

## Informal Opportunities for Engagement

There are several informal ways that concerned citizens and stakeholders can get involved in the regulatory process. Community organizations and educational institutions such as the Island Institute, University of Maine, Maine Sea Grant, Biodiversity Research Institute, Gulf of Maine Research Institute and others are working to help community members, fishermen and other ocean users to understand and engage this process. Industry associations, including the Maine Lobstermen's Association, the Maine Coast Fishermen's Association and others, are also tracking this issue.

### Online Resources to Stay Involved

**Island Institute Maine Ocean Renewable Energy:** <http://www.islandinstitute.org/oceanrenewableenergy.php>  
**BOEM State Activities – Maine:** <http://www.boem.gov/Renewable-Energy-Program/State-Activities/Maine.aspx>  
**Federal Register:** <http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=FR>  
**Statoil Wind Power:** <http://www.statoil.com/en/TechnologyInnovation/NewEnergy/RenewablePowerProduction/Pages/default.aspx>  
**DeepCwind:** <http://www.deepcwind.org/>  
**Maine State Planning Office:** <http://www.maine.gov/spo/specialprojects/renewableoceanenergy/>  
**Offshore Wind Wire:** <http://offshorewindwire.com/>  
**U.S. Offshore Wind Collaborative:** <http://www.usowc.org/>  
**Cape Wind:** <http://www.capewind.org/index.php>

### References

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### Image Source

U.S. Secretary of the Interior, Ken Salazar, announced Cape Wind approval: Office of the governor of Massachusetts. Retrieved from <http://www.rechargenews.com/energy/wind/article214193.ece>

Founded in 1983, the Island Institute is a membership-based nonprofit organization headquartered in Rockland, Maine, focused on helping to sustain the year-round island and remote coastal communities of the Gulf of Maine. As the Gulf of Maine increasingly attracts attention for its robust offshore wind resource, the Institute is working with island communities, fishermen, regulators, researchers, developers, manufacturers and others to enable them to effectively share information on ocean energy development with each other.

For more information on the Island Institute's ocean renewable energy efforts, please contact Heather Deese, vice president of programs, at [hdeese@islandinstitute.org](mailto:hdeese@islandinstitute.org), (207) 594-9209 x 112 or Suzanne MacDonald, community energy director, at [smacdonald@islandinstitute.org](mailto:smacdonald@islandinstitute.org), (207) 594-9209 x 144.

The following web resources are also available:

<http://www.islandinstitute.org/oceanrenewableenergy.php> • <http://www.islandinstitute.org/mappingworkingwaters.php>

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Offshore Wind Energy Information Exchange fact sheets are made possible with support from Maine Coastal Program, Maine Sea Grant, Maine Outdoor Heritage Fund and Oak Foundation.



# Regulation of Offshore Wind Energy: Opportunities for Engagement



The Gulf of Maine has been identified by the U.S. Department of Energy and the wind energy industry as an “outstanding” location for offshore wind energy development because of its strong, consistent winds (Schwartz et al. 2010). In recent years, federal and state governments have prioritized the development of offshore wind energy because of its potential to increase energy independence, stabilize energy costs, reduce greenhouse gas emissions and promote economic growth. In October 2011, Statoil North America (SNA), a subsidiary of the Norwegian energy company Statoil, submitted an application to the Bureau of Ocean Energy Management (BOEM) to lease submerged lands to build the first commercial-scale offshore

wind demonstration project off the coast of Maine. This has raised many questions about the regulatory process for offshore wind energy projects and how coastal residents and marine users can be involved.

The goals of this fact sheet are to outline the major players and steps involved in the regulatory process for offshore wind energy and to inform readers about how to provide input. This fact sheet focuses primarily on the process for projects proposed in federal waters, i.e., three miles or more from shore, and uses the current proposal from SNA as an example, when appropriate, as it is the only project currently undergoing the federal regulatory process in Maine.

### Examples of Ongoing Offshore Wind Energy Development in the U.S.

#### Cape Wind

The Cape Wind offshore wind project, proposed in 2001 for the shallow waters off of Cape Cod, was the first of its kind to be proposed in the United States. The project has received a lease from BOEM and has signed Power Purchase Agreements with utility companies National Grid and NSTAR. Cape Wind has, however, experienced numerous hurdles in the regulatory process and has now been in predevelopment for over a decade. The project and its developers have faced several legal challenges from opposition groups, however the project is scheduled to start construction in late 2012 or 2013 (Corcoran 2012).

#### Hywind Maine

Statoil North America (SNA), a subsidiary of Norwegian energy company Statoil, has submitted an unsolicited application to lease federal lands approximately 12 miles off the coast of Boothbay Harbor. Statoil has already deployed a floating deep-water offshore wind turbine off the coast of Norway and is currently building a 317 MW shallow-water wind farm off the North Norfolk coast of England.

