



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT
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Memorandum

To: Principal Deputy Assistant Secretary - Land and Minerals Management

From: Walter D. Cruickshank *Walter D. Cruickshank*
Deputy Director

Subject: Record of Decision for the Gulf of Mexico's Outer Continental Shelf Central Planning Area Oil and Gas Lease Sale 227 (March 2013)

1. INTRODUCTION

The purpose of this proposed Federal action is to offer for lease certain Outer Continental Shelf (OCS) blocks located in the Central Planning Area (CPA) in the Gulf of Mexico that may contain economically recoverable oil and gas resources. Under the *Proposed Final Outer Continental Shelf Oil and Gas Leasing Program: 2012-2017* (Five-Year Program; USDO, BOEM, 2012a), two Gulf of Mexico sales are scheduled to be held annually—one in the Western Planning Area (WPA) and one in the CPA—and two additional sales may be held in the Eastern Planning Area during the Five-Year Program. Lease Sale 227 is the first sale in the CPA under the Five-Year Program and will provide qualified bidders the opportunity to bid on blocks in the Gulf of Mexico OCS in order to explore, develop, and produce oil and natural gas.

As noted in Section 8 below, this Record of Decision (ROD) documents the Bureau of Ocean Energy Management (BOEM) decision to hold an oil and gas lease sale in the CPA. This oil and gas lease sale was evaluated as Alternative A in the *Gulf of Mexico OCS Oil and Gas Lease Sales: 2012-2017; Western Planning Area Sales 229, 233, 238, 246, and 248; Central Planning Area Lease Sales 227, 231, 235, 241, and 247; Final Environmental Impact Statement* (Final Multisale EIS) with a very minor adjustment. As described below, this decision offers for lease all unleased blocks within the CPA for oil and gas operations, except whole and portions of blocks deferred by the Gulf of Mexico Energy Security Act of 2006, blocks that are adjacent to or beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap, and whole and partial blocks that lie within the 1.4 nautical mile buffer zone north of the maritime boundary between the United States and Mexico.

2. ENVIRONMENTAL IMPACT STATEMENT DEVELOPMENT AND PUBLIC INVOLVEMENT

On February 9, 2011, BOEM published in the *Federal Register* a Notice of Intent (NOI) to Prepare a Multisale Environmental Impact Statement (Multisale EIS). A 45-day scoping period, which closed on March 28, 2011, was announced in the NOI. Federal, state, and local governments, along with other interested parties, were invited to send written comments to the Gulf of Mexico OCS Region on the scope of the Multisale EIS. The comments in these letters were summarized in Chapter 5.3.1 of the Final Multisale EIS.

BOEM held scoping meetings for the Multisale EIS in Louisiana, Texas, and Alabama. BOEM received comments (oral and written) on the scope of the Multisale EIS, significant issues that should be addressed, alternatives that should be considered for adoption, and mitigation measures in response to the NOI. BOEM also received comments during the three scoping meetings from Federal, state, and local government agencies; interest groups; industry; businesses; and the general public. BOEM considered all relevant scoping comments received while preparing the Final Multisale EIS.

The U.S. Environmental Protection Agency (USEPA) published a Notice of Availability (NOA) of the Draft Multisale EIS in the *Federal Register* on December 30, 2011. The NOA provided for a 45-day public review and comment period for the Draft Multisale EIS. In accordance with 30 CFR § 556.26, BOEM also scheduled public hearings soliciting comments on the Draft Multisale EIS. The hearings provided the Secretary of the Interior with information from interested parties to help in the evaluation of potential effects of the proposed lease sale. BOEM included in the NOA for the Draft Multisale EIS an announcement of the dates, times, and locations of the public hearings. BOEM also included a copy of the public hearing notices with the Draft Multisale EIS that was mailed to the parties listed in Chapter 5.4, posted on the BOEM Internet website (<http://www.boem.gov>), and published in local newspapers. BOEM addressed all substantive comments received in the preparation of the Final Multisale EIS.

On July 6, 2012, the USEPA published a NOA for the Final Multisale EIS in the *Federal Register*. BOEM received three comment letters on the Final Multisale EIS, which are summarized below.

U.S. Department of the Interior, National Park Service (NPS): In a letter dated July 24, 2012, the NPS provided the following comments:

- (1) the NPS requested that BOEM address the potential for subsidence at the barrier islands of the Gulf Islands National Seashore (GUIS) with new oil and gas drilling;
- (2) the NPS stated that there is a high probability that wildlife in the GUIS area may be directly and adversely affected should single or multiple 4- to 6-story high oil and gas drilling rigs be installed, and the NPS requested that BOEM include an expanded analysis that recognizes and addresses the concern for potential oil and gas drilling rigs adjacent to the NPS jurisdictional boundaries of the five barrier islands included within the GUIS enabling legislation;
- (3) the NPS requested that BOEM include an expanded analysis that recognizes and addresses the concern with water quality and trash and debris if a single or multiple oil and gas platforms were constructed in close proximity to GUIS;
- (4) the NPS requested that a visual simulation study be accomplished to quantify the potential visual effects to the NPS units;
- (5) the NPS requested that BOEM include an expanded analysis that recognizes and addresses the concern that, if a single or multiple oil and gas rigs and drilling platforms were constructed within sight of the GUIS barrier islands, the Congressionally designated Horn and Petit Bois wilderness islands/areas would be significantly compromised; and
- (6) the NPS requested that BOEM consider an exclusion area around units of the NPS in the Southeast Region until additional studies can be accomplished that address their concerns.

BOEM Response: BOEM has continued ongoing coordination efforts with NPS to understand NPS concerns better and explain to BOEM's leasing program process to determine if any mitigation measures can and should be implemented for lease sales in the area adjacent to

GUIS. Thus far during these discussions, NPS has not provided any documentation that would change the conclusions to the analyses in the Final Multisale EIS nor have they recommended modification, delay or cancellation of this lease sale. BOEM is moving forward with its decision regarding Lease Sale 227 at this time. Therefore, BOEM will continue its ongoing engagement with NPS on these issues.

