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By PHILIP ELLIOTT

WASHINGTON (AP) — President Barack Obama plans to announce Monday a former Secret Service agent who helped expose lobbyists' corruption at the Interior Department as his pick to oversee the $787 billion economic stimulus plan.

Obama is set to name Earl Devaney as chairman of the new Recovery Act Transparency and Accountability Board, an administration official said Sunday. Vice President Joe Biden also will be given a role coordinating oversight of stimulus spending.

The official spoke on the condition of anonymity because the White House had not made public the announcement.

Devaney, the inspector general of the Interior Department, helped turn up disgraced lobbyist Jack Abramoff's dealings at the department. The department's No. 2 official, Steven Griles, pleaded guilty to charges he lied during congressional testimony based in part on Devaney's investigation.

Obama has pledged the Recovery Act Transparency and Accountability Board to be an at-large body to oversee how the government spends billions allocated to help the flailing U.S. economy. But with dozens of agencies and departments involved, Obama wanted a central group to independently monitor where those funds are going.

Obama also planned to tap Biden to meet regularly with Cabinet members, governors and mayors to make sure their efforts were quick and effective. His reports to Obama are expected to be posted at the administration Web site devoted to the bill, Recovery.gov.

Obama was set to announce Devaney during a Monday meeting with governors, who have largely supported the economic stimulus package because it will direct billions to their states for schools, roads and technology.

In addition to the Abramoff investigation, Devaney led a separate investigation into workers at the Minerals Management Service, part of the Interior Department. His review found a "culture of substance abuse and promiscuity" at the Denver and Washington offices of the service.

He has served as the inspector general — or in-house auditor — of the Interior Department since 1999.

Devaney worked as a senior official with the Secret Service, retiring in 1991. He then worked as head of criminal enforcement at the Environmental Protection Agency.

Offshore energy projects pile up
Cape Cod Times, February, 22, 2009;
http://www.capecodonline.com/apps/pbcs.dll/article?AID=/20090222/NEWS/902220323

By Patrick Cassidy

The waters around Cape Cod and the Islands are crowded with big ideas and confused seas.

In addition to the proposed Nantucket Sound wind farm, there are at least two other major renewable energy projects and a myriad of smaller ones proposed for the ocean off Massachusetts, most within a short sail of local shores.

But even though other developers are trying to avoid some of the political hurdles Cape Wind has faced, the outlook is hazy on how quickly their projects will be able to move forward.

There is also some debate over which federal agency developers should first approach to obtain permits.

"We're all frustrated," Maureen Bornholdt, program manager for the Offshore Alternative Energy Programs at the U.S. Minerals Management Service, said last week. "The hope was that we would have a rule-making out sooner."

Minerals Management, a division of the Department of the Interior, was given responsibility in the Energy Policy Act of 2005 for alternative energy projects on the Outer Continental Shelf — the portion of the ocean that extends from the three-mile limit of state waters to 200 miles out. Final rules for such projects were due out within nine months of the act's passage, but so far those guidelines do not exist.

Rules in the offing
It has taken Minerals Management longer than required to come up with the regulations, Bornholdt said, because of the new technologies and the unknown environmental impacts of those technologies.

Interior Secretary Ken Salazar announced earlier this month that he hoped to move forward rapidly with offshore renewable energy rules, promising the final regulations would come out "in the coming months."

For Cape Wind, which is on a parallel but separate track from other projects because of when it was proposed, the delay has been of little consequence.

Although the project would need to abide by the unfinished regulations during construction, operation and decommissioning, Cape Wind has been able to move forward with arranging permits for the 130 wind turbines the company wants to build in Nantucket Sound.

But for companies that are looking farther offshore in the waters south of the islands, like Blue H USA LLC, and Seattle-based Grays Harbor Ocean Energy Co. LLC, the inability to apply for permits has left company officials questioning whether Minerals Management is the appropriate agency to give the green light, at least for preliminary work on the projects.

Minerals Management is not the only agency to claim jurisdiction over activities in federal waters. In October, the Federal Energy Regulatory Commission asserted its jurisdiction over hydroelectric projects on the Outer Continental Shelf, establishing a means for Grays Harbor to move forward with plans to build seven hybrid wave and wind energy projects, including one south of Nantucket.

Grays Harbor's design includes a wind turbine on top of a platform with wave energy generation technology, said Burton Hamner, president and founder of the company.

Catch-22 in Financing
The company chose the site south of the islands because it met a set of eight criteria, including a minimum local electricity rate and a minimum distance of 10 miles from shore, Hamner said. Each of the 1,000-megawatt wind and wave energy projects proposed by Grays Harbor would cost $4 billion, Hamner said. But without permits and leases in hand it is difficult for any developer to arrange financing.

Because of the wave energy component of the project, Grays Harbor chose not to wait for Minerals Management rules and instead applied directly to the Federal Energy Regulatory Commission for preliminary permits to study and hold exclusive rights for three years on the seven chosen sites, Hamner said.

But as evidenced in a protest it filed last month in response to Grays Harbor's application for the FERC permits, Minerals Management sees Hamner's moves as attempts to establish squatter's rights on the sites and subvert its jurisdiction over alternative energy projects.

Minerals Management attorneys wrote that FERC "has no authority to permit or license ocean energy projects" on the Outer Continental Shelf, including Grays Harbor's projects.

FERC spokeswoman Celeste Miller reiterated her agency's authority over wave generation projects. "We don't do wind," she said. "Our jurisdiction is wave."

But FERC agreed previously that it does not have the right to approve property rights over a site and the two agencies would continue to work together, Bornholdt countered.

"We need to work on some issues together, but I think we already have a shared goal in making sure these things move forward," she said.

Hamner said he hopes the conflict will be resolved and that FERC will remain a part of the permitting process.

Deadline's come and gone
Blue H, meanwhile, has begun to look at its own options. The company, which first proposed installing 120 floating wind turbines southwest of Martha's Vineyard a year ago, was told it would likely have permission to move forward with a demonstration unit by last July, company general manager Raymond Dackerman said recently.

Instead, Blue H was forced to sit on the sidelines after Minerals Management officials said they missed a deadline to apply for a so-called nomination for lease on the site. Despite a concerted, and arguably successful, effort by the company to garner the support of local lawmakers, Minerals Management has not opened a second round for the submission of applications under the interim rules.

Now attorneys for Blue H have found language among Minerals Management's policies that seems to open the door for limited activity on the Outer Continental Shelf, including surveys and the attachment of some assessment devices to the seabed under a U.S. Army Corps of Engineers permit.

Although the Corps, which originally had the lead role in permitting Cape Wind, cannot provide an alternative to the full Minerals Management leasing process, according to a spokesman for the agency, it may help Blue H move a little closer to its goals.

Testing: Obama's Will to Drill
Barron’s, February 21, 2009; http://online.barrons.com/article/SB123517404332637229.html

By JIM MCTAGUE

Will Obama allow drilling?

