

**DEPARTMENT OF THE INTERIOR**

**Bureau of Ocean Energy Management**

**[Docket No. BOEM–2013–0090;  
MMAA104000]**

**Potential Marine Hydrokinetic (MHK) Research Lease on the Outer Continental Shelf (OCS) Offshore Oregon; Request for Competitive Interest**

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

**ACTION:** Public Notice of an Unsolicited Request for an OCS Renewable Energy Research Lease, Request for Competitive Interest (RFCI), Request for Public Comment.

**SUMMARY:** The purpose of this public notice is to: (1) Describe the proposal submitted to BOEM by the Northwest National Marine Renewable Energy Center at Oregon State University (NNMREC–OSU) to acquire an OCS lease for MHK research activities; (2) solicit submissions of indications of interest in obtaining a renewable energy lease for MHK research or commercial activities on the OCS offshore Oregon in the area described in this notice; and (3) solicit public input regarding the area described in this notice, the potential environmental consequences of MHK energy development in the area, and multiple uses of the area.

On June 17, 2013, BOEM received an unsolicited request from NNMREC–OSU for an MHK OCS research lease offshore Oregon. The objective of NNMREC–OSU is to obtain a lease under 30 CFR 585.238 for renewable energy research activities, including MHK device installation and operational testing and the installation of monitoring equipment. The purpose of NNMREC–OSU’s proposed project, the “Pacific Marine Energy Center—South Energy Test Site,” is to design, develop and demonstrate a grid-connected MHK research facility on the OCS approximately five nautical miles (nmi) southwest of Newport, Oregon. The project would consist of four test sites (or berths), with each test berth capable of testing single or multiple MHK devices and equipped with its own subsea cable to transmit energy, as well as performance and environmental data, from the test berth to an onshore control center. Each of the test berth electrical cables would connect at a single submerged point, with a single transmission export cable capable of transmitting up to 10 megawatts (MW) of electricity to the mainland. The export cable would cross the OCS and state submerged lands. Additional

information on NNMREC–OSU’s unsolicited lease request can be viewed at: [www.boem.gov/Oregon](http://www.boem.gov/Oregon).

This RFCI is published pursuant to subsection 8(p)(3) of the OCS Lands Act, as amended by section 388 of the Energy Policy Act of 2005 (EPA) (43 U.S.C. 1337(p)(3)), and the implementing regulations at 30 CFR 585.238. Subsection 8(p)(3) of the OCS Lands Act requires that OCS renewable energy leases, easements and rights-of-way be issued “on a competitive basis unless the Secretary determines after public notice of a proposed lease, easement, or right-of-way that there is no competitive interest.” 30 CFR 585.238(c) states that BOEM may issue research leases if “no competitive interest exists”. This RFCI provides such public notice for the proposed lease area requested by NNMREC–OSU and invites the submission of indications of interest. BOEM is soliciting submissions of interest for MHK energy development only with this notice. BOEM will consider the responses to this public notice to determine whether competitive interest exists for the area requested by NNMREC–OSU, as required by 43 U.S.C. 1337(p)(3). Parties wishing to obtain a lease for MHK development for the area described herein under “Description of the Proposed Lease Area” should submit detailed and specific information as described in the section entitled, “Required Indication of Interest Information.”

BOEM has jurisdiction to issue leases on the OCS for MHK projects under subsection 8(p) of the OCS Lands Act (43 U.S.C. 1337(p)), and the Federal Energy Regulatory Commission (FERC) has jurisdiction to issue licenses under Part I of the Federal Power Act (FPA), 16 U.S.C. 792–823A (2006) for the construction and operation of hydrokinetic projects on the OCS.

This announcement also requests that interested and affected parties comment and provide information about site conditions and multiple uses within the area identified in this notice that would be relevant to the proposed project or its potential impacts. A detailed description of the proposed lease area can be found in the section of this notice entitled, “Description of the Area.”

