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Interagency Ocean Policy Task Force
Council on Environmental Quality
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Members of the Interagency Ocean Policy Task Force:

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BP appreciates the opportunity to provide written comment to members of the Interagency Task Force on Ocean Policy. BP is a global energy company that provides customers with fuel for transportation and energy for heat and light; is the largest producer of oil and natural gas in the United States; and is one of the nation's largest energy investors. With energy operations on and along America's coastal waters and the Great Lakes, BP is also an aquatic leaseholder, adjacent landowner, shipper, and active participant in marine management in the United States. We support policy that encourages energy and economic security through investment in a diverse portfolio of energy sources including oil and gas, renewables, alternatives and the efficient use of all energy.

We recognize that the oceans, coasts and Great Lakes play a major role in the nation's transportation, commerce, foreign policy, economic and energy security, recreation and tourism, and food and ecological resources. U.S. waters and coasts hold enormous natural resource wealth and we have demonstrated we can and do responsibly operate within these areas while supporting American jobs and contributing to energy security. Properly regulated and managed, these areas should and can continue to be available for multiple uses. For example, the Flower Garden Banks National Marine Sanctuary in the Gulf of Mexico demonstrates that multiple uses can be and are accommodated while providing effective protection of the environment.

As you consider options for national oceans policy, including marine spatial planning, we encourage the Interagency Task Force to consider input from all stakeholders, including industry and commercial users of the oceans, lakes and coasts; recognize, build on and further streamline effective management systems that already exist; and encourage coordinated planning that respects the important role of international, federal, state and local authorities and avoids inefficient, inconsistent or non-benefit bearing regulation.

BP strongly believes that the greatest potential source for new domestic energy is the oil and natural gas that lies off U.S. shores – on the Outer Continental Shelf (OCS). An effective management system already exists through the OCS Land Act and Coastal Zone Management Act that considers the nation’s multiple priorities and uses. The Minerals Management Service (MMS) five-year leasing program development process takes into consideration multiple uses of US waters and provides balanced environmental stewardship and responsible development of the OCS. The MMS process should be used as a basis for regulatory efforts without realigning the agencies’ regulatory authorities. The process of incorporating marine spatial planning into existing regulation should not result in its use as a tool to delay development of offshore energy projects or be used as a de-facto moratorium that precludes access to areas that have significant natural resources.

The Gulf of Mexico OCS has contributed to the supply of energy to the United States for over 50 years and today almost one quarter of the oil produced in the United States comes from the Gulf of Mexico. As a major producing area, the Gulf of Mexico is geologically complex and requires huge investment and many years to explore and produce. Exploration wells can cost between \$100 million and \$200 million, and, on average, only one in three finds sufficient oil or gas to develop. When discoveries are made, projects to bring them to production often require new technology that involves a large investment. We encourage the Interagency Task Force to consider that a stable and predictable regulatory and fiscal framework is critical to investment decisions that ensure the Gulf of Mexico will remain a major and critical contributor to the US energy portfolio for decades to come.

Further, a U.S. Department of Interior study estimates that oil and natural gas to be found in non-Alaskan OCS areas currently off limits is roughly 25 billion barrels of oil equivalent – which equals about 40 years of U.S. oil imports from Saudi Arabia. These are estimates that can only be confirmed with exploration. It is essential that access to the OCS – including the Eastern Gulf of Mexico – be encouraged to ensure vast untapped resources are available to support the country’s economic and energy security.

Likewise, Alaska’s OCS is estimated to hold undiscovered technically recoverable resources of over 26 billion barrels of oil and 132 trillion cubic feet of natural gas. The MMS five-year planning process, which applies to leasing in Alaska as well as in all other OCS areas, has proven to be an effective and deliberate public process that provides area residents with extensive opportunities for comment and consultation. As draft and final environmental impact statements are prepared, public comment is solicited no fewer than three different times. In addition, the MMS holds scoping sessions and public hearings in local communities during the stages in the lease sale planning process. These are supplemented with numerous formal and informal contacts and consultations with community representatives. Further, effective multiple-use planning continues when leases are awarded as companies seek approval for exploration plans, consulting with potential affected communities, developing agreements to protect subsistence uses of these communities,

including input from residents in operations planning and preparation of permit applications, and coordinating proposed seismic activities with potentially affected communities.

