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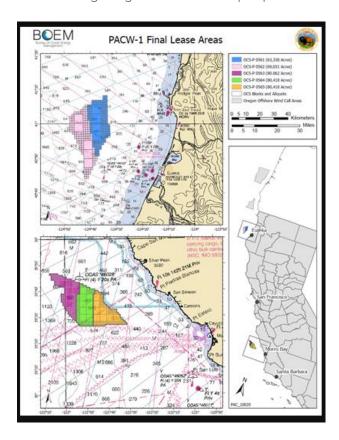
BOEM ANNOUNCES FIRST CALIFORNIA OFFSHORE WIND LEASE SALE

U.S. offshore wind development continues to run at a rapid pace. The Bureau of Ocean Energy Management (BOEM) recently announced the first ever Outer Continental Shelf (OCS) wind energy lease sale focused on floating offshore wind energy.

The Bureau of Ocean Energy Management (**BOEM**) is the agency charged with leasing subsea federal lands on the Outer Continental Shelf (**OCS**) for offshore wind energy development. BOEM recently announced that the first ever offshore wind energy lease sale for areas on the central and northern California will go forward on December 6, 2022. This will also be the first-ever offshore wind lease designed to support potential commercial-scale floating offshore wind energy development.

BOEM will offer five leases for sale on the outer continental shelf (**OCS**) off the California coast on December 6, 2022. BOEM will be offering three lease areas in the Morro Bay Wind Energy Area (**WEA**) off central California (OCS-P 0563, OCS-P 0564, and OCS-P 0565) and two lease areas in the Humboldt WEA off northern California (OCS-P 0561 and OCS-P 0562).

The following image is from BOEM's pre-publication Final Notice of Sale.¹



¹ Available at PACW-1 Final Lease Areas <u>California Activities | Bureau of Ocean Energy Management (boem.gov)</u>

In a press release, BOEM stated that the five California OCS lease areas "total approximately 373,268 acres with the potential to produce over 4.5 GW of offshore wind energy, power more than 1.5 million homes, and support thousands of new jobs."

To date, BOEM has held 10 competitive lease sales and issued 27 active commercial wind leases in the Atlantic Ocean from Massachusetts to North Carolina. The California OCS lease sale will now make U.S. offshore wind development bi-coastal.

To date, the U.S. offshore wind farms have focused on fixed monopile foundations. There are several U.S. Customs and Border Protection ("CBP") decisions that address whether Jones Act qualified vessels are required to perform certain aspects of these projects. Depending on the installation method, it remains to be seen how CBP will apply prior wind energy rulings to floating offshore wind. From both a technological and legal point of view, the development of floating offshore wind presents interesting technical challenges and legal issues, that interested stakeholders will have to consider

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