



July 13, 2021

The Honorable Raul Grijalva
Chairman
Committee on Natural Resources
1324 Longworth H.O.B.
Washington, D.C. 20515

The Honorable Bruce Westerman
Ranking Member
Committee on Natural Resources
1329 Longworth H.O.B.
Washington, D.C. 20515

Dear Chairman Grijalva and Ranking Member Westerman,

I write on behalf of the National Ocean Industries Association, or NOIA. An almost 50-year-old organization, NOIA represents all segments of the offshore energy industry. This includes traditional fossil fuels such as oil and natural gas, primarily in the Gulf of Mexico, as well as important new sources of energy like offshore wind. Further, our members include energy developers and, just as importantly, the businesses - large and small - who do the work of building, supplying, and servicing these projects.

Our industry is committed to responsible development of energy sources in the offshore region and is playing a key role in advancing low carbon solutions to address the climate challenge. All stakeholders—including the energy industry—have a responsibility to protect our oceans and the species within them. However, we have serious concerns around certain provisions of H.R. 3764, the Ocean-Based Climate Solutions Act, and how they might be implemented. This is why we urge you to further amend the bill before advancing it through the Committee, or to vote no should it come for an up-or-down vote.

Most notably, Title II would serve to ban oil and gas development on the vast majority of America's outer continental shelf. While we appreciate the majority's decision to no-longer including a ban on *all* development, putting a statutory ban in place on millions of other acres of federal waters without understanding the energy potential of these regions will serve to benefit foreign energy producers such as Russia and China who continue to explore for and develop offshore energy resources. The Committee should further amend this title to allow future exploration, with a focus on the most highly prospective areas.

We also have concerns with broad new authority included under Title VII regarding marine mammal conservation. The oil and gas industry has decades of experience in developing offshore energy resources under a stringent and robust regulatory system, which includes various layers of laws and regulations for protecting species. The current system has worked effectively, and it is important for the Department of the Interior to retain full decision-making authority so that it can consider all factors required by the Outer Continental Shelf Lands Act and other laws, while also balancing the views of the various members of the federal family. We thus have significant

concerns with new authority being given to the National Oceanographic and Atmospheric Administration (NOAA) providing what effectively could serve as veto power over other agencies' actions.

We do, however, appreciate the Committee's focus on offshore wind and its effort to set bold new targets. We do worry though how the above-mentioned Title VII requirements on marine mammals could interact with the buildout of offshore wind—especially at a time when the industry is fostering important relationships with key stakeholders and establishing best practices for the protection of species such as the Right Whale—as could other provisions related to fisheries management. There are very real prospects for unintended consequences in such a sweeping bill at a time when the industry is primed for expansion. We also would recommend that the Committee consider amending the bill to include enhancements such as Congressman Tonko's *Restoring Offshore Wind Opportunities Act* to ensure that *all* areas are ready for the promise of offshore wind. This industry will provide reliable and affordable energy through a strong pipeline of offshore wind projects, and it will create jobs from New England to the Gulf Coast, from the Pacific to the Hudson Valley. Using many of the same contractors and technical know-how as the offshore oil and gas industry, offshore wind will be game changer and this bill emphasizes that important dynamic.

In short, the Committee has made certain improvements to the bill. However, more work must be done to both avoid unintended consequences and to ensure we are not hampering our own energy, economic, environmental, and national security interests by banning oil and gas development throughout wide swaths of the U.S. Outer Continental Shelf. As this bill does not reduce *demand* for oil and gas, reducing opportunities to produce it here merely shifts the need for supplies to other sources, sources that might be less friendly, less environmentally conscious, and with a much higher carbon emission profile.

Respectfully,



Erik Milito
President
National Ocean Industries Association