

**DEEP IMPACT: ASSESSING THE EFFECTS OF THE
DEEPWATER HORIZON OIL SPILL ON STATES,
LOCALITIES, AND THE PRIVATE SECTOR**

HEARING

BEFORE THE

AD HOC SUBCOMMITTEE ON STATE, LOCAL,
AND PRIVATE SECTOR PREPAREDNESS
AND INTEGRATION

OF THE

COMMITTEE ON
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

JUNE 10, 2010

Available via the World Wide Web: <http://www.fdsys.gov>

Printed for the use of the Committee on Homeland Security
and Governmental Affairs



U.S. GOVERNMENT PRINTING OFFICE

58-033 PDF

WASHINGTON : 2011

For sale by the Superintendent of Documents, U.S. Government Printing Office
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U.S. SENATE,
AD HOC SUBCOMMITTEE ON STATE, LOCAL, AND
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AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:02 a.m., in Room SD-342, Dirksen Senate Office Building, Hon. Mark L. Pryor, Chairman of the Subcommittee, presiding.

Present: Senators Pryor, Landrieu, and Ensign.

Also Present: Senators Lieberman, Burris, Nelson, and Brown.

OPENING STATEMENT OF SENATOR PRYOR

Senator PRYOR. I will go ahead and call this hearing of our Subcommittee to order. I want to thank everyone for coming to the Ad Hoc Subcommittee on State, Local, and Private Sector Preparedness and Integration. The topic of this hearing is called "Deep Impact: Assessing the Effects of the Deepwater Horizon Oil Spill on States, Localities, and the Private Sector."

We have several Senators that are en route or who are scheduled to be here, and I want to thank Senator Landrieu for coming. We are actually expecting several Senators to be here and participate in this hearing, but I thought what I would do, in the interest of time—thank you for being here, Senator Lieberman. I thought what I would do in the interest of time is go ahead and do my opening statement, and then I will recognize Senator Lieberman for his statement and Senator Ensign for his, and I would also then recognize other Senators.

But, first, let me thank Senators Lieberman, Landrieu, McCaskill, Burris, Brown, and Ranking Member Ensign, as well as Senator Bill Nelson, for being here today. And I want to thank all of our witnesses for being here today. We really appreciate your time and helping us on this Subcommittee understand and help the American public understand more of what is going on down in the Gulf Coast.

I want to note that while our State and local panel is compromised solely of witnesses from Louisiana, we actually had invited other witnesses from Florida and Mississippi. But just due to

scheduling conflicts, some of those at the last couple of days had to change their schedules and could not attend. But we really are looking forward to hearing from all of our witnesses.

We are here to discuss the impact of the Deepwater Horizon oil spill on the affected States and localities and to determine the effectiveness of the joint Federal, State, and local response effort. We are over a month into this tragedy, and the size and the scope of that tragedy we are only now beginning to comprehend. We must begin learning the lessons of this event now and work to improve the process as we move forward.

This hearing will focus on five main questions:

One, what is the true impact of the oil spill on States and localities? And what are their outstanding needs?

Two, what Federal plans have been activated to assist the impacted States and localities in responding to the spill, and are they working?

Three, is additional Federal assistance needed to ensure that people impacted by this spill are able to survive the clean-up process?

Four, what are the next steps in stopping the leak, and how does BP plan to clean up the heavily inundated areas along the coast?

And, five, has BP set up a claim process that is fair and usable for those who have been adversely impacted by the oil spill?

Fifty-one days ago, an explosion on the Deepwater Horizon oil rig began a series of events that have impacted our country in ways that will not be fully clear to us for some time. Eleven people died on the rig that night, a tragic loss of life for the families and friends of the workers lost at sea. While America grieved, very few imagined the depth of the impact that this event would have on our Nation.

From the beginning, there was an apparent effort to downplay the severity of this spill. A BP executive predicted that the impact of the spill would be "very, very modest." What we now know is that we are facing a truly unprecedented situation. Millions of gallons of oil have spewed into one of the richest and most unique ecosystems in all the United States.

As you will hear from the testimony of the State and local officials who have joined us today, hundreds of miles of coastal wetlands have been affected, some unalterably. We may never know the extent of the loss of animal life or the degree of damage to the wetlands or the level of the damage done to the fishing stock.

What we do know is that 51 days out from the beginning of this ordeal, the impact of the Deepwater Horizon oil spill is anything but modest. To date, there have been 413 oiled live birds, 592 dead birds collected by the U.S. Fish and Wildlife Service, 250 dead turtles collected, two mammals including dolphins that we know conclusively died as a result of the spill—and, by the way, there is a photo of dolphins; it is kind of hard to see in that photo, but dolphins swimming through the oil there—with 31 other mammals currently being tested.

Over 78,000 square miles, which is about 35 percent of the Gulf of Mexico Federal waters, is closed to fishing. Fishermen, seafood processing plants, shippers, and other businesses have been forced to rely on payments from BP to supplement the income they would

have otherwise earned fishing the waters of the Gulf Coast. Responding to a spill of this size, which is the largest in American history, has required enormous intergovernmental coordination.

On Thursday, April 29, the Coast Guard declared the Deepwater Horizon a spill of national significance (SONS), as they say. The SONS declaration set into motion several Federal operational plans, including the National Contingency Plan, National Response System, Homeland Security Presidential Directive 5, and the National Response Framework. As a result, a massive effort to organize many different Federal resources, including the Department of Homeland Security (DHS), the U.S. Coast Guard, Mines Mineral Service, Fish and Wildlife Service, Environmental Protection Agency (EPA), Department of Defense (DOD), National Oceanic and Atmospheric Administration (NOAA), the Department of Energy, and other agencies. In addition to coordination between Federal agencies, these plans govern the interaction between Federal, State, local, and private sector entities.

It is critical that there is clarity of responsibility and a clear understanding of roles at each level of government. I intend to ask the Federal, State, local, and private sector witnesses to assess the effectiveness of these plans and the resulting response effort.

BP's efforts to stop the flow of oil through the top kill and junk shots failed. BP has recently placed a cap atop the blowout protector and is now collecting several thousand barrels of oil a day. These are positive developments, but little comfort to Gulf Coast residents who are forced to watch the shoreline turn black and brown from oil inundation.

Perhaps one of the most important questions we ask today to BP is: How do you intend to clean up these heavily inundated areas? And how much progress has been made in the clean-up to date?

BP has committed itself to paying claims for individuals harmed by the spill. As I mentioned earlier, over 78,000 miles of fishing waters is off limits. In Louisiana alone, the seafood industry produces over \$2 billion yearly. This means that thousands of Americans will have to rely on an approved claim by BP in order to put food on the table or pay the mortgage. I intend to gain a better understanding of the claims process and ultimately ask BP the hardest question of all to answer: At what point will BP no longer be able to pay?

I am glad my colleagues from this Subcommittee have joined us. There are an infinite number of questions that need to be asked and answered. We are taking a small but immensely important piece today. The people of the Gulf Coast are facing a terrible degree of uncertainty in so many ways. Their employment, their communities, and their livelihoods are drifting at sea. We must ensure that the coordinated response is fully effective. We will not allow BP to short-change the public when their actions have led to such an unimaginable situation.

So, again, I want to thank my colleagues for being here today, and let me call on Senator Ensign, the Ranking Member of the Subcommittee, for his opening statement.

OPENING STATEMENT OF SENATOR ENSIGN

Senator ENSIGN. Thank you, Mr. Chairman, and thank you for holding this very important hearing. Before I start, I see our colleague from Louisiana here, and all the folks in the Gulf Coast just know that our thoughts and our prayers are with you. I know this is an unbelievably difficult time, and most of us in the country are just seeing it on television, but you all are living it out in your day-to-day lives. Our thoughts and our prayers with you.

Other committees in both the House and the Senate have conducted numerous hearings on a wide array of issues relating to the oil spill. These have ranged from determining what caused the explosion, what the environmental impacts will be, and if anything could have been done to prevent this disaster from happening in the first place. Also, Admiral Allen has provided numerous, very detailed briefings regarding the status of the leak: how many barrels are being captured, and the extent of the spill's impact. I hope to get something different and unique out of this hearing.

This Subcommittee was designed for a very specific purpose, and that is to examine if the States and localities are getting what they need from both the Federal Government as well as from the private sector. Additionally, I want to prove and see if there are various levels of government working together cohesively and "jointly" or, in military terms, as a "total force." We need to find out if there are other assets which the States and localities need and have not been provided by either BP or the Federal Government. We need to identify here today what those gaps are, figure out what is the best way to fill them, and then begin to figure out how to proceed down that path. I also hope to hear what BP and others in the oil industry and the private sector are doing to aid the clean-up efforts.

My good friend from Arkansas and I have worked together on numerous issues and pieces of legislation in a bipartisan fashion during our time here in the Senate, and if we identify today any additional congressional action that is required—and this Subcommittee has worked very well in a bipartisan fashion—I know we will do what is required, and our staffs will work together to get that accomplished.

This hearing was designed in a very specific way. The States and localities were intentionally put on the first panel so that we could hear from you and force the Federal and private sector entities to listen to what is needed. Some specific questions and issues I would like to see raised and addressed are as follows:

Are there adequate resources for the clean-up? Do we have enough skimmers in the water? Is there enough ocean boom? My understanding is that Alabama has only two skimmers and not enough boom. Will the Federal Government need to procure more of either? If we have other skimmers in our inventory, why are they not currently in the Gulf working?

As a matter of fact, I was just watching television this morning about a private sector company that says that they can produce up to 90,000 feet of boom a day, and they have not gotten BP to approve that yet, and that is one of the issues that we want to explore this morning.

I would like to get to the bottom of the sand berm-barrier islands that were requested by Louisiana. What was the delay in getting these approved? Was determining who would pay for the barrier islands berms a major stumbling block? Also, do we have the necessary manpower on the beaches and in the waters helping to clean up the ecosystem? News stories over the past few days indicate that the manpower down there is still inadequate. And I for one would be open to sending, if we need to, the National Guard resources down there to assist. Is this something that would help? Perhaps this is something the Congress can help with.

I would like to also hear what the rules are for cleaning crews. I have heard reports the locals are upset because cleaning crews are only allowed to work 20 minutes out of every hour. Is this accurate? And if so, why are these rules in place?

Finally, I want to find out more on the new effort to collect and review oil spill response solutions from scientists and vendors. What can we hope to see come from the interagency alternative technology assessment program, and what hurdles may complicate and hamper effective response technologies?

These are all important issues that need to be addressed, and I hope we can get to at least some of these today and, if not, more of them in the coming weeks. And, again, Mr. Chairman, I thank you very much for holding this hearing.

Senator PRYOR. Thank you. Senator Lieberman.

OPENING STATEMENT OF SENATOR LIEBERMAN

Senator LIEBERMAN. Thank you, Mr. Chairman. Thank you first for inviting me in my capacity as Chairman of the full Committee to come by this morning, and I hope I can return your graciousness by speaking briefly and then leaving it to you and the Subcommittee to go forward. And I look forward to hearing the results of this hearing.

But I think it is a very important hearing because it is obvious to all of us that it has taken painfully long for the oil spill in the Gulf, Deepwater Horizon, to be stopped. But long after it is stopped, the people, the communities, the State and local governments of Louisiana, Alabama, Mississippi, and Florida will still be dealing with its consequences. And I think it is very important that you have focused your attention, as a Subcommittee, on this part of the problem.

While I am saying that, I want to thank Senator Landrieu for the work, really pioneering, very effective work, that she has done in disaster response in the Subcommittee that she heads, and then her tireless and persistent advocacy in this case for the people of her State and the Gulf overall. And I welcome the elected officials from Louisiana as well.

I was thinking, Mr. Nungesser, that we learn things when we come from our various States to the Senate. When I arrived here 22 years ago, I thought that the top person in a parish was called a priest.

[Laughter.]

Then I found out that in Louisiana the top person is called the president, but if I may extend this a little bit to you directly, you have played a role here in this crisis that really has been very con-

structive, and in some ways like some of the parish priests I have been honored to deal with back home in Connecticut, you have been a principled, passionate, and effective advocate for the people of your parish, and it is an honor to have you and the others here.

Mr. NUNGESSER. Thank you.

Senator LIEBERMAN. I will say just a few things.

First is that this is not the first time we have faced such an environmental catastrophe involving oil in our country, though this is now the worst catastrophe of its kind that we have ever faced. Obviously, the Exxon Valdez in 1989, was at the time the worst oil spill of its kind, and we debated then some of the very same issues that we are debating today.

The fact is that we adopted some legislation in response, and it has had a positive effect, particularly with regard to preventing oil spills in vessels on the surface of the water and in responding to accidents when an oil spill actually does occur.

But, unfortunately, we did not take all the steps that we might have then. It seems to me as we look back that we failed to build a system that could plan for and respond to other risks in this particular area of activity, including the one that we are facing here, which is an uncontrolled blowout in a deepwater well.

I think, as Senator Landrieu and I agree, and others agree, we have to, when we start talking about this, acknowledge that there have been thousands of wells dug, and the safety record overall is an impressive one. And we depend on the oil that comes from those wells to move our country and power our country. But the obvious fact here is that the Minerals Management Service did not require adequate safety and response measures from the oil companies at deepwater level, and this is what we are facing now and what we have to fix as quickly as we can.

There are a lot of lessons to be learned, but I think one that is clear to me and I think is why it is so important that the Chairman is conducting this hearing today is that the State and local governments need to be actively involved in the response planning for disaster generally and specifically for oil spills. And as I said at the beginning, long after this terrible breach is closed and the oil stops flowing out of those pipes and that well, the people of the Gulf are going to be living with the consequences of it. And I think what you can help us today in doing is to tell us exactly what we can do, which is what we want to do, which is to stand by you as we help you back to normalcy.

So, Mr. Chairman, I thank you very much for giving me the opportunity to say that, and I look forward to hearing from you about the results of this hearing.

Senator PRYOR. Thank you, and thank you for being with us today, Mr. Chairman. It is great to have you.

Our next order, just so you all will know, is Senators Landrieu, Brown, Burris, and Nelson. And what I would like to do, if possible, is limit this to 3 minutes, but I understand some people may need a minute or two extra, so I will not be too quick with the gavel.
Senator Landrieu.

OPENING STATEMENT OF SENATOR LANDRIEU

Senator LANDRIEU. Thank you, Mr. Chairman. I am going to try to do mine in 2 minutes, if I could.

First of all, I think the scope outlined by you and the Ranking Member are right on point about what our Subcommittee should be focused on in this hearing and moving forward.

I also want to acknowledge the leadership of Senator Lieberman. This Subcommittee did not even exist in the aftermath of Hurricane Katrina, but when Homeland Security was reorganized, both the Chairman and I appealed to the Chairman of the full Committee that a Subcommittee that would give voice to local governments was so important in handling these disasters. And, Senator Pryor, you stepped up to lead this Subcommittee at Senator Lieberman's request, and I am very grateful because I think we will find, Senator Lieberman, the work of this Subcommittee, just like our Subcommittee did for FEMA, will be extremely helpful to the outcome of this issue.

Second, I hope that these parish presidents and this director, Mark Cooper, whom I know very well—these men were on the front line of Hurricanes Katrina and Rita, watching their parishes flood and their people suffer. They are now on the front line again. They have been heroic in their efforts to try to give a voice and explain the many dimensions of this issue. I hope today they will be given an opportunity to talk, Senator Lieberman, about the balance necessary between what you said: The need for oil and the jobs that they represent from their parishes, but also the need to have a clean and pristine environment so our fishermen can operate. And I hope they will speak to that. I hope they will talk a little bit about the 6-month proposed moratorium, what that might do in terms of devastating the jobs that are left, 52 days after this incident, and I look forward to their testimony and will leave it at that for right now until we get to the questions.

Thank you, Mr. Chairman.

Senator PRYOR. Thank you. Senator Brown.

OPENING STATEMENT OF SENATOR BROWN

Senator BROWN. Thank you, Mr. Chairman. I am here because I care and I want to hear what everyone is going to be testifying to. I am going to be bouncing back and forth because I have other hearings today, but I want to thank you for your leadership, and I will defer because I think everyone is anxious to get cracking.

Thank you.

Senator PRYOR. Thank you very much. Senator Burris.

OPENING STATEMENT OF SENATOR BURRIS

Senator BURRIS. Thank you, Mr. Chairman. I am also grateful to you and the Ranking Member. I am not a Member of this Subcommittee. I just want everyone to know that not only are the coastal States going to be suffering, but also the State of Illinois, and we are certainly sending what little help we can down to the coastal States. I know that national guardsmen are coming in with helicopters, and assistance that we are giving. But there is another effect on this which deals with our urban areas, and that is the

food that comes out of the Gulf. It is going to impact us tremendously in our restaurant business and those various businesses.

So I am deeply concerned about what is going to happen down there in the future, and certainly I want to give deference to the distinguished governmental leaders who are here and on the front line of this problem. We must make sure that we treat this as a national crisis. The Gulf States are getting the brunt of it, but all of us are going to suffer from it.

And so based on that, Mr. Chairman, I feel it is important for me to be here for the few moments that my schedule will allow in order to bring a message not only from the Gulf States but from mid-America that we will be impacted, and we want to support our colleagues on the front line the best we can with everything we have to overcome this problem. Thank you.

Senator PRYOR. Thank you very much. Senator Nelson.

**TESTIMONY OF HON. BILL NELSON, A U.S. SENATOR FROM
THE STATE OF FLORIDA**

Senator NELSON. As usual, Mr. Chairman, you are insightful to burrow in on something that needs disclosure. I bring to the Subcommittee today, the effect on State and local government. Oil is now entering Florida waters. The orange mousse has come into Perdido Bay. The Perdido River, Mr. Chairman, is the dividing line between Alabama and Florida, and it flows into Perdido Bay, and then that flows out into the Gulf of Mexico in Perdido Pass.

Florida was not notified. The Emergency Operations Center in Escambia County in Pensacola was not notified. This all occurred yesterday. The Coast Guard is doing a great job, but they are stretched to the limit. Those guys are working 24 hours. They barely have time enough to sleep. And it all the more calls for the command-and-control structure so that mistakes like this do not keep happening.

Our local and State officials, as well as their Senator, are not only bewildered but we are livid that the command and control is not there so that communication is not coming to the State and local government. It reminds me of some of the things I heard Mr. Nungesser saying in his experiences over the past several weeks as he was talking about the oil and that orange mousse coming in on the wetlands in Louisiana. And they were not blessed because the winds took the oil, the fresh oil, to Louisiana wetlands. The winds blessed us at least for a while because it kept it to the west, but now it is moving to the east and to the northeast. And when the winds shift again, Mr. Chairman, and take it to the south, and it gets into the loop current, it is going to take it around the Florida Keys and up the east coast of Florida in the Gulf Stream.

So I thank you. You again are clairvoyant in what needs to be examined, and just know that you have some folks in Florida that are mad as wheat hens right now. We have to get this command and control straightened out where communication is going to everybody at the local level.

Senator PRYOR. Thank you, Senator Nelson, and thanks for your comments, and I want to thank all the Members for being here.

What we have now is three panels, and our first panel is the local government witnesses, the second panel is the Federal Gov-

ernment witnesses, and the third panel is British Petroleum. So what I would like to do is just very quickly introduce each one of you, and I will allow you to make your opening statements. I would love for you to keep your opening statements to 3 minutes, if possible, and we are going to have lots of questions. So we really appreciate you all being here.

First let me introduce Mayor David Camardelle. He is the mayor of the town of Grand Isle, Louisiana. He has been the mayor there since 1997, as I understand it.

Mr. CAMARDELLE. Since 1995.

Senator PRYOR. Since 1995. And he will discuss the impact the oil spill has had on his community and the inability of the community to engage in clean-up efforts due to the approval process required to begin any activity, which is important, and we heard that. We want to know more about that.

Next will be Billy Nungesser. He is the President of Plaquemines Parish, Louisiana. He has served the people of Plaquemines Parish for over 20 years, and if I am not mistaken, we met when I was down there after Hurricane Katrina.

Mr. NUNGESSER. I have actually only been in office 3½ years.

Senator PRYOR. Oh, 3½ years.

Mr. NUNGESSER. I was still there. I rode out Hurricane Katrina in Plaquemines, but I was not elected. I was a volunteer.

Senator PRYOR. I think that we met some of the folks from Plaquemines Parish when we were down there and saw the impact that Hurricane Katrina had on your community. And you will discuss the financial impact of the oil spill on your community and your local businesses, etc.

And last, but certainly not least, we have Mark Cooper, who is the Director of the Louisiana Governor's Office of Homeland Security and Emergency Preparedness.

So thank you all for being here. Mayor Camardelle, if you could go first.

TESTIMONY OF HON. DAVID CAMARDELLE,¹ MAYOR, GRAND ISLE, LOUISIANA

Mr. CAMARDELLE. Good morning, Senator. My name is David Camardelle. I am the mayor of Grand Isle. I am in my seventh term—three terms as councilman, four terms as mayor. Grand Isle is about 60 miles southeast of New Orleans. It is the only inhabited barrier island in Louisiana, and it is home to about 1,200 residents. In the summertime, we get about 250,000 vacationers, which is combined of sports fishermen, bird watchers, and visitors coming to enjoy our seafood.

Most of the residents of Grand Isle and the coastal region are either small independent fishermen or they are employed in an oil and gas-related industry. In many cases they do both, working a 7-day shift for an oil company and then being off for 7 days when they fish. We understand what it takes to get a job done because our livelihood depends on it. If the boats break down or the nets, we know how to fix them. We know how to go back, and we know how to work in the town of Grand Isle.

¹The prepared statement of Mr. Camardelle appears in the Appendix on page 60.

The marinas, the grocery stores, the hotels, the souvenir shops, the charter boats, and the large shrimp producers, in Grand Isle, the largest shrimp producer in the United States, the shrimp, it buys 7 million pounds of brown shrimp, should have bought 4 million pounds in the last week, it is down, completely down.

I am looking at a picture, and it brings tears to my eyes because Mr. Nungesser can tell you we have been watching this all coming through our five passes, which affects five parishes. We have been working hard to come in and block the passes. We have come in with ideas. Mr. Nungesser and Greg, the two parish presidents, we came up with the idea of sand berms. In the meantime, born and raised on that island, trying to protect our people, trying to stop oil from coming on Bourbon Street if we have just a low pressure that comes into the Gulf of Mexico. We came up with an idea to come in with the deeper passes. I told the President of the United States, if he gives us \$1 million a day, we can come in and block these five passes with barges. We only have 45 days before a major hurricane gets into the Gulf of Mexico.

I keep on looking at that oil because I watch it every day, every morning coming through these passes. Our Cajun heritage has taught us to work hard, persistent, and we are very resilient. Born and raised and watching my mother and father lose everything in 1965, watching my father being elected on the side of me, telling the people everything is okay, it is material things. Anyone in Louisiana can protect anybody from hurricanes. I told the President that. You send me anywhere in the world. You give me 10 days. I can make a difference with hurricanes. But right now my hands are tied. I am dealing with an oil company. We have no say-so. We try our best. We have the best equipment that can come into our town, different salesmen, 2,500 salesmen come in every day, I mean, through the weeks, and Mr. Nungesser can tell you, asking us. But I can tell you one thing. We are not going to give up. As of yesterday, we are bringing barges to my town. I am going to be back tomorrow morning at a meeting in Grand Isle to show the Coast Guard exactly where to put them and make sure that we protect our people.

