

October 6, 2022

Ms. Kelly Hammerle, Chief  
National OCS Oil and Gas Leasing Program Development and Coordination Branch  
Leasing Division  
Office of Strategic Resources  
Bureau of Ocean Energy Management  
45600 Woodland Road  
Sterling, VA 20166

Re: Comment for the 2023-2028 National OCS Oil and Gas Leasing Proposed Program  
Docket ID: BOEM-2022-0031

Via: Regulations.gov

Dear Ms. Hammerle:

Thank you for the opportunity to submit comments on the Bureau of Ocean Energy Management's Proposed Program for the 2023-2028 offshore oil and gas leasing program.<sup>1</sup> I urge the Department of Interior to expeditiously finalize a 5-year program that includes the maximum number of offshore lease sales without any further delay. My concerns with anything less, and particularly with the Department of Interior's serious consideration of a plan that forbids new lease sales, are summarized here:

- 1.** The Bureau of Ocean Energy Management's own analysis shows that Americans would benefit from increased access to offshore oil and gas resources.
- 2.** A lease plan that prohibits lease sales is clearly contrary to the direction given to the Department of Interior in the Outer Continental Shelf Lands Act.
- 3.** The Department of Interior inappropriately attempts to define or condition the lease plan on what it believes the nation's energy needs *should* be, rather than what they *are*.
- 4.** Conditioning the Proposed Program on greenhouse gas reductions is arbitrary and meaningless.
- 5.** The Inflation Reduction Act conditions the Biden Administration's aspirations for offshore wind production and upholds the offshore oil and gas lease program for at least the next decade.

---

<sup>1</sup> "Notice of Availability of the 2023–2028 National Outer Continental Shelf Oil and Gas Leasing Proposed Program and Draft Programmatic Environmental Impact Statement," Bureau of Ocean Energy Management, *Federal Register*, Vol. 87, No. 130, July 8, 2022, pp. 40859-40863, <https://www.regulations.gov/document/BOEM-2022-0031-0001>.

Disturbingly, the Proposed Program strongly implies that the Department of Interior does not intend to hold any lease sales even if the final plan includes the possibility of some – an outcome which puts the Secretary in direct opposition to the wellbeing of Americans.

**1. The Bureau of Ocean Energy Management’s own analysis shows that Americans would benefit from increased access to offshore oil and gas resources.** This should encourage the DOI to allow lease sales and access to the maximum extent permissible under the Outer Continental Shelf Lands Act (OCSLA).

As stated by the Proposed Program, “New OCS oil and natural gas production increases the supply of oil and natural gas, which lowers the price consumers pay and producers receive...consumers benefit from lower prices due to the National OCS Program...new OCS production would cause a slight decline in prices.”<sup>2</sup> Specifically, BOEM estimates a decrease of \$0.73 per barrel for oil and \$0.06 per thousand cubic feet (mcf) of natural gas in its “mid-activity” scenario.<sup>3</sup> Even setting the mere expectation or possibility of increased production has in the past had a near-immediate effect of decreasing prices.<sup>4</sup> These positive effects of increased oil and gas production are corroborated with similar economic modeling by the Heritage Foundation using a replica of the Energy Information Administration’s (EIA) National Energy Model in the paper “Trading an Energy-Scarcity Agenda for Energy Abundance Pays Dividends.”<sup>5</sup>

Conversely, the Proposed Program acknowledges that there would be very little decrease in demand for oil and gas, that prices increase, and that imports increase in a plan that does not allow any lease sales, using “baseline data, assuming current laws and policies, and historical measures of elasticities, measuring historical energy market responses to changes in demand, supply, and/or prices.”<sup>6</sup> Rather, imports would make up for 51 percent to 57 percent of the forgone production.<sup>7</sup> Even setting the mere expectation or possibility of decreased production has in the past had a near-immediate effect of increasing prices.<sup>8</sup> These negative effects of decreased oil and gas production are corroborated with similar economic modeling by the

---

<sup>2</sup> Bureau of Ocean Energy Management, *2023–2028 National Outer Continental Shelf Oil and Gas Leasing Proposed Program*, July 2022, pp.5-27 through 5-28, [https://www.boem.gov/sites/default/files/documents/oil-gas-energy/national-program/2023-2028\\_Proposed%20Program\\_July2022.pdf](https://www.boem.gov/sites/default/files/documents/oil-gas-energy/national-program/2023-2028_Proposed%20Program_July2022.pdf).