**DATES:** If you are submitting an indication of interest in acquiring an MHK lease for the proposed lease area, your submission must be sent by mail, postmarked no later than April 23, 2014 for your submission to be considered. If you are providing comments or other submissions of information, you may

send them by mail, postmarked by this same date, or you may submit them through the Federal Rulemaking Portal at <http://www.regulations.gov>, also by this same date.

**Submission Procedures:** If you are interested in submitting an indication of interest in a lease, please submit it by mail to the following address: Bureau of Ocean Energy Management, Pacific OCS Region, Office of Strategic Resources, 770 Paseo Camarillo, Second Floor, Camarillo, California, 93010. Submissions must be postmarked by April 23, 2014 to be considered by BOEM for the purposes of determining competitive interest. In addition to a paper copy of your submission, include an electronic copy; BOEM considers an Adobe PDF file stored on a compact disc (CD) to be an acceptable format for submitting an electronic copy. BOEM will list the parties submitting indications of interest on the BOEM Web site after the 30-day comment period has closed.

If you are submitting comments and other information concerning the proposed lease area, you may use either of the following two methods:

1. Federal eRulemaking Portal: <http://www.regulations.gov>. In the entry entitled, “Enter Keyword or ID,” enter BOEM–2013–0090, and then click “search.” Follow the instructions to submit public comments and view supporting and related materials available for this notice.

2. Alternatively, comments may be submitted by mail to the following address: Bureau of Ocean Energy Management, Pacific OCS Region, Office of Strategic Resources, 770 Paseo Camarillo, Second Floor, Camarillo, California, 93010.

If you wish to protect the confidentiality of your submissions or comments, clearly mark the relevant sections and request BOEM treat them as confidential. Please label privileged or confidential information “Contains Privileged or Confidential Information,” and consider submitting such information as a separate attachment. Treatment of confidential information is addressed in the section of this notice entitled, “Privileged or Confidential Information.” BOEM will post all comments on [www.regulations.gov](http://www.regulations.gov) unless labeled as privileged or confidential. Information that is not labeled as privileged or confidential will be regarded by BOEM as suitable for public release.

**FOR FURTHER INFORMATION CONTACT:** Ms. Jean Thurston, Renewable Energy Program Specialist, BOEM, Pacific OCS Region, Office of Strategic Resources,

770 Paseo Camarillo, Second Floor, Camarillo, California 93010, Phone: (805) 389-7585.

**SUPPLEMENTARY INFORMATION:**

**Purpose of This RFCI**

Responses to this public notice will allow BOEM to determine whether there is competitive interest in acquiring an OCS MHK lease in the proposed lease area. In addition, this notice provides an opportunity for interested stakeholders to comment on the proposed lease area, the proposed project and any potential impacts MHK energy development may have in the area. BOEM may use comments received to further identify and refine the area requested and inform future environmental analyses related to the project.

**Determination of Competitive Interest and Leasing Process**

After the publication of this announcement, BOEM will evaluate indications of competitive interest in acquiring an MHK lease in the proposed lease area. At the conclusion of the comment period for this public notice,

BOEM will review the submissions received and undertake a completeness review for each of those submissions and a qualifications review for each of the nominating entities. BOEM will then make a determination as to whether competitive interest exists.

If BOEM determines that there is no competitive interest in the proposed lease area, it will publish a determination of no competitive interest in the **Federal Register**. At that point, BOEM may decide to proceed with the noncompetitive lease issuance process for a research lease pursuant to 30 CFR 585.238. If BOEM determines that there is competitive interest, then it may move forward with the leasing process outlined in 30 CFR 585.211.

Whether following competitive or non-competitive procedures, NNMREC-OSU would need to submit any required plan(s) to BOEM and an application for a license to FERC. BOEM would consult with the BOEM Oregon Intergovernmental Renewable Energy Task Force and comply with all applicable requirements before making a decision whether or not to issue a lease.

