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The Delta Chapter of the American Petroleum Institute recently hosted its annual joint society luncheon along with 21 other Representatives from energy related organizations at the Roosevelt Hotel in New Orleans. The sold out event was a huge success in part to the key note speaker, Mr. Randall Luthie, President of the National Ocean Industries Association (NOIA).

NOIA is an association comprised of approximately 270 companies that are associated with the development of oil, gas and other energy sources from the outer continental shelf. As a trade organization, they are solely focused on offshore development and its membership includes majors, independents, producers, operators, service companies, suppliers, ship and vessel builders, financiers and law firms. Prior to becoming the Director of NOIA, Luthie served as Secretary of the Minerals Management Service under the Bush Administration. His professional background and understanding of deepwater drilling was well evident in his presentation.

Luthie spoke of “*What Next*” regarding the moratorium and the De Facto Moratorium on all Gulf Operations due to lack of permitting. He briefly reviewed the President’s actions since the Macondo well explosion. He noted that less than a week after the creation of the oil spill commission, on May 27, Department of Interior Secretary Ken Salazar postponed consideration of Shell’s proposal to drill up to five exploration wells in the Arctic. Before the spill, Obama cancelled the four remaining lease sales in the 2007-2012 program scheduled for the Chukchi and Beaufort Seas, and he formally withdrew Alaska’s Bristol Bay from the oil and gas leasing program in March. And, as well known in Louisiana, the DOI cancelled the August 2010 WGOM Lease Sale.

Luthie also mentioned that recently Salazar proposed establishing an “Ocean Energy Safety Institute” designed to facilitate research and development, training, and implementation in the areas of offshore drilling safety, blowout containment and oil spill response. The Institute would be a collaborative initiative involving government industry, academia and scientific experts. He provided detailed objectives of the Ocean Energy Safety Institute in his presentation.

The recent passage by the House of Representatives of the CLEAR Act was of a serious concern to Luthie. “We believe that should this measure become law the end result will be more dependence on foreign oil and more American jobs lost” he said. The bill also did little to increase actual safety. “Industry fully supports increased awareness and safety in the wake of the Gulf of Mexico accident” said Luthie. “Unfortunately the passage of CLEAR would do little to increase actual safety and is a job killer.”

The good news is that Congress adjourned for the year without the bill being considered by the Senate. And, given the results of the November 2 elections, he felt that the GOP control of the house would stop this bill, as written, from moving forward.

Luthie was optimistic with the newly elected Members of Congress and he noted that the House Energy and Commerce Committee would see new leadership. “The Committee Chairmen position

has not been decided” pointed out Luthie. He explained that current Ranking Member, Joe Barton, (TX) is running up against Republican term limit rules and seeking a waiver to gain the Chairmanship; while Fred Upton (MI) appears to be the front-runner with John Shimkus (IL) and Cliff Stearns (FL) also in the mix

In the Senate, NOIA continues to closely monitor the very interesting Senate race in Alaska. It is not yet clear who will assume the Ranking Member position of the Senate Energy and Natural Resources Committee, but the choice appears to be between current Ranking Member Lisa Murkowski should she prevail in the Alaska contest, and Richard Burr of North Carolina. Current Chairman Jeff Bingaman (NM) will retain his position.

Mr. Luthie ended with taking questions from the floor and graciously taking time to answer all questions.