GAS AND OIL PRODUCERS ARE GETTING A CASE OF INDIGESTION that no anti-acid can cure. They fear that President Obama will break his campaign promise to allow drilling in the Gulf of Mexico and the outer continental shelf, arguably jeopardizing U.S. energy security.

Few are prepared to call our president "Barack the Bamboozler." Most people still take him at his word, given in his acceptance speech in Denver last August, that offshore drilling, especially for natural gas, is an important part of his administration's overall plan for making the nation energy-independent. On Sept. 23, the truth will out.

Obama the candidate had opposed drilling; but he deftly executed an abrupt about-face when underdog John McCain picked up a head of steam by jumping on the "Drill, Baby, Drill" bandwagon. Gas and oil prices were much higher at the time and much of the public thought it insane for the country to be sending truckloads of money to unfriendly governments in the Middle East when it had a mother lode of gas and oil within spitting distance of shore, which had been placed off limits largely at the behest of the real-estate and tourism interests. Last September, Republicans and Democrats in Congress voted to lift a 27-year-old ban on drilling off the Atlantic and Pacific coasts and in parts of the Gulf of Mexico. When he accepted his party's nomination at Denver's Invesco Field, Obama declared: "As president, I will tap our natural-gas reserves, invest in clean coal technology, and find ways to safely harness nuclear power."

On his way out the door, George Bush accelerated the process for getting drilling started by two years, meaning that the paperwork part of the process would have ended sometime in 2010, rather than 2012. Energy companies applauded this because "green tape" prevents offshore explorers from actually putting a drill-bit to ocean floor for at least five years, and often longer.

But on Feb. 10, Obama's Interior Secretary, Ken Salazar, announced that he is de-accelerating the process by 180 days, to Sept. 23, to allow more public input and to give his department more time to review the latest data on U.S. offshore reserves. Salazar is a proponent of increased production, if the drilling is done in an environmentally sensitive manner. He called the Bush plan to open 300 million acres for leasing by March 23 as "a headlong rush of the worst kind."

Except for critical statements from some trade groups -- notably the Independent Petroleum Association of America and the American Petroleum Institute -- reaction to the delay has been muted. Little has been heard on the topic from Senator McCain. Dan Naatz, IPAA's vice president of federal resources, asserts that Salazar's actions could delay drilling indefinitely.

Then again, Rep. Neil Abercrombie, D-Hawaii, a strong advocate of Drill, Baby, Drill, thinks Salazar is behaving sensibly. The Interior department can use the additional time to perform due diligence on the latest drilling technology and review the latest scientific data on deposits and make an even stronger case for drilling on the Outer Continental Shelf. "It all makes sense to me, and I support drilling," he told me last week.

But if Salazar decides to delay the offshore program again on Sept. 23, it would amount to defacto reinstatement of the drilling ban.

Offshore exploration key to our financial recovery
Houston Chronicle, February 20, 2009; http://www.chron.com/disp/story.mpl/editorial/outlook/6273679.html

By: JOSEPH MASON

Over the past month, Washington pundits have been largely fixated on the political fireworks surrounding the fiscal stimulus and TARP II. While lawmakers have happily fueled this narrowly focused hubbub by painting these convoluted, pork-heavy bills as the answer to removing costly regulations and increasing economic growth, another set of policies — evolving with far less fanfare — promises to efficiently and simultaneously achieve both.

On Tuesday, the House Natural Resources Committee will host a hearing on “State Perspectives” of offshore drilling. It’s important for the public to realize that the energy issues highlighted by this event are directly linked to the stimulus debate. Americans have a lot at stake — in terms of not only energy policy, but also economic growth, jobs and tax revenues -— in whether or not Congress permanently lifts the moratoria on exploration and production in the Outer Continental Shelf (OCS).

Politicians aren’t the only parties distracting from the potential role of OCS resources in revitalizing our economy. Some of the blame for the disconnect between offshore drilling and economic benefits rests with economists, too. Economic discussions of the topic often focus merely on the value of extracted oil or natural gas, mistakenly assuming that benefits begin only once the resources reach the surface. That, however, is just not the case.

Before any American rig worker sees even a drop of fuel, industry pours huge amounts of money into the U.S. economy for exploration and development.

Once energy companies obtain leases for unexplored areas off the coast, they contract ship builders to start work on special vessels outfitted with high-tech equipment for offshore exploration. As soon as new ships are built, companies employ well-trained and well-paid technicians to staff them and take them out to sea. Then other ships manned by more seamen work to replenish the first crews with food and water. And on top of that, all these vessels employ housekeepers and cooks, receive regular maintenance from maintenance vessels and require other support.

After exploration, companies invest in specialized drilling ships to drill exploratory wells. Like the vessels before them, these ships are also replenished by seagoing grocery stores, maintenance and fuel vessels. And all this economic activity takes place before a drop of oil is pumped out of the well.

Though millions of Americans are aware of the significant energy reserves that lie off the coasts of Florida and California, to name a few, not many link those resources to their own state’s fiscal future. In the case of the Sunshine and Golden states, legislators in both bemoan their lack of fiscal revenues while sitting on vast untapped oil and gas reserves. (Their actions are akin to a child complaining of hunger while standing in front of an amply stocked refrigerator.)

Even fewer Americans have tried to quantify the local economic benefits that OCS exploration, development and production confer on state and local economies. To fill this void, the American Energy Alliance (AEA) recently commissioned a research paper, which estimates that significant economic effects will accrue to those economies. The study found that the impact of permanently opening previously-restricted OCS regions would be significant enough, in fact, to relieve government fiscal burdens in some of the states most affected by the subprime housing crisis.

The study uses Bureau of Economic Analysis multipliers to conservatively estimate output, job, income and tax revenue growth that can be made available by permanently lifting moratoria on offshore exploration, development, and production.

The study also separates the short- and long-run gains. In the short-run exploration and development phases (the first seven years), OCS projects will contribute “only” around $500 billion to our GDP, create 250,000 new jobs, generate $80 billion in federal tax and royalties, and produce $35 billion in state and local tax revenue (all estimates in current dollars). Over the long run, production phase, OCS projects will contribute more than $8 trillion to U.S. GDP, about 1.2 million jobs (each for a 30-year career) and some $1.65 trillion in federal tax and royalty revenues and $600 billion in state and local tax revenue. These substantial economic benefits -— available with the simple stroke of a deregulatory pen — look even more impressive compared to Washington’s $790 billion tax-funded stimulus.

Americans stand to gain a lot, from both an energy and economic standpoint, if Congress permanently lifts the moratoria on exploration and production in the OCS. But those gains must be accompanied by a broader political discussion on natural resources, lest we continue to needlessly turn away sources of economic growth in the midst of recession.

Department plans to hire 'stimulus czar'
E&E News, February 20, 2009; http://www.eenews.net/eenewspm/2009/02/20/4/

Noelle Straub

The Interior Department plans to hire a "stimulus czar" to oversee the roughly $3 billion flowing to the department from the new economic recovery package, Interior Secretary Ken Salazar said today.

