

Learning from the Experts Webinar Series

# Siting and Leasing Offshore Wind Energy Areas



Luke Feinberg Energy Program Specialist, Office of Renewable Energy Programs Bureau of Ocean Energy Management (BOEM)

March 24, 2021

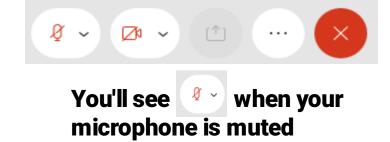
## **Meeting Procedures**

#### Webinar recordings and presentations will be available at: www.nyserda.ny.gov/osw-webinar-series

## **Participation for Members of the Public:**

> Members of the public will be muted upon entry.

> Questions and comments may be submitted in writing through the Q&A feature at any time during the event.





> If technical problems arise, please contact Sal.Graven@nyserda.ny.gov

# Learning from the Experts

This webinar series is hosted by NYSERDA's offshore wind team and features experts in offshore wind technologies, development practices, and related research.

DISCLAIMER:

The views and opinions expressed in this presentation are those of the presenter and do not represent the views or opinions of NYSERDA or New York State.





## Renewable Energy Planning And Leasing Overview

Luke Feinberg Office of Renewable Energy Programs



March 24, 2021

## **Outer Continental Shelf (OCS) Energy**

OCS Lands Act: "... vital national resource ... expeditious and orderly development ... environmental safeguards"

Energy Policy Act of 2005: "... energy from sources other than oil and gas ...

