

Offshore Wind Late Spring, 2022

By John Benson

May, 2022

1. Introduction

The last post on this subject (described and linked below) was on the first day of March. This one is scheduled to be posted on the last day of May.

Offshore Wind Early 2022: *This post will focus on East Coast Offshore Wind projects that will either be commissioned by 2025 and/or are very large and important projects that will generate substantial first-power in 2025.*

Each section, starting with section 2, covered a single project.

<https://energycentral.com/c/cp/offshore-wind-early-2022>

There is no significant new news for any of the projects covered in the last post. The first new East Coast projects will send their first power ashore mid to late next year. However there is much new news for future projects. The Bureau of Ocean Energy Management (BOEM) has held two important East Coast auctions, and tentatively scheduled the first West Coast auction.

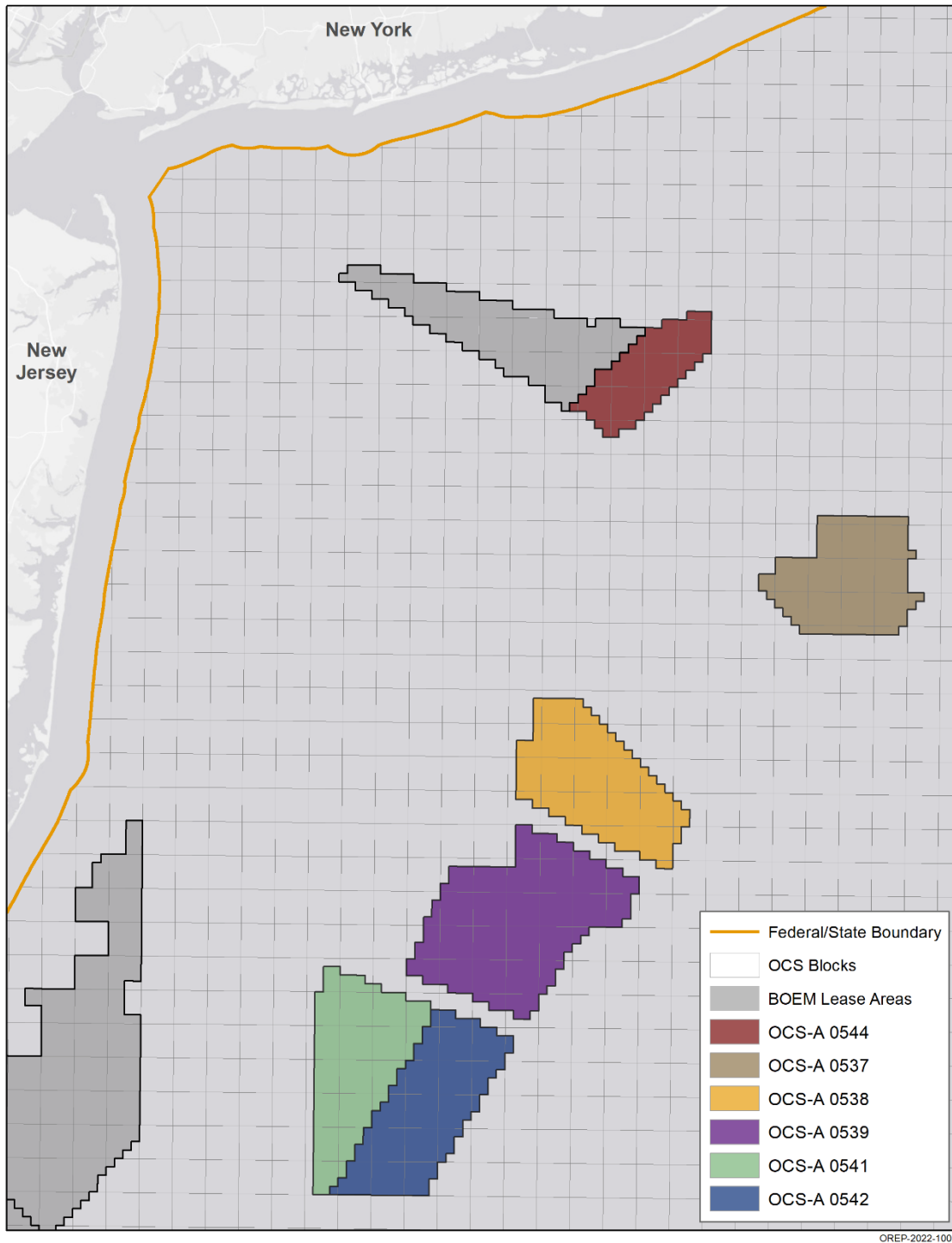
2. New York Bright Lease Areas

On January 12, Secretary of the Interior Deb Haaland announced that the Bureau of Ocean Energy Management (BOEM) would hold an offshore wind energy auction for more than 488,000 acres in the New York Bight. It's now complete, and the auction achieved \$4.37 billion in high bids. It's a huge leap forward for the fledgling US offshore wind industry.¹

