REVIEW OF OFFSHORE OIL AND GAS PROGRAMS AND LAWS

HEARING

BEFORE THE

SUBCOMMITTEE ON
WATER, POWER, AND OFFSHORE ENERGY RESOURCES

OF THE

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

OVERSIGHT ON EFFECTIVENESS OF THE CURRENT OFFSHORE DRILLING LAW, THE OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS OF 1978

H.R. 2945

TO PROHIBIT THE SECRETARY OF THE INTERIOR FROM ISSUING OIL AND GAS LEASES ON CERTAIN PORTIONS OF THE OUTER CONTINENTAL SHELF OFF THE STATE OF FLORIDA

HEARING HELD IN KEY WEST, FL
OCTOBER 14, 1989

PART I

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REVIEW OF OFFSHORE OIL AND GAS PROGRAMS AND LAWS

Offshore Florida Keys Environmental Protection Act of 1989

SATURDAY, OCTOBER 14, 1989

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON WATER, POWER AND OFFSHORE
ENERGY RESOURCES
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
Key West, FL.

The subcommittee met, pursuant to call, at 9:12 a.m. in the City Commission Chamber, City Hall, 525 Angela Street, Key West, FL, Hon. George Miller (chairman of the subcommittee) presiding.

Mr. MILLER. The subcommittee will come to order. The purpose of this morning's hearing is to conduct a hearing on H.R. 2945, to prohibit the Secretary of Interior from leasing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida.

Before proceeding, without objection, we will have printed at this point in the hearing record, a copy of the bill on which we hold this hearing.

[The bill, H.R. 2945, follows:]

I

101st CONGRESS
1st Session

H. R. 2945

To prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida.

IN THE HOUSE OF REPRESENTATIVES

July 20, 1989

Mr. Ireland (for himself, Mr. Fascell, Mr. Young of Florida, Mr. Lehman of Florida, Mr. Bennett, Mr. Lewis of Florida, Mr. Nelson of Florida, Mr. Grant, Mr. Goss, Mr. Stearns, and Mr. Johnston of Florida) introduced the following bill; which was referred to the Committee on Interior and Insular Affairs

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A BILL

To prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 **SECTION 1. PROHIBITION.**
4 The Secretary of the Interior shall not—
5 (1) prepare for, or conduct, any preleasing or leas-
6 ing activity under the Outer Continental Shelf Lands
7 Act (43 U.S.C. 1331 et seq.) including, but not limited

1 to, calls for information, tract selection, notices of sale,
2 receipt of bids, and award of leases;
3 (2) approve any plan of exploration pursuant to
4 section 11 of the Outer Continental Shelf Lands Act
5 (43 U.S.C. 1340); or
6 (3) approve any development or production plan
7 pursuant to section 25 of the Outer Continental Shelf
8 Lands Act (43 U.S.C. 1351),
9 with respect to any submerged lands of the Outer Continental
10 Shelf (as such term is defined in section 2(a) of the Outer
11 Continental Shelf Lands Act (43 U.S.C. 1331(a)) located
12 south of 26 degrees north latitude and east of 86 degrees
13 west longitude.

14 SEC. 2. GUIDELINES FOR BUYING BACK EXISTING LEASES.

15 The Secretary of the Interior shall issue guidelines for
16 the buying back by the United States of any existing oil or
17 gas lease on submerged lands described in section 1.

O

Mr. MILLER. I am Congressman George Miller from California, and the chairman of the Subcommittee on Water, Power and Offshore Energy Resources. I am joined today by Congressman Peter DeFazio from Oregon and Congressman Jim McDermott from the State of Washington.

This is the first in a series of hearings that our subcommittee of the Interior Committee will be holding around the Nation to provide for public input and input from governmental agencies on various proposals for the leasing and exploration and development of our Outer Continental Shelf. As many of you know, we have arrived at a point where the offshore leasing program is essentially gridlocked. It is not going forward. We have what essentially amounts to a nationwide moratorium on offshore oil drilling and exploration and development throughout the United States. I was part of the select committee that rewrote the Outer Continental Shelf Lands Act starting in 1978, and it was exactly to avoid what has now happened that we rewrote the law.

At that time States were being ignored, governors were being ignored, municipalities and coastal communities were being ignored, and the program came to a halt. People decided that litigation and confrontation was to their advantage as opposed to working out these problems, and we rewrote the law to try to provide States with greater input. That system now has broken down also. As one who comes from California, a State that is deeply involved in this issue, I think the reason is basically the continued arrogance of both the Federal Government and the oil industry about their perceived rights vis-a-vis the rights of people of the coastal States.

As a result of that, each and every year now the Congress has responded with moratorium that have encompassed more and more States on a substantial and bipartisan basis. We are here for oversight with respect to the proposals for oil development and exploration off of southern Florida and also for the purposes of holding hearings on the legislation that I think now has been cosponsored by every member of the Florida delegation. We expect that we also will be reviewing in other parts of the country either site-specific legislation such as H.R. 2945 or comprehensive legislation dealing with issues such as permanent protection and ocean sanctuary. Other proposals such as that will be introduced in the Congress in the near future, I believe, also on a bipartisan basis.

So this is, I guess you might say, the first comprehensive review of the law in that 10-year period to see whether or not we can once again try and balance our needs for energy development and environmental protection and economic protection for coastal communities. That is the purpose for which the committee is here, that is the purpose for which we have engaged in this set of hearings.

[Prepared statement of Mr. Miller follows:]

Opening Statement of

Chairman George Miller

Subcommittee on Water, Power and Offshore Energy Resources

October 14, 1989
Key West, Florida

I'm very pleased to bring the Subcommittee here today to conduct a hearing on H.R. 2945, legislation to ban permanently offshore oil and gas drilling off of South Florida and the Florida Keys.

This is the first in a series of nationwide field hearings that will be held by this Subcommittee on the federal offshore oil and gas drilling program.

The purpose of this Subcommittee review is to find permanent solutions to the many problems that plague the offshore drilling program. H.R. 2945 has been proposed by the Florida congressional delegation as a permanent solution to protect the fragile environment of South Florida and the Florida Keys from offshore drilling.

The Bush Administration is currently conducting a similar review of the OCS program through the Presidential OCS Task Force. Unfortunately, a series of incidents have indicated that the review being undertaken for the President may be biased in favor of offshore oil development.

Secretary Lujan, who is chairing the Task Force, has made repeated statements calling for expansion in OCS development.

My confidence in the President's Task Force was further eroded when I recently received documents obtained by Congressman Bill Lehman and Congressman Dante Fascell. These documents indicate that the Task Force suppressed the testimony of Everglades National Park officials who oppose offshore drilling in south Florida. Congressmen Lehman and Fascell have requested that the Subcommittee investigate this matter. In response to their request, I have written to the President asking that the White House provide the Subcommittee with information on this incident.

I thank all the witnesses who have taken the time to come here today to testify. I look forward to working with all of you on a permanent solution to the offshore drilling conflict in Florida and the rest of the nation.

Mr. MILLER. Now I would like to recognize for any opening statements that they may have, Congressman DeFazio and Congressman McDermott.

Mr. DEFAZIO. No, Mr. Chairman, I have no opening statement.

Mr. MILLER. Jim.

Mr. MCDERMOTT. We are just here to support you because we want you to support us. [Applause.]

Mr. MILLER. All these pragmatists.

Well with that, I want to thank the Florida delegation for the invitation and recognize Congressman Fascell and Ireland and Congressman Smith. Welcome to the committee. I have testified I think in front of each of you, but I do not think you have ever been before me in the Interior Committee. It is an honor to have you here. Dante, we will start with you.

PANEL CONSISTING OF HON. DANTE FASCELL, HON. ANDY IRELAND, HON. LAWRENCE SMITH, AND HON. WILLIAM LEHMAN, U.S. REPRESENTATIVES FROM THE STATE OF FLORIDA

Mr. FASCELL. Mr. Chairman and members of the subcommittee, I want to thank you very much first of all for accepting our invitation and coming down to the heart of my district here in Monroe County and Key West. We are delighted to have you here and we hope the hearings will be productive and useful for you. We also hope that you get a chance to see why there are so many people who are in love with this place and why it needs to be preserved. And I am sure you will.

I want to thank you also for your interest on a national basis because the problem goes far beyond us. We are anxious, of course, to continue the protection which has been afforded us so far. Whether we are part of a comprehensive bill, or whether we are taken care of on a selective basis, or whether we go both tracks or not, we want to be sure that we get a final answer to this problem, if that is at all possible. Fighting to get moratoriums on appropriation bills on an annual basis is not the way to go. We have just bought some time and maybe raised the level of attention, but we really need to do what you are doing, and that is to take a fundamental look at the act and make a decision with respect to our priorities.

Before I proceed, let me say I have a prepared statement, Mr. Chairman, and I ask unanimous consent to submit it for the record and to proceed extemporaneously for a couple of minutes.

Mr. MILLER. Without objection, we will insert all of your statements.

Mr. FASCELL. As you said, the Florida delegation is united behind this; the Governor is; the people in this community are. Everybody is extremely concerned about that area that is marked off in the green, everything south of 26 degrees north latitude and from 86 to 85 degrees west longitude. So what we have here is actually nonpartisan, nonideological, nonconfrontational; it is just a question of what the priorities are.

Now, I do not blame the oil companies. I mean they are in business to find oil; they are in business to market oil; they are in business to supply the energy needs of this country. But we, as balanc-

ers of these priorities and needs at the national level, have to make judgments on both the priority and the necessity.

I think we have to take a look at the priority that we have with respect to the production of energy and its use, and where we are going to get it. It gives you an opportunity to take a look at your past judgments and it gives you an opportunity to review the decisions that were made in terms of the priorities. I think we have arrived at that time.

One of the things that concerns me, besides the obvious disaster that would occur, is that when you drill for oil you must then transport the oil, so at any point in the process you could have a disaster. As you are going to see in some of this area, in the event of a disaster, there is no way in the world to clean it up. There is no way to clean it up. Once something happens here, friends, that is it, that is the end. It is a lot different than other places. You are not going to wash any rocks here or scrub the sand or do whatever it is you do. You are not going to be able to do that here and a quick look around this place will demonstrate that very, very clearly. When you add the fact that you have got the reefs out there, the last living reefs in North America, you will see that we have got a real problem.

You should consider that we have already made some judgments down here. In this district alone, you have got two national parks, a national monument, four national wildlife refuges and two national marine sanctuaries. So it seems to me that major priority decisions have already been made and ought to be kept that way.

Then again, when you look on the economic side of it, you say how much oil is out there. When we started out, the first estimate I could find was 1 day's supply—1 day's national supply. Now the estimates have been revised and they are up to 16 days, but I suspect it is not that much. All the scientists that you talk to say the ridge, which is what got the oil industry excited, runs from Texas and Louisiana clean across the Gulf all the way out to the Atlantic deep belt and that there has got to be oil out there. Forty years ago they did the same kind of exciting drilling and they drilled all over the place. Everything south of the tip of Florida was under oil lease and exploration. Maybe things have changed and maybe science is better, and oil might really be out there. So far the only evidence we have is a 40-mile bend and that is heavy sulfuric crude with saltwater in it. It isn't worth taking the chance drilling for it, even if it is there.

We need a national energy conservation policy so that instead of going this way on terms of use and consumption we concentrate on demand. All the figures indicate we have not slowed consumption down a bit since the 1975 gas lines. I do not think we can keep doing that.

The answer is not solely to go out and find more and burn more and use more. Somewhere, somehow in this consumer society of ours, we are going to have to make some adjustments or we will not have any decent place to live. And this is one of those cases right here. When you add up the economic factors and the balance

that goes into the facts and the priorities—we have conflicting national policies here. It seems to me that on a rational basis, without saying anything disparaging about the people who are in the oil business, when you weigh all factors, you have to conclude that what we should do here is favor the conservation and protection of the environment in this particular case.

The oil shortage is not there now—it may be in the future, and we may have to take all kinds of chances then, but it is not there now and there is no reason to do that.

You wonder about pressures that develop because everybody is going to protect himself. We all testified before the President's Task Force in Washington. They also came down here. You wonder about how much political pressure there is; we understand it is out there. But you know, when the Task Force's recommendations and conclusions are predicated upon changed testimony of the Superintendent of the Park, you begin to wonder what is going on. Bill Lehman and I wrote a letter in which we pointed out, based on information obtained under the Freedom of Information Act that the National Resources Defense Council was able to produce, the final recommendations of the Superintendent of the Everglades National Park in his testimony were watered down. He was extremely strong on behalf of Everglades National Park on what his official position was, but when it got wrapped into the Department of the Interior's position on OCS activities, it looked like tepid bathwater. He was very, very strong in his objection to any oil exploration or extraction activities below the 26th parallel; his assessment was that the risks were simply too great. I think that is something that we ought to look into, Mr. Chairman, because there is always going to be pressure on to develop, and I do not say that in a derogatory sense. People who are in business are going to try to protect their business.

The legislation that we have all introduced here, with Andy Ireland being the chief sponsor, would prohibit any drilling south of 26 degrees north latitude. It also authorizes the Federal Government to get the guidelines laid out here on how we extricate ourselves from these leases. The oil companies take a gamble when they go out and drill because it is a dry hole, that is it. I am not too concerned about that, but, in all fairness, I think we have to make a decision if we are going to stop all leasing and all drilling and all exploration in this area. We had better take a look at how we want to deal fairly with the problem of the termination of the existing leases and that is what this bill calls for.

I want to thank you very much, and I appreciate you gentlemen being here. I wish you well on the rest of the trip around the country. This is a major issue for the country which should be based upon the balancing of public policy priorities in terms of production of energy, preservation of natural resources, and a sensible way for the country to go.

Thank you. [Applause.]

[Prepared statement of Mr. Fascell follows:]

October 14, 1989

STATEMENT OF CONGRESSMAN DANTE B. FASCELL, 19TH DISTRICT, FLORIDA, BEFORE THE SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES KEY WEST FIELD HEARING ON OFFSHORE OIL DRILLING IN THE FLORIDA KEYS

Mr. Chairman and Members of the Subcommittee, I want to thank you for coming to Key West to examine this issue of critical concern and I especially appreciate having the opportunity to appear here today. Opposition to offshore oil and gas leasing in the vicinity of the Florida Keys and the Everglades National Park is long-standing and broadbased. In Florida, the offshore leasing discussion is not liberal vs. conservative, Democrat vs. Republican, or environmentalist vs. developer. It is a cry for the preservation of Florida's natural resources and the economic well-being of countless thousands who live and work in the Florida Keys and throughout our state. I firmly believe that, before you return to Washington, you will fully comprehend why this is such an important issue not just to the 19th Congressional District but to the entire State of Florida as well.

Earlier this year, I think we all were encouraged by President Bush's willingness to examine the environmental consequences of offshore oil drilling. When the Florida Congressional Delegation met with the President's Task Force earlier this year, I stated my complete opposition to oil and gas drilling off the entire Florida coastline. The original estimates of one-day's supply of oil available in Lease Sale 116, and the timing of the revised estimates, lead me to conclude that we would be better spending our time and energies if we worked to develop cleaner sources of energy rather

than recklessly developing the few precious natural treasures we have managed to preserve. But the events since his task force visited the State of Florida in June now lead me to believe that the Administration will not receive the only acceptable recommendation on this matter: permanent protection for the waters adjacent to the Florida Keys and the Everglades from oil and gas drilling.

Endangering the sensitive and delicate resources of this area does not make sense, especially since the Federal government has already recognized the uniqueness of this area by designating two national parks, a national monument, four national wildlife refuges and two national marine sanctuarires in the 19th District alone. For the past six years, the Federal government and the State of Florida have conducted numerous studies on the impact and consequences of oil drilling in the area south of 26 degrees north latitude.

The Federal government has spent a lot of money trying to find an answer to this problem and, as the President's Task Force is reviewing all the existing data, it has commissioned yet another study. DOI recently awarded a $213,000 contract to a Virginia-based firm to study the impact drilling would have on the tourism industry and recreational activities in South Florida. This study and other comments and actions, which have been attributed to the Secretary of the Interior and the Task Force, indicate that the President's panel has already made up its mind on this matter.

Recently it was discovered that the National Park Service blocked its field experts from testifying at the Task Force's public hearings after it had substantially altered their testimony. Even more disturbing, however, was that an intra-agency memo critical of oil drilling which more accurately represented the views of the National Park Service's field representatives

was not forwarded to the Task Force until last week when this memo became public. A Park Service spokesman attributes this to "a glitch," but I am a bit more suspicious about the real reason this memo did not find its way to the Task Force in a timely manner. If the government's own experts find this idea to be so objectionable, why are they so insistent that it be pursued?

Opponents of H.R. 2945, the Offshore Florida Key Environmental Protection Act, will probably argue that it politicizes the process, but I believe that the previous Adminstration clearly politicized the process from the start and that it is time for Congress to put its foot down when it comes to drilling in sensitive areas. How else can the original inclusion of virtually all of the nation's coastline be explained? DOI and the Minerals Management Service (MMS) included the entire coastline of the Florida Keys and then, by coincidence, removed the Straights of Florida and the southern coast of the Florida Keys just a few days before the House Appropriations Committee was due to markup an oil and gas drilling moratorium on Lease Sale 116. When the next five-year plan is released, who is to say that all these areas will not again be slated for drilling?

In the aftermath of the Alaskan oil spill, we must ensure that nothing remotely similar could ever happen again. We now know that the necessary resources were not in place to clean up the spill in Prince William Sound. What we have painfully learned is that this was a catastrophe waiting to happen and, unfortunately, for the people of Valdez, Alaska, it happened to them. It could have happened just as easily in the Straights of Florida and the Florida Keys or any other area where drilling activity and tanker traffic is heavy. We are not comparing apples and oranges when we speak of oil drilling and oil transportation because the oil industry is interwoven by the need to transport oil from its drilling site. Whether by tanker or by pipeline, which is another dangerous idea, the excavation and transportation

of oil can pollute the environment.

There is a greater public awareness of the need to take the necessary steps to avoid the mistakes and past policies which have so endangered our last few remaining scenic and natural resources. As Michael Finley, the former Superintendent of the Everglades National Park, said in his misplaced memorandum: "This is the generation of Americans that will save the Everglades as we now know and understand it for future generations; or this generation may witness Everglades National Park as it succumbs to a 'thousand little cuts' and ceases to be a functional biological ecosystem." It is widely recognized that the health of the Everglades is currently in a condition that can best be described as grave, and we must not allow any activity which would endanger it further.

The mangroves, the beds of sea grass, extensive live bottom communities, and the only living coral reef in North America - which are threatened by oil drilling - are all part of an intricately delicate ecosystem that should not be disturbed. Scientist can tell you in great detail of the importance of these landscapes, but I can tell you how they could be cleaned after a spill. Because mangrove trees root above water, if oil were to permeate a mangrove coastline it could never be reached. Coral reefs, whose landscapes go from shallow waters to deep drops with shelves and underwater caves would also be close to impossible to clean. The shallow depth of the water throughout the area would hamper, and in some cases prohibit, efforts to get the necessary equipment in place for any adequate response to be made. Keeping in mind that this is the only living coral reef in North America, it just does not make sense to me that it be placed in any further danger. Indeed, we should be taking additional steps to protect it.

Because states have been asked to do more without as much federal

assistance, state and local authorities have been forced to aggressively develop regional economies. Oil drilling poses as great an economic threat to Florida as it does an environmental threat. The livelihood and well-being of countless Floridians who make their living from the Keys' water-based economy -- commercial fishermen; sport fishing guides; motel and hotel owners and their employees; boat sales companies; and those generally dependent on the tourist economy -- would be placed in direct jeopardy. Florida's Gulf waters contain some of our nation's most productive marine spawning areas. Fishermen operating in waters near the Keys take in ninety percent of the nation's spiny lobster catch and fifty percent of the stone crabs, as well as some of the Gulf's finest shrimp.

H.R. 2945, which is pending before this Subcommittee, offers the only acceptable solution to this problem. This measure permanently removes the area south of 26 degrees North Latitude and east of 86 degrees West Longitude from any consideration for offshore drilling and its related activities. Additionally, this bill seeks to remedy the real sticking point to this matter by directing the Secretary of the Interior to issue guidelines for the buying back of the 72 existing oil and gas leases currently held in this area. These leases were all sold during a previous Congressionally-mandated moratorium, when there was no guarantee that the areas would ever be opened up for drilling because of the potential environmental damage.

The buy-back provisions will be left to the Administration to determine so that a fair decision can be made. I do not necessarily feel that the oil companies are entitled to any compensation because they, to the very best of my knowledge, at no time received a guarantee that they would be able to drill. One can argue that they have as much right to be reimbursed as someone who bets on a horse that fails to show and claims that he is

entitled to compensation because he played the game. However, they have threatened legal action if they are denied the right to drill and would certainly tie this issue up in the courts for several years. Even though the oil companies took a financial gamble and, like any venture of this nature, were not guaranteed a return, I also believe that they should not be penalized because of the previous Administration's errors. In a sense, this legislation recognizes that this mess is a result of a mistake by a former Secretary of the Interior and we will allow the current Secretary to correct it.

The American tradition is to use ingenuity, hard work and know-how to overcome technical obstacles; but there is no conclusive evidence that shows that we can drill in an environmentally safe manner. With the experience and knowledge gained from the Alaskan oil spill, technical concerns must be weighed against the human factor. DOI's most accurate estimate, which were updated and released to coincide with the Presidential Task Force hearings in Florida, indicates that there is only 15 days supply of oil in the area. How in our best judgement can we endanger these beautiful and precious environmentally sensitive waters for such a small return? Given the depth and breadth of opposition to this proposal, it is inconceivable to me that drilling, and its related activities, should ever be allowed in the waters adjacent to the Florida Keys and Everglades National Park. I firmly believe that it is up to the Congress to act because the Administration will not. I do not expect that the Task Force will recommend anything other then more studies and the possible exclusion of certain tracts where no leases are held with the ultimate goal of eventual drilling. Therefore, I urge you to end this debate once and for all by approving H.R. 2945, the Offshore Florida Keys Environmental Protection Act, and push for its adoption by the entire Congress.

Mr. MILLER. Congressman Ireland.

Mr. IRELAND. Thank you, Mr. Chairman. I would like to ask that our other colleagues in Florida be able to submit some statements as well. Could you hold the record open?

Mr. MILLER. We will do that.

Mr. IRELAND. I appreciate the effort that all of you have made to come all the way to south Florida, Dante Fascell's district. He has fishing areas here that I guarantee you exceed those that we so recently heard about off of Kennebunkport.

When you get a first-hand look at these areas, I think you will understand why every single member of the Florida delegation has proposed that they be permanently removed from leasing, exploration and drilling. In your tours this afternoon and tomorrow, I guarantee you will see some of the most unique marine habitats and resources in the United States. There is no question in my mind that these areas should not be exposed to the hazards posed by oil and gas activities or the potential devastation of an oil spill.

At the outset of this hearing, I would like to emphasize that this bill is entirely, as Dante says, a bipartisan effort, supported by not only all of us in the Florida delegation but the State government, diverse groups of people with interests in our State, in the belief that these resources, our livelihoods and our way of life should not be threatened by some haphazard rush to quench this Nation's seemingly insatiable thirst for petroleum.

The bill that we have before us, Mr. Chairman, stated simply, would amend the Outer Continental Shelf Lands Act to permanently remove several important areas off our shores, from consideration for oil and gas exploitation.

I would like to take a moment to discuss these areas with you. The first tract involved, as Dante said, encompasses the Southwest Florida Shelf between the 26th and 25th degrees north latitude and 86 degrees west longitude in the eastern Gulf of Mexico. That area is included in the Department of the Interior's current 5-year program for leasing and exploration.

It is in this area that OCS activity has been the most contentious and has been a concern to Floridians for more than a decade. Through the annual appropriations process, through agreements occasionally made between the State and the Department of the Interior and through law suits and consistency actions, we have so far forestalled oil or gas drilling. However, these actions have been piecemeal and the protection afforded by them is tenuous. The debate over all these years clearly indicates the need for a permanent solution and I believe that the legislation that we have before us is that solution.

The second area covered by the bill includes the Florida Keys, the Dry Tortugas and the Straits of Florida planning area. While initially considered for inclusion in the current 5-year plan, this area was eliminated by agreement between the State of Florida and the Department of the Interior. Once you see this area for yourselves, an area that includes the only living coral reef in the continental United States, you will have no doubt, I believe, that it should never be included in any leasing or drilling plans.

These areas we seek to preserve through H.R. 2945 are obviously important to Florida and the Nation because of their beauty and

unique environmental quality, but the environmental resources found there are also the backbone of our State's economy. The U.S. Department of Commerce studied the Southwest Florida Shelf area in anticipation of Lease Sale 116, Part 2, and issued a report entitled "Coastal and Ocean Resources: An Overview." And with my full statement, I would like to have that included. The report reflects, as I am sure many of your other witnesses will address as well, the economic impact of drilling and leasing in this area.

[EDITOR'S NOTE.—The above-mentioned report may be found in the appendix.]

The overriding issue here is the balancing of interests among several important industries which utilize the resources found in this rich and abundant area. We must strike a reasonable balance between these competing industries, as well as the imperatives of preserving our environmental heritage for future generations.

One final indicator of the importance of these areas to our State as well as the Nation, Mr. Chairman, is the fact that they contain federally designated national parks, preserves, sanctuaries, wildlife refuges, monuments and wilderness areas, as Dante has pointed out. It seems totally incongruous that the Department of the Interior would propose sacrificing this public investment, as well as the seafood industry and economically important recreational fishing and tourism businesses, to an oil industry inept at preventing spills and cleaning up its own messes.

Arguments that the United States is too dependent and becoming more so on foreign oil are probably correct. But indiscriminately drilling holes in environmentally sensitive areas in hopes of finding a few days supply of oil will not solve the problem. I have worked with a number of our colleagues in a bipartisan group in the House to develop a national energy policy that includes research into alternative fuels and promotes conservation. A long-term solution to the energy-environment dilemma will be an end to our over-dependence on fossil fuels and a move toward clean sources of energy. We Floridians are not willing to sacrifice the natural wonders of our environment and the very life blood of our State's prosperity to an indiscriminate, energy-hungry Nation.

Finally Mr. Chairman, I would like to add that many of the environmental and economic arguments that I have given on behalf of Southwest Florida apply as well to many other areas of Florida. In the past, the Department of the Interior has recognized the general importance of Florida's entire coastline by declaring a 30-mile buffer zone along most of the Gulf coast as well as exclusions for the Florida Middle Grounds and the NASA flight clearance zone. I would ask that the subcommittee, as it continues its work on this issue, consider inclusion of a permanent 30-mile buffer around the entire coast of Florida.

In closing, it is apparent to me that the scientific evidence that these areas could be safely drilled will never exist, that oil company assurances that they are capable of cleaning up gooey globs of oil are hollow, that there is not enough oil here to run the risk and that most importantly, the people of Florida do not want drilling in this area.

We need a permanent solution to this problem and permanent protection for these unique and valuable resources. I hope that the subcommittee will, after reviewing the situation here, give favorable consideration to H.R. 2945. And we thank you again for coming to see us. [Applause.]

[Prepared statement of Mr. Ireland, with attachments, follows:]

TESTIMONY

The Honorable Andy Ireland

before the

Subcommittee on Water, Power and Offshore Energy Resources

Committee on Interior and Insular Affairs

October 14, 1989

Key West, Florida

Mr. Chairman, I appreciate the effort made by the Members of the Subcommittee to come all the way to south Florida to get a firsthand look at the areas which I and other Members of the Florida Delegation have proposed be permanently removed from any Outer Continental Shelf oil and gas leasing, exploration, or drilling. I can guarantee that, in your tours this afternoon and tomorrow, you will see some of the most unique marine habitats and resources in the United States. There is no question in my mind that these areas should not be exposed to the hazards posed by oil and gas activities or the potential devastation of an oil spill.

At the outset of today's hearing, I'd like to point out that this is an entirely bipartisan effort, supported by Members of the Florida Delegation from both parties, as well as the State of Florida and a host of environmental, consumer and business groups throughout the state. What unites this diverse group of people and interests is the belief that our resources, livelihoods and ways of life should not be threatened in a haphazard rush to quench this country's insatiable thirst for petroleum.

That is why an unprecedented show of unity has been displayed behind the Offshore Florida Keys Environmental Protection Act of 1989 (H.R. 2945), first introduced by myself along with Dante Fascell and a bipartisan group of Florida Representatives. Our legislation would amend the Outer Continental Shelf Lands Act to permanently remove several important areas off of these shores from consideration for oil and gas exploitation.

The Southwest Florida Shelf

The first tract encompasses the Southwest Florida Shelf, between 26 and 25 degrees north latitude and 86 degrees west longitude in the Eastern Gulf of Mexico. That area is included in the Department of the Interior's current five-year program for oil and gas leasing and exploration. However, intense opposition to leasing and development during consideration of the five-year program, during preparations for individual lease sales, and during the annual appropriations process, has resulted in repeated delays, deferrals, and restrictions of activity in this area.

The area was the subject of three years of environmental data collection, ordered by Congress and carried out by the Department of the Interior. Analysis of that information by the State of Florida indicated that the data was not adequate to determine the impact of oil and gas activities on the habitats off of our coast. Further, the President set up a task force in February to study this area

and has prohibited further leasing or drilling activity until the task force makes its final report, expected in January 1990. Also, the Interior Appropriations Committee has once again included a one-year moratorium on any activity in this area in its fiscal 1990 appropriations bill.

Meanwhile, Mobil Oil and Union Oil of California (Unocal) are poised and ready to begin drilling as soon as there is a break in the patchwork protection we have erected around this area. The State of Florida reviewed the exploration plans submitted by those companies for consistency with its approved coastal management program, pursuant to the provisions of the Coastal Zone Management Act (CZMA). The State advised that the exploration plans were not consistent and denied drilling permits. The State's findings have been appealed by the companies to the Secretary of Commerce under the provisions of the CZMA. H.R. 2945 includes a "buy-back" clause that directs the Secretary of the Interior to develop guidelines to compensate companies who have bought federal leases in the area covered by the legislation.

As you can see, OCS activity in the area is a most contentious issue and has been a concern of Floridians for more than a decade. Through the annual appropriations process, through agreements between the State and the Deparment of the Interior, and through lawsuits and consistency actions, we have so far forestalled oil or gas

drilling. However, these actions have been piecemeal, and the protection afforded by them has been tenuous. To me, the debate over all these years clearly indicates the need for a permanent solution. I believe that permanent protection for the Southwest Florida Shelf is the only answer.

The Keys, Dry Tortugas and Straits of Florida

The second area covered by the bill includes the Florida Keys, the Dry Tortugas and the Straits of Florida Planning Area. While initially considered for inclusion in the current five-year plan, this area was eliminated by agreement between the State and the Department of Interior. Once you see this area for yourselves, which includes the only living coral reef in the continental United States, you will have do doubt that it should never be included in any leasing or drilling plans.

Mr. Chairman, last year I was able to visit the site of the unfortunate Shell spill in Martinez, California, in your District, so I know that you are aware of the kind of havoc an oil spill can wreak on a coastal zone. You may also be aware of a 1986 oil spill in which 3.2 million gallons of crude oil flowed into a complex region of mangroves, seagrasses and coral reefs -- terrain very similar to that which you will see here in Florida. That spill occurred just east of the Caribbean entrance to the Panama Canal. It is, in a sense, fortunate that many populations of plants and animals in both oiled and unoiled sites had been studied before the spill, thereby providing an unprecedented understanding of the area's ecological variation.

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Additional research work began almost immediately after the spill, so there is no need to wonder what a giant crude oil spill would do to a tropical environment like South Florida's. In June, three years after the Panama spill, researchers reported that coral, mangroves, sea grasses and other plant life were killed where the crude washed ashore. Today the coastline shows few signs of recovery. The coral may need hundreds of years to repair itself, and the mangroves, which were expected to survive because their trunks and leaves were spared, began dying a year after the spill. A briefing for the President's task force showed that a spill in the area that we want to protect could threaten similar coastal zones from as far as Tampa on the Gulf coast to Miami on the Atlantic coast.

Environmental and Economic Importance

The areas we seek to preserve through H.R. 2945 are obviously important to Florida and the nation because of their beauty and unique environmental quality. But the environmental resources found there also form the backbone of our state's economy.

The U.S. Department of Commerce studied the Southwest Florida Shelf area in anticipation of Lease Sale 116, Part 2, and issued a report entitled "Coastal and Ocean Resources: An Overview." Mr. Chairman, I would like to submit that report for the record. The following data from that report shows just how our environmental resources contribute to our important local industries:

-- Coral reefs are important for commercial and recreational marine species;

-- Seagrasses serve as important fishery nursing areas, as well as turtle and Manatee food sources;

-- Seagrass ecosystems play a critical role in marine aquatic productivity and erosion protection;

-- Southwest Florida contains 50% of the seagrasses in the Gulf region, 94% of the mangroves, 31% of the fresh marsh, and 30% of the total forested wetlands in the Gulf of Mexico;

-- Wetlands provide critical habitats for fish, shellfish, and wildlife, filter and process agricultural and industrial wastes, and buffer coastal areas against storm and wave damage. It is important to note that this area has been hit by 157 hurricanes between 1871 and 1986.

The economic importance of these resources is demonstrated by the amount of income they generate for our state:

-- The estimated annual return from saltwater beach activities and fishing is $1.9 billion;

-- 69 million pounds per year of fish and shellfish were landed at Southwest Florida ports between 1985 and 1987, about $89 million per year;

-- The major commercial fishery is the pink shrimp, with $32.4 million harvested in the Gulf, $28.7 million in Southwest Florida alone. Since 1981, the Dry Tortugas pink shrimp sanctuary has been closed to protect juvenile shrimp;

-- Of 39 commercially fished species in the Gulf, 28 are found in Southwest Florida, 13 almost

exclusively in Southwest Florida.

As you can see, Mr. Chairman, the overriding issue here is the balancing of interests among several important industries who exploit the resources found in this rich and abundant area. We must strike a reasonable balance between these competing industries, as well as the imperatives of preserving our environmental heritage for future generations.

Protecting Public Investments

One final indicator of the importance of these areas to our state as well as the nation, Mr. Chairman, is that they contain federally designated national parks, preserves, estuarine sanctuaries, wildlife refuges, monuments, and wilderness areas. There are also state parks, aquatic preserves and recreation areas. Major financial investments have already been made by federal, state and local governments in managing these delicate resources. It seems totally incongruous that the Department of the Interior would propose sacrificing this public investment, as well as the seafood industry and economically important recreational fishing and tourism businesses, to an oil industry inept at preventing spills and cleaning up its messes.

Given the events of this spring and early summer in Alaska, Delaware, Texas and Rhode Island, we know there is no way to effectively and efficiently clean up an oil spill. Yet supporters of offshore drilling argue that offshore rigs are "safer" than the tanker traffic which already traverses

Florida's waters. The fact is that offshore oil drilling would actually increase the tanker traffic around our state. Florida currently has no pipelines or refineries, but an oil strike offshore would have to be loaded on tankers and shipped to Florida ports to be reshipped, or sent directly to refineries in other States along the Gulf of Mexico -- all via tanker.

Arguments that the United States is too dependent, and becoming more so, on foreign oil, are correct. But indiscriminately drilling holes in environmentally sensitive areas in hopes of finding a few days' supply of oil will not solve that problem. I have worked with a bipartisan group of colleagues in the House to develop a national energy policy that includes research into alternative fuels and promotes conservation. A long-term solution to the energy-environment dilemma will be an end to our overdependence on fossil fuels and a move toward clean sources of energy. We Floridians are not willing to sacrifice the natural wonders of our environment and the very lifeblood of our state's prosperity to an energy-hungry nation.

Finally, Mr. Chairman, I would like to add that many of the environmental and economic arguments that I have given on behalf of Southwest Florida apply to many other areas of Florida. In the past, the Department of the Interior has recognized the general importance of Florida's entire coastline by declaring a 30-mile buffer zone along the Gulf

Coast, as well as exclusions for the Florida Middle Grounds[9] and the NASA flight clearance zone. I would ask that the Subcommittee, as it continues its work on this issue, consider inclusion of these areas for permanent protection as well.

In closing, it is apparent to me that the scientific evidence that these areas could be safely drilled will never exist, that oil company assurances that they are capable of cleaning up gooey globs of oil are hollow, that there is not enough oil here to run the risk and, most importantly, the people of Florida do not want drilling in this area.

We need a permanent solution to this problem and permanent protection for these unique and valuable resources. I hope that the Subcommittee, after reviewing the situation here, will give favorable consideration to H.R. 2945.

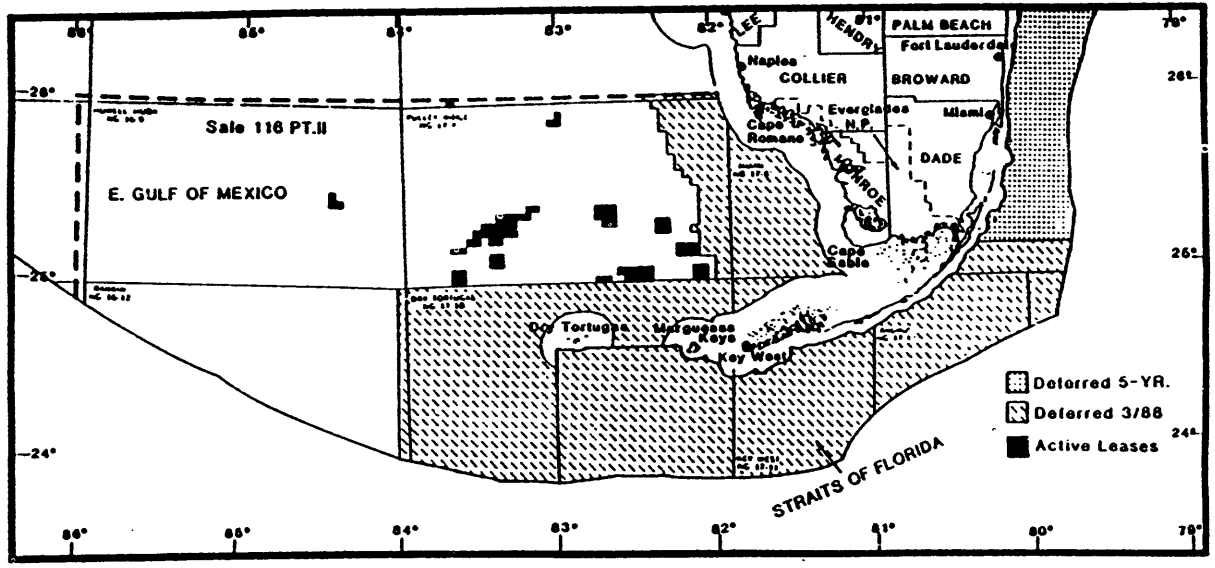

Figure 2 - Proposed Sale 116, Part II Area

Mr. MILLER. Thank you very much.

Larry.

Mr. SMITH. Thank you, Mr. Chairman. I want to commend you and the members of the——

Mr. MILLER. We want to commend you for getting up at 5 o'clock this morning to drive down here. [Laughter.]

Mr. SMITH. Well I will tell you, Mr. Chairman, we are very happy to have you come down here on H.R. 2945, which of course Mr. Fascell and Mr. Ireland have chiefly co-sponsored along with the rest of the delegation. I do not find it much of a chore to get up at 5 a.m. to drive down here.

I have a prepared statement which I have given to staff, under the blanket inclusion I appreciate you including it in the record. But I would like to do some off-the-cuff remarks because frankly that is the reason I got up at 5 a.m.

I live in Hollywood, about 180 miles away. Hollywood is the northern part of the southern area of Florida, but it is part of the chain. There are reefs running all the way up through Pompano Beach and up into Palm Beach area. I have lived here for 20 years. I moved from a place where I saw life becoming a downhill struggle, and my family and I have never regretted a single day moving to Florida. Early on when we moved here, we discovered the beauty not only where we live, but the beauty of this area in which you are sitting.

It would be a tragedy of monumental proportions to even speculate on what could happen if an *Exxon Valdez* occurred in this area. This is such a unique place, so different from many other places in our country, that it requires a special look. I woke up at 5 a.m. because I have not for a while driven from where I live down to Key West. And if you only stay in Key West, Mr. Chairman, you really do not get a feeling of what there is out there. Key West is a beautiful area, it is at the tip of the Keys. There are a lot of people here, it is built up, but it is not indicative of the Florida Keys in and of itself.

When you drive north, as I understand you are going to do tomorrow, you will be able to see for yourself, and I hope you go early enough as I did this morning, to see the moon go down and the sun come up, to see all those barrier islands, and see all of the little beautiful coves, the places where people live, where people recreate, where people enjoy themselves and enjoy nature as it has been laid out for us here by a hand that obviously had some beauty in its soul.

I came down this morning, watching the sun come up, on roads that in some places are only two lanes wide, one in each direction, with a 5- or 6-foot shoulder. That means that if there was an oil spill, with the ocean on one side and the bay on the other, there is a very good chance that the oil would come right up to the road. If it, for instance, were to occur as part of a bigger tragedy—let us assume there was a hurricane and an oil rig went down, or a tanker ran aground in bad weather—you would have oil washing all over your roads. What would you do if there was a terrible accident for ingress and egress? If there was bad weather, how would they be able to bring the kind of equipment they had to bring for the *Exxon Valdez*. You would have days and days where you would

not be able to ship it. You could not put it on a boat in that kind of weather, and hurricanes do last quite awhile and this is an area prone to receiving hurricanes. You would have a national tragedy on your hands.

In addition, you have got beauty all around. We can talk about the reefs, as Dante, Andy, and I have, but you can not even imagine the beauty until you swim them, until you snorkel or scuba around the reefs. The most beautiful reefs in the United States, and I have even swum the ones in the Virgin Islands, are in serious trouble. They are dying. These reefs are magnificent. Pennekamp State Park in Key Largo, about a 2-hour drive from here, is about as much beauty as you can find anywhere if you are willing to just go in the water, put a mask on and look down. I started snorkeling that reef with my children when they were 4 and 5 years old. To think that my children's children might never be able to have a chance to do that saddens me greatly.

The beauty of the natural life, the beauty of what is there, was there for so many thousands of years before us, and should continue, should not even be threatened by the possibility of finding a meager amount of oil.

Differing to some degree with the spill in Prince William Sound—you have got people, a lot of people, living here depending upon that resource right there, some places 6 feet off the road, for their existence. What would happen if all of that went bad? These people would have no home, no capability to make a living. In this area, they would be out—finished.

I know the chairman, I do not know if the others, went to see the *Exxon Valdez* oil spill and came back, I thought, kind of broken hearted about what you saw. You would not even begin to be able to plumb the depths of despair if that same thing happened here in this area, which is so ecologically sensitive in the first instance, because all up and down the coast of Florida, not only do you have land, beauty, and people, but you have estuarian islands which are an incredibly significant part of the food chain of the fish and the wildlife in this region.

Mr. Fascell talked about all the parks, but there are underwater parks too. A few years ago, a tanker ran aground on the Milas III, and I went out there with the Coast Guard and dove that reef. It broke you heart to see what that ship did to this thousands and thousands of years old reef with all of that living coral and all that fish and wildlife that depends on that coral for its existence. They burrow there, they feed there, they spawn there.

We drop old tankers out here to make artificial reefs because we know what the real reefs can do for fishing and for the ecological balance of the waters around this beautiful part of Florida. You cannot rip that apart, you cannot even take the chance that more oil tankers running in and out, or an oil line or rigs going in and out, ferrying people, might not do the same thing to those reefs or that an oil spill might not infect them permanently and kill them.

We are already having major problems with our reefs. As you go dive some of them, especially in the northern areas, you will find that they have been silted over and that they are dying because they are choking to death on silt.

I was in the State legislature and I know Ron Saunders, who is the State representative from this area, is here. We expect that Mike Freeman from Miami Beach will also be here. In the State legislature, I worked on trying to keep those reefs alive, but you cannot stop people from moving to Florida. It is just so beautiful, people want to come here.

We talked about putting fences up at the Georgia border, but we did not think in those days the Federal Government would allow us.

The reality is that those problems are problems of people, they are not problems of machines. But if you start getting into the problems of machines, oil rigs and the possibility of oil spills and increased freighter traffic with oil in their bellies, and increased commerce for feeding and supplying, et cetera, all those ships and all those rigs, you are contemplating something that should never have been and hopefully never will be allowed in the waters off Florida.

Above your head is a beautiful fish. That marlin probably came from a couple of miles off of these waters. You can kiss them goodbye and the groupers, and the wahoo and the dolphin and the snappers. Everything that brings people here, and that keeps people here, will be gone if there is one oil spill. They will never come back because they do not run like they do in Alaska. Those fish are native to these waters and stay here. They have got no place to go, they do not go elsewhere to spawn, they are here all the time.

We have a problem not only with drilling in the water, but now they are attempting to drill in the Everglades. Dante and I and Tom Lewis probably have the single greatest parts of the Everglades in the State. All of the Broward County Everglades and part of the Dade County Everglades, up to the county line of Collier and Lee and so on, are part of our districts. We love those places. They are beautiful, they are pristine and the thought of having this kind of drilling inside and outside is abhorrent to I would say 99 out of every 100 Floridians and it should be abhorrent to the Federal Government as well.

I just hope, Mr. Chairman, that when people balance—when people have to postulate on what is best, what is needed, against what is right, they will realize that there are some things that really are inviolate. Bringing oil rigs, drilling for oil, moving oil around this place, is something that I do not think we should even contemplate. This area is unique, it is unusual, it is a national treasure. People come here because it is a national treasure. A loss here would be a loss to the Nation. We should not contemplate that at all, especially in light of, as the testimony shows the meager amount of oil that may be in fact locatable in these areas.

We just think for all of those reasons and frankly for reasons of plain, ordinary common sense that this bill, H.R. 2945 ought to pass and that there ought to be a permanent ban in your shaded area. We hope that in your wisdom and in your judgment and with our help you can all accomplish that.

Thank you, Mr. Chairman. [Applause.]

[Prepared statement of Mr. Smith follows:]

STATEMENT OF REPRESENTATIVE LARRY SMITH (D-FL)
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
OCTOBER 14, 1989
KEY WEST, FLORIDA

OFFSHORE FLORIDA KEYS ENVIRONMENTAL PROTECTION ACT (H.R. 2945)

MR. CHAIRMAN, I AM PLEASED TO BE IN KEY WEST TODAY WITH MY COLLEAGUES DANTE FASCELL, ANDY IRELAND, AND BILL LEHMAN TO PARTICIPATE IN A HEARING OF GREAT IMPORTANCE. I COMMEND YOU, MR. CHAIRMAN, AND THE SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES ON YOUR DECISION TO HOLD HEARINGS ON H.R. 2945 HERE IN SOUTH FLORIDA.

THE ENVIRONMENTAL DANGERS OF OFFSHORE OIL DRILLING ASSUMED CENTER STAGE THIS PAST SPRING WHEN THE EXXON VALDEZ RAN AGROUND IN PRINCE WILLIAM SOUND, ALASKA. OVER 2,000 MILES OF SHORELINE WERE STAINED BY OIL FROM THE TRAGIC SPILL, A SPILL THAT HAS NOW TRAVELLED OVER 500 MILES FROM ITS POINT OF ORIGIN. TO DATE, THOUSANDS OF SEABIRDS, EAGLES AND OTTERS ARE AMONG THE LIST OF CASUALTIES. ALTHOUGH EXXON SPENT OVER $650 MILLION AND EMPLOYED 12,000 PEOPLE IN ITS CLEANUP EFFORT, THE STATE OF ALASKA ESTIMATES THAT AT LEAST 1,000 MILES OF SHORELINE ARE STILL IN NEED OF ATTENTION.

THESE STATISTICS, WHILE SHOCKING TO THE ENTIRE NATION, WERE PARTICULARLY DISTURBING TO THOSE OF US IN FLORIDA WHO KNOW THE

IMPORTANCE OF OUR COASTAL WATERS TO THE STATE'S ECONOMIC AND ENVIRONMENTAL HEALTH. FLORIDIANS DEPEND ON THEIR COASTS FOR A WIDE RANGE OF COMMERCIAL AND RECREATIONAL ACTIVITIES. CURRENTLY, NO CONCLUSIVE EVIDENCE EXISTS TO SUGGEST THAT THESE WATERS COULD EVER RECOVER FROM A MAJOR OIL SPILL. IN FACT, IT IS LIKELY THAT FLORIDA'S FISHING AND TOURISM INDUSTRIES WOULD SUFFER IRREPARABLE DAMAGE IF AN ACCIDENT SIMILAR TO THE EXXON VALDEZ DISASTER OCCURRED IN THE WATERS SURROUNDING THE KEYS. WE CANNOT LET THESE WATERS BECOME THE PRINCE WILLIAM SOUND OF THE SOUTH.

THE OFFSHORE FLORIDA KEYS ENVIRONMENTAL PROTECTION ACT OF 1989 (H.R. 2945), INTRODUCED BY ANDY IRELAND AND DANTE FASCELL AND COSPONSORED BY NEARLY EVERY OTHER MEMBER OF THE FLORIDA CONGRESSIONAL DELEGATION, SEEKS TO PREVENT THE SEVERE CONSEQUENCES OF AN OIL SPILL BY PROHIBITING THE SECRETARY OF THE INTERIOR FROM ISSUING OIL AND GAS LEASES IN THE COASTAL WATERS SOUTH OF 26 DEGREES NORTH LATITUDE (AN AREA WHICH EXTENDS SOUTH FROM FORT LAUDERDALE IN THE EAST AND NAPLES IN THE WEST).

IN 1988, CONCERN OVER SOUTH FLORIDA'S VULNERABILITY TO A SIZEABLE OFFSHORE OIL SPILL LED CONGRESS TO IMPOSE A ONE-YEAR MORATORIUM ON FURTHER DRILLING RELATED ACTIVITIES IN THE WATERS SOUTH OF 26 DEGREES NORTH LATITUDE. IN THE ABSENCE OF ANY NEW DATA TO SUGGEST THAT THIS CONCERN WAS UNFOUNDED, THE HOUSE AND SENATE RECENTLY VOTED TO EXTEND THE MORATORIUM FOR ANOTHER YEAR. THIS CURRENT LEGISLATION, HOWEVER, STILL AWAITS PRESIDENT BUSH'S APPROVAL.

NOW IS THE TIME TO STOP ENACTING TEMPORARY SOLUTIONS TO A PROBLEM OF SUCH PROFOUND IMPORTANCE TO FLORIDA. WE NEED A PERMANENT BAN ON DRILLING IN THE KEYS, AND WE NEED IT NOW.

ONCE AGAIN, MR. CHAIRMAN, I COMMEND THE COMMITTEE FOR EXAMINING H.R. 2945 AND FOR CHOOSING KEY WEST AS THE FIRST SITE IN ITS SERIES OF NATIONAL FIELD HEARINGS. THROUGH TESTIMONY FROM OUR STATE REPRESENTATIVES, MEMBERS OF THE LOCAL BUSINESS COMMUNITY AND SEVERAL ENVIRONMENTAL GROUPS, THIS HEARING WILL HIGHLIGHT THE UNIQUE ENVIRONMENTAL BENEFITS OF THE WATERS SURROUNDING THE FLORIDA KEYS. I LOOK FORWARD TO QUESTIONING THESE INDIVIDUALS AND THE REPRESENTATIVES THAT ARE HERE WITH US TODAY FROM THE INTERIOR DEPARTMENT AND THE OIL INDUSTRY. IT IS TIME FOR FLORIDIANS TO SEND A CLEAR MESSAGE TO THIS ADMINISTRATION THAT OUR WATERS ARE NOT FOR SALE.

Mr. MILLER. Let me thank the three of you for your very, very compelling testimony and obviously your deep love for the area and for its natural resources.

I think you all raise a very central point: When we compare the potential finds in terms of hydrocarbons vis-a-vis the potential disaster that can take place, it is hard to see how you can justify it. This is especially true when you know that we have not gone very far down that road toward a national energy policy or conservation or any components of it.

I would just say Peter DeFazio visited Prince William Sound with the committee, and my district is very, very heavily involved in the oil industry. I had listened for years how they had this all under control and these things could never happen, as did the people of Alaska. Once you see it you will never forget it. You realize that there simply does not exist any ability within the industry to manage, control and clean up a major oil spill. I guess to the benefit of the industry, they are very fortunate that it happened in a remote area. If it had happened on the east coast of the United States, we would probably nationalize the industry. But there are very few people in Prince William Sound.

I was in the Virgin Islands right after the hurricane and they had what for there is a very major oil spill because of the damage to oil tanks on the island. Again until you are standing on the kinds of beaches that you have in Florida and the Virgin Islands and suddenly see them covered with heavy, heavy black, in that case fuel oil, I don't think people can appreciate what it means to an economy, what it means to a way of life.

So I really appreciate your taking the lead on this effort to get this balance between oil exploration development and the preservation of our natural assets back in order.

Dante, if I might, you and Congressman Lehman wrote me earlier and raised concerns about the President's Task Force and again this morning in your testimony. You raised the credibility issue because you were made aware of the fact that the testimony of the Superintendent of the Everglades National Park was substantially rewritten before its submission to the Task Force. I guess in fact he was not even allowed to present that testimony in person; it was a submission. The two conclusions—the one initially prepared by the Superintendent that the risks were simply too great to go forward with this proposal, and the other later submitted to the Commission after rewriting that they might consider recommending a buffer zone or something along that line—raise very, very serious questions about the impartiality of the Commission.

I think our delegations, California and Florida, met with the President's Commission. As a matter of fact, we got the bum's rush because they had to go meet with you guys——

[Laughter.]

Mr. MILLER. I think people walked out of that meeting believing that these people had one mission in mind. They were somehow there to smooth the way for getting rid of the moratoriums that exist in various State waters and in Federal waters and getting on with this development. But when you see this kind of activity, when you see the statements of the Secretary of the Interior in California where he is telling an industry group essentially, you

know, we are going to get on with this program, I think it raises credibility issues.

I have talked to Chairman Udall and to his office. We will be writing to the President to clarify what has taken place here and to raise the issue of whether this Commission can have any further credibility. Is it becoming a waste of the taxpayers' money to go around and conduct sort of a national charade on oil drilling? So it is not that we have not paid attention to your letter. We have been trying to figure out which is the best way to go. I think given the fact that both Chairman Udall and myself were involved in this issue for sometime, we just decided that we were going to go ahead and ask for a Presidential response to what is essentially tampering with the evidence that that Commission is supposed to be receiving on an impartial basis. [Applause.]

Mr. FASCELL. Well Mr. Chairman, I want to thank you for that. I know Mr. Lehman wanted to be here this morning and was unavoidably detained. I hope he makes it anyway a little later on. But just in case he does not, I would like permission to have his statement placed in the record, as well as those of all of our colleagues from Florida, and to thank you for following up on the information with respect to the Task Force.

I had a funny feeling at the time we testified, but I think we all felt that this was some kind of a dog and pony show to quiet the troops. When you get to the point where they substantially alter the recommendations of one of their top people in the way that they did it, certainly looks like what they were doing was putting a spin on for an ultimate conclusion that had been arrived at before they started. So you wonder what in the world are they doing, you know. We do not need any more of that. It is like the $216,000 study to determine what the economic effects of oil drilling would be. You need that like you need a hole in the head, and we do not need any more of those either.

So all of that put together just kind of discolors the judgment that is going into this effort. I think the only way it is going to get resolved is the way you are doing it: Hold hearings around the country, give everybody an opportunity to be heard; put the spotlight on this whole thing; and take the matter up with the President. I think this is far beyond the Secretary of the Interior. This is a major national policy decision and it should not be left solely to the cabinet officer and his lieutenants. [Applause.]

Mr. MILLER. Well thank you. I would just say this incident that you and Congressman Lehman have uncovered is another in a series. We have watched evidence being tampered with, people being not allowed to testify, all at the political level. When we ask people who come in who have the expertise, whether it is the Park Service, the Fish and Wildlife Service, to give their opinion, we found this happening if their opinion is anything different than the political view. We now have a whole series of these actions on the record where testimony, evidence and other things have been overturned, changed. And it is a very disturbing trend. And I would hope that the new administration would not allow it to continue. That is why we think that it is important that the President have an opportunity to respond. This is what we suffered through with the last administration, and it cannot continue if in fact we are

going to have any kind of basis for reliance on these kinds of task forces.

