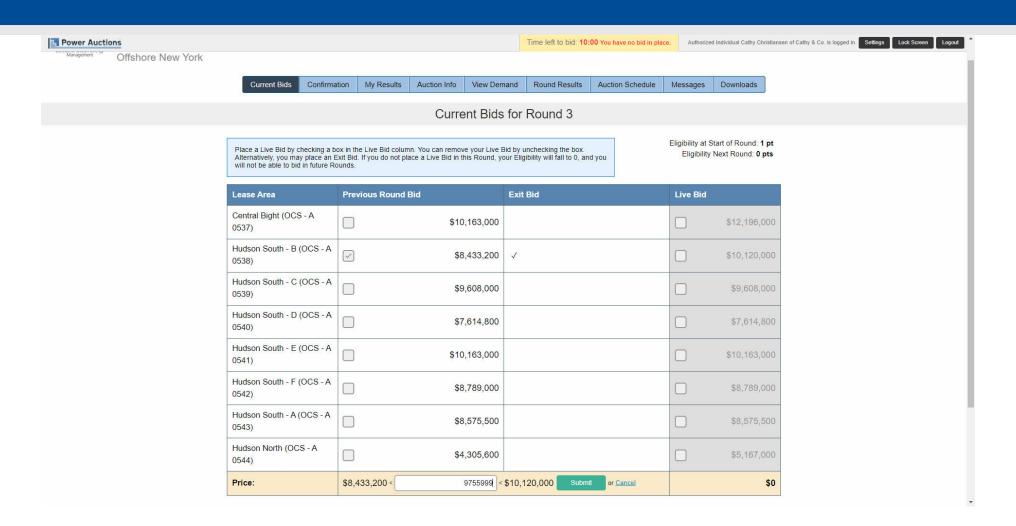
Round 3 – Switching Lease Areas



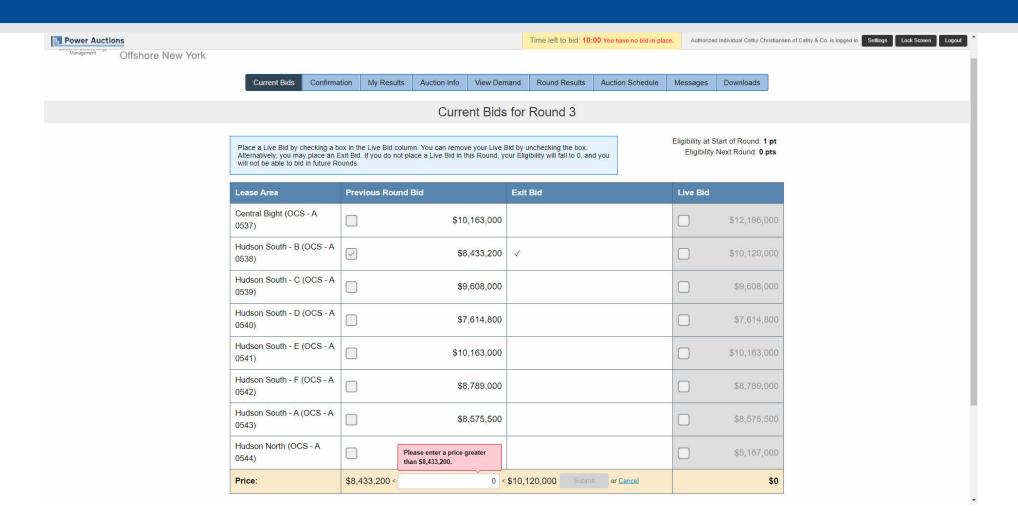
Round 3 – Bid Confirmation



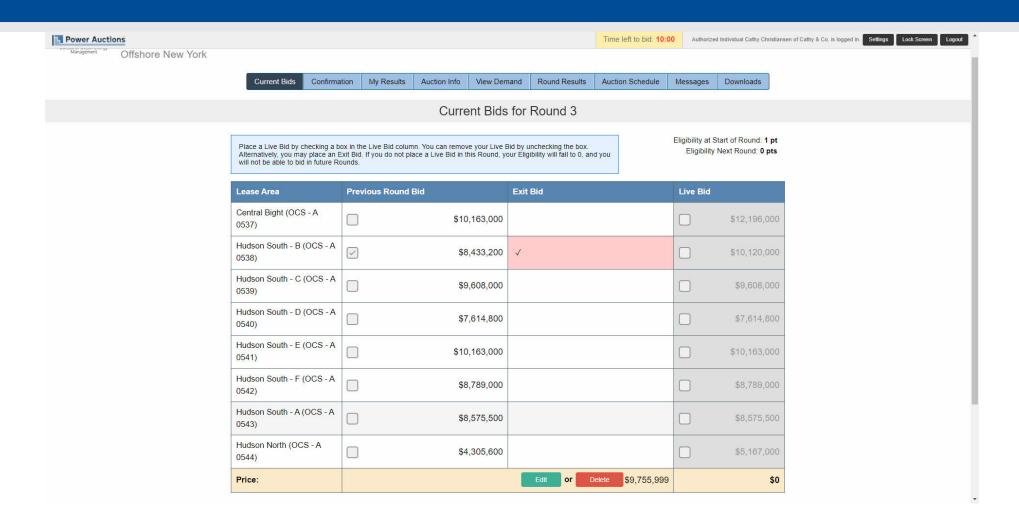
Round 3 – Exit Bid



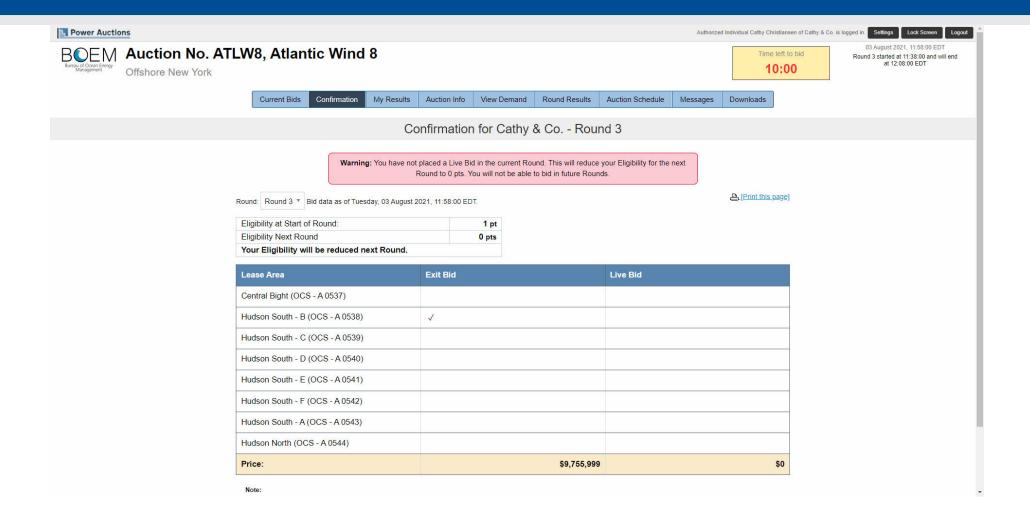