USEPA: In a letter dated August 6, 2012, the USEPA provided the following comments:

- (1) the USEPA noted that the preferred alternative in the summary section had not been clearly defined for the CPA lease sale area and recommended that clarification be provided in this ROD;
- (2) the USEPA's primary concerns with the air impact analysis provided in the Draft Multisale EIS were that the referenced studies did not include the 1-hour NO₂ and SO₂ standards and that the referenced studies did not address compliance with the short-term, 1-hour NO₂ standard or the 1-hour SO_x standard, as well as fine particulates. The USEPA states that "BOEM acknowledges in the Final Multisale EIS that 'impacts on short-term standards cannot be evaluated by average emissions and average facility fuel use data.'" The USEPA also states that "BOEM acknowledges in the Final Multisale EIS that this information remains incomplete/unavailable data and is likely to be essential for making a reasoned choice among the alternatives. The USEPA remains concerned regarding how this incomplete/unavailable data could impact the decision makers', reviewer's, and public's ability to determine if there are significant air impacts associated with this decision. The USEPA has concerns that the air analysis does not provide adequate information to support the statement that "Emissions of pollutants into the atmosphere from the routine activities associated with the proposed actions are projected to have minimal impacts to onshore air quality because of prevailing atmospheric conditions, emission heights, emission rates, and the distance of these emissions from the coastline, and are expected to be well within the National Ambient Air Quality Standards."";
- (3) the USEPA appreciated the inclusion of the recommended Clean Water Act National Pollutant Discharge Elimination System language in the Final Multisale EIS;
- (4) the USEPA was pleased to see the inclusion of additional information regarding potential impacts to coastal areas, primary impacts associated with oil spills, and information regarding coastal restoration programs in the Final Multisale EIS;
- (5) the USEPA encouraged BOEM to discuss new technologies and Best Management Practices to respond to deepwater spills in future NEPA documents and to adopt as necessary to ensure adequate response capabilities for these types of events;
- (6) the USEPA appreciated the inclusion of updated information regarding the GOM hypoxia zone in the Final Multisale EIS;
- (7) the USEPA appreciated the additional information provided in the Final Multisale EIS regarding environmental justice concerns relating to the potential for impacts from the expansion of the existing infrastructure to accommodate drilling activities for these new lease areas;
- (8) the USEPA continued to support BOEM regarding the subsistence study and efforts to document better subsistence distribution networks;
- (9) the USEPA strongly supported all mitigation and stipulations necessary to address impacts to water quality, air quality, live bottom areas, protected species stipulations, and site-specific mitigations for environmental protection and safety; and
- (10) the USEPA requested that BOEM provide USEPA's Region 4 and 6 an opportunity to review and comment on future tiered NEPA actions (including environmental assessments and categorical exclusions) associated with the above-referenced lease sales

due to mitigation strategies and lease stipulations that may be necessary at future stages in this NEPA process.

BOEM Response: The majority of comments from USEPA were complimentary on the Final Multisale EIS. BOEM has attempted to clarify the preferred alternative for the CPA in this ROD; specifically BOEM has clarified that its preferred alternative is Alternative A in the Final Multisale EIS, with slight modification as noted in this ROD. As noted in the next section below, this alternative would offer for lease all unleased blocks within the CPA for oil and gas operations, except whole and portions of blocks deferred by the Gulf of Mexico Energy Security Act of 2006, blocks that are adjacent to or beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap, and whole and partial blocks that lie within the 1.4 nautical mile buffer zone north of the maritime boundary between the United States and Mexico. Regarding air quality, BOEM administers the OCSLA in the CPA by ensuring compliance with the national air quality standards of the Clean Air Act to the extent that activities authorized significantly affect the air quality of any state. In so doing there are some differences in how USEPA would regulate and how BOEM regulates OCS air quality. Regardless, BOEM takes USEPA's comments seriously and believes the comments USEPA provided on the Final Multisale EIS were already addressed in response to USEPA's similar comments on the draft Multisale EIS (see Chapter 5 of the Final Multisale EIS). As noted in prior responses, BOEM has determined that there is no missing or unavailable air quality information that is essential to the current lease sale decision. BOEM will continue to take these comments, as well as others from USEPA, including those on new technologies and management practices to respond to deepwater spills, in future NEPA documents. For example, in discussions with USEPA, BOEM agreed to an expanded discussion and analysis of air quality in the Draft Lease Sale 233/231 Supplemental EIS. That analysis corroborates the impact analyses and conclusions in the Final Multisale EIS. As such, the Final Multisale EIS impact conclusions remain accurate and USEPA's concerns on air quality have been addressed. With regard to the request to review and comment, although outside of the scope of this Final Multisale EIS and this ROD, BOEM continues to work collaboratively with USEPA on this issue and others described above.

Oceana, Center for Biological Diversity, Defenders of Wildlife, Ocean Conservation Research, Sierra Club, and Southern Environmental Law Center: In a joint letter dated August 3, 2012, these organizations commented that, in their opinion, the Final Multisale EIS showed significant improvements over prior NEPA analyses, but that it still suffered from several major flaws and omissions. The letter highlighted some of the organizations' most significant new concerns. Specifically, they stated that the Final Multisale EIS (1) presented the risks of large oil spills in a revised, but still deeply misleading manner; (2) misrepresented new data that is available regarding blowout risks in deep water; (3) relied heavily on key source documents that are not publicly available; and (4) failed to clearly present data on oil-spill volumes expected as a result of these proposed lease sales. These organizations encouraged BOEM to correct these errors before making a final decision based on a flawed EIS.

BOEM Response: BOEM responded to comments submitted by these organizations on the draft Multisale EIS (see Chapter 5 of the Final Multisale EIS). BOEM believes that the information presented in the Final Multisale EIS, including the risks of oil spills, data on blowout risks, and estimates of spill volumes, has been presented adequately and fairly. BOEM has made every effort to use existing publicly available data and to ensure that new information is made publicly available. BOEM subject matter experts determined the information that was relevant in their analyses and presented the available information in a clear and concise manner for the decision maker and public.

Overall, most of the comments submitted on the Final Multisale EIS either did not offer any new information that would change the conclusions made in the Final Multisale EIS, or they related to matters outside of the scope of the Final Multisale EIS and the decision on holding this lease sale in the CPA. BOEM's analysis and risk assessment account for the significant reforms that DOI has implemented since the *Deepwater Horizon* explosion, spill, and cleanup, which have improved the safety and environmental protection of the OCS. These reforms have advanced the safety of offshore drilling to reduce the risk of another loss of well control in our oceans, as well as the ability of both government and industry to effectively respond to a blowout and spill.

While offshore oil and gas exploration and development will never be risk free, these activities can be conducted safely and responsibly, with appropriate measures to protect human safety and the environment.

3. ALTERNATIVES FOR PROPOSED CPA LEASE Sale 227

Alternatives Included for Analysis in the EIS

Alternative A—The Proposed Action: This was BOEM's preferred alternative in the Multisale EIS. This alternative would offer for lease all unleased blocks within the CPA for oil and gas operations, except whole and portions of blocks deferred by the Gulf of Mexico Energy Security Act of 2006, blocks that are beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap, and whole and partial blocks that lie within the 1.4 nautical mile buffer zone north of the maritime boundary between the United States and Mexico. The proposed CPA lease sale area encompasses virtually all of the CPA's 66.45 million acres. Approximately 38.0 million acres of the CPA sale area are currently unleased. The estimated amount of resources projected to be developed as a result of the proposed CPA lease sale is 0.460-0.894 billion barrels of oil (BBO) and 1.939-3.903 trillion cubic feet (Tcf) of gas. Although not analyzed as a separate alternative in the Multisale EIS, the United States Department of State has requested that blocks adjacent to a specified portion of the southern extent of the United States Exclusive Economic Zone be excluded from the lease sale. As discussed below in Section 8, this set back request has been incorporated into BOEM's final decision.