Mr. DeFazio.

Mr. DEFAZIO. No questions, Mr. Chairman.

Mr. MILLER. Mr. McDermott.

Mr. MCDERMOTT. I just have one question. As I see your testimony, you could probably substitute the word Washington for Florida for practically everything you have said except for your weather, it is a little bit warmer here. My question is do you think we would do better to pass your bill alone or to make a national coalition; that is, are we better to tie all the States together who have interests in banning drilling off the shelf or on the shelf, or your bill alone. I would like to hear your political assessment of the Congress and our ability to get it through.

Mr. FASCELL. If, in the judgment of the committee, the factors that go into the decision appear to be the same, then I think obviously the thing to do would be a national coalition because you are balancing off the national environmental and national energy policy, and that is a lot better way to do it if you can.

I do not know why we should not proceed on both tracks until we get a clear consensus on the best way to approach it. I think that common sense says that the thing to do is to go for a national policy if we can get one. If it takes longer to do that, then maybe what we need is something in the interim.

There are all kinds of ideas. Some of us have been discussing the idea of reversing the policy of the OCS so that Congress would have to affirmatively approve any action. I do not know, but maybe we can get into some kind of transition between a national policy at one end, specific exclusions at the other and some kind of transition in between. We are all struggling with the same problem, but my gut reaction to your question is that we would be a lot better off if we could establish a national position.

Mr. SMITH. If I might respond, I believe that we need a national energy policy on conservation and a national policy on what we are going to do in terms of this kind of oil drilling and exploration which nobody doubts is a significant need. I do not think there is going to be any such policy in the near future. We waited all of 8 years during the Reagan administration for any kind of policy whatsoever—there was none, absolutely none. Their policy was so disjointed and without any kind of common logic thread running through it that there was no policy.

This President went to Boston harbor and talked about pollution, yet since then, every thing that he submitted has been cutting funds for programs that would aid the pollution cleanup in Boston harbor. He has not been back, I can assure you, to do that. And it just seems to me that we cannot therefore anticipate the administration coming up with some kind of national energy policy. It does not look like they are. Therefore, I think it is up to the Congress. I agree with Dante, we should strive for a national policy first, but that is going to be harder to get. And so in the meanwhile, if we can, we ought to consider the various bills that might be easier to pass, blocking off sections of the country; the California coast, the Washington coast, the southern coast of Florida and other places where the damage would be monumental and where the benefit to

allow exploration, right now seems to be de minimus. That is the balance we ought to be making.

It just seems to me if we cannot get a policy from the administration, and we know it is not going to be too easy to get it out of Congress if the administration is not going to be helpful—the best thing to do is to run these small pieces until you can get to make them all coalesce into one policy.

Mr. McDERMOTT. Could I follow up? This is not a partisan issue, I think the environment is a nonpartisan issue. I would like to hear, Mr. Ireland, your comments.

Mr. IRELAND. Well I appreciate that, and I think what has been said is right on track. Our colleague, Chairman Fascell here, has mentioned going on both tracks, and certainly that is really an important way to experate. A coastal States' coalition, which we have loosely put together, also has value so that we all understand the problems in other States such as Washington, Oregon and California. Each State is unique. Rather than wait until we get an all inclusive package effecting the coastal States, we can be prepared to help each other. So it would seem to me, moving on both tracks—recognizing the unique character of each State's concerns about what drilling and oil spills will do, and providing support to each other, is certainly a way to go.

We will hear later on today from other witnesses the view that there are studies being done and we ought to wait before considering a permanent ban. Well, you know, somebody can always say there is going to be another study. We have studied and studied. The time has come to act here, and in other areas such as yours, and in California. Based on what our knowledge is oil exploration and drilling in sensitive areas is counter-productive.

So yes, we ought to move on both tracks, but we ought to move on individual tracks and all enlightened members of Congress ought to help each other along this line, and I think we can do just that.

Mr. FASCELL. Mr. Chairman, could I comment on that?

Mr. MILLER. Sure.

Mr. FASCELL. It seems to me that one of the things we ought to be taking a look at is, rather than have the burden placed on the people, in the affected areas to make the case to exclude themselves out, the burden ought to be on the Government to make the case that those people ought to be included in. It ought not to be automatic under a Federal law, and that is what needs to be changed.

Mr. SMITH. Can I just add something from a slightly different perspective?

Mr. MILLER. Yes.

Mr. SMITH. If we do not get a national policy, which has not been reachable for quite a long time, we are going to find ourselves in a very disparate situation. California, Oregon and Washington represent a significant area in terms of the food chain in the United States and the whole area of fishing in that Pacific region. This area represents an enormous amount of game tourist fishing as well as food fishing.

With what is going on in the Pacific with Korea and Japan and other countries netting, drift netting, 50 miles at a time, cleaning

out whole sections of the ocean to contemplate a spill, to contemplate an additional enormous strain on those resources is something that I do not think we want to even entertain. We have to be very careful because this situation—the oil situation—should be taken in context with everything else that is going on as an assault on the environment of the United States. I just hope that we do take it in that context. This cannot be looked at just as an issue of one place of oil versus people. There is a lot more at stake than that.

Mr. MILLER. Thank you.

Mr. FASCELL. I told you, Mr. Chairman, he would be here. [Applause.]

Mr. MILLER. There was no doubt in my mind. He has always been there for me.

Chairman Lehman, we are delighted to have you. Again we want to thank you for your invitation to come to south Florida and to the Keys for the purpose of conducting this hearing. We have heard from your colleagues, and you are more than welcome to proceed in any manner that you would like.

Mr. LEHMAN. Thank you, Mr. Chairman. I apologize for being late, my schedule said 10 a.m.

Mr. MILLER. Your schedule is our schedule, Bill, whatever you would like. [Laughter.]

Mr. LEHMAN. But anyway, I wanted to stop at Shoney's for french toast, but they are closed up.

The statement is submitted in full for the record, but I just wanted to add a couple of comments. One is the fact that during the appropriation process we have had to do this on a year-to-year basis. This is not the way to do this program. One of these days there is going to be a little bit of an oil crisis on a 1-year basis and we are going to break that ban and go ahead and start drilling again. We must make this a permanent situation and not permit this to be playing Russian roulette on a year-to-year basis.

We all know that the amount of oil we are going to be able to get from this area that is under discussion is infinitesimal compared to the needs of this country, it is not going to resolve any oil crisis for us and it is going to damage the very vulnerable coral and other types of offshore environment.

I have a very personal concern about this. I have been interested in the Keys since I first came to south Florida over 50 years ago, and at that time I fished in south Florida. My sons have fished in south Florida, and you know tomorrow my son and grandsons hope to fish with you and some of your staff. I think that is the best way to know what we are risking in south Florida when we go out into the Atlantic or the Gulf and find out really what is at stake in this type of oil exploration or oil leasing.

And I strongly urge that your committee and our colleagues in the House go all out to support this authorization for a permanent ban.

Thank you very much, Mr. Chairman. [Applause.]

Mr. MILLER. Thank you.

Mr. LEHMAN. I did not know I was that good.

[Prepared statement of Mr. Lehman follows:]

Testimony of

REP. WILLIAM LEHMAN (D-Fla.-17)

before the

SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES

HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

October 14, 1989

Mr. Chairman, I appreciate having the opportunity to testify here today in support of H.R. 2945, the bill that several of my Florida Congressional colleagues and I introduced to permanently ban oil drilling south of 26 degrees north latitude.

The reason for this bill is self-apparent. Though some special interests do favor oil drilling, we are not in a period of national emergency and national security is not helped. Unfortunately, our damaged coral reefs don't grow as fast as the over-inflated estimates of how much oil is lying beneath Florida's ocean floor. By any standard, the amount of our national fuel needs to be met by this proposal is miniscule.

The truth is that the over-riding reason for drilling off the Keys is that it will make some money for the federal government and for drilling companies and refiners. Considering what's at stake, that reason just don't hunt.

The committee will be hearing from prominent experts better qualified than I am to talk about how special the Florida Keys are. However, Mr. Chairman, I'd like to offer a few comments in a less scientific vein about why I'm so enthusiastic about our bill.

Although I hesitate to do this, I think I should admit--in public, here today--that I have a few selfish reasons for being so dead-set against oil drilling off our shores.

First, as you know, I am a Subcommittee Chairman on the House Appropriations Committee. Each year for the past several years, I have had to pull out the stops to get moratorium language added to the Interior Appropriations Bill to ban drilling. Since our appropriations bills are only in effect for one year at a time, we end up fighting the same battle, year after year.

Frankly, Mr. Chairman, pushing through one-year drilling bans is not an efficient way to legislate. If you could just get our bill through Congress, then I could devote more of my time to the other pressing problems we face here in Florida.

Second, I came to Miami over 50 years ago, and I have witnessed the enormous changes that have occurred in South Florida. People were attracted here by our wonderful climate and environment. In those days, developers pretty much had free rein to do whatever they wanted with our resources of land, water and wildlife.

But the Florida being handed down to my six grandchildren is drastically changed from the one I found. The signs of strain on our environment are everywhere.

We're killing off our unique heritage of wildlife--from Keys deer to manatees to dozens of species of birds and fish. Today, from time to time we experience air pollution. The bottom of our beautiful Biscayne Bay in Miami is contaminated with deposits of harmful materials. Our ocean and beaches are sometimes filthy with garbage and worse. The great Kissimmee River-Lake Okeechobee-Everglades water system, a natural wonder, has been channalized, regulated, polluted, drained, filled in and built upon. Only 10 percent of the original everglades are left.

True, we are not considering legislation here today to address these problems. But if we have learned anything in our state in the past 50 years, it is that our environment is an interlocking puzzle, and a change in one part changes everything.

If for no other reason than for the sake of our children and grandchildren, we cannot afford to play brinkmanship with our environment.

I'm committed to this bill, because I think it is public interest legislation of the best and broadest kind. I earnestly urge the Subcommittee to favorably report it to the full House so that it can be enacted this year.

Mr. MILLER. Your colleagues have echoed what you have just said. You have obviously been carrying the burden here on the Appropriations Committee for those of us in California, Oregon, Washington, Alaska, Massachusetts, and everywhere else.

Mr. LEHMAN. Mr. Chairman, could I reclaim just another minute of my time?

Mr. MILLER. Sure.

Mr. LEHMAN. This is something that I am happy to do, but I would rather be able to devote my time to other matters that are also in the appropriations process, if you could take this burden off my back for awhile. [Applause.]

Mr. MILLER. Well we would be delighted.

I want to thank you on behalf of other coastal States and communities for your leadership in the Appropriations Committee, but I think you are all right. We all understand how susceptible the Congress is to stampede in any kind of crisis, artificial, manufactured or real. How quickly we can reverse policy. We ought not to leave the resources and the economy of south Florida vulnerable to that, or the same for our States. So I think you are probably making a compelling case here that we do get on with this, either on a selective basis, a permanent prohibition, or on a national basis. But they have got to move into the permanent status here. This cannot be a year-to-year fight.

Well let me thank you very much for your leadership, for your collective testimony, for all of the help that you have provided on this issue. You are all more than welcome to join us, the committee, here on the dais for the remainder of the hearing, but I also know that you all have schedules that would choke a horse in terms of constituent meetings and other responsibilities this weekend. We are here at your pleasure and whatever you would like to do, you are more than welcome.

Thank you again very, very much for your time, your trouble and your testimony here. Thank you. [Applause.]

Next we will hear from Mr. William Bettenberg, who is the Associate Director for Offshore Minerals Management of the Minerals Management Service, U.S. Department of the Interior. If you will come forward and take a seat at the table. We welcome you to the committee.

Let me say for the information of the audience, obviously we have a somewhat limited group of people testifying today. We hope that they will be able to give us an overview and a cross section of attitudes and views and concerns with relation to this issue. We will hold open the record of this hearing. Since this is a set of hearings that will be going on for some months, we certainly want to welcome those in the audience or people who read about this hearing and have some views and concerns that they think the committee ought to be made aware of. You can just simply send those to us in care of the House Interior Committee in Washington, D.C., and they will be made part of the record of this hearing. And we would certainly welcome this. There is no intent here to exclude the views and the concerns of anybody pro or con on this issue. So we do welcome additional views and concerns and even comments on what various witnesses will say here today. If you disagree or

agree, you are more than welcome to share that with the committee.

Mr. Bettenberg, welcome to the committee. Your testimony will be placed in the record. You can proceed in the manner in which you are most comfortable.

STATEMENT OF WILLIAM. D. BETTENBERG, ASSOCIATE DIRECTOR FOR OFFSHORE MINERALS MANAGEMENT, MINERALS MANAGEMENT SERVICE, U.S. DEPARTMENT OF THE INTERIOR ACCOMPANIED BY JEFF ARNOLD, DIRECTOR, OFFICE OF CONGRESSIONAL AND LEGISLATIVE AFFAIRS, MINERALS MANAGEMENT SERVICE, U.S. DEPARTMENT OF THE INTERIOR

Mr. BETTENBERG. Thank you, Mr. Chairman. As I start, let me introduce my associate, Jeff Arnold. Jeff is the Director of our Office of Congressional and Legislative Affairs, Minerals Management Service, and he may help me out from time to time during the course of this hearing.

I think on a controversial issue like this and in a setting like this, it is important that I attempt to establish as much rapport as I can as quickly as I can. I would like to say that we are conducting this hearing in a place where I have previously vacationed, and between Jeff and myself I think that we have the three members of the subcommittee well covered. I was born in your State, raised and went to college in Mr. McDermott's State, vacationed in all three States, as recently as 2 years ago in Oregon. And Mr. Arnold is from Mr. DeFazio's district.

I appreciate the opportunity to appear and testify on H.R. 2945. I understand that this is the first in a series of hearings to review the OCS leasing program, and certainly encourage Congress to take a long and close look at the program. We stand ready to participate in that in any way we can and to be as helpful as we can to that process.

The OCS leasing program is an important national program. From OCS leases, we currently are producing about one-quarter of the Nation's natural gas and between 10 and 12 percent of its oil. If we were to import an amount equal to those hydrocarbons, we would drive total imports of oil to something like two-thirds of domestic consumption, whereas right now it is approaching one half.

Imports currently contribute something like $40 billion a year to the balance of payments deficit. So from an economic standpoint, we think the program is indeed extremely important.

From an environmental standpoint, we think that it is demonstrable that in those areas where we have leased, had exploration and development, that it has been done with sensitivity and without significant adverse environmental effects.

The leasing area that we are discussing today, south of 26 degrees, is clearly an area of substantial controversy. We recognize that, and we recognize the sensitivity of the resources there. Last year we entered into a cooperative agreement with the Governor due to that controversy, to do two thorough reviews of all of the information available with regard to issues related to exploration. In the area south of 26 degrees and north of 25 degrees, what we referred to at that time and is still referred to as Sale 116, Part 2—

for purposes of reference on the map on your left, that area covers a stretch south of 26 degrees, north of 25 degrees, which is probably about parallel with the south end of the mainland on that map, and extends from an area probably a little west of Naples out to an area south of Tallahassee on that map.

As a result of the cooperative agreement with Governor Martinez, we set up two Federal/State task forces. Each task force has five scientists and engineers from the Minerals Management Service and from the State of Florida, for a total of 20 scientists and engineers working on examining all of the available data. One of those two task forces is examining the risks and potential dispersion of oil if there were to be spills. The other is examining what the environmental effects of an oil spill would be, were one to occur and be dispersed in the sorts of fashions that are resulting from the first task force study.

Both of those studies are nearing completion and it is our anticipation that they will be completed early next month. We consider that to be an excellent form of Federal/State cooperation and a good scientific endeavor from both sides.

In March, a Presidential Task Force was established that consists of the Secretary of the Interior, the head of the Environmental Protection Agency, the head of NOAA, Secretary of Energy and an Associate Director of the Office of Management and Budget, which was commissioned to examine the full range of issues with regard to three controversial sales. Sale 116, Part 2 is one of those, and two off of your home State being the others—one for southern California, one for northern California.

That effort is proceeding. There have been meetings held around the country and testimony taken in Washington, D.C. Many of the people appearing today have presented testimony, a wide range of opinions have been provided to the committee and lots of information has been gathered. They are due to report in January to the President. And at that time we presumably will know which direction the administration wants to proceed with those sale areas.

The Presidential Task Force also commissioned, at the President's direction, the National Academy of Sciences to review both the geological and environmental information on which decisions are based for these three areas.

So in addition to the two task forces that are working with the Minerals Management Service in the State of Florida and the Presidential Task Force, you also have the National Academy of Sciences that is examining the information on these three areas.

The National Academy of Sciences is doing it as a joint effort between two separate arms. One is the Board on Environmental Sciences and Toxicology and the other is the Board on Mineral and Energy Resources. That group also has held field meetings around the country and examined a substantial amount of data. Both groups previously were examining the environmental studies program and the geologic resources program for the Minerals Management Service, so they were well acquainted with the sorts of data available. That review is supposed to be completed by the beginning of November and will be presented to the public at that time.

Given the state of all of those reviews and their imminent completion, the administration's position is that enactment of H.R. 2945 would be premature at this time.

Mr. Chairman, that summarizes the testimony that is in the record, and I would be available for any questions that you might have.

[Prepared statement of Mr. Bettenberg follows:]

Testimony of
William D. Bettenberg
Associate Director for Offshore Minerals Management
Minerals Management Service, U.S. Department of the Interior

Before the
House Interior and Insular Affairs Subcommittee on
Water, Power, and Offshore Energy Resources
October 14, 1989

Good Morning, my name is Bill Bettenberg, and I am the Associate Director for Offshore Minerals Management with the Minerals Management Service (MMS) of the Department of the Interior (DOI). I appreciate the opportunity to appear before the Subcommittee to discuss H.R. 2945 and its effect on the Outer Continental Shelf (OCS) oil and gas program.

Departmental Position

That portion of the Eastern Gulf of Mexico Planning Area south of 26° N. latitude provides habitat for a wide variety of sensitive coastal and marine species, which include extensive live bottom communities, coral reefs, mangroves, and seagrass beds. Numerous coastal and marine birds and rare and endangered species inhabit this area. The coastal area contains, among other State and private designations, a National Park, three National Wildlife Refuges, a National Marine Sanctuary, and a National Monument.

In keeping with President Bush's and Secretary Lujan's commitment to the conservation and wise management of our Nation's natural resources, MMS is committed to protecting the sensitive and valuable coastal and marine resources of our Nation from potential adverse impacts associated with offshore oil and gas exploration and development activities.

The proposed legislation is premature. Should H.R. 2945 be adopted, the opportunity would be missed to take into consideration the information and recommendations of both the Presidential OCS Leasing and Development Task Force and the two joint Federal/State task forces created by the June 1988 agreement between then Secretary Hodel and Governor Martinez. Also missed is the opportunity to resolve any potential conflicts between energy resource development and environmental concerns in this area.

Should the proposed legislation be adopted, the potential risks resulting from oil spills to the Florida Keys, the Dry Tortugas and the Everglades area would not be substantially decreased. Oil spill risks are primarily associated with tankering activities in the area. Over 5,000 vessels pass this area annually, and approximately 12 percent of the oil imported into

the Gulf of Mexico enters around the southern tip of Florida. This estimate does not take into account refined product imports or exports from Gulf ports.

MMS is concerned about the provisions of H.R. 2945, which would require the federal government to buy back the 73 existing leases located south of 26° N. latitude. The cost of such a buyback could be in excess of initial receipts. Should the courts consider the replacement cost of the resources as a valid consideration, these costs could increase.

Hydrocarbon Potential

The area south of 26° N. latitude is estimated to contain about 64 percent of the undiscovered, economically recoverable oil and 7 percent of the undiscovered, economically recoverable gas in the Eastern Gulf of Mexico Planning Area. MMS risked mean resource estimates (July 1989) for both leased and unleased acreage in this area are 610 million barrels of oil and 0.11 trillion cubic feet of gas.

The South Florida Basin is located in the Eastern Gulf south of 26° N. latitude. The basin encompasses an area of about 75,000 square miles (147,636 square kilometers) and extends, in the Gulf, from the Peninsula Arch on the east to the Florida Escarpment on the west. The Sunniland Formation is currently the only productive formation in the South Florida Basin and is the primary target for offshore petroleum exploration. There is oil production onshore from the Lower Cretaceous Sunniland Formation in the basin, with 14 oil fields being discovered in the basin on the Florida mainland. Eleven fields are currently active with production occurring between 11,320 and 11,890 feet (3,450 and 3,620 meters).

The offshore portion of the South Florida Basin has not been fully tested but is considered to be prospective. In addition to the Sunniland play, several wells drilled on Federal leases near the Marquesas Keys (between late 1947 and 1962) in the area now referred to as the Straits of Florida Planning Area encountered thick zones of encouragingly high porosity and shows of oil.

Leasing Background

The proximity of potential oil and gas activities to the area's natural resources has long been a concern of Floridians, Florida state governments, and members of the Florida congressional delegations. Opposition to OCS leasing and development during consideration of 5-year oil and gas leasing programs, preparations for individual lease sales, and during the annual appropriations process has resulted in delays, exclusions, and restrictions of activities south of 26° N. latitude.

There has been leasing of both Federal and State acreage offshore southwest Florida. Four earlier Federal sales in the Eastern Gulf of Mexico Planning Area resulted in 76 leases (73 currently held), none of which have been drilled. However, exploration plans have been filed on some of the leases. Total bonuses paid to the Federal Treasury for these leases amounted to $108 million. No State areas south of 26° N. latitude are currently under lease. However, seven wells were drilled in State and Federal waters near the Keys between late 1947 and 1962. All were abandoned after no commercially producible hydrocarbons were found.

In Fiscal Year (FY) 1984, through the Interior Department's Appropriations Act, the Congress placed a moratorium on leasing certain areas and directed the collection of 3 years of oceanographic and biological data prior to approval of any exploration plans in the Eastern Gulf Planning Area south of 26° N. latitude. The Appropriations Act also required lessees to perform biological surveys prior to approval and initiation of drilling activities in this area. The MMS advised lessees of these requirements through the adoption of two stipulations included in Sale 79 leases. The requirements were also imposed on Sale 94 leases.

In June 1987, the required studies were completed. The MMS conclusion from those studies was that we should not expect unusual problems or risks from oil and gas activities in the area between 25° and 26° N. latitude but, as in all areas, would need to assure that exploration activities were conducted with care. MMS, therefore, announced the lifting of the suspension of exploratory activity.

At about this same time, the 5-Year Oil and Gas Leasing Program for the Federal OCS was adopted in July 1987. The program included two sales in the Eastern Gulf of Mexico Planning Area: Sale 116 (November 1988) and Sale 137 (November 1991).

Following this action, the State of Florida filed suit against the approval of the 5-Year Program. Further consultation with the State resulted in an agreement signed by the Governor and the Secretary on March 24, 1988. Florida agreed to drop its litigation, and Interior agreed to enlarge the buffer area south of 25° N. latitude and to continue this deferral for the full 5-year program; and to apply certain standards to assure further protection of areas near Cape San Blas in more northerly areas of the eastern Gulf of Mexico from the risks of oil spills. (This Cape San Blas area is believed to be primarily gas-prone, and the oil spill risk is believed to be very low.) The March agreement also resulted in cancellation of Sale 140 in the Straits of Florida, the planning area adjacent to the Eastern Gulf Planning Area on the south and east and which extends along the Atlantic coast of the Keys and the Florida peninsula.

The March agreement did not explicitly cover the existing leases in the area south of 26°N. latitude. These leases were discussed with the State, and an understanding was reached that the State would review exploration plans for these leases on a case-by-case basis. As noted below, the State did review plans which were later submitted and concluded that the proposals were not consistent with its coastal management program.

The following Eastern Gulf blocks south of 26° N. latitude were deferred from the final 5-year program (July 1987) under the terms of the March 1988 agreement:

- 676 blocks (covering about 3.64 million acres) in the Gulf of Mexico portion of the Key West, Dry Tortugas, and NF 17-1 Official Protraction Diagram (OPD) areas (deferred for Sale 116 on June 19, 1987, during consultation on the 5-year program; deferred through the end of the current leasing schedule as part of the agreement reached March 24, 1988, on leasing off Florida);

- 307 blocks in an area shoreward of the 20-meter isobath in the Pulley Ridge OPD area and the Gulf of Mexico portion of the Miami OPD area (deferred for Sale 116 on June 19, 1987, during consultation on the 5-year program; deferred through the end of the current leasing schedule as part of the March 24, 1988, agreement); and

- 37 additional blocks in the Pulley Ridge and Charlotte Harbor OPD areas covering about 0.2 million acres to complete the "buffer zone" of 30 miles in southwest Florida (deferred through the end of the current leasing schedule on March 24, 1988).

After completion of the 5-year program, the State expressed concerns about potential impacts of OCS activities in the area south of 26° N. latitude. As a result, a second agreement between the Interior Department and the State of Florida was reached in June 1988. This directly affected the Sale 116 proposed Notice of Sale then under consideration. By agreement, Sale 116 was divided into two parts: Part I to be held in November 1988 and an indefinite delay in offering blocks south of 26° N. latitude. The purpose of the delay was to allow State officials additional time to review scientific and technical information in MMS-contracted studies on the Eastern Gulf's circulation (physical oceanography) and the biological resources of the area south of 26° N. latitude.

The June 1988 agreement also announced the formation of two joint State/Federal task forces to further analyze two issues in the southwest Florida area: (1) oil spill risks from exploratory activities; and (2) the potential impacts of exploratory drilling

operations on coastal and marine resources. The Oil Spill Risk Assessment Task Force and the Drilling Impact Assessment Task Force began work in October, 1988 and is expected to provide written reports to the Secretary and the Governor of Florida within a few weeks.

In 1988, companies submitted two plans of exploration covering three of the 73 leases south of 26° N. latitude. Unocal submitted a plan for Pulley Ridge Blocks 629 and 630 that was approved by the Gulf of Mexico Regional Director, Minerals Management Service in June 1988. Mobil submitted a plan for Pulley Ridge Block 799 which was also approved. Review and approval or disapproval action is required to be completed within 30 days by the OCS Lands Act. Permits to drill cannot be issued until compliance with the consistency provisions of the Coastal Zone Management Act (CZMA) is attained. The State of Florida reviewed the exploration plans for consistency with its approved coastal management program pursuant to the provisions of the CZMA. The State advised that the exploration plans were not consistent. These findings have been appealed by the companies to the Secretary of Commerce under the provisions of the CZMA. Through the FY 1989 Appropriations Act language Congress imposed a moratorium on approval of exploration on the 73 existing leases south of 26° N. latitude. The Act prohibits any use of funds:

> "for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity, on lands within the Eastern Gulf of Mexico planning area of the Department of the Interior which lie south of 26 degrees North latitude and east of 86 degrees West longitude."

In February 1989, the President placed an indefinite hold on Sale 116, Part II pending results of a thorough review by a special task force established by the President. The President asked the OCS Leasing and Development Task Force to examine in detail the concerns over the adverse impacts of lease sales in three OCS areas (the Sale 116 Part II area offshore southwest Florida being one) and to resolve these conflicts where possible. A working group consisting of staff designated by the Task Force members has been gathering information pertaining to the issues and options since late March 1989. This information-gathering effort has involved briefings by various Federal Agencies, meetings with Members of Congress, public workshops in the vicinity of the study areas, and field trips to learn more, firsthand, about the resources of concern. The results of the existing State/Federal Task Force are to be provided to the President's Task Force. The Task Force is now in the process of drafting its report to the President, which is scheduled to be delivered on January 1, 1990. The Task Force is helped in its efforts by the National Academy of Sciences (NAS). The NAS report, due to the Task Force and available to the public at the

beginning of November, will be included in the Report to the President.

On May 2, 1989, the Department announced that the area south of 26° N. latitude would not be included in the Call for Information and Nominations for the next Eastern Gulf sale, Sale 137.

OCS Environmental Record

The environmental record of the OCS Oil and Gas Program has been a good one. This has been accomplished by establishing environmental standards in regulations and lease stipulations and by enforcing those standards through review of exploration and development plans and permit applications and a rigorous program of inspections. The State/Federal Task Forces are reviewing this record to assess the potential of oil and gas activities for producing adverse effects on south Florida resources.

Potential oil spills in association with the OCS oil and gas operations is one of the most serious environmental issues facing the offshore program. Three serious incidents--the Santa Barbara blowout and two major blowouts and associated fires in the Gulf of Mexico, which occurred sequentially in 1969 and 1970, heightened public interest in the conduct of offshore oil and gas operations. This led to an expanded Federal role in the regulation of OCS activities. New regulatory requirements were instituted. The offshore inspection force was increased; a detailed review and approval process was established for operational plans; and training requirements, including those for oil spill response, were implemented for drilling and production personnel.

The OCS oil spill record improved significantly once these policies were in place. Since 1970, there have been only 10 oil spills in excess of 1,000 barrels on the OCS and none are known to have reached shore or caused significant environmental damage. There have been no oil spills from exploratory activities due to loss of well control.

Closing Remarks

To summarize MMS's position on H.R. 2945, MMS believes the proposed legislation is premature and believes the opportunity would be missed to take into consideration the information and recommendations of both the Presidential OCS Leasing and Development Task Force and the two joint Federal/State task forces created to resolve conflicts between energy resource development and environmental concerns in this area.

In conclusion I believe that the environmental record of the OCS Oil and Gas Program has been a good one. This has been accomplished by establishing environmental standards in

regulations and lease stipulations and by enforcing those standards through review of exploration and development plans and permit applications and a rigorous program of inspections.

President Bush has declared he is the environmental President, and the MMS is committed to help the President fulfill this pledge by working with the State and others to protect the valuable natural resources of Florida and this Nation.

Mr. Chairman, this concludes my testimony before the Committee. I will be happy to answer any questions you may have.

Mr. MILLER. Well I do not have a great number of questions. Obviously, as we discussed earlier, you are in a somewhat difficult spot because of the ongoing study commissions and task forces. The only statement I would make is that one of the things that always concerns me in this process is that the people that sometimes raise the various questions surrounding development are told that that has all been considered and we should go ahead. And then when the politics gets hot enough, all of a sudden we are off doing all of the studies about the issues that were raised earlier by various citizens groups, environmental groups or local governmental people representing the States and coastal communities. So I guess I have learned to take it all with a grain of salt here, on the value of these things.

We will review, and intend to review, these various reports when they are made available later this year and the beginning of next year. But it almost seems that their very action is a partial indictment of the process which we have been using to go ahead on this program over the last 25 years because unless there is enough resistance, there is no effort to delineate the risks and the issues and the concerns that are involved. But I guess that is the way the program historically has been run, and it appears that that may be the way it is going to be run in the future.

Mr. DeFazio.

Mr. DEFAZIO. Yes, Mr. Bettenberg, I am just curious, what—how much cap is there to be had in the Gulf region, how much has already been located and at this point not in production, available for production?

Mr. BETTENBERG. Relatively small amounts have been found that are not either in production or in a phase of development leading to production, both from the standpoint of natural gas as well as oil, currently producing something in the range of—let me express it in barrels of oil equivalent—2.6 million barrels of oil equivalent, two-thirds of that being natural gas, in the Gulf of Mexico.

Mr. DEFAZIO. What sort of return does the Federal Government get——

Mr. BETTENBERG. In terms of royalties, typically something in the range of $2½ to $3 billion a year. Counting bonuses, that is making it run between $3 and $3½ to $4 billion a year right now. It has been as high as $10 billion in some years.

Mr. DEFAZIO. That is nationally you are talking about?

Mr. BETTENBERG. That is nationally, but most of the royalties are coming from the Gulf of Mexico. There are only two producing areas in the United States from the standpoint of Federal waters, and that is the Gulf of Mexico and an area in southern California.

There are a variety of other producing areas in State waters, along the Gulf coast, California and Cook Inlet in the State of Alaska.

Mr. DEFAZIO. Those revenues are what percentage of the gross?

Mr. BETTENBERG. From the standpoint of royalties, most of that production is at 16⅔ percent of the gross. So we get a bonus from the companies when they get the lease and then we take 16⅔ percent of the gross before any expenses at the platform.

Mr. DEFAZIO. What stage is the North Sea leases, what do they pay there in percentage?

Mr. BETTENBERG. I cannot give you a percent for the North Sea leases. They are done in a very different fashion than they are in the United States.

Mr. DEFAZIO. Do you think 16 percent is a really fair return to the taxpayers of the United States?

Mr. BETTENBERG. Let me put it to you this way and give you a two-part answer leading to a conclusion of "yes". The first is the Gulf of Mexico has been specifically examined by—from an economics standpoint—and the conclusion was that the profitability of oil and gas leases in the Gulf of Mexico was less than the average for all manufacturing in the United States. Outside of the Gulf of Mexico, if you take the frontier areas of the Atlantic coast, the eastern Gulf of Mexico, Washington, Oregon and all of Alaska, the companies have bid and we have received $11 billion in bonuses without a single barrel of commercial oil having been produced. So the return on $11 billion, not counting exploration costs, has been zero there. I think many companies in fact went under in part because of their activities in OCS exploration and are no longer operating today; they have been absorbed by other companies.

Mr. DEFAZIO. What is the value of all the real estate, tourism, fisheries and related activities in these actively operated areas?

Mr. BETTENBERG. It is very substantial. I could not give you a figure but tourism in Santa Barbara County and Ventura County, for instance, is very substantial. The commercial fishing that takes place is very substantial. They even harvest commercially mussels from the platforms themselves in the Santa Barbara channel. In the Gulf of Mexico, again, tourism is very significant. Commercial fishing often takes place in conjunction with platforms, which one of the members earlier indicated is a good source for reefy communities, basically rigs.

Mr. DEFAZIO. But that is if all goes well. Obviously as we have seen in Alaska, things have not always gone well. My question would be how much risk should we take, given the value of all those other assets, given the return to the Federal Government, given the short amount of time that full production of—you know, the most optimistic projections of this area to meet national demand—what level of risk is acceptable. I guess I am wondering how you balance these things. It seems that your agency does not balance, it seems that your charge is development rather than balance and that, you know, I want to know what is it that we are looking at and what if there is a one in a billion chance that we are going to lose the other assets of this area—is that worth taking the risk, one in a billion, one in a million? I think in Alaska, they told us the chances of that spill taking place is some pretty phenomenal——

Mr. MILLER. Started out one in a million.

Mr. DEFAZIO [continuing]. One in a million, and it happened. You know, what are we looking at here, are we going to take no level of risk, would that be acceptable? That would be acceptable to me if you could prove there is no level of risk. But what are you weighing it at, what the risk; one in a million, one in a billion. We already had one in a million in Alaska, maybe we are safe for one right now. [Laughter and applause.]

Mr. BETTENBERG. Congressman, let me give you a several part answer to that.

Mr. DEFAZIO. Do you weigh that that way, do you come up with a number? Try to give me a short answer, other people want to ask questions too.

Mr. BETTENBERG. We do come up with a probability of oil spills and probabilities of contact. We examine what the effect would be on the resources. We in fact consider ourselves an agency charged with balancing both environmental risk as well as——

Mr. DEFAZIO. Let us get on point, one in what is the cutoff point, if you come up with probabilities? If it is below what will you not do it, if it is above that you will——

Mr. BETTENBERG. We have never assessed it in terms of a number, sir, but the probabilities would be significantly less than the probabilities of a tanker spill which the Nation allows to be a risk, if you will, for the transport down the Pacific coast, for the transport through the Straits of Florida, and so forth.

The level of risk from the OCS, and I could explain it in substantial detail later, is very substantially less than that.

Mr. DEFAZIO. Can you give me a number?

Mr. BETTENBERG. I cannot give a number.

Mr. DEFAZIO. So we have determined a level of risk which we will accept, but we do not know what that is. I mean we have not put a number on it.

Mr. BETTENBERG. We do know what the probabilities are——

Mr. DEFAZIO. If we pass legislation that says it cannot be more than one in a billion, can you prove that, you know——

Mr. BETTENBERG. If you enact legislation that says it cannot be more than one in a billion, then I would say that we would need to shut the offshore program down and probably most other commercial activities in the United States, including the mere act of driving to Key West, sir.

Mr. MILLER. Mr. McDermott.

Mr. MCDERMOTT. I just want to follow up on Mr. DeFazio's question. I understand that you operate in an environment where there is no national energy policy and I am unaware at least of any formal relationship to the Department of Energy where you consult regularly about that whole issue. So your Minerals Management Division is basically a development division. Have you ever rejected a proposed lease on environmental grounds? Can you be specific about any place in the country where you have looked at a proposed lease and said the environmental risk here is too great, we will not put that one out for sale?

Mr. BETTENBERG. Surely.

Mr. MCDERMOTT. Even though there is oil and gas, high probability, there, the environmental risk is too great?

Mr. BETTENBERG. Surely. The ecological preserve and buffer zone directly off of Santa Barbara was withdrawn by the Department. In the current 5-year program, there were a series of reefs and other features that we took out of the 5-year program.

Mr. MCDERMOTT. Where is that area?

Mr. BETTENBERG. Some of the reefs—my recollection is that there were two in the Florida Straits. There is Gray's Reef that is off Georgia I believe; the Flower Garden Banks in the Gulf of Mexico;

the Middle Ground in the Gulf of Mexico; a buffer zone along many parts of California; the whole of the Big Sur——

Mr. McDERMOTT. Those were done purely by the Department looking at the scientific evidence, without any kind of outside pressure from Congressional influence, local groups or—it was done quietly in the silence of your office looking at the impacts?

Mr. BETTENBERG. Sir, we operate with so much outside pressure that it would be impossible to disassociate those I believe.

Mr. McDERMOTT. What you are really doing is confirming what the chairman suggested, that these issues only occur when the public rises up and puts the pressure on. Then the Department seems to find a somewhat different set of criteria by which to judge the reasonableness of the lease.

Mr. BETTENBERG. I do not believe that is correct, Congressman.

Mr. McDERMOTT. Those conclusions would have been reached without the public opinion?

Mr. BETTENBERG. I think that there is substantial evidence of that, yes.

Mr. McDERMOTT. That is a little hard to believe.

Mr. BETTENBERG. I think it is also fair to say that there have been areas taken out on which we felt we could not proceed safely, due to those same pressures.

Mr. McDERMOTT. Thank you.

Mr. MILLER. Maybe we could match that list with the environmentally sensitive areas where—and I do not want to lay this all on Minerals Management, but where it has come hell or high water they are going to drill.

Mr. Lehman.

Mr. LEHMAN. Thank you, Mr. Chairman.

I listened to your testimony and I could not help thinking about the Army Corps of Engineers where they were 30, 40, 50 years ago and we thought the Army Corps of Engineers was a group of people that ditched and dredged and drained and dammed—no pun intended—most of the United States. And now we look at the Army Corps of Engineers as really a bastion of defense against environmental situations that we are faced with. I hope this can happen sometime in the future to your Department of the Interior—you are the Associate Director of the Offshore Minerals Management Service of the Department of the Interior. I think part of your problem is your job description. I think you could change your own title and the title of your Department to Associate Director of Offshore Minerals and Environmental Management and change the nature of your agency to the Minerals and Environmental Management Service, U.S. Department of the Interior. I think that you would be able to operate in a situation that is not so tilted to one side, because you cannot manage offshore minerals or any other minerals without managing at the same time, the environment.

So my only hope is that one of these days soon, we will see your job description changed to where you would be able to deal with minerals management, not in isolation, but minerals management either offshore or anywhere else, in relation to environmental impact. You cannot have one without the other, we all know that.

Thank you, Mr. Chairman.

Mr. MILLER. Thank you. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman, I just have one question.

Mr. Bettenberg, would you say that your Department approaches the decision of oil leasing with an idea toward allowing it unless proved otherwise, or with an eye toward disallowing it unless proved otherwise? I mean you have to have a position from whence you start and I am curious whether that position is to say well from the first instance it should be allowable unless; or it should not be allowable, we know what our resources are, unless somebody can prove (a) the need and (b) the lack of any real threat. Which side do you come at it from? I am just curious what philosophy right now pervades the Department.

Mr. BETTENBERG. I guess I would describe the approach that we take on that as being one of feeling that the burden of proof is substantially on our side to assure that when we proceed, it is only with the environmental safeguards that are necessary to assure a minimum of risk.

Mr. SMITH. Who has to prove that?

Mr. BETTENBERG. The Minerals Management Service has to prove that.

Mr. SMITH. I see.

Mr. BETTENBERG. It is for that reason that we have invested almost $½ billion in environmental studies throughout the coastal areas of the country, that we continuously have the National Academy of Sciences and our own scientific advisory committee reviewing the program of the Agency. The decisions that are made in the Department are also reviewed by other bureaus in the Department and other agencies; i.e., the National Park Service and the Fish and Wildlife Service has to review the program, every proposed action in the program from the standpoint of Endangered Species Act. NOAA does the same through the Marine Mammal Protection Act and so forth. And it seems to me that the real test of that is the results. If you examine the results in terms of control of oil spills—the controls that we place on the program—one small example of that is through our environmental studies program. A few years ago we discovered something completely novel in the Gulf of Mexico, referred to these days as chemo-synthetic seeps.

About a decade or so ago, it was discovered in certain reef zones such as offshore Oregon, that there were a variety of kinds of species living at the bottom of the ocean that were newly discovered, that had not been known before. We discovered that there are similar communities living on gas and oil seeps in certain areas of the Gulf of Mexico. We immediately moved in with a control program to assure that that was examined before we allowed platforms to go in in a place, or drilling to take place in a place where you might have that kind of a community.

We felt that that was our burden. There was not even any outside knowledge of that kind of a community before. But we moved immediately to put a program in place to assure there was no destruction of those kinds of communities.

Mr. SMITH. And putting an oil rig there is going to assure that they are not destructed? That is an interesting concept.

Mr. BETTENBERG. I did not say that, sir.

Mr. SMITH. Well you said you wanted to make every effort to make sure they are not destructed. If you never touched it, and they have been living there forever, and oil and gas seeps, if you did not touch them, they probably would still live there, outlive us, outlive our children, grandchildren, great grandchildren.

Mr. BETTENBERG. And they still are there.

Mr. SMITH. And they still are there.

Mr. BETTENBERG. Yes, sir.

Mr. SMITH. You did $½ million worth of studies on these coastal regions. What did the studies that you did include with reference to the areas on the map that is in green stripe?

Mr. BETTENBERG. We have done a whole series, my recollection is that it is 30 some in that area basically trying to get all of the data that we have. We are working with the State of Florida in completing a study—a restudy, if you will—of oil spill risk from exploration. We find that you can identify where the risks are least, where they are the highest. From the standpoint of exploration, we think that we find that they are minimal. But I await the study conclusions on that one.

Mr. SMITH. So you do not have a concluded study?

Mr. BETTENBERG. We have had a whole series of concluded studies.

Mr. SMITH. But you have had lease sales.

Mr. BETTENBERG. And we have had lease sales.

Mr. SMITH. Do you like to engage in the practice, as we have of people who sell underwater land in the Everglades. I mean why have a lease sale if you do not have the studies back, why put them at risk in the first instance if you do not even know for sure you are ever going to lease them?

Mr. BETTENBERG. We have had studies in those areas. We in the past have concluded that you can proceed with minimal risk. You might recall that Congress directed that we develop a 3-year environmental baseline as we proceeded with leasing. That was an act of Congress in fact. We did proceed with leasing, we held up on the exploration pursuant to the act of Congress, and waited for that data to come in. The Minerals Management Service, as a result of those studies, concluded that you could in fact safely explore in that area. At this point that is being re-examined through the Presidential Task Force, through the two State/Federal task forces and so forth.

Mr. SMITH. The chairman has been very kind with the time. I just want to ask you how you would define risk? Did you drive down here or fly?

Mr. BETTENBERG. I flew down.

Mr. SMITH. If you get a chance, drive.

Mr. BETTENBERG. I have done that before, sir.

Mr. SMITH. Well you notice one thing in the sky, right? The absence of any impediment to the view. There are no rigs, there is nothing out there.

Mr. BETTENBERG. That is correct.

Mr. SMITH. Now does your agency, as part of the definition of risk, take into account the damage to the coastal areas from all those rigs going up?

Mr. BETTENBERG. From the standpoint of view, the area that we are talking about is completely out of sight of land. You would not see rigs.

Mr. SMITH. Unless you went out with a boat.

Mr. BETTENBERG. You would have to go out with a boat.

Mr. SMITH. There are a lot of boats that go out of here.

Mr. BETTENBERG. That is true, and in the central and western Gulf of Mexico, where they go is to the rigs to fish, as a matter of fact.

From the standpoint of potential damage; yes, we do examine that, we examine what the potential is for a spill. If you have a spill what you have to do to prepare for it. If oil reaches sensitive resources or other kinds of resources, where it will reach them, what kinds of damage it would do, and so forth.

Mr. SMITH. Would you say that the preliminary studies that you have done in this area would give you an indication that the risk of an oil spill here poses a greater threat than it did in Prince William Sound?

We are not talking about the risk of a spill, we are talking about the risk of the aftereffects of the spill.

Mr. BETTENBERG. The risk of the aftereffects of a spill?

Mr. SMITH. I guarantee you that under normal conditions, most of your risk factors about the possibility of a rig blowing up or a spill occurring or a pipeline wrenching is about the same in most areas. But I am curious about what is the risk here, with the aftereffects of a spill, as opposed to the risks that were perceived for the Prince William area.

Mr. BETTENBERG. If you had a spill, it would be much less likely here to reach shore than it would be in Prince William Sound.

Mr. SMITH. Based on the tidal motion?

Mr. BETTENBERG. Based on current patterns and especially wind patterns.

Mr. SMITH. That is incredible. We have spills here all the time from ships that are way out above the horizon using the Gulf Stream and we get that in all the time. I do not know where the wind is pushing it in your studies, but I can tell you the wind is pushing it toward our beaches in the nonstudies. We are getting garbage from naval ships way out above the horizon, coming in to our shores, from cruise ships that we can identify because they have their names on them, and plastic bags.

Mr. BETTENBERG. If you have an oil spill to the east of the Florida Keys, the probable points at which it would strike land in fact are the Keys.

Mr. SMITH. I am surprised.

Mr. BETTENBERG. The combination of currents and winds strongly tends to drive it in that direction, in fact.

Mr. SMITH. Are there any leases in the east north of the Keys?

Mr. BETTENBERG. No. The area that we are talking about is north and west of the Keys. And so your trajectories are very different there.

Mr. SMITH. Who gets it, Tampa?

Mr. BETTENBERG. No, sir. The typical trajectory would blow the oil west——

[Applause.]

Mr. SMITH. Well that is OK then, Mexico is already ruined.

I do not want to take any more time. Thank you very much, Mr. Chairman.

Mr. MILLER. Well let me just say that I think Congressman Smith has raised a good point. It is constantly suggested, and just a month ago was suggested to this committee, that we have what is essentially a very good track record with respect to oil spills from oil rigs in the Outer Continental Shelf. It has been held up and suggested during the debate after the *Exxon Valdez* that we really need not worry about oil rigs; it is the tankers that are the problem.

I do not know what the proposal is for the movement of oil, should development be allowed here, whether it be by tanker, pipeline or both. I believe, however, the Coast Guard in the same hearing said not to get so cocky because just remember, when you have a spill at a rig, your chances of containment are dramatically reduced as a result of the fact that you are obviously in the open seas and you do not know the size of your waves. After what we learned about the *Exxon Valdez,* any kind of sea movement. They could not contain the *Exxon Valdez,* one, because of volume, but also even there they were in essentially smooth water and they could not do it. And they warned us that this is all an interesting track record. We had a 10-year track record of only a couple hundred gallons in *Exxon Valdez,* and then the next day we had 250,000 barrels.

You know, we build in these assumptions based upon the past. I guess that is how you do some risk assessment, but it is a little bit misleading to tell people that this can all be taken care of because it is stationary or we know where the spill is coming from, we can identify it. There are all sorts of other attendant problems. We witness those from time to time in the Gulf of Mexico and tragically off the coast of California. The notion that either you can shut off the rig or the rig does not pump enough oil to make a difference—we are only talking a few thousand barrels at most—is misleading. There are an awful lot of contingencies here that go into making whatever can go wrong, goes wrong.

So I just want to even up the balance here because there seems to be an effort to try to pit tankers versus rigs. The point of my remarks is, when it goes wrong at either site, you have got a real problem on your hands. And with the state of technology in containment, we do not have a solution.

Mr. BETTENBERG. Mr. Chairman, if I could comment on that. I think that you are right, that we have to be extraordinarily careful in what we say and how we evaluate those sorts of things. If you would examine our environmental impact statements, you will find statements in those that indicate that under certain circumstances, we anticipate that we can do a fair job of cleanup; under other circumstances you cannot do a cleanup. For certain sea States, there is no equipment that will be able to clean up an oil spill at the time that those States apply.

It is also important to understand that what we would anticipate if you were to develop oil in the area between 25 and 26 degrees, that there would be both platforms in that area and that the probable method of delivery would be tankers. And that is true also in the case of Alaska. If you discover oil off the north slope, the most

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likely scenario is that the oil would come down the pipeline and so you have potential risk from tankers there as well.

We rely on a lot more, however, than past history. We are not complacent about it but we also look at the engineering factors that are involved. The average well on the Outer Continental Shelf produces 180 barrels a day. It would literally take years and years to produce as much oil as spilled in 4 hours from the *Exxon Valdez* from a blowout of a well.

We have an engineering program—an engineering oversight program—in place, that reviews every single well drilling program for every well that is drilled on the Outer Continental Shelf to assure that they are putting in pipe properly, cementing it properly and so forth. This is in advance of the approvals, and is what our approvals are based on.

The kind of reservoirs that we would anticipate in the area between 25 and 26 degrees would be reservoirs without pressure, just as in the Sunnyland field. The oil there would have to be pumped. It will not spill under those circumstances of its own nature in an uncontrolled fashion from a well. But we have—and I think we have creditably and with the State—examined all of those contingencies from exploration, and we will be producing our report on that within the next month.

You could have a spill from a fuel transfer or a rupture of a fuel tank on a drilling rig. The largest exploratory spill we have ever had is 1,500 barrels from just exactly that kind of an incident. But we have not had spills from exploratory wells due to blowouts and loss of well control, over the history of the program.

We think that we are basing our views not on history, but on the engineering that is behind that history.

Mr. MILLER. Thank you. Further questions?

[No response.]

Mr. MILLER. Thank you very much for your testimony.

Next the committee will hear from a panel made up of Deborah L. Tucker, who is from the Executive Office of the Governor, the Office of Environmental Affairs from the State of Florida; the Honorable Ron Saunders, who is a Representative of the State of Florida and the Honorable Mike Friedman, who is a Representative of the State of Florida.

Welcome to the committee. Your written statements will be placed in the record in their entirety. You can proceed in the manner in which you are most comfortable. We appreciate you taking your time to come and give us the benefit of your views.

At this point, I would like to submit into the record a statement for these hearings by Senator Bob Graham, it will be placed in the record of this testimony.

[EDITOR'S NOTE.—The above-mentioned statement of Senator Graham follows:]

STATEMENT OF SENATOR BOB GRAHAM
BEFORE THE HOUSE SUBCOMMITTEE ON WATER, POWER
AND OFFSHORE ENERGY RESOURCES
OCTOBER 14, 1989

Mr. Chairman, I would like to thank you for your willingness to hold hearings on this very important piece of legislation affecting the coastline, wetlands, and marine ecosystem of southwestern Florida. I regret that my schedule does not allow me to be here to testify in person today.

I commend Congressmen Ireland, Fascell, Young, Lehman, Bennett, Lewis, Nelson, Grant, Goss, Stearns, and Johnston and others for their hard work on H.R. 2945. Because of the unique environmental sensitivity of the Florida Keys and the Everglades, we have deferred oil and gas exploration and drilling off the southwest coast of Florida one year at a time. Our deferrals have been based on the need for adequate scientific studies which can assure environmental protection from any such activity in this area. However, those studies have been lacking considerably. Many of us have doubts whether such assurances are possible.

Continuity of protection may at this point translate into the need for permanency of a ban on oil and gas exploration and drilling south of 26 degrees north latitude in the Eastern Gulf of Mexico. In this light, longer range protection of this fragile area would allow us to focus on the broader question of formulating a national comprehensive energy policy. Such a policy could serve to guide the wise management of our energy resources, while affording the environmental safeguards necessary to protect the myriad of other valuable natural resources.

I know that my colleagues and other witnesses will describe the sensitivities of this area and the specifics of our deferrals to date. Therefore, I would ask that my statement be submitted for the record. Thank you again, Mr. Chairman for your dedicated work in this regard.

Mr. MILLER. Ms. Tucker, welcome to the committee.

PANEL CONSISTING OF DEBORAH L. TUCKER, EXECUTIVE OFFICE OF THE GOVERNOR, OFFICE OF ENVIRONMENTAL AFFAIRS, STATE OF FLORIDA, AND RON SAUNDERS, A REPRESENTATIVE OF THE STATE OF FLORIDA

Ms. TUCKER. Thank you very much, Mr. Chairman.

Mr. MILLER. I think we have got multiple mikes here. Let me see if you can get it straight. One of those is for the room and if we can get that so the people in the back can hear you.

Is that all right?

Ms. TUCKER. That is fine with me, if they can hear.

Thank you, Mr. Chairman and distinguished members of the panel. On behalf of Governor Martinez, I would like to welcome you to Key West. We appreciate you taking the time to come down here and hold this hearing today. The Governor asked me to express his regrets to you that he was not able to personally be here today, but hopes to have the opportunity to maybe address the subcommittee at a later date.

The legislation that we are talking about here today, H.R. 2945, to our belief is the only way that we can provide the protection to southern Florida that it so richly deserves and demands. Since leasing was first looked at south of 26 by the Department of the Interior, the State of Florida has fought to make sure that that did not occur. Governor Martinez, former Governor Graham, many of you people, our entire Florida delegation, many, many of the citizens of Florida have had to fight this issue on a piecemeal basis. Passage of this kind of legislation would allow us to not have to do that any more.

In addition, leases south of 26 were issued by the Department of the Interior under duress by the State in 1984 and 1985. Those leases are still active, as you are well aware. The State of Florida has found plans that have been submitted by both Mobil and Unocal inconsistent with our Florida coastal management program. Those are under appeal right now also.

The Outer Continental Shelf Lands Act clearly gives the Secretary the authority to buy back leases or get them back if he determines that there may be great environmental and economic harm. It is Governor Martinez' belief that should we continue with either leasing or exploration drilling in this area that there will be that environmental harm and the only option that Secretary Lujan has is to buy those leases back.

I do not think I need to go into a lot of detail with you on what the Keys are like. I am glad you are going to have an opportunity to visit there and take a snorkeling trip this afternoon. I hope it is going to be enjoyable for you.

We have a lot of different types of habitat here that are somewhat unique to Florida, some of the seagrass beds, the coral reefs obviously, the mangrove community. If you have never been out there—or if you have, you know that these are all tied into a great delicate balance of the ecosystems of the south Florida area and provide habitat, breeding grounds, feeding grounds, et cetera, for a great variety of recreational fishing, commercial fishing, habitats

for lots of different wildlife including many endangered and threatened species.

If you will look at as map of south Florida that has drawn out all the State and Federal holdings in just the land areas that you have got drawn on the map up there, in the shaded area—virtually the whole area is covered by some State or Federal holding as a park, wildlife preserve area, State concern, whatever. So I think it has been recognized by not only the State, but the Federal Government as well, that this is a unique area, it is a national treasure and should be protected in every way we can protect it.

As you go out this afternoon and look around, you will see the clear, clean waters off of Florida. A lot of the people that have looked at the environmental studies, either through DOI or through other avenues of study, the universities and so forth, really feel like that the clean waters off south Florida, the communities, the live water communities, coral reefs, et cetera, that live there are not going to be well adapted to the type of industry that oil and gas would bring in and the kinds of effects that we may see there.

We realize that there is a lot of fishing that occurs off Texas and Louisiana but it is a totally different kind of habitat there, different kind of water quality, different type of bottom types and so forth.

Our whole economic base is on what we have here as resources; tourism, retirement, recreational and commercial fishing. People are not going to come here if we do not have these kinds of resources to provide to them. Put simply, we in Florida and I think we as a Nation cannot afford to run the risk of putting these resources out of business essentially, out of commission.

