NEWS RELEASE

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MMS Requests Response from Six Coastal States on Draft Coastal Impact Assistance Program Guidelines

WASHINGTON, D.C. – The Minerals Management Service (MMS) today sent draft guidelines for the Coastal Impact Assistance Program (CIAP) to state offices in Alaska, California, Texas, Louisiana, Mississippi and Alabama.

The CIAP, which was established under section 384 of the Energy Policy Act (EPACT) of 2005, authorizes the Secretary of the Interior to distribute \$250 million annually to these six Outer Continental Shelf (OCS) oil and gas producing states in fiscal years 2007 through 2010. The funds will be allocated to each producing State and eligible coastal subdivision (such as counties, parishes or boroughs) based upon allocation formulas prescribed by the Act. The EPACT of 2005 requires that all CIAP funds be used to directly conserve, restore, enhance or protect renewable natural resources.

"Secretary Norton's policy of conservation through communication, consultation and cooperation is a driving force in our implementation of the Coastal Impact Assistance Program," said Johnnie Burton, Director of the Minerals Management Service. "As directed by the Energy Policy Act, the Governors of each State will carry out a public consultation process to elicit the views of their citizens. This input is critical to the development of priorities and the use of CIAP funds to meet coastal needs."

MMS has requested a response to the draft guidelines from each state by April 27, 2006. MMS will work with each State and evaluate the written consolidated state responses before developing the final CIAP guidelines. MMS projects that the final guidelines will be made available by Fall 2006.

The MMS, an agency of the U.S. Department of the Interior, manages offshore oil and gas exploration as well as renewable and alternative energy sources such as wind, wave, and solar energy on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced in the United States, along with sand used for coastal restoration. MMS collects,

accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2005 disbursements of approximately \$9.9 billion and more than \$153 billion since 1982.

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