From: cms notifications@dot.gov on behalf of Permitting Dashboard

FAST41Initiation, OS; fast.fortyone@fpisc.gov To: Subject:

[EXTERNAL] Webform submission from: FAST-41 INITIATION NOTICE

Thursday, January 28, 2021 4:45:32 PM Date:

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Greetings,

Pursuant to Title 41 of Fixing America's Surface Transportation Act 42 U.S.C. § 4370m (2016) ("FAST-41"), you have received an Initiating Notice for consideration to determine eligibility for coverage under FAST-41. You will have 14 days from the date of this submission to render a determination.

Review the submission details below. This submission is also stored on the Permitting Dashboard and can be found in the "FIN Submissions" view page upon logging in.

Permitting Dashboard user log in link: https://cms.permits.performance.gov/user

Project Information

Project Title:

Kitty Hawk Offshore Wind Project

Sector: Renewable Energy Production Type: Wind: Federal Offshore

Project Location Address:

• City: Virginia Beach State: Virginia

Coordinates:

Project Sponsor Contact Information:

• Company Name/Agency: Avangrid Renewables, LLC

Project Sponsor: Kitty Hawk Wind, LLC Street Address: 75 Arlington Street, 7th Floor

City: Boston State: Massachusetts

Zip: 02116

POC Name: Alejandro de Hoz

POC Title: President and CEO, Avangrid Renewables, LLC

POC Work Phone: 503-478-6387

POC Email Address: <u>U320487@avangrid.com</u>

Alternative Point Of Contact (Optional):

• Company Name/Agency: Avangrid Renewables, LLC

Project Sponsor: Kitty Hawk Wind, LLC Street Address: 75 Arlington Street, 7th Floor

City: Boston State: Massachusetts **Zip:** 02116

POC Name: Brian Benito Jr.

POC Title: Sr. Permitting Manager, Kitty Hawk Offshore Wind

POC Work Phone: <u>503-382-0107</u>

POC Email Address: brian.benito@avangrid.com

Project Purpose:

The purpose of the Kitty Hawk Offshore Wind Project (the Project) is to generate electricity from an offshore wind farm located in the federally designated Wind Energy Area on the Outer Continental Shelf offshore of North Carolina (Lease Area: OCS-A 0508). The Projects objective is to deliver approximately 800 megawatts of energy to PJM Interconnection's energy grid to make a substantial contribution to the region's electrical reliability while meeting the ambitious clean energy mandates included in the Virginia Clean Economy Act (2020).

To combat climate change, the Commonwealth of Virginia enacted the Virginia Clean Economy Act in April 2020 to transition Virginia's biggest utility companies from the current electric portfolio to 100 percent carbon-free resources by 2050. The Act sets a target for Dominion Energy Virginia to produce their electricity from 100 percent renewable sources by 2045, with 5.2 gigawatts of offshore wind by 2034. The Lease Area is one of two existing Bureau of Ocean Energy Management (BOEM) lease areas eligible to meet the offshore wind target. Dominion Energy Virginia included 5.2 gigawatts of offshore wind in its proposed path to meet carbon and legislatively mandated renewable energy goals in its most recent Integrated Resource Plan (2020). The Commonwealth of Virginia has established the third-largest United States offshore wind commitment. Energy from the Project will be essential to enabling the Commonwealth of Virginia and Dominion Energy Virginia to meet this clean energy objective.

Additionally, the Commonwealth of Virginia, State of North Carolina, and State of Maryland have established the Southeast and Mid-Atlantic Regional Transformative Partnership for Offshore Wind Energy Resources (SMART-POWER) to "promote, develop, and expand offshore wind energy generation and the accompanying industry supply chain and workforce" in the region (2020). Development of the Project will help SMART-POWER promote the region as an offshore wind energy and industry hub and build the region's supply of clean, renewable energy.

In support of these goals, Kitty Hawk Wind, LLC submitted a Construction and Operations Plan to BOEM on 11 Dec 2020.

In addition to these clean energy goals, the Project will create employment opportunities within Virginia and the region, as well as increase tax revenues for both state and local governments. In conjunction with future projects within the Lease Area, these include:

- Nearly \$2 billion dollars in total economic impact is projected to be generated over the next decade in Virginia and northeast North Carolina.
- Construction activities will increase sales by Virginia businesses by \$1.5 billion, of which \$994 million of that total will be in the Hampton Roads region.
- During construction, Lease Area projects will increase total net household earnings by nearly \$390 million in Virginia, of which \$273 million will be in Hampton Roads.
- Between 2021 and 2030, Lease Area projects will generate an additional \$100 million in income and sales tax revenues for the Commonwealth of Virginia and the City of Virginia Beach.
- Construction-related activities will result in an average estimated increase in employment of 799 jobs annually in Virginia. Once construction is complete, Lease Area projects will support over 900 full-time equivalent new jobs in Virginia, of which 830 full-time equivalent jobs will be in the Hampton Roads region.
- It is expected that the Project will attract new offshore wind parts manufacturers and suppliers to Virginia or Hampton Roads, making the economic and fiscal impacts of the Project larger than those currently estimated.