#### Alaska OCS





#### Gulf of Mexico OCS

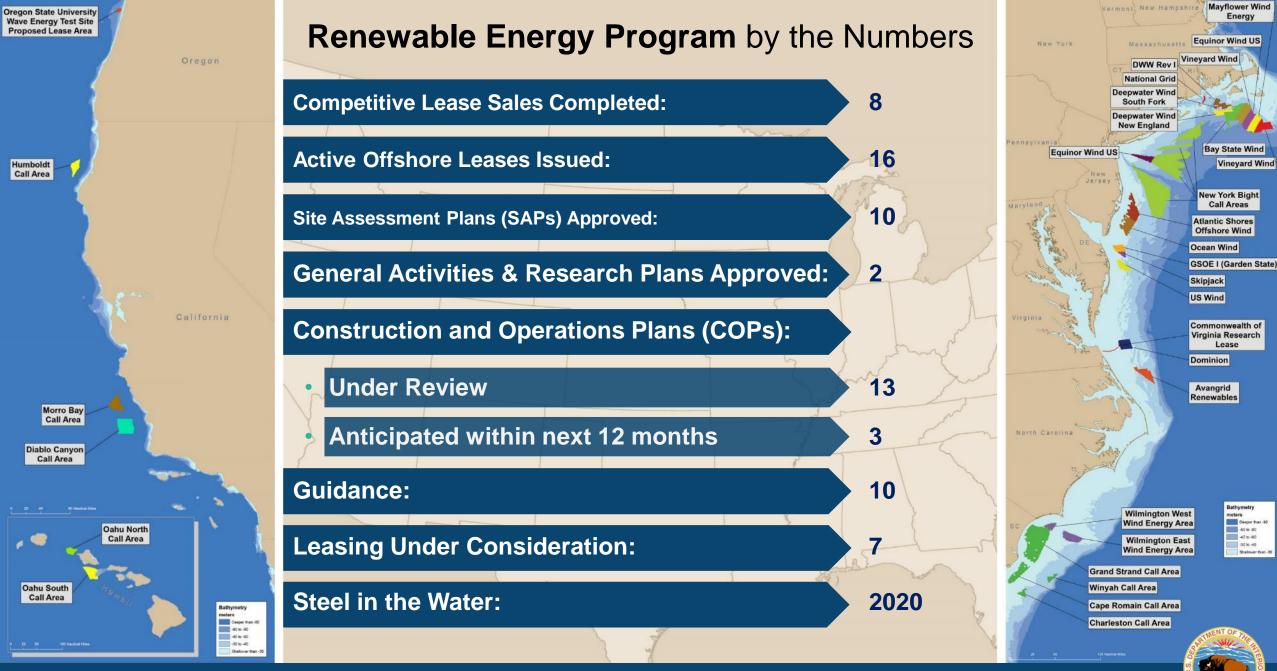




Atlantic OC







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Deepe

-60 to -90

-45 to -60

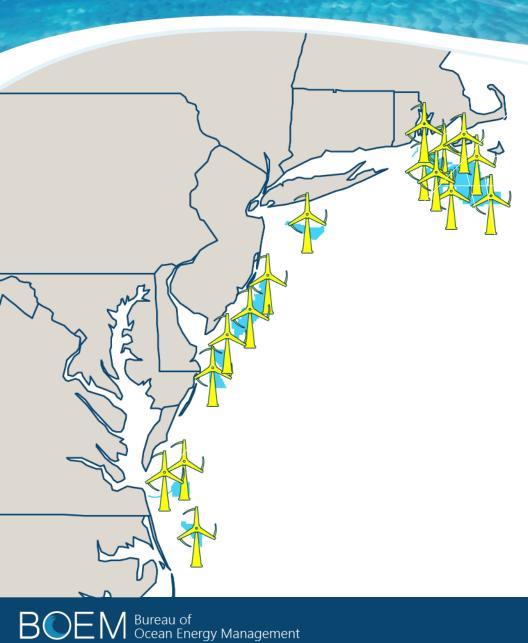
-30 to -41

Energy

#### Atlantic OCS Renewable Energy: "Projects in the Pipeline"

2020

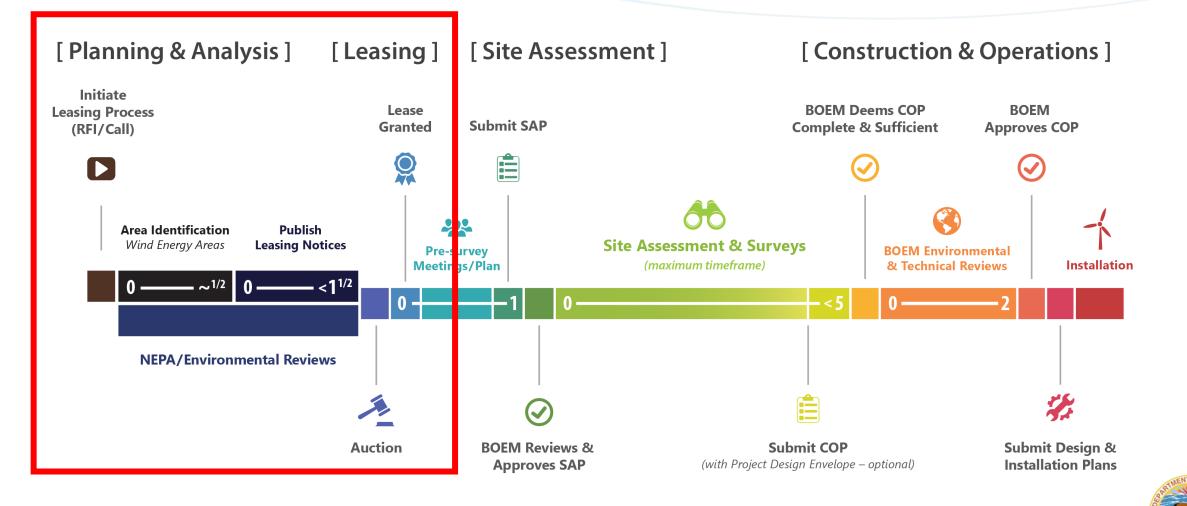
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Project	Company
Coastal Virginia Offshore Wind Pilot	Dominion Drop Orsted
South Fork	DEEPWATER
Vineyard Wind I	VINEYARD WIND
Revolution Wind	
Skipjack Windfarm	DEEPWATERWIND
Empire Wind	equinor Ӯ
Bay State Wind	Bay State Wind An Onted & Evenance Intistive
U.S. Wind	US 🍚 Wind
Sunrise Wind	<b>Orsted</b> EVERS€URCE
Ocean Wind	Orsted
Coastal Virginia Offshore Wind Commerc	ial Dominion Energy
Park City Wind	VPARK CITY WIND
Mayflower Wind	MAYFLOWER WIND
Atlantic Shores	
Kitty Hawk	Avangrid
OCS-A 0522	VINEYARD WIND 7

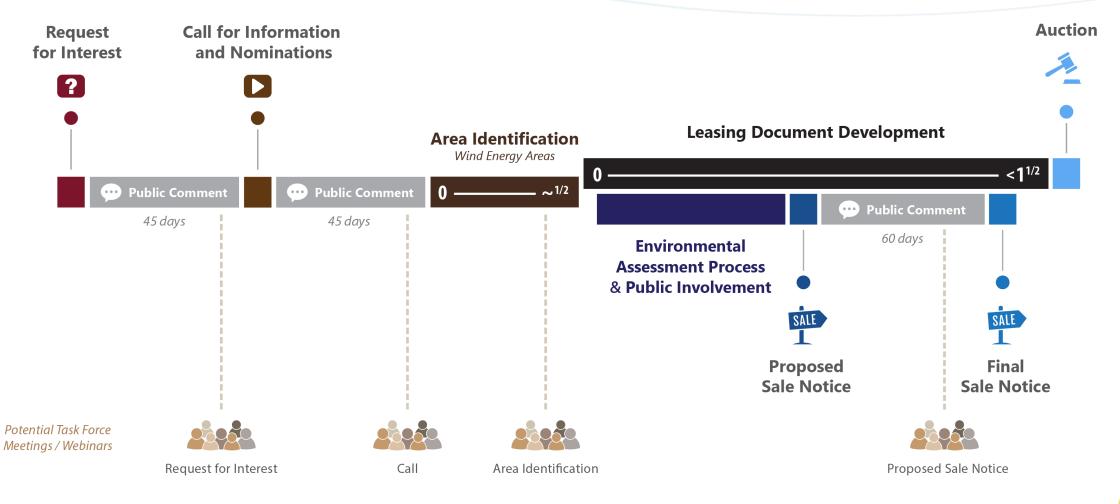


#### **Renewable Energy Process:** From RFI/Call to Operation





## **Request for Interest to Lease Sale**



BOEM Bureau of Ocean Energy Management S.U.S.

## **Planning Area**

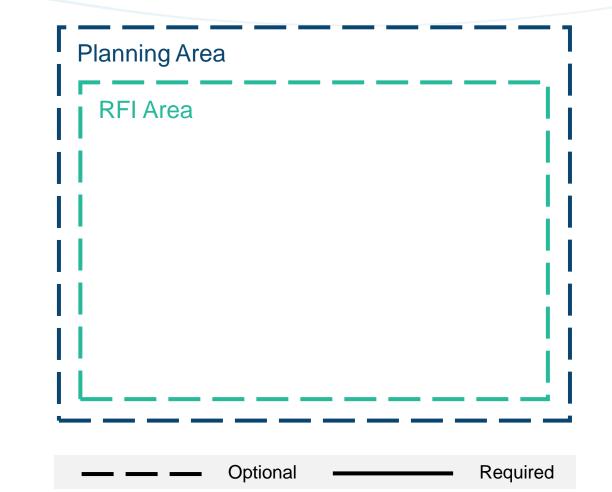
- High-level screening
- Initial identification of areas that may be suitable for potential offshore wind development





## **Request for Interest (RFI) Area**

- Collect information to determine the level of interest in offshore wind leasing
- Shed more light on suitability of area for wind development





## **Call for Information and Nominations - Area**

#### **Request comments on:**

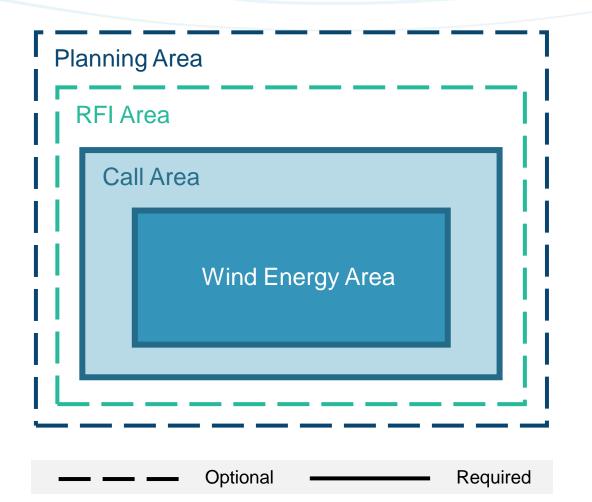
- Areas for special consideration and analysis
- Conditions in the Call Area
- Areas to be considered for leasing

Pla	Planning Area				
i F	RFI Area				
	Call Area				
		_			
	– – – Optional – Required				



