

**Statement of
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**House Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
Hearing on “Restoring Energy Dominance: The Path to Unleashing American Energy”**

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Chairman Stauber, Ranking Member Ansari and Honorable Members of the Subcommittee:

Good morning. My name is Peg Howell. Thank you for inviting me back to testify before the Subcommittee today. I look forward to a robust conversation about American energy and our coasts—including the negative impacts that offshore drilling and related activities would have on the people who live, work and vacation on coastlines previously untouched by the oil gas industry. I would like to submit my written testimony for the record.

In 1977, I was the first female petroleum engineer to graduate from Marietta College, where I earned my B.S. in Petroleum Engineering, cum laude, and graduated at the top of my engineering class. Three years later, I became the first female “company man”—which is the oilfield’s term for drilling rig supervisor—in the Gulf of Mexico. I have worked for Chevron, Mobil, and Marathon oil companies in the U.S. and in the North Sea. I later earned an MBA from Harvard Business School and ran my own consulting business for more than 30 years, focused on developing senior executives in Fortune 50 companies.

You may wonder with my background why I am here today. For those of you who, like me, lived through the Arab oil embargos in the 1970s, U.S. energy independence became critically important. As a petroleum engineering student in the 1970s, I believed it was my duty to help our country by working to increase domestic oil and gas supply. In subsequent decades, I was impressed by the improvements in drilling technologies and the expansion of U.S. onshore drilling.

Why there is broad opposition to new leasing for offshore oil and gas

My support for the offshore industry ended on April 20, 2010 with the Deepwater Horizon catastrophe in the Gulf of Mexico. Clearly offshore companies had focused more on “getting deeper cheaper” (which was our motto when I was a drilling engineer), than they were on the safety of their employees and the quality of life of coastal citizens and the businesses which supported their work. This one human mistake caused roughly 3.2 million barrels (134 million gallons) of oil to be released into the Gulf. The well flowed for 87 days while they drilled a relief well to plug it.¹

The costs of this one disaster include:

- Human impact
 - 11 workers were killed. Many of those who survived suffer from PTSD.
 - The spill oiled 1,300 miles of shoreline across Alabama, Mississippi, Louisiana, Texas, and Florida. The impact of the disaster on the recreation industry was a loss of more than \$500 million.
 - Coastal economies lost hundreds of millions of dollars in commercial fishing. Fishermen saw their livelihoods erased as state and federal fisheries were closed in the Gulf of Mexico. The loss to the seafood industry alone was nearly \$1 billion.²
- Marine life impact
 - The surface oil slick's cumulative extent totaled 43,300 square miles (approximately equal to the size of Virginia).
 - The spill killed roughly 17% of the Gulf of Mexico (Rice's) whales outright. There are fewer than 100 of these critically endangered whales alive today.
 - Up to 20 percent of all oceanic juvenile Kemp's Ridley sea turtles perished from oil exposure.³
 - There has been a 50 percent decline in the population of bottlenosed dolphins.⁴
 - Deep water fish populations near the spill site decreased by 50–80%.

Last year, scientists reported that marine life at the site continues to exhibit signs of distress and slow recovery. While some new life forms are beginning to appear on the wreckage, the overall biodiversity remains significantly reduced compared to pre-disaster levels.⁵

April 20, 2025 will mark 15 years since the Deepwater Horizon catastrophe, which should continue to inform your decisions about drilling beyond the western and central Gulf.

Coastal advocacy

In the fall of 2013, I started noticing articles and op-eds in my local Pawleys Island, South Carolina newspaper, written by local and state officials supporting oil and gas exploration in the Atlantic.^{6,7} I was shocked to see our elected representatives were advocating putting our coast and economy at risk. I attended a BOEM information session held in Wilmington, North Carolina about the proposed 2019-2024 offshore drilling program. This program proposed to expand offshore exploration and drilling to more than 90 percent of U.S. waters, including the Atlantic and Pacific coasts and Eastern GOM. I left that meeting knowing we needed to stop this plan. Very quickly I met others who agreed and we formed an all-volunteer, non-partisan, grassroots organization in Pawleys Island, South Carolina called Stop Offshore Drilling in the Atlantic—or SODA.⁸

Since its founding in February 2015, SODA's mission has been to protect and preserve the health and economy of the Atlantic coast, specifically, to prevent offshore seismic testing and drilling for oil and gas in the Atlantic. SODA's work has been to educate citizens and elected officials across South Carolina and the east coast about offshore drilling issues, and to advocate for the coast at the federal, state, and local levels.

SODA immediately began fighting for our coast with our Congressional representatives, state legislators, local leaders and a variety of conservation partners. In March 2016, President Obama removed the Atlantic from the federal plan, although he allowed for seismic testing. We began collecting resolutions from local governments opposing offshore drilling and seismic testing and joined forces with others, like the Business Alliance for Protecting the Atlantic Coast—or BAPAC.

