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DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[Docket No. BOEM-2011-0093]

Commercial Leasing for Wind Power Development on the Outer Continental Shelf (OCS) Offshore Virginia—Call for Information and Nominations

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: Call for Information and Nominations.

SUMMARY: BOEM invites submissions of nominations from parties interested in obtaining one or more commercial leases that would allow a lessee to propose the construction of a wind energy project(s) on the OCS offshore Virginia. Although the publication of this notice is not itself a leasing announcement, the area described herein may be subject to future leasing. BOEM will use the response to this Call for Information and Nominations (Call) to gauge specific interest in the acquisition of commercial wind lease(s) in some or all of the area and to determine whether competitive interest exists in any particular area, as required by 43 U.S.C. 1337(p)(3). Parties wishing to submit a nomination in response to this Call should submit detailed and specific information as described in the section entitled, “Required Nomination Information.”

BOEM also requests comments from interested and affected parties regarding site conditions, resources, and multiple uses of the identified area that would be relevant to BOEM’s review of the nominations submitted and any subsequent decision concerning whether to offer all or part of the area for commercial wind leasing. Information that BOEM is requesting is described in the section entitled, “Requested Information from Interested or Affected Parties.”

This notice is published pursuant to subsection 8(p)(3) of the OCS Lands Act (43 U.S.C. 1337(p)(3)), which was added by section 388 of the Energy Policy Act of 2005 (EPAct), as well as the implementing regulations at 30 CFR part 585.

The Call Area described in this notice is located on the OCS offshore Virginia. The western edge of the Call Area is approximately 23.5 nautical miles (nmi) from the Virginia Beach coastline, and extends to an eastern edge that is approximately 36.5 nmi from the same

location. The longest north/south portion is approximately 10.5 nmi in length and the longest portion of the east/west portion is approximately 13 nmi in length. The area is made up of 19 whole OCS blocks and 13 sub-blocks. The entire area is approximately 112,799 acres, or 45,648 hectares. This area was delineated in consultation with the BOEM Virginia Renewable Energy Task Force. A detailed description of the area is presented later in this notice.

DATES: BOEM must receive your nomination describing your interest in this potential leasing area postmarked by March 19, 2012. BOEM will consider only those nominations received or postmarked by then. Submissions of comments or other submissions of information are also requested by this date.

Submission Procedures: If you are submitting a nomination for a commercial lease in response to this Call, please submit your nomination by mail to the following address: Bureau of Ocean Energy Management, Office of Renewable Energy Programs, 381 Elden Street, HM 1328, Herndon, Virginia 20170-4817. In addition to a paper copy of the nomination, include an electronic copy of the nomination on a compact disc (CD). Nominations must be postmarked by March 19, 2012. BOEM will list the parties that submitted nominations and the location of the proposed lease areas (OCS blocks they nominated) on the BOEM Web site after the 45-day comment period closes.

Comments and other submissions of information may be submitted by either of the following two methods:

1. *Federal eRulemaking Portal:* <http://www.regulations.gov>. In the entry titled “Enter Keyword or ID,” enter BOEM-2011-0093, then click “search.” Follow the instructions to submit public comments and view supporting and related materials available for this notice.

2. *By U.S. Postal Service or other delivery service, sending your comments and information to the following address:* Bureau of Ocean Energy Management, Office of Renewable Energy Programs, 381 Elden Street, HM 1328, Herndon, Virginia 20170-4817.

All responses will be reported on <http://www.regulations.gov>.

If you wish to protect the confidentiality of your nominations or comments, clearly mark the relevant sections and request that BOEM treat them as confidential. Please label privileged or confidential information “Contains Confidential Information” and consider submitting such information as a separate attachment.

Treatment of confidential information is addressed in the section of this Call entitled, “Protection of Privileged or Confidential Information.” Information that is not labeled as privileged or confidential will be regarded by BOEM as suitable for public release.

FOR FURTHER INFORMATION CONTACT: Ms. Erin C. Trager, Project Coordinator, BOEM, Office of Renewable Energy Programs, 381 Elden Street, HM 1328, Herndon, Virginia 20170-4817, (703) 787-1320, or Erin.Trager@boem.gov.

SUPPLEMENTARY INFORMATION:

Purpose of the Call for Information and Nominations

The OCS Lands Act requires BOEM to award leases competitively, unless BOEM makes a determination that there is no competitive interest (43 U.S.C. 1337(p)(3)). The issuance of this Call is not intended to indicate that BOEM has determined that competitive interest exists in the area identified. Rather, this notice is the first step in the renewable energy leasing process offshore Virginia and the responses to it will assist BOEM in determining whether competitive interest exists in the area. This notice also requests information from interested and affected parties on issues relevant to BOEM’s review of nominations for potential leasing in the area.

BOEM is issuing a Call instead of a Request for Interest (RFI) to facilitate and expedite the leasing process consistent with the goals and objectives of the Secretary of the Interior’s “Smart from the Start” initiative. If an RFI were issued and the responses to it indicated competitive interest, the applicable regulations would require BOEM to issue a Call, which BOEM believes would be duplicative of the RFI process. Issuance of this Call, without an RFI, is designed to enable BOEM to obtain and analyze the information needed to support consideration of appropriate commercial leasing, while ensuring ample opportunity for input from interested and affected parties.

