

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

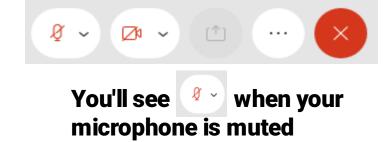
Meeting Procedures

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

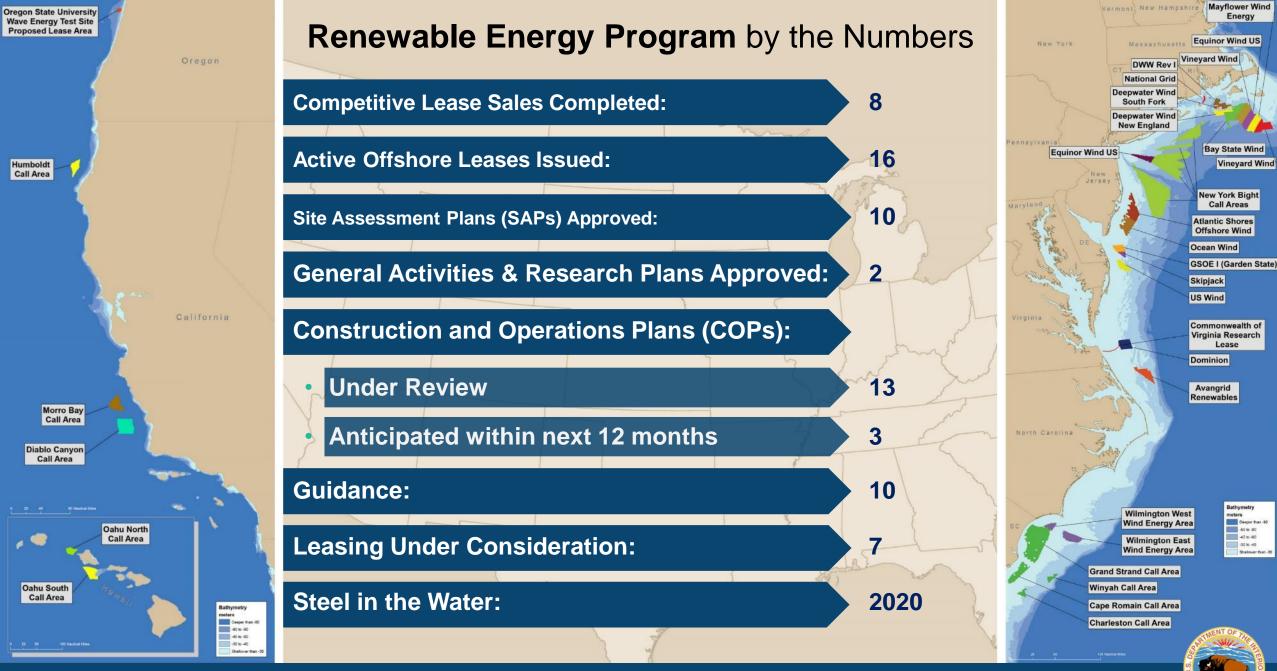




Atlantic OC







6

Deepe

-60 to -90

-45 to -60

-30 to -41

Energy

Atlantic OCS Renewable Energy: "Projects in the Pipeline"

2020

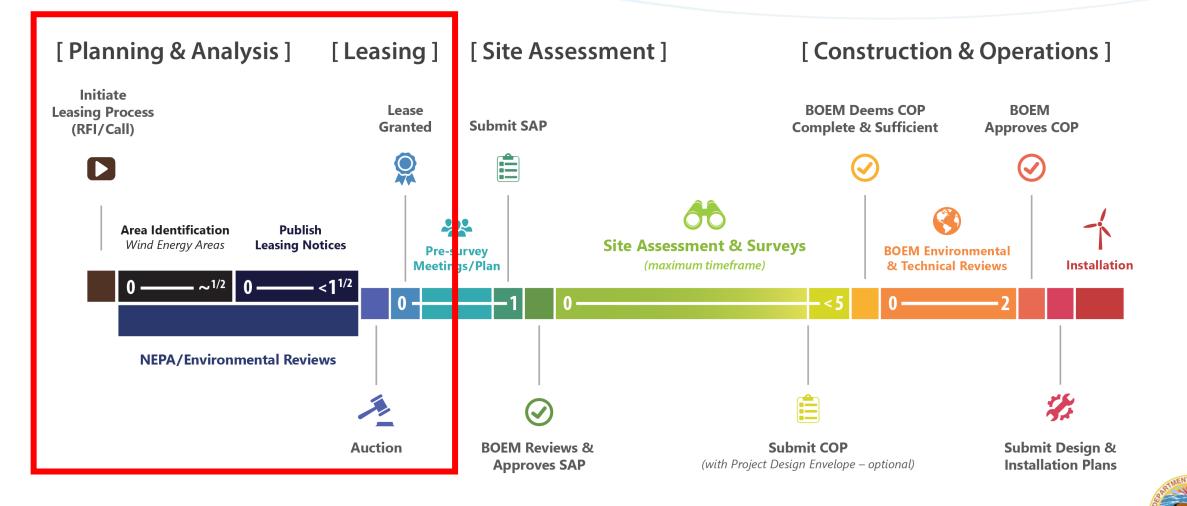
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| Project | Company |
|--|--|
| Coastal Virginia Offshore Wind Pilot | Dominion Drop Orsted |
| South Fork | DEEPWATER |
| Vineyard Wind I | VINEYARD WIND |
| Revolution Wind | |
| Skipjack Windfarm | DEEPWATERWIND |
| Empire Wind | equinor Ӯ |
| Bay State Wind | Bay State Wind An Onted & Evenance Intistive |
| U.S. Wind | US 🍚 Wind |
| Sunrise Wind | Orsted 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 |

