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Re: Call for Information and Nominations, Commercial Leasing for Wind Power Development on the Gulf of Maine Outer Continental Shelf (OCS).

Submitted via federal register.gov Document ID: BOEM-2023-0025

The American Clean Power Association (ACP)¹ and RENEW Northeast, Inc. (RENEW)² appreciates the opportunity to submit comments on the Bureau of Ocean Energy Management's (BOEM) Call for Information and Nominations: Commercial Leasing for Wind Power Development on the Gulf of Maine Outer Continental Shelf (OCS). ACP supports BOEM's actions to move forward with commercial leasing in the Gulf of Maine: a robust lease sale is necessary not only to enable Massachusetts, Maine, and New Hampshire to meet their current,

¹ ACP is the national trade association representing the renewable energy industry in the United States, including in all aspects of offshore wind energy, bringing together over 1,000 member companies, 120,000 members, and a national workforce located across all 50 states with a common interest in encouraging the deployment and expansion of renewable energy resources in the United States. By uniting the power of wind, solar, storage, and transmission companies and their allied industries, ACP seeks to enable the transformation of the U.S. power grid to a low-cost, reliable, and renewable power system. The views and opinions expressed in this filing do not necessarily reflect the official position of each of ACP's individual members.

² RENEW Northeast, Inc. ("RENEW") is a non-profit association uniting environmental advocates and the renewable energy industry whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in the Northeast from the region's abundant, indigenous renewable resources. RENEW members own and/or are developing large-scale renewable energy projects, energy storage resources and high-voltage transmission facilities across the Northeast. They are supported by members providing engineering, procurement and construction services in the development of these projects and members that supply them with multi-megawatt class wind turbines. RENEW seeks to promote policies that will increase energy diversity, promote economic development, and achieve state policy goals including those found in Renewable Portfolio Standards and Global Warming Solutions Acts.





and anticipated future offshore wind and decarbonization goals and needs, but also to help grow and sustain a durable onshore supply chain with tens of thousands of well-paying clean energy jobs, and support our national goal of deploying 30 gigawatts (GW) of offshore wind energy by 2030.³ In moving forward with this lease sale, ACP encourages BOEM to consider the following key issues that are discussed in more detail below.

- BOEM should set a public goal of leasing enough acres (with a minimum of 100,000 acres per lease) to generate at least 20 GW of offshore wind. Meeting this goal would not only ensure Maine, Massachusetts and the Administration are able to meet their renewable energy and carbon goals, but it will also create local jobs, stimulate the local economy, and encourage investment in a local supply chain.
- The Gulf of Maine NOAA National Centers for Coastal Ocean Science (NCCOS) model should put more emphasis on commercial suitability than it has in past leasing processes. As currently constructed, the NCCOS model does not place sufficient weight on the commercial suitability of certain areas for offshore wind development. An adjustment to the model to properly weigh the commercial suitability would help to add balance to the model when considering use conflicts.
- Unless development is prohibited by statute, we encourage BOEM to not classify any areas as entirely excluded from wind energy development at this early stage. BOEM has already deconflicted the Call Areas and this should be accounted for in any further refinement. In addition, offshore wind is compatible and can co-exist with many ocean uses. Additional mitigation of use conflicts can occur at the construction and operations plan (COP) stage through project design and technically and economically feasible alternatives.

³ See https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-windenergy-projects-to-create-jobs/.





• BOEM should establish a bidding credit for a regional fisheries compensation fund that would provide a discount off the winning bid in the Gulf of Maine (and Central Atlantic) lease sales in exchange for the winning bidder contributing into the third-party fund.

