



RENEW
Northeast

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Bureau of Ocean Energy Management
Office of Renewable Energy Programs
45600 Woodland Road
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Re: Atlantic Wind Lease Sale for Commercial Leasing for Wind Power Development on the US Gulf of Maine Outer Continental Shelf- Proposed Sale Notice.

Submitted via federalregister.gov

The American Clean Power Association (ACP)¹ and RENEW Northeast Inc. (RENEW)² appreciate the opportunity to submit comments on the Bureau of Ocean Energy Management's (BOEM) proposed sale notice (PSN) for wind power development in the US Gulf of Maine. ACP and RENEW support BOEM's actions to move forward with commercial leasing in the Gulf of Maine, which will help Massachusetts, Maine, and New Hampshire meet their current, and anticipated future offshore wind and decarbonization goals, but will also 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

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.

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

I. Introduction.

As stated in our comments on the Draft Wind Energy Areas, 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.

The Gulf of Maine is therefore 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 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

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. <https://www.nrel.gov/docs/fy18osti/70907.pdf>

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: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/29/fact-sheet-biden-administration-jumpstarts-offshore-wind-energy-projects-to-create-jobs/>

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>

II. Proposed Lease Areas.

In the PSN BOEM proposes eight areas for leasing and describes several restrictions, and additional stipulations that may be added to these lease areas. ACP and RENEW broadly support the 8 proposed lease areas and provide the following comments related to restrictions and additional stipulations.

a. Potential future restrictions to ensure navigational safety.

In the PSN, BOEM states that “[p]otential bidders are advised of the possibility that portions of the Lease Areas may not be available for future development...because of navigational safety concerns.”⁹ The PSN further notes that “BOEM may require additional mitigation measures at the COP stage when the lessee’s site-specific navigational safety risk assessment is available to inform BOEM’s decision-making.”¹⁰ As noted in the PSN, lease areas already avoid the vast majority of the U.S. Coast Guard’s Maine, New Hampshire, Massachusetts Port Access Route Study proposed safety fairways. Any analysis of navigation safety should take the USCG proposed routes into account, and this should be reflected in any additional proposed mitigation measures. BOEM should provide additional information and clarity in the FSN on the types of additional mitigation measures that may be required and the rationale for their potential inclusion.

i. Surface structure layout and orientation.

In the PSN BOEM notes that it has included a proposed lease stipulation “which would require lessees with directly adjacent leases to design a surface structure layout that contains two common lines of orientation across adjacent leases.”¹¹ If lessees are unable to agree on such a layout, each lessee would be required to incorporate a 1 nm setback from the boundary of the adjacent lease. In the FSN, BOEM should clarify requirements of this stipulation, especially as it applies to phased development. Projects on neighboring leases may be developed at different paces, and as a result, a lessee that is further behind its neighbor may not be ready to commit to a layout. While ultimately the leases may be able to orient in the same direction, this outcome may not be possible to guarantee when the first project is ready to start construction. Under this scenario, would BOEM still apply this stipulation? Would the setback be required for both leases- even if the second project was ultimately able to build in a common line of orientation?

b. Corridors between leases

BOEM should not create any additional corridors between leases at this time and if it is determined that additional buffers or corridors are necessary, BOEM should work with the eventual lessee and relevant stakeholders during the project development and Construction and Operations Plan (COP) review process. A successful example of this collaboration can be found in the Atlantic Shores project where Atlantic Shores and the developer of a neighboring lease, in coordination with the Coast Guard, developed a mutually agreeable setback arrangement. Such

⁹ 89 Fed. Reg. 35222, 35224 (May 1 2024).

¹⁰ Id.

¹¹ Id. at 35225

developer-driven arrangements are more likely to address issues adequately while preserving more energy-development capacity. Doing so will ensure that lease areas are as large as possible by not pre-emptively removing lease blocks that may have no impact on existing leases. In addition, before finalizing any additional stipulations on corridors in the FSN, BOEM should coordinate with the offshore wind industry to ensure those stipulations are technically and economically feasible.

c. Potential future restrictions to mitigate potential conflicts with Department of Defense (DOD) activities.

In the PSN, BOEM discusses a number of potential future restrictions to mitigate potential conflicts with DOD activities. ACP and RENEW appreciate that BOEM works with DoD throughout the leasing process to ensure that DoD activities and offshore wind development are not in conflict. In order to reduce uncertainty for developers, ACP and RENEW request clarity on certain measures.

First, BOEM notes that lessees may need to curtail wind turbine operations for national security or defense purposes.¹² Curtailment can have significant impacts to the financial viability of projects. ACP and RENEW request clarity as to the specific conditions when curtailment would be required, and how often curtailment would be required, and how much notice would be provided before curtailment is required. Specifically, how many hours per day, week, and month should be expected? How many days or weeks in advance would DoD begin to coordinate curtailment? What constitutes curtailment? As much of this information as possible should be included in the FSN as it has implications for project economic viability and will impact the business decisions of potential lessees. BOEM and DoD should coordinate closely with leases on any curtailment timeframes to ensure technical feasibility and safety.

