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Posted date:	13-July-2020
Source of document:	BOEM FOIA Officer 45600 Woodland Road Sterling, Virginia 20166 Fax: (303) 462-9910 Email: <a href="mailto:boemfoia@boem.gov">boemfoia@boem.gov</a>

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# United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT  
WASHINGTON, DC 20240-0001

45600 Woodland Road, VAM-BOEM DIR  
Sterling, VA 20166

Telephone (703) 787-1128  
Facsimile (303) 462-9910

June 22, 2020

## Via Electronic Mail

RE: Freedom of Information Act (FOIA) Request No. BOEM-2020-00083

The Bureau of Ocean Energy Management (BOEM) Headquarters FOIA Office received your FOIA request, dated May 23, 2020, on May 26, 2020, and assigned it control number BOEM-2020-00083. Please cite this number in any future communications with our office regarding your request.

### **Description of the Requested Records**

You requested:

A copy of the Questions For the Record (QFR) and agency QFR responses to Congress responding to QFRs during calendar years 2017, 2018, 2019 and 2020 to date, for BOEM.

### **Interim Response**

We are writing to partially respond to your request. We are continuing to search for additional records that are responsive to your request. Because this is an interim response to your request, we will provide notice of your appeal rights in our final response letter.

We have enclosed one file consisting of 11 pages, which is being released to you in full.

### **Mediation Services**

The 2007 FOIA amendments created the Office of Government Information Services (OGIS) to offer mediation services to resolve disputes between FOIA requesters and Federal agencies as a non-exclusive alternative to litigation. Using OGIS services does not affect your right to pursue litigation. You may contact OGIS in any of the following ways:

Office of Government Information Services  
National Archives and Records Administration  
8601 Adelphi Road – OGIS  
College Park, MD 20740-6001

Email: [ogis@nara.gov](mailto:ogis@nara.gov)  
Web: <https://www.archives.gov/ogis>  
Telephone: (202) 741-5770  
Fax: (202) 741-5769  
Toll-free: (877) 684-6448

Please note that using OGIS services does not affect the timing of filing an appeal with the Department's FOIA/PA Appeals Officer.

Contact information for the Department's FOIA Public Liaison, who you may also seek dispute resolution services from, is available at <https://www.doi.gov/foia/foiacenters>.

### **Conclusion**

If you have any questions concerning your request, you may contact us by email at [boemfoia@boem.gov](mailto:boemfoia@boem.gov); by fax at (303) 462-9910; by phone at 703-787-1204; or by postal mail at: FOIA Office; Bureau of Ocean Energy Management; Mail Stop: VAM-BOEM DIR; 45600 Woodland Road; Sterling, VA 20166.

Sincerely,

**ASHLEY  
RYCHAK**  Digitally signed by  
ASHLEY RYCHAK  
Date: 2020.06.22  
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Ashley Rychak  
Government Information Specialist



# United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT  
WASHINGTON, DC 20240-0001

45600 Woodland Road, VAM-BOEM DIR  
Sterling, VA 20166

Telephone (703) 787-1128  
Facsimile (303) 462-9910

June 25, 2020

## Via Electronic Mail

RE: Freedom of Information Act (FOIA) Request No. BOEM-2020-00083

The Bureau of Ocean Energy Management (BOEM) Headquarters FOIA Office received your FOIA request, dated May 23, 2020, on May 26, 2020, and assigned it control number BOEM-2020-00083. Please cite this number in any future communications with our office regarding your request.

### **Description of the Requested Records**

You requested:

A copy of the Questions For the Record (QFR) and agency QFR responses to Congress responding to QFRs during calendar years 2017, 2018, 2019 and 2020 to date, for BOEM.

### **Final Release**

We are writing today to respond to your request on behalf of the BOEM. We have previously partially responded to this request on June 22, 2020

We have enclosed an additional file consisting of 28 pages, which is being released to you in its entirety.

Regarding your request for the QFR responses that were provided to Congress, the BOEM did not locate records responsive to your request. The final version submitted to the requesting committee or subcommittee would reside with the Office of Congressional and Legislative Affairs. The BOEM does not submit QFR responses to Congress directly.

Ashley Rychak, BOEM Government Information Specialist is responsible for this denial.

The Office of Congressional and Legislative Affairs resides under the Office of the Secretary in the Department of the Interior. To request their records, please submit your request directly to the Office of the Secretary FOIA office through the government-wide portal at <https://www.foia.gov>.

### **Fees—No Charge**

We do not bill requesters for FOIA processing fees when their fees are less than \$50.00, because the cost of collection would be greater than the fee collected. *See 43 C.F.R. § 2.37(g)*. Therefore, there is no billable fee for the processing of this request.

### **Appeal Rights**

You may appeal this response to the Department's FOIA/Privacy Act Appeals Officer. If you choose to appeal, the FOIA/Privacy Act Appeals Officer must receive your FOIA appeal **no later than 90 workdays** from the date of this final response. Appeals arriving or delivered after 5 p.m. Eastern Time, Monday through Friday, will be deemed received on the next workday.

**Your appeal must be made in writing.** You may submit your appeal and accompanying materials to the FOIA/Privacy Act Appeals Officer by mail, courier service, fax, or email. All communications concerning your appeal should be clearly marked with the words: "FREEDOM OF INFORMATION APPEAL." You must include an explanation of why you believe this response is in error. You must also include with your appeal copies of all correspondence between you and BOEM concerning your FOIA request, including your original FOIA request and this response. Failure to include with your appeal all correspondence between you and BOEM will result in the Department's rejection of your appeal, unless the FOIA/Privacy Act Appeals Officer determines (in the FOIA/Privacy Act Appeals Officer's sole discretion) that good cause exists to accept the defective appeal.

Please include your name and daytime telephone number (or the name and telephone number of an appropriate contact), email address and fax number (if available) in case the FOIA/Privacy Act Appeals Officer needs additional information or clarification of your appeal.

### *DOI FOIA/Privacy Act Appeals Office Contact Information*

Department of the Interior  
Office of the Solicitor  
1849 C Street, N.W.  
MS-6556 MIB  
Washington, DC 20240

Attn: FOIA/Privacy Act Appeals Office

Telephone: (202) 208-5339



Fax: (202) 208-6677  
Email: FOIA.Appeals@sol.doi.gov

### **Mediation Services**

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### **Conclusion**

If you have any questions concerning your request, you may contact us by email at [boemfoia@boem.gov](mailto:boemfoia@boem.gov); by fax at (303) 462-9910; by telephone at (703) 787-1204; or by postal mail at: FOIA Office; Bureau of Ocean Energy Management; Mail Stop: VAM-BOEM DIR; 45600 Woodland Road; Sterling, VA 20166.

Sincerely,

**ASHLEY  
RYCHAK**

Digitally signed by  
ASHLEY RYCHAK  
Date: 2020.06.25  
16:43:58 -04'00'

Ashley Rychak  
Government Information Specialist (FOIA)  
Bureau of Ocean Energy Management

**Committee on Natural Resources Subcommittee on Energy and Mineral Resources**  
**Oversight Hearing**  
**1324 Longworth House Office Building January 19, 2018**  
**9:00a.m.**

**Oversight Hearing on *"Deficiencies in the Permitting Process for Offshore Seismic Research"***

**Questions from Rep. Nanette Diaz Barragan** for Dr. Walter Cruickshank, Acting Director, Bureau of Ocean Energy Management

1. Early last week, Associate Deputy Secretary James Cason briefed our staff about Secretary Zinke's reorganization plan for D-O-I and mentioned recombining BOEM (*bome*) and B-S-E-E. He stated that the staff of the two agencies were currently analyzing the pros and cons of recombination.
  - a. Is that correct, and if so, what is the status of that analysis?
  - b. When do you expect to have that analysis completed, or when have you been instructed to have that analysis completed by?
  - c. Has the Department estimated the amount of time and money required to recombine them?
2. Late last month, William K. Reilly, co-chairman of the national Oil Spill Commission formed after the Deepwater Horizon disaster and E-P-A administrator during the term of President George H.W. Bush, weighed in with his thoughts on the proposed recombination. He said, quote "If you have one part of your operation bringing in \$18 billion dollars a year and another part that does inspections, what part would you pay attention to? It is very unwise to mix those two under one head."
  - a. Considering that even the spokeswoman for the National Ocean Industries Association admitted that, quote "we did not ask for it"-referencing the recombination-and that industry lobbyists are concerned that it will ultimately distract agency staff, who was responsible for calling for this review in the first place?
3. You have been a career Interior Department employee for many years, and you worked at the agency both before and after the Deepwater Horizon disaster.