I. Background

As stated in our comments on the Request for Interest (RFI), Offshore wind power is essential to combatting the climate crisis, revitalizing the U.S. maritime and manufacturing sectors, and to providing economic benefits to local communities. ⁴ The Gulf of Maine has some of the strongest winds in the country.⁵ This abundant wind resource, coupled with the region's close proximity to large population centers, makes the Gulf of Maine ideally situated to become an offshore wind energy hub. With only a few floating offshore wind projects currently deployed globally, robust leasing in the Gulf of Maine will help position the U.S. to be a global leader in floating offshore wind and reap the benefits of thousands of jobs in the new energy economy. And, as discussed further in section "(a)(ii)" below, there is robust regional demand for offshore wind electrons and a need for local supply chain investments that this lease sale will be pivotal in providing.

The Gulf of Maine is well situated to play a key role in achieving the Administration's climate goals and in helping to mitigate against the worst impacts of climate change. In Executive Order 1400, "*Tackling the Climate Crisis at Home and Abroad*" President Biden called deployment of clean energy technologies, such as offshore wind, "critical for climate protection" and

⁴ American Clean Power Association, *Request for Interest, Commercial Leasing for Wind Energy Development on the Gulf of Maine Outer Continental Shelf,* (October 3, 2022). Available at: https://www.regulations.gov/comment/BOEM-2022-0040-0042.

⁵ Musial, Walter 2018. Offshore Wind Resource, Cost, and Economic Potential in the State of Maine. Golden, CO: National Renewable Energy Laboratory. NREL/TP-5000-70907. <u>https://www.nrel.gov/docs/fy18osti/70907.pdf.</u>





established that "[i]t is the policy of my Administration to organize and deploy the full capacity of its agencies to combat the climate crisis to implement a Government-wide approach that reduces climate pollution in every sector of the economy... especially through innovation, commercialization, and deployment of clean energy technologies and infrastructure." The EO further called on the Administration to "accelerate the deployment of clean energy and transmission projects in an environmentally stable manner."⁶ In addition, on March 29, 2021, President Biden set a goal of deploying 30 GW of offshore wind by 2030 and 110 GW of offshore wind by 2050.⁷ Meeting the goal of 30 GW will trigger more than \$12 billion per year in capital investment in projects on both U.S. coasts, create tens of thousands of good-paying, union jobs, with more than 44,000 workers employed in offshore wind by 2030 and nearly 33,000 additional jobs in communities supported by offshore wind activity. It would also unlock a pathway to deploy 110 GW or more of offshore wind by 2050, supporting 135,000 total jobs, including 77,000 jobs in offshore wind and 58,000 induced jobs in communities with offshore wind activity. It will also generate enough power to meet the demand of more than 10 million American homes for a year and avoid 78 million metric tons of CO2 emissions.⁸

II. Comments

a. <u>BOEM should set a public goal of leasing enough acres to generate at least 20</u> <u>GW of offshore wind.</u>

⁶ The White House, *Tackling the Climate Crisis at Home and Abroad*, (January 27, 2021). Available: https://www.energy.gov/sites/default/files/2021/02/f83/eo-14008-tackling-climate-crisis-home-abroad.pdf.

⁷ The White House, Fact Sheet: Biden Administration Jumpstarts Offshore Wind Energy Projects to Create Jobs, (March 29, 2021). Available at: <u>https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-wind-energy-projects-to-create-jobs/</u>

⁸ See Department of Energy, National Offshore Wind Goal To Support 77,000 Jobs, Power 10 Million Homes, Cut 78 Million Metric Tons in Carbon Emissions, (March 29, 2021). Available at:

https://www.energy.gov/articles/energy-secretary-granholm-announces-ambitious-new-30gw-offshore-wind-deployment-target.





In order to capture the benefits of offshore wind in the Gulf of Maine as soon as possible, ACP recommends that BOEM set a goal of issuing enough leases, with a minimum of 100,000 acres per lease, to generate at least 20 GW of offshore wind.

i. Non-binding acreage and/or electrical generation goals will benefit all stakeholders.

Setting a non-binding acreage and/or electrical generation goal at this stage of the Gulf of Maine leasing process—and for all leasing processes going forward—will benefit all participants in the leasing process including BOEM, its fellow intergovernmental task force members, the offshore wind industry, key stakeholders and partners, and the general public.

