5

Program Area Scenario	Low Activity Level	Mid-Activity Level	High Activity Level
Cook Inlet	0.03	0.16	0.19
GOM (5-sale scenario)	0.14	0.48	0.81
GOM (10-sale scenario)	0.14	0.66	1.58

Table 5-9: Lease Sale Option: Social Cost of Upstream GHG Emissions (\$ Billions)

The results are consistent with the analysis discussed in <u>Chapter 1.2.3.4</u>, that OCS oil production has one of the lowest GHG intensities³⁶ compared to domestic onshore and other global producers of oil.

No Sale Option: Social Cost of Upstream Greenhouse Gas Emissions

For the No Sale Option, BOEM models the upstream emissions from the energy substitutes. While most of BOEM's net benefits analysis is conducted to only consider domestic impacts, BOEM analyzes the GHG emissions from international production of substitute energy sources that are imported, given the global nature of GHG emissions. BOEM includes both emissions from production of imported oil and natural gas under the No Sale Option as well as the GHG emissions from transport of that oil and natural gas by tanker to the U.S. These emissions are derived using BOEM's substitutions estimates. <u>Table 5-10</u> shows the model results for each program area and scenario for upstream GHG emissions.

The increase in social cost of upstream GHG emissions associated with the No Sale Option represents the greater per-barrel GHG emissions that result from substitute sources other than OCS production. The fossil fuel energy sources that substitute for OCS oil and gas typically have higher GHG intensities than those of OCS production. Imports result in additional emissions during transport to the U.S. and because, in many cases, there are less restrictive emissions standards in the producing countries.

Program Area Scenario	Low Activity Level	Mid-Activity Level	High Activity Level
Cook Inlet	0.04	0.50	0.54
GOM (5-sale scenario)	1.58	6.64	10.15
GOM (10-sale scenario)	1.58	8.85	20.16

The GHG emissions associated with the No Sale Option would vary greatly if there were different assumptions regarding future energy substitutions and future energy demand under net-zero goals and technology advancements. In such a future, the social costs of GHG emissions under the No Sale Option would similarly shift.

³⁶ GHG intensity is a volume-weighted ratio of GHGs emitted while producing a given unit of oil.