## Wind Energy Area

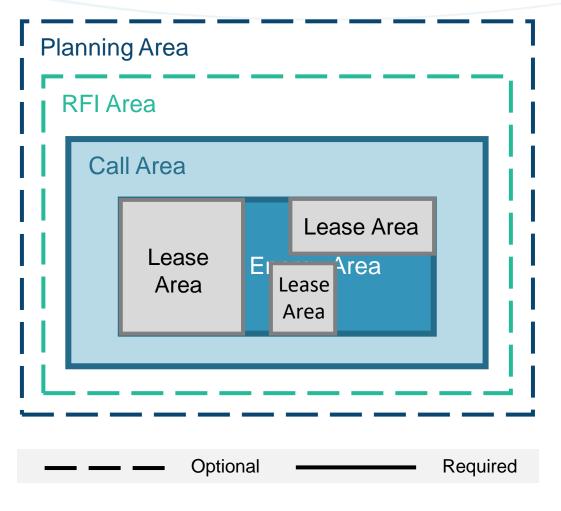
- A portion of the Outer Continental Shelf (OCS) identified by BOEM for NEPA analysis (Environmental Assessment)
- The basis for a Lease Area





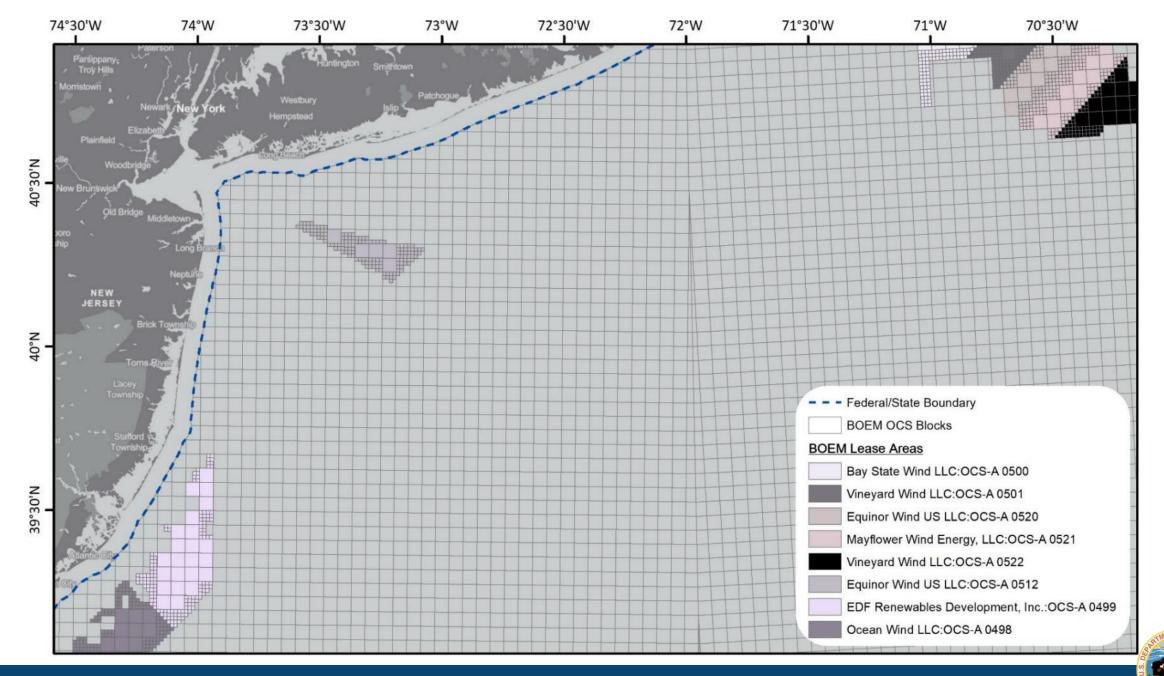


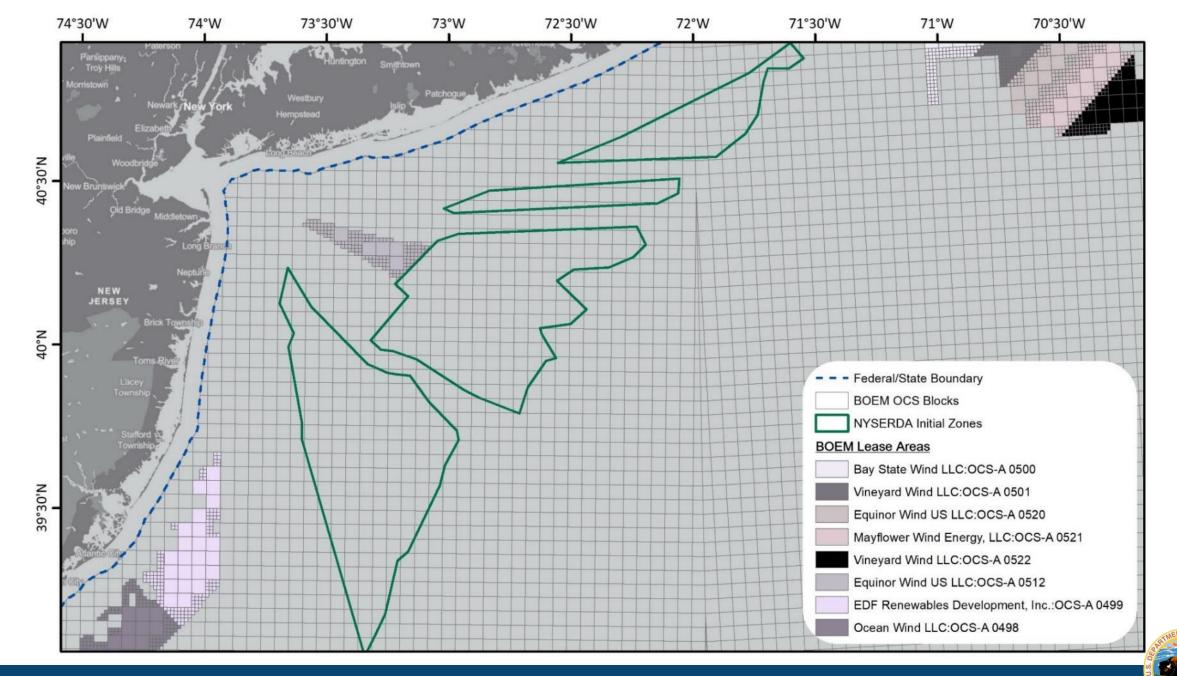
 Wind Energy Areas have the potential for further division into Lease Areas

