

U.S. Department of the Interior Minerals Management Service Gulf of Mexico OCS Region

February 2001

Proposed Use of Floating Production, Storage, and Offloading Systems on the Gulf of Mexico Outer Continental Shelf

Final Environmental Impact Statement MMS 2000-090

(Internet Note: The above PDF file size is 39 MB; If you experience problems when opening it in your browser, right click on the link, for Explorer click Save Target As, for Netscape click Save Link As, and save to a local directory. Open saved file in Acrobat Reader.)

The Minerals Management Service (MMS) announces the availability of the Final Environmental Impact Statement (EIS) examining the possible effects of floating production, storage, and offloading (FPSO) systems proposed for use in the development of deepwater oil and gas resources in the Gulf of Mexico. The FPSO's receive crude oil from deepwater wells and store it in their hull tanks until the crude can be pumped into shuttle tankers or oceangoing barges for transport to shore.

Use of the FPSO's has the potential to improve industry's capabilities of developing oil and gas reserves on the Gulf of Mexico Outer Continental Shelf (OCS) in waters so deep that they either challenge or exceed existing deepwater production techniques and transportation systems. Deepwater is defined in the Final EIS as water deeper than 200 meters or 656 feet.

This Final EIS finds that potential site-specific impacts are essentially the same as with other deepwater development and production systems; that most of the risk of oil spills is associated with the shuttle tankers, not the FPSO itself, and that risk is comparable to the risks from other deepwater systems and from pipelines. It further concludes that excluding FPSO's would not reduce cumulative environmental impacts because other systems would be used in its place. The analysis did find that emissions associated with shuttle tankers could exceed air quality exceedances in the Breton Class 1 Area. The Final EIS is limited to the Central and Western Gulf of Mexico planning areas.

This Final EIS considered a generic FPSO system and operation, as well as a range of technical variations. The "base case" evaluated is a permanently moored, double-hulled, ship-shaped FPSO that can store up to 1 million barrels of crude oil. The seafloor well equipment and onboard production equipment are the same kind used with other deepwater production facilities. The crude is offloaded to shuttle tankers for transport to Louisiana and Texas ports or to the Louisiana Offshore Oil Port (LOOP). Associated or produced gas is piped ashore.

This programmatic examines fundamental issues associated with industry's proposed use of FPSO's in the Western and Central Gulf of Mexico OCS planning areas. The approach is generic and not site specific. Therefore, on the basis of the analysis in this final EIS, the MMS will decide whether FPSO systems will be an acceptable option for consideration for use on the Gulf OCS. That decision will be documented in a Record of Decision after the 30-day final EIS review period, which begins with the publication of the Notice of Availability in the *Federal Register*.

The Final EIS does not study or approve the proposed use of FPSO's at any specific site. Specific-site proposals would have to undergo review by MMS and the Coast Guard, as well as the affected States for consistency with their Coastal Zone management plans, and would require permits from the Environmental Protection Agency.

This newly released Final EIS was prepared in accordance with the National Environmental Policy Act. Copies are available at no charge from the Minerals Management Service, Gulf of Mexico OCS Region,

Public Information Office, 1201 Elmwood Park Blvd., New Orleans, LA 70123, telephone 504-736-2519. Copies can also be inspected at principal libraries along the Gulf Coast and in a number of inland cities.

The MMS, a bureau in the U.S. Department of the Interior, is the federal agency that manages the nation's natural gas, oil, and other mineral resources on the Outer Continental Shelf. The agency also collects, accounts for, and disburses more than \$5 billion per year in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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