September 25, 2009

The Honorable Ken Salazar
Secretary
U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

Re: Gulf of Mexico Energy Security Act Regulations

Dear Secretary Salazar:

As energy producing states participating in the revenue sharing component of the Gulf of Mexico Energy and Security Act of 2006 (GOMESA) and as active supporters and members of the Gulf of Mexico Alliance, we promote region-wide coordinated efforts that conserves, protects, and restores our environment and natural resources, in addition to addressing the individual needs of our states and eligible political subdivisions. We can and do supply critical energy resources to the nation and at the same time conserve, protect and restore our environment and natural resources. Implementing GOMESA to the full extent envisioned by Congress is consistent with these efforts and goals. Accordingly, we urge the United States Department of Interior, Mineral Management Service (MMS) to revise the rules to implement the cost sharing provisions of GOMESA that it recently issued on December 16, 2008, to provide more clarity, certainty and stability to the revenue streams contemplated by the Act and to make available for sharing all revenues authorized by the Act.

By letter dated August 11, 2008, the State of Louisiana submitted comments in response to a Notice of Proposed Rule published by MMS in the Federal Register, 73 Fed. Reg. 30331 (May 27, 2008). (Please see Attachment 1) In summary, these comments requested the following:

1. Revisions to clarify the timing and methods of disbursements of funds and the ability of the Gulf of Mexico energy producing states and eligible coastal political subdivisions to designate all or a portion of the shared funds be made directly to a trustee;
2. That MMS address the OCS revenue received for the entire statutory period, from fiscal year 2007 through fiscal year 2055 and not be limited to fiscal years 2007 through 2016;

3. That rental revenues and user fees not be excluded as qualified OCS revenues to be shared with the Gulf of Mexico energy producing states and their eligible coastal political subdivisions;
4. Revisions to clarify and provide certainty that would require MMS to sell all of the royalty-in-kind it receives from GOMESA leases so that revenues to the Gulf of Mexico energy producing states and their eligible coastal political subdivisions are not locked-up in the Strategic Petroleum Reserve;
5. Revisions to subject bonus and royalty credits for relinquished leases to qualified revenues to be shared;
6. Revisions to provide for a designated point of contact within MMS to represent the Service for GOMESA purposes;
7. Revisions to include revenues derived from alternative energy activities on the Outer Continental Shelf for sharing and not to limit revenue sharing just with respect to oil and gas production; and
8. Revisions to clarify that the energy producing states of the Gulf of Mexico and their eligible coastal political subdivisions may use funds received pursuant to GOMESA revenue sharing provisions for cost sharing or matching requirements for other federal programs where these programs' implementing laws do not prohibit such use.

On December 16, 2008, MMS issued its final rule only making revisions clarifying the timing and method of disbursement of the shared revenues and that rental revenue are qualified revenues to be shared with the gulf producing states and their eligible coastal political subdivisions absent a specific exclusion in statute or appropriation language. No other rule modifications were made to address any other of the above-referenced comments.

Revisions consistent with these comments are necessary to provide predictability to the funding stream, needed flexibility to the program and to make available for sharing all the revenues authorized by GOMESA, so each of the energy producing states of the Gulf of Mexico, along with their eligible coastal political subdivisions, can derive optimum benefits from the funds made available. The failure of MMS to provide regulations implementing the revenue sharing program from fiscal years 2017 through 2055 and failing to clarify that all royalty-in-kind is required to be sold, creates uncertainty in how the program will be conducted during the period when the qualified revenues will be their highest and lessens the predictability of the amount of that revenue stream. The failure of MMS to include bonus and royalty credits for relinquished leases, user fees and revenues from alternative energy activities as qualified revenues available for revenue sharing reduces the revenue stream that was authorized by GOMESA to be shared with the Gulf producing states and their eligible coastal political subdivisions. Lastly, the failure of MMS to clarify that the Gulf producing states and their eligible coastal political subdivisions may designate all or a portion of the shared funds be made directly to a trustee and that the shared funds are allowed to be used for cost sharing or matching requirements for other federal programs where these programs' implementing laws do not prohibit such use unnecessarily limits the flexibility of our states and the eligible coastal political subdivisions in developing their respective programs for use of the funds.