<sup>3</sup> BOEM, *Proposed Program*, p. 5-37.

<sup>4</sup> The world saw this when President Bush lifted a moratorium on offshore oil production in July 2008, as observed by the Institute for Energy Research. Institute for Energy Research, “Lifting the Offshore Ban Gave Immediate Price Relief,” October 2, 2008, <https://www.instituteforenergyresearch.org/fossil-fuels/gas-and-oil/lifting-the-offshore-ban-gave-immediate-price-relief/>.

<sup>5</sup> Kevin Dayaratna, Katie Tubb, and David Kreutzer, “Trading an Energy-Scarcity Agenda for Energy Abundance Pays Dividends,” The Heritage Foundation, *Backgrounder* No. 3717, July 29, 2022, [https://www.heritage.org/sites/default/files/2022-06/BG3713\\_0.pdf](https://www.heritage.org/sites/default/files/2022-06/BG3713_0.pdf).

<sup>6</sup> BOEM, *Proposed Program*, pp. 5-53, 5-39.

<sup>7</sup> *Ibid.* pp 5-41, 5-50.

<sup>8</sup> As the EIA noted after the Iranian attack on Saudi oil facilities: “Likely driven by news of the expected return of the lost production capacity, both Brent and WTI crude oil prices fell on Tuesday, September 17.” U.S. Energy Information Administration, “Saudi Arabia Crude Oil Production Outage.” Consider crude oil prices during the week of March 7, 2022, when the price per barrel of oil increased after President Biden’s ban on Russian imports, then fell when the political ramifications were more muted than feared and the United Arab Emirates encouraged OPEC to consider increasing production.

Heritage Foundation using a replica of the EIA’s National Energy Model in the paper “The Unsustainable Costs of President Biden’s Climate Agenda.”<sup>9</sup>

**2. A lease plan that prohibits lease sales is clearly contrary to the direction given to the Department of Interior in the Outer Continental Shelf Lands Act.** Section 1344(a) of the OCSLA states that “the leasing program shall consist of a schedule of proposed lease sales indicating, as precisely as possible, the size, timing, and location of leasing activity which he determines will best meet national energy needs for the five-year period following its approval or reapproval.”

This clearly implies a program scheduling something above zero lease sales. For example, *precision* in size, timing, or location is not needed for a plan of zero leases. Rather there is some amount of absurdity in attempting to precisely indicate the size, timing, and location of a null set.

Even so, the stated purpose of the leasing program – to “meet national energy needs for the five-year period following its approval” – clearly argues for a lease sale plan with greater than zero possible lease sales. What are those needs?

Oil and gas meet over 90 percent of Americans’ transportation fuel needs<sup>10</sup> and 68 percent of Americans’ total energy needs.<sup>11</sup> Additionally, thousands of products are made with oil, coal, and natural gas as feedstocks. Conventional energy’s share of total global energy consumption has remained roughly unchanged for decades, even as global energy consumption has increased and renewable energy technologies have entered energy markets.<sup>12</sup> The EIA’s *International Energy Outlook* projects global energy use to increase 50 percent by 2050, and projects no scenario in which global demand for oil and natural gas do not but increase through at least 2050.<sup>13</sup>

The DOI does not know the future, but it can make informed and confident decisions based on historical trends and recent data of Americans’ energy usage, which includes a robust demand for oil and gas.

**3. The Department of Interior inappropriately attempts to define or condition the lease plan on what it believes the nation’s energy needs *should* be, rather than what they *are*.**

Specifically, the DOI Proposed Program circumscribes the nation’s energy needs this way:

---

<sup>9</sup> Kevin Dayaratna, Katie Tubb, and David Kreutzer, “The Unsustainable Costs of President Biden’s Climate Agenda,” The Heritage Foundation, *Backgrounder* No. 3713, June 16, 2022, [https://www.heritage.org/sites/default/files/2022-06/BG3713\\_0.pdf](https://www.heritage.org/sites/default/files/2022-06/BG3713_0.pdf).

<sup>10</sup> U.S. Energy Information Administration, “U.S. Energy Consumption by Source and Sector, 2021,” <https://www.eia.gov/energyexplained/us-energy-facts/images/consumption-by-source-and-sector.pdf>.

