

House Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
Congressman Pete Stauber (MN-08), Chairman
Congresswoman Alexandria Ocasio-Cortez (NY), Ranking Member

Good morning Chairman Stauber, Ranking Member Ocasio-Cortez, and members of the Committee, I appreciate the opportunity to be here today speaking on behalf of the 100,000 residents of Lafourche parish, Louisiana, a majority of which wake up every day, put on their boots and go to work in the offshore energy industry to help provide a significant amount of energy every American needs each and every day.

I passionately believe energy and the environment can co-exist and flourish – and I think technological innovation has proven this to be the case.

Louisiana is considered to be an energy hub, but also a sportsman's paradise. In Louisiana, and Lafourche Parish, we wake up every day committed to preserving our way of life, our environment, our wildlife, our fishing habitats, our communities, as well as helping to deliver much needed energy. We are on the frontlines of our energy and environmental progress; and, as a result, we have a certain amount of homegrown, real-world expertise.

For those of you that do not know, Lafourche Parish is a midsize suburban parish in Southeast Louisiana that ends at the Gulf of Mexico. More importantly, Lafourche is home to Port Fourchon, the nation's premier Energy Port that services 100% of the deep-water oil and gas activity in the Gulf of Mexico. That means that everything that goes out to a platform: mud, water, food, and other essential mechanical items, comes through Lafourche Parish and Port Fourchon. Some of you on the Subcommittee have seen the industry first hand thanks to Majority Leader Scalise's Energy tour with stops on an active platform and Port Fourchon that show how industry and the environment can work together.

This critical U.S. Port represents \$458 million dollars in household earnings to the Lafourche MSA, \$243 million dollars in household earnings to the state, and \$1.1 billion dollars in household earnings to the United States economy.

Economic numbers are hard to visualize, but the offshore energy industry supports our entire community – and much of the nation, including helping to provide the essential power to keep the lights on in our Nation's Capital. The trickle-down effect in our local community – and communities like ours across America: Our offshore energy sustains local grocery stores like Rouses Supermarkets, the restaurants, like Grady V's or the Cajun Twist, small businesses, and more. This same story can be shared in towns all across the nation – all because we are maintaining an offshore industry.

And, the offshore industry is now not just oil and gas, but also offshore wind and offshore carbon capture. Louisiana is set and ready to service and provide the manpower and expertise to help

diversify America's energy industry.

For Lafourche Parish, it is critical that we have a robust offshore energy industry to support our community.

In the past few years, we have seen unexpected and unnecessary delays in federal approvals for offshore oil and gas leasing, as well as ongoing permitting gaps that have created uncertain operating conditions and have undoubtedly led to increased energy prices for American consumers, families and businesses.

Getting our national offshore leasing program back on-track and streamlining our broken permitting process are just two pieces of many critical regulatory obstacles that need immediate attention. We are not just talking about impacts to little old Lafourche Parish; these policies have an impact on every American.

These federal regulatory obstacles impact our residents and businesses in profound ways. Just to give you a glimpse as to what this industry means to the Bayou Region, we have 8,015 jobs tied strictly to Port Fourchon with another 10,000 or so tied to the oil and gas industry, mostly through service companies and offshore marine operators, but also through dozens of ancillary businesses. For every one job lost, there are three others lost in our region. On a state level, that number is much worse. For every one job lost, there are five others lost somewhere in the economy.

It is the threat to these families and thousands more like them that keeps me up at night because any job lost is unacceptable! We continue to watch some in our nation think we can turn the switch off and move to alternative energy sources overnight. This is proving to be untrue, as evidenced by the fact that, even as we ramp up our use of wind and solar and other alternatives, more than 80% of today's energy use in the U.S. still comes from oil and natural gas.

Again, I believe fully in alternative energy resources, but it is not one or the other. The answer is that we can support oil and gas, while also supporting wind and carbon capture. We can meet our energy realities while also meeting our environmental challenges.

