



July 26, 2017

E.O. 13795 Review
National Oceanic and Atmospheric Administration
Silver Spring Metro Campus
Building 4 (SSMC4), Eleventh Floor
1305 East-West Highway
Silver Spring, MD 20910

To whom it may concern:

The American Petroleum Institute (“API”), National Ocean Industries Association (“NOIA”), Independent Petroleum Association of America (“IPAA”), International Association of Drilling Contractors (“IADC”), the International Association of Geophysical Contractors (“IAGC”), and the Offshore Operators Committee (“OOC”) (“the Associations”) offer the following comments in response to the National Oceanic and Atmospheric Administration (“NOAA”) request for comments on designations and expansion of Nation Marine Sanctuaries and Marine National Monuments over the past 10 years pursuant to Executive Order 13795.

The Associations’ members have significant interest in ensuring that future opportunities for offshore oil and natural gas exploration and development are not unduly restricted by expanding sanctuaries to include new geographic areas for which expansion is not necessary, or with boundaries in excess of those needed to protect appropriate areas. The Associations and our members support appropriate preservation of marine areas and resources through the Sanctuaries Program, and the Associations strongly support the following key principles:

- Identify sites that are truly unique places of “national significance” (National Marine Sanctuaries Act (“NMSA”), Sections 301 & 303);
- Base the value proposition, threat identification and benefit assessments on science and evidence (NMSA, Section 303);
- Allow for multiple use with reasonable access regulations and reasonable mitigation measures that directly address threats (NMSA, Sections 301(b)(6) & 303(b)(1));
- Recognize other agencies’ statutory responsibilities and protective regulations and avoid duplicative regulation and unnecessary restriction of activities that do not threaten Sanctuary resources (NMSA, Sections 301 & 303(b)); and,
- Use a collaborative, consensus-building, transparent process for selection and management of Sanctuary resources (NMSA, Sections 303(b)(2), 304 & 315).

The EO directed the Secretary of Commerce to review the designations and expansions with a number of considerations in mind, including the following of interest to the Associations and our members: “The opportunity costs associated with potential energy and mineral exploration and production from the Outer Continental Shelf, in addition to any impacts on

production in the adjacent region.” The Associations believe this is a critical determination that should be made during any contemplated designation or expansion. The Department of the Interior, a consulting agency in the Commerce review, should have information regarding potential energy and mineral resources that would be pertinent to the review, and should be asked to provide this critical information on all future designations or expansions.

Although not subject to this review, a recent proposed expansion of the Flower Garden Banks National Marine Sanctuary in the Gulf of Mexico provided a good example of NOAA not taking into consideration the input of the Department of the Interior. Comments filed by the Bureau of Ocean Energy Management (BOEM) on the proposed expansion Draft Environmental Impact Statement (DEIS) show that important items related to future oil and natural gas development opportunities were not evaluated by NOAA.¹ Even though BOEM recommended that a number of items be analyzed and the economic impacts evaluated, including oil and natural gas resource potential, directional drilling costs, lost lease bonus bids, and cost of new pipeline routes, the DEIS did not evaluate these and other items. BOEM stated in its letter that it would perform the analyses required to help provide a true understanding of the potential impacts so that it could be included in the final EIS. Unfortunately, this crucial information will come too late for stakeholders to fully analyze the merits of expanding the FGBNMS. Given the significance of the excluded information, the Associations urge NOAA to allow BOEM’s analyses to be completed, incorporated into the DEIS analyses of alternatives, and then issue a new DEIS that provides opportunity for informed public comment and decision making on any potential expansion alternatives.²

In addition, in many offshore areas, BOEM has established regulatory programs that protect marine resources and establish restrictions on energy and minerals development uses. For example, BOEM regulatory programs establish requirements for archeological surveys, biological surveys, and identification of sensitive underwater features (hard-bottom areas, pinnacle trends, etc.) as part of the development plans process. BOEM uses this information to assess and, if warranted, establish mitigation actions before any offshore development takes place. Any future designation or expansion of sanctuaries should consider any applicable BOEM regulatory programs and evaluate whether the BOEM programs provide adequate protection to avoid regulatory duplication, confusion, overlap and inefficiency. In short, the Associations advocate for a regulatory environment where all agencies responsible for protection and use of the marine environment work together collaboratively to create straightforward, clear and consistent requirements.

The Associations appreciate the opportunity to comment on the review and stand ready to work with NOAA going forward. Should you have any questions, please contact Andy Radford at 202-682-8584 or by email at radforda@api.org.

¹ <https://www.regulations.gov/document?D=NOAA-NOS-2016-0059-1305>

² In addition, under Executive Orders 12866 and 13122, as well as the Regulatory Flexibility Act, NMFS must conduct a thorough cost-benefit analysis of any proposed rule expanding the boundaries of the FGBNMS to account for the likelihood that such a rule will have a significant effect on the economy, energy supply, and small entities.



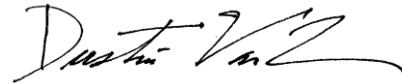
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