<sup>11</sup> U.S. Energy Information Administration, “U.S. Energy Facts Explained—Consumption and Production,” June 10, 2021, <https://www.eia.gov/energyexplained/us-energy-facts/>. The remaining energy came from nuclear power (8 percent), coal (10 percent), and renewables, including biomass, wind power, hydropower, and solar power (12 percent).

<sup>12</sup> Hannah Ritchie and Max Roser, “Energy Production and Consumption,” Our World in Data, 2020, <https://ourworldindata.org/energy-production-consumption>.

<sup>13</sup> U.S. Energy Information Administration, “International Energy Outlook 2021,” October 2021, [https://www.eia.gov/outlooks/ieo/pdf/IEO2021\\_Narrative.pdf](https://www.eia.gov/outlooks/ieo/pdf/IEO2021_Narrative.pdf).

“Many factors, including the need to confront the climate crisis, are relevant to how national energy needs are met... These pathways [for reducing global greenhouse gas (GHG) emissions to net-zero by 2050] envision a transformation of the energy sector away from fossil fuels that have implications for OCS oil and gas development and are important when considering national energy needs within the context of the National OCS Program.”<sup>14</sup>

Relying on the International Energy Agency’s roadmap for net-zero emissions from the global energy sector by 2050 to stipulate that no new investment in hydrocarbon supply projects would be permissible, the Proposed Program continues:

“Under this [the IEA] scenario, the Nation’s energy needs would need to be met by sources other than new OCS leasing, as oil and gas production from new leases sold as part of this Program will likely not commence until approximately 5 (shallow water) to 10 (deepwater) years after lease award, at which time energy needs could be met by other sources and reduced demand....

The 10 potential lease sales in the GOM Program Area 1 and one potential lease sale in the northern portion of the Cook Inlet Program Area were identified by the Secretary for further analysis because they have the greatest resource potential and net benefits with the least potentially significant impacts and costs to society to meet national energy needs under existing laws and policies, while acknowledging that progress along a net-zero emissions pathway is likely to change future energy markets and national energy needs.”<sup>15</sup>

Under this framework, the DOI rationalizes a decrease in the scope from the earlier Draft Proposed Program to a Proposed Program of eleven lease sales at most, and seriously contemplates a plan with no lease sales. (Indeed, the clear implication is that the DOI does not intend to hold any lease sales even if the final plan includes the possibility of some: “These additional decision points allow the Secretary to consider new information about national energy needs, policy direction, or other factors in choosing whether to hold any lease sale.”<sup>16</sup>)

There are a number of misleading assumptions in this reasoning, not least of which being the sources outside of the OCSLA to which the DOI appeals for authority for its Proposed Program. Neither “scientific consensus and confidence” nor the International Panel and Climate Change determine U.S. energy policy. The Senate has not ratified the Paris Agreement, and the Paris Agreement itself does not hold nations to a net-zero reduction in greenhouse gas emissions by 2050. Neither are the International Energy Agency’s “Net Zero by 2050: A Roadmap for the Global Energy Sector,” Princeton University’s “Net-Zero America,” nor the Stockholm Environmental Institute’s “Principles for Aligning U.S. Fossil Fuel Extraction with Climate Limits” official or definitive energy policy of the US. Yet these are what define the scope,

---

<sup>14</sup> BOEM, *Proposed Program*, p. 3.

<sup>15</sup> *Ibid.*

<sup>16</sup> BOEM, *Proposed Program*, p. 8.

direction, and purpose of the DOI's Proposed Program.<sup>17</sup> Rather, Congress recently reaffirmed the purpose and need for offshore leases in the Inflation Reduction Act.

Even without these claims to illegitimate authority, the DOI has little rational grounds to presume a net-zero emissions policy framework for its Proposed Program. The Proposed Program's "no sale option" under a hypothetical scenario of a "net-zero future" involves many leaping assumptions, including:<sup>18</sup>

- a set of "net-zero policies" such as "taxes or fees on GHGs, added costs for GHG abatement technology and protocols, as well as a recognition that demand for fossil fuels would be expected to decline" (though it is unclear what is meant by such "a recognition.");
- a significant reduction in domestic oil and gas demand;
- that the reduction in domestic hydrocarbons would not be replaced with oil and gas imports;
- that there will be global decarbonization; and
- that technology advances will significantly change the composition of energy markets, including: that there will be more abundant electrification and that there will be more abundant development of renewable energy resources, biofuels, and nuclear energy to sufficiently meet Americans' needs for heat, power, transportation, and industrial/manufacturing/agricultural feedstocks.

