



U.S. Department of the Interior  
Minerals Management Service  
Gulf of Mexico OCS Region

## ***NEWS RELEASE***

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Contact: Barney Congdon  
(504) 736-2595

Caryl Fagot  
(504) 736-2590

Debra Winbush  
(504) 736-2597

### **MMS Announces the Availability of the Draft EIS on Floating Production, Storage, and Offloading Systems and Public Hearing Schedule**

The Minerals Management Service (MMS) announces the availability of a draft environmental impact statement (EIS) examining the possible effects of floating production, storage, and offloading (FPSO) systems proposed for use in the development of deepwater oil and gas resources in the Gulf of Mexico. The FPSO's take crude oil from deepwater wells and store it in their hull tanks until the crude can be pumped into shuttle tankers or oceangoing barges for transport to shore.

Use of the FPSO's has the potential to improve industry's capabilities of developing oil and gas reserves on the Gulf of Mexico Outer Continental Shelf (OCS) in waters so deep that they either challenge or exceed existing deepwater production techniques and transportation systems. Deepwater is defined in the draft EIS as water deeper than 200 meters or 656 feet.

The draft document finds that potential site-specific impacts are essentially the same as with other deepwater development and production systems; that most of the risk of oil spills are associated with the shuttle tankers, not the FPSO itself, and that risk is comparable to the risks from other deepwater systems and from pipelines; and that excluding FPSO's would not reduce cumulative environmental impacts because other systems would be used in its place. The analysis did find that emissions associated with shuttle tankers could exceed air quality exceedances in the Breton Class 1 Area. The draft EIS is limited to the Central and Western Gulf of Mexico planning areas.

This draft EIS considered a generic FPSO system and operation, as well as a range of technical variations. The "base case" evaluated is a permanently moored, double-hulled, ship-shaped FPSO that can store up to 1 million barrels of crude oil. The seafloor well equipment and onboard production equipment are the same kind used with other deepwater production facilities. The crude is offloaded to shuttle tankers for transport to Louisiana and Texas ports or to the Louisiana Offshore Oil Port (LOOP). Associated or produced gas is piped ashore.

Several alternatives, including a No Action alternative, were also studied in this programmatic EIS that examines fundamental issues associated with industry's proposed use of FPSO's in the Western and Central Gulf of Mexico OCS planning areas. The approach is generic and not site specific. It does not study or approve any specific site; specific-site proposals would have to undergo review by MMS and the Coast Guard, as well as the affected States for consistency with their Coastal Zone management plans, and would require permits from the Environmental Protection Agency.

This newly released draft EIS, prepared in accordance with the National Environmental Policy Act, is released for review by appropriate State officials, the general public, industry, and various organizations. Minerals Management Service is opening an official comment period from now until October 10, 2000, for receiving comments from the general public and all interested parties. The MMS will consider all comments in drafting the final environmental impact statement and in making a decision on permitting the use of FPSO's in the Gulf of Mexico.

Copies of this draft environmental impact statement are available at no charge from the Minerals Management Service, Gulf of Mexico OCS Region, Public Information Office, 1201 Elmwood Park Blvd., New Orleans, LA 70123, telephone 504-736-2519. Copies can also be inspected at principal libraries along the Gulf Coast and in a number of inland cities.

Hearings will be held at the following locations:

**ALABAMA**

**MOBILE on Monday, September 18, 2000; 6-8 p.m.**

Adams Mark Hotel  
64 South Water Street  
Mobile, Alabama

**LOUISIANA**

**NEW ORLEANS on Tuesday, September 19, 2000; 6-8 p.m.**

Radisson Inn New Orleans Airport  
2150 Veterans Boulevard  
Kenner, Louisiana

**LAKE CHARLES on Thursday, September 21, 2000; 6-8 p.m.**

Best Western Richmond Suites  
2600 Moeling Street  
Lake Charles, Louisiana

**TEXAS**

**HOUSTON on Wednesday, September 20, 2000; 6-8 p.m.**

Radisson Hotel and Conference Center, Hobby Airport Houston  
9100 Gulf Freeway  
Houston, Texas

MMS is the Federal agency that manages the Nation's natural gas, oil and other mineral resources on the OCS, and collects, accounts for and disburses about \$4 billion yearly in revenues from offshore Federal mineral leases and from onshore mineral leases on Federal and Indian lands.

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MMS's Website Address: <http://www.mms.gov>