- a. Do you believe that recombining BOEM and BSEE is the most efficient use of taxpayer dollars and-more importantly-will doing so increase the human and environmental safety of offshore oil and gas operations?
4. Can you briefly mention why the Minerals Management Service was reorganized in 2010 and 2011, how the split was made, and the amount of time and money that was required to fully separate the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement? Was it a simple process that occurred quickly?



**House Natural Resources Committee**  
**Subcommittee on Energy and Mineral Resources**  
**Legislative Hearing on Offshore Renewable Energy Opportunities**  
**Tuesday, June 26, 2018 10:00 AM**  
**Questions for the Record**

Questions for Mr. James Bennett, Chief of the Office of Renewable Energy Programs  
Bureau of Ocean Management (BOEM), Department of the Interior

1. The Regional Administrator of NOAA's Greater Atlantic Regional Fisheries Office recently stated in a letter that BOEM evaluates cumulative impacts "on a project-by-project basis with very limited assessment at the leasing stage... [which] is not sufficient given the scale and speed of proposed development on the OCS." How (and at what point in the leasing process) does BOEM assess cumulative impacts to fisheries, in light of multiple developments on the Outer Continental Shelf and shifting fishery distributions? Does it do so on both ecosystem and fishery-specific levels?
2. You stated that BOEM is "doing a better job of building trust between [BOEM] and the commercial fishing communities." What specifically are you doing to build that trust? Once BOEM has collected data from those fisheries communities, what is its obligation with regard to considering that data in its decision making? In what situation[s] would it affect the outcome of the leasing process?
3. Why does the RFF (Request for Feedback) on BOEM's Proposed Path Forward for Future Offshore Renewable Energy Leasing on the Atlantic Continental Shelf, published in the *Federal Register* on April 6, 2018, not include fisheries as a reason to exclude areas?
4. BOEM must consider prevention of interference with reasonable uses in offshore renewable development decisions. Would you consider existing fisheries such a "reasonable use" under the law? If not, why not?
5. Does BOEM consider itself the steward of the ocean commons in implementing the renewable offshore energy development program? If not, why not? What would BOEM do differently if it were the steward?
6. BOEM contends it is not required to consider the impact of construction and operation of a windfarm on an area of the ocean at the time BOEM leases the area to a windfarm developer. Where does this authority come from? Why do you believe that this is so?
7. As a "steward of the ocean commons," the National Ocean and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS) transmitted a June 7, 2018, letter to BOEM requesting that it consider cumulative impacts of all wind development offshore the Atlantic Coast when BOEM makes offshore renewable energy leasing and development decisions. How does BOEM consider cumulative impacts

before it grants a new lease to a developer? What baseline fisheries and fisheries habitat analyses does BOEM undertake before authorizing a developer to undertake ocean surface-disturbing activities? How will BOEM respond to NMFS?

8. Does BOEM consult with Secretary Zinke when it assesses the next wind farm lease? If not, why don't you think you should?

**Committee on Natural Resources  
Subcommittee on Energy and Mineral Resources  
Legislative Hearing  
1324 Longworth House Office Building  
June 26, 2018  
10:00 AM**

Legislative Hearing on the following bills:

- Discussion Draft H.R. \_\_\_\_ (Rep. Bordallo) To amend the Outer Continental Shelf Lands Act to apply to territories of the United States, to establish offshore wind lease sale requirements, to provide dedicated funding for coral reef conservation, and for other purposes. "Offshore Renewable Energy for Territories Act"
- H.R. 5291 Rep. Tsongas (for herself, Mr. Grijalva and Mr. Keating) To establish an offshore wind career training grant program, and for other purposes. "Offshore Wind Jobs and Opportunity Act"
- Discussion Draft H.R. \_\_\_\_ (Rep. \_\_\_\_ ) To amend the Outer Continental Shelf Lands Act to provide for a leasing program for offshore renewable energy, and for other purposes. "National OCS Renewable Energy Leasing Program Act"

Questions from Rep. Alan Lowenthal for Mr. James Bennett, Chief, Office of Renewable Energy Programs, U.S. Bureau of Ocean Energy Management.

1. What does BOEM think about the proposal for a four-year offshore wind leasing program? Would a lease schedule help further develop the Outer Continental Shelf? Are there potential drawbacks to an offshore wind lease schedule?
2. Could you very briefly explain how bidding credits work in offshore wind leasing?
  - 2a. If bidding credits were a factor in lease sales, how would BOEM ensure fairness in evaluating them? Assuming bidding credits included commitments made by lessees – for example in the form of community benefits – how could BOEM enforce these following the auction?
3. It's my understanding that bidding credits could potentially include benefits to bidders holding a power purchase agreement (PPA) and likely already holding a lease. How would this impact new market entrants?

4. Is BOEM aware of whether state procurements also consider such non-price factors in awarding PPAs or other long-term revenue support? If so, in what way would “bidding credits” confer additive benefits to the intended beneficiaries?
5. What is BOEM’s current approach to meeting NEPA requirements in the offshore wind leasing process? Are there ways BOEM can improve the NEPA process to increase efficiencies while still maintaining a robust level of environmental review and opportunity for public input?
6. Can you update me on the status of negotiations as they relate to wind energy off California’s coast between BOEM, the Defense Department, the California State government, and interested wind developers?

**Committee on Natural Resources  
Subcommittee on Energy and Mineral Resources  
Legislative Hearing  
1324 Longworth House Office Building  
June 26, 2018  
10:00 AM**

Legislative Hearing on the following bills:

- Discussion Draft H.R. \_\_\_\_ (Rep. Bordallo) To amend the Outer Continental Shelf Lands Act to apply to territories of the United States, to establish offshore wind lease sale requirements, to provide dedicated funding for coral reef conservation, and for other purposes. “Offshore Renewable Energy for Territories Act”
  - H.R. 5291 Rep. Tsongas (for herself, Mr. Grijalva and Mr. Keating) To establish an offshore wind career training grant program, and for other purposes. “Offshore Wind Jobs and Opportunity Act”
  - Discussion Draft H.R. \_\_\_\_ (Rep. \_\_\_\_ ) To amend the Outer Continental Shelf Lands Act to provide for a leasing program for offshore renewable energy, and for other purposes. “National OCS Renewable Energy Leasing Program Act”
- Questions from Rep. \*\*\*\* for Witness Name and Title

1. Is BOEM aware of whether state procurements also consider such non-price factors in awarding power purchase agreements (PPAs) or other long-term revenue support? If so, in what way would “bidding credits” confer additive benefits to the intended beneficiaries?
2. If bidding credits were a factor in lease sales, how would BOEM ensure fairness in evaluating them? Assuming bidding credits included commitments made by lessees – for example in the form of community benefits – how could BOEM enforce these following the auction? Do you think the “National OCS Renewable Energy Leasing Act” is a step in the right direction?

3. Bidding credits could potentially include benefits to bidders holding a PPA and likely already holding a lease – how would this impact new market entrants?
4. There has been some discussion of developing a Department of Defense Clearinghouse for offshore energy projects. Onshore, the DOD Siting Clearinghouse works with the renewables industry to ensure projects are compatible with military missions. Would this work for offshore energy projects? In your opinion, what is the most effective way to improve and facilitate compatibility conversations?
5. As demand for renewable energy expands, companies are eager to develop more offshore wind projects. This created some conflicts with other ocean users on appropriate siting of these projects. Can you speak to some of the conflicts and how today's legislation would address those issues?
6. Last week, the Trump Administration repealed the Obama Ocean Policy and replaced it with one solely focused on interagency coordination. Do you believe this new ocean policy, in conjunction with the legislation we are considering today, will be more successful in harmonizing competing uses of and public access to our vast ocean resources?