Lease numbers	Winning companies	Amount	Acres
OCS-A 0537	OW Ocean Winds East, LLC	\$765,000,000	71,522
OCS-A 0538	Attentive Energy LLC	\$795,000,000	84,332
OCS-A 0539	Bight Wind Holdings, LLC	\$1,100,000,000	125,964
OCS-A 0541	Atlantic Shores Offshore Wind Bight, LLC	\$780,000,000	79,351
OCS-A 0542	Invenergy Wind Offshore LLC	\$645,000,000	83,976
OCS-A 0544	Mid-Atlantic Offshore Wind LLC	\$285,000,000	43,056

The offshore wind auction began on Wednesday (February 23) and stretched into Friday afternoon. Above are the winners, followed by the map below (next page):

¹ Michelle Lewis, Electrek "US offshore wind auction for NY Bight is final, attracts a record \$4.37B in bids [Update]," Feb. 25th 2022, <https://electrek.co/2022/02/25/us-offshore-wind-auction-attracts-a-record-2b-in-bids-and-its-not-even-done-yet/>



3. Carolina Long Bay Offshore Wind Auction

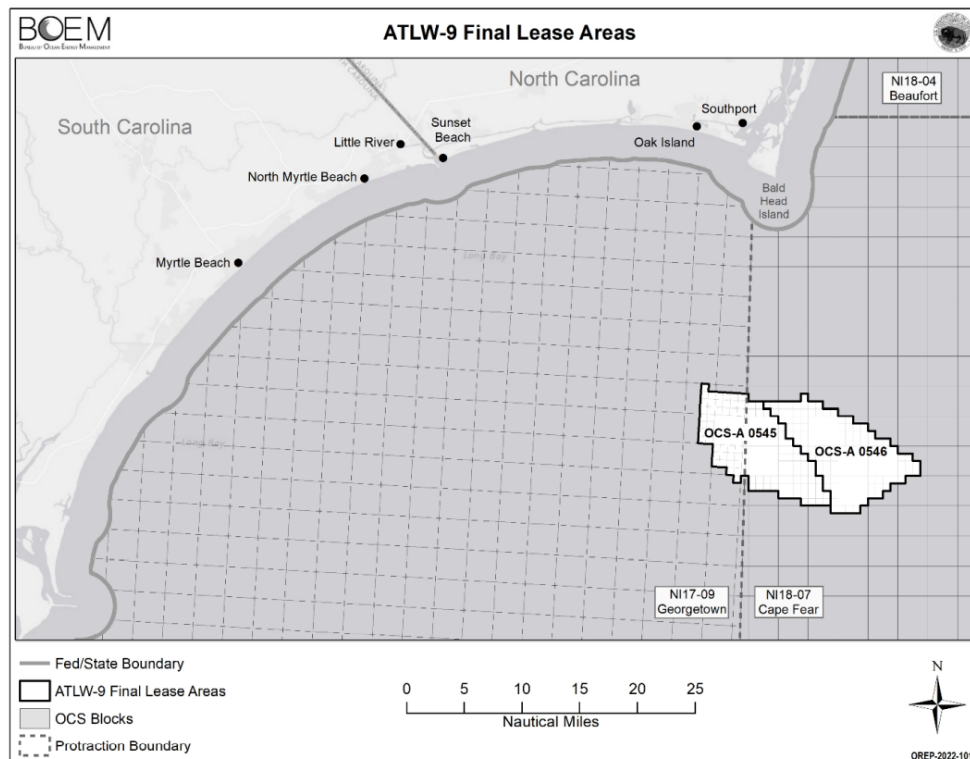
The Department of the Interior today (May 11) announced results from its wind energy auction in the Carolina Long Bay area, the second major offshore wind lease sale this

year and a significant milestone towards achieving the Biden-Harris administration's goal of deploying 30 gigawatts of offshore wind energy capacity by 2030...²

The Bureau of Ocean Energy Management's (BOEM) lease sale offered two lease areas covering 110,091 acres in the Carolina Long Bay area offshore North Carolina and South Carolina. If fully developed, the leases could result in about 1.3 gigawatts of offshore wind energy, enough to power about 500,000 homes. Today's sale drew competitive winning bids from two companies totaling \$315 million.

Provisional Winner	Lease Area	Acres	Winning Bid
TotalEnergies Renewables USA, LLC	OCS-A 0545	54,937	\$160,000,000
Duke Energy Renewables Wind, LLC	OCS-A 0546	55,154	\$155,000,000

A Map showing these lease areas is below.