Second, the PSN states that “lessee will contribute funds to the DOD in the amount of no less than \$80,000 toward the cost of DOD’s execution of the RAM procedures for each radar system effected.” ACP and RENEW request clarification as to the estimated number of radar systems affected per lease.

Finally, the PSN states that “while the Navy did not identify any conflicts with the Final WEA, mitigations to resolve potential conflicts with ship testing may be necessary depending on the specific projects proposed within the Lease Areas.” BOEM should provide clarity in the FSN as to the mitigations measures that would be required.

d. Potential future restrictions to mitigate potential conflicts with sand resources.

In the PSN BOEM advises potential bidders that BOEM may require developers to take measures, including the modification of transmission corridors, to protect sand resources to the maximum extent practicable.¹³ Because developers spend significant resources designing and surveying transmission routes, ACP and RENEW strongly encourage BOEM to work with developers early during the planning process to ensure deconfliction *prior* to the finalization of

¹² Id. at

¹³ Id. at

route designs. BOEM is in a unique position to coordinate early with leases since a core function of BOEM's marine mineral program is the identification of sand resources. Coordination will be key so as not to unnecessarily delay projects.

- e. Potential future restrictions to mitigate possible conflicts with deep-sea corals and biologically sensitive benthic habitat.

The PSN states that “BOEM anticipates that any site assessment activities and site characterization activities within the Gulf of Maine authorized by a lease would be subject to the protections for live-bottom features included in BOEM's programmatic consultation with the National Marine Fisheries Service under ESA section 7.” As with sand conflicts, ACP and RENEW encourage BOEM to work with developers early during the planning process to ensure lessees avoid proposing projects in areas that will not be permitted for development. Doing so will avoid requiring developers to make major design changes late in the process.

III. Participation in the proposed lease sale.

- a. Definition of affiliate.

The PSN notes that, among other things, BOEM considers bidding entities to be affiliated if, with respect to any lease(s) offered in this auction, they have entered into an agreement prior to the auction regarding the shared ownership, operation, or day-to-day management of such lease. BOEM should refine its definition of “affiliated” for the Gulf's pending lease sales.

BOEM's affiliate definition has consistently focused on a control test, in which an affiliate relationship is created where two entities have common ownership. However, affiliates who “have entered into an agreement prior to the auction regarding the shared ownership, operation, or day-to-day management of such lease” may not always be affiliated under this control test. Therefore, BOEM should remove this provision from the definition of “affiliate.” Instead, BOEM should require disclosure of these agreements by a date specified in the FSN and exclude from the auction any person who has entered into a joint bidding agreement(s) or future share investment agreement(s) that would cause the person to be affiliated with the initial owner(s) of more than the specified number of leases offered for sale.

This approach would address concerns about potential “circumvention” of limitations on the number of leases per bidder and ensure robust competition. At the same time, it would acknowledge that as a rapidly growing and evolving industry that requires significant capital to bring projects online, offshore wind developers in the US rely on consortia and partnerships to efficiently and effectively move projects from the lease stage to full operations. Often, these partnerships are a convenience for individual projects, so one developer may have a network of different partnerships as their portfolio grows. This mirrors the structure in more sophisticated markets and serves the rate-payer interests by diversifying risk. BOEM should take care not to inadvertently constrain joint bidding and the formation of such joint ventures through development of its auction rules, both for this forthcoming lease sale and in the future.

IV. Bidding Credits

In the PSN, BOEM has proposed a 12.5 percent bidding credit for workforce training or supply chain development and a 12.5 percent credit for commitment to establish and contribute to a fisheries compensatory mitigation fund. Broadly speaking ACP and RENEW strongly support the use of bidding credits as part of a multi-factor auction, and, more specifically for workforce training or supply chain development and a regional fisheries compensation fund.

Finally, BOEM notes that “contributions cannot be used to satisfy private cost shares for any Federal tax or other incentive programs where cost sharing is a requirement.” ACP and RENEW requests clarification as to how this requirement would be applied.

V. Changes to Lease Language.

ACP and RENEW assume that the language in leases resulting from this proposed sale will align with the BOEM/BSEE Final Modernization Rule. As BOEM works to align lease language with the Modernization Rule, ACP and RENEW encourage the agency to consider other updates to increase transparency and certainty for leaseholders. ACP would welcome a discussion with BOEM on the specific language and terms to be included in leases resulting from this proposed sale to ensure alignment with the Modernization Rule and improved transparency and certainty for leaseholders.

VI. Conclusion.

Thank you for the opportunity to comment on the PSN. ACP and RENEW look forward to working with BOEM as this lease sale moves forward.

Sincerely,



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