

**TESTIMONY OF THE HONORABLE BENJAMIN CAHOON, MAYOR OF NAGS HEAD,
NORTH CAROLINA
U.S. HOUSE COMMITTEE ON NATURAL RESOURCES'
SUBCOMMITTEE ON ENERGY & MINERAL RESOURCES
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Good morning, Chairman Gosar, Ranking Member Lowenthal, and honorable committee members. My name is Ben Cahoon, and I am the Mayor of Nags Head, North Carolina, and I am a Republican. I greatly appreciate the opportunity to testify before you today about the importance of protecting our coasts from expanded offshore drilling and seismic airgun blasting. My testimony today will cover 1) the impacts of seismic airgun blasting and offshore drilling 2) the legal and transparency problems associated with seismic airgun blasting, 3) the absurdity of creating new financial penalties for coastal states that oppose drilling, 4) the devastating economic consequences that offshore drilling and seismic testing could bring to our coast; 5) the threat to existing national security operations; and 6) the large/widespread, bipartisan opposition to offshore drilling and seismic airgun blasting.

I. Impacts of Seismic Airgun Blasting and Offshore Drilling

Dangerous exploration for offshore oil involves seismic airguns shooting loud blasts of compressed air through the ocean and into the seafloor.¹ These loud blasts are repeated every 10-12 seconds² for days, weeks or months at a time.³ These seismic airguns are one of the loudest sources of noise in the oceans.⁴ According to the National Oceanic and Atmospheric Administration (NOAA), the sound from seismic airguns can be recorded from sites more than 1,860 miles away, equivalent to the distance from Washington, DC all the way to Las Vegas.

Scientists agree that seismic airgun blasts could alter marine mammals' behavior, affecting their migration patterns, mating habits and how they communicate with each other. Most animals in the ocean use sound the way animals on land use eyesight; saturating their environment with noise will have an impact. NOAA estimates that marine animals like dolphins and whales could be harmed hundreds of thousands of times.

Proponents of seismic airgun blasting often mischaracterize an old quote from Dr. Bill Brown of BOEM, claiming that seismic airgun blasting has no impact on marine mammal populations – “populations” being the key qualifier. However, there is a substantial body of peer-reviewed science showing that seismic airgun blasting negatively affects marine mammals, potentially even at the population level. For example, whales exposed to seismic airgun noise stop producing vocalizations that are essential to feeding, avoiding predators, breeding, and raising their young. In the baleen whales, these impacts can occur across vast

¹ Goold C, Fish P (1998) Broadband spectra of seismic survey air-gun emissions with reference to dolphin auditory thresholds. *Acoustical Society of America*. 103(4), 2177-2184.

² National Research Council (2003) Ocean Noise and Marine Mammals. Washington, DC: *The National Academies Press*.

³ Blackwell S, et al. (2015) Effects of Airgun Sounds on Bowhead Whale Calling Rates: Evidence for Two Behavioral Thresholds. *PLoS ONE* 10.6

⁴ Badelt B (2015). The Inventor of the Seismic Air Gun Is Trying to Supplant His Controversial Creation. *Hakai Magazine*. Available: <https://www.hakaimagazine.com/article-short/inventor-seismic-air-gun-trying-supplant-his-controversial-creation>

distances, as much as 100,000 square kilometers or more around a single seismic array. Recent science shows that there are population level impacts.⁵

Furthermore, scientific studies show behavioral and physiological impacts to marine life. These include a 2017 study documenting seismic airgun blasting killing zooplankton up to three-quarters of a mile away;⁶ a 2017 study documenting seismic airgun blasting causing mass mortality in scallops and severely impacting the remaining scallops' immune systems;⁷ a 2017 study documenting that seismic airgun blasting increases stress levels, which according to the study, causes the oysters to stop feeding and breathing;⁸ a 2017 study documenting seismic airgun blasting decreasing the white blood cell counts in spiny lobsters, leading to higher rates of immune infections;⁹ a study documenting seismic airgun blasting depressing longline cod and haddock catch by 70-80%;¹⁰ and a 2017 study documenting a 78% decline in reef-fish abundance after seismic airgun blasting was conducted in the area.¹¹

When the industry proceeds from seismic surveys to exploratory drilling or production, the risks of harm become even greater for coastal communities that rely upon a clean coast. Once drilling begins, we know that accidents happen in a world where human error, mechanical imperfections and coastal hurricanes all play unexpected roles. When you drill, you spill. It is inevitable.