And I am going to tell you, every day I have a mom that comes in front of me and asks me, "Mr. David, how am I going to get food to my kids?" I have 37 applications right now that are standing by at the community center as we speak this morning that are still waiting on a \$5,000 check. You have a deckhand on a boat that gets \$2,500 maybe, and the owner of the boat that has a boat note of \$5,200 is still waiting for a \$5,000 check.

You have a marina that is waiting on a check, the electricity bill, right now the water bill and the gas bill is \$5,800 at my city hall, and I am not going to cut the gas off.

That is the things that we are going through. The shrimp dock is a ghost town. The booms do not work. In a major pass, the booms do not work.

Mr. Senator from Florida, this is a wake-up call. What you said earlier, what we went through 7 weeks ago, you are just opening your eyes this morning. And I am being honest with you all. We need some help. We need you all to push. We need some money down there.

And the last thing, our people do not want is a free check from the government. Our people do not want food stamps. They do not want a SBA loan. They want to go out on the waters. We still have fishermen right now that are waiting, and they want to put booms to scoop up that type of oil. Right now as we speak, it is coming through our passes, and when I get back tomorrow morning, I will have one of them passes blocked up, and I have four left. And I guarantee you, if I could push—and I am going to make it happen. I am going to block the five passes, get out of there in 45 days, and I will stop with a low pressure, I will stop and protect five parishes. And we are not waiting.

Two Saturdays ago, I commandeered the fishermen at the dock, told everybody to get out of the way, and we put fishermen to work. We just do not want to be on food stamps. We are not used to that. We want to go to work and save our community.

And the Senator from Illinois, my deckhands, when I had a shrimp boat—and I still have a shrimp boat. Two of them come from Chicago, Illinois, made a good living, fed their families. I think one of them is still there working with our family. And you are right, the seafood—what I see here is destroying the best seafood in the world. And I gave my credit card before. I fed some families. I make \$513 a week as mayor. I got my own family to raise. And I just talked to my secretary, and I can promise you I will not let no one starve on my island. Maybe that is why I have been re-elected seven terms. Senator Landrieu can vouch for that. She has always been there for us. And my good friend to the left, Billy, he feels the same way. We continue to fight. I am going to meet with the President today at the White House at 3:30 p.m. It looks like every time the President came, BP got closer to me. They push the button, and then it fades away.

So I am hearing there are maybe navy ships somewhere to come and scoop up this oil. Please, please send us some help. We are true Americans. If my grandfather would be alive and my father would be alive, I could remember them having an American flag, and I asked my grandmother why was the American flag behind the sofa on the wall. She said, “Your grandfather this year was the best fishermen.”

Tomorrow, I will stop at my grandfather’s tomb and my father’s tomb and tell them that I want to continue holding the American flag, that I stood up for my people, and I am going to continue to feed my people.

On behalf of the elected officials of Grand Isle and the residents of Grand Isle, we are strong. Let me remind you it is 45 days before a major hurricane gets close. I just need your help. It is like a war and I am on the front line.

I want to thank you all so much. Thank you, Mr. Chairman.

Senator PRYOR. Thank you. Thank you for being here today, and thank you for that very touching testimony.

Mr. Nungesser.

**TESTIMONY OF BILLY NUNGESSER,¹ PRESIDENT,
PLAQUEMINES PARISH, LOUISIANA**

Mr. NUNGESSER. Thank you. We appreciate the opportunity to be here today.

I wrote a nice speech, and I threw it in the garbage this morning. I represent 25,000 people, 100 miles long, and I am going to talk quick because I have a lot to say—more coastline than any other parish. To date, over 3,000 acres of my parish is destroyed, not 30 miles like the Coast Guard has said. Three thousand acres are destroyed, and everyone in it.

I started out to go into a lot of detail on some things, and last night on the plane, a gentleman walked to the back of the plane and handed me this piece of paper. And he said, "I work with the Coast Guard. I am a Coast Guard official." He said, "I am back home in Washington, and I wrote this down for you to say and tell somebody until they listen, because it is not getting done."

He said, "I have been down in the command center in Houma for over 35 days," and I am going to read it to you. "The problems at the Incident Command Center in Houma that result in the slowing down for this response. Agency requests from the Federal funding must go through two levels of approval. First a request must go to the ICO command approval, which typically takes less than a couple hours. The final level of approval comes from the UAC Roberts to Admiral. Sometimes it gets approved the next day or the day after, but most requests take over 5 days. This timing is unacceptable for an effective response.

"When the DM932 spill spoiled 80 miles of the Mississippi River in 2008, the CO of the command post had full authority to obligate and engage the OSLTF funds. Why is this not happening now?"

"The current Federal project ceiling is \$150 million, causing the emergency partner of the OSLTF to almost be completely depleted. There is more than \$1 billion in the OSLTF fund, principal fund. Why hasn't Congress allowed the Coast Guard to borrow from this fund, as it did for the OPA 90 when that barge broke in Louisiana? The lack of action by Congress has forced the U.S. Coast Guard to ration the little money they have left, therefore slowing down the response."

Now, I do not know if that is true, but if it is, shame on us. I am not here to place blame on anybody as I have done in the past. I am here to move forward, and it has got to change, or we are going to lose coastal Louisiana.

I still do not know who is in charge. Is it BP? Is it the Coast Guard? When I get mad enough in a meeting, the Coast Guard in our office stands up and says, "I can make that happen." When I throw a BP official out of my office, he comes back the next day and approves something. I have spent more time fighting the officials of BP and the Coast Guard than fighting the oil.

We have come up, the parish presidents, with every logical answer. The boom is not working. Please do not rely on the boom in Florida unless they get ocean boom, which we said from day one was the only thing that was going to keep it out. It is a joke. It

¹The prepared statement of Mr. Nungesser with attachments appears in the Appendix on page 63.

washes up on the shore with the oil, and then we have oil in the marsh and we have an oily boom. So we have two problems.

We have to find somebody to put in charge that has the guts and the will to make decisions. We are going to make some bad ones, but we are going to fix them and go forward.

Right now, it took the President of the United States to come down to approve a Jack Up Boat to put in the mouth of the river. It is a 2-hour boat ride back to Venice. When you work 20 minutes and you rest 10, not much work is getting done.

Sometimes it feels like the contractor has more influence that BP has hired than BP and the Coast Guard. I have sat in the command center in Venice when—I call him the guy with the red hat, stands up and says, “We are not going to do that.” Well, obviously not because his guy’s on the payroll. Any equipment that would come into the parish through the parish or the State or the Federal Government, he is not getting a percentage of.

Right now, they are building a camp in Plaquemines Parish for 1,500 people. I tell you, there is nothing in Plaquemines Parish for 1,500 people to do. We appreciate it. The people they sent out to clean up one of the islands trampled the nesting grounds of the pelicans. They were out there throwing eggs around like it was a joke until our fishermen stopped them.

We have people in charge that do not know what they are doing. We have laid out a plan for the Jack Up Boat so we could be closer to the front line out there to catch the oil. And we did in Pass A Loutre 3 weeks ago on a Monday morning at 6:15 a.m. That oil still sits in the marsh, and every day more and more pelicans dive into that stuff, not knowing what it is, and get coated with it and die. And I have a packet up there for each of you. Thousands and thousands more birds will die, hundreds and hundreds of turtles and sea life every day we leave that gook out in the marsh.

We came up the next day with a vacuum plan and have been begging to get it approved. Kevin Costner’s machine, I do not care whose machine we use, we have to suck it up.

There are overseas ships—and I am sure there are some in this country—that we have had people come from all over the world to see me because BP will not see them, with a pipe that will go down 500 feet and get those large areas of oil beneath the surface 10 to 50 feet. Why aren’t those ships deployed? We could get most of it out there.

The President had to approve the Jack Up Boat plan. He had to come down. We begged for the berm plan. Although we do not want to see it on the Florida beaches, it is easier to clean it off of a beach than out of the marshes. We told them from day one, “You will not clean it up out of the marsh.” They said it will never get there. Well, it is there.

And I ask you, please do not take flyovers of Plaquemines Parish. It is an insult to the local people. You cannot see it from the air. You got to go down there and touch it. You got to pull into that marsh and see there is absolutely no life. Everything is dead. And we will lose—I will make you a prediction. We will lose more coastline from this disaster in Louisiana than we lost with Hurricanes Katrina, Rita, Gustav, and Ike combined. We have already lost 20

miles of Pass A Loutre. It is dead, and as soon as the grass and the cane falls into the water, the land will wash away.

How can we sit here 3 weeks later and say we are doing everything possible? It is beside me. And I do not know who to blame anymore. It took the President coming down to get the berm project approved. I do not know if it is going to take him coming down to get the suction equipment. We put a vacuum truck that vacuums out Porta Potties on a barge and took it out there and showed that it sucks up the oil. And there is other equipment out there. You have the parish presidents running the whole show. BP could fire all their contractors because they are doing absolutely nothing but destroying our marsh. You could put every fisherman to work. This is an emergency. To work 20 minutes and take 10 minutes off, would we do that in war? Because we are at war here. Would we say, "Lay down your guns because the sun is over 90 degrees. They are not going to come at us for another 20 minutes. Let us take a break"? That is absurd. We are letting the rules, the regulations, the contractors, and BP stand in the way of us saving our coastline.

Yesterday, the governor went out and showed that the vacuum equipment is working. Hopefully by the time I get back this afternoon, we will have an approval for that process. But if what this gentleman told me on this piece of paper is true, then shame on the Coast Guard. They are rationing their money and saying, well, we might not do that because we need this. And I do not want to point fingers, but there is a lot of money being spent—a lot of money—more than that berm will cost. That is not going to benefit Florida, Louisiana, Mississippi, or Alabama one bit and keep the oil out. It is being spent on hotel rooms, Jack Up Boats, flyovers, all the things that look pretty but do not do anything absolutely—does nothing to help us clean up our marsh.

I do not know if you saw the TV reports of the crews wiping the blades of grass. That was an absolute insult. Does anybody really believe we are going to wipe every blade of grass to clean it off?

There are over 100 natural products that could be sprayed to energize the marsh, eat the oil. BP is not looking at any of them. We have tested several and made recommendations.

You think as big a company as they are they could multi-task. For the first 2 weeks, I heard, well, we have to stop the leak, then we will worry about the fishermen. Well, I hope the guy that writes the check to the fishermen is not the guy trying to—maybe it is. Maybe that is why they cannot stop the leak. But that is absolutely ridiculous, and that is what we keep hearing, that is the most important thing.

Everything should get attention. Everything should be worked on at the same time. God knows we have enough people on the payroll to do that. What did they say, 24,000 people?

I know I am out of time, and I am just going to leave you with this: Thomas Paine said a century ago: "Lead, follow, or get out of the way." So tell them to get out of our way if they are not going to help us because right now they are the main problem.

Thank you.

Senator PRYOR. Thank you. Thank you for your passionate testimony. Mr. Cooper.

**TESTIMONY OF MARK A. COOPER,¹ DIRECTOR, LOUISIANA
GOVERNOR'S OFFICE OF HOMELAND SECURITY AND EMER-
GENCY PREPAREDNESS**

Mr. COOPER. Good morning, Mr. Chairman. Governor Jindal early on stood up the State's unified command group, was forward-leaning, and directed the oil spill coordinator and other key State agencies to be involved in the response and clean-up efforts. The governor met with parish leaders and other leadership of the affected parishes to assist them in developing responses to oil impacting their parishes and to address the economic issues facing the parishes and their citizens. He has designated the Secretaries of the Office of Coastal Protection and Restoration, the Department of Wildlife and Fisheries, the Department of Natural Resources, and the Department of Environmental Quality as trustees under the Oil Pollution Act of 1990 (OPA 90), to represent the State in the response and clean-up. State agencies and local governments have used their expertise, as just stated, to develop innovative modular processes to protect their coastlines which are nimble and quick to deploy.

However, unlike other disaster responses, under the provisions of OPA 90, the State does not have the authority to independently conduct any response activities, and this has led to a great deal of frustration, as just stated, with BP as we have attempted to interface with their processes for response.

As of June 7, over 13 coastal parishes are affected, and while we are trying to get the exact number because it changes, over 100 linear miles of Louisiana's coast and coastal marshes are confirmed to have been impacted by the Deepwater Horizon oil spill. This is measured, as I indicated, in linear miles only and does not reflect the depth of the intrusion into our coastal marshes. The impact of oil on a beach is vastly different than the effects of oil in the marshes, especially in terms of environmental impact.

Large areas of State and Federal fishing grounds are closed to commercial and recreational fishermen. Less than 20 percent of our shrimpers are able to actually harvest, and large regions of oyster harvest areas are closed. In addition to the fisheries, in the indirect business in support of that industry, other areas of the Louisiana economy have been and will continue to be affected, to include tourism and recreation, transportation and logistics, chemical manufacturing, oil and gas exploration, and State brand issues, which is a major concern.

Much of the coastline already affected or currently threatened is part of a very fragile coastal marsh and wildlife habitat system. Damage to these commercial and environmental systems may require generations of effort to repair and to recover and could greatly disadvantage Louisiana's economy for years to come and could jeopardized Louisiana's reputation as a sportsman's paradise.

Most importantly, it has the potential to severely damage, if not destroy, a culture. The South Louisiana culture is strong and rooted in the fishing and other water-related industries, and entire communities have been established around these activities for gen-

¹The prepared statement with attachments of Mr. Cooper appears in the Appendix on page 67.

erations. Damage to these commercial activities could displace people, never to return, and their cultural contribution could be lost.

A moratorium on deepwater drilling will exacerbate the impact on Louisiana in that we estimate that upwards of 10,000 jobs could be lost if deepwater drilling is curtailed.

OPA 90 identifies BP as the party responsible for response and clean-up, and this law has been originally executed through the dated Area Contingency Plan. State and local governments develop plans to influence those actions of BP and Coast Guard, as just stated, to implement a more current analysis of those critical areas that need protection and implement from a bottom-up approach, but have experienced frustration having those plans implemented.

These response plans require timely implementation, for example, as just stated, the dredging of the barrier islands. However, implementation has been frustrated by an unresponsive regulatory process. It cannot be overemphasized that the coastal wetlands and the marshes of Louisiana are not only an environmental concern, but a significant economic driver for the State of Louisiana and the Nation.

Governor Jindal has made several requests to the Federal Government for assistance, and while the responses from the Federal agencies have expressed support, the overriding message has been that the Oil Pollution Act simply does not authorize the Federal Government to respond to a large-scale catastrophic oil spill with disaster programs and assistance similar to what comes with the Stafford Act. We are primarily concerned with the assistance to individuals that can be provided by Federal agencies that are in the Stafford Act emergency.

With the official beginning of hurricane season this month, it has become increasingly clear that, should a storm threaten to collide with the huge oil spill, there will be unexpected and exacerbated consequences to the waterways and coastal marshes and coastline and inland areas of our State. We are requesting that FEMA be proactive in identifying potential response issues like pre-approval of 100 percent costs for debris removal for those areas that may be impacted by contaminated oil.

Finally, few jurisdictions in our Nation have experienced the levels of disaster brought upon our State in the last 5 years. Louisiana continues to recover from Hurricanes Katrina and Rita, the largest in U.S. history, and Hurricanes Gustav and Ike, while responding to this current threat of this oil spill, which is the largest environmental impact that we have ever seen.

Governor Jindal knows our parishes will not entirely entrust the care of Louisiana, its coastlines, coastal marshes, and citizens to a third party. The State and local governments will continue to be forward-leaning and aggressive to protect the interest of our State and its citizens.

The bottom line is this: Because of the resiliency, the fortitude, and the battle experiences of our people, including these gentlemen sitting to my right, Louisiana will recover from yet another catastrophic disaster. This is vital not only for our State and the entire Gulf but for our Nation. The challenge is assuring that our parishes, Louisiana, and the other Gulf Coast States are full partners in identifying what works best, that plans that have been identified

are flexible, scalable, and responsive based on the needs, and that BP is receptive and forward-leaning in doing everything that is possible to protect and restore our coast and the livelihoods of our people. Thank you.

Senator PRYOR. Thank you. Mr. Cooper, what I might do is I might open my questions with you, and we are going to probably do two rounds here because my sense is Senators are going to want to ask a lot of questions, and so why don't we do two 5-minute rounds and try to move through the questions as quickly as possible. But we all have a lot of questions.

Mr. Cooper, let me start with you, and you mentioned the Stafford Act. Is Louisiana in the process of requesting assistance under the Stafford Act?

Mr. COOPER. No, we are not.

Senator PRYOR. Can you tell me why or how that works?

Mr. COOPER. Well, as you know, OPA 90 is what drives this, and at this point we are sticking with that OPA 90. That is not to say somewhere down the road we might change our minds on that. But the reason I brought that up is that—first of all, I do want to say up front that we have a great partnership with the DHS, the Federal Emergency Management Agency (FEMA), and the Coast Guard in planning for hurricanes. We all saw what happened during Hurricane Katrina. During Hurricanes Gustav and Ike, at the local, State, and Federal level the response was much better. And we are used to—and I think that is part of the issue, is that we are used to responding to a Stafford-type disaster where the response is from the bottom up, all emergencies are local, as opposed to the top down. And that has been the frustration in that.

Also, when you put plans together—and I am an emergency manager. We put plans together, and we know that everything is not always going to go to plan, and we have to be flexible enough to change those plans at a minute's notice, and that is not what we are seeing with this disaster. And I think that is what you have heard conveyed this morning, and that is why I brought that up about the Stafford Act.

There are certain programs that are in there that we would like to see. For example, disaster unemployment insurance, that is one that we were not able to activate in this disaster, as well as crisis counseling, and believe me, there is going to need to be a lot of that, as well as other assistance. But, again, what our concern is is that if the system could be more flexible, then I think we would see a better result.

I think what you have seen since September 11, 2001, since Hurricane Katrina, we have seen emergency management evolve. This Act goes back to 1990. There has never been a catastrophic oil spill like this. And I think the evolution that occurred in emergency management obviously has not occurred as it relates to catastrophic oil spills.

Senator PRYOR. Let me ask about that, because one of the, I guess, challenges here is you have a private company, BP, who really ultimately has responsibility for most of this; but then you also have the Federal Government who is very involved in the response. And so just tell the Subcommittee, if you can, about how your State has been able to coordinate with the Federal Govern-

ment, and with BP, and some of the challenges there and some of the gaps there that are not working very well.

Mr. COOPER. Well, that has been one of the challenges, as you have indicated earlier, that, again, with the Stafford Act we are used to a chain of command and unified command, starting at the local level. When it goes beyond their capabilities, they ask the State for assistance, and in partnership the State provides services. And then when it goes beyond the State, we ask for FEMA's assistance. That is not what is occurring, and I think what the challenge has been for us—and this was conveyed earlier—is that there is no real unified command. You have a command in Robert, Louisiana. You have incident command in Houma. You have BP folks in Houston, Texas. You have these staging areas where there is command. So that has been part of the issue, just identifying what that command is. And as was indicated, sometimes decisions take a long time to be answered. It took more than 3 weeks, for example, for that dredging plan to be approved.

Senator PRYOR. When you were getting approval for that, is that from the Federal Government, or from BP, or what?

Mr. COOPER. That was from the Federal Government, and they are holding BP accountable in paying for that. And so that is moving forward, and we are extremely happy about that and appreciate the President for approving that.

Senator PRYOR. And as I understand it, in Louisiana you have something we do not have in Arkansas. You have an oil spill coordinator's office. Is that right?

Mr. COOPER. Yes, sir.

Senator PRYOR. And as I understand it, that used to be a cabinet-level position, but it is no longer a cabinet-level position?

Mr. COOPER. What the governor did is move that under the State Police, which is a cabinet-level position, and the reason for doing that was because of the number of resources the State Police had versus the small office. We have a number of hazardous material specialists in the State Police and to support the oil spill coordinator.

Senator PRYOR. So in your State government, are you the one who is responsible for coordinating, or is it the State Police through the oil spill coordinator? Or tell us how that chain of command works.

Mr. COOPER. Well, it is the oil spill coordinator, but also, as required by OPA 90, the State is required to establish trustees, and I named those earlier. And those trustees include the oil spill coordinator, Department of Environmental Quality, Department of Natural Resources, Wildlife and Fisheries. But for an oil spill, it is the oil spill coordinator.

Senator PRYOR. So the oil spill coordinator is the Federal Government's and BP's primary point of contact?

Mr. COOPER. Yes, sir. That is correct.

Senator PRYOR. OK. I tell you what, I am going to go ahead and turn it over to Senator Ensign and let him ask some questions.

Senator ENSIGN. Well, thank you.

First of all, I want to thank all of you for your testimony, and as emotional as you got, I actually thought you were pretty restrained, and I did not hear any expletives. And I can understand,

I am sure you have uttered a few of them out there, and it is quite understandable.

Can somebody walk me through—who has to approve the berms? I guess it was the Federal Government had to approve the berms, and it took the President. Who has to approve more of the boom? Who has to approve these suction units that you guys have shown on shore, maybe to put them on the barges to get them going? Walk me through some of these approval processes because it sounds like you are having trouble knowing who approves.

Mr. NUNGESSER. Well, our Coast Guard man on the ground says he can approve it, but then he looks to BP, and it goes through the BP chain of command.

I think when we scream loud enough and it gets up to Admiral Allen and it gets the President's ear, the Coast Guard pulls the trigger. And if funding is a problem, early on in a conference call with Admiral Allen's assistance and Mary Landry from the Coast Guard, they told me the reason they would not approve the berm, they did not think it would do enough good to keep the oil out, one; and two, because of the cost, and they had limited funds for this recovery. And that scared me, and it should not be limited funds. We should be making BP put the money up.

And so, we should be throwing everything and the kitchen sink at this, and the same thing with the skimmers. There are 100 skimmers in a warehouse, but they are not through BP's contractor, and we are playing hell trying to get those things out there to pick up this oil before it gets to Florida and other States. It is sitting out there, and nobody is picking it up.

Senator ENSIGN. You are probably asking the same question I am right now. Why doesn't Thad Allen just make it happen and then worry about billing BP later? BP has said publicly many times that they are willing to pay for the clean-up, they are willing to pay and do everything and do it right. If we are going to hold them to their word, why isn't Admiral Allen doing that?

Mr. NUNGESSER. These arm skimmers that can get on ships and go out there and pick this up, until they were embarrassed at a public meeting and the commander from the New Orleans Coast Guard took him aside—and I think they ordered one. Whether it was to shut this guy up or whatever. But there are all kinds of equipment that could pick all this oil up offshore before it gets to Florida, and that is the crime. We were out there, and we rode for 3 hours the other day through thick oil like that, all along the outer barrier islands. And it is coming ashore somewhere, and we are doing nothing.

Senator ENSIGN. Well, it is similar to—you heard today that BP cannot pick up as much oil, their ship that they have out there cannot handle all the oil that is being sucked up. And I am thinking to myself this has been going on 52 days now. Why isn't there at least another ship or whatever they need in the area? It is going to cost them a lot more if the stuff comes ashore and gets into those marshes for the environmental clean-up. I do not know what the thinking is for BP, but they do not seem to be thinking.

Mr. NUNGESSER. Well, the mayor made a start, when the new guy in charge, came down and we took his hand and stuck it in the oil and he felt it and asked him, "What do you think that feels

like on the back of a pelican?" He seemed to get it, and that was just the other day. Maybe we will see some changes. But until you go out there and see what it is doing, it scares the hell out of you.

