



Unanimously Adopted on September 29, 2014

Sponsored by: Senator Cam Ward of Alabama
Senator Eddie Joe Williams of Arkansas
Senator Gerald Long of Louisiana
Senator Bob Rucho of North Carolina
Representative Mike Hager of North Carolina

1. 2014 – Resolution to Support a Robust 2017-2022 Outer Continental Shelf Leasing Program

WHEREAS, offshore energy development supports hundreds of thousands of American jobs, generates billions of dollars in government revenue annually, and lessens America's dependence on overseas oil; and

WHEREAS, the federal Outer Continental Shelf (OCS) produced 1.3 million barrels of oil and 1.3 trillion cubic feet of natural gas a day in 2013, helping to supply U.S. energy consumers with stable sources of American energyⁱ; and

WHEREAS, the federal Bureau of Ocean Energy Management estimates conservatively that the federal U.S. offshore holds 89.93 billion barrels of oil and 404.63 trillion cubic feet of natural gasⁱⁱ; and

WHEREAS, eighty-seven percent of federal offshore areas remain off-limits to developmentⁱⁱⁱ; and

WHEREAS, despite America's abundant domestic oil resources, the United States continues to import approximately 40 percent of its crude oil needs^{iv}; and

WHEREAS, the federal Bureau of Ocean Energy Management is developing its next Five-Year Outer Continental Shelf Oil & Natural Gas Leasing Program for 2017-2022 and, as part of this evaluation, the agency will consider whether to offer leasing opportunities in areas not included in the current leasing program, including off the Atlantic Coast and in the Eastern Gulf of Mexico (which is under congressional moratorium until 2022), as well as evaluating whether to continue leasing in the Western and Central Gulf of Mexico and off Alaska; and

WHEREAS, a July 2014 poll of registered voters found that 68 percent of Americans support offshore drilling for oil and natural gas^v; and

WHEREAS, the governors of Virginia, North Carolina and South Carolina have written the Department of the Interior and President Obama to support seismic testing and new leasing in the Atlantic; and

WHEREAS, federal legislation, most notably the Fixing America's Inequities with Revenue (FAIR) Act, is necessary to ensure that all coastal states that develop offshore energy share equitably in the revenues generated from activities off their coasts; and

WHEREAS, energy production in the Atlantic OCS is projected to support 160,000 jobs 15 years after initial leasing and generate \$95 billion in government revenue over the course of 18 years after leasing^{vi}; and

WHEREAS, broad and predictable access to offshore oil and natural gas resources will help grow more jobs and activity in the U.S. offshore industry, reduce America's reliance on overseas imports, and increase revenues to federal and state governments; and

WHEREAS, offshore operators and regulators have significantly improved their abilities to prevent and respond to an oil spill since the tragic *Deepwater Horizon* blowout and oil spill with new containment and capping systems and an enhanced regulatory regime.



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THEREFORE, BE IT RESOLVED that the Southern States Energy Board respectfully calls on the Obama Administration to expand access to additional offshore resources in its upcoming 2017-2022 Outer Continental Shelf Oil & Natural Gas Leasing Program by including lease sales in the Western, Central and Eastern Gulf of Mexico, the Mid and South Atlantic, and off the coast of Alaska.

ⁱU.S. Energy Information Administration, "Crude Oil Production," <http://www.eia.gov/petroleum/data.cfm#crude>.

ⁱⁱBureau of Ocean Energy Management, 79-FR-34349, <http://www.boem.gov/79-FR-34349/>.

ⁱⁱⁱAmerican Petroleum Institute, "Offshore Access to Oil and Natural Gas Resources," July 2014. <http://www.api.org/policy-and-issues/policy-items/exploration/~media/Files/Oil-and-Natural-Gas/Offshore/OffshoreAccess-primer-highres.pdf>.

^{iv}U.S. Energy Information Administration, "Imports, Exports and Movements," <http://www.eia.gov/petroleum/data.cfm#imports>.

^vNielsen, "Production and Offshore Drilling: Created for American Petroleum Institute," July 2014.

<http://www.api.org/~media/Files/News/2014/14-July/What-America-Is-Thinking-Production-and-Offshore-Drilling-July-2014-IS.pdf>.

^{vi} Quest Offshore Resources, Inc., "The Economic Benefits of Increasing U.S. Access to Offshore Oil and Natural Gas Resources in the Atlantic," December 2013. <http://questoffshore.com/wp-content/uploads/Economic-Benefits-Full-Dec.13.pdf>.