BAPAC was formed in September 2016 and is supported by 42,000-plus businesses and 500,000 commercial fishing families. BAPAC and SODA's advocacy here in Washington was instrumental in the Obama Administration's rejecting permits to conduct seismic testing for oil and gas deposits in the Atlantic in January 2017. We also worked together to obtain President Trump's support to halt offshore drilling planning in the south Atlantic in 2020. To this day, SODA and BAPAC stand with Atlantic communities, Atlantic coast elected officials, and others in vigilance against any plans to bring drilling to our coast.

Opposition to offshore drilling along the Atlantic and Florida's Gulf remains formidable and has only grown in the almost eight years since I last appeared before this Subcommittee. I know this is true of Pacific coast communities, too. Opposition to seismic testing and drilling in East Coast states comes from:

- More than 290 Atlantic and Florida Gulf Coast municipalities
- Over 2,300 local, state, and federal elected officials nationally (Republicans, Democrats, and nonpartisan officials)
- An alliance representing over 42,000 businesses and 500,000 commercial fishing families from Florida to Maine (the previously mentioned BAPAC)
- New England, South and Mid-Atlantic Fishery Management Councils
- Other commercial and recreational fishing interests, such as the Fisheries Survival Fund, Southern Shrimp Alliance, Billfish Foundation, and International Game Fish Association
- Numerous chambers of commerce, tourism boards, restaurant and hotel associations and homeowners, from up and down the coast.

In addition, the Department of Defense, the Florida Defense Support Task Force, and the National Aeronautics and Space Administration have also expressed concern over the years with offshore oil and gas development threatening their ability to perform critical activities including ensuring national security.

I stress again that opposition to offshore drilling is bipartisan. Recent presidential action on this issue has taken into account the strong feelings of Atlantic and Florida coastal communities. These communities welcomed President Donald Trump's use of his Section 12(a) authority under the Outer Continental Shelf Lands Act (OCSLA) in 2020 to protect the waters from North Carolina through Florida for ten years. We also welcomed President Joe Biden's building upon President Trump's protections this past January 6, to permanently protect the Atlantic and Florida's Gulf coast once and for all—giving us the peace of mind that our coastal economies will never be impacted by the spilling and pollution that comes with drilling and onshore support industries. These permanent withdrawals are vital to the

future well-being of the Atlantic, Pacific, and Florida Gulf coastal communities. They should have been celebrated and not reversed. They must be recognized, defended, and honored.

Time and again, we hear from oil and gas industry supporters that the Gulf provides a shining example of communities, petrochemicals, tourism, recreation, fishing, and nature thriving alongside each other. Well, the Atlantic coast is not the Gulf coast, nor does it want to be. The Atlantic coast developed differently than the Gulf coast. Offshore oil and gas have been part of the Gulf's economy since the 1930s. The offshore waters and marshlands of south Louisiana were carved by canals dug through them to position rigs and gather production. "Going to the beach" means something quite different in south Louisiana than it does along the mid- and south Atlantic, or Florida's Gulf for that matter. To bring to the Atlantic region the onshore infrastructure, pipelines, vessel traffic, and pollution that accompanies offshore drilling guarantees destruction of the beautiful beaches, healthy marshes, and rivers—as well as the economy—of our coast.

Our health and quality of life would also be placed at risk. Onshore infrastructure, including oil and gas storage, refineries and gas liquefaction plants, and the diesel and chemicals stored there for use in drilling, are a necessary part of drilling and production support bases. Bases like Port Fourchon, Louisiana are pollution threats to water and air quality, especially when hurricanes strike. In "Cancer Alley" Louisiana, this type of infrastructure and the petrochemical industry that frequently locates nearby has elevated the cancer risk to nearly 50 times higher than the national average.⁹ This industry is not only incompatible with our tourism and recreation-based economies; it is especially inconsistent with the healthful environment people seek when they move to the Atlantic coast. Vulnerable Gulf communities are rarely talked about when the industry makes its sales pitch. Atlantic Coast communities see what Americans living in the shadow of the industry must endure, and they are not interested in experiencing that themselves.

So why are we here today?

I note the jurisdiction of this Subcommittee as it pertains to today's hearing, specifically your responsibility for deciding *if, when, how and by whom* our offshore resources, including wind, solar, and oil and gas, are developed to meet the energy needs of our nation. The facts are clear that there is no "energy emergency;" we are energy independent as a country and have already achieved the President and Committee Chairman Westerman's goal of energy dominance.