Senator ENSIGN. Maybe when you have trouble getting something approved we should just put some BP executives in the oil until they approve it.

Mr. NUNGESSER. I have made that recommendation to Hayward. I told them, when he said there was no large sections of oil under the water, Jacques Cousteau's son went for an hour and a half and could not find the end of a large section offshore. I suggested we take him out there and throw him overboard and see that black stuff dripping off of him. But it is serious enough—look at that picture. We were out for 3 hours the other day with the new guy in charge of BP, and I said, "What do you not see out here?" He said, "Fishing boats." I said, "What else?" "Skimmers." Not a one.

Barataria Bay, one of the most richest, where all those pelicans are nesting, our crew is out there every morning. We cannot pick up boom, but we can put it out. So we are putting it out every day. They are not picking up the oily stuff. So we just keep adding to it. That oil in Barataria Bay is going to destroy all of the nesting ground for the pelicans, and there were no skimmers out there yesterday or the day before or the day before that.

Senator ENSIGN. Mayor Camardelle.

Mr. CAMARDELLE. Yes, sir. The day before yesterday, around 5 o'clock in the evening, before my council meeting, some of my shrimpers were off of Breton Sound, which is on the eastern side of the mouth of the river. Twenty-five of them—BP put some of the task force, about 25 fishermen in the task force. Out of the 25, I have eight of them from Grand Isle, and the rest is the neighboring parish, which is Lafourche Parish. They had no signal on their phones, so one of them climbed up the mast and called me, and he said, "I want to come home. I have been gone for 5 weeks. I am watching television, and I am watching the five passes where I make a living at." He said, "The fishermen want to come home and work their territories. Mr. David, can you please bring us home? There is no oil here. Maybe between the 25 of us in the last 8 days we picked up maybe a quart of oil. But every night we are laying in the bunks of our boat. They make us anchor out at 6 o'clock in the evening, shut down."

Apparently BP does not believe that oil moves at night. A shrimper works 24 hours, 24/7. They left their families, and they are scared. They are scared to tell the BP representative that we need to go to Grand Isle, we need to go where the oil is at, we want to go save our community, and we will run back.

Now, the task force five or six, maybe task force seven, behind the island is from Venice, Louisiana. So we are trying to work it out where the locals can maybe work in the areas, but the bottom line, looking at a picture like that with Mr. Nungesser and I, for 3 hours, the BP representative that rode in the boat with us, just picture you or your son or your grandson playing ping-pong and there are about 500 balls coming to you with one paddle. That is what it looks like coming them passes, 500 streams of that type of oil coming, and there is only one shrimp boat that is fighting it.

Senator ENSIGN. Just one last comment. It just sounds like to me, based on everything that I am hearing, that the local folks, you know your area the best, you know the solutions the best, and obviously more of that command and control needs to happen bottom up, as you guys talked about. And perhaps even what we did, Senator Landrieu, during OIF/OEF, we had local CERP funds for the local commanders on the ground. Perhaps we need to set up something like that so that you guys do not have to go to that island, you do not have to go have the President come down to get some of these things, because it sounds like you have a lot of the solutions that could prevent a lot of this stuff from happening.

Senator PRYOR. Thank you. Senator Landrieu.

Senator LANDRIEU. Well, I will follow up on that point because that is where I wanted to jump off. I mean, obviously, I do not think any of us need any more direct testimony about the contracting process being absolutely broken. We saw this. We have seen it before. We saw it after Hurricane Katrina. We are operating under a different law but some of the same problems we are seeing rear their ugly head again, which is the people that are on the ground either up to their chin in water, or up to their knees in oil in this case, do not seem to have the resources or authority to get the job done. And, Mr. Chairman and Ranking Member, I cannot tell you how important this particular Subcommittee is, which is why I argued to form it, to staff it, because I figured sometime we might need it again. Well, we need it now.

This Subcommittee is focused on giving local government a seat at the table, and besides these elected officials, Tim Kerner is here from Lafitte, the mayor of Lafitte, a town of 10,000 people, who represents probably some of the largest, most valuable wetlands in all of the country, and I want to acknowledge also that Chris Roberts is here from Jefferson Parish, who is a council member whose district also includes those wetlands. He has been on the front line, but hundreds of our local officials, Democrats and Republicans—and let me say up here Washington knows the difference. At home we do not care. I mean, we are all in the oil together. We do not care. Mr. Nungesser is a Republican, Mr. Camarelle is a Democrat. They could not be closer brothers in this fight. So one message to Washington is let us not make this in any way political. This is a national disaster. It needs to be handled in a much different way, and we have to do it. I mean, our economic and environmental future, Senators, depend on it.

I want, though, to ask a question. We have covered the ground beautifully, but, Billy, you have had experience both in the environmental community—you are a respected voice. People have been listening to you now all over the Nation. You also know something about the oil and gas industry. Your company serviced the industry. Could you please just comment a minute about the importance—or lack thereof, if that is your view—of a balance here as we move to clean the oil, contain the oil, get it off of our marsh, but how we have to do that, recognizing that half the families fish, the other half of our families are in the oil business.

Mr. NUNGESSER. Absolutely, Senator. The moratorium on the drilling affects a lot of Plaquemines people. The dad might fish.

The son may work offshore. So it is just going to be a double whammy.

The local oil community and business community in South Louisiana came up with a 66-man plan, and we presented it to the President. And what a 66-man plan is, it is 33 men on 7 days, and a crew change just like they do offshore, and 33 go on the next 7 and they swap out. You get retired engineers, and you swear them in as Federal agents.

I have been in the oil field. I have spent hundreds and hundreds of nights offshore. There were fistfights, almost, between the tool push and the company man. He has an agenda. He has got to work that rig. He has an agenda; he has to make a buck. And that is a dangerous situation, and we saw this catastrophe.

It is not the first time there were disagreements about the mud, what is going on, is it safe, is it unsafe. I have seen the arguments personally myself offshore.

You put a Federal agent out there that has the right to say, "Stop," and you make it safe for tomorrow. We all know 3 days before this rig tragedy, people asked to be removed from that rig because of unsafeness. And it is a shame it took this and the lives of those men to get to this. But you put a Federal agent out there tomorrow and a retired—there are a lot of good retired engineers that would love to step up to the plate and they answer to one person: To the Federal Government. And they have the right to shut that rig off or do anything in between that and running people off, and you make it safe for tomorrow.

Also, the devices that they use overseas, the half a million dollar device that a lot of people say—and I am not an expert—would have prevented this tragedy on the wellhead, that are required in the North Sea. It is half a million dollars per rig. We do not require them. But by shutting these rigs down and when they leave, it will be far-reaching throughout our community that is already hard hit. So as we ask the President to look quickly at other solutions that could make it safer.

Thank you, Senator.

Senator LANDRIEU. Thank you. If the Chairman will allow me just one more question? I know I have gone over my time, but I have to ask Mayor Camardelle: You have been in the forefront of the fight for revenue sharing since we started it 20 years ago. It has been going on for a long time. The history that President Truman, when the offshore industry started, offered Louisiana 37.5 percent; we wanted 100 percent. We lost it in court. We have been trying desperately to tell people that with the \$5 million produced by this industry offshore that the Federal Government gets—they get a lot more money, but the Federal Government gets \$5 million, we get nothing. This well, this Deepwater Horizon well, 50 miles basically off of your shore, Louisiana would have not got one penny of the hundreds of thousands or billions of dollars of taxes that would be generated by it.

Can you just give a comment to the record about would it be helpful to you to have some of that funding? What would you be doing with it if you had it?

Mr. CAMARDELLE. Oh, exactly. When President Obama came through and visited the island last Friday, I remember him looking

out the back side from Grand Isle to Lafitte on the north side, he asked me what was that tower out there, and I told him that was inshore drilling. At the time there was a drilling rig between—going toward Lafitte—which the mayor is here today. But when you looked at the Gulf side, you see a bunch of Jack Up rigs 3 miles off of Grand Isle, and looking at the rigs and just tell them it is in our backyard.

Just talking to the people in the Fourchon area, my colleague, Parish President Charlie Randolph, we are talking—Port Fourchon is the largest port in the United States that imports the oil into the United States. Just talking with the President last week, last Friday, it would generate about—if we stopped the moratorium, I just told the President, “You are looking at 37,000 jobs.” Like Mr. Nungesser said, there is no way in the world we should stop drilling.

When I looked at the President and I said, “If we are all in class and you are the bad little boy, and the teacher is fussing at you, she should not punish all of us.” And he looked at me, and he said, “We have to stop BP, and, David, we are going to bring it back.”

I already have companies calling. I have seen a Jack Up barge, one of the major oil companies out of Houston, a friend of mine that graduated, he is a CEO, called me and said, “June the 1st you are going to see the first Jack Up barge dropping down.” Well, guess what? On my beach at daylight, I showed my chief of police and my councilman that the Jack Up barge, as we speak on June 2, was being dropped down.

So I do not know what is going on, too much about the oil as far as being an oil man, but I know one thing: That seeing my father and my fishermen, like Mr. Nungesser said, on 7 days, 7 off, when the fishing was bad, we went and worked for the oil field. We need to continue drilling. We have Exxon Mobil right here in Grand Isle. We have storage tanks in Grand Isle. After Hurricane Katrina, President Bush called me, asked me how many gallons of oil we had in the tanks, asked how many gallons of oil that was available at Port Fourchon, which is 7 miles from Grand Isle. You can see the ships at the facility, the ships coming in right at Port Fourchon.

So it is very important that we are like brothers and sisters and we clean up our mess, we do it right, and we continue drilling.

Senator PRYOR. Thank you. Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman.

Gentlemen, I am trying to get the gist of the control and command here and who is in charge. What is the recommendation—let me ask, do you have a recommendation, Mayor?

Mr. NUNGESSER. Yes, sir.

Senator BURRIS. Mr. President, I am sorry.

Mr. NUNGESSER. I am sorry.

Senator BURRIS. Who would you recommend for the job. I recall in Hurricane Katrina, I saw on TV this General Honore came in, and he says, “We are going to do this, and we are going to do that.” I was not down there, but that is what they were reporting. And I do not always quote TV. So we need a General Honore down there.

Mr. NUNGESSER. He was at my office yesterday. Absolutely, we need somebody on the ground that can kick some butts and make this happen. We have lost some battles, sir. We can win this war. We can save our marsh. We can save our heritage. But it is going to have to happen quickly. It is going to have somebody with the authority to get all the equipment necessary, wherever it may be, to do whatever it takes to keep the marsh out, to do whatever it takes to pick it up, and have the heart and the passion to do it. And whether that is somebody through the Coast Guard—I do not think there is a person at BP that has that will and that direction.

Senator BURRIS. Now, was this question raised with the President when he was down there?

Mr. NUNGESSER. Absolutely, and the President told Admiral Thad Allen he wanted people on the ground that could make decisions.

Senator BURRIS. Why isn't Admiral Allen making the decisions then?

Mr. NUNGESSER. You are going to have to ask him. I just do not see—I am still sitting at the table with BP, I call them the guy with the red hat, the contractor, and the Coast Guard, and they are looking back and forth at each other while that oil continues to come in.

I am with you. We need somebody, one person, they are responsible, and it is all throttle ahead and we get this thing kicked. We can do it, and we are willing to help in any way, shape, or form. I have turned over all my duties as parish president, anything other than this spill, to my staff. I am spending 100 percent of my time on this, because without this, nothing else matters in Plaquemines Parish.

Senator BURRIS. So you are making the recommendations, you and the mayor, and evidently the recommendations have hit bureaucracy, and there has to be a decision made on it.

Mr. NUNGESSER. Well, if the Coast Guard is not doing it because of funding issues, there is a problem. If they cannot make BP do it on a local level and it takes 5 days to get up to Admiral Allen and he makes BP—like the berm issue—that is a problem. Somebody on the ground has to be able to make strategical, financial decisions quickly. We cannot wait now 3 weeks for cleaning up the oil in Pass A Loutre. We get in a room and we say, "What is the best way to go after this? Let us go attack it and do it with all forces." And we are not doing that. We do not have that person on the ground that if Admiral Allen says our local guys have authority, they are not using it. They are not using it to solve the problem and keep the oil out of the marsh.

Senator BURRIS. Mr. Chairman, you all have more seniority in this body than I have. But I have also got a little experience in decisionmaking and being in government, and somewhere somebody has to take charge of this thing. Somebody has got to take charge. I do not know what authority we have to try to order somebody. I do not think we do, even if it is Homeland Security. If we do, let us get to the Chairman, let us get to the President, let us move today to get somebody in charge down there.

Thank you, Mr. Chairman.

Senator PRYOR. Thank you. Senator Nelson.

Senator NELSON. Senator, you have hit the nail on the head. What is the problem? The problem is command and control. I want to give you an example.

A week ago I went to the incident command in Mobile—Mobile has jurisdiction—Mississippi, Alabama, and Florida, all the way over to the Big Bend area of Florida.

Now, what I was told was that the Coast Guard was 51 percent in command and BP the rest. And then I was told really the Coast Guard is 55 percent in command. Well, that is the problem. Nobody is in charge.

Now, there is a way to solve this, and I do not want to sound like a broken record, but the finest command-and-control capability in the world is the U.S. military. And you have to give somebody with a clear chain of command that also has the capability of bringing together disparate parties, private sector and public sector agencies, and directing them to do—of cleaning up a problem and have some authority to make it happen and has the resources and that everybody knows that goes straight to the commander-in-chief. And until you do this, you are going to continue to have the same problem that you are having. You are going to continue to have the same problem that Florida had yesterday in not even being in the information loop when, in fact, the orange mousse is coming into Florida waters.

Now, I mean, you can lead a horse to water, but you cannot make him drink, Mr. Chairman. And how many more examples of this do we have to say until the command-and-control structure is changed? You cannot leave BP in control of this because they are not going to get it done. And you cannot have this kind of delay that is going over and over until somebody with authority such as Admiral Allen approves it or when they come to their Senator and something gets done because we start rattling the cage.

This is the long and short of it, and this thing is going to go on for some period of time because as much oil as is out there in the Gulf, just think of the far-reaching effects when the wind starts shifting and it goes in other places. And you all have hit the brunt of it.

I would hope that someone would be listening to the pleas of these local officials and the pleas of the local officials through their Senators to change this command structure. It does not mean that the military has to do the work. It is setting up the command structure and having people responsible to that command structure in order—you cannot split it 51–49. That just does not work in a situation like this. Otherwise, you have, what you all pointed out, people out there with cloth wiping off the blades of the marsh grass. And that does not do anything.

Mr. NUNGESSER. Makes the contractor a lot of money.

Mr. CAMARDELLE. Exactly.

Senator NELSON. Amen. Thank you.

Senator PRYOR. Thank you, Senator Nelson.

What we are going to do here is we said we would do a second round with this panel, so I would love to keep it very short. I just really have one question, because we have two other panels we would love to get to, and we will leave the record open for people to submit their questions in writing. But let me ask you, Mr. Coo-

per, just more of a background question on Louisiana. We are not a coastal State, so I do not know how this works. But the State of Louisiana, do you have any role in monitoring the oil rigs that are out there working off your coast or the companies that are working off your coast? Do you all monitor that at all? Or do you have any say-so in who is out there and who is not.

Mr. COOPER. Well, Mr. Nungesser comes from that industry, and he could answer that question probably better than I can.

Mr. NUNGESSER. There are companies that do not really monitor—Clean Gulf, all the nonprofits, the Marine Spill Response Corporation (MSRC) that was started right after the Exxon spill, but there is no real State monitoring of the oil rigs. It is done on the Federal level. There are a lot of private nonprofits that watch over everything out there for oil leaks, for contamination. As you saw the other day, one of the Taylor rigs. But for another day, the MSRC group was heavily funded. I did oil spill response in Texas that was done first class by the MSRC group, that was heavily funded by the oil companies after Exxon, which has absolutely no assets. They are down there, but in name only. They are not equipped for this. And at a later date, that needs to be looked into by this group because whoever cut their funding, they were not ready for this. The warehouses were empty that used to be full of boom and so on and so forth.

Mr. COOPER. And it is important this deep drilling is in national waters, and that is why we do not have that authority.

Senator PRYOR. I understand. I just did not know. Senator Ensign.

Senator ENSIGN. Yes, I have two quick questions.

One is for this Subcommittee's sake to clear up the idea of the berms and the barrier islands. I know that some have been approved. Is that all the ones that you need approved? Do you need more approved? What is the process?

Mr. NUNGESSER. Yes, sir. In your booklet you have a copy of the plan.¹ In red are the ones not approved; in green are the ones that are approved.

Senator ENSIGN. Why are ones not approved?

Mr. NUNGESSER. That is a good question. The Corps of Engineers is still answering questions about the environmental impact of current flows, ridiculous questions, but we hope to get started on these six and have them approved before these six are finished so they can move right to them, because you would not build half a levee. We have to build the whole thing to keep it out.

Senator ENSIGN. I mean, isn't that a huge issue—

Mr. NUNGESSER. Absolutely.

Senator ENSIGN [continuing]. Preventing this getting to the marshes.

Mr. NUNGESSER. If we would have built it when we asked for it—the first berm was going in front of that island—we would have collected all that oil offshore, and those 400-plus pelicans that are dead, that rookery, that would have been protected. And so if that does not teach you something—

¹The chart referenced appears in the Appendix on page 109.

Senator ENSIGN. Just to be clear, this is not something that BP can do. This is the Federal Government that has to approve these.

Mr. NUNGESSER. Well, the Federal Government made BP pay for them.

Senator ENSIGN. Right.

Mr. NUNGESSER. And after the President went out there, the president of BP saw it, he agreed to pay for it.

Senator ENSIGN. OK. Then the last question is to Mr. Cooper on the National Guard. I think your governor's request is 6,000 additional National Guard.

Mr. COOPER. Yes.

Senator ENSIGN. What is the status on that? And what would they be doing?

Mr. COOPER. I do not have the exact number, but it is over 1,000 have been deployed, and they are doing a number of things. And I have to tell you that they are—and I think you guys will agree with me—the heroes in this response—

Mr. NUNGESSER. Absolutely.

Mr. COOPER [continuing]. As well as these gentlemen to my right, and they are doing a number of things. They are assisting in building land bridges, and you have seen some of the pictures from that. They are assisting in—

Senator ENSIGN. But you need a lot more down there, is the bottom line?

Mr. COOPER. Well, I think we—and one point I want to make, if I could, to keep in mind—and this was brought up—is that we are in the middle of—well, not in the middle of hurricane season. We are starting hurricane season. And we have talked about not having enough resources and personnel to respond to this. If a disaster, if a hurricane were to come and hit Louisiana or any of the coastal States, it is going to go further into the marshland; it will go further into the other States that have been mentioned. And if there are not enough resources and personnel at this point, how can we have the assurances there are going to be enough after a hurricane?

Senator ENSIGN. OK.

Mr. COOPER. But what I would say is that—and that is where the National Guard—I mean, they are basically the go-to guys at the State level and at the local level if there are any needs that are unmet, and they are doing a number of things, and they certainly would take on more of a role after a hurricane to get to assist—

Mr. NUNGESSER. They took the vacuum trucks out there to kind of embarrass BP into paying for them. They are out there vacuuming up the oil right now, the National Guard is.

Mr. COOPER. They are dropping sandbags, they are filling sandbags, as he indicated. They are coming up with new technologies and talking about using barges and putting vacuums, that was a Guard idea. That is my understanding.

Senator ENSIGN. How important are the berms also for the hurricane season?

Mr. NUNGESSER. Well, absolutely, if we get a tropical storm, it will pick this oil up, bring it inland, and in a matter of hours it will drop it across the coast and destroy all the marsh all at once.

We altered the coastal plane to make these berms that would give us—that were small enough, yet big enough to give us at least a fair chance of keeping that oil out of our marshlands.

Senator ENSIGN. I hope the Administration is listening so that they can get some people on this and get those approved as quickly as possible.

Mr. NUNGESSER. Thank you.

Mr. COOPER. And, sir, if I could, one other thing. It is just not the parishes that have been impacted to date. It is the parishes to the west that we are looking at protective measures that need to be approved so that if a hurricane does come through there, that they are protected as well.

Senator ENSIGN. Thank you. Thank you, Mr. Chairman.

Senator PRYOR. Senator Landrieu.

Senator LANDRIEU. Just a couple of quick points, and I am anxious to move to the next panel. But the berms that are in place now are there because basically the President directed that they be built when he came down to meet with you all because you have been so—so I think we should give credit where credit is due.

Mr. NUNGESSER. Absolutely.

Mr. CAMARDELLE. Exactly.

Senator LANDRIEU. Now, we may be able to afford to build a berm all the way from Florida to Texas, but that is something that the other States are going to have to discuss.

Second, I agree, Senator Nelson, with you about the military, but the Coast Guard is the military, so this is an issue that we have to discuss to figure this out. Whether the Coast Guard should stand down for the Navy or the Army, I do not know. But we have resolved today that the command structure is broken. Exactly how to fix it, we need some more discussion.

And, finally, I want to ask this question: Didn't BP give every State \$25 million? And if so, Mark, could you just briefly say how you are spending your \$25 million? Did any of it go to the parishes? If not, what other priorities did you all use it for? And did Mississippi get \$25 million and Alabama get \$25 million and Florida?

Mr. COOPER. I am not sure about those other States, but I believe they did. I know the way that it was set up is that at the parish level, they got a \$1 million grant—

Senator LANDRIEU. And each parish got \$1 million. I do not know if the counties, other counties got \$1 million. And I will ask you all for the record how you spent yours. But are you all going to send any of that to the parishes? Or do you think you need it at the State level?

Mr. COOPER. We are looking at priorities and projects that have been identified right at this point, and we are looking at that. Absolutely, we want to make sure that the parishes are supported. But what we do not want to do is rob from Peter to pay Paul. We want to make sure we have the funding available to assist us as well as the parishes. And we want to make sure that BP is responsive to the parishes. And what I have heard is that from the \$1 million grants there is still money available, and we are certainly going to fight to make sure they get additional funding.

Senator LANDRIEU. Billy, have you spent all your million?

Mr. NUNGESSER. No. We are about halfway through it. We are using it only for overtime, for our employees that are going out there rescuing animals, putting out boom, and then we also funded locally \$1 million of parish money to build a potato ridge to protect a bunch of the oyster beds in lieu of getting the berms built. We are already doing that work on our own.

Senator LANDRIEU. And, Mr. Camarelle, did you get money from Jefferson Parish?

Mr. CAMARDELLE. Yes, Jefferson Council, Chris Roberts.

Senator LANDRIEU. And Lafitte?

Mr. CAMARDELLE. Yes, ma'am. The parish did get \$1 million.

Senator LANDRIEU. OK. I think you all bought that boat that has been very helpful, which is good. But we have to get some more money flowing down to these locals, and I will wait for my next questions.

Senator PRYOR. Senator Burris.

Senator BURRIS. I am fine, Mr. Chairman. I just got to say, we have to get control and command, and get somebody in charge down there. That is what we need, Mr. Chairman.

Senator PRYOR. Senator Nelson.

Senator NELSON. I do not care who is in charge. I want somebody with some authority, and it cannot be BP.

By the way, the Coast Guard was not a part of DOD. The Coast Guard was a part of the Department of Transportation. And when we reorganized the Department of Homeland Security, we put them in there. Now, it is fine to have the Coast Guard in charge. Given the fact that they have so many other responsibilities around the world, if that is what the decision is, that is fine. But the present system is not working. The information is not flowing. The decisions are not timely. The resources are not produced. And as a result, you have a big mess with no command and control, and that has got to change.

