



National Environmental Health Association (NEHA)

Position on Offshore Oil Drilling July 12, 2010

Background and Vision

The destructive explosions and fire at the BP (formerly British Petroleum) Deepwater Horizon offshore well located off the Louisiana coast in the Gulf of Mexico April 20, 2010 led to the tragic death of eleven workers and caused numerous additional injuries. The Deepwater Horizon rig sank less than two days later with 700,000 gallons of diesel fuel aboard, leaving the well gushing at the sea floor some 5,000 feet below the surface. That was the start of what is now the worst man-made environmental disaster in United States history.

As of this writing, and more than eighty (80) days post disaster, several oil capture and recovery attempts have been employed near the wellhead to stop the leaks. All have proved futile. The United States Department of Energy estimates Deepwater Horizon is gushing almost 1.5 million gallons per day (gpd) ⁽¹⁾ into surrounding marine environments. BP's own worst-case scenario assessment admits leak volume could exceed 2.5 million gpd. To bring perspective to volume of the current spill, the 1989 Exxon Valdez disaster in Alaska was the worst spill in US history. The Valdez spilled 258,000 barrels, 10.8 million gallons of oil ⁽²⁾, the effects of which linger in Alaska's Prince William Sound more than two decades after the disaster. Two bird species show little or no recovery from the oil spill while others are still recovering. Human resources linked to the Sound are also in differing states of recovery from the decades old spill. ⁽³⁾⁽⁴⁾

While oil (and other leak by-products such as methane) from the disaster has largely coalesced in waters off the coast, product has found its way to shore, oiling over 170 miles of shoreline in four states. Impact on the Gulf is already severe through loss of fisheries, impact on marine wildlife, impact on local economies and reduction in tourism.

Each day in the United States approximately 818 million gallons of oil are used. ⁽⁵⁾ Worldwide use is almost 3.5 billion gallons ⁽⁵⁾. Oil is used to fuel vehicles, heat homes, lubricate machinery ranging from bicycles to printing presses, make asphalt to pave our roads, and make plastics, medicines, ink, fertilizers, pesticides, paints, varnishes, and electricity.

Because of the United States' dependency on oil, offshore drilling has become a major part of the oil supply market in past decades. Offshore wells produced approximately 27% of the crude in 2007 --- almost 500 million barrels of oil, according to the United States Department of the Interior's Minerals Management Service (MMS) ⁽⁶⁾. With the nation's dependency on oil and the reality of obtaining as much of it as possible from domestic supplies, it will be a long time before we cease offshore drilling in this country.

As technological advances increasingly allowed the natural gas and oil industry to explore and extract oil products farther beneath the ocean floor over the past half-century, developments in management of these submerged sources have aimed to balance conflicting interests and needs associated with these activities. It

has become apparent, with this tragedy as evidence, that regulation and oversight of deep-water wells has not kept pace with oil and gas extraction technology in remote environments.

An ABC News review of federal records shows that in spite of chronic safety violations, MMS imposed inconsequential fines that often took years to collect. In a majority of cases in which workers were killed, there was no record of fines paid. When fines were imposed, the maximum penalty was only \$25,000. (7)

Although the Secretary of the Interior restructured MMS into three separate bureaus on May 19, 2010, (8) its functions are still located in the Department of the Interior. The three new bureaus with better defined missions are the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement, and the Office of Natural Resources Revenue. It took the current situation in the Gulf of Mexico to bring about this change and it is NEHA's belief that environmental enforcement is best handled by the federal agency with the proven track record of such responsibilities. Additionally, such a move will restore confidence that regulation of the industry is under new purview.

Recommended Actions

- Support legislation to require an accurate, comprehensive, and reviewed contingency plan for worst case scenario prior to the issuance of any new drilling permit.
- Support legislation that improves and increases a disaster relief fund such as the Oil Spill Liability Trust Fund (OSLTF). For this and future disasters, the fund should have government oversight but be funded by the oil companies and managed by a neutral third party. Any and all fines levied on off shore drilling rigs should be put into this fund.
- Advocate for the encouragement of expert technological assistance from other countries.
- Support legislation to reorganize MMS, and move it from the Department of the Interior to the United States Environmental Protection Agency. This will separate the inspection and regulatory staff from revenue collection and development staff and place them in a separate federal agency.
- Advocate for the establishment of research programs (funded by oil companies who are currently or plan to drill offshore) to study health effects of petroleum, it's by products, and chemical dispersants on recovery workers, volunteers and the public who may have come into contact with the products.
- Support the establishment of research programs necessary to determine the effects of The Deepwater Horizon and other potential spills on the marine environment and best management practices for recovery from any spill.
- Advocate for the establishment of guidelines by the FDA on seafood and shellfish harvested from oil spill affected waters to ensure a safe food supply.
- Support the requirement that all cleanup personnel (employees and volunteer) follow OSHA requirements and NIOSH guidelines to protect health and safety both onshore and offshore.
- Support and encourage acceleration of research and advancement of technologies that result in a sustainable environment using renewable resources whenever possible.
- Support legislation that will increase funding for renewable energy research and provide tax incentives to energy companies that switch from carbon based extraction to production of renewable energy.
- Support measures applied to improve the conditions of affected people, ecological systems and businesses, both environmentally and economically, with a goal to restore conditions as close as possible to pre-contamination conditions.
- Advocate legislation and regulations that establish strict environmental responsibility, stewardship and liability. These laws and regulations need to address accountability and negligence for both government and industry as both have shared responsibilities associated with the prevention, response and remediation of oil spills and releases.

Method of Implementation

Upon adoption, NEHA should disseminate this paper as widely as possible by release to the membership, publication in the *Journal of Environmental Health*, provision of copies of this paper to affiliates to share with their members, and provision of copies of this paper to similar professional associations for their review. Affiliates and members should be encouraged to provide comments to legislators based upon the information contained herein, or to provide a copy of this document as augmentation to their own comments.

References

1. Ray Henry (June 15, 2010), Scientists: Oil leaking up to 2.52M gallons daily: Associated Press
2. State of Alaska Exxon Valdez Oil Spill Trustee Council: from <http://www.evostc.state.ak.us/facts/qanda.cfm>
3. State of Alaska. Report on Recent Lingering Oil Studies, Exxon Valdez Oil Spill Trustee Council
4. State of Alaska. Status of Injured Resources & Services, Exxon Valdez Oil Spill Trustee Council
5. U.S Energy Information Administration, U.S. Department of Energy
6. Offshore Energy and Minerals Management (OEMM). Minerals Management Service, Department of the Interior. (Now known as the Bureau of Ocean Energy Management, Regulation and Enforcement)
7. Pierre Thomas, (June 24, 2010) Offshore Drilling: Years of Lax Oversight, Small Fines for Serious Violations: ABC News
8. United States Department of the Interior, Press Release, (May 19, 2010) Salazar Divides MMS's Three Conflicting Missions - Establishes Independent Agency to Police Offshore Energy Operations: <http://www.doi.gov/news/pressreleases/Salazar-Divides-MMSs-Three-Conflicting-Missions.cfm>