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May 26, 2015

Ms. Sally Jewell
Interior Secretary
U.S. Department of the Interior
1849 S. St. NW, MS 7729
Washington, DC 20240

Re: Outer Continental Shelf (OCS) Leasing Five-Year Plan, Mid- and South Atlantic Leases

Dear Secretary Jewell:

We write to you today in light of recent developments that are pertinent to any decisions made by the US Department of the Interior (DOI) and the Obama Administration related to OCS leasing in the Mid- and South Atlantic planning areas. Taken together, these developments make a strong case that the DOI should reconsider the opening of these areas to leasing for oil and gas exploration and drilling. These comments represent the views of the following undersigned organizations: the South Carolina Wildlife Federation, the South Carolina Coastal Conservation League, the Southern Environmental Law Center, the Southern Alliance for Clean Energy, Oceana and the Conservation Voters of South Carolina.

1. There has been a compelling grassroots upwelling of support to remove the Mid- and South Atlantic OCS areas from the Five-Year Plan. In South Carolina alone, eighteen (18) resolutions or letters opposing seismic testing and offshore drilling have been passed thus far by coastal communities and the capital city of Columbia in South Carolina (Beaufort, Port Royal, Edisto, Folly Beach, Sullivans Island, Isle of Palms, Hilton Head, Georgetown, City of Charleston, Mount Pleasant, Rockville, James Island, City of Columbia, Seabrook, Charleston County, McClellanville, Kiawah and the James Island Public Service District). More than 60 resolutions have been passed along the East Coast.
2. Attached is a May 10, 2015 exposé printed in the Charleston Post and Courier that is based on an investigative report by the Institute for Southern Studies, a nationally recognized North Carolina based center. It highlights the role of oil and gas interests in driving the agenda of the Outer Continental Shelf Governor's Coalition, which has been a strong advocate and lobby for opening the Mid- and South Atlantic for exploration. We are concerned that this strong coalition of state leaders and the oil and gas industry has swayed the governors of the Carolinas, both of which have received monetary

SOUTH CAROLINA WILDLIFE FEDERATION

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contributions from the oil and gas industry, to ignore the best interests of its coastal citizenry.

It is important to understand that the natural and economic resources of our coasts are critical to the way of life of our citizens. Our economy and natural resources are inexorably linked through tourism and fisheries, and both of these are significantly threatened by the exploration and development of hydrocarbons.

The majority of geologists queried about the amount of oil and gas resources in our OCS planning area agree that the likelihood of finding significant resources is very low, particularly in the South Atlantic region. This means the primary exploration and drilling arguments proffered by the pro drilling interests, including American energy independence, lowering oil prices and providing significant new job opportunities, are invalid. Given the dangers to our relatively pristine coast (pristine compared with Gulf Coast states that have suffered years of oil and gas related impacts), it is illogical to take the risks involved with exploration and drilling.

One of the authors of this letter retired from a 30+year career with DOI (USFWS) and is well aware of how political pressure can influence decisions and override science and logic. We have been disappointed in what appears to be an industry-biased and defensive stance on the science from the Bureau of Ocean Energy Management (BOEM). Despite input from 75 of the nation's leading marine scientists, the agency obfuscates the science with statements like "To date, there has been no documented scientific evidence of noise from air guns used in geological and geophysical (G&G) seismic activities adversely affecting animal populations."¹ Although this is true because there have been no population studies, it belies the fact that individual cetaceans can be harmed or killed by seismic air gun blasts and population effects still need study. The BOEM has also played down seismic airgun effects on fish by assuming the organisms would simply move away. This ignores the site fidelity displayed and documented for many species, including the snapper-grouper complex, particularly in regard to important spawning habitats. In consideration of the endangered North Atlantic right whale (<500 remaining), documentation of cetacean, and fisheries impacts, and a lack of sufficient studies of effects on sea turtles, the impacts of seismic operations cannot and should not be summarily dismissed through such statements.