Senator PRYOR. Thank you. Well, I want to thank our panel for being here today. You guys have been very strong witnesses, and we really appreciate your time. I know you have your hands full back home, and taking time to come up here, we really appreciate it.

We are going to keep the record open for a few days, so you may get some written questions from the Subcommittee staff. But thank you for your time, and we are going to move on to the next panel.

Mr. NUNGESSER. Thank you.

Mr. CAMARDELLE. Thank you.

Mr. COOPER. Thank you very much.

Senator PRYOR. What I will do as they are switching out the table and the one panel is leaving and the second panel is coming up, I will go ahead and give my extremely brief introduction of each of our next two witnesses.

The witness we are going to have is Juliette Kayyem, the Assistant Secretary for Intergovernmental Affairs, U.S. Department of Homeland Security. She was appointed to this position by Secretary Napolitano in March 2009. She has been involved in State and local homeland security issues for a number of years, has a good background that she brings to this.

Also, we are going to have Rear Admiral Roy Nash, Deputy Federal On-Scene Commander, Deputy Unified Area Commander, U.S. Coast Guard. He is a rear admiral, served in the Coast Guard for over 30 years. We appreciate his attendance here today, and he will not actually be providing testimony unless he wants to, but he will be here to answer any questions that any of the Subcommittee Members may have.

So why don't we go ahead and allow—this other group is leaving, and it looks like they are almost out the door, so, Ms. Kayyem, do you want to go ahead and start? Thank you.

TESTIMONY OF HON. JULIETTE KAYYEM,¹ ASSISTANT SECRETARY OF INTERGOVERNMENTAL AFFAIRS, U.S. DEPARTMENT OF HOMELAND SECURITY

Ms. KAYYEM. Chairman Pryor, Senators, I want to thank you for having us here today, and I thank the mayor and the parish president and Mark Cooper as well. We have been working with them not just for this incident but for years, actually, and we hear what they are saying. So let me tell you a little bit about our response from this or State, local, and Federal integration perspective to the British Petroleum Deepwater Horizon incident.

I am, as you noted, a former homeland security adviser. I know the importance of State and local officials in terms of response and response capabilities and response knowledge. We sought to learn the lessons from the past and use the local knowledge and experience to inform our decisionmaking for this event. And so let me tell you a little bit about where we were and then where we are now.

As you know, and as you have heard in the previous testimony, a lot of discussion about these Area Contingency Plans (ACPs), and these plans are formed with the States, localities, and the Coast Guard to determine what to do in the event of an oil spill.

Those plans are basically—when you asked what are the plans, those were the plans that everyone had worked around. It gave us the numbers for the boom. It told us where we would want facilities and other needs addressed. These plans were written by a committee of local, State, and Federal officials from multiple disciplines, specify what types of actions would be taken to respond to an oil spill and what methods would be used to protect resources. The ACPs outline all aspects of the response from establishing information channels to identifying target areas for boom deployment.

Following the oil rig explosion, the Federal on-scene coordinator worked with these State and local leaders to review these plans, and where they were not ideal or where they were not responsive, they were changed. Recognizing the importance of the State and local knowledge and State and local know-how in terms of what was going to be coming, on April 26, 2010, which was the Monday, I forward-deployed to the Unified Area Command in Robert, Louisiana, at the direction of Secretary Napolitano and former Coast Guard Commandant Admiral Thad Allen, now the National Incident Commander.

¹The prepared statement of Ms. Kayyem appears in the Appendix on page 129.

Upon arriving in Louisiana and recognizing at that stage what we were likely to face—and certainly I think we were all anticipating, although not ideal, that this would continue for some time—I visited with each of the governors in the four Gulf States. I participated in the flyovers to assess what was going on and then worked with the State and local elected officials, the ones you heard today, to determine what might need to be done in the future, because what we wanted was this: We wanted to hear the complaints first and to be able to answer them as quickly and expeditiously as possible. And so what you did not want was—and a lot of those complaints or concerns were coming from the mayors, the parish presidents, whoever else that you heard here.

So what we started almost immediately was a daily interagency, intergovernmental affairs call to maintain continual coordination between all of the Federal agencies, so the Coast Guard is running the response, but you know the Department of Interior is involved, Occupational Safety and Health Administration (OSHA) is involved for worker safety issues, the Department of Labor is involved. We wanted to make sure that all the Federal partners were listening and hearing about the concerns on the local and State level.

By May 2, 2010, Secretary Napolitano and Secretary Salazar led a conference call with governors and their staffs and followed up with another conference call on May 4. That has now become a daily conference call with the governors. We also have daily conference calls with the mayors and the parish presidents, and the idea is to hear what the problems are first.

These calls offer an opportunity for the governors and locals to obtain the most current information about what we know is going on, how many assets they have out there, what is happening with the loop current and the flow rate and everything else, and to engage in a dialogue with the senior administration officials who are overseeing the response. I will tell you we have had at least three phone calls with the governors of the eastern seaboard in anticipation of what could happen if the oil hits the loop current.

By May 5, intergovernmental affairs personnel were deployed to all of the command posts, and subject matter experts were deployed to each of the State Emergency Operations Centers. That is important to note that we are in the State Emergency Operations Centers. The State governments in the affected areas were encouraged to send top officials to the area command and incident command posts. I think that is actually where Mark Cooper now sits. And this deployment has ensured seamless integration of State, Federal, and local response efforts. These initial channels worked well, but we were trying to keep finding new ways to coordinate with State and local partners.

One of these ways was the parish president liaison officer program. This was a program that we have started. We have extended it through the Gulf. The parish presidents spoke about it, and it is to put Coast Guard officials with decisionmaking authority into the parish presidents' and the governors' offices specifically to handle immediate needs.

It was important to us that we had the decisionmaking authority at the lowest level possible, so when we are asked who is in charge, well, the president is in charge, but we wanted to ensure that for

most issues the decisions could be made quickly, swiftly, and effectively to stop the oil from coming aboard.

With the designation of this event as a Spill of National Significance on April 29 and, of course, the designation of former Coast Guard Commandant Admiral Thad Allen as the National Incident Commander on May 1, the command structure was elevated to enhance operational and policy coordination across the Federal Government.

One of Admiral Allen's first actions at the National Incident Command was to establish this Interagency Solution Group—Senator, you mentioned it—which I also direct; I am dual-hatted—as both related to but separate from my role as intergovernmental affairs. But it is important—those are related because really the issues that we are addressing under the National Incident Command—flow rate, new technologies, claims—are the ones that we are hearing from the State and locals.

This working group is embedded in the National Incident Command at Coast Guard headquarters and has representation now from 18 agencies, because the issues that are being addressed here now are not simply the response. They have to do with, as the president has committed, making people whole again.

The Interagency Solution Group works to help answer questions and concerns that arise from the field in a clear and comprehensive and timely manner, and we also try to serve as a conduit to the other Federal agencies.

We have worked hard to leverage the knowledge garnered and lessons learned from the past, both successful and, to be honest, unsuccessful, while at the same time seeking to institutionalize the involvement of local and State officials.

We recognize that the panel here before is going to know more on the local and State level than we do, but we have worked with them for years. The Coast Guard has worked with them for years. And so the friendships and the knowledge that they share together have helped in this event.

We have done this cooperative spirit, not without its flaws, as you heard, while working with the responsible party to ensure that information is being shared in a coordinated, effective manner. BP is responsible. The polluter pays in this instance, and we know that, and we remind and direct BP of that every day.

I want to say one more thing. We have continued to improve and expand the mechanisms of communication to ensure that our partners have the information and access they need to respond to this incident. And we are going to be receptive and responsive to the concerns that you heard in the previous panel, because if we are not, the effects of it will be, simply not today, but in the years to come.

I am happy to answer any questions, as is Admiral Nash, regarding the response and the responsiveness of the Federal Government to this incident.

Senator PRYOR. Admiral Nash, do you have an opening statement that you would like to make?

Admiral NASH. I have not prepared one, but I can make some comments if you would like.

Senator PRYOR. Go ahead, if you are comfortable doing that. We would like to hear from you.

**OPENING STATEMENT OF REAR ADMIRAL ROY NASH, DEPUTY
FEDERAL ON-SCENE COMMANDER, DEPUTY UNIFIED AREA
COMMANDER, U.S. COAST GUARD**

Admiral NASH. Yes, sir. The structure that we are following is a Unified Area Command. I just wanted to kind of describe how that is working. The Coast Guard is a Unified Area Command. The Federal On-Scene Commander is in Robert, Louisiana, and there are incident command posts in Mobile and Houma. Those folks in charge at those offices are Coast Guard captains that are directing Federal on-scene coordinator duties in the field along the waterfront and offshore.

The strategies that they are following involve coordinating the unified response, directing BP, and working with partner State and local agencies. The goals are to secure the source of the leak, to contain oil released from the well, to disperse oil not contained at the wellhead, to reduce the impact to wildlife and marshlands, to use innovative methods like in situ burning to corral the oil and burn it offshore, and to boom oil offshore and corral it with skimmers such that it is not reaching the coastline, and also to skim in the near-shore area, and finally, the booming strategy, should the oil move to the coast, to have a booming strategy and implement the Area Contingency Plans in terms of using booming strategies to keep the oil out.

That concludes my statement, sir.

Senator PRYOR. Thank you very much.

Let me go ahead, if you do not mind, Admiral Nash, and I will start with you. Maybe we just see and hear the bad news, but I think the public perception is and our perception is that there is a lot of oil floating around there in the Gulf of Mexico that is not being addressed. There are not boats out there trying to skim it or soak it up or vacuum it up, whatever the technology may be.

Do you know how many vessels there are currently in the Gulf that are out there trying to address the oil that is actually in the water?

Admiral NASH. Yes, sir, I can give you a statistic from today. We are using vessels of opportunity, which would include vessels from local fishermen, among others, and the totals are in the over-2,000 range today to clean up the oil.

Senator PRYOR. When you get a fishing boat out there, what are they doing? Do they have equipment on board that you have given them to help clean up? Or are they putting booms out? Or what are they doing?

Admiral NASH. Yes, sir, they are helping us tend booms. When you put a boom out, they need to be tended because the current takes them sometimes away from where they were placed, so there is boom tending. There is also some fishing vessels using their fishing nets to collect some of the larger tar mats and take them over to a barge that has a clamshell that lifts that tar mat out of the water. So they are using some innovative methods on the water.

Senator PRYOR. It sounds like, though, with millions of gallons out in the Gulf, I mean, it sounds like a lot of vessels, but it also

sounds like you are only getting a small percentage of the oil. Is that fair to say?

Admiral NASH. Well, the oily water mixtures recovered as of today were 431,000 barrels, and so that is today's number, sir.

Senator PRYOR. Four hundred thirty-one thousand barrels of oil recovered?

Admiral NASH. That is an oily water mixture, sir.

Senator PRYOR. And do you know how much oil and how much water that is?

Admiral NASH. I do not have that number for you, sir.

Senator PRYOR. OK. Let me ask you, Ms. Kayyem, you heard today a lot of frustration from the local folks, and I am sure that the panel we had today was really just representative of a lot of folks on the Gulf Coast, not just in Louisiana but going all the way over to Florida. But you also said that you want the ability—part of your plan is the ability to have local decisionmaking. But apparently there is a lot of frustration with that, and it sounds to me like the system that Homeland Security has in place or the system that these plans put in place is not working very well. Would you like to comment on that?

Ms. KAYYEM. Certainly we have heard these concerns, and so just to put some of it in perspective, when we started the parish president liaison program—and that is consistent with, I think, where emergency management and others have gone in terms of to try to—I know everyone wants a person in charge, but really at the pace that we are going at with this spill and how long we are looking at it, what you want is the decisions to be made on the local level. Because this is a Spill of National Significance and the Coast Guard in charge—BP is the responsible party, but the Coast Guard is in command, and the unified command.

We want those decisions to be made by senior members of the Coast Guard so that—these are decisions like: Where do we move the boom? How do we clean it? Overnight the boom gets damaged. All sorts of decisions are being made at such a pace. We did not want those to have to go up to the unified command. And those decisions are being made all the time. Those are not the decisions that you heard about today. And so I want to make it clear to you every day scores of decisions are being made at that level. You do not want the person in charge in Robert, New Orleans, or wherever else. You want them.

On big issues like the berm, not only—and you heard about the pace by which we got the Army Corps of Engineers to approve it, to assess it—and we are not just approving it for environmental purposes. One of the things we need to look at is its effectiveness to stop the oil spill. And so the Administration's approval of the first seven, I believe, is to also assess whether it will be effective in terms of this spill. National Incident Commander Thad Allen directed BP to pay for over, I think, \$300 million of that at this stage and will continue to do so if it is an effective procedure. As you know, it is going to take awhile for that to be built.

So there are decisions, and then there are the big decisions, and we hear—we are moving as dynamically as we can on those.

Senator PRYOR. Let me ask one last question, and then I will turn it over to Senator Ensign. That is, you mentioned a couple of

times already that BP is the responsible party. To the best of your knowledge, is BP balking at anything right now in terms of are they balking at paying for things or doing things? Are they saying no to anything?

Ms. KAYYEM. I think you have to ask what specific operational demands are being made of them on the unified command, but something I can speak to, which is, of course, a big issue right now, is how do you make the people of these affected States whole again. I was at the meeting yesterday with Admiral Allen, with BP, in terms of the claims and making people whole again, and the integrated services teams that are being established under the National Incident Command. We made it clear to them that whatever they thought was being effective was not. And a lot of it is transparency, to see what the numbers are like and who is being impacted.

Right now under the law, BP has 90 days to determine whether a claim is valid or not, so it is hard to tell, at least under that regime, whether any delays are a no or they are just looking for more paper. We will know after the 90 days of the first claim in that issue whether it is, in fact, a no.

Admiral NASH. Sir, I have not heard or experienced a balking when we have required additional equipment, people, or resources to be applied to the problem, sir.

Senator PRYOR. And I will just note for the record, 90 days is a long time in this circumstance.

Ms. KAYYEM. Yes.

Senator PRYOR. I know that is the law, but that is a long time.

Ms. KAYYEM. Yes.

Senator PRYOR. Senator Ensign.

Senator ENSIGN. A couple of questions. One is when plans were supposed to be in place and nobody has said worst-case scenario could ever happen—beyond worst-case scenario has happened. What is the Federal Government's assessment now of the worst-case scenario? Going around Florida? Going up the east coast? What is the complete worst-case scenario, and what is the Federal Government's plan for that worst-case scenario?

Ms. KAYYEM. Do you want to start?

Admiral NASH. Sir, our approach to the worst-case scenarios would continue to be to get the resources out there. As you have indicated, when you get beyond scenarios that have been contemplated, we are reaching out globally to pull a maximum number of skimmers and vessels that can remove oil from the water out there. We will continue to bring global fire boom to do the in situ burning and just continue to increase the resources on the water and try and get this under control while it is still in the Gulf of Mexico and moving the way it has been moving.

If the loop were to open up, we would consult with our NOAA advisers that are on our team to see where that oil would go and how much might go and what form it would be in.

Senator ENSIGN. The reason I ask the question is it seems like the worst case keeps happening. I think we should be assuming worst case. And why aren't those kinds of resources being brought to bear right now? In other words, why aren't resources coming in? Wouldn't it be a lot better to prevent the worst-case scenario from

happening with a lot more resources? I mean, we keep hearing about the lack of skimmers. We hear about the lack of resources, not enough boom; too slow of an approval process for the berms; all of those things happening. Instead of just thinking, well, maybe the worst case, we will have to react to it then, why aren't we trying to bring everything in now? You just said, well, then we would call in global resources. Why aren't we bringing those global resources in now?

Admiral NASH. I may have misspoken. We are. We are working on bringing all global resources to bear on this, and at the same time continuing to work at the source. There are two wells being drilled to cap this well leak. There is also a dispersant applied. It is an innovative application down near the source that uses much less dispersant, breaks the oil up so less wildlife will ultimately be impacted. And also we are bringing skimmers from around the world and vessels to operate those, and that is going forward, sir.

Ms. KAYYEM. Senator, if I could say on that point, the potential, for example, of the oil hitting the loop current has been something we have been talking about for about 3½ weeks, and it is such a delayed response in many ways because you are waiting to see what happens. In anticipation of that, we have worked with all the States up to Maine in terms of the Coast Guard has worked operationally, we have worked intergovernmentally to say the first thing is look at your Area Contingency Plan.

We were surprised the extent to which a lot of folks did not know they had one and did not know what it said. So look at it now and determine whether it is protecting the areas you want protected in terms of priorities and is utilizing all the resources of the Federal, State, and local governments. And so that is our first message to them.

A lot of these things, we have a lot of boom being ordered, a lot of it coming aboard, working with a lot of countries for global orderings. One of the challenges here is, for example, you cannot put boom out before the oil is there or before the oil could get there quickly because it will get damaged. We have already seen it with boom that is already in the Gulf. So some of this is just anticipating capacity and anticipating—and the Federal Government informing the States and localities in terms of what we might anticipate if it hits the loop current, for example.

Senator ENSIGN. Thank you.

Senator PRYOR. Senator Landrieu.

Senator LANDRIEU. Thank you.

Let me just begin with you, Admiral Nash, and I want to say for the record I have the greatest respect for Admiral Thad Allen, and he is doing a fine job under very difficult circumstances, and I think we have just got to work out some of these issues in terms of control and payments and local control. But I want you to comment on the One-Gulf Plan that the Coast Guard established. The last published update was May 2008. I think the first plan was published in July 2005.

Does the One-Gulf Plan that you all are operating under have a proposal to cap a well if there is a major blowout? If so, how have you activated it? If not, why not? Does the One-Gulf Plan contemplate more direct assistance from local officials that might hap-

pen to know where the oil is coming and where it is every morning when they wake up right there next to it?

So take the first question. Can you comment about the One-Gulf Plan? In your view, is it sufficient? Because it does not seem like if we have a plan it is working very well, and I would like to get you on record about it.

Admiral NASH. Ma'am, I would like to get back to you with the specific details from the plan, but the goal would be to eliminate the source at the wellhead. And so that has been the goal, to eliminate the source of the oil at the wellhead.

Senator LANDRIEU. But does the plan contemplate this amount of oil, do you know, yes or no? Or should we get back to you on that?

Admiral NASH. I would like to get back to you on that.

Senator LANDRIEU. OK. The other point I would like to make to you, Admiral, is we understand or we know about the Vessel of Opportunity Program. It has been written about in a thousand articles. I visited—I was on one of the vessels last week. But you heard the testimony today. The fishermen that BP has hired under your direction to be on vessels of opportunity, did you hear what Mayor Camardelle said? They called him from the mast of a boat with tears in their eyes or at least in their voice. They want to come home to protect their island where the oil is, and the Vessel of Opportunity Program, which you all keep talking about, has them 150 miles away from where the oil is.

So I do not really want to hear that much more about the Vessel of Opportunity Program because my local elected officials do not think it is working. The only way these 2,000 boats that are being employed in my view will work is if you give control of them to the local officials and let them send them out every day. They obviously know where the oil is. I wish you would consider that, where the oil is.

Let me ask you, Ms. Kayyem, in your testimony you noted that the 2010 Spill of National Significance exercise identified potential information gaps. Would you please for the record testify as to what some of those primary gaps were?

Ms. KAYYEM. Primarily—it is interesting—when I played in that exercise, a lot of times it was clear that the Coast Guard communication with the people that they normally work with for, say, an Area Contingency Plan, the harbor masters, the emergency manager, whatever, a lot of times because that is such a specialized and professional group of people, their decisions were not known to the mayor or the governor or whoever else.

So what we tried to do, and learned the lessons of that, and what we are trying to do here is link the operational side. And you saw it here. The three elected officials here or somebody who works for the governor are now very intimately aware of the operations. But as you know, in crises sometimes the operations and the electeds are a gap.

So part of my role in that exercise and my role under the direction of Secretary Napolitano was to help fill that gap. And so that is the daily phone calls—we get asked questions in the morning. We need an answer by the evening. If we do not have an answer, we need an explanation of why the answer, where is the boom. We

get reports of damage boom, for example, claims concerns, or whatever else. So I think that was one of the big lessons of that exercise.

Senator LANDRIEU. OK. But I also hope—and I will just end with this—that you understand, based on testimony after testimony after testimony, that the only boom that works is the ocean boom. The other boom is not working well. It only works in calm seas. It breaks up easily. So I hope we do not spend the next 60 days on phone calls talking about boom and move to some other things that might work—vacuums, bigger vacuums, oil-water separation equipment, skimmers, international operators that can come in. So I hope I am not on calls, which I have been the last couple of weeks, about boom because I have about had it up to here with that.

And, Mr. Chairman, I unfortunately have to slip out to another meeting. I will not be here for the third panel. But I have met with these gentlemen privately in my office and have had many conversations with them and will continue to, so I do not want them to think I am not interested in discussing BP's claims process, which is a big problem. And we do not have—even though they are trying hard, we do not have independent verification even of what claims have been filed. We do not have that information today.

Senator PRYOR. Senator NELSON.

Senator NELSON. Thank you, Mr. Chairman, and I, too, am way overdue for another meeting, so I am going to slip out as well.

Madam Secretary, Admiral, thank you for your public service.

Admiral you mentioned in response to Senator Pryor's questions that there are 2,000 vessels that are deployed as of today.

Admiral NASH. Yes, sir.

Senator NELSON. How many of those are government and how many of those are vessels of opportunity?

Admiral NASH. I would say a very high number of them are vessels of opportunity. The number of government vessels is in the dozens. I can get a hard number back to you, sir.

Senator NELSON. Of the 2,000 vessels, how many are in the Louisiana sector and how many are in the Mobile sector?

Admiral NASH. I would have to get back with the specifics, sir.

Senator NELSON. How would you respond to Senator Landrieu's statement that the vessel of opportunity is employed in a place where the oil is not?

Admiral NASH. Sir, I would offer that the—it depends on the vessels of opportunity. Some of them are fishing vessels that can work further offshore. Our strategy would be to try and capture the oil that is more concentrated further offshore. So any chance we have of using skimmers or methodologies to collect oil further offshore is desired. But I also understand the need to collect oil near shore when it is near shore. So that is also probably a different size vessel, different seaworthiness category, and we have to be mindful of the safety of the men and women that are at work on these vessels of opportunity. And so it has to do with their seaworthiness and their demonstrated capability to actually work near shore or offshore, sir.

Senator NELSON. If there are 2,000 boats that are deployed, how do you think you can explain the testimony that we just heard from the local officials that there are not boats there to address the oil

coming in, coming into the passes, as we heard over and over today in the testimony?

Admiral NASH. I cannot really point to the exact point in time what we are talking about and where the oil is. But one of our strategies has been to go where we can find the oil, and we have had overflights to try and identify where we can catch the oil before it comes into the passes. If it gets into the passes, there are pretty fast currents through those openings, and it is harder to deal with at that point because it is moving so fast. Some of these skimmers will only work in a current that is one knot, two knots. It is sensitive to sea state. As well, we have had bad weather and there are plenty of days where the sea state is too difficult for skimming operations. So it depends on the day, the weather, and the exact equipment that you use, and there is actually a lot of technologies and different types of skimmers as well. And so I cannot speak to the limitations of each and every one, but I would just say that it varies, sir.

Senator NELSON. Is it standard procedure that the Coast Guard would have—in your area of operations that you would have a plan that you would know at any moment where a particular vessel was and what its capability was?

