



NEWS RELEASE

U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs

NEWS MEDIA CONTACT
Eileen Angelico, 504-736-2595
Caryl Fagot, 504-736-2590

FOR RELEASE:
Wednesday October 8, 2008

Minerals Management Service Awards Study Contract for Offshore Alternative Energy

Study looks at energy markets and infrastructure needs of future alternative energy development.

WASHINGTON — The U.S. Department of the Interior’s Minerals Management Service (MMS) has awarded a two-year, \$443,000 contract to Eastern Research Group, Incorporated (ERG). Through this contract, ERG will conduct a study focusing on energy markets and infrastructure needs relating to alternative energy development on the Outer Continental Shelf (OCS).

The findings of this study will contribute to the socioeconomic analyses for environmental assessments and other decision documents related to alternative energy development on the OCS.

“MMS is moving forward with offshore alternative energy as quickly as possible and we are seeking the information that will help us make the most informed decisions concerning this new energy supply for the country,” said Randall Luthi, MMS director.

The study’s first part will present an overview of energy markets, considering such topics as regional energy markets, federal and state policies, emission and trading markets, and market trends. The study’s second part focuses on energy infrastructure. ERG will work with state Coastal Zone Management programs to define the coastal areas and economic connections to alternative energy use (such as manufacture of blades and towers for wind energy, ports, and transport facilities). ERG will also examine infrastructure needed to develop alternative energy on the OCS. Examples of infrastructure include energy grid operations, substations and transmission lines, ports, manufacturing capabilities, shipyards and shipbuilding, and transportation.

The Energy Policy Act of 2005 (EPAct) gave MMS authority for alternative energy and related uses and activities on the OCS. MMS announced in November 2007 its interim policy to begin basic information-gathering efforts relating to development of OCS alternative energy resources, such as wind, waves, and ocean currents.

The study’s final report is expected in late 2010.

—MMS—

R-08-3904