We saw what happened in the Gulf of Mexico in 2010 when the exploratory *BP Deepwater Horizon* rig spilled millions of barrels of oil into the Gulf. It was a disaster, but at least the Gulf's bowl-like shape contained the spill in that region. A similar spill off the Atlantic Coast would be a disaster of epic proportions. If oil entered the Gulf Stream, it could be carried into the Chesapeake Bay, the Hudson River Valley, the Gulf of Maine, and the Grand Banks, which are some of the richest fishing grounds in the world.

The Gulf of Mexico *BP Deepwater Horizon* blowout showed that oil cannot be removed from salt marshes and other wetland systems. It can remain in the sediments for decades. Coastal salt marshes in North Carolina are among the most productive ecosystems in the world and are nursery grounds for many

⁵ E.g., Castellote, M., Clark, C.W., and Lammers, M.O., Acoustic and behavioural changes by fin whales (*Balaenoptera physalus*) in response to shipping and airgun noise, *Biological Conservation* 147: 115-122 (2012); Cerchio, S., Strindberg, S., Collins, T., Bennett, C., and Rosenbaum, H., Seismic surveys negatively affect humpback whale singing activity off Northern Angola, *PLoS ONE* 9(3): e86464 (2014); Blackwell, S.B., Nations, C.S., McDonald, T.L., Thode, A.M., Mathias, D., Kim, K.H., Greene, C.R., Jr., and Macrander, M., Effects of airgun sounds on bowhead whale calling rates: Evidence for two behavioral thresholds, *PLoS ONE* 10(6): e0125720 (2015).

⁶ McCauley R, et al. (2017) Widely used marine seismic survey air gun operations negatively impact zooplankton. *Nature Ecology & Evolution*. Article number: 0195. doi:10.1038/s41559-017-0195.

⁷ Day R, et al. (2017) Exposure to seismic air gun signals causes physiological harm and alters behavior in the scallop *Pecten fumatus*. *Proceedings of the National Academy of Sciences of the United States* 114(40): E8537–E8546, doi: 10.1073/pnas.1700564114.

⁸ Charifi M, et al. (2017) The sense of hearing in the Pacific oyster, *Magallana gigas*. *PLoS ONE* 12(10): e0185353. <https://doi.org/10.1371/journal.pone.0185353>.

⁹ Fitzgibbon Q, et al. (2017) The impact of seismic air gun exposure on the haemolymph physiology and nutritional condition of spiny lobster, *Jacus edwardsii*. *Marine Pollution Bulletin*. 125: 146-156.

¹⁰ Engas A, et al. (1996) Effects of seismic shooting on local abundance and catch rates of cod (*Gadus morhua*) and haddock (*Melanogrammus aeglefinus*). *Canadian Journal of Fisheries and Aquatic Sciences*, 53:2238-2249. doi: 10.1139/cjfas-53-10-2238.

¹¹ Paxton A, et al. (2017) Seismic survey noise disrupted fish use of a temperate reef. *Marine Policy*. 78:68-73. doi: 10.1016/j.marpol.2016.12.017.

estuarine and marine species. Toxic substances from oil spills, both chronic and acute, will put all of these organisms at risk.

Even if a major spill never occurs – and both the oil industry and the federal government admit that spills are inevitable – there’s still an adverse impact to North Carolina’s coast in that the land-based infrastructure necessary to support offshore drilling is dirty and highly industrial. Also, the infrastructure required to transport offshore oil is devastating. For example, a series of canals built across Louisiana wetlands to transport oil has led to vast destruction of marshlands. Healthy marshlands are a critical component of our ecosystem.

Sometimes we hear elected officials claim that they want to explore and drill for natural gas only, while leaving the oil in the ground. One doesn’t explore for just gas. According to current law, oil and gas companies are required to operate their wells to “maximize ultimate recovery.”¹² When oil and gas occur together in a reservoir, as the oil is produced, the gas cap expands helping to remove the oil, essentially pushing it out of the pore spaces in the rocks. When exploration wells are drilled, one finds oil and/or gas and/or water and/or nothing. Then the oil company determines if it’s economical to produce the reserves they found, and if so, submits a plan to BOEM about how they will produce the well.

II. Legal and Transparency Issues with Seismic Airgun Blasting

Proponents for testing and drilling often argue that seismic tests are necessary to provide coastal communities with data about oil and gas deposits off their shores to assess whether it makes economic sense to move forward with drilling for those resources. But that information is considered proprietary by the private companies conducting them. Local decision makers won’t have access to it, nor will the public. Not even members of Congress can get their hands on it.

