



FOR IMMEDIATE RELEASE:

**LABI Submits Comments to the Interior Department in Support of
Offshore Energy Exploration**

BATON ROUGE, La. (August 17, 2017) – The Louisiana Association of Business and Industry (LABI), in conjunction with the Louisiana Mid-Continent Oil and Gas Association (LMOGA), recently expressed its strong support for offshore energy exploration in comments filed to the U.S. Bureau of Ocean Energy Management (BOEM) concerning the development of the federal government's five-year offshore oil and gas leasing program for 2019-2024.

Created as a result of the 2010 Deepwater Horizon oil spill, BOEM promotes energy independence, environmental protection and economic development through responsible science-based management of offshore conventional and renewable energy and marine mineral resources. The agency currently only allows drilling in the western two-thirds of the Gulf of Mexico, Alaska's Cook Inlet and a few spots off California's shore.

LABI and LMOGA strongly recommend that the Five-Year Program not only include areas of existing exploration and development activities, but new areas where there has been little to no activity including: Mid and South Atlantic, other areas in the Eastern Gulf of Mexico and the Pacific. We also recommend that BOEM reduce royalty rates across the board for current and future leases in all water depths in the Gulf of Mexico.

Stephen Waguespack, LABI president and CEO stated, "Now, more than ever, Louisiana needs new jobs and investment in our service based economy — expansion of opportunity in the Gulf of Mexico is a plug and play way to do that. Louisiana is blessed with ample resources, a robust infrastructure and the best energy workforce. It is time to put them back to work."

Waguespack continued, "Louisiana's workforce cannot afford for BEOM to exclude the Gulf from its proposal."

In 2016, offshore oil and natural gas production accounted for approximately 18.2 percent and 4.4 percent of U.S. production respectively. In Fiscal Year 2014 alone, Gulf of Mexico energy development supported 651,000 jobs, contributed over \$64 billion in GDP and provided over \$7 billion in revenue to the federal government.

Louisiana is the nation's No. 2 producer of both oil and natural gas and ranks No. 2 among the states for refining capacity. Louisiana's energy industry supported tens of thousands of jobs in all 64 parishes and contributed nearly \$1.5 billion in state taxes in Fiscal Year 2013 (15 percent of all taxes, licenses and fees collected by the state).

Any scenarios that might diminish or end new leases in the Gulf of Mexico from the 2019-2024 offshore program pose significant risks to the nation's energy and economic security as well as livelihoods and communities across Louisiana and the Gulf Coast. Without Gulf of Mexico lease sales included in the 2019-2024 leasing program, the Interior Department estimates that the country would have to turn to imports to replace nearly 60 percent of the foregone production.

Innovative and technological advancements are made every day by energy leaders to protect habitats and safeguard workers while producing the energy

that keeps America and Louisiana secure.

The Gulf of Mexico's offshore resources are a critical component of a sensible national energy policy that promotes access to reliable, affordable domestic energy for years to come.

Read LABI and LMOGA's joint comments to BOEM [here](#), and get information about the opportunity for commenting online [here](#).

About the Louisiana Association of Business and Industry

The Louisiana Association of Business and Industry was organized in 1975 to represent Louisiana businesses. LABI is proud to be Louisiana's official state chapter of the U.S. Chamber of Commerce and the National Association of Manufacturers. LABI's primary goal is to foster a climate for economic growth by championing the principles of the free enterprise system and representing the general interest of the business community through active involvement in political, legislative, judicial and regulatory processes. Find out more information at <http://www.labi.org>

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