Round 3 – Exit Bid Error



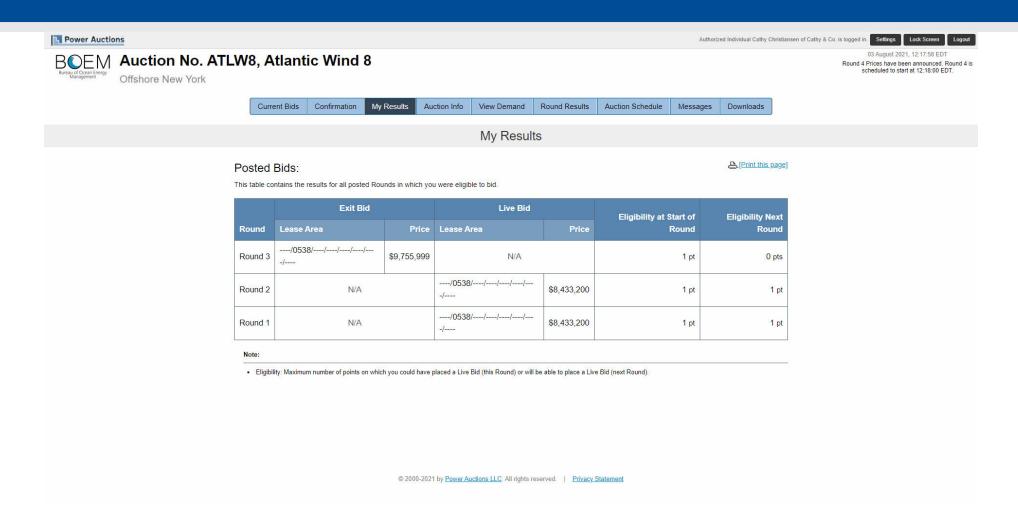
Round 3 – Exit Bid Placed



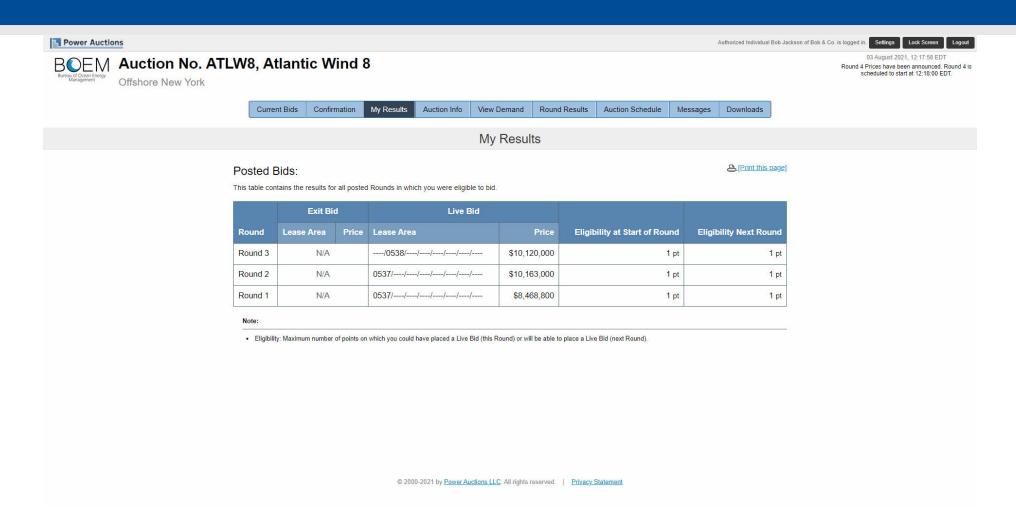
Round 3 – Exit Bid Confirmation



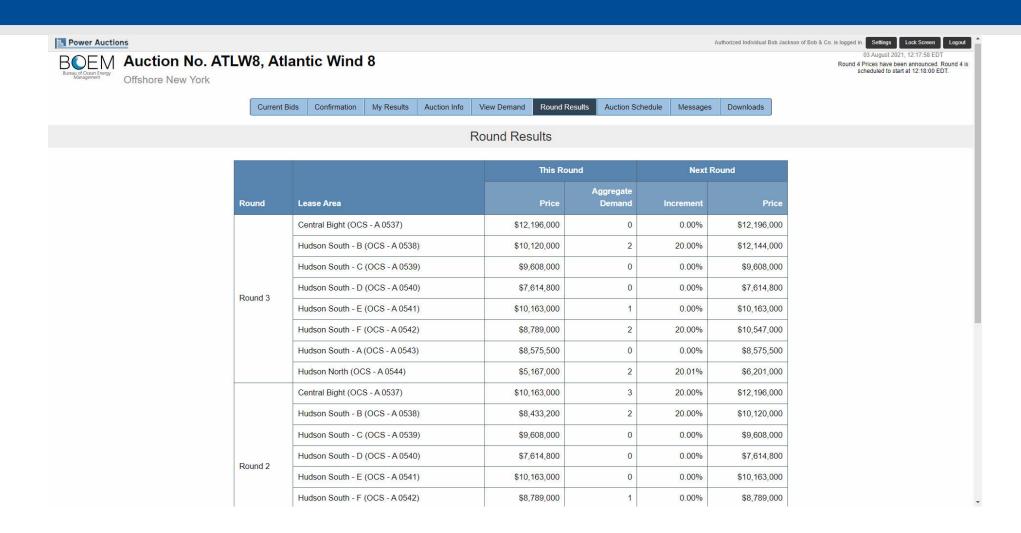
Round 3 Posted – My Results (Exit Bid)



