



Ms. Kelly Hammerle, Chief, National OCS Oil and Gas Leasing Program Development and Coordination Branch

Leasing Division, Office of Strategic Resources, Bureau of Ocean Energy Management (VAM-LD) 45600 Woodland Road Sterling, VA 20166-9216

## Re: BOEM-2022-0031

Dear Kelly Hammerle:

The organizations signed on to this comment represent over 60,000 coastal businesses and entrepreneurs that generate billions of dollars in annual economic activity throughout the country. Our members understand that offshore oil drilling anywhere presents significant economic risk everywhere, and we are calling on the Department of the Interior to authorize no new lease sales for its 2023–2028 National Outer Continental Shelf Oil and Gas Leasing Program (2023–2028 Program). This program has a direct impact on the business owners and jobs that power our coastal economy, so thank you for the opportunity to provide comments.

Our members understand how valuable clean shores and a healthy ocean are to our local, state, and national economies. Offshore drilling directly threatens coastal businesses by shutting down beaches with toxic oil spill disasters and by fueling the ever-worsening climate crisis. America's clean coast economy supports around 3.3 million American jobs and \$250 billion in GDP through industries like tourism, fishing, and recreation.<sup>1</sup> These long-standing industries make our coastal communities vibrant and prosperous, and responsibly managed fisheries and well-protected beaches can drive economic activity for years to come. The same cannot be said about oil, which is a finite resource. When the oil runs out, so do the jobs, leaving behind a legacy of coastal industrialization and pollution. More drilling also means more oil spills, which we simply cannot afford.

Decade after decade, the American people are told by the oil and gas industry that it is committed to safety and the prevention of oil spill disasters, yet time and again, they occur. Unfortunately, we know from experience that where they drill, they spill. When a spill occurs, it is not the oil industry that loses out the most, it is the small businesses and the everyday working people—hospitality workers, local business owners, and commercial fishermen—who feel the economic damage from a ravaged coastal community. And unlike large oil corporations, small

<sup>&</sup>lt;sup>1</sup> Oceana (Jan. 2021) Offshore Drilling Fuels the Climate Crisis and Threatens the Economy. Washington, D.C. Available: <u>https://usa.oceana.org/sites/default/files/2021/01/27/final\_climate\_economy\_fact\_sheet\_m1\_doi.pdf.</u>

businesses don't have the luxury of being financially protected by insurance policies should an oil spill occur in their region. Catastrophic oil spills, like the BP *Deepwater Horizon*, Exxon Valdez, and Santa Barbara disasters, pose unacceptable risk to coastal economies. Toxic oil poisons marine wildlife, closes beaches, and shuts down lucrative fishing areas.

With the industry's abysmal safety record, it is not a question of if, but when, their next disaster will occur. Despite repeated promises that oil spills are rare, the oil and gas industry proves again and again that spills are not isolated incidents. In the U.S. alone, there were over 6,000 oil spills between 2010 and 2020—an average of almost two spills every day.<sup>2</sup>

In October 2021, Amplify Energy's disastrous oil spill soiled Southern California beaches with thousands of gallons of toxic oil. Birds died, beaches and fisheries closed, and local businesses lost out on significant revenue as a result. Tragically, this economic calamity pales in comparison to what communities on the Gulf of Mexico have been overcoming for the past 12 years in the wake of BP's *Deepwater Horizon* disaster.

The BP *Deepwater Horizon* disaster made it clear: Oil spills do not respect state boundaries. When the rig exploded off the coast of Louisiana, tar balls soon washed up on Florida's shores, followed up by a flood of canceled reservations and closed storefronts. The *Deepwater Horizon* oil spill cost the recreation industry more than \$500 million and more than 10 million user-days of beach, fishing, and boating activity.<sup>3</sup> Following the disaster, fisheries closed and demand for Gulf seafood plummeted, costing the seafood industry nearly \$1 billion.<sup>4</sup>

It is tragic that this very same region is on the frontline of the proposed lease sales in the 2023-2028 Proposed Program. Expanding offshore drilling means it is only a matter of time before another oil spill devastates the Gulf economy. This region, already bearing the brunt of the oil industry's toxic activities, also stands to face some of the most extreme impacts of climate change.

The climate crisis is an economic crisis, and we cannot afford to wait. Rising seas and extreme weather patterns are accelerating, and coastal businesses will be directly and indirectly harmed by any expansion of climate-polluting fossil fuels. In 2021 alone, the U.S. experienced 20 separate billion-dollar weather disasters, and in total natural disasters caused \$145 billion in damages last year.<sup>5</sup> Permanently protecting federal waters from drilling will prevent over 19 billion tons of greenhouse gas emissions—the equivalent of taking every car in the nation off the

<sup>&</sup>lt;sup>2</sup> BSEE (2021) Aggregated Data of OCS Oil and Gas Industry Activities (e.g. production and drilling levels), Work Hours, Incidents, Inspections and Compliance: 2010-2020. Available: <u>https://www.bsee.gov/sites/bsee.gov/files/performance-data-table-2010-2020-12-16-2021.pdf</u>

<sup>&</sup>lt;sup>3</sup> NOAA Assessing the Impacts from Deepwater Horizon. National Oceanic and Atmospheric Administration | US Department of Commerce. Available: https:// response.restoration.noaa.gov/about/media/assessing-impacts-deepwater-horizon.html.