The responses to this Call could lead to the initiation of a competitive leasing process in some areas of the Call Area (*i.e.*, where competition exists for certain tracts), and a noncompetitive process in others (*i.e.*, where no competitive interest exists for certain tracts). The leasing process is described more completely under “Competitive Leasing Process” and “Noncompetitive Leasing Process” below. If BOEM determines that there is no competitive interest in some or all of this area offshore Virginia, BOEM may proceed with the noncompetitive lease process

pursuant to 30 CFR 585.232 for any area(s) for which no competitive interest exists. If BOEM determines that there is competitive interest in some or all of the area described in this Call, BOEM may proceed with the competitive leasing process set forth under 30 CFR 585.211(c) through 585.225. Whether the leasing process is competitive or noncompetitive, BOEM will (1) provide additional opportunities for the public to submit input; and (2) review proposed leases thoroughly for potential environmental and multiple use impacts. A lease, whether issued through a competitive or non-competitive process, gives the lessee the exclusive right to subsequently seek BOEM approval for the development of the leasehold. The lease does not grant the lessee the right to construct any facilities; rather, the lease grants the right to use the leased area to develop its plans, which BOEM must approve before the lessee may proceed to the next stage of the process. See 30 CFR 585.600 and 585.601. The area that may be offered for leasing, if any, has not yet been determined and may be reduced further from the area identified in this Call based on various factors.

Background

Energy Policy Act of 2005 (EPAAct)

The EPAAct amended the OCS Lands Act by adding subsection 8(p)(1)(c), which authorizes the Secretary of the Interior to grant leases, easements, or rights-of-way (ROWs) on the OCS for activities that are not otherwise authorized by law and that produce or support the production, transportation, or transmission of energy from sources other than oil or gas. Subsection 8(p) requires the Secretary to issue regulations to carry out the new energy development authority on the OCS. The Secretary delegated the authority to issue leases, easements, and ROWs, and to promulgate regulations to the Director of BOEM. On April 29, 2009, BOEM promulgated the Renewable Energy and Alternate Uses (REAU) rule, 30 CFR Part 585, which can be found at: http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/Index.aspx#Rules_Development.

BOEM Virginia Renewable Energy Task Force

BOEM formed the BOEM Virginia Renewable Energy Task Force in December 2009 to facilitate coordination among relevant Federal agencies and affected state, local, and tribal governments throughout the leasing process. The BOEM Virginia Renewable Energy Task Force meeting materials are

available on the BOEM Web site at: <http://www.boem.gov/Renewable-Energy-Program/State-Activities/Virginia.aspx>

Executive Order 13547: Stewardship of the Ocean, Our Coasts, and the Great Lakes

On July 19, 2010, the President signed an Executive Order establishing a national ocean policy and the National Ocean Council (75 FR 43023). The Order establishes a comprehensive, integrated national policy for the stewardship of the ocean, our coasts and the Great Lakes. Where BOEM actions affect the ocean, the Order requires BOEM to take such action as necessary to implement this policy, to adhere to the stewardship principles and national priority objectives adopted by the Order, and follow guidance from the National Ocean Council.

BOEM appreciates the importance of coordinating its planning endeavors with other OCS users and regulators. It intends to follow principles of coastal and marine spatial planning, and coordinate with the regional planning bodies as established by the National Ocean Council, to inform its leasing processes. BOEM anticipates that continued coordination with the state Renewable Energy Task Forces will help inform comprehensive coastal and marine spatial planning efforts.

Actions Taken by the Commonwealth of Virginia in Support of Renewable Energy Development

The Commonwealth of Virginia has taken important steps to encourage and incentivize offshore wind energy development. While a state may promote such development through activities such as the creation of financial incentives, an offshore wind project cannot be developed on the OCS without an OCS renewable energy lease issued by BOEM pursuant to 30 CFR Part 585 and subsequent BOEM approval of a Construction and Operations Plan (COP). Below is a description of the activities that the state has undertaken to support renewable energy development on the OCS off its coast.

- In September 2007, Virginia established a 10-Year Energy Plan, the purpose of which was to chart a path forward to provide for reliable energy supplies at reasonable rates and increase the use of energy efficiency measures in Virginia.
- In a separate chapter of the same state legislation that established the Virginia Energy Plan, the General Assembly created the Virginia Coastal Energy Research Consortium (VCERC),

which originally consisted of five state universities, two state agencies, and two industry organizations. VCERC was created to serve as an interdisciplinary research, study, and information resource for the state on Virginia's coastal energy resources, including offshore wind. For more information about VCERC visit www.vcerc.org.

- In February 2008, the Commonwealth of Virginia submitted a nomination to BOEM for a four-block area under the BOEM Interim Policy (72 FR 62673 (Nov. 6, 2007)) for authorization of the installation of offshore data collection and technology testing facilities on the OCS. These four blocks were contained within a surrounding ocean space of 50 lease blocks that were then under study by VCERC. Virginia was not selected as a priority area by DOI under the Interim Policy; therefore, this nomination was not selected for leasing consideration.

- In September 2009, former Governor Timothy M. Kaine sent a letter to BOEM requesting the formation of an intergovernmental Renewable Energy Task Force to facilitate communication and coordination among Federal, state, local, and tribal government agencies for OCS renewable energy activities off Virginia and to inform the Federal leasing and lease development process. The BOEM Virginia Renewable Energy Task Force was formed in December 2009.

- In April 2010, Governor Robert F. McDonnell signed legislation to reward investor-owned electric utilities for using offshore wind energy over other forms of energy. The legislation provides for an investor-owned electric utility to receive triple credit toward meeting the goals of the renewable energy portfolio standard program for energy derived from offshore wind. This legislation also created the Virginia Offshore Wind Development Authority for the purposes of facilitating, coordinating, and supporting the development of the offshore wind energy industry, offshore wind energy projects, and associated supply chain vendors.

