



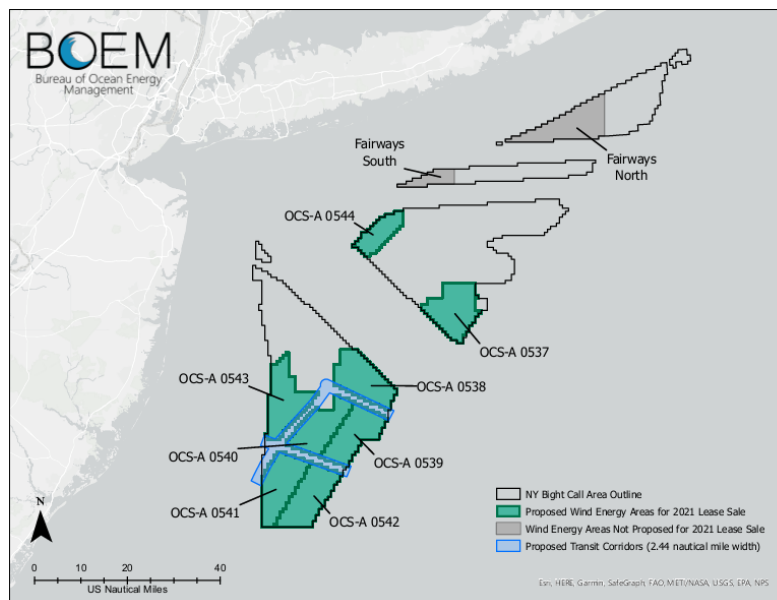
June 14, 2021

Offshore Wind is Heating Up in the Biden Administration

The Biden administration continues to take critical steps that will help them meet their goal of installing 30 gigawatts of wind energy by 2030.

New York Bight Proposed Lease Sale

On Friday June 11, the Bureau of Ocean Energy Management (BOEM) announced its plans to offer energy leases on the Outer Continental Shelf (OCS) in the waters between Long Island and New Jersey, an area known as the New York Bight. This will be the Biden administration's first competitive lease sale of an offshore wind area.



The proposed sale includes eight lease areas that cover 627,331 acres total. Once developed, the New York Bight will have the potential to produce around seven gigawatts of wind energy. According to BOEM, energy sourced from this area alone could bring power to around 2.6 million homes.

Areas include:

Lease Area Name	Lease Area ID	Acres
Central Bight	OCS-A 0537	84,688
Hudson South - B	OCS-A 0538	84,332
Hudson South - C	OCS-A 0539	80,062
Hudson South - D	OCS-A 0540	76,148
Hudson South - E	OCS-A 0541	84,688
Hudson South - F	OCS-A 0542	87,890
Hudson South - A	OCS-A 0543	85,755
Hudson North	OCS-A 0544	43,056
<i>Total</i>		<i>627,331</i>

It is estimated that the projects developed in the area would employ tens of thousands of workers in the tri-state area, including 25,000 development and construction jobs between 2022 and 2030, and 7,000 jobs in development support. Following construction there would be 4,000 operations and maintenance jobs annually and 2,000 community jobs annually.

Aside from areas off the coast of California, the New York Bight is considered one of the most highly coveted spaces for offshore wind potential in the country. Development of this area will bring noteworthy investment and attract numerous jobs to both New York and New Jersey and boost the domestic supply chain nationwide. A 2020 Mackenzie Wood report found that a wind lease sale of the New York Bight could result in \$45.9 billion in total capital investment.

The Friday notice began a 60-day public comment period. Potential bidders must submit materials by Aug. 13 to be eligible to bid on a lease. Once comments are reviewed and barring any changes to the proposal, the sale will take place in late 2021 or early 2022.