The oversight official will come from outside Interior and have expertise in balancing budgets and managing troubled assets, Salazar said at a roundtable with reporters. The position will not be funded with stimulus money but through the Interior budget, he added.

"That person will be responsible to ensure the money under the act be spent wisely, in full view of the public, and that it fulfills the goals of the law," he said.

The department also is establishing a Recovery Act Task Force that will be composed of senior leaders from each bureau to help Salazar decide which projects to fund.

Sketching out a timeline, Salazar said the department will develop a stimulus spending plan over the next two weeks and will send its first weekly report to the Office of Management and Budget by March 3. Interior's plan will be in its "formal and completed form" by May 1, and monthly financial reporting will begin a week later, he said.

Since Tuesday, when President Obama signed the stimulus into law in Denver with Salazar, a former Colorado senator, looking on, the Interior secretary has met with every unit of his department to help draw up the plan.

Interior is also launching a Web site that will list each project, its cost, its progress and the number of jobs being created, he said.

The Interior stimulus money will create up to 100,000 jobs, Salazar said. "We will be able to move forward in a manner that creates the largest number of jobs in the shortest period of time," he said.

Noting that he is the only person who has been confirmed by the Senate to run the department, Salazar said he has been working to fill out the rest of his team in time to oversee the stimulus funding. He said he hoped to have a couple more appointees confirmed within a week or so.

But he noted that potential hires cannot be nominated until they are through the extensive vetting process, including an FBI background check taking three weeks or longer. "We're about 50 percent of the way there," he said. "We have much further to go. ... It is important that we move as expeditiously as we can."

Salazar's goals for the money are to increase the use of renewable energies and improve energy efficiency, enter "a new era" of protection for national landscapes and icons, and mobilize young people to assist in carrying out projects, he said.

Energy goals
Although the stimulus does not specifically direct Interior money to renewable energy or efficiency measures, Salazar said that goal can be incorporated into construction projects funded by the measure.

"We can do both here," he said.

For example, funds can be used for solar panels on buildings, for wind microturbines or to upgrade stream gauges across the country -- one of the best ways to track climate change's effects on water, he said.

While calling the $750 million for the National Park Service "a significant amount of money," Salazar noted that it will only address about 10 percent of the agency's maintenance backlog. "We still have a long ways to go," he said.

The department will be reviewing projects on the Park Service list with three main criteria: whether they put people to work, can be completed in a reasonable amount of time, and meet the three goals he outlined earlier.

On abandoned mine cleanup, the Park Service, the Bureau of Land Management and U.S. EPA will be coordinating, looking for projects that have environmental studies and other requirements already completed and are "shovel ready," he said.

Green-Collar Promises and Realities
The Exception Magazine, February 20, 2009; http://exceptionmag.com/news/green/000369/green-collar-promises-and-realities

By Paul Driessen

Creating “green-collar” jobs is a major component of President Obama’s energy and economic strategy. Opportunities for achieving realistic goals should certainly be pursued.

“Smart meters” and better insulation reduce energy expenditures, and quickly pay back investments. Better sequencing of traffic lights speeds commuters to workplaces, saves gasoline, cuts pollution, and reduces accidents. Telecommuting also saves energy.

Energy-efficient computers and servers mean big savings in power-hungry data centers that facilitate banking, Internet searches, modern business operations and YouTube. New technologies enable smelters and factories to recycle waste heat, to power turbines and generate electricity.

Such initiatives also create “green” jobs. Renewable energy and energy efficiency industries already generate 8.5 million such jobs in the United States, claims a 2007 report from the American Solar Energy Society (ASES), and could create “as many as 40 million” by 2030.

Many “green” projects represent sound economics. However, others would not survive without mandates, renewable energy standards, tariffs and taxpayer-financed subsidies that borrow money or take funds from one economic sector and transfer it to another.

Energy-efficiency efforts have been ongoing for decades. Calling the relevant positions “green-collar” is good PR, but often merely redefines previously existing jobs and doesn’t expand the actual employment base. Moreover, many of these jobs are low-paying labor jobs – and money spent on marginal initiatives now isn't available for critical problems like crime, AIDS, drug abuse, failing schools, heating bill assistance, and repairing bridges and roads.

The ASES report includes direct and indirect employment associated with retrofitting buildings, installing insulation or solar panels, constructing transmission lines from unreliable wind farms, producing biofuels and fuel-efficient vehicles, and designing and manufacturing supplies for projects. Even accountants, lawyers, salesmen, repairmen, truck drivers, landscapers, bureaucrats and lobbyists associated with these activities are included – and separating new jobs from redefined old jobs is difficult.

Of greater concern, restricting hydrocarbon energy use or imposing tough climate change rules could threaten millions of high-quality existing jobs that require carbon fuels and likely won't be replaced by green-collar positions. So it's important that we honestly separate hype and hope from reality, practicality and unintended consequences.

Solar panels to generate electricity have maximum 30-year lifetimes – but require a century of energy savings to equal installation costs, says the Royal Institution of Chartered Surveyors.

Ethanol requires huge amounts of land, water and natural gas, to replace a small portion of our gasoline with an expensive fuel that drives up the cost of food and gets cars 10% less mileage per tank.

Compressed natural gas vehicles represent only 120,000 of America's 235,000,000 cars and light trucks. Honda's CNG-powered Civic costs $7000 more than the regular model, but has half the range. And opposition to drilling means fewer supplies and higher prices in the face of increasing demand.

Fossil fuels provide 85% of the energy Americans use; nuclear power an additional 8 percent. They have brought us unprecedented health, opportunity and prosperity. Wind and solar combined produce a minuscule 0.5% of total US energy.

Conservation, efficiency and renewables will not soon bridge this enormous energy gap. Hobbling the energy system we have – and claiming we can replace it with technologies that don't yet exist – puts people's livelihoods, living standards and health at risk.

Locking up the oil and gas in our Outer Continental Shelf, Arctic National Wildlife Refuge and Western states would force us to continue spending $300-500 billion a year on foreign oil – and forgo up to $3 trillion in lease bonus, royalty, and personal and corporate tax revenues.

AP Interview: Reid pushing for climate change bill
AP, February 20, 2009;
http://www.google.com/hostednews/ap/article/ALeqM5jJGH92I1bBxSYUuuJxTDWEhJyxrwD96FI8AO0

By H. JOSEF HEBERT

WASHINGTON (AP) — Democratic leaders in both the Senate and House want to take action this year to stem global warming, but the imploding economy and balking Senate Republicans are likely to make that difficult.

Senate Majority Leader Harry Reid of Nevada said he plans to take up the contentious climate issue by the end of the summer.

"We have to take a whack at it," Reid told The Associated Press. He said failure to act "would be neglectful."

House Speaker Nancy Pelosi, D-Calif., also has cited "a sense of urgency" in addressing climate change, adding: "We cannot afford another year of delay." The chairman of the House committee charged with crafting a bill has promised to provide one to Pelosi by Memorial Day and a House vote could come before the August congressional recess.

