

OCS Renewable Energy and Alternate Uses

On August 8, 2005, President George W. Bush signed into law the Energy Policy Act of 2005. This law grants the Minerals Management Service (MMS) new responsibilities over Federal offshore renewable energy and alternate uses of America's offshore public lands, also known as the Outer Continental Shelf (OCS).

Why was the U.S. Department of the Interior designated as the "lead" permitting Agency?

- The U.S. Department of the Interior (the Department) is the primary body in the Federal government responsible for overseeing the development of our Nation's offshore Federal renewable and nonrenewable energy resources.
- The MMS has been designated by the Department to oversee the management of oil, gas, and other mineral activities on offshore Federal lands. As America's offshore energy and marine minerals manager, the MMS has many years of experience in overseeing such areas as:
 - ✓ environmental and engineering expertise and research (regarding leasing and operations, as well as, emerging offshore technologies and various safety issues),
 - ✓ regulatory expertise (to ensure human safety and environmental protection), and
 - ✓ a trained offshore inspection workforce.
- The MMS has established working relationships with State, federal and international regulators to coordinate and share information on regulation of offshore projects.
- Many of the provisions of the Energy Policy Act pertain to the Department and the MMS's core missions of ensuring safety, environmental protection, multiple use, fair

compensation and conservation of resources.

What authority did the MMS receive?

Section 388 of the Energy Policy Act authorizes the Department, specifically MMS, to:

- act as the lead agency for Federal offshore renewable energy and alternate uses of America's offshore public lands,
- ensure consultation with States and other stakeholders,
- grant easement, leases, or right-of ways for renewable energy related uses of the Federal OCS,
- pursue appropriate enforcement actions in the event violations occur,
- require financial surety to ensure that facilities constructed are properly removed at the end of their economic life, and
- regulate, monitor, and determine fair return to the Nation.

What decisions are needed by the MMS?

- Near term – assume oversight of existing offshore renewable energy projects, such as Cape Wind and Long Island Power Authority
- Longer term – develop a program that judiciously integrates these new uses with existing uses of offshore resources

What specific tasks are found in Section 388 of the Act, regarding the MMS?

- MMS will issue necessary regulations for carrying out its new authority (270 days)

- MMS will establish a formula for sharing revenue among coastal states within 15 miles of a project (180 days)
- Establish interagency comprehensive digital mapping initiative

What are MMS's major philosophies in developing a new Renewable Energy Program?

- Enter into a meaningful dialogue with interested stakeholders
- Create a new regulatory paradigm
- Focus on the MMS "regulatory" role
- Use sound science, engineering, and environmental protection principles

What action items have been identified by the MMS?

- Develop plan for existing projects
- Develop plan for proposed projects and alternative use related projects
- Develop strategic plan for identifying program areas and access priorities
- Meet with stakeholders (congressional delegations, coastal states, Federal agencies, industry, the environmental community and the general public)
- Identify information needs, gaps, and sources
- Prepare guidelines
- Contract scientific and engineering information
- Identify appropriate conveyance instrument
- Develop monitoring and inspection protocols
- Develop a fee/royalty/rental structure

What exclusions or limitations are included in Section 388 of the Act?

- The Act will not supersede or modify the existing authority of any other agency with regard to the permitting of renewable energy projects.
- The Act will not authorize any leasing, exploration or development activities for oil or natural gas. Congressional moratoria and administrative withdrawals in effect remain unchanged.
- The Act will not apply to areas within the boundaries of the National Park System, National Wildlife Refuge System, National Marine Sanctuary System, or any National Monument.

What are MMS's main goals?

- Provide for sound multiple-use management of Federal offshore lands for non-traditional energy and related uses.
- Protect the Nation's economic and land use interests.
- Ensure human safety and environmental protection.
- Establish a predictable process that facilitates private sector permitting and encourages public sector input that directly supports the Energy Policy Act's initiative to simplify permitting for energy production in an environmentally safe manner.
- Provide the public and private sector with certainty and stability.
- Help increase and balance both sources and supplies of energy that are critical to our Nation's future energy needs.
- Encourage new and innovative technologies to help meet our Nation's increasing energy needs.

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