March 12, 2019

Dr. Walter  
Cruickshank  
Acting Director  
Bureau of Ocean Energy  
Management Department  
of the Interior  
1849 C St. NW  
Washington, DC 20240

Dear Acting Director Cruickshank,

Thank you for testifying before the Committee on Natural Resources, Subcommittee on Energy and Mineral Resources on March 6, 2019 at the hearing titled, *"Examining the Policies and Priorities of the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement, and the US. Geological Survey."*

As a follow-up to your testimony, please find enclosed additional questions submitted by members of the Subcommittee for inclusion in the final hearing record. Please provide your written responses to: Sarina Weiss, Subcommittee Clerk, **no later than Wednesday, March 20, 2019**. Committee Rule 3(o) requires responses within 10 business days of the last day of the hearing.

We appreciate your time and insight and are grateful for your contribution to the Subcommittee's work. Should you have any questions, please contact Sarina Weiss, Subcommittee Clerk, at (202) 225-6065 about this request.

Sincerely,



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Alan S.  
Lowent  
hal  
Chair  
Subcom  
mittee  
on  
Energy and Mineral Resources

Enclosure:

## Questions for the Record

### Questions from Chairman Alan Lowenthal (D-CA):

1. Dr. Cruickshank, during the subcommittee hearing, Congressman Mike Levin asked you about the sole liability letters that BOEM issued towards the end of 2016.
  - a. Please provide the committee copies of all 112 sole liability letters issued by BOEM in December 2016.
  - b. In February 2017, BOEM announced that it was withdrawing the sole liability orders that were issued to Outer Continental Shelf oil and gas lease and grant holders in December 2016. You stated in the subcommittee hearing that BOEM has since re-issued certain sole liability orders. Please provide the committee copies of all the sole liability letters that BOEM has re-issued since February 2017.
  - c. In October 2018, Cox Oil acquired Energy XXL. Did Cox Oil assume all of the offshore decommissioning liabilities that were held by Energy XXI?
2. Dr. Cruickshank, during the subcommittee hearing you indicated that BOEM completed a review Notice to Lessees (NTL) No. 2016-NOI, as directed by Secretarial Order No. 3350.
  - a. Please provide the committee with the documents generated by BOEM from their review of NTL 2016-NOI.
  - b. What is BOEM's timeline for issuing their proposed rule replacing NTL 2016- NOI?
3. Dr. Cruickshank, please provide the total number of employees in your agency, by duty station, occupational series, and appropriations sub-activity, as of the end of Fiscal Year 16, Fiscal Year 17, Fiscal Year 18, and March 1, 2019, as well as the number of new hires, by duty station and occupational series, for Fiscal Year 16, Fiscal Year 17, Fiscal Year 18, and Fiscal Year 19 through March 1, 2019.

### Questions from Representative Joe Cunningham (D-SC):

1. How does BOEM work with the Department of Defense to avoid conflicts in areas proposed for offshore wind turbines? How about NOAA, how do you work with NOAA to avoid conflicts with the fishing industry when determining which areas should be open to leasing?
2. Is there a difference between the type of seismic testing used when exploring for offshore oil and gas compared to siting offshore wind turbines?
3. Is one of these types of seismic testing more intrusive to marine life than the other?
4. In what ways could offshore wind impact our tourism industries?



## **Questions for the Record**

### **Energy and Mineral Resources Subcommittee Hearing – March 10, 2020**

**Lowenthal**

**1. In 2016, BOEM sent out 112 so-called sole liability letters, covering 687 properties where there was only one party responsible for paying for decommissioning. Did Energy XXI receive a sole liability letter? If so, how many sole liability letters did Energy XXI receive, and what was the forecast decommissioning costs of these sole liability properties?**

**2. In February 2017, BOEM announced that it was withdrawing the sole liability orders that were issued to Outer Continental Shelf oil and gas lease and grant holders in December 2016. You stated in your March 2019 testimony that by rescinding the letters, in some cases, the companies that first received the letters no longer had to cover the additional bonding requirements. Furthermore, you stated in your March 2019 testimony that BOEM had since re-issued certain sole liability orders. Did BOEM re-issue any sole liability letter to Energy XXI? If so, how many sole liability letters and for which properties did BOEM re-issue to Energy XXI?**

**3. As of October 2018, did Energy XXI own any sole liability properties in the Gulf of Mexico? If so, how many properties and what were the forecast decommissioning costs of these properties?**

**4. In October 2018, Cox Oil acquired Energy XXI. At the time of the sale, what were Energy XXI's asset retirement obligations in the Gulf of Mexico? What was BOEM's view of Energy XXI's financial strength before this sale?**

**5. In October 2018, when Cox Oil acquired Energy XXI, did Cox Oil assume all the offshore decommissioning liabilities that were held by Energy XXI? If not, what company or companies are currently responsible for these decommissioning costs?**

**6. What role did Gulf Energy Alliance have in shaping the Risk Management, Financial Assurance and Loss Prevention proposed rule currently under review by the Office of Information and Regulatory Affairs?**

**7. Dr. Cruickshank, is BOEM tracking the financial health of the companies operating on the OCS in the Gulf of Mexico? If so, if prices stay around \$30 per barrel, are any companies at imminent financial risk?**

**8. Dr. Cruickshank, it is my understanding that Congressman Keating sent you a letter in late January regarding Vineyard Wind, but he hasn't received a response back. Can you make a commitment that you will respond to his letter, which is attached?**

**9. Dr. Cruickshank, what is the status of the Vineyard Wind project and can they count on your latest commitment that all environmental reviews will be completed by the end of this year?**

**10. Dr. Cruickshank, what is the Department's plan to ensure that delays in this one project's permitting process don't affect other wind projects up and down the East Coast, many of which are necessary to reach state-mandated renewable energy targets?**

**11. Dr. Cruickshank, how are you working to ensure that you have all the relevant data to make sure that the cumulative analysis is valuable for assessing the impacts of future offshore wind farms?**

**12. Dr. Cruickshank, the Department announced in a June 2019 a press release that it planned to publish an offshore wind whitepaper and a hold a workshop on deep water development in "early 2020." Can you provide an update on that white paper and workshop, do you know when those are happening?**

**13. Dr. Cruickshank, where do things stand with the Department of Defense so BOEM can move forward with offshore wind leasing in California?**

**Huffman**

**1. The Gulf of Mexico Marine Assessment Program for Protected Species (GoMMAPPS) was created in 2015 to collect information on the abundance, distribution, habitat use, and behavior of marine mammals, sea turtles, and seabirds in the Gulf of Mexico. The information from GoMMAPPS is used by the Bureau of Ocean Energy Management (BOEM) to meet its obligations under the National Environmental Policy Act (NEPA), the Marine Mammal Protection Act (MMPA), the Endangered Species Act (ESA), and the Migratory Bird Treaty Act to monitor and reduce potential impacts of human activities, including those related to offshore energy development, on living marine resources. In November 2019 BOEM announced that funding for GoMMAPPS would not be available for a second five-year phase, due to funding expected to be available from other Deepwater Horizon oil spill restoration-related sources. How does BOEM intend to meet its management needs under the Outer Continental Shelf Lands Act (OCSLA), NEPA, ESA, and MMPA in the absence of reliable information on the abundance, distribution, and habitat use of marine mammals and other living marine resources in areas of the Gulf subject to oil and gas exploration, leasing, and development?**

**2. Both the National Marine Fisheries Service (NMFS) and the Fish and Wildlife Service (FWS) consider data on marine mammal abundance that is more than eight years old to be outdated. Without continued funding for surveys and monitoring, data on marine mammal abundance will quickly become outdated. Some of the oil spill-related projects proposed for funding, or currently being funded, would contribute to a better understanding of the impacts of energy development and other human-caused stressors on marine mammals and other marine wildlife, but none are expected to be able to**

**provide the long-term and broad-scale abundance and distribution data that BOEM needs for its NEPA documents and decision-making in the Gulf currently provided by GoMMAPPS. How does BOEM intend to meet its management needs under OCSLA, NEPA, ESA, and MMPA if marine mammal abundance data becomes out of date and new data sources are insufficient to meet BOEM's data needs for effective decisionmaking?**

## **Oil & Gas Development Onshore and Offshore**

I'm pleased to see the request includes additional amounts (+\$10 million) for the development of a new 5-year plan for offshore leasing to replace the previous plan for 2017-2022, and I understand the Administration has already taken some initial steps to review the old plan. I trust the requested resources will allow this review to move forward expeditiously.

