



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

WASHINGTON, DC 20240-0001

OCT 8 2014

Mr. Ron Watts
Mayor
Town of Sunset Beach
PO Box 6627
Ocean Isle Beach, North Carolina 28469

Dear Mayor Watts:

On August 7, 2014, the Bureau of Ocean Energy Management (BOEM) announced the identification of three Wind Energy Areas (WEAs) located within federal waters on the Outer Continental Shelf (OCS) offshore the coast of North Carolina. These WEAs were designated in consultation with the North Carolina Renewable Energy Task Force and other federal agencies as part of the bureau's initiative to identify areas of the OCS that are most suitable for offshore renewable energy development. BOEM is now considering these WEAs for commercial leasing and is reviewing the potential environmental impacts of leasing and site assessment activities under the National Environmental Policy Act and other regulations. Information regarding the WEAs offshore North Carolina, including maps, is provided in the Announcement of Area Identification. Additional information regarding renewable energy activities offshore North Carolina is available online at: www.boem.gov/State-Activities-North-Carolina.

Section 106 of the National Historic Preservation Act requires federal agencies to take into account the effects of their undertakings on historic properties. BOEM has executed a Programmatic Agreement with the Advisory Council on Historic Preservation and the North Carolina State Historic Preservation Officer to guide the bureau's Section 106 review of activities occurring under the renewable energy regulations on the OCS offshore North Carolina (See <http://www.boem.gov/offshore-windfarm-development>). Per this agreement, BOEM is initiating Section 106 review for the undertaking of issuing leases within these WEAs.

As part of initiating its Section 106 review, BOEM is contacting representatives of local governments, historic preservation groups, and other organizations to determine their interest in participating as a consulting party for the undertaking of issuing leases. A commercial lease 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 lessee the right to use the leased area to develop its plans, which BOEM must approve before the lessee can move on to the next stage of the process. A separate project-specific Section 106 review would take place in the future, should a lessee submit a plan.

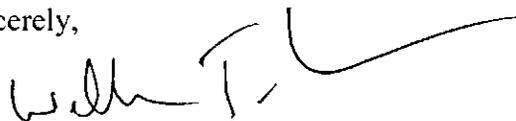
BOEM requests that you send written notification if you are interested in participating as a consulting party in the Section 106 review for the issuance of leases within these WEAs.

Email is acceptable and may be forwarded to my attention. If your organization has information pertaining to historic properties that may be affected by the proposed undertaking, BOEM invites you to bring this information to the agency's attention to be considered in the decision-making process. BOEM also invites comments regarding any other concerns the proposed undertaking may raise in regards to historic preservation. If you have questions or require additional information, you may contact me at (703) 787-1549 or William.Hoffman@boem.gov. Please send correspondence to the following address:

Bureau of Ocean Energy Management
Office of Renewable Energy Programs
381 Elden Street, HM1328
Herndon, Virginia 20170-4817

Thank you in advance for your timely response and cooperation. I look forward to receiving your reply within 30 days of receipt of this correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Hoffman', with a long horizontal flourish extending to the right.

William Hoffman
Archaeologist

Enclosure

ANNOUNCEMENT OF AREA IDENTIFICATION

Commercial Wind Energy Leasing on the Outer Continental Shelf Offshore North Carolina

Aug. 7, 2014

The Bureau of Ocean Energy Management (BOEM) is proceeding with competitive commercial wind energy leasing on the Outer Continental Shelf (OCS) offshore North Carolina, as set forth by 30 CFR 585.211 through 585.225. The next step in the competitive leasing process, and the purpose of this announcement, is Area Identification. BOEM has defined three Wind Energy Areas (WEAs) offshore North Carolina (Figure 1). The Kitty Hawk WEA begins about 24 nautical miles (nm) from shore and extends approximately 25.7 nm in a general southeast direction at its widest point. Its seaward extent ranges from 13.5 nm in the north to .6 nm in the south. It contains approximately 21.5 OCS blocks (122,405 acres). The Wilmington West WEA begins about 10 nm from shore and extends approximately 12.3 nm in an east-west direction at its widest point. It contains just over 9 OCS blocks (approximately 51,595 acres). The Wilmington East WEA begins about 15 nm from Bald Head Island at its closest point and extends approximately 18 nm in the southeast direction at its widest point. It contains approximately 25 OCS blocks (133,590 acres).