Round 3 Posted – My Results (Switching Lease Areas)



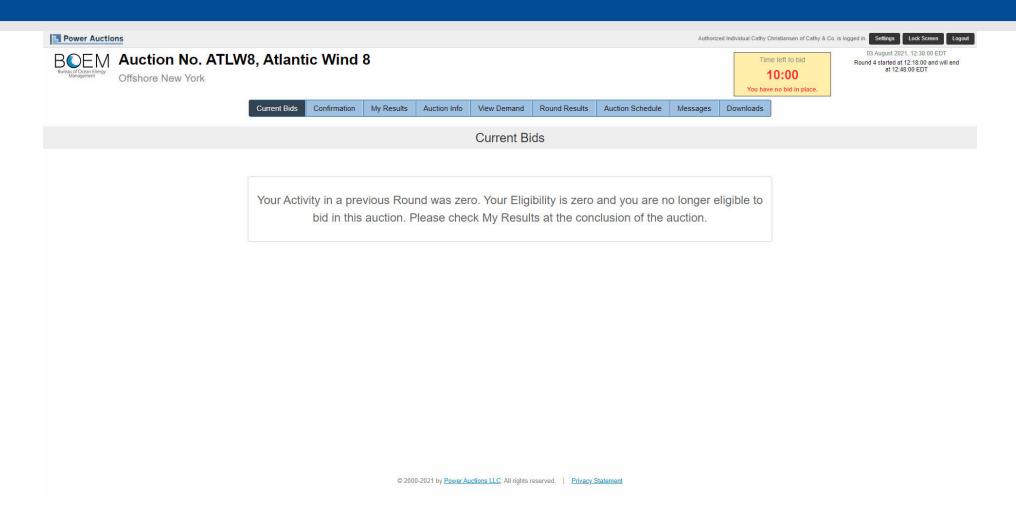
Round 4 Prices Announced – Round Results



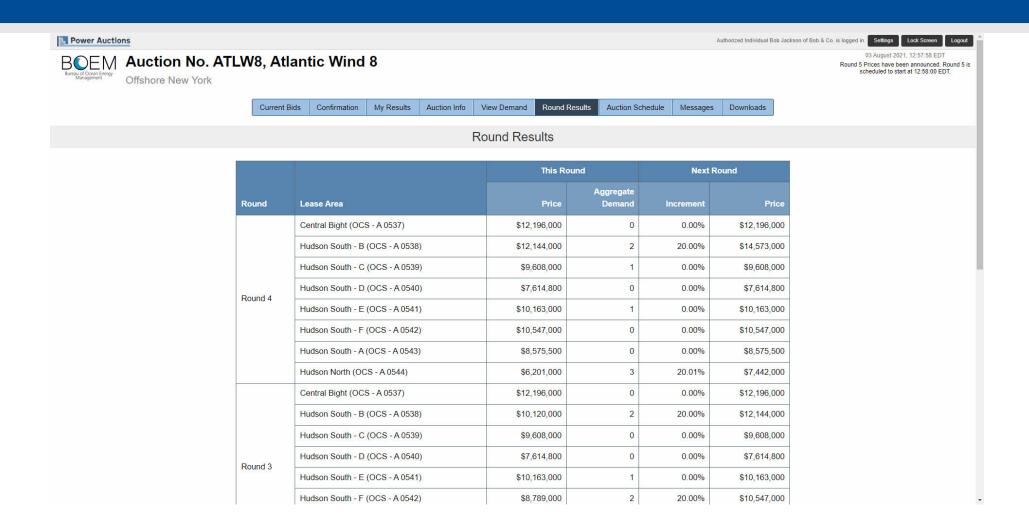
Round 4 Prices Announced – Round Results

