OIL SPILL COMMISSION ACTION

ASSESSING PROGRESS

Implementing the Recommendations of the National Oil Spill Commission

April 17, 2012

safety
and environmental protection

frontier areas

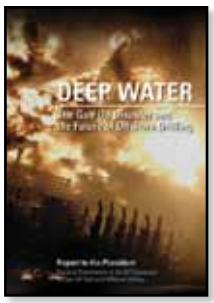
ensuring
adequate
resources

spill containment and response

impacts and restoration

Introduction

Oil Spill Commission ***Action*** is an outgrowth of the National Commission on the BP *Deepwater Horizon* Oil Spill and Offshore Drilling, which President Obama established in response to the explosion of the *Deepwater Horizon* drilling rig in the Gulf of Mexico on April 20, 2010. At the President's direction, the Commission undertook an extensive investigation to determine the root causes of the disaster and evaluate the responses to the oil spill. The President also asked the Commission to recommend reforms to minimize the risk that such a disaster would ever again occur.



The Commission issued its final report, *Deep Water*, in January, 2011 (see back cover for a link to the Commission's report and background materials), and concluded its work. The report contained many recommendations focused on making offshore energy production safer, improving the country's ability to respond to spills, and addressing the extensive impacts on the Gulf's people, economy, and environment.

We are not, however, satisfied just issuing a report. Too many task forces and commissions, after devoting significant time and effort to their assignments, watch the value of their contribution diminish as other issues and priorities command public attention. As a group, we vowed not to let the spotlight fade from our work. The country deserves this. We elected to do what we can to advance the implementation of our recommendations so that the nation can move forward to secure the oil off our shores in a safer, more environmentally responsible manner.

To this end, with support from the Walton Family Foundation, with a single staff person, volunteering our own time, we have met with many of the actors responsible for implementing the recommendations in order to assess their progress. This brief report summarizes the results of our inquiry. Additional information is available on our web site, OSC***Action***.org.

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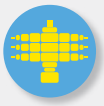
Assigning Grades

In just the past 10 months, at least 3 offshore oil and gas rigs around the world have experienced significant leaks, demonstrating again and again how risky this activity is and emphasizing the need for the types of controls and protections the Commission called for. The risks will only increase as drilling moves into deeper waters with harsher, less familiar environmental conditions. Delays in taking the necessary precautions threaten new disasters, and their occurrence could, in turn, seriously threaten the nation's energy security. Everyone will benefit if the needed improvements are made properly and expeditiously.

For this reason, we are encouraged by the advances industry, the Department of the Interior, and other federal agencies have made in the two years since the *Deepwater Horizon* catastrophe to improve the safety of offshore drilling and the nation's readiness to respond to any spills that do occur. However, much more needs to be done, particularly by Congress which has yet to enact any legislation responding to the explosion and spill.

We have clustered the Commission's recommendations into five categories. In some, we have seen significant progress. In others, much less. In every category, much more needs to be done. Recognizing the progress that has been made and reflecting optimism that the activities currently underway will be completed successfully, we have assigned the following grades to each of these categories:



Safety and Environmental Protection

Industry and most federal agencies have made or are making significant improvements in the way offshore oil operations are developed, carried out, and overseen. These hold promise but continued improvements are required, and Congress has done nothing to make permanent the improvements that have been made.

B

Spill Response and Containment

Industry and most federal agencies are also making significant improvements in their ability to contain and respond to offshore oil spills. The nation is certainly in a much better situation than it was two years ago. However, the efficacy of these modifications under the harsh conditions of deep water drilling still needs to be demonstrated and, again, Congress has provided little support for these efforts.

B-

Impacts and Restoration

Implementing the Commission's recommendations on impacts and restoration is, at best, a work in progress. Though we are hopeful that the current efforts to initiate a comprehensive restoration program in the Gulf will succeed, we are discouraged by the modest steps that have been taken.

C

Ensuring Adequate Resources

Although the Administration and Congress have provided increases in funding for the Department of the Interior to operate its regulatory programs, Congress has taken no action to make the program self-funding. Nor has Congress taken action to adjust the existing unrealistic limits on liability and response funding.