All three WEAs will be considered for leasing and approval of site assessment plans as the proposed action under the National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321-4370f). BOEM also has identified an alternative to the proposed action that would exclude one of the WEAs from consideration for lease issuance and approval of site assessment activities, and another alternative that would establish seasonal restrictions on certain site characterization activities. This announcement also identifies mitigation measures to be considered further in the NEPA document.

On December 13, 2012, BOEM published in the *Federal Register* the *Commercial Leasing for Wind Power on the Outer Continental Shelf Offshore North Carolina—Call for Information and Nominations* (Call) (77 FR 74204-74213) and *Notice of Intent to Prepare an Environmental Assessment* (NOI) (77 FR 74218-74220).

Comments on the Call and NOI and BOEM studies identified multiple space use conflicts within the Call areas. BOEM worked closely with Federal, state, local and industry stakeholders to avoid existing high use and sensitive resource areas while maximizing areas for offshore wind development. BOEM made the following exclusions from the Call areas prior to defining the three WEAs.

- **Kitty Hawk WEA.** Call Area Kitty Hawk included certain areas that overlapped with traditional shipping routes used by both tug and barge and deep draft (primarily container ships) vessels. BOEM worked closely with the United States Coast Guard (USCG) and the maritime community to modify Call Areas Kitty Hawk and Wilmington East in an effort to reduce potential conflicts with vessel navigation and safety. In addition, the National Park Service requested that areas within 33.7 nm of Bodie Island Lighthouse be excluded from development, and the Town of Kitty Hawk passed a resolution requesting that BOEM exclude areas within 20 nm of the coast from development. In response to these concerns, areas within 33.7 nm of Bodie Island Lighthouse and 24 nm from the coastline have been excluded from inclusion in the Kitty Hawk WEA (Figure 2).

- **Wilmington West WEA.** During public open houses held in 2013, BOEM presented the results of our North Carolina Visual Simulation Study. In response, stakeholders expressed concern about the visual impacts of future wind energy development in Call Area Wilmington West during both the day and night time. In response to these concerns, areas within 10 nm of the coastline have not been included as part of the Wilmington West WEA (Figure 3). Although portions of lease blocks included in the WEA are within 10 nm of shore, BOEM will not allow the installation of turbines within those areas.
- **Wilmington East WEA.** Call Area Wilmington East included certain areas that overlapped with traditional shipping routes used by both tug and barge and deep draft (primarily container ships) vessels, many of which utilize the Port of Wilmington. BOEM has worked closely with the USCG and the maritime community to modify the Call Area in an effort to minimize impacts to vessels utilizing the Port of Wilmington while still allowing for offshore wind development. In addition, through an ongoing cooperative agreement with UNC Chapel Hill and an interagency agreement with the National Oceanic and Atmospheric Administration (NOAA), areas of high topographic relief and patches of consolidated hard bottom, both of which were found to be correlated with high fish densities, were identified in the Call Area. In response to these navigational safety concerns and the presence of sensitive habitat, BOEM excluded these areas from inclusion in the Wilmington East WEA (Figure 4).

Alternatives to the proposed action (Alternative A) include:

- Elimination of Wilmington West area due to potential impacts to migrating North Atlantic right whales (Alternative B).
- Establishment of seasonal restrictions on site characterization activities, specifically geological and geotechnical surveys, during peak migration of North Atlantic right whales (November 1 – April 30) (Alternative C).

