

Congress of the United States

Washington, DC 20515

September 14, 2023

The Honorable Deb Haaland
Secretary
U.S. Department of the Interior
1849 C Street NW
Washington D.C. 20240

Dear Secretary Haaland:

CC: BOEM Director Klein, WH DCoS Podesta, DOE Secretary Granholm, Senate Majority Leader Schumer, Senate Minority Leader McConnell, House Speaker McCarthy, House Democratic Leader Jefferies

As members of Congress representing Americans across six districts in three states, we write to urge the U.S. Department of the Interior (DOI) to take immediate action necessary to hold uninterrupted offshore oil and gas lease sales under the pending 2023-2028 National Outer Continental Shelf (OCS) Oil and Gas Leasing Program to avoid the now expected offshore wind leasing cliff.

As you know, the Inflation Reduction Act (IRA) requires the Bureau of Ocean Energy Management (BOEM) to offer a minimum of 60 million acres for offshore oil and gas leases annually in order to issue offshore wind leases the following year. We are concerned that ongoing delays in finalizing the five-year program, including delays to required lease sales specific National Environmental Policy Act (NEPA) analyses, will interrupt the issuance of offshore wind energy leases. Action must be taken to finalize the 2023-2028 National OCS Oil and Gas Leasing Program with all 11 lease sales, complete all work necessary to conduct every Gulf of Mexico lease sale in the plan without delay, and continue with annual offshore wind lease sales in order to deploy the Administration's goal of 30 gigawatts by 2030. To achieve the President's green energy goals, reduce our country's emissions, and create a cleaner, safer future for generations to come, building out offshore wind energy through continuous new leasing opportunities must be one of the Administration's top policy priorities.

With BOEM announcing its Final Sale Notice for the first-ever Gulf of Mexico offshore wind lease sale on July 20, 2023, the nation has reached a critical juncture in its rapidly growing domestic offshore wind industry. BOEM has stated it will publish its final five-year program in September 2023, with the program being finalized in December 2023. However, given the IRA's tie-in of offshore wind leasing to one annual oil and gas lease sale, which takes on average 18 to 24 months to complete due to specific NEPA review and related consultations, BOEM's upcoming September 2023 oil and gas lease sale, Lease Sale 261, would only assure the issue of offshore wind leases through September 2024. Thus, creating a significant gap in the issuance of offshore wind leases as no oil and gas lease sales would be held until 2026.

With several months more until a finalized leasing program, BOEM's April 2023 public acknowledgement that sale specific NEPA review and consultation work will not be started until the program is finalized, and no stand-alone oil and gas lease sales scheduled past September 2023, we have serious concerns that offshore wind development will be further delayed if wind leases cannot be issued until 2026. Additionally, with the prospect that BOEM may offer as few as zero of the 11 lease sales originally proposed for the five-year program, the nascent domestic offshore wind industry faces increased danger of missing out on critical lease sales in years to come. Limiting oil and gas sales to one per year eliminates much needed flexibility and opens the possibility for unforeseen circumstances that would delay or cancel lease sales, including the possibility of future administrations holding offshore wind leasing hostage.

In addition to delivering renewable energy to millions of households, the offshore wind industry will contribute a variety of benefits to the U.S. economy, including supporting tens of thousands of jobs and billions of dollars in capital investment. If projects from BOEM auctions in 2021 and 2022 reach completion, total full-time equivalent (FTE) job creation from the resulting offshore wind activities, including development, construction, and operation will be approximately 80,000 jobs annually from 2025 to 2035.

In terms of capital investment, the offshore wind sector is projected to provide a significant stimulus to the American economy over the coming decades. As of 2022, projections indicated that total investment in the offshore wind industry will be \$17 billion by 2025, \$108 billion by 2030, and \$166 billion by 2035. From 2022 to 2035, capital investment of \$42 billion will go to turbine manufacturers and the supply chain, \$107 billion will go to the construction industry, and \$8 billion will go to the transportation industry and ports.¹

In this vein, the offshore wind industry also stands to be the next major contributor to U.S. conservation and environmental restoration funding programs. There are currently several bipartisan pieces of legislation in both chambers that would create revenue-sharing streams for offshore wind leasing, similar to the revenue sharing from offshore oil and gas leasing through the Gulf of Mexico Energy Security Act (GOMESA) and the Land and Water Conservation Fund (LWCF).

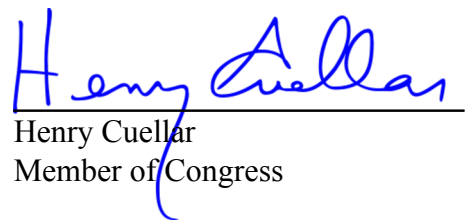
The benefits of these programs cannot be understated. On July 21, 2023, the DOI announced the distribution of over \$296 million from the LWCF across all 50 states, U.S. territories, and Washington, D.C., to support and expand local outdoor recreation. To date, the LWCF has generated over \$5.2 billion in funding for more than 45,000 projects across the nation. With enabling legislation and a clear path to robust, sustained, and predictable lease sales, the offshore wind industry could also become a major net gain for American conservation funding, coastal restoration, and outdoor recreation initiatives.

Therefore, we urge the Department to quickly release a full five-year oil and gas leasing program that includes all eleven proposed sales and promptly take action to hold these sales without interruption. We also request that you communicate to Congress and the public your progress to achieve these objectives, to specifically include the work in completing the concurrent, sale specific NEPA reviews and related consultations. Following through on its Congressionally mandated obligations as passed in the IRA is the only way to ensure offshore wind energy has a clear path to leasing, permitting, development, and production. This means holding oil and gas lease sales under a robust, timely, and functioning five-year program as well.

Sincerely,



Vicente Gonzalez
Member of Congress



Henry Cuellar
Member of Congress

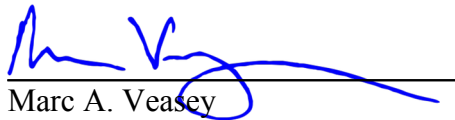
¹ <https://www.noia.org/wp-content/uploads/2020/08/Offshore-wind-economic-impact-analysis-white-paper-final-1.pdf>



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