The coastal citizens of the Carolinas are extremely worried about the future health of our beloved coastal resources. This concern is well justified in light of the safety track record on oil and gas development. Despite industry rhetoric to the contrary, the history of oil spills, leaks and contamination remains unremitting and constant. According to retired Admiral Thad Allen who was responsible for clean up of oil contamination in the Gulf and had first-hand knowledge of the effects of oil and gas extraction, "there is no risk free way to extract hydrocarbons from the earth."²

¹ BOEM Science Notes March 9, 2015

² Testimony of Thad W. Allen Admiral, U.S. Coast Guard (retired) U.S. House of Representatives Committee on Homeland Security Wednesday 13 February 2013

We respectfully request that you give the citizens and local governments of our coastal states as much sway in this decision as the politicians who appear to be acting on behalf of the oil and gas industry. Please do not give short shrift to the wills and desires of the coastal citizenry who would be most affected by this decision. The DOI is about more than exploitation of OCS oil and gas; it also has a primary trustee and stewardship role in our nation's natural resources as is clearly spelled out in its own mission statement. We ask that you fulfill this role and remove the Mid- and South Atlantic from the Five Year OCS Oil and Gas Leasing Plan and deny permits for seismic geologic and geophysical surveys before any harmful irreversible and irretrievable actions, including seismic surveys, can proceed. Thank you for your serious consideration in this critical matter. Please send any questions or response to Steve Gilbert, Special Projects Manager, South Carolina Wildlife Federation, P.O. Box 12314, Charleston, SC 29422. steveg34@scwf.org

Sincerely yours,

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Attachment

Haley, group behind push for oil testing, drilling

Investigation of 9-member coalition of governors proves alarming to conservation interests

BY BO PETERSEN and JEREMY BORDEN
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Nikki Haley was part of a coalition of governors who worked behind the scenes, largely in private, with industry lobbyists to open the Southeast coast to oil and natural gas testing and drilling.

That finding in an Institute for Southern Studies investigation has alarmed conservation interests, who were already concerned about an apparent shortchanging of public sentiment in the approval process for federal leases to test for and drill oil and natural gas in the Atlantic Ocean off the Southeast. It feeds a growing unease among conservationists about ties between oil industry advocates and decision-makers.

Earlier this week, the S.C. Department of Health and Environmental Control signed off on the first of as many as 10 permits for seismic gun testing without a mandated public hearing, environmentalists have charged.

The issue cuts to the heart of coastal life, where people and interests are divided between exploring for potential economic benefits or curbing exploration to protect marine life and a billion-dollar tourism economy. A growing number of officials and communities are opposing the offshore work.

"Our governor should represent the interests of the people in South Carolina, and the municipalities up and down the coast that represent them who have stood up to Big Oil, one by one, and resolved to oppose offshore drilling and seismic blasting," Samantha Siegel, of

Oceana's office in Charleston, said about the investigation report.

Haley, in a statement from staff, championed her work with the coalition as critical, responsible economic development.

The Outer Continental Shelf Governors Coalition was founded in 2011 in the wake of the Deep Horizon oil spill disaster in the Gulf of Mexico to push for offshore drilling leases, shortly before the Obama administration publicly began considering the move off the Atlantic states. The coalition became a hybrid public official/industry effort so different from the usual cooperative efforts that institute editorial director Sue Sturgis said she struggled for words to describe it when writing the report.

According to the Center for Public Integrity, a 2014 meeting with federal officials to talk about Atlantic drilling was organized by North Carolina Gov. Pat McCrory. McCrory said the meeting was closed to the media and environmental groups to keep it from appearing to be influenced by special interests.

But it was attended by members of Consumer Energy Alliance, an oil industry coalition, the center reported.

The meeting also was attended by two DHEC staffers, including coastal zone compliance manager Curtis Joyner. Joyner also handled the leasing permit sign-off that conservationists charged was approved without a mandated hearing. DHEC said the hearing effectively had been held already, because staff took part in an earlier federal public hearing.

"Why are South Carolina



Haley

McCrory

The coalition

Outer Continental Shelf Governors Coalition members:

- Robert Bentley, Alabama
- Bill Walker, Alaska
- Bobby Jindal, Louisiana
- Paul LePage, Maine
- Phil Bryant, Mississippi
- Pat McCrory, North Carolina (Chair)
- Nikki Haley, South Carolina
- Greg Abbott, Texas
- Terry McAuliffe, Virginia (formerly Robert McDougall)

— Source: Outer Continental Shelf Governors Coalition

state employees having a closed meeting up in North Carolina that will play a major role in the fate of the South Carolina coast?" asked Siegel.