Admiral NASH. We are working closely—this is a new growth kind of situation where we have this many vessels of opportunity, and we are working that command and control. And I absolutely understand your comments on that, sir. It is easy for us to know where our government vessels are with the command and control, and we are working a command-and-control arrangement so we know where these vessels of opportunity are as well, sir, along with the other folks that we are working with on this response.

Senator NELSON. So as of right now, you do not have that capability?

Admiral NASH. Well, I would like to get back with you to what percentage of that capability we actually have in place, sir.

Senator NELSON. In any major disaster such as this and command and control, what I would suggest that you should have is what is standard operating procedure in any major military type chain of command, which is you have a map, you have a specific location of a specific vessel, and that changes. That way you know exactly what is there, where the reports of the oil are so that you deploy those assets to where the problem is. That is what we have heard from the local officials here today, that the information flow is not there in which a commander can make that decision.

In addition, what we have heard today is that the Coast Guard has part of control of the operation, but BP has a part of the control of the operation, and therein the two do not talk. And, therefore, things that are happening are not getting done because there is not somebody in a chain of command that can say this is what we are going to do given the circumstances.

Do you think that kind of system is being set up under this present arrangement?

Admiral NASH. Yes, sir, and the example I saw was in Grand Isle Sunday, and I went into the station there, and they are working with the local folks there, and they have identified vessels of opportunity that are in a task force there, and they have AIS signals on

those vessels. So they can see where those vessels are in Grand Isle and which ones are working near shore, just where they are.

And so I do know if that is functioning there, and before I stated I knew that was true everywhere, I wanted to check on that. But that is the kind of system and command and control and capabilities-based vessel of opportunity system that we are aspiring to employ, sir.

Senator NELSON. Admiral, would it surprise you that last weekend I asked of your incident command how many vessels were deployed off of Florida, and within the span of an hour and a half I got three different answers?

Admiral NASH. I can look into that, sir, but—

Senator NELSON. You do not need to. It happened. And that is part of the problem, that we are not responding because somebody does not know what is happening. And the communication is not there. That is why in talking with my Emergency Operations Center director yesterday, he said, "How can oil be coming into Florida waters, in through the pass, into the inland waterway, and we are being told after the fact by the local officials that they are closing off the pass?" I said, "How are they closing it off?" He says, "We do not know. We do not know if it is by booms or if it is by some other method. We do not know how many skimmers are out there."

The value that the Chairman and the Ranking Member have brought to the table today is to get you all to understand the lack of communication that is going on and how you are going to have to restructure this thing so that the communication flow helps you make decisions that are timely to the particular threat at the time. And I thank you for your public service. I ask you please to listen to the testimony that you have heard today.

Admiral NASH. Yes, sir.

Senator PRYOR. Well, thank you, Senator Nelson.

We are really over our time. I do have one last question for Admiral Nash, though. There have been some news reports about maybe the ocean floor having other fissures or leaks in it somehow. Do you have any evidence of that, that there may be other leaks going on out there?

Admiral NASH. I do not have an official accounting of that for you, sir, but I do understand there are leaks out there. But I would need to get back with you more formally.

Senator PRYOR. But you think there are other fissures or other leaks out on the ocean floor besides just right there where the well is?

Admiral NASH. I do not know for sure, sir. I am thinking that is a little out of my specific lane to—but I will look into it, sir.

Senator PRYOR. Okay, great. We are going to have some questions, I am sure, written questions that we submit, and we would love to have your quick response. Thank you very much, both of you, for being here. I appreciate you coming before the Subcommittee today.

As our second panel is gathering up and leaving, I will go ahead and do the very brief introduction for the third panel. Our third panel is from BP America.

First we have Ray Dempsey. He is Vice President of Strategy for BP America. He currently is part of the St. Petersburg Unified

Command, which has been directing spill response efforts for the West Coast of Florida and is working with incident command centers throughout the Gulf Coast region. He will discuss BP's response plans and claims process that was set up as a result of the spill.

Next is Darryl Willis. He is the Vice President for Resources, BP America. He is working as the head of the claims process for BP. He will not be providing testimony today, but will be available to answer questions about the claims process, which I probably have a few of those.

Mr. Dempsey, would you like to go ahead and give us your statement?

TESTIMONY OF RAY DEMPSEY,¹ VICE PRESIDENT OF STRATEGY, BP AMERICA, INC., ACCOMPANIED BY DARRYL WILLIS, VICE PRESIDENT FOR RESOURCES, BP AMERICA, INC.

Mr. DEMPSEY. Thank you, Chairman Pryor, and Ranking Member Ensign. My name is Ray Dempsey, Vice President for Strategy and Portfolio for BP.

On May 6, 2010, I joined the St. Petersburg Unified Command, which is directing spill response efforts for the West Coast of Florida under the Area Unified Command. I also oversee the St. Petersburg Joint Information Center, where BP works with the Coast Guard and alongside other Federal and State government representatives to share information on spill-related efforts.

I have worked for this company for 20 years. I volunteered for my current assignment because I want to help the company respond to and address the needs of the people in the Gulf Coast region.

We are devastated by this accident, and it has profoundly touched all of us. My heart goes out to the families and friends of those who have lost their lives and those who are injured. We all want to do, and will do, the right thing for the people affected by this spill.

The causes of the accident remain under investigation, both by the Federal Government and by BP. I am, thus, not in a position to respond to questions about the incident itself or the investigation.

I would like to underscore that the global resources of BP are committed to our response. Nothing is being spared.

Even before the Deepwater Horizon sank on the morning of April 22, 2010, an Area Unified Command was in place. Under the leadership of Admiral Thad Allen as National Incident Commander, the Area Unified Command is comprised of personnel from BP, Transocean, the U.S. Coast Guard, and the Minerals Management Service. We work closely with all the Federal agencies involved, the Marine Spill Response Corporation—which is an oil spill response consortium—as well as numerous State, city, parish, and county agencies. All subsea, surface, and onshore response efforts are coordinated through and must ultimately be approved by the Area Unified Command.

¹The prepared statement of Mr. Dempsey appears in the Appendix on page 139.

We are also working with the full support of our industry colleagues and are making every effort to keep the public and government officials informed of what is happening.

Meeting the needs of State and local governments remains critical. On May 5, 2010, we announced block grants of \$25 million each to the States of Louisiana, Mississippi, Alabama, and Florida to help address costs associated with this response. Following those initial block grants, we have just announced a second round of \$25 million payments to Mississippi, Alabama, and Florida.

Additionally, after discussing concerns about tourism with State and local officials, we made payments totaling \$70 million to Alabama, Florida, Louisiana, and Mississippi to assist those States in promoting tourism. At the direction of the Area Unified Command, we are taking actions across the Gulf region to minimize and mitigate the environmental and economic impacts related to this spill, both on the open water and on the shoreline. Details regarding our open water response are contained in my written testimony. I will focus now on our actions to protect the shoreline.

We are implementing what the U.S. Coast Guard has described as the most massive shoreline protection effort ever mounted. To date, over 2 million feet of containment boom and over 2.5 million feet of sorbent boom have been deployed to contain the spill. Seventeen staging areas around the Gulf Coast are in place to help protect the shoreline.

Rapid response teams are ready to deploy to any affected area. Contingency plans for waste management to prevent secondary contamination are also being implemented.

Wildlife clean-up stations are being mobilized, working with Tri-State, a leader in wildlife rescue and rehabilitation. We recognize that beyond the environmental impacts, there are also economic impacts. As the responsible party under the Oil Pollution Act of 1990, BP will pay all necessary clean-up costs and is committed to paying all legitimate claims for other loss and damages caused by the spill. We know that we will spend more than the \$75 million liability cap established by OPA.

BP initiated the claims process on April 24, and by April 25, we had in place a 24-hour-a-day, 7-day-a-week toll-free call center. Potential claimants can also receive an in-person appointment at one of our 31 walk-in claims offices. Spanish and Vietnamese translators are available in several offices. We have also established an online claims-filing system.

To date, more than 40,000 have been filed and approximately 19,000 have been paid, totaling over \$57 million. We are committed to ensuring that our claims process is efficient and fair, and we look for guidance to the established laws, regulations, and other information provided by the U.S. Coast Guard, which has over 20 years of experience in handling and resolving these types of claims.

As part of our collaboration with State and local entities and residents, BP is supporting volunteer efforts in preparation for shoreline clean-up and is working closely with State and local entities on these efforts.

BP is operating 25 community outreach centers across the Gulf Coast and in the parishes of Louisiana and the counties of Mississippi, Alabama, and Florida.

BP is under no illusions about the seriousness of the situation we face. The world is watching us, and we know that we will be judged by our response to this crisis. I can assure you that my colleagues at BP and I are fully committed to ensuring that we do the right thing. We and the entire industry will learn from this terrible event and emerge from it stronger, smarter, and safer.

I would like to introduce to you a technical expert that I have with me today. Darryl Willis is leading our claims efforts, and he is here to assist me in answering claims-related questions. We are happy to answer your questions.

Senator PRYOR. Thank you. Let me go ahead and start here.

You mentioned that you have put out X number of feet—I have forgotten what you said—of boom out there. It sounds to me like that has not been adequate since now the oil is getting onto the shorelines of the various States down on the Gulf Coast. One of the previous witnesses said that someone was putting out the wrong kind of boom. Did you hear that comment? Do you have any comment about that?

Mr. DEMPSEY. Chairman Pryor, I did hear that comment from Ms. Kayyem, and I understand the concern. I think it is important to recall some other testimony by Ms. Kayyem where she described the Area Contingency Plans, which set forth our plans and our intentions for the way that we will protect the coastline. Those Area Contingency Plans are developed in cooperation with State, county, and local officials. Those plans identify the sensitive areas; they identify the appropriate booming strategies. The Area Unified Command ultimately is responsible for making the decisions to deploy boom.

To your question, I expect that the Area Unified Command is watching and learning quite a lot based on what has occurred thus far in our response to this incident, and I am certain that we will make adjustments as appropriate to maximize protection of the shoreline.

Senator PRYOR. Does BP have an estimate of how much oil is actually in the Gulf, how much oil is on the surface of the Gulf or underneath as a result of this spill?

Mr. DEMPSEY. Mr. Chairman, our response in this effort is not at all a function of exactly how much oil is there. We are deploying the resources, the assets, the equipment to address whatever is there. There is an independent panel that is accountable for the estimation of the amount of oil that is coming from the well. I am not an expert in that area, and I certainly would not attempt to offer a better conclusion or better suggestion than is being made by that group.

Senator PRYOR. Well, the reason I brought that up is because you talk about these plans and all this that everyone has. But I think it is hard to know if the plan is going to work unless you know how much oil is there, because the plans may be based on a certain amount of contaminated water, etc., and then, if it is double, triple, four times that, whatever the case is, maybe that plan does not work. But did you have any comments? I guess you do not know—that is not really your area to talk about as to how much oil is in the water. But you do not have any comment beyond that?

Mr. DEMPSEY. Mr. Chairman, I do understand your question, and I believe it is certainly within the authority and the obligation of the Area Unified Command to make the decisions to deploy whatever resources are necessary to combat the oil on the water.

Senator PRYOR. Does BP have a budget for this clean-up?

Mr. DEMPSEY. Mr. Chairman, I have not seen or heard of any indication of a budget. I can tell you that the full resources of BP are being deployed and brought to bear to support this response. It is the single most important priority in all of our company around the world.

Senator PRYOR. OK. Let me ask about the specifics of your claims process. One of the witnesses earlier—I believe it was the mayor, but I do not remember exactly. But one of the witnesses earlier said that some of his local folks—I think he said 37—have filed claims, maybe have not hear back yet, and I am curious about your process in terms of how rapidly you try to either accept or deny or ask for more information on those claims. What is your process there?

Mr. DEMPSEY. Mr. Chairman, I will invite my colleague Mr. Darryl Willis to address your question.

Mr. WILLIS. Chairman Pryor, let me say a few words about the claims process to date. As you heard my colleague say, we have paid just around 20,000 claims or so to date. In Louisiana, we have paid almost half those claims; 10,000 claims have been paid in Louisiana. Of the 10,000 claims that have been paid in Louisiana, about 60 percent have been paid to four parishes.

The time it takes, to answer your question, from the time a person calls our 1-800 number to the time they receive a check from one of our claims offices—and I have traveled around to several of them, and I have seen this for myself—is about 7 days on average, once they have provided the substantial documentation. I know that someone said during the testimony that we have 90 days by law. That is unacceptable. Our goal is to get a check into the hands of the folks of the Gulf Coast as quickly as possible.

When I got involved in this process a month ago, it was going to take about 45 days for a person to receive a check. We have cut that down dramatically, and we are continuing to look for ways to improve it even further. The goal is to get money into the hands of the folks that need it the most as quickly as we possibly can.

Senator PRYOR. And what percentage of the claims have you denied so far?

Mr. WILLIS. We have not denied any claims so far.

Senator PRYOR. Does that mean that you anticipate paying 100 percent of those? Or does that mean that you are looking for more documentation and you are not sure about some of the ones that have not been paid yet?

Mr. WILLIS. Of the ones that have not been paid, only 50 percent of the claims that have not been paid, there are probably a variety of reasons why they have not. One is that we are getting about 1,500 claims a day, and it is taking, as I mentioned, about 7 or so days to get a claim paid. So you are constantly adding claims to the system.

In addition to that, some people have filed multiple claims. In addition to that, we have people who are filing claims and who have

decided not to pursue it. And in addition to that, we have some people who file claims who, for reasons associated with maybe thinking that they cannot sue if they file a claim, have decided not to pursue their claim.

Then the last reason I would say is around the fact that some people are just slow to get their documentation in. But what we are continuing to do is to reach out to the community, to advertise the claims process via the press, even handing our flyers in local libraries to make sure the word is out that there is a claims process, we have the 31 claim centers across the Gulf Coast which are accessible to the people who need help.

Senator PRYOR. OK. Let me ask a few follow-ups there. Can people file their claims online, or is this—

Mr. WILLIS. They can.

Senator PRYOR. OK. So how do they provide documentation online?

Mr. WILLIS. What happens is people can go to our Web site at bp.com/claims and file a claim. What will happen is they will fill out a very simple application. Within a couple of days or less, they will receive a claim number. They can take that claim number with whatever documentation they need to bring into one of our claims centers, or they can mail it in, and their claim will be paid as long as the documentation substantiates their income. To date, we have had about 4,300 claims that have been paid on our Web site. Ten of those have been in Vietnamese, 21 of those have been filed in Spanish.

Senator PRYOR. So it is not completely paperless or completely online. There is still a step where they have to go and show some documentation to somebody.

Mr. WILLIS. Right. You can either drop it at a claims office, mail it in, or e-mail it in.

Senator PRYOR. Right. And you mentioned something that there may be some people who are not pursuing claims because they are afraid they will not be able to sue.

Mr. WILLIS. Right.

Senator PRYOR. As part of the claims process, do the local people agree to not sue?

Mr. WILLIS. Absolutely not. They retain all of their rights as they go through the claims process, and that is one thing we are trying to make sure is communicated effectively.

Senator PRYOR. All right. Are there any legal reasons that you are aware of why people would, by virtue of getting a claim, under any law, State law or whatever the case may be, that they might be forgoing their right to sue if they decide to later? Are you aware of anything?

Mr. WILLIS. Not to my knowledge.

Senator PRYOR. OK. And I am sure that as you set this up you have some criteria on who can file, etc., and all that, who can make a claim. Who is not eligible to make a claim? How do you set your criteria up?

Mr. WILLIS. As I have traveled across the Gulf Coast—and most recently I have made trips from Venice to Pensacola, stopping in Biloxi and Pascagoula, Mississippi, and Bayou La Batre, Alabama, I have come across a variety of people. I have come across fisher-

men. I have come across deckhands. I have come across net makers, actually a blind net maker in Biloxi, and I actually came across a lawn man in Alabama. And they were all filing claims, and in many cases I witnessed them leaving with checks. Anybody who has been hurt, harmed, or damaged by this spill and believes that they have a legitimate claim and can substantiate their loss is eligible to file a claim through our process.

Senator PRYOR. OK. Senator Ensign.

Senator ENSIGN. Can you just walk us through, when you say documentation, what kind of documentation they need?

Mr. WILLIS. So let me take you through the documentation for a deckhand, and this has been an issue in Louisiana, particularly in the office that I was directly involved in opening in Venice, where in some cases deckhands do not have a tax return. So we have tried to make our process as pragmatic as possible with a bias to getting money into folks' hands. So if you do not have a tax return, we will take a payroll stub. If you do not have a payroll stub for the month or for every 2 weeks, we will take a deposit slip that shows how much you have made. If you do not have a deposit slip, we will take fish tickets or trip tickets.

In the case of a deckhand, we would also make a quick call to the captain of the boat that you work on to confirm that you actually work on that boat and get a very simple letter from the captain saying that you work on the boat.

All of that happens. The person walks out of the claims office with a check.

Senator ENSIGN. And these are \$5,000 checks or are these \$2,500?

Mr. WILLIS. These are the \$2,500 checks that have been given out.

Senator ENSIGN. OK. And how long is that supposed to last them?

Mr. WILLIS. This will last as long as people are damaged by the spill—

Senator ENSIGN. No. I mean, in other words, can they just do that one time?

Mr. WILLIS. Absolutely. You do it one time, and as a matter of fact, last week we started rolling out the second wave of checks for the month of June to the same people who received compensation in May.

Senator ENSIGN. Okay, so that is \$2,500 for the month is what they are getting.

Mr. WILLIS. Yes.

Senator ENSIGN. What about if you are a small business owner?

Mr. WILLIS. If you are a small business owner, if your claim is less than \$5,000, it is a very simple process, and it is done relatively quickly. If it is larger than \$5,000, it goes into our large loss claims process. That process is actually just spooling up because in order to declare a loss as a business for the month, we needed for the books to close for the month of May. So we started paying large loss claims last week. Last week we paid about 40 of those claims. The smallest one was just over \$5,000. The largest one was \$426,000.

Senator ENSIGN. Are you comparing year to year? How are you comparing that?

Mr. WILLIS. In the case of small businesses, we ask for tax returns for 1, 2, or 3 years, depending on the complexity of the claim, in addition to a P&L.

Senator ENSIGN. P&L for the previous year so you—

Mr. WILLIS. For the previous year and by month if necessary, because in many cases these businesses are seasonal, so whatever is the appropriate lens to look through.

Senator ENSIGN. And what happens if these businesses, a lot of small businesses were already hurting in this country, and they go out of business in the meantime.

Mr. WILLIS. Ten percent of all of the claims—let me back up. Five percent of all of the claims that we have received to date have been from businesses that have claims in excess of \$5,000. Around 600 of them were sent checks immediately for \$5,000, and their claims were put into the process. We are going to ramp that process up quickly to make sure we get hands into those businesses as fast as we can.

Senator ENSIGN. And I know some of these questions you may not be able to answer, Mr. Dempsey, but take your best shot, if you can. If not, we would like written responses.

For instance, we have understood that President Obama and your CEO have not met during this time. Is that correct?

Mr. DEMPSEY. Senator Ensign, I have read that, and I understand that is the case.

Senator ENSIGN. Do you know whether your CEO—and if not, if you can get that question to us—if the President has not reached out to your CEO, if your CEO has reached out to the President? If you can get that for us, I would appreciate that.

Mr. DEMPSEY. I will.

Senator ENSIGN. Second is that May 27 there was an ABC News report that said that BP refineries, “have a systemic safety problem,” and the bottom line is BP has 760 OSHA violations at various refineries; Exxon had only one. Do you have explanations why you would have so many and other companies would have so little?

Mr. DEMPSEY. Senator, I cannot represent the safety records of other parts of our organization.

Senator ENSIGN. If you could maybe get your company to get that answer for us, that would be very much appreciated.

Mr. DEMPSEY. OK. We will.

Senator ENSIGN. And, last, we have a situation where you heard from the local folks up here saying that they get the answers from the Coast Guard—they get approval from the Coast Guard. The Coast Guard then says BP will not pay. And yet BP has consistently—you said it again today: “We will pay all”—the clean-up process and all that, and that is what they are largely talking about today.

How do you respond when you heard—because you guys were sitting here—when you heard some of these local folks talking about—I mean, they are pretty heavily pointing the finger at you guys and charging you guys that you are not doing the job that you have promised to the American people and to the people of the Gulf Coast that you were going to do.

Mr. DEMPSEY. Senator, I understand the frustration of the gentlemen from the first panel. This is a tragic and unprecedented event. I believe that the command structure is actually quite clear. Admiral Thad Allen is the National Incident Commander. All decisions about the tactics, the resources, and the efforts to address this spill are ultimately under his decisionmaking authority.

I believe that the unified command is an important cooperative effort between the U.S. Coast Guard, BP, and associated State and local agencies.

Senator ENSIGN. So if Thad Allen says, "BP, pay that," you are going to pay it?

Mr. DEMPSEY. I was encouraged to hear in the testimony from Rear Admiral Nash that, to his knowledge and from his experience, there have been no incidents where BP has not been prepared to cover the requirements and the resources for this response. BP is fully committed to deploying the full resources of our company towards this response.

Senator ENSIGN. Do you think it is being done in a timely fashion? Does BP think that they are doing these things in a timely fashion? There is one thing to say yes. There is another thing to say yes in a timely fashion when the actual money for whatever is being done can happen and be effective.

Mr. DEMPSEY. Senator, I will assure you that BP is not delaying the delivery of resources to support this response. It is important to note that in the unified command structure, there is indeed a decisionmaking process. As a part of that unified command, we have to operate within that process, and we are supportive of providing all the resources necessary to address this spill.

Senator ENSIGN. Are the work rules that we heard about today—we have heard press reports, if it gets 90 degrees, people have to take breaks all the time. You heard these folks talking about it today. They are in a war down there. And is BP setting up those work rules or is the unified command, is Thad Allen setting up those work rules?

Mr. DEMPSEY. Senator, I will reinforce that all the decisions about the operations, the tactics that are—

Senator ENSIGN. When you hire a contractor, is BP or is the unified command setting up, when it gets over 90 degrees, you have to take a certain amount of time, you can only work 10 minutes at a time, things like that that we read about in the press? Who is setting those kind of rules up?

Mr. DEMPSEY. Senator, I would like to reinforce that there is a really critical priority we hold, which is to ensure the safety and the health—

Senator ENSIGN. That is not the answer to my question. My question is: Who is setting the rules? Is it BP or is it the unified command?

Mr. DEMPSEY. It is indeed unified command, Senator. It is their accountability to direct the resources that are being deployed in this response.

Senator ENSIGN. I know that. I am saying the actual work rules themselves. Who is setting that up, like if somebody can only work 10 minutes at a time or 20 minutes at a time? Whatever those rules are, who is setting those rules?

Mr. DEMPSEY. Senator, Unified Command makes those decisions. They are subject to and very focused on guidance from OSHA, departments of health, and other associated State and Federal authorities.

Senator ENSIGN. That is what I needed. Thank you.

Senator PRYOR. Well, I just have a few more questions, just really follow-ups actually. When someone files a claim through your process, do you look for ways to mitigate the damages of their claim? In other words, if they say you owe them \$5,000, do you look at it and say, "Well, we think we do not owe you \$5,000, but we owe you \$3,000"? Do you do that? Do you make that kind of evaluation?

Mr. WILLIS. Chairman Pryor, the bias is to get money into the hands of the people quickly, and the answer to your question is no.