Project Description:

Kitty Hawk Wind, LLC proposes to construct, own, and operate the Kitty Hawk Offshore Wind Project. The Project will be located in the designated Renewable Energy Lease Area OCS-A 0508. The Commercial Lease of Submerged Lands for Renewable Energy Development on the Outer Continental Shelf of Lease Area OCS-A 0508 was awarded through the BOEM competitive renewable energy lease auction of the Wind Energy Area offshore of North Carolina. The Lease Area covers 49,536 hectares and is located 44 kilometers offshore of Corolla, North Carolina.

At this time, the Company proposes to develop an area located in the northwest corner closest to shore (19,814 hectares, referred to as the Wind Development Area). The Project will connect from the electrical service platform through offshore export cables (within a designated corridor) and onshore export cables to the new onshore substation in the City of Virginia Beach, Virginia within the Corporate Landing Business Park parcel owned by the City of Virginia Beach, where the renewable electricity generated will be transmitted to the electric grid.

The Project will specifically include the following offshore and onshore components:

- Offshore components: up to 60 wind turbine generators connected by a network of inter-array cables; one electrical service platform, and up to two offshore export cables collocated within an offshore export cable corridor from the Wind Development Area to landfall in Virginia Beach, Virginia.
- Onshore Components: export cable landfall in Virginia Beach, Virginia; up to six electrical onshore export cables and two fiber optic cables collocated within an onshore export cable corridor; and a new proposed onshore substation.

In September 2019, the Company submitted a Site Assessment Plan to BOEM for the deployment of up to two Floating Light Detection and Ranging buoys and up to two metocean platforms to collect meteorological and metocean data. The Site Assessment Plan was approved by BOEM in April 2020 and the buoy was deployed in June 2020. The Company has conducted several geophysical and geotechnical campaigns in 2019 and 2020 to characterize the offshore Project Area. Survey plans were submitted to and approved by BOEM. A reconnaissance-level high-resolution geophysical survey was conducted across the offshore from Q3 2019 to Q1 2020 and a 30-meter line spacing high resolution geophysical survey was conducted from Q2 2020 to Q4 2020. A reconnaissance-level geotechnical survey was conducted in Q3 2020.

Construction and operations of the Project will require federal, state, and local permits and environmental reviews. The Company met with federal and state agencies to review baseline characterization survey protocols to assess various environmental resources that will support permitting of the Project. Additionally, since November 2017, the Company has undertaken a comprehensive engagement and outreach campaign. The purpose of this stakeholder engagement program has been to solicit feedback from Project stakeholders, including federal, state, and local regulatory and resource management agencies, elected officials, interest groups, and the public. The input from stakeholders and agencies will advance the permitting and development process. The Company is working and will continue to work with appropriate federal agencies, state agencies, tribal nations, and stakeholders to characterize and assess environmental resources; identify and address concerns; avoid, minimize, or mitigate potential impacts; and obtain applicable permits and authorizations for the Project.

A Construction and Operations Plan for the Project, which includes detailed assessments of environmental, cultural, and historic resources, was submitted to BOEM on 11 Dec 2020.

Additional project information is located at www.KittyHawkOffshore.com.

Summary of Financing, Reviews and Authorizations:

There is no federal financing required for the proposed Project.

Federal environmental reviews, permits, and authorizations will be required from a number of agencies, including BOEM, United States Army Corp of Engineers, National Ocean and Atmospheric Administration's National Marine Fisheries Service, Advisory Council on Historic Preservation, United States Coast Guard, United States Department of Defense, United States Environmental Protection Agency, and United States Fish and Wildlife Service.

Project components are proposed to be located in the Commonwealth of Virginia and approvals from the applicable state and local regulatory agencies will be required. State environmental reviews, permits, and authorizations will be required from a number of agencies, including Virginia Department of Environmental Quality, Virginia Marine Resources Commission, Virginia Department of Historic Resources.

Additionally, while no Project components are proposed within North Carolina, the Project will be consistent with the enforceable policies of North Carolina's federally approved Coastal Zone Program.

Project Assessment:

The Project meets the criteria to be a "covered project" as defined under 42 United States Code (U.S.C) § 4370m(6)(A) as detailed below:

- The proposed projects requires authorization or environmental review by a Federal agency and involves the construction for renewable energy production and its associated electricity transmission. The Company filed its Construction and Operations Plan with the BOEM (the lead Federal Agency) on 11 Dec 2020 at which point BOEM begins its sufficiency and completeness review prior to drafting an Environmental Statement.
- The project is subject to the National Environmental Policy Act (NEPA) and of a size and complexity that will require authorizations and coordination from multiple Federal Agencies including, but not limited to, National Oceanic and Atmospheric Administration, U.S. Army Corps of Engineers, and U.S. Fish and Wildlife Service.
- The projected project capital expenditure is in excess of \$200,000,000.
- The project does not qualify for abbreviated authorization or environmental review processes under any applicable law.

The project respectfully highlights eight additional offshore wind projects of similar or smaller capacity are covered projects under the FAST Act.

Form Submitter Contact Information:

• Name: Brian Benito Jr.

Title: Sr. Permitting Manager, Kitty Hawk Offshore Wind

Work Phone: 503-382-0107
Email: brian.benito@avangrid.com