.U.S. DEPARTMENT OF THE INTERIOR

BUREAU OF OCEAN ENERGY MANAGEMENT

GULF OF MEXICO OCS REGION

TRANSCRIPT OF PUBLIC HEARING

Date: April 20, 2012

Time: 7:00 p.m. - 7:40 p.m.

Location: Embassy Suites
5055 International Boulevard
Charleston, SC 29418

Reported by: Naomi McCracken

TRANSCRIPT HUSEBY DEPOSITION SERVICES

FILE NO: 87676

SPEAKER INDEX

PROCEEDINGS

MR. GOEKE: Good afternoon. My name is Gary Goeke. I am the chief of the Regional Assessment Section with the Bureau of Ocean Energy Management in New Orleans. We are holding a public hearing this evening to try to collect information regarding the draft EIS we've published. What we're going to do is -- we have a very small group with us tonight. What we're going to do is keep this very informal. Okay?

So we've got some information. We've got a little presentation that we will do for you to give you some background on where we are and what we've accomplished and where we are headed within the remainder of this process.

And the gentleman who created the EIS and led the EIS, the project manager, is Dr. Tom Beirstadt. Tom is sitting here and Tom is going to talk with you-all tonight. Tom?

MR. BEIRSTADT: We're here because the National Environmental Policy Act requires public meetings in the course of preparing EIS and other documentation that the government uses for decision making.

Here tonight we're talking about a Programmatic Environmental Impact Statement that we've prepared. It's sitting there on the edge of the table as objective evidence that that's what it looks like. And it's for a a proposed geological and geophysical activities on the Atlantic seaboard.

This is a -- you can see, here's a series of public meetings that we're going to have similar to this one where we will present what we've done and we'll have an opportunity for people to comment on it so that in the process of revising the document, we can account for inputs from the public and state and federal agencies and all who comment.

It's prepared and it's been published. It's been noticed for comment for 60 days. The notice was put in the Federal Register March 30th and we have a 60-day comment period we're right in the middle of.

Today we're here to record your comments, get anything in writing you may have, because public input is an important part of the process.

The Environment Impact Statement itself says it's the potential environmental impact of

G&G activity -- that's geological and geophysical -- of the outer continental shelf. We looked at projected levels of interest and activity that would be out there by industry. We have evaluated various areas of mitigation measures that are used to either eliminate or reduce environmental impacts on the resources that are there. And this information provides analysis for our agency in making decision and for other agencies before authorizations are made for this kind of work.

And this ultimately is the decision document for agency preparing it. In our case, the Department of Interior will make a decision based on the work that we have done here after we have finalized it later on in the year.

The proposed action is to authorize G&G activities for three program areas that our agency manages: Oil and gas, renewable energy and marine minerals.

These are the areas of interest here. The Mid-Atlantic planning area, this large region off the shore of North Carolina, Virginia, Maryland and Delaware. And the South Atlantic planning region, these are what we call areas of

interest in the document.

This line is the territorial limits of the United States exclusive economy zone and this is the extended continental shelf boundary about 350 miles off shore. All of this area was considered for our evaluation.

G&G work, geological, involves coring, shallow stratigraphic drilling, work did he traffic graphic tests. Shallow drilling is define as less than 500 feet below the mud line on the sea bottom. And these tests can be below 500 feet. They can extend quite deep. They can discover anything because they are really a method of doing research. But if anything is discovered, it can't be produced because there is no lease and you can't produce oil and gas on federal lands without a lease.

Geophysical activity would be between two- and three-dimensional seismic surveys. High resolution geophysical surveys are more engineering in nature. If you are going to be placing or put bottom-finder structure on the bottom you need no know the energy properties of the sediment so you can design your facilities properly.

There are various tools that are used for determining depthemetery, determining whether there is an obstruction on the sea bottom, whether there is faulting in the surface or if you have a gas packet or something. These are shallow hazards. And also gravity magnetic surveys are a part of the sweep of activities.

