



# Offshore Drilling is Not the Answer

As the BP oil disaster in the Gulf of Mexico clearly demonstrates, the oil industry is still a dirty, dangerous, and deadly business. Since April 20, hundreds of thousands of gallons have daily been spewing into the water a mere 50 miles off the coast of Louisiana. This devastating event has already taken an enormous human and economic toll and will continue to cost our vibrant coastal economies billions of dollars in the months and years to come. Not until we have a moratorium on new offshore drilling will our coastal environments and the economies that depend on them truly be safe.

## Spills

Offshore drilling is incompatible with beaches and coastal economies. Despite claims made by the oil and gas industry, offshore drilling is still a dirty industry. Since 1964, offshore operators have had 40 spills greater than 1000 barrels (42,000 gallons). During Hurricanes Katrina and Rita 741,000 gallons were spilled into the waters of the Gulf from offshore rigs. That total balloons to more than nine million gallons spilled when you include spills from onshore oil and gas infrastructure.

Far from being a thing of the past, spills occur with alarming frequency. The Minerals Management Service estimates that in the Gulf of Mexico there will be one spill of at least 1000 barrels every year for the next 40 years and one spill of at least 10,000 barrels every three to four years during that same time.

Clean beaches and coastal areas represent an enormous portion of the job sector. Tourism is a vital part of our nation's economy, and beaches are an essential piece. According to the World Tourism & Travel Council, in 2009 alone the United States travel and tourism economy is expected to directly and indirectly produce 13.8 million jobs and generate \$1.35 trillion.<sup>1</sup> That makes America's coastal recreation and tourism industry the second largest employer in the nation, workers who serve the 180 million Americans who make over two billion trips to our coasts every year. Tourism in America is a trillion-dollar industry with coastal communities contributing over \$700 billion annually to our economy<sup>2</sup>.

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<sup>1</sup> World Travel and Tourism Council

<sup>2</sup> Houston, James R. (2082). The Economics Value of Beaches. U.S. Army Engineer Research and Development Center.

## **Energy Costs**

Offshore drilling will not reduce our energy costs. The United States has only two or three percent of the world's proven reserves, and the vast majority of that oil and gas is located in areas that were not even protected by the moratorium. The truth is, Americans won't see any benefit from new drilling. It won't ease the pain at the pump and it won't put food on the table. It will only help line the coffers of America's most bloated corporate industry. The oil industry continues to earn record profits higher than any industry in human history, and the only result most Americans will see are their hard-earned tax dollars going to pay for the cleanup of oil spills and pollution left behind by the industry. The only true way to reduce energy costs is through efficiency and conservation.

In his latest report, U.S. Interior Secretary Ken Salazar affirmed this statement by concluding that the greatest energy potential off our coasts was from wind energy. The report highlighted what we already knew, that the amount of known oil in the Outer Continental Shelf is relatively small. In these hard economic times we need to look toward solutions that truly reduce energy costs. Oil and gas drilling is incompatible with these goals. Clean, renewable energy is the only way to reduce our dependence on foreign oil, lower energy costs, create jobs, and reduce our contributions to climate change.

## **Climate Change**

New off shore drilling will not reduce our dependence on foreign energy nor will it reduce our dependence on fossil fuels. Rather, the industry and the dirty fuel it provides will only contribute to more global warming. Instead of relying on outdated forms of energy that won't help reduce costs for Americans, we should end our dependence on dirty power now by using clean, safe, and affordable renewable energy. By harnessing the wind potential off our coasts we can transform how we produce electricity, protect our coasts and coastal economies, and reduce global warming. It simply does not make sense to include more dirty drilling in any climate and clean energy legislation.

## **Revenue Sharing: A Perverse Incentive**

Big Oil and certain pro-drilling members of Congress are pushing for revenue sharing to be included as part of expanded offshore drilling operations. This means that a portion of the revenue generated by lease sales would go to the nearest state. This would create a perverse incentive for states to allow drilling off their shores. Bureaucrats in offices far removed from vibrant coastal communities and ecosystems would be incentivized to put those very communities at risk when it comes time to balance the budget or fill the state coffers.

No portion of revenues generated by offshore sales should go to the states. The waters are federal waters owned by all Americans. Our beaches are used and loved by all Americans and as such any money generated from offshore activities should be used toward public projects that benefit all Americans, not the few who live in coastal states abutting offshore operations.