

# Virginia Economic Development Partnership

## Federal and State Leasing and Permitting

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# Genesis

- Virginia Coastal Energy Research Consortium
  - *“...serve as an interdisciplinary study, research, and information resource for the Commonwealth on coastal energy issues...”* and *“... facilitate the application and transfer of new coastal energy technologies...”*
- Offshore wind was not only viable - but VA is an ideal location
  - Class 5-6 winds; 30 meter water depth or less; protected from hurricanes
  - Proximity to maritime/manufacturing industries

# Federal Leasing in Virginia

- June 2009 - Minerals Management Service (now BOEMRE) issued regulations for OCS offshore wind energy development, “the rule”
- September 2009 - Two unsolicited applications for lease blocks off the Virginia coast
- December 2009 - MMS to create a MMS/Virginia taskforce

# Federal Leasing in Virginia

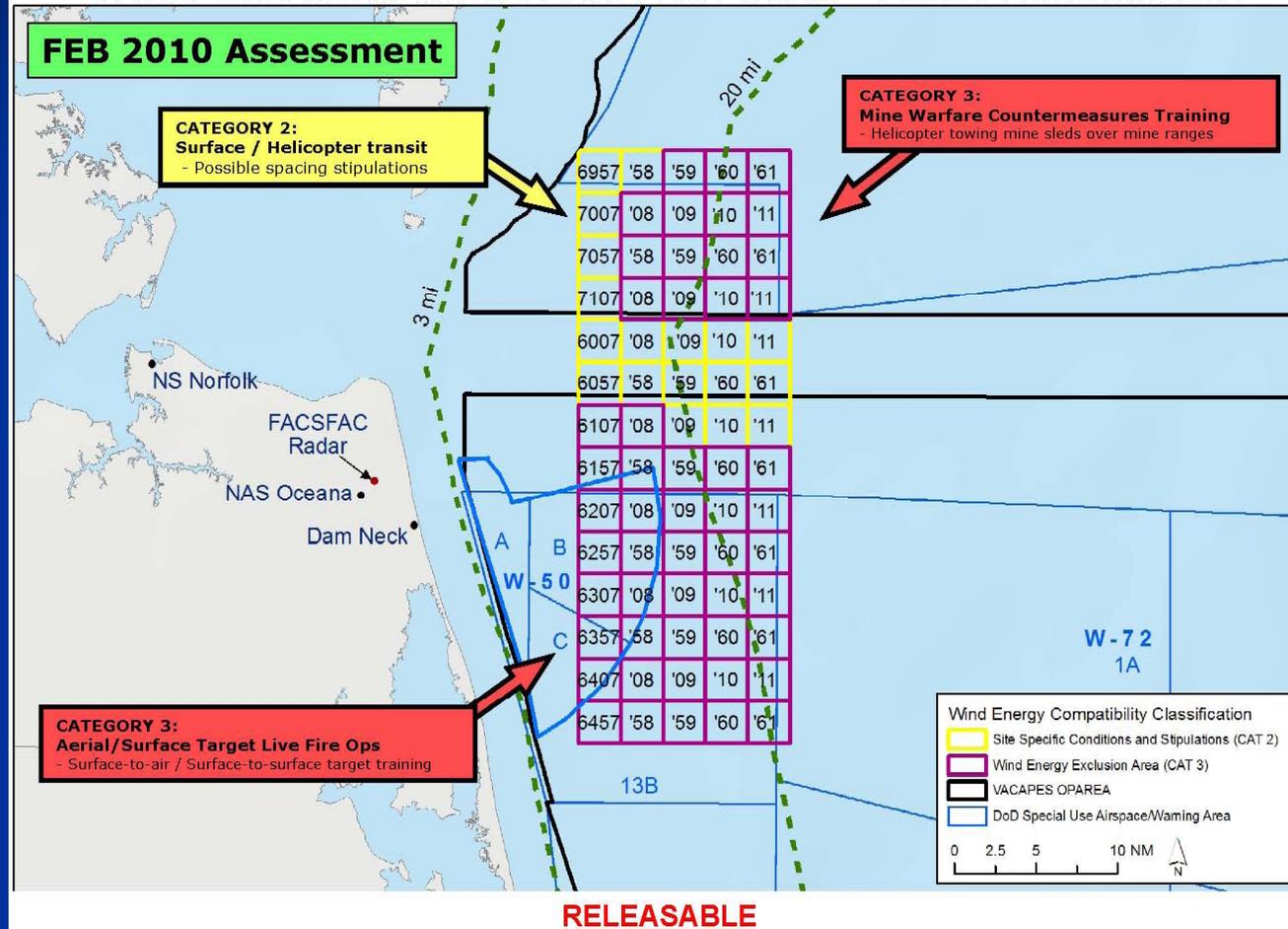
- BOEMRE Virginia Task Force
  - Federal (civilian & military), State, Local
  - *“to facilitate coordination and consultation on commercial leasing proposals on the OCS offshore Virginia”*
  - December 2009 – First meeting
  - MMS to issue a Request for Interest (RFI) for developable areas off the coast of VA
  - Department of Defense, Coast Guard, other stakeholders review of potential lease blocks to ensure no conflict with their operating areas

