

# **Atlantic Offshore Drilling**

## **Key Facts**



### **Coastal Communities, Businesses, and Leaders Have Spoken Loudly: No Offshore Drilling!**

- Tens of thousands of citizens, 125 East Coast local governments, more than 1,200 elected officials, and an alliance representing over 41,000 businesses and 500,200 fishing families have officially and publicly called for no offshore drilling and/or seismic testing in the Atlantic.<sup>1</sup>

### **Drilling in the Atlantic will not lower the price of fuel.**

- The Atlantic region doesn't contain enough oil to budge the price. The Atlantic contains less than 1% of the total technically recoverable oil and gas resources in the U.S. Under current economic conditions the proven oil and gas resources in the Atlantic are 0% of national total.<sup>2</sup> When the Obama administration proposed drilling in the Atlantic in 2015, the Interior Department estimated that Atlantic drilling could account for just 0.1% of national oil production and 0.06% of national natural gas production.<sup>3</sup>
- Under President George W. Bush, the Energy Information Administration concluded that opening all off-limits areas to offshore drilling in the Atlantic, Pacific, and Eastern Gulf of Mexico might result in a savings of just 3 cents per gallon of gasoline no sooner than 2030.<sup>4</sup>
- Oil prices are set on the international market. The United States produces 15% of the world's petroleum, leaving the other 85% of pricing to be determined overseas.<sup>5</sup>

### **Drilling the Atlantic will jeopardize our coastal economy, not enhance it.**

- The Atlantic coast has a thriving economy based on tourism, which would be threatened by offshore drilling. The areas in the seven states adjacent to proposed drilling generate over \$19 billion per year and employ more than 335,000 individuals in coastal tourism and fishing.<sup>6 7 8</sup> Any potential economic gains from the offshore oil industry must be considered against the robust economic engine of coastal tourism that we already have.
- Major oil spills, like the Deepwater Horizon disaster, while not frequent, are catastrophic when they occur. On the Gulf following the Deepwater Horizon tragedy, some oystermen and shrimpers reported catch rates of 25% or less than normal.<sup>9</sup> Many tourism-based businesses, such as hotels, restaurants, and tour companies reported extreme difficulty getting by in 2010:<sup>10</sup>
  - Gulf Shores, AL and Orange Beach, AL reported a 41% decline in the number of tourists in 2010
  - Baldwin County, AL lodging revenue dropped 33% (\$58 million)
  - Walton County, FL's hotel occupancy levels in May 2010 were down 6%, food and beverage revenue was down 16%, and revenue from additional tourism-related products and services sold was down 32%.
- Industrial infrastructure that accompanies offshore drilling, such as pipelines and refineries, blights the coast and deters tourism. Analysis shows that coastal counties on the Gulf coast without such infrastructure generate twice as much tourism revenue per capita as counties that host such infrastructure.<sup>11</sup>

### **Drilling the Atlantic will not increase energy security or independence.**

- As discussed above, the Atlantic doesn't contain enough oil or gas to achieve energy security or independence. The Atlantic contains less than 1% of the U.S. total technically recoverable oil and gas resources.<sup>12</sup>
- U.S. energy security has grown greatly in recent years in the absence of Atlantic drilling, particularly because of technological advances in drilling such as fracking, even though they have significant environmental consequences of their own. Between 2008 and 2015, domestic crude oil production nearly doubled<sup>13</sup>, natural gas production increased by a third,<sup>14</sup> while oil imports declined substantially.<sup>15</sup> U.S. energy security is already strong, and will remain so without exposing us to the risks of drilling in the Atlantic.
- Oil companies do not need more offshore acreage to increase oil production. A 2012 report found that of the acres already leased to oil companies, seven out of every ten offshore acres and 56% of onshore acres are sitting idle without active development or exploration. In the Gulf of Mexico alone, the already-leased area is estimated to contain over 7 times as much oil as what may be found in the Atlantic.<sup>16</sup>
- While Atlantic drilling would not increase energy security, developing domestic renewable energy sources like wind and solar would. As such, the Department of Defense is working to source 25 percent of its energy from renewable sources by 2025, while the Department of the Navy is seeking 50 percent by 2020. At the same time DoD is seeking to reduce its use of petroleum fuel in non-combat vehicles by 30% and the Navy is seeking to reduce by 50%.<sup>17 18</sup>