	Hudson South - F (OCS - A 0542)	\$8,789,000	2	20.00%	\$10,547,000
	Hudson South - A (OCS - A 0543)	\$8,575,500	0	0.00%	\$8,575,500
	Hudson North (OCS - A 0544)	\$5,167,000	2	20.01%	\$6,201,000
Round 2	Central Bight (OCS - A 0537)	\$10,163,000	3	20.00%	\$12,196,000
	Hudson South - B (OCS - A 0538)	\$8,433,200	2	20.00%	\$10,120,000
	Hudson South - C (OCS - A 0539)	\$9,608,000	0	0.00%	\$9,608,000
	Hudson South - D (OCS - A 0540)	\$7,614,800	0	0.00%	\$7,614,800
	Hudson South - E (OCS - A 0541)	\$10,163,000	0	0.00%	\$10,163,000
	Hudson South - F (OCS - A 0542)	\$8,789,000	1	0.00%	\$8,789,000
	Hudson South - A (OCS - A 0543)	\$8,575,500	0	0.00%	\$8,575,500
	Hudson North (OCS - A 0544)	\$4,305,600	2	20.00%	\$5,167,000
Round 1	Central Bight (OCS - A 0537)	\$8,468,800	2	20.00%	\$10,163,000
	Hudson South - B (OCS - A 0538)	\$8,433,200	1	0.00%	\$8,433,200
	Hudson South - C (OCS - A 0539)	\$8,006,200	2	20.00%	\$9,608,000
	Hudson South - D (OCS - A 0540)	\$7,614,800	0	0.00%	\$7,614,800
	Hudson South - E (OCS - A 0541)	\$8,468,800	2	20.00%	\$10,163,000
	Hudson South - F (OCS - A 0542)	\$8,789,000	1	0.00%	\$8,789,000
	Hudson South - A (OCS - A 0543)	\$8,575,500	0	0.00%	\$8,575,500
	Hudson North (OCS - A 0544)	\$4,305,600	0	0.00%	\$4,305,600

