BP's U.S. Gulf project exempted from enviro analysis

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A platform is surrounded by the oil spill from the Deepwater Horizon wellhead at the mouth of the Mississippi river May 5, 2010.

Credit: Reuters/Daniel Beltra/Greenpeace/Handout

(Reuters) - U.S. regulators exempted BP Plc from a detailed environmental review of the exploration project that ultimately resulted in the deadly Gulf of Mexico explosion and subsequent oil spill, documents show.

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The Minerals Management Service granted BP's project a "categorical exclusion" from full environmental analysis normally required under the National Environmental Policy Act, according to documents made available by the Center for Biological Diversity, an environmental group.

BP had argued in a letter to the Council on Environmental Quality (CEQ), a White House agency, last month that the use of the exclusion for projects did not mean environmental impacts were being ignored, only that an agency agrees they are deemed to be minimal or nonexistent.

The MMS, the branch of the U.S. Interior Department that is responsible for managing oil, gas and other resources on the outer continental shelf, approved the exploration project on April 6, 2009. The exclusion puts pressure on President Barack Obama's administration to show it could not have done more to prevent what may become the most damaging oil spill in U.S. history.

The Transocean Ltd Deepwater Horizon drilling rig contracted by BP exploded two weeks ago, killing 11 workers and triggering the U.S. Gulf oil spill.

Kieran Suckling, the environmental group's executive director, said the incident showed the Obama administration's support for increased offshore drilling had obscured Interior Secretary Ken Salazar's pledge to reform the MMS.

"Instead of protecting the public interest by conducting environmental reviews, his agency rubberstamped BP's drilling plan, just as it does hundreds of others every year in the Gulf of Mexico," Suckling said in a statement.

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Administration officials said the practice of issuing such exclusions was under review.

"The Obama administration has recognized that there should be more oversight of how agencies use categorical exclusions," a CEQ official said.

"That is why CEQ issued draft guidance in February 2010, that addresses the need for monitoring the use of categorical exclusions to ensure that they are being applied in a way that meets their intent." U.S. government agencies grant exclusions for categories of projects that have been found typically not to have substantial environmental impacts, or in cases where the agency has past experience with a similar project.

An Interior Department official said the granting of the categorical exclusion for the BP project did not mean that no environmental impact study had been done.

The MMS conducts a detailed study when it is developing a five-year program covering the entire region. The agency then does separate analyses for all of the Central and Western Gulf states included in the development program, the official said.

Between 250 and 400 exploration programs in the Gulf are granted categorical exclusions, according to the MMS.

However, the process will be looked at as the department conducts a review of all its processes in the aftermath of the spill, the official said.

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