### **Industry assurances do not prevent disaster.**

- The oil industry implies that locating offshore drilling platforms approximately 50 miles from shore protects coastal communities; however, in the event of a major spill, 50 miles won't mean a lot. The Deepwater Horizon was situated about 42 miles from shore and it scattered oil along 1,313 miles of shoreline, heavily oiling beaches as far as 288 miles to the west (Marsh Island, LA) and 155 miles to the east (Fort Walton Beach, FL).<sup>19</sup>
- The vast majority of significant offshore drilling accidents occur due to human error—about 80% according to one major oil company's director of engineering and technology. Regardless of technological or regulatory improvements, human error remains the greatest cause for major accidents.<sup>20</sup>
- Drilling is happening in riskier places in the offshore environment, with more potential for accidents. Since the easiest-to-extract oil has already been tapped, drilling sites are moving to deeper, higher-pressure, more complex areas.<sup>21</sup>

### **Oil spills severely threaten public health.**

- More than 50,000 workers cleaning up the Deepwater Horizon disaster were exposed to hazardous chemicals daily, resulting in chronic debilitating conditions, and possibly increased risks of cancer and other life-threatening diseases.<sup>22</sup>
- Gulf residents suffered considerable mental health degradation, with sharp increases in anxiety and clinical depression, largely related to the loss of income from the spill. For the first year after the spill, between one-third and a half of the population of Baldwin County, AL and Franklin County, FL met the criteria for clinical depression (compared to a 10-11% baseline). A year later, about 20% of the population was still depressed.<sup>23</sup>

### **Exploration is not harmless. Exploring to "just see what's out there" could be catastrophic.**

- The oil industry wants to explore for oil and gas in the Atlantic with seismic airgun technology, which blasts loud shots of compressed air down through the water column and through the

sea floor, where it bounces off of subsurface geologic formations and back up to receivers to help map undersea formations. These blasts, which are repeated every 10-12 seconds for days, weeks, or months at a time, are the second loudest manmade sound in the ocean, can be heard up to 2,500 miles away, and can harm wildlife. Seismic exploration has been attributed to 40%-80% declines in local fish catches and can severely impact marine mammals, like whales, that rely heavily on their sense of sound to navigate, feed, and communicate.<sup>24</sup>

- The Deepwater Horizon disaster was the result of drilling an *exploratory* well. Drilling such exploration wells is an intrinsic part of the exploration process of new areas before oil production begins.

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<sup>1</sup> Oceana. "Grassroots Opposition to Atlantic Drilling and Seismic Airgun Blasting." <http://stopthedrill.org/>

<sup>2</sup> Energy Information Administration. *Annual Energy Outlook 2016 Assumptions Report*. Pages 132-3.

<sup>2</sup> Energy Information Administration. *Annual Energy Outlook 2016 Assumptions Report*. Pages 132-3.

<https://www.eia.gov/outlooks/aeo/assumptions/pdf/oilgas.pdf>

<sup>3</sup> Bureau of Ocean Energy Management. *2017-2022 Outer Continental Shelf Oil and Gas Leasing Proposed Program*. March 2016. Page S-10. <https://www.boem.gov/2017-2022-Proposed-Program-Decision/>

<sup>4</sup> Energy Information Administration. *Impact of Limitations on Access to Oil and Natural Gas Resources in the Federal Outer Continental Shelf*. 2009.

[https://web.archive.org/web/20121017214824/http://www.eia.gov/oiaf/aeo/otheranalysis/aeo\\_2009analysispapers/aongr.html](https://web.archive.org/web/20121017214824/http://www.eia.gov/oiaf/aeo/otheranalysis/aeo_2009analysispapers/aongr.html)

<sup>5</sup> According to 2016 EIA data, the U.S. produces 14,827 thousand barrels per day of petroleum and other liquids production compared to 97,166 globally. <https://www.eia.gov/beta/international/>

<sup>6</sup> Department of Commerce, National Oceanic and Atmospheric Administration, National Ocean Service. *ENOW Explorer*. 2012.

<https://coast.noaa.gov/enowexplorer/#/gdp/tourism/2012/12009>

<sup>7</sup> Economic Development Partnership of North Carolina. 2015. <https://partners.visitnc.com/economic-impact-studies>

<sup>8</sup> South Carolina Parks, Recreation and Tourism. *The Economic Impact of Travel on South Carolina Counties in 2015*.

