



September 6, 2002

The Honorable Billy Tauzin
Chairman, Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

The National Ocean Industries Association (NOIA) would like to express our support for the proposed technology transfer program of the Naval Surface Warfare Center, Carderock Division, which would take existing Navy - developed technology and apply it to the needs of the oil, gas and maritime industries. The program would be a collaborative effort of the Naval Surface Warfare Center and the Department of Energy.

NOIA is the only national trade association representing all segments of the offshore energy industry. The NOIA membership comprises more than 300 companies engaged in activities ranging from producing to drilling, engineering to marine and air transport, offshore construction to equipment manufacture and supply, shipyards to communications, and geophysical surveying to diving operations. It is NOIA's mission to secure reliable access to the nation's valuable offshore hydrocarbon resources in order that they may be developed, produced and supplied in an environmentally responsible manner.

Much of our industry's focus is currently in the deep water of the Gulf of Mexico. Total oil production in the Gulf of Mexico has risen from 800,000 barrels per day in 1990 to 1.6 million barrels per day today. By 2005, the total deepwater Gulf is projected to produce daily quantities of 1.9 million barrels of oil and 4.4 billion cubic feet of natural gas. With this focus on deepwater development, proposals which would make Navy-developed underwater technology available to the offshore oil and gas industry are of particular interest to us.

Provided that the technology transfer program is voluntary to industry, NOIA would support its inclusion in H.R. 4, currently under consideration by your Conference Committee. We believe it would be a win-win for industry, the federal government, the military and the American people. If you have any questions or we can provide any additional information, please contact me or Kim Harh of my staff at (202) 347-6900.

A handwritten signature in black ink, appearing to read "Tom Fry". The signature is written in a cursive, somewhat stylized font. Above the signature, the word "Strength" is written in a small, bold, sans-serif font. Below the signature, the name "Tom Fry" is printed in a small, bold, sans-serif font.

Strength
Tom Fry