



THE IRA DOES NOT REQUIRE MULTIPLE OIL AND GAS LEASE SALES IN THE GULF OF MEXICO TO REACH THE ADMINISTRATION'S WIND ENERGY GOALS

What is the Five-Year Program?

This September, the Biden administration will issue its [plan for the next five years of offshore oil and gas leasing](#). This program will decide how many lease sales to offer in the next five years. Lease sales auction off public lands to the oil industry and are the first step to enable more drilling for oil and gas.

What do you need to know?

- Additional fossil fuel leasing is incompatible with the urgent need to [achieve net zero emissions by 2050](#). The only just outcome is a Five-Year Program that contains no new lease sales.
- The problem created by the Inflation Reduction Act ([IRA](#)) is that it limits the amount of future wind leases Interior can issue by tying their

issuance to new and unnecessary fossil fuel leasing. Under the IRA, the government must offer 60 million acres in an offshore oil and gas lease sale one year prior to issuing any new wind leases.

- The administration has proposed 11 new fossil fuel lease sales over the next five years, 10 in the Gulf of Mexico that would meet the 60-million acre requirement under the IRA. This proposal would recklessly sanction up to 70 years of additional fossil-fuel extraction on top of the [existing production](#) that would continue in the Gulf, at a time when the effects of a worsening climate are [evident](#) all around us.
- The IRA does not demand business as usual fossil fuel leasing to achieve the administration's

¹ The Proposed Program contains one smaller sale in Cook Inlet, Alaska that will offer about 5 million acres (at most). A sale in Cook Inlet is completely unnecessary to fulfill projected wind leasing because it is too small to meet IRA requirements. Moreover, there is no interest in fossil fuel leasing in Cook Inlet as evidenced by the last fossil fuel lease sale in the area. ²Inflation Reduction Act of 2022, P.L. 117-169, § 50265(b)(2) (Aug. 16, 2022).

clean energy goal of developing [30 gigawatts \(gw\)](#) of clean energy by 2030. The administration has issued nearly [35 commercial wind leases](#) that are currently active and available for development. [Recent analysis](#) demonstrates that it can achieve its goal of deploying 30gw of offshore wind through development on those existing wind leases. And the IRA does not require any new fossil fuel leasing to allow either new or continued development on those 35 active wind leases.

- Even under the IRA, the administration is currently on track to add to that total of active leases this year as it conducts planned sales in the Gulf of Mexico and Central Atlantic. To the extent the administration decides to issue additional wind leases after 2024, planning for ten fossil fuel lease sales in the Gulf of Mexico (two per year) or even planning for five lease sales (one per year) is not needed. To accommodate current wind leasing plans under the IRA, the administration needs no more than one fossil fuel lease sale in the Five-Year Program.

What does the IRA say?

The IRA provides that “the Secretary may not **issue a lease** for offshore wind development unless— (A) an offshore [oil and gas] lease sale has been held during the 1-year period” prior to issuing the



wind lease and “(B) the sum total of acres offered for lease in offshore lease sales during the 1-year period ending on the date of the issuance of the lease for offshore wind development is not less than 60,000,000 acres.”²

What does the IRA NOT say?

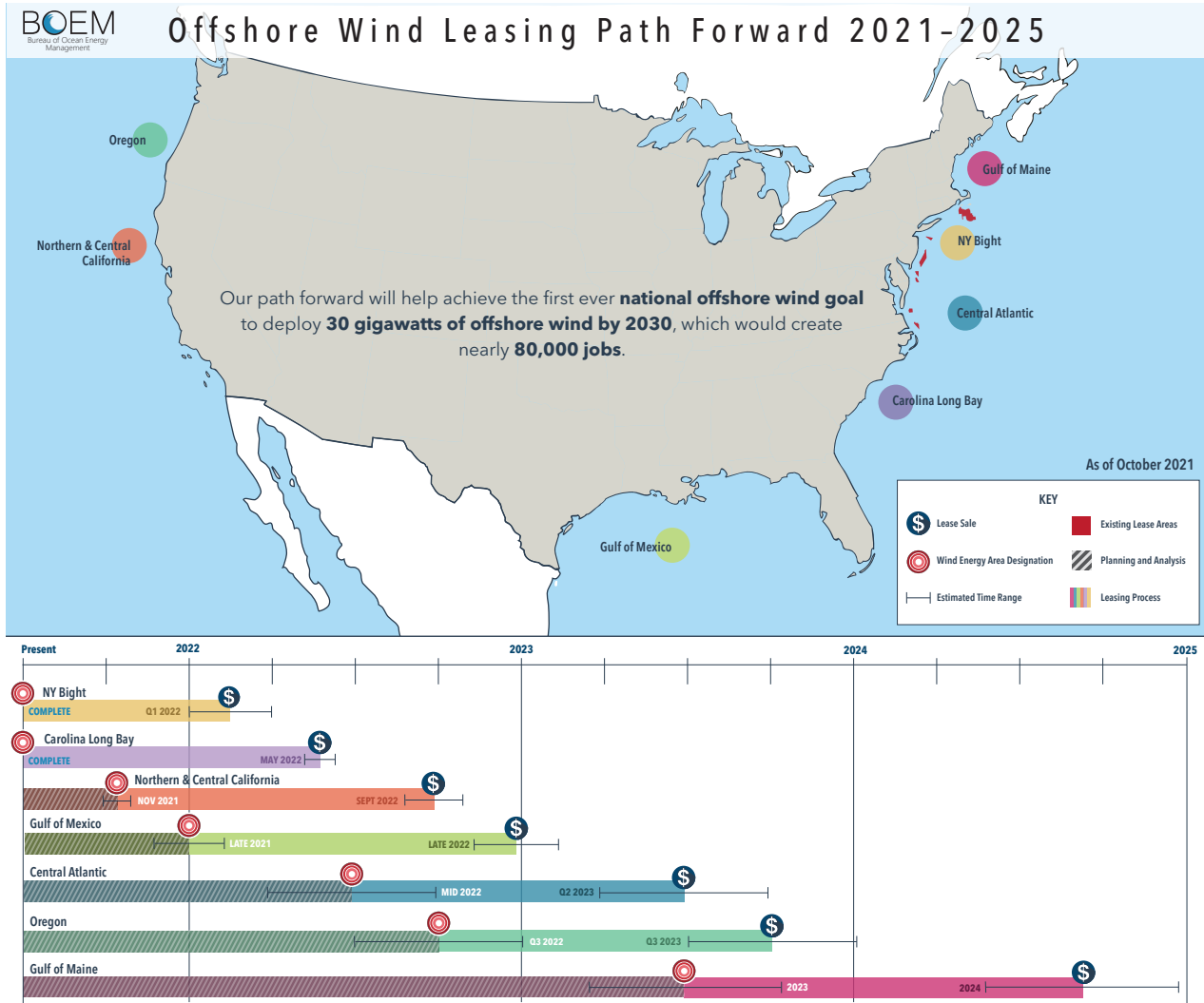
The IRA does NOT restrict Interior’s ability to hold wind lease sales.