Currently, there are at least five companies awaiting final permits from the Bureau of Ocean Energy Management (BOEM) to conduct seismic testing along the Atlantic Coast. Most of these companies are foreign and will not be investing in our communities. In fact, Reuters reported that a French-based company, CGG, is dependent on the Atlantic contract to avoid bankruptcy.¹³ Therefore, BOEM is literally putting foreign business interests ahead of hard-working American workers who are dependent on healthy ocean ecosystems for survival.

III. Absurdity of Financial Penalties for Coastal States

This bill would create financial penalties for coastal states where there has been no offshore drilling in decades. I’ll cover the overwhelming opposition in more detail later, but nearly every East and West Coast governor has spoken out against the Trump Administration’s proposal to open nearly all waters to new offshore drilling for the first time in over 30 years. Creating financial penalties for these states, where

¹² 30 CFR § 250.1150. Available: <https://www.gpo.gov/fdsys/pkg/CFR-2013-title30-vol2/pdf/CFR-2013-title30-vol2-sec250-1150.pdf>.

¹³ French oil services firm CGI files for bankruptcy. *Reuters* (2017). Available: <https://www.reuters.com/article/france-cgg/french-oil-services-firm-cgg-files-for-bankruptcy-idUSL8N1JB6H8>. Accessed January 17, 2018.

coastal businesses depend on clean and healthy oceans, would just establish a revenue scheme to transfer money from states to the federal government. This approach is outrageous, and I urge this committee to reject this attempt to hold states like mine hostage. Coastal states should not be penalized for protecting their existing economic interests.

Based on a rough estimate, using the methodology outlined in the draft legislation, states could be forced to pay hundreds of millions of dollars just to protect their thriving coastal economies, including massive penalties to the federal government for not opening their coastline to dirty and dangerous offshore drilling.

It's inappropriate, and once again, Washington is pushing its beliefs onto local citizens, instead of listening to their vehement opposition.

IV. Economic Impact and Risks of Expanded Offshore Drilling and Seismic Airgun Blasting

Oil and gas development poses a real threat to the fishing, tourism, and recreation-based businesses along the East and West Coasts that each year generate around \$180 billion in gross domestic product and support nearly 2.6 million jobs. The *BP Deepwater Horizon* oil spill caused 10 million lost days of beach, fishing, and boating activity. Many leisure travelers stayed away from Florida's Gulf Coast in the months following the spill, even in areas that did not have oil on their beaches.

The federal Energy Information Administration now predicts the nation will be a net energy exporter within a decade – for the first time since the 1970s. There's no need for offshore oil production off North Carolina's coast, especially in light of the costs noted above.

The American Petroleum Institute says oil and gas drilling could result in \$3.3 billion to North Carolina over a two-decade period. That sounds like a fairly big number, but according to "Visit North Carolina," which is a part of the Economic Development Partnership of North Carolina, tourists in North Carolina spent nearly ten times that amount — more than \$20 billion — in 2016 alone.¹⁴ Even the most lucrative oil and gas scenario would generate roughly 1% of the economic impact tourism has on the state. Further, these industries do not live harmoniously. Along the Gulf coast, beach goers are provided with wipes to clean the oil and tar balls from their feet after walking on the beach. To the residents of North Carolina, that scenario is unacceptable, as our beaches are major revenue generators and part of our way of life. Moreover, tourism revenue increases every year with no signs of that trend slowing; the same cannot be said of the demand for oil.

The economically recoverable amount of oil and gas that could be produced off North Carolina's coast, according to Department of Interior estimates, would meet U.S. demand for roughly 65 of oil and 57 days of gas, and there's no guarantee that the drilling will pan out at all. There's so little oil, and the risk is far too great. It's not worth the risk for North Carolina when we look at how much GDP and how many jobs are generated by healthy ocean ecosystems including fishing, recreation and tourism. In 2016 alone, these

¹⁴ <https://partners.visitnc.com/contents/sdownload/67490/file/2016-Economic-Impact-of-Travel-on-North-Carolina-Counties-revised.pdf>

industries generated over \$2.5 billion in GDP and nearly 57,000 jobs.¹⁵ Risking our ocean and way of life is not worth the economic trade off.