In this sort of review, you would examine routine activities that are a consequence of the work and also things that are not necessarily a consequence of the work accidents.

For routine activities, we're talking about airguns, seismic echo-acoustic sound sources. Electromechanical sound sources are those that I was referring to in the previous slide.

Aircraft traffic and noise: There are a lot of boats that need servicing that are working off shore and have helicopters that are transferring crews and supplies.

Drilling and coring produce cuttings that are generally deposited on the sea bottom. Also drilling fluids are used to cut the sediment with the drill bit.

Any disturbance on the bottom: Touching

it, it sampling it, drilling, coring, placing anchors, sensors or other types of cables.

On shore base support: People that work on the ocean have to live on land and boats that do work on the ocean have to be serviced on shore or have to have a place to stay. So there is a host of activities that take place on shore that indirectly support this work.

There is vessel traffic, the noise in the water caused by the vessels. There are wastes that are generated by the boats themselves and the people on them. And the consequence of any work on the ocean, there is trash and debris that has to be considered.

By way of accidental events, fuel spills are all we're really talking about here because the proposed action is for the G&G, geological and geophysical testing, is not for producing oil. It's not for transporting oil. There is no pipe lines involved. There is no tankers involved. So really the only thing that can go wrong is if the vessel hits something or another vessel and spills some fuel.

The environment resources that we looked at: fish and fisheries, both commercial and

recreational, essential fish habitat, marine mammals, sea turtles, coastal and marine birds, protected species, any these categories, socioeconomy issues, archeological resource like shipwrecks. We looked at marine protected areas. There are two national marine sanctuaries in these off shore regions of the South Atlantic, Raised Reef you have and in the Mid-Atlantic you have the Monitor site.

Human resources and land use and other marine uses include activities the military conducts on the water. There are large range complexes that are used by the Navy for undersea and surface exercises.

In an evaluation of this nature, the heart and soul of the EIS is really the alternatives that are selected for analysis. In our case we looked at the National Marine fisheries, areas that have been identified on the east coast for the protection of the northern right whales. They are called seasonal management areas. And we have combined that with the practices that have been long exercised in the Gulf of Mexico for this sort of work. We have mitigation that are in place for specious

observers, for ramping-up of the surveys, for observing the exclusion zones around airguns while the survey is taking place and conditions under which a survey would shut down if they encountered animals in the course of the work.

Alternative B, the philosophy there is to have additional mitigations and also enhanced protection for these zones that have been recognized for the northern right whale, these seasonal management areas and I'll show you a map in a minute about what I'm talking about.

Also, we propose an area be limited for airgun activity that would be for nesting sea turtles off shore central Florida. And also have separation between surveys that are operating simultaneously.

And also, as part of Alternative B, we consider -- well, we have required passing acoustic monitoring. That is using hydrophones in the water to see if there is any telltale activity underwater by marine mammals. They have various characteristic sounds, creaking, singing. They can be detected indirectly under the water. At the surface you can see them, but if they are not at the surface, this technique tends to give you

some idea of whether they maybe under water and not observable.

Alternative C has no action for NEPA evaluation that is required under the regulations for this type of work.

For the three program areas, we have oil and gas renewable energy and marine minerals. For oil and gas, there hasn't been leases in the Atlantic for almost 25 or longer -- 25 years are longer. There hasn't been any geological or any geophysical work for an equal period. So it's a question whether you allow this work to continue to proceed.

With the case for renewable energy and marine minerals, these are activities already underway in both the Mid-Atlantic and South Atlantic. So framed the no-action alternative as looking at the oil and gas part of our program and saying we're either going to do this or not, but for renewable energy or marine minerals, we will have the action be a continuation of work that's going on, because there is currently permitting that's take place on an as-needed basis, on a case-by-case basis. So the no-action alternative is to let that happen. And really the framing of

the argument for oil and gas is the no action alternative.