4. Humboldt Wind Energy Area

As part of the Biden-Harris administration's goal of deploying 30 gigawatts (GW) of offshore wind by 2030, the Bureau of Ocean Energy Management (BOEM) today announced it has completed its environmental review of potential impacts from offshore wind energy leasing activities in the Humboldt Wind Energy Area (WEA), located 20

² U.S. Department of the Interior Press Release, "Biden-Harris Administration Announces Winners of Carolina Long Bay Offshore Wind Energy Auction," May 11, 2022, <https://www.doi.gov/pressreleases/biden-harris-administration-announces-winners-carolina-long-bay-offshore-wind-energy>

miles offshore northern California, and based on its analysis has issued a finding of no significant impact (FONSI).³

A link to the Final Environmental Assessment is below:

<https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/Humboldt-Final-EA.pdf>

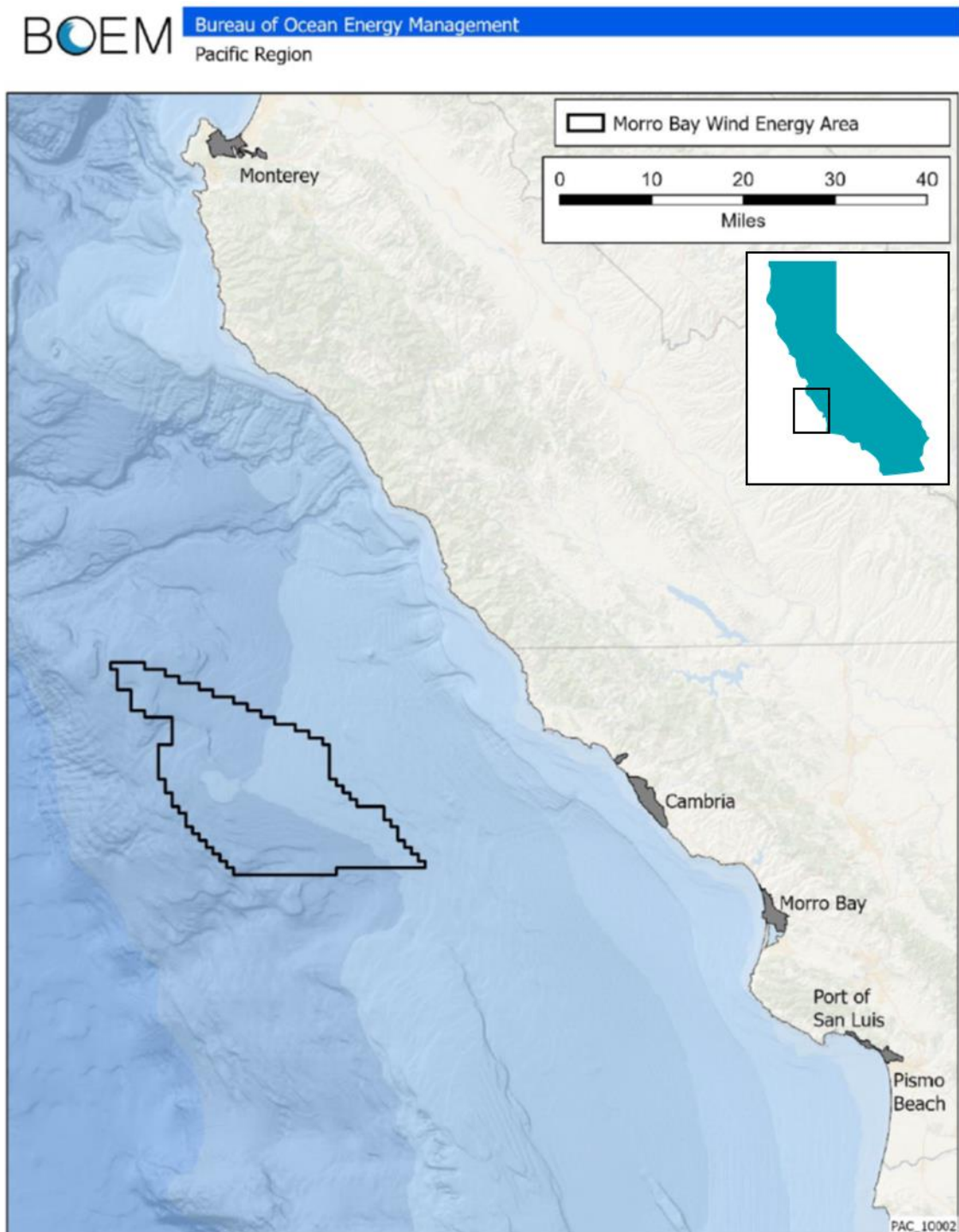
A Map showing the Humboldt Wind Energy Area is below.