These final rules presently impede the ability of our states and eligible coastal political subdivisions to conduct and achieve the planning efforts needed to maximize coastal protection, mitigation to living coastal resources, mitigation of the effects from OCS activities through onshore infrastructure projects, and management of our coastal areas to make them sustainable for future generations. The uncertainty created by these rules and the lack of inclusion for sharing of certain revenues authorized by GOMESA lessens the value of the revenue stream that unnecessarily limits the options of our states and eligible coastal political subdivisions. For instance, there are options such as securitization, that our states are considering that would bring forward the value of this revenue stream to fund essential projects in the near-term. The uncertainty in the current rules and the exclusion of revenues authorized by GOMESA makes these types of options less appealing. Accordingly, we strongly urge and request that MMS revise these rules to alleviate these impediments so the full benefits to our states and the Gulf of Mexico Region can be realized as contemplated by GOMESA.

Sincerely,

Bob Riley
Governor
State of Alabama

Bobby Jindal
Governor
State of Louisiana

Haley Barbour
Governor
State of Mississippi

Rick Perry

Rick Perry
Governor
State of Texas

THE SECRETARY OF THE INTERIOR
WASHINGTON

SEP 2 8 2009

The Honorable Bobby Jindal
Governor of Louisiana
Baton Rouge, Louisiana 70804

Dear Governor Jindal:

Thank you for your letter of September 25, 2009, co-signed by Governors Bob Riley, Haley Barbour, and Rick Perry, requesting the Minerals Management Service revise the rules for implementing the cost sharing provisions of the Gulf of Mexico Energy and Security Act of 2006. The Department of the Interior received your letter on September 25, 2009.

I sincerely appreciate your interest in this matter and you will receive a more detailed response in the near future.

Sincerely,

Ken Salazar

Ken Salazar

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

TAKE PRIDE IN AMERICA

DEC 2 1 2009

The Honorable Bobby Jindal
Governor of Louisiana
Baton Rouge, Louisiana 70804

Dear Governor Jindal:

Thank you for your letter dated September 25, 2009, to Secretary Ken Salazar sharing your concerns regarding the Minerals Management Service's (MMS) implementation of the revenue-sharing component of the Gulf of Mexico Energy Security Act (GOMESA) (Pub. Law 109-432). Secretary Salazar has asked me to respond. A similar letter is being sent to the Governors of Alabama, Mississippi, and Texas.

I appreciate your concerns, and I have requested that the MMS review the issues you have raised and respond to each concern as soon as they can. While user fees that are collected to cover the basic cost of services rendered are not revenue generating, and would therefore not be part of the revenue-sharing envisioned by the GOMESA, some of your other suggestions will take time to consider fully. I assure you that the MMS will respond to these promptly.

The partnership between the Department of the Interior and the State of Louisiana is vital to the Nation's energy future. It is my hope that we will continue to improve our collaboration.

If you have any questions, you may contact me at (202) 208-6734 or Ms. S. Elizabeth Birnbaum, Director, MMS, at (202) 208-3500.

Sincerely,

Ned Farquhar, Actg.
for

Wilma A. Lewis
Assistant Secretary
Land and Minerals Management

United States Department of the Interior

OFFICE OF NATURAL RESOURCES REVENUE
Washington, DC 20240

AUG 27 2012

The Honorable Bobby Jindal
Governor of Louisiana
Baton Rouge, Louisiana 70804

Dear Governor Jindal:

Thank you for your request for additional information regarding the implementation of the revenue-sharing component of the Gulf of Mexico Energy Security Act (GOMESA) (Pub. Law 109-432). The Office of Natural Resources Revenue (ONRR) is now responsible for the issues you raised and was recently made aware of your original request dated September 25, 2009, and the Department of the Interior's interim response dated December 21, 2009. It is my pleasure to respond to you and the Governors of Alabama, Mississippi, and Texas.