Alternative B—The Proposed Action Excluding the Unleased Blocks Near Biologically Sensitive Topographic Features: This alternative would offer for lease all unleased blocks in the CPA, as described for the proposed action (Alternative A), with the exception of any unleased blocks that would otherwise be subject to the Topographic Features Stipulation.

Alternative C—No Action: This alternative would result in the cancellation of the proposed CPA lease sale. The opportunity for development of the estimated 0.460-0.894 BBO and 1.939-3.903 Tcf of gas that could have resulted from the proposed CPA lease sale would be precluded or postponed. Any potential environmental impacts resulting from the proposed lease sale would not occur or would be postponed.

Alternatives and Deferrals Considered but Not Analyzed in the Final Multisale EIS

In addition to the alternatives described above and in more detail in the Final Multisale EIS, several options and alternatives were considered initially by BOEM, but deemed to not merit additional or individual analysis in the Final Multisale EIS (see pages 2-4 through 2-12 of the Final Multisale EIS). For example, comments were received on the *Gulf of Mexico OCS Oil and Gas Lease Sales: 2012-2017; Western Planning Area Sales 229, 233, 238, 246, and 248;*

Central Planning Area Lease Sales 227, 231, 235, 241, and 247; Draft Environmental Impact Statement (USDOJ, BOEM, 2012b; see Chapter 5 of the Final Multisale EIS, Oceana Letter, Comment 4) stating that the EIS should consider an alternative of no leasing in deep water and an alternative that would consider a moratorium on leasing in 2012 and 2013. In addition to these comments on alternatives for the Draft Multisale EIS, comments regarding alternatives and deferrals were also received on the *Outer Continental Shelf Oil and Gas Leasing Program: 2012-2017, Draft Environmental Impact Statement* (Draft Five-Year Program EIS) (USDOJ, BOEM, 2011). The Draft Five-Year Program EIS was published on November 10, 2011. A comment period was established from that date through January 9, 2012, and comments suggesting additional alternatives and deferrals that should be considered were received. Two of the suggested alternatives or deferrals are very similar to those suggested for the Draft Multisale EIS (i.e., exclude deepwater leasing and delay leasing). Additional alternatives and deferrals suggested in comments on the Draft Five-Year Program EIS include the following: do not allow drilling in areas with strong ocean currents such as the Loop Current; delay leasing until the state of the Gulf of Mexico environmental baseline is known; and identify and protect sensitive ecosystems. For the reasons cited in the Final Multisale EIS, BOEM determined that the suggested alternatives and deferrals, as summarized below, did not merit individual or detailed analysis in the Final Multisale EIS.

Exclude Deep Water and Limit Leasing to Shallow Waters

During scoping and review for the Five-Year Program EIS and review of the Draft Multisale EIS, comments were received stating opposition to drilling in deep water and requesting that an alternative be considered that would limit leasing to shallow waters. The 1,000-foot (ft) (305-meter [m]) depth has often been used in the past when referring to the distinction between shallow and deep water. The organization offering the comment did not provide an explicit reason why it was requesting such a leasing alternative, but it appears to be related to concerns regarding the risks of blowouts and oil spills from drilling in deep water versus drilling at shallower depths. Concerns about such risks have risen since the *Deepwater Horizon* explosion and spill, in response to which DOI has implemented a number of regulatory measures to reduce these risks and increase response capabilities in the unlikely event of future loss of well control events that could result in a release of oil.

BOEM determined that an alternative that would allow leasing only in shallow water would not decrease the risk associated with deepwater drilling because of the minor increase in deepwater drilling expected from this lease sale. However such an alternative may place coastal resources at increased risk, and may be detrimental to the recovery of OCS oil and gas resources in the long term. (See pages 2-5 to 2-7 of the Final Multisale EIS). This alternative would not meet the purpose and need of the proposed action and, therefore, it was not retained for detailed analysis as an alternative separate from the Proposed Action and No Action Alternatives in the Final Multisale EIS.

Delay Leasing until Drilling Safety is Improved

For the reasons stated in the Final Multisale EIS (see pages 2-7 to 2-8), BOEM has considered, but not analyzed in detail a request to delay leasing until drilling safety is improved. BOEM believes that the suite of regulations, Notices to Lessees, and new techniques adopted by BOEM and the Bureau of Safety and Environmental Enforcement (BSEE) have greatly improved safety and that new options and techniques will continually improve safety as new information becomes available. As explained in the Final Multisale EIS, at the discretion of the Secretary,

any lease sale can be delayed or cancelled for any reason, including a possible need for further evaluation of oil-spill response or drilling safety issues.

If fewer lease sales were held or lease sales were delayed, BOEM still expects that most of the OCS activity that could occur over the next few years would take place on leases issued as a result of past, existing, and scheduled lease sales, as well as other activities such as already approved or imminently approvable plans and geophysical and geological permit applications. These activities will occur in the absence of the proposed action.

Do Not Allow Drilling in Areas with Strong Ocean Currents Such as the Loop Current

During the *Deepwater Horizon* explosion, spill, and cleanup, there was concern that the Loop Current in the Gulf of Mexico would extend into the area of the northern Gulf where the spill was occurring and would entrain and rapidly transport large amounts of oil as far away as south Florida and into the Atlantic Ocean. Although the Loop Current did not entrain and transport a large amount of oil during the *Deepwater Horizon* explosion, spill and cleanup, the concern remains that entrainment could have been more substantial under different oceanographic conditions and that entrainment and transport could be problematic in the event of future large oil spills. Due to the variability in timing and location of the Loop Current, this alternative is overly broad and would remove large areas from leasing and potential development. The risk can be effectively addressed by preventing spills in areas where drilling occurs. Imposing rigorous regulatory requirements on industry to ensure safe drilling operations and effective response technologies in the event of a spill more appropriately addresses the concerns advanced while continuing to meet the purpose and need of the proposed action. Therefore, an alternative of not allowing drilling in areas with strong ocean currents such as the Loop Current was not analyzed in detail in the Multisale EIS.

Delay Leasing Until the State of the Gulf of Mexico Environmental Baseline is Known

This suggested alternative would address comments raised that the state of recovery of the Gulf of Mexico environmental baseline following the *Deepwater Horizon* explosion, spill and cleanup has not yet been fully determined, and that BOEM should delay leasing until missing information is known, or at least for several years. (See pages 2-9 to 2-10 of the Final Multisale EIS.) The basis for the deferral is the concern that additional leasing could contribute to an incremental increase in the chance of another low-probability, catastrophic oil spill or that routine cumulative activities could have environmental effects on an ecosystem that was still recovering from a previous event. The Final Multisale EIS has taken into account areas of incomplete information, consistent with §1502.22 of the Council of Environmental Quality's (CEQ) regulations. The option of delaying leasing would not produce a change in any impacts beyond those analyzed in the No Action Alternative analyzed in the Final Multisale EIS. At the time of the lease-sale decision, the Assistant Secretary for Land and Minerals Management can choose the No Action Alternative for any proposed lease sale, resulting in a delay of leasing. BOEM has therefore determined that this suggested alternative does not require additional analysis in the Final Multisale EIS, distinct and apart from the No Action Alternative already considered.