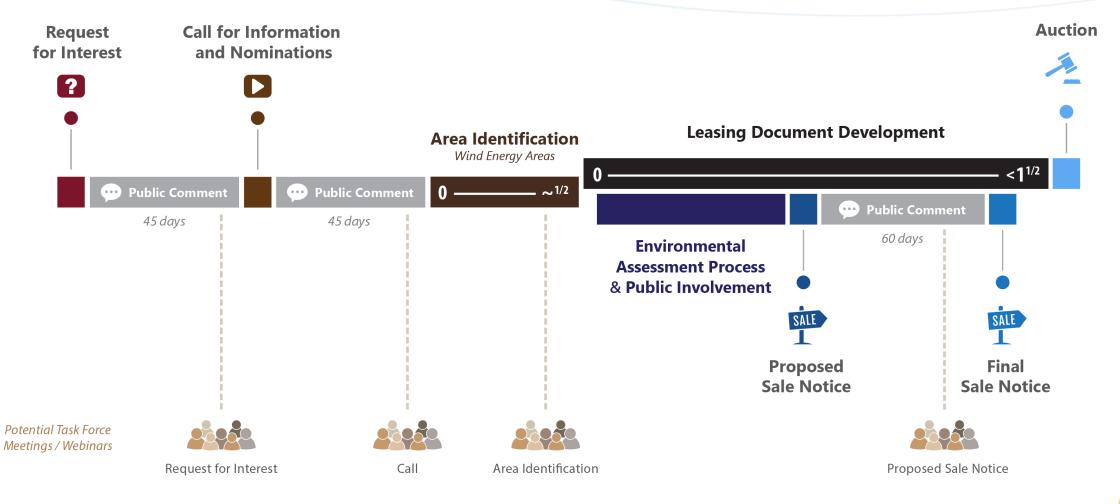


Renewable Energy Process: From RFI/Call to Operation





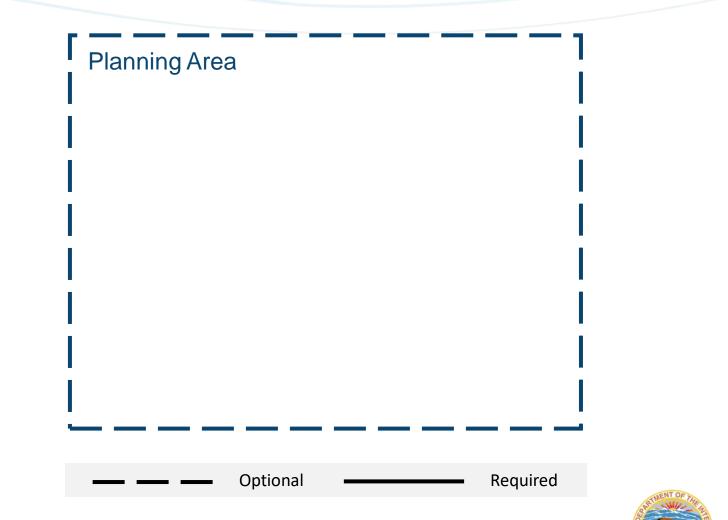
Request for Interest to Lease Sale



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

Planning Area

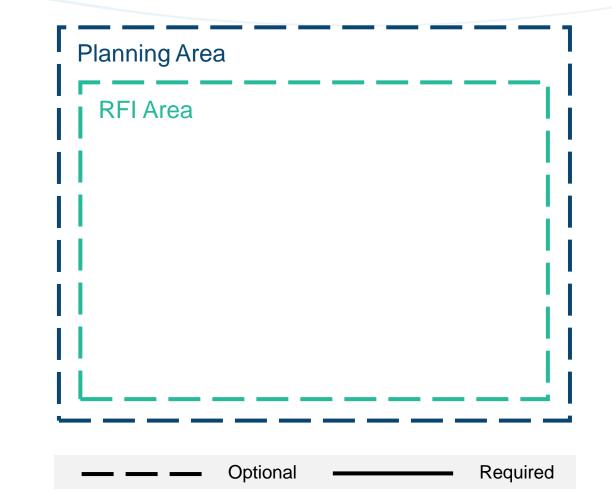
- High-level screening
- Initial identification of areas that may be suitable for potential offshore wind development





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:

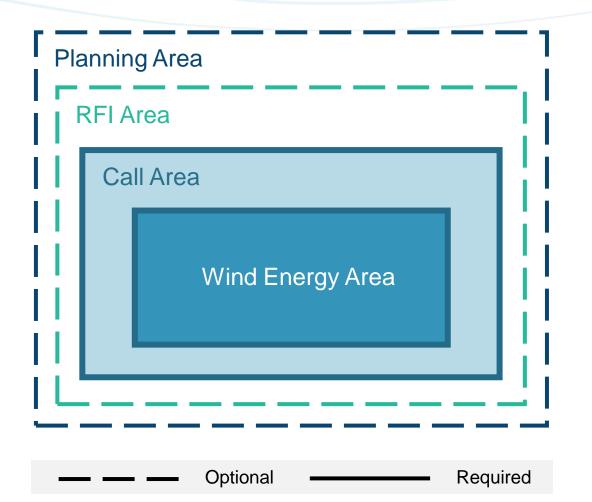
- Areas for special consideration and analysis
- Conditions in the Call Area
- Areas to be considered for leasing

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



Wind Energy Area

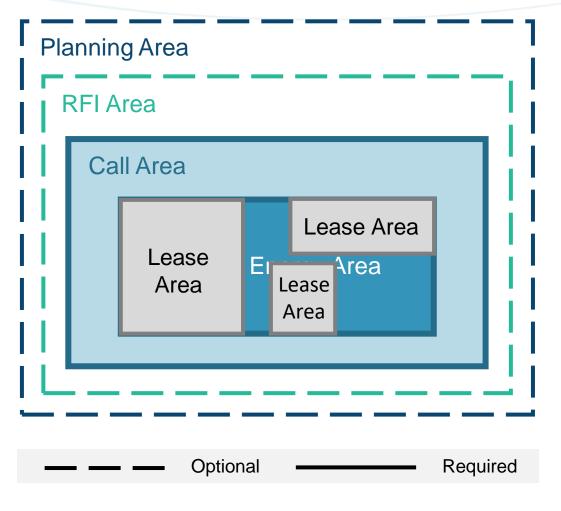
- A portion of the Outer Continental Shelf (OCS) identified by BOEM for NEPA analysis (Environmental Assessment)
- The basis for a Lease Area