BOEM would coordinate and consult, as appropriate, with FERC and other relevant federal agencies, affected tribes, affected state agencies and affected local governments during the lease issuance process.

**Description of the Proposed Research Lease Area**

The proposed research lease area is located off the coast of Oregon, beginning approximately 5 nmi southwest of Newport, Oregon. From its most northwest point (Point number 27, Table 2) the area extends approximately 5.18 nmi south and 5.18 nmi east. The project area consists of two full OCS blocks and two partial OCS blocks. The entire area is approximately 33 square miles (20,994 acres or 8496 hectares). The project footprint is anticipated to be smaller than the area described in this RFCI. BOEM may remove any lease blocks, or sub-blocks, from the area prior to issuing a lease if it is larger than needed to develop the project. The table below describes the OCS lease blocks and sub-blocks included within the area of interest.

**TABLE 1—LIST OF OCS BLOCKS INCLUDED IN THE REQUEST FOR COMPETITIVE INTEREST**

Protraction name	Protraction number	Block number	Sub block
Newport Valley .....	NL 10-10	6481	A,B,C,D,E,F,G,H,I,J,K,L,M,N,O,P.
Newport Valley .....	NL 10-10	6531	A,B,C,D,E,F,G,H,I,J,K,L,M,N,O,P.
Salem .....	NL 10-11	6451	A,B,C,E,F,G,H,I,J,K,L,M,N,O,P.
Salem .....	NL 10-11	6501	A,B,C,D,E,F,G,I,J,K,M,N.

The boundary of the proposed lease area follows the points listed in Table 2 in clockwise order. Point numbers 1 and

35 are the same. Coordinates are provided in X, Y (eastings, northings)

UTM Zone 10N, NAD 83 and geographic (latitude, longitude), NAD 83.

**TABLE 2—LIST OF BOUNDARY POINTS INCLUDED IN THE REQUEST FOR COMPETITIVE INTEREST**

Point number	X (Easting)	Y (Northing)	Latitude	Longitude
1	407600	4939200	44.600214	-124.164292
2	407600	4938000	44.589413	-124.164076
3	408800	4938000	44.589566	-124.148961
4	408800	4936800	44.578765	-124.148749
5	408800	4935600	44.567964	-124.148536
6	408800	4934400	44.557163	-124.148324
7	408800	4933200	44.546362	-124.148111
8	407600	4933200	44.546209	-124.163215
9	407600	4932000	44.535408	-124.163000
10	407600	4930800	44.524607	-124.162785
11	406400	4930800	44.524452	-124.177883
12	406400	4929600	44.513652	-124.177665
13	405200	4929600	44.513495	-124.192760
14	404000	4929600	44.513336	-124.207855
15	402800	4929600	44.513176	-124.222950
16	402015	4929600	44.513069	-124.232819
17	401600	4929600	44.513013	-124.238044
18	400400	4929600	44.512848	-124.253139
19	399200	4929600	44.512682	-124.268233
20	399200	4929600	44.523482	-124.268468
21	399200	4930800	44.534283	-124.268702
22	399200	4932000	44.545083	-124.268937
23	399200	4933200	44.555884	-124.269172

TABLE 2—LIST OF BOUNDARY POINTS INCLUDED IN THE REQUEST FOR COMPETITIVE INTEREST—Continued

Point number	X (Easting)	Y (Northing)	Latitude	Longitude
24	399200	4934400	44.566684	– 124.269406
25	399200	4935600	44.577485	– 124.269641
26	399200	4936800	44.588285	– 124.269877
27	399200	4938000	44.599086	– 124.270112
28	400400	4939200	44.599253	– 124.254995
29	401600	4939200	44.599418	– 124.239878
30	402800	4939200	44.599581	– 124.224761
31	403847	4939200	44.599722	– 124.211568
32	404000	4939200	44.599742	– 124.209644
33	405200	4939200	44.599901	– 124.194527
34	406400	4939200	44.600058	– 124.179409
35	407600	4939200	44.600214	– 124.164292

### Map of the Area

A map of the area proposed by NNMREC–OSU and included in this RFCI can be found at the following URL: [www.boem.gov/Oregon](http://www.boem.gov/Oregon). A large-scale map of the proposed lease area showing boundaries of the area with the numbered blocks is available from BOEM at the following address: Bureau of Ocean Energy Management, Pacific OCS Region, Office of Strategic Resources, 770 Paseo Camarillo, Second Floor, Camarillo, California, 93010.