Identify and Protect Sensitive Ecosystems

This alternative is already considered in the Proposed Action Alternative as mitigation and existing regulatory requirements rather than as a separately identified alternative (except for Alternative B, which is described below). BOEM and its predecessors have made concerted efforts to identify and protect sensitive resources and habitats in the Gulf of Mexico since 1973 (nearly four decades). Over time, using adaptive management practices, this Agency has proactively developed a suite of mitigation measures that are applied at the prelease or postlease phases of the oil and gas program. These measures serve to avoid and protect fixed biologically and culturally sensitive features on the shelf, slope, and in deep water, such as topographic features, pinnacles, live bottoms, chemosynthetic communities, deepwater corals, and historic shipwrecks (e.g., Topographic Features Stipulation, Live Bottom (Pinnacle Trend) Stipulation, NTL 2009-G39, NTL 2009-G40, and NTL 2005-G07). Protective measures are also in place to mitigate potential impacts from seismic activities, marine debris, vessel traffic, structure-removal activities, and vessel traffic to mobile resources, such as marine mammals and sea turtles (e.g., NTL 2012-JOINT-G02, NTL 2012-BSEE-G01, NTL 2012-JOINT-G01, and NTL 2010-G05). As a result of the BOEM/BSEE survey requirements associated with site-specific post lease activities, such as drilling and infrastructure emplacement (e.g., platforms and pipelines), new sensitive biological features and shipwrecks are discovered on an ongoing basis, and appropriate mitigation measures are developed to protect these resources.

BOEM has included in the Final Multisale EIS an alternative (Alternative B—The Proposed Action Excluding the Unleased Blocks Near Biologically Sensitive Topographic Features) designed to protect certain sensitive ecological features. These are features that are known and mapped and have been protected by the Topographic Features Stipulation for nearly 40 years. Because BOEM has already analyzed Alternative B in the Final Multisale EIS and because of the extensive environmental protection measures already implemented by BOEM and BSEE and the ability to identify and protect sensitive environmental and cultural resources on an ongoing basis, this more generalized alternative was not analyzed separately in detail in the Final Multisale EIS.

4. ENVIRONMENTALLY PREFERABLE ALTERNATIVE

BOEM has identified Alternative C, defined as the No Action Alternative in the Final Multisale EIS, as the environmentally preferable alternative. Alternative C was not selected because the public need for domestic energy sources and the economic benefits that would be realized through oil and gas exploration outweigh the expected environmental impacts of the proposed action, particularly in light of potential negative environmental impacts of substituted energy sources (e.g. shipping of imported oil) and the Secretary's ability to impose measures to mitigate impacts of the proposed action.

5. ENVIRONMENTAL AND SOCIOECONOMIC IMPACTS

The full analyses of the potential impacts of routine activities and accidental events associated with the proposed action and the proposed action's incremental contribution to the cumulative impacts are described in the Final Multisale EIS. A summary of the potential impacts from the proposed action on each environmental and socioeconomic resource and the conclusions of the analyses is presented below. The impacts of a catastrophic spill were considered in the Multisale EIS as requested by the Council on Environmental Quality.

For the following resources, the subject-matter experts determined that there is incomplete or unavailable information that is relevant to reasonably foreseeable significant adverse impacts; however, it is not essential to a reasoned choice among alternatives.

- Air Quality
- Water Quality (Coastal and Offshore)
- Coastal Barrier Beaches and Associated Dunes
- Wetlands
- *Sargassum* Communities
- Chemosynthetic and Nonchemosynthetic Deepwater Benthic Communities
- Soft Bottom Benthic Communities
- Alabama, Choctawhatchee, St. Andrew, and Perdido Key Beach Mice
- Commercial Fisheries
- Recreational Fishing
- Recreational Resources
- Archaeological Resources (Historic and Prehistoric)
- Land Use and Coastal Infrastructure
- Demographics
- Economic Factors
- Species Considered due to U.S. Fish and Wildlife Service Concerns

For the following resources, BOEM's subject-matter experts determined that while there is incomplete or unavailable information that is relevant to reasonably foreseeable significant adverse impacts and may be essential to a reasoned choice among alternatives, in many instances, the cost of obtaining the information was exorbitant or, regardless of cost, it could not be obtained within the timeframe contemplated by this NEPA analysis. In place of the incomplete or unavailable information, the subject-matter experts used the scientifically credible information that was available and applied it using accepted scientific methodologies.

- Seagrass Communities
- Live Bottoms (Pinnacle Trend and Low Relief)
- Topographic Features
- Marine Mammals
- Sea Turtles
- Diamondback Terrapins
- Coastal and Marine Birds
- Gulf Sturgeon
- Fish Resources and Essential Fish Habitat
- Environmental Justice

The following summarizes the potential impacts by resource of the proposed action, analyzed in the Final Multisale EIS:

Air Quality: Emissions from routine activities and accidental events (e.g. spills of oil, natural gas, condensate, and refined hydrocarbons, H₂S release) associated with the proposed action are not expected to produce concentrations that would change onshore air quality classifications.

Water Quality (Coastal and Offshore Waters): Impacts from routine activities associated with the proposed action would be minimal given current regulatory and permitting requirements.

Although there is the potential for accidental events, a CPA proposed action would not significantly change the water quality of the Gulf of Mexico over a large spatial or temporal scale.

Coastal Barrier Beaches and Associated Dunes: Routine activities associated with the proposed action, such as increased vessel traffic, maintenance dredging of navigation canals, and pipeline installation, would cause negligible impacts and would not deleteriously affect barrier beaches and associated dunes. The potential impacts from accidental events, primarily oil spills, associated with the proposed action are anticipated to be minimal.

Wetlands: Routine activities associated with the proposed action such as pipeline emplacement, navigational channel use, maintenance dredging, disposal of OCS wastes, and construction and maintenance of OCS support infrastructure in coastal areas are expected to result in low impacts. Any potential impacts to wetland habitats from accidental events, primarily oil spills, are expected to be of low potential and tend to be small in duration and scope.

Seagrass Communities: The increment of impacts from service-vessel transit associated with the proposed action would be minimal. Should an oil spill occur near a seagrass community, impacts from the spill and cleanup would be likely be short term in duration and minor in scope.

Live Bottoms (Pinnacle Trend and Low Relief): Damage to live bottoms is unlikely from routine activities associated with the CPA proposed action due to the combination of their depth (200-400 ft; 60-120 m), separation from sources of impacts as mandated by the Live Bottom (Pinnacle Trend and Low Relief) Stipulation and through site-specific seafloor reviews of proposed activity, and a community adapted to sedimentation. In the unlikely event that oil from a subsurface spill would reach the biota of these communities, the effects would be primarily sublethal for adult sessile biota, and there would be limited incidences of mortality.

