



December 5, 2017

The Honorable Bill Shuster
Chairman, House Transportation Committee
2165 Rayburn House Office Building
Washington, DC 20515

The Honorable Duncan Hunter
Chairman, Coast Guard Subcommittee
507 Ford House Office Building
Washington, DC 20515

NATIONAL
OCEAN
INDUSTRIES
ASSOCIATION

Dear Chairman Shuster and Chairman Hunter:

As the House Transportation Committee considers the FY 2018-2019 Coast Guard Reauthorization Act, the National Ocean Industries Association (NOIA) respectfully urges the committee to remove language which would restrict the ability of the Department of the Interior (DOI) to administer offshore wind leases located off the State of Maryland shoreline.

1120 G STREET
NORTHWEST
SUITE 900
WASHINGTON DC
20005
202 347 6900 TEL
202 347 8650 FAX
WWW.NOIA.ORG

NOIA is the only national trade association representing all segments of the offshore industry with an interest in the exploration and production of both traditional and renewable energy resources on the U.S. Outer Continental Shelf (OCS). The NOIA membership comprises more than 250 companies engaged in a variety of business activities, including production, drilling, engineering, marine and air transport, offshore construction, equipment manufacturing and supply, telecommunications, finance and insurance, and renewable energy.

We are concerned that the language included in the proposed "Mid-Atlantic Fairway" amendment is a direct violation of the lease and contract sanctity which is critical to the responsible and timely development of offshore energy resources. This "Fairway" amendment would prevent the development of nearly half of the federal Maryland Wind Energy Area (WEA), a lawfully leased federal area designated for energy development in the OCS by the Department of the Interior. This amendment would undermine the deliberative stakeholder engagement process the federal government conducted over a four year timeframe which lead to the final lease sale.

The significant investment of capital, resources and manpower needed to develop offshore energy resources requires a lawful and stable process and changes by Congress to the contract and lease terms threaten all investments in the United States OCS. The chart included with the amendment clearly shows that the proposed language would impact lease areas in the OCS, hindering the ability of the leaseholder to proceed with permitting and construction on the lease. Once a lease is issued, DOI has an obligation, through contractual commitment with the lease holder, to proceed in an orderly process to approve siting, production and development of the lease. By adding additional restrictions on the lease area after the lease is issued, this amendment would threaten the sanctity of the lease contract made with DOI and the investments and costs faced by the lease developer.

Therefore, we encourage you to work to reject this language. If you have any questions or concerns about offshore energy development please feel free to contact us.

Sincerely,

Tim Charters
Senior Director, Govt. and Political Affairs

Cc: Ranking Member Peter DeFazio
Ranking Member John Garamendi
Natural Resources Committee Chairman Rob Bishop
Energy and Mineral Resources Subcommittee Chairman Paul Gosar
Rep. Andy Harris