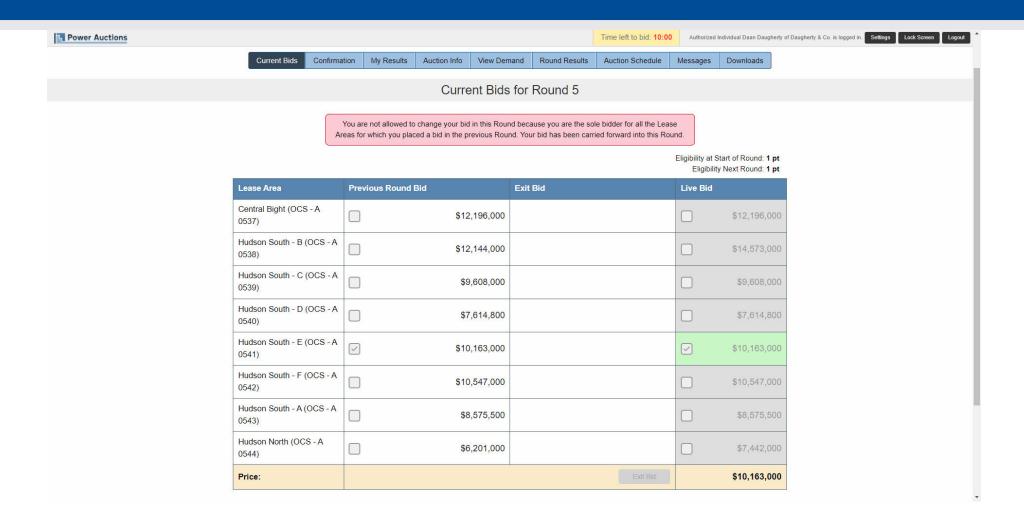
Round 4 – No Eligibility



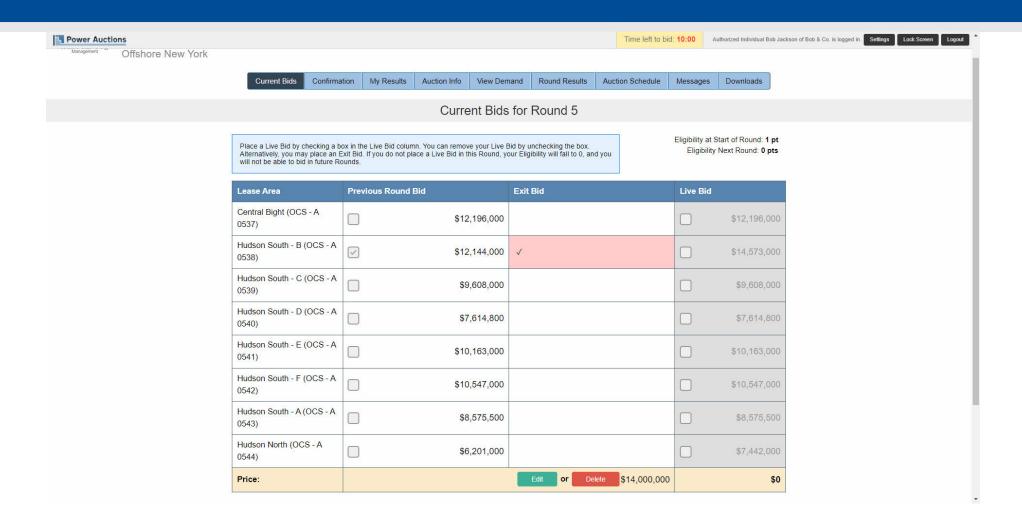
Round 4 – Round Results



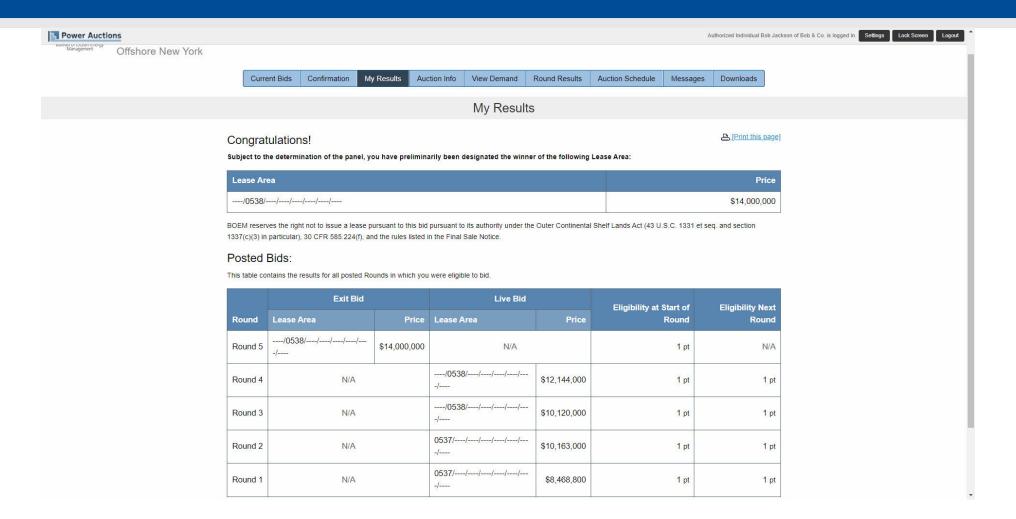
Round 5 – Bid Carried Forward



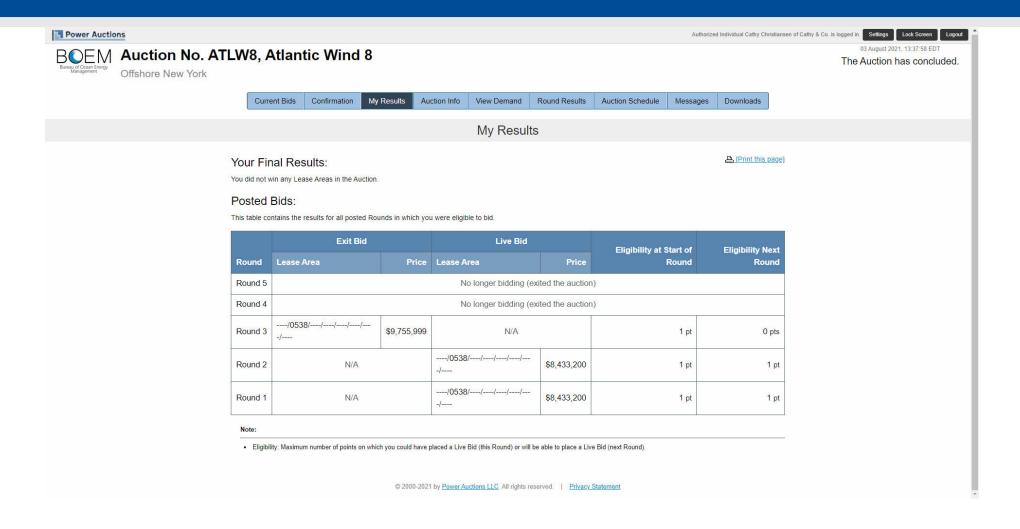