<https://www.scprr.com/research>

<sup>9</sup> Dahr Jamail. "Gulf fisheries in decline after oil disaster." *Al Jazeera*. April 18, 2012.

<http://www.aljazeera.com/indepth/features/2012/03/20123571723894800.html>

<sup>10</sup> Bureau of Ocean Energy Management. *Assessing the Impacts of the Deepwater Horizon Oil Spill on Tourism in the Gulf of Mexico Region*. 2014. <https://www.boem.gov/ESPIS/5/5451.pdf>

<sup>11</sup> Southern Environmental Law Center. "Oil drilling infrastructure drives away tourism dollars."

<https://www.southernenvironment.org/news-and-press/news-feed/oil-drilling-infrastructure-drives-away-tourism-dollars>

<sup>12</sup> Energy Information Administration. *Annual Energy Outlook 2016 Assumptions Report*. Pages 132-3.

<https://www.eia.gov/outlooks/aeo/assumptions/pdf/oilgas.pdf>

<sup>13</sup> 2,281,919 thousand barrels of crude oil were produced in the U.S. in 2008 compared to 3,436,515 thousand barrels in 2015.

Source: Energy Information Administration. <https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MCRFPUS1&f=A>

<sup>14</sup> 25,636,257 million cubic feet of natural gas were produced in the U.S. in 2008, compared to 32,894,727 million cubic feet in

2015. Source: Energy Information Administration. <https://www.eia.gov/dnav/ng/hist/n9010us2A.htm>

<sup>15</sup> 4,871 thousand barrels per day of crude oil and petroleum products were net imported in 2015 compared to 11,114 thousand barrels per day in 2008. Source, Energy Information Administration.

<https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=mtntus2&f=a>

<sup>16</sup> Department of Interior. *Oil and Gas Lease Utilization, Onshore and Offshore: Updated Report to the President*. May 2012.

<https://www.doi.gov/sites/doi.gov/files/migrated/news/pressreleases/upload/Final-Report.pdf>

<sup>17</sup> Department of Defense. *Annual Energy Management Report, Fiscal Year 2014*.

[http://www.acq.osd.mil/eie/Downloads/Reports/Tab%20B%20-%20FY%202014%20AEMR\\_FINAL.pdf](http://www.acq.osd.mil/eie/Downloads/Reports/Tab%20B%20-%20FY%202014%20AEMR_FINAL.pdf)

<sup>18</sup> Department of the Navy. <http://greenfleet.dodlive.mil/energy/>

<sup>19</sup> National Oceanic and Atmospheric Administration. *ERMA® Deepwater Gulf Response*.

<https://gomex.erma.noaa.gov/erma.html#/x=-89.67086&y=29.19253&z=7&layers=16+6770+15879+19872+19897>

<sup>20</sup> Colin Eaton. "Human errors account for 80% of offshore accidents, exec says." *FuelFix* by the *Houston Chronicle*. May 12, 2014

<http://fuelfix.com/blog/2014/05/12/human-errors-account-for-80-of-offshore-accidents-exec-says/>

<sup>21</sup> Cain Burdeau, Associated Press. "Risky new technology means the next Gulf of Mexico oil spill could be much, much worse."

*Business Insider*, April 20, 2015. <http://www.businessinsider.com/the-next-oil-spill-in-the-gulf-of-mexico-could-be-much-much-worse-2015-4>

<sup>22</sup> Dahr Jamail. "BP's 'widespread human health crisis'." *Al Jazeera*. October 27, 2013.

<http://www.aljazeera.com/indepth/features/2013/10/bp-widespread-human-health-crisis-2013102717831227732.html>

<sup>23</sup> Kirsten Weir. "After the spill: Researchers study the lingering effects of the BP oil spill." *Monitor on Psychology*. July/August

2014, Vol 45, No. 7. <http://www.apa.org/monitor/2014/07-08/spill.aspx>

<sup>24</sup> Oceana. "Seismic Testing for Offshore Oil and Gas Reserves."

[http://usa.oceana.org/sites/default/files/662/seismic\\_fact\\_sheet\\_2016.pdf](http://usa.oceana.org/sites/default/files/662/seismic_fact_sheet_2016.pdf)