



NEWS RELEASE

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MMS Issues Record of Decision on Offshore Alternative Energy and Alternate Use Program

WASHINGTON – The Minerals Management Service (MMS) today announced its decision on the OCS Alternative Energy and Alternate Use (AEAU) Program. The decision formally establishes MMS’s AEAU Program and reinforces the agency’s intent to complete final programmatic regulations. MMS adopted 52 best management practices to minimize potential adverse impacts of future projects. The decision also acknowledges the agency’s authority to consider, as appropriate, individual projects on a case-by-case basis before final regulations are completed.

“In making this decision, I applaud the agency’s thoughtful and comprehensive environmental evaluation of the potential impacts of establishing an alternative energy and alternate use program on the Outer Continental Shelf,” MMS Director Randall Luthi said. “The programmatic environmental impact statement is a crucial step in understanding the impacts of a new and unprecedented industry in the United States, and provides an excellent starting point for future, more detailed regional and project-specific analyses.”

The Record of Decision (ROD), published in today’s *Federal Register*, is the culmination of the programmatic environmental impact statement (EIS) process. The EIS provides analysis of the potential activities that could occur as MMS exercises its discretion to authorize alternative energy or alternate use projects on the OCS. MMS published a Notice of Intent (NOI) to prepare the AEAU Programmatic EIS on May 5, 2006 followed by a 60 day commenting period which included public scoping meetings in 10 locations in May and June of 2006. MMS issued a Notice of Availability (NOA) of the draft programmatic EIS on March 21, 2007 followed by a 60 day comment period which include public hearings in nine locations in April and May of 2007. MMS issued an NOA for the final programmatic EIS on November 6, 2007.

The Energy Policy Act of 2005 authorized MMS to establish the AEAU Program. MMS is in the process of developing comprehensive program regulations. MMS issued an Advance Notice of Proposed Rulemaking in December 2005 and plans to publish a Notice of Proposed Rulemaking in spring of 2008. MMS intends to prepare a separate National Environmental Policy Act (NEPA) analysis, tiered from the programmatic EIS, to evaluate the environmental impacts of the proposed regulatory framework for alternative energy and alternate use activities on the OCS.

The decision made today also adopts the interim policies and initial best management practices (BMPs) provided in the ROD, as initial mitigation measures. These measures will assist MMS in minimizing potential adverse impacts associated with the development of AEAU projects on the OCS. In addition MMS may select, on a case-by-case basis, one or more of the BMPs to be included as a binding stipulation in any lease, easement or ROW for AEAU activities that it issues.

MMS recently requested comment on the establishment of an interim policy for authorizing offshore alternative energy resource assessment and technology testing activities, and solicited nominations for areas in which such activities should be initially considered. Under the interim policy, MMS would issue limited-term leases authorizing data collection and technology testing subject to compliance with all relevant Federal statutes. Any leases issued under this interim policy would include specific provisions for appropriately managing the construction and placement of associated structures on the OCS lease area. Such leases would confer no priority rights to subsequently develop an alternative energy facility on the OCS for generating electricity or other energy product for commercial sale or distribution. The interim policy would be in effect until MMS issues final rules for the AEAU program, which will regulate all program activities from that point forward.

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