Round 5 – Exit Bid



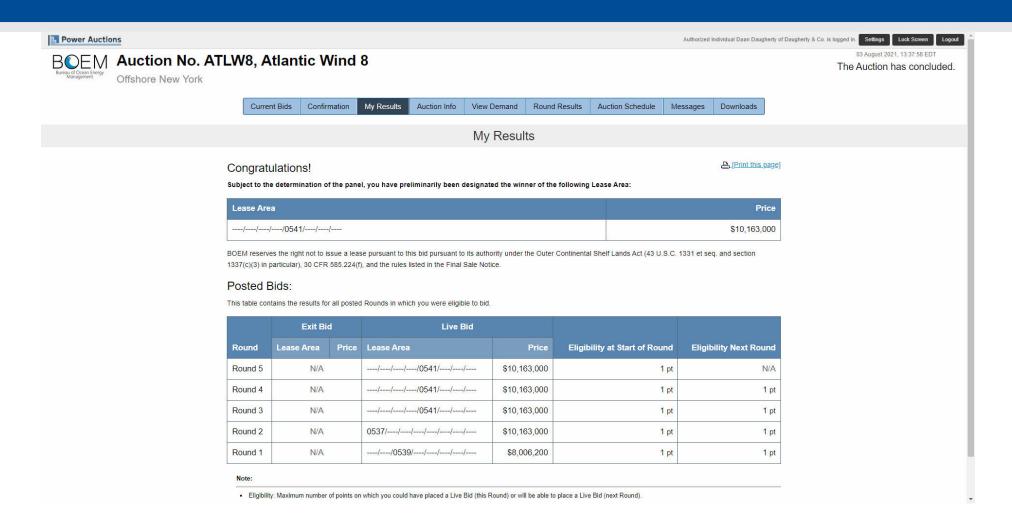
Auction Concluded – My Results (1/3)



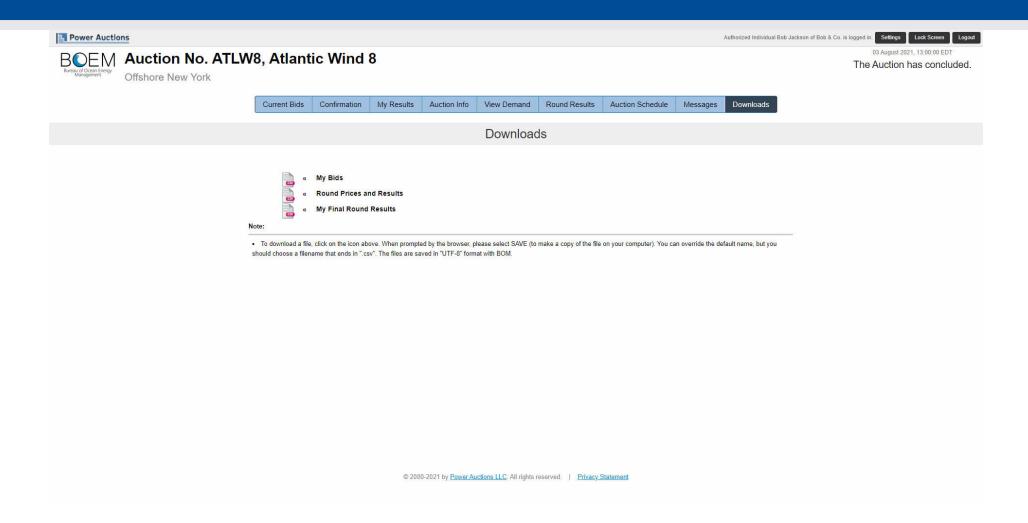
Auction Concluded – My Results (2/3)



Auction Concluded – My Results (3/3)