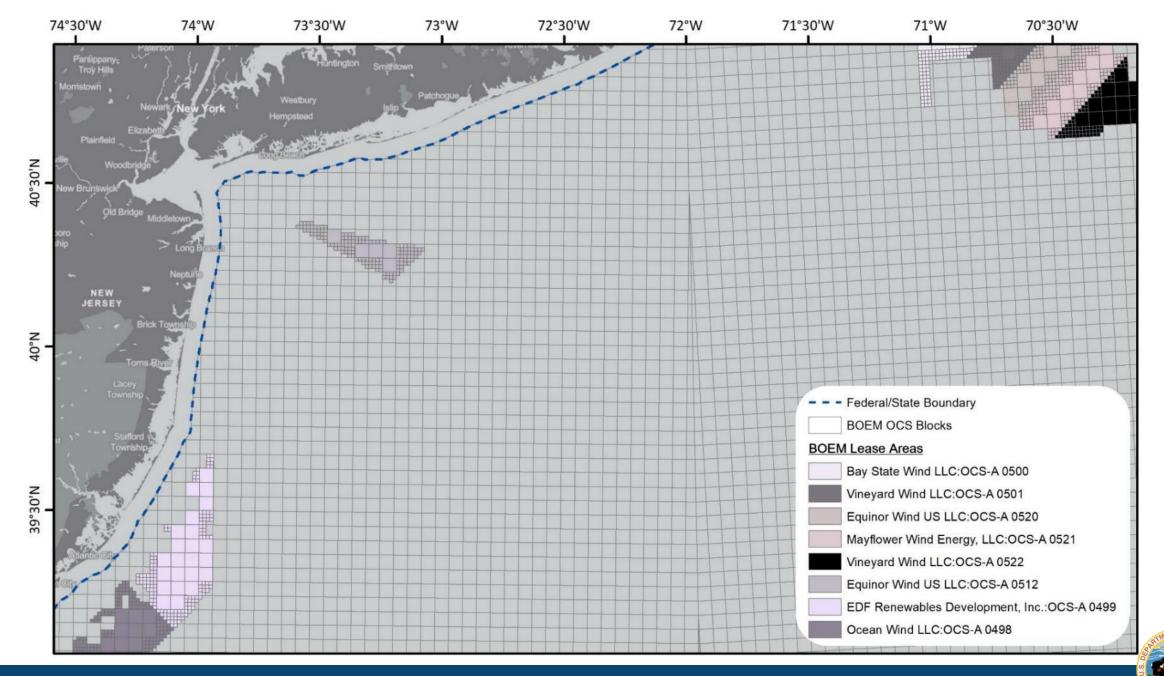


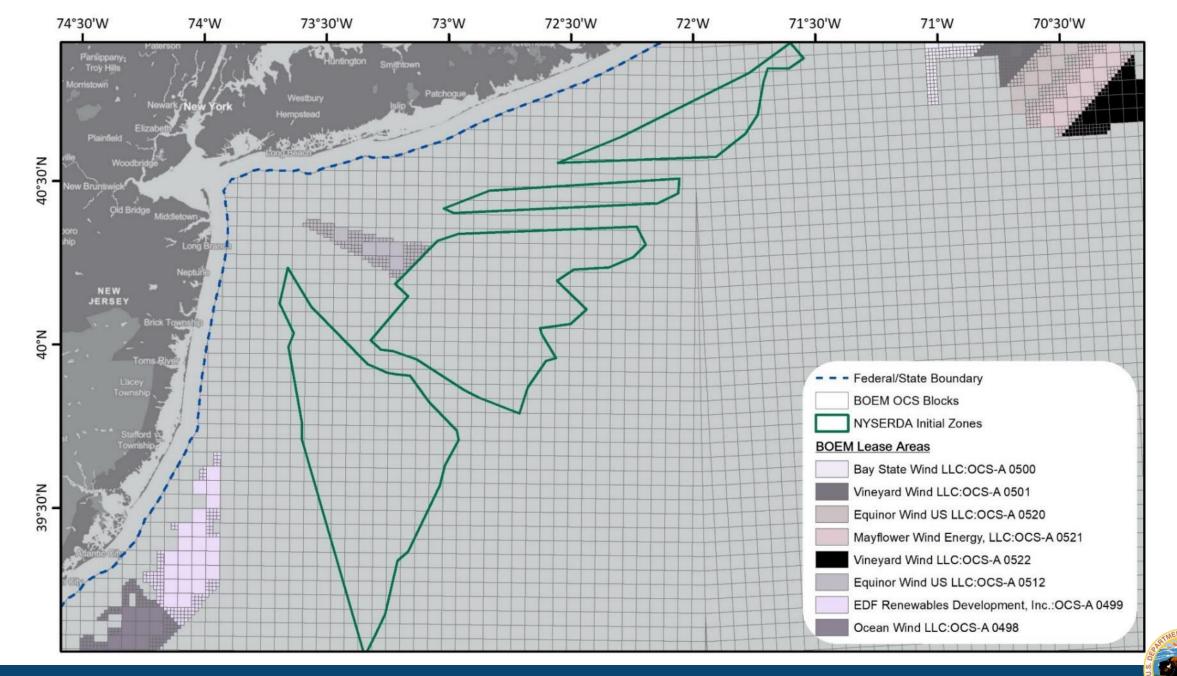
 Wind Energy Areas have the potential for further division into Lease Areas

