



U.S. Energy Investment Shifts

The latest offshore wind project cancellation and new investments highlight changing priorities across the U.S. energy landscape.

Over the last year or so, a number of national wind, solar and other clean energy projects have been delayed, scaled back or canceled, while activity around oil and natural gas has picked up. That momentum has stepped up, and a recent agreement between the federal government and TotalEnergies is the latest sign of that.

According to a U.S. Department of the Interior (DOI) [press release](#), TotalEnergies has committed to invest approximately \$1 billion—the value of its renounced offshore wind leases—in oil and natural gas and LNG production in the U.S. This includes trains for a Rio Grande LNG plant in Texas, as well as the development of upstream conventional oil in the Gulf of America and of shale gas production.

The DOI says it's terminating the following leases and reimbursing TotalEnergies for:

- Lease No. OCS-A 0535. Located in the Carolina Long Bay area, this lease was fully executed by TotalEnergies Renewables USA, LLC on June 1, 2022.

- Lease No. OCS-A 0538. Situated in the New York Bight area, this was fully executed by Attentive Energy, LLC on May 1, 2022.

“These reinvestments by TotalEnergies will directly advance the [administration’s] ongoing efforts to lower costs for American families, increase baseload and grid reliability and help maintain global leadership in artificial intelligence,” the DOI adds.

For and Against

Not everyone views the nation’s shift away from offshore wind and other large-scale renewables the same way. Supporters point to cost and reliability, while critics question what it means for future clean energy development. That debate is playing out against a backdrop where offshore wind has become a major part of the energy mix in other regions, particularly in Europe, where [over 150 gigawatts of new wind power capacity](#) is expected to come online by 2030.

The administration has been clear about its views on wind power. “Offshore wind is one of the most expensive, unreliable, environmentally disruptive, and subsidy-dependent schemes ever forced on American ratepayers and taxpayers,” said Secretary of the Interior Doug Burgum in the release.

“We welcome TotalEnergies’ commitment to developing projects that produce dependable, affordable power to lower Americans’ monthly bills while providing secure U.S. baseload power today,” he continued, “and in the future.”

2050 Carbon Neutrality May Not Be Attainable

In other TotalEnergies news, the company says that the Paris Agreement’s 2050 carbon neutrality goals may be out of reach and that it’s adjusting its own 2050 net zero plans. According to [Reuters](#), the goals outlined in the 2015 Paris Agreement to limit global warming require a significant drop in carbon emissions by 2050, which would require weaning key systems off oil and gas consumption.

Citing TotalEnergies’ annual sustainability report, *Reuters* says the company has decided to “confront its ambition with reality and acknowledge that our societies have embarked on a transition, but at a pace that does not yet allow for the collective achievement of carbon neutrality as pursued under the Paris Agreement.”

“Our own ability to achieve carbon neutrality together with society depends on technical innovation, public policies and consumer choices,” the company continued, “meaning that the pathways to our carbon neutrality ambition must be reassessed and adapted over time in line with the evolution of the global energy system.”

More broadly, *Reuters* says both BP and Shell are still aiming to bring the carbon intensity of the products they sell to zero by 2050, but both say that “the pace at which society transitions away from hydrocarbons would be an important factor.”