<sup>&</sup>lt;sup>4</sup> BOEM (2016) Carroll, Michael; Gentner, Brad; Larkin, Sherry; Quigley, Kate; Perlot, Nicole, et al. An Analysis of the Impacts of the Deepwater Horizon Oil Spill on the Gulf of Mexico Seafood Industry. U.S. Dept. of the Interior, Bureau of Ocean Energy Management, Gulf of Mexico OCS Region, New Orleans, LA. OCS Study BOEM 2016-020.

<sup>&</sup>lt;sup>5</sup> Smith, A. (Jan. 2022) 2021 U.S. billion-dollar weather and climate disasters in historical context. Climate.gov. Available: <u>https://www.climate.gov/news-features/blogs/beyond-data/2021-us-billion-dollar-weather-and-climate-disasters-</u> <u>historical#:~:text=Damages%20from%20the%202021%20disasters,Western%20wildfires%20(%2410.9%20billion)</u>.1

road for 15 years. It would also prevent over \$720 billion in damages to people, property, and the environment, letting our businesses prosper long into the future.<sup>6</sup>

The economic crisis that climate change is unleashing could devastate our coastal communities, leaving our businesses to face the impacts of climate change head on. New research from Climate Central shows that by 2050 nearly 4.4 million acres of land will be swallowed by rising seas, and properties with a collective assessed value of over \$108 billion could be affected by the end of the century.<sup>7</sup> In the coming decades, the consequences of rising seas will strain many coastal real estate markets, putting nearly 2.5 million properties at risk of chronic flooding.<sup>8</sup> Our businesses are facing the impacts of warming oceans, rising seas, and increasingly disastrous weather patterns, and we urgently need to end the fossil fuel industry's stranglehold on our energy mix.

As you work to finalize the 2023–2028 Program, we urge you to consider the disastrous economic impact offshore oil drilling and its associated greenhouse gas emissions have on our communities. For the sake of small business owners along America's coasts, now is the time for action. We commend the Biden administration's commitment to addressing the climate crisis, and to meet your climate goals while protecting coastal communities and millions of jobs, DOI and BOEM must finalize a five-year program with no new leases for offshore oil and gas drilling. Finalizing a 2023–2028 Program with no new leases for offshore drilling will help our nation address the climate emergency while protecting coastal communities, our national economy, and millions of jobs.

Thank you.

Sincerely,

Grant Bixby, Advisory Council, Business Alliance for Protecting the Pacific Coast Vipe Desai, Executive Director of the Surf Industry Members Association Tom Kies, President of the Business Alliance for Protecting the Atlantic Coast Robin Miller, Chair of the Florida Gulf Coast Business Coalition

<sup>&</sup>lt;sup>6</sup>Oceana (Jan. 2021) Offshore Drilling Fuels the Climate Crisis and Threatens the Economy.

https://usa.oceana.org/sites/default/files/2021/01/27/final\_climate\_economy\_fact\_sheet\_m1\_doi.pdf.

<sup>&</sup>lt;sup>7</sup> Climate Central (2022) Sinking Tax Base: Land & Property at Risk from Rising Seas. Available:

 $https://assets.ctfassets.net/cxgxgstp8r5d/2KKeTjnqbFelWrZalnPeRR/56796ceef9a8339aca1b22a24dba78b1/Climate\_Central_Sinking_Tax_Base.pdf$ 

<sup>&</sup>lt;sup>8</sup> Union of Concerned Scientists (2018) 2.5 Million Homes, Businesses Totaling \$1 Trillion Threatened by High Tide Flooding. Available: https://www.ucsusa.org/about/news/25-million-homes-threatened-high-tide-flooding

The Business Alliance for Protecting the Pacific Coast (BAPPC) is the leading business organization working to ensure the long-term health and economic vitality of the Pacific seaboard through responsible stewardship of the coastal and ocean waters. We represent over 8,100 businesses united in opposition to new leases for offshore drilling.

The Surf Industry Members Association (SIMA) is the official working trade association of more than 300 surf industry suppliers. Founded in 1989, SIMA is a non-profit organization that serves to promote awareness of the surf industry and participation in the sport of surfing through public relations efforts and a variety of services, educational programs, and research.

The Business Alliance for Protecting the Atlantic Coast (BAPAC) represents over 45,000 businesses working together to protect our coastal communities from new and expanded oil and gas development. Our alliance works to ensure the long-term health and vitality of our Atlantic coast economy through responsible stewardship of our coastal and ocean waters.

The Florida Gulf Coast Business Coalition (FGCBC) is a diverse coalition of businesses and industries representing over 6,000 members. Our industries are committed to protecting Florida's Gulf Coast from the devastation of oil and gas exploration and drilling.