These are unbelievable assumptions about certain policies being passed in a democratic republic, policies which are far beyond the DOI's control or even the executive branch's control. This is in addition to near-magical assumptions about multi-trillion dollar global energy markets; the technological readiness, affordability, and deployment of adequate replacements for hydrocarbons; and market shifts in whole sectors of the economy as large as the transportation, industrial, and petrochemical sectors.

To briefly question only two of these:

*Assumption Example A.* What evidence, other than wishful thinking, leads the DOI to conclude that oil and gas demand is declining? With the exception of a historic annual reduction during the 2020 COVID-19 pandemic, global consumption of oil and gas has only increased. Please see the below charts.<sup>19</sup> The EIA's *International Energy Outlook* projects global energy use to increase 50 percent by 2050, and projects no scenario in which global demand for oil and natural gas do not increase through at least 2050.<sup>20</sup> Despite abundance of both in the U.S. and elsewhere, not

---

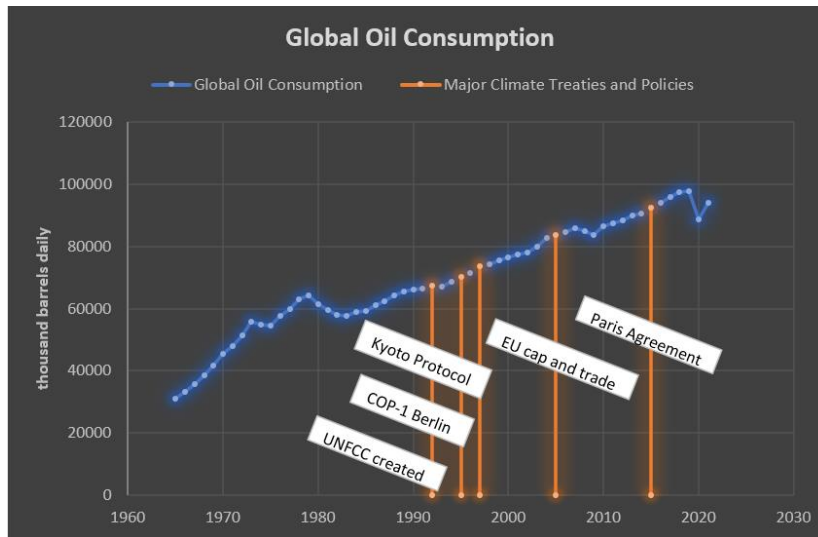
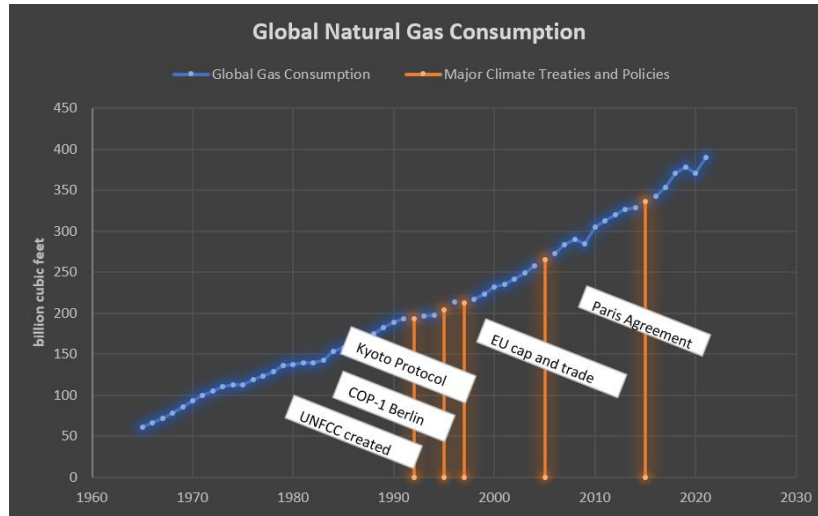
<sup>17</sup> BOEM, *Proposed Program*, pp.3-9.

<sup>18</sup> The "Long-Term Strategy" in Section 1.2.1.1 and Chapter 5, especially pp. 5-52, 5-53 of BOEM, *Proposed Program*.