Senator PRYOR. So as long as they can justify their out-of-pocket losses, you pay 100 cents on the dollar?

Mr. WILLIS. That is what we have paid so far.

Senator PRYOR. I want to ask about your large loss claims process. You mentioned that—I have forgotten the number that have come through, but it sounds like it is just really getting underway. Do you look at the mitigation of the damages or the limiting of damages in that circumstance? Because that is a little more complicated evaluation. At least in my mind it would be.

Mr. WILLIS. It is a more complicated evaluation, and because it is just spooling up—and my experience so far has been every case is unique and different, and we are taking every claim on a case-by-case basis.

For example, we just paid a large loss claim to a seafood processor, and we have had to modify the rules so that we could do the right thing. The bias here is to do the right thing. In the case of seafood processing, for example, you cannot wait until you declare a loss to get your claim paid because by the time you declare a loss, you are out of business. So we have augmented our rules to make sure we got money into the hands of a particular company in Louisiana so that they could pay their fixed costs and survive through this period of challenging times in Louisiana. So it varies case by case.

Senator PRYOR. And do you know if BP has any insurance to cover these type of payments?

Mr. WILLIS. We are covering these payments ourselves.

Senator PRYOR. OK. So, in effect, you are self-insured?

Mr. WILLIS. Yes.

Senator PRYOR. And you may not know this, it may be too detailed or out of your lane, but do you know if BP would be eligible for a tax deduction for these payments?

Mr. WILLIS. Definitely out of my area of expertise.

Senator PRYOR. OK. And is BP alone in this, or are there other companies that you are working with on this particular well in the Gulf of Mexico that are stepping up to help?

Mr. WILLIS. As the responsible party, BP was obligated to initiate the claims process, and that is what we are doing. Honestly, what I have been focused on is making sure that process gets up and running over the last 45 days, and that is what we are doing, and I have not worried too much about the other details.

Senator PRYOR. Has BP notified other companies they may be looking to them to help offset these losses?

Mr. WILLIS. Our focus up to this point has been making sure that every individual fisherman, crabber, every small business that needs help from BP is getting it. That is where the focus has been so far, sir.

Senator PRYOR. Does BP have any plans to either compensate or at least consider compensating cities, counties and parishes, school districts, etc., for loss of tax revenue?

Mr. WILLIS. There are three aspects to our claims process: There is the individual piece, there is the business piece, and there is also a government and municipalities piece. And any organization or business or person that feels that they have been damaged by the spill has every right to file a claim under our process, and we are getting claims in all three of those categories.

Senator PRYOR. OK. For Mr. Dempsey, let me ask you: Does the fact that BP is part of this Unified Command, does that limit BP's flexibility?

Mr. DEMPSEY. Mr. Chairman, I think there are several examples where BP has observed needs expressed at the State, county, parish, and local level, where we have stepped in in a way that is above and beyond the efforts of unified command. I think an important example of that is in the case of the concerns about tourism marketing, and as I described in my opening remarks, we made payments totaling \$70 million to the four States in the region—Louisiana, Mississippi, Alabama, and Florida—to support campaigns that those States would run to support their tourism industry within their respective States. We think it is really important that when we see opportunities to provide support in advance of dealing with losses later as claims, that it is in the best interests of all of us involved.

Senator PRYOR. Now, you are the Vice President of Strategy, and Senator Ensign a few moments ago asked about BP's safety record. I do not know exactly what your role is in terms of the Vice President of Strategy, but it would seem to me that one of the things you could be or should be working on is a strategy of not having as many safety claims as you have. Does that fall under your purview? Or does that go under somebody else in the company?

Mr. DEMPSEY. Mr. Chairman, that is not my direct accountability, but I share your concern, and, frankly, I can assure you that all of us in BP share a concern about our commitment to safety. We are in the process of implementing a global operating management system, which is a framework within which we can assure the safe operations, both process safety and personal safety, throughout our operations globally.

Senator PRYOR. I have been watching BP's stock, and I notice it is not going in a positive direction right now. And I am curious if you have heard any discussions within your company about the implications of your stock price?

Mr. DEMPSEY. Mr. Chairman, I will reinforce that 100 percent focus in BP is on responding to this spill, and all the resources of the company are being deployed in pursuit of that. There have been reassurances to the employees and to the external community

that we will not rest nor will we turn our attention or resources away from this response.

I have not heard any specific concerns that relate to the share price and its implications for our continued commitment to this response.

Senator PRYOR. Have you heard or been party to any conversations at BP about the possibility that BP might have to declare bankruptcy as a result of this spill?

Mr. DEMPSEY. Mr. Chairman, I have read of that in the media. I have heard no such suggestion, indication, or concern raised internally within our organization. I will reinforce that our focus now is on this response. We will not rest until we have stopped the leak, we have cleaned it up, and we have made it right.

Senator PRYOR. And how much money has BP spent so far in response to this?

Mr. DEMPSEY. Mr. Chairman, my understanding is we have spent on the order now of \$1.4 billion in this response.

Senator PRYOR. Is that a comprehensive number that includes the efforts to clean up the Gulf and also to compensate people?

Mr. DEMPSEY. Mr. Chairman, it certainly is an intent to be a comprehensive estimate of the resources that have been deployed to this point.

Senator PRYOR. OK. Well, listen, I want to thank both of you all. I know that we will have some further questions for the record that we will submit in writing, and I really appreciate your being here today and appreciate your coming here and listening through a long hearing, as well as all the other participants and members of the media as well for sitting here and helping us work through this.

Thank you very much, and what we will do is we will leave the record open for 15 days. What we will do is we will ask our various Senators and Senate offices to get us the questions to submit to all of our witnesses today, and try to get those back as quickly as you can. And I do not think there is any further business that we have to do today, so what we will do is we will adjourn the hearing, but I want to thank you all very much for your participation.

[Whereupon, at 12:48 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Hearing before the Ad Hoc Subcommittee on State, Local, and Private Sector Preparedness and Integration

“Deep Impact: Assessing the effects of the Deepwater Horizon Oil Spill on States, Localities, and the Private Sector”

June 10, 2010

Senator Pryor Opening Statement

I want to thank Full Committee Chairman Lieberman, Senators Landrieu, McCaskill, Burris, Brown, my Ranking Member, Senator Ensign, and Senator Bill Nelson of Florida, who is not a member of this committee but was compelled to join us by the threat that looms off the Coast of Florida, and all of our distinguished witnesses for joining today. I want to note that while our state and local panel is comprised solely of witnesses from Louisiana, we did invite witnesses from Florida and Mississippi who were unable to attend because of last minute situations. We are here to discuss the impact of the Deepwater Horizon Oil Spill on the affected states and localities, and to determine the effectiveness of the joint Federal, state, and local response effort. We are over a month into a tragedy whose size and scope we are only beginning to comprehend. We must begin learning the lessons of this event now, and work to improve the process as we move forward.

This hearing will focus on five main questions. 1) What is the true impact of the oil spill on states and localities, and what are their outstanding needs? 2) What Federal plans have been activated to assist the impacted states and localities in responding to the spill, and are they working? 3) Is additional Federal assistance needed to ensure that people impacted by this spill are able to survive the clean up process? 4) What are the next steps in stopping the leak, and how does BP plan to clean up the heavily inundated areas along the coast? 5) Has BP set up a claim process that is fair and usable for those who have been adversely impacted by the oil spill?

51 days ago, an explosion on the Deepwater Horizon oil rig began a series of events that have impacted our country in ways that will not be fully clear to us for some time. 11 people died on the rig that night, a tragic loss of life for the families and friends of the workers lost at sea. While America grieved, very few imagined the depth of the impact that this event would have on our nation.

From the beginning, there was an apparent effort to downplay the severity of this spill. A BP executive predicted that the impact of the spill would be, “very very modest.” What we now know is that we are facing a truly unprecedented situation. Millions of gallons of oil have spewed into one of the richest and most unique ecosystems in all the United States. As you will hear from the testimony of the state and local officials who have joined us today, hundreds of miles of coastal wetlands have been affected, some unalterably. We may never know the extent of the loss of animal life, or the degree of damage to the wetlands, or the level of the damage done to the fishing stock. What we do know is that 51 days out from the beginning of this ordeal, the impact of the Deepwater Horizon Oil Spill is anything but modest.

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To date, there have been:

- 413 oiled, live birds
- 592 dead birds collected by the US Fish and wildlife service, the Service continues to analyze dead birds to determine whether their deaths are the result of oil.
- 250 dead turtles collected, 240 of them are awaiting necropsies to determine whether their deaths can be conclusively connected to the oil spill.
- Two mammals (including dolphins) that we know conclusively have died as a result of the oil spill, with 31 others currently being tested.
- Over 78,000 square miles, which is about 35 percent of Gulf of Mexico Federal waters, is closed to fishing. Fishermen, seafood processing plants, shippers, and other businesses have been forced to rely on payments from BP to supplement the income they would have otherwise earned fishing the waters of the Gulf Coast. Responding to a spill of this size, which is the largest in American history, has required enormous intergovernmental coordination.

On Thursday, April 29th, the Coast Guard declared the Deepwater Horizon a Spill of National Significance (SONS). The SONS declaration set into motion several Federal operational plans, including:

- National Contingency Plan (NCP);
- National Response System (NRS);
- Homeland Security Presidential Directive-5 (HSPD-5); and
- the National Response Framework (NRF).

As a result, a massive effort to organize many different Federal resources, including, the Department of Homeland Security, the U.S. Coast Guard, Mines Minerals Service; Fish and Wildlife Service, EPA, DOD, NOAA, the Department of Energy, and other agencies. In addition to coordination between Federal agencies, these plans govern the interaction between Federal, state, local, and private sector entities. It is critical that there is clarity of responsibility and a clear understanding of roles at each level of government. I intend to ask the Federal, state, local, and private sector witnesses to assess the effectiveness of these plans, and the resulting response effort.

BP's efforts to stop the flow of oil through the "top kill" and "junk shots" failed. BP has recently placed a "cap" atop the blowout protector and is now collecting several thousand barrels of oil. These are positive developments, but little comfort to Gulf Coast residents who are forced to watch the shorelines turn black and brown from oil inundation. Perhaps one of the most important questions we can ask today to BP is—how do you intend to clean up the heavily inundated areas, and how much progress has been made in the clean-up effort to date?

BP has committed itself to paying claims for individuals harmed by the spill. As I mentioned earlier, over 78,000 miles of fishing waters is off-limits. In Louisiana alone, the seafood industry produces over \$2 billion yearly. This means that thousands of Americans will have to rely on an approved claim by BP in order to put food on the table or pay the mortgage. I intend to gain a

better understanding of the claims process, and ultimately ask BP the hardest question of all to answer: at what point will BP no longer be able to pay?

I am glad my colleagues from the committee have joined us. There are an infinite number of questions to be asked and answered. We are taking a small, but immensely important piece today. The people of the Gulf Coast are facing a terrible degree of uncertainty. In so many ways, their employment, their communities, and their livelihoods, are drifting at sea. We must ensure that the coordinated response is fully effective. We will not allow BP to shortchange the public when their actions have led to such an unimaginable situation. This subcommittee will do all it can to make the coordinated response the best it can be, and to ensure that BP remains accountable to the American People until the last drop of oil is cleaned from the shores of the Gulf.

**SLPSPI Post-Hearing Statement for the Record
From Senator Roland W. Burris**

**“Deep Impact: Assessing the Effects of the Deepwater Horizon Oil Spill on States,
Localities, and the Private Sector”
June 10, 2010**

Thank you Chairman Pryor and Ranking Member Ensign for inviting me to attend today’s hearing to examine the response efforts to the Deepwater Horizon oil spill and the impact it has had on states and localities. I share the concerns of the American public, the private sector, and my colleagues regarding the urgent need to cap and clean up the oil spill in the Gulf of Mexico.

Communities along the Gulf Coast are on the frontline as the effects of the oil spill continue to manifest themselves through oil covered coastlines and economic hardships. Although the full magnitude of the spill is not yet known, it is evident that it will take a collaborative effort for years to come to rehabilitate the Gulf Coast region.

Despite the dedication put forth from the public and private sector, coordinated response efforts have been complicated by the challenging logistics of the deep-water oil well combined with a lack of communication and transparency between stakeholders. We have all heard the frustrations voiced by coastal residents, small businesses, and the government, relating to the way our country prepares for and responds to disasters.

Recognizing the need for better public and private sector response plans, I applaud the efforts of the Chairmen of the Senate and House Homeland Security Committees to urge the Department of Homeland Security to step up its implementation of a voluntary program to help private sector companies develop preparedness, response, and business continuity plans. Working partnerships like these are crucial to an effective clean up.

I am pleased that our panelists could take the time out of their busy schedules to discuss these partnerships and provide insight on ways to improve our response efforts. After all, the coordinated efforts of federal, state, and local entities like you will ultimately contribute to the long-term recovery of the Gulf Coast.

I will close by saying that the Gulf Coast is not in this alone. On May 26th, five Illinois National Guardsmen along with their Blackhawk helicopter set off on a three week mission to assist in the Gulf Coast cleanup. It is efforts like these, paired with the commitment and innovation from the American public, which will bring this crisis to a halt.

The Gulf region will recover – but it will take a coordinated response from BP along with the participation of federal, state, and local entities across the nation to ensure its success.

**Deep Impact: Assessing the Effects of the Deepwater Horizon Oil Spill on States, Localities
and the Private Sector**

**Homeland Security and Governmental Affairs Committee,
Subcommittee on State, Local, and Private Sector Preparedness
and Integration (SLPSPI)**

Chairman Lieberman
June 10, 2010

I'd like to thank Senator Pryor for convening today's hearing to look at the effects of the Deepwater Horizon oil spill on states, locals, and the private sector. This spill - the worst in American history - has been devastating for the affected communities, and it's important that we keep the focus on them. Long after this spill has been contained, the people of Louisiana, Alabama, Mississippi, and Florida will still be dealing with its consequences.

The consequences so far have been horrific: Nearly 78,264 square miles, approximately 32 percent of the federal waters in the Gulf of Mexico, have been closed to fishing; wildlife has been devastated; and already oil has washed onto as many as 100 miles of Louisiana's beaches and wetlands—we've even heard reports of oil reaching as far as Pensacola Beach in Florida.

This means that communities and local businesses that depend on the Gulf for their livelihoods are suffering and, unfortunately, will continue to suffer for years to come. Closed-off waters are keeping fishermen from catching shrimp, oysters, and other fish. This is no small problem for Louisiana where the fishing industry reportedly brings \$2.4 billion a year to the state and at least 27,000 jobs depend directly on the fisheries. And with closed beaches and wildlife dying, tourism is down and will continue to decline, with hotels, restaurants, and other tourism related businesses seeing fewer customers and losing business value.

Sadly, this isn't the first time we've faced an environmental catastrophe of this nature or struggled with how to address it. After the Exxon Valdez spill in 1989, we debated many of the

same issues we're debating today. Back then, in fact, I introduced legislation that would have imposed liability on those responsible for a spill without any caps. I argued then that unlimited liability, or at least high liability limits, would send a clear message to oil companies that they must prepare to cope with the full consequences of their actions, and I argued that this would provide a powerful incentive for oil companies to act safely and carefully.

Unfortunately, we didn't take all the steps we might have then. We failed to build a system that could plan for and respond to the next big risk—in this case, an uncontrolled blowout in a deepwater well, rather than just respond to a disaster like the last one.

As a result, states and locals are paying the price. But as we move forward, we can make sure that we learn the right lessons from this disaster, and that we continue to update our planning and response capabilities, so that states and locals are better off the next time a catastrophe like this occurs.

There are many lessons to be learned, and most will become clear as the many investigations into this disaster unfold. But one of the clear lessons, it seems to me, is that state and locals need to be actively involved in the response planning for oil spills. The Coast Guard, for example, is required to establish local plans for each port, and the Coast Guard has also established a regional plan for the entire Gulf, which coordinates response efforts when a spill affects more than one port.

State and local input into these plans is invaluable. They have intimate knowledge of their communities, states, and regions, and we need to make sure that this knowledge is reflected in the plans designed to protect them. This means that the Coast Guard must make sure that states and locals have the opportunity to participate in the planning and that state and locals take

advantage of these opportunities. I hope our witnesses can share their views on what steps we can take to ensure this happens.

Another lesson we must take to heart is that cooperation must occur at all levels of government. We need to make sure that the federal, state, and local governments, for example, are sharing information and working together on the response. Since its establishment, we have encouraged the Department of Homeland Security to make sure that state and locals have a seat at the table, are included in decision-making, and are provided with information they need. I look forward to hearing from today's witnesses where they think cooperation has gone well and where they think it can be improved.

I think a final lesson is that we need to evaluate how much we should depend on the private sector during a disaster like this. As we're all aware, the federal government has had to rely on BP's expertise and knowledge since the well blow-out on April 20th, and state and locals have undoubtedly been turning to BP for information as well. There will always be a significant private sector role in these types of disasters. We naturally expect those responsible to pay for the clean-up. But I'd like to hear from our witnesses whether they think the balance between government and private sector responsibilities needs to change and, if so, how.

We owe it to the people directly affected by the catastrophe—and to the American public—to learn from the Gulf oil spill. Not only will the lessons we take from this catastrophe help prevent anything like it from happening again, but it will also help guarantee that another catastrophe of this sort does happen again, we will have taken steps to ensure that the consequences are less severe for the communities most hurt by it.

Thank you.

Testimony of Mayor David Camardelle
Town of Grand Isle, Louisiana
Before the Subcommittee on State, Local, and Private Sector Preparedness and
Integration
June 10, 2010

My name is Mayor David Camardelle and I am mayor of Grand Isle, Louisiana, located approximately 60 miles southeast of New Orleans. The only inhabited Barrier Island in Louisiana, Grand Isle is home to approximately 1200 permanent residents and about 3000 summer homeowners. The island is also host to approximately 250,000 vacationers, sport fishermen, bird-watchers and visitors annually.

Most of the residents of Grand Isle and this coastal region are either small independent fishermen or they are employed in an oil and gas related industry. And in many case they do both, working a seven day shift for an oil company, and then being off for seven days when they fish. We understand what it takes to get a job done and because our livelihood depends on it, a real sense of urgency. If a boat breaks or net tears during fishing season, you get fixed, and quickly or you lose a years income. Town of Grand Isle also has many other businesses that are affected. Marinas, grocery stores, hotels, souvenir shops, charter boats and the largest shrimp producer in the state of Louisiana is threatened by this disaster.

The committee wants to know the impact of the oil spill on our community, well one of the greatest impacts was frustration as we had to watch this tragedy slowly destroy our beaches, marshes, fishing grounds and way of life—while we were told we had to wait for someone else to do something. We had fishermen with boats, trained and ready to go, but they just waited at the docks for the call. We had plans for barges and sand berms waiting for approvals and environmental impact studies while the oil flowed through the passes into the fragile marshes and estuaries. An environmental impact study shouldn't take longer than dipping your hand in the thick sludge floating toward our passes.

My "Cajun heritage" has taught me that hard work and persistence will always prevail. We are resilient, since 2005 and the passage of 4 major hurricanes, Katrina, Rita, Gustav and Ike we, with your help, have rebuilt our houses and our community stronger

than before. We are used to challenges and hard work. Prior to the Oil Spill we were planning for our best Summer Season.

But now we have an Oil Spill the size of which nobody could have imagined, lapping at our coastline and threatening everything that sustains this community and its residents.

- (1) Our Commercial fishermen and the seafood processors are virtually shut down until the fishing areas are reopened. Hopefully the shrimp, crabs and fish will still be there and we will have a retail market willing to buy them.
- (2) Our Recreational Fisheries, marinas, bait business and charter trips are nonexistent.
- (3) Restaurants and motels are losing their prime season and nobody is visiting our island except for BP's subcontractors in hazardous Material suits and the news media taking pictures of oil soaked wildlife.

The International Grand Isle Tarpon Rodeo, one of the largest fishing rodeos in the world and over 20 other fishing rodeos that are held on Grand Isle will have to cancel if the waters remain closed.

The moratorium on drilling now threatens the only other viable employers and jobs in the region.

For seven weeks now we have been flying over the affected areas monitoring the passes, beaches, and marshes. I am meeting at least 3 to 4 times a day with our parish, state and federal partners that are coordinating this response but every time we bring up a problem and a potential solution, the same thing was said to us, "We hear what you are saying Mr. Mayor but BP or EPA or the Coast Guard is going to have to approve this before we can do anything".

How can we accept that when it is our lives depend on their action?

We are not trying to blame any person or agency. There are many very sincere people working in this effort and we are appreciative, but we need resources and action

now. If we try something and it fails, then we can try something else, but the cost of waiting is not acceptable.

The President's visits have made a difference. Things like blocking the passes with barges and rocks that I suggested weeks ago are now being implemented. But it is seven weeks and we are in hurricane season. It is not just our home and way of life that is at risk, but an important part of our national assets.

Louisiana's coast provides benefits to our nation that are unrivaled by any other coastal area in the United States – benefits that include the hosting of 80 percent of the nation's offshore oil and gas supply, a third of the nation's fisheries' landings, wildlife habitat for the second largest flyway in the U.S., and the nursery ground for marine life for the entire Gulf of Mexico. These working wetlands also provide protection from storm surge for the world's largest port system and for the two million citizens who live and work in Louisiana's coastal zone.

In closing I would like to ask to ask the members of congress and everyone else that see the pictures of oil soaked pelicans straining and suffocating in that brown muck, to imagine the fear, frustrating and futility they must feel. Well that is the same fear, frustration and feeling of futility that our fishermen, oil field workers, and business people are experiencing as they are forced to wait for others to do something.

There are great minds in this country that can put men in space and find oil miles under the sea. There are also creative fishermen and residents who understand the tides, marshes, and practical solutions. We need to use all the resources we have now to solve this problem.

Thank you for this opportunity and for concern.

David Camardelle, Mayor

Grand Isle, Louisiana

**Testimony of Billy Nungesser
Plaquemines Parish President
Before the Subcommittee on State, Local, and Private Sector Preparedness and
Integration
June 10, 2010**

Oil Spill Impact on Plaquemines Parish, Louisiana



Plaquemines Parish is located in the southeast corner of Louisiana, the peninsula runs 100 miles long on both sides of the Mississippi River. French explorers arrived at the mouth of the Mississippi in 1699. The inhabitants from that point forward have lived off the richness of the land and waters. Towns such as La Balize, Port Eads, Burrwood, and Pilottown thrived at the mouth of the Mississippi River. The parish has rebuilt several times in the 20th Century and early 21st Century after hurricanes made landfall in Plaquemines, or nearby. The Great Hurricane of 1915, Hurricane Betsy, Hurricane Camille, Hurricane Katrina, Hurricane Rita, Hurricane Gustav, Hurricane Ike, Plaquemines Parish has the most combined land and water area in the State of Louisiana. Plaquemines Parish also has more coastline than any other parish in the State of Louisiana. As of the census of 2000, the population was 26,757 people, 9,021 households, and 7,000 families residing in the parish. That was the largest population in the parish's history. The Census Bureau's 2009 population estimate for Plaquemines Parish was 20,942.

Oil Impact

Deepwater Horizon caught fire on April 20, 2010. Over the next week concerns grew about the effects of oil to Plaquemines Parish, both short term and long term.

Oil **sheen** was first reported in Plaquemines Parish on May 7, 2010 in East Bay and West Bay.

Tar Balls first washed ashore on May 12, 2010 at South Pass.

Thick oil first arrived on May 17, 2010 at Pass A Loutre.