These are those time/areas closures I was mentioning that NOLA fishery recognizes. What those are for are vessel speed restriction areas. The critical habitat of the northern right whale is here off shore Jacksonville extends down to Northern Florida. This seasonal management area is this little box in orange. The yellow area is the Mid-Atlantic seasonal management area. And during these periods of time that are shown here by corresponding colors, the vessels have to go slower because the whales are in this area. They tend to spend the summer months off shore in the New England states, and during the course of the year they migrate down the shore, hugging the shore rather closely -- generally within 20 miles or so; most surveys have verified that -- to over winter off shore Jacksonville here where they have their calves. Then they migrate right back up the coast. So it's a north-south migration that occurs every year.

For Alternative B, time/area closures, we sought to enhance them to accurate more of a restricted activity zone because we have extended

this southeastern seasonal management area to the south, to the edge of the southern boundary of the South Atlantic area. And also I'm proposing to have those areas that are in between the currently recognized Mid-Atlantic regional management areas to be a part of it, so what you have created the zone from the very northern part of the Mid-Atlantic planning area all the way down the coast line to the southern boundary of the South Atlantic planning area. That would be a zone that would be closed off for airgun-type activity during this season, these seasonal period that NOLA recognizes for vessel speed restrictions.

Off shore the Brevard County area, Cape Canaveral is a well-known turtle habitat. There are tens of thousands of nests that are documented from this area on a yearly basis by people who observe them, the loggerhead and the leatherback turtles. So we propose to have this zone extend out to about 11 miles as a restricted area for airgun activity during the period of time that these turtles are coming on the shore laying their eggs and hatchlings are moving off shore.

If you look at EIS -- if you'd just like to have an over-all picture of what we've done and

the conclusions we've made, take a look at Table 2-2. It talks about all of the environmental resources that we catalogue and all of the impacting factors that we've identified corresponding to them. And we have also noticed -- or we've posted the alternatives on the top, so what we've created is a matrix that will show you these various quality descriptors. We call them impact significance criteria here. They range from negligible through minor, moderate and major.

For all of the activities we've looked at and for all of the impacting factors, there was no assessment of a major impact for any of this work. Everything was something less. It could have been moderate; it could have been minor. And all of these terms are qualitive, but they are defined in chapter 4 of the document.

While we're doing the environmental impact statement, we have to have consultations that are required by other laws that are implemented by other agencies. Section 7 of the Endanger Species Act is a consultation we have to do. And the Marine Mammal Protection Act has consultations that we do with NOLA fisheries

because all marine mammals are recognized as protected. Endangered species are specifically identified by a process under the Endangered Species Act. They are a sub-set of all the marine mammals.

So the next steps we have for our project is that now we're in the midst of a comment period for the next 60 days. We're about in the middle of it when we get comments from you people like you and state agencies will revise the EIS with a package of recommendations for the Interior Management for what sort of decisions they might like to make and why they might like to make them.

The environmental consultations will be underway and there will be a decision document published in the Federal Register once the Secretary of the Interior make a decision about the work that's being proposed here. I mentioned that the comment period began March 30th. Now it will close on May 30th.

We can take your comments here now. We can take anything in writing that you may have to offer. You can mail comments to a dedicated email address: GGBEIS@boem.gov.

The documents posted on our website, if you picked up the materials on the tables outside, you'll see the hyperlinks to where you can just pick on the copy of the document, take a look at it that way, if you would like. If you wish to comment to us using the U.S. Postal Service, you just send it to the address that's indicated. That's also shown in our public information and materials that are outside.

I guess in closing what I would say is we spent the last year doing this evaluation, pretty complex science. It involves fairly state of the practice to model noise in water. What we would ask -- what our agency asks of folks who review the document, is take a look at it and try to digest the information as best you can. Make your own conclusions and send in your comments so that when we revise the draft, we can produce a better final EIS. That, in turn, is used by management to make as good a decision as they can make.