We can look at statistics all day, we can talk about what they mean. Accidents do happen. As with the Valdez incident, we found that when they do happen, we found that we do not have the technology to be able to control them, to make sure that damage does not occur.

In addition to catastrophic events such as oil spills, we have some major concerns in Florida bout other environmental effects that oil and gas activities may have on the shallow, clean water communities off Florida. Among the destructive possibilities are physical disturbances caused by anchoring, pipeline placement, reconstruction, the resuspension of bottom sediment, shadowing effects of platforms and mud plumes and the chronic pollution of the clear waters of the discharge from drilling effluent.

Back in the 1950's and early 1960's there were some wells drilled off the Markases Keys, where they went out and put a platform down. You can still see flying over, the round areas where they had the legs of that rig down in the coral reef, it has not grown back in this many years.

The Governor is continuing to work with everybody he can to ensure protection here. We have Secretary Lujan coming down next week to take a look at the area and make sure he understands fully what we are talking about here. We would like to get him diving, but I do not think we will probably be able to do that, but at least take him out in a glass bottom boat and let him see the

mangrove communities and the grassbeds and what it means to the south Florida area.

In addition, we commend President Bush on his recognition of our concerns by putting together the Presidential Task Force. We hope that they will come up with an unbiased report and look at everything closely as they go through their deliberations as well.

The Valdez incident I think not only heightened all of the States' concern but the Federal Government's concern on how we can respond to oil spills. After that incident occurred, Governor Martinez sent a team to Alaska to look at how we could learn from that incident, what kind of response was adequate or not adequate, what kind of plans did they have in place, and come back and make some recommendations as to how the State can better prepare itself in the event of a spill something like that that occurred in Alaska, whether it be from OCS operations or from tankering, which we already have a lot of going through the Straits of Florida.

With the Governor's recommendation and blessing, our legislature last June passed a bill which would prohibit any oil and gas activities south of 26 degrees north in State waters, on the west coast of Florida. That legislation would essentially preclude, if you will, a pipeline coming from the OCS across into State waters in that area.

In addition there is I know proposed legislation, H.R. 3394, which has I think been introduced into the House, which will be looking at navigational and tanker safety. We have received some copies of some proposed amendments to that, which would require a closer look at those areas which have prohibited oil and gas OCS activities—would require that they be given a closer look at if they have precluded those activities. Passage of such legislation which we are talking about here today would assist in making sure that the south Florida area where we do have a lot of tankering coming in, over 5000 ships carrying over 21 million barrels of product each year, well over what was spilled in the Alaskan incident. It would require that they be given special attention and a closer look for protection.

Again, we have a lot of concern as to oil spills but there are a lot of other concerns as well. The Task Forces that Mr. Bettenberg talked to you about today are taking a real close look at exploration drilling activities, not only from the oil spill risk, but from just general activities of pipeline placement or replacement, whatever, general disturbances. Those reports should be finished up by the first of next month. I will make sure that you personally receive copies of those upon their completion. Again, we are dealing only with exploration drilling and are not making any type of assessment beyond that. But we in the State of Florida have real concerns about the type of industry that oil and gas activities would bring beyond exploration into development production. We have elected to develop our coastline for recreation for us and the Nation and we would like to keep it that way.

I think we recognize greatly the need to do our part in energy conservation and making sure that we have enough energy for the Nation, and we have done so regarding the OCS program by working with the Department of the Interior and industry in allowing activities; leasing, exploration, to occur in areas where they are

less sensitive and we have assurances that we have protection not only for our resources, but the economies that they support also. I think we can continue that and probably will one day see some development production maybe up off the panhandle in some gas prone areas there.

So it is not that we are against everything per se, but there are limitations to what we can accept here in Florida.

There were some—when the Presidential Task Force held their workshops around Florida, there were several questions which the Governor posed to them sort of rhetorically and asked them to consider as they went around the State. These are questions that I think Congress should consider also in its deliberations on this legislation and I would like to just briefly read those for you before I close. Before I start I could say also that I think these types of questions would also be appropriate in other areas of the Nation as well, such as off California and Washington.

Are the limited oil and gas resources more important than south Florida's coastal and marine resources which cannot be replaced?

Can anyone assure Florida and the Nation that the precious natural resources will not be permanently damaged in the event of a major oil spill for which all response efforts would be inadequate?

Will the same resources be available for the enjoyment and benefit of our children and grandchildren should oil and gas development proceed off of southern Florida?

Can the recommendations by the Presidential Task Force to President Bush be anything but permanent removal of this area from further consideration of leasing, exploration and development?

And I think in all cases the Governor's response to that back to the Task Force is I do not see how you can say anything but no.

Congressman Miller, again, I would like to thank you for coming down and providing me the opportunity and the Governor the opportunity to provide testimony to you. If there is anything that the Governor or our office can do to assist you in your deliberations, we will be happy to do so. [Applause.]

Mr. MILLER. Thank you very much.

[EDITOR'S NOTE.—Prepared statement of Governor Martinez follows:]

STATEMENT OF

GOVERNOR BOB MARTINEZ

ON BEHALF OF

THE STATE OF FLORIDA

Honorable George Miller, Chairman
U.S. House of Representatives
Subcommittee on Water, Power and
Offshore Energy Resources
Key West, Florida Hearing
October 14, 1989

Thank you for the opportunity to present this testimony on an issue whose importance to Florida cannot be overstated. Your presence here today, and in other hearings you will hold, indicate just how serious Outer Continental Shelf oil and gas activities are. I strongly believe that the bill you are holding this hearing for (HR 2945) is the only way we can provide the protection southern Florida deserves and demands from the potential negative impacts of offshore oil and gas activities.

Since leasing was first considered for the area south of 26" north latitude in the eastern Gulf of Mexico, Florida has continued to object. We have had to continuously fight to ensure that protection is obtained. This legislation will give permanent protection for southern Florida and preclude the need for me and the Florida Congressional Delegation to have to deal with offshore activities in this area on a piece-meal basis, year after year.

In addition, it is imperative that the leases sold in 1984 and 1985 be returned to the federal government. Section 5 (2) (A) of the Outer Continental Shelf Lands Act, as amended, gives the Secretary of the Interior the authority to cancel leases at any time, if after a hearing, it is determined that

> continued activity pursuant to such lease or permit would probably cause serious harm or damage to life (including fish and other aquatic life), to property, to any mineral (in areas leased or not leased), to the national security or defense, or to the marine, coastal, or human environment.

I believe that continued OCS oil and gas activities will cause serious harm to the marine and coastal environments and economy of southern Florida to the extent that the only option that the Secretary has is to cancel the leases.

Let me share with you the reasons why I strongly believe it is imperative that this legislation pass.

The coastline and ocean areas of southern Florida offer unparalleled richness and natural beauty. They are living textbooks on marine, coastal, and subtropical ecology, serving as highly productive breeding, nursery, and feeding grounds for a great number and variety of fish, birds, mammals, and invertebrates, including may endangered and threatened species.

The vast diversity of natural resources and intrinsic rare beauty characterize southern Florida and the Florida Keys as one

of the most fascinating and attractive places on earth. The natural land mass, surrounding mangroves, seagrasses and marshes, as well as the offshore coral reefs and live-bottom habitat, collectively are found nowhere else on earth. The resulting wildlife assemblages have no counterpart anywhere.

And that is precisely why I believe that it is so important, so vital, that we recognize our role as custodians of this natural treasure. We simply must protect these resources from anything that could destroy them. That is why I have worked for so long with many in the State and Congress to oppose offshore oil and gas exploration and development activities which would threaten these resources.

I believe these priceless resources deserve and demand every measure of protection we can give them. I have detailed the reasons for this belief below.

We are blessed as a nation by having the most extensive living coral reef in the continental United States off of the Florida Keys. These beautiful and highly productive reefs are often compared with the Seven Wonders of the World.

The environmental and historic resources of the area are recognized as both state and national treasures. This is reflected in the number and vast area of state and federal holdings such as parks, aquatic preserves, wildlife refuges, recreational areas and historic monuments.

The Everglades System alone has been recognized for its importance and uniqueness by the United Nations through its designation as an International Biosphere Reserve, Wetlands of International Significance, and World Heritage Site.

All of the habitats of south Florida contribute greatly to the delicate balance of the area. These ecosystems are linked significantly by functional processes and are dependent on the healthy condition of each to preserve the whole functioning system.

In some cases the ecological interactions with adjacent habitats are poorly understood. However, in many cases it is clear that species of fishes, invertebrates, birds and mammals move between the mangroves and seagrasses to the offshore coral reefs and live-bottom areas and terrestrial forests and freshwater habitats as they complete their life cycles.

For example, the gray snapper spends part of its juvenile life in seagrass beds, migrates to mangrove fringes and then moves offshore to reef areas as adults.

Similarly, pink shrimps important to Florida's commercial

fisheries are found in the mangrove-lined bays and rivers as juveniles and move offshore to the Tortugas shrimp grounds as adults. It is in this offshore area that the adult shrimps spawn. The eggs and larvae are then carried by ocean currents into the estuarine areas of Florida Bay and the Everglades to spend their lives as juveniles.

Juvenile spiny Florida lobsters spend much of their lives in the mangrove prop root habitats and move offshore in the seagrass beds and reefal/live-bottom communities as adults.

As important as they are beautiful, coral reefs and live-bottom areas serve as important areas for all aspects of fishing, education, research and diving and snorkeling.

Most of the sought-after commercial and recreational fishing species spend all or part of their lives in the reefs and live-bottom areas. The life history patterns of individual species vary, but the reef is a critical link to their success.

Tropical coral reefs are richer in fish species than any other habitat and have one of the highest productivities of any ecosystem on earth.

Recreational diving attracts more than a million people to the Florida Keys annually. These divers rent and purchase equipment, charter tours to the reefs, and purchase food and lodging - transactions that provide substantial jobs for thousands of Florida residents. Tourists come from as nearby as Homestead and Miami, and as far away as Europe and Canada. Best of all, for the most part diving activity is a nonconsumptive form of reef usage.

The mangrove ecosystem of south Florida, with its forest canopy, masses of aerial roots, muddy substrates, and associated creeks and small embayments, offers habitat opportunities for numerous species including many of commercial and recreational importance. In addition, they harbor many threatened and endangered species such as the American crocodile, the Atlantic ridley sea turtle, the Florida manatee, the Key deer and the Florida panther as well as others.

Mangroves also serve the important functions of shoreline stabilization, water purification and storm protection.

One value of the mangrove system of south Florida which is difficult to place a dollar value on it its aesthetic value to man. The mangrove belt bordering over 90% of south Florida's coasts, along with the remaining sections of the freshwater Everglades and the Big Cypress Swamp, are the only remaining wilderness in this part of the United States.

Seagrass meadows are highly productive, rich ecologically important habitats found off south Florida. The complex structure of the meadow represents living space and protection from predation for large populations of invertebrates and fishes. This combination results in seagrass meadows being perhaps the richest nursery and feeding grounds in South Florida's coastal waters. Many species, including those which are commercially important within mangrove, coral reef and continental shelf communities, are linked with seagrass meadows.

In south Florida the disappearance of seagrasses would yield a far different seascape. Much of the region would be shifting mud and mud beds, while many areas of sediment would be eroded to bedrock. Based on communities found in such areas, production would be dramatically decreased to the point that the support base for abundant commercial fisheries and sport fisheries would shrink if not disappear.

Quite plainly, the clear clean-water communities off southern Florida are quiet different from those off other Gulf coast states where natural oil seeps and high turbidity occur and where oil and gas development has occurred over the last 50 years. It is this uniqueness of Florida's resources which leads many scientists to believe that the marine and estuarine communities off west and south Florida are not well adapted to withstand the adverse impacts associated with OCS oil and gas activities.

Put simply, we in Florida cannot afford to run the risk of losing the natural resources that have been our state's lifeblood for so many years.

A recent Department of the Interior report suggests there is a 6 percent chance of a significant oil spill during exploration activities. Even if this risk was one one-thousandth of a percent, it would be too high a risk for such irreplaceable resources.

After all, who thought there was much chance of an oil tanker spilling 11 million gallons of oil in Alaska? And who thought a tanker could ever slam into the Sunshine Skyway Bridge and knock a quarter-mile stretch of roadway into Tampa Bay?

Accidents do happen. Any risk is too much risk.

The economy of south Florida is directly tied to the area's warm climate, clean tropical blue-green waters, sandy white beaches, abundant fishing, multitude of natural resources and intrinsic beauty.

Tourism and commercial and recreational fishing are the major economic activities of the area. The tourist industry

brings in millions of dollars to the area annually. The commercial and recreational harvest of fish and shellfish adds billions of dollars annually in value. Much of this commercial and recreational fishing industry depends on the coral reefs and associated shallow water and offshore habitats.

With a majority of the state's population living in and deriving income from jobs related to our rich and diverse marine and coastal areas, we must remain very concerned about the vulnerability of our state to the potential impacts and changes that offshore oil and gas activities may bring. The coastal and marine resources, especially those off southern Florida, are the foundation of Florida's economy and quality of life. In a healthy condition, these self-sustaining resources will continue to attract people to live and visit in Florida. Without them, the ecology and economy of the area is doomed.

In addition to the catastrophic effects an oil spill would bring, Florida has a great deal of concern about other detrimental environmental effects that oil and gas activities may have on the shallow, clean-water marine communities off Florida. Among the destructive possibilities are physical disturbances caused by anchoring, pipeline placement and rig construction, the resuspension of bottom sediments, shadowing effects of the platforms and mud plumes, and the chronic pollution of clear waters from discharge of drilling effluents.

Since taking office, I have maintained a strong environmental program to ensure that our policy to protect coastal and marine resources and the economies they support is not compromised by federal initiatives to lease, explore and develop oil and gas resources in appropriate areas off Florida.

I worked successfully with former Interior Secretary Hodel to delay future oil and gas activity in the most sensitive areas, and have continued the dialogue with Secretary Lujan. In fact, I will be hosting Secretary Lujan for a tour of these very coastal resources next week.

The Department of the Interior, recognizing Florida's legitimate concerns, removed much of the area surrounding the Florida Keys from consideration of leasing in their 5-year oil and gas leasing program.

However, the area south of 26" north which was leased for oil and gas exploration prior to my becoming Governor, and which is the subject of this proposed legislation, remains of critical concern to me as well as other officials and citizens of Florida.

I commend President Bush's recognition of these concerns by delaying further leasing in this area and establishing an OCS Leasing and Development Task Force to address environmental

issues. I firmly believe that this Task Force's report to the President in January 1990 should include the recommendation to remove this area from further consideration of leasing and to not allow exploratory drilling activities on the leases which occur there.

The unfortunate Valdez incident which recently occurred in Alaska has heightened the entire nation's concerns regarding our abilities to adequately respond to major oil spills. Shortly after the Valdez accident, I sent a team of state representatives to Alaska to assess the situation and learn from the experience how Florida can better prepare for a similar disaster.

Upon their return, the team reported their findings along with 13 specific recommendations that I immediately directed state agencies to act upon. Since then, Florida has taken a number of steps to reduce the risk and increase our state's preparedness to respond to the real threat of a major oil spill.

This past June our Legislature approved my recommendation of a ban on oil and gas activity in state waters off southern Florida. I have also met with U.S. Coast Guard Commandant Admiral Paul Yost to ask that he consider moving tanker and other vessel traffic to safer distances from our sensitive coastline.

In addition, proposed legislation (HR 3394) dealing with navigational and tanker safety includes a proposed amendment to limit or prohibit the movement of tankers in areas where oil and gas activities are being prohibited. Passage of the legislation to prohibit oil and gas activities south of 26" north latitude would greatly strengthen the need to carefully consider and restrict tanker traffic in that area as well.

This concern and reaction to the Valdez incident is not confined to Florida. Secretary Lujan's similar recognition of the inadequacy of planning and clean-up was expressed in his directive to the Minerals Management Service to undertake immediate and intensive review of current regulations and policies to see what changes need to be made for clean-up and oil spill containment from offshore exploration and production activities. In addition, he announced the commitment of a six million dollar budget to be used over the next three years for research in oil spill detection, containment and clean-up technology.

Regardless of how prepared we all are, however, we must realize that major oil spills can and do happen and when they do they cannot be cleaned up. Industry experts have noted that there is no technology that works in an open-ocean spill and that even under the best of circumstances the amount of oil recovered is 10 to 20 percent.

In June 1988, former Secretary Hodel and I agreed to form two task forces to address oil spill risks and impacts from exploratory drilling activities in the area south of 26° north latitude. Preliminary results of the task force reviewing oil spill risks to south Florida from an accidental oil spill are alarming at best.

Oil spilled in this area will likely make landfall along the Florida Keys and could stretch along Florida's east coast. Preliminary results also indicate that a spill off southwest Florida can, under certain conditions, reach sensitive coastal and marine habitats within only a few hours. This task force report will be complete soon. I will see that you receive copies upon its completion.

Picture if you will the subtropical habitats of south Florida coated with oil - birds and manatees dying, sensitive coral reefs lost forever and mangrove forests severely damaged. Think carefully of what this would mean to Florida's fishing and recreational and tourist industries, which depend on these fragile resources for their existence. This low energy area cannot be cleaned and cannot readily clean itself rapidly through natural wave action.

Studies currently being conducted by the Department of the Interior of an oil spill that occurred in Panama in habitats similar to those found in south Florida show extensive damage to mangroves, and seagrasses and unexpected damage to coral reefs. It is not yet known how long it will take for these resources to recover - if they ever truly do.

Florida is already assuming tremendous risks from the tankering of oil and refined products through the Straits of Florida in and out of the Gulf of Mexico. Each year more than 5,000 ships pass through the Straits each carrying as much as 21 million gallons of oil --- twice the volume that spilled from the Exxon Valdez.

As I mentioned earlier, I am taking steps to reduce these risks. We simply cannot accept the additional risks from OCS oil and gas development in this sensitive and unique area.

In addition, the second task force is addressing concerns regarding other aspects of exploratory drilling on the important habitats and fisheries of the southwest Florida shelf such as routine drilling discharges, increased vessel traffic, and water pollution.

Impacts which can be expected from exploratory drilling will be multiplied numerous times should development and production ever occur in this area.

I also have concerns about the type of heavy industry that would accompany oil and gas development and production in south Florida. Florida has elected to develop its coastal resources for the enjoyment and benefit of all the nation as a place to come to relax and recreate. This type of industry is not compatible with this development. While I fully recognize and support the goal of making America energy-independent, I cannot accept additional damage to already stressed marine and coastal resources for the gain of a few days worth of oil and gas. There are other areas of the nation that have and can more readily accommodate this type of industry.

The Department of the Interior's estimates for oil and gas resources for the area south of 26° north latitude have recently been substantially increased from earlier estimates of 90 million barrels of oil and 20 million cubic feet of gas. Even this new estimate is simply a "drop in the bucket" when compared to estimates on economically recoverable resources estimated in the entire outer continental shelf.

Florida is doing its share to help our nation reach energy self-sufficiency, through energy conservation, research into alternate energy sources and by not objecting to leasing and exploration in less sensitive areas where proper environmental studies and controls have been met. I cannot, however, accept this in south Florida at the expense of our limited precious natural resources.

Florida is also doing its part to protect the environmental treasures that I have been discussing. Each year we spend well over $100 million acquiring environmentally sensitive land, restoring damaged ecological systems, and protecting the coastal and marine areas of Florida.

We do not ask the federal government to do everything for us. But we do ask that the government join us in a partnership to protect and preserve what God has bestowed upon us. If the federal government is not willing to act in good faith in such a partnership, we must look to other ways to preserve and protect southern Florida. The legislation for which this hearing is being held will assist greatly in that task.

In closing, I would like to reiterate some questions and responses that I asked to be considered by the President's OCS Leasing and Development Task Force as it held its workshops in Florida. These are questions that Congress should consider as well in its deliberation on this legislation.

Are the limited oil and gas resources more important than South Florida's coastal and marine resources, which cannot be replaced? Clearly, the answer is NO.

Can anyone assure Florida and the nation that precious natural resources will not be permanently damaged in the event of a major oil spill for which all response efforts would be inadequate? Again, the answer must be NO.

Will those same resources be available for the enjoyment and benefit of our children and grandchildren should oil and gas development proceed off southern Florida? I believe the answer to that is also NO.

Can the recommendation by the Task Force to President Bush be anything but permanent removal of this area from further consideration of leasing, exploration, and development? I believe, and sincerely hope, that the answer to this question must be an unequivocal NO.

Congressman Miller, thank you very much for the opportunity to comment on this proposed legislation and for giving others this opportunity as well.

Mr. MILLER. Please proceed.

Mr. SAUNDERS. Mr. Chairman, distinguished members, my name is Ron Saunders and I am a member of the Florida House of Representatives.

Mr. MILLER. If I can interrupt for just a minute. Some people are having a problem here. You are more than welcome to come up here and take these front row seats if you are not bashful if for some reason you cannot hear because of the acoustics in the room. Please feel free to move forward. Go ahead.

Mr. SAUNDERS. Thank you, Mr. Chairman.

As I was saying, my legislative district includes all the Florida Keys and part of the Everglades and Dade County. I have the difficult task today of trying to add to the very eloquent comments given by Representatives Lehman, Smith, Fascell and Ireland as well as the very incisive comments and questions offered by Representatives McDermott, DeFazio and Chairman Miller. I just wish we could get a copy of a videotape of today's meeting so that when the Department of the Interior decides to have another hearing, we can just replay the videotape over and over and over until they get the message——

[Applause.]

Mr. SAUNDERS [continuing]. And that message is "no oil drilling near the Florida Keys".

We have been to several meetings and hearings and we feel like sometimes we are saying the same things over and over, but if that is what it takes, that is what we will do. But today is a different situation because today we are speaking to a panel that not only has the ability, but I think the desire to protect the Florida Keys. [Applause.]

Mr. SAUNDERS. Although it is difficult to add much to what has already been said, I rarely get the opportunity to speak to such a distinguished panel and being a politician I rarely turn down the opportunity to have a public forum, and so I would like to offer several comments.

My family has been in the Florida Keys——

Mr. MILLER. We rarely have the opportunity to hear from such a distinguished individual, so you go ahead and talk——

Mr. SAUNDERS. Thank you very much.

Mr. DEFAZIO. As you know, we also appreciate brevity.

Mr. SAUNDERS. That is one thing I have learned, the best speeches are short speeches.

My family has been in the Florida Keys for five generations and so I understand the sensitivity of our natural resources. But you do not have to be a native or a resident of the Florida Keys to recognize certain realities.

I do not have to tell you how sensitive our Florida waters are off the Keys. When you go out in the boat today, you will see how clear they are and how sensitive they are, and you will recognize that any type of drilling, even exploratory drilling, will create turbidity and the use of toxic mud that will endanger these very sensitive waters that have been designated by the State of Florida as outstanding Florida waters.

I do not have to tell you how sensitive our living coral reef is. If you decide to go diving today, you will see that any type of leak or

spill, whether it is one in a million, one in a billion, whatever the chances are, are too great to take, particularly if you have ever seen videotapes or personally visited Prince William Sound. You know we cannot accept that kind of risk in the Florida Keys.

I do not have to tell you that the Florida Keys have very little land mass. As you drive up the Keys or fly over them, you are going to see that we do not have the land mass to accept some of the onshore consequences; the storage of pipelines, the storage of heavy equipment, emergency response equipment. We just do not have that land mass.

So there is very little that I can tell you that you do not already know. So basically the reason I am here today is to ask you to do one thing, and that is recognize reality. Recognize the reality that the citizens of the Florida Keys will never ever accept drilling near the Florida Keys. [Applause.]

Mr. MILLER. Thank you.

Mr. SAUNDERS. I have lived here all my life and I have never seen an issue that has so united the citizens of the Florida Keys, and I think that you will see that in later discussions today. Recognize the reality that the citizens of Florida will never accept this type of development. You have heard from our entire Florida Congressional delegation that say they are opposed to this type of development. I have talked to groups throughout the State of Florida and they are united in this position.

Recognize the reality finally that members of Congress not only have a responsibility to their individual districts, but to protect all of the natural resources of this country. I know this panel is going to be hearing a lot of testimony and I have faith in your ability that you are going to be guardians of our very, very natural resources that are very, very valuable. And so I ask you today to take the opportunity when you to back to Washington to protect one of our most natural treasures and most sensitive treasures, the very sensitive Florida Keys.

Thank you very much. [Applause.]

Mr. MILLER. Thank you.

Ms. Tucker, let me just say that I think that on behalf of the Governor, you make a very good point. It is not just oil drilling. I come from the San Francisco Bay area and my district either has in it or immediately adjacent to it five or six refineries. I do not suggest that you are going to have refineries here because I am not sure you can get a new refinery permitted in the United States. But there is more to this than meets the eye.

It is not just the rig, it is not just the act of drilling through the crust and finding oil. All the attendant parts of that economy take place, and all of them have environmental impacts. We have watched in California economic growth be stifled because of air quality from offshore rigs. Many years ago, people did not think the two things were connected, now we know they are directly connected. We have found inconsistencies in the plan because of what the State wanted to do and how oil development would or has already impacted on those goals for our own economy. So there are a number of areas.

The other one is that, in the 15 years I have been directly involved in this issue, I have found that this industry will promise

you anything. What you find out, after you have reached agreement, is they spend most of their time in court fighting those things they told you they would agree to do. They spend an incredible amount of time before State legislatures trying to whittle away at the very safeguards that were agreed to 3, 4, and 5 years before. And as we found with the *Exxon Valdez,* in the beginning of the program, we really had what was a model, a worldwide model, for the safe movement of oil. And by the time the *Exxon Valdez* wrecked, we sort of had one person part time on duty who I think was running the Tasty Freeze that night. And it is a real indictment in terms of broken promises.

And so in my discussions on the north slope of Alaska and the offshore, I have found that this industry will have zero discharges, no toxic muds, no this, no that. But each plan comes back, and they are asking for a variance here and a deferment there. We will get to that later and we will move these time lines, and you are kind of back to where you were before, which is operating a system of great risk.

Finally, whether 100 barrels or a quarter of a million barrels, as far as the toxic impact on a lot of our natural resources, it takes a minimal amount. As we are finding out in Alaska, one drop of oil on those eggs of the eagles is preventing the birth of new eagles. One toxic fish is now screwing up the bears. I mean this thing is all interconnected.

I have only been to the Keys one other time, and I think you start to appreciate how fragile the whole operation here is. It is really very marginal in terms of its survivability. So I would just hope that in these discussions that none of us, this panel or the President's Commission or the Governor's people who are watching out for this in the State legislature, let this issue get too focused onto whether one or two rigs are going to provide you the kind of environmental insults. There are huge ramifications to the acceptance of this activity into your neighborhood, if you will.

Mr. MILLER. Thank you very much for your testimony. [Applause.]

Congressman DeFazio.

Mr. DEFAZIO. I just want to reflect on one point that Ms. Tucker made and that was the way you phrased something. You said you hoped that we come up with an unbiased report. And I think it is really sad that we have to be reduced to hoping that the report that comes back from the Presidential Commission is unbiased. I mean that should be a given to the American people, that we are going to get the information we need to balance this decision and the potential consequences of these decisions. And I just share your hope, but I also want to say I am saddened by the fact that we have to hope or fight or prod to get an honest report back. [Applause.]

Mr. MILLER. Jim.

Mr. MCDERMOTT. I would just like to raise one question. You raised the other environmental problems. Has the State done anything in terms of evaluating the secondary environmental effects of sewage treatment and all the other things that would come if an oil industry came to this area? It would bring more people, it would bring more sewage, it would bring more garbage disposal, it would

bring all the other problems that human beings bring with them. I wonder if you have done studies or estimated what that kind of impact would have on what I suspect is already a somewhat stressed system of disposal of the usual problems of civilization.

Ms. TUCKER. You are right, it is already stressed, especially down in south Florida. Back in the early 1980's the Coastal Energy Impact Program funded some facility-siting studies which looked at the potential for siting of OCS facilities on the western coast of Florida. Some of those reports looked at infrastructure needs in the sense of siting, but also what it would mean as far as bringing in people and so forth. We have not looked in detail lately other than knowing that yes, when you bring in X number of people in, it is going to require a strain on these infrastructure abilities there, but not looked at it in any real detail recently.

Mr. SAUNDERS. Mr. Chairman, may I also respond to that?

Mr. MILLER. Sure.

Mr. SAUNDERS. I serve on two committees that are looking at that issue. I am Vice Chairman of the Appropriations Committee that is looking in the budget at how we can assess some financial responsibility to oil companies if they proceed with what we consider to be irresponsible actions. We will be filing a bill that is going to raise the cap on our coastal protection fund that is paid in by oil companies for pollutants tax and also removing the cap on the tax itself, to make sure oil companies know they have to be responsible corporate citizens when they create impacts on the citizens of Florida. So we are looking at that from an appropriations standpoint as far as where is the money going to come from if this type of permit is issued.

The second committee that I am on, I am chairman of a Subcommittee on Environmental Regulation and we are looking at perhaps stronger regulations of on-site activity in the State of Florida. The difficulty we have is coordinating our efforts with the Federal Government. We passed a bill that I sponsored that prohibited drilling in State waters, but we have really no direct say over what happens in Federal waters. We rely on you to help us in that regard. What we are looking at is what kind of regulations do we need in the State of Florida that we do have control over that will send a message to the oil companies that you may be able to somehow persuade the Department of the Interior to proceed with an irresponsible plan of action in Federal waters, but you will pay the consequences with increased regulations within the State of Florida.

Mr. MCDERMOTT. I would just say that the chairman has led the way on the whole issue of liability. There will be some legislation going through the House in the next couple of weeks, one of the amendments which will be of real interest I think to anybody who is interested in this issue will be the response of the Congress to the question of double hulls and double bottoms.

As Chairman Miller says, the promises were all made in Valdez, you will have double-hulled tankers and then by a variety of methods, we did not have one when we went aground—when somebody went aground up there. Now we are going to have an amendment put forward by a Congressman from New Jersey by the name of Gallo, which would set around the entire country the requirement

for double-hulled tankers. And you will see in that vote whether or not we have the strength to begin this whole process. I think it is one of those issues that will be sort of a telling mark on this whole question.

Thank you, Mr. Chairman.

Mr. MILLER. Thank you. Thank you very much for your testimony. Again, thank you for the Governor's office's help.

Next we will hear from a panel made up of John Parks who is the President of Key West Chamber of Commerce; Don De Feo, President of the Key West Hotel and Motel Association; and Bill Wickers, the President of Key West Charter Boat Association.

Gentlemen, welcome to the committee. Your written statements will be put in the record. Proceed in the manner in which you are most comfortable. Mr. Parks, we will start with you.

PANEL CONSISTING OF JOHN PARKS, PRESIDENT, THE GREATER KEY WEST CHAMBER OF COMMERCE; DON DE FEO, PRESIDENT, KEY WEST HOTEL AND MOTEL ASSOCIATION AND BILL WICKERS, PRESIDENT, KEY WEST CHARTER BOATMEN'S ASSOCIATION

Mr. PARKS. Good morning. Welcome to Key West and the fabulous Florida Keys. My name is John Parks, I am President of the Greater Key West Chamber of Commerce.

Mr. McDermott, we would like to thank you and the State of Washington for sending us our Executive Director. Our Executive Director is a native of the State of Washington.

We thank you for having this subcommittee hearing in Key West. We believe that we have one unified message for you to take back to Washington: "Permanently ban offshore oil drilling off the Florida Keys and south Florida." Chairman Miller, during your hearings today, you will hear representatives from our community supporting the passage of House Bill 2945.

The Greater Key West Chamber of Commerce represents over 600 businesses in the Key West area, employing approximately 10,000 working men and women in the lower Keys. Resolutions have been passed by the Chamber Board of Directors opposing offshore oil drilling off the Florida Keys, opposing the Mobil and Unocal leases and asking for a permanent ban of oil leasing off south Florida and the Florida Keys. The Chamber believes that oil drilling has the potential of causing both an economic and environmental disaster to our home.

As a native Key Western, I have seen the economic base of Key West change in the last 20 years. The main economic centers were the military, commercial fishing and tourism. In the early 1970's, the Navy reduced its forces in Key West causing an economic disaster because of our dependency on the jobs and monies provided by the military. While the military still plays an important role in our economy, commercial fishing has greatly diminished due to higher operating costs, increased governmental regulations and competition from foreign countries. Tourism has become our number one industry. Tourist related businesses pay 25 percent of the ad valorem taxes in Key West and it is estimated that 41 percent of the sales, gasoline and cigarette taxes are paid by tourists.

During fiscal year 1988, $4.2 million of the first 3 cents bed tax was collected from Monroe County lodging facilities. This represents $139 million in room revenues generated by the tourist industry. It is estimated that the lodging revenue of $135 million will generate over $4 million in bed tax revenues during fiscal year 1989. Key West generates approximately 51 percent of this.

The revenues generated by the tourist development tax have been used to advertise and promote Key West and the Florida Keys. Additionally these taxes were used to restore the historic Key West Lighthouse and funds have been spent and are being accumulated for the renourishment of our beaches.

We, the business community, are constantly aware of the things that can affect our tourist industry such as hurricanes, the national economy, a drop in the stock market of 190 points, the strength of the U.S. dollar and competition from other States and foreign countries. Our number one industry is a fragile industry and we will fight to protect it. We believe that offshore oil drilling has the potential of causing an environmental and economic disaster for Key West and the Florida Keys.

We have little to offer any other industry; we have a poor, inadequate transportation system, we only have one highway; a limited, untrained work force, there is less than three percent unemployment in the county; and a high cost of living, the highest cost of living in the State. Tourism is the only industry that makes sense for the Florida Keys.

Business decisions are often a balance of risk versus gain. Is the potential short-term gain really worth the long-term or even permanent damage to our waters, reef and livelihood? We say no.

We live in an area threatened year after year with potential devastation from a major hurricane. Should the Keys be subjected to a hurricane disaster followed by the ravage of an oil spill from a hurricane-destroyed rig? We say no.

Today you will hear from representatives of various groups; organizations that seldom agree on anything. Yet we are here again as a united community opposing the proposed drilling, with a single message for the oil companies; you, our representatives in Congress and President Bush—"permanently ban oil drilling off the Florida Keys."

President Teddy Roosevelt said, "Speak softly, but carry a big stick." We, the community, have spoken long, often and softly of our opposition to the drilling. Offshore oil drilling is just like playing Russian roulette with the lives of the 75,000 residents of Monroe County.

Our big stick is not a strong lobbyist group, but public sentiment by the millions of people who visit the Florida Keys, those who want their children and their children's children to enjoy the beauty of our Keys, the environmental groups that want to protect what we have and the residents of the Florida Keys who are willing to tell the world of the potential dangers of offshore oil drilling and are willing to fight to protect our home.

Many of us have testified before committees three, four and even five times about permanently banning offshore oil drilling, and the same message is sent, "No oil drilling off the Florida Keys". How many times and in how many ways must we say no.

Please do not waste the taxpayers' money by allowing an additional $213,000 to be spent on yet another study on the impacts of oil and gas development on the Keys. We support Congressman Fascell in his opposition to this.

We thank the Florida Congressional delegation for supporting permanent ban of offshore drilling. We ask you for any assistance you can give us in getting our message to Congress. We also thank Governor Martinez, the cabinet, the Florida legislature, the citizens of Florida and other States for supporting the permanent banning. The support continues to grow.

We—if we have to choose between our economy and our environment, we as a united community, will choose our environment. [Applause.]

We urge the passage of House Bill 2945. Thank you. [Applause.]

[Prepared statement of Mr. Parks follows:]

OFFSHORE OIL DRILLING
THE GREATER KEY WEST CHAMBER OF COMMERCE RECOMMENDS A PERMANENT BAN OFF THE FLORIDA KEYS AND SOUTH FLORIDA

John G. Parks, Jr., President
The Greater Key West Chamber of Commerce

Good morning. Welcome to Key West and the fabulous Florida Keys. My name is John Parks and I am President of the Greater Key West Chamber of Commerce.

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The Greater Key West Chamber of Commerce represents over 600 businesses in the Key West area, employing approximately 10,000 working men and women in the lower Keys. Resolutions have been passed by the Chamber Board of Directors opposing oil drilling off the Florida Keys, opposing the Mobil and Unical leases and asking for a permanent ban of oil drilling off South Florida and the Florida Keys. The Chamber believes that oil drilling has the potential of causing both an economic and environmental disaster to our home!

As a native Key Wester, I have seen the economic base of Key West change in the last twenty years. The main economic centers were the military, commercial fishing and tourism. In the early nineteen seventies, the Navy drastically reduced its forces in Key West causing an economic disaster because of our dependency on the jobs and monies provided by the military. While the military still plays an important role in our economy, commercial fishing has greatly diminished due to higher operating costs, increased governmental regulations and competition from foreign countries. Tourism has become our number one industry. Tourist related businesses pay 25% of the ad valorum taxes in Key West and it is estimated that 41% of the sales, gasoline and cigarette taxes are paid by tourists.

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The revenues generated by the tourist development tax have been used to advertise and promote Key West and the Florida Keys.

Additionally, these taxes were used to res' · the historic Key West Lighthouse and funds have been spent and are being accumulated for the renourishment of our beaches.

We, the business community of Key West, are constantly aware of the things that could effect our tourist industry such as hurricanes, the national economy, the strength of the U.S. dollar and competition from other states and foreign countries. Our number one industry is a "fragile" industry and we will fight to protect it. We believe that offshore oil drilling has the potential of causing an environmental and economic disaster for Key West and the Florida Keys.

We have little to offer any other industry: a poor, inadequate transportation system - we have only one highway; a limited, untrained workforce - there is less than 3% unemployment in the county; and a high cost of living - the highest in the state. Tourism is the <u>only</u> industry that makes sense for the Florida Keys.

Business decisions are often a balance of risk versus gain. Is the potential short-term gain really worth the long-term, or even permanent, damage to our waters, reef and livelihood? We say <u>NO</u>!

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Today you will hear from representatives of various groups - organizations that seldom agree on anything. Yet we are here again as a united community opposing the proposed drilling, with a single message for the oil companies, you, our representatives in Congress, and President Bush -- "Permanently Ban Oil Drilling Off The Florida Keys."

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Our big stick is not a strong lobbyist group but public sentiment by the millions of people who visit the Florida Keys, those who want their children and their children's children to enjoy the beauty of our Keys, the environmental groups that want to protect what we now have and the residents of the Florida Keys who are

willing to tell the world of the potential dangers of offshore oil drilling and are willing to fight to protect our home.

Many of us have testified before committees three, four or five times about permanently banning offshore drilling and the same message is sent, "No oil drilling off the Florida Keys!" How many times and in how many ways must we say NO?

Please do not waste the taxpayers money by allowing an additional $213,000 to be spent on yet another study on the impacts of oil and gas development on the Keys. We support Congressman Fascell in his opposition to this.

We thank the Florida Congressional delegation for supporting the permanent ban of offshore drilling. We ask you for any assistance you can give us in getting our message to Congress. We also thank Governor Martinez, the Cabinet, the Florida Legislature and the citizens of Florida and other states for supporting the permanent banning. The support continues to grow.

If we have to choose between our economy and our environment, we as a united community, will choose the environment.

We urge the passage of House bill H.R. 2945. Thank you.

Mr. MILLER. Mr. De Feo.

Mr. DE FEO. Good morning, Chairman Miller and members of the subcommittee. My name is Don De Feo, I am General Manager of the Pier House Resort here in Key West and also President of the Hotel-Motel Association of Key West. The Association is a nonprofit organization incorporated under Florida laws. The members include 34 lodging facilities in this city accounting for 2900 lodging units as well as more than 60 affiliate members that are businesses providing hotels and motels, restaurants with services and products.

In recent months this Association has testified before the President's Outer Continental Shelf Leasing and Development Task Force and the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce.

Attached today I have a resolution that was unanimously passed by my Association. Craig Quirolo, the Administrator of the Key West based organization, Reef Relief, recently was asked about the community's willingness to persist in voicing its opposition to oil drilling and exploration in the Florida Keys and she said and I quote, gentlemen, "We will continue and continue until they get it right." Today I think you have gotten it right. [Applause.]

The measure you are considering today, House bill 2945, a bill to prohibit the Secretary of the Interior from issuing oil and gas leases of certain portions of the Outer Continental Shelf off the State of Florida has gotten it right, and we hope that it becomes the law of the land.

The unacceptable risk of oil development in our waters should be clear to anyone with any knowledge of the environment and the economy of the Keys, and to anyone who spends even the briefest amount of time in our islands and its neighboring stretch of 115 miles north of here.

Without tourism we would be adrift in an economic recession. Tourism in Key West and the Florida Keys is our life's blood, as we have said many, many times. Just the hotels in the Association I represent run as they have in the past 12 months an occupancy of 79.1 percent and an average daily rate of $99.83. They collect this at their front desk yearly, annually, $84 million in Key West alone. They are dealing, the lodging industry in the Keys, with a gross of $250 million this year.

We estimate that this industry employs 3500 employees here in Key West alone, not to mention the dependent families on those particular employees. And we also, throughout the Keys, estimate somewhere between six and seven thousand people directly related in our industry, serving people in a hospitality fashion. This does not take into account the thousands of jobs and the livelihoods that depend on heads and beds as the other hotels and motels, guest houses, campgrounds and other forms of transient lodging exist.

Our visitors eat in restaurants, they shop in stores, they visit galleries and cultural sites. They rent bicycles, they take taxis, they ride in tourist and conch tour trains. They pay fees and attractions and they find entertainment in our cafes and lounges. They board charter boats and explore the coral reef and experience the world class sport fishing. They rent cars and they buy airline tickets and

they go to theaters, and they in short are the basis of our economy here in the Florida Keys.

It is discouraging to learn that the Department of the Interior has now commissioned yet another study to evaluate the potential impacts of the oil and gas development in the Florida Keys. It is also equally as discouraging to observe that the Federal Government failed to live up to its custodial responsibilities, settling instead for temporary moratoriums that speak of compromise and yet no resolution. It is also discouraging to hear national security invoked as a justification for the possible destruction of this priceless environment, yet we witnessed virtually no progress towards a national energy policy that would encourage the exploration and development of alternative energy sources.

In the Keys, we live with the recurring and the threatening fact that hurricanes may hit at any time. But even with hurricanes, property can be rebuilt and communities restored to productivity. But with the consequences of an oil spill or the routine oil operations even of short duration, can take generations of long time to overcome, if indeed they can ever be overcome.

There is only one sane option and that is to impose a permanent ban on oil exploration and development in the Florida Keys and to enable the Government to buy our existing oil leases, House Bill 2945. In posing to you that this is our only wholehearted support that we can possibly give you today and we hope that you take it back with you.

Thank you very much. [Applause.]

[Prepared statement of Mr. De Feo, with attachment, follows:]

STATEMENT
by
Don De Feo, President
Key West Hotel & Motel Association
to the
Subcommittee on Water, Power and Offshore Energy Resources
U.S. House of Representatives
Key West, Florida
Saturday, October 14, 1989

Chairman Miller, Members of the Sub-Committee,

My name is Don De Feo. I am General Manager of the Pier House in Key West, and President of the Key West Hotel & Motel Association, which I represent today.

The Association is a non-profit organization and incorporated under Florida laws. The membership includes 34 lodging establishments in this city, accounting for 2,921 lodging units, as well as more than 60 affiliated members that are businesses providing hotels and motels with products and services.

In recent months, this association has testified before the President's Outer Continental Shelf Leasing and Development Task Force and the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce. On the first occasion, we joined numerous civic, environmental and business groups throughout the Keys in urging the Task Force to recommend a permanent ban on offshore oil exploration, development, and drilling in waters off the Florida coast. In the latter case, we were protesting granting permits to Unocal and Mobil specifically for leases the companies hold near our shores. Attached is a resolution unanimously passed by the Association.

DeeVon Quirolo, Administrator of the Key West-based organization Reef Relief, recently was asked about this community's willingness to persist in voicing its unqualified opposition to oil drilling and exploration off the Keys. She said: "We will continue and continue.....until they get it right!"

The measure you are considering today - H.R. 2945 - a bill to prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida - has gotten it right and it is our hope that it becomes the law of the land.

We are heartened by this bill and grateful to its sponsors, just as we are encouraged by the leadership our elected representatives from Key West and Monroe County to Tallahassee and Washington D.C., have demonstrated in opposing oil development in the waters surrounding us.

The unacceptable risks of oil development in our waters should be clear to anyone with any knowledge about the environment and economy of the Keys, and to anyone who spends even a brief time on this island or its neighbors, stretching 115 miles to the north. Our economy and way of life revolve around a thriving tourism industry. Of paramount importance is the remarkable marine environment which draws visitors to the area , and which they discover to be magnificent and enthralling. Without our tourists, we would be adrift in economic recession.

Just the hotels in the Association I represent - running as they have in the past 12 months an occupancy of 79.1% and an ADR of $99.83 - collect at their front desks over $84 million annually. And these hotels represent only about 25% of the total number of licensed tourism units in Monroe County. Figuring that Key West's rate structure is higher than the rest of the Keys - evidenced by the fact that slightly over half of the County's bed taxes are collected just within Key West - and considering that the Association represents about 60% of the units available in Key West, we are dealing with a lodging industry that grosses $250 million or more County-

wide yearly. We estimate that this industry employs 3,500 people on the premises of lodging establishments in Key West alone, and probably from 5,500 to 7,000 people County-wide with seasonal variations, in a County with a total population under 80,000. This does not take into account the thousands whose jobs and livelihood depend on the "heads in beds" at our hotels, motels, guesthouses, camping grounds, and other forms of transient lodging. Our visitors eat in restaurants, shop in stores, visit galleries and cultural sites, rent bicycles, take taxis, ride on our tour trains and trolleys, pay fees at attractions, find entertainment in cafes and bars, and board charterboats to explore the coral reef and experience world-class sportfishing. They rent cars, buy airline tickets, go to our theatres; they become - in short - the predominant part of the community's productivity. How true this is can be seen in one especially compelling indicator: tourists are responsible for almost 41% of the sales taxes collected in Monroe County.

But the environment we seek to protect has intrinsic value apart from reckonings we make in terms of dollars and cents. Our County Commission last week passed an ordinance banning the use and distribution of phosphate-bearing products, the wastes from which find their way into our waters and pose serious threats to the Reef and marine ecology of the area. It is sadly ironic that our attempts to protect this environment could be sabotaged overnight by a single oil-related disaster, not to mention by well documented dangers of oil development even under routine circumstances. Granted, our marine ecosystem is exposed to a wide variety of risks, but that in no way justifies imposing additional hazards.

It is discouraging to learn that the Department of the Interior has now commissioned another study to evaluate the potential impacts of oil and gas development in the Florida Keys. It is discouraging to observe the Federal Government fail to live up to its custodial responsibility, settling instead for temporary moratoriums that speak of compromise and irresolution. It is discouraging to hear national security invoked as a justification for the possible destruction of a priceless environment, yet to witness virtually no progress towards a national energy policy that would encourage the exploration and development of alternative energy sources.

In the Keys, we live with the recurring threat of hurricanes. Calamitous as hurricanes have been throughout this part of the hemisphere, and tragic as they often are in costs to human life, one may postulate that adequate preparedness will avert losses in life when the Keys next experience a hurricane. Property can be rebuilt and a community restored to productivity in relatively little time. But the consequences of an oil spill, or of routine oil operations over even a short duration, could take a generation or longer to overcome, if indeed they would ever be redressed.

There is only one sane option, and that is to impose a permanent ban on oil exploration and development off the Florida Keys, and to enable the government to buy out existing leases. H.R. 2945, in proposing to do that, has the wholehearted support of the Key West Hotel & Motel Association.

KEY WEST HOTEL & MOTEL ASSOCIATION

PO Box 4086
Key West, FL 33041
(305) 296-4069

RESOLUTION OPPOSING OFFSHORE OIL DEVELOPMENT IN THE KEYS

WHEREAS, the Key West Hotel & Motel Association is organized to protect and promote the interests of the Association with local, state and national legislative bodies; and

WHEREAS, the United States Department of the Interior has leased and scheduled 73 leases for oil development in the Gulf of Mexico, some of said leases as close as 25 miles from Key West and the Dry Tortugas; and

WHEREAS, those leases are subject to development by nine oil companies as early as October, 1989, when the current ban expires; and

WHEREAS, it has not been demonstrated that oil exploration and development activities can proceed without risk of pollution to the fragile living coral reefs, mangroves and seagrass beds of the Florida Keys and Everglades; and

WHEREAS, Mobil and Unocal have filed for permits to drill for oil pursuant to the leasesales in Pully Ridge blocks 799, 629 and 630 within this area; and

WHEREAS, it is evident that a national energy policy is needed that promotes the use of energy sources other than fossil fuels, which contribute to the greenhouse effect and are subject to depletion within a decade given current consumption patterns;

NOW, THEREFORE, BE IT RESOLVED THAT:

The Key West Hotel & Motel Association is unanimously opposed to offshore oil exploration and development in areas affecting the irreplaceable marine environment of the Florida Keys and Everglades;

FURTHER, we are specifically opposed to the development of 73 oil leases currently held by nine oil companies, including the request for permits from Mobil and Unocal for Pully Ridge Blocks 799, 629 and 630; subject to development at the expiration of the current Congressional drilling ban;

FURTHER, we urge President Bush, Secretary of the Interior Manuel Lujan, Governor Bob Martinez, and Florida's Congressional delegation to provide permanent protection to our surrounding waters from oil exploration and development, and to insure an immediate extension of the current

continued

drilling ban that expires in October, 1989;

FURTHER, we call on our national leadership to develop a national energy policy that provides non-polluting, environmentally safe alternatives to the depletion of fossil fuels.

Don DeFeo, President, Key West Hotel & Motel Association

NOTE: The original resolution adopted April 21, 1989, contained those portions of the above not underlined. An amendment to the original resolution was adopted on September 22, 1989, incorporating additional language represented by the portions underlined above.

Mr. MILLER. Thank you. Mr. Wickers.

Mr. WICKERS. My name is Bill Wickers and I am here representing the Charter Association. I would like to welcome this distinguished panel to the Florida Keys, home of one of the world's finest fishing grounds.

The Key West Charter Boatman's Association strongly endorses House of Representatives Bill 2945 and urges the Congress to pass it. The present yearly moratoriums prohibiting oil drilling off the Florida Keys is not good enough, and a permanent solution is needed.

The Secretary of the Interior must be compelled to prohibit drilling off the Florida Keys and H.R. 2945 would instruct him to do so.

The tourist trade is the life blood of Key West and the Florida Keys. It is also the life blood of the charter fishing industry. Tourists come here to fish, swim and dive our beautiful crystal clear waters. An oil spill would destroy the very things that over 1 million visitors a year come here to enjoy. A major oil spill from a drilling platform off the Florida Keys would be disastrous to our environment. The prevailing currents would bring the oil to the Keys with resulting damage to our mangroves, our beaches, grass flats and our coral reefs. The mangroves and grass beds or mud flats as they are known locally, are home for millions of small fish and shrimp. These fish and shrimp stay in the shallows until they reach a certain size and then they move off to the deeper water. Many of our game fish begin their lives in these shallows. The grass beds would be particularly susceptible to widespread damage because many of them are above water at low tide and the floating oil would settle on top of them, smothering the grass.

The coral reefs are also susceptible to widespread damage from an oil spill. The Florida Keys have some of the most beautiful coral reefs in the world, many of which are very shallow and even extend above water at low tide. The damage caused by oil settling on these reefs could be enormous. Corals in general are very sensitive to changes in their environment. An oil spill could be disastrous.

I am going to give this panel first-hand information on my past experiences with minor oil spills caused by callused ships and tankers pumping the sludge into the Gulf stream as they pass the Florida Keys. When a ship pumps its bilge oil or sludge from its tanks into the water, it creates a slick on the water. I have seen slicks of a few hundred feet and some that extend for a mile or more. None of them are a very pretty sight. You cannot troll through a slick because the oil follows your lines, it will turn your lines black, and also the hull of your boat. You cannot clean the oil off your lines, you have to strip it from the reel and throw it away. Besides what it does to your fishing lines and that of your boat, it also ruins the fishing in the area. It sticks to the sargasso grass that floats near the surface, and turns it black. The grass has the appearance of being burned. This grass is a vital link in the food chain because it is the home to millions of tiny bay fish, shrimp, crab, seahorses, turtles, et cetera. The game fish that the charter boats seek feed on these small fish. If you destroy the grass you will be destroying the food source for the game fish, thus you will force the game fish to go elsewhere.

These so-called minor spills I have described can usually be avoided by running your boat past them to an unaffected area where the water is clean. It is useless to fish in the middle of an oil slick.

In the event of a major oil spill from an offshore well, it is my belief and that of the members of my Association, that finding a clean area to fish would be virtually impossible. This is what happened off the Texas coast several years ago when a Mexican well spilled, and most recently in Alaska. There were no clean areas to fish because the spills covered hundreds of square miles and lasted for several months.

In closing, I would like to reiterate the fact that they Keys cannot withstand the damage that an oil spill would cause. The environmental damage would be horrendous and the resulting damage to the tourist industry could be fatal. We have a beautiful community and way of life here. We do not want to gamble on losing it.

Thank you for inviting me here to testify today and thank you very much for caring. We do need your help. [Applause.]

[Prepared statement of Mr. Wickers follows:]

All Day DEEP SEA · REEF · SAIL FISHING WRECK FISHING — MARLIN FISHING Half Day

CHARTER BOAT

Linda D III

CAPT. BILL WICKERS, JR.
1528 4th STREET, KEY WEST, FL 33040
PHONE 305 · 296-9798

October 14, 1989

TO: Committee on Interior and Insular Affiars
U.S. House of Representatives
Washington, D.C.

FROM: Capt. Bill Wickers, Jr.
Key West Charter Boatmen's Association

SUBJECT: Statement on the need for H.R. 2945 at Subcommittee Hearing addressing Offshore Oil Drilling.

The Key West Charter Boatmen's Association strongly endorses H.R. 2945 and urges the Congress to pass it. The present yearly moratoriums prohibiting oil drilling off the Florida Keys is not enough and a permanent solution is needed. The Secretary of the Interior must be compelled to prohibit drilling off the Florida Keys and H.R. 2945 would instruct him to do so.

The tourist trade is the lifeblood of Key West and the Florida Keys. It is also the lifeblood of the charter fishing industry. Tourists come here to fish, swim and dive our beautiful, crystal clear waters. An oil spill would destroy the very things that over one million vistors come to enjoy each year.

A major oil spill from a drilling platform off the Florida Keys would be disastrous to our environment. The prevailing currents would bring the oil to the keys with resulting damage to our mangroves, beaches, grass flats and coral reefs.

The MANGROVES and GRASS beds (or mud flats) are home for millions of small fish and shrimp. These fish and shrimp stay in the shallows until they reach a certain size and then move to deeper water. Many of our gamefish start their lives in the shallows. The grass beds would be particularly susceptible to widespread damage because many of them are above water at low tide and the floating oil would settle on top of them, smothering the grass.

The coral reefs are also susceptible to widespread damage from an oil spill. The Florida Keys has some of the most beautiful coral reefs in the world, many of which are very shallow and even extend above water at low tide. The damage caused by oil settling on these reefs could be enormous. Corals in general are very sensitive to changes in their environment, an oil spill could be disastrous!

I am going to give you first hand information on my past experiences with MINOR oil spills caused by callous ships and tankers pumping their sludge into the Gulfstream as they pass the Florida Keys. When a ship pumps its bilge oil or sludge from its tanks into the water it creates a slick on the water. I have seen slicks of a few hundred feet and some that extended for a mile or more. None of them are a pretty sight. You cannot troll through a slick because the oil fouls your lines. It will turn your lines BLACK and also the hull of your boat. You cannot clean the oil off your lines, you have to strip it from the reel and throw it away.

Besides what it does to your fishing lines and your boat it ruins the fishing in the area. It sticks to the sargasso grass that floats near the surface and turns it black. The grass has the appearance of being burnt. This grass is a vital link in the food chain because it is the home to millions of tiny bait fish, shrimp, crabs, seahorses, turtles etc. The gamefish that the charter boats seek, feed on these small fish. Destroy the grass and you destroy the food source for the gamefish thus forcing the game fish to go elsewhere.

These so called minor oil spills I have described can usually be avoided by running your boat pass them to an unaffected area where the water is CLEAN. It is USELESS to fish in an oil slick.