D

Frontier Areas—The Arctic

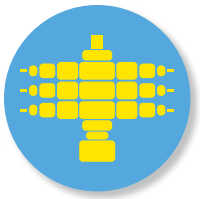
Although there has been some progress in implementing the Commission's recommendations concerning frontier areas, we feel strongly that additional work must be done to understand the ecosystems of the Arctic and to establish the infrastructure necessary to protect this vulnerable and valuable region.

C

Summary Grades for Key Actors

Overall, we conclude that, although much more needs to be done, the Administration and industry are undertaking important enhancements to make offshore drilling safer and to improve the nation's ability to respond to oil spills that may occur. Unfortunately, so far, Congress has provided neither leadership nor support for these efforts. Thus, we assign each of the primary actors the following grades for what they have accomplished to date:

Administration	B
Industry	C+
Congress	D



Safety and Environmental Protection

The Department of the Interior (DOI) and industry have implemented many of the Commission's recommendations to improve safety and environmental protection. In addition to issuing a Workplace Rule on Safety and Environmental Management Systems and a new Drilling Safety Rule in October 2010, the Department of Interior has taken several steps to implement the Commission's recommendations. A key one has been the separation of the leasing and environmental review functions from the regulatory activities. Another has been to appoint a chief scientist to head the environmental division. The Department is also working on additions to the two rules already issued and is including additional safety conditions in the notices it periodically issues to lessees.

Although the two new bureaus—the Bureau of Ocean Energy Management (BOEM), and the Bureau of Safety and Environmental Enforcement (BSEE)—are not completely independent, as the Commission urged, the Department provided strong budgetary and operational rationales for the decision to structure these two new entities as it did. We are impressed by the quality and dedication of the individuals leading these new organizations, by the pace at which they are recruiting engineers and other skilled staff to strengthen the new bureaus, and by their apparent success in making what could have been a very disruptive transition go smoothly while continuing to perform their functions. Congress, on the other hand, has not taken the steps necessary to codify these changes as a permanent reorganization of a previously troubled, conflicted, and politicized agency.

We are also pleased to see that the Department of the Interior is moving towards a risk management based regulatory approach, similar to the United Kingdom's "safety case", as the Commission recommended. We recognize that this shift will take time and will have to be molded to the cultural and legal characteristics of the U.S. regulatory system, but continue to believe that it will be more effective than a strictly prescriptive approach. This does not, however, obviate the need for DOI's adoption of important safety rules, such as those governing well design and the design and construction of blowout preventers. We also note the need for swift and aggressive enforcement of regulatory standards to ensure safety reforms are effective.

Industry, too, has taken significant steps. It has responded to one of the Commission's most important recommendations by establishing a new Center for Offshore Safety. Although this Center has had a slow start and is not as independent of the industry's chief advocacy and lobbying organization (API), as we had recommended, we are pleased with its new leadership. We continue to believe this new Center holds promise of helping to ensure that the firms involved in offshore drilling perform at the top of their game. However, we believe that, if it is to establish widespread credibility, it should become completely independent of API once it is fully operational. As a similar organization, the Institute of Nuclear Power Operations (INPO) helped achieve in the

nuclear power industry, such an entity can be extremely effective in promoting the adoption of safety improvements and environmental protection.

Several major oil companies also have undertaken important initiatives to improve their safety and environmental protection practices, and are supporting significant improvements through various international organizations.

Although we were informed that they were under development, we are concerned that no regulations strengthening practices and procedures under the National Environmental Policy Act (NEPA) have been formally proposed, as the Commission recommended, to improve the quality of the reviews during the planning, leasing, exploration and development stages. Environmental groups assert that the Environmental Assessments being prepared on exploration plans continue to provide little site-specific analysis, and that BOEM continues to link "or tier" them back to inadequate Environmental Impact Statements prepared before the *Macondo* well blowout. Although the Council on Environmental Quality (CEQ) and DOI have modified their approach to Environmental Assessments and worst case oil spills in some areas, new procedures need to be adopted to assure an improved level of environmental analysis, transparency and consistency.