- Under the Bureau of Ocean Management’s (BOEM’s) regulations, BOEM holds an auction for wind lease areas (“wind lease sale”) and then issues or executes the leases to the winning bidders after reviewing the bids. The IRA only limits when and whether BOEM can “issue a lease” (execute a lease), for offshore wind development to the winning bidders after BOEM holds a wind lease sale, not whether and when BOEM can hold an offshore “wind lease sale” in the first place.

The IRA does NOT restrict development on existing wind leases.

- There are several approvals and activities that take place after a wind lease sale is held, including the approval of site assessment and construction and operations plans, in addition to the issuance of permits for construction and production. BOEM’s ability to approve all these plans and to issue permits is not constrained by additional fossil fuel lease sales under the IRA.

³30 C.F.R. § 585.601. (“[A lessee] may submit [their] [site assessment plan] prior to lease . . . issuance”); 30 C.F.R. § 585.222 (granting broad discretion to accept or reject bids and control the timing of that process).



What are the Biden administration’s current wind leasing plans?

The Biden administration’s official plan for wind leasing from 2021-2025 includes up to seven wind lease sales, four of which have already taken place (see attached chart).

- The first four of the sales outlined in the administration’s plan have already taken place. BOEM held wind lease sales in [NY Bight](#), [Carolina Long Bay](#), and [Northern and Central California](#) and issued leases to all the winning bidders. BOEM held the fourth sale in the [Gulf of Mexico](#) on August 29, 2023, and is expected to issue the lease sold in the coming months.
- There are three planned wind lease sales that

have yet to occur. BOEM [recently finalized](#) the wind energy areas for the [Central Atlantic](#), and will most likely hold the sale by summer 2024.

- Both the [Oregon](#) and [Maine](#) sales still require substantial planning and are unlikely to take place before 2025.

How many oil and gas lease sales are needed in the Five-Year Program to finish the administration’s wind leasing plans in compliance with the IRA?

Gulf communities, wildlife, and our climate cannot afford additional fossil fuel leasing. The safest and best way to end new fossil fuel leasing is to decouple the IRA’s requirement tying the issuance of wind



leases to harmful oil and gas drilling. Short of that, to the extent that BOEM seeks to issue leases from its last two planned wind sales (Oregon and Maine), Interior can achieve all planned wind leasing with no more than ONE fossil fuel lease sale in the next Five-Year Program to comply with the IRA. Ten fossil fuel lease sales in the Gulf of Mexico (two per year) or even one fossil fuel lease sale per year is unnecessary and recklessly harms Gulf communities, wildlife, and our climate.

- BOEM can issue all wind leases purchased in the Gulf of Mexico and Central Atlantic sales without offering any additional fossil fuel leasing. The IRA mandated that BOEM hold two oil and gas lease sales this year: [Lease Sale 259](#) (March, 2023) and [Lease Sale 261](#) (September, 2023). Those oil and gas sales open an IRA-mandated window, allowing BOEM to issue new wind leases through September 2024. BOEM can issue leases from the recent Gulf of Mexico sale and the Central Atlantic sale next summer before that window closes.

- To the extent the administration seeks to hold the upcoming planned wind sales in Oregon and Maine, it needs no more than one fossil fuel lease sale in the next Five-Year Program to provide an opportunity to issue all the wind leases. The wind sales in Oregon and Maine will likely happen between 2025 and 2026 due to the additional planning needed (after the September 2024 window is closed). Coordinating these sales with a single fossil fuel lease sale scheduled later in the Five-Year Program, would open a one-year IRA-mandated window to issue all wind leases purchased.
- Wind lease development will not stall out even if some months pass between a wind lease sale and when BOEM holds a fossil fuel lease sale that opens a window to issue wind leases. Once a wind lease sale takes place, BOEM's regulations allow winning bidders from the sale to begin preparing the site assessment plan for the lease (the next step in the development process) and even submit the plan before the actual leases are executed.

The bottom line

Planning 10 oil and gas lease sales or even five oil and gas lease sales in the Gulf of Mexico is irresponsible and unnecessary to fulfill the Biden administration's projected wind leasing plan in compliance with the IRA. Fossil fuel lease sales and their ensuing operations will undoubtedly cause irreparable harm to communities that are already carrying the massive burdens of existing oil and gas production. The administration can already achieve its 30gw offshore wind development goal, and the climate cannot take any more oil and gas leasing.