BOEM will benefit by communicating its goals to other task force members and interested groups early in the lease sale process. Regulators in other federal agencies have expressed to ACP an interest in better understanding BOEM's overall goals as they relate to energy development on the OCS during recent lease sales. Indeed, a lack of clarity as to BOEM's leasing goals in the Central Atlantic appears to have been a factor in preventing early resolution of conflicts among BOEM, the Department of Defense (DoD), and the U.S. Coast Guard (USCG). The Gulf of Maine leasing process is an opportunity for BOEM to set a new standard for interagency collaboration by setting goals and bringing every agency to the same table to achieve them—at the earliest possible juncture—in a "federal clearinghouse" modeled after the DoD Siting Clearinghouse.

Other ocean users—such as commercial and recreational fishermen and conservationists will also benefit from early articulation of energy goals as they relate to energy generation and/or acreage. A better understanding of these goals will allow these parties to provide BOEM with more helpful input than it might otherwise achieve without such clarity. For example, BOEM may elicit better feedback to inform its marine spatial planning process and optimize cooperation





if it poses a specific question grounded in a policy outcome: "what do we need to know in order to find the best X acres to lease in this region?"

Finally, the articulation of an end goal would create more certainty for the offshore wind industry, which is currently acting in an information vacuum in determining whether and how to invest in the Gulf of Maine. A market signal regarding the amount of leasing one might reasonably expect at the end of the process would result in a more informed market analysis and incentivize earlier supply chain negotiations.

Ultimately, deconflicting the ocean for offshore wind requires consideration of a multitude of factors, both quantitative and qualitative. There is no obvious "right answer" that inevitably rises to the surface as BOEM gathers data through its RFIs, Calls for Information and Nominations, and draft WEAs. The process must be informed by policy values and goals, as well as balancing other existing and future ocean uses. To improve this process BOEM should clarify an objective—expressed by acreage and/or energy generation potential—and determine how to achieve such an objective in the most environmentally and economically responsible way.

ii. <u>20 GW is an appropriate goal for BOEM's first lease sale in the Gulf of Maine.</u>

20 GW of offshore wind generation capacity is needed to (1) meet existing and anticipated federal and state offshore wind and greenhouse gas (GHG) emission targets and (2) spur growth in the domestic supply chain, which contains key needs—such as floating foundations, mooring lines, and powerful towing vessels—that are distinct from the fixed bottom offshore wind supply chain. As the Gulf of Maine has the best wind potential on the entire East Coast, with the technical potential to produce more than 156 GW of offshore wind energy⁹ BOEM can achieve this 20 GW output while only leasing 11.5 percent of the Call Area.

⁹ The University of Maine, available at https://composites.umaine.edu/wpcontent/uploads/sites/20/2016/12/UMaineCompositesCenter_OffshoreWind_12122016.pdf; Also Available at https://www.newenglandforoffshorewind.org/states/maine/





The White House is leading the nation in creating offshore wind goals – part of a larger plan to reduce greenhouse gas emissions and address climate change. Most recently, the White House supplemented its 2021 goal of 30 GW of offshore wind deployed by 2030 by announcing an additional national target of 15 GW of floating offshore wind deployed by 2035.¹⁰

Policy commitments among states in the Northeast reflect these national goals. In 2019, Maine's Governor Janet Mills signed an Executive Order committing Maine to carbon neutrality by 2045¹¹ and set a goal of 30,000 clean energy jobs in Maine by 2030.¹² The Maine State Legislature is currently considering LD 1895¹³, legislation which would establish a state procurement goal of 2,800 MW of floating offshore wind by 2035, while also reaffirming state commitments to protecting wildlife, waterways, and fisheries in the region.