1. **Clarify the timing and method of fund disbursement and authorize the Gulf of Mexico energy producing states and eligible coastal political subdivisions to designate all or a portion of the shared fund to be made directly to a trustee.**

In the preamble and language of the final rule at 73 *Federal Register* 78622 - 78631 (December 28, 2008), the Department of Interior clarified the timing and method of GOMESA disbursements to states. With regard to timing, the regulation stated the intent of MMS, now ONRR to disburse funds on or before March 31 of the year following the fiscal year of qualified Outer Continental Shelf (OCS) revenues. ONRR, or its predecessor, disbursed Fiscal Year (FY) 2009 GOMESA revenues on November 16, 2009, FY 2010 revenues on October 15, 2010, and FY 2011 revenues on October 26, 2011. The regulation also provides the methodology and formula for calculating and allocating revenues to the affected states.

You also asked that the rule address disbursement of funds to a trustee. GOMESA does not authorize the Department to disburse funds to a third party such as a trustee.

2. **Revise the rulemaking to address revenue for the entire statutory period; FY 2007–2055, not just FY 2007–2016.**

In GOMESA, Congress defined qualified revenues separately for two time periods: 1) FY 2007–2016 and 2) FY 2017 and each fiscal year thereafter. The revenue sharing provisions in the second time period are substantially more complicated than in the first. This complexity is due in part to the inclusion of historical lease sites in the allocation formula for the second time period. The Department addressed the simpler provisions of the first time period with the above-described rule published on December 23, 2008, which avoided potential delays in the disbursement of those funds. The development of a proposed rule for the second time period of revenue sharing is underway.

3. **Revise the regulations to include rental revenues and user fees as qualified OCS revenues to be shared with the Gulf of Mexico energy producing states and their eligible coastal political subdivisions.**

We agree with your comment regarding rental revenues, as explained in our 2008 rulemaking. Our formulation of that final rule included as qualified OCS revenues all rentals except any that may be circumscribed by law. Regarding user fees, we explained in the preamble to the final rule and in former Assistant Secretary Lewis's December 21, 2009, letter to you that user fees are excluded from shared revenues because they do not originate from the lessee's property interest, which serves as the basis for identifying the revenues shared under GOMESA. This notion is consistent with other revenue sharing programs such as those included in the Outer Continental Shelf Lands Act, 43 U.S.C. § 1337(g) and (p).

4. **Require ONRR to sell all of the royalty-in-kind oil and gas it receives from GOMESA leases so that the revenues to the Gulf of Mexico energy producing states and their eligible coastal political subdivisions are not locked-up in the Strategic Petroleum Reserve.**

As your comment implies, GOMESA clearly excludes from qualified revenues the portion of royalties taken by the Secretary in-kind and not sold. On September 16, 2009, Secretary Salazar announced the termination of the Department of the Interior's Royalty in Kind Program. We do not intend to take future royalties in-kind. Because royalties received on GOMESA leases will be taken in-value, they would be considered qualified revenues for GOMESA revenue sharing purposes.

5. **Include bonus and royalty credits for relinquished leases as qualified revenues to be shared.**

Section 104 of GOMESA provides that selected leases offshore of Florida can be relinquished for bonus or royalty credit. Credits from these leases are applied against outstanding royalty or bonus obligations. On September 12, 2008, the Department issued final regulations for the exchange credits for certain relinquished leases. Eligibility to acquire credits expired on October 14, 2010.

Only 6 out of the original 85 leases eligible to receive credits were properly relinquished by the October 14, 2010, deadline. All of the issued credits have been used to date, and none have been applied to obligations on a GOMESA lease. Thus, the manner in which credits were treated did not impact GOMESA qualified OCS revenues shared with the States.