But the biggest battle will be in the Senate, where Reid will have to get 60 votes including support from some Republicans. Last year a proposed climate bill garnered only 48 votes, though six senators who said they supported it were absent.

Reid noted that the election last year saw the Democrats gain seats giving them a near filibuster-proof majority and now a president who campaigned on getting a climate bill approved is in the White House. President George W. Bush vowed to veto any mandatory limits on greenhouse gases.

Still addressing climate change is likely to be an uphill battle in Congress.

In the Senate the climate debate "is going to break down much more along regional lines," predicts Bill Kovacs, vice president for energy and environment at the U.S. Chamber of Commerce, which opposed the climate legislation that stalled in the Senate last year. He maintains senators from manufacturing, mining and "Rust Belt" states will be reluctant to embrace climate legislation and higher energy prices during these hard economic times.

But many environmentalists see a political convergence that may open a way for passing a bill.

They cite a supportive president, a strong desire by Democratic leaders to address climate change, and a growing sense of urgency based on scientific evidence of the earth's warming. They also point to a business community that increasingly embraces action and fears that if Washington doesn't act states will, leading to a fragmented climate policy.

Obama increased the pressure on Congress when he signaled that he wants to reverse a Bush administration policy and allow California and a 13 other states to proceed with their own greenhouse gas regulations. The Environmental Protection Agency is expected to take that action shortly and appears poised to regulate carbon dioxide as an air pollutant.

"It's obvious a lot of companies would prefer to have Congress deal with this ... It does improve the chances of legislation," David Doniger, climate policy director at the Natural Resources Defense Council, said of the impending state and EPA actions.

Sen. Barbara Boxer, D-Calif., chairman of the Environment and Public Works Committee, whose climate package last year was criticized as too broad and proscriptive, has promised a streamlined version this time. She said in a statement Friday she is "encouraged" by Reid's remarks and that the committee plans "to move forward on global warming legislation in the near future."

Reid said in the interview with the AP he is convinced many senators want to take action to limit greenhouse gases, especially carbon dioxide from burning fossil fuels, ahead of international climate negotiations in Copenhagen, Denmark, in December.

He said the Senate will first take up energy legislation — focused on measures to spur development of renewables and increase energy efficiency — in the next few weeks as a prelude to the climate legislation.

A key element of expected energy legislation will be a national requirement for utilities to produce a certain percentage of their electricity from wind, solar and biofuels. Reid said he also favors some new tax incentives to encourage energy efficient buildings.

"We've got to give people incentives to build better buildings and do something about the buildings that are there right now," said Reid.

Delay, Baby, Delay
Frontpage Magazine, February 20, 2009; http://www.frontpagemag.com/Articles/Read.aspx?GUID=B91EF51B-A73E-45A7-9194-CC94BCE119A5

By Ben Lieberman

Last July, President Bush responded to public anger over $4.00 a gallon gasoline and rescinded the longstanding executive moratorium on offshore leasing for oil and natural gas. Congress followed suit by allowing its own restrictions to lapse on October 1. But now, the Obama Administration has taken steps to slow down the process of leasing these areas to energy companies, and some fear that expanded offshore drilling will be put off indefinitely. Delay would be a mistake and should be kept to a minimum, as additional domestic oil is still badly needed.

Background

For many years, 85 percent of America's territorial waters--including most of the Pacific, Atlantic, and eastern Gulf of Mexico--were off limits to oil and natural gas exploration and drilling.[1] The U.S. is the only nation that has restricted its own energy supply to this extent. An estimated 19 billion barrels of oil--nearly 30 years of current imports from Saudi Arabia--as well as substantial natural gas reserves are estimated to lie beneath these restricted areas.[2] And it should be noted that these initial estimates in under-explored areas tend to be on the low side.

Most of these restrictions were put in place at the behest of environmentalists and other drilling opponents in the late 1980s and 1990s, a time when gasoline was cheap and the need for additional supplies was not seen as great. But they have remained in place in recent years, even as gasoline hit $2.00 and then $3.00 a gallon and state-of-the-art drilling technology has amassed a proven record of reducing the environmental impacts and risk of spills.[3]

However, when prices hit $4.00 a gallon last summer, a fed-up public clamored for action, and polls showed more than 2-1 support for offshore drilling. President Bush and Congress finally listened and belatedly removed the legal restrictions governing drilling in new offshore areas.

Delay, Baby, Delay

The next step in the process is for the Department of the Interior's Minerals Management Service (MMS) to offer these areas for lease. MMS took the first step in this process when it published its 2010-2015 Draft Proposed Program on January 21. It included a 60-day period for comments. Signaling this deadline might be postponed indefinitely, President Obama's new secretary of the interior, Ken Salazar, announced that he is extending the comment period by six months and ordered the agency to gather additional information on the estimated amounts of oil and natural gas in these offshore areas.[4]

By itself, a six-month delay is not unreasonable, but Secretary Salazar's comments when announcing the change suggest that he may try to drag out the offshore leasing process much longer than that, and perhaps for the length of his tenure. First, he mischaracterized the initial proposal, which MMS formulated prior to Obama taking office, as "a headlong rush of the worst kind." In reality, the announced 60-day comment period, far from being a point of no return, was merely the first of several steps in the energy leasing process. This process already contains several opportunities for environmentalists, coastal state governments, or others to weigh in with any objections or concerns. Wanting additional time for this first step suggests that Salazar may be launching a strategy of paralysis by analysis.

Further, Salazar has downplayed the benefits of additional oil, attacking the original proposal as a "drill-only approach" that excluded offshore renewable energy sources like wind and wave power. "The Bush Administration was so intent on opening new areas for oil and gas offshore that it torpedoed offshore renewable energy efforts," he said. These statements, in addition to being untrue (the same day the Bush Administration announced the proposed plan for oil and gas leasing, it also announced a proposal moving ahead with a major offshore wind energy project), also make no sense from an energy policy standpoint. These offshore renewable projects at issue are for electricity (and very expensive electricity at that) and thus would do nothing to help America meet its growing need for liquid fuels for its citizen's cars and trucks. Any Administration attempts to obfuscate the need for more offshore oil with diversions about these politically correct renewables will not do the American driving public one bit of good.

"Drill Now" Still a Good Idea

The days of $4.00 a gallon gas are gone for now, and with them the front-burner status of "drill, baby drill." Nonetheless, this is no time for complacency. The only reason for the sharp drop in oil and pump prices is a decline in demand due to the recession. But recessions do not last forever. Unless America begins to take action to increase supplies, prices will go right back up as soon as the economy turns around and demand picks up. Further, the process by which energy companies obtain a lease, explore for oil and gas, and then produce it takes a number of years to unfold, so the time to start things is now.

Expanded offshore drilling would also create jobs,[5] and unlike the taxpayer-funded jobs in the proposed stimulus package, the jobs created by a reinvigorated domestic energy industry would be well-paying, long-term, and funded entirely by the private sector. And since the extra energy produced would help bring down future oil and natural gas prices, it would truly be a win-win for both producers and consumers.

