



Federation Position on Offshore Drilling

The N.C. Coastal Federation opposes offshore drilling for oil and natural gas because of the cumulative environmental effects of onshore support facilities, the risk of a catastrophic oil spill and the daily increments of pollution from small spills and toxic substances such as drilling muds and cuttings.

While most opposition has focused on possible effects in the open ocean, bringing the oil and gas industry to North Carolina would have lasting effects in our coastal communities. Storage facilities, pipe lines and refineries would be built. Even if such facilities were out of state, staging areas would be needed close to the oil rigs.

Oil company interest has historically focused on a block of leases known as the Manteo Unit that lies about 40 miles off Hatteras Island, in an area of the ocean known as The Point. In submersible dives during the late 1990s, researcher Steve Ross from the University of North Carolina-Wilmington and his colleagues counted as many as 120 marine organisms per square meter in the water column at the proposed drill site. The discovery of this biological trove came as no surprise to fishermen. The Point is known as one of the richest game-fishing areas on the East Coast.

The proposed drill site is on the edge of the continental shelf in water 2,000 feet deep where the bottom is steep and unstable. The site is also known for its extreme currents and bad weather. All this adds up to a drilling scenario that the oil companies call challenging—and we call not worth the risk.

Geologists for the oil companies estimate that the Manteo Unit may hold 1.5 billion barrels of oil -- only enough to supply U.S. for 71 days at current consumption rates -- or 5 trillion cubic feet of natural gas -- enough for 84 days at the national rate of consumption, according to the federal Energy Information Agency.

Energy Independence and Lower Gas Prices: The Myths

Americans consume 24 percent of the world's petrochemical reserves that are burned each day. Yet our lands and waters hold only about 5 percent of the world's oil and natural gas. Do the math: It's impossible to drill our way to energy independence.

Instead, the federation supports a far more reasonable approach to independence from foreign oil: A national energy policy that stresses energy efficiency, the wise use of energy and more reliance on renewable sources, such as wind and solar. Raising the fuel efficiency standards on cars and light trucks would save more energy than all the oil believed to lie off the East and West coasts, according to the Natural Resources Defense Council.

The federal Energy Information Agency reports that if an exploratory well were drilled off the N.C. coast tomorrow, it would take between seven to 10 years for the oil or natural gas to reach the market. Even then, it would lower the price of a gallon of gas only a few pennies.

Offshore Fact and Figures

- It is impossible to drill only for natural gas. Gas and oil are usually found together in underground formations. The process of taking natural gas out of the ground causes just as much pollution as drilling for oil. There is no such thing as a “clean” natural gas well.
- Pipelines, storage facilities and oil and gas rigs damaged by Hurricane Katrina spilled between six million and seven million gallons of oil along the Gulf Coast, according to the U.S. Coast Guard. Some of that came from natural gas platforms, as shown in satellite photos (www.skytruth.org).
- The oil companies already hold thousands of oil and natural gas leases that are capped and not being used in western states and the Gulf of Mexico. They do not need to sink wells on the Outer Continental Shelf to increase production.
- Although oil and natural gas platforms may be located far offshore, pollution from them could wash ashore—as shown by the presence of Gulf Stream seaweed on our beaches.
- Drilling offshore will not lower gasoline or natural gas prices in our region. Any oil or gas harvested here will go into the national supply and be priced according to national formulas.
- It would be seven to 10 years before North Carolina received any revenues from offshore drilling, because royalties would not be earned until the production stage.
- The loss to our region’s fishing and tourist economy from an oil spill could never be made up by revenue sharing.
- There are active drilling proposals in Virginia and South Carolina. Because of the south-flowing Labrador Current and the north-flowing Gulf Stream, North Carolina lies downstream from both drill sites. We need to speak out against drilling in our neighboring states.

For more information, see the Natural Resources Defense Council web site, www.nrdc.org, and an NRDC pamphlet on drilling at <http://www.nrdc.org/oceans/offshore/files/offshore.pdf>