#### University of Maine Offshore Wind Test Site

The University of Maine's DeepCwind Consortium is developing a deep-water offshore wind energy test project that will be located approximately three miles south of Monhegan Island. Because it is located within state waters and is a demonstration project, it is permitted through a 60-day state review process led by the Maine Department of Environmental Protection.

For more information on these projects, see the websites listed on the back page of this fact sheet.



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## Which governmental agencies are involved?

There are many governmental agencies involved in the offshore wind energy regulatory process. BOEM is the primary federal agency involved in this process and has the authority to lease submerged lands for mineral and energy development purposes in federal waters, which generally include areas between three and 200 miles from shore. BOEM reviews lease applications from potential developers to ensure that proposed projects meet federal standards, including those outlined by the National Environmental Policy Act (NEPA). At the state

level, Department of Environmental Protection (DEP), the Department of Conservation and the Public Utilities Commission (PUC) play the most important roles in project permitting and development. The Governor's Office of Energy Independence and Security, Maine Coastal Program, Bureau of Parks and Lands, Department of Marine Resources and Department of Inland Fish and Wildlife may also be involved at various steps in the process.

### BOEM Federal Regulatory Process Overview

In considering submerged lands lease applications for offshore wind energy, BOEM consults with and considers input from the intergovernmental task force for each state comprised of federal, state, local and tribal officials. Each state that is pursuing offshore wind energy development has its own task force, established at the request of the governor. The main goal of the intergovernmental task force is to facilitate efficient and effective coordination among relevant agencies. The task force is a forum for BOEM to educate the members about its statutory and permitting responsibilities, exchange data about key biological and physical resources and to have a dialogue with the state throughout the leasing and development process.

The process for initiating renewable energy leasing varies based on state-level goals and planning processes, as well as developer interest. Maine's process, for example, has been different from that in Massachusetts and Rhode Island. To date, the Maine task force has not designated specific "Wind Energy Areas" (WEAs) which, in some other states, outline places that are preferred for offshore wind energy projects. In Maine, a commercial developer (SNA) has identified a preferred site and submitted an unsolicited request to BOEM for a commercial lease for that area. The leasing process in Massachusetts, on the other hand, was initiated by BOEM issuing a "Request for Interest (RFI)" (in consultation with the intergovernmental task force) in order to determine the level of developer interest in a defined area.

### State Regulatory Process Overview

For deep-water offshore wind projects in federal waters like the one currently being considered in Maine, the state government has relatively little authority in the regulatory process. What little authority the state does have lies in its jurisdiction under the Coastal Zone Management Act (CZMA) to review federally permitted activities for consistency with the state's coastal zoning regulations. The PUC is responsible for selecting qualified developers to award long-term contracts called power purchase agreements, or "PPAs", which set

a cap on the price of electricity sold from the project and give developers a guaranteed buyer for some or all of the electricity produced. DEP has permitting authority for offshore wind projects sited in state waters (within three miles of shore and year-round inhabited islands) and for components of other projects that are built or installed in state waters, such as undersea transmission cables. DEP will be the primary state agency reviewing BOEM's permitting process for CZMA consistency.

#### Maine Renewable Energy Task Force

BOEM has established intergovernmental task forces in each state pursuing offshore wind energy. The Maine Renewable Energy Task Force includes representatives from the following:

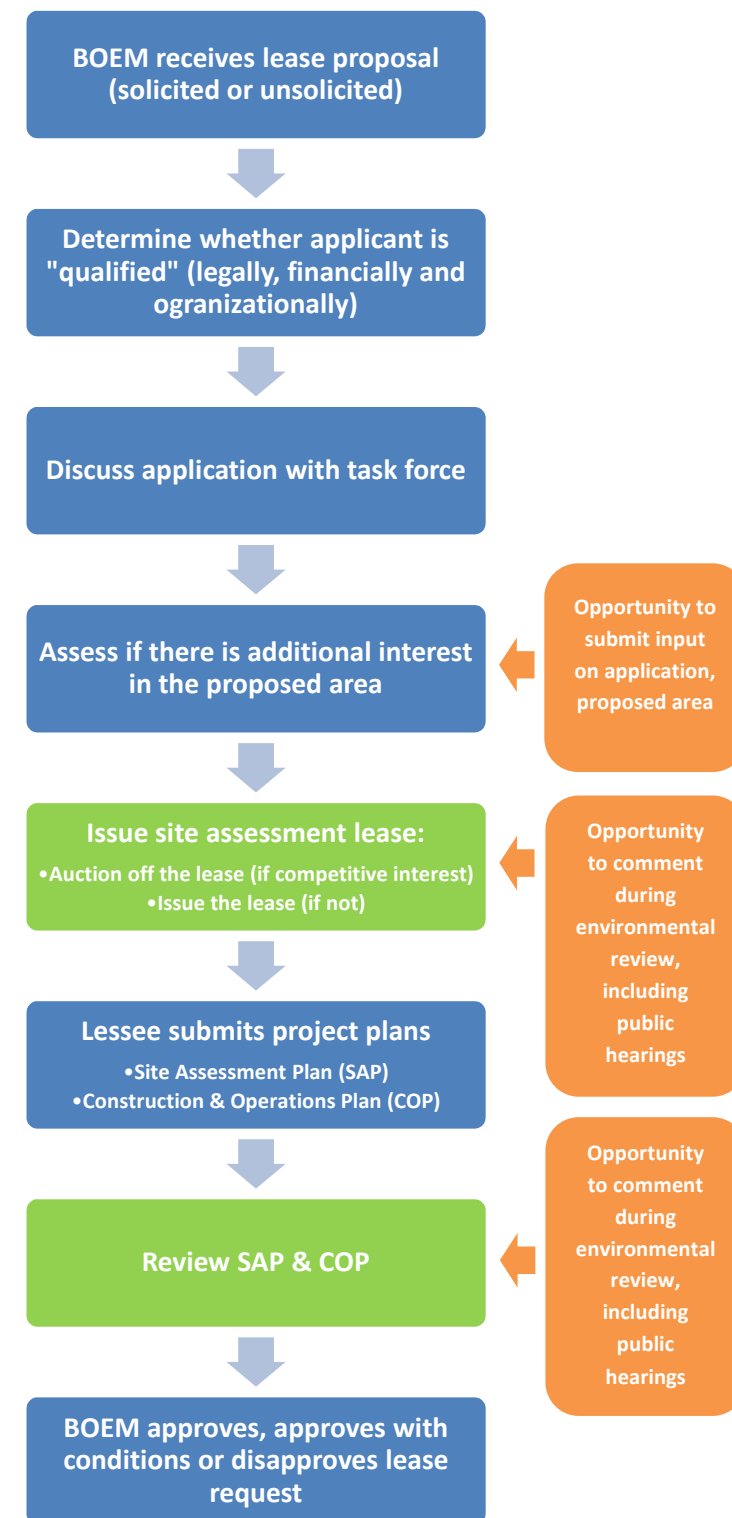
**Federal Agencies:** BOEM, U.S. Dept. of Energy, U.S. Coast Guard, U.S. Dept. of Defense, U.S. Dept. of Interior, U.S. Navy, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, National Oceanic and Atmospheric Administration, U.S. National Park Service

**State Agencies/Officials:** State legislators, Planning Office, Maine Coastal Program, Office of Energy Independence and Security, Maine Geological Survey, Dept. of Economic and Community Development, Dept. of Environmental Protection, Dept. of Conservation, Public Utilities Commission, Dept. of Transportation

## Opportunities for Public Participation

The figure below outlines the steps in the BOEM leasing process for Maine and highlights the opportunities for public input during the process. This process is expected to take between five and 10 years (Frank 2011).

### THE BOEM LEASING PROCESS, SIMPLIFIED



Items in green require NEPA environmental impact review.  
Items in orange represent opportunities for public input.

Adapted from Frank 2011

Several steps of the regulatory process for offshore wind in Maine include opportunities for public comment and stakeholder input. While nongovernmental stakeholders are not allowed to formally participate in BOEM task force meetings due to the Federal Advisory Committee Act, members of the public may attend the meetings. Each meeting includes a listening session which provides an opportunity for members of the public to ask questions and express any concerns.

During BOEM's review of SNA's lease application, there are opportunities for public comment. These opportunities include public comment periods of 30 to 60 days and public hearings at certain steps in the leasing process, including site selection and environmental impact review under NEPA.

Any interested stakeholder may also contact BOEM officials or task force members with specific questions or concerns at any point during the leasing process.

#### What is NEPA?

The National Environmental Policy Act, or NEPA, requires federal agencies to consider the environmental effects of any proposed actions. NEPA stipulates that an agency must evaluate environmental impacts by preparing either a Finding of No Significant Impact or an Environmental Assessment (EA) if there are potential impacts. If impacts are likely, the agency must prepare an Environmental Impact Statement (EIS), which involves a detailed evaluation of impacts and includes opportunities for public input. BOEM is required to complete NEPA evaluations when issuing site assessment leases and before final approval of the lease.