**Calvert Q34:** Does the Department have any overarching themes or strategies that it would like to see included in the next five-year plan for offshore leasing and management?

## **Oil & Gas Development Onshore and Offshore**

Just a few years ago, the Department put policies in place to encourage the return of unused offshore leases. This was an effort to turn over those parcels to new tenants, and encourage production. While a laudable concept, in practice, leases have been returned, but the Department has been unable to find new tenants. This has resulted in a significant decline in offshore rental receipts. In fiscal year 2017, rental income declined by \$20 million which the Committee needed to backfill using prior year unobligated balances. For fiscal year 2018, the Department estimates \$Dco54 million in lost receipts. That is a growing trend, and a large amount of money for this Committee to find.

**Calvert Q35:** Have experts within the Department begun working on strategies to mitigate this long-term?

**Calvert Q36:** Is there a way for the Department and the Committee to work together to identify a plan or policies that will support the needs for offshore operations without putting further pressure on discretionary spending?

## **Ocean Energy Management and Planning**

Over the last six years BOEM has been involved in ocean planning processes in regions around the country. States including Maine have organized themselves into “planning bodies” with tribes, fishery management councils, and federal agencies, including BOEM. For the Northeast and Mid-Atlantic, there are completed ocean plans and I have been proud to support this work and meet with constituents who are supporters of this work and have been involved in its creation.

That is why I am concerned about BOEM’s Environmental Studies and Renewable Energy budget cuts to funding that supports robust stakeholder engagement and research.

**Pingree Q8:** How can BOEM continue to engage stakeholders under these budget cuts?

**Pingree Q9:** Can you guarantee that support for ocean data collection, ocean data portals, and publicly available data will continue at BOEM given the current budget proposal?



## **Offshore Staffing**

Over the last few years we have been working closely with the Department to improve offshore capabilities. An area of need that both GAO and the Department had identified following the reorganization was human capital – more specifically, the need for more offshore technical experts and staff. It's a highly competitive market and difficult to attract top tier personnel away from the private sector. That is why the Committee worked closely with the Department to provide additional special pay authority in order to offer salaries that would be more competitive. Unfortunately, few net gains have been made with respect to staffing as hiring and attrition continue to largely balance out. And as actual staffing has fallen short of projected staffing, this contributes to large, annual unobligated balances.

**Calvert Q38:** Please share the Department's perspective with respect to the human capital needs for the offshore Bureaus.

**US HOUSE APPROPRIATIONS COMMITTEE  
QUESTIONS FOR THE RECORD (QFR) (March 14, 2018)  
OFFICIAL RESPONSE**

Contact person (WO): Randyl Gessel

Telephone number: 202-513-0646

**Offshore Drilling (Congresswoman Debbie Wasserman Schultz)**

Dr. Petty, in your testimony earlier you stated Interior's commitment to developing "domestic energy resources" – I want to sincerely thank you for referencing the great potential of hydropower, which is important to Florida and the nation, and other forms of renewables. However, I want to ask you about some comments made over the last few months by Secretary Zinke. In January, Secretary Zinke told Governor Rick Scott that Florida was, and I quote, "off the table" in terms of offshore drilling. Since that time, the Secretary has flip-flopped, including telling the Senate Energy and Natural Resources Committee yesterday that, now, Florida "is still in the process" as the agency creates its offshore drilling plan.

**Question:** Why the seemingly arbitrary manner with which Interior is going about determining the new five-year plan?

Can you tell me today whether or not Florida is indeed "off the table" in terms of Interior's plan to drastically expand the areas included in the agency's five-year plan to expand offshore drilling leases?

**Reed Question #1:** Rhode Island's success in establishing the nation's first commercial offshore wind energy project was based in large part on significant outreach to existing ocean stakeholders, including commercial and recreational fishermen, to identify and work through any concerns early in the process. Based on comments from Rhode Island fishermen, this is not occurring under the Bureau of Ocean Energy Management's (BOEM) new expedited leasing process. What actions will BOEM take to increase engagement with Rhode Island fishermen at each stage of the leasing process to offset adverse impacts to the fisheries economy?

**Udall Question #11:**

- a. It is my understanding that you committed to Governor Scott that there would be no new oil and gas platforms off the coast of Florida. But you've also said that Florida is not exempt from the ongoing planning process. How are those statements complementary and how is your promise to the governor not pre-decisional? Why are you not giving similar commitments to other states that aren't interested in new drilling?
- b. You have also said that there's little recoverable oil and gas from Maine to Maryland, and that new drilling in the Pacific Northwest is politically untenable. So why did you publicly state that Florida's Atlantic Coast, where there is recoverable resource, is off the table, but all the other states must wait for the studies to come back to show that there's no oil and gas?

**Rubio Question #1:**

What is the current status of the Department's National Outer Continental Shelf Proposed Program for 2019-2024 being developed by the Bureau of Ocean Energy Management, and do offshore areas off of Florida factor into that program?

**Rubio Question #2:**

To what degree has DOI communicated with the Department of Defense and considered potential conflicts and interference to the Joint Gulf Range Complex from drilling and pre-drilling activities in the Eastern Gulf of Mexico?

**Rubio Question #3:**

Given that BOEM's own data suggests that the Straits of Florida Planning Area has less than negligible development value even at extremely high oil prices, would you oppose a Congressional moratorium on oil and gas development in this area? What about in federal waters of the South Atlantic Planning Area off the coast of Florida?

**Reed Question #2:**

Oil and gas drilling off the coast of New England could have devastating consequences for Rhode Island's coastal habitats as well as the state's coastal economy. Our coastal waters are home to plant and animal species that rely on a healthy marine ecosystem. Our region is also known for its proud fishing heritage, which could be quickly destroyed if an oil spill were to occur. Our coastal economies generate more than \$17 billion for New England annually and support more than 240,000 jobs in tourism and other industries. You have previously indicated that President Trump directed you to reestablish our nation's offshore oil and gas leasing program in a way that "takes into consideration the local and state voice." Given the overwhelming state and local opposition to drilling off the coast of Rhode Island, will you commit to exempting the state from any new oil or gas leases as a part of this Administration's offshore drilling plan?

# United States Senate

WASHINGTON, DC 20510

January 22, 2019

The Honorable David Bernhardt  
Acting Secretary  
Department of the Interior  
1849 C Street NW  
Washington, DC 20240

Dr. Walter Cruickshank  
Acting Director  
Bureau of Ocean Energy Management  
1849 C Street, NW  
Washington, DC 20240

Dear Acting Secretary Bernhardt and Acting Director Cruickshank:

We write to express our strong concerns regarding the recent decision of the Department of the Interior's Bureau of Ocean Energy Management (BOEM) to revise its contingency plan in the midst of the Trump shutdown to promote offshore oil and gas development. We urge you to reverse the decision to continue this work and to direct any funds available to BOEM toward critical bureau functions that have been hampered under the ongoing government shutdown, rather than toward actions that directly benefit the oil industry.