Recognizing that states and coastal communities have an important role in managing ocean and coastal resources, BP believes that a revenue-sharing program, such as the one in place for Alabama, Louisiana, Mississippi and Texas under the Gulf of Mexico Energy Security Act of 2006, provides a foundation of success for a long-term OCS leasing and development program. We, therefore, support equal treatment for all states that have federal oil and natural gas activities taking place off their coastlines.

Increased activity is expected in fishing, oil exploration, and shipping activities as a result of diminishing Arctic sea ice. President Barak Obama's new Arctic Policy reaffirms America's commitment to working in the Arctic regions in a safe and environmentally sustainable manner. The policy calls for the United States to ratify the United Nations Convention on the Law of the Sea, which will help to establish uniform regulations for vessels of all nationalities which might be transiting or working in the area.

Effective controls are in place and being enforced to appropriately manage water resources in the ocean, lake and coastal areas in the United States where we operate various industry and commercial operations. In addition, BP has a long history of working with other stakeholders to implement voluntary and proactive stewardship of marine and coastal resources and to develop management plans that address the various needs of the waterways, coasts and communities where we operate. Policy needs to allow for true multiple uses; encourage cooperative efforts that engage all stakeholders, including industry and commercial users; and consider all benefits that the United States and its communities derive from the oceans, lakes and coasts. National policy should be built on extensive region and local stakeholder investment already in place. It is important that the Interagency Task Force and other policymakers recognize where regulation, collaboration and practices are working well to provide robust protection and assurance. We recommend that the Task Force and other policymakers take care not to implement new designations such as protected areas or oversight groups that duplicate, add layers to or undermine current regulation, and that limit or discourage industrial use and development without significant benefit to marine ecology or other national priorities.

Marine spatial planning can make sense as a concept, depending on how it is defined and implemented. However, details of such a system must be outlined and addressed in a deliberative, balanced and inclusive way that considers all uses. Further, constructive policy requires science-based approaches and decisions. Policy must not be based on presumed environmental impacts or ambiguous research. It needs to rely on broadly-accepted, detailed and peer-reviewed scientific study, rigorous research and demonstrated impacts. Also, it is important to recognize that ocean policy or multi-use plans should account for ecosystem, marine, technology and industry changes over time.

BP agrees with comments and recommendations submitted to the Task Force by the American Petroleum Institute on August 21, 2009. We agree that it may be more time and cost effective to improve the current ocean governance system than to create a new structure. While we support the initiative to begin establishing a national ocean policy, we would be concerned about policy that significantly increases bureaucracy in a way that could lead to confusion, conflict, and delay in obtaining necessary permits for projects, limits access to explore for and develop oil and natural gas, and discourages important refining, distribution, and other industrial and commercial use. In fact, as the Task Force works to develop recommendations for national ocean policy, we believe there is opportunity to encourage coordinated planning that streamlines programs already in place.

A member of the Chamber of Shipping of America, BP also supports comments submitted by that organization to the Interagency Task Force on August 5, 2009, particularly the call for alignment with international shipping conventions and the recommendation that U.S. policy should allow anyone with legitimate reason to be in the maritime domain to have reasonable access to shore leave on the part of the seafarer and access to the ship on behalf of shore staff with shipboard responsibility.

BP is also a member of the Council of Great Lakes Industries and we support comments made by that organization to the Interagency Ocean Policy Task Force on July 23, 2009.

BP recognizes that the resources of and adjacent to oceans and lakes are important to the long-term health, ecological function and economic viability of the areas where we operate. Thank you for considering our comments. We look forward to working with the Administration, Federal agencies and other stakeholders as national ocean policy is considered and implemented.

Sincerely,

A handwritten signature in cursive script that reads "Margaret Dubois Laney".

Margaret D. Laney
Senior Regulatory Affairs Director
BP America Inc.