- In January 2011, the Virginia Department of Mines, Minerals, and Energy (DMME) submitted a draft unsolicited research lease application to BOEM under 30 CFR Part 585.238. Proposed activities included the construction of meteorological towers for early mapping of the offshore wind resource in the Call Area and the installation of research turbines for demonstrating reliability and survivability. In January 2011, Governor Robert F. McDonnell sent BOEM a letter supporting DMME's efforts to obtain a

research lease. The DMME finalized its application in September 2011. More information about the Commonwealth's proposed research activities can be found in the section of this Call entitled "Research Lease Application."

The ability of private developers to take advantage of Virginia's incentives for potential projects on the OCS offshore Virginia would be dependent on, among other things, the developers obtaining leases and subsequent approvals from BOEM for their proposed projects on the OCS.

Department of the Interior "Smart From the Start" Atlantic Wind Initiative

The Secretary of the Interior, Ken Salazar, announced the "Smart from the Start" OCS renewable energy initiative on November 23, 2010. This initiative includes three key elements: (1) Eliminating a redundant step from the REAU rule; (2) identifying Wind Energy Areas (WEA) to be analyzed in an environmental assessment (EA) (prepared pursuant to the National Environmental Policy Act (NEPA) (42 U.S.C. 4321 *et seq.*)) for the purpose of supporting lease issuance and site assessment activities; and (3) proceeding on a parallel track to process offshore transmission proposals.

A WEA is an OCS area that appears to be suitable for commercial wind energy leasing. The Virginia WEA was delineated based on deliberation and consultation with the BOEM Virginia Renewable Energy Task Force and was selected to be evaluated in a regional EA. A map showing the WEA can be found on the BOEM Web site at: <http://www.boem.gov/Renewable-Energy-Program/Smart-from-the-Start/Index.aspx>.

As described in the section of this notice entitled, "Development of the Call Area," this area has been further refined based upon input from the BOEM Virginia Renewable Energy Task Force and other stakeholders who commented on the original WEA and the Notice of Intent (NOI) to Prepare an EA for the "Smart from the Start" WEAs (76 FR 7226 (Feb. 9, 2011)). The Virginia WEA may be further adjusted in response to comments and information received from this notice as well as future sale notices.

Determination of Competitive Interest

The first step in determining whether there is competitive interest in an area for wind energy projects on the OCS offshore of Virginia will be the evaluation of submissions nominating particular areas for lease. At the conclusion of the comment period for this Call, BOEM will review the

information received, undertake a completeness and qualifications review of the nominations received, and make a determination as to whether competitive interest exists.

To support the determination of competitive interest, BOEM will first assess whether there is any geographic overlap of the area(s) nominated. If two areas nominated fully or partially overlap, BOEM will continue to proceed with the competitive lease process as described below. BOEM may consult with the BOEM Virginia Renewable Energy Task Force throughout this process.

Situations may arise in which several parties nominate lease areas that do not overlap. Under these circumstances, BOEM could choose to employ an allocation system of leases that involves the creation of competition across tracts. This system is referred to as intertract competition and could also be implemented under the competitive process outlined in the REAU rule. BOEM may consult with the BOEM Virginia Renewable Energy Task Force in determining whether to use an intertract competition system.

Competitive Leasing Process

If, after receiving responses to this Call, BOEM proceeds with the competitive leasing process for certain areas, it will follow the steps required by 30 CFR 585.211(c) through 585.225:

(1) *Proposed Sale Notice:* BOEM will publish a Proposed Sale Notice (PSN) in the **Federal Register** and send the PSN to the Governor of any affected state, any affected tribes, and the executive of any local government that might be affected. The PSN will describe the areas that BOEM has decided to offer for leasing and the proposed terms and conditions of a lease sale, including the proposed auction format, lease form and lease provisions. Additionally, the PSN will describe the criteria and process for evaluating bids. The PSN would be issued after preparation of various analyses of proposed lease sale economic terms and conditions. The comment period following issuance of a PSN is 60 days.

(2) *Final Sale Notice:* If BOEM decides to proceed with lease issuance after considering comments on the PSN, it will publish the Final Sale Notice (FSN) in the **Federal Register** at least 30 days before the date of the sale. BOEM may use one of the following three auction formats to select the winning bidder(s): Sealed bidding; ascending bidding; or two-stage bidding (a combination of ascending bidding and sealed bidding). BOEM will publish the criteria for winning bid determinations in the FSN.

(3) *Bid Submission and Evaluation:* Following publication of the FSN in the **Federal Register**, qualified bidders may submit their bids to BOEM in accordance with procedures specified in the FSN. The bids, including the bid deposits if applicable, would be reviewed for technical and legal adequacy. BOEM would evaluate each bid to determine if the bidder has complied with all applicable regulations and with the terms of the FSN. BOEM reserves the right to reject any or all bids and the right to withdraw an offer to lease an area from the sale.

(4) *Issuance of a Lease:* Following the selection of a winning bid or bids by BOEM, the submitter(s) is/are notified of the decision and provided a set of official lease documents for execution. The successful bidder(s) will be required to execute the lease, pay the remainder of the bonus bid, if applicable, and file the required financial assurance within 10 days of receiving the lease copies. Upon receipt of the required payments, financial assurance, and properly executed lease forms, BOEM will issue a lease to the successful bidder(s).