The Commission also recommended that Congress amend applicable law to give the National Oceanic and Atmospheric Administration (NOAA), one of the federal government's leading scientific agencies, a formal consultative role during the development of offshore leasing plans and sales. Congress has not acted on this recommendation, but the Department of the Interior and NOAA have signed a comprehensive cooperative agreement that assures NOAA a significant role in planning and permitting.

Although BOEM has increased funding for its environmental studies program, additional action is needed to establish a robust interagency research program to better define and monitor environmental conditions in new lease areas. Several companies operating in Alaska have signed an agreement with NOAA to share all the environmental information they collect. This is a useful partnership between industry and government but a comprehensive government-designed and implemented research program is essential to assure good decisions by the public agencies.

It is unfortunate that two years after the worst oil spill in U.S. history, Congress has yet to take action to bolster the government's program for managing offshore activities. In the last session of Congress, in 2010, the House of Representatives did pass legislation, HR 3534, that incorporated many changes the Commission subsequently incorporated in its final report, but the Senate took no action. In the current session neither branch of Congress has acted upon legislation that would implement the Commission's recommendations. Indeed, the House has passed several bills (for example, HR 1229, 1230, and 1231) containing provisions, such as requirements that extensive offshore areas be leased without adequate review, that actually run contrary to what the Commission concluded was essential for safe, prudent, responsible development of offshore oil resources.

The most important actions needed over the next year are:

- DOI must continue to improve its regulatory programs;
- CEQ and DOI should formally revise the NEPA processes and procedures;
- The Center for Offshore Safety needs to become operational and independent of API;
- Congress needs to codify the changes to the regulatory structure that the Department of the Interior has implemented administratively; and,
- Congress needs to pass legislation incorporating the Commission's other recommendations for improving safety and environmental protection.

Spill Response and Containment

The first response to an oil spill is to try to eliminate the source of the oil being discharged. It took three months to control the *Macondo* well blowout. One problem was the failure of a key piece of equipment, the blowout preventer (BOP), to operate properly. The Department of the Interior addressed many of the problems in its Drilling Safety Rule issued as an interim final rule in October 2010, and reports it is preparing a rule that will significantly upgrade the requirements for BOPs.

A second line of defense is an adequate well containment system. No such system was available when the *Macondo* well was being drilled. After the blowout, a three month crash effort resulted in the development of a system that was finally successful. The Commission recommended that the industry develop and maintain readily deployable resources for containment. For deep water wells, the Department of the Interior now requires that response plans include a well containment system and that the operator demonstrate it has the capability to deploy it expeditiously.

The industry has established two consortia—The Marine Well Containment Company and The Helix Well Containment Group—to provide their members with this capability. It could take several weeks to deploy these systems, however, depending on how far the well is from where the devices are stored and how much work has to be done to clear the well head so they can be installed. Given the intense pressures of deep water reservoirs, substantial oil could be released during this period as the *Macondo* blowout demonstrated. Some also question whether these systems have been adequately proven to be effective under the difficult conditions of deep water drilling. A recent report by the Government Accountability Office, for instance, concluded there is "limited assurance of an operator's ability to respond to a sub-sea blowout".

The most fundamental line of defense, of course, is to design the well so as to minimize the likelihood of a blowout in the first place. The Department of the Interior issued regulations requiring that at least two barriers be in place at all times during well completion activities—the *Macondo* well had only one—and that the well be designed so as to reduce substantially the potential for a blowout on the outside of the casing. The Department reports that it is working on regulations that would further enhance these fundamental well design requirements.

These actions taken by the Department and by industry should substantially reduce the risk of significant oil spills resulting from well blowouts. But some cautionary notes: the improvements have yet to be adequately tested, and the Department has not yet issued rules to correct the BOP design flaw identified as a principle reason why the *Macondo* well BOP failed to operate properly, or to implement the Commission's recommendation that blowout preventers and other well components be equipped with sensors indicating critical diagnostic information about how well they are functioning.