We oppose the decision to continue work on the National Outer Continental Shelf Oil and Gas Leasing Program (National OCS program) during the shutdown. In January of 2017, BOEM finalized a 2017-2022 Outer Continental Shelf Leasing Program<sup>1</sup>. The program was the result of a thorough, multi-year process that carefully weighed the substantial risks of offshore drilling, and continued commonsense protections for the Atlantic, the Pacific, the Arctic, and the eastern Gulf of Mexico. The current Administration's decision to replace the five-year plan after just six months<sup>2</sup> showed a particular determination to waste taxpayer dollars at the behest of the oil industry—to continue pursuing these efforts even during a lapse in BOEM's budget is unacceptable.

Activities related to the program are clearly non-essential and were excluded from BOEM's December 2018 shutdown contingency plan, which retained only about 15% of BOEM's workforce (90% of whom were on an "on-call basis") to conduct the key functions of administrative services, emergency response, and support for Bureau of Safety and

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<sup>1</sup> Department of the Interior. *Record of Decision and Approval of the 2017-2022 Outer Continental Shelf Oil and Gas Leasing Program*. (January 2017). <https://www.boem.gov/2017-2022-Record-of-Decision/> (last visited 1/17/19)

<sup>2</sup> 82 Federal Register 30886. *Request for Information and Comments on the Preparation of the 2019-2024 National Outer Continental Shelf Oil and Gas Leasing Program*. (July 2017) <https://www.boem.gov/82-FR-30886/> (last visited on 1/17/19)



Environmental Enforcement permitting operations.<sup>3</sup> A subsequent contingency plan released January 8, 2019, however, included 40 additional BOEM employees to be available on an “on-call basis” to prepare decision documents related to the National OCS program, including: developing the Programmatic Environmental Impact Statement (PEIS); completing environmental assessments; conducting work related to processing Atlantic Geophysical and Geological permits; and publishing notices of sale for lease areas in the Gulf of Mexico. According to the contingency plan, these individuals will be paid via “carryover,” defined as compensation financed by a resource other than annual appropriations.<sup>4</sup>

We remain strongly opposed to any efforts to further develop an American offshore oil and gas industry, which would threaten our economy and environment. But we are particularly concerned regarding the process that resulted in allowing these activities to occur during the partial government shutdown, which has left 800,000 federal employees unpaid. While the oil industry might view a delay in the approval of new offshore drilling as an emergency, the American people deserve regulators who prioritize safety and environmental protection over political expediency and the wishes of moneyed special interests.

BOEM was created in the wake of the Deepwater Horizon tragedy, when it was clear that its predecessor agency was beholden to the very oil industry it was charged with overseeing. The decision to prioritize the oil industry’s wish list during the government shutdown makes clear that this Administration has allowed those same problems to take root again. The newfound characterization of these projects as essential paints a troubling picture of an agency dedicated to mitigating the consequences of the shutdown for a powerful and well-connected corporate lobby at the expense of the American people. Given these concerns, we ask that you provide responses in writing to the following questions no later than Friday, February 1, 2019:

- 1) In the OCS contingency plan published in December 2018, employees engaged in the National OCS program are furloughed. In the BOEM contingency plan published on January 8, 2018, the plan was updated to allow 40 employees to work on the five-year leasing program. Clearly these activities were not initially seen as essential activities. What prompted the change?
- 2) Did anyone in the Trump administration discuss continuing work on the National OCS program during a shutdown with any representative of the oil and gas industry? Please provide the names of any oil and gas companies, interests, or industry groups that communicated with the Administration to discuss the Department or BOEM’s contingency plans regarding offshore oil and gas activities during the shutdown, including via email, phone calls, meetings, or other communications.

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<sup>3</sup> Bureau of Ocean Energy Management. *Bureau of Ocean Energy Management: FY 2019 Contingency Plan*. (December 2018). <https://www.doi.gov/sites/doi.gov/files/2018-12-boem-contingency-plan.pdf> (last visited 1/16/2019).

<sup>4</sup> Bureau of Ocean Energy Management. *Bureau of Ocean Energy Management: FY 2019 Contingency Plan*. (January 2019). <https://www.doi.gov/sites/doi.gov/files/2019-1-boem-contingency-plan.pdf> (last visited 1/16/2019).



- 3) On what legal basis did the Administration rely to change its treatment of offshore oil and gas activities in the BOEM January 2019 contingency plan as compared to its December 2018 contingency plan, given the constraints of the Antideficiency Act and appropriations law? If BOEM did not feel that these activities were legally permissible under the December 2018 plan, on what basis did they become legally permissible in the January 2019 plan?
- 4) In the Explanatory Statement accompanying the Consolidated Appropriations Act, 2018, Congress provided \$171,000,000 for BOEM in Fiscal Year 2018, and included full funding for the five-year offshore leasing program through regular appropriations.<sup>5</sup> At this time, what specific accounts, subaccounts, and programs are the Department or BOEM relying on to fund the continuation of the above-referenced offshore oil and gas activities? Were these funds being used for other activities under the BOEM December 2018 contingency plan following the start of the government shutdown, and if so, what were those activities? Were these funds being used for other activities under the normal operations of the government prior to the shutdown on December 22, 2018, and if so, what were those activities?
- 5) Are BOEM's essential functions of 1) emergency response and 2) support for Bureau of Safety and Environmental Enforcement permitting operations short-staffed during the ongoing shutdown? If so, could the carryover funds used to support the 40 on-call employees working on the National OCS program have otherwise been used to support these shorthanded essential functions?
- 6) While it is our understanding that the essential functions mentioned in Question 5 are still ongoing in some capacity during the shutdown, is BOEM support for Bureau of Safety and Environmental Enforcement related to the Environmental Compliance Monitoring program ongoing as well? If so, has the scope of these activities, which include monitoring for compliance with the Clean Air Act and Clean Water Act, been at all curtailed during the shutdown, and to what extent? Please include any reductions in personnel, inspections, or other relevant metrics.
- 7) The BOEM contingency plan from December 2018 lists 8 excepted employees and 550 employees on furlough in the event of a shutdown; these add up to the 558 full time employees at BOEM. However, the BOEM contingency plan from January 2019 lists 84 excepted employees and 558 employees on furlough in the event of a shutdown; which does not add up to the 558 full time employees at BOEM. What is the reason for this discrepancy?

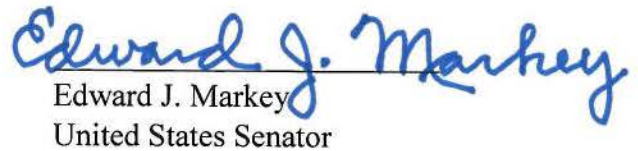
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<sup>5</sup> 164 Cong. Rec. H2617 (daily ed. March 22, 2018) (statement of Rep. Frelinghuysen).  
<https://www.congress.gov/crec/2018/03/22/CREC-2018-03-22-bk2.pdf> (last visited 1/17/2019).

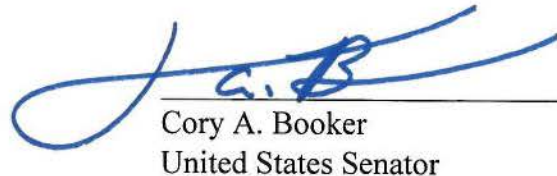
The Trump shutdown demonstrates the President's profound lack of commitment to the federal workforce and disregard for a well-functioning democracy. The modification of BOEM's contingency plan shows an unfailing commitment to carrying out the agenda of the oil industry at the expense of coastal communities. In addition to providing prompt responses to the questions above, we urge you to rethink these decisions and to revise BOEM's contingency plan accordingly.