As a reminder, in 2009 the U.S. became the world's largest producer of natural gas and in 2018, the largest oil producer in the world. Oil companies are not interested in obtaining new leases.¹⁰ They have nearly 12 million acres of active leases in the Gulf, but only about 2.4 million acres are being used to produce oil and gas, according to BOEM data. There is already an abundance of U.S. oil and gas. After reaching a new annual record high of 13.2 million b/d in 2024, the U.S. Energy Information Administration (EIA) forecasts that U.S. crude oil production will increase to 13.5 million b/d this year. Onshore, the Permian region's share of U.S. production will continue to increase, accounting for more than 50% of all U.S. crude oil production in 2026. The EIA forecasts downward oil price pressure as global oil production grows more than global oil demand. So why is President Trump interested in increasing offshore exploration and

drilling?

Apparently, it's not to reduce energy prices to consumers. According to Scott Eustis, the community science director for Healthy Gulf:

If Trump really wanted to slash energy prices for U.S. consumers, he wouldn't have banned offshore wind leasing in federal waters or restarted permitting for new liquefied natural gas (LNG) export terminals, said Scott Eustis. Shipping LNG overseas contributes to higher electricity and natural gas prices in the U.S., according to a recent U.S. Department of Energy report. LNG exports make everybody's energy cost more because we're giving it to China and not using it domestically, Eustis said.¹¹

So why does the Administration *now* want to open new offshore areas to seismic testing and oil and gas drilling? Natural Resources Committee Chairman Westerman's January 10, 2025 press release explained it:

Offshore energy development has generated hundreds of billions of dollars in federal and state revenues, a testament to its unmatched value to the nation. Before 2004, the program brought in an astonishing \$159 billion, including \$64 billion in bonuses, \$3 billion in rentals, \$89 billion in royalties, and \$3 billion in in-kind oil deliveries in lieu of royalties. Over the past 20 years, it has added another \$140 billion to the federal treasury, underscoring its enduring importance to the American economy.¹²

There we have it; it is all about the money. Without new offshore oil and gas leasing, there are no new bonuses and rentals, and without new production, there are no royalties and in-kind oil deliveries. Because we as a nation are addicted to a depletable resource, some feel we have keep offering new leases to feed the beast. By this way of thinking, there is no incentive to expand other forms of energy like wind and solar power. This is a big part of the harsh reality of America's addiction to oil and gas.

Unfortunately, the Administration does not account for the *costs* of increased offshore oil and gas drilling to our coastal economies and the extraordinary and increasing costs resulting from adding more CO₂ to the atmosphere from burning fossil fuels. It does not account for the astronomically expensive floods, hurricanes, landslides, droughts and wildfires that reduce our federal funds. With a focus solely on revenues, there is insufficient acknowledgement of the hundreds of deaths or the tens of thousands of people who have lost their homes, been permanently displaced from families and friends, suffer from petroleum-related health issues, or lost all their savings and their dreams for their family's future. Perhaps a full accounting of the true cost of increased hydrocarbon use would demonstrate that offshore oil and gas development is not, as Chairman Westerman said, a "testament to its unmatched value to the nation."

Instead, let us continue to add more safe, renewable resources. The U.S. is making great progress in on- and off-shore wind energy, solar power, and battery storage. The EIA projects that by 2050, 26% of our energy consumption will come from renewables versus 10% today.¹³

In summary

Opening the Atlantic to seismic testing and drilling jeopardizes our coastal businesses, fishing communities, tourism, our national defense, our health, and our way of life. It opens the door to even greater risks from offshore oil and gas production down the road. Do we need to drill in the Atlantic to achieve “energy dominance” or enjoy “energy security?” The answer is “no.” Because of the massive expansion in domestic energy production, the U.S. is already the world’s leader in oil and gas production.

Since December 2015, when Congress allowed oil companies to export our crude oil for the first time since the Arab oil embargoes of the 1970s, we have been steadily increasing our crude exports and are now sending more than four million barrels a day to China.¹⁴

The Atlantic can, however, contribute to U.S. energy production through responsibly sited offshore wind. Any retreat from this opportunity would be a mistake and a waste of the Atlantic’s clean, renewable, and rich wind resources.

For myself and on behalf of SODA, BAPAC, and the millions of citizens on the Atlantic who oppose increasing offshore oil and gas development, we believe that the President’s revocation of the Biden Administration’s OCSLA 12(a) withdrawal of acreage in U.S. federal waters, and the President’s January 20 moratorium on federal actions for onshore and offshore wind projects and withdrawal of new or renewed wind leases on the Outer Continental Shelf takes the Atlantic in the wrong direction when it comes to our energy future, and when it comes to protecting our coastal economies.

I close with similar thoughts to those I had when I last appeared before this Subcommittee:

Opening more of the U.S. coast to offshore drilling is a “forever” decision.¹⁵ It is a “FOREVER decision” because once oil companies obtain leases and find commercial quantities of oil and gas, by law, they are entitled to produce from those leases, drill more wells, or sell the property to another operator. When the oil business comes to town, it is very slow to leave, if ever.