### Department of Defense Activities and Stipulations

The Department of Defense (DOD) conducts offshore testing, training and operations on the OCS and may request that BOEM condition activities that might take place in the proposed lease area. BOEM will consult with DOD regarding potential issues concerning offshore testing, training and operational activities, and will develop any necessary stipulations to mitigate the potential effects of renewable energy activities on DOD activities in the proposed lease area.

### Required Indication of Interest Information

If you intend to submit an indication of interest in an MHK lease for the area identified in this notice, you must provide the following:

(1) A statement that you wish to acquire an MHK lease within the proposed lease area. For BOEM to consider your indication of interest, it must include a proposal for the installation of one or more MHK devices within the proposed lease area. Any request for an MHK lease located outside of the proposed lease area should be submitted separately pursuant to 30 CFR 585.230 or 30 CFR 585.238;

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

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

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

(5) 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 Guidelines for the Minerals Management Service Renewable Energy Framework available at: <http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/Index.aspx>. Legal qualification documents will be placed in an official file that may be made available for public review. If you wish any part of your legal qualification documentation to be kept confidential, clearly identify what should be kept confidential, and submit it under separate cover (see “Protection of Privileged or Confidential Information Section,” below); and

(6) Documentation demonstrating that you are technically and financially capable of constructing, operating, maintaining and decommissioning the facilities described in your submission. Guidance regarding the documentation that could be used to demonstrate your technical and financial qualifications can be found at: <http://www.boem.gov/Renewable-Energy-Program/Regulatory-Information/Index.aspx>. If you wish that any part of your technical and financial qualification documentation be kept confidential, clearly identify what should be kept confidential, and submit it under separate cover (see

“Protection of Privileged or Confidential Information Section,” below).

Your complete submission, including the items identified in (1) through (6) above, must be provided to BOEM in both paper and electronic formats. BOEM considers an Adobe PDF file stored on a CD to be an acceptable format for submitting an electronic copy.

It is critical that you provide a complete submission of interest so that BOEM may consider your submission in a timely manner. If BOEM reviews your submission and determines it is incomplete, BOEM will inform you of this determination in writing and describe the information BOEM needs from you in order for BOEM to deem your submission complete. You will be given 15 business days from the date of the letter to provide the requested information. If you do not meet this deadline, or if BOEM determines your second submission is also insufficient, BOEM may deem your submission invalid. In such a case, BOEM would not consider your submission.

### Requested Information From Interested or Affected Parties

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

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

(2) Historic properties, archaeological, historic and/or cultural resources potentially affected by the development of the area identified in this notice;

(3) Other uses of the area described in this notice, including navigation (commercial and recreational vessel usage) and commercial and recreational fishing; recreational activities (e.g., wildlife viewing and scenic areas), scientific research and utilities and communications infrastructure (e.g., undersea cables);

(4) Other relevant environmental information, including but not limited to: protected species and habitats, marine mammals, sea turtles, birds and fish; and

(5) Socioeconomic information, such as demographics and employment, or information relevant to environmental justice considerations.

**Protection of Privileged or Confidential Information**

*Freedom of Information Act*

BOEM will protect privileged or confidential information that you submit 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.

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 geographic location of nominated facilities. Information that is not labeled as privileged or confidential will be regarded by BOEM as suitable for public release.

*Section 304 of the National Historic Preservation Act (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, cause a significant invasion of privacy, risk harm to the historic resources or impede the use of a traditional religious site by practitioners. Tribal entities and other interested parties should designate information that they wish to be held as confidential.