Pursuant to 30 CFR 585.212, BOEM may decide to end the competitive leasing process prior to the publication of a FSN if it believes that competitors have withdrawn and competitive interest no longer exists. A termination of the competitive process would require BOEM to publish an additional notice in the **Federal Register** to confirm that competitive interest no longer exists in the area. BOEM would use the information received in response to this additional notice to determine whether it would continue with the competitive lease sale process or initiate the noncompetitive lease negotiation process.

Noncompetitive Leasing Process

If, after evaluating the responses to this notice, BOEM determines that there is no competitive interest in a proposed lease, it may proceed with the noncompetitive lease issuance process pursuant to 30 CFR 585.232, coordinating with the BOEM Virginia Renewable Energy Task Force, as appropriate. Should BOEM decide to proceed with the noncompetitive leasing process, it will ask if the respondent wants to proceed with acquiring the lease, and if so, the respondent must submit an acquisition fee as specified within 30 CFR 585.502(a). After receiving the acquisition fee, BOEM would publish a notice in the **Federal Register** announcing a determination of no competitive interest. Within 60 days of

the date of that notice, the respondent would be required to submit a Site Assessment Plan (SAP), as described in 30 CFR 585.231(d)(2)(i).

BOEM will comply with the requirements of NEPA, CZMA, and other applicable Federal statutes when in the process of issuing a lease noncompetitively. BOEM coordinates and consults, as appropriate, with relevant Federal agencies, affected tribes, and affected state and local governments, in issuing a noncompetitive lease and developing lease terms and conditions.

It is possible that responses to this notice may result in a determination that there is competitive interest for some areas but not for others. BOEM would announce publicly its determinations before proceeding with a competitive process, a noncompetitive process, both, or neither.

Environmental Reviews

BOEM has prepared an EA considering the environmental impacts and socioeconomic effects of issuing renewable energy leases. The EA includes reasonably foreseeable site characterization activities, such as, geophysical, geotechnical, archaeological, and biological surveys on those leases identified in WEAs offshore New Jersey, Delaware, Maryland, and Virginia. The EA also considers the reasonably foreseeable environmental impacts and socioeconomic effects associated with the approval of site assessment activities (including the installation and operation of meteorological towers and buoys) on the leases that may be issued. The

Commercial Wind Lease Issuance and Site Characterization Activities on the Atlantic Outer Continental Shelf Offshore New Jersey, Delaware, Maryland, and Virginia Environmental Assessment (Regional EA) can be found at: <http://www.boem.gov/Renewable-EnergyProgram/Smart-from-the-Start/Index.aspx>. The area identified in this Call matches the Virginia WEA described in the preferred alternative in the Regional EA.

In the event that a particular lease is issued, and the lessee subsequently submits a Site Assessment Plan (SAP), pursuant to 30 CFR 585.605–618, BOEM would then determine whether the EA adequately considers the environmental consequences of the activities proposed in the lessee’s SAP. If BOEM determines that the analysis in the EA adequately considers these consequences, then no further analysis under the National Environmental Policy Act (NEPA) would be required before BOEM make a decision on the SAP. If, on the other hand, BOEM determines that the analysis in this EA is inadequate for that purpose, BOEM would prepare additional NEPA analysis before it could make a decision on the SAP. In either event, BOEM would then make a decision to approve, approve with modifications, or disapprove the SAP.

If a lessee is prepared to propose a wind energy generation facility on its lease, it would submit a construction and operations plan (COP). BOEM then would prepare a separate site- and project-specific NEPA analysis of the proposed project. This analysis would likely take the form of an EIS and would

provide the public and Federal officials with comprehensive information regarding the reasonably foreseeable environmental impacts of the proposed project. In this NEPA analysis, BOEM would evaluate the potential environmental and socioeconomic consequences of the proposed project. This analysis would inform BOEM’s decision to approve, approve with modification, or disapprove a lessee’s COP pursuant to 30 CFR 585.628. This NEPA process also would provide additional opportunities for public involvement pursuant to NEPA and the White House Council on Environmental Quality’s regulations at 40 CFR parts 1500–1508.

Description of the Call Area

The Call Area offshore Virginia contains 19 whole OCS blocks and 13 sub-blocks. The western edge of the Call is approximately 23.5 nmi from the Virginia Beach coastline, and extends to an eastern edge that is approximately 36.5 nmi from the same location. The longest north/south portion is approximately 10.5 nmi in length and the longest portion of the east/west portion is approximately 13 nmi in length. The entire area is approximately 112,799 acres, or 45,648 hectares. The boundary of the Call Area follows the points listed in the table below in clockwise order beginning in the northwest corner of block 6012–C. Point numbers 1 and 9 are the same. Coordinates are provided in X, Y (eastings, northings) UTM Zone 18N, NAD 83 and geographic (longitude, latitude), NAD83.

Point No.	X Easting (UTM)	Y Northing (UTM)	Longitude	Latitude
1	459200	4094400	-75.458518	36.994856
2	480800	4094400	-75.215776	36.995546
3	480800	4075200	-75.215289	36.822467
4	456800	4075200	-75.484393	36.821676
5	456800	4092000	-75.485351	36.973115
6	458000	4092000	-75.471870	36.973169
7	458000	4093200	-75.471937	36.983986
8	459200	4093200	-75.458453	36.984039
9	459200	4094400	-75.458518	36.994856

The following 19 full OCS blocks are included within the Call Area: Currituck Sound NJ18–11, blocks 6013, 6014,

6015, 6016, 6062, 6063, 6064, 6065, 6066, 6112, 6113, 6114, 6115, 6116, 6162, 6163, 6164, 6165, and 6166. The

following 13 sub-blocks are included within the Call Area:

Protraction name	Protraction No.	Block No.	Sub block
Currituck Sound	NJ18–11	6012	C,D,F,G,H,I,J,K,L,M,N,O,P

List of OCS Blocks and Sub-Blocks in the Call Area Potentially Subject to Limitations

The Call Area includes areas that BOEM wishes to highlight as areas of special interest or concern based on

available information. These areas are described below.