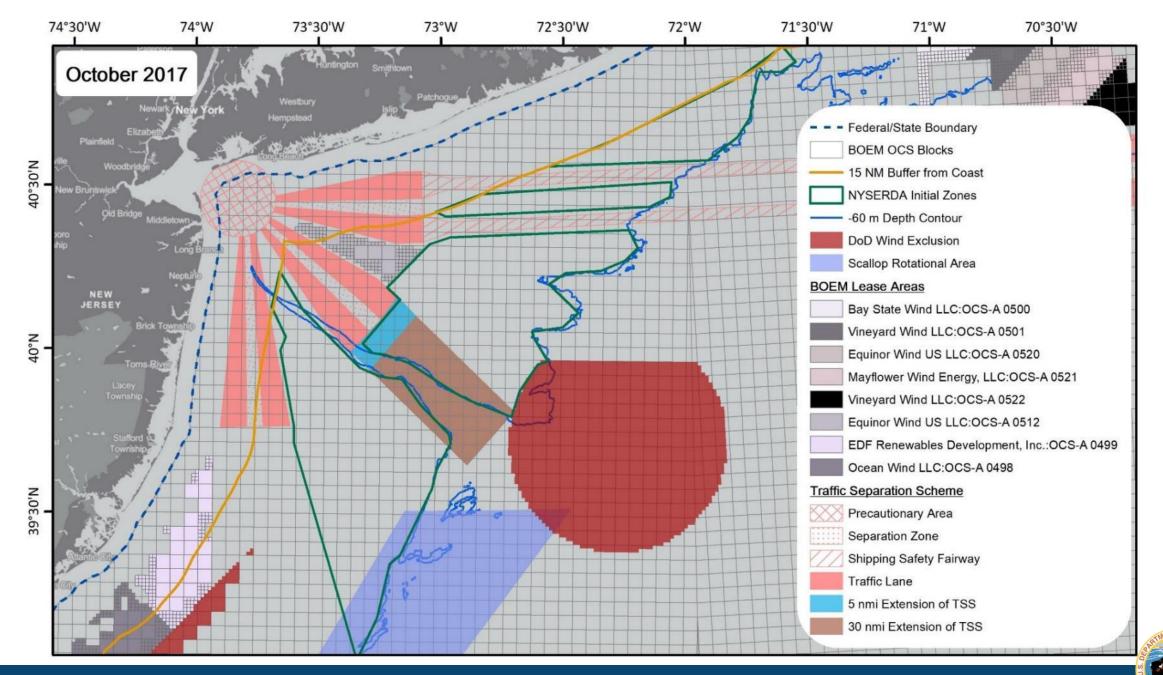


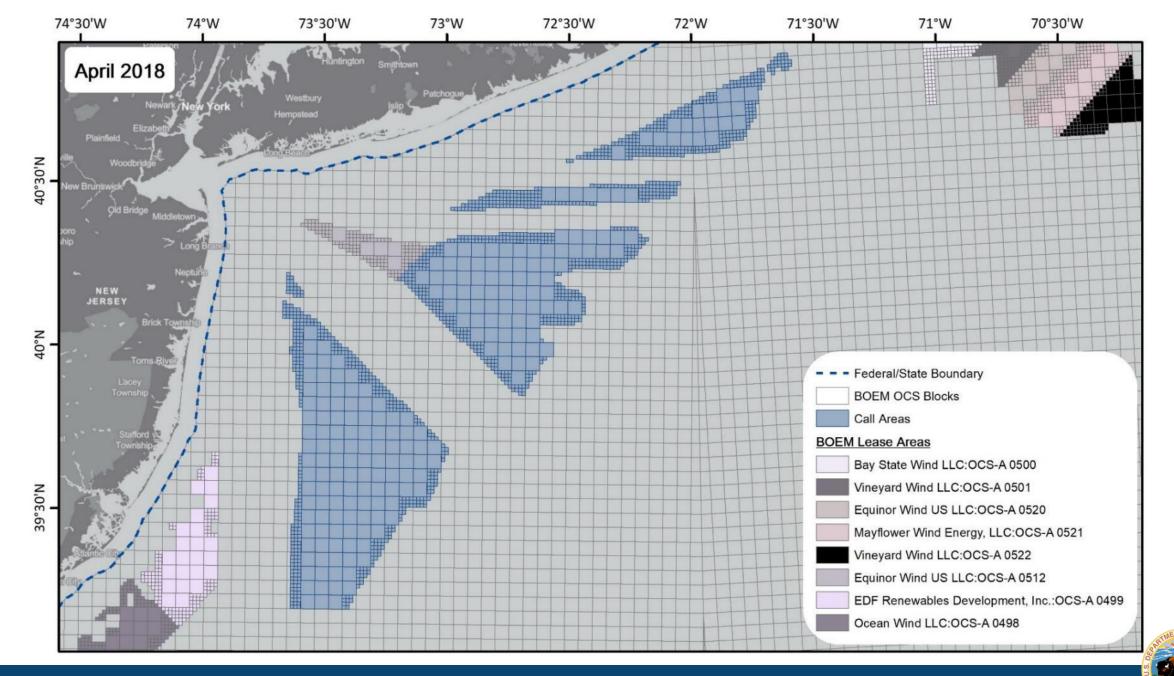


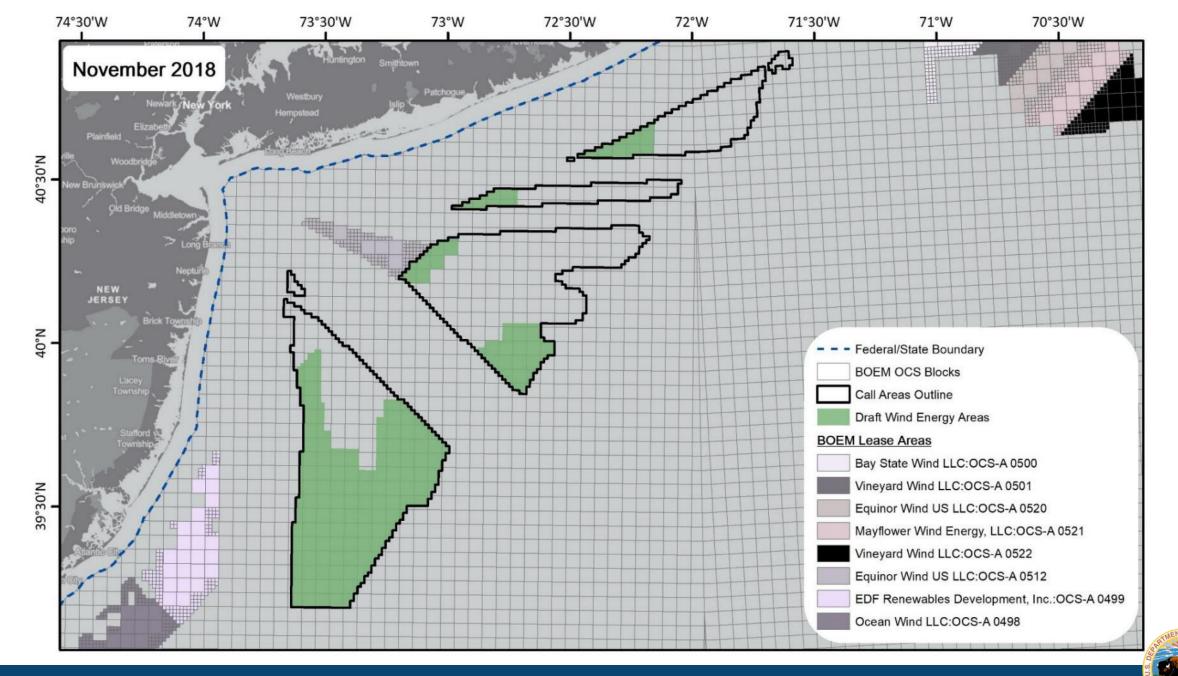


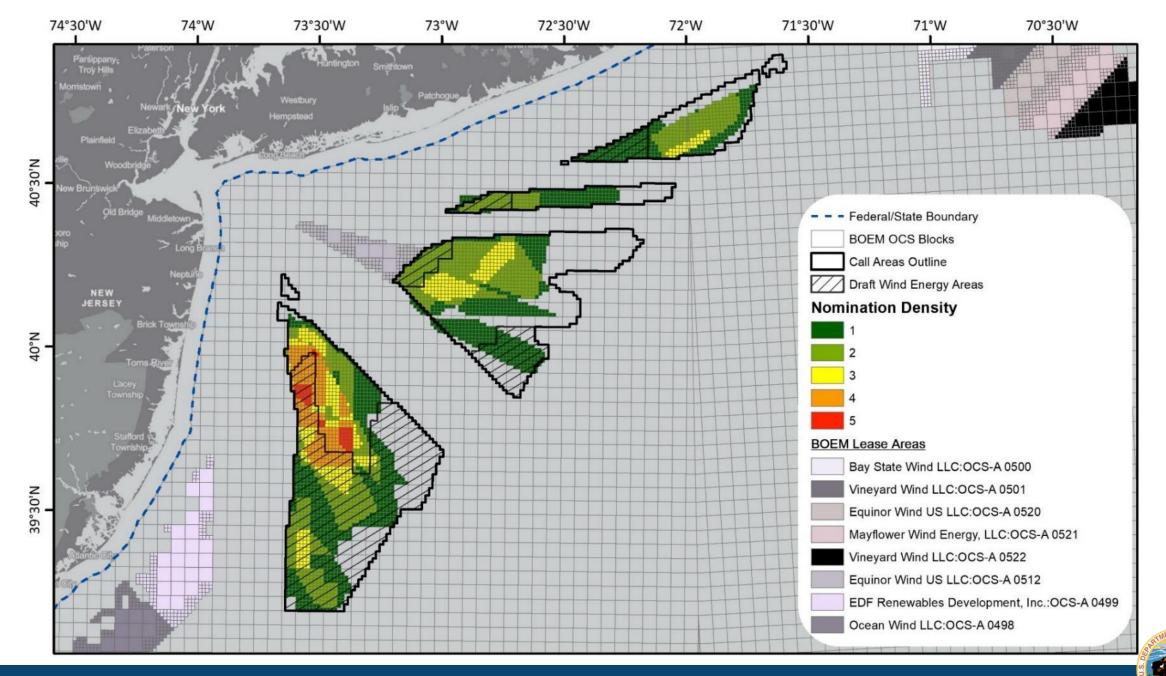


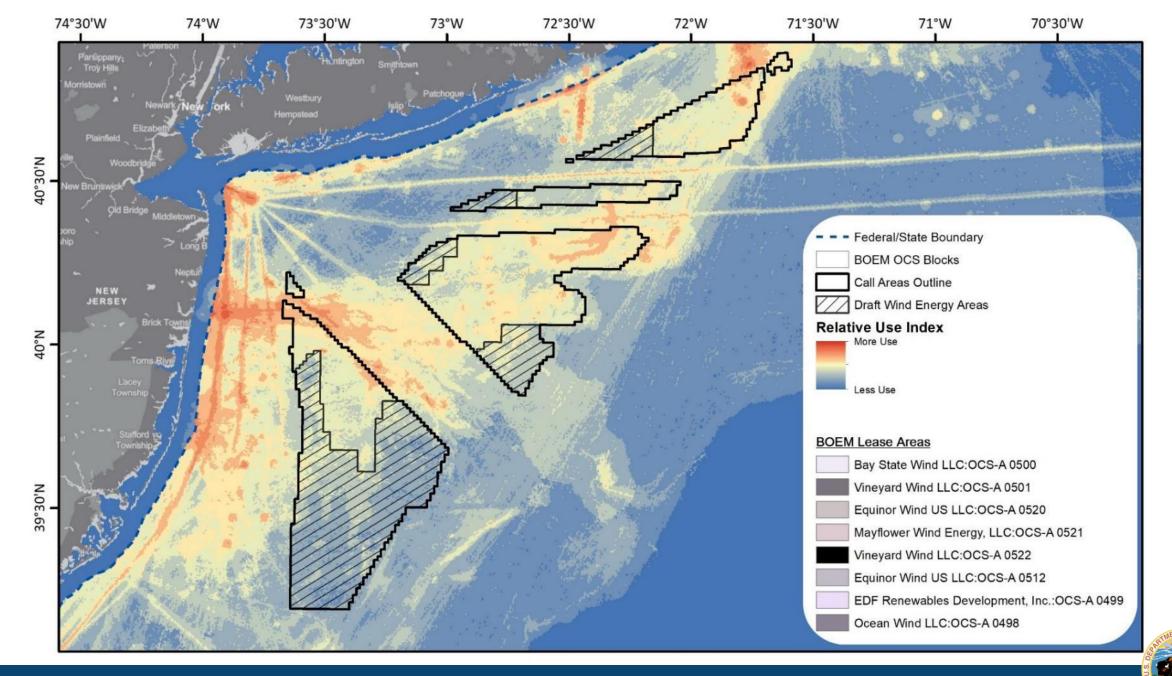