<sup>19</sup> Chart data from: United Nations Framework Convention on Climate Change, "UNFCCC -- 25 Years of Effort and Achievement," Timeline, <https://unfccc.int/timeline/>. BP, "Statistical Review of World Energy," 71st edition, July 2022, <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/statistical-review/bp-stats-review-2022-full-report.pdf>.

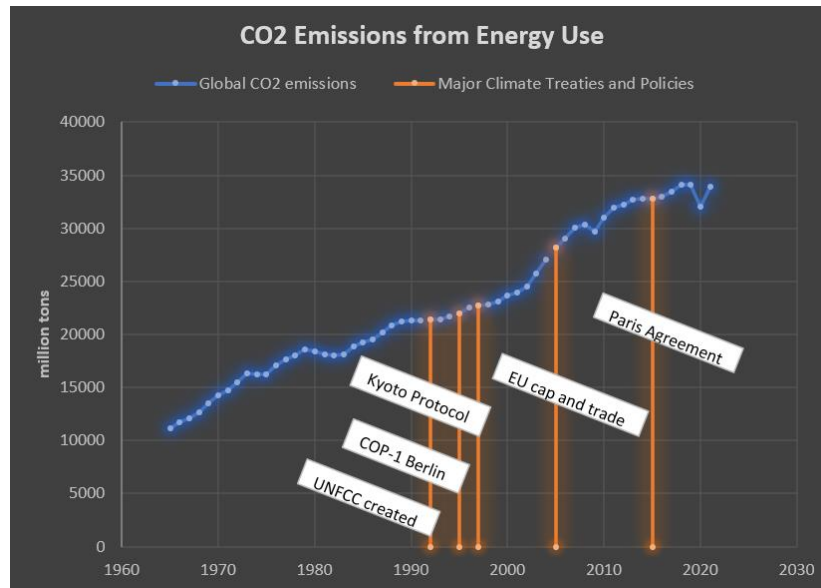
<sup>20</sup> U.S. Energy Information Administration, "International Energy Outlook 2021," October 2021, [https://www.eia.gov/outlooks/ieo/pdf/IEO2021\\_Narrative.pdf](https://www.eia.gov/outlooks/ieo/pdf/IEO2021_Narrative.pdf).

enough oil or gas making it to global markets thus arguing for robust unmet demand to be met by increased production.<sup>21</sup> And yet the Proposed Program states that “as the U.S. transitions to meet its net-zero goals and demand for oil and gas declines, the anticipated production would likely be very different from what is included in Table 5-2” (displaying a scenario more reflective of current policy and markets).<sup>22</sup>



<sup>21</sup> For example, whole countries are being priced out of natural gas markets: Stephen Stapczynski, “Pakistan Faces Years of Fuel Shortages After Gas Tender Flop,” Bloomberg News, October 3, 2022, <https://www.bnnbloomberg.ca/pakistan-faces-years-of-fuel-shortages-after-gas-tender-flop-1.1827604>.

<sup>22</sup> BOEM, *Proposed Program*, p. 5-52.



*Assumption Example B.* What evidence, other than wishful thinking, leads the DOI to conclude that alternative energy technologies will be available in the next decade? The Proposed Program states: “Under this [net-zero emissions] scenario, the Nation’s energy needs would need to be met by sources other than new OCS leasing, as oil and gas production from new leases sold as part of this Program will likely not commence until approximately 5 (shallow water) to 10 (deepwater) years after lease award, *at which time energy needs could be met by other sources and reduced demand,*” (emphasis added).

The DOI is unwisely betting that substitute energy technology will be available to supplant lost offshore energy production by a certain, rather arbitrary calendar deadline (there is nothing magical about five years or ten years in regard to technological development, availability, and market acceptance). Commissioner Mark Christie of the Federal Energy Regulatory Commission (FERC) discussed some of these challenges related to the electricity sector before the Senate Energy and Natural Resources Committee:

My concern about any kind of national mandate with deadlines and timetables is that the deadlines and timetables for how you change the generation mix doesn’t fit the reality of the facts... Today we don’t have the technology to have a 100 percent emission free grid. We don’t have that technology. So, a deadline of 2030 or 2035 essentially is a gamble that the technology is going to develop.<sup>23</sup>

One such technology gamble the DOI makes in connection with offshore oil production, is its aspiration for half of new light-duty cars sold in 2030 to be zero-emissions vehicles and that