With that, what do we have? We have folks that have signed up to speak. There is no reading or time limit. If you would like to give a comment because it's such a small group.

Katy Zimmerman, would you like to make a

comment?

MS. ZIMMERMAN: My name is Katy Zimmerman. I'm a project manager with a local environmental non-profit group called the Coastal Conservation League and we have 5,000 members across the state.

Our comprehensive comments are going to be submitted in writing by our energy climate director, Hamilton Davis, so he should getting those to you soon.

But just in summary of what our concern are, we do think that is it appropriate to also consider during this scoping process whether to ultimately allowing oil and gas development in these areas will present an unacceptable risk to the environment towards the industry and quality of lives for Mid- and South Atlantic states.

If oil and gas development is found to be an inappropriate activity in these areas, then there can be no justification for allowing exploration activities that would inevitably have a variety of negative impacts on various marine species in their respective habitat.

Our other major concerns is that the data gathered from these exploratory activities will be

proprietary and only available to you-all on the Bureau during the pre-leasing process so that the states or the public would not have a meaningful opportunity to weigh the costs and benefits associated with off shore gas and oil developments in the Mid-Atlantic and South Atlantic regions.

So it ultimately leaves the state and public in a precarious position of opposing their support in off shore oil and gas development without the updated information and data necessary to evaluate the impacts of these activities. So we recommend the following actions be considered as alternatives to the current proposal.

One, a comprehensive public planning process for the Atlantic OCS should be undertaken as an alternative to current proposed actions. Because of the increasing pressures on our resources, it's only appropriate that BOEM move forward with any planning process that capable of evaluating all kinds of future uses of the Atlantic OCS establishing data set capable of guiding public discussion as plans are created for future activities and uses of the Atlantic OCS should be prioritized by BOEM and place of current proposal to enable oil and gas development without

sufficient opportunity to the public evaluation of the data gathered during the course of potentially damaging exploratory activities.

Prior to the allowing exploration activities for oil and gas on the Mid- and South Atlantic OCS, the Bureau should determine whether oil and gas development is actually appropriate for these areas in light of the relative sensitivity of this coastal ecosystem. The potential for negative impacts to state tourism and fishing can be an inevitable negative impacts on quality of life related to on shore infrastructure necessary to support the industrial activities associated with oil and gas development.

Finally, if it is decided that exploratory activities will be allowed on the Mid- and South Atlantic OCS all data, should be made available to the state and the public as leasing plans are developed by the Bureau for off shore gas and development. Making the data public would allow meaningful dialogue related to the cost and benefits associated with the development of estimated oil and gas resources.

Thank you.

MR. BEIRSTADT: You're the only one that's signed up to speak. Is there anyone else would like to make a comment for us.

MR. PISCATILLA: If I may, I would like to make my --

MR. BEIRSTADT: Will you state your name and spell it please for the Court Reporter?

MR. PISCATILLA: Sure. It's Tony Piscatilla.

P-i-s-c-a-t-i-l-l-a. And I'm trying to gather information and you're talking about the outer continental shelf. The outer shelf extends to what, 200-mile limit?

MR. BEIRSTADT: Yes.

MR. PISCATILLA: Where does it start? Where is the innermost? Is that a 35-mile girth?

MR. BEIRSTADT: That's at the three nautical mile boundary off shore.

MR. PISCATILLA: At three nautical miles?

MR. BEIRSTADT: Yes.

MR. PISCATILLA: That's a lot closer than I thought it was.

MR. BEIRSTADT: In shore it's state waters. Beyond that is federal waters.

MR. PISCATILLA: All right. That was

what I wanted to know.

The other question I have in my head is -- I'm looking at your South Atlantic region, and we know that there is oil and gas deposits around the peninsula of Florida and you stopped just below Jacksonville with your South Atlantic things. What is below that? What kind of studies are happening below that?

MR. BEIRSTADT: Well, the entire continental shelf is subdivided into these protraction areas -- these large planning area. Below that is the Bahamas area. The biology of some of these are influenced by the cemetery, width of the continental shelf, off shore Florida. It goes really deep, really quickly. And so it's a very narrow shelf.