Fish Haven/Artificial Reef Site

An obstruction area has been identified on the National Oceanic and Atmospheric Administration (NOAA)

nautical charts within the Call Area that contains a fish haven/artificial reef site. The specific sub-blocks transected by the fish haven/artificial reef site are listed below. Site-specific stipulations may be applied to any leases issued in, or plans approved for, this area.

Protraction name	Protraction No.	Block No.	Sub block
Currituck Sound	NJ18-11	6013	B,C,D,E,F,G,H,I,J,K,L
Currituck Sound	NJ18-11	6014	A,B,E,F,I,J

Navigation

The U.S. Coast Guard (USCG) advises that all blocks included in the Call Area require further study to determine site-specific risks to navigational safety. It is possible that OCS blocks included in the Call Area may not be made available for leasing and/or development due to navigational safety issues, and any blocks that are may require site-specific stipulations and conditions.

Department of Defense (DoD) Activities

The Call Area includes OCS blocks where site-specific conditions and stipulations may need to be developed and applied to any leases issued and/or plans approved to help ensure that projects are compatible with DoD activities. Such stipulations may include, but are not limited to:

1. A hold-and-save-harmless agreement where the lessee assumes all risks of damage or injury to persons or property if such injury or damage to such person or property occurs by reason of the activities of the U.S. Government;
2. A requirement that at times requested by DoD, the lessee control its own electromagnetic emissions and those of its agents, employees, invitees, independent contractors, or subcontractors when operating in specified DoD Operating Areas (OPAREAs) or warning areas;
3. An agreement with the appropriate DoD commander when operating vessels or aircraft in a designated OPAREA or warning area requiring that these vessel and aircraft movements be coordinated with the appropriate DoD commander;
4. A requirement that at times requested by DoD, the lessee temporarily suspend operations and/or evacuate the lease in the interest of safety and/or national security.

Protected Species

BOEM may consider including stipulations specific to protected species in renewable energy leases that may be issued in the Call Area, as well as in any associated plans that may be approved within the Call Area. Examples of

stipulations may include (1) measures to avoid impacts to protected species during site assessment activities and characterization surveys, (2) documentation of the presence or absence of protected species, and (3) sharing of data collected related to protected species. More information on protective measures for site assessment and site characterization activity can be found in the *Environmental Assessment for Commercial Wind Lease Issuance and Site Characterization Activities on the Atlantic Continental Shelf Offshore New Jersey, Delaware, Maryland, and Virginia*.

Map of the Call Area

A map of the Call Area can be found at: <http://www.boem.gov/Renewable-Energy-Program/State-Activities/Virginia.aspx>.

A large scale map of the Call Area showing boundaries of the area with numbered blocks is available from BOEM at the following address: Bureau of Ocean Energy Management, Office of Renewable Energy Programs, 381 Elden Street, HM 1328, Herndon, Virginia 20170-4817. Phone: (703) 787-1320, Fax: (703) 787-1708.

Development of the Call Area

The Call Area was delineated through consultation with the BOEM Virginia Renewable Energy Task Force and is intended to achieve a balance that provides adequate protection of ecologically sensitive areas, minimizes space-use conflicts, and maximizes the area available for commercial offshore wind development. Specific mitigation, stipulations, or exclusion areas may be developed as a result of environmental reviews and associated consultations, as well as continued coordination with the BOEM Virginia Renewable Energy Task Force.

The development of the Call Area began with consideration of a preliminary 70 OCS block area of interest discussed at the first BOEM Virginia Renewable Energy Task Force meeting in December 2009. The area encompassed the 50 blocks under study

by VCERC at the time as part of its offshore wind mapping initiative and was delineated to avoid sensitive ecological areas offshore the barrier islands to the north and take advantage of a region comprised of Class 6 winds. In addition, BOEM had received two commercial unsolicited lease requests within this area, which BOEM will not process, as further described in the section entitled "Unsolicited Applications Received by BOEM for Areas Offshore Virginia." Following the first meeting of the BOEM Virginia Renewable Energy Task Force, and based on continuing dialogue with the Task Force and individual member agencies, the area was further refined to avoid sensitive operating and warning areas under the purview of DoD and National Aeronautics Space Administration (NASA), as well as a dredge disposal area under the regulatory authority of the U.S. Army Corps of Engineers. As part of this effort, BOEM asked DoD, USCG, and NASA to conduct evaluations of the area under consideration and make recommendations to BOEM as to blocks that should be excluded from leasing and/or development due to sensitive agency activities, as well as areas that could be included with appropriate conditions and stipulations.

DoD conducted two evaluations following the first and second task force meetings, and provided to BOEM its recommendations regarding OCS blocks that would be inappropriate for leasing and development in light of existing DoD activities. DoD also recommended that, should leases be issued, subsequent development in the remaining area should be subject to site-specific stipulations. NASA determined that the Call Area was compatible with launch operations at NASA Wallops Flight Facility. In advance of the third Task Force meeting in December 2010, the USCG Fifth District identified a deep-water slough or channel in use by deep-draft vessels exiting and entering the Chesapeake Bay. It recommended that a 3 nmi setback be established

between the charted dredge disposal area at the entrance to the Bay and the western edge of the Call Area.

