



## Research Brief

### Sound Offshore Energy

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In early 2008, Virginia recognized that emerging energy opportunities in its coastal environment would create a new management challenge. They saw that Virginia could become a major source of off-shore wind energy. And they knew that drilling for natural gas could occur in federal waters off its coast. Virginia waters support recreational and commercial uses, as well as shipping and port activities critical to the state's economy and vitality. How can these conflicting uses live side by side?

Virginia's Coastal Program, a networked effort of Virginia agency heads, turned to ELI for help. Senior Attorney Jim McElfish had earlier assisted Virginia in addressing some of its coastal management issues and ELI's Ocean Program, led by Dr. Kathryn Mengerink, had already kicked-off a nationwide project to adapt ecosystem-based management and marine spatial planning to protect off-shore and coastal environments. The VCP wanted to determine how best to encourage offshore alternative energy while preparing for the impacts of both alternative and oil and gas offshore energy activities.

Jim and the ELI team examined the environmental impacts of expected offshore energy development and the approaches that other states have tried. They looked carefully at how Oregon has planned for tidal energy off its coast, the new use of a special area management plan for ocean zoning by Rhode Island, Massachusetts's Ocean Protection Act and the controversial Cape Wind Project, and the ocean environmental management approaches in other laws and policies in several other states. They examined how New Jersey and Delaware are promoting offshore wind projects through renewable portfolio standards and economic incentives. Jim notes that "the ELI team examined all of Virginia's laws and policies applicable to the coast and energy issues, including its submerged lands and marine resources, as well as the federal laws on offshore energy development."

The ELI team issued a comprehensive 90-page report that analyzed the comparative information and offered a set of specific legislative, administrative, and policy recommendations. The VCP then created an Energy Working Group

to evaluate the recommendations in greater detail and develop an action plan.

"We worked closely with each of the agency staff representatives," says Jim, "and the research led to a clearly defined set of action items, including a continuing engagement with The Nature Conservancy in assessing the living resources likely to be affected."

As a result of this collaboration, Virginia's state-backed Coastal Energy Research Consortium then began to rely on ELI as a sounding board for policy issues raised by its environmental research into alternative energy options. ELI staff were asked to comment on draft legislation before the Virginia General Assembly, including an act inviting other mid-Atlantic states to join in an interstate compact on energy issues in an ocean environment.

The timing of ELI's engagement could not have been better. During the course of the research, Congress allowed the legislative moratorium on oil and gas drilling on federal Outer Continental Shelf lands to expire for the first time in decades; the presidential executive order which also barred oil and gas drilling

off the coast was also terminated. Shortly after ELI presented its results to Virginia, the federal Minerals Management Service issued a scoping notice and call for nominations of oil and gas parcels off Virginia's coast; Virginia was about to experience the first Atlantic oil and gas lease sale in decades. Overnight, the Energy Working Group that had been developed to plan for future energy issues became a critical forum for addressing an immediate concern. ELI returned to Richmond to advise state officials of options for ensuring effective state influence in the environmental evaluation processes.

Virginia is already taking action to assure a sound offshore energy future. In June, it joined Maryland, New York, New Jersey, and Delaware in an agreement to cooperate in protecting the ocean environment, including offshore energy development. Under legislation enacted by Virginia's General Assembly, and building on ELI's work, the Virginia Marine Resources Commission is identifying areas where cables transmitting wind power ashore should or should not go so that corridors can be defined to protect other values and uses.

ELI's partnership with Virginia exemplifies the kind of policy-ready expertise that can help the nation move to an environmentally sensitive new energy economy. ELI is now working with Maryland and other states to think through their own off-shore energy options.