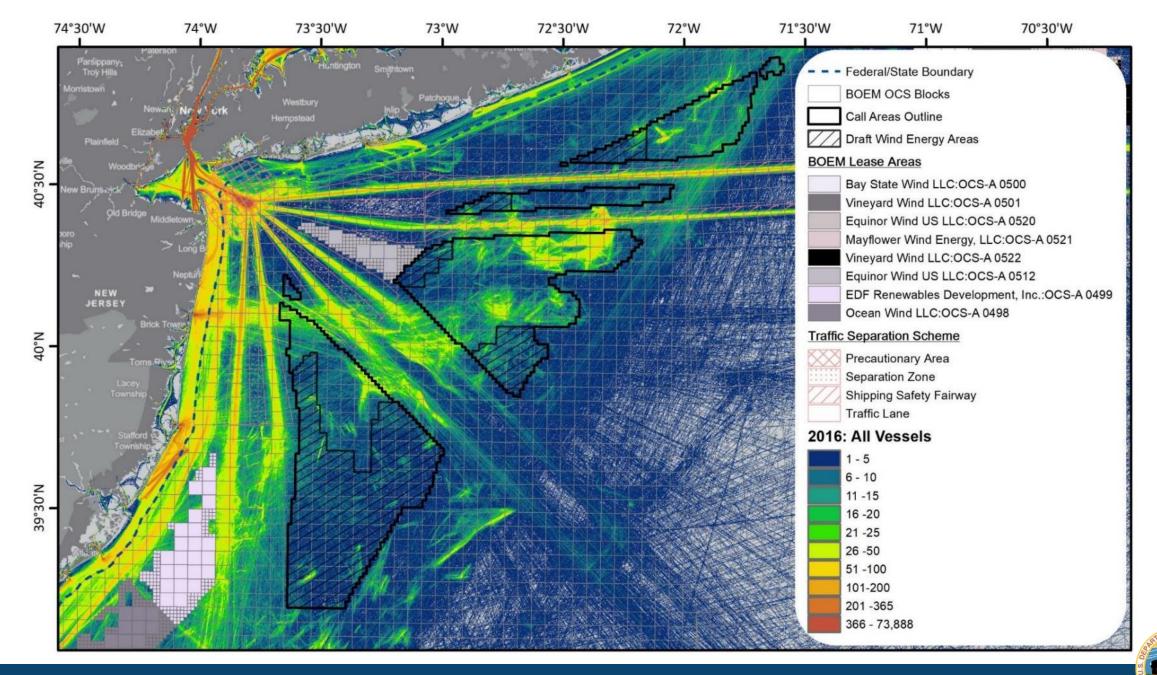


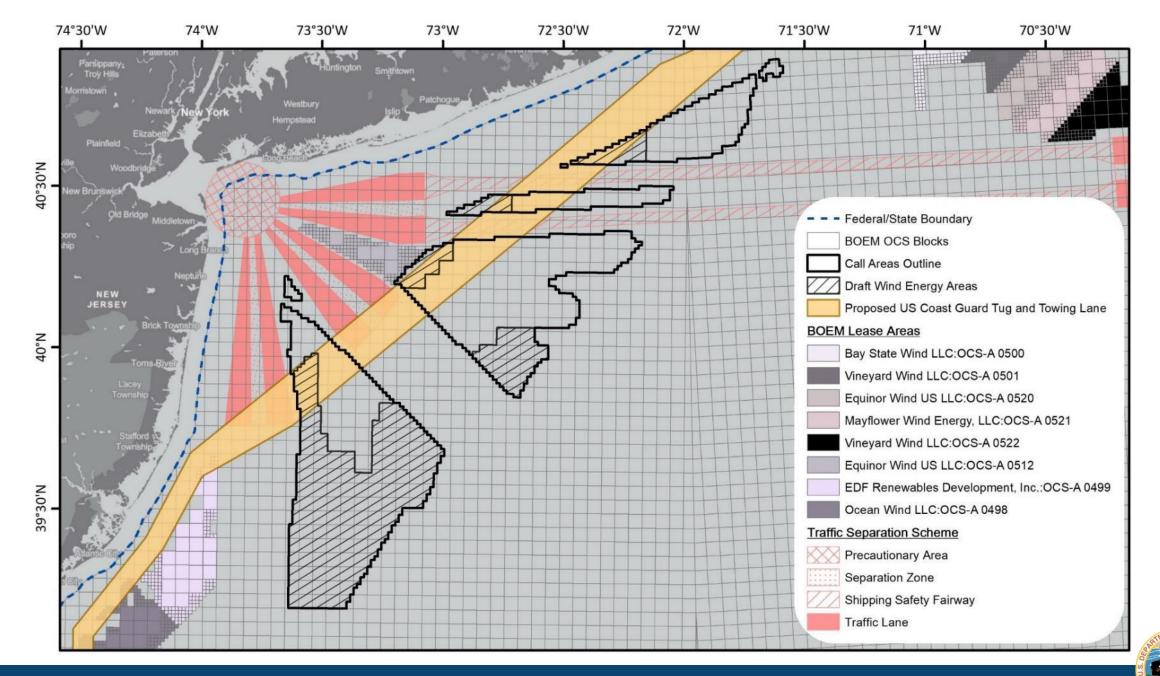


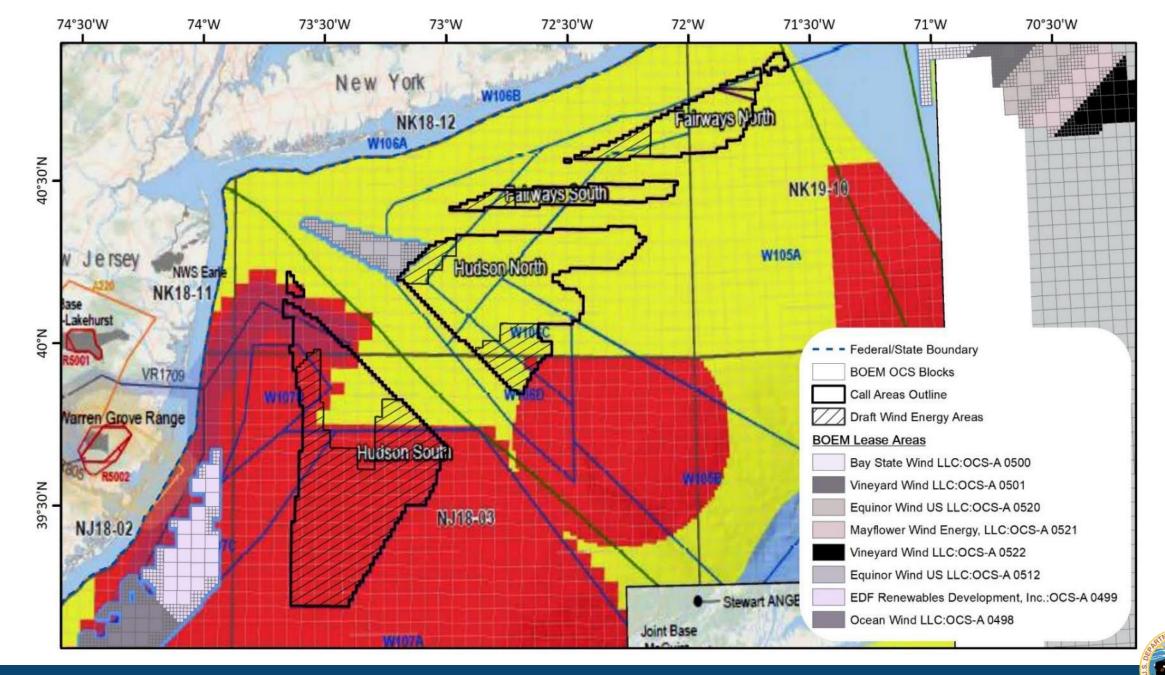


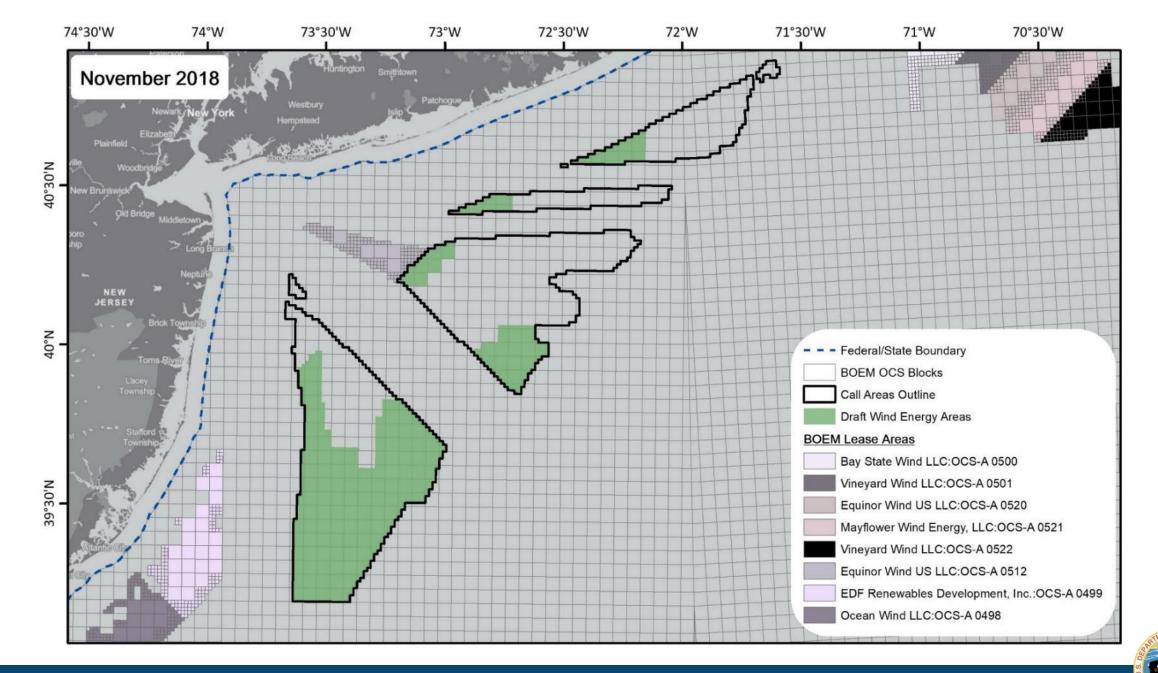




