

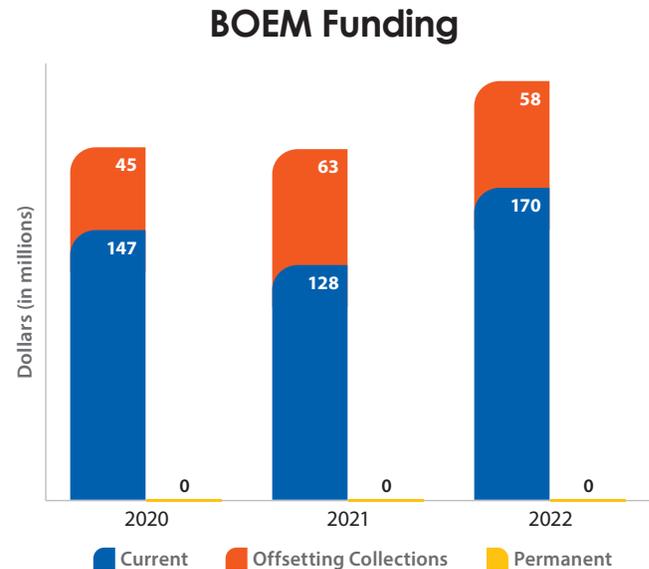


BUREAU OF OCEAN ENERGY MANAGEMENT

Mission—The Bureau of Ocean Energy Management (BOEM) manages development of the Nation’s offshore energy and mineral resources in an environmentally and economically responsible way.

Budget Overview—The 2022 budget includes \$227.8 million for BOEM programs, including \$169.7 million in current appropriations and \$58.1 million in offsetting collections from offshore rental receipts and other cost recoveries. BOEM estimates staffing will total 650 full-time equivalents (FTEs) in 2022.

Program Overview—BOEM manages development of the Nation’s offshore energy and mineral resources, in line with the requirements of Executive Orders (EOs) 13990, Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis, and 14008, Tackling the Climate Crisis at Home and Abroad. BOEM’s work supports Administration efforts to create good-paying jobs as the Nation transitions to a clean energy future. The bureau supports renewable energy leasing and development; provides Outer Continental Shelf (OCS) oil and gas planning, leasing and oversight—including inventories of oil and gas reserves, resource and economic evaluation, review and administration of oil and gas exploration and development plans, geological and geophysical permitting, financial assurance and risk management; conveys sand and gravel resources; and conducts National Environmental Policy Act analysis and environmental studies. BOEM plays a key role in tackling the Nation’s climate crisis by promoting and advancing clean energy, as well as energy security, environmental protection, and economic development through



responsible, science-informed management of offshore energy and mineral resources.

BOEM carries out these responsibilities while seeking to ensure that U.S. taxpayers receive a fair return for OCS lease activity and by balancing the energy demands and mineral needs of the Nation with the protection of the human, marine, and coastal environments.

Ocean Energy Management—The budget includes \$227.8 million for BOEM’s ocean energy management activities, including renewable energy, conventional energy, marine minerals, and environmental studies and analysis. These activities constitute BOEM’s entire program for the leasing and management of the Nation’s offshore energy and mineral resources.

- The Bureau of Ocean Energy Management (BOEM) plays an important role to advance the Nation's clean energy future in an environmentally and economically responsible manner, while also contributing to the Administration's climate change and conservation goals. BOEM's activities advance energy security, support economic prosperity, and ensure the reliability and affordability of domestic energy.
- Since 2013, BOEM has conducted eight competitive lease sales and currently oversees 17 active commercial wind energy leases in the Atlantic OCS. BOEM is currently planning to hold two renewable energy lease sales in FY 2022, one in the Atlantic in the New York Bight and one in the Pacific offshore California. Additional planning is also underway for lease areas offshore the Carolinas, Oregon, Hawaii, and the Gulf of Maine.
- In FY 2020, \$5.2 million in rent was collected on OCS renewable energy leases. In total, BOEM generated more than \$473 million in bonus bids from renewable energy lease sales conducted through the competitive leasing process.
- As of April 1, 2021, BOEM manages about 2,341 active oil and gas leases on more than 12.4 million OCS acres. In FY 2020, BOEM's conventional energy activities generated revenues of \$97 million in rent, \$241 million in bonuses, and \$3.4 billion in royalties from production.
- Offshore Federal production in FY 2020 reached approximately 641.3 million barrels of oil and 881.7 million cubic feet of gas, almost all of which was produced in the Gulf of Mexico. Currently, producing leases on the OCS account for about 15 percent of all domestic oil production and 2 percent of domestic natural gas production.
- As part of its mandate to manage offshore resources, BOEM oversees the conveyance of OCS marine minerals, including sand and other sediment, to Federal, State, and local government agencies for shore protection, beach and wetlands restoration projects, or other construction projects funded or authorized by the Federal Government. As of May 2021, BOEM has conveyed the rights to nearly 169 million cubic yards of OCS sediment and executed 61 negotiated agreements for projects in eight States that have restored nearly 421 miles of coastline.

