



BUREAU OF OCEAN ENERGY MANAGEMENT

Mission

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

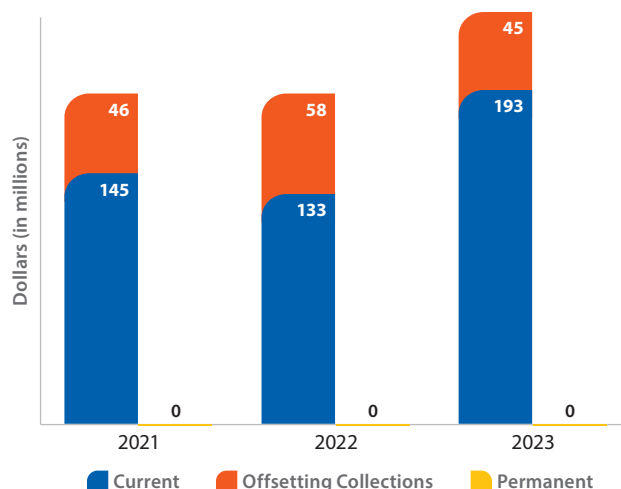
Budget Overview

The 2023 budget includes \$237.4 million for BOEM programs, including \$192.8 million in current appropriations and \$44.6 million in offsetting collections from offshore rental receipts and other cost recoveries. BOEM estimates that staffing will total 677 full-time equivalents (FTEs) in 2023.

Program Overview

BOEM plays an important role in contributing to Administration priorities by advancing the Nation's clean energy future; fostering climate change resilience and restoration; supporting critical mineral science and environmental stewardship; championing environmental justice; utilizing environmental studies and analysis in support of conservation efforts; and fostering diversity and inclusion in the workplace. The bureau supports renewable energy leasing and development; provides Outer Continental Shelf (OCS) oil and gas planning, leasing, and oversight—including estimates of oil and gas reserves, resource and economic evaluation, review and administration of oil and gas exploration and development plans, geological and geophysical permitting, and financial assurance and risk management; conveys sand and gravel resources; and conducts National Environmental Policy Act analysis and environmental studies.

BOEM Funding



BOEM carries out those 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

BOEM's 2023 budget reflects its commitment to ongoing efforts and initiatives vital to BOEM's mission and critical to supporting the Administration's priorities. The budget includes \$237.4 million for BOEM's Ocean Energy Management activities, including renewable energy, conventional energy, marine minerals, and environmental studies and analysis.

The Biden-Harris Administration established an ambitious goal to deploy 30 gigawatts (GW) of

- 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.
- BOEM conducted nine renewable energy lease sales since 2013, including most recently a sale in New York Bight that generated more than \$4.3 billion in high bids for the U.S. Treasury.
- BOEM manages more than 2.2 million acres of commercial wind energy and research leases. BOEM plans to hold up to two additional renewable energy lease sales in calendar year 2022: offshore the Carolinas and offshore California.
- BOEM plans sales in the Gulf of Mexico and offshore the U.S. Central Atlantic coast in 2023, and additional planning is underway for potential lease areas offshore Oregon, Hawaii, and in the Gulf of Maine.
- In FY 2021, \$5.1 million in rent was collected on Outer Continental Shelf (OCS) renewable energy leases. In total, BOEM has generated more than \$4.8 billion in bonus bids from renewable energy lease sales conducted through the competitive leasing process since 2013.
- As of March 1, 2022, BOEM manages 2,060 active oil and gas leases on almost 11 million OCS acres. In 2021, conventional energy generated \$88.6 million in rent, \$111.6 million in bonuses, and \$3.8 billion in royalties from production.
- Offshore Federal oil and gas production in 2021 reached approximately 602.7 million barrels of oil and 766.8 million cubic feet of gas, almost all of it produced in the Gulf of Mexico. Currently, the OCS accounts 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.

offshore wind generation by 2030, which could support nearly 80,000 jobs. The OCS Lands Act authorizes the Department to issue leases, easements, and rights-of-way for activities on the OCS that produce or support the production, transportation, or transmission of energy from renewable sources. The 2023 budget requests \$51.7 million for renewable energy activities, including permitting for the siting and construction of offshore wind farms and other renewable energy sources, such as wave and current energy, on the OCS. 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, ocean users, and other stakeholders.

