

Minerals Management Service, Interior

§ 285.428

activities. The MMS may authorize certain activities during the period of the suspension, as set forth in the suspension order.

§ 285.419 What are my immediate responsibilities if I receive a suspension order?

You must comply with the terms of a suspension order upon receipt and take any action prescribed within the time set forth therein.

§ 285.420 What effect does a suspension order have on my payments?

(a) While MMS evaluates your request for a suspension under § 285.416, you must continue to fulfill your payment obligation until the end of the original term of your lease or grant. If our evaluation goes beyond the end of the original term of your lease or grant, the term of your lease or grant will be extended for the period of time necessary for MMS to complete its evaluation of your request, but you will not be required to make payments during the time of the extension.

(b) If MMS approves your request for a suspension, as provided in § 285.416, we may suspend your payment obligation, as appropriate for the term that is suspended, depending on the reasons for the requested suspension.

(c) If MMS orders a suspension, as provided in § 285.417, your payments, as appropriate for the term that is suspended, will be waived during the suspension period.

§ 285.421 How long will a suspension be in effect?

A suspension will be in effect for the period specified by MMS.

(a) The MMS will not approve a suspension request pursuant to § 285.416 for a period longer than 2 years.

(b) If MMS determines that the circumstances giving rise to a suspension ordered under § 285.417 cannot be resolved within 5 years, the Secretary may initiate cancellation of the lease or grant, as provided in § 285.437.

§§ 285.422–285.424 [Reserved]

LEASE OR GRANT RENEWAL

§ 285.425 May I obtain a renewal of my lease or grant before it terminates?

You may request renewal of the operations term of your lease or the original authorized term of your grant. The MMS, at its discretion, may approve a renewal request to conduct substantially similar activities as were originally authorized under the lease or grant. The MMS will not approve a renewal request that involves development of a type of renewable energy not originally authorized in the lease or grant. The MMS may revise or adjust payment terms of the original lease, as a condition of lease renewal.

§ 285.426 When must I submit my request for renewal?

(a) You must request a renewal from MMS:

(1) No later than 180 days before the termination date of your limited lease or grant.

(2) No later than 2 years before the termination date of the operations term of your commercial lease.

(b) You must submit to MMS all information we request pertaining to your lease or grant and your renewal request.

§ 285.427 How long is a renewal?

The MMS will set the term of a renewal at the time of renewal on a case-by-case basis.

(a) For commercial leases, a renewal term will not exceed the original operations term unless a longer term is negotiated by the applicable parties.

(b) For limited leases, a renewal term will not exceed the original operations term.

(c) For RUE and ROW grants, a renewal will continue for as long as the associated activities are conducted and facilities properly maintained and used for the purpose for which the grant was made, unless otherwise expressly stated.

§ 285.428 What effect does applying for a renewal have on my activities and payments?

If you timely request a renewal:

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(a) You may continue to conduct activities approved under your lease or grant under the original terms and conditions for as long as your request is pending decision by MMS.

(b) You may request a suspension of your lease or grant, as provided in § 285.416, while we consider your request.

(c) For the period MMS considers your request for renewal, you must continue to make all payments in accordance with the original terms and conditions of your lease or grant.

§ 285.429 What criteria will MMS consider in deciding whether to renew a lease or grant?

The MMS will consider the following criteria in deciding whether to renew a lease or grant:

- (a) Design life of existing technology.
- (b) Availability and feasibility of new technology.
- (c) Environmental and safety record of the lessee or grantee.
- (d) Operational and financial compliance record of the lessee or grantee.
- (e) Competitive interest and fair return considerations.
- (f) Effects of the lease or grant on generation capacity and reliability within the regional electrical distribution and transmission system.

§§ 285.430–285.431 [Reserved]

LEASE OR GRANT TERMINATION

§ 285.432 When does my lease or grant terminate?

Your lease or grant terminates on whichever of the following dates occurs first:

- (a) The expiration of the applicable term of your lease or grant, unless your term is automatically extended under §§ 285.235 or 285.236, a request for renewal of your lease or grant is pending a decision by MMS, or your lease or grant is suspended or renewed as provided in this subpart;
- (b) A cancellation, as set forth in § 285.437; or
- (c) Relinquishment, as set forth in § 285.435.

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§ 285.433 What must I do after my lease or grant terminates?

(a) After your lease or grant terminates, you must:

- (1) Make all payments due, including any accrued rentals and deferred bonuses; and
- (2) Perform any other outstanding obligations under the lease or grant within 6 months.

(b) Within 2 years following termination of a lease or grant, you must remove or dispose of all facilities, installations, and other devices permanently or temporarily attached to the seabed on the OCS in accordance with a plan or application approved by MMS under subpart I of this part.

(c) If you fail to comply with your approved decommissioning plan or application:

- (1) The MMS may call for the forfeiture of your financial assurance; and
- (2) You remain liable for removal or disposal costs and responsible for accidents or damages that might result from such failure.

§ 285.434 [Reserved]

LEASE OR GRANT RELINQUISHMENT

§ 285.435 How can I relinquish a lease or a grant or parts of a lease or grant?

(a) You may surrender the lease or grant, or an officially designated subdivision thereof, by filing one paper copy and one electronic copy of a relinquishment application with MMS. A relinquishment takes effect on the date we approve your application, subject to the continued obligation of the lessee and the surety to:

- (1) Make all payments due on the lease or grant, including any accrued rent and deferred bonuses;
- (2) Decommission all facilities on the lease or grant to be relinquished to the satisfaction of MMS; and
- (3) Perform any other outstanding obligations under the lease or grant.

(b) Your relinquishment application must include:

- (1) Name;
- (2) Contact name;
- (3) Telephone number;
- (4) Fax number;
- (5) E-mail address;