



***The Advocate of South Carolina Small Business***  
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## **Offshore Oil/Gas Testing and Drilling**

The Obama administration has permitted seismic surveys from Delaware to the middle of Florida to determine the existence and size of offshore oil and gas reserves. The Bureau of Ocean Energy Management is reviewing 9 permits from oil companies for conducting these surveys and is taking public comments.

There are two threats to South Carolina businesses from this exploration and possible offshore drilling.

### **Seismic Airgun Blasting**

South Carolina's fishing and parts of tourism industry are greatly at risk from the seismic airgun blasting used in the exploration process. Seismic airguns are towed behind ships and shoot loud blasts of compressed air through the water and miles into the seabed. These blasts are repeated every ten seconds, 24 hours a day, for days and weeks at a time.

The negative impact to our marine mammals, sea turtles, fish and other wildlife will be significant. The federal government has estimated that 138,000 whales and dolphins will be injured and millions of other ocean wildlife will be harmed.

For whales and dolphins, the impacts include temporary and permanent hearing loss, abandonment of habitat, disruption of mating and feeding, and even beach strandings and death. These animals rely on their hearing to find food, communicate, and reproduce. Their ability to hear is a life or death matter. These marine animals are a tourist attraction particularly for our lowcountry coastal communities.

Airgun blasts also kill fish eggs and larvae and scare away fish from important habitats. Previous seismic surveys have resulted in catch rates of cod and haddock to decline by 40 to 80 percent for thousands of miles. Such disturbance will have negative economic impacts on our South Carolina fishing and fishing-related tourism industries. More than 6,000 people in SC are employed in the fishing industry and commercial and recreational fishing accounts for more than 500 million dollars in sales per year.

## **Oil Spills**

There is already much evidence that there is insufficient oil and gas reserves off the South Carolina coast for it to be economical for extraction according to Mitchell Colgan, chairman of the College of Charleston's Geology and Environmental Geosciences Department. However, this information is not based on seismic airgun blasting, which the proponents of offshore drilling hope will find different results. If this more dangerous form of testing simply confirms earlier data that there is a lack of oil and gas reserves off the South Carolina coast, then all the damage to wildlife and our economy will have been in vain with the related costs borne by our state's small businesses.

However, in the unlikely scenario that drilling is economically possible, even more significant economic risks face our tourism economy from the inevitable oil spills. We all remember the recent disastrous economic and environmental impact of the Deepwater Horizon oil rig explosion in 2010. The Gulf coast communities took years to recover. Putting our small business coastal tourism industry at risk so that petroleum companies can profit and a few jobs created is a foolhardy gamble.

### **S.C. Small Business Chamber Position**

The South Carolina Small Business Chamber of Commerce opposes seismic airgun blasting to explore for oil and gas reserves off our coast. When other non-harmful testing procedures are available, any potential oil and gas reserves will still be there for the discovery. Such new testing technologies are being developed.

If the seismic airgun testing is permitted, prior to the testing the oil companies should be required to produce a detailed documentation of existing ocean wildlife as well as a thorough accounting of individual business revenue and jobs associated with our fishing and tourism industry. State revenue derived from taxes from businesses and jobs associated with our fishing and tourism industry should also be determined prior to any testing.

The testing oil companies should be required to obtain sufficient liability insurance to compensate businesses, workers and the state of South Carolina for any loss of revenue due to the testing.

Prior to any actual offshore oil or gas drilling, the oil companies should be required to produce and make public an action plan for containment and recovery of oil from a spill. The oil companies should also be required to obtain sufficient liability insurance to compensate businesses, workers and the state of South Carolina for any loss of revenue due to an oil spill or related incident.

For more information contact Frank Knapp, President & CEO