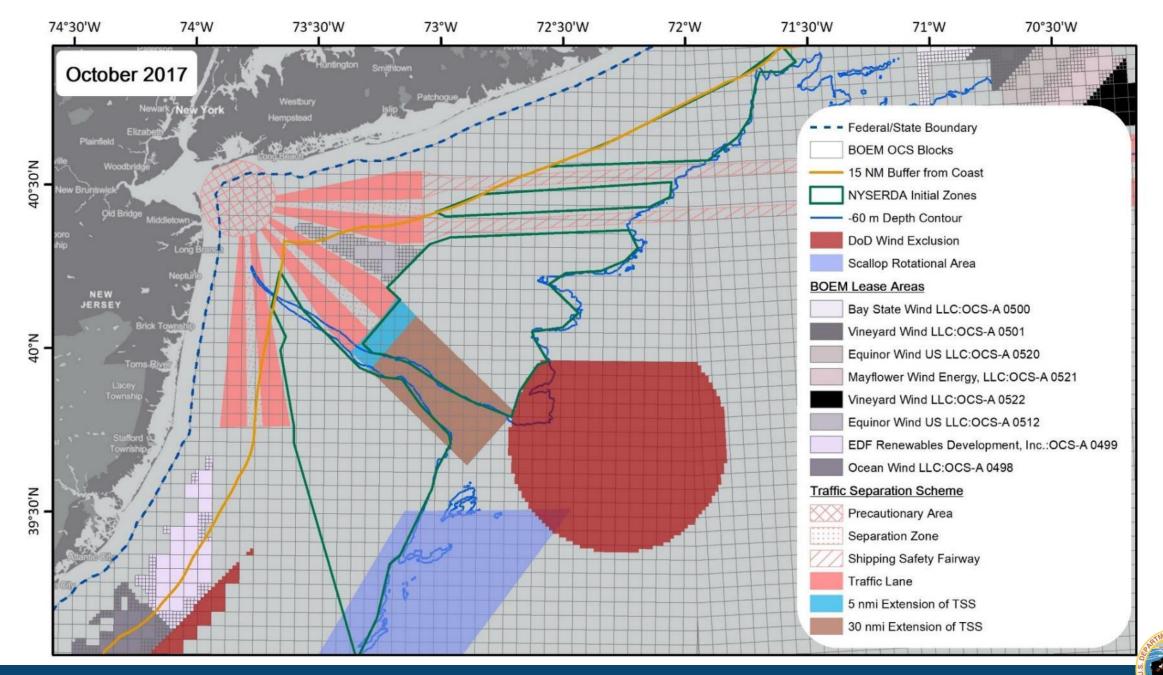


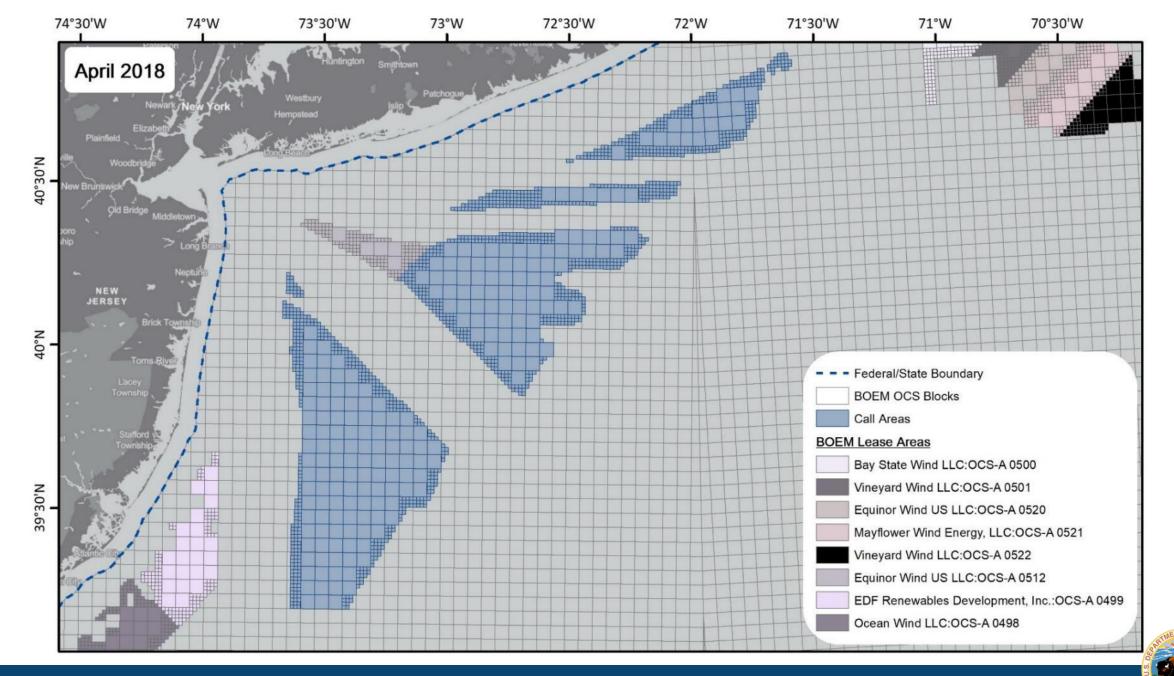


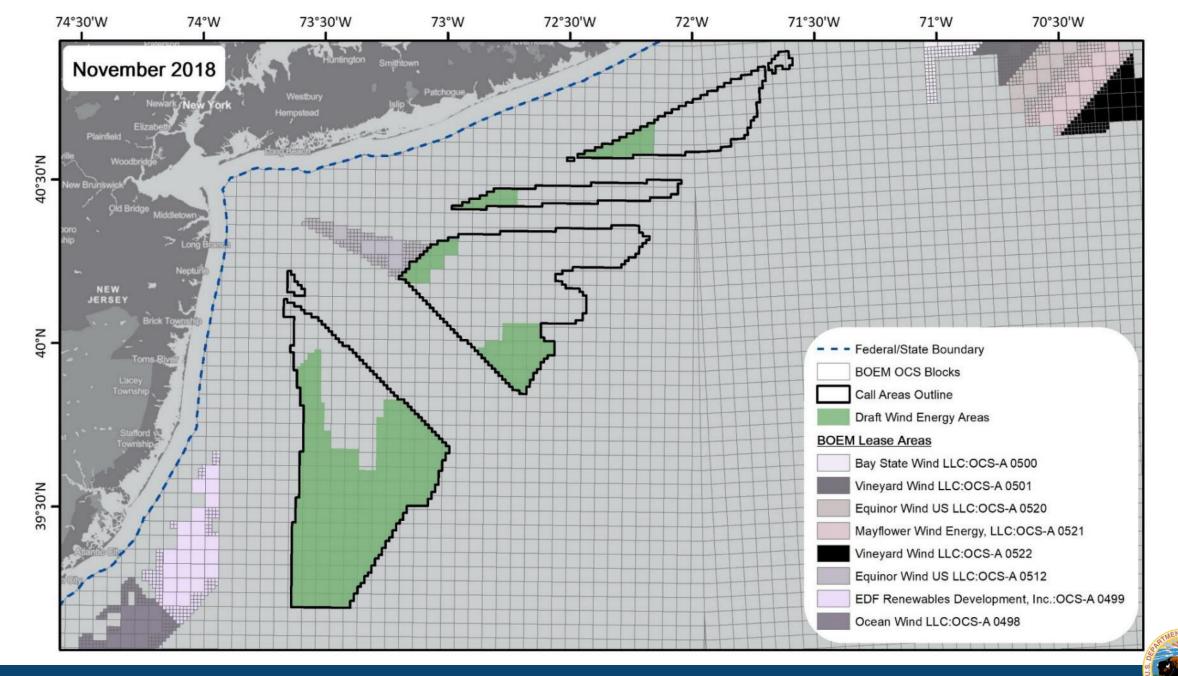


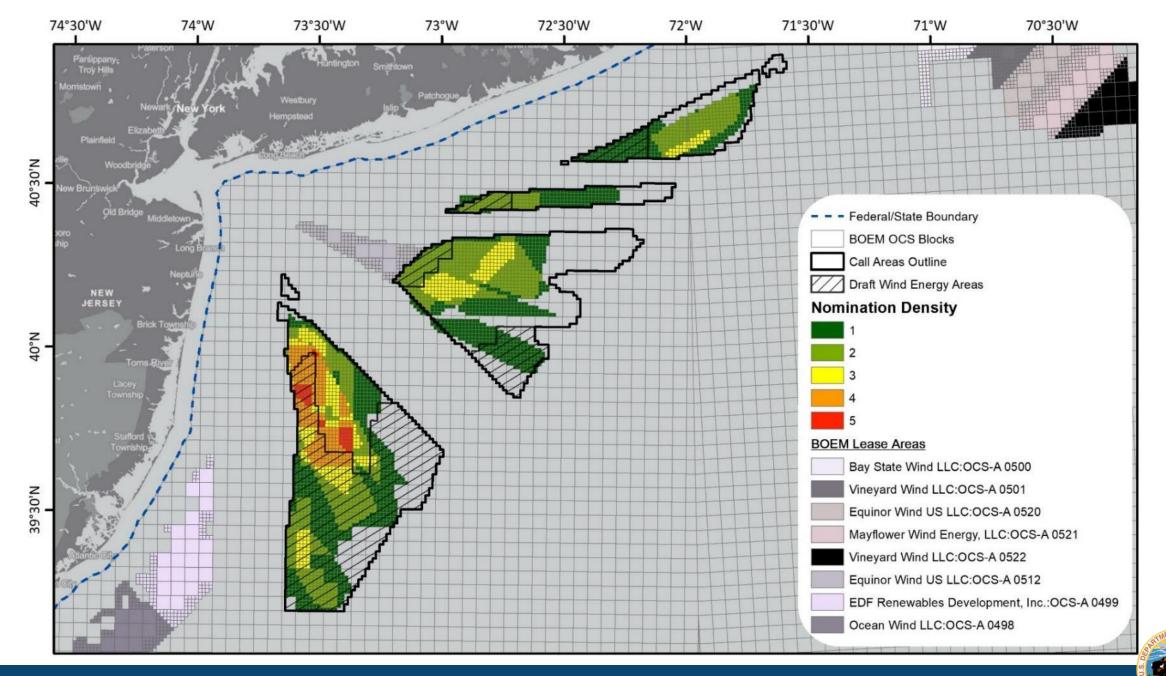


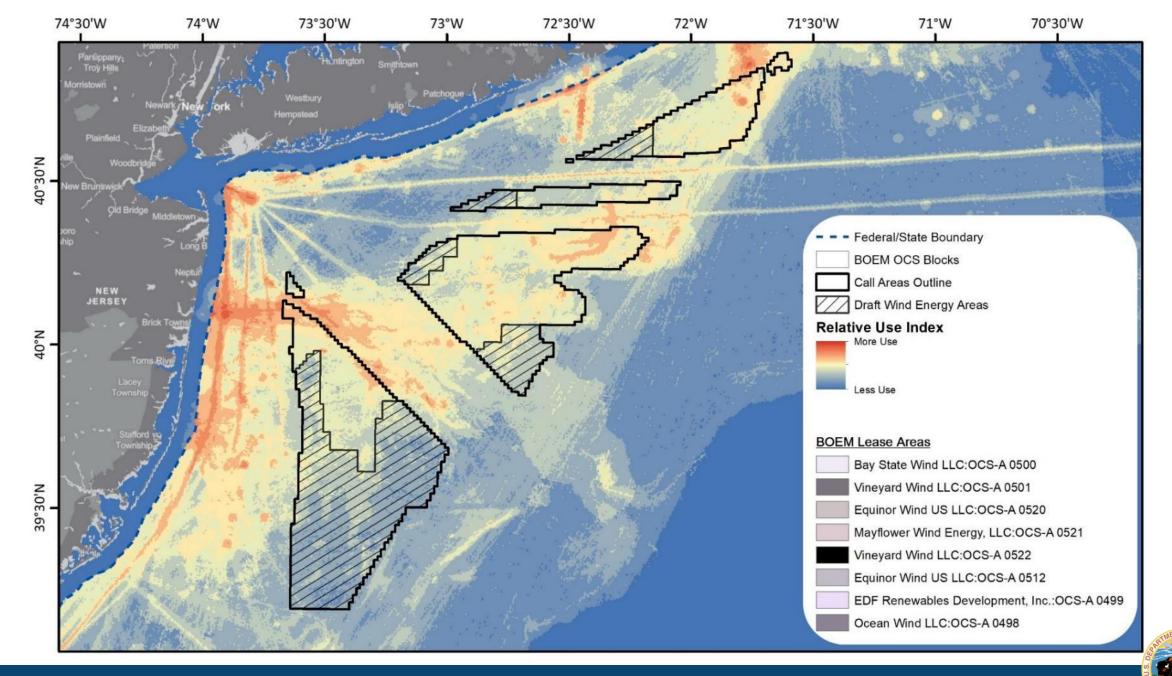


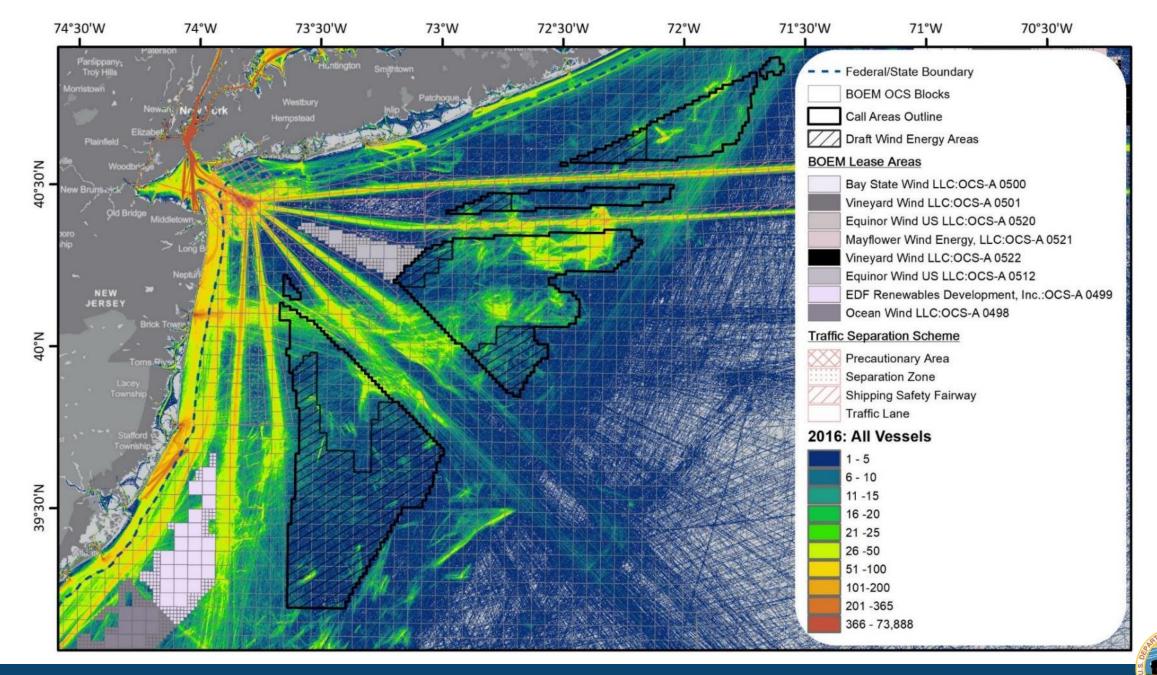