The agency is currently only considering the issuance of leases and approval of site assessment plans in these WEAs. BOEM is not considering, and the EA will not support, any decision(s) regarding the construction and operation of wind energy facilities on leases which will potentially be issued in these WEAs. If, after leases are issued, a lessee proposes to construct a commercial wind energy facility, it would submit a construction and operations plan. If and when BOEM receives such a plan, it would prepare a site-specific NEPA document for the project proposed, which would include the lessee's proposed transmission line(s) to shore. These cable routes would underlie areas outside of the WEAs, and may include areas beneath the areas with conflicts from vessel traffic, visual impacts, hard bottom, and fishing.

BOEM has also identified mitigation measures that may reduce the potential for adverse impacts to North Atlantic right whales, other marine mammals, and sea turtles. Such measures include vessel speed restrictions and enhanced monitoring. These measures, and possibly others, will be analyzed in the EA, and if adopted, could be imposed as binding requirements in the form of stipulations in the lease instrument and/or conditions of approval of a site assessment plan. Based upon consultations with Federal agencies, states, local governments, and affected Indian tribes and public comments received, BOEM will continue to consider additional measures that may reduce the potential for adverse environmental consequences, and may identify other issues to be considered in the EA.

Figure 1. Wind Energy Areas identified offshore North Carolina for analysis as the Proposed Action (Alternative A) in the EA.

