

Statement by Senator Mary Landrieu

Coastal Restoration and Protection – Long-Term Crisis

For more than a century, the federal government has mismanaged critical water-resource projects, placing delicate ecosystems like the Mississippi River Delta at extreme risk of complete and utter collapse.

In the decades since our federal government first pursued the channelization of the Mississippi River to promote trade and commerce, the world's seventh-largest delta has been largely deprived of nourishment from sediments carried by the river, which drains roughly two-thirds of the continental United States. Instead of rebuilding the delta, these sediments now are redirected and carried out to the Gulf of Mexico, where they are dispersed.

The effect on the delta is a constant and debilitating land loss. This strangulation of this natural process is compounded by the ravages of coastal erosion and further aggravated by regular storms and hurricanes that batter barrier islands and coastal plains.

Sustainability of life in the delta is under dire threat in coastal Louisiana—a rapidly eroding landscape that loses 25 to 35 square miles of wetlands each year. At the current rate of land loss, an area the size of Rhode Island will be underwater by 2050. We have already lost an area the size of Delaware in the last 50 years.

And with the loss of this unique area goes our nation's only true working energy coast—an economic engine that contributes 90 percent of America's offshore energy production, 30 percent of the nation's overall oil and gas supply, and 30 percent of the seafood produced in the lower 48 states. Our working energy coast also caters to one of the most unique and vibrant hospitality tourism industries in the nation. It is also

home to more than 2.5 million citizens who operate the great port systems of the Mississippi.

At the heart of this special coast is a massive river system stretching nearly 2,500 miles from the Great Plains to the Gulf of Mexico. The Mississippi River has the third-largest drainage basin in the world, exceeded only by the watersheds of the Amazon River and the Congo River.

Sitting at the mouth of this vast river system is my home of New Orleans—a city that was almost lost in 2005 and is still struggling to recover from Hurricane Katrina—one of the most devastating man-made disasters in history.

While it bears great strategic and cultural importance to the nation, New Orleans is not the only vulnerable area that requires protection. Across the entire Louisiana coast, from east to west, cities such as Lake Charles (population 71,757), Houma (population 32,393), New Iberia (population 32,623), Thibodeaux (population 14,431) and Lafayette (population 110,257) are threatened as well.

As we have seen during this current oil spill, these cities form the backbone of our nation's fisheries, port system, and offshore oil and gas industry.

All of these tremendous assets are at risk of being wiped off the map. With the persistent and rapid loss of land in Louisiana, communities are more vulnerable to the storm surge of massive storms and the inevitable impacts of sea-level rise.

The Solution: Justice for the Gulf

There is a solution; one that is do-able and affordable.

To help this region undo decades of coastal loss and respond to the effects of the current oil spill, it is critical to secure a permanent, robust and immediate source of revenue for coastal restoration.

This can be achieved in two ways, both of which are included in the RESPOND Act that I re-introduced in August:

1. Accelerate the Domenici-Landrieu Gulf of Mexico Energy Security Act of 2006, which finally dedicated 37.5% of new offshore oil and gas revenues to coastal protection and restoration in the four Gulf energy-producing states. Inland states have shared 50% of the revenues generated by drilling on federal lands since 1920. Historically the Gulf states carried all of the risk associated with drilling without the reward. Under the RESPOND Act, the flow of revenue would begin immediately instead of 2017.
2. No less than 80% of the civil and criminal penalties charged to BP under the Clean Water Act should be directed to the Gulf Coast for long-term economic and environmental recovery. The money should be invested where the injury was suffered - along the Gulf Coast.

In addition to a permanent source of funding, we must energize the sluggish and ill-equipped federal bureaucracy and establish a new more effective governance model for implementing coastal protection and restoration.

The current federal process for addressing coastal protection and restoration is woefully inadequate and painfully slow, held up by the interminable process of planning, irregular and unpredictable Federal authorizations, mind-numbing regulations and insufficient funding.

We need a new approach that will expedite coastal protection and restoration in Louisiana, and the Gulf Coast, by establishing a governing entity or institute with this singular focus.

