

South Carolina Department of Natural Resources



DNR

Alvin A. Taylor
Director

March 11, 2013

Ms. Ashlie Lancaster
Director, South Carolina Energy Office
1200 Senate Street
408 Wade Hampton Building
Columbia, SC 29201

REFERENCE: United States Department of Interior, Bureau of Ocean Energy
Management Call for Commercial Leasing of Wind Power on the Outer
Continental Shelf

Dear Ms. Lancaster,

I am writing you related to the United States Department of Interior, Bureau of Ocean Energy Management (BOEM) and that federal agency's published call for information for commercial leasing for wind power on the Outer Continental Shelf, offshore North Carolina (Docket No. BOEM-2012-0088, Federal Register Volume 77, No. 240).

While the South Carolina Department of Natural Resources (DNR) is not necessarily opposed to the development of wind energy platforms in the near-shore waters of the southeastern United States, our agency wants to ensure that the location and operation of these platforms does not result in detrimental impacts to the natural resources and habitats in and around any proposed array of wind turbines. We further want to ensure that construction and operation of wind turbine fields and the undersea cables needed to bring energy to land-based facilities do not adversely affect the utilization of these areas for other coastal ocean uses, such as commercial and recreational fishing.

DNR also wishes to identify a general concern regarding BOEM's management of lease activities in federal waters off the southeastern United States that has potential negative consequences to the citizens and government of South Carolina. In the above referenced notice, the areas being considered for potential leasing are identified as "off North Carolina." However, we believe that many of the proposed lease blocks can be considered to be "off South Carolina" rather than "off North Carolina" as depicted in the attached figures. In fact, some of the most southern lease blocks are due east of the Winyah Bay jetties. BOEM considers these lease blocks to be "off North Carolina" due to the Federal Offshore Administrative Boundaries established by that agency. To the best of our knowledge, these boundaries have never been negotiated with the southeastern states, and the North Carolina-South Carolina boundary extends as far south as southern Georgia at its most seaward extent. Should other forms of energy development, such as oil and gas exploration in the outer continental shelf, ultimately become of industry interest, the state of South Carolina has the potential to lose considerable revenue sharing associated with deep water drilling activities. Furthermore, comments to BOEM related

Ms. Ashlie Lancaster

USDOJ, BOEM Call for Commercial Leasing of Wind Power on the Outer Continental Shelf

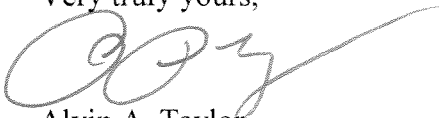
March 11, 2013

to such exploration or lease sales may get lower consideration compared to those provided by North Carolina if these administrative boundaries are not challenged.

While revenue sharing is not planned for any federal near-shore leases associated with wind energy, BOEM's approach to defining the administrative boundaries associated with each state for wind energy could set precedence for future activities. Thus, we urge the Energy Office to identify this issue to the Governor's Office so that negotiations about the configuration of these boundary lines can be considered to the benefit of South Carolina, its citizens and the wise utilization of our natural resources.

Thank you very much for your consideration and assistance in this matter. If you or your staff should require further discussion or additional information, please contact Bob Perry of my staff at perryb@dnr.sc.gov or 803.734.3766.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'A. Taylor', with a long, sweeping horizontal stroke extending to the right.

Alvin A. Taylor

Director

cc: Trish Jerman, SC Energy Office
Johnny Evans, Chairman DNR Board
Michael E. Hutchins, DNR Board
Robert H. Boyles
Breck Carmichael
Bob Perry



DNR

North Carolina

NC - SC Border

Sunset Beach

North Myrtle Beach

Myrtle Beach

Surfside Beach

South Carolina

Georgetown

Winyah Bay

Winyah Bay Jetties

Wilmington West Call Area

Wilmington East Call Area

Potential Impact Area

Potential Impact Area
Wilmington West Lease Areas

- OCS Administrative Boundary *
- 3 Mile State/Federal Line
- Proposed Lease Area *
- State Border



Proposed North Carolina BOEM Wind Energy Lease Areas

Potential Impact on South Carolina

*Administrative and Proposed Lease Areas Provided by the Bureau of Ocean Energy Management: <http://www.boem.gov/>

