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Witnesses: America Needs to Develop Its Offshore Energy Resources NOW

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WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held a <u>legislative hearing</u> on H.R. 2231, the "Offshore Energy and Jobs Act." This legislation would expand U.S. offshore energy production to create American jobs, lower energy prices, generate new federal revenue, and strengthen America's national security. To learn more about H.R. 2231, click <u>here</u>.

"When we see oil and gas production declining in the federal Outer Continental Shelf, we must turn the corner to keep the United States competitive, especially as other countries begin to develop their own deep water resources. The predominant way we can do this is by fostering energy development in new areas. Chairman Hastings bill, the Offshore Energy and Jobs Act, will move our nation forward to open up access to new areas to thousands of new jobs and more American energy," said Subcommittee Chairman Doug Lamborn (CO-05). "While this Administration seems content with the status quo, the Chairman's legislation is about making the right choices now to foster new access and new energy in the future – not five years from now in drafting the next plan, not ten years from now, but right now."

"Nearly five years ago, Congress and President Bush took action to lift the drilling moratorium and open new areas for drilling. Unfortunately, when President Obama assumed office, he tossed out a plan to develop these areas, canceled lease sales and then imposed a new plan that keeps 85 percent of our offshore areas off-limits," said Natural Resources Committee Chairman Doc Hastings (WA-04). "H.R. 2231, the Offshore Energy and Jobs Act, once again clearly states that the President's plan is unacceptable and it requires him to put a new offshore leasing plan in place by 2015. In contrast to the President's no-new energy plan, this is a drill-smart plan that focuses energy production in specific areas containing the greatest known oil and natural gas resources. It would safely open up new areas that were previously under moratoria - such as the Mid-Atlantic, Southern Pacific and Arctic. This would create over a million new American jobs and generate hundreds of millions of dollars in new revenue to the federal treasury."

Witnesses, who testified before the Subcommittee calling on Congress to expand America's offshore energy development, spoke in support of the *Offshore Energy and Jobs Act*:

"I commend Chairman Hastings for continuing to push Congress to reconsider America's offshore energy policy, and frankly America's energy policy in toto. While many in this country, and most inside the Beltway, are just waking up to the reality that the core

assumption underlying our energy policy is no longer valid, to the extent it ever was, our energy policy is decades behind. The United States has the largest fossil fuel resource base in the world. Yet, our energy policy is based on the assumption that we are an energy poor nation that is subject to the whims of the world's energy exporters. Our energy policy must reflect the present and future reality, and the Offshore Energy & Jobs Act would help put us on the path towards that goal." - Christopher Guith, Vice President for Policy, Institute for 21st Century Energy, U.S. Chamber of Commerce

"If offshore energy production were extended to new areas, it could generate a bounty of job creation and new revenues to the government while improving America's energy security. Earlier this year, a single lease sale in the Gulf of Mexico generated \$1.2 billion in revenue for the federal government. As wells are drilled and the leases begin to produce, the revenue impact will only grow, along with the prospects for employment in the region and around the country." - John Felmy, Chief Economist at the American Petroleum Institute

"We are pleased that Congress is considering legislation, like the Offshore Energy and Jobs Act, to make new areas of the federal OCS available for oil and gas exploration, and we encourage its passage. The US has remained successful in producing its oil and gas resources because we have historically been willing to explore in new areas. And the US has safely been exploring and developing its offshore oil and gas resources since 1947. For decades, the US Gulf of Mexico has provided significant oil and natural gas resources for American consumers, currently supplying approximately 27% of domestic oil production and 15% of domestic natural gas production. The Gulf of Mexico, one of the world's premier petroleum provinces, has proved to be resilient. Over the years producers have explored and produced at greater depths and in plays far below the ocean floor to find some of the world's most remote and abundant hydrocarbons." - Richie Miller, President of Spectrum Geo Inc.

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