

The Economic Contributions of U.S. Offshore Energy Activities during Fiscal Year 2024

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1. Executive Summary

The Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE) manage the energy and mineral resources in federal waters offshore Alaska, in the Gulf of America, and in the Atlantic and Pacific Oceans. These activities support economic contributions, such as employment, throughout the United States. This report estimates the economic contributions of oil/gas and wind energy activities during FY 2024, which are summarized in Table 1. There was insufficient information to estimate the economic contributions of other activities under BOEM's and BSEE's purview, such as marine minerals activities.

Table 1: FY 2024 BOEM/BSEE Economic Contributions

BOEM/BSEE Program	Employment	Labor Income	Output	Value Added
Oil and Gas Program	250,000	18.31	59.46	30.83
Wind Energy Program	16,000	1.18	2.85	1.58
Totals	266,000	19.49	62.31	32.41

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.

2. Oil and Gas Contribution Estimates

2.1. Summary of Oil and Gas Contribution Estimates

BOEM calculated the FY 2024 oil and gas contribution estimates using the methodologies developed through a research contract conducted by Industrial Economics, Inc (Price et al. 2020). BOEM also used these methodologies for the FY 2018-2023 reports.

The CIM estimates the economic contributions arising from three broad categories of activities:

- 1) **Industry Spending:** The spending by companies in the offshore oil and gas industry supply chain. This includes capital expenditures (e.g., platform construction and installation) and operational expenditures (e.g., operating existing platforms).
- 2) **Government Outer Continental Shelf (OCS) Revenues:** The spending of revenues collected and disbursed by the Office of Natural Resources Revenue (ONRR) due to offshore oil and gas activities. These revenues include:
 - bonus bids (the initial payment by a successful bidder on a lease)
 - rental payments (paid prior to oil and gas production on a lease)
 - royalty payments (a percentage of oil and gas sales revenues)
- 3) **Industry Profits:** The spending arising from profits earned by offshore oil and gas companies. Industry profits lead to the following sub-categories of economic contributions:
 - Household spending of dividends
 - Federal and state taxes on dividends
 - Corporate tax revenue

For all three categories, BOEM calculates the resulting employment, labor income, output, and value added; this includes direct, indirect, and induced contributions for all contribution types.¹ Table 2 presents BOEM’s FY 2024 oil and gas contribution estimates.

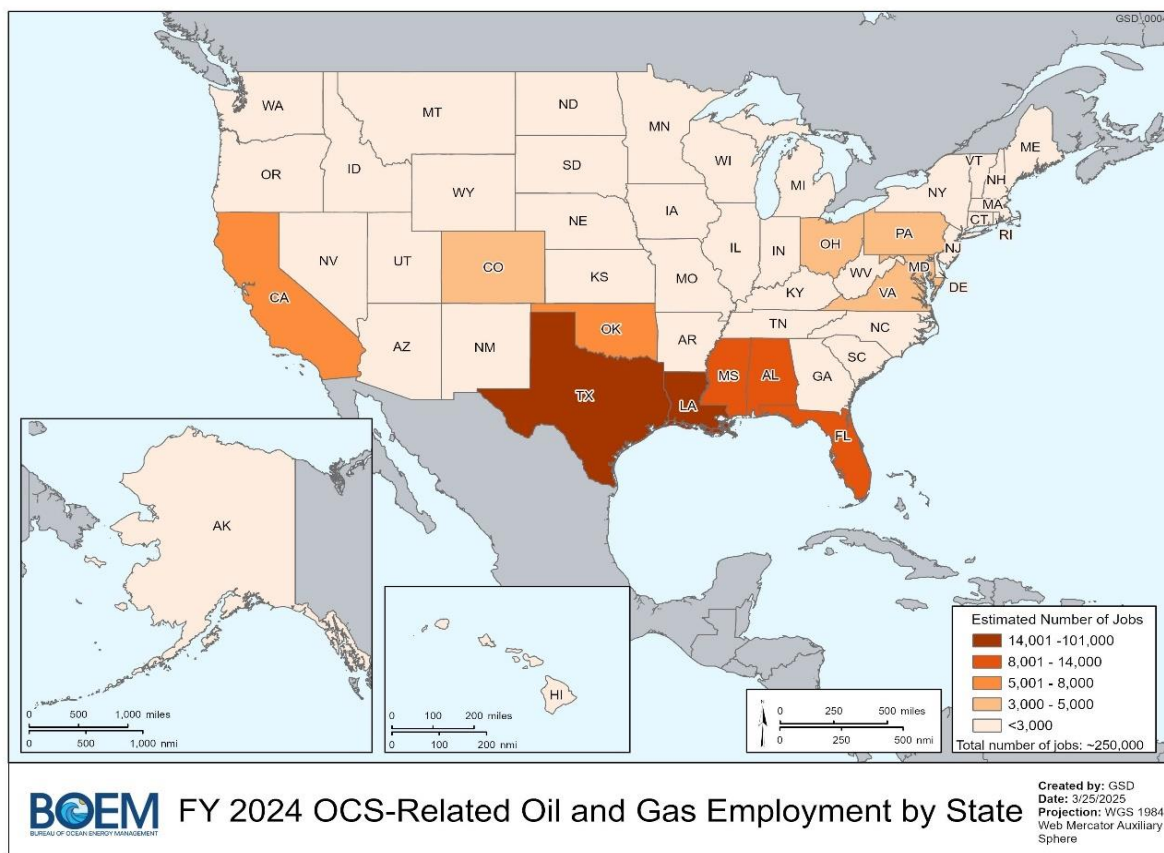
Table 2: FY 2024 Offshore Oil and Gas Economic Contributions

