



The Facts About Offshore Drilling

- **The Economics of Drilling:** The US Department of Energy has concluded all of the oil reserves that were recently under the federal moratorium would have an insignificant impact on gas prices at the pump and would have similarly insignificant impacts on the future cost of natural gas. ([EIA/DOE Study](#), [Chart](#))
- **SC Board of Economic Advisors:** “While offshore oil and gas activities have become much safer in recent years, spilled oil and coastal shorelines don’t mix. The National Oceanic and Atmospheric Administration ranks the South Atlantic as having the highest relative environmental sensitivity to spilled oil. Given the relatively low amount of potential resources off of our shores and the environmental sensitivity of our coastline there does not seem to be much incentive to drilling off South Carolina at current prices.” ([Read the document in its entirety](#))
- **Eliminating our Foreign Dependence?** The US Department of Energy has also concluded that access to areas previously under moratorium in the Pacific, Atlantic, and eastern Gulf regions would not have a significant impact on domestic crude oil and natural gas production (3% domestic increase at peak production levels in 2030). The US has less than 3% of the world’s total oil reserves, yet we consume 25% of the world’s yearly production. ([EIA/DOE Study](#), [US Oil Reserves](#), [US Oil Consumption](#))
- **Atlantic Coast Reserves:** The Atlantic makes up 3.82 billion barrels of the 18 billion barrels of oil that were previously off limits under the moratorium. To put that into perspective, consider that the US consumes over 7.5 billion barrels of oil per year. ([MMS report](#), [EIA/DOE Study](#), [US Oil Consumption](#), [Expert: No oil off SC coast](#))
- **Katrina:** Over 7 million gallons of oil spilled into the waterways and communities along the Gulf Coast after Katrina. Most of these spills occurred from the onshore infrastructure (refineries, storage facilities, pipelines, and tankers) that are part and parcel to the offshore industry. ([Dept. of Homeland Security statistics](#), [Houston Chronicle article](#))
- **Recent Oil Spills on the Mississippi, in Louisiana and in Australia:** Just two years ago, 100 miles of the Mississippi River was shut down for weeks when over 400,000 gallons of oil spilled from a tanker. In March of 2009, Australia declares oil spill area a disaster zone. A recent oil spill along the coast of Louisiana highlights continuing environmental problems. (“[Oil Spill Costing \\$275 million a day](#)”; Articles on Australia spills: [one](#), [two](#); [Louisiana Spill](#))
- **Prudhoe Bay Oil Spill in Alaska:** A recent spill (2006) of about 267,000 gallons of oil in the tundra of Alaska's North Slope is raising a new round of questions from environmental groups about proposed plans to open more land in the region to oil drilling. ([National Geographic article](#))

- **Congressional Report on Current Oil Stockpiles:** Combined, oil and gas companies hold leases to nearly 68 million acres of federal land that are not producing oil and gas. ([US House report](#))
- **SC Department of Commerce:** “Offshore natural gas drilling will not likely have a significant, direct economic impact in terms of new jobs and capital investment in South Carolina, and it is undetermined whether potential royalty payments would foster economic growth.” ([SC Dept of Commerce](#))
- **Distraction from securing SC’s energy future:** A multi-year permitting process requiring significant time and resources would distract our state leaders and agencies from working to expand our local renewable, sustainable energy alternatives. ([MMS leasing process](#))
- **South Carolina’s Energy Future? Wind:** The US Department of Energy estimates that wind manufacturing could generate 10,000 to 20,000 new jobs and \$80 billion in revenue over the next 20 years in SC, in addition to supplying a large portion of our electricity needs. ([SC Wind Study](#))
- **US Mineral Management Service:** The South Atlantic ranks 1st in environmental sensitivity and 13 of 16 study areas in economic value. ([MMS Summary](#), [MMS Draft Leasing Proposal](#))