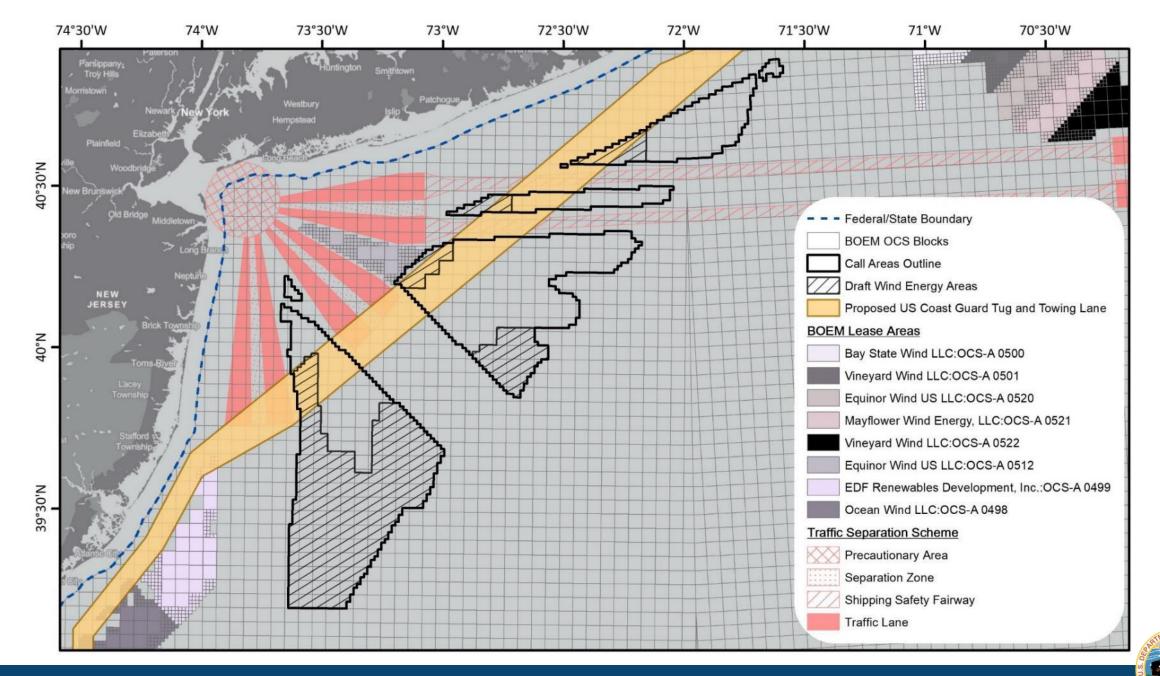


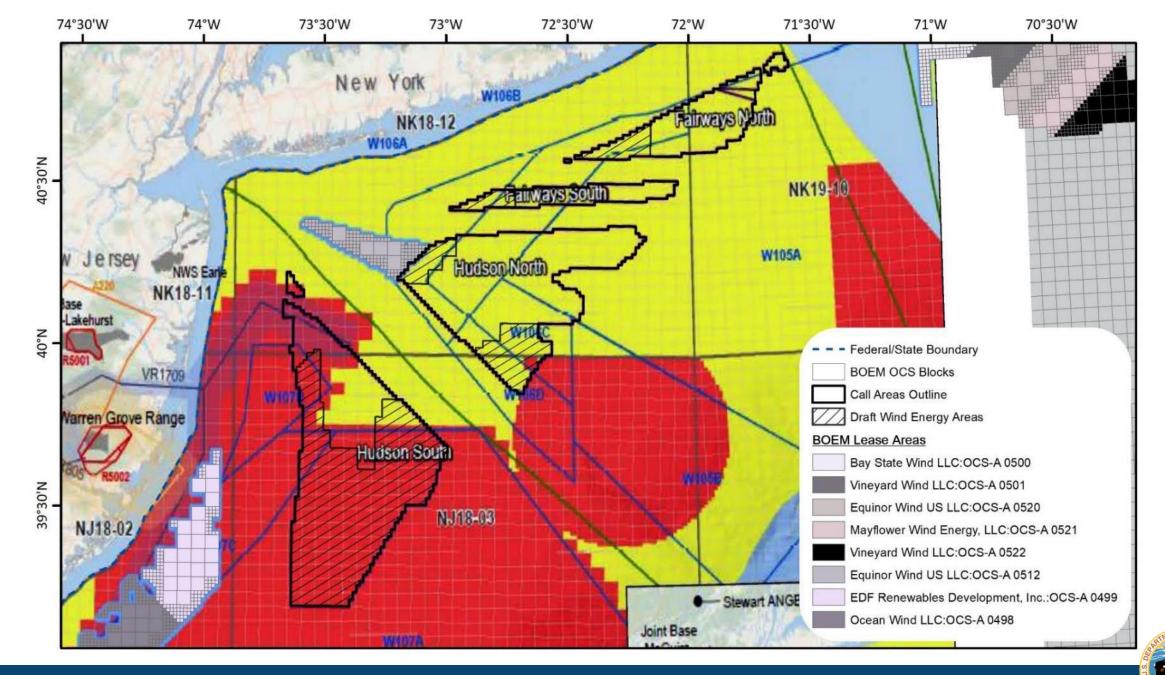


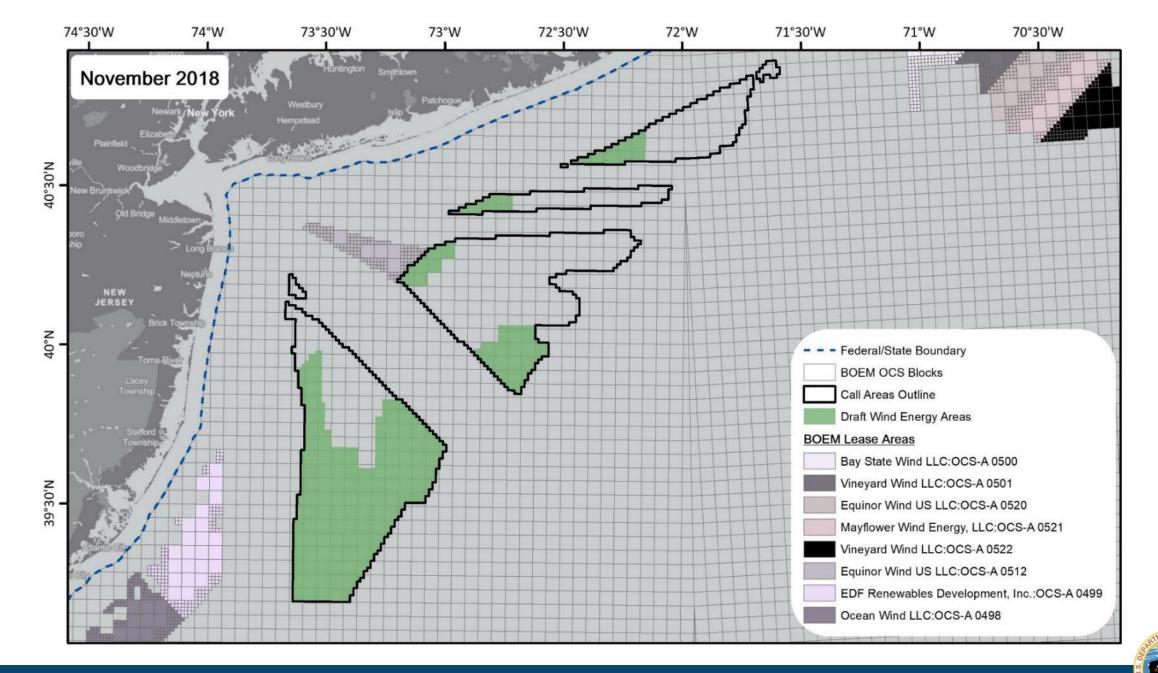




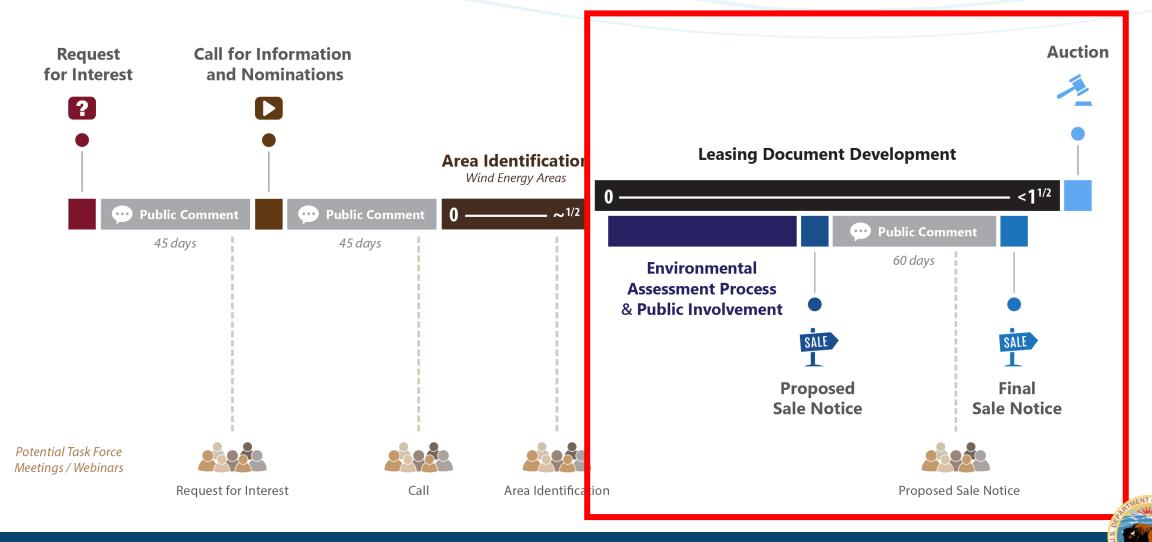








Pre-Lease Sale Process

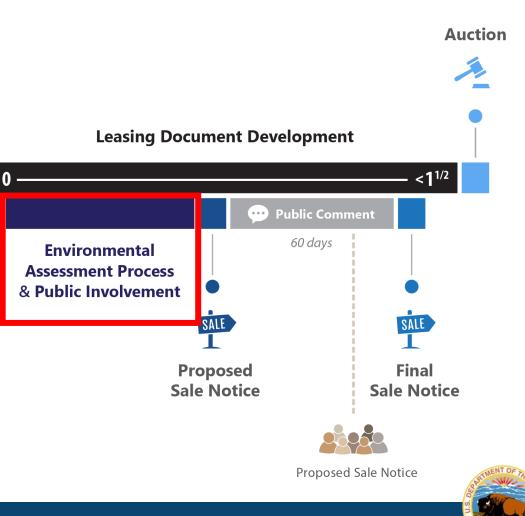


Pre-Lease Sale Process: Environmental Assessment