In the event of a MAJOR OIL SPILL from an offshore well it is my belief (and that of the members of our association) that finding a CLEAN AREA to fish would be VIRTUALLY IMPOSSIBLE. This is what happened off the Texas coast several years ago when a Mexican well spilled and most recently in Alaska. There were no clean areas to fish because the spills covered hundreds of square miles and lasted for several months.

In closing I would like to reiterate the fact that the Keys cannot withstand the damage that an oil spill would cause. The environmental damage would be HORRENDOUS and the resulting damage to the tourist industry would be FATAL.

It has been a pleasure testifying here today and would like to thank you for inviting me.

Mr. MILLER. Thank you, gentlemen, very much for your testimony. I do not have any questions for you. I think that you have properly stated your views and your choice here of your economy and the choice of people who visit here and live here on a regular basis. Obviously the issue is drawn about that choice and whether that can be overridden by Federal policy. And that is why we are here. I think that maybe more so in Florida than anywhere else in the country, including my State of California, we really see the inconsistencies of those two economies. People have an image and a view and a desire to come here because of the beaches and lifestyle and everything else. That seems very much at odds with the development of an oil economy, to impact on this area. And it may, for that reason, make Florida the most important ally in this effort that many of us are engaged in in other coastal States.

So thank you very much for your statements.

Mr. DeFazio.

Mr. DEFAZIO. I have no questions, but I just wanted to reflect on Mr. Parks' statement, you may have imported your Executive Director from the great northwest, but I wish you could export the attitude of your Chamber, but I think each of us—we all looked around and said I wish our local Chamber would say something like if we have to choose between our economy and our environment, you know, we as a united community would choose the environment. A very enlightened statement and I congratulate you on having a very enlightened business community.

Mr. PARKS. Thank you. [Applause.]

Mr. MILLER. Congressman McDermott.

Mr. MCDERMOTT. Peter took my statement away.

Mr. MILLER. He is very good at that.

Mr. PARKS. Chairman Miller, could I say something?

Mr. MILLER. Sure.

Mr. PARKS. This year I had pins made up to designate my year as President of the Chamber of Commerce, and the pins are for the Board of Directors and people that have helped me or will help me during the year. And when I leave, I would like to present each one of you with a pin because I know you are going to help us. [Applause.]

Mr. MCDERMOTT. There is one other thing that has been very striking going through this town, those "Ban the oil rig" signs. If you have one laying around somewhere, I think we would each like one to take home.

Mr. PARKS. Great.

Mr. MCDERMOTT. We did not want to go into the stores and ask if we could take down theirs, for fear they would not understand who we were.

Mr. PARKS. Those were printed by our local newspaper.

Mr. MILLER. Well thank you very much for your time and your effort. [Applause.]

Mr. MILLER. Next, the committee will hear from Mr. Jack Schank, who is the Regional Exploration Manager for Unocal Corporation.

Mr. Schank, welcome to the committee. As with the previous witnesses, your prepared statement will be put in the record. I do not know if you have supporting documents or whatever, but they

would also be included. Please proceed in the manner in which you are most comfortable.

STATEMENT OF JACK SCHANK, REGIONAL EXPLORATION MANAGER, TEXAS AND SOUTHEAST REGION, UNOCAL CORPORATION ON BEHALF OF THE AMERICAN PETROLEUM INSTITUTE, NATIONAL OCEAN INDUSTRIES ASSOCIATION AND UNOCAL

Mr. SCHANK. Thank you, Mr. Chairman and distinguished panel here today. I would just like to say——

Mr. MILLER. Let me see, that one mike, if you could turn that toward you, I think that is for the room.

Mr. SCHANK. As you indicated, my name is Jack Schank, and I am Regional Exploration Manager for Unocal Corporation. We do hold valid leases in the area we are here to discuss today, that is being addressed by the House bill in question.

I would just like to say I am here to speak today on behalf of API as well as the National Ocean Industry Association. I would like to deviate from the written text and just try and give you a flavor for what we would like to do here. I would like to state, just so you are familiar with it, I am not a public speaker, I am a technician. By degree, I am a geologist and have had the distinction of being associated with this project from about its inception. That is one of the reasons why they asked me to represent the industry and particularly Unocal today, to give you maybe a little different technical explanation on what we are here to do today.

The oil industry has faced a lot of obstacles in the last couple of years, one of which—the foremost of which is the moratorium, the temporary moratoriums that we have had to face in our planning, both long-term and short-term planning for our activities. These temporary moratoriums have now been going on for about the last 10 years. It is pretty difficult from our standpoint as an exploration manager to plan our activities, from a variety of standpoints, to supply the energy needs which we feel is one of our jobs, for the country. If we do not know where we can concentrate our efforts, our manpower, it is very difficult to do that.

There have been a lot of statements here today about a lot of different issues, some of which you know and I do not want to repeat. You know that our crude oil imports are at their highest since 1975, but domestic production is at an all time low. We hope that exploration activities in areas like south Florida—they cannot completely change that trend, but they may have an opportunity to at least attempt to reverse some of it.

In the process of some of the difficulties the offshore oil industry has had to go through, we have lost many thousands of jobs to foreign competition. Many exploration and development rigs lay idle presently. At the same time, Federal OCS revenues are down, the Federal deficit it at an all time high. This is a concern to all the people I think of the United States.

Opponents of offshore leasing continue to argue that OCS gas activities will tend to wreak havoc on the offshore environment. I think there are a lot of activities that you can see, particularly in those areas that I am most familiar with, which are offshore Louisiana and offshore Texas, where that is not necessary borne out.

Since 1974, there has been over 8000 exploration wells drilled in those areas without one single blowout or catastrophic event that has spilled these large volumes of oil that are being discussed here today, onto the water.

We have been operating in Florida OCS for the last 25 years without a major mishap of any type of offshore blowout or oil spill from an exploration or development rig, that has caused any long-term environmental damage there.

As you know, there has been exploration activity that has taken place in and on the Florida Keys. There have been ten exploratory wells drilled in that area, and again from the reviews and studies that I have seen, we have not seen any lasting, long-term environmental impacts from those activities.

It is those activities that lead us to believe in particular that there are significant oil and gas reserves to be found in the Federal portion of the OCS. You have heard reserve estimates that vary from the very small to the very large. I assure you our company would not have spent over $20 million in investments in our five leases in that area if we thought they were of the very small magnitude. We are in business to make money and we cannot afford that type of investment with the thought that there was nothing there to recover for that investment.

Reserve estimates that we have in that area, for your information, we have five leases on a very large structure out there, it is about 30 miles long and about 10 miles wide. We think it is probably one of the single largest remaining structures in the Gulf of Mexico as of yet unpenetrated by the drill bit. Our estimate for those reserves is in the neighborhood of about a billion barrels of oil for that entire structure.

We have done extensive geologic reconnaissance work for that entire area of the Federal OCS that you see on the map here to your left. We think the potential reserves in that area are about two and a half billion barrels. This is a maximum case number. Recent MMS estimates place reserves for that entire area, again as a maximum case, at about a billion barrels of oil. So we feel our numbers are in line with what you have been hearing from the Federal Government, as opposed to in the past where we think we have been accused maybe of gilding the lily a little bit. And we are trying not to do that here for you today, we are trying to be as frank and upfront as I can.

You have heard numerous claims that we will impact the tourist industry negatively here. I think you have heard a lot of the people on the panel before me indicate the activities that they are involved with. Quite honestly, they are all very petroleum-intensive industries. The charter boat industry, rent a car industry, the airline industry, the way people get here to Key West to spend the tourist dollars is by burning oil.

And we feel that you are right in some instances, there is no national energy policy, something that we probably very much need. In the absence of that policy, the petroleum industry has no choice but to go forward with developing those areas that they think hold the highest potential to continue to supply the energy needs of this country.

I will not take up any more of your time, the testimony is in there, and I realize that I am a less than popular witness here today. I would just like to say in conclusion that we at Unocal and the rest of the industry involved in the OCS activity are committed to the environmental issues and protecting the environment. We do not set out with the intention of destroying the environment, that is not one of our mandates. We intend to operate and think we have proven that we can operate in an environmentally sound manner. If legislation such as House Bill 2945 is enacted, it places off-limits to us, to me, some of what we feel are some of the most promising areas for oil and gas exploration in the continental United States. We feel that the country needs these resources to continue to grow and we hope that you do not enact this House Bill, to give us the opportunity to explore in these areas.

Thank you for hearing me and I will be glad to answer the questions that you have.

[Prepared statement of Mr. Schank follows:]

Statement of

Jack W. Schank
Regional Exploration Manager
Texas and Southeast Region
Unocal Corporation

on behalf of the

AMERICAN PETROLEUM INSTITUTE

NATIONAL OCEAN INDUSTRIES ASSOCIATION

and

UNOCAL

before the

Committee on Interior and Insular Affairs
Subcommittee on Water, Power and Offshore Energy Resources
U. S. House of Representatives

October 14, 1989

Key West, Florida

Mr. Chairman and members of the Subcommittee, my name is Jack Schank. I am regional Exploration Manager for Texas and the Southeast Region for Unocal Corporation. I am testifying today on behalf of the American Petroleum Institute (API), the National Ocean Industries Association (NOIA) and Unocal. API is a trade association representing some 200 companies engaged in oil and natural gas exploration, production, refining, transportation and marketing throughout the United States. NOIA is an association of 325 companies engaged in every aspect of the offshore petroleum exploration industry.

Many of our members are heavily involved in crude oil and natural gas exploration on the federal Outer Continental Shelf (OCS). API and NOIA have testified before Congress many times about the obstacles the petroleum industry faces in its efforts to find and develop more oil and gas on the federal OCS to meet U.S. energy needs and reduce the nation's heavy reliance on imported oil -- now nearly 50 percent of our daily requirement.

Foremost among these obstacles has been the "one-year" leasing moratoria that Congress has imposed on millions of acres of geologically promising offshore federal lands. We now are beginning the tenth year of such moratoria. Each year, supporters have presented moratoria as only temporary measures that would have little impact on efforts to meet U.S. energy needs. However, the impact of these continuing moratoria has been neither short-term nor inconsequential. They have held back urgently needed planning and

leasing for offshore oil and gas exploration activity, including drilling in OCS areas having some of the highest potential for new discoveries. This has significantly weakened efforts to strengthen U.S. energy security and to avoid a return to the energy supply disruptions of the 1970s. Moreover, the moratoria have compounded the harmful effects that low crude oil prices have had on domestic oil production since prices dropped in 1986.

Today we find that crude oil imports are at their highest level since 1979, and domestic oil production is at its lowest rate in 25 years. Many thousands of offshore development jobs have been lost, and hundreds of exploration and production rigs are idle. At the same time, federal OCS revenues are down, at a time when federal budget deficits are of major concern to Congress, the administration and the American Public.

Nevertheless, opponents of OCS leasing and development continue to argue that OCS development would wreak havoc on the ocean and onshore environment. Yet, the record of the U.S. offshore exploration and production industry is excellent. More than 30 years of petroleum operations on the federal OCS have clearly demonstrated that these operations are compatible with the coastal and marine environments, and that there is not a single valid environmental reason to continue leasing moratoria on drilling bans. Now, leasing opponents seek to create a permanent moratorium below 26 degrees North Latitude through enactment of H.R. 2945 by Rep. Ireland. A similar proposal has been offered regarding offshore California.

We in the petroleum industry urge this subcommittee to reject H.R. 2945 and similar proposals in the interest of the nation's energy future. The federal government should make available for leasing and exploration the best possible exploration targets on the OCS -- not close them off to all future exploration. Such closures will doom us to an ever increasing dependency on foreign sources and would severely harm the domestic offshore oil and gas industry.

Since my area of responsibility for Unocal includes the federal and state waters offshore Florida as well as onshore Florida lands, I would like to concentrate my statement on what offshore Florida represents from an energy potential standpoint and how industry views its responsibilities for environmental protection. Unocal has maintained a consistent exploration and production effort in the Gulf of Mexico OCS, which includes offshore Florida, since the 1930's. Unocal's commitment to continued activity in the Gulf Of Mexico is best demonstrated by our recent leasing activity. During 1988 and thus far into 1989 we participated in five lease sales across the Gulf, leasing a total of 596,000 acres (gross) and expending $47.3 million (gross).

In the Gulf, we have identified and taken leases in four emerging "frontier" trends: a deep Lower Miocene trend along the Texas coast, the Flexure Trend along the shelf/slope break, the Deep Water Fold

Belt further offshore, and deep gas objectives in the Mobile Bay offshore areas. We believe that these areas along with basins off the California coast, offshore Florida and the Mid-Atlantic hold the best chances for major new oil and gas discoveries in the lower-48 states.

I would like to express some concerns and opinions on leasing and drilling in the Florida OCS, particularly the area south of 26 degrees North Latitude.

These lands have been subject to a leasing and drilling moratorium that has held back oil and gas exploration on 13.6 million acres of geologically promising lands. More importantly, in enacting the fiscal year 1989 appropriations bill, Congress took the unprecedented step of banning companies holding valid leases on certain tracts off Florida from conducting exploratory drilling operations. The companies bought these leases in good faith from the federal government under Congress' own leasing mandate, yet are unable to develop them. It now appears that the drilling prohibition will be extended through FY 1990.

Even before Congress acted, the issuance of these leases -- in which my company alone invested $20.2 million (present value) just to get ready to drill -- was delayed almost three years, while environmental studies were completed. Those studies, coupled with individual live bottom studies for exploratory blocks, thoroughly examined the

biological and oceanic environment of the area before permits were issued to allow exploration drilling to take place. These delaying actions contribute to a further weakened U.S. energy security and a potential return to energy supply disruptions that characterized the 1970s. Exploration in the South Florida Basin (OCS lands south of 26 degrees North Latitude) could contribute significant reserves and offset declining domestic energy production.

There are four matters with regard to the South Florida Basin upon which I would like the Subcommittee to focus:

- Why Unocal feels the South Florida Basin is prospective.
- Reserve estimates for this area of the OCS.
- Why Unocal feels drilling can be undertaken safely and effectively.
- Aesthetics of exploration activity in this area.

SOUTH FLORIDA BASIN EXPLORATION POTENTIAL

The South Florida Basin consists of 80,000 square miles of prospective area, onshore and offshore Florida. Production has already been established from the onshore portion of the basin, referred to as the Sunniland Trend. Presently, there are fourteen primary producing fields in this trend with total historic production of 100 million barrels of oil. This production is from the shallow, immature portion of the basin, onshore Florida.

The main basin depocenter lies offshore in federal waters some 60 miles Northwest of the Florida Keys. Reflection seismic surveys, which have been conducted by Unocal and others using nondestructive energy sources, indicate a maximum basin sediment thickness of approximately 25,000 feet. The majority of the sediments in this basin are comprised of carbonates and evaporates. Carbonate sediments are made up chiefly of the mineral calcite which has been deposited by either inorganic or organic chemical processes. Carbonate rocks are the major reservoir for 40 percent of the world's oil. The major reservoirs of the Middle-East, which presently supplies the U.S. with an ever increasing portion of our imported energy, are carbonate reservoirs.

Geologic models of the South Florida Basin indicate the OCS portion to be geochemically more mature. This could permit substantially larger volumes of hydrocarbons to be generated and trapped than have been found in onshore Florida. Additionally, because the offshore portion of the basin appears more mature than the known onshore producing portions, it is possible to expect higher API gravity oils with an increasing potential for natural gas accumulations.

RESERVE ESTIMATES

As an explorationist, it is frustrating to hear reserve estimates applied as fact. Exploration personnel recognize that estimates must change as new data become available. Such is the case with the South Florida Basin.

As originally estimated in the "most likely find scenario" for the Environmental Impact Statement prepared for Lease Sale 79 (January 1984) the Eastern Gulf of Mexico Planning Area that includes the area south of 26 degrees North Latitude was estimated to contain 123 million barrels of oil and 157 billion cubic feet of natural gas. More recent MMS estimates (September 1989) place maximum potential reserve estimates of 1.06 billion barrels of oil and 160 trillion cubic feet of natural gas in the area of the South Florida Basin.

Unocal presently holds leases on five blocks or areas in the South Florida Basin. These blocks cover a portion of a very large structure 30 miles long and 10 miles wide. Potential reserves approaching one billion barrels of oil and 10 trillion cubic feet of natural gas have been estimated by Unocal for this entire structure.

Unocal has identified numerous other prospective areas for hydrocarbon accumulation, both leased and unleased, in the South Florida Basin. We believe potential reserves for the entire South Florida Basin could exceed 2.5 billion barrels and 25 trillion cubic feet of natural gas. Recent published work by Faulkner and Applegate, (Barry Faulkner is with GECO Geophysical Company and Albert Applegate is with the Florida Bureau of Geology), titled Hydrocarbon Exploration Evaluation of the Pulley Ridge Area, Offshore South Florida Basin, 1986 Transactions GCAGS, Vol. 36, have independently estimated reserves from the Pulley Ridge area of 992 million barrels of oil (maximum).

Interestingly, testimony at this year's OCS 5-year planning hearings by Lisa Speer of the National Resource Defense Council, quoted Interior Department estimates that the area south of the 26 degrees North Latitude in the Eastern Gulf contains only 15.4 million barrels of oil equivalent. No oil company can explore for such a small hydrocarbon volume in an area where no production and transportation infrastructure exists.

I believe it is very important for this nation to have accurate knowledge of its energy resources. This can be achieved only by allowing exploration to proceed in all promising basins be they offshore or onshore. This would permit us to determine our oil and gas reserves and better plan for our future energy needs.

SAFE AND EFFECTIVE OPERATIONS

I would like to briefly address the concerns over oil spills. In addition to talking about probabilities, I hope to provide a geologic perspective of why Unocal feels the chance of a catastrophic blow out due to exploration drilling is extremely low.

In the oil spill risk analysis for the Gulf of Mexico OCS Lease Sales 72, 74 and 79 an exhaustive analysis of the risk of oil spills occurring on a region-wide basis was conducted. Based on most likely resource estimates over an 18-year production life, the study

concluded that approximately one oil spill of about 1,000 barrels may occur. The risk that such an oil spill will occur -- for the first time ever -- during the very beginning of the exploration phase of the region's resources is very small.

In 1986, for example, wells in the entire federal offshore domain produced more than 389 million barrels of oil and 3.9 trillion cubic feet of natural gas. According to the Minerals Management Service, 610 barrels of that oil were spilled. That comes to less than two ten-thousandths of one percent of the oil produced from those wells that entire year. The record of the offshore industry in regard to spills obviously is excellent. From 1947 to 1987, some 7,853 exploratory wells were drilled in the Gulf of Mexico federal waters without one barrel of oil spilled as a result of a blowout.

REGIONAL GEOLOGICAL DATA

Finally, existing geological data for the South Florida Basin confirm the unlikelihood of encountering pressures which could cause a blowout. Previous wells drilled in the offshore and onshore South Florida Basin repeatedly have encountered very low bottom hole pressures. The stratigraphy of the area, which to a large degree controls pressure, is predicted to conform closely to surrounding areas. As a matter of fact, there were ten wells drilled between 1947 and 1962 in the area south of 26 degrees North latitude in state

acreage in the vicinity of and on the Florida Keys. These wells were drilled without mishap. These ten wells provide the stratigraphic control for the proposed drilling in the Pulley Ridge Area.

Direct evidence of blowout improbability is derived from well control data obtained by Mobil in the drilling of two wells in the nearby Elbow area: Mobil, OCS-G-3344 No. 1, Elbow Block 566 and Mobil, OCS-G-3341, No. 1, Elbow Block 915. These wells were drilled to depths of 15,865 feet and 18,128 feet, respectively, with normal bottomhole pressures encountered. (Numerous other examples of wells drilled with normal bottomhole pressures also could cited.) In addition, indirect geological evidence of the improbability of abnormal pressure comes from 1) the absence of any active tectonism and associated excessive pressures, 2) the fact that the wells are being drilled into known formations, 3) the absence of abnormal structuring or significant faulting in the South Florida Basin, and 4) the absence of "compaction disequilibrium," a phenomenon of sedimentation which is associated with high pressure clastic sediments found elsewhere in the Gulf, but which is absent in the South Florida Basin.

Thus, existing geological data for the region supports the unlikelihood of an exploratory drilling blowout.

Finally, modern drilling practices also make blowouts even more unlikely. These include:

- A much larger portion of the hole drilled into the earth is lined with steel casing cemented to the rock. This greatly increases the capacity to contain oil and gas in the wellbore, preventing escape into the environment, as the well is drilled to its target depth.
- Increased emphasis on planning. Designs and procedures are based on a thorough review of geologic and engineering considerations.
- MWD (Measurement While Drilling) tools, which provide a sort of "running commentary" on properties and characteristics of the rocks encountered by the drilling bit. This information may be used to revise the drilling procedure to avoid any well control problems at greater depth.
- Faster and more accurate ways to monitor critical indicators, such as volume of fluid circulated in the well during drilling. Small and unexpected increases in this volume may mean that oil and gas are entering the wellbore, creating a well control problem that may be easily corrected at an early stage.
- More reliable control devices to "close in" and contain pressure in the well, should this become necessary.

- Better training in well-control theory and procedures. Federal regulations, revised and improved since 1969, now require personnel working on offshore rigs to receive such training. Federally certified schools provide comprehensive well-control training for field supervisors and engineers.

Aesthetics of Operations

There is a tendency to think that all available tracts in a federal lease sale will be bid on and then awarded. Furthermore, there is a gross misperception that all leased tracts will have drilling platforms on them. However, in offshore Florida North of 26 degrees North Latitude, there are currently only 254 tracts under lease or about 3 percent of the 8288 tracts eligible for lease. (This does not include the 1567 tracts presently deferred from leasing.) To date, there have been 42 wells drilled in the federal OCS North of 26 degrees North Latitude in the Eastern Gulf of Mexico Planning Area. The earliest drilling took place in the Destin Dome area of offshore Florida in 1974.

At this time there are no producing platforms in the Florida OCS. It was only recently, 1988, that the oil and gas industry expressed the opinion that commercial quantities of natural gas have been encountered. Hydrocarbons were encountered in the Norphlet Formation

in the Destin Dome area. In the 25 years of leasing and drilling activity in the Florida OCS, there have been no significant blowouts or oil spills and no long-term measurable environmental damage. Additionally, there were ten wells drilled between 1947 and 1962 in the area south of 26 degrees North Latitude in state acreage in the vicinity of the Florida Keys. These wells were also drilled without mishap. Since those days, drilling has become much more highly regulated and drilling technology has been improved greatly, with the result that oil spills are far less likely. The petroleum industry record establishes that safe operations can be and are conducted in the Florida OCS.

Another misperception used by leasing opponents is that OCS exploration and development poses an unacceptable risk to commercial fishing and tourism. In the two areas where OCS development is actively taking place, California and the Central and Western Gulf of Mexico, the fish catch has been increasing annually. Offshore Santa Barbara, for example, the commercial catch has increased about 400 percent between 1969 and 1982. Also, the commercial harvest of mussels is underway from many Santa Barbara Channel production platforms. The commercial catch is also growing in the Gulf offshore Louisiana and Texas. This is not necessarily to suggest that the catch is increasing because of OCS development but it does disprove, we believe, the suggestion that OCS development is harming commercial fishing.

Similarly, tourism in these areas has grown and does not appear to be adversely affected by OCS oil and gas operations. The supply disruptions of the 1970s, however, caused Florida to suffer significant tourism losses. This, in turn, triggered unemployment throughout the state's largest industry. Orlando's popular Disney World, for example, was forced to cut its work force in half during the 1973-1974 Arab Oil Embargo as the steady stream of tourists dried up.

Florida's petroleum consumption is higher than average, because the airplanes, rental cars, pleasure boats and hotels that are part of the state's vast tourist trade use large amounts of fuel. The state imports most of its petroleum from other states and foreign countries. The promising resources of Florida's Outer Continental (OCS) could help reduce the state's heavy dependence on foreign oil while helping its largest industry meet its petroleum needs.

Statewide tourism figures make a strong case for OCS development off Florida's coasts:

- In 1986, Florida's transportation sector consumed 68.4 percent of all petroleum used in the state.
- Floridians and visitors to the state annually consume 5.5 billion gallons of gasoline to power cars, deep-sea fishing boats and other pleasure craft.

Florida has a significant stake in offshore development because it is an energy-intensive state, and its economy is directly tied to the price and availability of petroleum products for private pleasure travel as well as normal commercial uses. The promising petroleum resources of Florida's OCS should be explored and developed to help meet the state's large energy needs and keep tourism thriving.

In conclusion, we at Unocal and the rest of the industry involved in OCS activities are concerned about protecting our environment and maintaining and adding to domestic oil and natural gas production. We are dedicated to finding and developing the energy this nation needs in the most efficient and environmentally sound ways. But, if legislation such as H.R. 2945 is enacted and places off limits to exploration the nation's most promising offshore areas, then we will forgo any opportunity to assess our potential oil and gas resources and hasten our dependence on imports from foreign sources.

Mr. MILLER. Thank you very much. Let me just say that obviously there is a whole range of views on what we should be doing on the OCS. I am not one of those who ascribe that we ought to lock up every acre of the entire Outer Continental Shelf. But what has always disturbed me in the entire time that I have been involved in this issue, Mr. Schank, is that we do not ever seem to be able to set priorities about where we desire to drill—and I recognize that is where the hydrocarbons are—and balance that against environmental considerations. We do not weigh Florida versus Alaska or California versus North Carolina. We really do not look at this and say that we are going to develop this oil in some kind of rational progression. Even in cases where we have engaged in long, protracted negotiations to identify those tracts of high potential areas of significant environmental concern and trade them off, whether it is in the Bering Sea or off the coast of California, eventually those all seem to be sort of overridden, either by the Federal Government or by the industry. We are back to essentially what I call sort of a futures game. And that is that the industry's desire to lock up the entire coast and then develop it based upon some priorities, whether it is your internal economics of Unocal or Exxon or Chevron or anybody else, or whatever determinations.

But it seems to me that the public is locked out of that prioritization until such time as after the leases are given. Then the companies are free to determine, do you want to drill on land that you already have under lease in the Gulf or do you want to put your resources into the Sea of Alaska or wherever. I think what you are seeing here, and I am speaking to you as a representative of the industry, not just Unocal, is what is an incredible frustration now in coastal communities that the people, if you will, do not get in at the front end of this process. And there is almost a conscious effort, and I would say a lot of this is on behalf of the Government that thinks they are doing the industry a favor. I think, however, as we have now seen, we are in essentially a nationwide moratorium because of these activities.

People are frozen out, and finally Governors are frozen out, and State legislators are frozen out. You know we went in California for a year on a bipartisan basis negotiating with the Secretary of the Interior, with the input of the companies, and then had the Secretary agree to that and then have that overturned because somebody went to the White House and said your Secretary has gone off the deep end.

Long negotiations in the Bering Sea resulted with the industry essentially agreeing and then somebody in the industry that was not part of the negotiations got that one knocked out. So we are down to where it is moratorium or nothing. I do not think that is a very good national energy policy from the supply side, but that is kind of what we are left with because we are not able to take down some of those areas that may have hydrocarbons. They may not have hydrocarbons that you can justify going after in today's economy, world situation, national defense posture or whatever excuses you want to use. We may have to go get those after the turn of the century or 50 years from now or whenever. We do not know that. But we are left with this sort of large crap game where eventually the entire OCS will be out to lease, and we will then be trying to

undo it because of these various considerations: environmental, air quality or the coral here or the fisheries in Alaska.

That is why we are here today. This tension between industry and the affected communities and their ability to be heard in the beginning of the process has grown until finally you have to take some drastic action. We used to have just a moratorium in California, now we have a moratorium on essentially the entire coast, as your industry knows.

I do not know what suggestions the industry is going to come up with. We will have more witnesses from the industry as we go along here. Unless this changes, I expect that the politics of the moratorium will continue to increase in the sense that more and more people will be in favor of moratorium and find that they have to be in favor of this when weighed against unbridled concern for the environment, mainly led by the Federal Government. I do not think this thing diminishes. This does not swing back to one day you are going to peel off one of these areas. If anything, we now see a linking up between both parties. We have the State and local governments and the Federal level and the Congress, both houses. We are getting votes now for moratoriums where we did not get them 2 and 3 years ago. That is the position I think the industry finds itself in. It is not one that I necessarily agree with because, as I said, I am not sure that that is a rational energy policy from the supply side, as well as the consumptive use of oil.

Mr. SCHANK. I think there is a tendency to feel that as you place these areas off limits to the oil industry, and like you are here today to discuss, I just caution the members of the panel from a personal standpoint, it has nothing to do with my being here as an industry representative—it seems to me that in general the public and sometimes our representatives have a pretty short memory of what is effective today as opposed to what we need into the future. And that what is in vogue today, 10 years from now or 5 years from now as energy supplies become tighter or whatever is the question, there is a tendency for the public to swing in either direction. This is not the type of activity in the oil industry that, if it is deemed that supplies are tight and we need these reserves, that we can go out there and just get them. This process here would be an eight to 10-year process to bring those reserves to the beach, to the bank, so that you could refine them and utilize them. And I just hope that you will take that part of the argument into consideration also in your thought process to make this finding.

Mr. MILLER. I guess my response would be that is why we choose to hash it out and form a national policy, both on the side of supply and of consumption, because I am sure that one day we are going to be into some kind of national crisis. Then we will be back drilling willy-nilly, or we will be back to some other part of this policy. And we do not do terribly well in emergencies in this country, as we have seen.

Mr. SCHANK. No, we do not.

Mr. MILLER. And I think the choice is we can lock it up now and worry about unlocking it later, or we can arrive at a policy where there are some priorities. A policy that identifies some areas that can be developed or not developed in various parts of the OCS must be developed. We tried as a delegation to do that over the last 3

years. Then it fell apart. It would have offered substantial tracts—not every tract—but substantial increased activity off the coast of California. But that has not worked. So now there is nothing offered to the industry, and people like yourselves that have put money on the table are on hold.

Mr. SCHANK. That is correct.

Mr. MILLER. I do not know what the interest is on $20 million, but it sounds like a lot.

Mr. LAZIO.

Mr. LAZIO. No questions, Mr. Chairman.

Mr. MILLER. Mr. McDermott.

Mr. McDERMOTT. No.

Mr. MILLER. Thank you very much for your time and your testimony, Mr. Schank.

Our next panel will be made up of Mr. Craig Quirolo who is the Executive Director of Reef Relief; Ann Whitfield, who is the Executive Director of Florida Public Interest Research Group; Lynn Davidson who is the Marine Habitat Policy Coordinator for Greenpeace, and John Flicker, who is the State Director of the Nature Conservancy, Florida Chapter.

Welcome to the committee. [Applause.]

Your statements will be placed into the record in their entirety. The supporting documents that you have will be made part of the record. Please proceed in the manner in which you are most comfortable. We welcome you. As with previous witnesses, if you desire to comment on something that you have heard in previous panels that you agree or disagree with, please feel free to also do that.

Craig, we will start with you.

PANEL CONSISTING OF CRAIG QUIROLO, EXECUTIVE DIRECTOR, REEF RELIEF; LYNN DAVIDSON, MARINE HABITAT POLICY COORDINATOR, GREENPEACE; JOHN FLICKER, STATE DIRECTOR, THE NATURE CONSERVANCY, FLORIDA CHAPTER; AND ANN WHITFIELD, EXECUTIVE DIRECTOR, FLORIDA PUBLIC INTEREST RESEARCH GROUP

Mr. QUIROLO. I would like to welcome you to the City Commission Chambers, I hope later on we can welcome you to the real Florida Keys. I would like my visual guide to be submitted as evidence. You can look at it while I am talking, it will not offend me.

Mr. MILLER. Thank you.

Mr. QUIROLO. I am going to do something I normally do not do, and that is read a speech. Usually I—I have never done this, so you have to bear with me.

The biological diversity and productivity of life found in and around the coral reef habitats is unparalleled in nature.

My name is Craig Quirolo and I am the founder and Executive Director of REEF RELIEF, Inc. We are a group dedicated to protecting the living coral reef of the Florida Keys.

Few places on plant Earth offer a combination of ecosystems so diverse, to interdependent, than here in south Florida. Coral reefs, Everglades, mangrove keys and seagrass beds all exist in harmonious interdependence creating fish habitats, nurseries and breeding grounds for myriad of aquatic and land-based species.

I am from Alameda County originally, I was born and raised in Oakland, so——

Mr. MILLER. It is a tough choice.

Mr. QUIROLO [continuing]. I have sailed from there. I have navigated sailing vessels over a 25-year period from the Pacific Ocean to the Caribbean Sea, logging well over 25,000 miles. Fifteen years of this seatime is in the Florida Keys. I personally do not believe Congress, the Interior Department or the oil industry has sufficient knowledge of our reefs and the backwaters found in the Florida Keys. This is in regard to currents and natural phenomena that does occur here. The swift currents, shallows, ever-changing flats vary with the many different wind directions, seasonal moods that nature visits upon us. Some keys are awash at high tide and exposed at low tide. Some reefs come within inches of the surface.

The oil industry does not have the technology to clean up spills in general—this was a proven fact in Valdez, they had 2 days of calm weather and yet they could not control the spill—let alone spills in the Florida Keys or the Everglades. Statistics and records to not mean a damn when routine operations alone threaten a fragile tropical environment that is irreplaceable. The Gulf Loop Current, which you can see in this chart down here, would carry drilling muds into the Keys and out to the reef. A typical oil platform produces from 75,000 to 150,000 tons of toxic drilling muds which contain a variety of chemicals, heavy metals and radioactive materials. Which means even if you do drill and they claim it does not ruin the bottom, our fish are still going to be absorbing all these heavy duty toxic metals. I personally do not want to each fish that swim around drilling muds.

Do not undermine the will of the people. Every faction of our city, county and State has united against offshore oil. REEF RELIEF volunteers have worked tirelessly on this and many other issues to preserve and protect our reefs. We have installed sixty reef mooring buoys to prevent anchor damage at the reef. We follow a pattern set by NOAA in the Marine Sanctuaries Program. I am very proud and very happy to be part, a private part, of the Marine Sanctuaries Program in that we mimic everything they do and are very successful with it.

The Florida Keys is the most popular dive destination in the world and there are hundreds of visitors to our reefs every day. Over a million people a year snorkel and dive on the Florida Keys reef tracks. We have launched a major public education program that has reaped valuable cooperation from all parts of the business, private and conservation community in the Florida Keys. Just this Thursday, the county commission enacted a county-wide ban on phosphates in an effort to improve our water quality. Phosphates have been proven to reduce water quality in this area, promoting algal blooms which in turn suffocate our hard and soft corals, thus reducing the vitality of the reef and every other part of our community.

Here is the kick. The oil companies now boast new technology which they used in Valdez to clean up oil spills with the use of fertilizers which are chock full of phosphates and nitrates, the very things we are trying to eliminate from these waters. So when they

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come to us and say we have a new way of cleaning up oil spills with dispersants, we cannot use them here—we just cannot do it.

Oil contingency planning and action was observed in Valdez this year. Forget the drunken captain for a minute. My argument is they had 2 days of favorable weather to clean up, with no crews available. That void would have been an easy controlled situation. How the Interior Department can trust the oil companies for reasons of national interest or national security is beyond me. We cannot trust them to clean up a spill.

Oil containment does not exist. Until oil containment does exist and is proved efficient by an objective third party and in actual situation, no offshore drilling should be allowed in any sensitive marine environment, this includes the west coast also.

We are told that oil is needed for national security. National security for how many years? How can an energy source with definite limited supply outweigh the importance of a renourishable commercial fisheries nursery and breeding ground which we have, which if we take proper care of them and manage them properly can last forever.

Of paramount national interest are the many secrets still locked within our living coral reef. The potential for new pharmaceutical discoveries within this most diverse marine ecosystem in the world are now in jeopardy. We are the same generation that discovered and perfected the ability to remain submerged under the ocean, thus enabling great scientific advancement. We are also the same generation that now threatens the existence of the very sealife we have just begun to discover. In the national interest for scientific advancement, we must protect our living coral reefs. Once they are gone, they are gone.

West of Key West is the Key West National Wildlife Reserve near lease sale 116. The only true mangrove forests in the United States can be found there and other places within the Everglades. The surrounding shallow water seagrass bed habitats team with life. The potential for food production for outweighs the production in priority in terms of national security.

I have got an important observation that was made in the aftermath of Hurricane Hugo and I hope it can just drive a point home here. Food is a basic human need, a priority with far outweighs the need for fossil fuel energy. We need food as humans to survive. The day after the devastation in St. Croix, the people still needed to eat. Some of these unfortunate people will be without electricity for months to come, yet they still must eat. This very basic need should be of greater concern to this administration and this country than fueling our automobiles with oil. Future generations of Americans will also have this basic need, the need to eat. Energy forms can and will change—fossil fuels is in fact on its way out. There is less than 100 years' supply left in the world at current consumption rates. Hydropower, solar power, hydrogen power are obvious alternatives. Food, however, will remain constant. To risk the rich and productive Florida Keys and Everglades food chain which includes commercially harvested varieties of shrimp, spiny lobster, stone crab and many other varieties of fish is most definitely not in the national interest.

For the administration to sell out future food sources for short-term gains in the oil industry is counter-productive and puts at risk the welfare of future Americans. A permanent prohibition of oil leasing in the State of Florida is in the interest of national security.

If you permit oil companies to drill on the offshore continental shelf here in the Florida Keys, we are going to hold the Department of the Interior and the oil industry hostage to a barrage of legal battles that will just continue and continue and continue. It is our last escape if this bill does not go through. I am going to let the Nature Conservancy talk about this.

In addition, Florida's beaches are a major breeding, wintering and staging areas for North American shorebirds. They are going to talk more about that.

There is an undeniable risk of oil pollution from offshore oil production and the threat of a catastrophic disaster should a spill occur. We are already at risk because of existing tanker traffic which plies the Straits of Florida and for which we have absolutely no contingency plan at all. The closest oil booms we have here in the Keys are in Miami. So we are questioning even the State's response to—or contingency planning for protection of this area.

Again, we do not have the technology to stop an oil spill once it comes into the Florida Keys. If you were to ring around the reef with the buoys, all you would be doing is allowing the oil to splash over and actually contain it around the living coral reef. There is nothing we can do to stop oil spills down here.

We urge you to provide permanent protection from offshore oil production for our fragile marine environment here in the Florida Keys. It is a resource that belongs not only to this generation and this area but to all the world and future generations of mankind. [Applause.]

[Prepared statement of Mr. Quirolo follows:]

TESTIMONY BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES

BY CRAIG QUIROLO, EXECUTIVE DIRECTOR, REEF RELIEF

KEY WEST, FLORIDA

OCTOBER 14, 1989

The biological diversity and productivity of life found in and around coral reef habitats is unparalled in nature.

My name is Craig Quirolo and I am the founder and Executive Director of REEF REEF, Inc. We are a group dedicated to protecting the living coral reef of the Florida Keys.

Few places on planet Earth offer a combination of ecosystems so diverse, so interdependent, than here in South Florida. Coral reefs, Everglades, mangrove keys and seagrass beds all exist in a harmonious interdependence, creating fish habitats, nurseries, and breeding grounds for myriad aquatic and land-based species.

I have navigated sailing vessels over a 25-year period from the Pacific Ocean to the Caribbean Sea, logging well over 25,000 miles. Fifteen years of this seatime is in the Florida Keys. I do not believe Congress, the Interior Department, or the oil industry has sufficient knowledge of the reefs and the backwaters of the Florida Keys. The swift currents, shallows, everchanging flats vary with the many different wind directions, seasonal moods that nature visits upon us. Some Keys are awash at high tide and exposed at low tide. Some reefs come within inches of the surface.

The oil industry does not have the technology to clean up spills in general, let alone spills in the Keys or Everglades. Statistics and records do not mean a damn when routine operations alone threaten a fragile tropical environment that is irreplaceable. The Gulf Loop Current would carry even routine drilling muds into the Keys and out to the reef. A typical oil platform produces from 75,000 to 150,000 tons of toxic drilling muds which contain a variety of chemicals, heavy metals and radioactive material.

Do not undermine the will of the people. Every faction of our city, county, and state has united against offshore oil. REEF RELIEF volunteers have worked tirelessly on this and many other issues to preserve and protect our reefs. We have installed sixty reef mooring buoys to prevent anchor damage at the reef. The Florida Keys is the most popular dive destination in the world and there are hundreds of visitors to our reefs every day. We have launched a major public education program that has reaped valuable cooperation from all parts of the business, private and conservation community in the Florida Keys. Just this Tuesday, the county commission enacted a county-wide ban on phosphates in an effort to improve our water quality. Phosphates have been proven to reduce water quality by promoting algal blooms which is turn suffocate our hard and soft corals, thus reducing the vitality of the reef.

The oil industry now boasts new technology in oil spill clean-up with the use of fertilizers which are chock full of phosphates and nitrates. Just what we do <u>not</u> need.

Oil contingency planning and action was observed in Valdez this year. Forget the drunken captain for a minute. My argument is they had two days of favorable weather with no clean up crews available; that voided what could have been an easy "controlled" situation. How the Interior Department can trust the oil companies for reasons of "National Interest" or "National Security" is beyond me.

Oil containment does not exist. Until oil containment does exist and is proved efficient by an objective third party and in actual action, no offshore oil drilling should be allowed in sensitive marine environments.

We are told that oil is needed for national security. National security for how many years? How can an energy source with definite limited supply outweigh the importance of a renourishable commercial fisheries nursery and breeding ground?

Of paramount national interest are the many secrets still locked within our living coral reef. The potential for new pharmaceutical discovers within this most diverse marine ecosystem in the world are now in jeopardy. The same generation that has discovered and perfected the ability to remain submerged under the ocean, thus enabling great scientific advancement, is also the same generation that now threatens the existence of the very sealife we have just begun to discover. In the national interest for the "Advancement of Science," we must protect our living coral reefs. Once they are gone, they are gone forever.

West of Key West is the Key West National Wildlife Reserve near Leasesale 116. The only true mangrove forests in the United States can be found here. The surrounding shallow water seagrass bed habitats team with life. The potential for food production far outweighs energy production in priority in terms of national security. There is an important observation to be made in the aftermath of Hurrican Hugo that I hope will drive home my point. Food is a basic human need--a priority which far outweighs the need for fossil fuel energy. We need food to survive. The day after the devastation in St. Croix, the people still needed to eat. Some of these unfortunate people will be without electricity for months to come. Yet they still must eat. This every basic human need should be of greater concern to this administration of this country than fueling our automobiles with oil. Future generations of Americans will also have this basic need. Energy forms can and will change--fossil fuel is in fact on its way out--there is less than one hundred years' supply left in the world at current consumption rates. Hydro-power and solar power are obvious alternatives. Food, however, will remain constant. To risk the rich and productive Florida Keys and Everglades food chain which includes commercially harvested varieties of shrimp, spiny lobster, stone crab, and many varieties of fish is most definitely not in the national interest.

For the administration to sell out future food sources for short-term gains in the oil industry is counter-productive and puts at risk the welfare of future Americans. A permanent prohibition of oil leasing in the State of Florida IS in the interest of national security.

Page Three

If you permit the oil companies to drill on the offshore continential shelf, especially here in the Florida Keys, we will hold the Department of Interior and the oil industry hostage to a barrage of legal battles that will continue forever.

The only living coral reef tract in North America includes many species of hard and soft corals, sponges, tropical fish, crustacea. The life of the reef is measured in geologic time; the delicate coral structures have a life span of centuries and have been in existence about 200 million years. Many species grow only an inch or so a year. The conditions required for growth include clear, clean waters, water temperatures above 68 degrees Farenheit and proximity of no further north or south of the equator than 24 degrees or depths of water over 200 feet. Changes in salinity, temperature or water quality can prove fatal to the living organisms. Offshore oil poses an unnecessary risk. The oil companies must never never, never explore or drill for oil here.

In addition, Florida's beaches are major breeding, wintering, and staging areas for North American shorebirds, and the state's coasts and waters give refuge to more endangered and threatened marine species than any other U.S. state. Mangroves provide feeding, nesting and roosting sites for over 180 species of birds, inlouding heron, egrets, ibises, cormorants, brown pelicans, bald eagles, ospreys and peregrine falcons. Green, Kemp's ridley, and loggerhead sea turtles, bottlenose dolphins, and manatees are found in adjacent estuarine areas, while endangered American crocodiles use beaches in mangrove thickets for nesting.

There is an undeniable RISK of oil pollution from offshore oil production and the threat of a catastrophic disaster should a spill occur. We are already at risk because of existing tanker traffic which plies the Straits of Florida and for which no contingency planning has been developed.

We urge you to provide permanent protection from offshore oil production for our fragile marine environment here in the Florida Keys--it is a resource that belongs not only to this generation and this area but to all the world and future generations of mankind.

Mr. MILLER. Thank you. Please proceed.

Ms. DAVIDSON. Mr. Chairman, Representatives, my name is Lynn Davidson and I am the Marine Habitat Policy Coordinator for the international environmental group, Greenpeace. I am also the founder of the national Outer Continental Shelf coalition, formed to preserve our Nation's most sensitive offshore waters from unwise oil development practices. I am very pleased to be here today to discuss permanent protection.

The national coalition is interested in protecting sensitive areas around our coast from Maine to Alaska. We do, however, consider the sub-tropical waters around Florida to be a top priority and I will limit my remarks today to this region's ecological perspectives. We are very much in support of H.R. 2945, to prohibit the Secretary of Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida.

Florida's coastal ecosystems which include coral reefs, seagrass beds, mangrove wetlands and a vast array of wildlife inhabitants, including endangered species, should be viewed as a whole; the various parts are highly complex and totally interdependent upon each other. Within these ecosystems there is a biological diversity rivaled only by those of the tropical rain forests. Scientific evidence clearly shows that coral reefs, mangroves, seagrasses and the species that live in them, die when covered with oil.

Florida is home to the Everglades National Park, one of the most universally valued and internationally significant areas in the world. The Everglades, known as the River of Grass, has been designated by the United States as an International Biosphere Reserve, a World Heritage Site and a Wetlands of International Significance, especially as waterfowl habitat. With these designations, we have undertaken certain obligations through international law to preserve and protect this ecosystem. Offshore oil development is totally incompatible with these obligations. The grasses can be destroyed by many forms of pollution, especially phosphorus, nitrogen compounds and suspended solids that accompany oil drilling. The Everglades are less than 50 miles from the lease sale area and pollution from routine drilling operations or an oil spill caught by the currents, could travel more than that distance in a single night.

Florida is also home to the third longest barrier reef in the world and the only living coral reef tract in North American waters. The coral reef ecosystem is of immeasurable value to the communities of south Florida; it provides employment, food and general revenues through fishing, tourism and scientific research. It also provides a natural buffer from ocean storms, nurseries for fish and habitat for commercially depleted marine stocks. The coral reefs are also a primary source for replenishing sand beaches and scientists have just begun to explore their potential as lifesaving medicines. The corals also play a little known, but quite significant role in counteracting the greenhouse effect by their capacity to absorb and retain carbon dioxide.

Clear water and light are two of the most important physical factors influencing the metabolism and ecology of reef-building corals. Both are necessary for the corals to be healthy and grow. Exploration and development of the sea bed and its subsoil causes turbidity which cuts off life to the reefs. It also causes increased sedimenta-

tion which smothers the corals. Along with turbidity and sedimentation, we are also concerned about the effects of spilled oil. Even without a major spill, offshore oil development is a source of chronic oil pollution. Coral ecosystems collapse easily in the face of such pollution.

With all due respect, Mr. Chairman, to your previous work on this, the Outer Continental Shelf Lands Act is simply not working to protect our resources. Too much power lies with the Secretary of the Interior. Florida is the perfect example of the deficiencies inherent in the act. The people of Florida have unanimously said no to offshore drilling activities. The Florida Congressional delegation is united in its opposition, the Governor has denied consistency under the Coastal Zone Management Act to oil companies with leases south of 26 degrees, and the people of the State of Florida have turned out again and again for public hearings to oppose the encroachment of the oil industry into these already stressed waters. All of these efforts have fallen on deaf ears within the Department. We are very concerned that the process for public participation in determining the use of our public lands has proven ineffective. The Secretary of the Interior appears to make decisions independently and in advance of this process, rather than as a result of it.

Mr. Chairman, I grew up believing that the Department of the Interior mandates was to protect our public lands. I would like to suggest that the burden of proof that Mr. Bettenberg was talking about should lie with the oil industry rather than the Department.

We hear from the oil industry that it is a matter of national security that we drill into our most sensitive offshore waters in the quest for oil. This is simply not true. Total estimated domestic reserves represent only four percent of the earth's petroleum. As long as we are dependent on oil, we will be dependent on foreign sources. Offshore drilling should neither be pursued as a long-term energy supply for our Nation, nor presented to the public as offering energy security and independence from foreign oil.

Continued dependence on oil as this Nation's main energy source is contributing significantly to the pollution of the atmosphere and is thought to be the cause of global warming, possibly resulting in sea level rise. As a Nation, we should set as a priority the establishment of an energy policy based on conservation and renewable alternatives. This should be done before continuing with the leasing and development of our most sensitive offshore areas. If we fail to do this, and sea levels continue to rise, we may find that our dependence on oil will eventually destroy the Florida Keys despite our calls for permanent protection.

In conclusion, we would like to thank Congressman Ireland and the other members of the Florida Congressional delegation for introducing H.R. 2945. We would also request that the subcommittee consider expanding the coverage of this initiative to include buffer zones around the State of Florida and other topical high grounds that contain coral. We are particularly concerned about permanent protection for the areas around the Florida Middle Grounds and the east and west Flower Garden Banks in the Gulf of Mexico. They do not have any buffer zones around them at this point.

Thank you. [Applause.]

[Prepared statement of Ms. Davidson follows:]

Testimony of Greenpeace

for the

House Interior Subcommittee

on

Water, Power and Offshore Energy Resources

By Lynn Davidson, Marine Habitat Policy Coordinator

14 October 1989

Key West, Florida, U.S.A.

Mr. Chairman, Representatives, my name is Lynn Davidson and I'm the Marine Habitat Policy Coordinator for the international, environmental organization, Greenpeace. I am also the founder of the national Outer Continental Shelf coalition, formed to preserve our nations most sensitive offshore waters from unwise oil development practices. I am very pleased to be here today to discuss permanent protection.

The national coalition is interested in protecting sensitive areas around our coast from Maine to Alaska. We do, however consider the sub-tropical waters around Florida to be a top priority and I will limit my remarks today to this regions ecological perspectives. We are very much in support of H.R. 2945, to prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida.

Florida's coastal ecosystems which include coral reefs, seagrass beds, mangrove wetlands and a vast array of wildlife inhabitants -- including endangered species -- should be viewed as a whole; the various parts are highly complex and totally inter-dependent upon each other. Within these ecosystems there is a biological diversity rivaled only by that of tropical rainforests. Scientific evidence clearly shows that coral reefs, mangroves, seagrasses and the species that live in them die when covered with oil.

Florida is home to the Everglades National Park, one of the most "universally valued" and "internationally significant" areas in the world. The Everglades, known as the "River of Grass," has been designated by the United States as an International Biosphere Reserve, a World Heritage Site and a Wetlands of International Significance Especially as Waterfowl Habitat. With these designations, we have undertaken obligations through international law to preserve and protect this ecosystem. Offshore oil development is totally incompatible with these obligations. The grasses can be destroyed by many forms of pollution, especially phosphorus, nitrogen compounds and suspended solids that accompany oil drilling. The Everglades are less than 50 miles from the lease sale area and pollution from routine drilling operations, or an oil spill caught by the currents, could travel more than that distance in a single night.

Florida is also home to the third longest barrier reef in the world and the only living coral reef-tract in North American waters. The coral reef ecosystem is of immeasurable value to the communities of south Florida; it provides employment, food and general revenues, through fishing, tourism and scientific research. It also provides a natural buffer from ocean storms, nurseries for fish and habitat for commercially depleted marine stocks. The coral reefs are also a primary source for replenishing sand beaches and scientists have just begun to explore their potential as a source of life saving medicines. The corals also play a little known, but quite significant role in counteracting the greenhouse effect by their capacity to

absorb and retain carbon dioxide.

Clear water and light are two of the most important physical factors influencing the metabolism and ecology of reef-building corals -- both are necessary for the corals to be healthy and grow. Exploration and development of the sea bed and its subsoil causes turbidity which cuts off light to the reefs. It also causes increased sedimentation which smothers the corals. Along with turbidity and sedimentation, we're also concerned about the affects of spilled oil. Even without a major spill, offshore oil development is a source of chronic oil pollution. Coral ecosystems collapse easily in the face of such pollution.

The Outer Continental Shelf Lands Act is simply not working to protect our resources from destructive oil development practices. Too much power lies with the Secretary of the Interior. Florida is a perfect example of the deficiencies inherent in the Act. The people of Florida have unanimously said NO to offshore drilling activities. The Florida Congressional delegation is united in its opposition to offshore oil development, the Governor has denied Consistency, under the Coastal Zone Management Act, to oil companies with leases south of 26 degrees north latitude, and the people of the State of Florida have turned out again and again for public hearings to oppose the encroachment of the oil industry into these already stressed waters. All of these efforts have fallen on deaf ears within the Department, and we are very concerned that the process for public participation in determining the use of our public lands has proven ineffective. The Secretary of Interior appears to make decisions independently and in advance of this process, rather than as a result of it.

We hear from the oil industry that it is a matter of national security that we drill into our most sensitive offshore waters in the quest for oil. This is simply not true. Total estimated domestic reserves represent only 4% of the earth's petroleum. As long as we are dependent on oil we will be dependent on foreign sources. Offshore drilling should neither be pursued as a long term energy supply for our nation, nor presented to the public as offering energy security and independence from foreign oil.

Continued dependence on oil as this nation's main energy source is contributing significantly to pollution of the atmosphere and is thought to be the cause of global warming, possibly resulting in sea level rise. As a nation we should set as a priority the establishment of an energy policy based on conservation and renewable alternatives. This should be done before continuing with the leasing and development of our most sensitive offshore areas. If we fail to do this, and sea-levels continue to rise, we may find that our dependence on oil will eventually destroy the Florida Keys despite our calls for permanent protection.

In conclusion, we would like to thank Congressman Ireland and the other Members of the Florida Congressional delegation for introducing H.R. 2945. We would also request that the Subcommittee consider expanding the coverage of this initiative to include buffer zones around the State of Florida and other topical high grounds that contain coral. We are particularly concerned about permanent protection for the areas around the Florida Middle Grounds and the East and West Flower Garden Banks in the Gulf of Mexico.

Thank you for this opportunity to testify.

Mr. MILLER. Thank you. Mr. Flicker.

Mr. FLICKER. Mr. Chairman, I am John Flicker and I am State Director of the Florida Nature Conservancy. I want to thank you for giving me an opportunity to testify here. I know the committee has a limited amount of time and a limited number of people who can testify before the committee.

There are a lot of people down here who have been working on this issue a lot longer than I have and I want to acknowledge their good work and the people who will not be able to testify here today. They are the real heroes here. They were here working on this issue long before the TV cameras came and we certainly hope they keep working on it. We all want to work with them.

I am not sure what all I was supposed to say, Craig, that you left out, but I am sure it is in my written testimony someplace.

Mr. Chairman, I want to just leave you with two messages in this testimony. The first is that the Keys and the reef are biologically the most important piece of real estate and water in the United States to be protected. It is second to none.

I have worked with the Nature Conservancy now for over 15 years. I have had the privilege of working on natural area protection in every State in the Union. The Conservancy has over 200 full time scientists, spread out across the country with a network of data bases, the sole purpose of which is to determine what areas are the most important to be protected from a biological standpoint. Their conclusion is irrefutable, the Keys and the reef come out number one in the continental United States. If we, God forbid, were to ever have to make the choice of protecting only one area in the United States and letting everything else go, that area should be the Florida Keys and the coral reef. [Applause.]

Pound for pound, the coral reef is the most productive and the most biologically diverse system in the entire world, second only, as Lynn said, to the rain forests of South America. It is that important, that unique a national treasure.

The second message I would like to leave for you is that when we look at the Keys and the reef, we need to look at the bigger picture as well. Oil drilling down here is one skirmish in a bigger war. The Keys and the reef are in trouble. They Keys are getting paved, the reef is dying from pollution. If we continue on our current course, even if there is not any oil drilling, we are going to lose the reef and we are going to lose the biological diversity of the Keys. We need to change that course somehow. That is what is really going on here, this is one skirmish in a much bigger battle.