To better delineate the Call Area to avoid areas heavily used by vessels entering and exiting the Chesapeake Bay, BOEM acquired Automatic Identification System (AIS) data from 2009 and conducted an analysis to identify vessel uses of the area, including deep-draft, barge, tug, and tow. This information was presented to the BOEM Virginia Renewable Energy Task Force on August 17, 2011, and allowed for further refinement of the Call Area. The Call Area described in this notice was further refined on the basis of the USCG's evaluation of the Call Area; which BOEM received in September 2011.

More detailed descriptions of certain issues raised through consultation with the BOEM Virginia Renewable Energy Task Force and other information that may be of interest to potential Call respondents and other relevant parties is included below.

Navigational Issues

The USCG has provided the following information for consideration by potential respondents to this Call and other interested parties. The USCG has a responsibility under the Ports and Waterways Safety Act (PWSA) to ensure the safety of navigation. The PWSA requires USCG to provide safe access routes for the movement of vessel traffic proceeding to or from ports or places subject to the jurisdiction of the United States. USCG meets this requirement through designation of necessary fairways and traffic separation schemes (TSS) for vessels operating in the territorial sea of the United States and in high sea approaches, outside the territorial sea. The USCG may also determine that establishment of other ships' routing measures, such as a precautionary area, would enhance navigational safety. The USCG works with its Federal interagency and International Maritime Organization partners to establish these voluntary measures as necessary.

The potential for navigational safety risk posed by installing structures in proximity to shipping routes is affected by numerous factors including, but not limited to: vessel size; vessel type; density of traffic; prevailing conditions; cumulative impact of multiple obstructions (for example, wind assessment or development facilities); existence of multiple shipping routes (for example, crossing or meeting situations); radar/automatic radar plotting aid (ARPA) interference; and existence of mitigating factors such as

navigational aids, vessel traffic services, or pilotage.

Currently, there is no standard recommended separation distance between offshore renewable energy facilities and shipping routes. The USCG has reviewed guidance published by other countries such as the United Kingdom's Maritime Guidance Note MGN-371 and consulted with its own waterways subject matter experts. Currently, USCG considers the placement of offshore wind facilities in any area less than 1 nmi from traditional shipping routes as a high risk to navigational safety and therefore does not recommend placement of offshore wind facilities in such areas. The USCG considers placement of such facilities in areas greater than 5 nmi from existing shipping routes as a minimal risk to navigational safety. Areas considered for placement of offshore wind facilities between 1 nmi and 5 nmi would require additional USCG analysis to determine if mitigation factors could be applied to bring navigational safety risk within acceptable levels.

Respondents to this Call should note that impacts to radar and ARPA may still occur outside of 1 nmi and would have to be evaluated along with other potential impacts. The above considerations are only planning guidelines, and the guidelines may be changed based on the completion of the USCG's Atlantic Coast Port Access Route Study (ACPARS). In addition, these guidelines may be further modified upon completion of a Navigational Safety Risk Assessment (NSRA), which may be required before BOEM could approve a lessee's plan for the construction of any offshore wind facilities.

The USCG is conducting ACPARS to determine how best to route traffic on the Atlantic coast (see 76 FR 27288; May 11, 2011). This study would better inform the USCG about the navigational safety risks, if any, associated with construction of offshore wind facilities. The data gathered during this ACPARS may result in the establishment of new vessel routing measures, modification of existing routing measures, or removal of some existing routing measures off the Atlantic Coast from Maine to Florida.

As a member of the BOEM Virginia Renewable Energy Task Force, the USCG partnered with BOEM to gather existing AIS data, stakeholder input, and information on existing traffic patterns, as well as historical and current coastwise and international uses, within the Call Area offshore Virginia. The USCG conducted an evaluation, using the best available information, of the Virginia Call Area.

The USCG identified OCS blocks (including sub-blocks) that, if developed, may have an unacceptable effect on navigational safety, and other OCS blocks (including sub-blocks) that would require further study to determine the potential effect that the installation of offshore wind facilities in these blocks would have on navigational safety.

The USCG commented to BOEM that, it appears at this time, if any offshore wind facilities were to be installed in the future, most of the blocks and sub-blocks included in the Call would require USCG to create significant new routing measures to ensure navigation safety. The USCG cautions that after it has completed its ACPARS and has performed a deliberate evaluation of vessel routing measures, it may conclude that ultimate development of many or all of the blocks now included in the Call would present serious risks to navigation. The USCG has informed BOEM that it cannot make a final determination of the potential risk that ultimate development of the Call Area would present to navigation until it has completed its ACPARS analysis.

Department of Defense Activities

The Call Area is within the DoD Virginia Capes Operating Area (VACAPES OPAREA), which is a subsurface, surface, and air operations area off the Virginia coast that includes both Warning Area 50 (W-50) and Warning Area 72 (W-72).

The W-50 warning area air space overlies that portion beyond 3 nmi from the coast of Dam Neck, Virginia and is subdivided into three sub-areas. All areas encompass the sea surface and airspace up to an altitude of 75,000 feet. Naval operations conducted in W-50 include mine warfare training, surface-to-surface, air-to-surface and surface-to-air gunnery exercises, airborne drone and seaborne target launch, transit and recovery operations, and unit level Fleet and Navy Special Warfare training.