Impact Category	Category Totals	Employment	Labor Income	Output	Value Added
Industry Spending	24.58	147,000	10.48	37.70	18.68
Government OCS Revenues	6.99	55,000	4.53	12.49	6.99
Industry Profits	15.22	48,000	3.31	9.27	5.16
Totals	46.79	250,000	18.31	59.46	30.83

- Category totals, labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.
- Totals may not sum due to independent rounding.

Figure 1 displays the estimated number of offshore oil and gas jobs by state in FY 2024. The highest numbers of jobs were in Texas and Louisiana; there were also substantial numbers of jobs in the other Gulf of America states (Mississippi, Alabama, and Florida). There were also notable concentrations of jobs in California, Oklahoma, Pennsylvania, Ohio, Virginia, Colorado, and Maryland.

Figure 1: FY 2024 OCS-Related Oil and Gas Employment by State



¹ These estimates are based on the 2019 IMPLAN data within the CIM. IMPLAN is a commercial provider of economic impact modeling software and data (IMPLAN 2025).

2.2. Oil and Gas Industry Spending

The CIM includes an Excel-based tool that translates data from BOEM’s Data Center (BOEM 2025) into scenario counts on a fiscal year basis. Some of the main scenario elements are below:

- The following FY 2024 well drilling counts for the Gulf of America (GOA) were used: 51 exploratory wells, 26 non-producing wells, 16 exploratory wells that were re-completed as development wells, and 47 newly drilled development wells. The numbers of re-completed exploratory wells and non-producing wells were estimated based on historical trends. No drilling occurred in Alaska, the Pacific, or the Atlantic.
- BOEM assumed that three deepwater platforms that were installed in FY 2024 or FY 2025 (estimated) were under construction in FY 2024. BOEM assumed that half of the construction costs for each of these platforms occurred during FY 2024.
- No shallow water platforms were installed and 45 shallow water platforms were decommissioned during FY 2024.
- BOEM assumed development wells were put into production using costs associated with subsea systems. BOEM assumed that the number of subsea wells put into production were an average of the number of development wells drilled during FY 2023 and FY 2024.
- BOEM assumed that total operational expenditures were \$10 per barrel of oil equivalent (BOE) of production (Rigzone 2020).

The offshore oil and gas industry spent approximately \$24.58 billion during FY 2024. The CIM estimates that \$20.19 billion of this spending occurred within the United States (and thus contributed to the impact estimates). Table 3 presents the domestic direct, indirect, induced, and total impacts of offshore oil and gas industry spending.

Table 3: Industry Spending Contributions

Contribution Type	Employment	Labor Income	Output	Value Added
Direct	50,000	4.90	20.19	9.27
Indirect	46,000	3.12	9.57	4.93
Induced	51,000	2.47	7.94	4.48
Totals	147,000	10.48	37.70	18.68

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.
- Totals may not sum due to independent rounding.

2.3. Oil and Gas Government OCS Revenues

ONRR collects and disburses OCS revenues to the Federal Treasury and to various state governments, local governments, and grant programs. Table 4 shows the amount disbursed to each revenue category during FY 2024.² Table 5 presents the contributions of government OCS revenues.

