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Investor coalition calls for clean energy shift after BP Deepwater disaster

Shareholders press BP over safety and environmental cost of deep sea oil extraction.



by **Hugh Wheelan** | May 6th, 2010

Ceres, the US environmental investor coalition formed 21 years ago in the wake of Exxon Valdez oil spill, has called for the US government to eliminate billions of dollars in financial incentives and tax breaks for the oil industry and invest in new clean energy infrastructure. In response to the Deepwater Horizon oil leak, which is estimated to be spilling about 5,000 barrels of oil a day into the Gulf of Mexico. Ceres president Mindy Lubber, said: "Our fossil fuel dependence is increasingly and dangerously unsustainable, economically as well as environmentally, and has enormous social and environmental costs not accounted for in the price of a barrel of crude." It is feared the spill could eventually outstrip the 258,000 barrels of oil leaked by the Exxon Valdez, causing greater environmental damage. Ceres coordinates the Investor Network on Climate Risk (INCR), an alliance of more than 90 institutional investors and financial firms that collectively manage nearly \$10 trillion in assets. BP, the UK oil giant, which owns the drilling rights for Deepwater, has seen tens of billions wiped off its share price since the explosion on the rig, which killed 11 people. Shareholders are this week pressing BP about safety and environmental concerns over deep sea oil drilling, and the eventual costs to the company of the Deepwater clean up operation. Lubber said the Deepwater spill could "decimate" one of the world's most valuable fisheries and seafood resources, worth well over \$1 billion a year, as well as multi-billion dollar tourism and recreation industries in Florida and other Gulf Coast states. She said the US government should enact regulations to increase the safety of offshore oil drilling and speed up the shift to renewable energy and low-carbon fuels.