

**Testimony of  
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U.S. Department of the Interior  
Before the  
House Natural Resources  
Subcommittee on Energy and Mineral Resources  
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Chairman Stauber, Ranking Member Ocasio-Cortez and members of the Subcommittee, I am pleased to appear before you today to discuss the Bureau of Ocean Energy Management's (BOEM's) recent activities to responsibly manage energy resources on the Outer Continental Shelf (OCS) in a manner that meets the country's energy needs while minimizing impacts to the environment. My name is Walter Cruickshank, and I am the Deputy Director of BOEM, a bureau within the Department of the Interior.

BOEM's mission is to manage development of U.S. Outer Continental Shelf energy, mineral, and geological resources in an environmentally and economically responsible way.

**National OCS Program**

The OCS Lands Act (OCSLA) requires BOEM to prepare and periodically revise an oil and gas leasing program that includes a proposed schedule of oil and gas lease sales that will best meet national energy needs for the five-year period following approval or reapproval of the program. This is referred to as the National OCS Oil and Gas Leasing Program (National OCS Program). As specified by Section 18 of OCSLA, preparation and approval of a National OCS Program is based on the Secretary of the Interior balancing specific requirements and factors and selecting the size, timing, and location of OCS lease sales that – among other things – considers the relative needs of regional and national energy markets as well as the impact of oil and gas exploration on the marine, coastal, and human environments.

This past December, the Secretary of the Interior approved the 2024–2029 National Outer Continental Shelf Oil and Gas Leasing Program, which had been published as the Proposed Final Program on September 29, 2023. The new National OCS Program includes three potential OCS oil and gas lease sales in the Gulf of Mexico (GOM) Program Area, scheduled for 2025, 2027, and 2029. The size, timing, and location of these three potential lease sales were chosen because they have the greatest resource potential and net benefits with the least potentially significant impacts and costs to society. The Secretary believes that this proposed schedule will best meet national energy needs for the next five years under existing laws and policies.

The lease sales described in the National OCS Program, if conducted, would enable the Department to continue to issue offshore wind leases in compliance with the provisions of the Inflation Reduction Act (IRA) that prohibit BOEM from issuing new offshore wind leases unless BOEM has offered at least 60 million acres for oil and gas leasing on the OCS in the previous

year. New offshore wind leasing will ensure continued progress towards the Biden-Harris administration's goals to deploy 30 gigawatts of offshore wind energy capacity by 2030 and 15 gigawatts of floating offshore wind energy capacity by 2035.

The area considered for oil and gas leasing has been narrowed to the GOM OCS, where there is existing production and infrastructure. This area includes the portions of the Western, Central, and Eastern GOM planning areas not currently under Presidential withdrawal.

Last October, BOEM published a Call for Information and Nominations in the Federal Register for the potential GOM oil and gas lease sales included in the 2024–2029 National OCS Program. Simultaneously, BOEM also published a Notice of Intent to prepare a programmatic environmental impact statement to analyze the potential impacts of a representative lease sale in the GOM during the 2024–2029 National OCS Program, as well as ongoing and potential associated site- and activity-specific oil- and gas-related approvals.

Collectively, these actions will allow BOEM to implement the new National OCS Program.

### **Recent Leasing Activities**

U.S. offshore oil and gas resources remain an important component of our domestic energy portfolio and contribute to the Nation's economic output. BOEM has held 11 lease sales since the start of the 2017-2022 Program, generating approximately \$1.8 billion in bonus bids. As directed by the IRA, BOEM worked expeditiously to hold Lease Sales 258, 259, and 261. BOEM held Cook Inlet Lease Sale 258 on December 30, 2022, resulting in one bid of \$63,983 and the issuance of one lease. BOEM held Gulf of Mexico Lease Sale 259 on March 29, 2023, which generated \$263.8 million in high bids for 313 tracts and resulted in issuance of 295 leases covering 1.57 million acres. On December 20, 2023, BOEM held Gulf of Mexico Lease Sale 261, which generated \$382,168,507 in high bids for 311 tracts covering 1.7 million acres. BOEM is currently evaluating bids received from Lease Sale 261 and anticipates issuing leases in the coming months. As of December 1, 2023—prior to Lease Sale 261—there were a total of 12.1 million acres of the OCS under lease, with more than 9.2 million acres of that acreage (76 percent) belonging to non-producing leases.

### **Offshore Wind**

As stated earlier, this Administration has set bold goals to harness the significant offshore wind resources we have here in the U.S. and deploy 30 gigawatts of offshore wind energy capacity by 2030 and 15 gigawatts of floating offshore wind energy capacity by 2035.

In support of these goals, the Interior Department has approved the Nation's first six commercial scale offshore wind projects, with two of those projects (Vineyard Wind 1 and South Fork) now producing power. BOEM is currently reviewing an additional 12 offshore wind project plans. In addition, BOEM has held four offshore wind lease auctions totaling almost \$5.5 billion in high bids—including a record-breaking sale in the New York Bight and the first-ever sales offshore the Pacific and Gulf of Mexico coasts—and has taken steps to identify additional Wind Energy Areas for potential leasing offshore Oregon and in the Gulf of Maine, Central Atlantic, and Gulf of Mexico. The Department has also evolved its approach to responsible offshore wind energy

development by encouraging union-built projects and supporting a domestic supply chain, while continuing meaningful engagement with Tribal Nations, underserved communities, fishing communities, and other ocean users and stakeholders.

These accomplishments represent significant milestones towards achieving this Administration's goal of creating good paying jobs and building a clean energy economy that will combat the climate crisis while supporting and protecting American communities. We are taking a thoughtful, all-of-government approach to collaborating on issues such as ocean co-use and efficient permitting to build a robust offshore wind industry that benefits communities and co-exists harmoniously with other ocean uses. We will continue to do this by working collaboratively with Tribal Nations, States, other federal agencies, industry, labor unions, underserved communities, ocean users, and others to ensure that any future offshore energy development is done safely and responsibly and relies on the best available science and Indigenous knowledge.

### **Conclusion**

Thank you again for the opportunity to be here today to discuss BOEM's efforts to responsibly manage our nation's energy resources on the OCS to meet the Nation's energy needs while minimizing impacts to the ocean, ocean users, and marine life. BOEM's programs are essential for the Administration's continued commitment to ensuring a clean and secure energy future -- one that is sustainable and benefits all Americans. I look forward to answering any questions that this Committee may have.