³ John Romero, BOEM Press Release, "BOEM Completes Environmental Review of Offshore Wind Leasing in Northern California," May 5, 2022, <https://www.boem.gov/newsroom/press-releases/boem-completes-environmental-review-offshore-wind-leasing-northern>

5. Morro Bay Wind Energy Area

A Map of the Morro Bay Wind Energy Area is below:



As part of the Biden-Harris administration's goal of deploying 30 gigawatts (GW) of offshore wind energy by 2030, the Bureau of Ocean Energy Management (BOEM) today announced the release of the draft Morro Bay Wind Energy Area (WEA) Environmental

Assessment (EA) for public comment. The draft EA analyzed potential impacts from future commercial leasing and related site characterization and assessment activities within the Morro Bay WEA, which is located approximately 20 miles off the central California coastline.⁴

The Morro Bay WEA covers approximately 240,898 acres (376 square miles), which if developed could bring to the grid up to 3 GW of clean energy -- enough to power more than 1 million homes. The WEA was designated after extensive collaboration with other Federal agencies and the State of California, as well as engagement with ocean users, Tribes, local communities and the public. Designation of the Morro Bay WEA underscores BOEM's commitment to an all-of-government approach to achieve the Administration's ambitious offshore wind energy goals while conserving and restoring ocean and coastal habitats.

The draft EA considers potential environmental impacts and socioeconomic effects from issuing offshore wind energy leases and related site characterization and assessment activities within the Morro Bay WEA. Site characterization activities include geophysical, geotechnical, archaeological and biological surveys needed to develop specific project proposals on those potential leases. Site assessment activities could include installation and operation of meteorological buoys in the Morro Bay WEA.

"Public input on our environmental analysis and identified measures to avoid or reduce potential impacts from leasing activities is an important part of our process under the National Environmental Policy Act," said BOEM's Pacific Office Regional Director, Doug Boren. "BOEM will analyze and consider all comments before we finalize our analysis."

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That comment period has now been extended by 10 calendar days. BOEM will receive public comments on the draft EA through 11:59 p.m. Eastern Time on Monday, May 16.⁵

6. California Wind Energy Areas Lease Sales, Terms

Following BOEM's review of environmental impacts associated with leasing and site characterization activities, and assuming no legal challenges, the Humboldt and Morro Bay Wind Energy Areas will move into the lease issuance phase. BOEM plans to hold a joint auction for both Wind Energy Areas, currently scheduled for fall 2022, and companies interested in developing offshore wind energy will bid for the right to develop in these areas. After the auction, lessees will survey and study their lease areas and once this site assessment phase is complete, development can move forward into the construction and operations phases.⁶

⁴ BOEM Press Release, "BOEM Seeks Public Comment on Draft Environmental Analysis of Central California Offshore Wind Energy Area," April 6, 2022, <https://www.boem.gov/newsroom/press-releases/boem-seeks-public-comment-draft-environmental-analysis-central-california>

⁵ BOEM Press Release, "Morro Bay Wind Energy Area Draft EA Comment Extension," May 5, 2022, <https://www.boem.gov/newsroom/notes-stakeholders/morro-bay-wind-energy-area-draft-ea-comment-extension>

⁶ Mr Owen D. McCarron, Barry H. Epstein and Dana P. Palmer, Mondaq Business Briefing via Energy Central, "Offshore Wind Development Blows Closer To Reality In California," Mar 17, 2022, https://energycentral.com/news/offshore-wind-development-blows-closer-reality-california?utm_medium=PANTHEON_STRIPPED

The Biden administration has released the lease terms for offshore wind projects that would place hundreds of turbines in California's coastal waters — the first such project off the nation's Pacific coast.⁷

The two projects along the state's northern and central coasts are envisioned to generate up to 4.5 gigawatts of wind energy. That's enough to power about 1.5 million homes, the U.S. Department of the Interior said Thursday. Wind turbines could eventually cover up to 583 square miles (1,150 square kilometers) of land off the coast.

The federal government will take public comment starting Tuesday (May 31) for 60 days about the terms of the leases, which include requirements for engaging with tribes, fisheries and other ocean users as well as negotiating labor agreements for construction. Bidders could get extra credit for agreeing to invest in workforce training or supply chain development for offshore wind.

Changes could be made before the lease sale officially opens. Even after the leases are awarded, the projects must clear environmental and other reviews and it will likely take years before any turbines are up and running...

In California, three lease areas have been proposed near Morro Bay on California's central coast, a small city driven by tourism and the fishing industry, which catches tuna and swordfish in the area. Some fishermen are concerned the projects could negatively effect coastal ecosystems. The two other lease areas are located off the coast along northern California's Humboldt Bay.

⁷ Kathleen Ronayne, Associated Press via SFGATE, "Lease terms for California offshore wind projects released," May 26, 2022, <https://www.sfgate.com/news/article/Lease-terms-for-California-offshore-wind-projects-17201888.php>