A firing range surface danger zone defined in 33 CFR 334.390(a) underlies most of the W-50 warning area, and DoD activities in this danger zone are the same as described for the warning area. Navy ships, surface craft, and aircraft require freedom of movement to tactically maneuver within the danger zone. Regulations set forth in 33 CFR 334.390(b)(1) require vessels transiting the danger zone to proceed with caution and to not remain in the area longer than necessary for transit. Potential wind energy development in the lease blocks identified in this Call may create a constriction of the danger zone for vessel traffic approaching and departing

Chesapeake Bay. An affected entity would need to ask DoD to modify the area of the danger zone to mitigate the potential vessel traffic constriction.

The W-72 warning area overlies the sea surface and contains the airspace located seaward of W-50 in the VACAPES OPAREA. Special use airspace within the portion of W-72 west of 75° 30'W extends from the sea surface up to, but not including 2,000 feet, (Area 13A) and then again above 60,000 feet (flight level 600) to unlimited (Area 13B). Air operations between 2,000 feet and 60,000 feet are controlled by Naval Air Station Oceana, Virginia (2,000 feet to 23,000 feet) and by the Federal Aviation Administration's (FAA) Washington Center (24,000 feet to 60,000 feet). Naval operations conducted in W-72 include air-to-air, air-to-surface, and surface-to-surface missile, gunnery and bomb training, aircraft carrier launch and recovery operations, and airborne drone and seaborne target launch, transit and recovery operations.

Two Navy Shipboard Electronic Systems Evaluation Facility (SESEF) instrumented buoys are located in the vicinity of Chesapeake Light. Naval vessels conduct electronic systems tests and evaluation in the vicinity of these buoys and require freedom of movement while circumnavigating each buoy in a 1 or 2 nmi radius.

Air Navigation

The FAA coordinates closely with the DoD and has jurisdiction over commercial flight paths out to 12 nmi offshore. Developers may be required to notify the FAA of construction of structures in that area with a Notice of

Proposed Construction or Alteration. In response, the FAA would issue an opinion regarding whether or not the proposed structure(s) would constitute a hazard to air navigation.

Protected Species

Within the Call Area there are several species listed as threatened or endangered under the jurisdiction of either the U.S. Fish and Wildlife Service or NOAA's National Marine Fisheries Service (NMFS). These species are described in this Call for informational purposes only. The federally-listed endangered Roseate Tern (*Sterna dougallii dougallii*) and Cahow (*Pterodroma cahow*) may occur occasionally within the Call Area, though neither species is expected to frequent the area based on available data. The Roseate Tern may pass through the area during migration, and the Cahow may occur during some weather conditions or while foraging outside of the breeding season. In addition to these two listed species, seabirds protected under the Migratory Bird Treaty Act may occur in the Call Area. Several species listed as threatened or endangered under the jurisdiction of NMFS occur seasonally in the Call Area. NMFS has not designated any critical habitat within the Call Area. Six species of endangered large whales occur seasonally off the Atlantic coast of the U.S.: the North Atlantic right (*Eubalaena glacialis*), fin (*Balaenoptera physalus*), sei (*Balaenoptera borealis*), humpback (*Megaptera novaengliae*), sperm (*Physeter macrocephalus*), and blue (*Balaenoptera musculus*). However, of these six species, only three—right,

humpback, and fin whales—are likely to occur in the Call Area; sperm, blue, and sei whales are typically found in waters farther offshore.

Four species of listed sea turtles, including endangered leatherback (*Dermochelys coriacea*), Kemp's ridley (*Lepidochelys kempi*) and green (*Chelonia mydas*) and threatened loggerhead (*Caretta caretta*), occur seasonally in the Call Area. Sea turtles arrive in the mid-Atlantic, including the Call Area, in the spring and typically begin migrating southward by mid-November.

In addition to these ESA-listed marine mammals and sea turtles, NMFS has proposed to list 5 distinct population segments (DPS) of Atlantic sturgeon as threatened or endangered. The marine range of Atlantic sturgeon from all five of the DPSs extends from the Bay of Fundy, Canada into Florida and includes the Virginia Call Area. NMFS is in the process of final rulemaking regarding the status of Atlantic sturgeon.

Unsolicited Applications Received by BOEM for Areas Offshore Virginia

Research Lease Application

In September 2011, DMME submitted an unsolicited application for a research lease under 30 CFR 585.238. Four of the sub-blocks in this research lease application are within the Call Area and DMME proposes to use these sub-blocks for the siting of two meteorological towers for monitoring of wind velocities, water levels, waves, and bird and bat activities within and around the Call Area. These four sub-blocks are listed below:

Protraction name	Protraction No.	Block No.	Sub block
Currituck Sound	NJ18-11	6014	B,C
Currituck Sound	NJ18-11	6164	N,O

The DMME application states that the proposed meteorological towers can be planned, designed, installed and begin collecting data by the summer of 2013. Installation is contingent upon the acquisition of an OCS lease and subsequent submittal and BOEM review of an adequate plan describing these activities.

This Call will enable BOEM to make a determination regarding competitive commercial interest in the Call Area, which encompasses these portions of DMME's proposed research lease. BOEM believes that potential commercial development in an area should take priority over potential research activities in that area, if the two

uses of the area(s) would not be compatible. If BOEM receives a nomination for a commercial wind lease encompassing a portion of the Call Area that DMME has proposed for a research lease. BOEM may issue only a commercial lease in that area. For BOEM to initiate the leasing process for the proposed research lease, BOEM would be required to publish a separate **Federal Register** notice to determine competitive interest, per 30 CFR § 585.238(c).