As the lead regulatory agency for offshore wind, BOEM's 2023 budget supports the Administration's commitment to responsibly accelerate offshore renewable energy production. To meet the increase in demand and reach the 30 GW goal, BOEM's 2023 budget proposes an increase in workforce capacity to manage renewable energy activities. Those positions will enable BOEM to review construction and operations plans, increase renewable energy science and technology research and stakeholder outreach, and better inform policy decisions, environmental analyses, mitigation, and monitoring protocols for environmental and cultural issues.

Management of OCS oil and gas resources is governed by the OCS Lands Act, which sets forth procedures for offshore conventional energy leasing, exploration, development, and production.

The 2023 budget proposes \$63.6 million for conventional energy development. These funds support the effective management of offshore oil and gas development activities, including overseeing ongoing activities, ensuring adequate financial assurances for decommissioning liability and risk management, developing and implementing the National OCS Oil and Gas Leasing Program (National OCS Program), estimating inventories of oil and gas reserves, reviewing and administering oil and gas exploration and development plans as well as geological and geophysical permitting, and conducting economic analyses and resource evaluation.

As required by Section 18 of the OCS Lands Act, BOEM prepares the National OCS Program, which sets forth the schedule for proposed offshore oil and gas lease sales over a 5-year period. The National OCS Program is designed in a manner to best meet the Nation's energy needs while carefully considering factors to balance the potential for accessing oil and gas resources with the potential for adverse impacts from such activity.

In response to direction in Executive Order 14008—Tackling the Climate Crisis at Home and Abroad—and in light of the Secretary of the Interior's broad stewardship responsibilities, the Department conducted a review of its oil and gas program and published a report of its findings in November 2021. The report identifies key reforms necessary to ensure that the programs provide a fair return to taxpayers, discourage speculation, reduce environmental impacts, hold operators responsible for remediation, and create a more inclusive and just approach to managing public lands and waters. The Department's report makes a number of specific recommendations to restore balance to these programs, including adjusting royalty rates, pursuing adequate financial assurance for decommissioning liabilities, and prioritizing leasing in areas with



Installation activities at the Block Island Wind Farm, RI.

BOEM Photo.

known resource potential while avoiding conflicts with other uses. The Department is in the process of implementing administrative changes consistent with the report's findings and recommendations, including, where necessary, updating regulations and agency policy guidance documents that apply to existing leases as well as any new leases that may be issued. The Administration is committed to the responsible and sustainable development of Federal energy resources as the Nation transitions to a low-carbon economy, and such reforms are a critical component of this effort.

The 2023 budget proposes \$15.4 million to support BOEM's marine minerals activities, which foster climate change resilience and restoration while supporting conservation partnerships. 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 shore protection, beach nourishment, and wetlands restoration projects along the Gulf and Atlantic coasts and, increasingly, in the Pacific and Alaska regions.

BOEM's development of the National Offshore Sand Inventory significantly improves 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 project timelines. As of December 2021, BOEM has conveyed the rights to 178.2 million cubic yards of OCS sediment and executed 64 negotiated agreements for projects in eight States that have restored nearly 444 miles of coastline.

BOEM also oversees marine minerals geological and geophysical exploration and competitive, commercial leasing for critical and other strategic minerals on the OCS. BOEM continues to assess which of the currently identified 50 critical minerals may be on the OCS and is building the National Offshore Critical Mineral Inventory to house information about potential critical mineral resources and environmental conditions in shallow and deepwater environments.

