



STATE OF DELAWARE
**DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL**
89 KINGS HIGHWAY
DOVER, DELAWARE 19901

Office of the
Secretary

Phone: (302) 739-9000
Fax: (302) 739-6242

August 16, 2017

Dr. Walter Cruickshank, Acting Director
Bureau of Ocean Energy Management
1849 C Street, NW
RM 5209
Washington, DC 20240

Dear Dr. Cruickshank:

The Bureau of Ocean Energy Management (BOEM) issued a Request for Information and Comments on the Preparation of the 2019-2024 Outer Continental Shelf (OCS) Oil and Gas Leasing Program in the July 3, 2017 Federal Register. The Delaware Department of Natural Resources and Environmental Control (DNREC) has been on record for almost a decade opposing offshore oil and gas exploration in the Mid-Atlantic region. These comments reiterate concerns previously expressed by DNREC during the preparation of the 2017-2022 plan, and outline pertinent regulatory requirements of the State of Delaware:

The BOEM Record of Decision and Approval for 2017-2022 OCS Oil and Gas Leasing Program was issued on January 17, 2017. Using the data and tools available, and after consideration of public comment, the BOEM outlined a 5-year strategy to "best meet national energy needs." At that time, less than nine (9) months ago, the BOEM concluded that leasing in the Atlantic Ocean was not advisable.

As the current program will meet national needs, there is no reason to modify the existing Program. Further, there is no legitimate economic justification for exploration of oil and gas in the Mid-Atlantic. Any short-term monetary gains would be substantially offset by negative environmental impacts, and unnecessary threats to the thriving and sustainable coastal economy that Delaware relies upon.

Potential for Alternative Energy

The economy, environment, and quality of life in the Mid-Atlantic region will be significantly impacted by climate change and sea level rise in the coming decades; some impacts are already being felt in the form of increased air and water temperatures, increasing sea levels, increased storm frequency and intensity, and ocean acidification. The State has a responsibility to ensure that energy decisions do not exacerbate the problems with climate change that are already being witnessed. DNREC stands firm in its commitment to energy efficiency and alternative energy development. This commitment is critical in our efforts to combat climate change and boost economic productivity.

The potential energy derived from wind, wave, and ocean currents greatly outweighs any resources derived from oil and gas withdrawals. In a 2009 Department of Interior report titled, Survey of Available Data on OCS Resources and Identification of Data Gaps, the Atlantic was identified as having the largest regional offshore wind energy potential capacity of any of the three major coasts (Atlantic Coast – 1024 GW, Pacific – 902 GW, and Gulf Coast – 67 GW; OCS Report MMS 2009-015). Oil and Gas extraction could negatively impact the renewable resource potential of the Atlantic OCS by limiting access to areas of greater wind potential.

Environmental Concerns

The marine habitats of the Atlantic Ocean and the species that rely upon them are nationally shared resources which do not adhere to federally designated offshore boundaries. Intensive exploration and development activities within nearby states' offshore areas and neighboring planning areas can potentially affect ocean health, degrade benthic habitats, and result in negative impacts to marine mammals, fish, sea turtles, and other species.

Unlike the Gulf of Mexico or the Alaska planning areas, the Mid-Atlantic lacks the existing onshore infrastructure to support offshore oil and gas production. Movement of oil and gas from leased areas to onshore facilities initiates a cascade of secondary impacts and increased carbon emissions. Additional environmental impacts will arise from pipelines coming ashore, new refineries or increased operations of existing refineries, new port facilities or port expansions, increased tanker traffic, construction staging areas, etc.

Risk to the State's Coastal Tourism

Over seven million people visit Delaware annually, generating \$400 million dollars in state and local taxes and providing Delawareans with 39,000 jobs in the tourism sector. A significant portion of Delaware's tourism revenue comes from our ocean and bay resort areas, coastal historic sites, and natural resources. Impacts to our beaches, bays, shorelines, and water quality from oil spills, leaks, or drilling fluids could deter visitors and reduce the state's revenue. Administrative boundaries established by BOEM in 2006 grant Delaware the least offshore area, therefore the least potential benefit from revenue sharing. The risks to our environmental resources and tourism industry are grossly disproportionate to any purported economic gain from oil and gas leasing in the Mid-Atlantic.

Delaware's Coastal Zone Management Program

The Federal Coastal Zone Management Act of 1972, as amended, requires that actions on the OCS that will have reasonably foreseeable effects on a State's natural resources or coastal uses must be consistent with federally approved State Coastal Management Programs. As such, individual exploration activities on the OCS with foreseeable impacts to Delaware's coastal resources or uses are subject to review to ensure compliance with Delaware's coastal management policies. In Delaware, the review authority granted by the CZMA is delegated to the DNREC. The full text of the regulations can be found here: <http://regulations.delaware.gov/AdminCode/title7/100/108.pdf>. This review is done by DNREC's Coastal Management Program.

An issue unique to the State of Delaware is legislation known as the Coastal Zone Act (CZA). Enacted in 1971 to protect the valuable resources and recreational opportunities of our coastline, the CZA serves to limit industrialization in the coastal area and the subsequent potential environmental consequences. The CZA specifically prohibits the termination of pipelines within the coastal strip, an area defined as the territorial limits of Delaware in the Delaware River, Delaware Bay, and Atlantic Ocean to approximately four miles inland. However, the CZA does permit the pipelines to cross the coastal strip and terminate within the interior of the state providing certain environmental safeguards are met. This legislation could have potential impact on the transport of resources via pipeline from the OCS region. The state Coastal Zone Act was duly adopted into Delaware's federally approved Coastal Management Program as an enforceable policy in 1979. Therefore, applicants for federal permits must be wholly consistent with the policies enforced by Delaware's Coastal Zone Act. The full text of the legislation can be found here: <http://delcode.delaware.gov/title7/c070/index.shtml>.

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OCS Air Quality Regulations

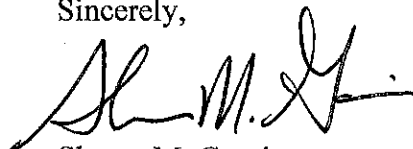
The State of Delaware promulgated regulations in 2010 pertaining to air quality impacts of offshore activities. These regulations incorporate provisions of the Clean Air Act (40 CFR Part 55) into state law such that OCS emission sources must comply with all requirements of 1100 Air Quality Management Section of Title 7 of the Delaware Administrative Code to the extent that they are incorporated by the U.S. Environmental Protection Agency. Owners or operators of any OCS source for which Delaware is the corresponding onshore area must seek authorization from DNREC's Division of Air Quality. More information including the full text of the regulations can be found here:

<http://regulations.delaware.gov/AdminCode/title7/1000/1100/1150.shtml#TopOfPage>.

Promoting alternative energy development in the Mid-Atlantic region is of the utmost importance to the citizens of Delaware and to its economic and environmental well-being. DNREC is adamantly opposed to lease sales and oil and gas exploration on the Atlantic OCS and again ask that this planning area be withdrawn from consideration as it was during the 2017-2022 OCS Oil and Gas Leasing Program.

I look forward to continued collaboration with your agency as the revised five year program development process continues. If you have any questions, please contact me or have your staff contact Kimberly Cole at (302) 739-9283.

Sincerely,



Shawn M. Garvin
Secretary

cc: John C. Carney, Governor
Thomas R. Carper, Senator
Christopher A. Coons, Senator
Lisa Blunt-Rochester, Representative