

**TESTIMONY OF
WALTER CRUICKSHANK
DEPUTY DIRECTOR, BUREAU OF OCEAN ENERGY MANAGEMENT
UNITED STATES DEPARTMENT OF THE INTERIOR
BEFORE THE
SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES
COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES**

January 10, 2014

Chairman Lamborn, Ranking Member Holt, and members of the Subcommittee, I am pleased to appear before you today to discuss the Programmatic Environmental Impact Statement (PEIS) for Geological and Geophysical (G&G) Activities in the Mid and South Atlantic Outer Continental Shelf (OCS).

Background

The Department of the Interior's Bureau of Ocean Energy Management (BOEM) is preparing a PEIS to evaluate reasonably foreseeable environmental effects of multiple G&G survey activities in the Mid and South Atlantic OCS, pursuant to the National Environmental Policy Act (NEPA). BOEM was directed to develop this PEIS under the Conference Report for the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010 (Report 111-316). As described in the current Five Year Program for offshore oil and gas leasing, the completion of this PEIS is part of a region-specific strategy with respect to safe and responsible oil and gas exploration and development in the Mid and South Atlantic that focuses on the need to update information in order to inform future decisions about whether, and if so where, leasing would be appropriate in these areas.

The proposed action analyzed in the PEIS is to permit G&G activities in support of potential responsible oil and gas exploration and development, renewable energy, and marine minerals in the Mid and South Atlantic Planning Areas. This PEIS is being prepared because BOEM currently has no programmatic NEPA coverage for permitting G&G activities in Atlantic OCS waters. BOEM has received thirteen permit requests from nine companies for seismic airgun surveys in support of oil and gas exploration, and industry has expressed interest in expanding activities into Atlantic offshore waters. The PEIS also covers G&G activities necessary to support renewable energy projects and the identification of sand and gravel resources for coastal restoration projects, including in response to damage from Hurricane Sandy. Given the scope of the proposed surveys and their potential impacts, BOEM determined a programmatic EIS under NEPA is needed prior to permitting any new, significant G&G surveys.

The offshore oil and gas industry is interested in acquiring modern G&G data and information because of the limitations of existing information, which was acquired decades ago with now outdated technology. From 1966 to 1988, 2-dimensional (2D) seismic data were acquired in all areas of the Atlantic. The technology for acquiring and interpreting this data has been eclipsed by newer instrumentation and technology. Modern 2D and 3D data sets are acquired using better acoustic sources and longer receiving cables to better define subsea stratigraphy. In short, these advances in G&G technology allow for visualization and analysis of what lies beneath the seabed to greater depths and with greater clarity. The surveys being analyzed in the PEIS would allow for better understanding of the location and significance of potential oil and gas resources, inform engineering decisions regarding the construction of renewable energy projects, and support estimates regarding the composition and volume of marine mineral resources. This information would also be used to ensure the proper use and conservation of OCS energy resources and the receipt of fair value to the American people for any leases that could be offered in the future.

Potential Environmental Effects and Mitigation

The main purposes of the PEIS are to evaluate the potential environmental effects of multiple G&G activities in the Mid and South Atlantic and to define mitigation and monitoring measures that would reduce or eliminate potential impacts. BOEM uses the best available science and follows the guidance of experts and other regulatory agencies, such as the National Marine Fisheries Service (NMFS). BOEM has contributed nearly \$40 million over the last decade on ground-breaking research to better understand the potential for acoustic impacts to marine life from geophysical sound sources. BOEM has also conducted numerous expert stakeholder workshops to discuss and identify further information needs on acoustic impacts.

BOEM also is pursuing programmatic consultations with NMFS and U.S. Fish and Wildlife Service to assess impacts under the Endangered Species Act (ESA) and the Magnuson-Stevens Fishery Conservation Management Act (MSFCMA). The results of these consultations will be considered in any decisions made by BOEM. Further, if seismic surveys are allowed to go forward, BOEM will confer with NMFS to assure compliance with the Marine Mammal Protection Act (MMPA) before issuing any permits. These collective environmental compliance efforts (e.g., NEPA, ESA, MMPA, MSFCMA) help ensure that any activities that may ultimately be authorized do not rise to the level of jeopardizing populations or destroying important habitat.

Final PEIS

A PEIS of this scale and interest is a significant undertaking. The draft PEIS was published for public comment on March 30, 2012, and the comment period closed on July 2, 2012, reflecting an extended 90-day period per commenter requests. Over 55,000 comments were received from

a variety of industry, government and non-government stakeholder groups and the general public, many with constructive, substantive suggestions. Responding to these comments, therefore, involved a great deal of time, analysis and expertise.

During the development of the PEIS, there has also been a significant amount of coordination with other Federal agencies with relevant expertise and authorities in the Atlantic OCS. BOEM completed a consultation with NMFS under the ESA, an important consultation given the presence of the endangered North Atlantic right whale in the proposed action area. The resulting NMFS Biological Opinion was issued on July 19, 2013, which accounts, in part, for the time taken to finalize the PEIS. Both the PEIS and the ESA biological opinions will be used to support any future permit-specific environmental analyses.

Prior to the October government shutdown, BOEM was on target to release the final PEIS on January 3, 2014. The shutdown occurred during a critical review time for finalizing the PEIS and required the issuance of a stop work order to the contractor supporting BOEM's work on the PEIS. As a result, substantial momentum was lost and the schedule for publishing the PEIS set back. BOEM is now on track to publish the final PEIS by the end of February 2014.

Conclusion

Finalizing the PEIS is a high priority for the Department and BOEM. The PEIS is a critical analysis relating to the safe and responsible acquisition of G&G data, and we expect that the new collection of new seismic information will inform future decision-making about potential offshore leasing in the Atlantic.

Thank you again, Mr. Chairman, for inviting me to appear before your Committee. I look forward to working with you as we advance these important issues.