

Statement of
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House Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
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Chairman Gosar, Ranking Member Lowenthal and members of the Subcommittee, I am pleased to appear before you today to discuss BOEM's role in developing America's renewable energy resources on the Outer Continental Shelf.

My name is Jim Bennett and I am the Chief of the Office of Renewable Energy Programs within the Bureau of Ocean Energy Management (BOEM). I have spent over 35 years in the environmental and energy arenas serving in a variety of capacities in both the Department of the Interior as well as other Federal Agencies. Within BOEM, I previously led the Division of Environmental Assessment, overseeing BOEM's compliance with the NEPA and other environmental laws as they pertain to Federal Outer Continental Shelf activities. I have earned two Master's degrees, one each in Environmental Planning, and in Computer Systems Management.

Background

A true all-of-the above energy strategy includes the development of the readily-available renewable energy resources that are vital to our Nation's long-term economic development and energy security. Securing clean sources of energy not only benefits the environment, but also creates American jobs and promotes innovation in the United States. As such, BOEM works diligently to oversee responsible offshore wind development along the Outer Continental Shelf (OCS) by identifying wind energy areas using a coordinated, focused approach with extensive environmental analysis, stakeholder outreach, public review, and large-scale planning. Under Section 388 of the Energy Policy Act of 2005, when there is competitive interest, BOEM is required to conduct competitive lease sales for areas on the OCS while ensuring a fair return to the United States. As of June 25, 2018, BOEM has 12 active commercial offshore wind energy leases generating more than \$68 million in high bids, with the most recent lease sale of 122,000 acres offshore Kitty Hawk, North Carolina bringing in a high bid of over \$9 million.

BOEM is also making progress on siting demonstration and technology testing projects for wind and marine hydrokinetic energy offshore both the Atlantic and Pacific coasts while also working to identify and analyze potential wind energy areas within the Pacific and Atlantic regions.

Offshore wind leasing activities have increased as a result of detailed planning and analysis and partnership with states, other governmental agencies, and stakeholders. State interest in pursuing offshore wind development is readily apparent through recently enacted state legislation and the increased involvement of the states in BOEM's intergovernmental renewable energy task forces. There are now 14 such task forces consisting of representatives from Federal, state, local and tribal agencies. BOEM anticipates the Renewable Energy Program will continue to grow, and is prepared to support this valuable effort in response to the Nation's energy needs.

HR 5291

H.R. 5291 would amend the OCS Lands Act (OCSLA) to require the Secretary of the Interior, in consultations with the Secretaries of Energy, Education and Labor to establish an offshore wind career grant program. BOEM is charged with responsible offshore energy development, and it is through our multi-step leasing process that we are in the position of offering portions of the OCS for renewable energy projects, in which industry is continuing to show considerable interest. The Department supports the goal of developing a trained offshore wind workforce, however the establishment of a career training grant program within the Department would impose an administrative burden and does not align with the Department's mission or budget priorities.

Even with rapidly accelerating interest, the permitting process is lengthy, and it will likely be a few years before construction commences on new OCS wind projects. BOEM's goal is to facilitate a portfolio of leases and projects so that a supply chain and American workforce can develop.

Offshore Renewable Energy for Territories Act

BOEM supports the effort to provide U.S. territories with an equal opportunity to conduct OCS wind leasing off their shores pursuant to the OCS Lands Act.

This draft discussion would require a "technological and long-term economic feasibility" study on conducting wind lease sales off the coasts of territories of the United States to be delivered to Congress 180 days after enactment. The normal time table for the planning and analysis phase of a potential wind energy area is approximately two years. For much of this time, BOEM engages with all levels of governments and stakeholder communities to identify issues relevant to defining an area to be included in a Call for Information and Nominations (Call). Having a significantly reduced time period to complete this pre-Call engagement could lead to

unnecessary complications through the remainder of the lease sale planning process. This in turn would likely limit the quality of the resulting information and analysis and, ultimately, the utility of the study to BOEM and other stakeholders. We would like to work with the bill sponsor to address this issue.

National OCS Renewable Energy Leasing Program Act

This act would require that the Memorandum of Understanding between the Secretaries of the Interior and Defense regarding energy activities on the OCS be updated to include proposed lease sales for non-oil and gas offshore energy. It also directs the Secretary of the Interior to develop, periodically revise, and maintain a non-oil and gas offshore leasing program. Although not contained in one published program, proposed wind lease auctions for various states are planned years in advance of the auction and periodically revised based on input from many stakeholders. Any leasing program will need to retain the flexibility to allow BOEM to respond to rapid changes in technology and regional demand.

Conclusion

BOEM plays a vital role in advancing safe and responsible offshore energy development and in helping to secure our energy future. Renewable energy will certainly play an important role in this country's energy dominance. BOEM stands ready to work with the Subcommittee on both discussion drafts should they be introduced. I look forward to our continued work together and to answering your questions today.