

Comptroller warns of new drilling Oil industry insists that no new offshore rigs are planned

By Kevin Howe, Herald Staff Writer

"The oil rigs are coming! The oil rigs are coming!"

Or not, depending on whom you listen to.

On Tuesday, California State Comptroller and State Lands Commission Chairman Steve Westly held a hearing on potential impacts of oil drilling and oil surveying off the California coast, in which he and others warned that the battle to halt offshore oil drilling is not over and may be fought again, sooner than we think.

But oil industry spokesmen insisted that they are seeking no new offshore rigs, that the state needs the oil they extract from the seabed, and that their safety record in recent years shows it is worth the risk to the environment.

Westly, who is seeking the Democratic nomination for governor in the June 6 primary, opened the hearing at Pacific Grove City Hall by contending that "a new great debate" on reopening offshore drilling on the California, Atlantic and Gulf coasts is shaping up in Congress.

"California should lead the way," he said, "by standing up and saying 'no.'"

Beyond the risk to the environment, Westly said, the state's coastal-dependent businesses represent a \$47 billion industry that must be protected.

Paul Mount II, chief of the state's Resource Management Division, said the 12 offshore drilling rigs in state waters -- those within the 3-mile limit -- are subject to more stringent regulations than 24 rigs in federal jurisdiction beyond the 3-mile limit on the Outer Continental Shelf.

Since 1978, he said, state-supervised rigs have reported 153 incidents in which 65 barrels of oil were spilled, compared to 909 incidents and 1,120 barrels spilled by those that are federally supervised.

Paul Thayer, Lands Commission executive officer, said no new state offshore leases have been let since the massive 1969 Santa Barbara offshore rig "blowout," an incident credited with igniting the coastal conservation movement that led to the drilling moratorium.

He and Richard Charter, a member of Environmental Defense and the national co-chairman of the Outer Continental Shelf Coalition, warned that the oil industry, emboldened by a friendly Republican presidential administration, is seeking to reverse the offshore drilling moratorium on the coast that has been in effect since 1982. They cited a number of bills in Congress, notably the 2005 Omnibus Energy Act, that would roll back or eliminate legislative and presidential bans on offshore drilling and oil exploration.

"The president and his allies in Congress," Westly said, "seem to be working overtime to remove the moratorium."

Even the act of surveying for oil deposits is destructive, Charter said, with survey ships towing barges armed with high-energy air guns that blast high decibel sounds into the water to generate undersea geological readings.

The noise appears to deafen fish and drive whales and other sea mammals to shore, where whales become stranded, he said.

The prospect of a repeat of the 1969 Santa Barbara disaster "is downright scary," said Pacific Grove Mayor Jim Costello. "There's no such thing as a scenic oil spill."

D'Anne Albers of Friends of the Sea Otter, and Steve Shimek, executive director of the Otter Project, said

an oil spill would be an ecological disaster for the Monterey Bay National Marine Sanctuary's sea otter population, which could be wiped out by such a spill.

"For sea otters," Shimek said, "there is the short-term risk of dying from contact with oil. But the long-term risk is more insidious. Alaskan sea otters and other wildlife are still suffering from the long-term health impacts of the 1989 Eon Valdez disaster."

The oil industry's track record in California "confirms that we have a strong record of successfully working safely and efficiently" off the coast, said John Martini, chief executive officer of the California Independent Petroleum Association.

The 900 barrels spilled since the Santa Barbara disaster represent less than one 10,000th of 1 percent of the billion barrels of oil that have been produced from the continental shelf, he said.

Without offshore drilling, Martini said, the state would have to rely on increased ship tanker traffic.

"There are no interstate pipelines that supply California with crude oil deliveries," Martini said. Encouraging or expanding tanker traffic, he said, "is in fact the type of policy that places our coast at greatest risk."

The National Academy of Sciences, Martini said, reports that 95 percent of oil spilled into U.S. waters comes from natural seeps, cars and private boats. Another 4 percent comes from tanker spills, and less than 1 percent is attributable to offshore production.

He said there are no proposals by the industry to locate new drilling platforms off the coast because new technology allows existing platforms to reach out several miles to draw oil from other areas.

The 1969 Santa Barbara oil spill "brought a heightened awareness of the need for strong oversight, protection, training and technology," said Bob Poole, coastal coordinator of the Western States Petroleum Association.

The demand for all forms of energy -- electricity, fossil fuel, wind, solar, biomass and other alternative fuels -- is growing daily, he said. The state only produces half of the oil it consumes, and petroleum will continue to be the major source of energy for the immediate future.

Poole said "there appears to be some confusion" concerning sonar testing, noting that an inventory conducted under the auspices of the 2005 energy act -- which showed 11 billion barrels of oil and 18 trillion cubic feet of natural gas recoverable offshore -- was done by the federal Minerals Management Survey for the Pacific region without sonic surveys.