Mr. Chairman, you are a person that has always shown the strength of your convictions. We have watched your leadership in places all around the country; in California, in Alaska, North Dakota, we watched you in Nebraska. Thanks to your leadership and your political savvy on the committee, our Niabarrow Valley Preserve is not underwater because of the O'Niell Unit, and we thank you for that.

If the Keys are going to be protected over the long haul, we are going to need your leadership and your help down here to figure out a way to change the current course of events. That is what really needs to happen down here. It is not going to happen quick-

ly, there are no simple solutions, but we have to look at the bigger picture.

We look forward to working with you on that over the long haul and figuring out how we are really going to do that.

I thank you for this chance to testify. [Applause.]

[Prepared statement of Mr. Flicker follows:]

The Nature Conservancy

TESTIMONY OF JOHN FLICKER
STATE DIRECTOR
THE NATURE CONSERVANCY OF FLORIDA

October 14, 1989

Subcommittee on Water, Power & Offshore Energy Resources
Hearing on H.R. 2945

Key West, Florida

Florida Keys Project Office 830 Fleming Street, P.O. Box 4958 Key West, Florida 33041 (305) 296-3880
Headquarters 1815 North Lynn Street, Arlington, Virginia 22209 (703) 841-5300

Testimony of John Flicker, The Nature Conservancy
October 14, 1989. Page 2.

My name is John Flicker, and I am State Director of The Nature Conservancy of Florida. I would like to thank you for the opportunity to testify.

The Nature Conservancy is an international, non-profit, conservation organization with 500,000 members in the US and 27,000 members in Florida. Our resources are dedicated to the sole objective of protecting our country's best and most important natural ecosystems and rare species habitats -- America's biological diversity. We do this by finding, protecting and managing the most threatened of these areas and species. We are the largest private organization engaged in land and water conservation in the United States today. The Nature Conservancy has been responsible for the preservation of more that 3,500,000 acres of ecologically significant land since 1951. The Nature Conservancy is concerned with the preservation of biological diversity in our waters as well as on our lands, which brings us to these hearings today.

The Nature Conservancy is fundamentally a scientific organization, and we use the best available scientific data to set our conservation priorities. Based on these data, I can truly state that the Florida Keys are a national priority for The Nature Conservancy. Because the Keys are one of our highest priorities, The Nature Conservancy has a significant history of conservation action here: since 1971, The Nature Conservancy has protected more than 4,500 acres of land in the Florida Keys; and since opening a project office here in the Keys 18 months ago The Nature Conservancy has protected more than $3 million worth of land throughout the Keys, and we are negotiating to protect numerous other critical lands.

The centerpiece of the natural ecosystem of the Florida Keys is undoubtedly the living coral reef and the thousands of square miles of shallow water habitats surrounding these islands.

The Nature Conservancy is committed to conservation of the coral reef and the entire marine ecosystem of the Florida Keys. Just last year, we purchased a marine research laboratory on Long Key to insure that there is a permanent facility for marine research and education focused on this tropical marine ecosystem. We are also engaged in a number of research and educational activities to further conservation of these resources.

The living coral reef and the shallow water habitats of the Florida Keys are a national treasure. It is the only living coral reef in the continental United States, and is a resource of significance to our entire county. Globally, coral reefs are undoubtedly one of the most critical ecosystems, as they provide food and revenue wherever they occur. The coral reefs of the Florida Keys represent the <u>only</u> opportunity in the continental

United States for preservation of this unique living system.

Besides their natural beauty and wonder, coral reefs are second only to tropical rainforests in the diversity of species they harbor. For fish alone there are more than 400 species found on the coral reefs of the Keys, and literally thousands of other species live on coral reefs. Many of these species provide renewable sources of food, medicine and raw materials for entire countries.

The coral reef and marine ecosystem of the Florida Keys are one of the most productive biological systems on earth. The thousands of square miles of mangroves and seagrass beds provide food and shelter for many species of fish and shellfish. The tropical seagrass beds of the Keys have the highest rate of productivity of any biological system on earth, exceeding the productivity of all crop plants.

As a result of these features, the living coral reefs and the surrounding "seascape" of the Florida Keys are the primary drawing card for the multi-million dollar tourist and fishing economy of south Florida. The landings of the commercial fisheries alone has been valued at more than a quarter million dollars per day. More than one million divers visit the coral reefs every year, spending million of dollars. In addition, the Florida Keys are a world famous sportfishing destination, charter fishing is also a multimillion dollar industry in the Keys. This valuable resource is provided free of charge by Mother Nature, but can be destroyed by man unless extreme care is taken.

I wish to make three points regarding the proposed drilling activities to the northwest of the Florida Keys. The first point is in regard to the oceanic currents in this region. Recently, Dr. Ned Smith and Dr. Brian Lapointe of Harbor Branch Oceanographic Institute completed a water circulation study in and around the Lower Keys. This study, which is in draft form, was performed under contract to NOAA. Their results showed unequivocally that the net flow of water is always from the Gulf of Mexico and Florida Bay, through the channels of the Florida Keys, towards the Atlantic Ocean. This results from the fact that the elevation of the sea surface in the Gulf of Mexico is higher than the sea surface in the Atlantic Ocean, and thus there is always a net flow from the Gulf to Atlantic.

This has direct consequences for the drilling activities proposed to the north and west of the Florida Keys. As a result of this year-round movement of water, any pollutants introduced into the Gulf waters will inevitably be carried towards the Florida Keys, onto the sensitive shallow-water habitats, and ultimately through the channels onto the living coral reefs.

Testimony of John Flicker, The Nature Conservancy
October 14, 1989. Page 4.

The second point is that the habitats that would be at risk in the Florida Keys - intertidal mangroves, shallow water seagrass beds and shallow coral reefs - are demonstrably vulnerable to destruction by petroleum hydrocarbons. Dr. Jeremy Jackson of the Smithsonian Institute recently completed a comprehensive study of an oil spill on the Caribbean coast of Panama. The oil impacted the same tropical marine habitats that are present here in the Florida Keys. Dr. Jackson's results demonstrated that oil in these environments devastates all habitats and all types of organisms: corals, mangroves, seagrasses, fish, invertebrates, etc. Not one habitat or class or organism was resistant to oil-induced death and destruction.

The third point is in regard to the impossibility of a clean-up effort in the shallow-water habitats of the Florida Keys, if a spill should ever occur. The habitats of the Keys are not sandy beaches or high-energy, rocky shorelines. Dr. Jackson's results from Panama demonstrated that low energy environments suffer catastrophic and long-term devastation, because the oil is not washed away by waves. There are hundreds of square miles of low-energy seagrass flats, mangroves and living reefs. Many of the seagrass beds are in waters so shallow that clean-up boats could not approach within miles of them. In the mangrove islands, spilled petroleum would enter the web-like interior of the islands, a situation impossible to clean. The structure of these habitats means that clean-up is not realistic.

There must be ironclad guarantees that any actions undertaken in or around the Florida Keys will not in any way have the potential to damage this unique and valuable ecosystem. Supreme efforts must be made to protect these systems and insure their long term health and productivity. We must not undertake any actions which has even the remotest probability of resulting in water pollution or physical damage to these resources.

I urge you to carry the message back to Washington that we must work together to reduce the current impacts and insure the long-term survival of what is truly a national treasure.

Thank you.

REFERENCES

Dr. Ned Smith. Harbor Branch Oceanographic Institute, 5600 Old Dixie Highway, Ft. Pierce, FL 34946.

Jackson, J.B.C. et al. 1989. Ecological effects of a major oil spill on Panamanian coastal marine communities. Science, 243: 37-44.

Mr. MILLER. I thank you for your testimony. Ms. Whitfield.

Ms. WHITFIELD. Mr. Chairman, thank you for the opportunity to testify on H.R. 2945. My name is Ann Whitfield, I am the Executive Director of Florida Public Interest Research Group.

Florida PIRG is a 50,000 member environmental and consumer advocacy organization and the protection of Florida's coast from offshore oil drilling has been our meat issue for the past 5 years.

H.R. 2945 is a very needed and long overdue piece of legislation. I congratulate Mr. Fascell, Ireland, Lehman and others for filing the legislation and you for scheduling a quick hearing on this bill. I hope it continues to move right along.

I had planned to address several points in my testimony, much of which I will cut out in the interest of time, and much of it has already been said probably more eloquently than I was going to say it.

First, I was going to address the adverse impacts that oil development would have on south Florida. I am going to skip that section of my testimony because it has already been addressed and you have it.

I will, however, go ahead with the second part of my testimony. I want to discuss why we feel it is necessary to expand the bill to include a 30-mile buffer for the entire coast of Florida, and then finally I do come bearing gifts and I would like to present a number of petitions and other—statements from other people all the way from Pensacola down to locally Key West.

We are asking that you expand H.R. 2945 to include a minimum of a 30-mile no drilling buffer zone for the entire coast. The Florida coast alternates between ecologically productive marsh and estuarian systems and the economically and aesthetically valuable beaches. Both systems are vulnerable to oil development.

I am going to talk a lot about the panhandle, the panhandle has been neglected, a stepchild in this debate. As you notice looking at the map, the first time it was put up, the panhandle was folded under and we had to ask for the map to be opened up completely. There is a lot of oil industry interest in the panhandle, each green block is a leased tract in the area, and people in the panhandle are very worried and feel rather neglected in the whole debate. We have won a 5-year 30-mile buffer zone for most of the Gulf coast starting about Apalachicola Bay, and you can see where it starts by looking at where the green blocks stop.

So I would like to speak a little bit about the western panhandle that is already quite at risk as well as east of —Apalachicola Bay and east, there is a lot of industry interest in that area and the current buffer zone will expire in mid-1992 if that area is not included in this legislation.

The western panhandle beaches feature wide stretches of sugar white sand, sea oats and sand dunes. It is not very well known on the national level, but it certainly rivals any beach I have ever been to in beauty and clean, clear water. This area is growing as a popular tourist destination and with wise management it promises to sustain a long and healthy tourism economy for the region. A major oil spill is not what this area needs.

The panhandle also enjoys a very large fishing, shrimping and oystering industry. Apalachicola Bay has historically produced

most of the Nation's oysters. It is a designated area of critical State concern and the State is focusing major financial resources and planning resources to assure that the bay will remain productive for years to come.

Ninety percent of the entire Gulf of Mexico's seagrass beds are off the Florida coast. The Big Bend seagrass bed off northern Florida and the Florida Bay seagrasses off of southern Florida cover large expanses and are credited with providing the initial link in the food chain for as much as 80 percent of the entire Gulf marine life. Seagrasses are damaged by toxicity, physical smothering and reduced light penetration caused by suspended solids. All of these come with routine drilling activity.

Low energy coastal regions such as marshes, wetlands and bays tend to retain contamination. Oil stranded in these areas can contaminate sediments and become incorporated into the tissue of marine organisms affecting the survival and recovery of marine populations for many years.

I would also like to clarify that the 30 miles is a minimum buffer. It is designed just to allow time for cleanup equipment to be put in place before a spill reaches shore. Many people would argue that 100 miles is a more suitable buffer zone simply because of an oil spill's ability to move quickly. For example, in the recent Valdez disaster, as you know, oil covered 60 square miles in 1½ days. Then it traveled 35 to 40 miles overnight. Another spill off the coast of Panama, which is referenced extensively in a number of our testimonies, because that Panama spill devastated coral, mangroves and seagrasses—that spill traveled 20 miles overnight in an unexpected direction, one of the reasons the area was so devastated.

For these reasons we urge you to seriously consider a buffer zone of an absolute minimum of 30 miles or possibly larger.

Finally, over the past 5 years, Floridians from all walks of life have come together to fight the oil industry effort to exploit the pristine natural resources of Florida. Today I have the pleasure of presenting you with postcards from 18,000 Floridians from Pensacola to Key West, all asking you to strengthen this legislation and add a 30-mile buffer zone for the whole coast and pass H.R. 2945. I also have petitions from community leaders from around the State; the Walton County Commission, the Tallahassee City Commission, the Fort Myers Beach Chamber of Commerce, on and on, leaders from one end of the State to the other have all signed on asking you to do the same, and I believe you have the petitions attached to my testimony.

Finally, I would like to present you with a tee shirt, I think it is particularly appropriate for you since you spent so much time studying Valdez. "No *Valdez* in the Keys" has been a slogan heard here many times and this is yours and for the other members I apologize that I did not bring them, I will send you tee shirts as well.

Thank you.

Mr. MILLER. You know, you just almost blew two votes there. [Applause.]

[Prepared statement of Ms. Whitfield, with attachments, follows:]

TESTIMONY OF THE FLORIDA PUBLIC INTEREST RESEARCH GROUP

TO

THE SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY SOURCES

KEY WEST, FLORIDA

OCTOBER 14, 1989

PRESENTED BY ANN WHITFIELD
EXECUTIVE DIRECTOR
FLORIDA PUBLIC INTEREST RESEACH GROUP

Thank you for the opportunity to testify on H.R. 2945. My name is Ann Whitfield. I am the Executive Director of the Florida Public Interest Research Group. Florida PIRG is a 50,000 member environmental and consumer advocacy organization. The protection of Florida's coast from offshore oil drilling has been our lead issue for the past 5 years.

H.R. 2945 is a very needed, long-overdue piece of legislation. I commend Congressmen Ireland, Fascell, Lehman and others for filing the bill; and you, Mr. Miller, for scheduling a speedy hearing on it.

I will address several points in my testimony. First, I will address the adverse impact which oil development would have off South Florida. Second, I will discuss why we feel it is necessary to expand the bill to include a no drillling buffer zone for the entire coast. Lastly, I do have a request from approximately 18,000 Floridians I would like to present to you.

Adverse Impacts:

The coastal marine resources south of 26 Degrees North Latitude in the Eastern Gulf include extensive live bottom communities, mangroves, seagrass beds, corals, gorgonians and sponges. This ecosystem is among the world's most diverse, rivalled only by the rain forest on land in terms of the numbers of different species and complexity of interdependancy.

Not only is the region valued form an ecological perspective, it provides the foundation of the region's economy. Commercial and recreational fishing and a world class tourism industry depend on the health of this ecosystem.

These habitats are extremely sensitive to changes in light, turbidity and temperature, not to mention toxicity. Routine drilling operations would have an adverse impact on the region Small spills would have big impacts. Large spills would be catastrophic.

I offer three examples to support this assertion:

1. Routine Drilling: The impact of routine drilling from ONE exploratory well off the Florida Big Bend in Gainesville Block 707 was documented to cause extensive damage to seagrass and live bottom communities surrounding the rig. Within five hundred meters of the rig, seagrass beds were smothered. Impacts were felt as far as 2 1/2 kilometers from the rig.

2. Small Spills: In 1964, a small spill of only 500 gallons of oil in the Dry Tortugas caused "long term and probable permanent damage" to the corals according to the National Park Service. Please note that the oil industry has acknowledged that "small spills of less than one thousand barrels are routine occurrences."

3. Major Spills: Unfortunately, a major spill is always possible. In fact, the world's largest spill was from an exploratory rig, the Ixtoc I. Major spills cause devastation in subtropial ecosystems. Unfortunately, we have a well-documented example of this in Panama--a major spill on the Panamanian coast in 1986 has contaminated major portions of a nearby coral reef and killed mangroves, corals and seagrasses. According to the Smithsonian scientists studying the spill, it could well take decades for the region to recover, if it ever does.

For these reasons, we conclude that adverse impacts are likely and catastrophic impacts are possible if the region is opened for offshore drilling.

Of course, the industry's damage potential does not evaporate once they pass north of the 26 Degree North Latitude line. Wherever it is permitted, the industry brings routine disruptions and the potential for catastrophy at every phase of operation: exploration, development, production and transportation.

Therefore, we ask you to offer the rest of the Florida coast some minimal buffer zone protection.

A Minimum 30 Mile Buffer Zone for the Entire State:

We are asking that you expand HR 2945 to include a minimum of a 30 mile "no-drilling" buffer zone around the entire Florida coast. The Florida coast alternates betweeen the ecologically productive marsh and estuarine sysems and the economically and aesthetically valued sandy beaches. Both systems are vulnerable to oil activities.

The Western Panhandle beaches feature wide stretches of sugar white sand, sea oats and sand dunes. They are growing as a popular tourist destination and with wise management, promise to sustain a long and healthy tourism economy for the region. A major oil spill would kill this budding tourism industry.

The Panhandle also enjoys a large fishing, shrimping and oystering industry. Appalachicola Bay produces most of the nation's oysters. It is a designated Area of Critical State Concern and the state is focusing major financial and planning resources to assure that the bay will remain productive for years to come.

Ninety percent of the entire Gulf of Mexico's seagrass beds are located along the Florida coast. The Big Bend Seagrass Bed, off of northern Florida and the Florida Bay seagrasses off of southern Florida cover large expanses and are credited with providing the initial link in the food chain for as much as eighty percent of the entire Gulf marine life. Seagrasses are damaged by toxicity, physical smothering and reduced light penetration caused by suspended solids.

Low energy coastal regions such as marshes, wetlands and bays tend to retain contamination. Oil stranded in these areas can contaminate sediments and become incorporated into the tissues of marine organisms, affecting the survival and recovery of marine populations for years.

Page Three, H.R. 2945 Testimony

I would like to clarify that thirty miles is a minimum buffer designed to allow time for clean-up equipment to be put in place before a spill reaches the shore. Many people would argue that one hundred miles is more suitable because of an oil slick's ability to move quickly. For example, in the recent Valdez disaster, oil covered sixty square miles in one and a half days. Then it travelled thirty-five to forty miles overnight. In a recent spill off the coast of Panama, the spill traveled twenty miles overnight.

For these reasons, we urge you to add a minimum of a thirty mile buffer zone around the entire Florida coast.

Over the past five years, Floridians from all walks of life have come together to fight the oil industry effort to exploit the pristine natural resources of Florida. Today, I have the pleasure of presenting you with postcards from eighteen thousand Floridians from Pensacola to Key West asking you to strengthen and pass H.R. 2945.

This across-the-board opposition to offshore oil has sprouted several different petition drives. I bring the results of four such petitions with me today to present to you.

The first is from North Florida community leaders, including the Walton County Commmission, Tallahassee City Commission joined by local conservation organizations, representing a total of fifteen organizations.

The second is from Gulf Coast community leaders, including the Hillsborough County Commission, Fort Myers Beach Chamber of Commerce, the Florida Institute of Oceanography--Tampa, Manasota '88 and others, for a total of twenty-seven different organizations.

The third is from the South Florida community--a total of twenty-three conservation and community organizations opposed to offshore oil.

In the final petition, fifteen dive and travel industry leaders call upon you to provide permanent protection from offshore oil leasing and development in Florida.

The Florida coast is a natural resource that belongs to all Americans. We hope you will not squander it.

Thank you.

To: George Miller, Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources

From: Gulf Coast Community Leaders

Plans for offshore oil drilling threaten Florida's coastal environment and economy. Florida's Gulf is lined with beautiful beaches. It is the home of manatees, sea turtles, dolphins, and hundreds of species of fish. Gulf beaches fuel our multi-billion dollar tourist industry and the estuaries supply the marine life for our fishing industry. One oil spill could ruin this ecosystem.

We urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami), and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

1) Hillsborough County Commission

2) Hillsborough County Environmental Protection Commission

3) Tampa City Council

4) Ray Simches Mayor of Anna Maria

5) Betty Davis Simpson Chair of the Ft. Myers Beach Chamber of Commerce

6) John Ogden Director of the Florida Institute of Oceanography

7) John Cooke President of USF's United Faculty of Florida

8) Darbi James President of University of South Florida's Student Government

9) Robert L. Southern President of the Calusa Group of the Sierra Club

10) Gloria Rains Presidentof Manasota 88

11) Rob Heath Director of Tampa Audubon

12) A.L. Stamand President of the Hillsborough Wildlife Federation

13) Mike McDonald Chair of the Pinellas Area Coalition of Environmentalists

14) Myriam Paraham President of Florida's Voice for Animals

15) Gus Muench President of All Release Sports Fishing Society

OIL BAN CONTINUED

16) Dan Calahan President of Solar Partners, Inc.

17) Katherine Nesbit President of the Beach Voter Association

18) Marjorie Ward Chair of the Citizen Association of Bonita Beach

19) Wanda Slayton Ph.D. President of the Sanibel-Captiva Audubon Society

20) Roger Clark President of the Audubon Society of Southwest Florida

21) Lyle Danielson President of Lee County Retired Educators Association

22) David Urich Chair of Save Our Unique Towns Heritage

23) Worth Williams President of NE Hillsborough Citizens Concerned With the Protection of the Environment

24) Ileen Arsenault President of the Collier County Audubon

25) Nancy Berkhan Conservation Chair of the Tampa Women's Club

26) Tobi Weisbond Chair Social Action Network of Clearwater Unitarian Universalist

27) Harry Gibson Conservation Chair of the Eagle Audubon

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(813) 272-5660

Larry J. Brown, County Administrator

WHEREAS, the Gulf coast of Florida, nurtures endangered species such as manatees, sea turtles and bald eagles, protected plants such as mangroves and sea oats, and the most beautiful beaches in the world, and is uniquely sensitive to the pollution and habitat disruption caused by oil development;

WHEREAS, the Gulf coast of Florida's economic health depends on clean beaches and clear coastal waters for our multi-billion dollar tourism economy and vital commercial and sports fishing industries;

WHEREAS, all of Florida's coast is uniquely beautiful and sensitive to the pollution of offshore oil development, and Florida's economy depends on clean beaches and clean water for its tourism and fishing industries; and

WHEREAS, the oil industry is an enterprise having the potential for causing untold damage to the environment from its offshore drilling, product transfer and transportation despite the best of intentions and efforts;

It is therefore resolved that we, the Hillsborough County Commission, urge and request the United States Congress and the Department of Interior to permanently ban offshore oil leasing, drilling and production within 30 miles of Florida's Gulf coast, 30 miles of Florida's Atlantic coast and below 26 N latitude (Naples); and

It is further resolved that we, the Hillsborough County Commission, call on U.S. Representative George Miller, Representative Sam Gibbons, Representative Michael Bilirakis and Governor Bob Martinez to actively pursue a permanent ban on offshore oil leasing, drilling and production in the aforementioned areas.

Chairman, Board of County Commissioners

An Affirmative Action Equal Opportunity Employer

To: Congressman George Miller, Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources

From: North Florida Community Leaders

Plans for offshore oil drilling threaten Florida's coastal environment and economy. All of Florida's coast deserves permanent protection from offshore oil drilling, including the Florida Panhandle.

The Panhandle is home to beautiful barrier islands and a favorite recreation spot for natives and tourists. One spill could wipe out Apalachicola Bay's oyster beds, shrimping grounds, fishing industry and ruin hundreds of miles of sensitive coastlines.

We urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami) to protect the Florida Keys and Everglades, and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

1. Walton County Commission
2. Tallahassee City Commission
3. Les Evenchick, Destin City Environment Committee
4. Morris Clark, President, Francis M. Weston Audubon Society
5. Jackie Lane, President, Friends of Perdido Bay
6. Big Bend Sierra Club
7. David Arnold, President, Apalachee Audubon Society
8. Jack Rudloe, President, Gulf Specimen Marine Laboratory
9. Anita Page, Director and Owner, Points of Sail Sailing School
10. Frank Stephenson, Organization for Artificial Reefs
11. Cynthia Valencic, Legal Environmental Assistance Foundation
12. Ginny Schmahl, Earth Island Institute
13. Doug Alderson, Earth First
14. Apalachee Bay Yacht Club
15. Dr. Mark E. Luther, Mesoscale Air-Sea Interaction Group, FSU

RESOLUTION

WHEREAS, the the Board of County Commissioners of Walton County is concerned that our major natural resource, our snow white beaches, be protected, and

WHEREAS, the Board fears that drilling in the Gulf of Mexico may seriously endanger our beaches, and

WHEREAS, the Board feels that no drilling should be allowed within thirty (30) miles of the shoreline, or in the alternative, an absolute minimum of ten (10) miles in an area extending from Cape San Blas westward to the Alabama line, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Walton County, Florida to request Fedral and State Governments to enact necessary legislative regulations which would prohibit offshore drilling for petroleum and petroleum products within thirty (30) miles from the shoreline in an area extending from Cape San Blas westward to the Alabama line, in the Gulf of Mexico.

Unanimously adopted this 8th day of August, 1989.

BOARD OF COUNTY COMMISSIONERS
OF WALTON COUNTY, FLORIDA

BY: Sam Pridgen
SAM PRIDGEN, CHAIRMAN

ATTEST:
Martha Ingle
CATHERINE KING, CLERK

91

PETITION

TO: Governor Martinez, Representative Robert Harden, Senator Vince Bruner, U.S. Senator Bob Graham, U.S. Senator Connie Mack, and U.S. House Representative Earl Hutto

In an effort to protect our snow-white, sugar beaches, our clear emerald waters, and our environmentally sensitive birds and sea life from the increasing threat of oil and trash pollution...We, the undersigned, hereby request official action to obtain a 30 mile buffer zone (10 miles in state waters and 20 miles in federal waters) against off-shore exploration and drilling for oil and gas in our Panhandle waters between Cape San Blas and the Florida/Alabama state line. In addition, we ask that we be given the benefit of all other environmental safeguards available; that the environmental laws regarding oil pollution and plastics be more vigorously enforced by the respective enforcement agencies, including the imposition of maximum penalties for violations; and that the oil companies, before being granted a lease, be required to produce not only an effective spill prevention and control plan but that they also be required to produce evidence of their efforts to ensure that their employees and contractors strictly obey all pollution and litter laws with severe consequences for intentional or grossly negligent violations.

Name	City & State
[illegible]	[illegible]
Bill Campbell	DESTIN, FL.
Ray Gilbert	Bayou Vista, LA
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	BAYOU VISTA, LA
[illegible]	[illegible]
Mark [illegible]	Patterson La.
[illegible]	Auburn, Al.
[illegible]	Auburn, Al
[illegible]	DESTIN, FL.
Steve Robinson	Pensacola Fl
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Ward Kelly	Dothan, Al.
Brian Bell	DOTHAN, AL
[illegible]	Destin, FL

PETITION

TO: Governor Martinez, Representative Robert Harden, Senator Vince Bruner, U.S. Senator Bob Graham, U.S. Senator Connie Mack, and U.S. House Representative Earl Hutto

In an effort to protect our snow-white, sugar beaches, our clear emerald waters, and our environmentally sensitive birds and sea life from the increasing threat of oil and trash pollution...We, the undersigned, hereby request official action to obtain a 30 mile buffer zone (10 miles in state waters and 20 miles in federal waters) against off-shore exploration and drilling for oil and gas in our Panhandle waters between Cape San Blas and the Florida/Alabama state line. In addition, we ask that we be given the benefit of all other environmental safeguards available; that the environmental laws regarding oil pollution and plastics be more vigorously enforced by the respective enforcement agencies, including the imposition of maximum penalties for violations; and that the oil companies, before being granted a lease, be required to produce not only an effective spill prevention and control plan but that they also be required to produce evidence of their efforts to ensure that their employees and contractors strictly obey all pollution and litter laws with severe consequences for intentional or grossly negligent violations.

	Name	City & State
1	Betty Mann	Destin, FL
2	[illegible]	Destin, FL
3	[illegible]	Santa Rosa Beach, Florida
4	[illegible]	Freeport, FL
5	O. J. Duvall	Santa Rosa Bch, FL 32459
6	[illegible]	Santa Rosa Bch 32459
7	[illegible]	Santa Rosa Bch FL 32459
8	[illegible]	" " "
9	Joseph B Cooper	RI BOX 66A SANTA ROSA BCH FL
10	[illegible] Cooper	" " " "
11	[illegible]	SANTA ROSA BCH Fla.
12	[illegible]	25 [illegible] S.R.B. FL
13	Jeff Martin Destin, FL	26 [illegible] S.R.B. FL
14	[illegible] Destin, FL	Destin, FL
15	[illegible]	Santa Rosa Beach, FL
16	[illegible]	Grayton Beach, FL
17	[illegible]	Grayton Beach, FL
18	[illegible]	[illegible] Beach, FL
19	[illegible]	Santa Rosa Bch, FL
20	[illegible] Destin, FL	27 Jack W Burns
21	[illegible] Destin, FL	Eastern Lake FL 32454
22	[illegible]	Santa Rosa Bch FL
23	[illegible]	Santa Rosa Beach Fla
24	[illegible]	Santa Rosa Bch, FL

To: George Miller, Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources

From: Dive and Travel Industry Leaders

Plans for offshore oil drilling threaten Florida's coastal environment and economy. Florida's Gulf is lined with beautiful beaches. It is the home of sea turtles, dolphins and hundreds of species of fish. Gulf beaches fuel our multi-billion dollar tourist industry. One oil spill could ruin this ecosystem.

We urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami), and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

1) Kenneth Hallam President Life Technologies, Inc.

2) Eric W. Duntz President A-Plus Marine Supply

3) Fred D. Garth Publisher/Editor Scuba Times

4) Paul R. Sheaham President P.R. Sheaham Company

5) Tom Timmerman Owner Florida Keys Dive Center

6) Butch and Lynn Bare Owners Atlantis Wet Suits

7) Tom Halford President Impulse Inn

8) Anne C. Kirby Executive Administrator Delta Boat Works

9) J. Thomas Keplin Vice-President Kebite Underwater Systems, Inc.

10) Joseph R. Sink Vice-President Trebor Industries, Inc.

11) Abby Hastings Vice-President Aqua Video, Inc.

12) J.C. Cotera Vice-President Pro Dive

13) Paul Padilla Master Instructor Pro Dive

14) Martin Suiltes Manager Marine Diving

15) Bruce Bynum National Sales Representative Texas Research Institute Austin

TO: George Miller, Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources

FROM: Dade County Community Leaders

Plans for offshore oil drilling threaten Florida's costal environment and economy. All of Florida's coast deserves permanent protection from offshore oil drilling, especially South Florida.

South Florida is home to beautiful beaches and the famous Florida Keys, a favorite recreation spot for natives and tourists. Tourists spend millions of dollars in the Keys every year. South Florida's fragile living coral reefs, mangroves and seagrass beds could not withstand routine oil industry operations and would be decimated by an oil spill.

We urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources, to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami) to protect the Florida Keys and Everglades, and to amend H.R. 2945 to include a permanent no offshore oil leasing and drilling buffer zone of at least 30 miles for all of Florida's coastline.

(1) Florida Public Interest Research Group

(2) Dade County Commissioner Harvey Ruvin,
Chairman of the Environment & Land Use Committee
Chairman of the Biscayne Bay Management Committee

(3) Biscayne Bay Management Committee

(4) Sierra Club Miami

(5) Tropical Audubon Society

(6) Sierra Club Broward County

(7) Audubon Society Broward County

(8) Hoover Environmental Group

(9) American Littoral Society

(10) Izaak Walton League

(11) Broward County Environmental Coalition

(12) Kendall Federation of Homeowners Ass.

(13) Dade Civic Alliance

(14) North East Dade Coalition

(15) South Miami Homeowners

(16) Upper Keys Association

(17) Key Biscayne Council

(18) Anti-Pollution Committee

(19) Key Biscayne Anglers

(20) South Dade Anglers

(21) Friends of Oleta River

(22) Save Our Water Incorporated

(23) Citizens For Progress in Miami Beach

Mr. MILLER. Thank you very much for your testimony. Again, it is quite compelling. I do not think any of us on the panel yet have any real semblance of an understanding of this ecosystem, but I am sure as we get into it in more detail and we weigh the various pieces of evidence that are going to be submitted during the course of these hearings, we will come to understand what you have told us.

Again, I guess I am always kind of struck with the notion that on one side of the scale there appears so very often to be sort of a final action that is possible. You can kill the coral and that is about it. Whatever the importance of various ecosystems in other parts of the country, you must balance possible irreparable damage against what appears to be really a very short-term goal and gain. I do not know. We spend a lot of time in the Congress condemning others for short-term views, whether it is our business community or our military community or ourselves. I think that what we are now seeing is a very strong desire by citizens that we start to take a longer term view. I think this is probably a recognition and much greater understanding about how fragile this is because of our mishandling of the environment in the past.

We fight environmental wars in California on a regular basis. We are going to be confronted in the next election cycle with an initiative that I happen to think will reshape the way our economy thinks about the environment. That is going to be brought to us by the citizens. I expect that what we are seeing in this now national coastal movement is an awareness of the oceans, that they cannot just continue to be the receptacles of all of our other mistakes and our mistaken decisions.

I really look forward to learning more about this ecosystem. John, you are right, people said to us when we got here last night, you know, oil is one of the battles here but there are numerous and constant assaults made on this area. This committee has obviously been involved to some extent with the Everglades and other areas in south Florida and the Keys. But maybe it is this particular battle that coalesces people to think about the long-term ramifications of other decisions. I think really that is where those of us in the position of public policy have got to go. We have got to go into the long term. In the budget committee, they call it the out years, I think. I do not know who lives there. [Laughter.]

Mr. MILLER. Usually somebody who specializes in the out years—not a well-known figure in Congress. I think we have got to work from there back to the decision instead of working from the decision there. Think about it.

So let me thank all of you and your organizations and the people that have been raising this issue. A long time before we heard it, they were yelling at us. Obviously you have gotten a tremendous response from the Florida delegation and the congressional delegation, with the introduction of H.R. 2945, and as you can see, it is getting our attention on a rather rapid basis.

Congressman DeFazio.

Mr. DEFAZIO. Yes, I want to thank you for your excellent testimony and say I think what you represent here and the groups you represent, the people who have chosen to join and contribute to your groups and your efforts, represent a nationwide movement

that—I often use this when I speak to peace groups, I recall President Eisenhower and the fact that he said that the people of the world wanted peace so much that someday they would push the type of leaders to have it. And I think in this case it is very similar for the environment, that the people of the United States, particularly those of us who live in coastal States and love the ocean, want to protect those areas so much that if they will not listen in the White House, we are going to push them aside to get it. I think Congress might just have to do that with this administration, to get the protection we want. [Applause.]

Mr. MILLER. Jim.

Mr. MCDERMOTT. It is always interesting to come to these hearings because the public always testifies last. I want to say a couple of things about that. Winston Churchill said that democracy is the worst form of Government until you consider the alternatives. And I was looking at George's gray hair, he has been doing this for a long time—one of the things that I think most of you may not really understand is how important you really are to us. If you do not do your job, we have not got a chance. I think the real heroes are the ones who are here in the fourth hour of the hearing, the requirement is an iron butt in this business——

[Laughter.]

Mr. MCDERMOTT [continuing]. So that you stay and keep on the issue. I think the price of democracy really is eternal vigilance. And you are never ever going to end this issue, the pressure will always be on the environment. Catastrophes here or catastrophes in my State or in Peter's State or in George's State are the result of continuous pressure and the only thing that is going to turn that back is people like yourself. And so you are very, very important and I want to thank you all for what you have done. You have added to the ability of all of us to put together a national coalition to save the coasts. We are trying to save the trees in other places and we are trying to save a lot of things and I think that without the public constituency that you represent and the efforts that you put in—I know sometimes you sit in those meetings where you are licking all those envelopes and sending out and asking for money and all those great intellectual chores that go with this organizing, you sort of wonder. Well let me tell you, there are some of us who are very, very grateful to all of you for what you have done.

Thank you all for coming. [Applause.]

Mr. MILLER. Thank you very much. With that, the committee will stand adjourned. Again, let me say to those who are in the audience that we would welcome statements that you may want to make to this committee. You can just submit them to us to the committee in Washington, D.C. The record will remain open for some time, certainly until the conclusion of this series of hearings.

So thank you very much. With that, I want to thank all of the witnesses for their time and effort, and the members of the committee.

We stand adjourned.

[Whereupon, at 12:27 p.m., the subcommittee was adjourned.]

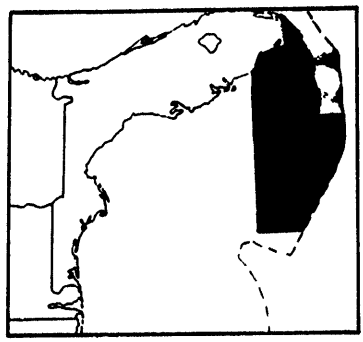
APPENDIX

SATURDAY, OCTOBER 14, 1989

ADDITIONAL MATERIAL SUBMITTED FOR THE HEARING RECORD

Coastal and Ocean Resources
An Overview

Lease Sale 116, pt. 2



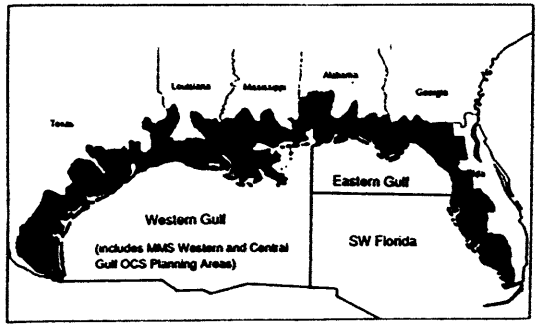
June 8, 1989

U.S. Department of Commerce

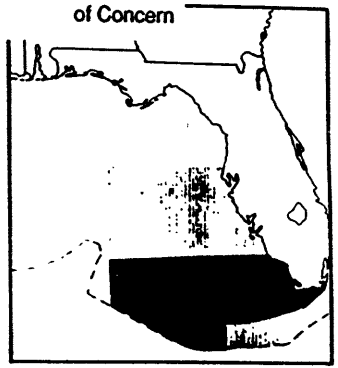
National Oceanic and Atmospheric Administration

Areas For Comparison

Gulf-wide



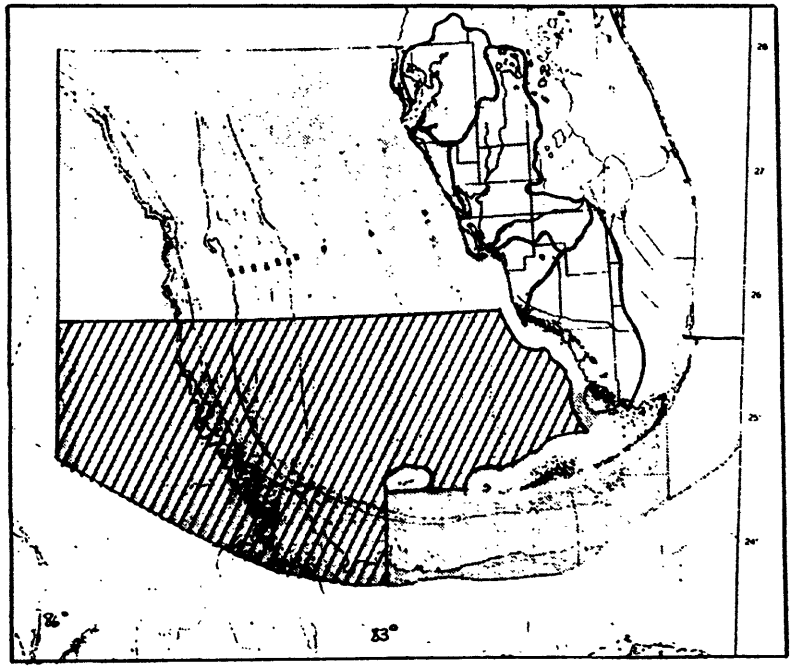
Ocean Area of Concern



Coastal Counties

Estuaries

Area of Concern



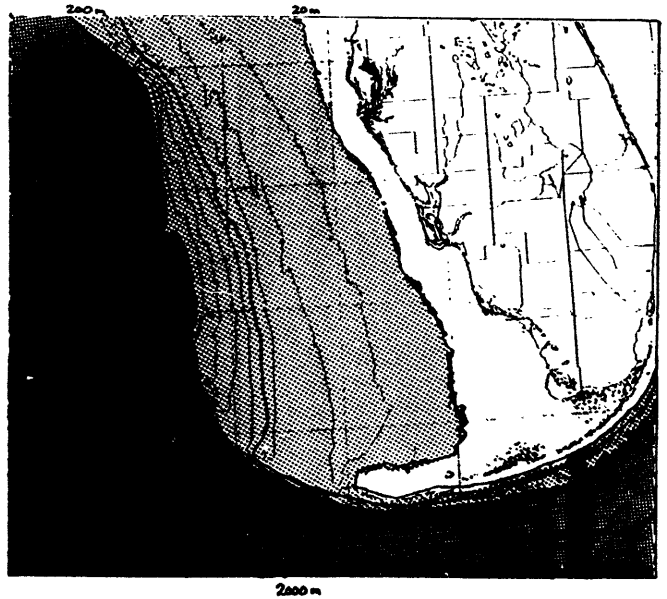
Area of Concern Lease Area

- Area of special biological importance and unique habitats
- Fast growth already occurring
- Impacts from oil and gas exploration and production will exceed lease sale area alone

Overview

Oceanography

Continental Shelf

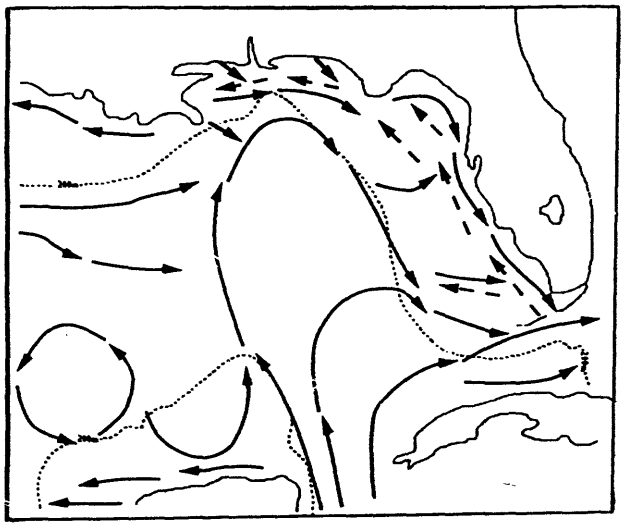


- Approximately 30% of the Gulf's continental shelf falls within area
- Wide Continental shelf (200+ km throughout most of area of concern)
- Depths less than 200 meters most common
- Characterized by low relief broken by coral reefs, hard bottoms, and relict shorelines

Overview

OCEANOGRAPHY

GENERAL CIRCULATION (GEOSTROPHIC)



CURRENTS (YEAR ROUND) ——►

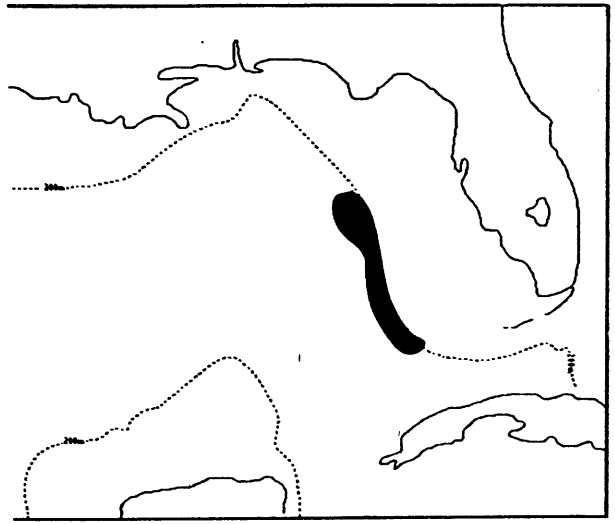
CURRENTS (SUMMER ONLY) - - - ►

- CIRCULATION PATTERNS ARE THOSE NORMALLY OCCURING DURING WINTER. DASHED ARROWS ALONG THE FLORIDA AND LOUISIANA COASTS REPRESENT REVERSAL OF WINTER FLOW PATTERN DURING SUMMER.
- LOOP CURRENT DOMINATES THE CIRCULATION WITHIN THE OCEANIC REGIME OF THE EASTERN GULF OF MEXICO YEAR ROUND.
- NEARSHORE CIRCULATION IS CONTROLLED LARGELY BY PREVAILING SEASONAL WINDS.

Overview

OCEANOGRAPHY

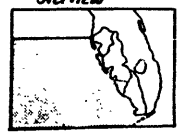
UPWELLING



UPWELLING AREA

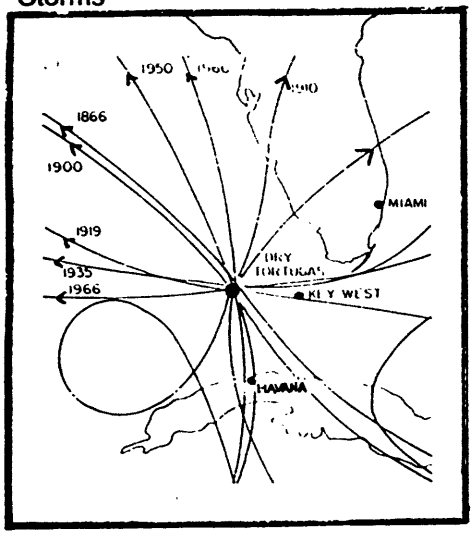
- OCCURS WHEN CYCLONIC COLD CORE FRONTAL EDDIES, ORIGINATING FROM THE LOOP CURRENT, INTRUDE UPON THE WESTERN CONTINENTAL SHELF OF FLORIDA.
- EDDIES CAUSE COLD NUTRIENT RICH, OXYGEN POOR WATERS FROM DEEPER LAYERS OF THE LOOP CURRENT TO UPWELL ALONG THE SLOPE AND EDGE OF THE FLORIDA CONTINENTAL SHELF. FILAMENTS OF THESE EDDIES CAN BE DETECTED AS CLOSE TO THE FLORIDA COAST AS THE 20 METER ISOBATH.
- INCREASED NUTRIENTS IN NEAR SURFACE WATERS HAVE THE POTENTIAL FOR INCREASING PRIMARY PRODUCTIVITY AND IMPACTING FLORIDA SHELF FISHERIES.
- THE UPWELLING IS NOT AS STRONG AS THAT FOUND ALONG THE ATLANTIC AND PACIFIC COASTS AND IS NOT A PERSISTANT WIND DRIVEN EVENT.

Overview



Oceanography

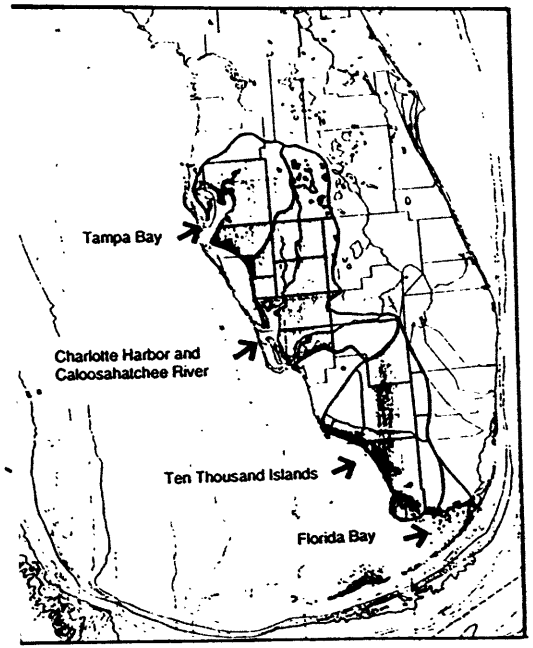
Storms



- South Florida has been hit by more hurricanes than any other equal-sized area of U.S.
- 157 hurricanes swept through area from 1871-1986
- Dry Tortugas are major point of entry for hurricanes into Gulf of Mexico

Overview

Estuaries



Estuaries	EDA Land (sq. mi.)	ESA (sq. mi.)	Population 1980 (1,000's)
Ten Thousand Islands	4,215	142	33.7
Charlotte Harbor	4,417	311	464.1
Caloosahatchee River[a]	1,374	26	174.7
Tampa Bay	2,154	346	1,026.2
Florida Bay[b]	1,219	649	n/a[c]
Totals	10,786[d]	1,474	1,524.0

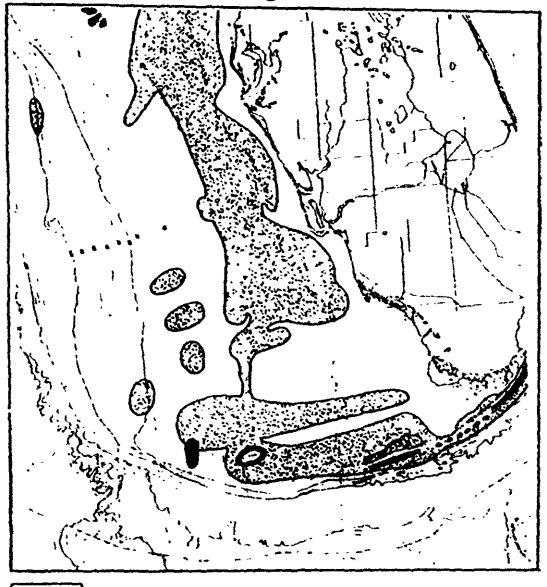
a subestuary of Charlotte Harbor
b preliminary estimates only
c no data available
d 89 percent of the EDA land is within the 14 coastal counties

Southwest Florida Estuaries:

- Have a high shoreline-to-water surface ratio, making them targets for land-based development
- Have very high seawater fractions, making them relatively more susceptible to impacts from off-shore activities
- Have relatively high retention times, making them susceptible to pollutant inputs from land-based and off-shore activities

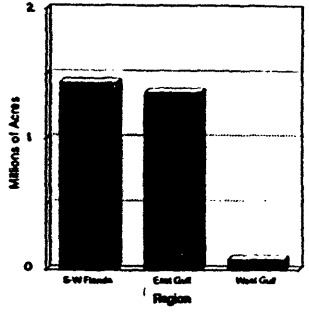
Habitat

Coral Reefs and Seagrasses



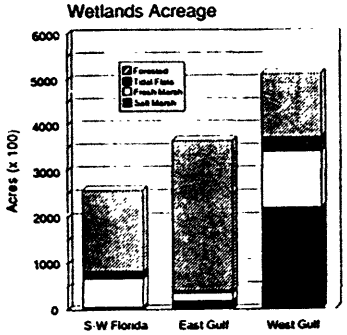
Known Coral Reefs

Supposed Areas of Scattered Coral Heads, Banks, or Hard Bottoms



- Coral reefs are important for commercial and recreational marine species
- Three coral reef areas in Florida Keys under Federal Management programs
- Seagrasses are flowering, vascular plants that serve as important fisheries nursing areas as well as turtle and manatee food sources
- Seagrass ecosystems play a critical role in marine aquatic productivity, erosion protection, and sediment acretion
- Southwest Florida contains 50% of the seagrasses in the Gulf region

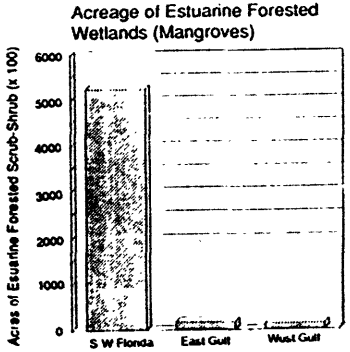
Habitat



- Despite containing only 18% of the Area inventoried on the Gulf Coast, Southwest Florida includes:

  - 94% of the Mangroves,
  - 31% of the Fresh Marsh, and
  - 30% of the Total Forested Wetlands in the Gulf

- Wetlands provide critical habitat for fish, shellfish, and wildlife, filter and process agricultural and industrial wastes, and buffer coastal areas against storm and wave damage



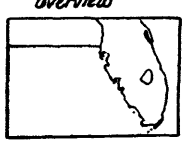
Overview

Living Marine Resources

Areas of Relative Biological Importance

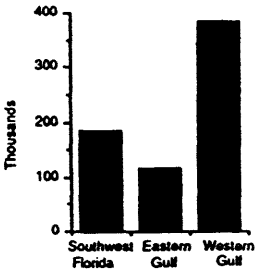
Adult Distributions for Fishes (48) and Invertebrates (15)

- A biologically rich area, 61 of 63 economically and biologically important species studied are present in shelf waters
- Area is unique for many species, 70% adult range of 11of 63 species is contained in area



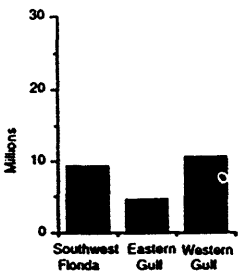
Recreation

Boat Registrations, 1986



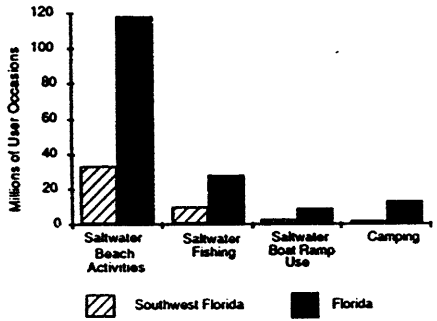
- 27% of all pleasure boats registered in coastal counties of the Gulf of Mexico are in Southwest Florida
- 38% of all saltwater fishing trips in the Gulf of Mexico are in Southwest Florida

Marine Recreational Fishing Trips, 1985

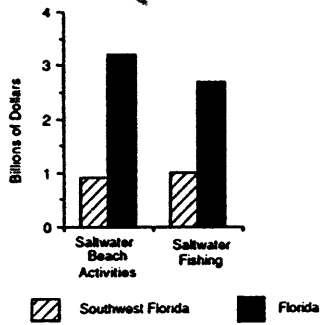


Recreation

Annual Demand for Selected Recreation Activities, 1987



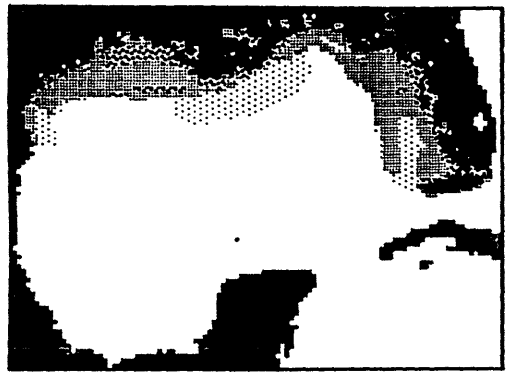
Annual Value of Resources for Saltwater Beaches and Fishing, 1988



- The annual value or net return to the resources in Southwest Florida from saltwater beach activities and fishing is $1.9 billion
- 28% of the saltwater beach use and 25% of the annual value in the state of Florida occurs in Southwest Florida
- 36% of the saltwater fishing activity and 37% of the annual value in the state of Florida occurs in Southwest Florida

Living Marine Resources

Commercial Fishing Grounds

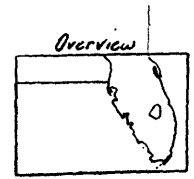


Fishes and Invertebrates, Commercial Fishing

Numbers of species fished commercially

Darker tones indicate greater numbers of species

- Of 38 commercially fished species in Gulf, 28 are commercially fished in Southwest Florida
- 13 species are almost exclusively fished in Southwest Florida, e.g.,
  - Pink Shrimp
  - Spiny Lobster
  - Stone Crab
  - Snappers (4 species)
  - Black Grouper
  - Mackerels (2 species)
  - Florida Pompano
  - Striped Mullet
  - Greater Amberjack

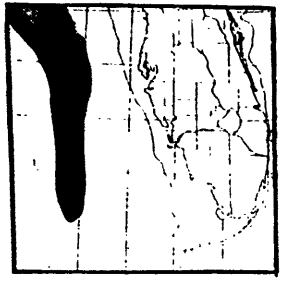


Living Marine Resources

Commercial Fishing Grounds

Florida pompano

Gray, Lane, Mutton, and Yellowtail snappers

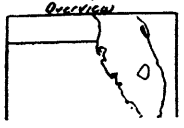


Red and Vermilion snappers

Spanish and King mackerels

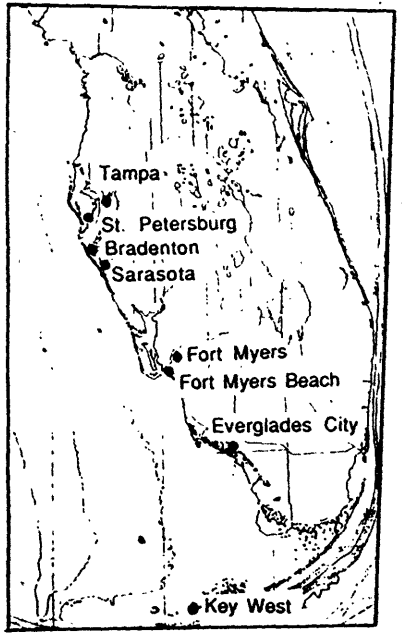
Spiny Lobster

Stone crab



Living Marine Resources

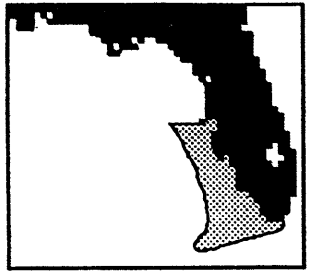
Commercial Fishing Ports



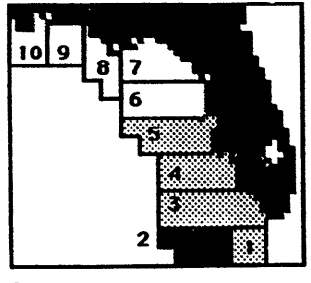
- 69 million pounds per year of fish and shellfish were landed at Southwest Florida ports between 1985 and 1987
- This translated into $89 million per year worth of landings for the same period, about one-third of the annual total are shrimp
- Important fishing ports include Bradenton, Everglades City, Fort Myers, Fort Myers Beach, Key West, St. Petersburg, Sarasota, and Tampa
- Commercially important fisheries include Groupers, Lobster, Mullet, Pink Shrimp, Snappers, and Stone Crab

Living Marine Resources

The Major Fishery: Pink Shrimp

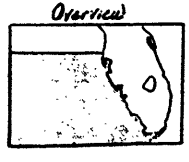


Shoreward of 40 fathoms



Statistical Areas

- $32.4 million harvested in Gulf
- $28.7 million harvested in Southwest Florida
- Most harvested in Area 2
- Almost all harvest is in less than 20 fathoms
- Since 1981, the Dry Tortuga pink shrimp sanctuary has been closed to protect juvenile shrimp



Living Marine Resources

Recreational Fishing Grounds

Directed Recreational Fishing Areas, Number of Species

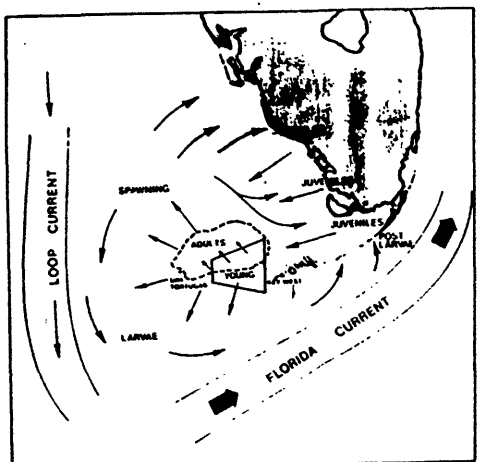
Darker tones indicate greater numbers of species present

- 20 major "direct" recreational fisheries in Gulf of Mexico
- Major portion of recreational grounds for 12 of 20 species are in Southwest Florida, e.g.,
  - Florida Pompano
  - Snappers (6 species)
  - Spanish Mackerel
  - Tarpon
  - Bonefish
  - Snook
  - Spotted Seatrout
- Limited directed recreational fisheries also exist for Sailfish and Marlins

Overview

Living Marine Resources

Estuarine-Shelf Coupling



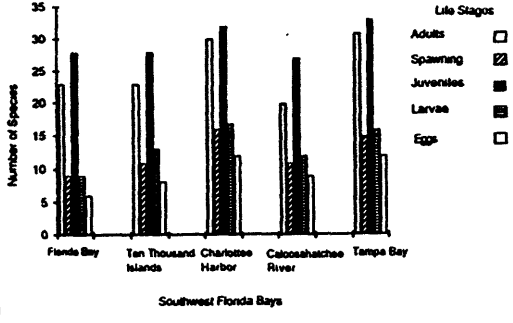
Shrimp migratory patterns

Important species use estuarine-shelf coupling to support life history migrations

- Shrimp
- Blue Crab
- Stone Crab
- Red Fish
- Mullet

Living Marine Resources

Many commercial and recreational species utilize estuaries



Number of life stages found in SW Florida Estuaries for 36 economically and ecologically important species.

