FREQUENTLY ASKED QUESTIONS

'Smart from the Start' Atlantic OCS Offshore Wind Initiative

1. What's driving this announcement today? Why is this Administration pushing so hard for the development of Atlantic offshore wind?

The United States leads the world in installed, land-based wind energy capacity, yet has no offshore wind generating capacity to date, despite the fact that offshore Atlantic winds contain an estimated 1,000 gigawatts of energy. For the states included in today's announcement there is the potential to produce 10.3 gigawatts of offshore wind energy.

A top priority of this Administration is developing renewable domestic energy resources to strengthen the nation's security, generate new jobs for American workers and reduce carbon emissions. A major component of that strategy is to fully harness the economic and energy benefits of our nation's vast wind potential, including Outer Continental Shelf Atlantic winds, by implementing a smarter permitting process that is efficient, thorough, and unburdened by unnecessary red tape.

Congress authorized the Department of the Interior to issue leases for renewable energy development on the Outer Continental Shelf (OCS) five years ago in the Energy Policy Act of 2005. For several years, however, offshore wind development remained stagnant as questions lingered about jurisdictional issues and the regulatory process that the Department would develop for offshore renewable energy projects. Since taking office, Secretary Salazar has made much progress in addressing many of these questions – for instance, by resolving the jurisdictional dispute between the Department and FERC and developing a new regulatory scheme governing offshore projects. The Secretary also has been aggressive in facilitating initial offshore wind leasing activities, such as Cape Wind, and other projects are moving along in the pipeline.

Over the course of the past year, BOEMRE has also made substantial progress working with the states through the Atlantic Offshore Wind Energy Consortium to promote a regional approach to offshore wind development and through the state task forces, which are provided for in the renewable regulatory regulations BOEMRE finalized in 2009, to identify areas that appear best suited for potential development.

Still remaining, however, have been ongoing questions and concerns about how the Department will implement its new regulatory framework and the potential for a very lengthy approval process for any proposed project. For instance, substantial concerns have been raised about the prospect of a 7-10 year timeline for a new and untested approval process, primarily because early indications were that two environmental impact statements pursuant to the National Environmental Policy Act would be required for each and every project. This initiative seeks to address some of these needs and concerns.

2. How will this initiative specifically speed offshore wind development?

The initiative will facilitate environmentally responsible offshore wind development along the Atlantic OCS in the shortest time period possible by

1) Simplifying the approval process for individual proposed projects and eliminating unnecessary regulatory requirements, including dispensing with a requirement to issue a duplicative second notice where there is no competitive interest in a lease area.

2) Implementing a comprehensive, expedited leasing framework for Atlantic wind by taking the following steps: (i) within 60 days, identifying "wind energy areas" (WEAs) in the Atlantic; (ii) over the next six months, organizing, financing and implementing the gathering of information from key agencies regarding the environmental and geophysical attributes and other uses of these WEAs; and (iii) assembling the information in a publicly available format that potential investors and applicants can access and BOEMRE can use in evaluating lease sales in the WEAs.

3) Moving aggressively, on a parallel (but separate) track, to process applications to build offshore transmission line(s). The assessment of wind energy areas should assist the siting and feasibility reviews associated with potential offshore transmission line(s).

The objective is to accelerate responsible renewable wind energy development on the Atlantic OCS by using appropriate designated areas, coordinated environmental studies, large-scale planning and expedited approval processes.

3. What involvement will each BOEMRE/State Task Force have in this new Atlantic wind initiative, and what will happen to the work that the Task Forces have already begun?

The Secretary remains committed to close coordination with our federal, state, local, and tribal partners to ensure an informed renewable energy leasing process. Each of the eight established BOEMRE/State Task Force has taken significant steps in moving the renewable energy leasing process forward. Preliminary task force screening activities have identified areas that are compatible with renewable energy development and will be used as a foundation for development and implementation of the new initiative. We envision that the Task Forces will continue to act as a vehicle for conveying and sharing environmental and multiple use information.

4. How does this WEA effort interface with the President's mandate for Coastal and Marine Spatial Planning?

We anticipate that the results of this initiative will prove valuable to the Regional Planning Bodies that will be established in the near future by the National Ocean Council. For example, we believe that the results of the assessment efforts of these offshore areas will play a crucial role in informing the Coastal and Marine Spatial Plans that the Regional Planning Bodies will establish. The assessment of WEAs will use many of the principles of coastal and marine spatial planning, such as comprehensive interagency coordination, and provide information that can be referenced in future decision-making regarding wind power development.

5. Why designate specific Wind Energy Areas (WEA) on the Atlantic Outer Continental Shelf?

The Department's experience with Bureau of Land Management solar development in the West demonstrated that the early identification of potential resource and use conflicts in siting decisions is crucial to facilitating successful projects. Along the OCS, however, we have relatively little information compiled in any one place about current uses, resource constraints, and other baseline information that is typically available in a land use plan for a BLM unit, for instance.

Over the course of the past year, BOEMRE has been actively engaged with federal, state, and local stakeholders through the state task force process and the Atlantic Offshore Wind Energy Consortium to begin collecting some of this crucial baseline information. The task force meetings have taken place in Delaware, Maine, Maryland, Massachusetts, New Jersey, Rhode Island, New York, and Virginia and have included representatives from BOEMRE, FWS, NPS, NOAA, Coast Guard, the Department of Defense, Department of Energy, relevant state agency representatives, and tribal government representatives.

