



CHESAPEAKE BAY  
FOUNDATION  
Saving a National Treasure

# Oil and Gas Drilling Along the Atlantic Coast

**The Trump administration has proposed allowing offshore oil and gas drilling off the Atlantic Coast, including Maryland and Virginia. This would pose unjustifiable risks to the Chesapeake Bay, our coasts, and the region's economy.**

A major spill would be devastating to wildlife, the fishing and tourism industries, military operations, and the hundreds of thousands of jobs that rely upon clean water in the region.

This new threat comes just as the Bay is beginning to recover under the Chesapeake Clean Water Blueprint. Even regular day-to-day offshore oil and gas operations routinely discharge oil into waters, imperiling progress on improving water quality. This proposal is also a step in the wrong direction for meeting greenhouse gas reduction goals.

Drilling off the Atlantic Coast is simply not worth the risk given the potential dire consequences.

## The Risks of Offshore Drilling

- » Regular day-to-day operations for routine oil production lead to the release of toxic pollution into the water and air from a variety of sources.
- » A major spill would devastate the environment and threaten the fishing and tourism industries.
- » Oil production off the Atlantic coast has been opposed by the Department of Defense because of conflicts with military operations
- » Gambling all our coastal economy in exchange for a single non-renewable petroleum source is far too risky.
- » Introducing a potential new sources of pollution from drilling operations imperils all of the progress made so far to restore the Bay under the Chesapeake Clean Water Blueprint.
- » Increased drilling for fossil fuels reverses course on greenhouse gas reductions that Bay states have already agreed to achieve.
- » Rather than drilling, we can meet our energy needs by pursuing energy efficiency, conservation, and renewable energy initiatives.

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## Ten Consequences of a Major Spill

- 1** An oil spill would threaten the region's commercial fishing, recreation, and tourism industries.
- 2** Oil can directly poison or debilitate oysters, fish, seabirds, marine mammals and other wildlife.
- 3** A spill would be toxic to blue crab larvae and other aquatic life that utilize coastal waters for parts of their lifecycle. Virtually all of the Bay's blue crab population use these waters during sensitive early life stages.
- 4** Methane in natural gas released underwater during a spill can feed algae and create new or expand existing "oxygen-starved" dead zones that already plague the Bay every summer.
- 5** Spill cleanup is extremely costly.
- 6** Oil reaching the shoreline and spill response activities can destroy sensitive areas like wetlands, beaches, dunes and mudflats.
- 7** Oil spills and their associated cleanup can jeopardize military training and readiness.
- 8** The spill and spill response can release considerable amounts of greenhouse gases.
- 9** Spilled oil reaching the shore can pose a risk to power plants and other industries that rely upon large volumes of water drawn from coastal sources.
- 10** A spill and cleanup efforts create the need for significant waste disposal.

## How Offshore Drilling Threatens the Economy

Offshore drilling operations and potential spills would jeopardize the military's work and threaten the region's tourism and seafood industries.

### Seafood and Tourism Industries at Risk

- » A spill would endanger Virginia's seafood industry, which employs more than 16,000 people and had total yearly sales of around \$1.2 billion in 2015. Recreational fishing in Virginia supports more than 5,000 jobs and brought in more than \$520 million in sales in 2015.
- » Maryland's seafood industry employs more than 13,000 people and brought in more than \$1.3 billion in sales per year in 2015. Recreational fishing in Maryland supports about 7,000 jobs and led to more than \$723 million in sales in 2015
- » Visitors spent nearly \$5 billion in coastal Virginia and Virginia's Eastern Shore on tourism in 2016, which brought in more than \$400 million in state and local taxes.

### Military Operations Jeopardized

- » Coastal Virginia is home to the world's largest naval base, Naval Station Norfolk, and more than a dozen other military installations, as well as NASA's Wallops Flight Facility.
- » A Department of Defense study found that off the majority of Virginia's coast any oil and gas development would jeopardize military operations.
- » Analysis prepared by economists at the Hampton Roads Planning District Commission suggests that the loss of an aircraft carrier would reduce regional employment by roughly 6,000 jobs, resulting in almost a \$1 billion reduction to the region's gross product.

### Significant Economic Losses

- » The 2010 BP Deepwater Horizon oil spill occurred 1,000 miles away in the Gulf of Mexico, but cost the Virginia oyster industry \$11.6 million in lost sales and created a total negative economic impact of \$30.1 million statewide.
- » The BP spill is estimated to cause the fishing industry \$8.7 billion loss in revenue and 22,000 less jobs by 2020.
- » The BP spill was projected to cause a \$22.7 billion loss to the travel economies of the Gulf Coast from 2010 to 2013.
- » Following the 1989 Exxon Valdez spill in Alaska, commercial fishing experienced \$300 million in economic harm, \$31 million in recreational fishing losses, and a 35% decline in tourism in Southwest Alaska.
- » After the Prestige spill off Spain in 2002, the fishing and tourism industries lost \$72 million and \$159 million, respectively.

### Expensive Cleanup Costs

- » Average costs to clean up oil spills in U.S. waters have been reported to be roughly \$25,000 per ton of oil (\$85/gallon), with shoreline cleanup perhaps five times more.
- » "Total costs," which include cleanup costs, natural resource and third party damage claims, and penalties, may be 1.3 to 2.5 times cleanup costs.
- » The total cost of the Exxon Valdez spill is estimated to be approximately \$4.5 billion.
- » The total cost of the BP spill is expected to be \$61.6 billion.



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