Topographic Features: The routine activities associated with the proposed action that would impact topographic feature communities include anchoring, infrastructure and pipeline emplacement, infrastructure removal, drilling discharges, and produced-water discharges. However, adherence to the proposed Topographic Features Stipulation would make damage to these ecosystems unlikely. Contact with accidentally spilled oil would cause lethal and sublethal effects in benthic organisms, but the oiling of benthic organisms is not likely because of the small area of the banks, the scattered occurrence of spills, the depth of the features, and because the proposed Topographic Features Stipulation, if applied, would keep subsurface sources of spills away from the immediate vicinity of topographic features.

Sargassum Communities: The impacts to *Sargassum* that are associated with the proposed action are expected to be only minor effects to a small portion of the *Sargassum* community as a whole. No measurable impacts are expected to the overall population of the *Sargassum* community from the proposed action. Limited portions of the *Sargassum* community could suffer mortality if it contacts spilled oil or cleanup activities. The *Sargassum* community lives in pelagic waters with generally high water quality and would be resilient to the minor effects predicted.

Chemosynthetic and Nonchemosynthetic Deepwater Benthic Communities: Chemosynthetic and nonchemosynthetic communities are susceptible to physical impacts from structure emplacement, anchoring, pipeline installation, structure removal, and drilling discharges associated with the proposed action. Accidental impacts associated with a CPA proposed action would result in only minimal impacts to chemosynthetic communities with adherence to the proposed biological stipulation and the guidelines described in NTL 2009-G40.

Soft-Bottom Benthic Communities: The routine activities associated with the proposed action that would impact soft bottoms generally occur within a few hundred meters of platforms, and the greatest impacts are seen close to the platform communities. Potential accidental events associated with the proposed actions are expected to cause little damage to the ecological function or biological productivity of the widespread, low-density chemosynthetic communities and the widespread, typical, deep-sea benthic communities. The proposed action will not adversely impact the overall soft bottom habitat in the GOM, but instead have localized impacts on areas that are extremely small compared with the entire seafloor of the Gulf of Mexico. The localized impacts will be significant to the individual organisms effected, but the comprehensive impact to soft bottom benthic communities in the GOM will be insignificant as a whole because soft bottom benthic communities are ubiquitous throughout the Gulf of Mexico and capable of repopulating impacted areas rapidly.

Marine Mammals: Routine events related to the proposed action are not expected to have adverse effects on the size and productivity of any marine mammal species or population in the northern GOM. Characteristics of impacts from accidental events depend on chronic or acute exposure from accidental events resulting in harassment, harm, or mortality to marine mammals, while exposure to dispersed hydrocarbons is likely to result in sublethal impacts.

Sea Turtles: Routine activities resulting from the proposed action have the potential to harm sea turtles, although this potential is unlikely to rise to a level of significance due to the activity already present in the Gulf of Mexico and mitigations that are in place. Accidental events associated with a proposed action have the potential to impact small to large numbers of sea turtles. The incremental contribution of the proposed action would not be likely to result in a significant incremental impact on sea turtles; in comparison, non-OCS energy-related activities, such as overexploitation, commercial fishing, and pollution, have historically proved to be of greater threat to sea turtle species.

Diamondback Terrapins: The routine activities of the proposed action are unlikely to have significant adverse effects on the size and recovery of terrapin species or populations in the Gulf of Mexico. Impacts on diamondback terrapins from smaller accidental events are likely to affect individual diamondback terrapins in the spill area, but they are unlikely to rise to the level of population effects (or significance) given the probable size and scope of such spills.

Alabama, Choctawhatchee, St. Andrew, and Perdido Key Beach Mice: An impact from the consumption of beach trash and debris associated with the CPA proposed action on the Alabama, Choctawhatchee, St. Andrew, and Perdido Key beach mice is possible but unlikely. While potential spills that could result from the CPA proposed action are not expected to contact beach mice or their habitats, large-scale oiling of beach mice could result in extinction, and, if all personnel are not thoroughly trained, oil-spill response and cleanup activities could have a significant impact to the beach mice and their habitat.

Coastal and Marine Birds: The majority of effects resulting from routine activities associated with the proposed action on endangered or threatened and nonendangered and nonthreatened coastal and marine birds are expected to be sublethal. Impacts from potential oil spills associated with the proposed action and oil-spill cleanup on birds are expected to be negligible; however, small amounts of oil can affect birds, and there are possible delayed impacts on their food supply.

Gulf Sturgeon: Routine activities associated with the CPA proposed action, such as the installation of pipelines, maintenance dredging, potential vessel strikes, and nonpoint-source

runoff from onshore facilities, would cause negligible impacts and would not deleteriously affect Gulf sturgeon. The potential impacts from accidental events, mainly oil spills associated with the CPA proposed actions, are anticipated to be minimal. The incremental contribution of the CPA proposed action to the cumulative impact is negligible.

Fish Resources and Essential Fish Habitat: Impacts of routine discharges are localized in time and space and are regulated by USEPA permits and would have negligible impacts. If spills, associated with the proposed action, were to occur in open waters of the OCS proximate to mobile adult finfish or shellfish, the effects would likely be nonfatal, and the extent of damage would be reduced due to the capability of adult fish and some adult shellfish to avoid a spill. Fish and shellfish eggs and larvae would be unable to avoid spills and early development stages may be at greater risk.

Commercial Fisheries: Routine activities in the proposed action, such as seismic surveys and pipeline trenching, would cause negligible impacts and would not deleteriously affect commercial fishing activities. Indirect impacts from routine activities to inshore habitats are negligible and indistinguishable from direct impacts of inshore activities on commercial fisheries. The potential impacts from accidental events, a well blowout, or an oil spill associated with the proposed action are anticipated to be minimal because the potential for oil spills is very low.

Recreational Fishing: The proposed action may lead to low-level environmental degradation of fish habitat, which would negatively impact recreational fishing activity. However, these minor negative effects would likely be outweighed by the beneficial role that oil rigs serve as artificial reefs for fish populations. An oil spill will likely lead to recreational fishing closures in the vicinity of the spill.

Recreational Resources: Routine OCS actions associated with the proposed action can cause minor disturbances to recreational resources, particularly beaches, through increased levels of noise, debris, and rig visibility. It is expected that the oil spills most likely to result from the proposed action will be small, of short duration, and not likely to impact Gulf Coast recreational resources. Should an oil spill occur and contact a beach area or other recreational resource, it will cause some disruption during the impact and cleanup phases of the spill.

Archaeological Resources (Historic and Prehistoric): The greatest potential impact to an archaeological resource as a result of routine activities associated with the proposed action would result from direct contact between an offshore activity (e.g., platform installation, drilling rig emplacement, and dredging or pipeline project) and a historic or prehistoric site. The major effect from an oil spill impact on coastal historic archaeological sites would be visual contamination, which would be likely temporary and reversible.