Commercial Applications

In August and September 2009, two applicants submitted separate unsolicited requests for commercial

leases on the OCS offshore Virginia pursuant to 30 CFR 585.230. The unsolicited lease requests were submitted by Apex Offshore Wind LLC (Apex) and Seawind Renewable Energy Corporation (Seawind). BOEM has informed the applicants that BOEM will not proceed with processing these unsolicited requests and invited them to submit a nomination pursuant to this Call instead. If either applicant is interested in obtaining a lease in the Call Area offshore Virginia, it must submit a complete nomination that describes that applicant's commercial interest in direct response to the Call.

Required Nomination Information

Nomination for a commercial wind energy lease in the area identified in this notice must include the following:

(1) The BOEM Protraction name, number, and specific whole or partial OCS blocks within the Call Area that are of interest for commercial wind leasing, including any required buffer area. This information should be submitted as a spatial file compatible with ArcGIS 9.3 in a geographic coordinate system (NAD 83) in addition to a hard copy submittal. If the proposed project area includes one or more partial blocks, please describe those partial blocks in terms of a sixteenth (i.e., sub-block) of an OCS block. BOEM will not consider any areas outside of the Call Area in this process;

(2) A description of your objectives and the facilities that you would use to achieve those objectives;

(3) A preliminary schedule of proposed activities, including those leading to commercial operations;

(4) Available and pertinent data and information concerning renewable energy resources and environmental conditions in the area that you wish to lease, including energy and resource data and information used to evaluate the Call Area. Where applicable, spatial information should be submitted in a format compatible with ArcGIS 9.3 in a geographic coordinate system (NAD 83);

(5) If your nomination includes any of the sub-blocks that the Commonwealth of Virginia has identified for potential research activities, state whether you would consider such activities to be compatible with the commercial wind activities you ultimately plan to undertake on the lease. If it would be necessary for BOEM to exclude or restrict those activities from occurring in your commercial lease area, please provide an explanation;

(6) Documentation demonstrating that you are legally qualified to hold a lease as set forth in 30 CFR 585.106 and 107. Examples of the documentation appropriate for demonstrating your legal qualifications and related guidance can be found in Chapter 2 and Appendix B of the BOEM Renewable Energy Framework Guide Book available at: http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/Index.aspx#Notices_to_Lessees_Operators_and_Applicants. Legal qualification documents will be placed in an official file that may be made available for public review; and

(7) Documentation demonstrating that you are technically and financially capable of constructing, operating, maintaining and decommissioning the

facilities described in (2) above. Guidance regarding the required documentation to demonstrate your technical and financial qualifications can be found at http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/Index.aspx#Notices_to_Lessees_Operators_and_Applicants.

Documentation you submit to demonstrate your legal, technical, and financial qualifications must be provided to BOEM in both paper and electronic formats. BOEM considers an Adobe PDF file stored on a compact disc (CD) to be an acceptable format for submitting an electronic copy.

It is critical that you submit a complete nomination so that BOEM may evaluate your submission in a timely manner. If BOEM reviews your nomination and determines that it is incomplete, BOEM will inform you of this determination in writing. This letter will describe the information that BOEM determined to be missing from your nomination, and which you must submit in order for BOEM to deem your submission complete. You will be given 15 business days from the date of the letter to submit the information that BOEM found to be missing from your original submission. If you do not meet this deadline, or if BOEM determines this second submittal is insufficient and has failed to complete your nomination, then BOEM retains the right to deem your nomination invalid. In that case, BOEM would not process your nomination.

Requested Information From Interested or Affected Parties

BOEM is requesting from the public and other interested or affected parties specific and detailed comments regarding the following:

(1) Geological and geophysical conditions (including bottom and shallow hazards) in the area described in this notice;

(2) Known archaeological and/or cultural resource sites on the seabed in the area described in this notice;

(3) Historic properties potentially affected by the construction of meteorological towers, the installation of meteorological buoys, or commercial wind development in the area identified in this Call;

(4) Multiple uses of the area, including navigation (in particular, commercial and recreational vessel use), recreation, and fisheries (commercial and recreational); and

(5) Other relevant socioeconomic, biological, and environmental information.

Protection of Privileged or Confidential Information

Freedom of Information Act

BOEM will protect privileged or confidential information submitted as required by the Freedom of Information Act (FOIA). Exemption 4 of FOIA applies to trade secrets and commercial or financial information that you submit that is privileged or confidential. If you wish to protect the confidentiality of such information, clearly mark it and request that BOEM treat it as confidential. BOEM will not disclose such information, subject to the requirements of FOIA. Please label privileged or confidential information "Contains Confidential Information" and consider submitting such information as a separate attachment.

However, BOEM will not treat as confidential any aggregate summaries of such information or comments not containing such information. Additionally, BOEM will not treat as confidential (1) the legal title of the nominating entity (for example, the name of your company), or (2) the list of whole or partial blocks that you are nominating. Finally, information that is not labeled as privileged or confidential would be regarded by BOEM as suitable for public release.

Section 304 of the National Historic Preservation Act (NHPA) (16 U.S.C. 470w-3(a))

BOEM is required, after consultation with the Secretary of the Interior, to withhold the location, character, or ownership of historic resources if it determines that disclosure may, among other things, risk harm to the historic resources or impede the use of a traditional religious site by practitioners. Tribal entities should designate information that falls under Section 304 of NHPA as confidential.

Dated: January 23, 2012.

Tommy P. Beaudreau,
Director, Bureau of Ocean Energy Management.

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DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[Docket No. BOEM-2011-0058]

Commercial Leasing for Wind Power on the Outer Continental Shelf Offshore Maryland—Call for Information and Nominations

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.