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On Friday, July 1, 2022, the Interior Department released its 2023-2028 “Proposed Program” for the Outer Continental Shelf Oil and Gas Leasing Program (National OCS Program). While the release of the long-delayed Proposed Program was welcome, our nation is still left in the unfortunate position of facing a substantial gap between National OCS Programs for the first time since issuing programs were required in the early 1980s.

Perhaps the most concerning part of the Proposed Program is the fact that the proposal leaves open the possibility of scheduling no lease sales from 2023 to 2028. Simply put, a National OCS Program with no lease sales is a complete nonstarter for our country’s energy future. In addition, scheduling no lease sales would not satisfy the requirements of the OCS Lands Act. At a time when our nation is suffering from skyrocketing energy prices and is increasingly turning to foreign nations to supply our needs, scheduling zero offshore lease sales for the next 5 years would be a devastating blow to the U.S. energy industry and do irreparable damage to our nation.

In 2021, offshore production accounted for 15% of U.S. oil production¹ and 2% of U.S. gas production². A recent EIAP study³ projects that going without lease sales until 2028 would result in a 33% decrease - 885,000 fewer barrels per day - in offshore oil and gas production by 2036. Inevitably, this would further exacerbate many of the current negative trends and pricing issues we are already facing.

While the Biden administration has intently focused on addressing climate concerns and expressed its intention to make oil and gas obsolete, independent analysis from the Energy Information Administration⁴ has shown that oil and gas will be necessary to meet America’s energy needs for the foreseeable future. When we accept that reality, the question becomes whether we want to strengthen our energy security and maintain our role as a global energy leader by producing that oil and gas here in America or become reliant on foreign nations.

¹ https://www.eia.gov/dnav/pet/pet_crd_crpdn_adc_mbb1_a.htm

² https://www.eia.gov/dnav/ng/ng_prod_sum_a_EPG0_VGM_mmcf_a.htm

³ <https://www.api.org/~media/Files/News/2022/03/EIAP-5-year-Program-Leasing-Delay-Report-03-24-22>

⁴ <https://www.eia.gov/outlooks/ieo/>

Continued American offshore exploration, development, and production will provide greater economic and energy security benefits to U.S. companies, workers, and consumers. Additionally, Gulf of Mexico offshore production is recognized as some of the least carbon-intensive production in the world.⁵

The Energy Workforce & Technology Council represents over 600,000 energy workers, manufacturers and innovators throughout the United States. Energy Workforce member companies provide the world with energy in the most environmentally safe, efficient, and responsible way possible. Our membership includes large energy services companies with international operations, as well as small family-owned well servicing companies that operate locally.

Access to, and responsible development of, U.S. offshore energy resources is vital to a robust, forward-looking energy policy that will help secure the nation's energy supply and economic prosperity. The U.S. Outer Continental Shelf is estimated to hold 90 billion barrels of oil and 327 trillion cubic feet of gas. If developed, these resources could create more than 800,000 American jobs, spur nearly \$450 billion in private sector spending, and generate more than \$200 billion in revenue for federal and state governments. Energy Workforce member companies stand ready to meet global energy demand however this is only possible through robust and consistent support of the U.S. oil and gas offshore leasing program.

The Biden administration is in the unique position to be the first administration in recent history, either Republican or Democrat, to reject the need and benefit of a strong domestic energy sector through continued offshore leasing and development. The United States must remain in control of our own energy future by maximizing our domestic energy production potential. It is incumbent that the 2023-2028 Final National OCS Program includes the 10 proposed Gulf of Mexico lease sales and the lease sale proposed for the Cook Inlet in Alaska.

⁵ U.S. Department of the Interior, "OCS Oil & Natural Gas: Potential Lifecycle Greenhouse Gas Emissions and Social Cost of Carbon" <https://www.boem.gov/sites/default/files/oil-and-gas-energy-program/Leasing/Five-Year-Program/2017-2022/OCS-Report-BOEM-2016-065---OCS-Oil-and-Natural-Gas---Potential-Lifecycle-GHG-Emissions-and-Social-Cost-of-Carbon.pdf> November 2016.