

Opening Statement
Ranking Member Edward J. Markey
House Natural Resources Committee Hearing Entitled:
“The Obama Administration’s De Facto Moratorium in the Gulf of Mexico: Community and
Economic Impacts”
March 16, 2011

Thank you.

The focus of today’s hearing is, according to the hearing title, the “de facto moratorium” imposed by the Obama Administration on new drilling in the Gulf of Mexico. This hearing is apparently taking place in a parallel universe where we did not suffer the worst oil spill in our nation’s history last year; a parallel universe where 11 men did not tragically lose their lives in the disaster; a parallel universe where the independent Commission on the BP spill did not issue a scalding indictment of the entire oil industry for lax safety and call for reforms to improve the safety of offshore drilling; and a parallel universe where new drilling is not being approved as we speak.

There is not a “de facto moratorium,” only a Republican moratorium on the facts. We’re not going to have an actual discussion about how many drilling holes there are today, we’re going to be pulled down the Republican rabbit hole of unreality.

In fact, I think that this hearing on the “de facto moratorium” could benefit from a few *facts*.

The fact is that the Obama Administration is issuing new permits in both shallow water and in deep water. Since June of last year, the Department of Interior has issued 38 new permits in shallow water. In deep water, the Department issued the first deepwater permit to Noble Energy last month. And the Department issued a second deepwater permit on Friday to BHP Billiton.

The fact is that from October until earlier this month, no oil company was able to demonstrate that they actually

had the capability to contain or respond to a deepwater blowout. *That* was the holdup in issuing new permits. Not the Administration.

The fact is that domestic oil production has been increasing overall and in the Gulf of Mexico under the Obama Administration. In fact, U.S. production is at its highest level in nearly a decade.

And *the fact* is that Big Oil is not an economic engine for job creation and innovation. Between 2005 and 2009, ExxonMobil, BP, Shell, and Chevron made \$485 billion in profits. Yet they collectively reduced their U.S. workforce by more than 10,000 employees. These companies aren't creating new jobs even as production is increasing and they are making record profits. Maybe this Committee should hold a hearing on "Big Oil's de facto moratorium on job creation."

And meanwhile, nearly a year after the BP spill, Congress has not enacted a single reform to improve the safety of offshore drilling. This Committee has not scheduled any legislative action whatsoever on drilling reforms recommended by the Independent Commission. Nor has this committee heard from BP and or any other major integrated oil company, despite the fact that the Commission called the causes of the BP Horizon disaster “systemic.”

This is not about the Obama Administration slow walking permits. This is about oil company recklessness. Oil industry boosterism, led to complacency, which led to disaster. Are we going to learn anything from the BP disaster? Is this Committee going to do anything to prevent such an accident from happening again?

The BP Commission found that “[quote] From 2004 to 2009, fatalities in the offshore oil and gas industry were

more than four times higher per person hours worked in U.S. waters than in European waters, even though many of the same companies work in both venues.” That is what this hearing should be about -- taking action to ensure that the lives of our workers and the livelihoods of millions of residents in the Gulf are protected from another disaster.

This Committee should be taking action to implement the reforms of the Commission to ensure that we are protecting our workers, our environment and our economy. Instead, we are holding a hearing in which the majority will argue that after having implemented ZERO reforms to improve the safety of offshore drilling, we are not drilling quickly enough.

So the majority can talk about “de factos” all they want, we’ll stick to the facts.