<sup>23</sup> Committee on Energy and Natural Resources, “Hearing to Review Administration of Laws Within FERC’s Jurisdiction,” U.S. Senate, September 28, 2021, video, (starting at minute 58 and 30 seconds), <https://www.energy.senate.gov/hearings/2021/9/full-committee-hearing-to-review-administration-of-laws-within-ferc-jurisdiction>.

most light-duty vehicles would be electrified by 2050.<sup>24</sup> Electric vehicles (the largest category of “zero-emissions” vehicles) make up less than one percent of registered vehicles in the U.S., and there are serious supply chain constraints for manufacturing more to the scale the DOI assumes is necessary and “likely.”<sup>25</sup> Nearly 40 percent of current electric vehicles are registered in one state - California.<sup>26</sup>

The Proposed Program’s assumptions are so vast as to be utterly meaningless and totally disconnected from reality. And yet, this is the rationale for the Proposed Program reducing the scope of lease sales and its serious consideration of a zero-lease sale plan or a plan with the possibility of minimal lease sales and no intention to hold them.

While the DOI Proposed Program provides no analysis supporting its conclusion that “a net-zero emissions pathway is *likely* to change future energy markets and national energy needs” (emphasis added),<sup>27</sup> experience is showing the opposite. Despite the aspirational net-zero emissions policies, executive orders, and regulations attempting to define national transitions away from conventional fuels, actions speak louder than words. Countries and businesses routinely are showing a preference for affordable energy and products over paying a green premium. This is proving particularly true in light of the energy price crisis, whether considering China’s interest in buying Russian oil, climate warrior Germany’s decision to hold onto coal, or the choices of individual companies looking to keep costs low for customers in the face of rampant inflation.<sup>28</sup>

BOEM’s own analysis acknowledges these energy realities, even though Part 1 defining the Proposed Program ignores this analysis. As mentioned previously, BOEM acknowledges that blocking oil and gas production from new lease sales would result in “very little decrease in the quantity of oil and natural gas demanded. Instead, increased imports, domestic onshore

---

<sup>24</sup> BOEM, *Proposed Program*, 1-8.

<sup>25</sup> BOEM, *Proposed Program*, p. 9. Katie Tubb, “Washington Knows Best What Car You Should Drive: EVs. Seriously?” Daily Signal, August 3, 2022, <https://www.dailysignal.com/2022/08/03/washington-knows-best-what-car-you-should-drive-electric-vehicles-seriously/>. See also for related problems, Katie Tubb, “California Increases Electrical Demand While Cutting Access to Electricity,” Daily Signal, September 14, 2022, <https://www.dailysignal.com/2022/09/14/californias-electrical-grid-emergency-shows-energy-policy-gamble-is-bad-bet/>.

<sup>26</sup> Alternative Fuels Data Center, “Electric Vehicle Registrations by State,” U.S. Department of Energy, Maps and Data, June 2022, <https://afdc.energy.gov/data/10962>.

<sup>27</sup> BOEM, *Proposed Program*, p. 9.

<sup>28</sup> Huileng Tan, “China and India Now Account for About 50% of Russia’s Seaborne Oil Exports, as Asian Demand Props Up Moscow’s Energy Revenues,” Market Insider, June 14, 2022, <https://markets.businessinsider.com/news/commodities/china-india-half-russia-crude-oil-exports-sanctions-2022-6>. Madeleine Bruder, “EU Accepts It Will Burn More Coal in Move Away from Russian Gas,” *Financial Times*, May 18, 2022, <https://www.ft.com/content/5d95b294-280f-4b38-9d23-70035e077392>. Anmar Frangoul, “Volkswagen is Prolonging Its Use of Coal Due to Russian Energy ‘Threat,’” CNBC, May 4, 2022, <https://www.cnbc.com/2022/05/04/volkswagen-to-prolong-coal-fired-power-as-russia-concerns-continue.html>. Andy Beill, “Talking Point: Are You More Concerned with the Rising Cost of Living than Climate Change?” Evening Standard, May 18, 2022, <https://www.standard.co.uk/comment/comment/millennials-genz-concerned-rising-cost-living-climate-change-talking-point-b1000861.html>.



production, and a switch to other energy sources would meet the continued domestic demand for oil and natural gas products.”<sup>29</sup>

It is only by making the massive assumptions about global policies and markets and by completely departing from metrics and projections grounded in some semblance of historical data (the EIA’s Annual Energy Outlook 2021) that the DOI settles on a minimal or no-lease sale option.