Dated: March 13, 2014.

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

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**DEPARTMENT OF THE INTERIOR**

**Office of Natural Resources Revenue**

[Docket No. ONRR-2011-0012; DS63610000 DR2PS0000.CH7000 145DO102R2]

**Major Portion Prices and Due Date for Additional Royalty Payments on Indian Gas Production in Designated Areas Not Associated With an Index Zone**

**AGENCY:** Office of the Secretary, Office of Natural Resources Revenue (ONRR), Interior.

**ACTION:** Notice.

**SUMMARY:** Final regulations for valuing gas produced from Indian leases, published August 10, 1999, require ONRR to determine major portion prices and notify industry by publishing the prices in the **Federal Register**. The regulations also require ONRR to publish a due date for industry to pay additional royalties based on the major portion prices. This notice provides major portion prices for the 12 months of calendar year 2012.

**DATES:** The due date to pay additional royalties based on the major portion prices is May 31, 2014.

**FOR FURTHER INFORMATION CONTACT:** Michael Curry, Manager, Denver B, Western Audit & Compliance, ONRR; telephone (303) 231-3741; fax number (303) 231-3473; email *Michael.Curry@onrr.gov*; or Rob Francoeur, Denver B, Team 2, Western Audit & Compliance, ONRR; telephone (303) 231-3723; fax (303) 231-3473; email *Rob.Francoeur@onrr.gov*. Mailing address: Office of Natural Resources Revenue, Western Audit and Compliance Management, Denver B, P.O. Box 25165, MS 62520B, Denver, Colorado 80225-0165.

**SUPPLEMENTARY INFORMATION:** On August 10, 1999, ONRR published a final rule titled "Amendments to Gas Valuation Regulations for Indian Leases" effective January 1, 2000 (64 FR 43506). The gas valuation regulations apply to all gas production from Indian (tribal or allotted) oil and gas leases, except leases on the Osage Indian Reservation.

The regulations require ONRR to publish major portion prices for each designated area not associated with an index zone for each production month beginning January 2000, as well as the due date for additional royalty payments. See 30 CFR 1206.174(a)(4)(ii). If you owe additional royalties based on a published major portion price, you must submit to ONRR by the due date an amended Form ONRR-2014, Report of Sales and Royalty Remittance (formerly Form MMS-2014). If you do not pay the additional royalties by the due date, ONRR will bill you late payment interest under 30 CFR 1218.54. The interest will accrue from the due date until ONRR receives your payment and an amended Form ONRR-2014. The table below lists the major portion prices for all designated areas not associated with an index zone. The due date is the end of the month following 60 days after the publication date of this notice.

**GAS MAJOR PORTION PRICES (\$/MMBTU) FOR DESIGNATED AREAS NOT ASSOCIATED WITH AN INDEX ZONE**

ONRR-Designated areas	Jan 2012	Feb 2012	Mar 2012	Apr 2012
Blackfeet Reservation .....	2.07	1.84	1.56	1.40
Fort Belknap .....	4.58	4.44	4.17	4.15
Fort Berthold .....	4.06	3.82	4.05	3.36
Fort Peck Reservation .....	5.22	5.17	5.09	4.14
Navajo Allotted Leases in the Navajo Reservation .....	3.29	2.70	2.50	2.02
Turtle Mountain Reservation .....	4.40	4.57	4.85	4.06

  

ONRR-Designated areas	May 2012	Jun 2012	Jul 2012	Aug 2012
Blackfeet Reservation .....	1.65	1.52	1.90	1.88
Fort Belknap .....	4.11	4.31	4.47	4.54
Fort Berthold .....	2.85	2.36	2.68	2.96
Fort Peck Reservation .....	4.27	3.69	4.30	4.36
Navajo Allotted Leases in the Navajo Reservation .....	2.09	2.52	2.64	2.83