

To drill, or not to drill?

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By CAROLYN STEEVES

CHARLOTTE — Are there untapped oil and natural gas reserves off the U.S. coastline that could lessen America's dependence on foreign oil supplies and ease the painful level of fuel prices?

U.S. Rep. Sue Myrick, R-Charlotte, has proposed to lift a ban on offshore drilling, allowing interested parties to explore for fossil fuel deposits. Drilling has been banned in most areas since 1990, but every few years the idea of opening the coastlines reemerges.

Some people look at the rising cost of gas and wonder if lifting the current ban on offshore drilling will help lower gasoline prices. Others worry that allowing oil exploration will negatively affect the coastal economies, which rely on tourism, fishing and other natural industries.

Presidential candidates Barack Obama and John McCain have each staked out territory on opposite sides of the issue in recent days, with Obama opposing drilling and McCain promoting a plan similar to Myrick's.

Earlier this month, she introduced the Deep Ocean Energy Resources (DOER) Act of 2008. The act would allow individual states to decide whether they want to restrict energy production up to 100 miles offshore.

It is almost identical to a bill proposed in 2006, which passed the House, but was defeated in the Senate.

Myrick's spokesman Andy Polk thinks the bill could pass this time around.

"The fervor was not there throughout the country about the cost of gasoline (in 2006)," Polk told **The Mecklenburg Times**. "People are pretty upset now and demand something to be done about it."

He said Myrick hopes a "grassroots swell" will push the bill through this time.

There has been a moratorium on offshore drilling since 1990, when President George H. W. Bush signed a directive ordering that there could be no drilling in places other than Texas, Louisiana, Alabama and in limited areas of Alaska. In

SEE DRILL PAGE 5

Drill

CONTINUED FROM PAGE 1

1998, President Clinton extended the moratorium to 2012.

President Bush called on Congress this week to lift the ban. Gov. Mike Easley is on the record as opposing the idea.

Prior to the ban, a few major energy companies were interested in drilling off North Carolina's Outer Banks, Mobil, Chevron, Conoco and others had all purchased leases to drill in the Manteo Exploration Unit, located off Cape Hatteras.

However, the people who live on the Outer Banks were not happy about the presence of major oil companies.

"We reached the conclusion that the petro-chemical industry is not compatible with the economic infrastructure we have in place here already," said Jan DiBlieu, Cape Hatteras CoastKeeper for the North Carolina Coastal Federation. Coastkeepers are employed to act as full-time advocates for protecting the coast.

DeBlieu noted that the coastal regions rely heavily on tourism for their economic well-being. The major reason for tourism in the area is the shoreline.

"We really depend on our natural resources for our economic health and if you infect those things, you're going to kill our economy," she said.

Carolyn McCormick, managing director of the Outer Banks Visitors Bureau, said the Outer Banks brought in more than \$1 billion in direct tourism revenues last year.

"Tourism's big. It's what drives this entire coast," she said. Coastal Dare County

is the fourth-strongest out of North Carolina's 100 counties in terms of tourism revenues, despite not having major sporting events or a convention center. Their revenues are brought in by the environment and history, McCormick said.

"We have a vested interest in preserving these islands," she said, "and doing nothing to harm them."

McCormick testified before Congress in 2006 when the first version of the DOER act was introduced. She said before Congress that, "Oil and gas development is a dirty and destructive business that damages coastlines, harms ecosystems and directly threatens our tourism, fishing and real estate economies. The people of Dare County have a history of strongly opposing offshore drilling."

While she opposes the legislation, McCormick is worried about the price of gasoline creating the grassroots swell

that Myrick's office mentioned.

She worries that the price of gasoline and the harder economic times will make people less likely to stand against this bill the way they did in 2006. People change when their pocketbooks are affected, she acknowledged.

"I would hate for us to make bad judgment calls," McCormick said.

Myrick's proposal wouldn't automatically open the state's coasts to drilling, since each state could make its own choice. That idea fails to comfort McCormick.

"I know Virginia's been pushing very, very hard for (offshore drilling rights). Certainly if Virginia gets it, if there's an accident off the coast of Virginia," the pollution and damage will travel to North Carolina she said.