**4. Conditioning the Proposed Program on greenhouse gas reductions is arbitrary and meaningless.** Reducing greenhouse gas emissions as a major rationale for the DOI’s Proposed Program to reduce its scope and seriously consider a plan without lease sales is arbitrary and meaningless in a number of ways.

First, climate change and greenhouse gas emissions mitigation are not stated goals, considerations, or metrics in the OCSLA which the DOI is to consider in developing and implementing an offshore lease plan. Even then, BOEM’s use of a “social cost of greenhouse gases” (SC-GHG) to guess at climate costs and benefits is arbitrary and distorts the Proposed Program.

The SC-GHG estimates the Proposed Program uses are not objective, but instead are highly sensitive to a modeler’s choice of inputs and assumptions. They are subjective to the point that SC-GHG values can be negative (implying a net social *benefit* from increased greenhouse gas emissions) with only minor adjustments that are well within the bounds of “mainstream” climate science.<sup>30</sup> Additionally, the DOI uses an arbitrarily low three percent discount rate for a social cost of greenhouse gases, which neither reflects historical data on rates of return or the Office of Management and Budget’s recommendation for a seven percent discount rate.<sup>31</sup>

Additionally, it cannot be said that greenhouse gas emissions from offshore oil and gas lease sales constitute an “impact” in any reasonable definition of that word. Section 1344(a)(1) of the OCSLA states that

Management of the outer Continental Shelf shall be conducted in a manner which considers economic, social, and environmental values of the renewable and nonrenewable resources contained in the outer Continental Shelf, and the *potential impact* of oil and gas exploration on other resource values of the outer Continental Shelf and the marine, coastal, and human environments.<sup>32</sup> (emphasis added)

The DOI Proposed Program argues that greenhouse gas emissions from the use of hydrocarbons are causing catastrophic climate change, which is impacting marine, coastal, and human

---

<sup>29</sup> BOEM, *Proposed Program*, p. 5-39.

<sup>30</sup> For a complete list of peer-reviewed and other work on the social cost of greenhouse gases and associated models, please see: Kevin Dayaratna, “Why “Social Cost of Carbon” Is The Most Useless Number You’ve Never Heard of,” The Heritage Foundation, *Commentary*, March 2, 2021, <https://www.heritage.org/energy-economics/commentary/why-social-cost-carbon-the-most-useless-number-youve-never-heard>.

<sup>31</sup> David Kreutzer, “Discounting Climate Costs,” Heritage Foundation, *Issue Brief*, No. 4575, June 16, 2016, <https://www.heritage.org/environment/report/discounting-climate-costs>.

<sup>32</sup> OCSLA Section 1344(a)(1).

environments such that a no-lease sale option must be considered. This stretches the definition of “impact” beyond recognition.

Assuming the U.S. could eliminate *all* greenhouse gas emissions *immediately* - and not just those from offshore oil and gas production - this would mitigate global temperatures by at most 0.2 degrees Celsius by 2100, even when using the IPCC’s upper bound assumptions about climate sensitivity to greenhouse gas emissions.<sup>33</sup> Indeed, the impact of greenhouse gas emissions from lease sales is so meaningless that the DOI itself must admit that “the GHG emissions associated with the No Sale Option would vary greatly *if* there were different assumptions regarding future energy substitutions and future energy demand regardless of decisions on the Program” (emphasis added).<sup>34</sup> As discussed earlier, this “if” is so enormous and beyond the control of the DOI as to be science fiction.

Ironically, even BOEM’s own analysis of greenhouse gas emissions from oil and gas leasing argues *against* the no-lease sale option the Proposed Program appears to prefer. BOEM found that resources produced off of the Gulf of Mexico (where most production has taken place) have low greenhouse gas intensity profiles relative to oil produced onshore or elsewhere (examples given were Canada – the largest supplier of US oil imports – and Venezuela).<sup>35</sup> In a no-lease sale option, BOEM estimates that 90 percent of forgone production would be met with replacements from imports and onshore production, with additional replacement coming from other energy resources (particularly coal). This would *increase* both greenhouse gas emissions and emissions of traditional air pollutants.<sup>36</sup>

Therefore, if the DOI settles on a no-lease sale plan on the premise of reducing greenhouse gas emissions, it will be contradicting itself and arbitrarily choosing a worse alternative that displays prejudice against the oil and gas industries simply for being oil and gas industries.