6. **Designate a point of contact within ONRR to represent the Service for GOMESA purposes.**

The point of contact for questions related to GOMESA disbursements is the Program Manager, Financial Management, Office of Natural Resource Revenue; P.O. Box 25165; Denver Federal

Center, Building 85; MS-61210B; Denver, Colorado 80225-0165. The current Program Manager of Financial Management, Mr. Robert Prael, is available to answer GOMESA disbursement questions and may be reached at (303) 231-3217.

The point of contact for questions related to the regulations is the Supervisory Management and Program Analyst, Office of Natural Resource Revenue; P.O. Box 25165; Denver Federal Center, Building 85; MS-61000B; Denver, Colorado 80225-0165. The current Supervisory Analyst, Ms. Karen Osborne, is available to answer GOMESA regulatory questions and may be reached at (303) 231-3739.

7. Share revenues derived from alternative energy activities on the OCS.

We interpret GOMESA to embody congressional intent to share only oil and gas lease revenues. Revenue sharing for alternative energy leases located within three nautical miles of state submerged lands was authorized under the 2005 Energy Policy Act, 43 U.S.C. § 1337(p). These revenues will be shared when leases within this zone are issued. Only Congress, through a legislative change, could authorize the further sharing of alternative energy revenues under GOMESA provisions.

8. Authorize the Gulf of Mexico energy producing states and their eligible coastal political subdivisions to use funds received pursuant to GOMESA revenue sharing provisions for cost sharing or matching requirements for other Federal programs where these programs' implementing laws do not prohibit such use.

The Department's GOMESA revenue sharing regulations only address the methodology and formulation of GOMESA revenue disbursements. Consistent with the Gulf States' use of Coastal Impact Assistance Program funds for Water Resource Development Act projects, there is no statutory matching funds restriction in GOMESA. While the Department lacks authority to interpret the laws and regulations governing the programs of other agencies, if asked we will inform other entities of this lack of a restriction. We will continue to work with all involved parties to provide support to valuable coastal restoration projects consistent with applicable laws.

In closing, the partnership between the Department and the State of Louisiana is vital to the Nation's energy future. It is my hope that we will continue to improve our collaboration in the future. If you have any questions, you may contact me at (202) 254-5573.

Sincerely,

Gregory J. Gould
Director

THE SECRETARY OF THE INTERIOR
WASHINGTON

MAR 3 1 2010

The Honorable Bobby Jindal
Governor of Louisiana
Baton Rouge, Louisiana 70804

Dear Governor Jindal:

Enclosed for your review and comment is the Preliminary Revised Outer Continental Shelf (OCS) Oil and Gas Leasing Program (PRP) for 2007-2012. The PRP constitutes my reconsideration of the OCS program for 2007-2012 as required by the U.S. Court of Appeals for the District of Columbia Circuit. This document has been published for a 30-day comment period.

The OCS program for 2007-2012 took effect on July 1, 2007, and was immediately challenged in court. In April 2009, the Court Circuit vacated and remanded the Department of the Interior's 2007-2012 program. The Court found that the environmental sensitivity analysis required by Section 18 of the OCS Lands Act was inadequate and instructed me to expand the environmental sensitivity analysis and to reconsider the original decision, rebalancing the program under Section 18(a)(3). On July 28, 2009, the Court limited its mandate and clarified at the Department's request that the relief granted applied only to three areas of the Alaska OCS—Beaufort, Chukchi, and Bering Seas.

My decision reflects the crucial role that OCS oil and gas production plays in reducing the Nation's dependence on foreign imports and is guided by the fundamental principle that all oil and gas exploration on Federal lands must be conducted at the right place, at the right time, and in an environmentally sound way.

