



May 27, 2021

The Honorable Alan S. Lowenthal
Chairman, Subcommittee on Energy and Mineral Resources
1626 Longworth House Office Building
Washington, DC 20015

Dear Chairman Lowenthal,

Thank you for the opportunity to testify before the Subcommittee during your May 13, 2021 hearing on *"Protecting Coastal Communities and Ocean Resources from Offshore Drilling."* I sincerely appreciate your willingness to receive testimony from our region – where offshore oil and gas development is integral to both our economy and way of life.

Following please find the following responses to the Questions for the Record request transmitted via cover letter dated May 18, 2021.

Sincerely,

A handwritten signature in blue ink that reads 'Henri Boulet'.

Henri Boulet
Executive Director

CC: The Honorable Pete Stauber
Ranking Member, Subcommittee on Energy and Mineral Resources

Attachment

Mr. Boulet Responses:

Questions from Rep. Tiffany for Mr. Boulet:

1. Mr. Boulet, what GOMESA projects have been jeopardized?

MR. BOULET RESPONSE:

Thank you for the question, Rep. Tiffany. Directly, related to my work on behalf of the Morganza Action Coalition, I would say that the future of our \$3.2 billion project will be jeopardized if the ongoing “pause” becomes a permanent ban on future offshore oil and gas leases. As you know, GOMESA provides 37.5% of a specific set of revenues from the federal offshore program to Gulf Coast states. Unlike onshore revenue sharing, shared at 50% with the host state, GOMESA limits the total distribution to \$375 million. The GOMESA revenues allocated to Louisiana (just over 16%) are dedicated towards projects that address our wetland loss. Specifically, the near-term work plan that would be impacted by the loss of these revenues include completing the critical first-lift of levee sections within the 96-mile flood protection system, and all of the second lifts of levees to obtain necessary height to provide a 100-year level of flood protection for 250,000 residents and businesses protected by the system. Additionally, needed floodgates that integral parts of the entire levee system could be delayed.

In addition, I appreciate that your question was intended to be broader than the elements within my purview. I made an inquiry to Governor John Bel Edwards’ (D-LA) Coastal Protection and Restoration Authority (CPRA) and they provided me the following response: The impact assistance the State of Louisiana receives through GOMESA is constitutionally mandated to be spent on coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetland losses. With this critical source of recurring funding, CPRA has funded the following Coastal Master Plan projects:

AT-0017	Bayou Chene Floodgate
BA-0216	Magnolia Ridge Levee Lift and Road
BA-0218	Levee Improvements for Gheens Community*
BA-0219	Davis Pond Upper Barataria Risk Reduction (UBBR)
BA-0220	Sunset Levee Upper Barataria Risk Reduction (UBRR)
BA-0221	Pumping Capacity Improvements Phase 1 (BLFWD)
BA-0222	NOV-NF Drainage Canal Relocation
BA-0223	Goose Bayou (Penn Levee)
BA-0231	Storm Surge Risk Reduction for Section E-North- Elevation to +14.5 ft
BA-0232	Des Allemands FDA Pump Station Rehabilitation*
BA-0233	Grand Isle Bayside Segmented Breakwaters
BA-0241	Zeller Larousse Phase II Levee Improvements
BA-0242	Levee Improvements for Gheens Community Phase 2
BA-0243	100-yr Levee Lift; NOV-NF-W-4, Oakville to LaReusitte and MRL
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BA-0244	T-Wall Kellogg Pump Station

BA-0246	Section D Storm Surge Risk Reduction
BA-0247	Floodwall Improvement for Section D-South at Crawfish Farm
BA-0248	Ludevine Pump Station
BA-0249	Larose Floodwall
BA-0250	Section F Berm Improvement
BA-0251	Port Fourchon Shoreline Protection
BS-0033	East Bank Sediment Transport Corridor*
PO-0062	West Shore Lake Pontchartrain*
PO-0184	St. Tammany Storm Surge Risk Reduction
PO-0187	Jefferson Parish Lakefront Shoreline Protection
TE-0147	Hollywood Canal Closure Structure
TE-0148	40 Arpent Canal Levee- Lockport Co. Canal to Butch Hill Station
TE-0151	Grand Bayou Floodgate
TE-0152	Storm Surge Risk Reduction for US-90 at Bayou Folse*
TE-0158	Reach L Mitigation
TE-0159	Elliot Jones Pump Station*
TE-0167	MTG Reach E Levee Lift
TV-0085	Yokley Levee Extension
TV-0086	Jefferson Canal Flap Gate
Not Avail. 23/24)	Reach F Berm Improvements (Proposed GOMESA Funding FY
Not Avail. Funding FY 23/24)	Sunset Levee Upper Barataria Risk Reduction (Proposed GOMESA
Not Avail. FY 23/24)	Magnolia Ridge Levee Pipeline T-Wall (Proposed GOMESA Funding
TE-0113	HNC Lock Complex (Proposed GOMESA Funding FY 23/24)*