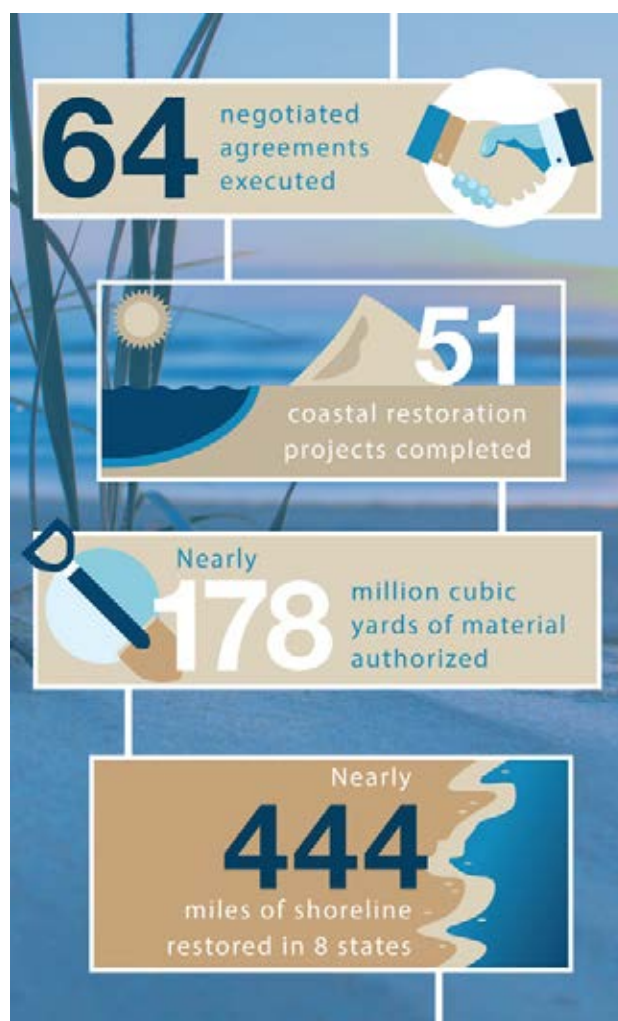
Foundational to BOEM's offshore energy and mineral resource activities are the Environmental Programs, for which the 2023 budget requests \$86.4 million. Section 20 of the OCS Lands Act requires BOEM to consider the impacts on marine, coastal, and human environments from OCS development. The 2023 budget request includes an increase of \$9.6 million and three FTEs to enable research and leverage funds through partnerships and collaborative efforts to advance scientific progress on renewable energy, conventional energy, and marine minerals to better inform mission-critical decision making. BOEM also uses the information collected to inform environmental reviews and consultations with Tribes, States, and natural resource agencies.

The 2023 budget requests \$20.3 million for Executive Direction, which supports BOEM-wide leadership, direction, management, coordination, communications strategies, outreach, and regulatory development.

BOEM's budget proposes three FTEs to establish an Office of Equity and Inclusion. The requested FTEs will enable BOEM to advance the work of its Justice, Equality, Diversity, and Inclusion Committee and establish an equal employment opportunity program to ensure leadership capacity to holistically advance all aspects of equal opportunity, diversity, and inclusion.

Fixed Costs

Fixed costs of \$4.0 million are fully funded.



Key marine minerals program statistics as of December 2021.

SUMMARY OF BUREAU APPROPRIATIONS

(dollar amounts in thousands)

Comparison of 2023 Request with 2022 CR

	2022 CR		2023 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Ocean Energy Management	610	132,716	677	192,765	+67	+60,049
Subtotal, Current	610	132,716	677	192,765	+67	+60,049
Offsetting Collections	0	58,099	0	44,642	0	-13,457
TOTAL, BUREAU OF OCEAN ENERGY MANAGEMENT (w/ oc)	610	190,815	677	237,407	+67	+46,592

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Ocean Energy Management

	2021 Actual	2022 CR	2023 Request	Change
Conventional Energy				
Appropriation	49,711	46,683	56,089	+9,406
Offsetting Collections	10,776	13,804	7,540	-6,264
Subtotal, Conventional Energy	60,487	60,487	63,629	+3,142
Renewable Energy				
Appropriation	23,011	22,917	47,998	+25,081
Offsetting Collections	5,454	5,548	3,677	-1,871
Subtotal, Renewable Energy	28,465	28,465	51,675	+23,210
Marine Minerals				
Appropriation	8,987	9,097	14,219	+5,122
Offsetting Collections	1,794	1,684	1,164	-520
Subtotal, Marine Minerals	10,781	10,781	15,383	+4,602
Environmental Programs				
Appropriation	49,185	43,772	57,367	+13,595
Offsetting Collections	26,690	32,103	29,006	-3,097
Subtotal, Environmental Programs	75,875	75,875	86,373	+10,498
Executive Direction				
Appropriation	15,620	12,247	17,092	+4,845
Offsetting Collections	1,587	4,960	3,255	-1,705
Subtotal, Executive Direction	17,207	17,207	20,347	+3,140
TOTAL APPROPRIATION (w/o oc)	146,514	134,716	192,765	+58,049
Total Offsetting Collections	46,301	58,099	44,642	-13,457
TOTAL APPROPRIATION (w/ oc, w/o rescission)	192,815	192,815	237,407	+44,592
Rescission of Prior-Year BA	-2,000	-2,000	0	+2,000
TOTAL APPROPRIATION (w/ oc and rescission)	190,815	190,815	237,407	+46,592