The pollution doesn't know where the state lines are and certainly won't adhere to them, DiBlieu observed.

Delayed benefit

Both sides of the debate agree it would take a decade for any oil that might be discovered to actually be usable by consumers.

"Believe me, by the time this oil and gas could come on the line in 10 years, if we haven't done anything by then, we're going to be in real trouble," DeBlieu said.

Steve W. Ross, a research professor at the University of North Carolina at Wilmington's Center for Marine Science, said it's misleading to think drilling today will create oil today.

"It might make people feel better psychologically and it might affect the stock market psychologically, but it's not going to put new oil instantly into the tanks," Ross said.

He said energy companies discovered a new field in the Gulf of Mexico about two years ago and it is already being worked on for drilling. But it will take a while to build up the infrastructure.

Risks?

Ross said exploratory drilling is actually not what should concern people. The concern should be what happens if oil is discovered.

"Exploratory drilling or a well here and there is not the problem," Ross said. "One well is really not the problem. The problem is the multitude of wells and the infrastructure that comes later."

Ross said pollution has been minimized due to all the stringent environmental controls that oil companies must adhere to.

Lisa Flavin, senior policy advisor for the American Petroleum Institute, also discussed these standards.

"The offshore industry is one of, if not the, most highly regulated industries in the United States," she said. "The list of environmental regulations is quite long. It's misleading to say that the industry pollutes. The industry adheres to and is regulated by the government, highly, to prevent any sort of major accidents."

Flavin pointed to the Gulf of Mexico oil

rigs damaged by Hurricane Katrina, saying, "You may have seen bent steel. But I think it's a testament to the industry that you didn't see any major spills from that."

Those on the opposite side of the argument point to the same battered rigs and are unimpressed by the absence of more substantial pollution as a result. Instead, they see proof that offshore drilling is inherently risky.

Politics of drilling.

Myrick's bill has 66 co-sponsors, all of whom are Republicans. Some prominent Republicans, like presumptive presidential nominee Sen. John McCain, have come out in favor of offshore drilling. Others, like Sen. Elizabeth Dole of Salisbury, have concerns about drilling off the North Carolina coast.

Katie Hallaway, a spokesperson for the senator told **The Times** that Dole "has serious concerns about oil and gas exploration off North Carolina's coast." She voted against the previous DOER act in 2006.

However, Hallaway also said Dole "does strongly support increasing our domestic energy sources and has voted in favor of exploration in the Gulf of Mexico and Alaska because she believes these activities should be increased in areas where residents are receptive."

What many politicians say is most troubling about our dependence on foreign oil, is where this oil comes from.

"Fears of political instability in many of the world's energy-producing nations is factored into the cost of crude oil prices by energy speculators," Myrick said. "Energy market speculators not only look at current supply and demand, but they also consider factors that could potentially disrupt future supplies."

The politicians in support of offshore drilling also discuss the need to find alternative fuel sources.

Myrick and her political allies see those issues as trumping the concerns raised by opponents of drilling, which she believes are overstated.

Myrick pointed out that in some areas "offshore energy production and vibrant tourism have coexisted for a long while." She pointed out the tourism industry in Gulf Shores, Ala., where some fishing companies promote recreational fishing near the oil rigs.

Myrick also believes those who point to a long delay between exploration and actually using any oil discovered are missing the point.

Those arguments were also made in the 1990s by opponents of drilling in the Alaskan National Wildlife Refuge, she noted. "If we'd gone ahead with opening up ANWR for production back then, we'd likely have an additional 1 million barrels of oil being produced today," she said.

Still, Myrick said she understands the concerns of those opposed to offshore drilling in their area, "which is why my bill would give states the right to prevent any production from occurring within 100 miles of their coast if they're opposed to it."

She said she was pleased to see that Sen. McCain's proposals this week were in line with her thinking. "I know Senator McCain has traditionally been a supporter of state's rights, so his announcement seems to fit in with that philosophy," Myrick said. "I certainly appreciate that he supports giving states the right to allow or prohibit energy production."

Regardless of what politicians think, the American people seem to have high expectations. A recent Rasmussen Reports poll, which surveyed 1,000 likely voters, found that 67 percent favored offshore drilling and 64 percent believe it will lower gasoline prices.

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