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August 25, 2003

Mr. David Kaiser
Federal Consistency Coordinator, Coastal Programs Division
Office of Ocean and Coastal Resource Management
National Oceanic and Atmospheric Administration
1305 East-West Highway, 11th Floor
Silver Spring, MD 20910

Via Electronic Mail CZMAFC.ProposedRule@noaa.gov

**RE: Proposed Rule
Coastal Zone Management Act Federal Consistency Regulations
Federal Register Vol. 68, No. 112 June 11, 2003**

Dear Mr. Kaiser:

Marathon Oil Company ("Marathon") appreciates the opportunity to comment on the National Oceanic and Atmospheric Administration's (NOAA's) proposed changes in the Coastal Zone Management Act (CZMA) Federal Consistency Regulations (*Federal Register*, Vol. 68, No. 112, p.34851, June 11, 2003).

Marathon is a for-profit business that conducts worldwide exploration and production of crude oil and natural gas, as well as a 62% owner of a joint venture which conducts domestic refining, marketing, and transportation of petroleum products. As an operator of many current and future facilities in areas where the CZMA Federal Consistency Regulations potentially apply, Marathon has a direct and substantial interest in the subject proposed rule.

We support the Congressional intent of the Coastal Zone Management Act of 1972, which created a national program to manage and balance competing uses of, and impacts to, coastal resources and to provide the opportunity for states to comment on the direct impact to their coasts. As the nation seeks to develop its domestic energy supply, it is more important than ever to ensure balanced and multiple use of our coastal areas. Unfortunately, the CZMA consistency review process has been used to block development of oil and natural gas resources in the recent past (e.g., in projects such as Destin Dome).

As noted in the preamble, NOAA's proposed rule seeks to make improvements to the CZMA Federal Consistency Regulations and to provide greater transparency and predictability to the federal consistency review process. Examples of the improvements made in the proposed rule include: 1) establishing clear information requirements for the consistency review and setting specific deadlines for acting upon appeals, which can reduce the time taken in reviewing projects; 2) ensuring that requests for additional information will not delay the start of, nor extend the 6-month review process; 3) allowing the use of a single consistency review of air and water permits; and 4) acknowledging that pre-listing activity is typically in the nature of preliminary or interim agency action and is not considered to have reasonably foreseeable coastal effects.

August 26, 2003

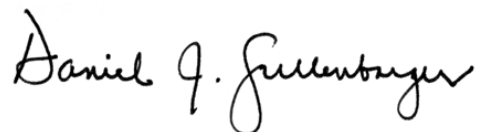
We applaud NOAA's efforts to improve the CZMA Federal Consistency Regulations as delineated in the proposed rule. However, we believe additional changes are necessary if the proposed rulemaking is to achieve its goal of "providing greater transparency and predictability to the Federal Consistency regulations." These additional changes include:

- Guarantee that closure of the record in appeal decisions is governed by a definitive deadline that cannot be extended indefinitely for receipt of National Environmental Protection Act (NEPA) and Biological Opinion documents. We recommend that 180 days from notice of filing the appeal should be the deadline for closure of the record, and that there should be no exception to this deadline. The NEPA and Biological Opinion "reopener" is not necessary and should be deleted.
- Require states to specify information needs at the beginning of the consistency review process. Without such a requirement, states could still issue continual requests for new information and reduce the predictability of the consistency review process.
- Deter individual states from modifying the review process as specified in the proposed rule such that the review process would be extended beyond the 6-month timeline.
- Clearly address how National Energy Policy Directives and Presidential Executive Orders on permit streamlining and actions affecting energy projects will be incorporated into the CZMA review process.

These recommended changes are discussed in detail in comments submitted by the American Petroleum Institute (API). As a member of the API, we support and endorse their comments.

It is crucial to allow the development of our nation's domestic energy supply while protecting the environment. In the proposed rule, NOAA has taken a step in the right direction to ensure expedited review for the siting of major energy facilities. We strongly urge NOAA to consider and adopt additional changes as outlined above to further improve the CZMA federal consistency review process. Please feel free to contact Dr. Jenny Yang of my staff (713-296-3415) if you need any additional information or have any questions regarding these comments.

Sincerely,

A handwritten signature in black ink that reads "Daniel J. Sullenbarger". The signature is written in a cursive style with a large, prominent initial 'D'.

Daniel J. Sullenbarger
Vice President
Health, Environment & Safety