The PRP decision includes 16 sales in six areas and recognizes the Gulf of Mexico as the primary region that provides energy resources to meet the Nation's oil and natural gas needs. Therefore, the PRP includes the 11 annual, areawide sales in the Central and Western Gulf of Mexico, including Central Gulf Sales 205, 206, 208, and 213 that have already occurred plus Sales 216 and 222, scheduled for 2011 and 2012 respectively. These areas alone cannot be expected to meet the Nation's energy demands. Therefore, one sale is included in the PRP for the Mid-Atlantic offshore Virginia; two special interest sales are included for Cook Inlet, Alaska (including one that will not be held due to lack of industry interest); and one sale that was held in 2008 in the Chukchi Sea, Alaska, is included in the PRP. Eastern Gulf Sale 224 was mandated by the Gulf of Mexico Energy Security Act of 2006 and, therefore, is not subject to Section 18 analysis and rebalancing. It is included as an historical record of leasing activity in the time period.

Following the end of this 30-day comment period, I will consider any comments received from the State of Louisiana and others in arriving at my final decision. I then will approve a final revised leasing program for 2007-2012 and submit it to the Court.

Thank you for your attention to this matter.

Sincerely,

Ken Salazar

Ken Salazar

Enclosure

RECEIVED

THE WHITE HOUSE OFFICE
2012 SEP 25 PM 1:18

REFERRAL
515869

September 20, 2012

TO: DEPARTMENT OF THE INTERIOR

ACTION COMMENTS:

ACTION REQUESTED: APPROPRIATE ACTION

REFERRAL COMMENTS:

DESCRIPTION OF INCOMING:

ID: 1093536

MEDIA: EMAIL

DOCUMENT DATE: March 13, 2012

TO: PRESIDENT OBAMA

FROM: THE HONORABLE BOBBY JINDAL
OUTER CONTINENTAL SHELF
LA

SUBJECT: RE-SUBMITS A MAR 13 12 LETTER TO THE PRESIDENT AND WRITES TO INFORM THE PRESIDENT OF THE STATUS OF THE COALITION AND EXPRESS SOME CONCERNS THAT THEY HAVE REGARDING THE STATUS OF OFFSHORE ENERGY DEVELOPMENT

COMMENTS:

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, UNLESS OTHERWISE STATED, PLEASE TELEPHONE THE UNDERSIGNED AT (202) 456-2590.

RETURN ORIGINAL CORRESPONDENCE, WORKSHEET AND COPY OF RESPONSE (OR DRAFT) TO: DOCUMENT TRACKING UNIT, ROOM 63, OFFICE OF RECORDS MANAGEMENT - THE WHITE HOUSE, 20500

THE WHITE HOUSE
DOCUMENT MANAGEMENT AND TRACKING WORKSHEET

DATE RECEIVED:

CASE ID: 1093536

NAME OF CORRESPONDENT: THE HONORABLE BOBBY JINDAL

SUBJECT: RE-SUBMITS A MAR 13 12 LETTER TO THE PRESIDENT AND WRITES TO INFORM THE PRESIDENT OF THE STATUS OF THE COALITION AND EXPRESS SOME CONCERNS THAT THEY HAVE REGARDING THE STATUS OF OFFSHORE ENERGY DEVELOPMENT

ROUTE TO: AGENCY/OFFICE	(STAFF NAME)	ACTION CODE	ACTION DATE	DISPOSITION TYPE RESPONSE	DISPOSITION CODE	DISPOSITION DATE COMPLETED
INTERGOVERNMENTAL AFFAIRS	VALERIE JARRETT	ORG	09/20/2012		C	09/20/2012
ACTION COMMENTS:						
✓ DEPARTMENT OF THE INTERIOR		A	09/20/2012			
ACTION COMMENTS:						
ACTION COMMENTS:						
ACTION COMMENTS:						
ACTION COMMENTS:						

COMMENTS:

MEDIA TYPE: EMAIL

USER CODE:

