

ENERGY: IT'S *RIGHT OFF* OUR SHORES



Randall Luthi
President,
National Ocean Industries Association

THE VOICE OF OFFSHORE ENERGY
IN WASHINGTON FOR
FORTY YEARS



OVER 300 MEMBER COMPANIES

ExxonMobil


Marathon Oil Corporation


Key Energy Services

STONE ENERGY 


ROWAN COMPANIES, INC.


HEEREMA


HERCULES Offshore


DELMAR


OIL STATES INTERNATIONAL, INC.

RAYMOND JAMES®


CAL DIVE INTERNATIONAL

 **SWIRE OILFIELD SERVICES**
RELIABLY DYNAMIC

 **Bristow**  **CAMERON**


Anadarko Petroleum Corporation

FEDERAL ENERGY PLAYERS IN THE U.S.



Congress



White House



Interior



Office of Natural
Resources Revenue



BOEM



BSEE

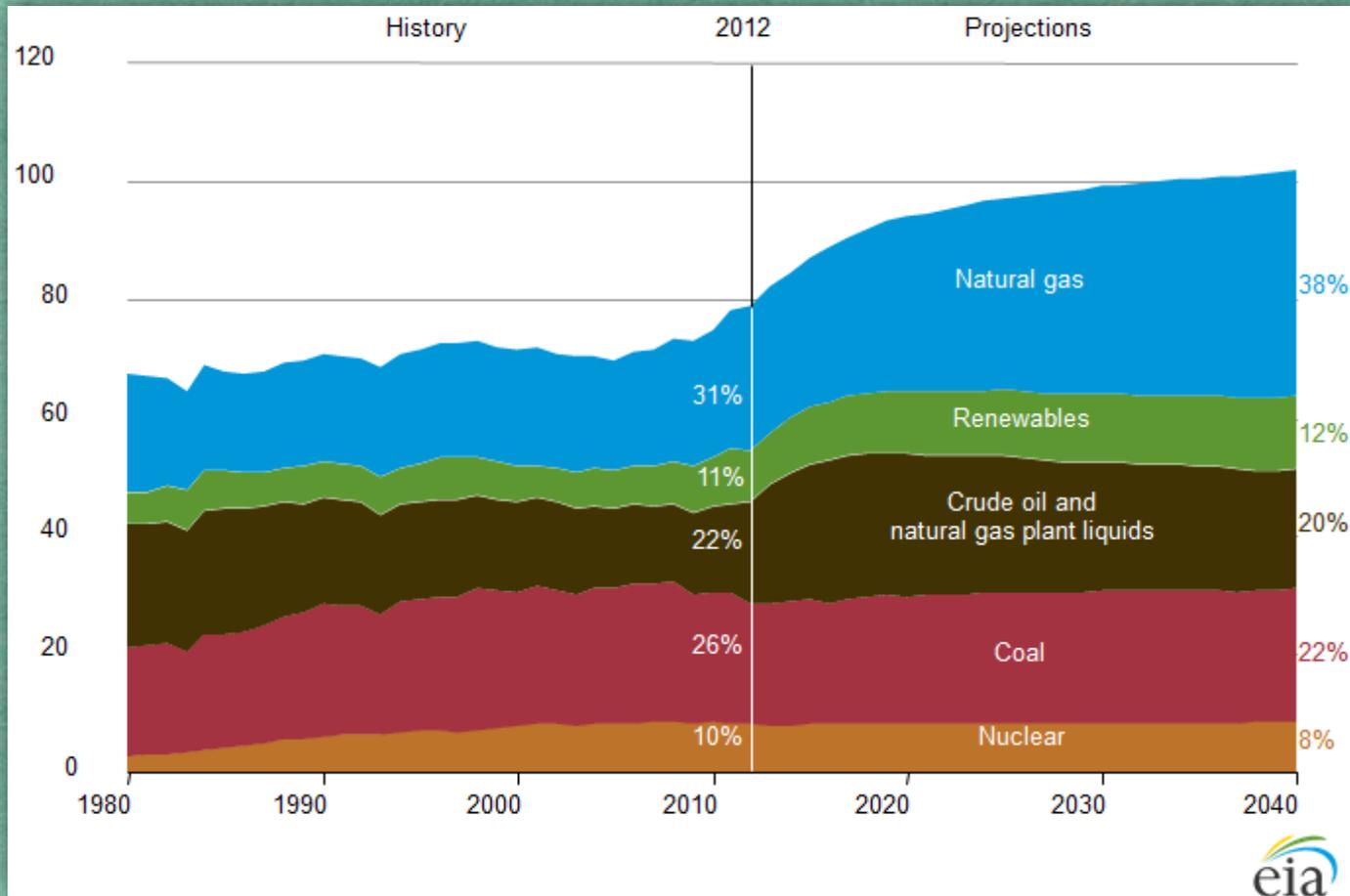


Bureau of Land
Management



The Oil & Gas
Industry

PRODUCE FOR THE FUTURE

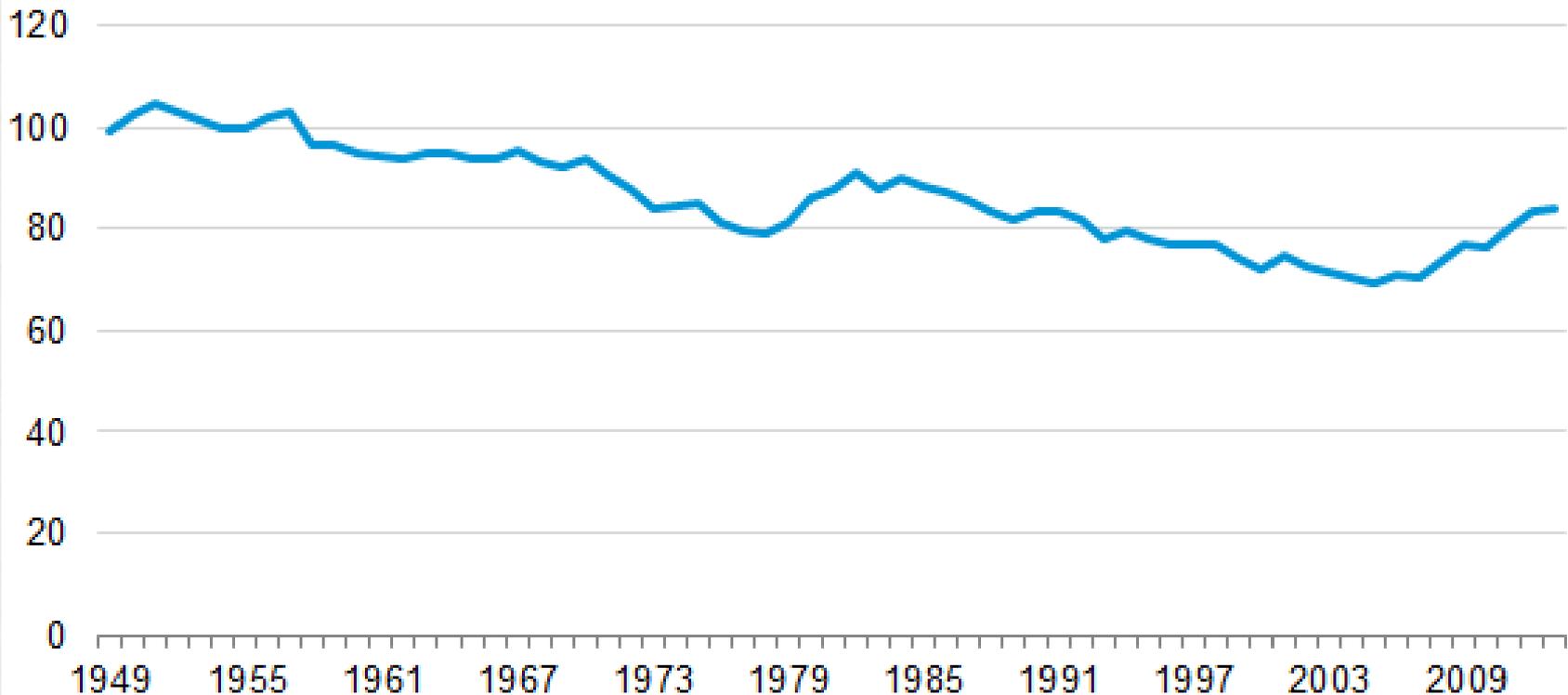


EIA Annual Energy Outlook 2014 Early Release Overview: December 16, 2013

U.S. ENERGY SELF SUFFICIENCY

Ratio of domestic energy production to consumption (1949-2013)