The Commission recommended that the Department of the Interior conduct a far more thorough review of an applicant's spill response plan, which would include review and approval by other federal agencies such as NOAA, the U.S. Coast Guard (USCG), and EPA as well. The Department informs us that it is reviewing response plans more carefully, and it has signed memorandums of understanding with NOAA and the Coast Guard clearly establishing their authority to participate in these reviews.

The *Deepwater Horizon* spill also demonstrated a number of other weaknesses in the spill response process. The Commission made several recommendations for modifications to the National Contingency Plan implemented by the Coast Guard and the EPA. These recommendations addressed issues such as increased involvement of state and local officials in oil spill contingency planning, new guidance for "spills of national significance," expanded expertise within the government in source control, a better process for estimating spill volumes and flow rates, and guidance on the use of barrier berms as a response measure. Although the agencies have begun taking action on some of these recommendations, none has been fully implemented.

One of the Commission's concerns was the possible risks to public and environmental health that might be associated with extensive use of dispersants such as occurred with the *Deepwater Horizon* spill. EPA issued a notice indicating the agency is considering proposing a modification to their information requirements for dispersants.

The Commission made several recommendations to Congress and other federal agencies regarding the establishment of an on-going, adequately funded research and development program focused on improving oil spill response. The Interagency Coordinating Committee on Oil Pollution Research, chaired by the Coast Guard, has begun the process to develop such a program, but adequate funding will be essential for it to be effective. The Department of the Interior has been sponsoring tests of potentially more effective oil recovery equipment.

The most important actions over the next year are:

- Adequately testing the capability of new containment systems to deal effectively and quickly with large, deep, high pressure spills;
- Modifying the National Contingency Plan;
- Modifying dispersant testing protocols;
- Funding the comprehensive and coordinated federal oil pollution research and development efforts;
- Completing a rule that will significantly upgrade the requirements for BOPs; and,
- Formalizing the role of the Coast Guard, NOAA, and EPA in the review and approval of oil response plans.

Impacts and Restoration

A key Commission recommendation was to dedicate 80 percent of all assessed Clean Water Act penalties to the long-term restoration of the Gulf of Mexico ecosystem. The Commission suggested that such a dedication could result either from Congressional action or a court settlement of claims against the responsible parties. BP has settled with private parties on their claims but, as we release our assessment, settlement negotiations with government are still unresolved.

Meanwhile, both the House and the Senate approved versions of a RESTORE Act as amendments to proposed Surface Transportation authorization bills. The Senate passed their bill but the House has not, prolonging the uncertainty over resources needed to address deteriorating conditions.

Consistent with the Commission recommendation, the RESTORE Act would place 80 percent of all administrative and civil penalties in a Gulf Coast Restoration Trust Fund and establish a Gulf Coast Ecosystem Restoration Council. It would, however, allocate the majority of the funds by formula to the states and allow them to be used for workforce development, economic infrastructure and flood protection as well as ecosystem restoration. The Commission thought it appropriate that these funds should be dedicated to improving the region's environmental health.

Another concern is that the science and technology program would be authorized by the RESTORE Act would not be as closely integrated with the comprehensive ecosystem restoration program as the Commission suggested. Nor does the bill include the recommended Citizens Advisory Council.

The Commission also recommended that organizational, financial, scientific, and public outreach capacities should be built in order to put the restoration effort on a strong footing. Toward that end, a federal-state task force established by the President prepared a Gulf of Mexico Regional Ecosystem Restoration Strategy defining a framework to guide the effort.

Another ongoing response to the *Deepwater Horizon* spill is the assessment of natural resources damages caused by the spill. The Commission recommended that this process be transparent. NOAA has addressed this recommendation by making all the raw data collected to support this assessment public as soon as they have undergone quality assurance review. The process of actually evaluating the cost of the damages, however, is not public because it is part of the ongoing litigation. We believe, however, that these analyses should be made public after the litigation is over.

