

Obama clears way for oil drilling off US coasts

Ben Feller, Associated Press, 3-31-10

WASHINGTON — Shaking up years of energy policy and his own environmental backers, President Barack Obama threw open a huge swath of East Coast waters and other protected areas in Alaska and the Gulf of Mexico to drilling Wednesday, widening the politically explosive hunt for more homegrown oil and gas.

Obama's move allows drilling from Delaware to central Florida, plus the northern waters of Alaska, and exploration could begin 50 miles off the coast of Virginia by 2012. He also wants Congress to lift a drilling ban in the oil-rich eastern Gulf of Mexico, 125 miles from Florida beaches.

Still off limits: the entire Pacific seaboard. And in a nod to conservation, Obama canceled oil exploration in Alaska's Bristol Bay, deeming the area a national treasure.

For this oil-dependent nation, the decision could start to reshape far-reaching economic and national security policies, affecting where the U.S. gets the fuel for its cars, heating and energy-gulping industry.

For a president on a roll following a big health care win, Wednesday's drilling declaration was both aggressive and pragmatic. Even with a push for cleaner energy sources and efficient cars — and with promises of protection for ecosystems and coastal tourism — the nation still needs more oil, Obama said.

"The answer is not drilling everywhere all the time," Obama said in an event at Andrews Air Force Base. "But the answer is not, also, for us to ignore the fact that we are going to need vital energy sources to maintain our economic growth and our security."

Inside politically conscious Washington, Obama's announcement was viewed, too, as a play to win Republican support for a comprehensive climate change bill. Obama needs GOP help to move legislation through the Senate that would limit carbon emissions, a key priority, and his decision on drilling drew at least a bit of Republican applause.

Republican George W. Bush pushed for years to expand offshore drilling. He and Congress lifted bans on some drilling in 2008, when gasoline prices hit record levels. But Obama's plan is narrower than Bush's, which also would have opened up oil and gas leasing areas off California and in the North Atlantic.

Obama got a predictable pummeling Wednesday from environmentalists, who sarcastically compared him to Sarah Palin, the former vice presidential candidate whose oil-promoting speech at the Republican National Convention in 2008 famously drew chants of "Drill, Baby, Drill!"

Any big changes to environmental policy — particularly oil drilling — tend to touch off the bitter debate that Obama says he wants the country to end.

His support for exploratory drilling in the Chukchi and Beaufort seas north of Alaska, for example, drew outrage from the Center for Biological Diversity as a threat to polar bears. "Short of sending Sarah Palin back to Alaska to personally club polar bears to death, the Obama administration could not have come up with a more efficient extinction plan for the polar bear," said Brendan Cummings, the center's senior counsel.

More broadly, the conservation group Oceana declared Obama was "unleashing a wholesale assault on the

oceans."

Obama has been a supporter of drilling as part of a broader energy agenda, and the White House played down any talk of wooing Republicans.

But it is clear the president wants to show the opposition party that he is willing to come toward them with hopes the GOP will do the same in return. He has already done so on nuclear energy. However, winning a broad climate and energy bill remains an enormous lift for Obama in this election year.

"He could certainly point to this: `Look, I've moved away from where we were even a year ago, so let's work something out,'" said Guy Caruso, an energy expert at the Center for Strategic and International Studies and a former Department of Energy administrator. "Whether it's enough? I doubt it. But it's a step."

Indeed, the Senate Republican leader, Mitch McConnell of Kentucky, said it was a step in the right direction. But he chided Obama for leaving too many exploratory areas off limits and questioned whether the administration would actually follow through and open areas for oil production. GOP Sen. Lindsey Graham of South Carolina, a key negotiator with the White House on the energy bill, said he listened to Obama with "great interest."

As for the fallout from environmental activists, White House spokesman Bill Burton said, "None of this should have been a surprise to anybody. We've been talking about all these different elements for a very long time and the president is following through on promises."

While the first lease sale for an area 50 miles off the Virginia coast could come as early as 2012, development in other areas of the South Atlantic would still be years away, according to the Interior Department's leasing plans released Wednesday. The department said it plans seismic studies, environmental reviews and public meetings in the regions involved to determine if leases should be offered in those areas between 2012 and 2017.

Obama's plan to open more of the eastern Gulf of Mexico would require Congress to lift a drilling moratorium it imposed several years ago. An energy bill before the Senate would open an even wider area of the eastern Gulf than Obama is proposing, allowing drilling within 45 miles of some of Florida's coast.

Access to oil and gas in South Atlantic waters also would probably meet stiff resistance from the coastal states unless Congress first enacts a plan to share the billions of dollars in potential revenue from lease sales and oil and gas development. And that's not easy.

Lawmakers from coastal states that would benefit have been pushing for that, but some other senators argue that proceeds from oil and gas resources in federal waters should go to the U.S. Treasury.

Obama is trying to push several levers at once.

As part of his oil announcement, Obama said his government would release new requirements Thursday requiring automakers to build more fuel-efficient cars and trucks. The standards include first-ever rules on vehicle greenhouse gas emissions, which have been blamed for global warming.

For a bit of imagery, Obama stood in front of a Navy F-18 fighter scheduled to fly on Earth Day with a half-biomass fuel mix.

He implored people to accept a middle ground between viewing drilling as a cure-all or claiming it has no place

in an energy portfolio.

Said the president: "This issue is just too important to allow our progress to languish while we fight the same old battles."