Don't Turn Back

Though this proposal was crafted by the outgoing Bush Administration, the Obama Administration would do well to continue with it. It sets out a sensible plan for moving expeditiously but not recklessly toward leasing new areas. The offshore oil and natural gas leasing process should not be delayed beyond the six months announced. The American people would be best served if this process leads expeditiously toward substantially expanded domestic offshore energy production in the years ahead.

Domestic offshore oil under attack again
Suburban Journals, February 20, 2009;
http://suburbanjournals.stltoday.com/articles/2009/02/20/madison/opinion/0218cvj-shimcolumn.txt

By U.S. Rep. John Shimkus

The American people were justifiably outraged, as was I, last year as Congressional leadership continued it's No-Energy Policy amid gas prices that climbed to over $4 per gallon.

We were able to claim a small victory when the offshore drilling ban was allowed to expire. That victory, however, may be short-lived as the Obama Administration reviews the five-year offshore drilling plan.

That is why my colleague from Texas, Kevin Brady and I, led numerous colleagues in sending a letter to President Obama urging him to allow areas in the Outer Continental Shelf to remain open for oil and gas exploration and development.

It is unconscionable that we keep these energy resources locked away in the current economic environment. Not only would these resources reduce our dependence on foreign oil, it would provide jobs for many Americans. A recent ICF International study estimates that developing these untapped sources of energy would create more than 160,000 jobs by 2030. In addition, the study estimates that $1.7 trillion of government revenue would be raised by tapping the oil and natural gas under the deep ocean off our coastlines.

Environmentalists protest going after every kind of domestic oil reserve - that's not good for our country. New technology makes exploration and development of offshore energy much more environmentally sound. And using our own resources means less oil and gas traveling thousands of miles around the globe in supertankers, reducing the chance of a spill.

Energy independence, national security, jobs and government revenue all benefit. As we did last year leading up to the removal of the offshore drilling ban, we must continue to make our voices heard. Now is the time.

Reid: Senate to take up climate change this year
AP, February 19, 2009;
http://www.google.com/hostednews/ap/article/ALeqM5jJGH92I1bBxSYUuuJxTDWEhJyxrwD96F32A81

By H. JOSEF HEBERT

WASHINGTON (AP) — Senate Majority Leader Harry Reid says he wants to take up a bill to tackle global warming by the end of the summer.

The Nevada Democrat told The Associated Press in an interview late Thursday that the Senate in the next few weeks will move to pass an energy bill focusing on several of President Barack Obama's priorities, but then " hopefully late this summer do the global warming part of it."

There is widespread agreement that the climate change issue must be addressed. But there remains sharp disagreement on just how to do it.

Many Republicans argue that the Democrats' plan to cap the greenhouse gases blamed for global warming may be too expensive and produce higher energy costs. Democratic congressional leaders maintain that costs can be contained and that failure to act soon could have even more severe economic consequences.

Reid says he is convinced that many senators want to move on the issue this year.

"We have to take a whack at it," he said.

Reid, who is up for re-election next year, has assumed a high profile on the need to promote "clean energy" sources such as wind, solar and biomass that do not produce carbon dioxide, the predominant greenhouse gas. These are also energy projects popular in Reid's home state, where several major solar projects are under way or planned.

Next week, Reid will participate in a "clean energy" forum being convened by the Center for American Progress. Others participating will include former President Bill Clinton, possibly former Vice President Al Gore,and senior Obama administration officials.

Reid earlier this week said that he expected Sen. Jeff Bingaman, D-N.M., chairman of the Senate Energy and Natural Resources Committee, to produce an energy package within two weeks that will be ready for floor action. Among other things, Bingaman's bill would require utilities to produce 4 percent of their electricity from renewable energy sources by 2011, increasing to 20 percent over the following decade, according to a draft of the legislation.

Reid said he favors a 20 percent renewable standard for utilities, but added, "we'll get by with what we can."

Many states already have requirements for utilities to use renewable energy, but attempts in Congress to establish a national requirement have fallen short repeatedly because of regional divisions. Lawmakers from the Southeast particularly have argued that utilities in their area would be hard pressed to meet a federal requirement because they lack wind or solar energy resources.

Reid said he also favors some additional tax incentives aimed at spurring energy efficiency, especially for construction of more energy efficient buildings.

"We've got to give people incentives to build better buildings and also do something about the buildings that are there right now," said Reid.

But Reid said he doesn't expect the Senate to tackle the issue of offshore oil drilling again.

While Congress last fall ended a drilling moratorium that covered 85 percent of the U.S. Outer Continental Shelf, Reid said he's convinced that Obama's Interior Department will protect those areas where drilling shouldn't be allowed.

"I don't think we need to do anything legislatively," he said.

Interior Secretary Ken Salazar recently scrapped a Bush administration blueprint for offshore energy development through 2015 and said he was developing a new plan, keeping in mind that some areas are not suitable for drilling and putting greater emphasis on developing wind and wave energy projects offshore.

MMS Approves $61.8 Million Plan for Mississippi Coastal Restoration
MMS Newsroom, February 18, 2009; http://www.mms.gov/ooc/press/2009/press0218.htm

Funding to Help Restore and Protect States Shoreline Environments

WASHINGTON, D.C. – The Interior Department's Minerals Management Service announced today the approval of Mississippi's Coastal Impact Assistance Program (CIAP) Plan, calling it a major step forward in providing $61.8 million to the state of Mississippi in the coming year, representing the first two years of funding under CIAP. Additional funding for grants will also be available for the following two years. The money will help fund 129 projects over a four year period in the state of Mississippi.

"The Interior Department is committed to protecting our nation's natural environments," Secretary of the Interior Ken Salazar said. "I applaud the state of Mississippi for submitting such a strong and balanced plan for the Coastal Impact Assistance Program so we can put these funds to work."

Mississippi became the fourth state to receive approval from Interior's Minerals Management Service for its Coastal Impact Assistance Program plan when MMS Acting Director Walter Cruickshank joined Mississippi Department of

Marine Resources Executive Director Dr. William Walker today in a signing ceremony at Davis Bayou – Gulf Islands National Seashore in Ocean Springs, MS. The approval of Mississippi's plan allows the state to submit grant proposals for Coastal Impact Assistance Program projects involving conservation, restoration, enhancement and protection of natural coastal resources.

Mississippi's Grant Program Announcement will be posted at www.grants.gov today. The announcement provides instructions and guidance on the submittal process for CIAP grant applications. Funding is made available to the State and counties when the grants are awarded.

The allocation of each year's $30.9 million will be divided with $20.1 million going to the State of Mississippi and $10.8 million being split among the three coastal counties. See the table below for county distribution.