Sincerely,

  
Robert Menendez  
United States Senator

  
Edward J. Markey  
United States Senator


  
Richard Blumenthal  
United States Senator

  
Cory A. Booker  
United States Senator

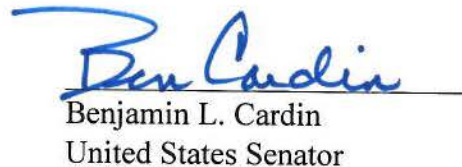
  
Jack Reed  
United States Senator

  
Ron Wyden  
United States Senator

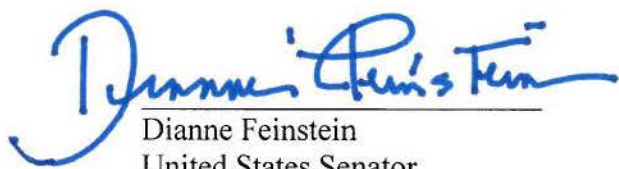
  
Sherrod Brown  
United States Senator

  
Jeffrey A. Merkley  
United States Senator

  
Bernard Sanders  
United States Senator

  
Benjamin L. Cardin  
United States Senator

Cc: Mary L. Kendall, Deputy Inspector General, U.S. Department of the Interior

  
Dianne Feinstein  
United States Senator

  
Jeanne Shaheen  
United States Senator

  
Patrick Leahy  
United States Senator

  
Thomas R. Carper  
United States Senator



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March 12, 2019

Dr. Walter Cruickshank  
Acting Director  
Bureau of Ocean Energy Management  
Department of the Interior  
1849 C St. NW  
Washington, DC 20240

Dear Acting Director Cruickshank,

Thank you for testifying before the Cmmnittee on Nah1ral Resources, Subcommittee on Energy and Mineral Resources on March 6, 2019 at the hearing titled, *"Examining the Policies and Priorities of the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement, and the US. Geological Survey."*

As a follow-up to your testimony, please find enclosed additional questions submitted by members of the Subcommittee for inclusion in the final hearing record. Please provide your written responses to: Sarina Weiss, Subcommittee Clerk, **no later than Wednesday, March 20, 2019**. Committee Rule 3(o) requires responses within 10 business days of the last day of the hearing.

We appreciate your time and insight and are grateful for your contribution to the Subcommittee's work. Should you have any questions, please contact Sarina Weiss, Subcommittee Clerk, at (202) 225-6065 about this request.

Sincerely,



Alan S. Lowenthal  
Chair  
Subcommittee on  
Energy and Mineral Resources

Enclosure:

## **Questions for the Record**

### **Questions from Chairman Alan Lowenthal (D-CA):**

1. Dr. Cruickshank, during the subcommittee hearing, Congressman Mike Levin asked you about the sole liability letters that BOEM issued towards the end of 2016.
  - a. Please provide the committee copies of all 112 sole liability letters issued by BOEM in December 2016.
  - b. In February 2017, BOEM announced that it was withdrawing the sole liability orders that were issued to Outer Continental Shelf oil and gas lease and grant holders in December 2016. You stated in the subcommittee hearing that BOEM has since re-issued certain sole liability orders. Please provide the committee copies of all the sole liability letters that BOEM has re-issued since February 2017.
  - c. In October 2018, Cox Oil acquired Energy XXL. Did Cox Oil assume all of the offshore decommissioning liabilities that were held by Energy XXI?
2. Dr. Cruickshank, during the subcommittee hearing you indicated that BOEM completed a review Notice to Lessees (NTL) No. 2016-NOI, as directed by Secretarial Order No. 3350.
  - a. Please provide the committee with the documents generated by BOEM from their review of NTL 2016-NOI.
  - b. What is BOEM's timeline for issuing their proposed rule replacing NTL 2016- NOI?
3. Dr. Cruickshank, please provide the total number of employees in your agency, by duty station, occupational series, and appropriations sub-activity, as of the end of Fiscal Year 16, Fiscal Year 17, Fiscal Year 18, and March 1, 2019, as well as the number of new hires, by duty station and occupational series, for Fiscal Year 16, Fiscal Year 17, Fiscal Year 18, and Fiscal Year 19 through March 1, 2019.

### **Questions from Representative Joe Cunningham (D-SC):**

1. How does BOEM work with the Department of Defense to avoid conflicts in areas proposed for offshore wind turbines? How about NOAA, how do you work with NOAA to avoid conflicts with the fishing industry when determining which areas should be open to leasing?
2. Is there a difference between the type of seismic testing used when exploring for offshore oil and gas compared to siting offshore wind turbines?
3. Is one of these types of seismic testing more intrusive to marine life than then the other?

4. In what ways could offshore wind impact our tourism industries?



Senator Sanders

Question 9: On January 22, 2019 I joined 13 of my Senate colleagues in sending you a letter requesting information on the Bureau of Ocean Energy Management's (BOEM) decision to continue work on the National Outer Continental Shelf Oil and Gas Leasing Program during the partial government shutdown. DOI's response, sent by BOEM Acting Director Walter Cruickshank, ignored several important aspects of our letter, so I will repeat those questions here.

- a) In the Explanatory Statement accompanying the Consolidated Appropriations Act of 2018, Congress provided \$171,000,000 for BOEM in Fiscal Year 2018, and included full funding for the five-year offshore leasing program through regular appropriations. At the time of our letter, what specific accounts, subaccounts, and programs were DOI and BOEM relying on to fund the continuation of the oil and gas activities referenced in our letter? Were these funds being used for other activities under the BOEM December 2018 contingency plan following the start of the government shutdown, and if so, what were those activities? Were these funds being used for other activities under the normal operations of the government prior to the shutdown on December 22, 2018, and if so, what were those activities?
- b) Were BOEM's essential functions of emergency response and support for Bureau of Safety and Environmental Enforcement permitting operations short-staffed during the ongoing shutdown? If so, could the carryover funds used to support the 40 on-call employees working on the National OCS program have otherwise been used to support these shorthanded essential functions?
- c) Was the scope of activities related to the Environmental Compliance Monitoring program, which include monitoring for compliance with the Clean Air Act and Clean Water Act, at all curtailed during the shutdown, and if so, to what extent? Please include any reductions in personnel, inspections or other relevant activities.

Senator King

Question 2: As I mentioned during the hearing, the entire Maine state federal delegation, Maine's legislature and Maine's Governor are all opposed to any activities relating to the development or extraction of fossil fuel off the coast of New England.

Please explain in detail how the Bureau of Ocean Energy Management is legally obligated to take the comments, opinions and laws of a coastal state and the coastal state's elected representatives and officials into account when making decisions on all geological and geophysical surveying permits.

Question 3: If the Department of Interior was directed to permit oil and gas leasing on the Outer Continental Shelf, could these leases be permitted to go through and be acted on over the wishes

of any state governor, state legislature, congressional delegation or state law relevant to the permitted activities?

Question 4: In a House Appropriations Subcommittee on the Interior hearing in April 2018, Former Secretary of Interior Ryan Zinke said that “in the state of Maine, most of the areas, A) you don’t have the resources off of the coast, B) you don’t have infrastructure in place and, C) most of the districts along the coast and communities are not in favor of oil and gas.”

- a) Given these factors as reported from the Interior Department, can you report that the New England coastline will not be suitable for drilling or geological and geophysical surveying?
- b) Are these three factors determining factors in where fossil fuel development leasing and permitting will be done?

U.S. House of Representatives  
Committee on Appropriations  
Subcommittee on Interior, Environment, and Related Agencies  
BLM, BOEM, BSEE FY 2020 Budget Hearing  
April 4, 2019

Questions for the Record – Bureau of Ocean Energy Management

Questions from Ms. McCollum

**BOEM – Rental Rates**

Over the past few years, the Committee has been required to increase the amount of the bureau's discretionary appropriation to offset the decline in receipts being taken in by BOEM. Mostly, this has come from declining rental receipts. In fiscal year 2015, for example, BOEM collected \$97 million in offsetting collections. The fiscal year 2020 budget request shows those collections dropping down to \$56 million, a decline of more than 40%.

**McCollum Q22:** What is the bureau's plan for reversing the trend of declining collections?

**McCollum Q23:** Is the bureau contemplating increase rental rates in future leases?

**BOEM – 5 year plan spending**

**McCollum Q24:** Please provide the amounts spent by BOEM in fiscal years 2018 and 2019 for work on the proposed new 5-year plan.

**BOEM – Environmental Studies programmatic cuts**

On page 76 of the BOEM budget justification, the bureau is proposing to reduce funding for the Environmental Studies Program by \$2.8 million but does not provide any detail on what studies will be curtailed.