As part of a larger climate and renewable energy-focused plan within the coastal states adjacent to the Gulf of Maine, Massachusetts has adopted a goal of net zero greenhouse gas emissions by 2050¹⁴ and has established a roadmap with interim targets by 2025 to achieve this goal. The Roadmap, and policies passed by the Massachusetts General Court have created a current offshore wind production goal of 5,600 MW, and increase the state renewable energy portfolio standard to 40 percent by 2030.¹⁵ Legislation before the Massachusetts General Court would establish a second phase for the Section 83C offshore wind procurement requirement, putting the state on a trajectory to realize the 15,000 to 20,000 total MW needed to meet the goals of the

¹⁰ The White House, FACT SHEET: Biden-Harris Administration Announces New Actions to Expand U.S. Offshore Wind Energy, September 15, 2022, available at <u>https://www.whitehouse.gov/briefing-room/statements-releases/2022/09/15/fact-sheet-biden-harris-administration-announces-new-actions-to-expand-u-s-offshore-wind-energy/</u>..

¹¹ Speaking Before The United Nations, Governor Mills Announces Maine Will Be Carbon Neutral by 2045, September 23, 2019, available at <u>https://www.maine.gov/governor/mills/news/speaking-united-nations-governor-mills-announces-maine-will-be-carbon-neutral-2045-2019-09-23</u>.

¹² See Maine Jobs and Recovery, available at <u>https://www.maine.gov/jobsplan/</u>.

¹³ <u>https://legislature.maine.gov/bills/display_ps.asp?PID=1456&snum=131&paper=SP0766</u>

¹⁴ https://www.mass.gov/info-details/massachusetts-clean-energy-and-climate-plan-for-2025-and-2030

¹⁵ https://www.mass.gov/info-details/massachusetts-clean-energy-and-climate-plan-for-2025-and-2030





Massachusetts Decarbonization Roadmap report. ¹⁶ The proposed second phase for offshore wind procurement would continue solicitations to 2030, aligning future Massachusetts offshore wind procurements with anticipated Gulf of Maine Leasing dates. Furthermore, Massachusetts has documented that they require 23 GW of installed offshore wind capacity to meet their 2050 emissions goals.¹⁷

Importantly, Maine and Massachusetts are not the only East Coast states with robust decarbonization goals and increasing demands for renewable energy. States all along the East Coast have announced such goals and are increasing their use of energy generated by offshore wind. As a result, states will be looking to meet this demand from projects up and down the east coast- not just within their closest geographical reaches. As such the GW produced in the Gulf of Maine will likely not just serve Maine, Massachusetts, and New Hampshire, but will also be used to meet demand in nearby States such as New York. Therefore, even a 20 GW goal may not meet total demand, but it would be a strong starting point to ensure that these demands can be met.

A 20 GW goal would not only help meet these decarbonization goals, but it will also help spur economic growth within the Gulf of Maine. As stated in our comments on the RFI, an NREL analysis of offshore wind development found that a single 600 MW offshore wind facility "could support approximately 4,470 jobs and \$445 million in GDP during construction and an ongoing 150 jobs and \$14 million annually from operation and maintenance labor, materials, and services."¹⁸ Offshore wind has the potential to add substantially to local economies, generating new opportunities for the current workforce and future generations. By committing to a 20 GW offshore goal, BOEM could create tens of thousands of jobs and generate billions of dollars annually.

¹⁶ H. 3161 S. 2169, and S. 2182

¹⁷ https://www.mass.gov/doc/2050-clean-energy-and-climate-plan/download

¹⁸ Musial, Walter 2018. Offshore Wind Resource, Cost, and Economic Potential in the State of Maine. Golden, CO: National Renewable Energy Laboratory. NREL/TP-5000-70907. <u>https://www.nrel.gov/docs/fy18osti/70907.pdf.</u>





This commitment could also help to encourage investment in the development of a local supply chain by creating economies of scale that drive down costs. To achieve economies of scale in the offshore wind industry, the development of larger offshore projects is key. To that end, we recommend that the 20 GW be allocated into leases of at least 100,000 acres apiece. As discussed in prior ACP comments, this size would allow for projects big enough to create the needed economies of scale and bring about cost reductions. By leveraging the economies of scale derived from expansive lease areas capable of supporting larger projects, the industry can drive down costs, optimize project layouts, and foster the growth of a regional supply chain. Additionally, leases of this size (if not bigger) would allow for at least 1200 MW projects that are sized for HVDC transmission that will become standard as projects move further from shore. Indeed, uncertainty due to floating wind technologies may merit even larger leases.