On May 22, 2010 brown pelicans, the state bird, were found oiled in Cat Bay in Plaquemines Parish.

On June 3, 2010 Brown Pelicans were found completely coated in thick oil on East Grande Terre Island in Plaquemines Parish. The Brown Pelican was removed from the endangered species list in November 2009.

Since May 7th, oil has been found in East Bay, West Bay, South Pass, Southwest Pass, Redfish Bay, Garden Island Bay, Four Bayou Pass, Barataria Bay, Bay Ronquille, Cat Bay, Cat Island, Pass A Loutre, Lake Machias, Stone Island, Rattlesnake Bayou, Lake Washington, East Grand Terre Island, Wilkinson Bay, Bay Ronquille, and Redfish Bay.

Fishing: Professional & Recreational

In 2009, the total number of commercial fishing licenses issued in Plaquemines Parish was **811**.

771 were residents, 14 non-resident, and 26 senior commercial. Plaquemines sold 6.26% of all commercial fishing licenses; only Terrebonne (13.83%), Jefferson (9.1%) and Lafourche (7.68%) sold more commercial licenses.

In 2009 the total number of recreational licenses issued was **4,944**. 3,678 were resident recreational and 1,266 were non-resident.

The 811 commercial fishermen and 4,944 recreational fishermen operate out of nine (9) marinas and four (4) boat harbors throughout Plaquemines Parish—Wilson's Marina, Myrtle Grove Marina, Delta Marina, Joshua's Marina, Lloyd's Riverside, Yellow Cotton Bay Marina, Beshel Boat Launch, Venice Marina, Cypress Cove Marina, Empire Boat Harbor, Buras Boat Harbor, Venice Boat Harbor, and Pointe A La Hache Boat Harbor.

An estimated 25,000 people come to Plaquemines Parish each year for recreational fishing.

Immediate Economic Impact

Two oyster harvest areas on the East Bank of Plaquemines Parish were closed at sunset on April 30, 2010. Since then, all shrimp zones, oyster harvest beds, and recreational and commercial fishing

have been closed at some point—both inland and offshore. The opening and closures change a near daily basis. To put in perspective the resulting damage of the oil spill on Plaquemines Parish's economy, view the production figures for both Plaquemines Parish and the state of Louisiana in 2009:

	Landings (lbs)	Value (\$)	Ranking by Parish
2009 Plaquemines Parish Oysters	5,220,830	\$19,095,596	1 st
2009 Plaquemines Parish Shrimp	19,178,269	\$19,590,825	3 rd
2009 Plaquemines Parish Crabs	1,656,076	\$1,083,228	11 th
2009 Statewide Oysters	14,799,576	\$50,215,899	
2009 Statewide Shrimp	110,159,892	\$117,300,725	
2009 Statewide Crabs	51,780,214	\$52,021,448	

Environmental Impact

Louisiana's tidal shoreline is 7,721 miles. Plaquemines Parish's shoreline is approximately 1,900 miles.

-Plaquemines parish has a total area of 2,429 square miles, of which, 845 square miles of it is land and 1,584 square miles of it (65.22%) is water.

-Plaquemines Parish has a total of 901,817 acres--590,160 acres are land; 271,657 acres are large water areas, streams, lakes, bays, sounds, bayous and Gulf of Mexico. This information is from the soil survey of Plaquemines Parish in 2000.

Of the 271,657 acres of Plaquemines Parish wetlands, more than 3,000 have been impacted by oil at the time of this report (June 7, 2010).

The wetlands are a unique ecosystem which also acts as a hurricane buffer. Oil is currently killing the marsh grass and Roseau cane which hold the soil in place. Once the grass dies, wave action will erode the soil and the marsh will be lost forever, and the state will lose its natural hurricane barrier.

Plaquemines Parish has two federal wildlife refuges: Breton National Wildlife Refuge and Delta National Wildlife Refuge.

Breton National Wildlife Refuge is located in southeastern Louisiana in the offshore Breton Islands and Chandeleur Islands. The refuge was established in 1904 through executive order of President Theodore Roosevelt and is the second-oldest refuge in the National Wildlife Refuge System. Breton NWR provides habitat for colonies of nesting wading birds and seabirds, as well as wintering shorebirds and waterfowl. Twenty-three species of seabirds and shorebirds frequently use the refuge, and 13 species nest on the various islands. The most abundant nesters are Brown Pelicans, Laughing Gulls, and Royal, Caspian, and Sandwich Terns. Waterfowl winter near the refuge islands and use the adjacent shallows, marshes, and sounds for feeding and for protection during inclement weather.

The Delta National Wildlife Refuge is located 10 miles south of Venice, Louisiana along the Mississippi River. The 48,000-acre refuge was purchased in 1935 with the primary purpose to provide sanctuary and habitat to wintering waterfowl. Delta NWR supports a wide variety of wildlife species. Tens of thousands of wintering waterfowl take advantage of the rich food resources

found in the delta. Large numbers of other bird species can be found on the refuge, with numbers peaking during the spring and fall migrations. Large numbers of wading birds nest on the refuge, and thousands of shorebirds can be found on tidal mudflats and deltaic splays. Numerous furbearers and game mammals are year-round residents, and the marshes and waterways provide year-round and seasonal habitat for a diversity of fish and shellfish species. The marshes and waterways of the Delta NWR support a diversity of fish species. Speckled trout, redfish, flounder, blue crabs and shrimp are important saltwater species found on the refuge. Catfish, largemouth bass, and various sunfish species are found in the freshwater areas of the refuge. Delta NWR is an extremely important nursery area for both fresh and saltwater fish species. The marsh habitat on the refuge is classified as Paulustrine Emergent Wetlands. Two basic marsh zones occur within the habitat: fresh marsh nearest the main tributaries, and brackish marsh near the Gulf of Mexico. The fertile soils, vegetative composition, and shallow water wetland environment offers outstanding recreational opportunities such as fishing, wildlife observation, photography, hunting, and primitive camping. The fertile soils, vegetative composition and shallow water environment create a highly productive habitat for fish and wildlife.

Marine Life

Some of the fish native to Plaquemines Parish include speckled trout, white trout, flounder, redfish, drum, bass, catfish, sheepshead, pompano, tarpon, bluefin tuna, yellowfin tuna, blackfin tuna, blue marlin, white marlin, sailfish, varieties of grouper, wahoo, amberjack, barracuda, cobia, jack crevalle, Spanish mackerel, king mackerel, snapper, ladyfish, dolphin, with other not listed.

Long Term Seafood Threat

Oysters spawn annually during the months of May and June. The oil may prevent oyster spat from attaching to new shells, thereby disrupting the reproduction cycle. The industry is already in a state of repair after Hurricanes Katrina and Rita. The seafood industry has suffered somewhat in the wake of Hurricane Katrina in August 2005. About half the shrimping and shellfish fleets were lost. Even with the rebuilding of oyster beds post-Katrina, Plaquemines Parish was the top oyster producing parish in the state of Louisiana in 2009, landing 5,220,830 pounds of oysters valued at \$19,095,506.

Brown Pelicans were on the endangered species list from 1973-2009.

The economic impact of the oil spill extends beyond the fishermen, the ripple effect smashes through the entire community with potential to destroy lives and cause the community to collapse. Bait shops, boat repairmen, engine repair services, restaurants, lodges, seafood shops, corner stores, gas stations, banks, etc. all are in a financial crunch because of the Deepwater Horizon oil spill. Here's an example to explain the trickle down from the docks to the heart of the community: when the commercial fishermen are unable to fish, gas stations and corner stores are immediately affected because the demand for ice, drinks, snacks, and fuel plummets. The middle man between the fishermen and retailers/restaurant gets shut down. The seafood shops and restaurants, that specifically sell the produce, are now handicapped, wiping away service industry jobs held by parish residents. The economic fallout is so far reaching that a number cannot be placed on it. Plaquemines Parish is a community of approximately 20,942 residents with 4,944 recreational fishermen, 811 commercial fishermen, 51 restaurants, nine marinas, four boat harbors, and eight hotels/motels. Aside from the financial impacts, the oil spill ultimately changes the way of life in Louisiana for the time being, with potential to offset it for decades.

**CONGRESSIONAL TESTIMONY TO THE UNITED STATES SENATE
SUBCOMMITTEE ON STATE, LOCAL, AND PRIVATE SECTOR PREPAREDNESS
AND INTEGRATION**

BY

**MARK A. COOPER, DIRECTOR, LOUISIANA GOVERNOR'S OFFICE OF
HOMELAND SECURITY AND EMERGENCY PREPAREDNESS**

JUNE 10, 2010

Introduction

Good afternoon. Although I am here to discuss the issues related to the oil spill caused by the explosion and subsequent sinking of the Deepwater Horizon, I would like us to first take a moment to remember the 11 individuals who lost their lives on the night of April 20, 2010. The loss of life is tragic. I ask the Committee to remember these individuals and their families in your thoughts and prayers.

I have been asked to provide a brief statement on several key issues related to the Deepwater Horizon oil spill, including:

- the impact of the BP oil spill on Louisiana and the State's efforts to respond;
- a description of the interactions between the State of Louisiana and the federal government;
- any federal or state plans activated in response to the spill and the prescribed role given to Louisiana in these plans;
- Louisiana's efforts to work with BP to protect coastal communities and to train fisherman to assist with the clean-up;
- a description of ongoing efforts to assist residents impacted by the fishing ban; and,
- a description of the needs that the State of Louisiana has as a result of the spill that have gone unmet by federal agencies.

Louisiana responds to any emergency based on the National Incident Management System and the Unified Command process. Through this process, Governor Jindal directs the involved state agencies and their responses. In this case, the Louisiana Oil Spill Coordinator and key state agencies are involved in the response and massive clean-up efforts. Governor Jindal early on stood up the Unified Command Group to engage in understanding and responding to the potential impacts of the oil spill. He met with Parish Presidents and other leadership of affected Parishes to open a line of communication to understand their issues and assist them in

developing responses to oil impacting their Parishes and to the economic issues facing the Parishes and their citizens. He has designated the Secretaries of the Office of Coastal Protection and Restoration, the Department of Wildlife and Fisheries, and the Department of National Resources as trustees under the Oil Pollution Act of 1990 ("OPA 90") to represent the state in the response and cleanup. State agencies and local governments have used their expertise to develop innovative modular processes to protect the coastline which are nimble and quick to deploy.

Attached to my submittal to the committee are several sections of information that provide much more detail on the chronology of the state's response, including maps that depict emergency declarations for affected parishes, fisheries, shrimping grounds and oyster bed closures, and other drilling rigs in the Gulf of Mexico potentially impacted by the spill.

Impacts on the State of Louisiana:

The effects of this oil spill have already caused and will continue to cause, damage to Louisiana's environment, economy, and culture. I believe it is critical to repeat a few basic facts about this oil spill:

- BP has estimated that the Deepwater Horizon spills 5,000 barrels per day into the Gulf of Mexico. We have heard other estimates from outside sources and the U.S. Coast Guard has issued other estimates ranging up to 25,000 barrels per day. The state does not have confidence in the BP estimates and is extremely worried about the actual amount of oil currently in the Gulf. Additionally, we have not received accurate estimates on the amount of oil that is being remediated on a daily basis. Because of this failure, we are unable to determine with any confidence the amount of oil we should be prepared for.
- As of June 7th, over 100 miles of Louisiana's coast and coastal marshes are confirmed to have been impacted by the Deepwater Horizon oil spill. Shoreline Impacted to Date:

- Chandeleur Island
- Breton Island
- South Pass
- South West Pass
- Isle Deniers: Whiskey Island, Trinity Island and Raccoon Island.
- Port Fourchon
- Grand Isle/ Elmer's Island
- Brush Island
- Pass A Loutre / Red Fish Bay
- Marsh Island
- Timbalier Islands
- Lake Raccourci

- Pilot Bayou
 - Isle Grande Terre
 - Devil's Bay
 - Lake Felicity
 - Cheniere Au Tigre
 - Pilot Bay / Johnson Bay
 - Timbalier Bay
 - Bay Ronquille
 - Casse Tete
 - Vermillion Bay area (S.W. Pass to Freshwater Bayou)
 - Bay Batiste
 - Bay Long
 - Lake Barre
- It is very important to note that the current reporting mechanisms are only tracking "linear miles" of shoreline impact and not "square miles", or the depth of oil intrusion into Louisiana's coastal marshes. Focusing on linear miles vastly underestimates the impact on Louisiana's coastal eco-systems and diminishes the true damage. The impact of oil on a beach is vastly different than the effects of oil in the marshes.
 - There is reported to be widespread oil accumulation below the water surface that is not reported on NOAA's official trajectory maps. These trajectory maps are only anticipating surface oil and we have already experienced several occasions in which the oil has appeared without surface warning and the assumption is that significant oil is traveling underwater without detection.
 - As of June 7th, more than 750,000 gallons of aerial dispersants and 225,000 gallons of sub-sea dispersants have been used—the largest amount of dispersants ever used on any oil spill. The sub-sea dispersant method had never been used before and the state has not received a clear analysis of the toxicity and environmental impact. Louisiana did not concur with the use of sub-sea dispersants. The state is greatly concerned about the long term environmental effects of the use of this amount of dispersant, especially as it may affect fisheries and other wildlife.
 - First-ever Spill of National Significance declared by Secretary of U.S. Department of Homeland Security on April 29, 2010.
 - Statewide declaration of emergency declared by the Governor on April 29, 2010.
 - 13 Parishes have issued Declarations of Emergency
 - 34 Parishes have been declared by the U.S. Small Business Administration to be eligible for disaster relief as directly-impacted parishes, or contiguous parishes.

- Offshore saltwater fisheries disaster, under the Magnuson-Stevens Act, declared by the Secretary of U.S. Department of Commerce on May 25, 2010
- Large areas of state and federal fishing and shrimping grounds are closed to commercial and recreational fishermen
- Large regions of oyster harvest areas are closed

The Louisiana Department of Economic Development, in conjunction with the Louisiana Business Emergency Operations Center (LABEOC), has conducted an on-going preliminary economic impact analysis of the oil spill and the effects upon Louisiana's economy. The analysis has identified several key areas of negative impact on our economy. These include:

- Fisheries and the indirect business that support fishing activities
- tourism and recreation
- ecological assets
- transportation and logistics
- chemical manufacturing
- oil and gas
- state "brand" issues

Interwoven into all of these issues are the environmental impact on our coastal wetlands and marshes; the potential rerouting of marine vessels that will impact the transportation and logistics industry; potential regulatory shifts in the oil and gas industry; and, finally, reduced business investments and economic growth that will impact the branding of the State of Louisiana. Much of the coastline already affected or currently threatened is part of a very fragile coastal marsh and wildlife habitat system. Damage to these commercial and environmental systems will require generations of effort to repair and recover.

Coastal Louisiana communities are driven by three primary industries that in turn drive a substantial portion of those three industries nationwide: (1) Commercial and Recreational Fishing; (2) Ports and Maritime; and (3) Energy. Each of these industries are essential to both Louisiana's coastal economy and the nation's economic output.

Fishing:

One of the most acutely affected sectors is commercial fishing. Louisiana's offshore waters supply nearly one-third of all commercial seafood harvested in the lower 48 states, with values in excess of 2.85 billion dollars annually. As the largest provider of domestic seafood in the

continental United States, protection of Louisiana's fisheries, habitats and catch are critical to our nation's economy and food supply.

The recreational saltwater fishing activity will be decimated in the upcoming year, along with all the indirect dollars normally spent on fuel, boats, bait, ice, food and beverages, etc. Even before the natural resource damage assessments have started, it is evident that this spill will disadvantage Louisiana's economy for years to come and will jeopardize Louisiana's reputation as "The Sportsman's Paradise". More importantly, it has the potential to severely damage if not destroy a culture. Fishing and other water industries are a generational way of life in Southern Louisiana. The South Louisiana culture is strongly rooted in these industries and entire communities have been established around these activities for generations. Damage to these commercial activities will displace these people never to return and their cultural contribution will be lost.

While it remains very early to even begin to calculate any reliable total damage assessments, the Louisiana Department of Economic Development recently contacted over 100 seafood processors, large wholesalers, and seafood markets. Seafood processors are beginning to consider shutting down due to a lack of seafood to process and may consider using imported shrimp and other seafood from other non-affected states to stay open. With the normal shrimping season virtually at a standstill in many offshore areas of the state due to closures, only an estimated 15 to 20 percent of shrimpers are able to actively harvest, resulting in a dramatically decreased supply of local shrimp to processors.

Due to closures directly related to the oil spill, processors are now experiencing a decrease in local product which is necessary to supply long term demands. If the inability to supply this long term demand continues, it will cause a widespread relocation of components of the supply chain that have built up over generations and will jeopardize the well-established reputation of Louisiana's seafood industry nationwide.

Ports and Maritime:

While water transportation directly constitutes about .6% of gross state product, this sector and the related port activities are essential to petroleum and coal products manufacturing, fertilizer and substantial chemical manufacturing. Oil intrusion into the Mississippi River and intercoastal waterways will have an enormous economic impact beyond the mere income derived from the transportation sector. Ports up and down the Mississippi River and across the Gulf Coast will be dramatically affected, as will the labor that supports those ports and the indirect services that support that business sector.

Energy:

Oil and gas extraction is a significant part of the Louisiana Economy and may experience adverse effects due to temporary interruptions or regulatory response related to the oil spill. The

oil and gas extraction industry contributes about 10.1% of gross state product while the support activities for mining industry contributes about 5.2% of gross state product. Those support activities only represent businesses directly involved in oil and gas extraction and not the indirect effects of oil and gas extraction on non-mining sectors of the economy. The Louisiana Department of Economic Development has estimated that upwards of 10,000 jobs could be lost if deepwater drilling is curtailed.

Additionally, petroleum and coal products manufacturing, including several major refineries, make up about 7.9% of gross state product. According to the Energy Information Administration of the U.S. Department of Energy, Louisiana is the country's top crude oil producer when production from its section of the federally administered OCS is included. In addition, chemical manufacturing makes up about 4.8% of gross state product.

State's interactions with the federal response:

Please refer to the detailed chronology and to the attached correspondence between the state and certain federal agencies.

In the immediate aftermath of the April 20, 2010 explosion aboard the Deepwater Horizon, state and local officials, including Louisiana Department of Wildlife and Fisheries search and rescue teams and the Louisiana Department of Health and Hospitals, supported the evacuation of the survivors from the vessel forty-eight miles offshore. The survivors of the Deepwater Horizon tragedy were transported either by helicopter or marine vessel to Louisiana ports where the injured were treated in Louisiana hospitals before being evacuated further.

As the immediate evacuation period ended, the state further activated its crisis action team and the Louisiana Oil Spill Coordinator's Office engaged with the U.S. Coast Guard and BP (the "responsible party") to begin normal oil spill response actions in accordance with the OPA 90 and the Louisiana Oil Spill Prevention Act of 1991. However, it is crucial to note that, under the federal law – OPA 90 – BP, as the responsible party, is legally responsible for response and removal activities.

As the magnitude of the spill grew over the first several days, it became apparent that more defensive measures to protect the coastline were necessary and that there was time to implement those measures as the oil approached from 48 miles offshore. Local governments under the leadership of Governor Jindal, seeing the approaching impact, developed more robust plans to counteract the approaching oil but were frustrated with their ability to interact and participate in the response efforts due to the response framework dictated by the Oil Pollution Act of 1990. This law imposes responsibility upon the "responsible party" to conduct response and removal activities, with oversight from the U.S. Coast Guard for offshore spills. BP and the Coast Guard began rigidly executing the Area Contingency Plan. State and local governments developed plans to influence those actions of BP and the Coast Guard to address more recent analysis of the

critical areas that needed protection, but have experienced frustration in having those plans implemented

Under OPA 90, a state, whose territory is impacted by an oil spill, even if that oil spill occurs on land, only has representation to monitor the response to the incident but does not have the authority to independently conduct any response activities. This stands in marked contrast to the more commonly understood emergency response framework for non-oil spill emergencies and disasters (such as hurricanes, tornadoes, ice storms and earthquakes) where state and local officials have the authority to take direct actions to protect life and property. Under OPA 90, it is the responsible party – in this case, BP – that has the authority to conduct response and clean-up activities. As the event continued into the first weeks, the Coast Guard incorporated the local governments into the response efforts both to take advantage of their in-depth knowledge of the local area, and to adopt the detailed local response plans into the overall response effort. However, that incorporation was not complete and the state and local officials remain frustrated with response activities by BP and the Coast Guard.

Regional Coordinators from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) are located in all affected Parishes to provide assistance to the response efforts. GOHSEP representatives have maintained their interaction with local officials since the early days of this event. Representatives of state agencies have been integrated into various levels of the federal response to include the Houma-Incident Command Post and Unified Area Command in Robert, LA. Additionally state employees have worked tirelessly with local officials to better coordinate resource requests and serve as an ombudsman for local government.

On April 30, 2010 Louisiana's Adjutant General, Bennett Landreneau requested the use of up to 6000 national guardsman to support this event. Louisiana National Guardsman are now actively engaged in supporting this response effort. Some 1,100 plus members of the Louisiana National guard are working with local governments and the United States Coast Guard to deploy, maintain, and replenish boom. Members of the Guard are working with local officials under the guidance of the Office of Coastal Preservation and Restoration to deploy sandbags, hesco baskets, tiger dams, and other fill materials to create strengthen land areas along the coast as a preventive strategy to protect our fragile marsh and wetlands. In already permitted areas, the National Guard dredged and created sand berms across inlets to prevent oil from entering the marshlands. Attached is a picture demonstrating the effectiveness of that process. Employees of the Department of Environmental Quality, Department of Health and Hospitals, and Department of Wildlife and Fisheries continue to monitor and assess the impact of the oil spill on Louisiana's valuable seafood harvest areas. Employees of the Department of Social Services and Louisiana Workforce Commission continue to staff mobile or field units to provide direct support to our impacted residents.

The State of Louisiana's interaction with the federal government has not been limited to the ongoing oil spill response. The state has also made multiple early requests to federal agencies for

assistance to implement programs that would ordinarily be triggered in a Stafford Act major disaster declaration. These federal agencies, such as the United States Department of Agriculture, Small Business Administration, Department of Commerce, Department of Health and Human Services, Department of Labor, Department of Commerce, and Department of Defense have expressed willingness to provide assistance, but have been constrained by a lack of statutory authority to implement those same programs that would be triggered under a Stafford Act major disaster declaration.

The United States Coast Guard and BP have stationed liaison officers at the State Emergency Operations Center. The United States Army Corps of Engineers, United States Department of the Interior, National Oceanographic and Atmospheric Administration (NOAA), Department of the Interior and others have been actively engaged in the response to protect Louisiana's coastline.

Federal or state plans activated in response to the spill:

Please refer to the detailed chronology and to the attached maps showing parishes declarations of emergency, offshore fishing and oyster bed closures, and the federal fishing closure area surrounding the Deepwater Horizon incident location. Additionally, the Small Business Administration has declared 34 parishes as direct or contiguous parishes for disaster relief.

The area contingency plan, or "One Gulf Plan", was activated upon the occurrence of the spill. On April 29, 2010 the Deepwater Horizon incident was designated a Spill of National Significance, thus implementing the National Contingency Plan for Oil Spill Response. On that same date, the Governor of Louisiana made a statewide declaration of emergency. To date, 13 parishes have also declared local emergencies in response to the event.