With regard to the need for better tools to balance the myriad economic and environmental interests—including offshore oil and gas development—on the nation's continental shelves, the Commission recommended improved monitoring and increased use of comprehensive planning techniques (called coastal and marine spatial planning) in offshore areas. The National Ocean

Policy Draft Implementation Plan released by the White House's National Ocean Council for public comment this January lays out strategies in both areas.

The Gulf of Mexico and the Arctic are two of the nine regions where this coastal and marine spatial planning might be piloted, but this approach has generated controversy in both regions. The State of Alaska, for example, pulled out of the Coastal Zone Management Program and expressed opposition to marine spatial planning. Elsewhere it is feared that such planning could ultimately restrict certain kinds of activities in order to avoid conflicts with other activities or to protect particularly sensitive areas, even as it identifies places where resource exploration and development might responsibly occur.

Finally, the Commission suggested modifications to the government's oil spill response plans. One recommendation was that EPA adopt procedures in the National Contingency Plan to ensure that potential adverse human health effects are adequately addressed and monitored during spills of national significance. The agency has not yet proposed any modifications to the Contingency Plan to accomplish this.

Commission was also concerned about the confusion that seemed to exist about who was responsible for what in cases of spills of national significance. It appears as if this issue has yet to be resolved.

The most important actions over the next year are:

- Congress enacting legislation dedicating Clean Water Act penalties for long restoration of Gulf ecosystems;
- EPA and the Coast Guard modifying the oil spill response system to take account of the lessons learned from the *Deepwater Horizon* spill; and,
- NOAA working with other agencies, industry, stakeholders and the public to build support for Marine Spatial Planning.

Ensuring Adequate Resources

The BP *Deepwater Horizon* incident dramatically demonstrated the need for adequate resources to plan for and oversee offshore drilling and to respond when spills occur.

For fiscal year 2012, the Administration requested and Congress approved significant increases in the resources available to the Department of Interior's offshore regulatory programs. Those programs now included in the Bureau of Safety and Environmental Enforcement received an increase of over 36 percent, and the Administration has requested an additional 13 percent increase in the coming budget year. These increases have improved the Department's ability to carry out its statutory responsibilities more effectively and efficiently. However, other agencies involved in the review process for offshore drilling, such as NOAA, have not received similar increases. Therefore, although they are now invited to participate in the reviews, their ability to do so is constrained by limited resources.

To ensure all agencies with responsibilities have adequate resources, the Commission recommended that the offshore drilling industry bear the costs associated with leasing and permitting review. This approach, used for instance to fund the Federal Communications Commission and oil and gas regulation in many states, would have many benefits: agencies would have sufficient resources to run an effective program; industry in turn could be more confident of timely action on permit requests; and the cost of an adequate regulatory program would no longer require yearly allocations from the government's overcommitted general revenues. Creating such a funding system requires Congressional action. Congress did approve an increase in inspection fees, but has no legislation pending to establish a more robust, dedicated funding source.

Several Commission recommendations addressed financial responsibility requirements and liability limits for oil spills. Liability for damages from spills from offshore facilities is capped under the Oil Pollution Act at $75 million—a ceiling established over 20 years ago which is much lower than the costs likely to be incurred today. The Gulf States and the country at large were fortunate that BP ignored the cap and had both the resources and the willingness to bear the full costs of containment, response, and restoration. Many other firms in the offshore drilling business, however, do not have the same level of resources, and even if they do there is no guarantee that they would be willing to voluntarily pay the total costs of responding to a spill and adequately compensating those suffering damages. The Commission recommended that the liability cap be significantly increased. Although legislation that would do this has been introduced, it has not been enacted.

The Commission also recommended that the Department of Interior improve its ability to evaluate the financial capability of the operators and service companies involved in offshore drilling to

ensure that they have the capability and resources necessary to respond to situations they could encounter in their proposed operations. The Department reports that it is in the process of doing so.

Another unrealistic constraint imposed under existing law is a limit on the funds available from the Oil Spill Liability Trust Fund to support the government's response to an oil spill. The Commission recommended the amount available for an incident be raised, but Congress so far has not acted.