percent

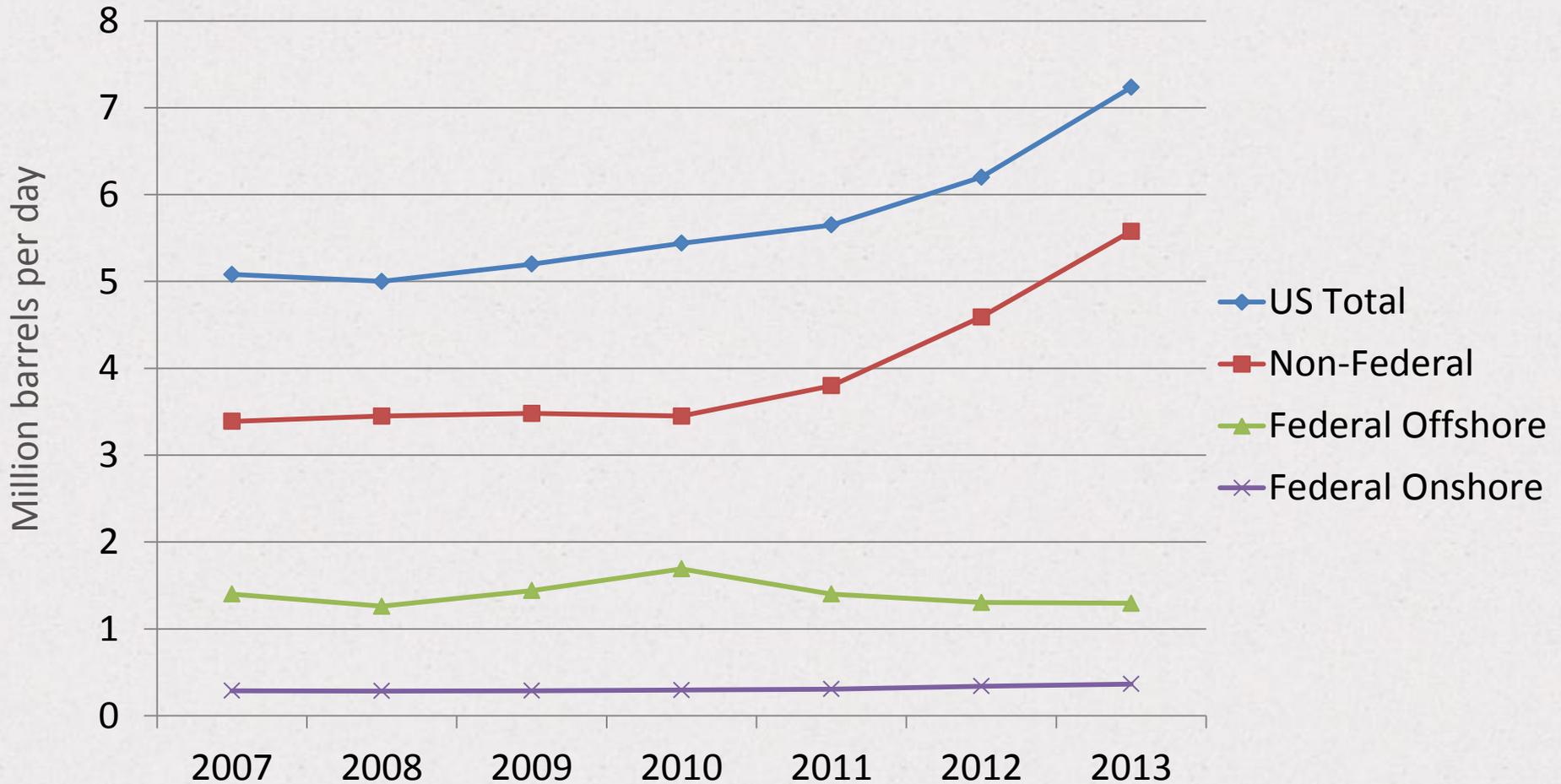


Source: U.S. Energy Information Administration, Monthly Energy Review, May 2014

Note: A ratio of greater than 100% can occur when the United States is a net energy exporter or when there are net additions to stored energy.

US OIL PRODUCTION IS UP: WHERE IS IT?