Scanned by ORM

ACTION CODES	DISPOSITION: TYPE RESPONSE	DISPOSITION: DISPOSITION CODES	DISPOSITION: COMPLETED DATE
A = APPROPRIATE ACTION B = RESEARCH AND REPORT BACK D = DRAFT RESPONSE I = INFO COPY/NO ACT NECESSARY	INITIALS OF SIGNER (W.H. STAFF) NRN = NO RESPONSE NEEDED	A = ANSWERED OR ACKNOWLEDGED C = CLOSED	DATE OF ACKNOWLEDGEMENT OR CLOSEOUT DATE

R = DIRECT REPLY W/ COPY ORG = ORIGINATING OFFICE	OTBE = OVERTAKEN BY EVENTS	X = INTERIM REPLY	(MM/DD/YY)

KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES
REFER QUESTIONS TO DOCUMENT TRACKING UNIT (202)-456-2590
SEND ROUTING UPDATES AND COMPLETED RECORDS TO OFFICE OF RECORDS MANAGEMENT - DOCUMENT TRACKING UNIT
ROOM 63, EEOB.

1093536

The Honorable Bobby Jindal, Governor of Louisiana (Chair)
The Honorable Sean Parnell, Governor of Alaska
The Honorable Rick Perry, Governor of Texas
The Honorable Phil Bryant, Governor of Mississippi
The Honorable Robert Bentley, Governor of Alabama
The Honorable Nikki Haley, Governor of South Carolina
The Honorable Robert McDonnell, Governor of the Commonwealth of Virginia

OUTER CONTINENTAL SHELF ★ GOVERNORS COALITION ★

March 13, 2012

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

On behalf of all of the Governors participating in the Outer Continental Shelf (OCS) Governors Coalition, we are writing to inform you of the status of our coalition and to express some concerns we have regarding the status of offshore energy development.

In May 2011, the Governors of Alaska, Louisiana, Mississippi, Texas and Virginia formed the OCS Governors Coalition with the goal of better understanding the promise and potential of offshore energy development. Since its inception, the Governors of Alabama and South Carolina have joined the Coalition.

Specifically, the mission of the Coalition is to improve the potential role of offshore energy production in a comprehensive national energy policy. In addition, the Coalition seeks improved communication with federal officials on offshore resource development and improved overall management and stewardship of coastal resources. We believe these resources could play an important role in job creation, increasing economic activity, mitigating national, state and local government deficits, reducing our foreign trade deficit and putting America on a path to energy independence.

Similar to your recent endorsement of an "all-of-the-above" energy policy, our Coalition embraces the understanding that the United States should develop all of our energy resources – both traditional and renewable sources – to provide our nation with a stable, secure supply of affordable American energy. The soaring cost of fuel further underscores how imperative a comprehensive domestic energy policy is for American families and businesses, particularly at a time of economic recovery.

As we begin a New Year, the Coalition has identified four priorities for 2012 and would like to begin a better dialogue with your Administration in order to address these concerns.

First, the Coalition recognizes that the pace and level of permitting for offshore exploration and production in the Gulf of Mexico and off Alaska must accelerate. We appreciate the safety and regulatory measures implemented by industry and regulators following the *Deepwater Horizon* tragedy in April 2010. Since the incident, delays in permitting, a lack of new permits issued and, in some cases, overly burdensome permit conditions have resulted in dramatically lower investment in U.S. offshore energy – both in comparison to historic levels and to current global norms. While some progress has been made to decrease the average wait time for approvals, we would urge stronger, swifter action. In order to resolve these delays and put our states back to work, the Administration must examine ways to streamline the permitting process and to ensure operators receive permits in a predictable and sustainable way that do not impose onerous, arbitrary conditions that may limit the economic viability of OCS development. This is critical to allow companies to plan their activities and make investment decisions.