**5. The Inflation Reduction Act conditions the Biden Administration’s aspirations for offshore wind production and upholds the offshore oil and gas lease program for at least the next decade.** The Inflation Reduction Act ties offshore wind lease sales to offshore oil and gas lease sales following its passage on August 16, 2022. Section 50265(b)(2) states that Secretary of Interior

may not issue a lease for offshore wind development...unless an offshore lease sale has been held during the 1-year period ending on the date of the issuance of the lease for offshore wind development” and that at least 60 million acres in total were offered for oil and gas leasing offshore “during the 1-year period ending on the date of the issuance of the lease for offshore wind development.

---

<sup>33</sup> BOEM, *Proposed Program*, pp. 11-12, 17. [https://www.heritage.org/sites/default/files/2022-06/BG3713\\_0.pdf](https://www.heritage.org/sites/default/files/2022-06/BG3713_0.pdf)

<sup>34</sup> BOEM, *Proposed Program*, p. 5-45.

<sup>35</sup> BOEM, *Proposed Program*, pp. 5-36, 5-37.

<sup>36</sup> BOEM, *Proposed Program*, pp. 5-40 to 5-44. For one example: “BOEM models the dispersion of offshore and onshore emissions to estimate the magnitude of potential effects on air quality and downstream, monetizable effects, including respiratory and other human health effects. BOEM model results indicate that emissions from the alternative energy sources that could replace OCS production have a greater detrimental effect on human health than air emissions generated by OCS production often many miles offshore.”

Since passage of the Inflation Reduction Act, BOEM anticipates holding five offshore wind lease sales by 2025 off of northern California, the Gulf of Mexico, the central Atlantic, Oregon, and the Gulf of Maine.<sup>37</sup> However, the DOI has not held an offshore oil and gas lease sale since November 17, 2021 (Lease Sale 257), in which over 80.9 million acres were offered. The DOI will also offer oil and gas Lease Sale 258 in the Cook Inlet by the end of the year, however only roughly one million acres will be available.<sup>38</sup> Meaning no offshore wind lease sale will comply with the Inflation Reduction Act after November 17, 2022 (a year after Lease Sale 257) until new offshore oil and gas lease sales are offered.

If DOI intends to reach the Biden administration’s goal “to deploy” 30 gigawatts of offshore wind by 2030<sup>39</sup> – itself an arbitrary and foolhardy policy – then the zero oil and gas lease sale alternative considered in the DOI’s Proposed Program is not an option for this administration. This particularly impacts the administration’s plans for a lease sale off of northern California by the end of 2022.<sup>40</sup>

The Bureau of Ocean Energy Management’s own analysis shows that Americans would benefit from increased access to offshore oil and gas resources. I urge the Department of Interior to quickly approve a lease plan that offers access to offshore oil and gas to the fullest extent possible. Thank you for your consideration,

Katie Tubb

Research Fellow  
Center for Energy, Climate, and Environment  
The Heritage Foundation  
214 Massachusetts Ave. NE  
Washington, DC 20002

---

<sup>37</sup> Bureau of Ocean Energy Management, “Offshore Wind Leasing Path Forward 2021–2025,” <https://www.boem.gov/sites/default/files/documents/renewable-energy/state-activities/OSW-Proposed-Leasing-Schedule.pdf>.

<sup>38</sup> “Interior Department Announces Next Steps for Offshore Oil and Gas Leasing to Comply with Provisions in Inflation Reduction Act,” Department of Interior, Press Release, September 21, 2022, <https://doi.gov/pressreleases/interior-department-announces-next-steps-offshore-oil-and-gas-leasing-comply>. Bureau of Ocean Energy Management, “Lease Sale 258,” Department of Interior, <https://www.boem.gov/oil-gas-energy/leasing/lease-sale-258>.

<sup>39</sup> “Interior Joins Government-Wide Effort to Advance Offshore Wind,” Department of Interior, Press Release, March 29, 2021, <https://www.doi.gov/news/interior-joins-government-wide-effort-advance-offshore-wind>.

<sup>40</sup> BOEM, Offshore Wind Leasing Path Forward 2021–2025.” Bureau of Ocean Energy Management, “California Activities,” Department of Interior, <https://www.boem.gov/renewable-energy/state-activities/california>.