MR. PISCATILLA: Thank you. I was just trying to get my head around it.

MR. BEIRSTADT: Yes, ma'am. Could you spell your name?

MS. WHITE: My name is Linda White, like the color.

I'm just have another question. Tony asked one of my questions. The other one I was wondering how you determined where the sea turtles

were at. Because I believe they go all the way up the coast, not just in that little area that you have marked near Florida or in Florida.

MR. BEIRSTADT: That is true. There are sea turtles that come on shore and nest everywhere; however, this particular area is a specially one. It's very densely populated and that's why we've recognized it for a exclusion zone from the activity. Although, yes, they do nest all along the shore, sure; but here the concentrations are very high.

MS. WHITE: And then Tony was also asking, are the tests going to actually be as close as three miles? I mean, is this giving the latitude to start the testing area that close to shore, or will there be a couple hundred miles where it's not going to necessarily affect all these things that's going to happen along our coast?

MR. BEIRSTADT: We permit activities on the federal lands, which is everything seaward of the three nautical mile boundary. The degree to which our permitting may affect waters that are closer seabeds, if there a connected activity. For example, We park off shore has a cable that

goes to shore. Part of our permitting for that off shore facility involves cooperating with agencies that have permanently authority in state waters to get a cable that would take electricity all the way to shore. That's just an example of what we are calling in the document we're calling a connected activity.

MS. WHITE: I have had just like the go on record that I disagree with everything you do. I -- forgot your name -- that you've mention, because I'm from California and I have seen the affects of oil drilling on beaches and I really think that people don't think about that when they go to drill because they don't see is tar that comes up and gets on your feet when you are just trying to get in the ocean.

So I hope that will have something very public we can both come back to and tell our stories so that other people might be more aware and just not getting cheaper oil for ourselves. So, please, do make something more public so other people have a, chance not just talk about the tests that are going to start, but what is the result of the outcome of those test. Thank you.

MR. BEIRSTADT: Thank you. Anyone else?

Yes, sir.

MR. TAYLOR: Eddie Taylor. Just a couple of comments. I'm a former member of the South Carolina Renewable Energy Infrastructure Development Oversight Committee. We have built a little bit in this area, but for me, it's a national security issue. And I don't see that doing the surveys and so forth is going to be disruptive to the turtles. I just don't see a problem. And I think it's very important for us to move forward in this energy area in all directions.

And so basically I would say I'm in favor of this trying to offset a few of those who are opposed to it. If you can drill on land, great. If you can drill in the water, that's great. I'm for it. Drill baby drill. Thank you.

MR. BEIRSTADT: Thank you. If there is no other speakers, we can conclude our meeting. Okay. Thank you very much for coming.

(The public meeting was concluded at 7:33 p.m.)

CERTIFICATE OF REPORTER

STATE OF SOUTH CAROLINA)

DORCHESTER COUNTY)

I, Naomi E. McCracken, a Computerized Stenotype Reporter and Notary Public within and for the State of South Carolina, duly commissioned and qualified, do hereby certify that these proceedings were taken by me, reduced to stenotype, afterwards prepared and produced by means of Computer-Aided Transcription to the best of my ability and that the foregoing is a true and accurate transcription of the proceedings so taken as aforesaid.

I do further certify that these proceedings were taken at the time and place in the foregoing caption specified, and was completed without adjournment.

I do further certify that I am not a relative, employee of or attorney for party or counsel, or otherwise interested in the event of this action.

I do further certify that I am not, nor is the court reporting firm with which I am affiliated, under a contract as defined in Civil Rule 28(D).

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Summerville, South Carolina on this 2nd day of May, 2012.

Naomi E. McCracken,
Computerized Stenotype Reporter
And Notary Public in and for
The State of South Carolina.

My Commission Expires October 4th, 2020

T