b. <u>The Gulf of Maine NCCOS model should put more emphasis on commercial</u> <u>suitability than it has in past leasing processes.</u>

ACP and RENEW recognize that BOEM will continue to rely on the NOAA NCCOS spatial model to identify areas in the Gulf of Maine "that are most suitable for offshore wind energy."¹⁹ However, we urge BOEM to address ACP's concerns, noted in our comments on the Central Atlantic Draft Wind Energy Areas,²⁰ that the model does not put sufficient weight on the commercial suitability of certain areas for offshore wind development. Particularly, wind speed is of utmost importance for offshore wind project economic feasibility, therefore, wind speed should be weighted more heavily in the model. The commercial suitability should increase exponentially with wind speed rather than linearly since the relationship between wind speed and power is cubic. Because of this relationship, a small increase in wind speed can yield a large

¹⁹ 88 F.R. 25429.

²⁰ American Clean Power, *Draft Wind Energy Areas on the Central Atlantic Outer Continental Shelf,* (December 16, 2022) available at <u>https://www.regulations.gov/comment/BOEM-2022-0072-0045</u>.





change in potential power generation, and that relationship should be captured by the NCCOS model.²¹ This can be done by utilizing the existing layer in the model but weighting it properly given the cubic relationship between wind speeds and power.

The positive changes BOEM has made to its treatment of commercial nominations in the Call will help in this endeavor. ACP and RENEW particularly appreciate that BOEM will no longer publish the nominations, including the maps of nominated areas. This increased protection of commercially sensitive information will encourage more developers to nominate areas and provide more useful information in their nominations. We also appreciate BOEM's recognition that "[n]ominations and the accompanying rationale are extremely useful to help BOEM understand and model the commercial viability of portions of the OCS."²² By putting the appropriate weight on commercial nominations as a proxy for the economic and technical viability of an area, the NCCOS model will get closer to identifying the optimal WEAs.²³

We further note that the NCCOS model includes, and eliminates from development, fairways that have not in fact been finalized. We encourage BOEM to ensure the model weights appropriately and recognizes the fact that these fairways are subject to change as a result of further stakeholder input, including input from ACP.²⁴

²¹ Pennsylvania State, *Wind Energy and Power Calculations,* available at <u>https://www.e-education.psu.edu/emsc297/node/649</u>.

²² 88 F.R. 25432.

²³ Using commercial nominations is preferable to the NCCOS model's existing treatment of project economics, which relies on a 2017 National renewable Energy Laboratories (NREL) study with material flaws. First, the points of interconnect (POI) for each data point were the closest substation, regardless of the rating or location of the substation. This weights areas close to Maine's coast, but doesn't account for transmission congestion issues that may make a more distant interconnection point in Massachusetts more attractive. NREL also assumes higher labor rates in Massachusetts than Maine and converts this assumption to lower costs for leases closer to Maine, but it is premature to make assumptions regarding where the labor will actually come from for projects in the Gulf of Maine. ²⁴ American Clean Power, *Comments on Port Access Route Study Gulf of Maine* (May 16, 2022) available https://www.regulations.gov/comment/USCG-2022-0047-0014.





Finally, we urge BOEM to provide the appropriate counterbalance to commercial viability by remedying some of the other concerns that ACP raised in its Central Atlantic comments. First, BOEM should give itself credit in the NCCOS model for deconfliction at earlier stages in the leasing process. Failure to do so means certain portions of the Call Areas appear more conflicted than they actually are: these areas are only compared to other Call Areas and not to the ocean as a whole. This, in turn, could skew the results of the NCCOS model and result in premature removal of areas from consideration for leasing. Second, BOEM should ensure that it does not prematurely remove areas from WEAs due to perceived conflicts that may be resolved as a result of construction and operations plan (COP) stage mitigation measures. By making these further refinements, BOEM can make good on the promise of the NCCOS model as a tool to transparently move from the Call Area to WEA stage of the leasing process.

c. Floating Offshore wind is compatible with many uses of the OCS.