Deploying Clean Energy—Renewable Energy—The Energy Policy Act of 2005 authorizes the Department to issue leases, easements, and rights-of-way for activities on the OCS that produce or support production, transportation, or transmission of energy from renewable sources. The 2022 budget requests \$45.8 million for renewable energy activities, including permitting for the siting and construction of offshore wind farms on the OCS and other renewable energy sources, such as wave and current energy. These funds support renewable energy development and implementation activities, including identification of wind energy areas; environmental and compliance work; competitive and noncompetitive leasing actions; review of site assessment plans and construction and operations plans; and consultation with State and local governments, Tribes, Federal agencies, and other stakeholders.

BOEM's 2022 budget responds to EO 14008 and the Administration's target to deploy 30 gigawatts of off-shore wind in the United States by 2030. This goal reflects the role that renewable energy can play in securing U.S. energy independence and supporting national economic growth. BOEM proposes additional funding to further advancement of the Nation's clean energy future in an environmentally and socially conscientious manner through planning, stakeholder engagement, comprehensive environmental analysis, and sound technical review. BOEM's 2022 budget requests \$4.0 million and 25 FTEs to expand its workforce capacity to manage and address renewable energy activities, including additional personnel to manage construction and operations plans. BOEM requests \$7.0 million and five FTEs to increase renewable energy science and technology research and stakeholder outreach to inform project and policy decisions,



The two-turbine Coastal Virginia Offshore Wind pilot project utilizes a renewable energy source.

environmental analysis, mitigation, and monitoring protocols for environmental and cultural issues. In addition, BOEM requests \$5.0 million and two FTEs for renewable energy environmental studies to inform policy decisions, environmental analysis, mitigation, and monitoring protocols for environmental and cultural issues.

Conventional Energy—The 2022 budget proposes \$62.3 million for conventional energy development. These funds support high-priority offshore oil and gas development activities, including OCS leasing, inventories of oil and gas reserves, review and administration of oil and gas exploration and development plans, geological and geophysical permitting, economic analyses, resource evaluation, and financial assurance and risk management.

Section 208 of EO 14008 requires the Secretary of the Interior to “pause new oil and natural gas leases on public lands or in offshore waters pending completion of a comprehensive review and reconsideration of Federal oil and gas permitting

and leasing practices.” As part of the review, the EO calls for the Secretary to consider royalties and other actions to account for the climate costs of oil and gas resources extracted from offshore waters. This comprehensive review is designed to ensure that BOEM manages offshore energy development in a safe and responsible way while providing a fair return to the public from the sale of OCS energy resources and supporting the Administration’s efforts to address the climate crisis. The pause on new leasing does not affect existing operations or permits for valid, existing OCS oil and gas leases; production and exploration on those leases continue.

Decisions on how to proceed with developing the next National OCS Program will be made in the context of the comprehensive review. The review process will recognize and consider the importance of OCS oil and gas revenue streams to Federal and State programs to ensure that the future of OCS oil and gas leasing continues to serve the public interest and benefit current and future generations.

Strengthening Climate Resilience and Conservation Partnerships—Marine Minerals—The OCS Lands Act authorizes BOEM to convey, on a noncompetitive basis, the rights to OCS sediment resources to Federal, State, and local government agencies for shore protection, beach and wetlands restoration projects, and construction projects funded or authorized by the Federal Government. Sand and gravel resources on the OCS are critical for the long-term success and cost effectiveness of many shore protection, beach nourishment, and wetlands restoration projects along the Gulf and Atlantic coasts and, increasingly, in the Pacific and Alaska regions.



Key program statistics as of May 2021.

yards of OCS sediment and executed 61 negotiated agreements for projects in eight States that have restored nearly 421 miles of coastline.

BOEM also oversees marine mineral geological and geophysical exploration and competitive, commercial leasing for critical and other strategic minerals located on the OCS. Critical minerals are an important component of EO 14017, America's Supply Chains. BOEM continues to assess which of the currently identified 35 critical minerals may be located on the OCS and is building the National Offshore Critical Mineral Inventory to house information about poten-

Consistent with EO 14008, BOEM continues to advance its marine minerals activities, facilitating the restoration and protection of shoreline infrastructure vital to the Nation's security, economy, and ecosystems, as well as beach and coastal wetlands restoration projects. The 2022 budget requests approximately \$15.0 million for Marine Minerals. BOEM's request includes an additional \$4.1 million and four FTEs to enable the further development of the National Offshore Sand Inventory, additional geophysical and geological data acquisition, and data evaluation and interpretation. Further development of the National Offshore Sand Inventory enables the Federal Government to proactively plan for the demand for OCS marine minerals and infrastructure protection efforts on a national scale, protecting taxpayers, localities, and the Federal Government from expenses resulting from hurricanes and other storm damage. The requested funds will significantly improve efforts to protect critical infrastructure and economic activity along the coasts of the United States by quantifying and identifying compatible and proximate sand resources that will reduce Federal disaster recovery and coastal project dredging costs while also shortening projection timelines. As of May 2021, BOEM has conveyed the rights to nearly 169 million cubic

tial critical mineral resources and environmental conditions in shallow and deep water environments. Critical minerals are essential to the economic and national security of our Nation, and the supply chain for these minerals is particularly vulnerable to disruption. Critical minerals are important for clean and renewable energy technologies such as wind and solar power as well as batteries for the growing electric vehicle industry.

