

Subject: : Conservation

Topic: : Oil Spill in the Gulf.

Re: Oil Spill in the Gulf.

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Date: : 2010/5/26 16:08:08

URL:

What I find amazing is the focus on the financial aspect of the event, versus the environmental impact. Congressmen, senators, state legislators are all standing up there touting how all businesses will be reimbursed for their income losses, all damaged property will be paid for, etc however there is very little discussion that I am seeing on the environmental impact. Yes, this is a HUGE man made catastrophe with tons of physical damage and loss of income for businesses and residents of the state, however the environmental toll is very long tail. The good news is that the first claim payment was made on this event. \$400 million to Transocean, the owner and operator of this rig that BP was leasing it from! Wow. Cause catastrophic damages to an entire region of the country and be the first to get paid for it! FYI, Transocean bought this rig from Korea in 2001 for \$350 million. They insured the rig for \$560 million. They have received cash payment of \$400 million on a depreciating asset that has been churning out money for almost ten years, for which their basis acquisition cost is \$350. Some folks are dipped in gold.