Trump administration to roll back regulations on offshore drilling

Matthew Taylor 5 January 2018

Nearly eight years after the Deepwater Horizon oil spill that killed 11 workers and spewed millions of gallons of oil and toxic chemicals into the Gulf of Mexico, the Trump administration has moved to repeal regulations on offshore drilling that were implemented in the aftermath of the disaster.

The Bureau of Safety and Environmental Enforcement (BSEE), a division of the Department of Interior, issued a proposal last week that would eliminate multiple safety measures required for offshore oil drilling operations.

The proposal would make significant changes to the well control rule, a series of safety requirements that cover many aspects of offshore oil drilling, including the use of safety equipment, best operational practices, and reporting requirements that were intended to prevent future spills.

The *Wall Street Journal* has reported that the administration intends to remove the word "safe" from a section of the regulations, allowing the BSSE far greater latitude in issuing drilling permits.

Rules requiring third-party inspections of safety equipment would also be repealed. This would include inspections of blow-out preventers, whose failure in 2010 contributed significantly to the Deepwater Horizon spill. The proposal would also eliminate rules that mandate real-time streaming of data on oil drilling operations to onshore facilities where regulators monitor production.

The BSSE has also issued a stop-work order on December 7 on a study conducted by the National Academies of Sciences, Engineering, and Medicine intended to "review and update the bureau's offshore oil and gas operations inspection program to enhance safety," according to the Academies' web site. This followed a similar order issued in August by the Interior Department suspending a study by the same organization on the impact of surface coal mining operations on the health of residents in central Appalachia.

The regulatory repeal follows the announcement by the Interior Department in October that it intended to sell leases for all remaining unleased areas on the outer continental shelf of the Gulf of Mexico. At approximately 77 million acres, roughly the size of New Mexico, the sale would be the largest in US history.

The auctioning off of the remaining waters in the Gulf are in line with the administration's policy of rescinding environmental protections to clear the way for commercial interests. In April, President Trump ordered a review of Obama-era regulations governing where offshore oil exploration is allowed. Those regulations banned oil drilling off the southeast Atlantic coast and the coast of Alaska. The administration has also sought to abolish or reduce federally protected marine sanctuaries. This would be a boon to the commercial fishing industry as well as the oil companies.

On Thursday, The Trump administration released its first proposal for new oil exploration in the oceans. Included in the proposal are multiple regions off of the Alaskan coast that have long been targeted by energy companies. Environmental groups have opposed efforts to open these pristine areas up for drilling. Public efforts to ban drilling in these areas had been largely successful in recent decades due to public outrage after the 1989 Exxon Valdez oil spill, which devastated marine life and was the largest oil spill in US history until the Deepwater Horizon disaster in 2010.

New areas in the Atlantic and Pacific would be opened for drilling for the first time in decades. The administration's proposal would grant nine new leases in the Atlantic Ocean, with two in the north Atlantic, three each in the central and southern Atlantic, and one off of the coast of Florida. There are no current leases in the Atlantic, and the last sale was in 1983.

Seven new leases will be offered along the Pacific coast. In 1969 an oil spill of some 3 million gallons occurred off of the coast of Santa Barbara, California, sparking public outrage and leading to the eventual ban on drilling along the west coast. No new leases have been granted in the Pacific since 1984.

In seeking to justify the rollback the Trump administration and its allies in the energy industry have promoted the lie that opening up new areas for oil drilling will boost the economy and make the United States "energy independent." The document released last week announcing the new Gulf leases claims that the rule changes "would fortify the Administration's objective of facilitating energy dominance though encouraging increased domestic oil and gas production."

The notion that the United States can free itself from the need to import foreign oil by increasing domestic production is false. The US currently imports at least 40 percent of its oil each year, or over 3 billion barrels annually. Figures compiled by the US Energy Information Administration ranks the United States' proven oil reserves at tenth globally, with an estimated 39,230 million barrels. This is a fraction of the reserves held by top-ranked Venezuela (300,878 million), Saudi Arabia (266,455 million), and Canada (169,709 million). Further, much of the new oil discovered in the United States in recent decades requires hydraulic fracturing to extract, making it far more expensive to produce than sources in the Middle East and elsewhere.

On an annual basis, the US consumes approximately 25 percent of the world's petroleum, while producing only 6 percent.

The assertion that thousands of high paying jobs will be created by new oil exploration is also misleading. While some new jobs will undoubtedly be created, the workers employed will be subjected to the same dangerous and exploitative conditions that have led to the deaths of hundreds of oil workers in the last decade. Their jobs will also be highly tenuous, as the global price of oil has long been a weapon wielded by the US and its allies in OPEC. Included in the various countries that the United States has targeted for regime change is Russia, which has over twice the proven oil reserves of the US; Iran, which has four times the proven reserves; and Venezuela, with nearly 10 times the proven reserves. Petroleum sales are the largest source of state revenues for each of these countries. If the Trump administration decides to target any, or all, of these states by slashing the price of oil in concert with the Gulf monarchies which control OPEC, thousands of workers in the US and globally will lose their jobs.



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