

United States Senate

WASHINGTON, DC 20510

December 7, 2010

The Honorable Dianne Feinstein
Chairman
The Subcommittee on Interior
Senate Committee on Appropriations
131 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Lamar Alexander
Ranking Member
The Subcommittee on Interior
Senate Committee on Appropriations
125 Hart Senate Office Building
Washington, D.C. 20510

Dear Chairman Feinstein and Ranking Member Alexander,

We strenuously object to including authorizing language, whether in a Continuing Resolution or Omnibus Appropriations package, which will further delay the permitting process for offshore oil and gas development, in particular the extension of the statutory length of time the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEM) has to review exploration permits pending before the agency. We urge that you not include any such language in Fiscal Year 2011 appropriations legislation.

After the Deepwater Horizon accident, it is clear that changes must occur to help strengthen our nation's offshore oil and gas regulations. However, extending the statutory period that BOEM has to review offshore oil and gas exploration plans from 30 to 90 days is unnecessary. There are some who claim 30 days is too short of a time to review these permits. We disagree and do not believe that there is an exigent need to attach this provision to an appropriations bill as BOEM is currently not abiding by the 30-day statutory limit. BOEM has not approved one exploration plan in the past six months, despite several permits pending since June 8, 2010 – this exceeds the statutory length of review time by over 150 days. We cannot in good conscience legitimize this inexcusable delay by codifying it in an appropriations bill while offshore workers and their families continue to suffer.

In addition, current regulations already provide sufficient flexibility for BOEM to exceed the 30-day statutory limit to review an exploration permit. For example, once a plan of exploration is received, the Regional Supervisor has 15 working days to determine if the proposed plan is deemed submitted and complete. If the Regional Supervisor finds the submitted plan possesses deficiencies then the plan is not deemed submitted until the deficiencies are corrected. This provision allows the clock to stop until a proper plan is before the Regional Supervisor.

Finally, BOEM has requested an increase of total funding for offshore oil and gas oversight and inspections, which would include an increase of funds for personnel to review pending permits. We understand that these resources are needed to accelerate the review of permits. This is a laudable goal that we support, but it would be unnecessary and contrary to triple the amount of review time allowed in the same legislation. Again, providing more funds

for increased personnel is meant to speed up the time BOEM is taking to review permits, not slow it down.

It has now been eight months since the Deepwater Horizon accident and our nation's offshore oil and gas industry is still reeling from the economic impact of the moratorium and now the de facto moratorium that has taken its place. Adding more time to the clock will only serve to further delay a process that needs to be accelerated. Since June, not one new exploration permit or deepwater APD permit has been issued and only 20 shallow water APD permits have been issued despite the fact that there was no moratorium on shallow water permits. Eight months before the accident, 65 shallow water APD permits were issued. This agency needs resources and personnel to work with industry to get the Gulf of Mexico back to work, not more cause for unnecessary delay.

Thank you for your attention to this important matter.


Mary L. Landrieu
United States Senator

Sincerely,


Lisa Murkowski
United States Senator

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