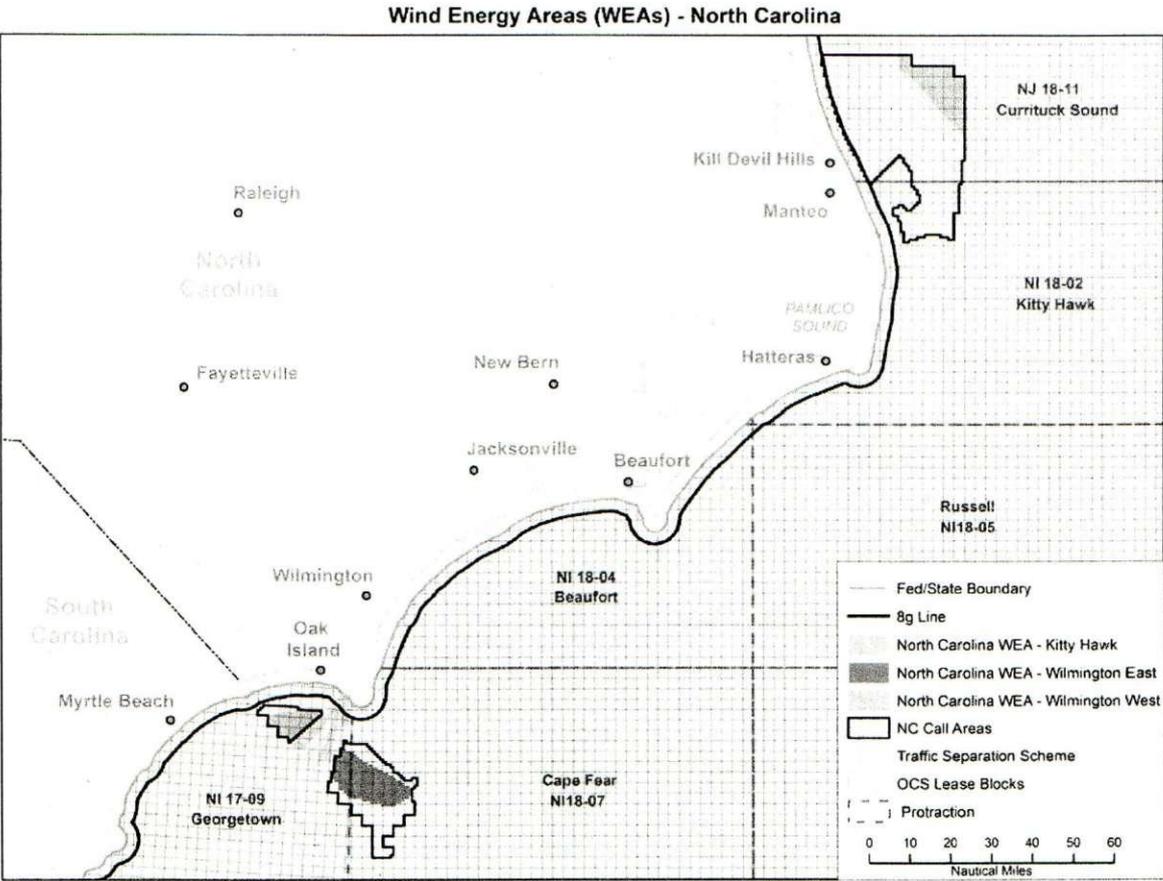


Figure 2. North Carolina Wind Energy Area Kitty Hawk

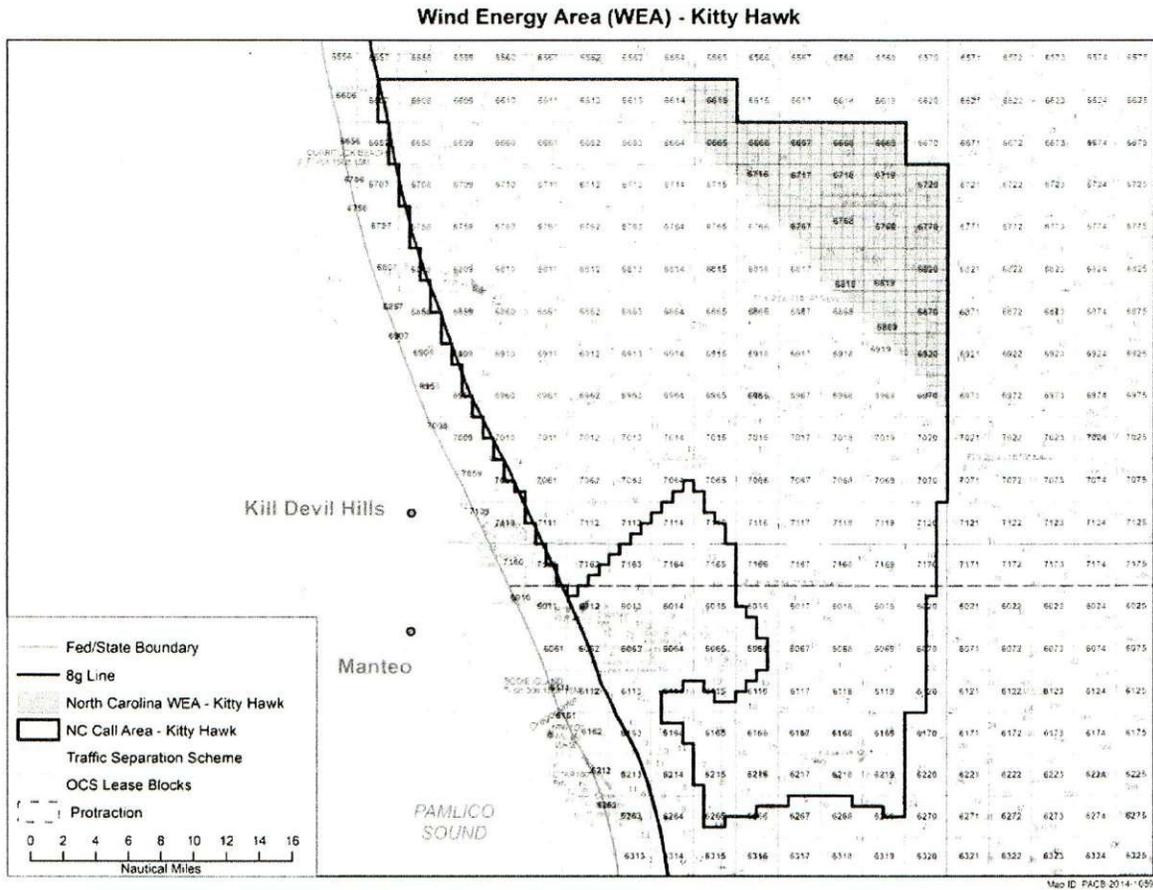