Assesses Environmental Effects

Associated with Leasing

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

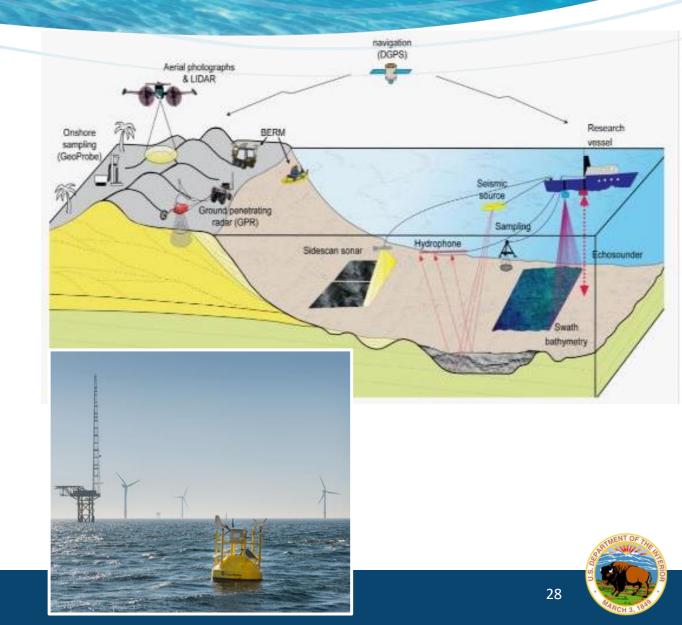


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Pre-Lease Sale Process: Proposed Sale Notice

