

Ocean Energy Management, Interior

§ 585.235

lease, and we will not refund your acquisition fee.

[76 FR 64623, Oct. 18, 2011, as amended at 77 FR 1019, Jan. 9, 2012; 79 FR 21622, Apr. 17, 2014]

§ 585.232 May I acquire a lease non-competitively after responding to a Request for Interest or Call for Information and Nominations?

(a) If you submit an area of interest for a possible lease and BOEM receives no competing submissions in response to the RFI or Call, we may inform you that there does not appear to be competitive interest, and ask if you wish to proceed with acquiring a lease.

(b) If you wish to proceed with acquiring a lease, you must submit your

acquisition fee as specified in § 585.502(a).

(c) After receiving the acquisition fee, BOEM will follow the process outlined in § 585.231(d) through (i).

[76 FR 64623, Oct. 18, 2011, as amended at 77 FR 1019, Jan. 9, 2012]

§§ 585.233–585.234 [Reserved]

COMMERCIAL AND LIMITED LEASE TERMS

§ 585.235 If I have a commercial lease, how long will my lease remain in effect?

(a) For commercial leases, the lease terms and applicable automatic extensions are as shown in the following table:

Lease term	Automatic extensions	Requirements
(1) Each commercial lease will have a preliminary term of 12 months, within which the lessee must submit: (i) a SAP; or (ii) a combined SAP and Construction and Operations Plan (COP). The preliminary term begins on the effective date of the lease.	If BOEM receives a SAP that satisfies the requirements of §§ 585.605 through 585.613 or a SAP/COP that satisfies the requirements of §§ 585.605 through 585.613 and §§ 585.620 through 585.629, the preliminary term will be extended for the time necessary for us to conduct technical and environmental reviews of the SAP or SAP/COP.	The SAP must meet the requirements of §§ 585.605 through 585.613. The SAP/COP must meet the requirements of §§ 585.605 through 585.613 and §§ 585.620 through 585.629.
(2) A commercial lease will have a site assessment term of five years to conduct site assessment activities and to submit a COP, if a SAP/COP has not been submitted. Your site assessment term begins when BOEM approves your SAP or SAP/COP.	If we receive a COP that satisfies the requirements of §§ 585.620 through 585.629, the site assessment term will be automatically extended for the period of time necessary for us to conduct technical and environmental reviews of the COP.	The COP must meet the requirements of §§ 585.620 through 585.629 of this part.
(3) A commercial lease will have an operations term of 25 years, unless a longer term is negotiated by the parties. A request for lease renewal must be submitted two years before the end of the operations term. If you submit a COP, your operations term begins on the date that BOEM approves the COP. If you submit a SAP/COP, your operations term begins on the earliest of the following dates: five years after BOEM approves the SAP/COP; when fabrication begins; or, when installation commences.	The lease renewal request must meet the requirements in §§ 585.425 through 585.429.
(4) A commercial lease may have additional time added to the operations term through a lease renewal. The term of the lease renewal will not exceed the original term of the lease, unless a longer term is negotiated by the parties. The lease renewal term begins upon expiration of the original operations term.	NOTE: BOEM may also order or grant a suspension of the operations term, as provided in §§ 585.415 through 585.421 thereby effectively extending the term of the lease.

(b) If you do not timely submit a SAP, COP, or SAP/COP, as appropriate, you may request additional time to extend the preliminary or site assessment term of your commercial lease

§ 585.236

30 CFR Ch. V (7–1–14 Edition)

that includes a revised schedule for submission of the plan, as appropriate.

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§ 585.236 If I have a limited lease, how long will my lease remain in effect?

(a) For limited leases, the lease terms are as shown in the following table:

Lease term	Extension or suspension	Requirements
(1) Each limited lease has a preliminary term of 12 months to submit a GAP. The preliminary term begins on the effective date of the lease.	If we receive a GAP that satisfies the requirements of §§ 585.640 through 585.648 of this part, the preliminary term will be automatically extended for the period of time necessary for us to conduct a technical and environmental review of the plans.	The GAP must meet the requirements of §§ 585.640 through 585.648.
(2) Each limited lease has an operations term of five years for conducting site assessment, technology testing, or other activities. The operations term begins on the date that we approve your GAP.	We may order or grant a suspension of the operations term as provided in §§ 585.415 through 585.421.	

(b) If you do not timely submit a GAP, you may request additional time to extend the preliminary term of your limited lease that includes a revised schedule for submission of a GAP.

[76 FR 64623, Oct. 18, 2011, as amended at 79 FR 21622, Apr. 17, 2014]

§ 585.237 What is the effective date of a lease?

(a) A lease issued under this part must be dated and becomes effective as of the first day of the month following the date a lease is signed by the lessor.

(b) If the lessee submits a written request and BOEM approves, a lease may be dated and become effective the first day of the month in which it is signed by the lessor.

§ 585.238 Are there any other renewable energy research activities that will be allowed on the OCS?

(a) The Director may issue OCS leases, ROW grants, and RUE grants to a Federal agency or a State for renewable energy research activities that support the future production, transportation, or transmission of renewable energy.

(b) In issuing leases, ROW grants, and RUE grants to a Federal agency or a State on the OCS for renewable energy research activities under this provision, BOEM will coordinate and consult with other relevant Federal agencies, any other affected State(s), affected local government executives, and affected Indian Tribes.

(c) BOEM may issue leases, RUEs, and ROWs for research activities managed by a Federal agency or a State only in areas for which the Director has determined, after public notice and opportunity to comment, that no competitive interest exists.

(d) The Director and the head of the Federal agency or the Governor of a requesting State, or their authorized representatives, will negotiate the terms and conditions of such renewable energy leases, RUEs, or ROWs under this provision on a case-by-case basis. The framework for such negotiations, and standard terms and conditions of such leases, RUEs, or ROWs may be set forth in a memorandum of agreement (MOA) or other agreement between BOEM and a Federal agency or a State. The MOA must include the agreement of the head of the Federal agency or the Governor to assure that all subcontractors comply with these regulations, other applicable laws, and terms and conditions of such leases or grants.

(e) Any lease, RUE, or ROW that BOEM issues to a Federal agency or to a State that authorizes access to an area of the OCS for research activities managed by a Federal agency or a State must include:

- (1) Requirements to comply with all applicable Federal laws; and
- (2) Requirements to comply with these regulations, except as otherwise provided in the lease or grant.