

September 6, 2024

Via Email

The Honorable Gina M. Raimondo
The Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230

Dear Secretary Raimondo:

I am writing to raise concern regarding the recent decision by the U.S. District Court for the District of Maryland to vacate the 2020 Biological Opinion for Gulf of Mexico Oil and Gas Activities (2020 BiOp). Without a solution in place, this decision will create a significant bureaucratic bottleneck for the federal government and potentially halt all oil and natural gas operations in the Gulf of Mexico. The American Petroleum Institute (API) is a national trade association, representing approximately 600 members in all aspects of the oil and natural gas industry, including offshore operators in the Gulf of Mexico.

On August 19th, the District Court of Maryland found that the 2020 BiOp was unlawful and ordered it be vacated as of December 20, 2024. The National Marine Fisheries Services (NMFS) has stated to the court that a new BiOp would not likely be complete until early spring of 2025, and that was before the court identified new areas of analysis for NMFS in its decision.

If a resolution cannot be found before the court-ordered vacatur, NMFS would likely experience thousands of individual consultation requests for daily Gulf activities, according to court statements provided by the Bureau of Ocean Energy Management (BOEM). The U.S. Gulf of Mexico generates 15% of all domestic oil production and 2% of natural gas production. These resources are produced by an extensive network of 1,432 active platforms, 7,170 wells, and 3,956 pipelines, each supported by a robust and ongoing permitting process. The new workload created by the individual consultations for all Gulf activity would be enormous, diverting valuable agency time to a virtually endless cycle of paperwork and hindering NMFS' ability to finalize a new BiOp.

Without a solution in place, this court decision has the potential to halt or seriously slow all operations in the U.S. Gulf of Mexico, leaving a critical source of energy supply and economic security in jeopardy. In FY 2023, the Gulf of Mexico generated 674 million barrels of oil and 795 billion cubic feet of natural gas. The U.S. Gulf of Mexico produces some of the lowest carbon-intensity barrels in the world. Constrained production in this region could be

replaced by higher carbon-intensity barrels from elsewhere in the world. This region is also an important driver of economic growth, contributing over \$34.3 billion to the U.S. GDP, supporting more than 412,000 jobs across the United States, and generating \$6.1 billion in federal government revenue.

It is in the best interest of U.S. consumers, the federal government, and oil and gas producers to partner to resolve this issue. We look forward to working with the department and its agencies to minimize any disruptions and find a solution. Members of my staff have requested to meet with Dr. Richard Spinrad, NOAA Administrator, to further discuss NOAA/NMFS' progress in completing a new BiOp and any actions that the industry can take to help expedite the BiOp's completion. We are hopeful that this meeting can be scheduled and that the new BiOp will be completed as soon as possible.

I would be happy to discuss this with you in further detail and answer any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Sommers". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mike Sommers