Figure 3. North Carolina Wind Energy Area Wilmington West

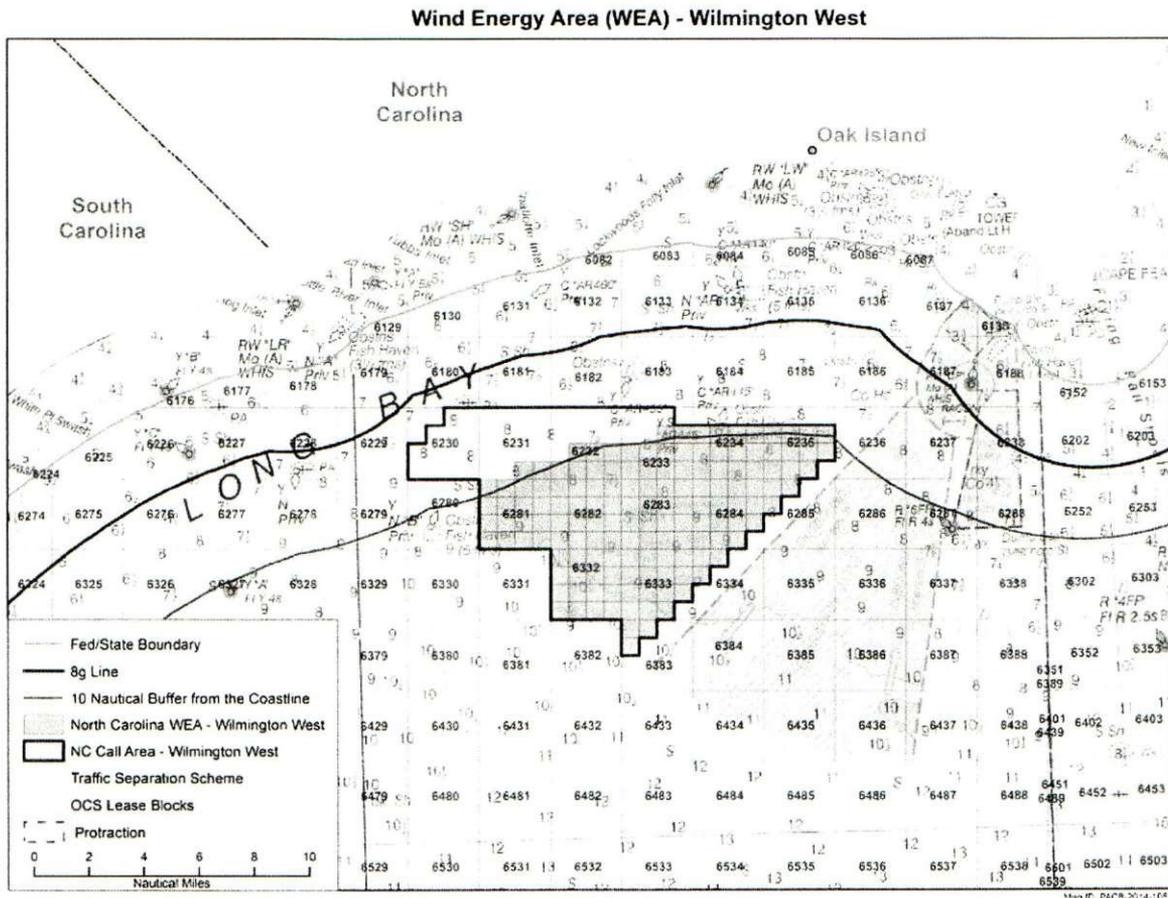


Figure 4. North Carolina Wind Energy Area Wilmington East