V. Threat to Existing National Security Operations

The President's newly proposed National OCS Program also proposes to offer leases in areas that have extensive military operations, thus risking our national security training and readiness. The draft plan deviates from the longstanding tradition of deference to the Department of Defense (DoD) when offering offshore drilling leases in federal waters. The Atlantic and Eastern Gulf of Mexico are home to critical coastal military facilities, including Norfolk Naval Station - the largest naval station in the world. In the Atlantic Ocean, DoD conducts extensive readiness operations including live fire tests, air-to-surface bombing exercises, homing torpedo testing, supersonic test flights, laser targeting operations, and both Naval Air and Sea Systems Command. DoD's 2015 report on mission compatibility with offshore leasing indicated that significant restrictions on oil and gas activity in the Mid-Atlantic and South Atlantic planning regions would be necessary to ensure that DoD activities would not be impaired.

Furthermore, DoD has made it clear that the continuation of the moratorium on oil and gas leasing in the Eastern Gulf of Mexico is essential to vital military readiness activities. An April 2017 letter from the Office of the Under Secretary of Defense states, "The Department of Defense (DoD) cannot overstate the vital importance of maintaining this moratorium." The letter continues, "The moratorium on oil and gas 'leasing, pre-leasing, and other related activities' ensures that these vital military readiness activities may be conducted without interference and is critical to their continuation. Emerging technologies...will require enlarged testing and training footprints, and increased DoD reliance of the Gulf of Mexico Energy Security Act's moratorium beyond 2022." A separate June 2017 letter from the Air Force states, "The moratorium is essential for developing and sustaining the Air Force's future combat capabilities."

The Department of Defense hosts a wide variety of training and testing activities critical to military readiness and our national security. The Department's own public statements make it clear that new leasing could create conflict with long-standing operations throughout the Atlantic. It makes no sense to put my home state of North Carolina or any new areas at-risk when the proposal presents a direct threat to our national security.

VI. Bipartisan Opposition to Offshore Drilling and Seismic Airgun Blasting

By bringing offshore drilling to shores where Americans have already spoken vehemently against it, this proposed legislation undermines Congress' commitment to local and state decision-making.

Recently, Secretary Zinke met with Florida Governor Rick Scott on the tarmac of the Tallahassee Airport, where in front of several TV cameras, the Secretary announced that due to the Governor's opposition to Florida being included in the five-year plan, and Florida's unique coastal environment and tourism, the state would be removed from the five-year plan. While that is great that the Governor and Secretary are listening to state and local leaders, nearly every other state along the Atlantic Coast has requested the same meeting and treatment Gov. Scott received. In fact, on the East Coast, governors from Florida, South Carolina, North Carolina, Virginia, Maryland, Delaware, New Jersey, New York, Rhode Island, New

¹⁵ Clean Coast Economy, by Oona Watkins and Kevin He, Oceana, March 2018.

Hampshire, Connecticut, and Massachusetts all oppose the draft five-year plan for 2019-2024. It should be noted that the Governor of Georgia has recently shifted his position from supporting more offshore drilling off their coast to expressing concerns with this new national OCS program. Additionally, it will not be clear whether Florida is removed, formally, until the Proposed Program is released.

As of today, [opposition and concern over offshore drilling activities](#) includes:

- Bipartisan opposition and concern from governors of Florida, Georgia, South Carolina, North Carolina, Virginia, Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, Massachusetts and New Hampshire, Washington, Oregon and California
- More than 275 East Coast and Pacific Coast municipalities
- Bipartisan opposition from more than 1,700 local, state and federal elected officials
- An alliance representing over [43,000 East Coast businesses](#) and 500,000 fishing families
- An alliance representing [over 1,000 West Coast businesses](#)
- The New England, Mid-Atlantic, South Atlantic and Pacific fishery management councils
- Commercial and recreational fishing interests such as the Southeastern Fisheries Association, Fisheries Survival Fund, Southern Shrimp Alliance, The Billfish Foundation and the International Game Fish Association
- NASA, the Department of Defense, U.S. Air Force and the Florida Defense Support Task Force

Offshore drilling in any new areas is not the answer. Unfortunately, this legislation would place an absurd penalty on coastal states, requiring states to pay the federal government to protect their coast, potentially costing taxpayers millions of dollars. Creating a ransom for coastal states to protect their coastal economies, way of life, and military readiness violates core conservative principles. I urge this committee to reject this draft and any calls to penalize coastal states for protecting their coastal economies.

I thank you for the opportunity to testify here today, and I look forward to answering your questions.