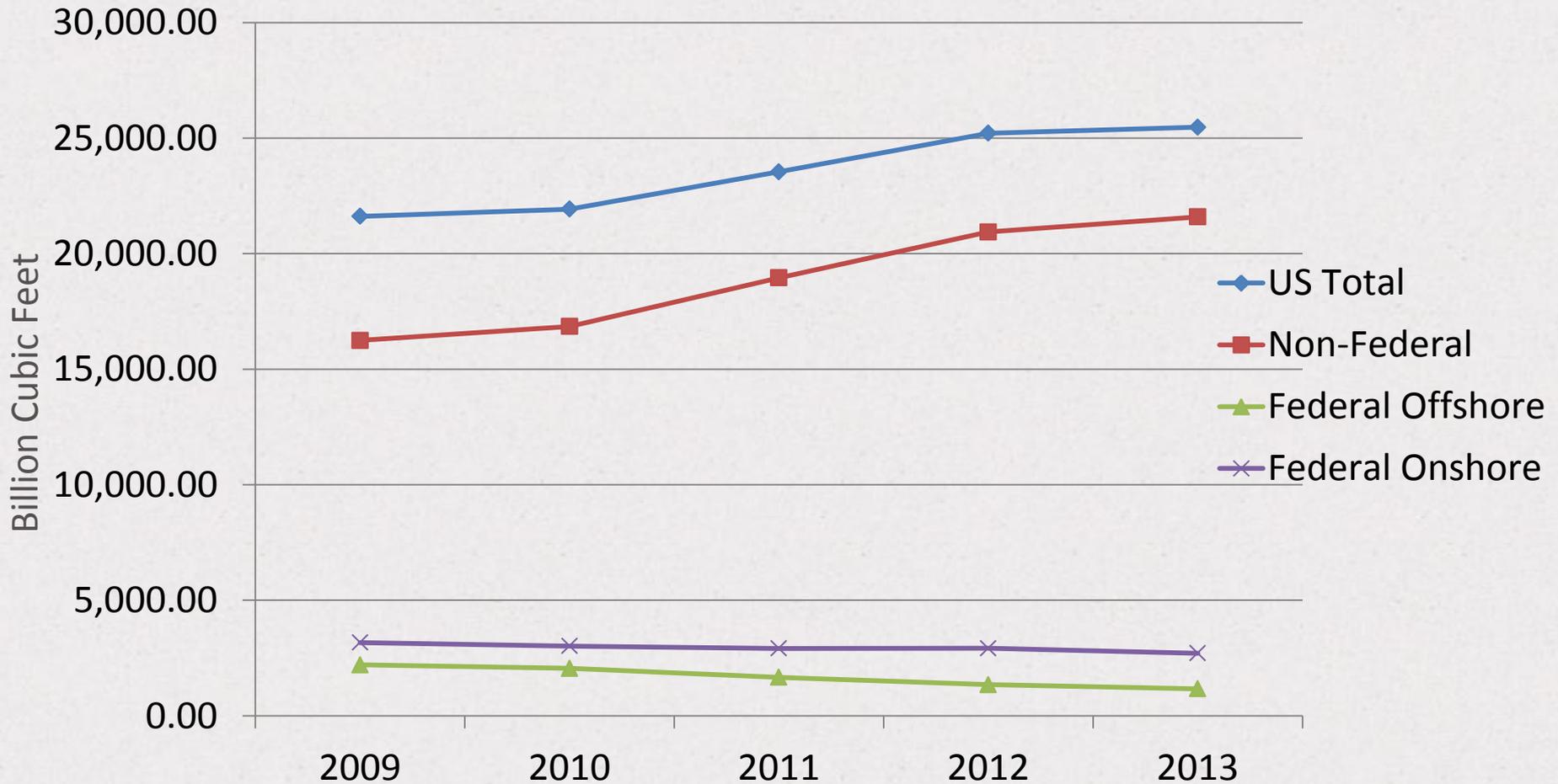
State and Private Production Accounts for 96% of Increase



CRS U.S. Crude Oil & Natural Gas Production in Federal and Non-Federal Areas 2013

US GAS PRODUCTION IS UP: WHERE IS IT?

State and Private Production Accounts for 100% of Increase



CRS U.S. Crude Oil & Natural Gas Production in Federal and Non-Federal Areas 2013

OFFSHORE WIND ENERGY HAS GREAT POTENTIAL

Non-competitive Leases

- MA - Cape Wind (NOIA)
- DE - Bluewater Wind

Competitive Leases

- RI/MA – Deepwater Wind (NOIA) *2 leases*
- VA – Dominion Power
- MD - US Wind Inc. (provisional)