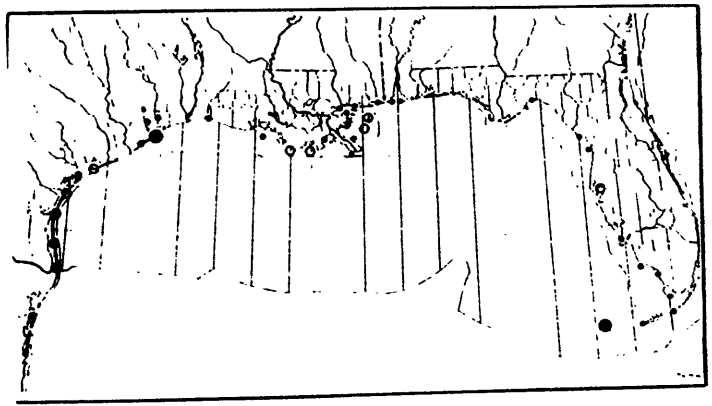
Several important species are dependent on Southwest Florida estuaries:

- Northern biogeographical extent of major spiny lobster populations
- Primary area of adult and juvenile abundance for snook, tarpon, and yellowfin menhaden
- Dominant habitat for juvenile pink shrimp
- Critical blue crab mating habitat
- Over 70% of the commercially and recreationally important species utilize Florida estuaries during some portion of their lifecycle

Overview

Living Marine Resources

Seabird Colonies

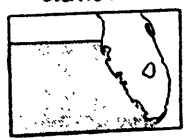


Number of birds

- < 10,000
- 10,000-100,000
- > 100,000

- Southwest Florida is an important area for Gulf of Mexico seabirds
- Dry Tortugas contains 1 of the 2 largest seabird colonies in the Gulf, over 110,000 birds
- Dry Tortugas is predominant Gulf of Mexico breeding area for Sooty Tern and Brown Noddy
- Tampa Bay also contains a major colony area, over 50,000 birds
- The Florida Keys are a unique breeding area for the "Magnificent Frigate Bird" and Roseate Tern

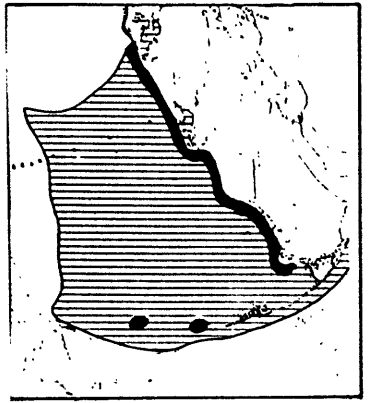
Overview



Threatened and Endangered Species

- Beach and coastal areas are critical habitat for threatened and endangered species

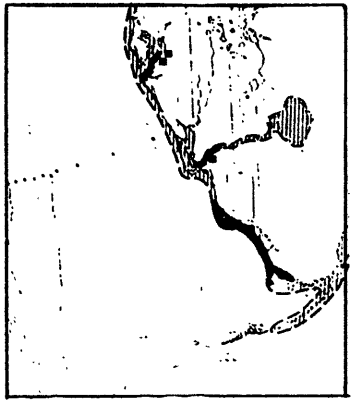
Loggerhead Turtle



Adult Area (Year-round)

Nesting Beach (May to September)

West Indian Manatee



Occurrence (Year-round)

Winter Concentrations

Artificial Warm-water Refuge

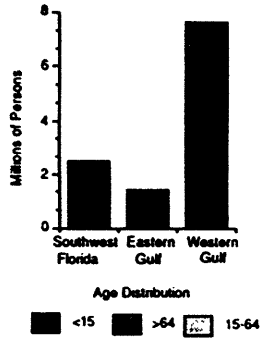
American Crocodile

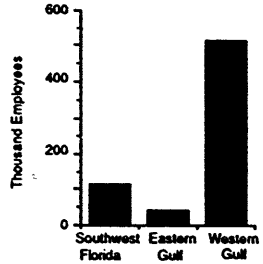
Nesting Area (Known)

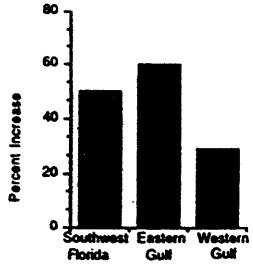
Occurrence (Year-round)

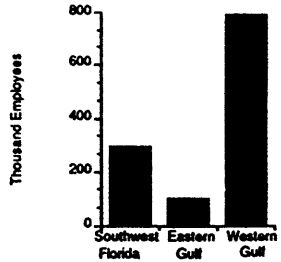
Rare Occurrence (Year-round)

Economics





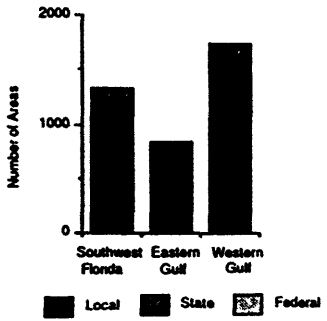




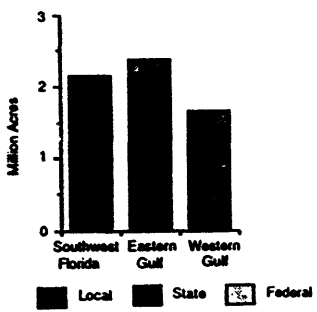
- Southwest Florida includes about 22% of the entire Gulf coastal population
- Projected population growth (1980-2000) in Southwest Florida is 50%, higher than the national average
- Southwest Florida accounts for about 25% of all manufacturing employment in the entire state
- Southwest Florida accounts for about 31% of all wholesale/retail employment in the entire state

Recreation

Number of Public Recreation Areas, by Level of Government



Public Recreation Acreage, by Level of Government

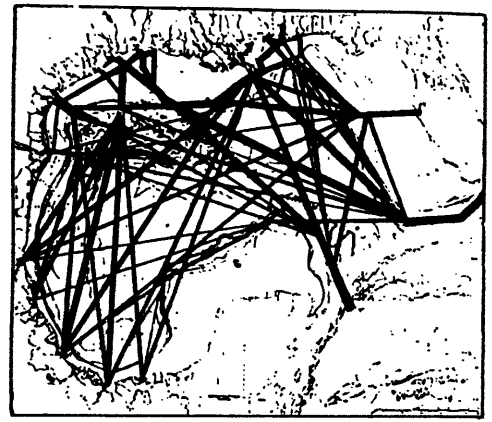


- Southwest Florida includes about 34% of all public recreation areas in Gulf coastal counties
- Southwest Florida includes about 35% of all public recreation acreage in Gulf coastal counties
- More than 70% of all Gulf of Mexico coastal public recreation lands are in Florida

Overview

Ports/Shipping

Routes

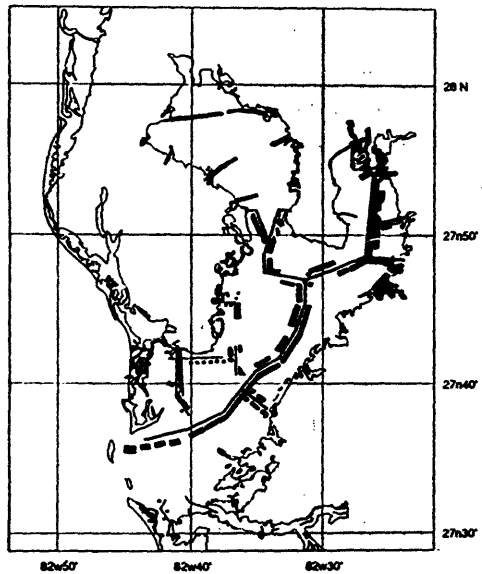


- Five of the Nation's top ten ports are located in the Gulf, shipping over half a billion tons of cargo each year
- Ninety percent of Gulf oil comes to shore via pipelines
- Western margin of area of concern has heavy traffic
- Intracoastal waterway moves thousands of vessels through area of concern

Overview

Ports/Shipping

Tampa Bay



Shoreline modification, drodged navigational channels, and dredged material disposal areas for Tampa Bay

- More than 40 million tons shipped per year
- Third longest length of modified shoreline of U.S. estuaries
- Eighth largest area of dredged material disposal of U.S. estuaries
- Already contains high organic contaminate levels in sediments -- in top 10% of contaminated U.S. estuaries

Overview

Summary

The Southwest Florida System

Provides:

- Primary habitat within the Gulf of Mexico for many economically and biologically important fishes and invertebrates
- Predominant habitat within the U.S. for several protected species

Contains:

- Major investment by local, state, and Federal governments to protect fish and wildlife and to provide recreational opportunities to the public
- A significant marine tourism/recreation based economy
- A heavily utilized and stressed coastal and estuarine environment

Consequently:

- The Southwest Florida region requires special management efforts to ensure that coastal and nearshore habitats are protected

20-035 0 - 00 - 7

Prepared Statement of
Hon. Charles E. Bennett

Thank you, Mr. Chairman, for this opportunity to submit testimony on behalf of H.R. 2945, the Offshore Florida Keys Environmental Protection Act of 1989. I want to commend the sponsors of this worthwhile legislation and to extend my wholehearted support for this bill. If w are to save the Keys for the enjoyment of not only ourselves but for generations to come, we must act now.

The Florida Keys are a valuable state and national treasure in terms of both their rich assemblages of wildlife and plant communities, including coral reefs and mangrove forests, and the economic benefit of the tourist industry based in and around the Keys.

As Dean of the Florida Delegation, I encourage my colleagues to join with me and the entire Florida Delegation and Florida Governor Bob Graham in supporting a ban of offshore oil development in the Florida Keys. We are unified together on this -- Republicans and Democrats alike -- to end the spector of this important treasure being destroyed. What a waste that would be! Let's use common sense; let's protect nature. Let us enact the Offshore Florida Keys Environmental Protection Act of 1989.

CHARLES E. BENNETT
MEMBER
3D DISTRICT FLORIDA

ARMED SERVICES COMMITTEE
CHAIRMAN OF SEAPOWER SUBCOMMITTEE
MEMBER OF RESEARCH AND DEVELOPMENT SUBCOMMITTEE

MERCHANT MARINE AND FISHERIES COMMITTEE

DEAN OF FLORIDA CONGRESSIONAL DELEGATION

Congress of the United States
House of Representatives
Washington, DC 20515

J.H. (JAY) MOONEY
ADMINISTRATIVE ASSISTANT
JAMES S. PEARTHREE
LEGISLATIVE ASSISTANT
SHARON H. SIEGEL
BARBARA L. FETHERULF
DARLA E. SMALLWOOD
ETHEL M. SCHOSSELL
RALPH DE GERNARD
JAMES F. GRAHAM
A. LYNN MILLER
JUDY L. MAZE
KAREN L. ENGLAND
LORRAINE TAPPEN
WASHINGTON OFFICE STAFF

JOHN W. POLLARD, JR.
BRENDA C. DONALDSON
DONNA M. WELDON
JACKSONVILLE OFFICE STAFF

December 20, 1989

Honorable George Miller, Chairman
House Subcommittee on Water, Power
and Offshore Energy Resources
1522 Longworth HOB
Washington, D.C. 20515

Dear George:

Please find enclosed a resolution (Resolution 79-D) that was adopted by the State of Florida House of Representatives requesting that the Congress of the United States adopt H.R. 2945 to prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the outer continental shelf off of the State of Florida.

As you know, I am an original cosponsor of this worthwhile and critically needed legislation. I appreciate your holding field hearings on H.R. 2945 and encourage you to address this legislation in hearings before your Subcommittee at the soonest possible time.

With kindest regards, I am

Sincerely,

Charles E. Bennett

CEB:mw
Enclosure

WASHINGTON OFFICE
2107 RAYBURN BUILDING
WASHINGTON, DC 20515
TELEPHONE 202-225-2501

JACKSONVILLE OFFICE
314 PALMETTO STREET
JACKSONVILLE, FL 32202
TELEPHONE 904-791-2587

State of Florida

HOUSE OF REPRESENTATIVES

Resolution 79-D

By Representatives Lombard and Arnold

A resolution urging adoption of H.R. 2945 which would prohibit oil and gas leases in certain offshore areas near Florida.

WHEREAS, H.R. 2945, a bill to prohibit the United States Secretary of the Interior from issuing oil and gas leases on certain portions of the outer continental shelf off the State of Florida, is now pending in the Congress of the United States, and

WHEREAS, the adoption of H.R. 2945 is necessary to protect the coastal environment and resources of Florida from damage caused by oil and gas drilling, and

WHEREAS, the original Florida sponsors of H.R. 2945 include Congressmen Bennett, Fascell, Goss, Grant, Ireland, Johnston, Lehman, and Nelson, who are to be commended for their sponsorship of this bill, NOW, THEREFORE,

Be It Resolved by the House of Representatives of the State of Florida:

That the Congress of the United States is requested to adopt H.R. 2945 to prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the outer continental shelf off the State of Florida.

BE IT FURTHER RESOLVED that copies of this resolution be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

This is to certify the foregoing was adopted on November 18, 1989.

Tom Gustafson
Speaker

Clerk of the House

The Honorable Harry Johnston
Subcommittee on Water, Power and Offshore Energy Resources
Field Hearing on H.R. 2945

Mr. Chairman, unfortunately I am unable to be present at the field hearing conducted by your Subcommittee. I do appreciate having the opportunity to submit testimony on legislation which is of great concern to me, and to the people of Florida.

Since coming to Congress last January I have had various opportunities to express my support for a permanent moratorium on drilling and future leasing in the area off the coast of Florida. I have joined with many of my Florida colleagues in contacting Chairman Sidney Yates and Secretary of the Interior Manuel Lujan. I have also had the opportunity to meet with members of the President's Task Force on Offshore Oil Drilling and Leasing.

I fully support H.R. 2945, which would prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Continental Shelf off the State of Florida. I believe that this legislation will offer a permanent answer to the problem of offshore drilling and leasing which has been a consistent threat to the State of Florida.

I am vehemently opposed to offshore oil drilling and leasing in the areas surrounding Florida. The environmental risks of drilling and leasing far outweigh the supposed benefits, especially since the Department of Interior estimates that the coastal and offshore region from Naples to the Keys only contains approximately 15.4 million barrels of oil.

The environmental risks are substantial in the area in question. This offshore region is home to a unique habitat: corals, seagrass and mangroves which cannot be replaced. The areas under discussion are dangerously close to Everglades National Park, Crocodile Lake, Great White Heron National Wildlife Refuge and Key West National Wildlife Refuge.

Mr. Chairman, thank you for devoting your time and energy to this important issue. I believe that H.R. 2945 may provide an answer to the threat of offshore oil drilling.

TOM LEWIS
12TH DISTRICT FLORIDA

ROOM 1218
LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
TELEPHONE (202) 225-5792

COMMITTEES
COMMITTEE ON AGRICULTURE
COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL
NORTH ATLANTIC ASSEMBLY (NATO)

Congress of the United States
House of Representatives
Washington, DC 20515

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PORT ST. LUCIE
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SUITE 500
PORT ST. LUCIE, FL 34952
(407) 283-7989
(407) 465-3710

October 19, 1989

The Honorable George Miller
Chairman
Interior Subcommittee on Water, Power
and Offshore Energy Resources
1522 Longworth House Office Building
Washington, D.C. 20515-6205

Dear Mr. Chairman:

Let me take this opportunity to thank you for your recent field hearing on H.R. 2945, held in Key West, Florida. This legislation, which would prohibit the issuing of oil and gas leases on certain portions of the Outer Continental Shelf off the Florida coast, will play a vital role in the preservation of Florida's coastal areas.

As an original cosponsor of H.R. 2945, I realize this is the only means available to Florida residents that will insure Florida does not experience a tragedy such as the recent oil spill by the Exxon Valdez. I have enclosed a statement regarding my support for H.R. 2945 in hopes that you will include it in the record from the Subcommittee hearing.

Mr. Chairman, I appreciate your interest in this matter and if I can be of any assistance to you regarding offshore oil drilling, please do not hesitate to contact me.

Sincerely,

Tom Lewis

Tom Lewis
Member of Congress

TL/awl

TOM LEWIS
18TH DISTRICT, FLORIDA

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COMMITTEES
COMMITTEE ON AGRICULTURE
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SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL
NORTH ATLANTIC ASSEMBLY (NATO)

Congress of the United States
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(407) 283-7889
(407) 465-3710

Tom Lewis

THE STATEMENT OF
THE HONORABLE TOM LEWIS
OF FLORIDA
****
Before the Subcommittee on
Water, Power and Offshore Energy Resources
October 14, 1989

MR. LEWIS: Mr. Chairman, let me take this opportunity to extend my appreciation and thanks for calling this hearing regarding H.R. 2945, legislation that would prohibit the Secretary of the Interior from issuing oil and gas leases on certain portions of the Outer Countinental Shelf off the coast of Florida. This legislation will play a vital role in the preservation of the Florida coastal areas.

As an original cosponsor of H.R. 2945, I continue to support all bans of oil and gas leases for drilling and exploration off the coast of Florida. The delicate ecological and environmental balance that exists in the waterways surrounding Florida would be devastated by any disaster related to the issuing of such leases.

When you look at the State of Florida, with her prevailing southeast winds and tidal action from the gulf stream, a major oil spill off the Florida coast would have an irreparable effect on our beaches, our rich Gulf fishing grounds and our sensitive Everglades region. Allowing the Secretary to issue new leases for exploration in these areas could lead to permanent damage in coastal regions surrounding Florida.

H.R. 2945 also requires the Secretary of the Interior to establish guidelines for repurchasing existing oil and gas leases on submerged lands off the coast of Florida. This would increase the protection needed for our shorelines.

I hope that the members of the Committee were able to view first-hand the beauty of the Florida Keys and the life giving mangrove swamps of this region of our state. These are but a few of the environmentally delicate areas within Florida. They could not withstand an oil spill even a fraction of the size of the recent Valdez spill. A tragedy of that magnitude would destroy life as we know it in South Florida.

Mr. Chairman, like my fellow colleagues from Florida, I hope that your Committee will support H.R. 2945 and make a long term commitment to protecting the coastal areas of Florida. These areas are national landmarks and we must do all we possibly can to preserve them.

Subcommittee on Water, Power
and Offshore Energy Resources

Statement for the Record
by
Congressman Bill Nelson

NOVEMBER 15, 1989

Mr. Chairman: Thank you for the opportunity to speak about oil and gas exploration off our nation's coastline.

First let me say that as a representative of the State of Florida this issue is of vital interest to me. As a cosponsor of H.R. 2945, I firmly believe that oil and gas development should not take place off the coast of Florida.

Just last week, the National Academy of Sciences issued a report requested by the President recommending against going forward with lease sales after finding inadequate technical and scientific data on possible damage to the environment. The site studied in the report included about 14 million acres west of the Everglades and north of the Florida Keys in the Gulf of Mexico. It contains an 11,000 year-old coral reef, the world's third-largest barrier reef. Besides Hawaii, the State of Florida has the only other living coral reef in the United States.

A major oil spill off the coast of Florida could very well cause irreversable damage to our ecosystem. In the past three weeks, Mr. Chairman, three tankers ran aground in Florida -- the Yugoslav ship, the Mavro Vetranic, became lodged on a reef off the Dry Tortugas, a small island group about 60 miles west of Key West. The ship, carrying phosphate and fuel, destroyed about 500 feet of reef.

Officials are at a loss to explain the reason for these groundings. Our ability to prevent these kinds of accidents is minimal. It is imperative that we preserve our environment for future generations. We cannot leave our environment defenseless against the onslaught of these exploration activities. Florida's coast is too fragile and, therefore, we must prohibit the Secretary of the Interior from issuing gas leases off the coast of Florida.

Mr. Speaker, we should not deliberately jeapordize our natural resources through drilling for oil and gas off the coast of Florida. I would only hope that the Secretary of the Interior carefully considers the irreversable and detrimental effects that oil and gas exploration can have on the ecosystem.

###

Statement of the Honorable E. Clay Shaw, Jr.

Submitted to the Subcommittee
on Water, Power and Offshore Energy Resources

Committee on Interior and Insular Affairs

November 22, 1989

Mr. Chairman, allow me to begin by clearly stating my position on an issue that affects all living creatures in South Florida. I am totally opposed to drilling, oil and gas leasing, and exploration off of south Florida's coasts. For this reason, I am proud to be a co-sponsor of H.R. 2945, the Offshore Florida Keys Environmental Protection Act of 1989, which was introduced by my good friend and Florida colleague, Andy Ireland.

Obviously, the time has now arrived to permanently ban all offshore oil drilling off of the coasts of Florida. To achieve this goal, I urge the subcommittee to favorably report out H.R. 2945. Year after year, Congress puts the environment of South Florida on a roller coaster by attaching year-long drilling moratoriums on the Interior Appropriations bill. This is not an effective way to legislate, and it sends the wrong signal to our constituents. Congress has a chance, by enacting H.R. 2945, to decide this issue once and for all -- and I believe my colleagues will vote, as I will, to ban forever oil and gas drilling off of our precious coasts.

The numerous scientific research on this issue supports my position. For example, the Department of Interior recently estimated that all the oil and gas reserves in the proposed ban area would only satisfy our nation's energy needs (at 1986 consumption rates) for a paltry fifteen days. Putting South Florida's economy, as well as the environment upon which that economy is dependent, for the benefit of about two weeks worth of energy is a totally unacceptable risk. Furthermore, it was reported in the Fort Lauderdale News and Sun-Sentinel that the South Florida Regional Planning Council conducted a study on this matter. It was determined by the Council that South Florida is woefully unprepared to meet a major oil spill off its coasts and probably would respond poorly to even a moderate or minor spill. The Council also found little coordination among local, state and federal agencies, a shortage of equipment available for immediate deployment, and the lack of a floating boom system large enough to corral a major spill.

Although this issue has been extensively studied and documented, one need not be an expert in the field to support a ban on offshore drilling off of Florida's coasts. After seeing photographs of the tragedy of Exxon Valdez, and imagining what a similar oil spill would do to South Florida's fragile ecosystem -- an ecosystem irreplaceable and unique to our hemisphere -- the only prudent and logical conclusion is a complete ban. What price does one put on the mangroves, the beds of seagrasses or the only

living coral reef in North America? Is destroying these environmental wonders worth paying the price for fifteen days of energy? I say the price is too high. Passage of H.R. 2945 will ensure the people of Florida never have to pay this costly price.

Mr. Chairman, I was born and reared in South Florida. I have raised my family in South Florida. My family swims in the blue waters off of Florida's coasts and we enjoy hiking through the Everglades -- the very places at risk from offshore drilling. Mr. Chairman, I urge passage of this worthy bill; it is Florida's only permanent guarantee our environment will not be fouled by offshore drilling.

WAYS AND MEANS COMMITTEE

SUBCOMMITTEES
TRADE, CHAIRMAN
SOCIAL SECURITY

JOINT COMMITTEE ON TAXATION

SAM M. GIBBONS
7th DISTRICT, FLORIDA

Congress of the United States
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

PLEASE RESPOND TO:
☐ HOUSE OFFICE BUILDING
WASHINGTON D.C. 20515
TELEPHONE (202) 225-3376
☐ 101 E. KENNEDY #1426
TAMPA FLORIDA 33602
TELEPHONE (813) 228-2101
☐ 201 S. KINGS AVE. #6
BRANDON FLORIDA 33511
TELEPHONE (813) 689-2847

JANICE STOORZA
WASHINGTON OFFICE MANAGER

MARGO O'CONNOR
FLORIDA OFFICE MANAGER

October 3, 1989

The Honorable George Miller, Chairman
Chairman, Subcommittee on Water,
Power & Offshore Energy
Resources, U.S. House of Representatives
Washington, D.C. 20515

Dear George:

Thank you for inviting me to the Key West hearing of October 14. Unfortunately, I will be unable to attend because of conflicts with appointments in my own District.

Should your Subcommittee approve H.R. 2945, I would ask you to amend it so that it would include the beaches on the west coast of Florida, at least as far north as Anclote Keys, which is just northwest of Tarpon Springs, Florida, and extend the western boundary far enough out on the Gulf to protect the beaches from Anclote Keys south, including all the waters of Tampa Bay and Charlotte Harbor. I would suggest that the bill prohibit oil and gas operations out to 83 degrees west longitude and 29 degrees north latitude.

Failure to extend the boundaries of this bill would put additional pressure on drilling along Florida's most productive fish and wildlife resources and may possibly damage Florida's most highly developed beach resources.

Sincerely,

Sam M. Gibbons
United States Congressman

SMG:f

THE CITY OF CORAL GABLES

OFFICE OF
CITY CLERK
CITY HALL

THE CITY BEAUTIFUL

P. O. DRAWER 141549
CORAL GABLES, FLORIDA 33114
TELEPHONE (305) 442-6449

November 27, 1989

The Honorable George Miller, Chairman
U.S. House of Representatives
Subcommittee on Water, Power and
Offshore Energy Resources
2228 Rayburn Building
Washington, D.C. 20515-0507

Dear Representative Miller:

The Members of the coral Gables City Commission urge you to support a permanent ban on offshore oil leasing and drilling in the State of Florida and unanimously adopted Resolution No. 27274 in regard to this on November 21, 1989, which is enclosed.

Respectfully yours,

Virginia L. Paul
City Clerk

cc: City Commission

Enclosure

VLP/le

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 27274

A RESOLUTION OF THE CORAL GABLES CITY COMMISSION URGING CHAIRMAN OF UNITED STATES HOUSE OF REPRESENTATIVES SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES TO SUPPORT PERMANENT BAN ON OFFSHORE OIL LEASING AND DRILLING IN STATE OF FLORIDA.

WHEREAS, the City of Coral Gables in Dade County, Florida a municipal corporation of the State of Florida, represents the citizens of Coral Gables on vital issues concerning its economy and environment, and

WHEREAS, plans for offshore oil drilling threaten Florida's coastal environment and economy, and

WHEREAS, all of Florida's coast deserves permanent protection from offshore oil drilling, and in particular the South Florida area, and

WHEREAS, South Florida is world renowned for its beautiful beaches and unique Florida Keys, a favorite recreation spot for natives and tourists alike, and

WHEREAS, fragile reefs of living coral, mangroves, and beds of seagrass make the Florida Keys an irreplaceable resource which could not withstand routine industrial oil operations and would be devastated by a major oil spill, and

WHEREAS, nine major oil companies already hold seventy-three leases, some of them just twenty-five miles north of Key West, and

WHEREAS, Florida's natural resources generate billions of tourist dollars and jobs, making tourism its dominant industry, and

WHEREAS, Florida's commercial and recreational fishing industry also depends on a pristine marine environment; the Gulf of Mexico is the second largest fishing area in the world; the Florida coast supports a billion dollar recreational fishing industry as well; besides providing leisure activity for thousands of fishermen, Florida's coast generates over $147 million in State taxes for salt water recreational fishing annually, while employing 124,000 people, and

WHEREAS, Congressmen Dante Fascell, Andy Ireland and Bill Lehman have introduced a bill known as HR 2945 to permanently ban oil drilling in an area which runs from Naples to Miami, and

WHEREAS, Representative Ireland has requested that the bill be amended to include a thirty-mile buffer to protect the rest of Florida's coast,

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

1. That the Coral Gables City Commission hereby calls on The Honorable George Miller as Chairman of the United States House of Representatives Subcommittee on Water, Power and Offshore Energy Resources to support HR 2945 banning leasing and drilling south of twenty-six degrees north latitude to protect South Florida, the Florida Keys and the Everglades.

2. That it is further urged that the proposed bill be amended to extend the permanent ban on oil leasing and drilling to provide a thirty mile buffer zone for the Florida coastline.

3. That the City Clerk is hereby directed to forward this resolution to the Chairman of the United States House of Representatives Subcommittee on Water, Power and Offshore Energy Resources.

PASSED AND ADOPTED THIS TWENTY-FIRST DAY OF NOVEMBER, A.D. 1989

APPROVED:

GEORGE M. CORRIGAN
MAYOR

ATTEST:

VIRGINIA L. PAUL
CITY CLERK

BOARD OF COUNTY COMMISSIONERS
ESCAMBIA COUNTY, FLORIDA
223 PALAFOX PLACE
P.O. BOX 1591
PENSACOLA, FLORIDA 32597-1591
TEL (904) 436 5783
(SUNCOM) 682 5783
TELEFAX (904) 436 5813

DAVE PAVLOCK
District One

KENNETH J. KELSON
District Two

WILLIE J. JUNIOR
District Three

MURIEL W. WAGNER
District Four

WILSON B. ROBERTSON
District Five

WAYNE PEACOCK
COUNTY ADMINISTRATOR

October 19, 1989

The Honorable George Miller
House of Representatives
2228 Rayburn Office Building
Washington, D. C. 20515

Dear Congressman Miller:

Enclosed is a copy of a letter I wrote to the Florida Public Interest Group, expressing my concerns about the effects of offshore drilling in Florida waters. I commend the work of your committee, and hope you will be successful in providing protection for sensitive coastlines, such as ours.

Your efforts are appreciated.

Sincerely,

Muriel W. Wagner

MWW:mk

BOARD OF COUNTY COMMISSIONERS
ESCAMBIA COUNTY, FLORIDA
223 PALAFOX PLACE
P O BOX 1591
PENSACOLA, FLORIDA 32597-1591
TEL (904) 436-5783
(SUNCOM) 682-5783
TELEFAX (904) 436-5813

DAVE PAVLOCK
District One

KENNETH J KELSON
District Two

WILLIE J JUNIOR
District Three

MURIEL W WAGNER
District Four

WILSON B ROBERTSON
District Five

WAYNE PEACOCK
COUNTY ADMINISTRATOR

October 16, 1989

Florida Public Interest Group
308 East Park Avenue Suite 213
Tallahassee, Florida 32304

Dear Members:

Our Florida beaches are too valuable as tourist attractions and as seafood producers to risk their exposure to the effects of offshore drilling. I support legislation to prohibit drilling activity all the way around Florida inside a 30-mile limit.

Although there have been several instances of drilling and exploration for oil and gas in this region of the Gulf of Mexico, we appear to have been spared the unfortunate adverse effects experienced elsewhere. As a county Commissioner, I am fearful that our luck may have run out, and I think protective legislation is the answer.

Yours sincerely,

Muriel W. Wagner

Muriel W. Wagner

MWW/mk

Pensacola

The Florida Public Interest Research Group

Legislative Office

308 East Park, Suite 213, Tallahassee, FL 32301 (904) 224-5304

October 26, 1989

Chairman George Miller
Subcommittee on Water, Power, and Offshore Energy Resources
1522 Longworth House Office Building
Washington, DC 20515

Dear Chairman Miller:

On Saturday, October 14th I presented you with 18,184 postcards from Floridians asking you to support H.R. 2945 and to strengthen the bill by adding a minimum of a 30 mile no drilling buffer zone around the rest of Florida's coast.

The postcards were from four regions of Florida - south Florida, the central Gulf Coast, the Panhandle/north Florida, and inland central Florida. Each region's postcard has its own text and I am enclosing a sample of each. The specific numbers by region are as follows:

North Florida/Panhandle	7,086
Central Gulf Coast	4,042
Central Florida	4,320
South Florida	2,736
	18,184

As you can see the depth and breadth of concern for protection of all of Florida's coast is overwhelming.

Thank you for your interest in coastal protection.

Sincerely,

Ann Whitfield
Executive Director
Florida PIRG

Dear Congressman Miller:

Plans for offshore oil drilling threaten Florida's coastal environment and economy. All of Florida's coast deserves permanent protection from offshore oil drilling, especially South Florida.

South Florida is home to beautiful beaches and the famous Florida Keys, a favorite recreation spot for natives and tourists. Tourists spend millions of dollars in the Keys every year. South Florida's fragile living coral reefs, mangroves and seagrass beds could not withstand routine oil industry operations and would be decimated by an oil spill.

I urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources, to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami) to protect the Florida Keys and Everglades, and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

Sincerely,

Name Address City Zip

Dear Congressman Miller:

Plans for offshore oil drilling threaten Florida's coastal environment and economy. Florida's Gulf is lined with beautiful beaches. It is the home of manatees, sea turtles, dolphins and hundreds of species of fish. Gulf beaches fuel our multi-billion dollar tourist industry and the estuaries supply the marine life for our fishing industry. One oil spill could ruin this ecosystem.

I urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami), and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

Sincerely,

Name Address City Zip

Dear Congressman Miller:

Plans for offshore oil drilling threaten Florida's coastal environment and economy. Florida's Gulf is lined with beautiful beaches. It is the home of manatees, sea turtles, dolphins and hundreds of species of fish. Gulf beaches fuel our multi-billion dollar tourist industry and the estuaries supply the marine life for our fishing industry. One oil spill could ruin this ecosystem.

I urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami), and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

Sincerely,

Name Address City Zip

Dear Congressman Miller:

Plans for offshore oil drilling threaten Florida's coastal environment and economy. All of Florida's coast deserves permanent protection from offshore oil drilling, including the Florida Panhandle.

The Panhandle is home to beautiful barrier islands and a favorite recreation spot for natives and tourists. One spill could wipe out Apalachicola Bay's oyster beds, shrimping grounds, fishing industry and ruin hundreds of miles of sensitive coastlines.

I urge you as Chairman of the Subcommittee on Water, Power, and Offshore Energy Resources to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami) to protect the Florida Keys and Everglades, and to amend H.R. 2945 to include a permanent 30 mile no offshore oil leasing and drilling buffer zone for all of Florida's coastline.

Sincerely,

Name Address City Zip

NO VALDEZ IN THE KEYS--
AN ENERGY POLICY IF YOU PLEASE!!!

Dear President Bush,
Interior Secretary Lujan
Governor Martinez
Senators Mack
Senator Graham
Congressman Fascell:

I really enjoyed my trip to the _____ reef today. This is truly a magical and unique environment. I want my children and posterity to be able to experience this wonderful adventure.

This reef must never be threatened by pollution. We urge you to do everything in your power to preserve and protect our marine heritage. **The most immediate threat to these fragile marine environment is the proposed offshore oil drilling operations. This marine habitat cannot withstand routine operations and would certainly be decimated by a oil spill.**

I urge you to initiate action that will extend the current drilling ban. It is imperative that we work to obtain permanent protection for Florida's unique and invaluable coastal ecosystems and develop a rational energy policy.

Very truly yours:

NAME	ADDRESS
MAUREEN FRANKS	706 WHITE ST · KW. 33040
[illegible]	237 W. Seaview Dr. Duck Key FL 33050
[illegible]	3220 Eagle Ave Key West, FL 33040
Judy Ashley	P.O. Box 773 Big Pine Key, FL 33037
[illegible]	326 Caton St Key West
Sandy Castro	1212 Petronia St Key West, Fla 33
[illegible] BARQUIN	P.O. BOX 719 KWFIA.
Loren Del Monte	1120 Southard K.W.
[illegible]	1027 Memphis Van West Ohio 45891
[illegible]	100 Bay Dr. Big Coppitt FLA 33040
[illegible]	1500 Atlantic Blvd Key West FL
[illegible]	695 Clay St N.Y.C. N.Y.
[illegible]	#1 Pirates Lane K.W. FL.
[illegible]	809 Eaton St Key West FL. 33040
STEPHEN FRANCIS	P.O. Box 1641 KEY WEST 33041
DORIS HARRIS	P.O. BOX 2809 KEY WEST, FL 33040
[illegible]	Box 4346 Key West 33041
[illegible]	Box 3145 Key West 33041
[illegible]	76 Bery Drive Key West Fla 33040
MLYNDA Schulz	1304 LAMPO ST Key West FL 33040
[illegible]	3-A 12th Ave Key West FL 33040
[illegible]	925 Windsor Lane
[illegible]	1125 Margaret Key West 33040
[illegible]	310 Angela Key West 33040
Capt Robert Fischer	700 Duval St Key West 33040
[illegible]	215 Fitchia Rd. Brandon, FL 33511
[illegible]	8574 Gulf Blvd St. Petersburg FL 33706
[illegible]	901 White St. Key West, FL
[illegible]	Safe Harbor Marina Front St Key West 33040
[illegible] Cuccinello	3429 Eagle Ave Key West FL 33040
[illegible] Page	PO BOX 1832 Key West FL 33041

NO VALDEZ IN THE KEYS--
AN ENERGY POLICY IF YOU PLEASE!!!

Dear President Bush,
Interior Secretary Lujan
Governor Martinez
Senators Mack
Senator Graham
Congressman Fascell:

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I urge you to initiate action that will extend the current drilling ban. It is imperative that we work to obtain permanent protection for Florida's unique and invaluable coastal ecosystems and develop a rational energy policy.

Very truly yours:

NAME	ADDRESS
DAN MICHELS	2601 SW 64 AVE MIAMI FLA 33155
Myrtle McCarthy Jr	821 Thomas St Apt 8 Key West FL 33040
[illegible]	604 Ashe St Key West 33040
[illegible]	697 Broadway Dunedin Fl. 34698
[illegible] Purcinello	3425 Eagle Ave Key West, Fl. 33040
Carol McCoppin	Sigsbee Basin Key West, Fl. 33041
[illegible]	721 Eaton St Key West Fl 33040
[illegible]	1148 Gimbee Dr. Key West Fl 33040
Betty E. Tradup	1108 18th St. Key West, Fl 33040
[illegible]	1108 18th St. Key West Fl. 33040
[illegible]	52 Palmetto Pl. Big Coppitt Fl. 33040
Mary Miles	802 Kingswood Cary N.C. 27512
[illegible]	3418 Avent Ferry Rd Raleigh N.C. 27606
[illegible]	3418 Avent Ferry Rd. Raleigh N.C. 27606
Ron Teerlink	Box 4244 Key West Fl 33041
Michael Gallagher	Box 1723 Key West Fl 33041
Stephen Lang	518 Elizabeth St KW 33040
[illegible]	3301-H Duck Ave KW 33040
MARITZA DeMAINTENON	1620 Flagg Ct. KW 33040
Alison DeMaintenon	1620 Flagg Ct. KW 33040
STEVE BRAMON	527 Margaret, Key West.

NO VALDEZ IN THE KEYS--
AN ENERGY POLICY IF YOU PLEASE!!!

Dear President Bush,
Interior Secretary Lujan
Governor Martinez
Senators Mack
Senator Graham
Congressman Fascell:

This reef must never be threatened by pollution. We urge you to do everything in your power to preserve and protect our marine heritage. **The most immediate threat to these fragile marine environment is the proposed offshore oil drilling operations. This marine habitat cannot withstand routine operations and would certainly be decimated by a oil spill.**

I urge you to initiate action that will extend the current drilling ban. It is imperative that we work to obtain permanent protection for Florida's unique and invaluable coastal ecosystems and develop a rational energy policy.

Very truly yours:

NAME	ADDRESS		
David Holden	13 Colle Uno	Key West Fl	33040
Wade J. Odgers	R16 Box 145	Summerland Key Fl	33042
Betty Scarborough	PO Box 2334	Key West Fl	33045
[illegible]	1218 Alabama Dr.	Key West Fl	33045
[illegible]	R3 Box 241A	Big Pine Key	33043
Carol Robertson	1915 B Bethesda Ave.	Key West, FL	33040
Carmen Goldman	1207 - 16th Terr.	Key West, FL	33040
Ira N. Goldstein	4 Sunshine St.	Key West, FL	33040
Ken Araujo	PO Box 2696	Marathon Fl	33040
Lynn Frol	P.O. Box 1472	Key West, FL	33041
Lisa Kaminski	1805 Atlantic Blvd	Key West, FL	33040
Magali Alvarez	1319 Southard Ave	Key West, Fl	33040

KEY WEST

402 WALL ST. • P O BOX 984 • KEY WEST, FL 33040 • 305 • 294 • 5988

RESOLUTION OPPOSING OFFSHORE OIL DEVELOPMENT IN THE KEYS

WHEREAS, the Greater Key Wet Chamber of Commerce is organized to protect and promote the interests of the business community of Key West, and

WHEREAS, the United States Department of the Interior has leased and scheduled 73 leases for oil development in the Gulf of Mexico, some of them as close as twenty-five miles from Key West and the Dry Tortugas; and

WHEREAS, it has not been demonstrated that oil exploration and development activities can proceed without risk of pollution to the fragile living coral reef, mangroves and seagrass beds of the Florida Keys and Everglades,

NOW THEREFORE, Be it resolved that

The Greater Key West Chamber of Commerce is opposed to offshore oil exploration and development in areas affecting the irreplacable marine environment of the Florida Keys and Everglades;

Futher, we are specifically opposed to the development of 73 oil leases currently held by nine oil companies subject to development at the expiration of the current Congressional drilling ban;

Further, we urge President Bush, Secretary of the Interior Manuel Lujan, Governor Bob Martinez, Senators Lawton Childs and Bob Graham, and Congressman Dante Fascell to provide permanent protection to our surrounding waters from oil exploration and development, and to insure an immediate extension of the current drilling ban which expires in October, 1989.

Dated this September 29, 1989.

John G. Parks, Jr.

John G. Parks, Jr.
President

September 28, 1989

To Whom It May Concern:

Please be advised that the ownership, management and staff of First State Bank of the Florida Keys is vehemently opposed to oil drilling in the Florida Keys.

Sincerely,

Daniel E. Lee
President & CEO

FIRST STATE BANK
OF THE FLORIDA KEYS
1201 SIMONTON STREET, KEY WEST, FLORIDA 33040 (305) 296-8535

September 29, 1989

Key West Chamber of Commerce
Mallory Square
Key West, FL 33040

Dear President,

We would like to join the ranks of Key West businesses that oppose offshore drilling anywhere in the Gulf of Mexico. The environmental damage that could be done would be irreparable and that damage in turn would destroy tourism in the Florida Keys.

The environment of the Florida Keys is the draw for tourists and it should be the foremost concern of all businesses and residents alike.

Sincerely,

Sunshine Smith

Sunshine Smith
Margaritaville

Billing and Shipping address 424 A Fleming Street Key West FL 33040 (305) 296 9089 Store Location 500 Duval St

September 29, 1989

Key West Chamber of Commerce
Mallory Square
Key West, FL 33040

Dear President,

We would like to join the ranks of Key West businesses that oppose offshore drilling anywhere in the Gulf of Mexico. The environmental damage that could be done would be irreparable and that damage in turn would destroy tourism in the Florida Keys.

The environment of the Florida Keys is the draw for tourists and it should be the foremost concern of all businesses and residents alike.

Sincerely,

Martin Lehmann
The Coconut Telegraph

Billing and Shipping address 424 A Fleming Street, Key West FL 33040, (305) 296 8981 / Mail Order, P O Box 1459

Capt. Vicki Impallomeni
THE IMP II
Reef Trips • Dive - Snorkel • Fun Fishing • Wilderness Tours

Dear Sirs

My profession as a Wilderness Guide in the national wildlife refuge surrounding Key West, brings me aware of the balance between man + nature. My job is to educate.

The grass flats and mangroves could never survive any kind of oil spill. Let me give you a biology lesson. They are the base of the food chain for our water community. With just one change of the tide, with everything exposed at low, all the invertebrates would be covered with oil - not water.

The Red mangrove de-salinates salt water at the roots. If those pores on it's roots are covered with oil just once, it would be a short time before they would die from lack of water. 90% of our fish - food + sport, start their life cycle with/in the mangroves. Plus without the flats + trees as a buffer; we humans would be swept away in a storm & can only try to bring you an awareness of your part on our planet. Global awareness is personal - Don't Drill!

2804 Harris Avenue • Key West, Florida 33040
Home (305) 294-0731 • Agent (305) 296-4439 • Marina (305) 294-4676

Sincerely Capt. Vicki Impallomeni

September 29, 1989

To All Who Care:

Our coral reef and all it's marine life are delicate and fragile living creatures.

Our economic existence on our coral island is as fragile.

Please allow all of us to survive, and ban offshore oil drilling in the Florida Keys.

Sincerely,

William H Conkle

Anthony V Falcone

500 Duval Street, Key West, Florida 33040 • 294-2007

RESOLUTION NO. 862-89

RESOLUTION OF MIAMI SHORES VILLAGE, FLORIDA, URGING CHAIRMAN OF UNITED STATES HOUSE OF REPRESENTATIVES SUBCOMMITTEE ON WATER, POWER, AND OFFSHORE ENERGY RESOURCES TO SUPPORT PERMANENT BAN ON OFFSHORE OIL LEASING AND DRILLING SOUTH OF 26 DEGREES NORTH LATITUDE FOR THE PURPOSE OF PROTECTING SOUTH FLORIDA, THE FLORIDA KEYS AND EVERGLADES.

WHEREAS, the MIAMI SHORES VILLAGE council represents the residents of Miami Shores on issues vital to the economy, environment and residents of the VILLAGE; and

WHEREAS, pending plans for offshore oil drilling is found to threaten South Florida's coastal environment and economy, including that of Miami Shores Village; and

WHEREAS, all of Florida's coast and especially that of South Florida, is entitled to permanent protection from the hazards of offshore drilling; and

WHEREAS, the beautiful South Florida beaches, including those of the well renowned Florida Keys, provide a favorite recreation area for residents and visitors alike; and

WHEREAS, the fragile living coral reefs, mangroves and seagrass bed of South Florida could not successfully withstand even routine oil industry operation, and would be conceivably destroyed by an accidental oil spill,

THEREFORE, BE IT RESOLVED BY THE MIAMI SHORES VILLAGE COUNCIL, that

Section 1. The Miami Shores Village council hereby calls upon the Honorable George Miller as Chairman of the U.S. House of Representatives Subcommittee on Water, Power, and Offshore Energy Resources, to support H.R. 2945 a bill which permanently bans leasing and drilling south of 26 degrees north latitude (approximately Naples/Miami) to protect South Florida, the Florida Keys and Florida Everglades; and

Section 2. The Miami Shores Village council does hereby call upon the said Honorable George Miller to amend H.R. 2945 to include a permanent ban on offshore oil leasing and drilling throughout a buffer zone of at least 30 miles from all of Florida's coast line.

PASSED and ADOPTED this 5th day of December, 1989.

MIAMI SHORES VILLAGE

By _____
Henry T. Courtney, Mayor

ATTEST:

MIAMI SHORES VILLAGE CLERK

By: _____
Scott W. Davis, Deputy Village Clerk

APPROVED AS TO FORM:

By: _____
William F. Fahn, Jr., Village Attorney

FLORIDA ASSOCIATION OF DIVE OPERATORS
51 Garden Cove Drive • Key Largo, FL 33037
(305) 451-3020

October 23, 1989

Committee on Interior and Insular Affairs
United States House of Representatives
Washington, D.C. 20515

Re: Comments to OCS Task Force

My name is Bob Holston, Vice President of the Florida Association of Dive Operators, representing the recreational scuba industry in the state of Florida. I also serve on the Florida Tourist Advisory Council providing input and direction to Florida's largest industry - tourism.

The Florida Keys are home to the only living coral reef in the continental United States. This unique and fragile ecosystem starts in the Dry Tortugas approximately seventy miles west of Key West and continues to Key Largo approximately one hundred ten miles to the northeast. The coral reefs host in excess of one million visitors per year to Monroe County making scuba diving and snorkeling the largest industry in the county. Our visitors come from all over the world to experience the beauty of the Florida Keys and the reefs.

The diver visiting the reefs of the Florida Keys also visits other tourist attractions in the state of Florida which contributes to the overall economy of our state. The dive industry in the state of Florida is larger than all of the Caribbean dive destinations combined. An oil spill in the Florida Keys would have a domino effect not only on the scuba industry but related tourism also.

During the past 20 years in the Florida Keys many issues have come before the citizens of this community. There has been spirited and sometimes acrimonious debate but concern for our environment was always foremost.

Oil drilling is the only issue that has unified all segments of the community. I have yet to meet a citizen who favors oil drilling in such an environmentally sensitive area. We the people do not want oil drilling in the Florida Keys.

Oil drilling and the related support industries will not only harm the environment but we can not afford to take the slightest chance of destroying an industry which contributes over $250 million to our local economy. The ripple effect would severely damage an industry which exceeds $1 billion per year in our state alone.

If given the choice of a hurricane or an oil spill I would choose the hurricane. We would have time to prepare and could rebuild afterwards. The effects of an oil spill is unknown and the long term damage has yet to be determined. Please do not take a chance when we do not know all of the answers.

The economic benefits are limited primarily to the oil companies. The ability to have tax writeoffs for explorations and depreciation of drilling equipment offsets the revenue generated by oil leases. Then when an oil spill does occur those expenses also appear to be paid by the taxpayers.

If we truly have a government for the people and by the people, please listen to the people. Our governor, state legislators, U.S. Senators and congressional delegation are opposed to oil drilling in the Florida Keys. Most important of all are the citizens whom you serve; we do not want to risk the destruction of our economy for a few days worth of oil. A recommendation of no drilling will be remembered by the voters at election time. You have a moral and legal responsibility to protect the environment and listen to the citizens of this community. We support and urge passage of HR 2945 and encourage the development of a federal energy policy.

Sincerely,

Robert W. Holston

cc: George Miller
Peter A. DeFazio
James A. McDermott
Dante Fascell
Andy Ireland
William Lehman
Lawrence Smith
Deborah L. Tucker
Ron Saunders

SIERRA CLUB

miami group

post office box 430741 • south miami florida 33243-0741

STATEMENT
of the
SIERRA CLUB FLORIDA CHAPTER
FLORIDA KEYS SUBCOMMITTEE
on
PERMANENT PROTECTION STATUS
FROM OFFSHORE OIL
OFF SOUTHWEST FLORIDA

TO REPRESENTATIVE GEORGE MILLER
CHAIR OF WATER, POWER AND OFFSHORE
ENERGY RESOURCES SUBCOMMITTEE

Key West, Florida
October 14, 1989

By
Sandra Jensen
Chair, Florida Keys Subcommittee
Sierra Club Florida Chapter

Sandra Jensen, 18311 S.W. 89 Court, Miami, Florida 33157...305/251-7741

recycled paper

"Not blind opposition to progress, but opposition to blind progress."

SIERRA CLUB

miami group

post office box 410741 • south miami, florida 33243-0741

Sierra Club Florida Chapter objects to oil and gas exploration off southwest Florida, including Florida Bay and the Florida Keys. We support the pressing need to place this area and other similar sensitive areas "off-limits" to oil activity. These areas should be given permanent protection status from offshore oil and gas exploration.

Florida's southwest and southern coastline is a living textbook on marine, coastal and subtropical ecology. There are no less than 16 national and state wildlife refuges, preserves, and special management areas, 4 national marine and estuarine sanctuaries, and 8 national and state parks and recreational areas established for the preservation of the area's biological resources.

Environmental factors controlling the growth and well-being of corals include specific, narrow salinity and temperature range, low nutrient levels, water quality-clear to allow light penetration, and an adequate food supply. Coral reefs are limited in the western Atlantic from about 30 degrees north latitude to 30 degrees south latitude. Because of cooler water temperatures and reduced water clarity reefs do not occur in the Gulf of Mexico, except for the Flower Gardens off the Texas coast. It is because of these environmental requirements that coral reefs are found mainly on the eastern side of continents and large islands along the course of the western ocean currents. In the continental waters of the United States, coral reefs are found only along the Florida Keys.

The coral reefs are heavily utilized for recreation purposes and are an important component of the Key's tourist oriented economy. Sport fishing and skin diving in and around the coral reefs are major attractions for both tourists and residents.

The marine grassbeds found in the shallow waters throughout the island chain and Florida Bay are vital to the maintanence of a high quality marine environment. Grassbeds also provide habitat for fish and other marine organisms, as well as a stabilizing agent for suspended sediments.

The natural value and function of the mangrove community provide food and shelter for juvenile fish. Mangroves also serve as buffers and minimize erosion of existing shorelines, by actually building up additional land. Mangroves are vital to wildlife populations. Such endangered species as the Great White Heron, American Osprey, Southern Bald Eagle, Eastern Brown Pelican, Florida Key Deer, West Indian Manatee, and the American Crocodile concentrate in these many areas.

recycled paper

"Not blind opposition to progress, but opposition to blind progress."

The Everglades System has been recognized by the United Nations for its importance and uniqueness by designating it as an International Biosphere Reserve, Wetlands of International Significance and World Heritage Site. In addition, the Florida Environmental Regulations Commission unanimously voted to propose Everglades National Park as an "Outstanding National Resource Waters" at our next legislative session. This is the highest degree of protection - prohibiting discharge or activities that may cause degradation of water quality by the Federal Clean Water Act.