Mississippi Coastal Political Subdivisions
CIAP Fiscal Year 2007 and Fiscal Year 2008 Allocations

Coastal Political Subdivisions (CPS)	Percent of Allocation	Total Allocation
Hancock	19.70%	$ 2,132,996.51
Harrison	39.46%	$ 4,273,308.96
Jackson	40.84%	$ 4,422,642.22
Total	100.00%	$10,828,947.69

Cape Wind comment period extended
Cape Cod Times, February 18, 2009;
http://www.capecodonline.com/apps/pbcs.dll/article?AID=/20090218/NEWS11/90218022

By Patrick Cassidy
February 18, 2009
The U.S. Minerals Management Service (MMS) has extended by one month the public comment period on its final environmental report for the Cape Wind energy project.

MMS, the lead federal agency to review Cape Wind's proposal to build 130 wind turbines in Nantucket Sound, released its largely favorable final environmental report on the project last month. A formal "record of decision" that could have paved the way for a lease to be issued to Cape Wind could have came as early as this week.

Comments on the project's final environmental report are now due by March 21, according to the MMS Web site, which resets the earliest date for a "record of decision."

The report released Jan. 16 indicates the wind farm project would have few negative impacts on the environment and safety. But last week, the Federal Aviation Administration called for more studies on the proposed wind turbines' effect on aviation radar and possible mitigation that could cost Cape Wind millions of dollars. Federal aviation regulators determined the proposed wind turbines posed a "presumed hazard."

A study of the project's effects on historic and Indian tribal sites must also be completed before the "record of decision" can be issued.

Transocean chief sees steady deepwater demand
Houston Chronicle, February 17, 2009; http://www.chron.com/disp/story.mpl/headline/biz/6267089.html

By BRETT CLANTON

Despite weaker oil and gas drilling activity worldwide, demand for costly deep water drilling rigs remains steady and could increase more than previously expected in coming years as rig supplies tighten during the economic downturn, the head of the world's largest offshore drilling contractor said today.

“The long-term story for deep water still remains exceptionally good,” said Bob Long, chief executive of Transocean, in a conference call to discuss the firm’s fourth-quarter earnings.

While the urgency to sign new contracts has declined from the frenzied pace of recent years when oil prices were higher, the state oil companies of Brazil and India still need deep water rigs, and other companies continue to have interest but are waiting for business conditions to improve, he said.

What’s more, as economic pressures force other rig contractors to cancel or delay orders for new rigs, a shortage of the specialized rigs could develop, stoking even higher demand for the rigs when oil prices rebound, he said.

But for now, the company — which is based in Geneva, Switzerland, and has major operations in Houston — said weaker economic conditions, lower commodity prices and reduced spending by oil companies hurt business worldwide.

The two regions hit hardest are the North Sea and the Gulf of Mexico, where the firm has had to idle several rigs. It was unclear whether layoffs would be necessary.

“I think we’re going to see a further weakening in these markets until the price of oil gets well above its current level,” Long said.

Only 45 shallow water “jack-up” rigs were working in the Gulf of Mexico last week, a record low, according to a report by Angie Sedita with Macquarie Research. But deep water drilling rigs and ships were still virtually all booked in the region, she said.

In recent years, offshore drillers benefited as high oil and gas prices spurred oil companies to boost spending on drilling programs and push into water depths greater than 10,000 feet. Rental rates for highly-specialized deepwater rigs topped $600,000 per day in some cases and also fueled a building boom for such rigs.

But after crude prices fell from a record $147 per barrel in July to less than $40 this year, new rig orders have dried up and some drillers have been asked to renegotiate contracts.

Transocean said fourth-quarter net income declined to $800 million, $2.50 a share, from $1.06 billion, $4.17 a share, a year ago.

Excluding losses and gains from asset writedowns and other one-time items, the company earned $3.69 per share, roughly in line with analyst expectations. Revenue rose 57 percent to $3.27 billion.

The company said in May its board will decide whether to approve a $3 billion stock buyback program. It is also moving forward with a plan to deliver 10 new deepwater drilling rigs by the end of next year.

Transocean shares were down $3.35 to $56.73 in early afternoon trading on the New York Stock Exchange.

Officials: Lubricant oil leaking off Calif. Coast
AP, February 17, 2009; http://www.google.com/hostednews/ap/article/ALeqM5iVOBS-3s0FA4QyKJoDQVOI_mT1pAD96EBTHG0

SANTA BARBARA, Calif. (AP) — A mixture of oil and water leaking Wednesday from an Exxon Mobil platform spread across a mile of ocean off the Southern California coast, federal and state officials said.

Initial reports indicated the leak on Platform Harmony came from a deck drainage tank where rainwater, lubricants and fluids drain into a sump, said Coast Guard spokeswoman Stephanie Young. She said the company reported the leak Monday and was still working Wednesday to stop the mixture from seeping into the Santa Barbara Channel.

It was unclear how much oil — which Young described as a light lubricant, not crude oil — had spilled, although Exxon Mobil Corp. spokeswoman Margaret Ross said fewer than five gallons of a "water soluble product" had leaked into the ocean since the company discovered the problem Monday.

The U.S. Minerals Management Service, the federal agency that owns the platform about six miles off the California coast and leases it to Exxon Mobil, said the spill was 10 feet wide and stretched for about a mile.

The service and the Coast Guard were investigating the leak. Divers were examining machinery and other components underneath the platform to identify the cause, Young said.

There had been no effort to clean up the spill because the sun, waves and the nature of the lubricant were spreading the oil and making it difficult to recover, she said.

State Assemblyman Pedro Nava, D-Santa Barbara, said oil companies are responsible for monitoring their equipment for leaks and discharges and that Exxon Mobil could face a "significant penalty" if it did not report and repair the leak promptly.

A 1969 oil spill in Santa Barbara that killed thousands of birds helped prompt the federal Clean Water Act and a moratorium on offshore drilling.

More dialogue required on offshore oil development
Anchorage Daily News, February 17, 2009; http://www.adn.com/opinion/compass/story/693540.html

COMPASS: Other points of view

By RICHARD GLENN

I recently read Shell Oil's desire to engage North Slope residents in dialogue about safe offshore drilling. North Slope residents welcome that dialogue. It is ongoing at our dinner tables, community meetings and boardrooms, and it is appropriate to continue it in a public forum. It is with this type of discussion that our communities have an opportunity to rid themselves of unnecessary division of sentiment.

Shell claims it has met questions head-on regarding offshore oil and gas exploration and development. There are still some big questions remaining.

The North Slope community has been grappling with the offshore issue for more than 25 years. Meanwhile, more than 30 exploration wells have been drilled in Alaskan OCS waters, occasionally with some real impacts on subsistence but little other environmental harm. While we are asking ourselves if we can coexist with offshore oil and gas development, it seems that some in the oil industry have already moved to the position that we cannot live without it.