Proposed Sales – NJ, MA

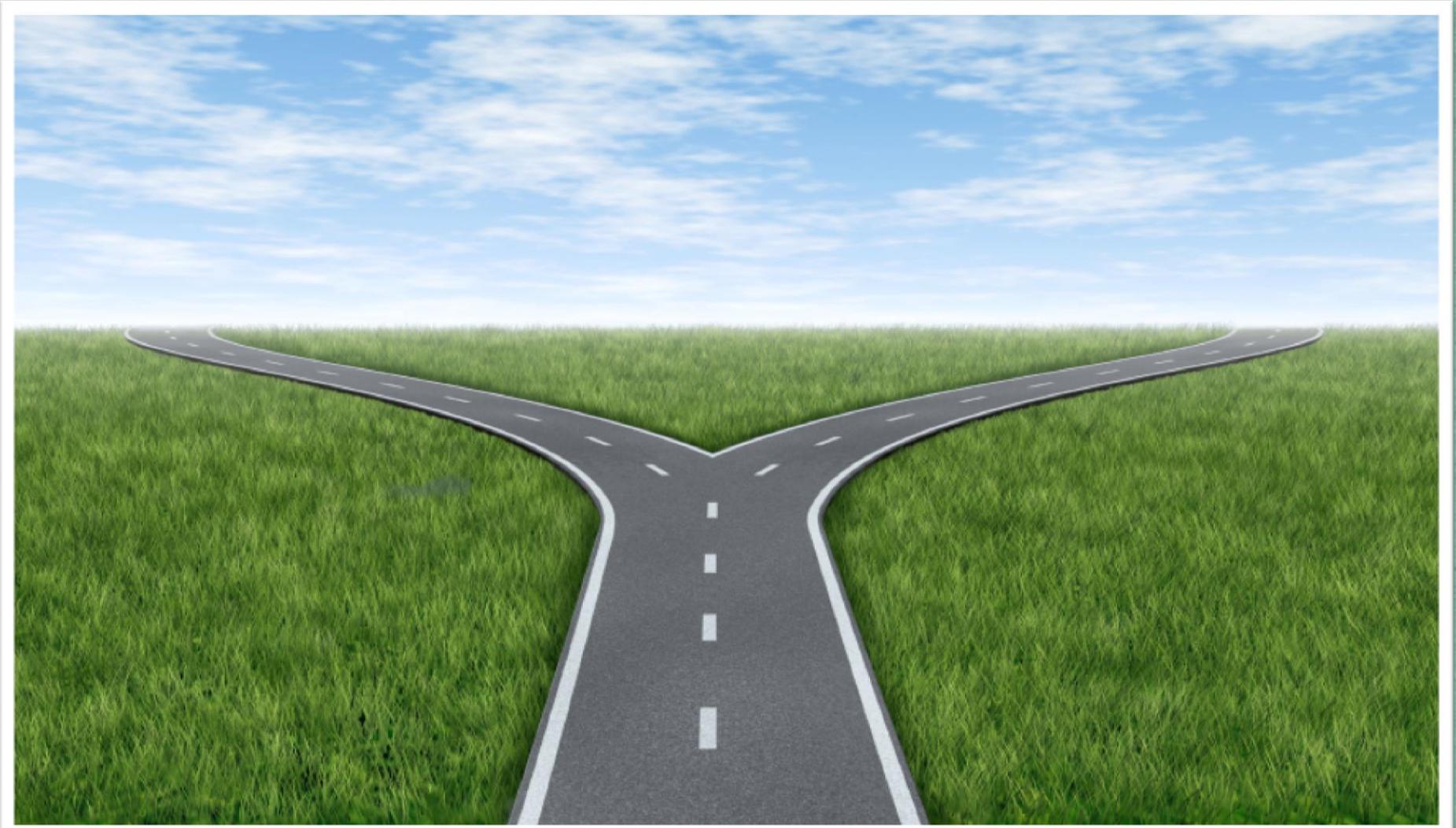
DOE demonstration projects

Proposed Atlantic OCS Wind Power Grid

Opportunity for NOIA member companies



AN AMERICAN MADE CROSSROAD



WHAT IS AND WHAT COULD BE

Revenue

Developing America's currently off-limits offshore resources could generate:

\$1.3 trillion

in revenue over the LIFE OF THE RESOURCE. (ICF International study)

Jobs

Each year over the next 30 years, increasing offshore production could sustain (AEA, 2009):

1.2 million NEW JOBS

242,317 Americans were employed in jobs directly or indirectly related to the offshore energy industry in 2010 (Quest)