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

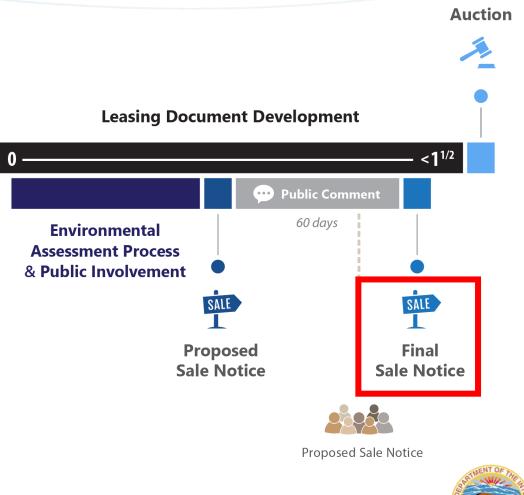
Pre-Lease Sale Process: Final Sale Notice

Final Sale Notice

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

Mock Auction

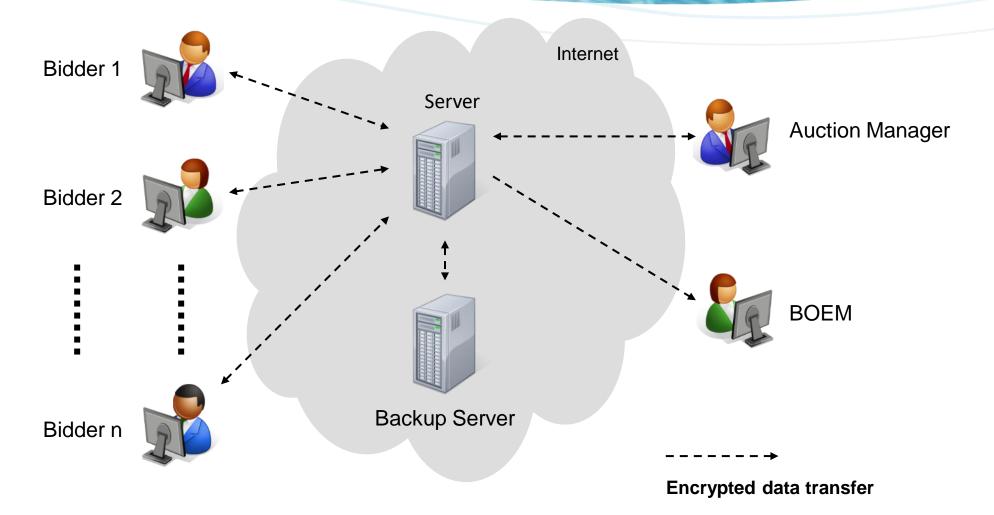
Auction



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 | | |





Auction Format - Bidding

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| 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

We want your feedback! Send suggestions for future webinar topics to offshorewind@nyserda.ny.gov.

