



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT
WASHINGTON, DC 20240-0001

Mr. Daniel Runyan
Senior Vice President Offshore Development
Invenergy California Offshore LLC
One South Wacker Drive
Chicago, Illinois 60606

Dear Mr. Runyan:

Invenergy California Offshore LLC was the successful bidder for Lease OCS-P 0565, at a sale that was held in December 2022. Lease OCS-P 0565 was issued effective June 1, 2023, subject to the terms of the Outer Continental Shelf Lands Act (43 U.S.C. §§ 1331 *et seq.*).

After lease issuance, Invenergy California Offshore LLC and the United States, through the Department of the Interior (DOI) executed a settlement agreement on June 12, 2026. As reflected in the agreement, DOI determined that cancelling Lease OCS-P 0565 is in the public interest, and Invenergy California Offshore LLC stated that it would have asserted claims in litigation against the United States related to the lease. The agreement recognized that DOI would not have issued the lease in June 2023 had it known the sensitive information that it recently learned from the Department of War.

Pursuant to that agreement, Invenergy California Offshore LLC provided on July 6, 2026, an unqualified accounting audit report and supporting documentation to the Assistant Secretary – Policy, Management, and Budget, as indicated in Section three of the agreement. The documentation submitted is sufficient under the terms of Section three. Accordingly, July 6, 2026, is the “effective date” under the agreement. Section four of the agreement states that, within five business days of the effective date, DOI will inform the Office of Natural Resources Revenue (ONRR) that Lease OCS-P 0565 has been cancelled. To provide that notice, ONRR and the Bureau of Safety and Environmental Enforcement (BSEE) are copied on this letter.

In accordance with the agreement, DOI is hereby cancelling and rescinding Lease OCS-P 0565. BOEM will update its records accordingly. Pursuant to Section four of the agreement, DOI will, through the Department of Justice, request payment in the amount of \$111,769,231 to Invenergy California Offshore LLC from the Judgment Fund Branch at the United States Department of Treasury.

If you have any questions regarding this matter, please contact Ms. Keisha Douglas at Lakeisha.douglas@boem.gov or (805) 384-6394.

Sincerely,

Matthew N. Giacona
Acting Director
Bureau of Ocean Energy Management

cc: Bureau of Safety and Environmental Enforcement
Office of Natural Resources Revenue