



July 21, 2017

**NATIONAL
OCEAN
INDUSTRIES
ASSOCIATION**

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The Honorable Thad Cochran
Chairman, House Appropriations Committee
S-128 The Capitol
Washington, DC 20515

The Honorable Lisa Murkowski
Chairman, House Interior Approp. Sub.
124 Dirksen Senate Office Building
Washington, DC 20515

Dear Chairman Cochran and Chairman Murkowski:

As the Senate Appropriations Committee formulates the FY 2018 Interior and EPA Appropriations bill, NOIA respectfully urges the committee to maintain BSEE OCS inspection fees at existing FY2017 levels. This action would mirror the position taken in the counterpart bill recently approved by the House Appropriations Committee.

NOIA is the only national trade association representing all segments of the offshore industry with an interest in the exploration and production of both traditional and renewable energy resources on the U.S. OCS. The NOIA membership comprises more than 325 companies engaged in a variety of business activities, including production, drilling, engineering, marine and air transport, offshore construction, equipment manufacturing and supply, telecommunications, finance and insurance, and renewable energy.

We are concerned that the significant and substantial recent increases to the OCS inspection fee structure, including those proposed by the Administration in their FY 2018 request, go well beyond the original program's intended purpose of simply recovering costs from operators. Still additional fee increases would place an undue burden on U.S. operators of all sizes, with particular impact to those operating in shallow water; and would do so at the same time the U.S. offshore industry continues facing market challenges and growing foreign competition in the Gulf of Mexico and around the world.

We therefore urge the committee to maintain the base bill's level funding and reject any requests or attempts to further increase OCS inspection fees.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeffrey L. Vorberger".

Jeffrey L. Vorberger

Vice President, Policy & Government Affairs