

June 28, 2022

The Bureau of Ocean Energy Management 1849 C Street, N.W. Washington, D.C. 20240

Re: Call for Information and Nominations: Commercial Leasing for Wind Power Development on the Central Atlantic Outer Continental Shelf, BOEM-2022-0023-0001

To whom it may concern,

The National Ocean Industries Association ("NOIA") appreciates the opportunity to provide comments on the above-referenced Call by the Bureau of Ocean Energy Management ("BOEM") for offshore wind leasing in the Central Atlantic. A 50-year-old organization, NOIA represents all segments of the offshore energy industry. Further, our members include not just energy developers, but also the businesses large and small that do the work of building, supplying, and maintaining these projects. In other words, we represent thousands of blue-collar and white-collar employees stretching from New England to the Gulf Coast and across the nation. In fact, NOIA members have been critical in building out not only the pioneering turbines off the coasts of Northern Europe, but also the limited yet growing number of turbines in U.S. waters.

ECONOMIC DEVELOPMENT

Offshore wind will bring immense economic benefits not only to areas off the east coast where projects are developed (in this call, particularly) but also to place like the Gulf Coast where our membership have served as a key part of the service, supply, and manufacturing base, as we have described in prior dockets. However, it is important to note that the mid-Atlantic is already seeing the benefits of offshore wind development and garnering bipartisan support. For example, Siemens Gamesa is opening a turbine assembly site in Virginia, where the Administration of the newly-elected Republican Governor Glenn Youngkin has continued his Democratic predecessor's support for offshore wind projects. Notably, just last month the Virginia Department of Energy weighed in on a planned Virginia Electric and Power Company (Dominion) project by saying that "offshore wind presents an opportunity to introduce a new industrial sector to Virginia's economic future."

Support in other states in the region is well established based on economic development, such as in Maryland where Republican Governor Hogan championed the Sparrow's Point Steel fabrication facility as part of a once-in-a-generation⁴ economic opportunity related to offshore

¹ https://www.noia.org/wp-content/uploads/2021/08/8.2021-NY-Bight-Comments-NOIA.pdf

² https://www.virginiamercury.com/2021/10/25/siemens-gamesa-chooses-virginia-for-offshore-wind-turbine-blade-factory/

³ https://scc.virginia.gov/docketsearch/DOCS/75y701!.PDF

 $^{^4\} https://governor.maryland.gov/2021/08/03/photo-release-governor-hogan-touts-offshore-wind-expansion-partnership-between-us-wind-and-tradepoint-atlantic/$



wind. North Carolina's Democratic Governor has spoken similarly, as we described in the Carolina Long Bay Proposed Sale Note⁵, and Delaware Governor John Carney created working groups on the issue half a decade ago.⁶ This strong bipartisan support should only increase if BOEM moves forward with these areas through the designation of WEAs and an eventual sale.

SITE SELECTION AND DECONFLICTION

BOEM has identified an enormous Call Area, approaching 4 million acres in size across four state coastlines. Clearly, there will be a diversity of interests and stakeholders beyond what we see in a more compact region such as the New York Bight. Given this, early coordination is key, just as we described in concurrently-filed comments for the Oregon Call Area, though it is difficult to provide specific comments on industry constraints in the context of a large area that BOEM has indicated will be further refined based on several factors, like Department of Defense engagement and identification of deepsea coral areas. We request that BOEM engage with developers in the ongoing process of refining these Call Areas and assessing suitability so that data products, modeling, and assessment can include logistical, engineering, operational, and cost constraints in addition to distribution of resources and human uses in the Call Areas.

PRESIDENTIAL WITHDRAWAL ON AREAS

In September of 2020, then-President Trump issued a presidential withdrawal using his authority under the Outer Continental Shelf Land Act's Section 12(a). Specifically, this stated: "I hereby withdraw from disposition by leasing for 10 years, beginning on July 1, 2022, and ending on June 30, 2032: The portion of the area designated by the Bureau of Ocean Energy Management as the Mid Atlantic Planning Area that lies south of the northern administrative boundary of North Carolina." This will cover much of the areas included in this call's areas D and possibly F.

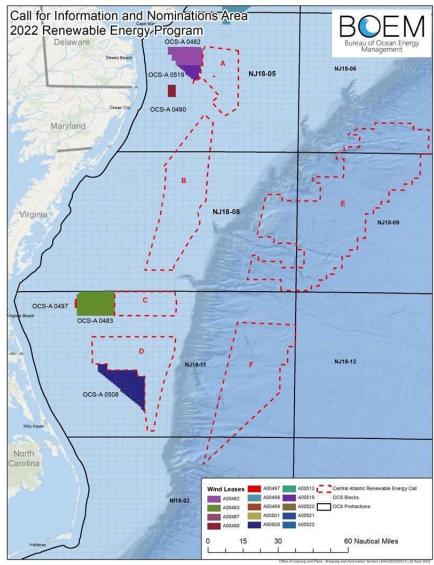
While we strongly support⁷ ongoing bicameral efforts to reverse this ban for the purposes of energy leasing via Congressional intervention, as of now such action is precluded in our understanding. We applaud the Department's efforts to do as much as possible to prepare areas D and F for eventual leasing, including via inclusion in this call. However, we would also encourage the Department to state plainly that these areas will not be available under the status quo, not only to clear up any misconceptions among stakeholders and the many businesses in North Carolina seeking to work with the wind industry, but also to spur clear of the problem by all involved. There remains only sporadic understanding of the impending ban, and we worry that inclusion without a qualification or explanation of areas D and F may add to that confusion.