Land Use and Coastal Infrastructure: The proposed action would not require additional coastal infrastructure, with the exception of possibly one new gas processing facility and one new pipeline landfall, and it would not alter the current land use of the analysis area. The impacts of small-scale oil spills, chemical/drilling fluid spills, and vessel collisions are not likely to last long enough to adversely affect overall land use or coastal infrastructure in the analysis area.

Demographics: The proposed action is projected to minimally affect the demography of the analysis area. Accidental events associated with the proposed action, such as oil or chemical spills, blowouts, and vessel collisions, would likely have no discernible effects on the demographic characteristics of the Gulf coastal communities.

Economic Factors: The proposed action is expected to generate a less than 1 percent increase in employment in any of the coastal subareas, even when the net employment impacts from accidental events are included.

Environmental Justice: Impacts related to the proposed action on minority and low-income populations are expected to be primarily economic in nature and to have a limited but positive effect on low-income and minority populations because the proposed action would contribute to the sustainability of current industry and related support services. Given the existing distribution of the industry and the limited concentrations of minority and low-income peoples adjacent to the OCS infrastructure, the proposed action is not expected to have a disproportionate effect on these populations within the CPA.

Species Considered due to U.S. Fish and Wildlife Concerns: Oil spills, irrespective of size, can result in some mortality as well as sublethal, chronic short- and long-term effects, in addition to potential impacts to food resources. However, the CPA proposed action would be expected to have little or no effect on populations of these species.

In light of the analysis of impacts considered in the Final Multisale EIS, BOEM has balanced the potential impacts to the human and natural environment. BOEM has analyzed these potential impacts in considering potential mitigation that may avoid or reduce these impacts. BOEM has also considered these potential impacts balanced against the purpose and need of the proposed action, and in light of the national interest in exploration and development of domestic energy resources and the potential impacts of other substitute sources of energy, among other factors.

6. MITIGATION

The NEPA process is intended to help public officials make decisions based on an understanding of environmental consequences that may result from the decision and to take actions that protect, restore, and enhance the environment. For this proposed action, BOEM has adopted all practicable means to avoid or minimize environmental harm from the selected alternatives at the lease sale stage. Additional mitigating measures that are determined on a case-by-case basis to be appropriate at the plan review stage and at the permitting stage may also be adopted. The various mitigations adopted for this proposed action, and those that may be applied during post-lease reviews, are summarized below.

Lease Stipulations—Stipulations included for analysis in the EIS were developed as the result of scoping efforts over a number of years for the continuing OCS Program in the Gulf of Mexico. Ten lease stipulations are proposed for CPA Lease Sale 227—the Topographic Features Stipulation; the Live Bottom (Pinnacle Trend) Stipulation; the Military Areas Stipulation; the Evacuation Stipulation; the Coordination Stipulation; the Blocks South of Baldwin County, Alabama, Stipulation; the Protected Species Stipulation; the Law of the Sea Convention Royalty Payment Stipulation; Below Seabed Operations Stipulation; and the Stipulation on the Agreement between the United States of America and the United Mexican States Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico (Transboundary Stipulation).

Topographic Features Stipulation—The Topographic Features Stipulation protects the biota of the topographic features from adverse effects by distancing routine oil and gas activities from these features. This stipulation prevents or minimizes impacts to these features, including physical damage from anchoring and rig emplacement and the potential toxic and smothering effects from muds and cuttings discharges. The Topographic Features Stipulation has been included in leases since 1973 and has effectively prevented damage to the biota of these banks

from routine oil and gas activities such as anchoring. Monitoring studies have demonstrated that the shunting requirements of the stipulation are effective in preventing the drilling mud and cuttings from impacting the biota of the banks. The topographic highs on and near these blocks are often associated with salt domes, which are attractive areas for hydrocarbon exploration. Instead, blocks on the topographic features have been offered for lease with a stipulation that has proven effective in protecting sensitive biological resources.

Live Bottom (Pinnacle Trend) Stipulation—The Live Bottom (Pinnacle Trend) Stipulation is intended to protect the Pinnacle Trend and the associated hard-bottom communities from damage and, at the same time, provide for recovery of potential oil and gas resources. This stipulation requires avoidance of these features during placement of oil and gas structures and pipelines.

Military Areas Stipulation—The Military Areas Stipulation has been applied to all blocks leased in military areas since 1977 and reduces potential impacts, particularly with regard to safety; however, it does not reduce or eliminate the actual physical presence of oil and gas operations in areas where military operations are conducted. The stipulation contains a “hold harmless” clause (holding the U.S. Government harmless in case of an accident involving military operations) and requires lessees to coordinate their activities with appropriate local military contacts.

Evacuation Stipulation—The Evacuation Stipulation has been applied to all blocks leased in the CPA since 2001. This stipulation provides for evacuation of personnel and shut-in of operations during events conducted by the military that could pose a danger to ongoing oil and gas operations.

Coordination Stipulation—The Coordination Stipulation has been applied to all blocks leased in this area since 2001. This stipulation would provide for review of pending oil and gas operations by military authorities and could result in delaying oil and gas operations if military activities have been scheduled in the area that may put the oil and gas operations and personnel at risk.

Blocks South of Baldwin County, Alabama, Stipulation—The Blocks South of Baldwin County, Alabama, Stipulation has been applied to leases on blocks south of and within 15 mi (24 km) of Baldwin County, Alabama. This stipulation specifies requirements for consultation that lessees must follow when developing plans for fixed structures with the goal of minimizing visual impacts.

Protected Species Stipulation—The Protected Species Stipulation has been applied to all blocks leased in the Gulf of Mexico since December 2001. This stipulation was developed in consultation with the U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS) and the U.S. Department of the Interior, Fish and Wildlife Service (FWS), in accordance with section 7 of the Endangered Species Act of 1973 (ESA), and is designed to minimize or avoid potential adverse impacts to federally protected species.

The Law of the Sea Convention Royalty Payment—The Law of the Sea Convention Royalty Payment Stipulation applies to blocks or portions of blocks beyond the U.S. Exclusive Economic Zone (generally greater than 200 nautical miles [230 miles; 370 kilometers] from the U.S. coastline). Leases on these blocks may be subject to special royalty payments under the provisions of the 1982 Law of the Sea Convention (consistent with Article 82), if the U.S. becomes a party to the Convention prior to or during the life of the lease.

Below Seabed Operations Stipulation—The Below Seabed Operations Stipulation will be included in any lease awarded from this lease sale on the following list of blocks: Mississippi Canyon Blocks 919, 920, 921, and 964; Mississippi Canyon Blocks 650, 651, and 694; Mississippi Canyon Blocks 692 and 735; Walker Ridge Blocks 293 and 294; and Walker Ridge Blocks 762 and 763. Any lessee holding an interest in oil and gas leases for these blocks is not allowed to conduct certain activities (including, but not limited to, the construction and use of structures, operation of drilling rigs, laying of pipelines, and/or anchoring) that will occur or be located on the seafloor or in the water column within the areas depicted by the stipulation maps.