Based upon the studies from tracking drift bottles in the Department of Natural Resources "Hourglass Study" I quote-- "nearshore submerged habitats, including mangrove forests, seagrass beds and shallow-water coral reefs are extremely vulnerable to this impact: once oil is deposited there it cannot be removed by non-destructive means." This proposal would destroy critical fisheries habitat, coral reefs, and wildlife-thus destroying the Florida Keys economy.

Offshore drilling operations, as well as tanker transportation, can cause coastal pollution. Each time a well is drilled offshore, an average of 1,500-2,000 tons of drilling muds and cuttings are produced, which are usually discharged into surrounding waters. Drilling muds also contain significant amounts of toxic pollutants, including cadmium, copper, antimony, arsenic, lead and mercury.

We must take decisive steps to avert another disaster such as the EXXON VALDEZ oil spill by revising our domestic energy program, permanent protection status for sensitive areas and tighten environmental safeguards on the oil industry's operations.

America's demand for oil is an indicator for the federal government to recognize the need for a stronger National Energy Policy. We must focus on alternative energy sources and renew our commitment to conservation, to reduce our dependency on oil. Increased fuel efficiency requirements on homes, appliances and vehicles will enhance energy conservation and at the same time carries fewer environmental risks. We must raise gas-guzzler taxes on new inefficient cars. Restore solar and renewable federal research and development funding for energy efficiency research, which has been cut 75% in the past 8 years. Tax credits need to be restored to solar energy users.

Simply declaring that, "it can't happen here," is NO longer an adequate safeguard for our resources. We must have stronger federal laws and regulations to prevent oil spills-whether massive or chronic smaller spills. Standards on tanks should be strengthened to require double hulls. The Coast Guard must be sufficiently funded to adequately monitor and enforce all tanker safety practices regarding crew training and vessel handling. We must seek ways to relocate tanker traffic as far away from shallow waters, coral reefs, and other sensitive coastal areas.

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Finally, the response of industry and the government towards oil spills needs an overhaul. Oil spill response laws must require those responsible to pay the full costs of response, cleanup, containment, and restoration. A state cleanup fund as well as a national cleanup/liability fund based on the tax per barrel of oil must be retained to assure prompt cleanup operations. Sufficient cleanup equipment and personnel must be maintained in constant readiness. The Coast Guard should be required to supervise quarterly emergency response drills of this response team.

Before further OCS leasing, exploration or development occurs, the shortsighted policies must be corrected by Congress. Otherwise, more invalid leases will inevitably be issued and unnecessary time and resources will be spent by all parties in attempting to prevent environmental damage where careful planning might have resolved the problems ahead of time. The OCS Lands Act language must be clarified to assure governors a meaningful role in federal leasing decisions off their state waters.

If oil and gas exploration is allowed to proceed--it would adversely affect these unique and treasured resources. The high quality of water in and around the Florida Keys is an essential element of the total system. Therefore, we urge you to prohibit any preleasing or leasing activities under the Outer Continental Shelf Lands Act, located 26 degrees north latitude and east of 86 degrees west longitude. We urge the Secretary of Interior to buy back existing oil and gas leases in the Florida Keys.

FLORIDA KEYS AUDUBON SOCIETY

Mr. Don Adamson
Committee on Interior and Insular
Affairs
U.S. House of Representatives
Washington, D.C. 20515

28 October, 1989

Re: H.R 2945

Dear Mr. Adamson:

Our organization would like our support of H.R. 2945 which would prohibit the Secretary of the Interior from issuing oil and gas leases off the Southwest coast of Florida and the Florida Keys to be made part of your record from the recent Key West hearing.

We believe the national interest in protecting the unique natural resources of the Everglades, Florida Bay and the Florida Keys far outweighs any short term benefit from oil and gas production. The risks are real, even from exploration. The only solution is for permanent protection as proposed by H.R. 2945.

Thank you for the opportunity to provide you our comments.

Best Regards,

Curtis Kruer
Vice-President for Conservation

c/o THE AUDUBON HOUSE·205 WHITEHEAD STREET·KEY WEST, FLORIDA 33040

United States Department of the Interior
NATIONAL PARK SERVICE
EVERGLADES NATIONAL PARK
AND
FORT JEFFERSON NATIONAL MONUMENT
P.O BOX 279
HOMESTEAD, FLORIDA 33030

IN REPLY REFER TO:

September 12, 1989

Ms. Lisa Speer
Senior Staff Scientist
Natural Resources Defense Council
40 West 20th Street
New York, New York 10011

Dear Ms. Speer:

I apologize for the delay in responding to your request for copies of statements and correspondence regarding the recent Presidential Task Force hearings held in south Florida. It was simply a case of getting copies duplicated, and the request got buried on my desk.

A word of explanation about the enclosures.

The May 30 memorandum was park input into the presentation made to the task force in Washington.

The statements by Robert Arnberger and Bruce Rodgers were prepared in anticipation of the need to make a presentation at the Miami and Key West hearings. They were not presented.

The June 23rd memorandum summarized the concerns for Everglades National Park and Fort Jefferson National Monument. The July 31st memorandum added the concerns from the Southeast Regional Office.

Please feel free to give me a call at 305/247-6211 if you have any questions.

Sincerely,

Pat Tolle

Pat Tolle
Public Affairs Specialist

Enclosures

United States Department of the Interior
NATIONAL PARK SERVICE
EVERGLADES NATIONAL PARK
FORT JEFFERSON NATIONAL MONUMENT
HOMESTEAD, FLORIDA 33030

N22

MAY 30 1989

Memorandum

To: Kheryn Klubnikin, Division of Environmental Quality, WASO

From: Superintendent

Subject: Statement for OCS Task Force Briefing, reference Sale 116

Oil and gas lease sales area 116 comprises over 75 million acres of the eastern Gulf of Mexico immediately adjacent to Florida's coastline. Those areas adjacent to and sea bottom within the sale area are world renowned for their natural resources. These resources include hundreds of miles of white sandy beaches, extensive acreages of tropical mangrove forests, wading birds, alligators, submerged tropical seagrass beds, coral reefs, sea turtles, manatees, and the Florida Keys. Commercial fishery resources are extensive and include snapper, grouper, mackerel, mullet, spiny lobster, stone crab, blue crab, oysters, and shrimp to name only a few of the important species. The direct market value of fish and shellfish landed commercially on Florida's west coast exceeded $300 million last year according to the National Marine Fisheries Service. In addition, thousands of visitors and residents of Florida each year recreationally fish for spotted seatrout, red drum, snook, tarpon, bonefish, snapper, mackerel, marlin, and many other species along Florida's west coast.

This area is of such national significance that numerous federally-designated protected areas have been established along Florida's west coast. These include Everglades National park, Ft. Jefferson National Monument, Gulf Islands National Seashore, DeSoto National Monument, Rookery Bay National Marine Sanctuary, Key Deer National Wildlife Refuge, Great White Heron National Wildlife Refuge, Sanibel National Wildlife Refuge, Pinellas National Wildlife Refuge, Anclote National Wildlife Refuge, Chassahowitzka National Wildlife Refuge, Cedar Keys National Wildlife Refuge, and St. Marks National Wildlife Refuge. The natural resources of Everglades National Park are of such significance that it has been designated as an International Biosphere Preserve and a World Heritage Site.

Because of the unusual significance and importance of the natural resources within and adjacent to sale area 116, we strongly urge the task force to use extraordinary caution in reviewing, evaluating, and proceeding with any exploration or development leases within the area. In carrying out our Congressional mandate to insure protection and perpetuation of the natural resources within the National Parks adjacent to the sales area, we are particularly concerned with a number of factors relating to potential oil spills. If sales are made and development and exploration occurs:

- What types of spills are possible?
- What are the risks or probabilities for a spill?
- What models or planning/evaluating processes are available for projecting spill trajectories once one occurs?
- What specific steps would be taken in response to a spill?
- What are current clean-up capacities within the area?

Most of south Florida's coastline is mangrove forest. The vast expanses of mangrove forest within Everglades National Park represent the only extensive forest of this kind within the continental United States. There is little doubt that petroleum and petroleum by-products can be extremely harmful to mangroves. Over 100 references are available detailing the effects of oil spills on mangroves and their associated biota. Petroleum and its by-products injure and kill mangroves in a variety of ways. Crude oil coats and disrupts oxygen transport to underground roots (Baker 1971). Various reports suggest that the critical concentration for crude oil spills which may cause extensive damage is between 100 and 200 ml/m^2 of swamp surface (Odum and Johannes 1975). Petroleum is readily absorbed by lipophylic substances on surfaces of mangroves. This leads to severe metabolic alternations such as replacement of fatty molecules by oil hydrocarbons leading to destruction of cellular permeability and/or dissolution of hydrocarbons in lipid components of chloroplasts (Baker 1971).

As with other intertidal communities, many of the invertebrates, fishes, and plants associated with the mangrove community are highly susceptible to petroleum products. Widespread destruction of organisms such as attached algae, oysters, tunicates, crabs, and gobies have been reported in the literature (reviewed by de la Cruz in press, b; Ray in press).

Damage from oil spills follows a predictable pattern (Table 7) which may require years to complete. It is important to recognize that many of the most severe responses, including tree death, may not appear for months or even years after the spill.

There is little known concerning way to prevent damage to mangroves once a spill has occurred. Prop roots and pneumatophores (exposed aerial roots) must be cleaned with compounds which will not damage plant tissue and, often, clean up in the dense forests may be more destructive than the untreated effects.

Florida Bay, within Everglades National Park, is an extensive shallow-water lagoon that supports lush tropical seagrass beds. Its average depth is less than a meter and it would be extremely susceptible to ecological damage from an oil spill. Florida Bay supports seven endangered species (including the American crocodile, Hawksbill turtle, Atlantic Ridley turtle, Green turtle, southern Bald Eagle, Wood Stork, and manatee) and four federally listed threatened species (loggerhead turtle, American alligator, Piping Plover, and Roseate tern). The seagrasses of Florida Bay provide nursery habitat for the multimillion dollar Tortugas shrimp fishery and Florida's lobster and stone crab fisheries. Over 40,000 recreational fishing trips a year are made into Florida Bay.

Petroleum products can act to damage seagrass ecosystems in a variety of ways. These have been summarized by Blumer (1971) and Cintron et al. (1981) and include:

(1) Direct mortality of organisms due to smothering, fouling, and asphyxiation; poisoning due to direct contact with oil (especially with fresh oil); absorption of toxic fractions from the water column.

(2) Indirect mortality due to the death of food sources or the destruction or removal of habitat.

(3) Destruction of sensitive juvenile forms, especially those using the grass bed as a nursery ground.

(4) Incorporation of sublethal amounts of petroleum fractions into body tissues, potentially lowering tolerance to other stresses.

(5) **Reduction** or destruction of the food or market value of fisheries due to the **tainting of flavor** by absorption of hydrocarbons even though the amounts are **sublethal.**

(6) **Incorporation** of potentially carcinogenic or mutagenic substances into the food chain.

In recent years there has been a great increase in the literature dealing with the effects of oil on marine communities, but very little concerning seagrass ecosystems. Numerous papers (Zieman 1975; Lopez 1978; Thayer et al. 1975; Getter et al. 1981; Cintron 35 al. 1981) have noted the lack of literature dealing with oil damage to seagrasses. In part, this seems to be because the effects of oil spills are of far more potential damage to associated intertidal communities, such as mangroves and saltmarshes, than to the generally subtidal seagrass and coral reef systems. As a result, far more attention has been given to the intertidal communities. However, within Florida Bay, much of the seagrass community becomes exposed or nearly so at low tides.

It is our opinion that Ft. Jefferson National Monument, located on the Dry Tortugas reefs 70 miles west of Key West, would be the most susceptible to impacts from oil exploration and development activities within sale area 116. This national monument sits at the southern end of the sale area and is continually swept by the southerly flowing Gulf loop current. The monument is comprised of 20,000 acres of tropical coral reefs and shallow seagrass beds. Seven small islands occur within the monument. On one of these islands stands historic Ft. Jefferson, built in the 1800's. All have sandy beaches important to sea turtle nesting. The Tortugas is the nesting site for hundreds of Noddy and Sooty terns that depend on oceanic waters surrounding the Tortugas for food. This area too is an extremely popular sport fishing destination and is centered within the Tortugas shrimp fishing grounds.

The potential for oil damage to coral reefs is less certain than for mangroves or shallow seagrass beds. Certainly shallow reef zones would be destroyed by oil if a spill were to reach the Tortugas. However, deeper reef areas may be less affected. The impact to nesting turtles and all ocean feeding birds would be catastrophic if oil pollutants significantly contaminated the waters surrounding the Tortugas.

Because of the vulnerability of NPS resources to leases within sale area 116, we would ask that the task force consider recommending additional buffer zones around the Tortugas, Everglades, and other significant natural resource areas.

Please note that many of the comments made on the National Park System memo to Mineral Management Service concerning the draft Environmental Impact Statement for sales 113/115/116 are still pertinent and could again be raised to the task force.

Please call either Jim Tilmant or myself if you have questions concerning these comments. We are sending some additional reference material via overnight mail.

Sgd/Michael V. Finley
Michael V. Finley
Superintendent

bcc: Official File; Read File; Superintendent

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Florida Bay supports seven endangered species including the American crocodile, hawksbill turtle, Atlantic Ridley turtle, green turtle, southern bald eagle, woodstork, and manatee. Additionally, another four Federally listed threatened species are found in the bay. The seagrasses of Florida Bay provide nursery habitat for the multimillion dollar shrimp fishery and Florida's lobster and stone crab fisheries. The direct market value of fish and shellfish landed commercially on Florida's west coast exceeded $300 million last year according to the National Marine Fisheries Service. A significant portion of this catch begins its life in the protected estuarine and mangrove area within the park.

Recreational visits to the park exceed 1.1 million people per year. More than 40,000 recreational fishing trips are logged each year in Florida Bay alone. The park is a key ingredient in the recreational spectrum that draws millions of visitors to south Florida each year. This visitation represents many millions of dollars in both direct and indirect economic benefits added to the south Florida economy. The use of the park increasingly spirals upward as the south Florida population, exceeding 4.5 million people, experiences rapid growth and people continue to seek quality outdoor recreational opportunities. Everglades offers all--unparalleled "wilderness" found in an immense wilderness area; auto touring, hiking, and canoeing trails; boating and fishing; concession facilities; birdwatching; and incredible wildlife displays.

The effects of rapid urban growth and a long history of disruptive water management and agricultural activities have dealt the park a number of cumulatively destructive blows. A preponderance of scientific evidence now indicates that the park may be near ecological collapse. Wading bird populations have declined by 90%, the endangered Florida panther within the park is limited to a small and genetically unstable population, woodstork colonies have failed for two consecutive years, and the endangered birds are leaving the park. Florida Bay is experiencing a seagrass dieoff of a proportion and extent never before seen in the bay and estuarine system. Preliminary evidence from studies on the 12,000 acres of dead seagrass and some 66,000 additional acres of affected seagrass beds leads us to believe fresh water management practices of the upstream aquifer have stressed the bay to the extent that a natural pathogen is able to gain a foothold and destroy the grass.

It is essential I apprise you of these facts and that you become aware that Everglades is an ecosystem under tremendous stress already and that the many destructive and disruptive actions that have occurred over the decades have taken their collective toll. No review of plans and consequences of offshore oil exploration and extraction can be adequate without consideration in the full context of threats that face the park.

Certain facts must be examined in assessing unacceptable risks to these important resources. There is little doubt that petroleum and petroleum bi-products can be extremely harmful to mangroves. Petroleum and its by-products injure and kill mangroves in a variety of ways. Crude oil coats and disrupts oxygen transport to underground roots. Petroleum is readily absorbed by mangroves leading to destruction of the plant. As with other intertidal communities, many of the invertebrates, fishes, and plants associated with the mangrove community are highly susceptible to petroleum products. Widespread destruction of organisms such as attached algae, oysters, tunicates, crabs, and small fish have been reported in scientific literature. Damage from oil spills may require years to complete and it is important to realize that many of the most severe responses, including death of the forest, may

3. The Everglades National Park Authorization Act of 1934 (16 U.S.C. 410c) gives clear Congressional direction for the management of this park.

> The said area shall "be permanently reserved as a wilderness" and no development of the project or plan..." shall be undertaken which will interfere with preservation intact of the unique flora and fauna and the essential primitive natural conditions now prevailing in this area."

Once again, a standard is set by Congress by use of the terms "preservation intact" and "essential primitive natural conditions."

4. As we all know, additional pieces of Federal legislation greatly influence and direct the management of the park resources. The National Wilderness Preservation Act of 1964 (78 Stat. 890; 16 U.S.C. 1132C) provided for 1.3 million acres, out of a total of 1.4 million within the park, to be administered as Federal Wilderness (Nov. 10, 1978) in order to protect the essential wilderness character of the land. Wilderness, in all cases, extends over the interior lands of the park, exclusive of developed areas, to the shoreline and beyond into the Gulf of Mexico and Florida Bay. The wilderness designation prescribes specific management constraints and assures that the park is managed to protect the "essential primitive natural conditions now prevailing in this area".

The Endangered Species Act of 1973 (P. L. 930-205; 16 U.S.C. 35) prescribes required consultation actions between agencies when endangered species and protection of critical habitats are involved. Specific direction is provided for the management of eleven endangered and four threatened species in Everglades National Park.

5. Everglades National Park not only meets the test of "nationally significant" but has also been designated a World Heritage Site and International Biosphere Reserve by the United Nations (UNESCO). This "internationally significant" designation is reserved for the most superlative natural resource treasures found on the face of the globe. Only twenty-two such sites having the dual designation of International Biosphere Reserve and World Heritage Site exist worldwide, and five are in the United States. In designating Everglades as a World Heritage Site, the World Heritage Convention raised the national park concept to a global level finding that Everglades National Park had "outstanding universal value to mankind." This designation places Everglades National Park in the "company of the Egyptian pyramids, the Palace of Versailles, and the great Serengeti Plain." More recently, the Everglades was added to the list of Wetlands of International Importance by the Convention on Wetlands under the RAMSAR Treaty.

This review of the legal parameters involved gives foundation for an assessment of the values at risk in Everglades National Park. Most of Everglades National Park's coastline is mangrove forest representing the only extensive forest of this kind within the continental United States. Florida Bay is, perhaps, one of the most sensitive estuarine habitats in the United States comprising 850 square miles of the total 2,200 square mile park resource. Indeed, two-thirds of the park is under marine or estuarine influence and represents one of the largest marine preserves in the National Park System.

STATEMENT PREPARED FOR THE PRESIDENTIAL TASK FORCE
OUTER CONTINENTAL SHELF LEASING AND DEVELOPMENT
June 15, 1989
Miami, Florida

ROBERT ARNBERGER, ASSISTANT SUPERINTENDENT
EVERGLADES NATIONAL PARK

My name is Robert Arnberger, Assistant Superintendent of Everglades National Park. I am pleased to be able to participate in this panel today and appreciate the opportunity to speak on behalf of Everglades National Park. Oil and gas lease sale area 116 in the eastern Gulf of Mexico is immediately adjacent to Florida's coastline. Within this area of influence is a superlative collection of world-renowned natural and cultural resources. Today I hope to acquaint you, in the limited time available, with the unique and sensitive resources of Everglades National Park. For your information, Everglades National Park also administers Fort Jefferson National Monument located in the Dry Tortugas, 70 miles southwest of Key West, Florida. Fort Jefferson will be the subject of our testimony at tomorrow's hearing in Key West and will be presented by Fort Jefferson Superintendent Bruce Rogers and myself.

Everglades National Park is a one-of-a-kind resource of national significance to this country and international significance to the world. A brief examination of key elements of the legislative history of the park clearly establishes the importance that Congress and this nation have given to this fragile and unique ecosystem.

1. The National Park Service Organic Act of 1916 (16 U.S.C. 1) created the framework and foundation for the National Park System by declaring the "...purpose is to conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations." Congress established the first legislative intent in describing a management standard to avoid possible derogation or degradation of a national park resource by using the word "unimpaired".

2. In 1978, Public Law 95-250 (16 U.S.C. 1a-1) reaffirmed this intent and provided further declaration in stating that these park areas "...shall be conducted in light of the high public value and integrity of the National Park System and shall not be exercised in derogation of the values and purposes for which these various areas have been established, except as may have been or shall be directly and specifically provided by Congress." Congress has required that protection, management, and administration of National Park Service areas will not be exercised in "derogation" of the purposes for which the park areas were set aside.

Moreover, Congress has declared that all units of the National Park System possess "superb environmental quality and natural significance" as set forth below:

> "Congress declares the National Park System ... to include superlative natural, historic, and recreation areas. ...are united through their interrelated purposes and resources into one National Park System as cumulative expressions of a single national heritage; ...these areas derive increased national dignity and recognition of their superb environmental quality...".

not appear for months or even years after the spill. Little is known concerning ways to prevent damage to mangroves once a spill has occurred. Prop roots must be cleaned with compounds which will not damage plant tissue and, often, the clean up in the dense coastal forests may be more destructive than the untreated effects. Dispersants can be more destructive than the oil itself.

Just as the mangrove is a foundation block in the coastal ecosystem, the seagrass ecosystem within the estuary serves as the basis of life in Florida Bay. Extensive scientific literature thoroughly documents that petroleum products can damage seagrass ecosystems. Direct mortality of organisms can smother, foul, and asphyxiate the seagrass. Sensitive juvenile forms of sea life that use the grass beds as a nursery can be destroyed. Food chains can be disrupted by incorporation of petroleum into body tissues or potentially carcinogenic or mutagenic substances can be introduced into the food chain affecting the market value of fisheries as well.

In considering effects upon Florida Bay it is essential to understand that the depth of the bay averages only 6-12 feet. Tidal mud flats protrude from the waters and seagrass beds are often exposed at low tide. The shallowness, high nutrient content, and warmth provided by the sun create the essential conditions for "nature's perfect nursery." These same conditions create extreme peril should an oil spill enter the area. There is no technology known for cleaning oil out of seagrass or mangrove roots. The shallow nature of the bay essentially guarantees that sea life will be impacted almost immediately and, perhaps, forever as oil is retained in subsurface sediments in shallow waters.

I hope I have made you aware of the legal mandates that guide the protection we must give to this park. Congress has eloquently and clearly stated its intentions of "unimpaired", requiring that activities "shall not be exercised in derogation" of park values and no action can be undertaken which will interfere in "preserving intact" the unique flora and fauna.

In summary, a great many technical and scientific questions are yet to be answered. A solid body of evidence already exists that any oil spill reaching Everglades National Park could destroy key ingredients of this ecosystem.

For these reasons a careful review must be made of any move to allow oil exploration, extraction, or transport within the sale lease area that presents unacceptable risks to the resources of Everglades National Park.

STATEMENT PREPARED FOR THE PRESIDENTIAL TASK FORCE
OUTER CONTINENTAL SHELF LEASING AND DEVELOPMENT
June 16, 1989
Key West, Florida

BRUCE RODGERS, PARK MANAGER
FORT JEFFERSON NATIONAL MONUMENT

Thank you for the opportunity to speak on behalf of Fort Jefferson National Monument. My name is Bruce Rodgers and I am the park manager at Fort Jefferson.

I would like to take a few minutes of your time to describe the important resources at Fort Jefferson National Monument in the Dry Tortugas.

Fort Jefferson is located about 70 miles west of Key West, Florida. The fort for which the monument was named was constructed in the mid-1800's and represents architectural and engineering efforts that epitomize the early coastal fort construction. Fort Jefferson is the most massive and spectacular harbor defense structure ever built in this country. At one time supporting 600 troops and 150 cannons, the fort guarded the sheltered deep water anchorages of the Dry Tortugas. From this safe harbor, the naval vessels of our young nation were able to protect shipping[ing and military interests in the Florida Straits and the Gulf of Mexico.

Many of the national monument's 25,000 annual visitors carry away with them the image of a magnificent brick structure rising from the crystal clear blue waters; an obsolete curiosity representing a type of warfare and method of national defense 150 years out of date.

But that is only one facet of the national monument. The official boundary encompasses 65,000 acres of a pristine sub-tropical marine environment including several natural islands. The area is dominated by extensive coral reefs which have been nearly untouched by human activity. The natural values of the area were first officially recognized in 1908 when a Presidential Executive Order established the Dry Tortugas Keys Reservation to protect nesting seabirds. Additional protection of the area came with Franklin D. Roosevelt's Presidential Proclamation creating Fort Jefferson National Monument in 1935. The importance of the natural resources within the monument was reaffirmed by Congress in 1980 (P.L. 96-287) when it added new boundaries for the monument and reiterated that "Congress recognizes the need for ... protecting and interpreting a pristine natural environment, including the entire Dry Tortugas group of islands and their associated marine environments."

The Dry Tortugas is an atoll-like coral reef formation with thousands of acres of fragile, shallow water staghorn coral reefs, lagoonal patch reefs, and shallow water tropical seagrass beds. It supports the highest diversity and abundance of both hard and soft corals found within the continental United States, hundreds of species of tropical sponges, and a tropical fish fauna that is unsurpassed along the coast of the United States. Because of its superlative marine environment, the Dry Tortugas was selected as the site for establishment of the Carnegie Institute's first marine research laboratory which functioned from 1902-1937, providing the historic basis of nearly all of our modern-day tropical marine research.

In addition to this spectacular marine environment, Dry Tortugas is internationally renowned for its migratory bird life and supports over 40,000 nesting pairs of sooty terns and 4,000 nesting pairs of brown noddy terns, the only nesting colonies of these species within the continental United States. Within recent years, 25 pairs of of the masked booby have begun nesting at Fort Jefferson. Again, this is the only known nesting colony of this species within the continental United States. In addition to these unique colonies, 50 pairs of the threatened roseate tern nest at the Dry Tortugas. All of these species depend on small marine fish near the surface of the water for food.

Seven small islands occur within the monument. All have sandy beaches important to sea turtle nesting. Currently about 100 loggerhead turtles are known to nest within the monument.

The national monument also serves as an adult lobster harvest refuge as part of the Gulf of Mexico Fishery Management Council's and State of Florida's Lobster Fishery Management Plan. In this regard it provides larval and juvenile recruitment to adjacent and distant zones, protects genetic diversity of stocks, and serves as a site for research on natural mortality rates and other environmental factors. The commercial lobster and shrimp fisheries within south Florida exceeded $21 million (5.8 million pounds of lobster; 6.7 million pounds of shrimp) in landings during 1987 according to National Marine Fisheries Service reports.

Shipwrecks on the Dry Tortugas reefs constitute one of the nation's principle marine graveyards dating back to the 1600's with over 60 shipwrecks known to have occurred there. An archeological survey is presently under way to determine the location and identity of many of these wreck sites.

The reefs and shoals also provide a sheltered anchorage used by recreational and commercial vessels. The monument is an increasingly popular destination for sport fishing, boating, SCUBA diving, and bird watching. In recent years the monument has received about 25,000 visitors annually, arriving by private boat, seaplane, and charter fishing and diving vessels. Thirty commercial use licenses have been issued for conducting commercial operations such as charter fishing and diving trips within the monument boundaries.

Many elements of the resources I have described could be adversely affected or destroyed by any discharge of oil from drilling sites or during transport activities. For example, the entire population of sooty terns in U. S. Gulf waters would be seriously impacted by a spill in the vicinity of the Dry Tortugas. Indeed, the whole Tortugas ecosystem could be overwhelmed and extinguished by an oil discharge of a size comparable to that which we have recently seen in Alaska. The habitat of the Dry Tortugas demonstrated its vulnerability to oiling in January 1984 when a ship ran aground in the northeastern portion of the monument and discharged 500 tons of fuel. The fuel spill entered the area between Bush and Garden Keys and remained there until it weathered away. An area of shallow water patch reefs northeast of Bush Key was heavily impacted and has not regenerated to this day. Because of its geographical location, Fort Jefferson is extremely susceptible to any oil spills within the eastern Gulf of Mexico. The Florida loop current flows southward along the Continental Shelf off Florida and marine waters from the north wash directly over the Dry Tortugas reefs. We feel any oil spill incident occurring within sale area 116 would have a high probability of impacting Fort Jefferson National Monument.

In previous testimony you have been apprised of Congressional mandates and legislative intent that apply to all units within the National Park System. I will not reiterate these expressions; however, it should be noted that Fort Jefferson National Monument joins the prestigious company of Everglades National Park in its designation as an International Biosphere Reserve by the United Nations. As you know, this designation is reserved for the most superlative natural resource treasures of the world.

The marine and terrestrial habitats of the Dry Tortugas and the Florida Keys are rich and diverse. Consequently, all reasonable effort must be exercised to address the concerns raised by those in charge of protecting these unique and treasured resources. Any oil exploration, extraction, or transport within the sale lease area that presents unacceptable risks must be reviewed with the utmost care to insure the protection of our national parks, monuments, and preserves.

L2427

June 23, 1989

Memorandum

To: Director, National Park Service

Thru: Regional Director, Southeast Region

From: Superintendent, Everglades National Park

Subject: Outer Continental Shelf Oil Lease Sale 116

As you are aware, the Presidential Task Force recently visited South Florida to receive testimony from the public and governmental officials on the effects this lease sale will present to the fragile resources of this area. We also understand that Karen Klubnikin has been designated the NPS liaison to the OCS Task Force, and made a brief overview presentation to the Task Force. We provided Ms. Klubnikin a briefing document for her use.

Because we understand the record is still open, we are providing you with an assessment of the impacts this oil lease will have on Everglades National Park and Fort Jefferson National Monument. This assessment is not the same as the testimony agreed to by your office and Assistant Superintendent Robert Arnberger. That testimony necessarily went through several re-writes because it represented a collaboration between your office and ours. We feel it is essential we apprise you of our resource concerns and take a clear position that is entirely the park's. We clearly understand the sensitivity of this issue but sincerely feel we would not be faithfully discharging our duties if we did not go on the record with your office regrading our objections to this lease sale.

Most of Everglades National Park's coastline is mangrove forest representing the only extensive forest of this kind within the continental United States. Florida Bay is, perhaps, one of the most sensitive estuarine habitats in the United States comprising 850 square miles of the total 2,200 square mile park resource. Indeed, two-thirds of the park is under marine or estuarine influence and represents one of the largest marine preserves in the National Park System. Florida Bay supports seven endangered species including the American crocodile, hawksbill turtle, Atlantic Ridley turtle, green turtle, southern bald eagle, woodstork, and manatee. Additionally, another four Federally listed threatened species are found in the bay. The seagrasses of Florida Bay provide nursery habitat for the multimillion dollar shrimp fishery and Florida's lobster and stone crab fisheries. The direct market value of fish and shellfish landed commercially on Florida's west coast exceeded $300 million last year according to the National Marine Fisheries Service. A significant portion of this catch begins its life in the protected estuarine and mangrove area within the park.

Recreational visits to the park exceed 1.1 million people per year. More than 40,000 recreational fishing trips are logged each year in Florida Bay alone. The park is a key ingredient in the recreational spectrum that draws millions of visitors to south Florida each year. This visitation represents many millions of dollars in both direct and indirect economic benefits added to the south Florida economy. The use of the park increasingly spirals upward as the south Florida population, exceeding 4.5 million people, experiences rapid growth and people continue to seek quality outdoor recreational opportunities. Everglades offers all an unparalleled "wilderness" found in an immense subtropical setting. Recreation in the form of auto touring, hiking, and canoeing trails; boating and fishing; birdwatching; and incredible wildlife displays is unsurpassed.

The effects of rapid urban growth and a long history of disruptive water management and agricultural activities have dealt the park a number of cumulatively destructive blows. A preponderance of scientific evidence now indicates that the park may be near ecological collapse. Wading bird populations have declined by 90%, the endangered Florida panther within the park is limited to a small and genetically unstable population, woodstork colonies have failed for two consecutive years, and the endangered birds are leaving the park. Florida Bay is experiencing a seagrass dieoff of a proportion and extent never before seen in the bay and estuarine system. Preliminary evidence from studies on the 12,000 acres of dead seagrass and some 66,000 additional acres of affected seagrass beds leads us to believe fresh water management practices of the upstream aquifer have stressed the bay to the extent that a natural pathogen is able to gain a foothold and destroy the grass.

It is essential I apprise you of these facts and that you become aware that Everglades is an ecosystem under tremendous stress already and that the many destructive and disruptive actions that have occurred over the decades have taken their collective toll. No review of plans and consequences of offshore oil exploration and extraction can be adequate without consideration in the full context of threats that face the park. This is the generation of Americans that will save the Everglades as we now know and understand it for future generations; or this generation may witness Everglades National Park as it succumbs to a "thousand little cuts" and ceases to be a functional biological ecosystem.

Certain facts must be examined in assessing risk to these irreplaceable resources. There is little doubt that petroleum and petroleum bi-products can be extremely harmful to mangroves. Petroleum and its by-products injure and kill mangroves in a variety of ways. Crude oil coats and disrupts oxygen transport to underground roots. Petroleum is readily absorbed by mangroves leading to destruction of the plant. As with other intertidal communities, many of the invertebrates, fishes, and plants associated with the mangrove community are highly susceptible to petroleum products. Widespread destruction of organisms such as attached algae, oysters, tunicates, crabs, and small fish have been reported in scientific literature. Damage from oil spills may require years to recover and it is important to realize that many of the most severe responses, including

death of the forest, may not appear for months or even years after the spill. Little is known concerning ways to prevent damage to mangroves once a spill has occurred. Prop roots must be cleaned with compounds which will not damage plant tissue and, often, the clean up in the dense coastal forests may be more destructive than the untreated effects. Dispersants can be more destructive than the oil itself.

Just as the mangrove is a foundation block in the coastal ecosystem, the seagrass ecosystem within the estuary serves as the basis of life in Florida Bay. Extensive scientific literature thoroughly documents that petroleum products can damage seagrass ecosystems. Direct mortality of organisms can smother, foul, and asphyxiate the seagrass. Sensitive juvenile forms of sea life that use the grass beds as a nursery can be destroyed. Food chains can be disrupted by incorporation of petroleum into body tissues or potentially carcinogenic or mutagenic substances can be introduced into the food chain affecting the market value of fisheries as well.

In considering effects upon Florida Bay it is essential to understand that the depth of the bay averages only 6-12 feet. Tidal mud flats protrude from the waters and seagrass beds are often exposed at low tide. The shallowness, high nutrient content, and warmth provided by the sun create the essential conditions for "nature's perfect nursery." These same conditions create extreme peril should an oil spill enter the area. There is no technology known for cleaning oil out of seagrass or mangrove roots. The shallow nature of the bay essentially guarantees that sea life will be impacted almost immediately and, perhaps, forever as oil is retained in subsurface sediments in shallow waters.

Fort Jefferson National Monument is located about 70 miles west of Key West, Florida, in the Dry Tortugas. The fort for which the monument was named was constructed in the mid-1800's and represents architectural and engineering efforts that epitomize the early coastal fort construction. Fort Jefferson is the most massive and spectacular harbor defense structure ever built in this country. At one time supporting 600 troops and 150 cannons, the fort guarded the sheltered deep water anchorages of the Dry Tortugas. From this safe harbor, the naval vessels of our young nation were able to protect shipping and military interests in the Florida Straits and the Gulf of Mexico.

Many of the national monument's 25,000 annual visitors carry away with them the image of a magnificent brick structure rising from the crystal clear blue waters; an obsolete curiosity representing a type of warfare and method of national defense 150 years out of date.

But that is only one facet of the national monument. The official boundary encompasses 65,000 acres of a pristine sub-tropical marine environment including several natural islands. The area is dominated by extensive coral reefs which have been nearly untouched by human activity. The natural values of the area were first officially recognized in 1908 when a Presidential Executive Order established the Dry Tortugas Keys Reservation to protect nesting seabirds. Additional protection of the area came with

Franklin D. Roosevelt's Presidential Proclamation creating Fort Jefferson Nati[illegible] 1935. The importance of the natural resources within the [illegible] firmed by Congress in 1980 (P.L. 96-287) when it added new [illegible] monument and reiterated that "Congress recognizes the [illegible] cting and interpreting a pristine natural environment, [illegible] entire Dry Tortugas group of islands and their associated marine environments."

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In addition to this spectacular marine environment, Dry Tortugas [illegible] internationally renowned for its migratory bird life and supports [illegible] 40,000 nesting pairs of sooty terns and 4,000 nesting pairs of b[illegible] terns, the only nesting colonies of these species within the con[illegible] United States. Within recent years, 25 pairs of of the masked b[illegible] begun nesting at Fort Jefferson. Again, this is the only known [illegible] colony of this species within the continental United States. In [illegible] to these unique colonies, 50 pairs of the threatened roseate tern [illegible] the Dry Tortugas. All of these species depend on small marine fish near the surface of the water for food.

Seven small islands occur within the monument. All have sandy beaches important to sea turtle nesting. Currently about 100 loggerhead turtles are known to nest within the monument.

The national monument also serves as an adult lobster harvest refuge as part of the Gulf of Mexico Fishery Management Council's and State of Florida's Lobster Fishery Management Plan. In this regard it provides larval and juvenile recruitment to adjacent and distant zones, protects genetic diversity of stocks, and serves as a site for research on natural mortality rates and other environmental factors. The commercial lobster and [illegible] within south Florida exceeded $24 million (5.8 million pou[illegible] million pounds of shrimp) in landings during 1987 acc[illegible] Marine Fisheries Service reports.

Shipwrecks on the Dry Tortugas reefs constitute one of the nation's principle marine graveyards dating back to the 1600's with over 60 shipwrecks known to have occurred there. An archeological survey is presently under way to determine the location and identity of many of these wreck sites.

The reefs and shoals also provide a sheltered anchorage used by recreational and commercial vessels. The monument is an increasingly popular destination for sport fishing, boating, SCUBA diving, and bird watching.

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In recent years the monument has received about 25,000 visitors annually, arriving by private boat, seaplane, and charter fishing and diving vessels. Thirty commercial use licenses have been issued for conducting commercial operations, as charter fishing and diving trips within the monument boundaries.

Many elements of the resources can be adversely affected or destroyed by any discharge of oil from drilling sites or during transport activities. For example, the entire population of sooty terns in U. S. Gulf waters would be seriously impacted by a spill in the vicinity of the Dry Tortugas. Indeed, the whole Tortugas ecosystem could be overwhelmed and extinguished by an oil discharge of a size comparable to that which we have recently seen in Alaska. The habitat of the Dry Tortugas demonstrated its vulnerability to oiling in January 1964 when a ship ran aground in the northeastern portion of the monument and discharged 500 tons of fuel. The fuel spill entered the area between Bush and Garden Keys and remained there until it weathered away. An area of shallow water patch reefs northeast of Bush Key was heavily impacted and has not regenerated to this day. Because of its geographical location, Fort Jefferson is extremely susceptible to any oil spills within the eastern Gulf of Mexico. The Florida loop current flows southward along the Continental Shelf off Florida and marine waters from the north wash directly over the Dry Tortugas reefs. We feel any oil spill incident occurring within sale area 116 would have a high probability of impacting Fort Jefferson National Monument.

We feel that a variety of congressional mandates give clear direction as to what the standard of care must be for these two superlative resources. We feel that any action that would contravene those mandates and standards and would place these park resources at risk is unacceptable. No matter how statistically slight an oil spill might be, any spill that would jeopardize or degrade these resources is unacceptable. The marine and terrestrial habitats of the Dry Tortugas and the Florida Keys are too rich and diverse to put in jeopardy. The Everglades ecosystem is a one-of-a-kind resource highly susceptible to unnatural, disruptive or destructive events. Too many technical and scientific questions are yet to be answered. It is for these reasons that we object to any oil exploration or extraction activities below the 26th parallel. The risks are simply too great; the unanswered questions too many; and the direction provided by Congress too clear in delineating our responsibilities.

Sgd/Michael V. Finley

Michael V. Finley

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JUL 31 1989

L2427

Memorandum

To: Director, National Park Service, WASO

From: Regional Director, Southeast Region

Subject: Outer Continental Shelf Oil and Gas Lease Sale 116

You requested that we provide additional information on the recent public meetings held on both coasts with regards to offshore oil and gas development. This memorandum and the enclosed memorandum from the Superintendent of Everglades National Park are to supplement testimony given by the National Park Service to members of the President's Task Force on Outer Continental Shelf oil and gas leasing.

The development of oil and gas resources in the eastern Gulf of Mexico has long been of interest to the region. This has been evidenced in our participation on the Mineral Management Service's (MMS) Gulf of Mexico Regional Technical Working Group. This interagency group advises the MMS on issues and studies related to oil and gas activities within the Gulf of Mexico. Over the past 5 years, the Park Service's principal issues have been marine debris, oil spill planning, dispersant use, and risk assessment. The response by our sister agency has been to sponsor, along with the National Marine Fisheries Service, studies and monitoring programs aimed at determining the amount and sources of marine debris in our parks, to fund development of prototype spill contingency plans for NPS areas, and to urge EPA to enter into site specific labelling of dispersants.

Unfortunately, the MMS has done little to revise their risk modelling. The result of this refusal to reexamine risk potential for the southwest Florida coast has meant that risk assessment as concerns Everglades and Fort Jefferson is deficient and is accompanied by statistics indicating the probability of a major spill event affecting either area to be less than 5 percent. With this type of analysis, the MMS has taken a minimalist approach in designing impact analyses and mitigative measures for the area adjacent to southwest Florida parks.

Therefore, our strategy to protect these priceless subtropical and tropical marine resources must continue along both the lines suggested by Mike Finley in the enclosed memo and along the track that has devastatingly made itself felt in Alaska, which is the protection of our resources from spills. No matter how statistically unlikely the possibility of a spill is, given the geography of the Everglades coast, there is no way that a sufficient response could be mounted that would limit damage to the park's resources. This lack of an ability to provide adequate containment and cleanup of any discharge in this area needs to be factored into all risk assessment as regards hydrocarbon activities off this coast. When the adequacy of competent oil spill response is added to the fragile and internationally significant character of the resources of our southwest Florida parks, it is evident that a more restrictive approach to oil and gas leasing needs to be considered by the MMS.

(sgd) Robert M. Baker

Enclosure

cc:
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Congress of the United States
House of Representatives
Washington, D.C. 20515

October 4, 1989

Honorable George Miller, Chairman
Subcommittee on Water, Power
and Offshore Energy Resources
1522 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

We write to bring to your attention a matter of grave concern which impacts directly on the integrity of testimony which may be received by your subcommittee from Administration witnesses.

We have today received documents, a set of which is enclosed, which were obtained from the U.S. Department of the Interior under a Freedom of Information Act request by the Natural Resources Defense Council. These documents apparently show that the conclusions of the testimony prepared for the Presidential Task Force on Outer Continental Shelf Leasing and Development, which purported to reflect the views of the Superintendent of the Everglades National Park, were substantially rewritten.

Though we can only speculate on the reasons or motives behind this action, it is clear from the documents that the Superintendent's strong views against oil drilling ("It is for these reasons that we object to any oil exploration or extraction activities below the 26th parallel. The risks are simply too great;") were significantly equivocated (...we would ask that the task force consider recommending additional buffer zones around the Tortugas, Everglades and other significant natural resource areas") in the final memo that was used as a basis for the National Park Service's position on oil exploration and drilling off the Florida Keys.

This is an issue of momentous importance to Florida, which is home to plant and animal life unique in our country and has the second longest shoreline of any state. This episode seriously calls into question the value and objectivity of any conclusions reached by the President's Task Force on Outer Continental Shelf Leasing and Development. These documents give the appearance that the Task Force inquiry is intended to reach a preconceived conclusion, rather than to gather expert opinion and information in order to make an informed judgement.

In addition, these documents raise the suspicion that other testimony and information provided by the Executive branch on this issue may be doctored or altered to conform with Administration policies. While the Administration has a right to put forward its program, it should not be permitted to muzzle the opinions of its own acknowledged experts.

We therefore ask that the subcommittee investigate to determine whether improper pressure was brought to bear on National Park Service employees in the performance of their duties. Also, these documents indicate that it might be prudent for the subcommittee to seriously question any future Interior Department statements on the offshore drilling issue.

Thank you for your kind attention to this important matter.

Sincerely yours,

Dante B. Fascell
Member of Congress

William Lehman
Member of Congress

Enclosure

Thursday, October 5, 1989

New Evidence Details The Suppression of Drilling Testimony

By Larry Liebert
Chronicle Washington Bureau Chief

Washington

Environmentalists have uncovered new evidence that the Bush administration suppressed testimony by federal experts who oppose oil drilling off the coasts of Florida and California.

Critics said the evidence raises new questions about the "value and objectivity" of the task force formed by President Bush to study the merits and risks of drilling off the two states.

Two Florida congressmen asked yesterday that a House subcommittee investigate whether "improper pressure was brought to bear on National Park Service employees" to change their assessment of the dangers of drilling off of the Everglades swamp

The dispute concerns the deliberations of the president's offshore task force, which is conducting an ostensibly objective analysis of whether to go ahead with controversial federal plans to drill off of California and Florida.

Suppressed Testimony

In August, The Chronicle revealed that federal scientists had been told not to present critical analyses of the impact of drilling at public hearings held by the task force.

This week, the Natural Resources Defense Council made public copies of the suppressed testimony, which the environmental group obtained through the federal Freedom of Information Act

In the most vivid example, Robert Arnberger, assistant superintendent of Everglades National Park, was ordered by superiors not to deliver testimony that described the fragile park and the "extreme peril" that would be posed by adding potential oil spills to the other environmental "threats that face the park."

Arnberger's prepared testimony ended with a warning that "a careful review must be made of any move to allow oil exploration, extraction or transport within the sale lease area that presents unacceptable risks to the resources of the Everglades National Park."

But the documents also reveal that experts in charge of the Everglades park had originally wanted to make a far more emphatic statement opposing any drilling off of south Florida.

In a memo to the director of the National Park Service, Everglades Superintendent Michael Finley noted that Arnberger's proposed testimony "went through several rewrites" at the request of Park Service headquarters in Washington

"We clearly understand the sensitivity of this issue but sincerely feel we would not be faithfully discharging our duties if we did not go on record with your office regarding our objections to this lease sale," Finley wrote.

The Everglades superintendent went on to summarize the testimony that his deputy had intended to give — but with a far more emphatic conclusion: "We object to any oil exploration or extraction activities below the 26th parallel (south Florida.) The risks are simply too great, the unanswered questions too many, and the direction provided by Congress too clear in delineating our responsibilities."

Questions Raised

Officials of Bush's task force have said previously that they canceled public testimony by federal experts simply because they wanted to give local officials and residents more time to speak at the hearings in Florida and California

But Lisa Speer of the Natural Resources Defense Council said the documents obtained by her group demonstrate that "critical testimony was quelched by the Interior Department. That raises questions about the commitment of both the Interior Department and the task force to an open, honest debate. You have to wonder what these people are afraid of."

Democratic Representatives Bill Lehman and Dante Fascell of Florida wrote that "this episode calls into question the value and objectivity of any conclusions reached" by the task force and gives "the appearance that the task force inquiry is intended to reach a preconceived conclusion." The Florida representatives addressed their complaint to Representative George Miller, D-Martinez, chairman of the House Interior Subcommittee on Water, Power and Offshore Energy.

Miami Herald P. 1 10/4

Everglades staff told to soften comments against oil drilling

By R.A. ZALDIVAR
Herald Washington Bureau

WASHINGTON — The managers of the Everglades National Park strongly opposed oil drilling off southwest Florida, but their proposed testimony to a presidential panel was toned down and they were later told not to appear at a public hearing.

National Park Service documents released Tuesday by Rep. Bill Lehman, D-Fla., depict a tug-of-war between Everglades managers and Washington headquarters over proposed testimony before a presidential task force that held hearings in Florida last June.

A compromise was ultimately reached on testimony that vividly portrayed the environmental risks of drilling, but stopped just short of declaring the Everglades managers' outright opposition.

However, after the Everglades staff was told a day before the hearing not to testify, former superintendent Michael Finley fired off a memo to the task force rejecting the position reached in "collaboration" with headquarters.

"It looks like some sort of cover-up," said Lehman, who with Rep. Dante Fascell, D-Fla., is asking the House Interior Committee to investigate.

"We object to any oil exploration or extraction activities below the 26th parallel," Finley said in the June 23 memo. "The risks are simply too great; the unanswered questions too many." The 26th parallel roughly runs along Alligator Alley between Naples and Fort Lauderdale.

"This is the generation of Americans that will save the Everglades as we now know and understand it for future generations," wrote Finley. "Or this generation may witness Everglades National Park as it succumbs to a thousand little cuts and ceases to be a functional biological ecosystem."

Said Lisa Speer, a scientist with the Natural Resources Defense Council, an environmental group: "What appears to have happened is that the testimony, even though it stopped short of saying 'We object to any leasing,' was still too incendiary to present to the public. They put the kibosh on it."

Park Service denies cover-up

Speer obtained the documents under the Freedom of Information Act and sent them to Lehman.

"We all had hoped the new environmental awareness in the Bush administration would prevent this type of thing from happening," said Speer. "One has to ask, what are they afraid of? Why don't they want the public to know how people who are close to the park feel about leasing?"

Park Service spokesman George Berklacy said there was no cover-up.

"As far as the [Interior] department suppressing information, I don't think that's a fair characterization," he said. "The first major initiative of Secretary [Manuel] Lujan was expansion and further protection of the Everglades."

Berklacy said he does not know if Finley's memo opposing oil drilling and exploration reached the presidential task force, which is led by Lujan.

Earlier this year, President Bush declared a moratorium on leasing oil drilling rights in sensitive areas off Florida, New England and California. That ban expires in January, after a report by the Lujan task force is due. Legislation approved by the House and Senate would extend the ban another nine months, and Florida's congressional representatives of both parties are seeking a permanent ban on drilling off the state's southwest coast.

Sentences toned down

Acting Everglades superintendent Robert Arnberger said in an interview that Florida officials invited representatives from the park to testify at the task force hearings. Arnberger, who was assistant superintendent at the time of the hearing, said the Everglades staff decided that it would go on record as opposing drilling. The staff sent draft testimony to Washington reflecting that, he said.

"Subsequent to that, there was a call from the director's office wishing to indicate support for protection of the park resource," said Arnberger. "But they felt several sentences needed to be toned down a bit.

"That's certainly in their prerogative, and I would not want to take it away," Arnberger added. "I worked closely with them and certainly was prepared to deliver that testimony."

But the afternoon before the hearings the Everglades staff was told by headquarters not to testify. Arnberger said he was told that the hearings were "a device to measure public opinion" in Florida, and expert testimony from the Park Service was not needed.

"Initially, we had a full green light on it," said Arnberger.

Spokesman Berklacy said the request came from the task force itself. He said Park Service Director James Ridenour had no objection to the testimony.

According to Berklacy, the task force said it would accept written statements from the Everglades staff. That prompted Finley to write his memo.

'Near ecological collapse'

Berklacy also said that the views of the Park Service had already been presented to the task force at a Washington briefing. However, Arnberger said the information the Everglades staff supplied for that briefing was "very superficial," and did not indicate opposition to drilling.

Because of development, disruptive water management and contamination from agricultural runoff, Finley said the Everglades "may be near ecological collapse." And in Florida Bay, he said, seagrass is dying at a rate never seen before.

Any oil spill would be extremely harmful to the Everglades' mangrove forest and Florida Bay's seagrass beds, Finley said.

"Damage from oil spills may take years to recover, and it is important to realize that many of the most severe responses, including death of the forest, may not appear for months or even years after a spill," he wrote.

DRILLING, FROM 1A

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October 17, 1989

President George Bush
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

Earlier this year you established a Presidential Outer Continental Shelf (OCS) Task Force to provide an objective review of the environmental impacts of three controversial offshore oil lease sales in California and Florida. We are writing to inform you of an event which seriously calls into question the ability of the OCS Task Force to provide you with an unbiased review of those issues.

On October 4, 1989, we received a set of documents obtained by Florida Representatives Dante Fascell and William Lehman that indicate that the OCS Task Force has suppressed the testimony of National Park Service officials who oppose offshore oil drilling off the Florida coast. These documents, a set of which is enclosed, indicate that the testimony of Robert Arnberger, Assistant Superintendent of the Everglades National Park, was modified by top Park Service officials who removed statements in opposition to offshore drilling from the testimony.

In a memorandum to the Director of the National Park Service regarding the testimony, former Everglades Park Superintendent Finley characterized the position of the Park as follows:

> ". . . we object to any oil exploration or extraction activities below the 26th parallel. The risks are simply too great; the unanswered questions too many . . . ."

By contrast, the sanitized testimony ultimately submitted to the Task Force concludes that there should be a "careful review" of proposed oil and gas drilling.

To make matters worse, the Park Service was not even permitted to deliver its censored testimony. According to press accounts, the OCS Task Force itself requested that the Park Service not testify.

This action directly contradicts the claim by the Task Force that it is conducting an objective review of the environmental effects of offshore drilling. Clearly, no one is more qualified to comment on the impact of offshore oil drilling on the fragile Everglades National Park than the professionals responsible for the Park. Yet the Task Force refused to hear their testimony, apparently because it was in opposition to oil drilling.

At the request of Representatives Fascell and Lehman, the Subcommittee is conducting an investigation of this matter. We request that the White House assist this effort by providing the following information:

1. Who was responsible for the decision not to permit Assistant Superintendent Arnberger to testify before the OCS Task Force?

2. Who was responsible for the decision to remove statements in opposition to offshore drilling from Mr. Arnberger's testimony?

3. Was any improper pressure brought to bear on any Park Service staff to force them to revise their position on offshore oil drilling?

A prompt and thorough review of these issues is necessary to restore public confidence in the OCS Task Force.

Thank you for your attention to this matter.

Sincerely yours,

MORRIS K. UDALL, Chairman
Committee on Interior and
Insular Affairs

GEORGE MILLER, Chairman
Subcommittee on Water, Power
and Offshore Energy Resources

United States Department of the Interior

NATIONAL PARK SERVICE
P.O. BOX 37127
WASHINGTON, D.C. 20013-7127

IN REPLY REFER TO:

DEC 21 1989

L7619(774)

Honorable George Miller
Chairman, Subcommittee on Water, Power
and Offshore Energy Resources
Committee on Interior and Insular Affairs
House of Representatives
Washington, D.C. 20515

Dear Mr. Miller:

Thank you for your letter of October 17, 1989, to President Bush regarding the testimony of National Park Service (NPS) officials in the President's Outer Continental Shelf (OCS) Leasing and Development Task Force Florida workshops. Our answers to your questions are as follows:

Question 1. **Who was responsible for the decision not to permit Assistant Superintendent Arnberger to testify before the OCS Task Force?**

Answer: Former employees of the Office of the Assistant Secretary for Fish and Wildlife and Parks directed that the three NPS unit managers not testify at the Miami and Key West workshops. The NPS notified Executive Director Kallman of the decision early in the evening before the Miami workshop.

The rationale for the decision was that the workshops were intended for dialogue between the task force members and representatives of local interests, and that Federal agencies had other, more appropriate, opportunities for participation.

In addition, the NPS had made a presentation to the task force in which concerns about potential sale 116, part b, were expressed based upon information received directly from the Everglades Superintendent and science staff. At that time, the Superintendent did not indicate direct opposition to the lease sale. In addition, no previous opposition had been expressed in NPS comments on the environmental impact statement for the sale (copy enclosed).

Following the decision not to allow NPS participation in the workshops, we prepared a briefing package for the OCS Task Force that detailed the resources and national park concerns in the vicinity of all three lease sales under review (copy enclosed). The package represented the direct input of managers and natural resource staff of the seven national park units potentially affected. Assistant Secretary Harriman reviewed the package and signed the transmittal memorandum on September 8, 1989. The package was delivered to Executive Director Kallman on October 6, 1989. It is our understanding that all NPS materials--the briefing package, park brochures, maps, selected portions from general management plans, and statements for management--have been distributed to task force members for use in preparation of the Presidential report.

Also enclosed is the August 1989 notice from the Federal Register in which the task force identified national park concerns in all three lease sale areas as major issues that would need to be addressed in the Presidential report.