Based on the excellent work that has been underway in cooperation with the states, this initiative would designate "Wind Energy Areas" (WEA) for (at least) the following states within 60 days of today's announcement: Virginia, Maryland, Delaware, New Jersey, Rhode Island, and Massachusetts. We are continuing to evaluate whether we currently have sufficient information on potential resource and use conflicts in additional states, such as New York, that would enable us to also include them in the first round of the WEA process. For other states, such as Maine, South Carolina, North Carolina, and Georgia, the identification of WEA will first require some additional coordination among stakeholders, and we anticipate being able to conduct a second round of WEA identifications early next year.

For each of the WEAs over the course of the next six months, we would collect relevant information and data from the states and from the various federal agencies that have information and/or equities in the identified areas, including the Department of Defense,

NOAA, FWS, and the FAA. This information can either support, or be used to avoid, wind farm development in the identified areas. Potential conflicts that might exist in particular areas include shipping routes, critical habitat for federally listed species such as the North Atlantic right whale, and Department of Defense training areas.

6. What environmental review will take place after WEAs are identified?
BOEMRE will launch regional environmental assessments analyzing the environmental impacts of renewable energy lease issuance and certain site assessment activities offshore a number of Atlantic states, including Virginia, Maryland, New Jersey, Delaware, Rhode Island, and Massachusetts in January of 2011. This effort will be supported by the extensive environmental studies and outreach already conducted by several of these states. Examples include the New Jersey Ecosystem Baseline Study, the Virginia Coastal Energy Research Consortium Offshore Wind Studies Report, Rhode Island's Ocean Special Area Management Plan, and the Maryland DNR Open House outreach program.

Additionally, BOEMRE's own Environmental Studies Program and Technology Assessment and Research Program have conducted studies on the impacts of renewable energy-related activities. These initiatives have gathered vital information that will inform the regional environmental analysis in these areas. BOEMRE intends to rely heavily on the expertise of other state and federal agencies, and coordinate our compliance processes. Beyond BOEMRE, the Secretary will coordinate with other Federal agencies such as the Department of Commerce and Department of Energy, to pull together all relevant existing data on offshore renewable energy.

Also, after obtaining a lease, lessees will likely be required to undertake a full Environmental Impact Statement (EIS) review of their proposed construction and operations plan. The EIS process will provide the public and federal officials with comprehensive information regarding potential environmental impacts of the project. These potential impacts can be taken into account when deciding whether to grant a permit to operate new wind farms.

7. How will the PEIS and Interim Policy EA already completed support the WEA environmental assessments?

BOEMRE used the Programmatic Environmental Impact Statement (PEIS) to evaluate the potential effects of establishing the BOEMRE Alternative Energy and Alternate Use Program on the Federal Outer Continental Shelf through rulemaking. BOEMRE used the Interim Policy Environmental Assessment to analyze the potential environmental impacts of conducting initial site assessment activities in particular areas offshore Delaware and New Jersey. These site assessment activities, such as meteorological tower installation and operation, may support the ultimate deployment of commercial-scale renewable energy production on the OCS offshore the two states. Both of these documents contain valuable analysis that could be tiered from, or incorporated by reference, into the regional environmental assessments for the WEAs.

8. Will there be an opportunity for public involvement?

There will be a public scoping period during which all interested parties may submit comments on alternatives and issues to be addressed in the regional environmental assessments. There will be additional opportunities for public comment throughout the renewable energy leasing process. As noted above, a full EIS is likely to be required in connection with the review and approval of a wind farm construction and operations plan.

9. After the regional environmental assessment (EA) is completed, what additional NEPA analysis will be required?

Agencies may prepare an EA on any action at any time in order to assist agency planning and decision-making. The completed regional EA must provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a finding of no significant impact.

If BOEMRE determines during the EA process that conducting the proposed activities would result in significant environmental impacts, then an EIS would be required. If BOEMRE determines during the EA process that conducting the proposed activities would not result in significant environmental impacts, then BOEMRE would issue a Finding of No Significant Impact (FONSI). After either a FONSI is issued or the EIS process is complete, BOEMRE may issue one or more renewable energy leases in the analyzed areas.

If and when a construction and operation plan is submitted for a leasehold, an additional NEPA analysis will be prepared. This will likely take the form of an EIS and provide additional opportunities for public involvement.

10. Currently there is no seabed transmission infrastructure to bring offshore wind energy ashore and into a land-based power grid. Without this infrastructure, how can the actions announced today accelerate offshore wind development?

BOEMRE will move forward aggressively, on a parallel track, to process applications to build offshore transmission lines. The identification of wind energy areas (WEA) should assist the siting and feasibility reviews associated with potential offshore transmission lines. Also, individual projects are making plans to connect directly into shore.

11. Will current lease holders be affected by this WEA initiative? How many companies currently hold leases for offshore OCS wind development? What types of leases do they hold?

Currently, we have a number of interim policy lease holders who have been engaged in site assessment activities off the shores of Delaware and New Jersey. Additionally, some developers have submitted initial unsolicited proposals for potential projects off the coasts of several states. In some of these cases, it is possible that site assessment work that has already taken place is sufficient to inform a detailed proposed construction and operation plan for an individual project, and BOEMRE may be able to begin reviewing individual project proposals as early as next year

For each of these – and for all individual projects moving forward – we are committed to facilitating a review that ultimately results in a decision on construction as soon as possible. A full site-specific environmental impact statement would likely be required for each project proposed, but as we have experienced in the onshore solar fast-track effort, these types of reviews do not have to take multiple years to complete. As part of this initiative, the Department will commit to aggressive schedules for those reviews and the required dedication of staff and resources.

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