Transboundary Stipulation—This stipulation applies to blocks or portions of blocks that may be subject to the Agreement between the United States of America and the United Mexican States Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico (Transboundary Agreement), which makes it possible for U.S. lessees to enter into voluntary agreements with a licensee of the United Mexican States (e.g., Petroleos Mexicanos) to develop transboundary reservoirs upon the Agreement's entry into force. Lessees in the Boundary Area may be subject to certain provisions of this Transboundary Agreement if it enters into force prior to or during the life of the lease.

These stipulations or mitigation requirements will be included in the Final Notice of Sale for this proposed lease sale. Mitigating measures in the form of lease stipulations are added to the lease terms and are therefore enforceable as part of the lease. In addition, each exploration and development plan, as well as any pipeline applications that may result from the proposed lease sale, will undergo a NEPA review, and additional project-specific mitigating measures are routinely applied as conditions of plan approval. BOEM has the authority to monitor operators' compliance with these conditions and refer violations to BSEE, which has the authority to inspect operations and enforce the conditions of any lease terms, including stipulations, as well as the conditions of any plan approval under 30 CFR 250 Subpart N. BSEE may seek penalties or other remedies from any lessee or any operator that fails to comply with the conditions of a lease, including stipulations and other mitigating measures.

Existing Mitigating Measures—There are mitigating measures that have been proposed, identified, evaluated, or developed through previous BOEM lease sale and post-lease NEPA reviews and analyses. Many of these mitigating measures have been adopted and incorporated into regulations and/or guidelines governing OCS exploration, development, and production activities. All plans for OCS activities (e.g., exploration and development plans, pipeline applications, and structure-removal applications) go through rigorous BOEM review and approval to ensure compliance with established laws and regulations. Pursuant to a lease stipulation, existing mitigating measures must be incorporated and documented in plans submitted to BOEM. Operational compliance of these mitigating measures is now enforced through BSEE's onsite inspection program and through review of as-built records after completion of operations.

Mitigating measures are a standard part of BOEM's program to ensure that the operations are always conducted in an environmentally sound manner (with an emphasis on minimizing any adverse impact of routine operations on the environment). For example, mitigating measures ensure site clearance procedures that eliminate potential snags to commercial fishing nets and that, as appropriate, may require surveys to detect and avoid archaeological sites and biologically sensitive areas, such as pinnacles, topographic features, and chemosynthetic communities.

Some BOEM-identified mitigating measures are incorporated into OCS operations through cooperative agreements or other efforts with industry and various state and Federal agencies.

These mitigating measures include NMFS's Observer Program to protect marine mammals and sea turtles during explosive removals, labeling operational supplies to track possible sources of debris or equipment loss, development of methods of pipeline landfall to eliminate impacts to beaches or wetlands, and beach cleanup events.

Site-specific mitigating measures are also applied by BOEM or BSEE, as appropriate, during plan and permit reviews. Because many of these site-specific mitigating measures were recurring, BOEM developed a list of "standard" mitigating measures. There are currently over 120 standard mitigating measures. The wording of a standard mitigation is developed by BOEM or BSEE in advance and may be applied whenever conditions warrant. Standard mitigation text is revised as often as is necessary (e.g., to reflect changes in regulatory citations, agency/personnel contact numbers, and internal policy). Site-specific mitigation 'categories' include the following: air quality; archaeological resources; artificial reef material; chemosynthetic communities; Flower Garden Banks; topographic features; hard bottoms/pinnacles; military warning areas and Eglin Water Test Areas; hydrogen sulfide; drilling hazards; remotely operated vehicle surveys; geophysical survey reviews; and general safety concerns. Site-specific mitigation 'types' include the following: advisories; conditions of approval; hazard survey reviews; inspection requirements; notifications; post-approval submittals; and safety precautions. In addition to standard mitigating measures, BOEM or BSEE may also apply nonrecurring mitigating measures that are developed on a case-by-case basis.

BOEM is continually revising applicable mitigations to allow the Gulf of Mexico OCS Region to more easily and routinely track mitigation compliance and effectiveness. A primary focus of this effort is requiring post-approval submittal of information within a specified timeframe or after a triggering event that is tracked by BOEM and/or BSEE (e.g., end of operations reports for plans, construction reports for pipelines, and removal reports for structure removals).

7. CONSULTATION AND COORDINATION

Coastal Zone Management Act

The proposed action is considered to have reasonably foreseeable coastal effects in the coastal zone and is subject to a Federal Consistency Determination (CD) under the Coastal Zone Management Act (CZMA). BOEM performed a consistency review, and CDs for the affected States of Alabama, Florida, Louisiana, and Mississippi were prepared prior to the proposed lease sale. BOEM reviewed each State's Coastal Management Plan (CMP) and analyzed the potential impacts (as outlined in the Multisale EIS), new information, and applicable studies as they pertain to the enforceable policies of each CMP. The CZMA and its implementing regulations require that Federal actions that are reasonably likely to affect any land or water use or natural resource of the coastal zone be "consistent to the maximum extent practicable" with relevant enforceable policies of the State's federally approved coastal management program (see 15 CFR 930 Subpart C).

Based on these analyses, BOEM's Director made an assessment of consistency, which was sent to each State with the Proposed Notice of Sale. The State of Alabama reviewed the CD and the EIS for proposed Lease Sale 227 and on October 4, 2012, determined that the lease sale, as proposed, was consistent to the maximum extent practicable with the Alabama Coastal Area Management Program. The State of Louisiana reviewed the CD and the EIS for proposed Lease Sale 227 and on October 25, 2012, determined that the lease sale, as proposed, was consistent to the maximum extent practicable with the Louisiana Coastal Resources Program. Finally, the

State of Florida reviewed the CD and the EIS for proposed Lease Sale 227 and on October 31, 2012, determined that the lease sale, as proposed, was consistent to the maximum extent practicable with the Florida Coastal Management Program. No response, or request for an extension, was received from Mississippi on, or before, the due date of November 5, 2012; therefore, concurrence is presumed for the State of Mississippi.

Endangered Species Act

The Endangered Species Act of 1973 (ESA) (16 U.S.C. § 1631 *et seq.*), establishes a national policy designed to protect and conserve threatened and endangered species and the ecosystems upon which they depend. BOEM is currently engaged in an ESA consultation with NMFS and FWS to consider future lease sales, including those in the 2012-2017 Five-Year plan (e.g., Lease Sale 227). BOEM is finalizing the Biological Assessment (BA) for this consultation, which underwent significant changes resulting from extensive information requests following a NMFS May 31, 2012, draft BA review. We expect to send the final BA to NMFS soon and a separate final BA to FWS shortly afterward. BOEM will then work with NMFS and FWS to (1) identify timelines for completing this ESA consultation and (2) establish procedures to ensure consideration of any OCS activities resulting from new lease sales that may be requested prior to completion of the new consultation (i.e., expanding the current ESA interim process with NMFS to include actions resulting from the new Five-Year program). With consultation ongoing, BOEM will continue to coordinate review of post-lease plans and permit applications with NMFS, pursuant to a process developed with NMFS in 2012. This consultation also considers any changes in baseline environmental conditions following the *Deepwater Horizon* explosion, spill and cleanup.