Second, the Coalition urges the Administration to expand access to new offshore areas for traditional and renewable energy development. Principally, we remain disappointed by the Administration's failure to include new leasing areas in the Proposed Draft Five-Year Plan for Oil and Gas Leasing for 2012-2017. Despite strong bipartisan support from Virginia, the Administration did not reinstate a lease sale off Virginia. Areas of the Mid- and South-Atlantic and the Eastern Gulf of Mexico contain abundant reserves of oil and natural gas. But with the decision to exclude these areas from consideration where supported by adjacent states, exploration of these frontier areas will not proceed until at least 2018. We urge the Administration to consider more thoroughly the wishes of the affected states when considering offshore leasing plans.

Meanwhile, the Coalition is pleased to see progress on leasing for offshore wind development, including off Virginia's coasts. Other members in the Coalition look forward to similarly exploring the opportunities for offshore wind and tidal energy, and we would appreciate similar cooperation with the Administration on these potential initiatives in the future.

However, we do have concerns that the National Ocean Council (NOC) and its proposed coastal and marine spatial planning will have unintended consequences for all types of energy development, including offshore wind leasing. Before the Council proceeds with its planning program, we urge the Administration to allow for a better understanding of the bureaucratic hurdles that will be erected through this process and for our coalition states to play a more substantial role in NOC recommendations.

Third, the Coalition believes all states that host OCS development off its shores should participate in revenue-sharing associated with offshore energy production. Revenue-sharing provides states with resources to fund coastal restoration and conservation, helping to protect and preserve their coastlines. As an example, Governor Jindal recently released the Louisiana Comprehensive Master Plan for a Sustainable Coast. Funding from future OCS development received by Louisiana through the Gulf of Mexico Energy Security Act of 2006 is critical to protecting citizens from hurricanes and saving Louisiana's coast. As federal and state governments examine opportunities for expanded energy development, we hope the Administration supports efforts to extend revenue-sharing.

Finally, the Coalition seeks updated evaluations on OCS resources. In order to make sound decisions about OCS development, policymakers need current assessments of U.S. offshore energy reserves. Due to advances in technology, the Department of the Interior's estimates for OCS reserves has increased dramatically over the past decade. We believe expanded assessment of offshore resources – particularly in those areas not currently available for leasing – will allow the federal government and the states to reach more informed policies on the role of the OCS in a comprehensive national energy policy. As you know, the National Petroleum Council (NPC) report "Prudent Development" highlighted the vast oil and natural gas resources in the United States, including the OCS, and described how these resources can be developed safely without harming the environment.

The Coalition seeks to establish mechanisms for consistent dialogue with the Administration on these vital issues, and ways for states to have additional input into these determinations. In addition to improving communication via this Coalition, we would recommend that your Administration reestablish the OCS Policy Committee within the Department of the Interior. The previous Committee, whose charter expired in 2010, allowed participation from all coastal state governors, as well as several federal agencies, the business community, the environmental community and other local constituencies. This type of inclusive, consistent communication will help drive a sound OCS policy.

Improving our collective understanding of domestic offshore energy prospects and finding solutions that benefit all Americans through reduced dependence on overseas energy sources, increased domestic energy production, decreased foreign trade deficit and more domestic employment opportunities will help to ensure a bright future for generations of Americans.

We appreciate your attention to these matters, and the Coalition looks forward to working with your Administration more closely to advance these objectives.

Sincerely,

Governor Bobby Jindal
State of Louisiana

Governor Sean Parnell
State of Alaska

Governor Nikki R. Haley
State of South Carolina

Rick Perry

Governor Robert Bentley
State of Alabama

Governor Robert McDonnell
State of Virginia

Governor Rick Perry
State of Texas

Governor Phil Bryant
State of Mississippi

Cc: Secretary of the Interior Kenneth Salazar
Bureau of Safety and Environmental Enforcement Director James Watson
Bureau of Ocean Energy Management Director Tommy Beaudreau
National Oceanic and Atmospheric Administration Director Jane Lubchenco