And finally, I do not expect to be here decades from now when we see the results of decisions made today about the disposition of the Atlantic coast. I hope that the Atlantic Ocean and all of America’s coasts untouched by oil and gas will be as magnificent as they are today, and that future generations will be inspired by our legacy.

I look forward to answering any questions you may have. Thank you.

ENDNOTES

- ¹ Fourteen Years After Deepwater Horizon, Drilling is Still a Threat, April 19, 2024, <https://www.nrdc.org/bio/zanagee-artis/fourteen-years-after-deepwater-horizon-drilling-still-threat>,
- ² <https://usa.oceana.org/wp-content/uploads/sites/4/2023/04/2023-Drilling-Report-DOI.pdf>
- ³ https://www.google.com/search?q=deepwater+horizon+oil+spill+effects+on+marine+life&rlz=1C1CHBF_enUS955US955&oq=&gs_lcrp=EgZjaHJvbWUqCQgBEEUYOxjCAzIJCAAQRRg7GMIDMgkIARBF_GDsYwgMyCQgCEEUYOxjCAzIJCAMQRRg7GMIDMgkIBBBFGDsYwgMyCQgFEEUYOxjCAzIRCAYQABgDGEIYjwEYtAIY6gIyEQgHEAAYAxhCGI8BGLQCGOoC0gELNjM4NzQ2NmowajeoAgiwAgE&sourceid=chrome&ie=UTF-8
- ⁴ Ibid.
- ⁵ The lasting impact of the Deepwater Horizon spill on marine life, EHN, <https://www.ehn.org/the-lasting-impact-of-the-deepwater-horizon-spill-on-marine-life-2667816386.html>
- ⁶ Coastal Observer, “House District 108: Questions for Stephen Goldfinch,” October 30, 2014
- ⁷ Coastal Observer, “Offshore Drilling, An Opportunity for Economic Growth” by Bob Anderson, former Georgetown County Councilmember, District 6, October 24, 2013
- ⁸ <https://mailchi.mp/67f640cf92de/soda-four-years-on-job>
- ⁹ <https://www.propublica.org/article/cancer-alley-louisiana-epa-environmental-racism>
- ¹⁰ <https://grist.org/energy/trump-wants-more-drilling-but-the-oil-market-is-already-saturated/>
- ¹¹ Ibid.
- ¹² Westerman Slams President Biden for “a Willful Act of Sabotage,” <https://naturalresources.house.gov/news/documentsingle.aspx?DocumentID=416853>
- ¹³ 2024-2029 National Outer Continental Shelf Oil and Gas Leasing Proposed Final Program, https://www.boem.gov/sites/default/files/documents/oil-gas-energy/leasing/2024-2029_NationalOCSProgram_PFP_Sept_2023_Compliant.pdf
- ¹⁴ https://www.eia.gov/dnav/pet/pet_move_exp_dc_NUS-Z00_mbbldpd_m.htm
- ¹⁵ https://storage.googleapis.com/wzukusers/user-34863532/documents/5d28bb29cc5f2W9TyKnM/Peg%20Howell_%20SODA_%20Testimony%20to%20SC%20House%20Ad%20Hoc%20Committee%20on%20Drilling_2017Oct26_copyright.pdf

A “Forever Decision” case example: California’s offshore oil & gas history... The first Federal OCS lease sale offshore CA was held in 1963. Six years later the first Santa Barbara spill occurred which caused such an uproar against drilling that the U.S. Secretary of the Interior removed federal tracts near Santa Barbara from oil and gas leasing. The state passed immediately instituted a moratorium on drilling in state waters. However, the federal government quickly resumed offshore leasing and continued to hold sales through 1982, when the U.S. Congress finally halted new Federal leasing off California through the appropriations process. A second large Santa Barbara oil spill happened just before Memorial Day weekend 2015, when an underground pipeline that transports oil from an offshore platform to refineries ruptured, spilling 142,000 gallons of crude oil into a coastal state park. The spill, caused by corrosion in a pipeline that did not have automatic shutoff valves, closed nearby beaches for two months, killed hundreds of animals, including birds, sea lions, and dolphins, and cost \$96 million to clean up. Despite the long-term ban on new leasing in federal waters, drilling and production have continued on these leases - from 26 platforms and approx. 200 miles of pipelines. By law, as long as federal OCS wells are producing commercial quantities of petroleum, oil companies may continue to produce from those leases, drill more wells, or sell the property to another operator. In the California OCS waters, oil companies have produced – and spilled - from these OCS leases and pipelines for over 50 years – more than 40 years after the Santa Barbara spill. The point of reviewing this history is to emphasize that when the oil business comes to town, it is very slow to leave, if ever. And the state cannot make the Feds end the leases.