



May 9, 2018

Members of the Sanctuary Advisory Council
Flower Garden Banks National Marine Sanctuary
National Oceanographic and Atmospheric Administration
4700 Avenue U, Building 216
Galveston, TX 77551

Council Members,

The Offshore Operators Committee ("OOC"), American Petroleum Institute ("API"), and National Ocean Industries Association ("NOIA") offer the following comments in advance of the May 9, 2018 meeting of the Flower Garden Banks National Marine Sanctuary (FGBNMS) Sanctuary Advisory Council (herein referred to as "SAC"). These comments are submitted as supplemental to the April 30, 2018 comments submitted by the Associations. In addition, the OOC supports the comments provided by our allied trade associations to the SAC Boundary Expansion Working Group (BEWG) on April 30, 2018.

OOC is an offshore oil and natural gas trade association that serves as a technical advocate for companies operating in the U.S. Outer-Continental Shelf (USOCS). Founded in 1948, the OOC has evolved into the principal technical representative regarding regulation of offshore oil and natural gas exploration, development, and producing operations. The OOC's member companies are responsible for approximately 99% of the oil and natural gas production from the Gulf of Mexico. The comments offered in this letter are made without prejudice to our members who may have differing or opposing views.

API is a national trade association representing over 640 member companies involved in all aspects of the oil and natural gas industry. API's members include producers, refiners, suppliers, pipeline operators, marine transporters, and service and supply companies that support all segments of the industry. API and its members are dedicated to meeting environmental requirements, while economically and safely developing and supplying energy resources for consumers.

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 roughly 250 companies engaged in a variety of business activities, including production, drilling, engineering, marine and air transport, offshore construction, equipment manufacture and supply, telecommunications, finance and insurance, and renewable energy.

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 larger than those needed to protect appropriate reef or bank areas consistent with the best available science and data and the multiple uses of all stakeholders. 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 “special 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 Associations continue to express our support for the No Activity Zone¹ (“NAZ”) PLUS Plan version 3 boundary maps on the nine (9) banks (Sonnier, Alderdice, McGrail, Geyer, Bright, McNeil, 28 Fathom, Stetson, and Horseshoe) contained in DEIS: Sanctuary Expansion² Alternative 2, which were recommended for expansion by the 2007 SAC. In our view, the NAZ PLUS Plan version 3 boundaries contemplated by the BEWG for these nine (9) banks are:

- 1) sufficient to provide additional protection to these banks;
- 2) follow key principles identified by NMSA;
- 3) do not include any existing oil and gas infrastructure; and
- 4) provide access and use of multiple resources in the region (e.g. potential deposits of oil and gas and fisheries).

Since April 30, our members have considered potential impacts to their current and future energy leasing and development activities near the five (5) banks – Bouma, Rezak, Sidner, Parker, and Elvers – in consideration by the BEWG. The Associations supports the inclusion of four (4) of the five (5) banks - Bouma, Rezak, Sidner, Parker with NAZ PLUS Plan version 3 boundaries. After thorough deliberation, the Associations oppose the proposed addition of Elvers bank for the following reasons:

- 1) The potential energy resources in and south of this area that have yet to be explored or developed, but may be of interest to our members in the future;
- 2) It is regionally a low relief topographic feature whose designation was not considered in the SAC’s 2006-07 effort;
- 3) The designation does not follow key principles outlined by the NMSA Sections 301 and 303; and,
- 4) It is contradictory to the Presidential Executive Order on Energy Independence (E. O. 13783)

The Associations reiterate that we no longer support the boundaries recommended by the SAC in 2007 for the reasons discussed in the April 30, 2018 letter. In addition, though we support the inclusion of these four (4) banks, the Associations still maintain our position that these new areas are not of the same “special national significance” or scientific importance as the live coral reef areas in the existing FGBNMS.

¹ No Activity Zone as defined by BOEM in its Western and Central Gulf of Mexico Topographic Features Stipulation Map Package for Oil and Gas Leases in the Gulf of Mexico, March 2018, <https://www.boem.gov/Topographic-Features-Stipulation-Map-Package/>

Therefore the regulations governing oil and natural gas activities in these proposed new sanctuary areas should not be the same as in the existing FGBNMS areas, since in the future, industry will likely need to acquire new nodal seafloor and streamer seismic surveys on and across these banks (*see April 30, 2018 letter, pg. 2*).

We appreciate the SAC reviewing and taking into consideration our comments and fostering transparency of the process and giving invested stakeholders the opportunity to review the recommendations. We appreciate the opportunity to work with NOAA and the SAC on this matter going forward and continue to encourage NOAA Office of National Marine Sanctuaries and the FGBNMS SAC to consider how best to address such changes to the DEIS alternatives moving forward with the proposed rulemaking and preparation of a final EIS and regulations. Should you have any questions, please contact Greg Southworth at greg@offshoreoperators.com.

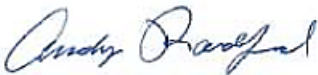
Sincerely,



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