

Statement for the Record  
U.S. Department of the Interior  
Senate Committee on Energy and Natural Resources  
Subcommittee on Public Lands, Forests and Mining  
S.499 - Offshore Wind for Territories Act

May 14, 2019

Thank you for the opportunity to present the Department of the Interior's views on S. 499, the Offshore Wind for Territories Act. The Department supports the effort to provide territories with an equal opportunity to conduct OCS wind leasing off their shores pursuant to the OCS Lands Act.

A comprehensive energy strategy should include consideration of all potential energy resources available to the Nation. Under the Outer Continental Shelf (OCS) Lands Act, the Secretary of the Interior (Secretary), through the Bureau of Ocean Energy Management (BOEM), has the authority to issue leases on the OCS "lying seaward and outside of the area of lands beneath navigable waters, and of which the subsoil and seabed appertain to the United States," as defined in Section 2 of the Submerged Lands Act, which limits its applicability to States of the Union. Because this authority currently does not include areas offshore U.S. territories and possessions, the people of the territories and possessions lack the opportunity to pursue the potential economic development, energy supply, and revenue associated with leasing and development of resources in these areas.

S. 499 would amend the OCS Lands Act to apply to the five U.S. territories: American Samoa; Guam; the Commonwealth of the Northern Mariana Islands; Puerto Rico; and the U.S. Virgin Islands. It would require the Secretary to conduct and make publicly available a comprehensive study on the feasibility of wind lease sales offshore all U.S. territories. If this study concludes that an area is feasible and suitable for wind energy development, the bill would direct the Secretary of the Interior to conduct at least one wind lease sale in the area following consultation with the Secretary of Defense and the Governor of the affected territory. Under the bill, 50 percent of the revenue generated from wind lease sales offshore the U.S. territories would be deposited in the Treasury while the territories would share 37.5 percent of revenues based on formula to be determined by the Secretary. The remaining 12.5 percent would be made available to the Secretary of Commerce for coral reef conservation. The Department notes that under the OCS Lands Act, coastal states currently receive 27 percent of revenue generated from offshore wind energy activities in the first three nautical miles of federal waters only. The effect of section 3 of S.499 would be that territories would receive a greater share of offshore wind energy revenue relative to the states.

The Department supports and looks forward to working with the committee on this important part of our Nation's energy strategy.