

June 26, 2006

The Honorable Richard Pombo
U.S. House of Representatives
2411 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman,

I write in response to your June 20, 2006, letter to me regarding the Deep Ocean Energy Resources (DOER) Act, a bill that was passed by the Committee on Resources and may soon be considered by the House of Representatives.

My position on the need to protect California's coast from the adverse impacts of oil and gas development is clear and unwavering. When I ran for Governor, I took a strong stance against any further oil and gas leasing in the Outer Continental Shelf off the coast of California and called on the federal government to buy out existing undeveloped federal leases. In a letter to the United States Congress on May 13, 2005, I stated this position in response to potential changes to California's protections in the federal energy bill. In my November 3, 2005, letter to you, I restated my resolve on this issue. The impacts of new offshore oil and gas leasing and development off the California coast are unacceptable.

As you know, the waters within the Outer Continental Shelf off the coast of California are currently protected from any new oil and gas leasing by a federal moratorium. This moratorium has been in place for 25 years and enjoys widespread support from the people of California, including bipartisan support from elected leaders. Just last month, the House of Representatives voted once again to extend this moratorium, a process that has worked in the past and is working today to protect our coast. I see no reason to jettison this longstanding and workable approach.

Contrary to the suggested findings in the Deep Ocean Energy Resources Act, we believe that natural gas development 25 miles off the coast and crude oil development 50 miles off the coast will have significant adverse impacts on our ocean and coastal resources. In addition, this bill would provide financial incentives to increase drilling throughout all the federal waters off our coast, with significantly higher incentives for drilling in the sensitive nearshore waters within 12 miles of our coast. Although the U.S. Commission on Ocean Policy recommended that existing or new oil and gas revenues be dedicated to the protection of our nation's ocean and coastal resources, this bill opens the door to a wide variety of uses that bear little or no relationship to the impacts sustained as a result of oil and gas development.

California continues to take measures to address our energy issues. We have passed the most aggressive energy-efficiency measures in the nation. In the next three years, California utilities will commit \$2 billion toward energy-efficiency programs, resulting in \$5 billion in residential and business savings. We also are promoting the use of renewable energy. I have called for California's utilities to acquire 20 percent of their power from renewable sources by 2010 and 33 percent by 2020. These are a few of the many steps that California is taking to increase our supply and reduce our demand of natural gas.

As I said in my November 3, 2005, letter to you, I respectfully request that Congress respect California's desire to continue the current federal moratorium off our coastline. I continue to urge Congress to aggressively support policies that increase the efficiency of our energy use. Because of our efforts, California's per capita electricity use has remained nearly flat, while nationwide demand has increased by 50 percent. If California's approach to energy conservation and efficiency standards were adopted nationwide, we might not be having this debate over the exploitation of the oil and gas resources off our coast.

Sincerely,

Arnold Schwarzenegger

cc: The California Congressional Delegation