Magnuson-Stevens Fishery Conservation and Management Act

Pursuant to section 305(b) of the Magnuson-Stevens Fishery Conservation and Management Act, Federal agencies are required to consult with NMFS on any action that may result in adverse effects to essential fish habitat (EFH). In March 2000, BOEM's GOM Regional Office consulted with NMFS's Southeast Regional Office in preparing a NMFS regional finding for the GOM Region that allows BOEM to incorporate the EFH assessments into NEPA documents.

Following the *Deepwater Horizon* explosion, spill and cleanup, NMFS requested a comprehensive review of the existing EFH consultation in a response letter dated September 24, 2010. In light of this request, BOEM and NMFS agreed to procedures that would incorporate a new programmatic EFH consultation into each prepared Five-Year Program EIS, beginning with the 2012-2017 Five-Year Program. The EFH Assessment (Appendix D of the Final Multisale EIS) describes the OCS proposed activities, analyzes the effects of the proposed activities on EFH, and identifies proposed mitigation measures. The EFH consultation included the distribution and review of the 2012-2017 Draft Multisale EIS and subsequent letters between BOEM and NMFS. These communications include the conservation recommendations put forth by NMFS, the responses to those recommendations by BOEM, and annual reports sent to NMFS by BOEM.

National Historic Preservation Act

In accordance with the National Historic Preservation Act (NHPA) (16 U.S.C. §470 *et seq.*), Federal agencies are required to consider the effect of their undertakings on historic properties.

The implementing regulations (36 CFR Part 800) for section 106 of the NHPA (16 U.S.C. § 470f), issued by the Advisory Council on Historic Preservation, specify the required review process. This Agency initiated a request for consultation with the historic preservation offices of the affected Gulf States and Tribal Nations on November 12, 2010, via a formal letter. A timeline of 30 days was provided and two responses were received.

The State of Louisiana, in a letter to this Agency dated December 16, 2010, indicated that no known historic properties will be affected by this undertaking and that consultation regarding the proposed action is not necessary. The Seminole Tribe of Florida-Tribal Historic Preservation Officer (STOF-THPO) responded to this Agency's request for consultation on December 6, 2010. The STOF-THPO indicated that there was no objection to the proposed undertaking at this time. The STOF-THPO requested the review of the impending remote-sensing survey reports that are to be conducted over the high-probability zones within the Eastern Planning Area (which is not within the CPA or the subject of the Multisale EIS). Additionally, the STOF-THPO requested to be notified if cultural resources that are potentially ancestral or historically relevant to the Seminole Tribe of Florida are inadvertently discovered at any point during this process. Neither of these responses requested consultation. No further responses were received beyond the 30-day timeline and no further requests for consultation were received.

The Section 106 consultation is concluded at this time. BOEM will continue to impose mitigation measures and monitoring and reporting requirements to ensure that historic properties are not affected by the proposed undertaking. BOEM will reinitiate the consultation process with affected parties should circumstances warrant further consultation.

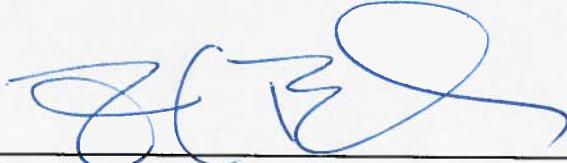
8. DECISION

As articulated in this ROD, BOEM has selected Alternative A, defined as the Proposed Action and the Bureau's preferred alternative in the Multisale EIS, for CPA Lease Sale 227 with a slight modification to one of the exceptions. Specifically, the selected alternative offers all available unleased acreage in the CPA except whole and portions of blocks deferred by the Gulf of Mexico Energy Security Act of 2006, blocks that are adjacent to or beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap, and whole and partial blocks that lie within the 1.4 nautical mile buffer zone north of the maritime boundary between the United States and Mexico. In a minor change to Alternative A, at the request of the United States Department of State, the decision is to defer leasing within a one-block setback along the southern extent of the Exclusive Economic Zone abutting the northern extent of the Eastern Gap to account for any change to the coastal baseline identified by the National Oceanic and Atmospheric Administration. All of the excepted area was covered in the Multisale EIS. There would be a negligible reduction in environmental impacts and revenue from the full Alternative A analyses and only for those blocks adjacent to the Exclusive Economic Zone in the requested setback. Therefore, BOEM is offering for leasing in proposed CPA Lease Sale 227 all blocks and partial blocks listed in the document "List of Blocks Available for Leasing" included in the Final Notice of Sale 227 Package. Alternative A with the modification to accommodate the Department of State request was chosen because it meets the purpose and need for the action, while minimizing potential environmental impacts. BOEM's selected alternative balances the needs of the nation for domestic energy sources and the economic benefits that would be realized through continued oil and gas exploration and development, with the environmental impacts of this alternative, when considered in light of the Secretary's imposition of measures to mitigate these impacts and the alternative potential negative impacts of other substitute energy sources such as shipping of imported oil.

Alternative B was not selected because the impacts are expected to be nearly the same as the proposed action. The incremental contribution of the Proposed Action is expected to be slight, and negative impacts of the Proposed Action compared to Alternative B should be largely mitigated by the implementation of the Topographic Features Stipulation and site-specific mitigating measures, the depths of the features, and water currents in the topographic features areas. Alternative B, if adopted, would prevent any oil and gas activity whatsoever (precluding economic benefits) in the blocks containing topographic features.

Alternative C was not selected because, if the lease sale were to be canceled, the overall near-term level of OCS activity in the CPA would be reduced by only a small percentage, and it would not significantly change the environmental impacts of overall OCS activity. Additionally, the need for domestic energy sources and the subsequent positive economic impacts from exploration and production, including employment, would not be realized. Furthermore, revenue would not be collected by the Federal Government with subsequent revenue disbursements to the States. Although other sources of energy may substitute for the lost production, these sources may have significant negative environmental impacts of their own, such as increased risk of spills from the transportation of alternate oil supplies over long distances. Therefore, BOEM has not selected Alternative C because the public need for domestic energy sources and the economic benefits that would be realized through oil and gas exploration and development outweigh the potential environmental impact of the proposed action.

BOEM's selection reflects an orderly development of energy resources with protection of the human, marine, and coastal environments, while simultaneously ensuring that the public receives an equitable return for these resources and that free-market competition is maintained.



Tommy P. Beaudreau

Principal Deputy Assistant Secretary - Land and Minerals Management

Date: 1-28-13

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