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



August 8, 2012

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

## Dear Mr. President:

On behalf of all the governors who participate in the Outer Continental Shelf (OCS) Governors Coalition, we would like to inquire about the status of your response to our enclosed letter, dated March 13, 2012, regarding concerns that we have on energy development. Furthermore, we would like to address some questions and concerns that have arisen since we initially sent the March 13<sup>th</sup> letter.

One of the principal objectives of the Coalition is to advance the dialogue between federal and state officials. Unfortunately, to date no member of the Coalition has received a response from your administration on the March 13<sup>th</sup> letter, and we are becoming increasingly concerned about the lack of communication from the federal government on critical matters that affect our coastal development.

Specifically, we are concerned that your administration did not properly consult with the coastal states on the Proposed Final Outer Continental Shelf Oil and Natural Gas Leasing Program for 2012-2017 prior to its release by the U.S. Department of the Interior on June 28<sup>th</sup>. In the plan, the administration fails to expand adequate access to resource-abundant areas in the Arctic and fails to establish leasing in the Midand South-Atlantic. Both of these decisions appear to have been made without proper consultation from the states, as required by the Outer Continental Shelf Lands Act, and without sufficient explanation for the reversal in decision from previous plans. We do not seek to cause further delay or otherwise impair the implementation of the current proposed final leasing program, even with its reduced scope, because it remains the only mechanism for the federal government to continue to offer any OCS lease sales now that the 2012-2017 Program has been issued. But we continue to ardently desire constructive engagement with the administration to explore ways to expand OCS access in parallel with the 2012-2017 Program.

In the Arctic, the proposed plan allows for only three lease sales in the Arctic OCS – one in the Chukchi Sea, one in Beaufort Sea, and one in the Cook Inlet – all of which appear to be postponed by one-year from the date proposed in the draft plan. The final plan further removes millions of acres in the Arctic from leasing in order to form "study areas," raising the likelihood that these Arctic lease sales may never occur. The Department of the Interior did not reach out to the State of Alaska for input on these decisions, as is legally required.

In addition, the proposed plan does not include any leases in the Mid- and South-Atlantic, notwithstanding the fact that a lease sale off Virginia had been included in a previous five-year plan but was cancelled indefinitely without sufficient consultation with the Commonwealth of Virginia. The bipartisan leadership in Virginia has indicated clearly its support for a leasing program in the Atlantic and has thoroughly addressed the administration's concerns about safety and spill containment infrastructure and coordination with military operations in the area.

Finally, the plan does not properly account for the possibility of expediting and expanding the lease sale schedule in the Gulf of Mexico prior to the end of this five-year plan. Lease sale delays associated with the BP oil spill have caused the Gulf States to lose anticipated Gulf of Mexico Energy Security Act funding. By expediting and expanding possible lease sales in this area now, the Department of the Interior can execute pre-lease sale procedures and limit the amount of wait time between the new lease sales.

We believe that the federal government must abide by its legal responsibility to allow coastal state governors better opportunities to consult on the development and mitigation of the five-year plan. Failure to do so has led to a highly disappointing 2012-2017 Five-Year Plan that severely limits the ability of the United States to develop new areas offshore, grow our economy, and decrease our dependence on overseas oil.

The Coalition would appreciate a prompt response from your administration. We look forward to communicating with you soon.

Sincerely,

The Honorable Bobby Jindal, Governor of Louisiana (Chair)

The Honorable Sean Parnell, Governor of Alaska

KICK PERRY

The Honorable Rick Perry, Governor of Texas

The Honorable Phil Bryant, Governor of Mississippi

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The Honorable Robert Bentley, Governor of Alabama

The Honorable Nikki Haley, Governor of South Carolina

The Honorable Robert McDonnell, Governor of the Commonwealth of Virginia

Enclosed: Letter to President Obama dated March 13, 2012