



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Washington, DC 20240



JUN 29 2006

Mr. Charles Muoio
Vice President
FPL Energy FED / JB
700 Universe Boulevard
Juno Beach, Florida 33408

Dear Mr. Muoio:

Section 388(a) of the Energy Policy Act of 2005 amended the Outer Continental Shelf (OCS) Lands Act by adding section 8(p) to give the Secretary of the Interior the authority to, among other things, develop and administer a nationwide program to provide for alternate energy-related uses on the OCS. Such alternate-energy uses include, but are not limited to, the development of wind energy on the OCS. On March 20, 2006, these authorities were delegated by the Secretary to the Minerals Management Service (MMS), which has decided to consider the application of the Long Island Offshore Windpark (LIOWP), LLC.

Since January of this year, the MMS has met three times with officials of Long Island Power Authority and Florida Power and Light Energy to discuss the LIOWP project, and our staffs have engaged in numerous discussions and exchanges of information relating to the submission of information constituting an application that the MMS may accept for analysis and consideration under the OCS Lands Act, the National Environmental Policy Act (NEPA), and other relevant laws. Our directions to you concerning this application have been based largely on the decades of experience and knowledge we have gained from managing oil and gas operations on the OCS. Specifically, we looked to our regulations at 30 CFR 250, Subpart B, for guidance in developing the criteria that we believe should form an application for LIOWP that allows us to begin the NEPA process and other analyses needed to inform decisionmaking on the project.

We conclude that the existing data and information submitted by LIOWP, LLC and the conceptual design for the LIOWP adequately describe the project so that the MMS may begin a rigorous analytical review. Since the LIOWP project entails a new use of the OCS, as well as evolving technology, the MMS recognizes that some of the information for decisionmaking may not be available as we begin our review and will be developed subsequently as part of the review. We believe that using the NEPA review process as a means to gather additional data and supplement the application information is consistent with the law's intent, which is to help the government make informed decisions. Our review will employ a robust approach to engage all interested and affected parties as we proceed in evaluating the project and gathering all the information needed for decisions under NEPA, the OCS Lands Act, and other relevant laws.

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Even though we are beginning the NEPA process, we expect certain site-specific work to be performed in accordance with MMS guidance or with pre-deployment consultation. Enclosure 1 lists time-phased conceptual work products culminating in the final Environmental Impact Statement (EIS). We recognize that some work products are the subject of current discussions between our staff and management with the intent to develop a mutual understanding of what standards or protocols will guide the work or define the outputs. We do not expect these work products to be specific or separate deliverables to MMS. Rather, we expect they will be part of the EIS. As NEPA is implemented, our expectations for the scope of these items will benefit from further interactions. For item 1 in this enclosure, we expect that questions that arise from developing a detailed project schedule will facilitate progress on the other listed items.

It should be noted that the acquisition of new data and information significantly affecting existing analyses and conclusions could result in a revisiting of analyses and accompanying delays. For example, site-specific surveys planned for later in the process could discover conditions not detected in the more general survey data available now, resulting in the need for further surveying and perhaps revisiting and supplementing NEPA documents. Under the OCS Lands Act and NEPA, the MMS has the discretion to make judgments relating to the adequacy of information and to require the submission of additional information to assure that full and proper analyses ultimately are completed.

We believe the approach we have defined to develop a site-specific LIOWP application as the basis for our decisionmaking is appropriate at this stage of development of our regulatory oversight. How we proceed with this project will help define the renewable energy/alternative use program on the OCS.

Enclosure 2 is the final Memorandum of Agreement, including Statement of Work, which has been drafted to guide work on the EIS under a third party contract. Please sign all three copies of this document and return them to Doug Slitor, 381 Elden Street, MS 4023, Herndon, Virginia 20170. Mr. Slitor can be reached on (703) 787-1030 and can work with your staff to provide proper points of contact within MMS to assist with questions.

Sincerely,



Robert P. Labelle
Acting Associate Director for Offshore
Minerals Management

Enclosures

Complete by conclusion of DEIS scoping:

- 1) Provide a comprehensive project schedule that incorporates all activities for the full lifecycle of the project, including decommissioning. Include the applicant's expectations for significant NEPA activities and milestones, all of the work products in this attachment, and additional documentation expected to be referenced in the DEIS. With respect to items 4 and 6, include activities and milestones for design, design reviews or certifications, and the activity of a certified verification agent (CVA) for the design, construction, and installation of the monopole foundations, towers, electrical service platform, transmission lines, and turbine and rotor assemblies.
- 2) Complete an MMS-approved Oil Spill Response Plan. Reference Gulf of Mexico Region (GOMR) Notice to Lessees (NTL) No. 2002-G09 (*Regional and Subregional Oil Spill Response Plans*).
- 3) Prepare air emissions spreadsheets for all onshore and offshore aspects of construction, operation, and decommissioning phases of the wind park. Reference Appendix G of GOMR NTL No. 2003-G17 (*Guidance for Submitting Exploration Plans and Development Operations Coordination Documents*).

Complete for preparation and issuance of the DEIS:

- 4) Establish the process by which the design, fabrication, and installation of wind park components will be subject to CVA review. That is, the design, fabrication, and installation phases will have a third party independent review with reports back to the MMS. This item is identified to drive to conclusion the process for how the CVA will be carried out at the time of the DEIS. The MMS contact point would be Charles Smith at (703) 787-1561 Charles.Smith@mms.gov.
- 5) Explain an onshore scenario that describes project construction activities at the preferred and alternative support bases and staging/laydown yards), including requirements for supplies, services, and energy and water use. Information on construction should include: (a) a discussion of where installed facilities would be manufactured and how they would be transported to the area; (b) a discussion of how they are assembled onshore, the labor force involved (numbers, types of skills, timing), the kinds of facilities that are needed to accomplish it; and (c) a discussion of how installed facilities are to be moved offshore and put in place, the work force involved (numbers, types of skills, timing), the equipment needed (e.g., types and numbers of service vessels), and where the service vessels would be based. Information on operations should include: (a) preferred and alternative service bases and scale and timing of service demands; (b) equipment needed (e.g., types and numbers of vessels); and (c) labor force requirements. Include whether or not expansion or modification of existing facilities is anticipated as a result of the proposal.