Is it true that sustainable economies in our villages cannot survive without offshore oil and gas development Who has demonstrated that

The question is how can we compare development and non-development of the OCS when we look at the future of the North Slope

A major North Slope gas line may be coming, and yes, the North Slope Borough would benefit. Does the combined effect of the gas line and predicted onshore oil production give the North Slope a sustainable future What about the potential development of Arctic Slope Regional Corporation's immense coal resources

Apparently Shell has already done the math and thinks that we must have offshore development to survive. It also appears that Shell is frustrated that leaders and rank and file community members of the North Slope do not yet see the writing on the wall.

Shell is looking for advocates from the North Slope. Just as the respected leadership in the NANA region promoted Teck Cominco's development of the Red Dog mine, Shell would like us to stand up and say that offshore oil and gas development is good and that our communities will depend on it in the future.

But look at the obvious differences: Red Dog is owned by NANA shareholders, and North Slope residents do not have an equity position in the Outer Continental Shelf.

Shell has stated publicly that they would support Congressional action to bring some proceeds of offshore federal leasing to impacted communities. Are promises of possible revenue plus the jobs provided by offshore development enough to create advocates among our own people

If offshore oil and gas development is going to take place, the residents and shareholders of the Arctic Slope region want to be involved to ensure it happens on their terms to the greatest degree possible. They will look to their regional and village corporations as a vehicle for employment with this type of development.

Still there are many questions we can work with industry to answer, like discarding versus re-injecting drilling mud. I have sat on drill rigs before and am familiar with the composition of drilling mud and cuttings and know it is not much different than what already lies on the ocean floor.

While many North Slope residents are familiar with the ocean and ice environment, we are not fluent in the state of the art of arctic offshore production technology. These types of issues are not intractable. They can be resolved by education, technology and communication.

If offshore development is necessary for sustainability, then it must provide more than a bloom of jobs. North Slope residents disproportionately carry the downside of offshore development, while the oil industry would benefit from the potentially significant upside.

Looking forward, the North Slope welcomes dialogue with the industry to identify places in which our interests could be more aligned. Here at home, the time is ripe for a North Slope-only "all hands" meeting, where views on this important issue can be openly discussed.

Rahall: Expired OCS moratoriums probably can't be reimposed
Oil and Gas Journal, February 16, 2009;
http://www.ogj.com/display_article/353560/7/ONART/none/ExplD/1/Rahall:-Expired-OCS-moratoriums-probably-can't-be-reimposed/

Nick Snow
OGJ Washington Editor

WASHINGTON, DC, Feb. 16 -- US Outer Continental Shelf moratoriums that expired last September probably can't be reimposed, House Natural Resources Committee Chairman Nick J. Rahall (D-W.Va.) said on Feb. 10.

"I can understand your desire to see the moratoriums reinstated. However, the ship may have already sailed and the political reality may be that they can't be reimposed," he told the first two witnesses testifying at the first of the committee's three scheduled hearings on OCS oil and gas leasing policies. Two more will be held on Feb. 24 and 25.

But movie and television actor Ted Danson, representing the Oceana environmental organization, and Philippe Cousteau, chief executive of Earth Eco International and grandson of undersea explorer Jacques Yves Cousteau, said that bans on oil and gas activity are still needed.

"My hope would be you would sail the ship back into port. We're flirting with disaster by drilling offshore. Our fisheries around the world are an $80 billion/year landed industry. One-third of them have totally collapsed. By adding acidification to the ocean, you make it impossible for creatures there to survive. The added insults could have an impact on our lifetimes and our children's lifetimes," Danson said.

"Reinstating the moratorium is critical to the health of the ocean. But if there must be new drilling, its impacts must be minimized. It's absolutely critical that studies be conducted before any leasing occurs. Contrary to popular belief, all oceans aren't the same. The current process does not recognize this," said Cousteau, who testified on behalf of the Ocean Conservancy.

He and Danson also said that Arctic oil and gas leasing should be stopped because of its ice floe impacts, and a comprehensive strategy should be developed to manage and protect ocean resources. Cousteau also suggested that an ocean investment fund should be created to use offshore revenue for more ocean research and development.

'You will have spills'

Several committee members were sympathetic. "You start putting these oil rigs off the coast of New Jersey, people aren't going to come even if there aren't spills. And you will have spills. This notion that no rigs caused spills and there was no damage from Katrina and Rita is contrary to what I understand," said Frank Pallone (D-NJ).

Others were critical. "I think your efforts are misplaced. You have not talked about an orderly process to get us off fossil fuels. We're going to have to continue, for the near-term I believe, the extraction of oil and gas not just off our coasts but around the world," said Jim Costa (D-Calif.), who chairs the committee's Energy and Mineral Resources Subcommittee.

But Cousteau and Danson both said that continued reliance on offshore oil has impacts beyond production platforms. "I don't think you can just look at the drilling of oil. You have to talk about burning it. On every level, we create more jobs with green energy. To imply we're losing jobs by not drilling offshore seems ingenuous," Danson said.

"I believe we need to embrace an alternative energy approach that is worthy of this country's potential. Any new drilling on the OCS is not going to reduce drilling elsewhere or meaningfully reduce the number of tankers bringing oil to our country," Cousteau maintained.

He said that he considered siting important in considering any offshore energy production. "It has to be appropriate. The thing about wind that's different than oil is that wind doesn't produce a caustic substance," he said.

"It's clear that we need order in the ocean just as surely as we need it on land. We need comprehensive ocean planning, with conservation as a central deciding factor, so that the many competing uses work together in a way that is sustainable for our shared ocean future," Cousteau said.

Revenue and jobs

Committee members from producing states cited the offshore oil and gas industry's economic contributions. "In Louisiana, we have 21,000 producing company jobs related to oil and gas just on the OCS with an average annual salary around $60,000 per employee," said John Fleming (R-La.).

"Oil and gas is the second-largest contributor of income for our federal government, after income taxes. Most of the folks in the oil and gas industry want to protect the environment. I support responsible energy development because I think it's a big part of our economy," said Dan Boren (D-Okla.).

"The problem is we have hundreds of groups and government agencies that throw up roadblocks any time anyone wants to drill an oil and gas well. That destroys jobs, which hurts the poor people of this country. You're putting the final nail in the coffin of many rural areas because their citizens have to drive great distances to jobs and they can't afford to pay higher prices. We can't base the entire economy of our country on tourism, particular in a tough economic time," said John R. Duncan Jr. (R-Tenn.)

But other committee members were skeptical that offshore oil and gas resources can be produced with minimal environmental impacts. "We definitely have heard a lot from the industry about how things have changed and technology is better. Just this past December, a small hole the size of a quarter developed in a pipe that sends oil from the very same platform which spilled oil off Santa Barbara and sent thousands of gallons of oil into the water. It's not just the platforms. It's the pipelines, the barges and the other infrastructure that are also at risk," said Lois Capps (D-Calif.)

Jay Inslee (D-Wash.) went further. "Despite the improvements in oil drilling technologies, 100% of the oil that's produced spills because the carbon in that oil comes back down as carbon dioxide. We need to talk about the inevitability of this kind of oil spill from every onshore and offshore well if we continue on this course. I think we should consider an international moratorium on drilling for oil in those parts of the planet which have been destroyed by oil use," he said.