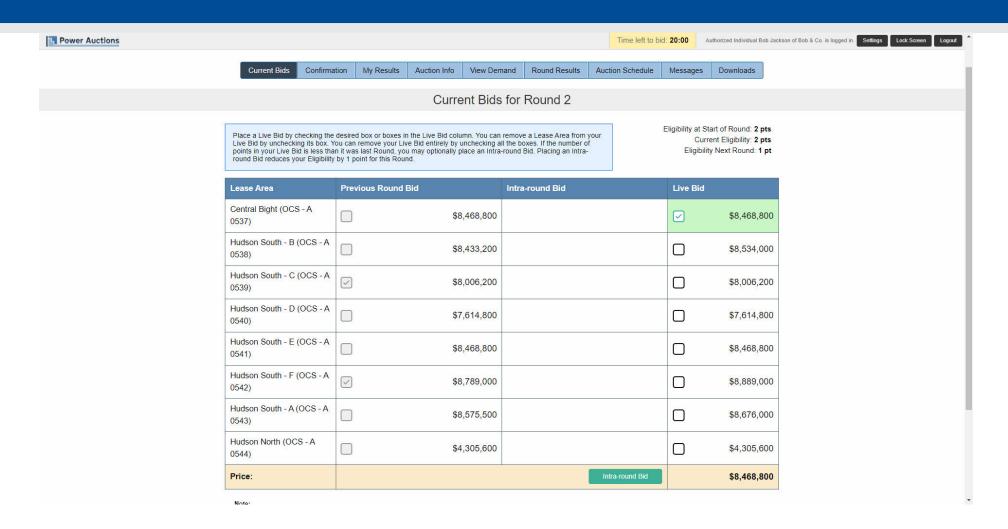


Auction Concluded – Downloads

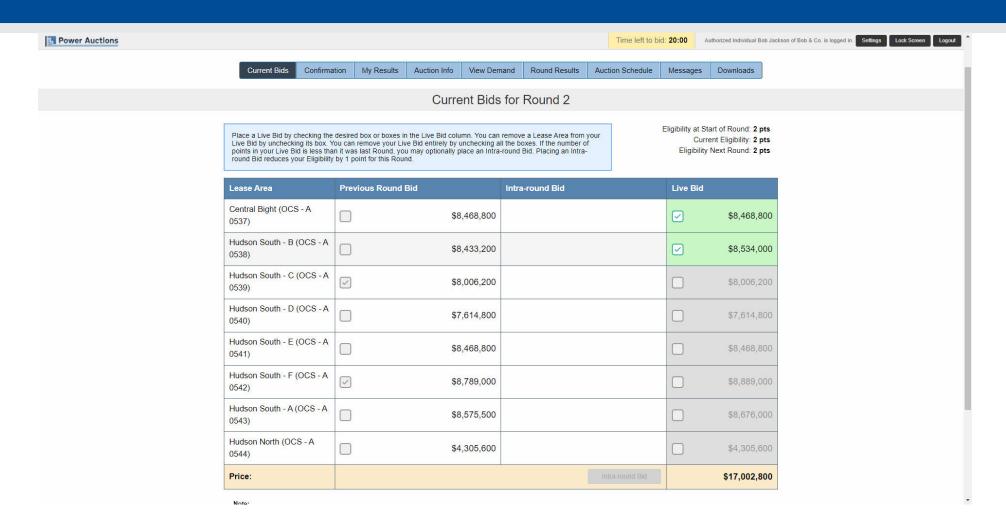


Two Lease Areas per Bidder

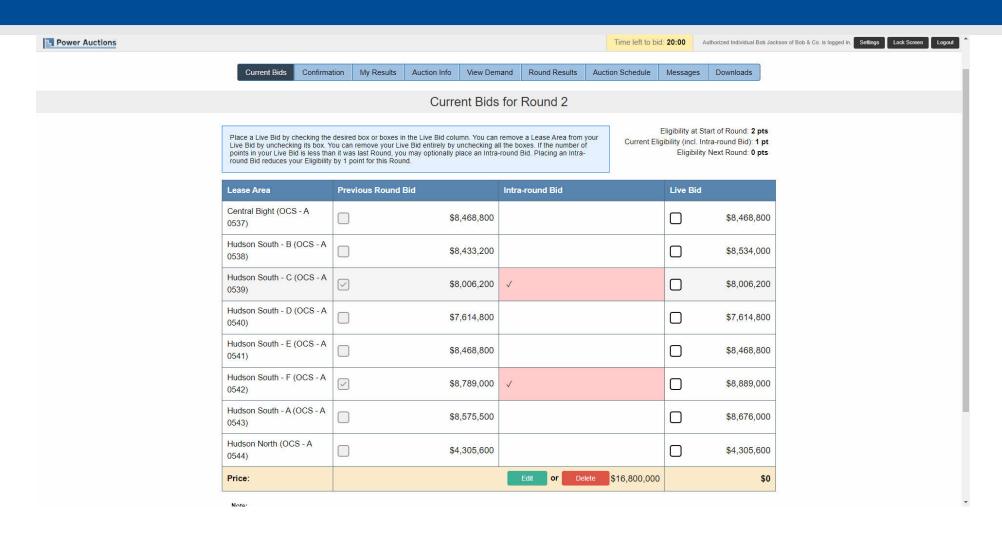
Two Areas per Bidder – Current Bids (1/4)



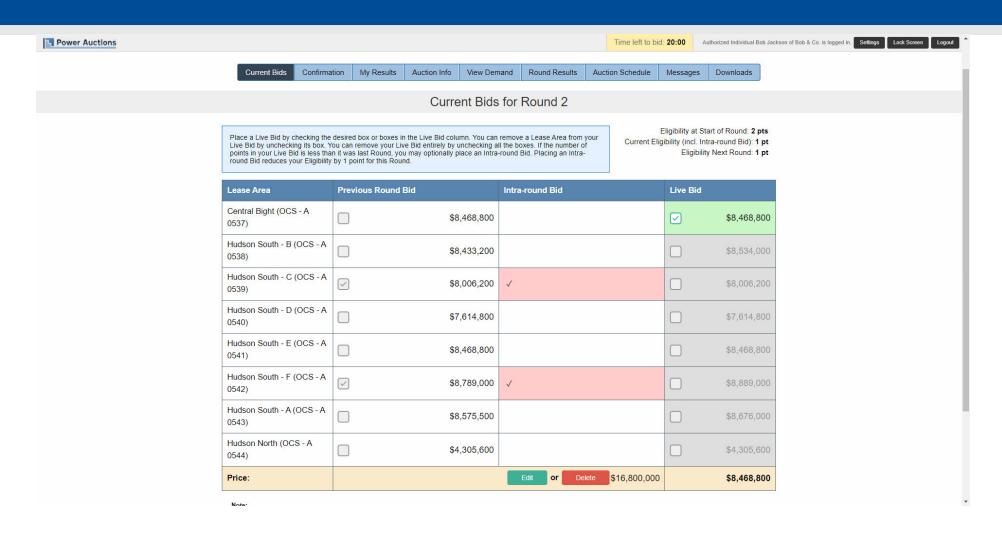
Two Areas per Bidder – Current Bids (2/4)