Strengthening Climate Resilience and Conservation Partnerships and Advancing Science—Environmental Programs—Foundational to BOEM's offshore energy and mineral resource activities are the Environmental Programs, for which the 2022 budget requests \$86.8 million. Section 20 of the OCS Lands Act requires BOEM to consider the impacts from OCS development on marine, coastal, and human environments. The 2022 budget request includes an increase of \$10.0 million and three FTEs to enable research and leveraging of funds through partnerships and collaborative efforts to advance scientific progress on renewable energy, conventional energy, and marine minerals and to provide information for mission-critical decision making. BOEM also uses the information collected to inform environmental reviews and consultations

with Tribes, States, and natural resource agencies. A focus on environmental science ensures the transparent and accessible integration of applied science with BOEM’s environmental analyses in support of programmatic decisions. This program supports the environmentally and economically responsible development of energy and mineral resources.

Executive Direction—The budget requests \$17.9 million for Executive Direction to provide Bureau-wide leadership, direction, management, coordination, communications strategies, outreach, and regulatory development for BOEM’s programs.

The BOEM budget includes \$200,000 and one FTE as part of a Departmentwide Diversity, Equity,

Inclusion, and Accessibility budget initiative to address identified high-priority needs in support of Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, and Executive Order 13988, Preventing and Combating Discrimination on the Basis of Gender Identity and Sexual Orientation. As part of this initiative, the Department, bureaus, and offices will jointly conduct a review of the Diversity, Equity, Inclusion, and Accessibility program across Interior to identify gaps, challenges, and best practices and to examine Department and bureau roles, responsibilities, and governance.

Fixed Costs—Fixed costs of \$3.7 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2022 Request with 2021 Enacted

	2021 Enacted		2022 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Ocean Energy Management ^{1/}	610	127,760	650	169,682	+40	+41,922
Subtotal, Current	610	127,760	650	169,682	+40	+41,922
Offsetting Collections	0	63,055	0	58,099	0	-4,956
TOTAL, BUREAU OF OCEAN ENERGY MANAGEMENT (w/ oc).....	610	190,815	650	227,781	+40	+36,966

^{1/} The 2021 Enacted amount reflects a rescission of \$2.0 million.

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Ocean Energy Management

	2020 Actual	2021 Enacted	2022 Request	Change
Renewable Energy				
Appropriation.....	19,345	22,211	40,270	+18,059
Offsetting Collections	3,980	6,254	5,548	-706
Subtotal, Renewable Energy	23,325	28,465	45,818	+17,353
Conventional Energy				
Appropriation.....	52,754	45,011	48,532	+3,521
Offsetting Collections	10,062	15,476	13,804	-1,672
Subtotal, Conventional Energy.....	62,816	60,487	62,336	+1,849
Marine Minerals				
Appropriation.....	4,412	8,829	13,281	+4,452
Offsetting Collections	1,462	1,952	1,684	-268
Subtotal, Marine Minerals.....	5,874	10,781	14,965	+4,184
Environmental Programs				
Appropriation.....	55,897	41,889	54,660	+12,771
Offsetting Collections	26,560	33,986	32,103	-1,883
Subtotal, Environmental Programs.....	82,457	75,875	86,763	+10,888
Executive Direction				
Appropriation.....	14,109	11,820	12,939	+1,119
Offsetting Collections	3,030	5,387	4,960	-427
Subtotal, Executive Direction.....	17,139	17,207	17,899	+692
TOTAL APPROPRIATION (w/o oc).....				
Total Offsetting Collections	45,094	63,055	58,099	-4,956
TOTAL APPROPRIATION				
(w/oc, w/o rescission).....	191,611	192,815	227,781	+34,966
Rescission of Prior-Year BA.....	0	-2,000	0	+2,000
TOTAL APPROPRIATION				
(w/ oc and rescission).....	191,611	190,815	227,781	+36,966

APPROPRIATION: Ocean Energy Management *(continued)*

Detail of Budget Changes

	2022 Change from 2021 Enacted		2022 Change from 2021 Enacted
TOTAL APPROPRIATION	+36,966		
Renewable Energy	+17,353	Environmental Programs.....	+10,888
Renewable Energy Research & Stakeholder Engagement.....	+7,000	Clean Energy.....	+7,000
Renewable Energy Workforce Capacity ...	+4,000	Climate Science.....	+3,000
Renewable Energy-Related Studies.....	+5,000	Fixed Costs	+888
Grow the Offshore Wind Industry	+1,000	Executive Direction.....	+692
Fixed Costs	+353	Diversity, Equity, Inclusion, and Accessibility	+200
Conventional Energy.....	+1,849	Fixed Costs	+492
Fixed Costs	+1,849	Elimination of Rescission.....	+2,000
Marine Minerals	+4,184	Subtotals for Changes Across Multiple Subactivities	
National Offshore Sand Inventory.....	+4,056	Fixed Costs	[+3,710]
Fixed Costs	+128		