**McCollum Q25:** Can BOEM provide detail the studies that have been proposed for reduction, specifically within the renewable energy sector?

Questions from Ms. Pingree

**BOEM Shipping Lanes and Drilling**

**Pingree Q1:** What's the status of discussions between the Coast Guard, the maritime shipping industry and BOEM in regards to the siting of leases for offshore energy projects in recognized maritime navigation lanes?

## Questions from Mr. Joyce

### **BOEM OCS Critical Mineral Inventory**

The Bureau of Ocean Energy Management's budget proposal for fiscal year 2020 includes an increase of \$1 million for a new Outer Continental Shelf Critical Mineral Inventory, in order to assess the nation's supply of critical minerals important to U.S. advancements in manufacturing and technology. In addition, the budget proposes to transfer and consolidate minerals activities into a new minerals budget line item.

**Joyce Q3:** Please tell the subcommittee your vision for this new Critical Mineral Inventory program, both in fiscal year 2020 and long-term.

### **BOEM Ocean Floor Sand**

I understand there is considerable pressure to use sand from the ocean floor to restore the beaches that protect coastal communities from storms. I imagine that pressure is only going to increase as time goes on.

**Joyce Q4:** What are the Bureau of Ocean Energy Management's environmental responsibilities when it comes to the mining of ocean sand?

### **Government Accountability Office (GAO) High Risk List**

As all three of your Bureaus are acutely aware, your oil and gas programs remain on the Government Accountability Office's High Risk List. And as you also know, once on the list, you have to earn your way off of it. Although it might not seem like it to your staff, the benefits of being on the list are two-fold: First, it gives Congress targets to shoot for by helping us focus on problems we can solve. Second, it gets the attention of agency leadership, since a demonstrated commitment by agency leadership is one of the prerequisites for getting off of the list.

According to the GAO, this high-risk area has three segments: royalty determination and collection, human capital challenges, and restructuring of offshore oil and gas oversight. As of December 2018, Interior had partially met all of the criteria for fixing these segments and getting off of the list. That is good news. And you and your staff deserve a sincere thank you for your hard work on this.

**Joyce Q8:** Please remind the subcommittee what GAO's main concerns are in the three areas of royalty determination and collection, human capital challenges, and restructuring of offshore oil and gas oversight.

**Joyce Q9:** Please explain to the subcommittee the next steps you plan to take in these areas and how the fiscal year 2020 budget proposal helps you get there.

**Joyce Q10:** Is it realistic to expect that you will have given GAO every reason to remove your oil and gas programs from the High Risk List by the time the List is updated two years from now?

U.S. Senate Committee on Appropriations  
Subcommittee on Interior, Environment and Related Agencies  
Hearing to Review the U.S. DOI FY20 Budget Request  
May 22, 2019  
Questions for The Honorable David Bernhardt; Secretary, DOI

Questions from Senator Jeff Merkley

- 2) Secretary Bernhardt, in Interior's FY20 proposed budget, you are asking for increased funding for offshore energy development, while also cutting the budget for environmental enforcement. You also proposed to revoke rules put in place after the Deepwater Horizon spill, which were design to prevent another disaster.

We continue to see increasing damage from climate chaos, and instead of investing in conservation and the deployment of clean energy, we are trying to double down on infrastructure that will lock in decades of carbon pollution. This is a reckless and shortsighted approach for both communities and for our climate. **[BOEM]**

- a) **Will you commit to considering both the climate impacts of offshore oil development and the opposition of coastal communities before moving forward with the Administration's 5-year plan?**

U.S. Senate Committee on Appropriations  
Subcommittee on Interior, Environment and Related Agencies  
Hearing to Review the U.S. Department of the Interior FY21 Budget Request  
March 4, 2020  
Questions for Secretary Bernhardt

Questions from Chairman Murkowski

- 1) I have been engaging my colleagues here in Congress on the need for critical mineral security for years. I applaud the Department's work as you continue to implement the President's executive order (EO) on critical minerals in a number of ways. The budget request advances numerous critical minerals activities and I am hoping you will speak to some of these specific activities but also the Department's implementation of the EO overall. In the FY20 omnibus, we included funding for BOEM to partner with other agencies and begin an OCS Critical Mineral Inventory. The FY21 request includes continued work on the Inventory and new proposed work off of the coast of Alaska.
  - a) Now that funding was provided in FY20, how much progress has been made on initiating the OCS Critical Mineral Inventory? Does the Department have a timeline with the partner agencies for completing the OCS Critical Mineral Inventory assuming continued funding being provided by Congress?
  - b) The FY21 budget request notes that BOEM plans to work with various agencies on creating a comprehensive critical mineral assessment plan focused on the Aleutian Arc. Can you provide any further details for this planned action? Does BOEM have plans to conduct surveys off any other parts of Alaska?

Questions from Senator Merkley

- 1) The Washington and Oregon planning area are currently part of the agency's draft offshore drilling program. However, the budget excluded funding for the national outer continental shelf oil and gas leasing program.
  - a) How long will the program be on hold?
  - b) Will seismic testing and exploration continue?
  - c) Does the agency still intend to pursue a program that includes nearly all offshore planning areas?
- 2) Multiple courts have ruled against you for flagrantly violating the Administrative Procedure Act and denying the public sufficient opportunity to comment on leasing.
  - a) What steps are you taking to ensure that you are complying with the APA and providing adequate public comment in agency decision making?

## **Oil & Gas Development Offshore**

The request for the Bureau of Ocean Energy Management includes additional amounts for the development and vetting of a new 5-year plan for offshore leasing to replace the previous plan for 2017-2022. I trust the requested resources will allow this review to move forward expeditiously and with the appropriate level of engagement with stakeholders – especially those from coastal States. It's my understanding that you received over 1.8 million comments on the draft Plan that was proposed in January.

**Calvert Q43:** What criteria will you prioritize when you consider whether or not areas proposed in the draft Plan will remain in the next iteration of the Proposed Plan?

**Calvert Q44:** When do you expect to announce the next iteration of the Plan?

**Calvert Q45:** Does the Bureau intend to hold coastal meetings, as opposed to, or in addition to, meetings held in State capitals, to engage local constituencies about the proposed plan? If so, when?

**Calvert Q46:** What is the projected trend for offshore rental receipts and is the Department working on strategies that will support the needs for offshore operations without putting further pressure on discretionary spending?



## **Questions from Ranking Member Maria Cantwell**

**Question 8:** The Fiscal Year 2019 budget request includes a 15% reduction of funding for oil spill research at the Bureau of Safety and Environmental Enforcement.

At a time when the Department of the Interior is promoting and expanding offshore oil and gas development and therefore increasing the likelihood of an oil spill, how do you justify shrinking research funding for oil spill response and recovery?

**Question 9:** The Fiscal Year 2019 budget request includes a \$1 million reduction of funding for the Environmental Studies Program at the Bureau of Ocean Energy Management.

At a time when the Department of the Interior is promoting and expanding offshore oil and gas development and therefore increasing the likelihood of environmental impacts, how do you justify reducing funding for scientific knowledge about the nation's marine and coastal environment?

**Question 10:** The Fiscal Year 2019 budget request includes a 13% reduction of funding for offshore renewable energy. The budget documents speak of "advancing energy dominance" and "sustaining the current pace of renewable energy development."

How will that occur if you cut the funding for offshore renewable energy?

## **Questions from Senator Ron Wyden**

**Question 4:** During the hearing, you acknowledged to my colleague, Senator Cantwell, that the state of Washington is "deeply, passionately opposed to oil and gas drilling off their coast."

Do you acknowledge that the state of Oregon is similarly opposed to oil and gas drilling off our coast?

**Question 5:** Every year visitors spend \$1.8 billion on the Oregon coast and Fisheries generate over \$150 million in revenues. Like Florida, Oregon's economy is reliant on tourism, recreation, and the fishing industry. Offshore oil drilling endangers this and many other components of Oregon's coastal economy.

What actions will the Department of the Interior take to prevent damage to Oregon's coast and economies, and all the coasts of the United States?