⁵ https://www.noia.org/wp-content/uploads/2022/01/2022-1-3-NOIA-CLB-PSN-Comments-1.pdf

 $^{^6 \} https://dnrec.alpha.delaware.gov/climate-coastal-energy/renewable/offshore-wind/working-group/#:^:text=Governor%20John%20Carney%20established%20the,its%20report%20to%20the%20Governor%20.$

 $^{^7 \} https://www.noia.org/wp-content/uploads/2022/03/3.30.2022-USICA-America-COMPETES-Restoring-Offshore-Wind-1.pdf$





ATLANTIC WIND LEASES SHOULD MAXIMIZE FLEXIBILITY AND MINIMIZE BURDENS ON LESSEES AND CONTRACTORS

NOIA is continuing to discuss with its member the topics BOEM broached in the Call such as improvements to site characterization and the possibility of a transmission "backbone" in the region. At a bare minimum, we would ask that as BOEM further considers the region in the buildup to a potential PSN it continues to maintain WEAs of sufficient size to allow for flexibility in development and design, and that it allows for flexibility in technologies to apply for site assessment and characterization activities to provide an avenue for novel developments throughout the leasing and development process. This could potentially mean BOEM's granting of a longer assessment periods before a Construction and Operations Plan is required, particularly important in deeper areas such as E and F.



Further, we recognize that the Department is particularly interested in building up the domestic supply chain and helping bring jobs to long-disenfranchised communities. The majority of NOIA's members are in the service and supply industries—rather than large operators and developers—and we know that many of them are doing their due diligence to find ways to invest in communities. Thus, BOEM's Call has the potential to trigger the creation of significant jobs across the supply chain and benefit local communities as well.

Looking forward, we would caution, however, that not all local investment decisions are practicable or realistic. Our members are navigating the potential of state and local requirement rules already. Developers and their partners in the service and supply side are making decisions on how best to invest ahead of what will prove to be a trans-regional opportunity. Some equipment will be made at existing facilities along the Gulf Coast that have historically served the oil and gas industry with a diverse workforce. As business decisions are being made, flexibility and *certainty* of a project pipeline are the best ways to attract investment. Letting our members and the nationwide industry know that leases are coming, and that a reasonable pipeline for reviewing and (possibly) approving Construction and Operations Permits will follow, will provide the certainty to attract capital and invest in facilities.

Further, we would caution against overly prescriptive rules *requiring* Project Labor Agreements, as some have recently called for in other regions⁸. While some projects such as the Vineyard Wind 1 site off New England have secured a PLA⁹, such agreements are complicated and not suited for all areas. They also are not necessarily appropriate as a requirement given the already prescriptive nature of federal OCS leases. Our members are dedicated to ensuring that domestic energy creates domestic jobs, but the nature of those agreements should be considered on a case-by-case basis to the extent possible under state law.

We would also continue to caution about the outlook for prescriptive requirements on spacing for transit of vessels. We know that there are reasonable approaches to allowing the transit of fishing, shipping, or recreational vessels through turbine areas. To the extent the Department is examining designated spacing or separation within lease areas or between individual leases, the distancing should be as consistent as possible and use existing terminology and standards to avoid undue confusion. The Department should focus on coordinating with the U.S. Coast Guard to ensure that these areas have workable guidelines for vessel transit and have clear and consistent aids to navigation. However, we continue to believe that corridors between leases and lanes within lease areas are not—and should not be mandated as—a one-size-fits-all-regions matter.

CONCLUSION

⁸ https://thehill.com/policy/energy-environment/3508550-texas-democrats-unions-call-on-interior-to-protect-workers-rights-in-offshore-wind-leasing/

 $^{^9}$ https://www.vineyardwind.com/press-releases/2021/7/16/building-trades-union-and-vineyard-wind-sign-historic-project-labor-agreement



NOIA is very supportive of leasing off the coast of the Central Mid-Atlantic. Moving ahead with not only this Call but also reaching a Final Sale Notice and ultimately leasing will bring enormous benefits to the United States. We applaud your continued efforts to bring offshore wind to market from federal waters.

Very respectfully,

Erik Milito President National Ocean Industries Association