



## Wind Energy Leasing Moratorium Status Update

February 19, 2025

Reading Time : **4 min**

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### Overview: Impacts to Offshore and Onshore Wind Energy Projects

Wind energy projects along the coasts are facing uncertainty due to President Trump's Presidential Memorandum<sup>1</sup> issued on January 20, "[Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government's Leasing and Permitting Practices for Wind Projects](#)." This Memorandum introduces substantial policy changes that impact both onshore and offshore wind development.

The Memorandum temporarily withdraws all areas on the Outer Continental Shelf (OCS) from new or renewed wind energy leasing, preventing any new or renewed wind projects offshore until the Memorandum is revoked.<sup>2</sup> While this Memorandum seemingly targets offshore wind energy generation, it also contains provisions that affect onshore generation. It mandates a pause on approvals, permits, leases and loans for both onshore and offshore wind projects while a comprehensive federal review is conducted. This review, led by the Department of the Interior (DOI) with input from multiple agencies, will focus on a range of environmental and economic factors. Last January, the Biden administration's Department of Energy (DOE) [announced](#) a similar permitting pause to reassess the environmental and economic impacts of increased liquified natural gas (LNG) exports, sparking legal challenges.

On February 3, 2025, Secretary Doug Burgum issued six [orders](#) to address DOI's approach to energy. While he has not yet issued direction on the wind energy leasing moratorium, further

guidance is expected as the review process unfolds.<sup>3</sup> The Bureau of Ocean Energy Management (BOEM) has already canceled a scheduled meeting to conduct environmental reviews for the Vineyard Wind Mid-Atlantic offshore wind project, which began its environmental review process in January, signaling uncertainty over the status of ongoing projects.

## Implications of the Moratorium

While the focus of the Memorandum is on new offshore wind leasing, the Memorandum's pause on the issuance of new or renewed approvals has the potential to create challenges for any developer requiring additional permits or approvals to advance their projects. The Memorandum also raises the prospect that DOI may take steps to modify or terminate existing offshore wind leases following the review directed by the DOE. While there is limited precedent for lease cancellations absent cause, the Outer Continental Shelf Lands Act grants the DOI the right to terminate unilaterally under certain circumstances, such as causing serious harm or damage to life, property, national defense or the environment. In such cases, the government may be obligated to pay just compensation equaling the lesser of either the fair market value of the cancelled rights or costs expended in reliance on the lease.

## State Response and Industry Impacts

State governments pursuing initiatives to support the development of offshore wind offered varying responses to the EO.

**New Jersey:** Following the announcement of the Memorandum, Shell, a major partner in the Atlantic Shores Offshore Wind Project, exited the joint venture. In response to Shell's prompt withdrawal, the New Jersey Board of Public Utilities announced it would not award new offshore wind contracts given the uncertainty over federal support. Nevertheless, EDF Renewables, the remaining partner in Atlantic Shores, affirmed its continued commitment to the project.

**Maine:** A group of legislators in Maine expressed support for the moratorium, calling for additional federal action, including the revocation of existing offshore wind leases. These officials argue that offshore wind development presents environmental and economic concerns. Additionally, Representative Jared Golden (D-ME) has reintroduced legislation to ban offshore wind development in Maine's Lobster Management Area 1.

**New York:** Governor Kathy Hochul has reaffirmed the state’s commitment to offshore wind projects despite federal setbacks, emphasizing its importance for job creation and energy transition goals. She has publicly challenged the federal government on this topic and seeks to support workers impacted by these regulatory changes. Doreen Harris, CEO of NYSERDA, similarly stressed that New York’s clean energy targets remain unchanged, with a goal of installing 9 gigawatts of offshore wind energy by 2035.

**California:** The offshore wind industry in California has received strong state support. In July 2024, the California Energy Commission (CEC) unanimously approved a plan to develop a substantial floating, offshore wind industry. On February 6, 2025, Assembly Bill 472 was introduced in the state legislature to assess funding opportunities for offshore wind port infrastructure in furtherance of the Governor’s Five-Year Infrastructure Plan.

**Virginia:** Representative Jen Kiggans (R-VA) has advocated for Virginia’s offshore wind projects and has reportedly secured assurances from Trump administration officials that certain projects will not be affected by the moratorium.

## Conclusion

This Memorandum has introduced significant uncertainty into the wind energy sector, affecting both ongoing and future projects. Stakeholders should closely monitor federal decisions and state-level responses to assess how this evolving regulatory landscape may impact their operations. As projects encounter delays and denials, developers should closely adhere to federal procedures to minimize the risk of continued impact. Developers and investors must also prepare for increased scrutiny and potential shifts in funding opportunities as they navigate this new environment.

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<sup>1</sup> There is little that differs presidential memoranda from executive orders (EO). Both instruments direct the actions of executive agencies and, if issued under a valid claim of authority and published in the *Federal Register*, have the force and effect of law. President Trump has directed this presidential memorandum to be published in the *Federal Register*.

<sup>2</sup> The withdrawal is explicit that it “does not apply to leasing related to any other purposes such as, but not limited to, oil, gas, minerals, and environmental conservation.”

3 The DOI Acting Secretary Walter Cruickshank issued secretarial order 3415 on January 20 suspending delegation of authority to department offices to “issue any onshore or offshore renewable energy authorization” for 60 days subject to certain exceptions. On January 29, the DOI Acting Secretary reissued the order with an amendment excluding certain actions such as grants of right of way, easements, land sales from the original order. The order also reset the 60-day suspension of authority to begin on January 29.

## Categories

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