A second panel of witnesses included Carolyn McCormick, managing director of the Outer Banks Visitors Bureau in North Carolina; D.T. Minich, president of the St. Petersburg/Clearwater Area Convention & Visitors Bureau in Florida; Zeke Grader, executive director of the Pacific Coast Federation of Fisherman's Associations; Bruce Allen, co-founder of Stop Oil Seeps California, and Jefferson Angers, president of the Center for Coastal Conservation.

Hollywood horns in on offshore drilling debate
Energy Current, February 16, 2009; http://www.energycurrent.com/index.php?id=2&storyid=16066

By Hailey Branson, Houston Chronicle

WASHINGTON: When George W. Bush was in power, Vice President Dick Cheney met behind closed doors with Texas oilmen to discuss energy policy. Now, with Democrats in control in the nation's capital, the first speaker at the first hearing on offshore drilling was star Ted Danson.

When former Texas oil executives Bush and Cheney stepped off the national stage last month, American energy policy took a giant leap from Houston to Hollywood.

The radical stylistic shift was clearly evident in Washington this week. One day after new Interior Secretary Ken Salazar requested a review of offshore oil and gas development, which the Bush administration had strongly backed, House Democrats held their first of three scheduled hearings on offshore drilling.

The first to fill in the witness chairs were two outspoken critics of the oil industry from the Left Coast: Danson, a longtime environmental activist, and Phillipe Cousteau Jr., chief ocean correspondent for the Animal Planet television network and grandson of ocean researcher Jacques Cousteau.

Like a movie plot line

Sitting close behind the expert witnesses was actress Mary Steenburgen, who is Danson's wife and a close friend of Hillary and Bill Clinton.

Energy industry lobbyists say they're steeled for a Hollywood plot line featuring villanious oil companies.

"It's not surprising that a Democratic Congress would be able to garner Hollywood types to come up and address the issue," said Michael Olsen, counsel for the environmental strategies group of Houston-based Bracewell and Giuliani and a former senior official in the Interior Department during the Bush administration. "They're very politically charged."

Allyson Groff, an official with the Democratic-led House Committee on Natural Resources, said Danson and Cousteau were not invited to speak because they are celebrities but because of their knowledge about the environment. Danson, Groff said, is a board member of Oceana and a longtime advocate for ocean conservation, and Cousteau is a board member of the Ocean Conservancy.

Kermit the Lobbyist

Congress has a history of enlisting entertainment industry stars to join their political causes. In 1989, actress Meryl Streep caused an uproar with apple growers when she testified, saying the chemical alar sprayed on fruit was harmful to consumers. In the 1995, singer Garth Brooks pushed for funding for the National Endowment for the Arts.

Even Kermit the Frog lobbied in support of a bill that would restrict breeding and sale of exotic animals as pets.

But the celebrity voice will be much stronger on energy policy during the Obama administration, predicts David Prindle, a political scientist at the University of Texas.

"The Democratic party gets no money from oil executives, but millions from Hollywood people," said Prindle, who wrote the book Risky Business: The Political Economy of Hollywood.

This election cycle, Barack Obama was given more than $5 million by the entertainment industry, Prindle said. Republican nominee John McCain received less than $500,000.

Cost of gasoline rises as crude prices sink -- what gives?
Greenwire, February 16, 2009; http://www.eenews.net/Greenwire/2009/02/16/6/

The barrel price of crude oil fell to a new low for 2009 on Thursday, the same day that a gallon of gas rose to its highest of the year, $1.95. Drivers at the pump may smell a price fix, but the high prices are really a symptom of the globalized energy market, analysts say.

The price of crude oil quoted in newspapers and on business channels is the price of West Texas Intermediate, drilled mainly in the western portion of the state. But the inferior grades of crude that typically make their way into gas tanks come from overseas and run about $10 more per barrel, meaning the price of gas will likely only go up.

"We're going definitely over $2, and I bet we'll hit $2.50 before spring," said Tom Kloza, publisher and chief oil analyst at Oil Price Information Service (OPIS). "This is going to be an unusual year."

A gallon of gas went for $1.95 on Thursday, compared with $1.62 at the end of 2008, according to the auto club AAA, OPIS and Wright Express.

Meanwhile, the price of West Texas Intermediate crude has fallen to a five-year low as it is stockpiled at supply centers during the economic recession. Distant refineries in North America cannot access the oil without the pipelines to transport it, but investments in pipelines are risky considering how fast the price of oil can change (Kahn/Porretto/Malloy/Nakashima, AP/Houston Chronicle, Feb. 15). -- PT

Virginia drilling far on horizon
The News Leader, February 16, 2009; http://www.newsleader.com/article/20090216/NEWS01/902160307/1002

Virginia is on its way toward a comprehensive offshore-drilling initiative in the Outer Continental Shelf, about 50 miles off the coast of Virginia Beach.

Del. Chris Saxman, R-Staunton, is sponsoring a bill to proportion any royalties coming from the drilling programs between state transportation funds, renewable energy research and clean-up efforts in the Chesapeake Bay.

People on either side of the argument acknowledge that the money won't be seen for years. The leasing sale isn't expected to begin until 2011, and it would take years beyond that to begin drilling.

"It's a fiscal fantasy," said Glen Besa, director of the Virginia chapter of the Sierra Club. "Right now there is no federal revenue sharing, so there is no money that would be shared with the states."

Besa says no change in this policy is expected and any drilling would take at least 10 years to begin, with full-scale production not taking effect until 2030.

"The permitting process is long and cumbersome," Saxman said. "The bill wasn't designed to have any date in mind."

Drilling Could Impact State
Mineral Management Services announced plans to lease the area shortly after Congress lifted a 27-year ban on offshore drilling in the Atlantic in late September 2008.

Environmentalists were hopeful that the administration of President Barack Obama would reverse the drilling initiative, but a quick response is unlikely.

Interior Secretary Ken Salazar recently told reporters he will not disturb the drilling plans in Virginia, but he wants a study of any potential risks and benefits.

Obama stated his hesitation to approve any further drilling along the East Coast on Wednesday, saying he's "holding out for a more comprehensive strategy."

Saxman introduced similar legislation in 2008. It has received less attention this time around with gas prices now half of what they were last year.

"When oil was around four bucks, people were hot on this issue," Saxman said. "Then the prices came down and they said, 'Oh, I guess we don't need it.' "

MMS estimates the entire Atlantic Coast contains 3.8 billion barrels of oil, which the Southern Environmental Law Center says would supply the country with just six months of energy.

Critics of offshore drilling say more effort should be put into conservation and establishing renewable energy resources like wind and solar power.

However, Saxman says the approach has to be comprehensive, encompassing a range of options.

"I don't know how a nation survives by importing 70 percent of its energy," Saxman said. "You can't change light bulbs and get your way out of this."

House Bill 1633 passed earlier this month by a 58-41 vote. It was referred to the Virginia Senate Finance Committee.