Table 4: FY 2024 Offshore Revenue Disbursements

Type	Disbursements
GOMESA	0.354
8(g)	0.006
LWCF grants	0.318
Historic Preservation Fund	0.083
Federal Disbursements	6.226
Total	6.986

- Values are presented in billions of dollars.
- Sources: ONRR (2025a), ONRR (2025b), National Parks Service (2024), DOI (2024)
- Totals may not sum due to independent rounding

Table 5: Contributions of Government OCS Revenues

Contribution Type	Employment	Labor Income	Output	Value Added
Direct	29,000	2.84	6.98	4.23
Indirect	11,000	0.83	2.86	1.21
Induced	16,000	0.86	2.66	1.55
Totals	55,000	4.53	12.49	6.99

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.
- Totals may not sum due to independent rounding.

2.4. Oil and Gas Industry Profits

Companies in the offshore oil and gas industry earn profits to the extent that their revenues exceed their expenses. These profits can lead to impacts from shareholders spending the resulting dividends, and from federal and state taxation of dividends and corporate profits. Table 6 presents the contributions of offshore oil and gas industry profits.

Table 6: Profit Contributions

Contribution Type	Employment	Labor Income	Output	Value Added
Direct	27,000	2.10	5.31	3.18
Indirect	9,000	0.62	2.09	0.92
Induced	11,000	0.59	1.86	1.06
Totals	48,000	3.31	9.27	5.16

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.
- Totals may not sum due to independent rounding.

3. Wind Energy Contribution Estimates

In FY 2024, one offshore wind lease sale was held - the Central Atlantic ([\\$69.4 million in revenue](#)). However, due to payment timing, revenues from this sale will be included in the FY 2025 estimates. The table below displays the aggregated estimates of contributions from offshore wind energy.

Table 7: FY 2024 Wind Energy Contributions

Impact Category	Employment	Labor Income	Output	Value Added
Industry Spending	15,900	1,168	2,826	1,563
Government Revenues	100	7	21	12
Totals	16,000	1,175	2,847	1,575

- Labor income, output, and value added are presented in millions of dollars.
- Employment is presented in number of jobs and rounded to the nearest hundred jobs.
- The government collected over \$11.6 million in rental revenue and operating fees from offshore wind energy activities during FY 2024.

BOEM estimated that \$1.61 billion in spending occurred in FY 2024 for commercial projects with an active lease. This consisted of the following spending:

- \$234 million for geotechnical and geophysical surveys
- \$231 million for project management
- \$999 million for construction and developer infrastructure investments
- \$146 million for permitting

Offshore wind leasing activities also led to nearly \$11.6 million in government OCS revenues in FY 2024, including operating fee payments from two projects. Additional revenues received were from rental payments and easement fees on existing leases. These revenues accrued to the Federal government.

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Appendix A: Economic Contribution Trends

This appendix compares BOEM/BSEE's economic contributions in FY 2024 to those in prior years.

A.1. Oil and Gas Contributions

Table 8 shows the contributions of offshore oil and gas activities since FY 2018 (when BOEM began using the CIM). The most notable pattern was a decline in offshore oil and gas contributions during the COVID-19 pandemic.

Table 8: Offshore Oil and Gas Contributions by Fiscal Year

Fiscal Year	Employment	Labor Income	Output	Value Added
2024	250,000	18.31	59.46	30.83
2023	261,000	19.06	62.19	32.22
2022	246,000	18.02	58.11	30.17
2021	205,000	14.82	48.88	24.99
2020	176,000	11.94	38.10	20.65
2019	277,000	18.79	59.08	32.33
2018	271,000	17.95	57.87	30.68

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.

A.2. Wind Energy Contributions

Table 9 shows the contributions of offshore wind activities since FY 2019 (when BOEM began estimating these contributions). The contributions of offshore wind were particularly high in FY 2022 due to the substantial government revenues received from the New York Bight and Carolina Long Bay lease sales. The contributions of offshore wind industry spending have gradually increased over time.

Table 9: Offshore Wind Contributions by Fiscal Year

Fiscal Year	Employment	Labor Income	Output	Value Added
2024	16,000	1.18	2.85	1.58
2023	15,000	1.17	2.91	1.64
2022	41,000	3.49	9.50	5.34
2021	5,000	0.43	1.00	0.57
2020	4,000	0.34	0.74	0.43
2019	7,000	0.59	1.43	0.84

- Labor income, output, and value added are presented in billions of dollars.
- Employment is presented in number of jobs and is rounded to the nearest thousand jobs.