Note: Asterisk (*) denotes that project is funded partially through GOMESA, with some project funding coming from other programs

Questions from Rep. Herrell for Mr. Boulet:

- 1. You and Mr. Chiasson mention in your testimony the importance of the offshore leasing program for your local communities and the work you do. Can you describe the potential the long-term effects on your region, particularly for employment opportunities, if the current leasing ban imposed by the Biden Administration remains in place? Further, what would be the long-term impacts on conservation and coastal restoration projects needed to protect your communities from hurricanes and other natural disasters if the ban continues?**

MR. BOULET RESPONSE:

Thank you for the question, Rep. Herrell. It is impossible to overstate the criticality of the offshore leasing program to the economy and well-being of my community. I would argue the same is true for the entire state of Louisiana. While we enjoy a robust fishing industry, tourism and the benefits of a diversified economy, I believe that much of our

culture is intertwined with our providing energy resources to our Nation – and the world. The offshore oil and gas industry is in constant evolution to provide these critical resources more efficiently, with greater safety and fewer emissions.

In short, a prolonged leasing ban would devastate our State's economy and the region I call home. It would not only impact direct jobs, but the thousands of support jobs and ancillary work connected to the offshore industry that impact employment in nearly every state. It is important to make note that these jobs are not just a place to work, but they provided meaningful careers. We are proud of the institutions of higher education found in our region, such as Nichols State in Thibodaux, but our residents do not need to attend college to secure a high paying job. Many engaged in the oil and gas industry are able to provide six-figure paychecks for their families without attending a four-year college.

Just as the Louisiana's workforce is intertwined with the oil and gas leasing program, so are our conservation efforts. Notwithstanding all of the philanthropic conservation efforts the oil and gas industry engages upon, including the support of organizations I have worked for, the revenues oil and gas activities are irreplaceable funding for conservation and protection efforts. It is easy to identify the specific projects programs tied directly to offshore oil and gas royalties, rents and bonus bids, but to your question, we must also remember that the economic activities also provide a tax base that is often utilized for conservation and protection efforts. For example, in 2001, residents of Terrebonne Parrish implemented an 1/4% sales tax to reinforce and 5% millage already in place to pay for the construction of levees to protect our community and restore the wetlands largely subsidizing from the Federal action of channelizing the Mississippi River. In 2012, those same residents approved an additional ½ cent sales tax to advance the levee system's construction. Before the recent Corps of Engineers work plan funding, the State of Louisiana and parishes were solely responsible for the \$650 million which has advanced these efforts. These dollars would not be available without a vibrant oil and gas industry.

- 2. The Biden Administration has also required that permits and other routine authorizations go all the way through the DC office rather than allowing the agency experts to approve applications through the normal state level process. This has created a delay's for operations in my District. Mr. Chiasson, can you speak to how uncertainty and delays in the federal leasing and permitting process for offshore development can impact companies servicing offshore platforms operating out of Port Fourchon? [Rep. Herrell Continued]**

MR. BOULET RESPONSE:

Thank you for the question, Rep. Herrell. It appears that this question was intended for Mr. Chiasson and he will likely provide a more detailed answer. However, I would like to weigh in to simply say that I have closely watched this industry and the regulatory interaction that drives investment and its progress. While it has been argued that this review is typical, I want to provide my observation that what the Biden Administration implemented as they took office was unusual. Of course, every incoming administration

seeks to make sure that nothing was started by the prior administration at the end of their term that is counter to the public interest. The review that was implemented has been much more significant than that type of diligence. That being said, permits are advancing and I hope that progress continues. I did, however, want to share my observations with the hope Congress is diligent in its oversight to make certain these reviews are not a back door effort to negatively impact the offshore oil and gas program.

3. Are there enough local jobs available in renewable energy right now to support the thousands of people working in oil and gas and related industries, and at comparable salaries, in your local communities? [Rep. Herrell Continued]

MR. BOULET RESPONSE:

Thank you for the question, Rep. Herrell. In my capacity as the executive director for the Morganza Action Coalition, I am not the appropriate person to provide a fulsome answer. I will say that I recognize the ongoing energy transition, of which, my community is actively in working to hold a major role. Many of the skills and technology learned during the decades of offshore oil and gas development provide us with a head start as they are utilized in the deployment of renewables. To your question, I can say that these transition jobs are not equivalent. For example, when the low-price environment caused by the pandemic market surpluses forced local industry in the Houma Thibodaux region to cut 4,100 jobs over a 13 month period from March 2020 to April 2021 according to the Louisiana Workforce Commission, I have not observed any data that found the displaced workforce found employment within the renewables industry – at least at an equivalent level.