- 6) Provide engineering specifications and drawings for all components proposed for installation; with explanations of standards followed, quality assurance controls, procedure for validation and verification of computer codes, new and unusual technology, and the types and frequency of inspections and their means of reporting to MMS. The MMS may require the use of International Electrotechnical Committee (IEC) TC88 WG3 "Design Requirements for Offshore Wind Turbines" standard or a combination of the IEC document and the 21st edition of American Petroleum Institute (API) Recommended Practice 2A, Recommended Practice for Planning, Designing, and Constructing Fixed Offshore Platforms—Working Stress Design," October 2005 (including errata and supplement 2). Both the Det Norske Veritas (DNV) and IEC standards use a design return period of 50 years for environmental loads; however, the IEC standard is somewhat more conservative than the DNV standard and requires additional load combinations to be checked. Until additional guidance is forthcoming from MMS we recommend using the load cases recommended in the IEC document for the bottom-founded structures (monopole and tower) assuming a 100-year return period for all environmental loads. In that process we can accept a letter of certification by the manufacturer on the performance of the wind turbine generators (WTG), with the tower and foundation designed under the API criteria and guidance. Separate documentation, such as a design control document, may be advantageous for referencing in the DEIS. We recognize that the subject of design loads and manufacturer certifications for WTGs are the subject of current interactions between our staffs. This item is identified to drive the process of determining the exact loading requirements to a conclusion at the time of the DEIS, rather than prescribing the final requirements here. The MMS contact point would be Charles Smith at (703) 787-1561
Charles.Smith@mms.gov.
- 7) Include a detailed description of all affected physical, biological, socioeconomic, and human resources that occur in the area of the proposed wind park (including onshore support facilities) and space-use conflicts. Provide biologic inventories identified to species level and include all Federal or State listed species. Include all impact-producing factors, normal and accidental, that are likely to affect the wind park during construction, operation, and decommissioning. Include how they impact the resource and to what degree the impact realizes a beneficial, neutral, or adverse effect. Under our conditional acceptance of the LIOWP Application, MMS anticipates that EIS scoping will identify the resources and impact-producing factors and that the DEIS will constitute an Environmental Impact Analysis as defined in 30 CFR Subpart B. Reference Appendix H of GOMR NTL No. 2003-G17 (*Guidance for Submitting Exploration Plans and Development Operations Coordination Documents*).

Complete for preparation and issuance of the FEIS:

- 8) Conduct and report numerical wave/sea state modeling of baseline and perturbed settings (post construction) of the proposed wind park and alternatives. Refer to MMS work for OCS sand dredging for methodology and possible computer code applicability.
- 9) Conduct and report shoreline sediment transport modeling based on wave modeling to determine changes in shoreface deposition or erosion for the proposed wind park and alternatives. Refer to MMS work for OCS sand dredging for methodology and possible computer code applicability. The MMS contact would be Barry Drucker, Marine Minerals Branch, at (703) 787-1561, Barry.Drucker@mms.gov.
- 10) Report existing information and perform numerical modeling for a scour analysis of bottom-founded structures using the proposed scour control system in comparison to available alternatives.
- 11) Conduct a Shallow Hazards Survey and Assessment, with pre-deployment consultation with MMS. Reference GOMR NTL No. 98-20 (*Shallow Hazards Requirements*). The MMS contact would be Thomas Bjerstedt, Gulf of Mexico Region Office, at (504) 736-5743, Thomas.Bjerstedt@mms.gov.
- 12) Conduct a Biological Survey if MMS review of the Shallow Hazards Survey determines the presence of biologically sensitive areas (i.e., hard-bottom habitat). The MMS would review the results of the Shallow Hazards Survey to see if there are geophysical indications of hard-bottom habitat. No Biological Survey would be required if the Shallow Hazards Survey shows absence of hard bottom. If applicable, reference GOMR NTL No. 2004-G05 (*Biologically Sensitive Areas in the Gulf of Mexico*).
- 13) Perform a preliminary geotechnical investigation, which may include a combination of shallow vibracores, cone penetrometer investigations, or conventional deep borings, at a number of proposed structure locations that satisfies MMS that sediment conditions are adequately characterized for the proposal. The preliminary investigation is intended to verify the design of the project foundations for the EIS and establish a basis for the Final Geotechnical Investigation that would be conducted prior to the start of construction. The scope and number of locations sampled for the preliminary geotechnical investigation shall be developed with predeployment consultation with MMS.
- 14) Conduct an Archaeological Survey and Report for the locations of the monopole field, electrical service platform, and transmission line routes with a maximum line spacing of 30 m. Consult with MMS prior to deployment. Reference GOMR NTL No. 2005-G07 (*Archaeological Resource Surveys and Reports*). The MMS contact would be Melanie Stright, Environmental Assessment Branch, at (703) 787-1736, Melanie.Stright@mms.gov.

ENCLOSURE 2

Long Island Offshore Wind Park, LLC (LIOWP) issued the competitive Request for Proposal (RFP) with the concurrence of the Department of the Interior (DOI), Minerals Management Service (MMS). Since this acquisition is currently in the source selection phase the Statement of Work (SOW) has been removed as an attachment to the letter of acceptance.