In the Notice, BOEM has "identified several areas that have not been removed and require further analysis." BOEM states that it currently "plans to include all these areas in the WEA suitability model."²⁵ ACP and RENEW agree that these areas should remain in the suitability model and urges BOEM to not exclude any area entirely from offshore wind energy development, unless development is prohibited by statute.

While ACP and RENEW agree with avoiding the most productive and intensely fished areas, fishing intensity is not uniformly distributed throughout this very large swath of the Gulf of Maine. Each fishery is different and within each fishery, effort varies by year and by season. It is premature to eliminate the entire area most proximate to shore without examining these and other data and hosting discussions with stakeholders; particularly during the draft WEA stage, prior to the designation of lease areas.

²⁵ 88 F.R. 25431.





In addition, advancements in floating wind turbine technologies are opening more possibilities for how an offshore wind project may be designed in the Gulf of Maine. As technologies advance and project designs evolve in parallel, use conflict challenges that once appeared to be intractable may become more benign allowing for even more coexistence between floating offshore wind in the Gulf of Maine and other ocean uses. At this early stage, assumptions should not be made on the type of technology that may be utilized for development in the years ahead, and this level of uncertainty surrounding what will eventually be proposed for development in the Gulf of Maine reinforces the fact that the elimination of any large areas at this stage is premature.

d. BOEM must consider transmission issues early in the leasing process.

ACP and RENEW appreciate that BOEM "is continuing to take a planned approach to transmission."²⁶ As stated in our RFI comments, ACP strongly urges BOEM to consider transmission issues early in the leasing process, given the limited number of potential interconnection points along the Gulf of Maine and potential distance from shore of leases. This could mean planning early for potential rights-of-way for mesh or backbone transmission. It is imperative to plan for transmission infrastructure that can deliver large amounts of offshore wind power not only to densely populated centers on the coast but also to all of New England.

One of the central themes of the New York State Research and Development Authority (NYSERDA) Offshore Wind Cost Reduction Study²⁷ is that, as projects move into deeper waters and farther from shore, Levelized Cost of Energy (LCOE) increases. This study examined the New York Bight, where the seabed substrate is generally less complex and has fewer ledges and other large areas of hard bottom. In the Gulf of Maine, where the seabed is far more variable and where significantly less seabed will support conventional export cable burial, the costs of projects located further from shore increases exponentially. This is because export cable routes to

²⁶ Id.

²⁷ New York State Energy Research and Development Authority, *Impacts and Benefits, Offshore Wind and New Yorkers*, available <u>https://www.nyserda.ny.gov/All-Programs/Offshore-Wind/Focus-Areas/Impacts-and-Benefits</u>





shore target soft bottom as burying the cable below the seafloor is the best way to provide protection for these cables. In the Gulf of Maine, these cable routes will therefore always be serpentine and indirect, this will lead to longer cables and likely more complex installation processes which in turn leads to higher costs. These increased project costs will be passed down to ratepayers. For example, the image below is processed backscatter intensity from a bathymetric survey and is available in the Northeast Data Portal. It shows how variable the Gulf of Maine seabed can be as the light colors indicate hard bottom, and the dark colors indicate softer seabed. This is especially true when one considers the other routing constraints along the coast of Maine.