New Lease Stipulations

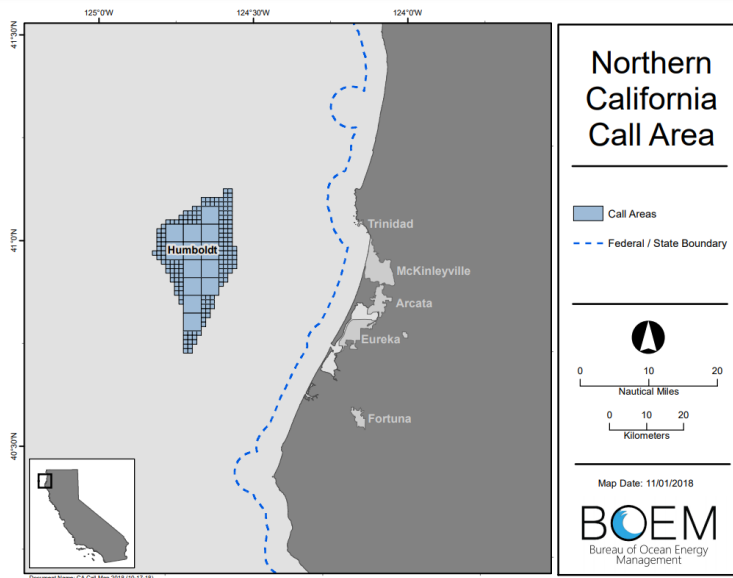
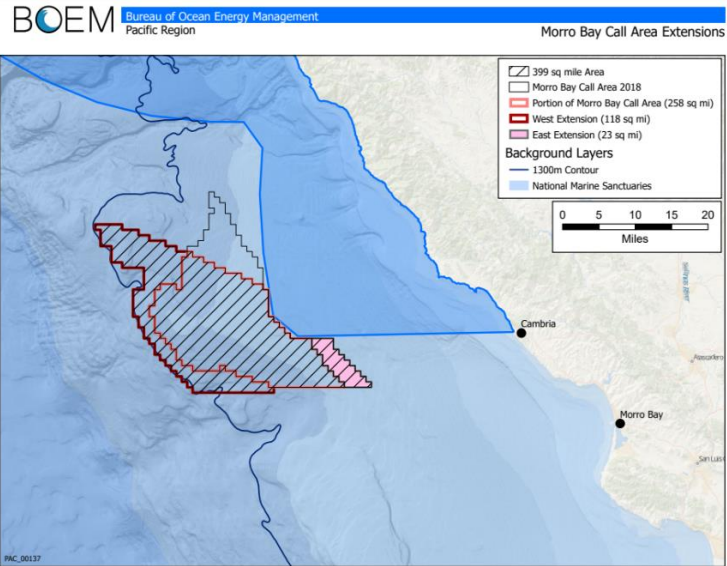
BOEM is also in the process of considering several lease stipulations in an effort to create union jobs and maintain engagement with stakeholders and ocean users. Potential stipulations that may be approved at the time of the New York Bight sales include:

- A requirement to make every reasonable effort to enter into a project labor agreement covering the construction of any project proposed for the lease area.
- A requirement to include a stakeholder and ocean user engagement summary as part of a lessee’s progress reporting requirements. This summary would describe existing ocean users in the New York Bight, engagement activities with those users during the reporting period, and a description of efforts to minimize any conflict between the existing users and the lessee. This provision is intended to strengthen current fisheries communication requirements and improve coordination between the lessee and fishing communities early in the planning of proposed wind facilities.
- Mechanisms to provide benefits to underserved communities and investments in a domestic supply chain, consistent with the goals and objectives of the Outer Continental Shelf Lands Act.

Offshore Wind in California

The announcement of New York Bight sale follows the strides forward the administration has taken to accelerate offshore wind projects in California. Last month, California Gov. Gavin Newsome announced an agreement with the Department of the Interior to advance areas for offshore wind off the northern and central coasts of the state by identifying the Morro Bay Area as one that will support 3 gigawatts of offshore wind and establishing the Humboldt Call Area as a potential Wind Energy Area (WEA).

BOEM and California will participate in an Intergovernmental Renewable Energy Task Force meeting this month to finalize the Humboldt and Morro Bay areas as WEAs that can then move forward in the process for a Proposed Sale Notice for lease auction, with a mid-2022 target sale date.



Gulf of Mexico Under Consideration

The Biden administration is also considering opportunities to advance offshore wind on the Gulf of Mexico OCS. BOEM put out a Request for Interest (RFI) on June 11 to assess interest in commercial leasing for wind energy development on the Gulf of Mexico. The RFI will focus on western and central areas of the Gulf of Mexico, offshore of Louisiana, Texas, Mississippi and Alabama.

The publication of the RFI began a 45-day public comment period for BOEM to collect feedback that will be taken into consideration while moving forward with the next steps in the leasing process.

Mike Celata, regional director of BOEM’s Gulf of Mexico office, said, “The Gulf of Mexico has decades of offshore energy development expertise. Today’s announcement represents the first step in harnessing that expertise and applying it to the renewable energy sector.”

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