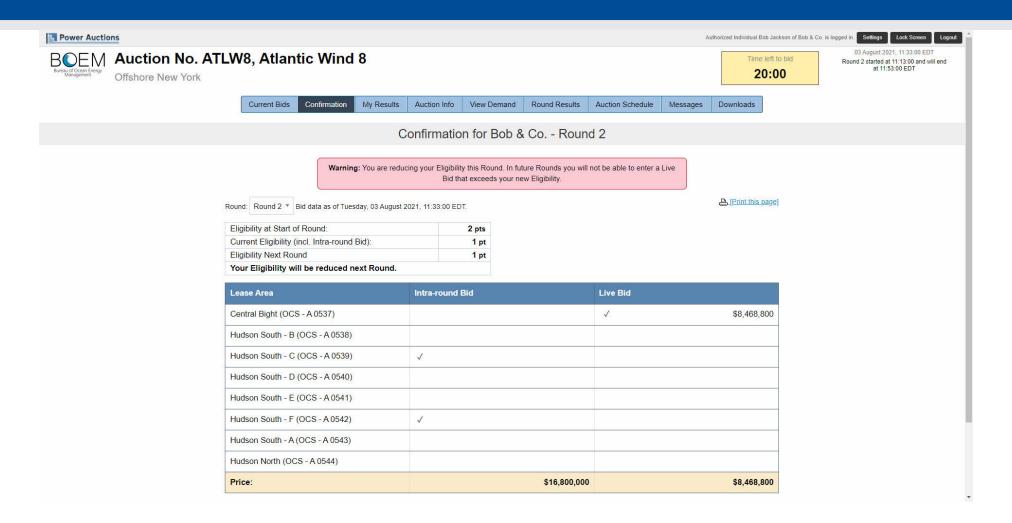
Two Areas per Bidder – Current Bids (3/4)



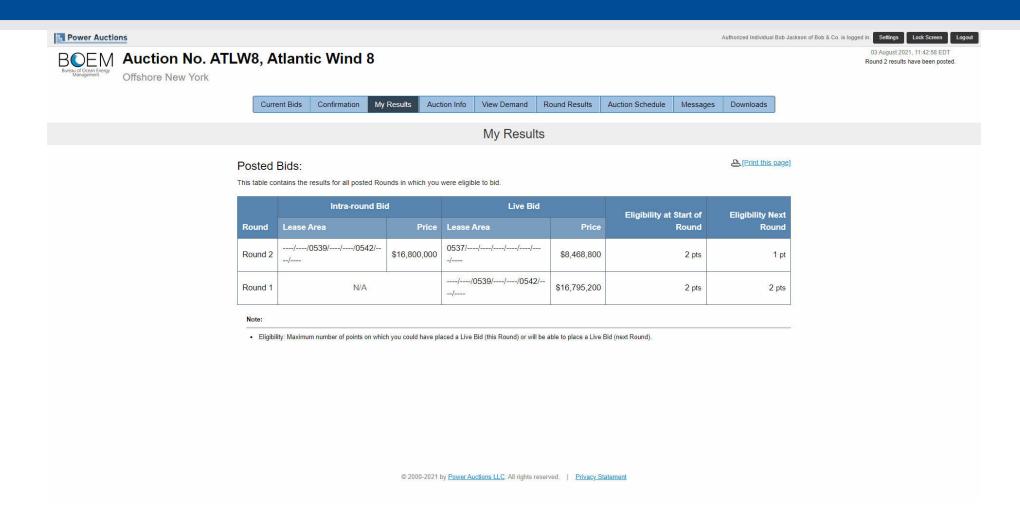
Two Areas per Bidder – Current Bids (4/4)



Two Areas per Bidder – Confirmation



Two Areas per Bidder – My Results



Bidder Preparation

Prospective Bidders

- Login credentials are sent via FedEx. Signature is required
 - Each Authorized Individual is assigned a User ID, password and hardware (or software) token
 - User IDs and passwords are sent to the Authorized Individuals
 - Hardware tokens are generally sent to the Point of Contact for the Bidder
 - BOEM may decide to use software tokens instead of hardware tokens, in which case they will not be mailed or included in packages.
- The User Guide is available online and can be accessed via a link sent with the login credentials
- Authorized Individuals are granted access to the Auction System for the mock auction and live auction

Mock Auction

- A Mock Auction (training session) is scheduled just prior to the Auction to provide bidders with an opportunity to test their login codes and place practice bids
- Participation in the Mock Auction will occur remotely over the internet, from the bidders' respective offices
- It is recommended that bidders use the same PC and connection that they intend to use for the Live Auction
- No results of the Mock Auction will be published
- The Auction Manager will provide support (by telephone and messaging facility of auction system) during the Mock Auction

Live Auction

- Participation in the Live Auction will occur remotely over the Internet, from the bidders' respective offices
- Bidders should establish a protocol in which a single Authorized Individual submits bids, and the second and third Authorized Individuals are available as backups
- All submissions are subject to the constraints of the Auction Rules
- The Auction Manager will provide support (telephone and messaging facility of auction system) during the Live Auction

Final Sale Notice

- Further details about the Mock and Live Auction will be announced later in the Final Sale Notice (FSN)
- The FSN is important reading for any prospective bidder

Questions and Answers

BOEM and Power Auctions LLC