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State of Louisiana

Department of Public Safety and Corrections Public Safety Services

OIL SPILL INTERAGENCY COUNCIL MEETING

November 29, 2016

10:30 a.m.
Training Room B
Louisiana State Police Headquarters
7919 Independence Blvd
Baton Rouge, LA 70806

MINUTES

I. Call to Order

Chair Marty Chabert called the meeting to order.

II. Roll Call

Chair Marty J. Chabert, Present, Louisiana Oil Spill Coordinator
Perry Gisclair, Present, Greater Lafourche Port Commission Board
Craig Romero, Present, Port of Iberia
Toby Gascon, Present, LDWF
Jonathan Vining, Present, LDPS
Brent Campbell, Present, LDNR
Bryan Riché, Present, LDEQ
Jacqnes Ambers, Present, LDOJ
Matt Mumfrey, Present, CPRA
Absent, GOHSEP
Absent, Appointee of Chair of the Senate Committee on Environmental Quality
Absent, Appointee of Chair of the House Committee on Appropriations

III. Approval of Agenda

- · Motion by Mr. Gisclair
- Second by Mr. Romero
- Unanimously Approved

IV. Welcome and Introductions

- Staff members of the Louisiana Oil Spill Coordinator's Office were introduced.
- State agency representatives in the audience were introduced as well as meeting attendees.
- Chair Chabert welcomed everyone and thanked them for their attendance.

V. LOSCO Program – Marty J. Chabert, LOSCO

- Chair Chabert discussed current low LOSCO staff numbers and the need for more staff members in order to carry out the duties of LOSCO.
- LOSCO will be seeking an increase in personnel and budget from the State Legislature.
- Funding for the proposed increases would come from the state Oil Spill Contingency Fund, not the State General Fund.
- LOSCO is looking for input from industry partners, and looks forward to working with its state agency partners in the new year.
- Oil Spill Response Chris Viator, LOSCO
 - PowerPoint presentation given by Mr. Viator about LOSCO's oil spill response program.
- Natural Resource Damage Assessment (NRDA) Gina Saizan, LOSCO
 - PowerPoint presentation given by Ms. Saizan about LOSCO's NRDA program, including the Regional Restoration Planning Program.
 - There was a question from the audience about whether the NRDA Trustees oversee and monitor restoration projects once implemented. Ms. Saizan answered in the affirmative.

VI. Budget – Andy Carlson, LOSCO

- Mr. Carlson gave an overview of current LOSCO expenditures and budget requests, as well as the current balance of the Oil Spill Contingency Fund. He explained that the Fund currently collects the per barrel fee on approximately 900 million barrels per year, resulting in approximately \$3 million a year in fee collections.
- Mr. Carlson gave an overview of *Deepwater Horizon* oil spill related expenditures that remain outstanding and still need to be reimbursed to the Oil Spill Contingency Fund.

VII. NRDA Restoration Banking Program and Compensation Schedule – Matt Mumfrey, CPRA

- PowerPoint presentation given by Mr. Mumfrey about CPRA's efforts to develop rules for and establish an NRDA Restoration Banking Program and Compensation Schedule.
- Mr. Mumfrey explained that the draft restoration banking program regulations will be finished in December. They will be published in the State Register in January. The regulations will need to get approval from the Legislative Fiscal Office.
- Mr. Mumfrey received a question from meeting attendee Mr. Bob Bowman about why the program is limited to the coastal zone, and why can't companies who operate in north La. use the program. Mr. Mumfrey explained that the impetus for the current legislation was to help with

- coastal land loss and the coastal crisis. Depending on the success of the program, it could be expanded outside of the coastal zone.
- Mr. Mumfrey received a question from a meeting attendee who asked about whether, once a restoration bank project is approved, the bank sponsor will have to mitigate for injuries caused by implementation of the project and the building of wetlands. It was explained that the proposed program does not add to or relieve the bank sponsor from having to do any mitigation required by other laws, rules and regulations.
- Mr. Perry Gisclair asked Mr. Mumfrey if credits are purchased by a Responsible Party from a restoration bank that was built in a location other than the spill site, for example where the spill occurs in one parish but the restoration bank project is located in another parish, how will the Trustees restore for that geographic injury. Mr. Mumfrey responded that discretion is with the State Trustees to ensure that selected restoration restores for the injured resources, even if not at the exact spill location. The Responsible Party cannot decide to do restoration wherever it wants to.
- Mr. Mumfrey received several questions from meeting attendees about how the price of restoration credits will be determined. Mr. Mumfrey explained that the purchase of credits would be a private transaction between the bank sponsor and the Responsible Party. The State Trustees would not be involved in setting the price. The price for credits will be determined by the market and the parties to the transaction, not a set schedule or the Trustees. The number of credits that will need to be purchased to restore for a particular spill, however, will be determined by the Trustees.
- Mr. Mumfrey was asked how the management and tracking of credits was going to be done, and
 whether that would be done inhouse. Mr. Mumfrey responded that the State Trustees will track
 and monitor what credits have been purchased or remain available for sale from a particular
 restoration bank. The tracking will be done in-house by the State Trustees.
- Meeting attendee Todd Baker asked Mr. Mumfrey about the compensation schedule and how the full impact of a spill will be known without going through a traditional, comprehensive natural resource damage assessment. Mr. Mumfrey responded that the State Trustees will always have the discretion to either apply the compensation schedule or utilize another assessment method such as conducting a comprehensive nrda if the Trustees don't believe that the application of the compensation schedule to a particular spill will appropriately compensate the public for the injury.
- Chair Chabert noted that one of the goals of Representative Leger in authoring HB 640 was to
 give the Trustees an alternative method that could be used to assess damages from an oil spill
 that is otherwise hard to do a comprehensive nrda on because of cost and other considerations.

VIII. Other Business

Next meeting will be held following the upcoming legislative session.

IX. Adjourn

- Motion by Mr. Gisclair
- Second by Mr. Romero
- Unanimously Approved

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