Sturgis told The Post and Courier the institute hadn't come across anything quite like the governors coalition before.

"It's a coalition acting as a liaison between these (oil industry and federal) interests and keeping it out of the public arena. It's a public group with public money acting in the public interest," she said, but is using staff from oil industry lobbyists.

The Institute for Southern Studies is a nationally recognized Durham, N.C.-based nonprofit social cause research

center founded in 1970 by Civil Rights veterans. The institute was "shut down," in Sturgis' words, by the McCrory administration when it made a Freedom of Information Act request for emails and other information about the coalition.

Among other coalition lobbying efforts were two similar letters to Department of Interior Secretary Sally Jewell pushing for offshore testing and drilling. The first was sent in 2013 from the coalition after Jewell was nominated and before she took office. Haley's name appears on the letterhead and she is CC'ed on it. The second was sent in 2014 from the Republican Governors Public Policy Committee, and was signed by Haley, McCrory, and then-Virginia governor and coalition member Robert McDonnell.

Haley's office responded to the institute's request for emails and other correspondence concerning the governors coalition with more than 1,000 pages of documents, Sturgis said.

"(The coalition) pushed Secretary Jewell really hard, and the letters were often signed by McCrory, McDonnell and Haley," she said. The 2013 letter reads in part, "While we are very pleased with the Administration's progress on Atlantic offshore wind development, similar momentum is needed in regards to offshore oil and natural gas. Expanding leasing opportunities now will encourage the private investment necessary to move forward with seismic surveying and additional infrastructure development and deployment."

During her two gubernatorial campaigns, Haley received 88 contributions from the oil and gas industry worth a

combined \$118,331, according to data compiled by the Montana-based National Institute on Money in State Politics. The governor raised about \$12.4 million over two campaigns.

The investigations found similar contributions to McCrory, Sturgis said. But, she said, "it's not so much that lobbyists are giving oodles of money," as it is about the way the coalition has operated.

Requests to speak directly to Haley were declined by spokeswoman Chaney Adams and direct questions regarding how the governor became part of the coalition and how aware she is of the industry involvement were answered with a stock statement:

"Gov. Haley has always been a strong supporter of offshore exploration of oil and gas, and she has enjoyed working with the coalition as well as members of our state's congressional delegation on this critical economic development issue — but as she has always said, we'll do it in a way that preserves our local environment, our ports and our tourism industry."

Adams did not respond to a direct question about whether Haley was re-evaluating her position with the groundswell of popular opposition to oil and gas exploration.

A call to McCrory's office for comment was deferred to the N.C. Department of Energy and Natural Resources spokeswoman Crystal Feldman, who also replied with a statement:

"The bipartisan OCS Governors Coalition is a diverse group of governors that advocates for safe and environmentally friendly offshore energy production, the creation of energy industry jobs in our states,

Online



POLL: What do you think about Gov. Nikki Haley's stance on drilling for oil and gas off the coast of South Carolina? Go to postandcourier.com/polls to vote.

ONLINE: For more political coverage, information on the Palmetto Politics app or to sign up for our newsletter, go to palmettopolitics.com.

and a path toward American energy independence. This bipartisan coalition of coastal governors values input from all types of groups and organizations. We look forward to a continued and constructive dialogue about our nation's bright energy future."

At least 17 South Carolina municipalities or communities have now come out in opposition to the work, including Charleston, Charleston County, Columbia and five Charleston beach communities — Isle of Palms, Sullivan's Island, Folly Beach, Kiawah and Seabrook islands. They are among more than 50 communities in the region that have opposed it.

"It's certainly disturbing to see the role that out-of-state oil and gas interests are having on some South Carolina politicians," said Hamilton Davis, Coastal Conservation League energy and climate director. "One would hope this report will encourage Governor Haley and others to rethink their responsibility to the communities that are rallying against offshore drilling."