Figure Z. Backscatter viewed in Northeast Ocean Data Portal





Metadata: https://ccom.unh.edu/project/NE-bathymetry-and-backscatter-compilation

In addition, Stellwagen Bank National Marine Sanctuary ("NMS") presents a unique challenge to transmission from Gulf of Maine offshore wind projects. Some of the most cost-effective, direct offshore export cable corridor paths to available points of interconnection in the Boston Harbor and Massachusetts Bay areas would pass through the sanctuary. While we appreciate NOAA's openness to siting offshore wind transmission through Stellwagen Bank NMS at the May 10-11 BOEM taskforce meeting and agree that it can be done with minimal environmental effects, we are concerned that siting offshore wind transmission in national marine sanctuaries currently presents potential legal risks.²⁸ ACP and RENEW encourage BOEM to thoroughly coordinate and strategically plan with all concerned parties to ensure offshore wind and transmission developers are able to avail themselves of all feasible grid interconnection points. This could include working with state and local governments to facilitate the siting of cables that avoid Stellwagen Bank NMS, as well as providing technical support to Congress as it considers amending section 8(p)(10) of the Outer Continental Shelf Lands Act ("OCSLA") to allow BOEM to issue rights-of-way and project easements through national marine sanctuaries.

e. <u>BOEM should establish bidding credits for regional fisheries compensation and tribal assistance</u>.

ACP and RENEW strongly encourage BOEM to begin planning for bidding credits as a part of a multi-factor auction. Specifically, BOEM should establish credits for a regional fisheries compensation fund, and it should establish a tribal and environmental justice bidding credit.

²⁸ American Clean Power, *Comments Notice of Intent to Conduct Scoping and to Prepare a Draft Environmental Impact Statement for the Proposed Chumash Heritage National Marine Sanctuary NOAANOS-2021-0080* (January 31, 2022) available at https://www.regulations.gov/comment/NOAA-NOS-2021-0080 (January 31, 2022) available at https://www.regulations.gov/comment/NOAA-NOS-2021-0080 (January 31, 2022) available at https://www.regulations.gov/comment/NOAA-NOS-2021-0080 (January 31, 2022) available at https://www.regulations.gov/comment/NOAA-NOS-2021-0080-1191





i. Regional fisheries compensation fund

As BOEM is aware, eleven East Coast States—Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Virginia, and North Carolina—are presently negotiating with the commercial fishing and offshore wind industries to establish a regional fisheries compensation fund. This third party fund would compensate any justifiable economic loss to fishermen caused by offshore wind development, in recognition of the need to sustain a fishing community that can co-exist and thrive alongside offshore wind energy development. The fund could also be used to provide resiliency grants for gear and radar upgrades that may allow fishermen to continue operating within offshore wind farms.²⁹

To ensure a robust and predictable stream of money into this fund, BOEM should establish a bidding credit that would provide a discount off the winning bid in the Gulf of Maine (and Central Atlantic) lease sales in exchange for the winning bidder making a contribution into the third party fund. Assuming such a fund is fully operational at the time of the lease sale, it would make sense for that payment to be made immediately into the fund in an amount that is equivalent to the amount of the bidding credit. If the third party fund is not yet operational, it may be preferable for the payment to be phased over time, and to account for overhead costs needed to stand up the third party fund.

ii. <u>Tribal Nation bidding credits.</u>

ACP and RENEW strongly encourage BOEM to consider establishing a bidding credit for Tribal Nations. The inclusion of such a credit could support the buildout of socioeconomic community benefits including workforce development opportunities. A credit could also assist Tribes to fully participate in the federal permitting process by providing funding to build internal capacity to understand offshore wind project development, review project documents, and engage with

²⁹ Request for Information (RFI): Framework for Establishing a Regional Fisheries Compensation Fund Administrator for Potential Impacts to the Fishing Community from Offshore Wind Energy Development, available at <u>https://offshorewindpower.org/wp-content/uploads/2022/12/FisheriesCompensationFund_RFI_FINAL.pdf</u>





leaseholders throughout the lifetime of a project. Offshore wind developers are actively seeking ways to invest in Tribal communities and a bidding credit would help facilitate these efforts.

III. Conclusion

ACP and RENW appreciate the opportunity to submit comments on the Call for Commercial Leasing for Offshore Wind Power in the Gulf of Maine. We look forward to working with BOEM as it moves forward with this process.

Sincerely

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