I applaud the recommendations that Secretary Ray Mabus is making to the President today. In large measure, these recommendations follow the suggestions of the stakeholders in the region who are adamantly focused on protecting our coastal areas.

Specifically, this report will recommend:

- Congressional action to dedicate a significant amount of any obtained civil Clean Water Act penalties incurred to the Gulf Coast's recovery.
- Dedication of a portion of any obtained Clean Water Act civil penalties directly to the Gulf States.
- Congressional action to create a Gulf Coast Recovery Council to manage the dedicated Clean Water Act funds. The Council should coordinate closely with the ongoing Natural Resource Damage Assessment (NRDA) proceedings and should include representatives from the federal and state governments, and tribal organizations.
- Immediate appointment of a single federal lead for ecosystem restoration.
- Immediate creation of an administratively established Gulf Coast Ecosystem Restoration Task Force to manage the transition from response to recovery. The Task Force would be an advisory body that would include representatives from federal, state, and tribal organizations and would act in direct coordination with the NRDA process. It would also act to

coordinate non-NRDA ecosystem funds and projects. If the Recovery Council is established by Congress the Ecosystem Restoration Task Force could be modified or dissolved.

- Continuation of public health efforts.
- Continuation of the important economic recovery work.
- Support to nonprofit organizations working on the Gulf Coast.

Most of these recommendations will require Congressional action and I hope my colleagues will join me in fighting for these vital and necessary measures to put our coastal areas in better condition.

Conclusion – While a long-term plan is essential, we cannot restore the Gulf Coast until we get people back to work.

April 19th, America consumed about 20 million barrels of oil each day. Now, more than five months removed from the Deepwater Horizon explosion, our nation still consumes 20 million barrels of oil a day

Thanks in large measure to a robust oil and gas industry in the Gulf, the U.S. produces about 5 million barrels of oil here. We produce another 3 million barrels worth of biofuels.

While more needs to be done to reduce our dependence on oil and to transition to cleaner, renewable forms of energy, the fact remains that America will need oil well into the foreseeable future.

This point is critical and one this Commission should take leadership over. This country need oil and gas to run our

economy, but not one person in this Administration seems focused on the future of domestic oil and gas development.

This Administration continues to serve as a road block, threatening the viable future of the industry.

Here is just one example of the Administration's seeming lack of support for the quick return of the industry. According to the Federal register notice for this meeting:

"The President directed that the Commission be established to examine the relevant facts and circumstances concerning the root cause of the BP Deepwater Horizon explosion, fire, and oil spill and to develop options to guard against, and mitigate the impact of any spill associated with offshore drilling in the future."

There is a key piece missing to this directive – the fact that our economy is literally driven by oil and gas and will continue as such for the foreseeable future. There is no mention of the importance this industry and the vital jobs it supplies throughout our country. As such, I hope this Commission can help the Administration focus on this vital piece to our secure energy and economic future.

For decades, Louisiana and the 330,000 people who work in the oil and gas industry have delivered this fuel to our nation.

That energy fuels not just our cars, but a significant portion of our national economy.

But unfortunately, tens of thousands of jobs are at risk due to this Administration's ill-conceived and borderline reckless six-month deepwater drilling moratorium.

Of course, those of us familiar with the industry know that there is also a de facto moratorium on shallow water drilling as well. You may be surprised to know that before the BP spill, the Mineral Management Services (MMS) approved an average of three to six shallow water permits per week, or 12 to 24 permits on average per month. In contrast, since May, the Bureau of Ocean Energy Management (BOEM) has only issued seven shallow water permits for new wells.

This de facto moratorium threatens the viability of that entire industry. These companies cannot hold on to an empty promise that new permits will be issued. They need action to keep employees on their payrolls or be forced to lay-off workers. And for each day new permits are not issued, the economic crisis continues to grow.

I bring up these moratoria only to make this very critical point: a long-term plan to save our coast can only be effective with a short term strategy to save the thousands of jobs which are at grave risk. What good is saving our environment to only let the economy crumble around it?

The Gulf Coast needs quick and decisive action to lift the moratorium to save our businesses and our economy. That action coupled with a secure long-term plan to restore our coast is the only way to save our way of life long into the future.