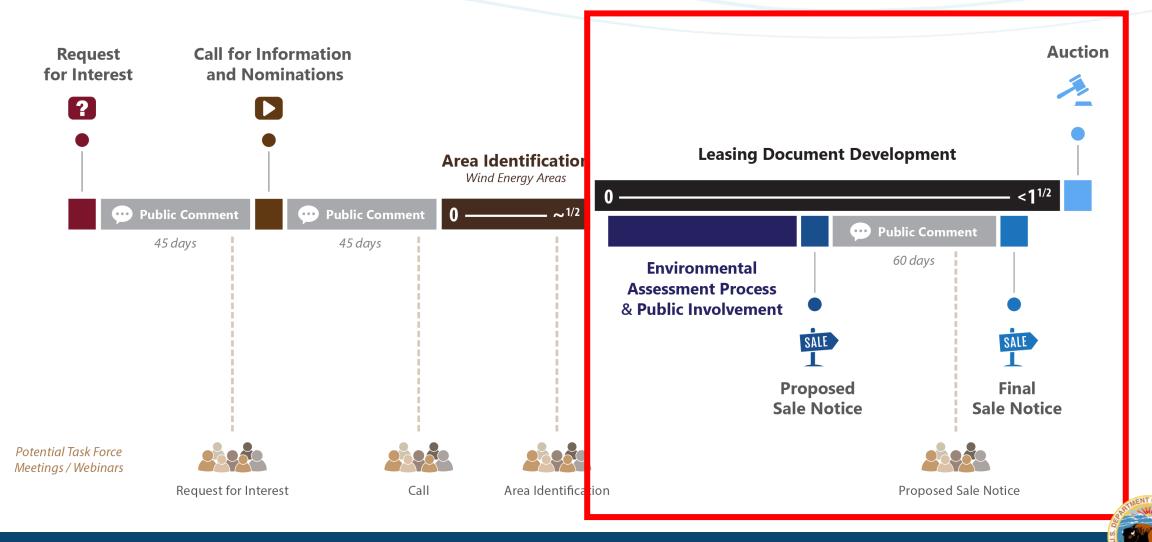








## **Pre-Lease Sale Process**

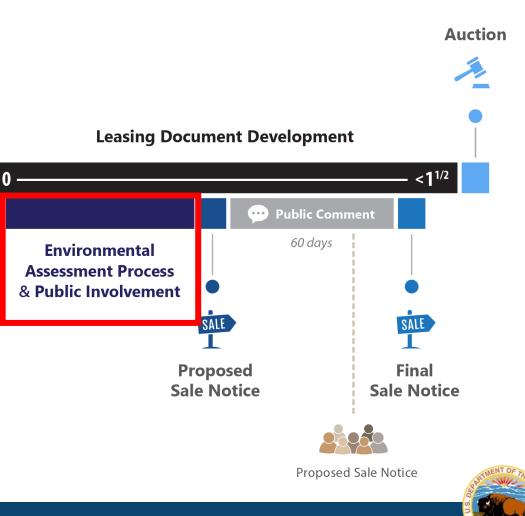


## Pre-Lease Sale Process: Environmental Assessment

#### **Assesses Environmental Effects**

#### **Associated with Leasing**

- Site Characterization Activities
  - biological, geological, geotechnical, and archaeological surveys
- Site Assessment Activities
  - meteorological and oceanographic buoy deployment

