

WASHINGTON, DC – Congressman Rob Wittman (VA-1) voted for legislation passed out of the House Natural Resources Committee yesterday, proposing to open new offshore areas for American energy production. Virginia energy development is included in the legislation, in addition to measures establishing revenue-sharing with states, an important component that will return millions of dollars to the Commonwealth. As a component of the American Energy and Infrastructure Jobs Act, this provision will help facilitate the creation of over 1.2 million American jobs, promote lower energy prices through, strengthen national security and help fund new infrastructure that will support long-term American job growth. The legislation passed the Committee late yesterday.

“Promoting job creation and the development of American energy are two components I support whole-heartedly,” Wittman said. “I was pleased to support this component of the American Energy and Infrastructure Jobs Act.”

During committee consideration, Wittman stated: “Virginia has the opportunity to develop offshore energy in an environmentally friendly manner and lead the nation in improving our energy security while creating thousands of jobs. The economy of Virginia will benefit tremendously from the demand for goods and services created by offshore development. Energy production offshore would create jobs and generate much needed state and federal revenue. Promoting offshore oil and gas development is one tool in an “all of the above” energy strategy that is necessary to meet our nation’s growing needs. We must continue working to move the United States toward energy independence, offshore energy development and job creation.”

Wittman also expressed the importance of working with the Department of Defense to ensure exploration does not interfere with activities of the military. The provision passed through the Committee requires the Department of Interior to work with the Department of Defense to prohibit any conflict with military operations. This language safeguards the joint national security goals of military readiness and energy security.

Offshore energy development is widely supported across the Commonwealth of Virginia.

Specifically, this component of the American Energy and Infrastructure Jobs Act will:

- Require that each five-year offshore leasing plan include lease sales in the areas containing the greatest known oil and natural gas reserves. For the 2012-2017 plan being written by the Obama Administration, the areas with the greatest known reserves are specifically defined as those estimated to contain 2.5 billion barrels of oil or 7.5 trillion cubic feet of natural gas. Currently, the Obama Administration's 2012-2017 draft plan includes no new drilling, only possible future lease sales in the Gulf. The requirements to lease in these most prospective offshore areas reverses the Administration's effective moratorium on opening new areas.
- Require the Secretary to establish a production goal when writing a five-year plan. The goal will be the specific amount of oil and natural gas production that is estimated to result from leases made under the plan. Establishes the production goal for the 2012-2017 plan being written by the Obama Administration at 3 million barrels of oil per day and 10 billion cubic feet of natural gas per day by 2027. This 2012-2027 time frame encompasses the fifteen year period of the five-year plan and resulting ten-year leases made under that plan. By comparison to today's levels, this increase in oil equates to a tripling of current American offshore production and would reduce foreign imports by nearly one-third.
- Require the following lease sales that were delayed or canceled by the Obama Administration to occur before September 1, 2012 or within one year after enactment of the bill: lease sale #220 off the Virginia Coast, Gulf of Mexico lease sales #216 and #222, and lease sale #214 in the North Aleutian Basin of Alaska.
- Provide the Secretary of the Interior with the flexibility to issue further lease sales regardless of their inclusion in the 5-year leasing plan in effect at the time.
- Establish fair and equitable revenue sharing of offshore revenues for coastal states, including U.S. territories. It keeps in place the current Gulf of Mexico Energy Security Act (GOMESA) revenue sharing and phases-in a new 37.5 percent revenue sharing percentage to other coastal states when energy is produced off their shores in federal waters.
- Allows state's Governor to request to opt-in to a five-year leasing plan and the Secretary of the Interior will include a lease sale, or sales, of the state's offshore area in the plan.
- Require the Secretary to encourage the use of U.S. workers and equipment in all construction related to energy and mineral development on the OCS.

(Information provided by the House Natural Resources Committee.)

Wittman has led previous efforts to encourage the Administration to reconsider its decision to ban energy development off the coast of Virginia, leading a letter to Interior Secretary Ken Salazar in November 2011 voicing opposition to the ban.

Congressman Rob Wittman represents the First District of Virginia. He serves on the House Natural Resources Committee and the House Armed Services Committee where he is the

Chairman of the Oversight and Investigations Subcommittee.

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