In fact, if you speak with most Americans, they support all of the above energy policy that includes oil and gas. For example, I was at the National Association of Counties Annual Meeting just this past weekend. I had the opportunity to speak with local officials from across the Gulf of Mexico states and across the country that support oil and gas. NACO passed several resolutions on energy and environment, including in support of a new five-year plan, stable lease sales both in the Gulf and on inshore federal lands, offshore oil gas exploration and production, and offshore carbon capture.

Now let's talk about the impact of lost revenue. We have spent some time reviewing the data and found that our economy would suffer an incredible 15 percent revenue reduction per year should permits not be approved and should no new oil and gas lease sales occur. That 15 percent equates to about a \$15-million-dollar impact to just our parish government.

That figure does not include the lost money going to protect Louisiana coastal environment and waters from GOMESA dollars. In Louisiana, our GOMESA revenue is plugged into the State's Coastal Master Plan which is a science based 50 year \$50-billion-dollar plan to save our coast and

provide critical flood protection to our residents. The State of Louisiana just received \$87.9-million-dollars from funds that were derived from the offshore oil and gas industry. Our state relies on this promise from the federal government to help preserve this unique and critical habitat – and ensure we all can continue to enjoy this environment. But we don't just rely on the federal dollars, we have worked with our industry partners to

That 15 percent revenue reduction also does not include impacts to our schools, law enforcement, fire services or emergency medical services, merchants, hardware stores, restaurants, small business and on and on. That impact number is extrapolated over and over again as it spreads to other parishes throughout the state, the region and the entire United States. As we have long said, Louisiana is special, and the offshore industry helps ensure that we remain special..

While we understand the importance of looking at other forms of energy, whether they be solar or wind, the oil and gas industry will still play a critical role in keeping our nation moving. The discussion needs to be centered on an Energy Addition not an either-or option. Currently, many Louisianans work with BOEM and the Gulf of Mexico (GOM) Intergovernmental Renewable Energy Task Force that Gov. Edwards helped create. The purpose of the task force is to provide education, coordination and consultation related to the renewable energy planning activities on the outer continental shelf (OCS) in the Western Gulf of Mexico. Working with federal, state, and local officials, this group helped to shape what the offshore wind energy lease areas will look like. This is extremely exciting for us in Louisiana since we know we have the skills and equipment to play a major role in this new energy addition. So much so that Port Fourchon has already begun leasing property to offshore wind developers, and we have coined Lafourche Parish and the Gateway to Gulf Wind.

This is why Lafourche has supported legislation like H.R. 1 and the BREEZE Act to help send revenue from the offshore wind lease sales back to the producing states. The SHORES (Sharing Offshore Revenues from Energy Sources) Coalition has made numerous trips to meet with members of Congress to talk about the importance of not only new offshore oil and gas lease sales but also importance of offshore wind revenue sharing. In Louisiana, we have constitutionally dedicated revenue from offshore lease sales to all things coastal and the work that is being done through the Louisiana Coastal Protection and Restoration Authority's Coastal Master Plan.

Additionally, State Representative Joseph Orgeron is working on a state constitutional amendment that would do the same for the revenue generated by offshore wind lease sales. You see, we are tirelessly working to restore our coast and protect our residents and our culture.

Finally, Chairman Stauber, while we understand that there needs to be an energy addition to help

continue to drive our nation forward, we also have to understand that oil and gas exploration and production is still a must. As the Biden Administration moves to increase the use of renewable energy, they are asking us to pretend that oil and gas can be easily removed from our energy mix. In reality, those lithium batteries that power electric cars come from mines in Mexico that are powered by generators fed with natural gas. The wind farms that dot the east coast and other parts of our country need to be lubricated and you cannot do that without petroleum products. And lastly, the lift boats that came from Cut Off, Louisiana, to help erect those windmills on Block Island did not get up there by themselves. They were propelled by diesel engines.

There is a world where we continue to use oil and gas while also making environmental progress that not only supports Americans daily needs for energy, but also supports my community in Lafourche.

I appreciate the opportunity to be here today and for everyone's support for the continued momentum to keep the energy sectors and the environment moving forward together.