

United States Senate

WASHINGTON, DC 20510

September 30, 2022

The Honorable Deb Haaland
Secretary of the Interior
United States Department of the Interior
1849 C Street NW
Washington, DC 20240

Dear Secretary Haaland:

We are writing regarding your July 1, 2022, release of the “Proposed Program” for the Interior Department’s Outer Continental Shelf Oil and Gas Leasing Program. While the release of a “Proposed Program,” after months of delay,¹ is a step in the right direction, we are concerned by the Department’s suggestion that a no lease option is a possibility for the final program². Further, failure to conduct any lease sales which encourage bidding could, as the Department says, cause increased air emissions from substitute production, primarily from overseas imports.³ We are also closely monitoring efforts by the administration to halt lease sales⁴ or to make lease sales economically unattractive in order to discourage bidding.

American families are struggling to keep up with rising costs due to inflation, high energy prices, and persistent supply chain issues. In addition, local businesses that are part of the ecosystem of U.S. energy production are being confronted with decisions that impact their employees and employees’ families due to uncertainty about future natural resource development. Also, our allies in Europe are facing an energy crisis forcing the closure of manufacturing businesses and impacting supply chains which also leads to inflationary pressures throughout their economy⁵. It is our obligation to do everything within our power to help ease these burdens and remove this uncertainty for both Americans and our allies.

¹ 43 U.S.C. § 1344(a) requires the Secretary to “prepare” and “maintain an oil and gas leasing program”.

² Puko, T., & DeBarros, A. (2022, September 4). *Federal oil leases slow to a trickle under Biden*. The Wall Street Journal. Retrieved September 12, 2022, from <https://www.wsj.com/articles/federal-oil-leases-slow-to-a-trickle-under-biden-11662230816>

³ “...to further fulfill demand, replacement oil imports could cause corresponding increases in air emissions... approximately 51% of the forgone production would be met with additional oil and gas imports.” - Bureau of Ocean Energy Management. (2022, July). National OCS Oil and Gas Leasing Program for 2023-2028. Retrieved September 12, 2022, from <https://www.boem.gov/oil-gas-energy/national-program/national-ocs-oil-and-gas-leasing-program-2023-2028>

⁴ On August 18, 2022 the Western District of Louisiana enjoined the nationwide moratorium on federal oil and gas leasing established in Executive Order 14008, including on the OCS. More specifically, the Court found that OCSLA “requires [BOEM] to sell oil and gas leases.”, and that, “Neither the OCSLA nor the [Mineral Leasing Act] gives the Government Defendants’ agencies the authority to implement a Stop of lease sales. Those statutes require eligible oil and natural gas leases to continue to be sold in accordance with the statutes. The Court finds that the stopping of leasing of eligible lands and waters is contrary to law.”

⁵ Wallace, J., Uberti, D., Kantchev, G., & Boston, W. (2022, September 12). *European manufacturers reel from Russian Gas Shutoff*. The Wall Street Journal. Retrieved September 12, 2022, from <https://www.wsj.com/articles/europe-manufacturers-factories-russia-gas-11662938614>

One of the most effective ways we can do this is to increase future domestic oil and natural gas production through long-term leasing certainty. That is why we are encouraging 10 lease sales in the Gulf of Mexico and one lease sale in the Cook Inlet in the next five-year offshore leasing program.

The Department can help domestic energy production and put American energy consumers first. While the Department has awarded leases to the high bidders in Lease Sale 257, the Department should also 1) conduct the three congressionally mandated offshore lease sales⁶ with economically competitive terms and robust acreage that will attract significant industry interest; and 2) offer quarterly lease sales with desirable acreage across federal lands.⁷ Finalizing the five-year program with a commitment to semi-annual area-wide lease sales will also be a big step for American energy security and demonstrate to the American people the administration is serious about actions that can contribute to lower energy costs.

We appreciate your attention to this matter and look forward to seeing the release of the Final National OCS Program for 2023-2028.

Sincerely,



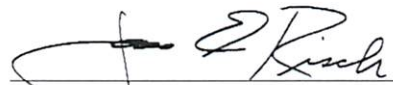
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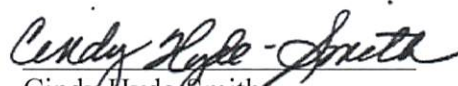
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⁶ P.L. 117-169

⁷ 30 U.S.C. §§ 226(a)-(b)




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