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Studies Initiated On Benefits Of Coastal Ocean Observing Systems

Under the auspices of the National Oceanographic Partnership Program the Minerals Management Service is helping to support a series of studies to quantify potential benefits to the public of a sustained coastal ocean observing system focusing on nine U.S. coastal regions.

In September 2002, a contract was awarded to the Marine Policy Center at the Woods Hole Oceanographic Institution to produce an inventory of the major users of ocean information and a set of region- and sector-specific studies of likely benefits and costs of improving and maintaining coastal observing systems.

Products derived from ocean data are used by many sectors to make choices that affect the nation's economic well-being. To determine the extent to which the nation should invest in ocean data collection, it is important to know how new products will alter decisions made by industry, government, and the public. These studies will be based on a common set of assumptions and economic methodologies and results will be aggregated at the national level to enable Federal agencies to determine the optimum budget for coastal observing systems.

The new two-year project will be conducted jointly with academic and private sector economists in the following areas:

<u>Region</u>	<u>Focus Sector</u>	<u>Institution(s)</u>
Gulf of Maine/New England	Search and Rescue	WHOI & Univ. of Southern Maine
Mid-Atlantic	Commercial Fishing	WHOI & Univ. of Southern Maine
Southeast	Storm Tracks	UNC- Chapel Hill
Florida	Recreational Boating	Univ. of So. Florida
Gulf of Mexico	Energy Production	LSU
California	Recreational Beach Use	Univ. of Wyoming
Pacific Northwest	Shipping/Oil Spill Response	Univ. of Washington
Alaska	Search and Rescue	WHOI & Univ. of Southern Maine
Great Lakes	Shipping	Delta Research Co.

The MMS Environmental Studies Program will fund the sector in "energy production" in the Gulf of Mexico. Other agencies providing financial support to this project include the National Oceanic and Atmospheric Administration, the Office of Naval Research, the National Science Foundation and the National Aeronautics and Space Administration.

Work done previously by WHOI and the University of Southern Maine concluded that the potential annual economic benefits of such a system for the Gulf of Maine could exceed \$30 million alone. Sectors evaluated in the previous study were Search and Rescue, Fisheries Management, Recreational Boating and Fishing, Accident Prevention and Oil Spill Cleanup and Mitigation and Commercial Shipping.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion in 2001 and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.