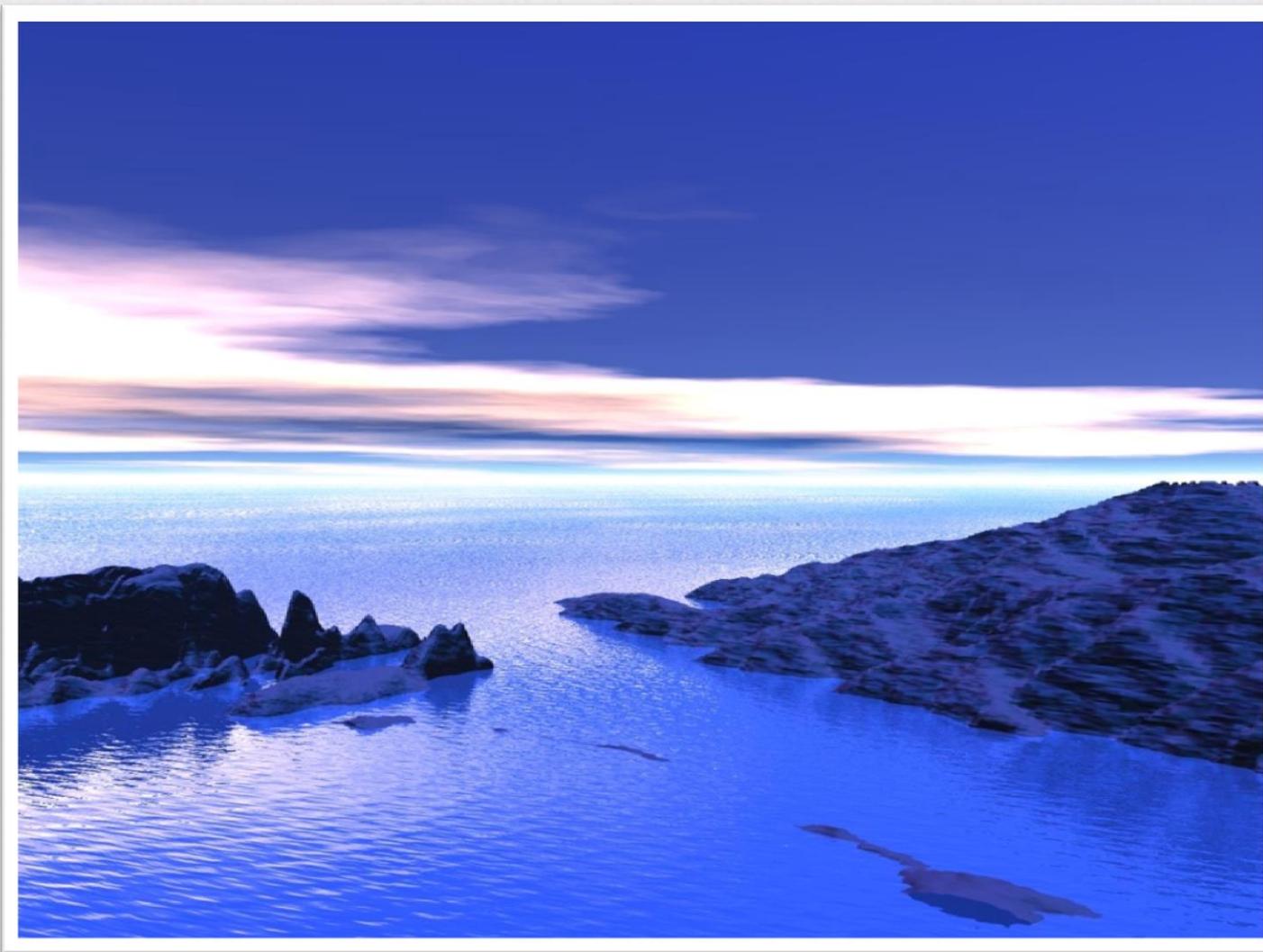


-  Off Limits Under Federal Law or Moratorium
-  Available for Energy Exploration but closed to leasing due to current Federal Policy
-  Available for Production & Exploration