# Federal Leasing in Virginia

- BOEMRE Task Force
  - April 27, 2010 – Department of Defense presents lease blocks with potential for development
  - Up to 36 lease blocks usable on a site-specific basis
  - State review of lease blocks – ID most likely for development with limited military, shipping, environmental and other uses

# Federal Leasing in Virginia

## VACAPES/VCERC WIND FARM PROPOSAL – FLEET ASSESSMENT



# Federal Leasing in Virginia

- BOEMRE -- RFI expected in late December 2010 / early January 2011
- Vetted by interested parties (DoD, Coast Guard, Commonwealth of Virginia, other)
- Open except military operating areas, major shipping lanes, Chesapeake Light Tower, areas of other uses; conflict with shore resources

# Federal Leasing

- June 2010 - Secretary of the Interior Salazar forms the Atlantic Offshore Wind Energy Consortium, - DOI; 11 East Coast states
- Recommendation: Cut permitting timeline from 7–9 years to 4 years
- Salazar agrees to make streamlining a priority

# Federal Leasing

- November 2010 - “Smart from the Start”
  - Accelerated approach to develop Atlantic wind resources
  - Identify East Coast Wind Energy Areas – Virginia WEA’s identified through RFI process
  - Simplify non-competitive lease process
  - Assist in developing site assessment data – initiate NEPA assessment
  - Compile existing site assessment data from other federal agencies

# Federal Leasing

- If no significant impacts found, BOEMRE to offer leases late 2011/early 2012
- Developers to complete site-specific comprehensive NEPA review
- Applications for offshore transmission lines processed simultaneously with WEA NEPA processes

# Federal Leasing

- BOEMRE Contact – Virginia Leasing

- Al Pless

Bureau of Ocean Energy Management and  
Regulation Enforcement

[al.pless@boemre.gov](mailto:al.pless@boemre.gov)

# State Leasing & Permitting

## ■ Guiding Policy

- Virginia Energy Plan – Code of Virginia §§ 67-101 – 102
- Offshore Energy Resources - §§ 67-300
- Governor McDonnell – Energy Capital of the East Coast

# State Leasing

- State waters

- Virginia Marine Resources Commission
- Opportunities for Offshore Wind Energy in State Territorial Waters – 2010 Senate Document 10

[http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/SD102010/\\$file/SD10.pdf](http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/SD102010/$file/SD10.pdf)

- Limited areas suitable – Community Scale and Testing
- Use Joint Permitting Process / Joint Permitting Application

# State Permitting

- State process
  - Right of way across state waters
  - DEQ Permit-By-Rule
    - Up to 100 MW
    - 5 MW de minimus
  - Air permitting
- Participation in federal permitting
  - Coastal Zone Management consistency
  - Historic Resources
  - Research / data assistance
  - Comments on environmental reviews

# State Permitting

- Utility investments
  - State Corporation Commission review/approval
  - Ratepayer impact
  - Reasonableness
- Transmission jurisdiction at FERC
- Tie to PJM Interconnection process

# Virginia Offshore Wind Development Authority (VOWDA)

- 2010 - HB 389 (Janus) / SB 577 (McEachin/Wagner)
- Mission
  - Facilitate offshore wind industry/projects; supply chain
- Public-private partnerships
  - Met-Ocean & Environmental Data
  - Port and Logistical Site Facilities
- Accept grants/donations/ federal loan guarantees
- Own property
- Interstate partnerships

# Virginia Offshore Wind Development Authority (VOWDA)

- Met-Ocean Report
  - Chesapeake Light Tower
  - Needed actions for data and analysis
  - Phased program
    - I – Conventional mast / vertical LIDAR on CLT
    - II – Horizontal Volume-Scanning LIDAR on CLT
    - III – Met Tower or buoys in commercial lease areas
    - IV – Met Tower for technology demonstration
  - Tie to National Offshore Wind Technology Center (NOWTC)

# Virginia Offshore Wind Development Authority (VOWDA)

- Interconnection Studies
  - PJM Interconnection
    - 10 GW connection along Mid-Atlantic
      - Minimal congestion
  - Dominion
    - More specific study
    - Assessed 2.7 GW / 4.5 GW connection in Virginia
    - No capacity single contingency
    - Energy – Need upgrades -- \$30-70 million

# National Offshore Wind Technology Center (NOWTC)

- Support early job growth
- Leveraged key Virginia assets
  - Port of Hampton Roads
  - Research
  - Support and supply chain companies
  - Military coordination
- Continues VCERC mission

# National Offshore Wind Technology Center (NOWTC)

## ■ Divisions

- Turbine testing and certification/accreditation
- Met-Ocean data resources
- Operational research
  - Installation and operations
  - Supply chain
  - Radar
  - Military coordination
  - Ocean resource stewardship

**FEDERAL**  
DOE, DOI

**STATE**  
VOWDA/DMME

**NOWTC**

**VCERC**  
RESEARCH

**JMU**  
OPERATIONS

**PRIVATE PARTNERS/CUSTOMERS**

**TURBINE**  
MANUF.

**FOUNDATION/  
TOWER**  
MANUF.

**SHIPBUILDERS**

**ENGINEERING**  
FIRMS

**FINANCING**