



March 18, 2011

Wilma A. Lewis,
Assistant Secretary for Land
and Minerals Management
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

Re: **Comments on “Acquire a Lease Noncompetitively, 1010-AD71”**

Dear Ms. Lewis:

Thank you for the opportunity to provide comments on the Bureau of Ocean Energy Management, Regulation, and Enforcement’s (BOEMRE’s) proposal to revise the Part 285 regulations governing the evaluation of competitive interest in areas proposed for renewable energy leasing on the outer continental shelf (OCS). The proposed change would eliminate an existing inconsistency in the procedures that BOEMRE uses to assess competitive interest. BOEMRE proposes to eliminate the inconsistency by removing a duplicative and unnecessary step in the procedures it follows to assess competitive interest when BOEMRE itself initiates the leasing process. The Offshore Wind Development Coalition (OffshoreWindDC) strongly supports the proposed regulatory change.

BOEMRE initially sought to implement this change through a direct final rule. 75 Fed. Reg. 72,679 (Nov. 26, 2010). However, BOEMRE received adverse comments that it found to be significant, and was therefore obligated to withdraw the direct final rule. 76 Fed. Reg. 4,244 (Jan. 25, 2011). On February 16, 2011, BOEMRE published a proposed rule, initiating notice-and-comment procedures for making the same change. 76 Fed. Reg. 8,962 (Feb. 16, 2011).

OffshoreWindDC represents offshore wind developers and service providers to the industry, including environmental consulting firms, law firms, turbine manufacturers and other supply chain businesses; our founders include seven offshore wind developers and the American Wind Energy Association. OffshoreWindDC supported BOEMRE’s initial attempt to simplify its regulations governing competitive interest determinations through the direct final rule and now supports the current effort to implement the same change through the notice-and-comment rulemaking.

Under the existing Part 285 regulations, when BOEMRE initiates the leasing process by issuing a request for interest (RFI) or call for information and nominations (Call), at least two notices to potentially interested parties are required before BOEMRE can make a finding that no

competitive interest exists and proceed with the noncompetitive leasing process. Even if only one potential lessee responds to an RFI or Call by expressing interest in leasing a particular area, BOEMRE cannot immediately move to initiate the noncompetitive leasing process. Under the current Rule, BOEMRE must publish a second notice and evaluate any response before it can reach a conclusion that no competitive interest exists. 30 C.F.R. § 285.232(c).

This requirement of a second notice and opportunity to submit an expression of interest is unnecessary. It is virtually inconceivable that any firm with bona fide interest in a leasing opportunity and the technical and financial qualifications to develop a project would be unaware of an RFI or Call during the initial response period. A second notice and opportunity to express interest serves only to extend the process and, in cases where competitive interest exists, to create opportunities for delay in the submission of expressions of interest. It is also inconsistent with the procedure that the Rule established for the assessment of competitive interest when BOEMRE receives an unsolicited request for an opportunity to lease an area of the OCS for renewable energy development. Section 285.231, as currently written, allows BOEMRE, after receiving such an unsolicited request, to reach a finding of no competitive interest after considering responses to a single published notice. 30 C.F.R. § 285.231.

In short, OffshoreWindDC is in full agreement with BOEMRE's proposal to revise its procedures for assessing competitive interest. Leasing efforts that begin with the publication of an RFI or Call should use the same one-step process to assess competitive interest that the regulations establish for leasing efforts that begin with unsolicited bids. The change could substantially shorten the development timeline for a number of offshore wind projects while continuing to provide prospective lessees and other interested parties ample notice and opportunity to express interest in or file comments on areas proposed for leasing.

OffshoreWindDC appreciates the opportunity to submit these comments on the proposed rule and the underlying effort by BOEMRE to advance development of a U.S. offshore wind industry by eliminating unnecessary delay from the leasing process.

Sincerely yours,



Jim Lanard, President