**Question 7:** In today's hearing you spoke about advancing America's Energy Dominance, speaking highly about oil and natural gas production being at 10.6 million barrels a day. You also noted an "all of the above" approach, increasing funding for oil and gas, expanding coal, whereas the renewable energy program is the only energy program facing budget cuts.

What is the economic justification for a reduction in renewable energy funds when the solar industry alone is creating US jobs at 17 times the rate of the national economy?

How does reduced funding of renewable energy in the proposed budget impact America's energy security?

### **Questions from Senator Bernard Sanders**

**Question 1:** During your nomination hearing, you told me that you were committed to an “all of the above” strategy on energy, and you would “absolutely encourage” renewable sources of power like wind and solar. You have also stated “I am not oil and gas centric, I am American energy centric.” In [your FY 2019 proposed budget](#), renewable energy is the only energy program that is facing cuts despite the fact that the cost of new solar and wind power has dropped by 70 and 25 percent, respectively, since 2010. Additionally, solar energy is now responsible for one in every 50 new jobs created in the United States. Since renewable sources of energy are clearly successful sources of “American energy,” how are your proposed budget cuts consistent with your claim of being “American energy centric”?

**Question 2:** You have claimed that wind energy [has a significant carbon footprint](#), when in reality, wind's carbon footprint is less than 3% of the emissions from coal and less than 7% of the emissions from natural gas. Since your statement is inconsistent with mainstream science on the carbon emissions of wind power relative to all fossil fuel sources, please explain your plan, including a timeline, for publically rescinding your statement.

### **Questions from Senator Mike Lee**

**Question 2:** Lake Powell became infested with quagga mussels in 2013 and inspections of exiting watercraft have largely been performed by the state of Utah, with assistance from the National Park Service. Utah funds about two-thirds of the work despite Lake Powell being a federally-managed waterbody. The “Safeguarding the West” initiative spearheaded by the Department of Interior has directed federal agencies to become more engaged in mussel prevention efforts. What actions has the department taken so far to support states like Utah in their efforts to eradicate invasive mussels in federally managed waters?

### **Questions from Senator Joe Manchin III**

**Question 5:** Secretary Zinke, in Tucker County, West Virginia, we have the Canaan National Wildlife Refuge, a 17,000 acre wildlife refuge that was established in 1994. In fact, it was the 500th established Wildlife Refuge. The headquarters of the Refuge is a 7,000 square foot facility originally constructed in 1975. The building used to be a complex containing a restaurant and apartments, and was converted to be used as the Refuge headquarters after it was acquired in 1999. The building is in subpar condition to serve as an adequate headquarters building for the Refuge—it even experienced a fire sometime before the building was acquired and is not up to current codes. The building has undergone an assessment to determine the cost and scale of the work needed to rehabilitate the building so that it is up to code. But, after reviewing the assessment and seeing the building in person, it is clear that a new building is the best option that will be cheaper for taxpayers. You have shown your commitment to addressing the issues of deferred maintenance in the Interior Department, and I mostly want to take this moment to

remind you that this is a shovel ready project and the longer we drag this out the more it will cost taxpayers.

I would love to hear your thoughts on what can be done, can you please tell me what you might have in mind?

### **Questions from Senator Mazie K. Hirono**

**Question 1:** It is my understanding that many or all grant programs within DOI are currently under additional review. For example, historically USGS grants totaling over \$1,000,000 required a review at the Department level. Then, last year, the requirement was changed to grants totaling over \$100,000. Then, again this year, the requirement was changed to grants totaling over \$50,000. This review creates significant delays to non-federal partners, such as universities and state agencies.

Why is the Department requiring additional reviews? Who within DOI is conducting these reviews? What timeline has your Department put in place for these reviews, and what percentage of all DOI grants warrant additional review?

**Question 2:** Last year, the Department of the Interior was undergoing a Department-wide review of its youth programs. These programs include the National Park Service's Junior Ranger program, which last year alone provided training for 59 youth at Hawaii Volcanoes National Park, and also provided important support through the Youth Conservation Corps to groups in Hawaii, such as Kupu.

Is that review complete? If so, what are the results? If not, when does the Department expect to complete its review of youth programs?

The FY19 budget proposes cuts to every youth program within the department. Examples include a \$5,000,000 cut, half of the FY17 enacted level, to the Park Service's Youth Partnership Program, and a cut of \$2 million and 11 positions from Fish and Wildlife Service's Youth and Careers in Nature Program. The Department's justification for these cuts is that "The Service is not requesting funding for this activity in order to support higher priorities."

Do you consider educating our youth to become the next generation of stewards for our land to be a priority of the department?

**Question 4:** Last year, I asked you about the Department's proposal to defund US Fish and Wildlife Service's "State of the Birds" program, which has helped to bring back some of Hawaii's most critically endangered bird species from the brink of extinction. In your written response, you indicated that "Preventing extinction and achieving recovery of listed species has always been, and will continue to be, one of FWS' highest priorities."

In FY2019, the Department again proposes eliminating funding for the State of the Birds program “in order to support higher priorities”, but that “Staff will continue collaborating to promote species recovery.”

How does the Department intend to bring species like the Hawaiian Crow, or Alala, from extinction given that the bird only exists in captivity, in facilities supported by the State of the Birds program? Moreover, how will Department staff continue to work collaboratively to support species recovery when the Department proposes zeroing out funding for programs like the Cooperative Endangered Species Conservation Fund?

**Question 6:** The President’s FY2019 Budget proposes eliminating funding for Habitat Conservation Planning Assistance Grants, and Habitat Conservation Planning Land Acquisition to States. Habitat Conservation Plans allow for permits to be issued to private entities and businesses undertaking projects that might otherwise result in the destruction of endangered or threatened species. Ultimately, these grants enable Hawaii to prevent delays in mitigation and conservation action for imperiled species.

Last year, I asked you about the President’s FY2018 proposal to cut Habitat Conservation Planning Assistance Grants by 30%. You responded that the cut was justified as a result of fluctuating demand for habitat conservation plans, and that the FY2018 level aligned with anticipated demand.

Could you provide further information on the fluctuating demand for Habitat Conservation Planning Assistance Grants in recent years?

The FY2019 budget proposal states that these programs will be eliminated so that FWS can focus on supporting higher priorities. Has the Department conducted any analysis on how eliminating funds for these programs will impact the ability of local governments and private entities to acquire necessary permits when making land use decisions, and obtaining permits for projects that would otherwise result in the taking of endangered or threatened species?

### **Questions from Senator Tammy Duckworth**

**Question 2:** The Department of the Interior has been an important partner in my State’s efforts to restore and protect the Great Lakes.

For example, the U.S. Fish and Wildlife Service’s work has resulted in 15 populations of native aquatic species becoming self-sustaining in the wild. The U.S. Geological Survey’s work in developing targeted piscicides could lead to breakthroughs in detecting and controlling Asian carp and the National Park Service has restored 200 acres of wetlands in the Great Lakes and is set to restore and additional 400 acres next year.

All of this work is supported by the Great Lakes Restoration Initiative, a program the Trump Administration proposes to virtually eliminate. Your budget seeks to cut all the agencies that are contributing to our success.

Can you explain what you are doing to make sure the National Park Service, U.S. Fish and Wildlife Service and USGS can maintain their work to protect and restore the Great Lakes?

### **Questions from Senator Tina Smith**

**Question 3:** Right now in Minnesota a lot of farmers and ranchers are concerned, and rightfully so, about losing their livestock to wolves. The 2014 court decision that returned the gray wolf to the Endangered Species list has resulted in the loss of state wolf management programs. Without those we need federal funding to help prevent wolf-livestock conflicts. Why is it then that the Fish and Wildlife Service has proposed to discontinue funding for the Wolf Livestock Loss Demonstration Program in its fiscal year 2019 budget? Other available programs may provide indemnity payments after a loss has been incurred; however, this valuable program—which is zeroed out in the budget—allows livestock producers to be proactive and employ strategies to help prevent wolf attacks from occurring in the first place.