Question 2. **Who was responsible for the decision to remove statements in opposition to offshore drilling from Mr. Arnberger's testimony?**

Answer: Former employees of the Office of the Assistant Secretary for Fish and Wildlife and Parks directed the removal of Mr. Arnberger's statement of opposition. The categorical statement of opposition was seen as inappropriate, given the fact that the President directed the task force "to examine in detail the concerns over adverse impacts of sales in three environmentally sensitive areas" and that one of the primary goals of the task force would be to "explore leasing proposals (including no leasing) for the three sale areas that might resolve environmental concerns."

Other changes in Mr. Arnberger's testimony were editorial to ensure that the statement was an NPS position rather than unsubstantiated personal opinion. We thought that consistency with the first statement we had received from Superintendent Finley for the Washington, D.C., presentation was important (copy enclosed). We also felt that some editorial changes were necessary since Mr. Arnberger had stated that he did not know anything about the potential for spills from tanker traffic in the Straits of Florida, regional response plan, and oil spill contingency,

and that Everglades had not discussed these issues with the Coast Guard. Finally, we were concerned that NPS had not been involved in the State/Federal task forces in Florida and wanted to review their findings on oil spill and environmental issues.

As you can readily see from the enclosed briefing package, all of the concerns expressed about the three Florida parks were faithfully reflected to the task force.

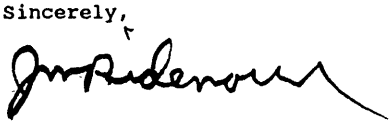
Question 3. **Was improper pressure brought to bear on any Park Service staff to force them to revise their position on offshore oil drilling?**

Answer: Improper pressure was not brought to bear on any Park Service staff to force revisions in their position on offshore oil drilling. We had minor internal differences about the use of categorical assertions not clearly substantiated by site-specific literature citations or current research. Changes in the statements that went forward in the briefing package in this regard amounted to saying "may" instead of "will," or "could" instead of "would."

All original statements as faxed to the Washington Office by the parks and subsequent revisions to the final product are in our files and available for review.

We hope this answers your inquiry and clarifies misunderstandings about NPS involvement with the task force. Our experience with Executive Director Kallman was positive and encouraging. He actively sought our input and the task force staff also encouraged us in our participation in this complex and controversial issue. A similar letter is being sent to the Honorable Chairman, Morris K. Udall, Committee on Interior and Insular Affairs, House of Representatives.

Sincerely,



James M. Ridenour
Director

Enclosures

NAS
NAE
IOM

The Adequacy of Environmental Information for Outer Continental Shelf Oil and Gas Decisions: Florida and California

Committee to Review the Outer Continental Shelf
Environmental Studies Program
Board on Environmental Studies and Toxicology
Commission on Physical Sciences, Mathematics, and Resources
National Research Council

NOTICE: The project that is the subject of this report was approved by the Governing Board of the National Research Council, whose members are drawn from the councils of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The members of the committee responsible for the report were chosen for their special competences and with regard for appropriate balance.

This report has been reviewed by a group other than the authors according to procedures approved by a Report Review Committee consisting of members of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine.

The National Academy of Sciences is a private, nonprofit, self-perpetuating society of distinguished scholars engaged in scientific and engineering research, dedicated to the furtherance of science and technology and to their use for the general welfare. Upon the authority of the charter granted to it by the Congress in 1863, the Academy has a mandate that requires it to advise the federal government on scientific and technical matters. Dr. Frank Press is president of the National Academy of Sciences.

The National Academy of Engineering was established in 1964, under the charter of the National Academy of Sciences, as a parallel organization of outstanding engineers. It is autonomous in its administration and in the selection of its members, sharing with the National Academy of Sciences the responsibility for advising the federal government. The National Academy of Engineering also sponsors engineering programs aimed at meeting national needs, encourages education and research, and recognizes the superior achievements of engineers. Dr. Robert M. White is president of the National Academy of Engineering.

The Institute of Medicine was established in 1970 by the National Academy of Sciences to secure the services of eminent members of appropriate professions in the examination of policy matters pertaining to the health of the public. The Institute acts under the responsibility given to the National Academy of Sciences by its congressional charter to be an adviser to the federal government and, upon its own initiative, to identify issues of medical care, research, and education. Dr. Samuel O. Thier is president of the Institute of Medicine.

The National Research Council was organized by the National Academy of Sciences in 1916 to associate the broad community of science and technology with the Academy's purposes of furthering knowledge and advising the federal government. Functioning in accordance with general policies determined by the Academy, the Council has become the principal operating agency of both the National Academy of Sciences and the National Academy of Engineering in providing services to the government, the public, and the scientific and engineering communities. The Council is administered jointly by both Academies and the Institute of Medicine. Dr. Frank Press and Dr. Robert M. White are chairman and vice chairman, respectively, of the National Research Council.

The project was supported by the President's Outer Continental Shelf Leasing and Development Task Force through Department of the Interior Contract No. 1435000130495.

A limited number of copies of this report are available from the Board on Environmental Studies and Toxicology, 2101 Constitution Avenue, N.W., Washington, D.C. 20418

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Preface

Outer continental shelf (OCS) oil and gas activities, including planning phases, are accompanied by serious concerns about real and perceived risks of adverse impacts on individual and collective components of coastal and continental margin ecosystems. These concerns are intertwined with many other important issues associated with national energy policy. It is thus imperative that the very best and most recent knowledge of coastal and continental margin ecosystems, including humans and their socioeconomic systems, inform decisions about OCS oil and gas activities.

President Bush announced on February 9, 1989, that he would establish a cabinet-level task force to review environmental concerns associated with three OCS lease sales off southwestern Florida, northern California, and southern California. He also requested an independent scientific assessment of the information from the National Research Council. The Committee to Review the Outer Continental Shelf Environmental Studies Program and its three panels were charged to review the adequacy of the scientific and technical information base for decision making for the three OCS lease areas.

A task of this magnitude could not have been successfully executed in the required time without the intellectual contributions, dedicated work, and generous advice of many people. It is a pleasure to acknowledge the thought, extensive time, and hard work of the members of the committee and panels, especially the panel chairs Garry Brewer, Judith McDowell Capuzzo, and Maurice Rattray, Jr.

We thank the Minerals Management Service's (MMS) Scientific Committee for sharing their expertise and experience. MMS officials provided a great deal of detailed and valuable information. These officials have the difficult job of matching limited financial resources with important research problems in the context of a dynamic interface between science and policy that involves federal, state, and local governments; public interest groups; and industry. The committee and its panels would not have been able to respond to the present request in a timely manner if MMS's Environmental Studies Branch had not already requested a detailed review of its research program nationwide. Special thanks go to Ken Adams, Steve Alcorn, Ellen Aronson, Don Aurand, William Bettenberg, Rick Defenbaugh, Bill Johnstone, Theresa Paluszkiewicz, Fred Piltz, and Vicky Zatarain.

Many people from the public and private sectors generously took the time to prepare briefings for the Socioeconomics Panel in Florida and California and to provide information to members of the committee and panels on other occasions. We thank John Holmes for providing us his special contribution on air quality issues in southern California (see Appendix).

Members of the working group and staff of the Presidential Task Force were receptive to our requests for information and generously made themselves available despite their own extensive workload and time constraints for completion of their task. A special note of thanks goes to Robert Kallman and Richard Glynn.

This report could not have been produced without the dedicated efforts of the National Research Council's staff. Project Director David Policansky coordinated the work of the committee and three panels dealing with subject matter ranging from numerical models of physical oceanography to sociology and economics. This report is evidence of his success with such a formidable task. Sylvia Tognetti was tireless and very helpful in tracking down, analyzing, and providing information, as was Erik Hobbie. Holly Wells, Teresa Frank, and Anne Sprague made it possible to meet our deadlines. Roseanne Price, Bernidean Williams, Linda Poore, and Lee Paulson edited the draft and assisted with production. James Reisa, Acting Director of the Board on Environmental Studies and Toxicology, provided thoughtful guidance and a commitment to clarity of thought and expression that markedly improved this report.

John Farrington, *Chair*
Committee to Review the OCS
Environmental Studies Program

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Executive Summary

The environmental impacts of oil and gas production on the U.S. outer continental shelf (OCS) have been studied and debated for many years. The issues derive from the complexity of coastal and offshore marine processes and ecosystems, human socioeconomic systems, and interactions with OCS oil and gas development activities. Recently, intensified public concern has led to congressional moratoria on drilling in several OCS areas.

On February 9, 1989, President Bush announced his decision to postpone leasing for OCS areas off southwestern Florida (sale 116, part 2), northern California (sale 91), and southern California (sale 95). At the same time, the President created a cabinet-level task force to review the environmental concerns for these three OCS areas, and he also requested independent advice from the National Research Council (NRC). The NRC was asked to assess the adequacy of the available scientific and technical information on estimated hydrocarbon resources and potential environmental effects for the three specified areas.

The National Research Council has addressed these questions many times in the past. In 1973, President Nixon asked the Council on Environmental Quality and the National Research Council to review OCS environmental concerns. Again, in 1978, the National Research Council issued a review of the OCS Environmental Studies Program, which was then managed by the Bureau of Land Management; in 1983, it issued a report on drilling muds and fluids; and in 1985, it released its report, *Oil in the Sea: Inputs, Fates, and Effects*.

In addition, two directly relevant studies were already being carried out by the NRC when President Bush requested this new evaluation. The Committee on Undiscovered Oil and Gas Resources was already reviewing the methods used to estimate onshore and offshore hydrocarbon resources, and the Committee to Review the Outer Continental Shelf Environmental Studies Program (the OCS committee), along with its three panels on physical oceanography, ecology, and socioeconomics, was in the process of reviewing the Minerals Management Service (MMS) program of studies that provides environmental information for OCS oil and gas decisions nationwide. Because these studies had been under way for some time, the NRC committees had already obtained considerable up-to-date information about the issues and the available scientific and technical information. Also, because of the experience with the studies already under way,

the committees did not have to review the three specified OCS lease areas in isolation. A great deal of relevant information had already been developed by the committees in studying the relationships between scientific knowledge and the OCS leasing program as a whole.

This report, by the OCS committee and its three panels, reviews the adequacy of information bearing upon the potential environmental impacts of OCS oil and gas activities for the three sale areas. The review focuses on physical oceanography, ecology, and socioeconomics. To carry out its charge, the OCS committee and its panels had to consider the overall OCS leasing process, and particularly the leasing decision itself. This was essential to answer the main question regarding the "adequacy" of scientific information for leasing decisions. Scientific and technical questions dominated the committee's and panels' deliberations, but institutional aspects of the leasing process, the law and policies that shape it, and practical realities all influenced these deliberations and the committee's working concept of adequacy.

CRITERIA FOR ADEQUACY

The committee's working definition of "adequacy" for this assessment has two aspects: completeness and scientific quality. Of course, "complete" scientific information in the ultimate sense is neither feasible nor necessary for making decisions. Rather, the committee's criteria for completeness were based on what constitutes enough information for OCS decisions; they are detailed and explained in the three chapters that deal with physical oceanography, ecology, and socioeconomics. The standards of scientific quality entail repeatability, reliability, and validity of measurements and analyses, including appropriateness of methods and subject. The working definition of scientific quality used by the committee and panels was whether the methods described represent the current state of good practice in each scientific field (i.e., whether they would be likely to pass peer review). This does not imply that the criterion is actual publication in a peer-reviewed scientific journal, but rather that the quality of the data and scientific interpretations used for OCS decisions should meet this basic scientific standard. The committee applied this standard to the information for each of the three OCS regions considered in this report.

CONCLUSIONS AND RECOMMENDATIONS, BY LEASE SALE AREA

The committee concluded that the available scientific and technical information bearing on potential environmental impacts is currently inadequate for decisions about development and production in all three OCS lease sale areas. For decisions on leasing, the following table summarizes the committee's overall conclusions for each of the three areas (see text for discussion of the availability, quality, and use of the information).

Lease Sale Area	Physical Oceanographic	Ecological	Socioeconomic
Southwestern Florida (Area 116, Part 2)	**Marginal**	**Inadequate**	**Inadequate**
Northern California (Area 91)	**Adequate**	**Adequate**	**Inadequate**
Southern California (Area 95)	**Inadequate**	**Adequate**	**Doubtful**

Overall, the committee judged that the currently available information in some categories is at least marginally adequate to make leasing decisions for each of the sale areas, but better information in one or more categories is needed for every area. The present physical oceanographic information is marginally adequate for leasing decisions off northern California, but inadequate for southern California. For southwestern Florida, enough is known to provide

reasonable first-order estimates of the movement of spilled oil, but better information enabling error estimates would be desirable for a leasing decision. The ecological information is sufficient to make leasing decisions for both California areas (although better information is needed on birds in Baja California). The ecological information is inadequate for southwestern Florida. The available socioeconomics information is inadequate for a leasing decision for two of the three sale areas—southwestern Florida and northern California. The socioeconomics panel has not had sufficient time to evaluate the considerable literature on socioeconomics in southern California. No EIS has been produced for lease sale 95 in southern California, and the socioeconomics information provided by MMS to the panel is inadequate for informed decision making there.

Lease Sale 116, Part 2 (Southwestern Florida)

Physical oceanographic information is sufficient to predict that any oil spill in the sale area would probably soon hit the coast. The ecological and socioeconomics information currently being used or available for a leasing decision is inadequate or not sufficiently reliable for a leasing decision for the southwestern Florida OCS area. More information in all three scientific disciplines would be needed for development and production decisions.

The physical oceanography of the region is known with sufficient certainty to provide first-order estimates showing that oil spills associated with OCS activities would have a high probability of interacting with sections of the Florida coast. However, it is difficult without further data to ascertain the range of error in the results of models used to provide the first-order estimates. The uncertainties of oil spill trajectories could be narrowed with more focused studies of the physical oceanography of the region. These studies are within the current capabilities and state of knowledge in physical oceanography and could be accomplished within a few years after initiation.

Ecological information needed for a leasing decision should include characterization of the environment, identification of the biological resources at risk, and a basic understanding of ecological relationships. Where rare or endangered species and communities unique to the United States exist, as in the southwestern Florida leasing area, more extensive characterization should be required before a leasing decision is made. Additional information is needed to assess the sensitivity of unique coastal ecosystems, such as corals, seagrasses, and mangroves, to the long-term chronic releases from OCS production activities as well as to the immediate and long-term impacts of spilled oil. Therefore, more detailed site- and ecosystem-specific information is needed to assess potential impacts of OCS activities before a leasing decision is made.

The socioeconomic aspects of environmental impacts have been inadequately addressed in the assessments to date. Indeed, many potential and actual impacts have not even been considered.

Lease Sale 91 (Northern California)

Ecological information is adequate and physical oceanographic information is marginally adequate for a leasing decision, but socioeconomic aspects of the scientific and technical information now being used or available to make a leasing decision for the northern California OCS area are inadequate. More information in all three scientific disciplines would be needed for development and production decisions.

The physical oceanography of the area is reasonably well known; this information is adequate for a leasing decision for the area. However, there is a need for better coordination of actual field observations with the oil spill risk assessments for the area. Continued site-specific data gathering and assessment during exploration, development, and production—if they occur—are recommended to refine models and provide a more thorough understanding of the physical oceanography in the region.

Baseline information on the distribution and abundance of many species of marine organisms is sufficient for a leasing decision. More detailed site-specific studies on the sensitivity of different components of the ecosystem to various impacts of OCS activities should be obtained if exploration occurs.

The socioeconomic studies and assessments in this area are inadequate for making a leasing decision. Many potential and known impacts have not been considered.

Lease Sale 95 (Southern California)

Ecological information is adequate for a leasing decision, but physical oceanographic and socioeconomic aspects of the scientific and technical information now being used or available for the southern California OCS area are inadequate or not sufficiently reliable for a leasing decision. More information in all three scientific disciplines would be needed for development and production decisions.

The physical oceanography of the southern California lease sale area is extremely complex. Currently available information is insufficient to make a leasing decision. However, studies to provide adequate information for the area are within the current capabilities and state of knowledge in physical oceanography and could be accomplished within a few years after initiation.

Baseline information on the distribution and abundance of species of marine organisms is adequate for making a leasing decision. Additional information regarding the interaction of OCS activities with other disturbances (both anthropogenic and natural disturbances) is needed during exploration to predict future impacts of development and production.

There is a substantial body of socioeconomic information for southern California; the panel has not had enough time to review all of it. There is no EIS for sale 95. The staff papers provided by MMS for sale 95 in lieu of a draft EIS (U.S. DOI, 1989) are not adequate to make a leasing decision. The committee and panel cannot judge at this time whether additional studies are needed or whether there is enough information to support an adequate analysis.

CONCLUSIONS AND RECOMMENDATIONS, BY TYPE OF INFORMATION

Physical Oceanography

The body of knowledge on the physical oceanography of the three regions varies considerably in scope and quality. For example, the data base for southwestern Florida is relatively incomplete. Few modern oceanographic studies have been undertaken for this region, e.g., as compared to northern California. Present numerical modeling work for the Gulf of Mexico is marginal. Oil Spill Risk Analysis (OSRA) model results give reasonable first-order estimates; spilled oil can be expected to hit the shore because of the boundary Loop Current. However, it is difficult without further information to ascertain the range of error in results with the present OSRA model.

A considerable amount of information exists concerning the circulation off northern and central California. Although some features of the circulation could be studied further, new observations should focus on the estimation of trajectories and trajectory statistics. There is not a correspondingly complete description of circulation for the Southern California Bight. Although MMS has used a circulation model for input to the OSRA model, it has not taken advantage of all available observations. The flow field in the bight is not well known. The circulation model is not complete and does not reproduce several prominent observed features of the coastal circulation. This model may not be adequate for use in impact assessment. Substantial fieldwork to provide a better observational picture of circulation in the Southern California Bight needs to be undertaken. Numerical general circulation models alone will not provide sufficient realism for trajectory prediction or estimation of trajectory statistics. Model studies need to be supplemented with observations. Trajectory predictions or estimations of trajectory statistics realistic for use in

risk analysis or in accident management cannot be obtained without new fieldwork, including drifter studies. Although these observations may ultimately help the development of circulation models, which it is hoped will be in quantitative agreement with existing data, the first priority should be to take more observations and incorporate them into trajectory predictions.

Ecology

The basic information needed to make a leasing decision anywhere includes a characterization of the environment, identification of the biological resources at risk, and a basic understanding of ecological relationships. For southwestern Florida, where unique habitats and endangered and rare species exist, more extensive characterization of the sensitivity of biota to OCS-related activities, characterization of recovery rates, and identification of mitigating measures is needed.

For both California lease areas (91 and 95), there is enough baseline information to make an informed decision about leasing, although more information is needed about birds along the Pacific coast of Baja California (Mexico). More detailed site-specific analyses would be needed during exploration. If commercial quantities of petroleum are discovered, additional information will be necessary to assess the environmental impact of development and production. For lease sale 116, part 2 in Florida, the information is not currently adequate to make a leasing decision.

In addition to these general conclusions, the ecology panel had several overall concerns about the information available for decision making, especially concerning details of exploration, development, and production. First, the Department of the Interior (DOI) has relied too heavily upon the OSRA model for prediction of impacts. This has resulted in an emphasis on the probability of an oil spill instead of on the effects of a spill. Second, there is a lack of general process-level studies. Third, not enough attention has been paid to inshore, onshore, and estuarine areas. Fourth, there has been too narrow a focus on oil spills and not enough on the other potential impacts associated with development and production. Fifth, potential recovery rates of ecosystems after damage have been overestimated in the EISs. Sixth, sublethal and chronic effects of oil and gas activities have been largely ignored. Although such effects are difficult to predict, a much better understanding should have been obtained by now through investigations of oil and gas production in the Gulf of Mexico and southern California. Finally, much of the information on the distribution and abundance of various species covers too short a time span.

Socioeconomics

Socioeconomic information for two of the three lease sales—southwestern Florida (116, part 2) and northern California (91)—is not sufficient for informed decisions concerning OCS oil and gas activities. The panel has not had sufficient time to evaluate the considerable literature on socioeconomics in southern California. No EIS has been produced for lease sale 95 in southern California, and the information provided by MMS (U.S. DOI, 1989) to the panel is inadequate for informed decision making there. The panel has two major conclusions regarding lease sales 116, part 2 and 91:

- Standard social and economic analyses have been inadequately performed. In standard practice social and economic analyses of natural resource development focus on the direct and secondary impacts associated with development and production, as well as the related infrastructure and public-financing requirements. These analyses deal primarily with impacts that are quantifiable, often in economic terms. Such analyses were not systematically carried out by DOI; the data often were not current, not at the appropriate level of disaggregation to be useful at the local level, and not analyzed in a way that helps decision making. In addition, most of the studies have not built on previous work. Despite the abundant experience with OCS development and production, there has been little followup research to validate assumptions and conclusions.

• Significant types of social and economic impacts have been ignored. Different kinds of social and economic impacts other than those that DOI has addressed can occur from OCS activities. Some begin even before a lease is sold. There is no program to systematically study and evaluate this class of impacts, and they have not even been considered in the EISs. The mere announcement of a lease sale can raise fear and uncertainty, stimulate organized political resistance, encourage land speculation, lead to lawsuits, and result in widespread anger and alienation among citizens who feel that their rights are being violated and their ways of life threatened. Responses to the possibility of sales have constituted intense, effective, and costly opposition to the government's leasing program, but the information necessary to analyze them and other prelease impacts has not been gathered. The panel has not yet completed its investigation of the management and policy implications of these impacts. For the present, the panel notes that these impacts are real and have proved costly.

SOME UNDERLYING CONCERNS

Separation of Leasing from Development and Production

One matter of underlying concern to the committee and panels involves the phasing of OCS leasing, exploration, development, and production as currently practiced. Studies by MMS's Environmental Studies Program and the assessments found in DOI's environmental impact statements have focused almost entirely on the lease sale stage. Two fundamental problems result from this practice. First, the exact location of oil and gas reservoirs is unknown at the prelease stage. As a result, it is impossible to identify the specific future location of facilities and to predict specific environmental impacts of development. Equally important, the uncertainty about actual oil and gas reserves at the prelease stage makes it difficult to balance the national benefits of production against the environmental risks. Second, by the time producing reservoirs are identified, the industrial lessor typically has committed enormous amounts of money to the lease. DOI has never implemented the procedures provided in the OCS Lands Act Amendments of 1978 (OCSLAA) for lease cancellation, and so a decision to lease is generally perceived as tantamount to a decision to develop and produce, provided that commercial reserves are found in a lease area. This point has been made in prior studies and was considered in depth by Congress in the deliberations leading to the 1978 OCSLAA. As DOI's EISs point out, it is often not possible to do adequate assessment before leasing. However, once it does become possible to generate the needed information and analysis, a decision not to proceed with development has already been effectively precluded.

The perception is widespread that leasing implies development and production if commercial quantities of hydrocarbon resources are found. In a 1984 Supreme Court decision (*Secretary of the Interior* vs. *California*, 104 S. Ct. 656), the majority wrote: ". . . a lease sale is a crucial step. Large sums of money change hands, and the sale may therefore generate momentum that makes eventual exploration, development, and production inevitable." The minority wrote: "Approval for exploration and development by the lessee is obviously the expected and intended result of leasing; if it were not, the Secretary would not bother to lease and the lessees would not bother to bid." In spite of provisions for a "focusing of analysis and review [that] will occur at later stages in lease sale planning . . . most states doubt that adequate analysis will be performed, and that decision alternatives will be preserved through the process" (Hershman et al., 1988). Many local, state, and federal government officials have expressed similar points of view to the OCS committee and panels. Furthermore, several MMS officials have informed the committee that out of hundreds of OCS development and production plans submitted by industry since 1978, although modifications have been required, none has ever been denied by the Department of the Interior. For these reasons, the committee and panels cannot confirm that there is a de facto separation of OCS leasing from development and production decisions in actual current practice.

In requiring development and production plans (except in the Gulf of Mexico, where OCSLAA does not require them), OCSLAA recognizes the distinction between environmental impacts at the exploration versus the development and production stages. Only one development and production plan in each planning area is required by OCSLAA to be declared "a major

Federal action," and hence to need an EIS. This requirement has resulted in detailed EISs and extensive public debate over development plans in the Santa Maria Basin and Santa Barbara Channel of California. Presumably, similar analysis and dialog will take place as other new "frontier areas" (i.e., areas that do not yet have producing wells) are opened. But the perception that the "no development" scenario is effectively precluded after leasing has affected the tone of the debate.

The committee believes that until this problem is resolved, effective environmental assessment and a credible public dialog will be difficult. A more comprehensive EIS at the development and production stage could take advantage of improved knowledge and additional studies to gain information. The committee recognizes that such a change in procedure could imply important changes in how industry and the federal government treat lease sale bids, and revenues from bids and royalties, and associated economic issues. Nevertheless, the current delays in timely and orderly leasing decisions caused by environmental concerns might be reduced significantly by changes in current leasing procedures. Therefore, the committee concludes,

If a more comprehensive assessment for the entire possible sequence of OCS oil and gas activities cannot be made at the time of the leasing decision, then leasing and exploration should be more clearly separated in practice from development and production, with distinctly different phases of scientific data-gathering and analysis.

Science and Public Opinion

A second matter of underlying concern to the committee involves the apparent effects of regional public opinion on the development of scientific information on which to base leasing decisions. The committee is struck by the differences it has found between regions with respect to the content and quality of MMS studies and environmental assessments. Socioeconomic elements that are emphasized in Alaska have not been emphasized elsewhere. Environmental studies funded in California are not funded in the Gulf of Mexico. Some of these differences in emphasis can be justified on scientific and technical grounds. For example, in some cases, less is done in one region because adequate information is already available or because the scientific significance of a particular study is greater at one place than another. Similarly, certain socioeconomic issues might be critical in rural or frontier areas, but of only marginal significance in Los Angeles. The result has often been the expenditure of substantially greater resources and effort for those areas in which offshore activity was being protested, perhaps at the expense of regions that had no less exposure to potential environmental impacts, but where there was less protest.

National Energy Policy

Finally, the committee notes the present uncertainties as to national (federal) energy policy. In the largest sense, the leasing of federal offshore petroleum resources represents an assertion of national objectives (energy policy and the management of federal resources) in a context with high potential for conflict. This potential has obviously been realized in conflicts between the federal programs responsible for offshore leasing and various environmental groups, affected states, local governments, and other governmental jurisdictions. These groups have raised many concerns about environmental quality, other uses of the ocean and coast, and the avoidance of undue socioeconomic impacts.

Adequate scientific information is clearly a key element in the effort to resolve these conflicts. However, the committee also is keenly aware of the demand for offshore energy and the federal revenues derived from offshore leasing. There is concern that these objectives, however legitimate, are not adequately defined or placed in context by national energy policy, although current efforts at the Department of Energy to reassess the national energy policy are encouraging. Although largely undefined at present, these objectives nonetheless appear to drive

the MMS program, largely determining the pace of leasing and the perceived need for MMS to meet program goals.

1

Introduction

During the past two decades, heightened awareness of the importance of wise management of our natural resources has challenged public decision makers who must balance the need to develop certain natural resources against the need to protect certain others. Balancing the development of outer continental shelf (OCS) oil and gas resources with the associated environmental concerns is one area in which this heightened awareness has led to a greater potential for conflict. Indeed, the 1969 oil spill off Santa Barbara increased public awareness of environmental issues in the early 1970s, much as the *Exxon Valdez* spill has affected perceptions today.

The issues surrounding OCS oil and gas development were addressed by President George Bush in his budget message to Congress on February 9, 1989, in which he announced the establishment of a cabinet-level task force to review environmental concerns associated with oil and gas activities in three OCS lease areas: southwest Florida (sale 116, part 2), northern California (sale 91), and southern California (sale 95) (Figure 1). Task force members include the Secretary of the Interior (chairman), the Secretary of Energy, the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the Environmental Protection Agency, and the Director of the Office of Management and Budget. In addition, the National Research Council was asked to provide the task force with an independent assessment of the adequacy of scientific and technical information about the environmental concerns and petroleum resources for the areas in question. This report presents the assessment of the environmental information.

The National Research Council has addressed these issues many times in the past. In 1973, President Nixon asked the Council on Environmental Quality and the National Research Council to review OCS environmental concerns (NRC, 1974). Again, in 1978, the National Research Council issued a review of the OCS Environmental Studies Program (then run by the Bureau of Land Management); in 1983, it issued a report on drilling muds and fluids; and in 1985, it released its report, *Oil in the Sea: Inputs, Fates, and Effects*.

At the time that President Bush requested this new assessment, two committees of the National Research Council were already involved in relevant studies. The Committee to Review

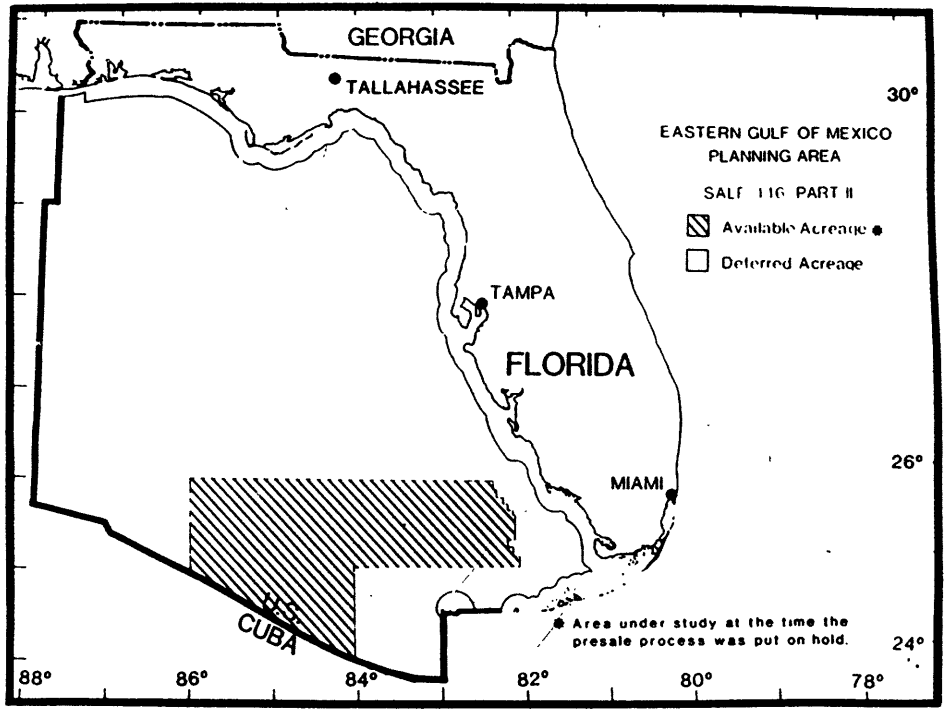

FIGURE 1a Lease area for sale 116, part 2. Source: Department of the Interior.

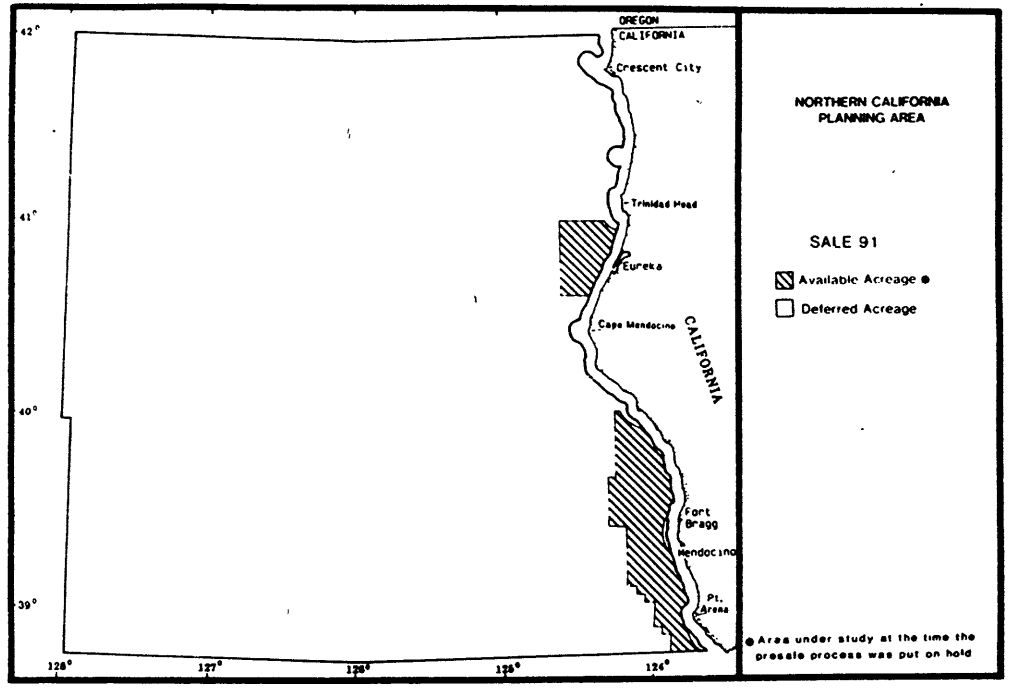

FIGURE 1b Lease area for sale 91. Source: Department of the Interior.

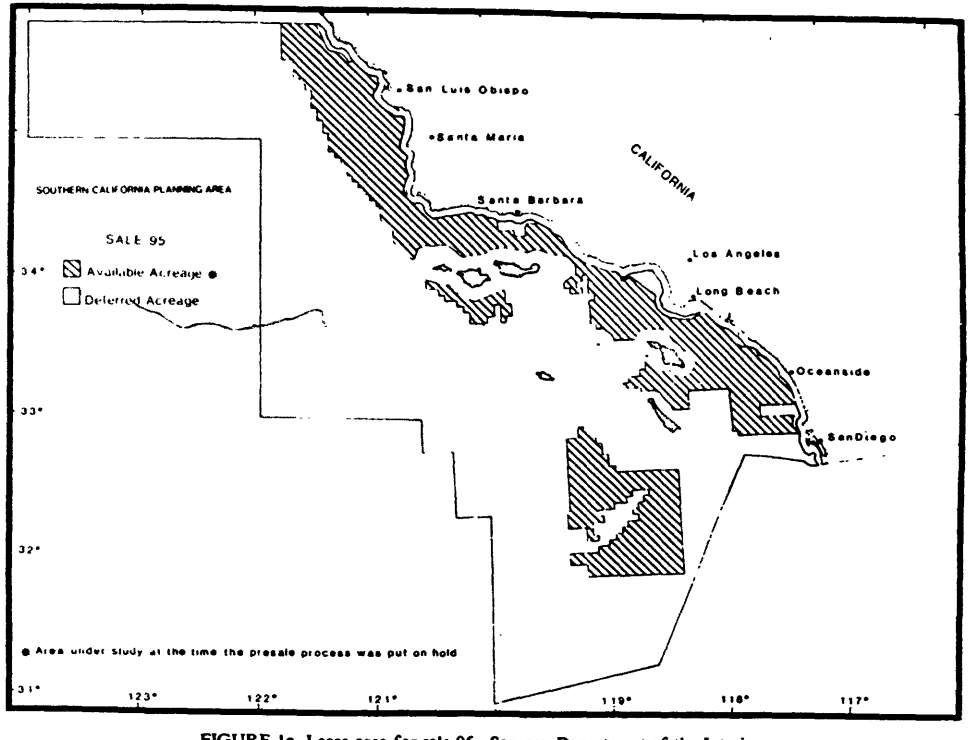

FIGURE 1c Lease area for sale 95. Source: Department of the Interior.

the Outer Continental Shelf Environmental Studies Program (the OCS committee) was engaged in a major review of the Environmental Studies Program (ESP) of the Minerals Management Service (MMS), and the Committee on Undiscovered Oil and Gas Resources (the resource committee) was reviewing methods of estimating onshore and offshore undiscovered oil and gas. On the basis of their experience with these nationwide reviews, the two NRC committees undertook to assess the available information pertaining to the three sale areas of concern. This report is from the OCS committee.

In its nationwide review already in progress, the OCS committee had formed three panels to review physical oceanography, ecology, and socioeconomics, respectively. Forthcoming reports from each of the panels will address generic issues for all OCS lease areas nationwide, as well as critical issues for individual lease areas. The OCS committee and its panels are also preparing a report in response to a request from MMS to review the adequacy of scientific and technical information for a leasing decision on the Georges Bank area in the North Atlantic (sale 96).

STANDARDS OF THE OCS LANDS ACT AND AMENDMENTS

Although the primary focus of this report is on scientific rather than legal adequacy, the statutory basis for the matters being reviewed is obviously relevant to identifying the goals and assessing the adequacy of the available information. The primary statutory authority for OCS oil and gas leasing and production is the OCS Lands Act Amendments of 1978 (OCSLAA). OCSLAA requires that decisions at all stages of the leasing and development process take into account the potential impacts on the environment, and attempt to balance two broad, often conflicting goals:

- to make available the marine mineral resources of the OCS for expeditious and orderly development to meet the nation's energy demands and, at the same time,
- to provide protection of the human, marine, and coastal environments during development and production of marine mineral resources.

In addition to these broad statutory goals, the present OCS leasing program, as established by Section 18 of OCSLAA in 1978 (43 U.S.C.§1344), calls for a schedule of proposed lease sales, which the Secretary of the Interior must determine "will best meet national energy needs for a five year period following its approval." The timing and location of lease sales must "to the maximum extent practicable" strike a balance between the potential for oil and gas production and the potential for environmental damage and adverse coastal impact (OCSLAA, Section 18, 43 U.S.C.§1344(3)).

The National Environmental Policy Act of 1969 (NEPA) requires an environmental impact statement to be prepared for all major federal actions significantly affecting the quality of the human environment. NEPA and the implementing regulations of the Council on Environmental Quality (CEQ) describe the types of information and analysis that should be included in an environmental impact statement (EIS). Extensive case law and agency guidelines have refined the information to be used by the Department of the Interior (DOI) in EISs.

In the 1978 OCSLAA, Congress took another step in defining environmental information requirements. Section 20 (43 U.S.C.§1346) spells out requirements for environmental studies to help guide OCS leasing and management decisions. In addition to outlining general procedures, Section 20 specifies the types of environmental studies that must be conducted and how they should be used:

- Each OCS area or region is to be studied to establish the environmental information needed for assessment and management of environmental impacts—including those to the "human" environment—resulting from oil and gas development.
- This information must be used in decisions concerning postlease operations, management, and leasing.
- Studies must predict impacts on marine biota and on affected onshore and coastal areas from chronic low-level pollution, large spills, drilling muds and cuttings, and pipeline construction, and on affected onshore and coastal areas from offshore development.

- Postlease monitoring and studies are required to identify changes and trends in the environment. Monitoring of the human environment is specifically included in this requirement.
- An annual report to the Congress on cumulative impacts is required.

Congress in 1978 also established a new standard for the approval of exploration plans, as well as development and production plans, for all OCS oil and gas areas other than in the Gulf of Mexico. Before this time, such plans were typically low-visibility documents, but with the addition of Section 25 (43 U.S.C.§1451), Congress added requirements for environmental assessment to the development and production stages. In particular, Congress specified the assessment of all coastal zone and onshore impacts, and problems associated with air quality (OCSLAA, Section 25).

A high degree of intergovernmental coordination is required. First, both the exploration plans and the development and production plans are subject to a consistency certification by affected state governments under the 1972 Coastal Zone Management Act. Second, at this stage local governments play a significant role as well. MMS can approve platform locations and operations, pipeline corridors, and offshore support, but the responsibility for siting and approving onshore facilities, which are part of the operations, falls on state and local governments. OCSLAA requires the secretary to carry out his duties under Section 20 in cooperation with the affected states. He also is authorized to use information from other federal agencies "in lieu of directly conducting such activities." The Act also directs the secretary to use the capabilities of the Department of Commerce to "the maximum extent possible." He may also utilize information from any other source (43U.S.C.§1346(3)(c)).

SOME UNDERLYING CONCERNS

Separation of Leasing from Development and Production

One generic underlying concern to the committee involved the phasing of OCS leasing, exploration, development, and production. Studies by MMS's Environmental Studies Program and the assessments found in DOI's environmental impact statements have focused almost entirely on the lease sale stage. Two fundamental problems result from this practice. First, the exact location of oil and gas reservoirs is unknown at the prelease stage. As a consequence, it is impossible to identify the specific future location of facilities and to predict specific environmental impacts of development. Equally important, the uncertainty about actual oil and gas reserves at the prelease stage makes it difficult to balance the national benefits of production against the environmental risks. Second, by the time producing reservoirs are identified, the industrial lessor typically has committed enormous amounts of money to the lease. DOI has never implemented the procedures provided in the OCSLAA for lease cancellation, and so a decision to lease is generally perceived as tantamount to a decision to develop and produce, provided that commercial reserves are found in a lease area. This point has been made in prior studies and was considered in depth by Congress in the deliberations leading to the 1978 OCSLAA. As DOI's EISs point out, it is often not possible to do adequate assessment before leasing. However, once it does become possible to generate the needed information and analysis, a decision not to proceed with development has already been effectively precluded.

The perception is widespread that leasing implies development and production if commercial quantities of hydrocarbon resources are found. In a 1984 Supreme Court decision (*Secretary of the Interior* vs. *California*, 104 S. Ct. 656), the majority wrote: ". . . a lease sale is a crucial step. Large sums of money change hands, and the sale may therefore generate momentum that makes eventual exploration, development, and production inevitable." The minority wrote: "Approval for exploration and development by the lessee is obviously the expected and intended result of leasing; if it were not, the Secretary would not bother to lease and the lessees would not bother to bid." In spite of provisions for a "focusing of analysis and review [that] will occur at later stages in lease sale planning . . . most states doubt that adequate analysis will be performed, and that decision alternatives will be preserved through the process" (Hershman et al., 1988). As an example, in reviewing consistency with the provisions of the Coastal Zone Management Act of

1972 for proposed North Atlantic lease sale 52, Massachusetts Secretary for Environmental Affairs James Hoyte wrote: "Exploration, development, and production activities are likely to flow from the lease sale . . ." (Hoyte, 1983). Many other local, state, and federal government officials have expressed similar points of view to the OCS committee and panels. Furthermore, several MMS officials have informed the committee that out of hundreds of OCS development and production plans submitted by industry since 1978, although modifications have been required, none has ever been denied by the Department of the Interior. For these reasons, the committee and panels cannot confirm that there is a de facto separation of OCS leasing from development and production decisions in actual current practice.

In requiring development and production plans (except in the Gulf of Mexico, where OCSLAA does not require them), OCSLAA recognizes the distinction between environmental impacts at the exploration versus the development and production stages. Only one development and production plan in each planning area is required by OCSLAA to be declared "a major Federal action," and hence to need an EIS. This requirement has resulted in detailed EISs and extensive public debate over development plans in the Santa Maria Basin and Santa Barbara Channel of California. Presumably, similar analysis and dialog will take place as other new "frontier areas" (i.e., areas that do not yet have producing wells) are opened. But the perception that the "no development" scenario is effectively precluded after leasing has affected the tone of the debate.

The committee believes that until this problem is resolved, effective environmental assessment and a credible public dialog will be difficult. A more comprehensive EIS at the development and production stage could take advantage of improved knowledge and additional studies to gain information. The committee recognizes that such a change in procedure could imply important changes in how industry and the federal government treat lease sale bids, revenues from bids and royalties, and associated economic issues. Nevertheless, the current delays in timely and orderly leasing decisions caused by environmental concerns might be reduced significantly by changes in current leasing procedures.

Science and Public Opinion

The second underlying concern to the committee involves the apparent effects of regional public opinion on the development of scientific information on which to base leasing decisions. The committee is struck by the differences it has found between regions with respect to the content and quality of MMS studies and environmental assessments. Socioeconomic elements that are emphasized in Alaska have not been emphasized elsewhere. Environmental studies funded in California are not funded in the Gulf of Mexico. Some of these differences in emphasis can be justified on scientific and technical grounds. For example, in some cases, less is done in one region because adequate information is already available or because the scientific significance of a particular study is greater at one place than another. Similarly, certain socioeconomic issues might be critical in rural or frontier areas, but of only marginal significance in Los Angeles. The result has often been the expenditure of substantially greater resources and effort for those areas in which offshore activity was being protested, perhaps at the expense of regions that had no less exposure to potential environmental impacts, but where there was less protest (Hershman et al., 1988).

National Energy Policy

The third underlying concern to the OCS committee involved the present uncertainties as to national (federal) energy policy. In the largest sense, the leasing of federal offshore petroleum resources represents an assertion of national objectives (energy policy and the management of federal resources) in a context with high potential for conflict. This potential has obviously been realized in conflicts between the federal programs responsible for offshore leasing and various environmental groups, as well as between the federal government and the affected states, local governments, and other governmental jurisdictions. These groups have raised many concerns

about environmental quality, other uses of the ocean and coast, and the avoidance of undue socioeconomic impacts.

Adequate scientific information is clearly a key element in the effort to resolve these conflicts. However, the committee also is keenly aware of the demand for offshore energy and the federal revenues derived from offshore leasing. There is concern that these objectives, however legitimate, are not adequately defined or placed in context by national energy policy, although current efforts at the Department of Energy to reassess the national energy policy are encouraging. Although largely undefined at present, these objectives nonetheless appear to drive the MMS program, largely determining the pace of leasing and the perceived need for MMS to meet program goals.

CRITERIA FOR ADEQUACY

The committee's operational definition of "adequacy" for scientific information has two aspects: completeness and scientific quality. Of course, "complete" scientific information in the ultimate sense is neither feasible nor necessary for making decisions. Rather, the committee's criteria for completeness were based on what constitutes enough information for OCS decisions; they are described in the three chapters that deal with physical oceanography, ecology, and socioeconomics. The standards of scientific quality entail repeatability, reliability, and validity of measurements and analyses, including appropriateness of methods and subject. The working definition of scientific quality used by the committee and panels was whether the methods described represent the current state of good practice in each scientific field (i.e., whether they would be likely to pass peer review). This does not imply that the criterion is actual publication in a peer-reviewed scientific journal, but rather that the quality of the data and scientific interpretations used for OCS decisions should meet this basic scientific standard. The committee applied this standard to the information in each of the three OCS regions considered in this report.

The committee emphasizes that it has evaluated only the adequacy of the scientific information to serve as part of the basis for informed decisions. The committee was not charged with the task of evaluating the actual impacts of OCS oil and gas activities and has not done so in this report. The biological effects of specific OCS activities, such as the discharge of drilling fluids and accidental oil spills, as well as the long-term effects of oil and gas development, have been reviewed extensively by previous groups (NRC, 1983, 1985; Boesch and Rabalais, 1987).

ADDITIONAL TOPICS

Three assessment topics did not fall precisely within the purview of any of the three panels: air quality, earthquakes, and land subsidence.

The effects of OCS oil and gas activities on air quality are most important in southern California. Because this question was outside the purview of the three panels, and because it currently is confined to southern California, the committee augmented its expertise by commissioning a separate report on the topic. This report, which helped the committee to form its conclusion about air quality, is given in the Appendix.

The best information on air quality is that for southern California, and it appears that there is no longer much scientific disagreement on this topic for that region. There are disagreements about details of atmospheric circulation models, about what atmospheric conditions to model, about how to estimate emissions from offshore operations, and so forth, but the scientific estimates of the contributions of offshore emissions to decreased air quality are generally accepted.

The dispute has revolved around the divergent air quality standards that prevail over federal marine areas (set by MMS) and the more stringent standards that prevail onshore and over state waters (set by EPA and state air quality agencies). For coastal areas that already fall below federal air quality standards (nonattainment areas), less stringent air quality regulations offshore can prevent local communities from conforming to EPA and state standards and can preclude the

development of other onshore industries. This has been a particularly contentious issue in the Santa Barbara area, where a recent negotiated rule-making effort (aided by third parties and involving local, state, and federal governments, industry, and environmental groups) has failed to reach agreement on tightening offshore air quality standards. Efforts are now under way to address the air quality issue through legislative amendment.

California is seismically active, and concerns have been expressed about the safety of offshore structures in the face of earthquakes. The committee recognizes that offshore structures in California are built with earthquakes in mind, but it has not assessed the efficacy of those anti-earthquake measures.

Land subsidence has been attributed to the withdrawal of oil and gas from onshore oil fields (NRC, 1987). The committee has not addressed the question of whether withdrawal of OCS oil and gas could pose a subsidence problem.

Statement of
Congressman George Miller

"Subcommittee Review of Federal Offshore Oil and Gas Drilling Program"

October 11, 1989

Today I am announcing that the Subcommittee on Water, Power and Offshore Energy Resources is initiating a comprehensive review of the federal offshore oil and gas drilling program. This review will include an evaluation of the effectiveness of the current offshore drilling law, the Outer Continental Shelf Lands Act Amendments of 1978 (OCSLAA).

The Subcommittee will begin its review of the offshore drilling program with a nationwide series of field hearings. The Subcommittee plans to conduct hearings in Florida, New England, the Pacific Northwest, California, and Texas.

The first hearing will be this Saturday, October 14, 1989, in Key West, Florida, on H.R. 2945, bipartisan legislation to permanently ban offshore drilling in federal waters off of South Florida and the Florida Keys. This legislation has been cosponsored by 17 members of the 19-member Florida House delegation and is supported by the Republican Governor of Florida.

The federal offshore drilling program has become paralyzed by political gridlock. During the 1980s the main product of the program has been endless litigation and political conflict, not a sound energy policy. The 1978 amendments, which I helped to write as a member of the Ad Hoc Select Committee on the Outer Continental Shelf, were intended to create an orderly process to conduct offshore drilling. This process was meant to incorporate the will of the States and concerns for the environment. Unfortunately, the zeal with which the former Administration approached offshore drilling undermined that process.

The OCS program has completely lost the confidence of the residents of coastal communities, State and local officials, and the Congress.

The irresponsible efforts of former Interior Secretaries Watt and Hodel to open virtually the entire American coastline to offshore oil and gas leasing alarmed the residents of coastal states. The recent tragedy of the Exxon Valdez oil spill in Prince William Sound has further aggravated these fears.

The result has been the passage of a series of one-year Congressional moratoria on offshore lease sales to ensure that environmentally harmful oil and gas development does not take place. What began in the early 1980s as an effort to stop a few California lease sales has now expanded into a national movement. The Fiscal Year 1990 Interior appropriations legislation approved by both the House and the Senate contains leasing moratoria for California, Florida, New England, the Mid-Atlantic, and even Alaska.

While moratoria have strong support in Congress, they do not represent a long-term policy solution. The Subcommittee review intends to find a permanent solution to the problems that afflict the offshore drilling program.

As part of our comprehensive review of the program, the Subcommittee will solicit the views of coastal residents and businesses, State and local governments, the oil industry, Members of Congress, environmentalists, the Interior Department, and the President's OCS Task Force.

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Unfortunately, the impartiality of the President's OCS Task Force has been undermined by statements made by Interior Secretary Lujan, the Task Force chairman, that indicate his vigorous support for offshore oil drilling. In addition, it has recently been revealed that the Task Force suppressed controversial testimony from within the Interior Department. The apparent bias of the Task Force increases the need for an independent review of the OCS program by the Congress.

The Subcommittee review will address many questions about the offshore drilling program and the OCS Lands Act, including:

- Should offshore oil and gas drilling be permanently banned in certain environmentally sensitive areas through enactment of ocean sanctuary legislation which will soon be introduced? If so, what areas should be protected?
- What role should offshore oil and gas reserves play in meeting future national energy needs?
- How can coastal residents and businesses, and State and local governments, play a substantial role in deciding which offshore areas should be opened to oil and gas development?
- Are improvements needed in environmental and safety requirements for offshore oil drilling?
- What can be done to reduce the likelihood of serious oil spills from offshore oil development?
- Are improvements needed in the system for the collection of federal and state royalties from offshore drilling? How should these revenues be used and distributed?

These are serious questions, and there are no easy answers. Nevertheless, I believe that if we work together as a nation the problems plaguing the federal offshore drilling program can be solved.

The locations and dates for the additional nationwide field hearings will be announced shortly.

Miller panel begins review

Chairman suspects bias for offshore drilling

By Christy Wise and Judy Fahys
States News Service

10/13/89
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WASHINGTON — A House subcommittee is launching a nationwide review of offshore oil and gas drilling Saturday, due in part to concerns about the possible bias of a presidential task force reviewing California and Florida offshore oil leases.

The Key West, Fla., hearing will be the first of several in California, Texas, New England and the Pacific Northwest, said Rep. George Miller, D-Martinez, chairman of the subcommittee conducting the review.

Miller said the review is needed because the program to regulate offshore drilling "has become paralyzed by political gridlock."

Currently, all offshore oil drilling is prevented by a congressional moratorium that Congress has renewed through September 1990.

This year, a presidential task force headed by Interior Secretary Manuel Lujan has held nine hearings in Florida, California and Washington, D.C., as part of its study of three oil-drilling sites.

The panel is to recommend to President Bush whether to open up for drilling a 1.1-million-acre tract between Eureka and Point Arena, a 6.7-million-acre area between San Luis Obispo and San Diego, and 14 million acres in the Gulf of Mexico near the Florida Everglades.

Miller said the impartiality of the task force has been "undermined by statements made by Interior Secretary Lujan that indicate his vigorous support for offshore oil drilling. It has also recently been revealed that the task force suppressed controversial testimony from within the Interior Department."

Task force spokesman Paul Kranhold said Miller probably was referring to Lujan's speech before the Western Governor's Association when he mentioned the need in general to develop the outer continental shelf.

> **"(The impartiality of the task force has been) undermined by statements made by Interior Secretary Lujan that indicate his vigorous support for offshore oil drilling."**
>
> **— Rep. George Miller,** D-Martinez

"That is the job of the Secretary of the Interior as mandated by Congress — to develop the (continental shelf) in an environmentally sound manner," Kranhold said. "He said in that speech that we will not develop in areas where it cannot be done in an environmentally sound manner, and the jury is still out on Florida and Northern and Southern California."

The jury will remain out until the task force releases its report in January, Krannold added.

Information to the task force was not suppressed, he said. "There's nothing now that isn't a part of the official record."

Florida Democratic Reps. Dante Fascell and William Lenman wrote Miller last week that they had received documents showing that testimony by the superintendent of the Everglades National Park was substantially rewritten.

AP - FLORIDA OFFSHORE OIL HEARING

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Congressmen Push for Permanent Ban off Keys

KEY WEST, Fla. (AP) Tropical coral reefs and the region's tourist industry are too important to risk an oil spill, congressmen said Saturday in calling for a permanent ban on offshore drilling off the Florida Keys.

U.S. Rep. Dante Fascell, whose district includes the Keys, said the Bush administration needs to create a new policy to balance the demand for oil and protection of the environment.

''The answer's not solely to find more and burn more and use more,'' the Miami Democrat said. ''We're going to have to make some adjustments.''

Nine oil companies own 73 leases in the offshore zone from Key West to Naples, and Unocal and Mobil are appealing to the Interior Department for drilling permits.

But the Florida congressional delegation and state leaders are united in their opposition to any Keys drilling, and Congress has enacted a series of one-year bans to keep the oil companies at bay.

The delegation is pushing for a permanent ban to eliminate the annual moratorium debates.

''We need to make it a permanent situation. We're playing Russian roulette on a year-to-year basis,'' said U.S. Rep. Bill Lehman, D-North Miami Beach.

Unocal Corp. regional exploration manager Jack Schank said he believes the targeted zone contains more than 2 billion barrels of oil.

''The way people get here to spend tourist dollars is by burning oil,'' he said. The proposed ban ''places off limits promising areas in the continental United States.''

But U.S. Rep. Andy Ireland, R-Winter Haven, stressed the national importance of the region's coral, the only living reefs in the continential United States.

''There's no doubt that it should even be included in any oil leasing plan,'' he said. ''Drilling holes in environmentally sensitive areas in hopes of finding a few days worth of oil is not the answer.''

The drilling idea has never been tolerated well in the southernmost city in the continental U.S., where contrariness to ''mainland'' thinking is almost a way of life.

''We believe that we have one unified message for you to take back to Washington: Permanently ban offshore oil drilling off the Florida Keys and South Florida,'' said John Parks of the Greater Key West Chamber of Commerce.

With tourist dollars at stake, he said, ''Our No. 1 industry is a fragile industry, and we will fight to protect it.''

The session was the first of a series of hearings on offshore oil leases before the House Subcommittee on Water, Power and Offshore Energy Resources chaired by George Miller, D-Martinez, Calif.

After questioning William Bettenberg, associate director of Interior's offshore minerals management service, about the chances of a spill, Miller concluded, ''We're left with sort of this large crap game.''

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