Finally, on the principle that the federal government has an obligation to act as a prudent landlord in managing the use of its lands, the Commission recommended that Congress itself establish a means by which to oversee offshore drilling on an ongoing basis to ensure that it is being carried our properly and to stay abreast of new developments and technologies. As yet, there is no evidence that either the House of Representatives or the Senate has done so.

The most important actions over the next year are:

- To make the program self-funding by creating a dedicated fee program adequate to support effective regulatory operations;
- To Increase the liability cap and financial responsibility requirements for offshore facilities; and,
- To raise the Oil Spill Liability Trust Fund's limitation on funds available for federal agencies to respond to a spill.

Frontier Areas—The Arctic

The Commission recognized that as gas prices rise and existing reservoirs of oil are depleted, pressure will increase to move farther offshore and into previously unexplored areas in the search for new supplies of oil and gas. The United States is not the only nation moving into frontier areas. Both Cuba and Mexico are planning to drill deep wells in the Gulf of Mexico, and most Arctic nations are exploring opportunities to develop projected petroleum resources in Arctic waters where sea ice is diminishing and access is increasing.

The Arctic is a region that poses special challenges and opportunities; the region is both vulnerable and valuable, and requires intensified planning and preparation. Although a great deal of Arctic research has been undertaken over the last several decades, many central unanswered questions remain about the unique and complex ecosystems, and how climate change is impacting those systems. The U.S. Geological Survey conducted a thorough review of Arctic research and published a report of what research has been done and identified major gaps in the information that exists.

The Beaufort and Chukchi Seas present particularly challenging conditions for industry and for responders due to the increasingly extreme weather conditions (cold, ice, hurricane force winds) and remote location with limited response infrastructure. These considerations led the commission to recommend increased vigilance by both the industry and regulators.

The Commission recommended that the federal government undertake the research necessary to provide a comprehensive foundation of information about the environmental characteristics of the frontier areas where new drilling is to be permitted. In the Gulf of Mexico, outer continental shelf research is being conducted under the auspices of BOEM, and the consortia of universities funded by BP. In the Arctic, this research is being conducted by many agencies, including BOEM, NOAA, National Science Foundation (NSF), universities, and the industry. The amount that the federal government has budgeted for these research efforts has increased. According to DOI, 40-50 percent of the BOEM environmental studies program budget is now being spent on the Chukchi and Beaufort Seas, establishing baseline data on issues such as fisheries and marine mammals and indigenous populations' use of marine resources.

Several efforts are underway to bring additional interagency coordination and investment to address information needs. One is the five year Arctic research plan, about to be released in draft form by the Interagency Arctic Research Policy Committee, under the leadership of NSF. Another is an attempt by the North Pacific Research Board to synthesize many of the individual research products into a more comprehensive system analysis. There remain, however, many unanswered questions and much work to be done. The National Academy of Sciences has proposed an Arctic research initiative to address high priorities.

The Commission also recommended a comprehensive research effort on oil spill containment and response issues in the Arctic, which is especially challenging in ice-covered waters and with limited response and support infrastructure. The Joint Industry Task Force issued a report entitled *Spill Response in the Arctic Offshore* in February which summarizes completed research and proposed work that will be undertaken by industry and universities. It augments work done previously by the independent Scandinavian research group SINTEF.

Additionally, the U.S. Coast Guard chairs the Interagency Coordinating Committee on Oil Pollution Research, which was created to "coordinate a comprehensive program of oil pollution research, technology development, and demonstration among the federal agencies". Although inactive until recently, it has revitalized both the investment of resources and the coordination of the various agencies with efforts underway to explore the most effective techniques and technologies. It has not yet produced any significant reports or research results, but it is demonstrating leadership in an area that had long been a low priority.

The Commission also recommended the demonstration of successful containment and response capabilities in the Arctic. BSEE, NOAA, USCG, and Shell conducted a tabletop exercise in March and more drills are planned for the spring. Although industry has conducted experiments to use in-situ burning and mechanical recovery of oil in ice conditions (both in Norwegian waters and in laboratory environments), these techniques have not been successfully tested in the extreme weather conditions that are often present in Arctic waters nor they been evaluated in any significant way by government entities.