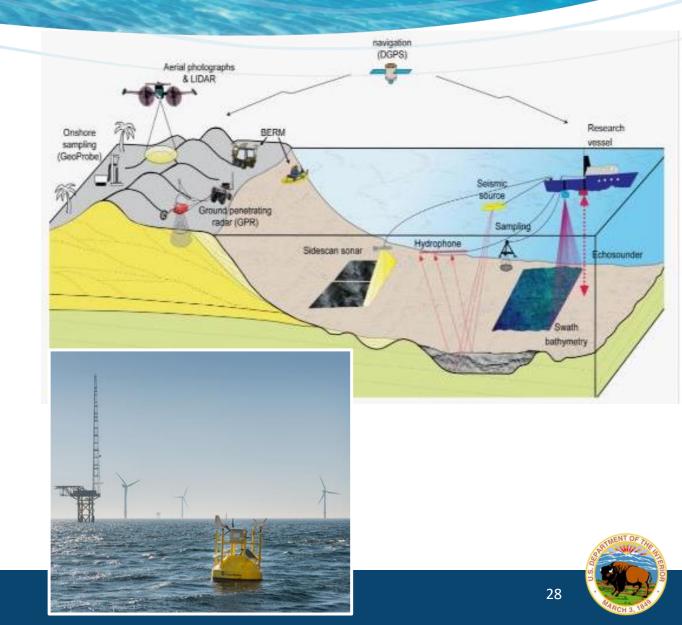


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## Pre-Lease Sale Process: Proposed Sale Notice

#### What is in a PSN?

- Area for leasing
- Fiscal terms
- Auction details and format
- Proposed lease terms
- Last opportunity to submit company qualification materials
  - Legal
  - Technical
  - Financial
- Nonmonetary factors

#### Auction Seminar for potential bidders



**Auction** 

B

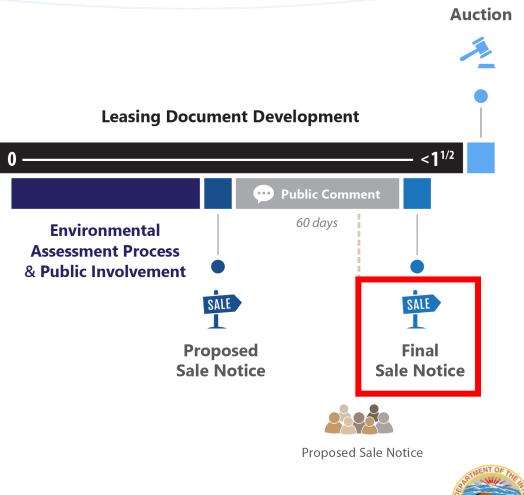
## Pre-Lease Sale Process: Final Sale Notice

#### **Final Sale Notice**

- Bid deposit required to participate in auction (\$450,000)
- List of qualified bidders

#### **Mock Auction**

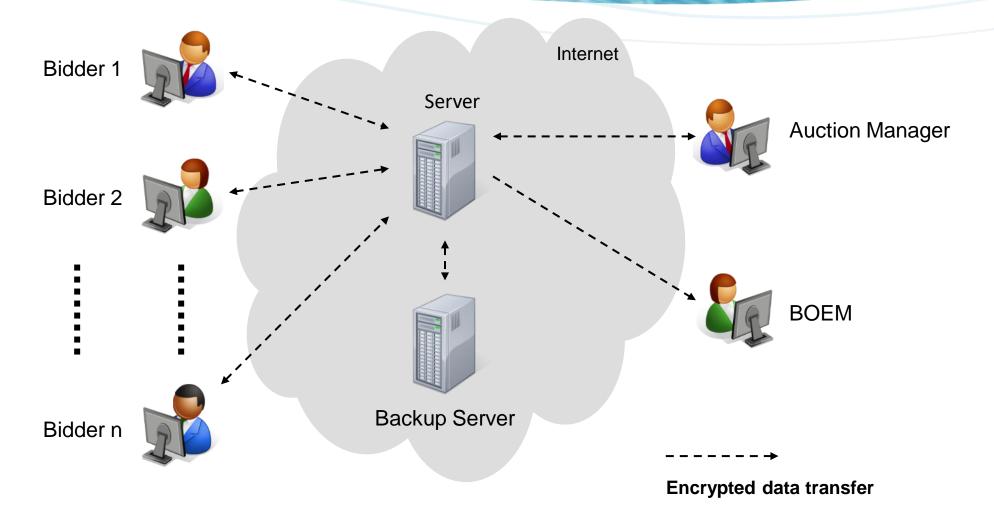
#### Auction



## Auction Format – Online and Anonymous

Bureau of Ocean Energy Management

BC





## **Auction Format - Bidding**

Bidding occurs over multiple rounds During each round, BOEM's asking price is raised, and a bidder indicates whether it would be willing to pay that amount for the lease area When only one bidder is willing to pay that round price, or has the highest exit bid, that bidder wins the auction

Round	Asking Price	Bidder 1	Bidder 2	Bidder 3	Bidder 4
1	\$100?	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
2	\$150?	$\checkmark$	$\checkmark$	$\checkmark$	×
3	\$200?	×	$\checkmark$	$\checkmark$	×
4	\$250?	×	$\checkmark$	×	×
			WINNER		





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Round	Asking Price	Bidder 1	Bidder 2	Bidder 3	Bidder 4
1	\$100?	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
2	\$150?	$\checkmark$	$\checkmark$	$\checkmark$	×
3	\$200?	\$190	$\checkmark$	$\checkmark$	×
4	\$250?	×	\$240	\$225	×
			WINNER		





## **Atlantic OCS Renewable Energy Lease Sales**

Lease Sale Date	Adj. State	Lease Size (acres)	Bid (\$)	Developer
July 2013	RI-MA	97,498	\$3,838,288	Orsted (Deepwater Wind New England, LLC)
		67,252	<i>\\</i> 0,000,200	
September 2013	VA	112,799	\$1,600,000	Virginia Electric and Power Company
August 2014	MD	32,737	\$3,841,538	U.S. Wind, Inc.
August 2014		46,970	\$4,859,560	0.5. Wind, inc.
January 2015	MA	187,523	\$281,285	Orsted (Bay State Wind LLC)
		166,886	\$166,886	Vineyard Wind LLC
		248,015	-	-
		140,554	-	-
	NJ	160,480	\$880,715	Orsted (Ocean Wind LLC)
November 2015		183,353	\$1,006,240	Atlantic Shores LLC
December 2016 NY		79,350	\$42,469,725	Equinor Wind US LLC
March 2017 NC		122,405	\$9,066,650	Avangrid Renewables LLC
	er 2018 MA	128,811	\$135,000,000	Equinor Wind US LLC
December 2018		127,388	\$135,000,000	Mayflower Wind Energy LLC
		132,370	\$135,100,000	Vineyard Wind, LLC

\* Over \$472M auction revenue

\*\* Over \$5M annual rental income





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## **Coming Next:**

April 7, 1:00 p.m. ET Offshore Wind Technologies 101 Walt Musial, NREL

April 28, 1:00 p.m. ET Article VII Permitting Process for Offshore Wind Bill Flynn, Harris Beach PLLC

Visit wind.ny.gov to register

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