OTHER COUNTRIES GET IT



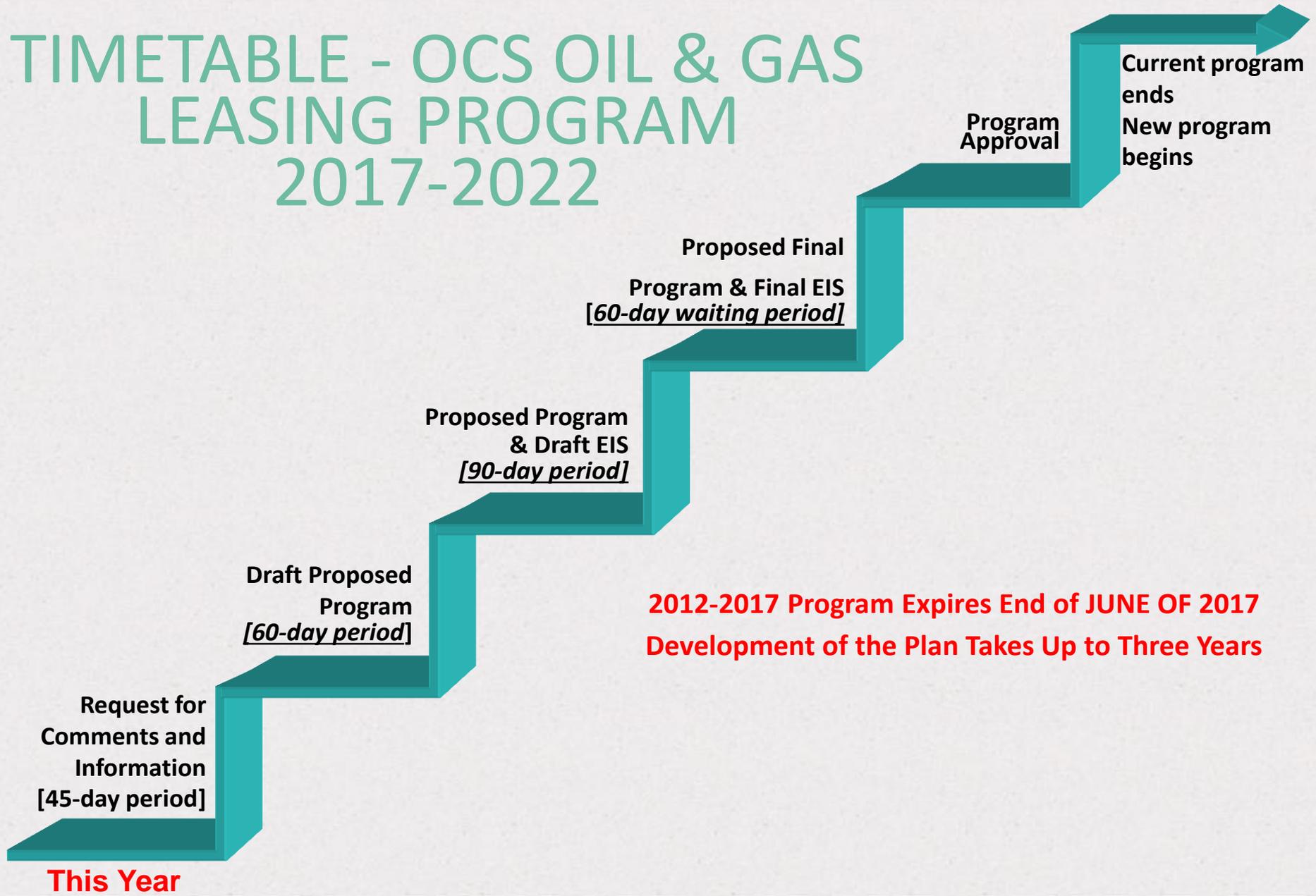
THE ARCTIC



DO WE NEED OFFSHORE ENERGY?



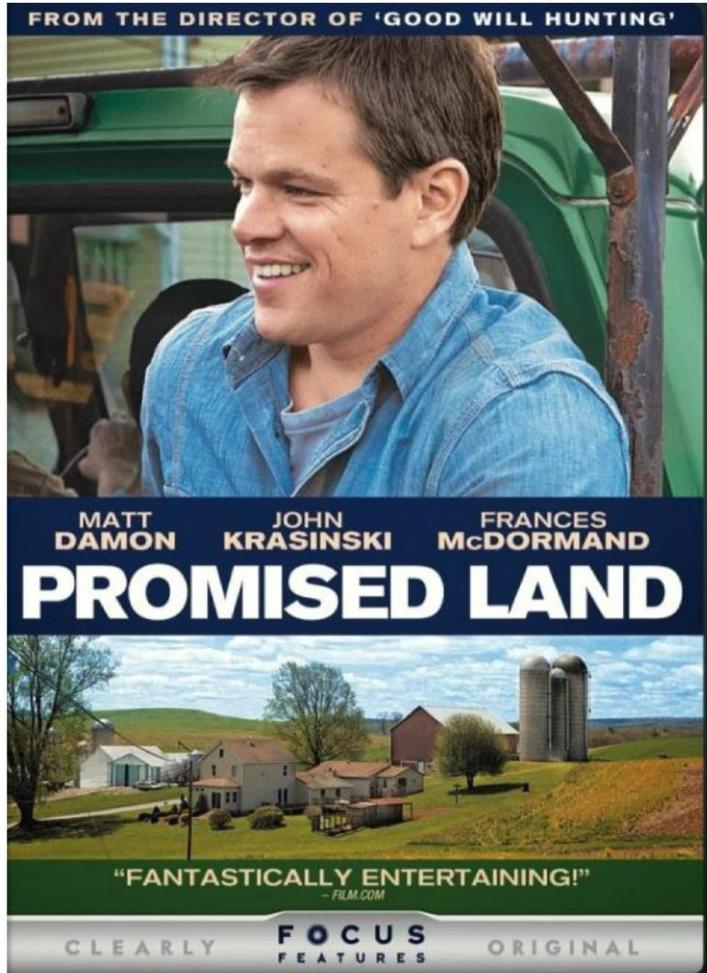
TIMETABLE - OCS OIL & GAS LEASING PROGRAM 2017-2022



WHAT WILL DETERMINE OFFSHORE ENERGY SUPPLY?