The federal government did determine that the spill response plans provided by Royal Dutch Shell, the company planning to begin drilling in the Chukchi and Beaufort Seas this summer, included sufficient containment and response equipment to respond adequately if a spill were to occur. DOI also shortened the drilling period to protect against the hazards of a spill toward the end of the season in the Chukchi Sea. It did not, however, make such an adjustment in the Beaufort Sea despite the frequently earlier encroachment of ice there.

The Coast Guard will have ships and aircraft stationed in the area where the drilling will take place. The Commission recommended that the USCG establish, with additional resources provided by Congress, an adequate response capability in the Arctic. The Coast Guard has made it clear in Congressional testimony that they are not yet prepared to deal with a serious drilling incident in the Arctic. The commission members note that substantial controversy remains over: (1) the adequacy of the information provided by Shell and required by DOI on spill response and containment; (2) the adequacy of the spill response plans and containment capability in the region, including the ability to protect important ecological areas along the shoreline and elsewhere; and, (3) the length of the seasonal drilling restrictions imposed. The commissioners as a group, however, are not in a position to pass judgment on the adequacy of any specific project or permit.

Some progress is evident in agreements promoting improved international cooperation along the lines the Commission proposed. The United States has reached an agreement with Mexico for drilling in the Gulf of Mexico providing for joint inspection teams to ensure that rigs are operating safely. And there have been informal discussions with Cuba regarding their intentions and capabilities. In neither case, however, has an agreement been submitted to Congress for approval.

The United States joined the other Arctic nations on the Arctic Council in an agreement to develop recommendations for an ecosystem-based Management (EBM) initiative for protecting the Arctic's environment. The National Ocean Council is developing an Arctic EBM proposal for the US. Last year, the Arctic Council approved a binding agreement for emergency search and rescue, and are currently negotiating another agreement for oil spill preparedness and response throughout the region. Hopefully, these initiatives will receive strong support as Canada and then the United States take their turns chairing the Arctic Council from 2013 through 2017.

The Commission's final recommendation was for the establishment of a regional citizens council to participate in the planning process for exploration in the Arctic, and to ensure protection of the food supply, health and culture of Alaska Natives. Neither Congress nor the Administration has yet implemented this recommendation although it is included in proposed legislation.

The most important actions that should be undertaken during the next year are:

- Expanding and funding the research necessary to adequately characterize environmental conditions in the Arctic areas where new drilling is anticipated;
- Conducting additional research on and industry demonstration of the ability to prevent, respond to, contain and clean-up an oil spill in Arctic conditions;
- Establishing a regional citizens council for Arctic and Subarctic offshore planning decisions;
- Promoting the international adoption of standards and procedures for spill prevention and response in order to safeguard the fragile Arctic regions; and,
- Removing the barriers which could prevent the U.S. from responding to spills that occur in Mexican or Cuban waters.

OIL SPILL COMMISSION *ACTION*

On April 20, 2010, the *Macondo* well blew out, costing the lives of 11 men, and beginning a catastrophe that sank the *Deepwater Horizon* drilling rig and spilled over 4 million barrels of crude oil into the Gulf of Mexico. The spill disrupted an entire region's economy, damaged fisheries and critical habitats, and brought vividly to light the risks of deepwater drilling for oil and gas—the latest frontier in the national energy supply. Soon after, President Barak Obama appointed a seven-member Commission to investigate the disaster, analyze its causes and effects, and recommend the actions necessary to minimize such risks in the future.

The Commission's report, *Deep Water*, offered the American public and policymakers a full account of what happened in the Gulf and why, and proposed actions—changes in company behavior, reform of government oversight, and investment in research and technology—required to make offshore energy production safer, improve the country's ability to respond to spills, and address the extensive impacts on the Gulf's people, economy, and environment.

- Further information about Oil Spill Commission ***Action*** is available at **OSC*Action*.org**.
- Further information about the operations and products of the original Commission is available at **oilspillcommission.gov**.
- Biographical information about the Commissioners is available at **OSC*Action*.org/about-osca/commissioners/**.

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