FRAC ATTAC



EFFORTS TO SHUT DOWN SEISMIC WORK



Environmental Group Attacks

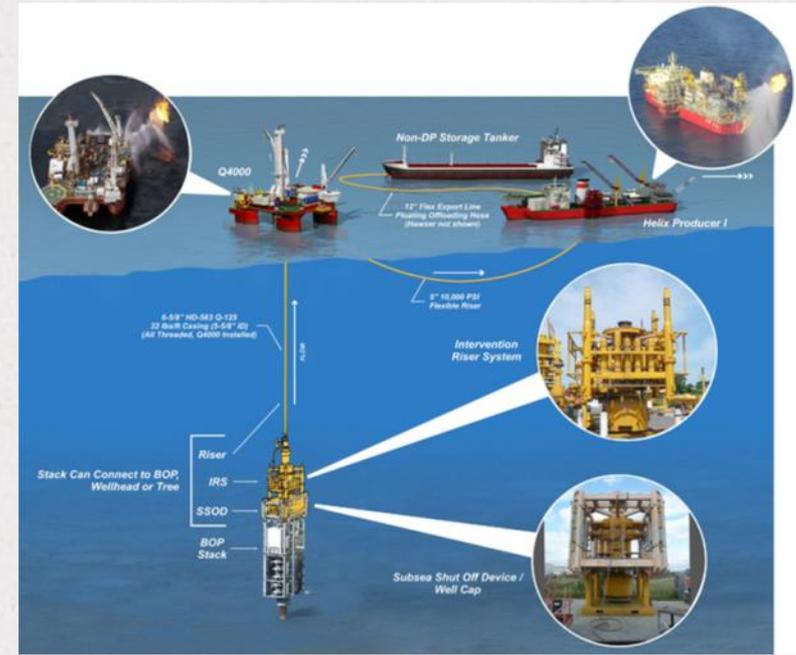
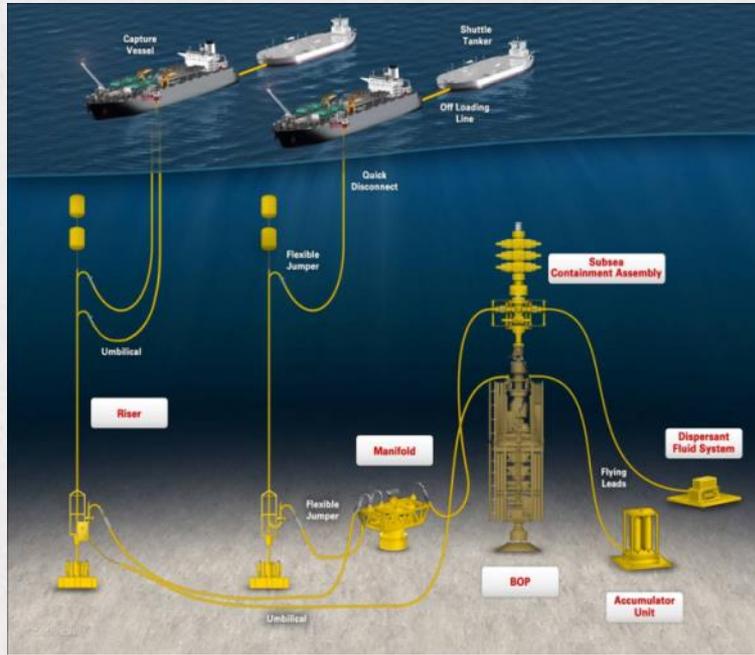
- Airguns used in seismic testing are 100,000 times more intense than a jet engine
- Seismic testing in the Atlantic would injure or kill 138,500 whales and dolphins and disturb millions more according to “government estimates”
- Seismic airguns could be heard 10,000s of miles away

SAFETY



Safety is always a top priority but the industry must always be prepared for the possibility of another accident.

POST MACONDO – SAFETY ACTIONS



- Joint Industry Task Forces
 - Safety – Containment – Spill Response

- MWCC
- HELIX

WASHINGTON GRIDLOCK



REGULATORY AND POLICY CHANGES

- Safety Culture Policy Statement
- SEMS Audits and Contractors
- BAST
- Near Miss Reporting System
- Security Threats to O&G Industry

Regulations

- USCG ANPR on Vessel-Specific SEMS
- Arctic Safety Regulations (at OMB)
- Production Safety Systems Rule (proposed)
- Well Control (BOP) Rule (pending)
- Cranes and Helicopter Safety (pending)
- Risk Management and Bonding (pending)



NATIONAL OCEAN POLICY & COASTAL MARINE SPATIAL PLANNING



THE ONGOING THREAT OF OVERWHELMING LITIGATION



ENERGY DRIVES THE ECONOMY



THANK YOU



Randall Luthi
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National Ocean Industries Association

CONNECT AND NETWORK



@oceanindustries



National Ocean Industries Association



National Ocean Industries Association

WELCOME

THE UNITED STATES ENERGY ASSOCIATION

7TH ANNUAL
ENERGY SUPPLY FORUM

National Press Club
Washington, DC