The identification of BP as the Responsible Party differs from the traditional emergency management role. This non-traditional response framework presented some unique challenges during the early days of the event as local governments, accustomed to being the first line of defense in a disaster or emergency, were not incorporated into the response efforts by BP and the Coast Guard. However, over the past weeks the State of Louisiana, Coast Guard and BP have worked to refine this response framework by assigning liaison officers to the State Emergency Operations Center in Baton Rouge and to local governments directly impacted by the spill.

The Louisiana Oil Spill Coordinator's Office has been actively engaged in the response from the morning following the tragic explosion. Although the Area Contingency Plan for the Gulf of Mexico provided a baseline response structure and identified critical areas of containment and protection within coastal Louisiana, the many days over which this incident developed allowed Parish and State officials to refine the area contingency plan into a more comprehensive and robust response plan. Louisiana's Coastal Protection and Restoration Authority worked, and continues to work, with local governments to develop second and third tier coastal protection response plans to preserve this critical part of our state. The response plans require timely

implementation (for example, the Army Corps permitting of barrier islands), however, implementation has been frustrated by unresponsive regulatory processes. It cannot be overemphasized that the coastal wetlands and marshes of Louisiana are not only an environmental concern, but a significant economic driver for the state of Louisiana and the nation.

State's efforts to work with BP:

Early on in this event Governor Jindal and the Louisiana's Unified Command Group were assured by British Petroleum that the likelihood of oil hitting the Louisiana coast was minimal. Governor Jindal and local government officials recognized the potential threat posed to Louisiana's wetlands. Throughout the past weeks we have witnessed the failure of BP to properly contain the oil source. BP's exploration plan for this project, filed and approved by MMS, indicated only a 21% likelihood of oil ever contacting the nearest Louisiana coastline for a spill of 162,000 barrels per day for thirty days. The reality is that oil was impacting the Louisiana coastline within two weeks.

As this incident evolved from a tragic accident 48 miles off Louisiana's shores into a spill of national significance, the state has encountered multiple challenges in working with BP to address issues not ordinarily present in smaller or less-complex oil spills.

BP has implemented the following:

- Implement a "Vessels of Opportunity Program" which has registered approximately 1500 local vessels to assist with the response.
- Implement unique protective strategies and countermeasures developed by state and local officials to protect the state's wetlands.
- Facilitate BP's funding of the more comprehensive and robust coastal protection response plans developed by the state and local governments.

The state's challenges in working with BP on this incident fall into two broad categories: an understandable lack of knowledge and experience in broad-scale emergency response systems; and, an unacceptable approach of conditioning current payments to State and local officials upon terms contrary to their strict liability under the Oil Pollution Act of 1990.

Examples of both categories are:

- BP has inexperience in large-scale planning for emergency activities normally undertaken by governmental entities.
- While BP has retained a very large workforce of contractors to conduct onshore response and removal efforts, the vast majority of those contractors appear to be brought in from out of

state, leaving local workers unemployed by the incident and not employed by BP to respond to the incident.

- BP has maintained a lack of transparency in the processing of individual and business claims for economic losses caused by the incident as well as the detailed results of that process, despite repeated requests by state cabinet secretaries for information.
- BP has very recently declined the state's request for the entire database of individual and business claims resulting from this incident.
- BP seeks to limit its future legal and financial liability by attempting to insert unacceptable conditions to its publicized offers of financial assistance to the state and local governments, such as attempting to force local governments to first be "denied" reimbursement from the state for response efforts before presenting that claim to BP.
- BP exhibits a growing intractability to perform response activities they deem too costly, such as paying for offshore sand berms with proven efficacy, that are contained in the Area Contingency Plan, even when ordered by the President.
- State and local officials have developed unique protective strategies to layer the protection of wetlands and marshes. Understanding that these strategies may be considered aggressive and proactive, the state deems them necessary to prevent what would be catastrophic damage to the marshes and wetlands. The state has at times been frustrated by the inertia demonstrated by BP in approving strategies and providing necessary resources to ensure we have done all that is possible to prevent oil from impacting our coast.

Unmet needs of the state by the federal government:

Please refer to the detailed chronology and to the attached correspondence from the state, requesting disaster relief assistance from certain federal agencies.

The two primary categories of unmet needs of the state are: traditional Stafford Act disaster relief programs not available under the Oil Pollution Act; and, a heightened array of emergency response needs which will become essential if a weather event collides with the ongoing oil spill.

Governor Jindal has made several requests to the federal government for assistance and, while the responses have expressed support, the over-riding message has been that the Oil Pollution Act simply does not authorize the federal government to respond to an oil spill with disaster programs and assistance as does the Stafford Act. The requests include:

- April 29, 2010 letter to Secretary Gates requesting Title 32 funding for up to 6,000 National Guard Soldiers and Airmen to be activated in support of the Deepwater Horizon response;
- This request was approved on April 30, 2010.

- April 29, 2010 letter to Secretary Napolitano advising of the request to Secretary Gates and requesting her support to fund the Title 32 duty;
- This request was approved on April 30, 2010.
- April 29, 2010 letter to Secretary Locke requesting a federal fisheries disaster declaration pursuant to the Magnuson-Stevens Fishery Conservation and Management Act;
- This declaration was made on May 25, 2010 and the state is awaiting funding details.
- April 29, 2010 letter to Administrator Mills, requesting a federal Small Business Administration disaster declaration for affected parishes;
- This request was approved on May 5, 2010, and additional parishes added on May 10, 2010.
- May 1, 2010 letter to Secretary Solis, requesting federal Department of Labor disaster assistance to affected residents;
- Secretary Solis responded on May 3, 2010 that her agency was working closely with EPA and the Coast Guard, as well as with Secretary Curt Eysink of the Louisiana Workforce Commission, but was unable to activate disaster programs normally available under the Stafford Act;
- May 1, 2010 letter to Secretary Vilsack, requesting federal Department of Agriculture disaster assistance to affected residents;
- Secretary Vilsack responded on May 3, 2010 with a suggestion for increased utilization of the Supplemental Nutritional Assistance Program (SNAP), but was unable under the Oil Pollution Act to approve the Disaster-SNAP (D-SNAP) program.

To date, BP has been unable to contain the spill or prevent it from contaminating Louisiana's waters, shores and coastal marshes. With the official beginning of "hurricane season" this month, it has become increasingly clear that, should a storm threaten to collide with the huge swath of oil that continues to contaminate the waters and coastal marshes of our state, there will be unexpected and exacerbated consequences in all phases of the event: pre-impact, response, and recovery.

The state anticipates that the following urgent issues will manifest themselves and adversely impact the state's ability to prepare for, and respond to, this potentially toxic confluence of a hurricane and spill of national significance.

Specifically, resolution of the following issues:

1. FEMA to pre-approve 100% of the cost of all debris removal, including any ordinarily "ineligible" debris removal activities from locations contaminated, or even "potentially" contaminated, with oil.

2. FEMA to provide the state with its plan to decontaminate entire areas of coastal regions that may become contaminated with oil from this spill caused by driving winds or storm surges.
3. FEMA to re-initiate its contract with Amtrak to provide a means of evacuation for at-risk populations from the New Orleans metropolitan area. FEMA informed the state, literally mere weeks ago, that it had determined to cancel this contract. In light of the current oil spill, it is glaringly apparent that all modes of evacuation will be needed should a storm threaten the coast.
4. USCG and BP to coordinate their emergency operations plans with the State of Louisiana and parishes so that the state can integrate the large additional volume and complexity of the extra thousands of personnel and large amounts of equipment into the overall state emergency operations plan and those of the parishes.
5. FEMA to approve the state's request to use federal Hazard Mitigation grant funding to construct all-hazards, multi-purpose sheltering facilities in proximity to near-coastal areas of the state. Evacuation resources, already strained by current tropical storm scenarios, would clearly benefit from having in-state sheltering facilities available.

Conclusion:

I would like to thank you for the opportunity to speak about the actions taken by the State of Louisiana to protect our coast and our people from harmful effects of this oil spill. The State of Louisiana has been actively engaged in this response from moments following the explosion. Initial efforts included supporting victim recovery efforts; search and rescue efforts; and initial environmental assessments. Ongoing efforts include development of innovative protective activities such as the building of sand barriers to prevent oil from entering marshes and wetlands. To this date, more than 2,000 public employees -- including 1,100 members of the Louisiana National Guard -- are still supporting this oil spill. State employees are either in a direct role of protection and mitigation or in a support role to residents who have been unemployed or displaced as a result of this event.

As mentioned throughout this testimony, this oil spill not only threatens the coastal environment and fisheries of coastal Louisiana, but it threatens the livelihoods of Louisiana residents. A significant number of Louisiana citizens depend on Louisiana's fisheries industry and the offshore oil industry. Closure of commercial and recreational fishing areas has significantly impacted our residents and their families. Additionally, businesses that supply all of the ancillary products and services to the recreational and charter fishing markets have also been impacted by closures. Regulatory restrictions on offshore oil exploration will also have a devastating impact to the Louisiana economy.

Although the State of Louisiana continues to respond to the challenges posed by this oil spill, as I speak to you today the 2010 Atlantic Hurricane Season is upon us. Our worst case scenario, as we enter what is predicted to be a very active hurricane season, is the failure to contain this

ongoing oil spill as any type of tropical system hits the Gulf Coast states. In routine hurricane seasons we fear the stronger hurricanes. However, the smallest of tropical depressions may pose an ecological nightmare as strong winds and tidal surges move oil far inland to contaminate property and complicate recovery.

Few jurisdictions in our Nation have experienced the levels of disaster brought upon our State in the last five years. Louisiana continues to recover from the Hurricanes Katrina and Rita in 2005, the largest disaster in U.S. history, and Hurricanes Gustav and Ike in the 2008 Hurricane Seasons, while responding to the current threat of the oil spill and planning for the potential threats posed by the upcoming Hurricane Season.

Governor Jindal takes very serious the fact that the coastlines, the marshes, the citizens that are affected by this event belong to Louisiana. We will not entirely entrust the care of Louisiana and its citizens to a third party. The state and local governments will continue to be forward leaning and aggressive to protect the interest of the state and its citizens.



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

April 29, 2010

Honorable Robert M. Gates
Secretary of Defense
U.S. Department of Defense
Pentagon
Washington, DC 20310

Dear Secretary Gates:

I request that you approve funding for at least 90 days of military duty in Title 32 USC 502(f) status for up to 6,000 Soldiers and Airmen serving on active duty in support of our response to the threat of the Deepwater Horizon Oil Spill to the State of Louisiana. Title 32 status will allow the members of the National Guard supporting the response to the oil spill to receive military retirement points, health insurance and disability protection.

I am requesting that you consider funding this mission by arranging for an Economy Act transaction pursuant to 31 USC, Chapter 1535, such that environmental disaster funds available to other Federal Agencies can be employed. Further, in accordance with the Oil Pollution Control Act of 1990, Title 33 USC, Chapter 40 Section 2702, the owners of the Deepwater Horizon facility responsible for this oil spill should be required to provide full reimbursement for all costs and damages associated with the oil spill as well as the recovery efforts in the State of Louisiana.

The President has designated the Deepwater Horizon Oil Spill as an event of "National Significance." Currently the oil spill is projected to reach the coast of Louisiana today, April 29, 2010. I am prepared to order the Louisiana National Guard to state active duty in order to respond to this threat to Louisiana's fragile coast line. Louisiana is host to several federal wildlife refuges and management areas which are in the direct path of the oil spill. The Pass-a-Loutre Wildlife Management Area at the mouth of the Mississippi River is predicted to be the first wildlife refuge affected by the oil spill.

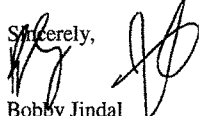
The National Guard will provide security, medical capabilities, engineers and communication support in response to this threat. Currently, our Soldiers and Airmen are staging for and are engaged in the planning of the effort to evacuate and provide security and clean up for the coastal communities expected to be impacted by the oil spill. They are engaged in the protection of vital infrastructure to include medical facilities, fuel distribution, interstate highways, water-ice distribution and power facilities which are all vital to the recovery of coastal Louisiana.

Post Office Box 94004, Baton Rouge, Louisiana 70804-9004 • (225) 342-7015 • Fax (225) 342-7099
www.gov.state.la.us

I believe these National Guard operations are necessary and appropriate to protect this region of our nation from a significant national event with potential catastrophic loss of natural resources. Louisiana is home to many federal and state military facilities including the NSA New Orleans, the operations of which could be effected.

Thank you for consideration of this request.

Sincerely,



Bobby Jindal
Governor

cc: The Honorable Janet Napolitano



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

April 29, 2010

Honorable Janet Napolitano
Secretary of Homeland Security
U.S. Department of Homeland Security
Washington, DC 20528

Dear Secretary Napolitano:

I have requested that Secretary of Defense Gates approve funding for at least 90 days of military duty in Title 32 USC 502(f) status for up to 6,000 Soldiers and Airmen serving on active duty in support of our response to the threat of the Deepwater Horizon Oil Spill to the State of Louisiana. Title 32 status will allow the members of the National Guard supporting the response to the oil spill to receive military retirement points, health insurance and disability protection.

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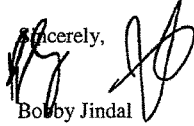
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The National Guard will provide security, medical capabilities, engineers and communication support in response to this threat. Currently, our Soldiers and Airmen are staging for and are engaged in the planning of the effort to evacuate and provide security and clean up for the coastal communities expected to be impacted by the oil spill. They are engaged in the protection of vital infrastructure to include medical facilities, fuel distribution, interstate highways, water-ice distribution and power facilities which are all vital to the recovery of coastal Louisiana.

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Thank you for consideration of this request.

Sincerely,

Bobby Jindal
Governor

cc: The Honorable Robert M. Gates



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

April 29, 2010

The Honorable Gary Locke
Secretary of Commerce
U.S. Department of Commerce
14th and Constitution Avenue NW
Washington, DC 20230

Dear Mr. Secretary:

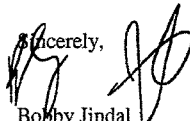
As Louisiana continues to address the impact of the April 20th Deepwater Horizon rig explosion, I am writing to request your consideration of activating the appropriate Federal disaster declaration clauses in the Magnuson-Stevens Fishery Conservation and Management Act as well as relevant clauses to trigger support from the Economic Development Administration (EDA). This action by your office will result in the declaration of a commercial fisheries failure for Louisiana and provide other economic recovery options via EDA.

In coastal Louisiana our communities are driven by three primary industries that provide great benefit to the nation's commerce – ports/maritime, energy and fishing – all vital employers, important components of our state's coastal economy and national economic output. The waters offshore Louisiana's coast supply nearly one-third of all commercial seafood harvested in the lower 48 states, with values in excess of \$2.85 billion annually. As the largest provider of domestic seafood in the continental United States, protection of Louisiana's fisheries, habitats and catch are critical to our nation's economy and food supply. In addition to the potential biologic and ecologic impacts in these coastal communities, we must not overlook the crippling effect that this event will have on the commercial and sport fisheries in Louisiana. The seafood industry is not only a large economic driver, but a defining element of the unique culture, and a crucial tourist draw to the state.

The declaration of a fisheries disaster and the providing of fisheries disaster assistance and EDA support will ensure that our small businesses and families who make a living in the fishing and maritime industries will be sustained through this disaster. The EDA assistance will also ensure that businesses associated with our marinas, bait shops, and other recreational fishing facilities that generate billions of dollars in economic activity annually will be able to sustain this disaster.

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www.gov.state.la.us

The State will also need assistance from the National Oceanic and Atmospheric Administration (NOAA) not only with helping individual fishermen but to ensure that this productive ecosystem is cleaned and restored, that these products are of high quality, and that our small businesses can compete and maintain markets that are under significant pressure from foreign growers. We look forward to working with you on the biologic and ecologic impacts that this event has had and will have, but ask that you declare a commercial fisheries failure and provide associated fisheries and EDA support so that we can begin the process of assuring the fishing community, impacted coastal residents and businesses that economic and financial assistance that are needed can be counted on to help get Louisiana fishermen back on the water once this crisis has passed.

Sincerely,

Bobby Jindal
Governor



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

April 29, 2010

The Honorable Karen G. Mills
Administrator Small Business Administration US Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Administrator Mills:

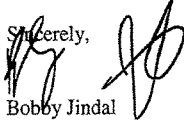
As Louisiana continues to address the impact of the April 20th Deepwater Horizon oil spill, I am writing to request your consideration of activating all appropriate Federal disaster declaration clauses within the Small Business Administration that would allow SBA to assist the many small businesses in Louisiana that are going to be impacted by this tragic event both on land and on the water. One specific request is that SBA consider temporarily suspending loan repayments for Louisiana coastal businesses that are impacted by the oil spill and those who have 2005 and 2008 SBA disaster and economic injury loans as a result of Hurricanes Katrina, Rita, Ike and Gustav.

Your early commitment to assistance by enacting these provisions will greatly aid our maritime related industries and provide assurances to our small businesses that economic recovery options are forthcoming while the clean-up work begins.

In coastal Louisiana our communities are driven by two primary industries that provide great benefit to the nation's commerce; oil and gas and commercial and recreational fishing. Both sectors are vital employers and important components of our parishes' economies and many are small businesses. As the 120-mile oil slick bears down on Louisiana and moves into State waters, we are working with our fisherman and local community leaders to quickly address the economic impact of the oil spill's effects.

The state is therefore requesting assistance via SBA to assist coastal businesses and communities that will have to address both the immediate and long-term financial impacts of this event. We look forward to working with you and ask that you enact the appropriate provisions within SBA so that we can begin the process of assuring businesses in our impacted coastal communities that economic and financial assistance that are needed can be counted on to help keep or return Louisiana businesses to commerce.

Sincerely,


Bobby Jindal
Governor

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www.gov.state.la.us

Billing Code 8025-01-P
 U.S. SMALL BUSINESS ADMINISTRATION
 Disaster Declaration # 12163
 LOUISIANA Disaster # LA-00032 Declaration of Economic Injury
 AGENCY: U.S. SMALL BUSINESS ADMINISTRATION
 ACTION: Notice
 SUMMARY: This is a notice of an Economic Injury Disaster Loan (EIDL) declaration for the State of LOUISIANA, dated 05/05/2010.
 INCIDENT: Deepwater Horizon Oil Spill
 INCIDENT PERIOD: 04/20/2010 and continuing.
 EFFECTIVE DATE: 05/05/2010
 EIDL LOAN APPLICATION DEADLINE DATE: 02/07/2011
 ADDRESSES: Submit completed loan applications to :
 U.S. SMALL BUSINESS ADMINISTRATION
 PROCESSING AND DISBURSEMENT CENTER
 14925 KINGSPORT ROAD
 FORT WORTH, TX 76155

FOR FURTHER INFORMATION CONTACT: A. Escobar, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street, SW, Suite 6050, Washington, DC 20416

SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the Administrator's EIDL declaration, applications for economic injury disaster loans may be filed at the address listed above or other locally announced locations.

The following areas have been determined to be adversely affected by the disaster:

Primary Parishes:

JEFFERSON	LAFOURCHE	ORLEANS	PLAQUEMINES
SAINT BERNARD	SAINT TAMMANY		

Contiguous Parishes and Counties:

LOUISIANA			
ASSUMPTION	SAINT CHARLES	SAINT JAMES	
ST JOHN THE BAPTIST	TANGIPAOHA	TERREBONNE	
WASHINGTON			
MISSISSIPPI			
HANCOCK	PEARL RIVER		

The Interest Rates are:

BUSINESSES AND SMALL AGRICULTURAL COOPERATIVES WITHOUT CREDIT AVAILABLE ELSEWHERE	4.000
NON-PROFIT ORGANIZATIONS WITHOUT CREDIT AVAILABLE ELSEWHERE	3.000

Billing Code 8025-01-P

U.S. SMALL BUSINESS ADMINISTRATION

Disaster Declaration # 12163

LOUISIANA Disaster # LA-00032 Declaration of Economic Injury

AGENCY: U.S. SMALL BUSINESS ADMINISTRATION

ACTION: Amendment 1

SUMMARY: This is an amendment of an Economic Injury Disaster Loan (EIDL) declaration for the State of LOUISIANA , dated 05/10/2010.

INCIDENT: Deepwater BP Oil Spill

INCIDENT PERIOD: 04/20/2010 and continuing.

EFFECTIVE DATE: 05/10/2010

EIDL LOAN APPLICATION DEADLINE DATE: 02/07/2011

ADDRESSES: Submit completed loan applications to :

U.S. SMALL BUSINESS ADMINISTRATION
PROCESSING AND DISBURSEMENT CENTER
14925 KINGSFORT ROAD
FORT WORTH, TX 76155

FOR FURTHER INFORMATION CONTACT: M Mitrovich, Office of Disaster Assistance,
U.S. Small Business Administration, 409 3rd Street, SW, Suite 6050, Washington, DC 20416

SUPPLEMENTARY INFORMATION: The notice of an Economic Injury declaration for the State of LOUISIANA dated 05/05/2010, is hereby amended to include the following areas as adversely affected by the disaster.

Primary Parishes:

ASCENSION	EAST FELICIANA	EVANGELINE	IBERIA
LIVINGSTON	SAINT CHARLES	SAINT MARTIN	TANGIPAHOA
TERREBONNE	WASHINGTON		

Contiguous Parishes and Counties:

LOUISIANA		
ACADIA	ALLEN	AVOUELLES
EAST BATON ROUGE	IBERVILLE	JEFFERSON DAVIS
LAFAYETTE	POINTE COUPEE	RAPIDES
SAINT HELENA	SAINT LANDRY	SAINT MARY
VERMILION	WEST BATON ROUGE	WEST FELICIANA
MISSISSIPPI		
AMITE	MARION	PIKE
WALTHALL	WILKINSON	

All other information in the original declaration remains unchanged.
(Catalog of Federal Domestic Assistance Number 59002)

MAY 10 2010

Karen G. Mills
Administrator



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

May 1, 2010

Secretary of Labor Hilda L. Solis
U.S. Department of Labor
200 Constitution Ave., NW
Washington, DC 20210

Dear Secretary Solis:

Louisiana is currently contending with a tragic environmental disaster, and we are preparing for a worst case scenario. The controlling law for an oil discharge into or upon the navigable waters and adjoining shorelines is the Oil Pollution Act (OPA) of 1990, 33 U.S.C. § 2701 *et seq.* OPA allows for the recovery of removal costs and damages, which includes damages for loss of subsistence use of natural resources, for loss of profits and impairment of earning capacity, and for the net costs of providing increased or additional public services.

The declaration that this discharge is a spill of national significance should allow federal authorities, within the parameters of the OPA, to approve programs and resources the state needs to adequately respond to this incident. Louisiana, in responding to previous emergencies and disasters, has used federal programs such as the Workforce Investment Act, Social Security Act, Federal Unemployment Insurance Tax Act and others to provide necessary services to our citizens.

We need your approval to provide the most expeditious and cost efficient means of administering those necessary services for the affected areas and citizens of Louisiana. Therefore, we are requesting for you to approve providing funding through OPA for such disaster related workforce training and job placement services and unemployment benefit services for workers displaced as a result of the oil spill.

We realize that under OPA, the responsible party (RP) is liable to provide for all needs in this instance. In an abundance of caution, we are seeking this preliminary approval should the RP's plans fall short of meeting the needs of our people.

Due to the ever growing impact resulting from the continuing oil discharge, we would ask that you respond to this request by close of business on Monday, May 3, 2010.

Thank you,

A handwritten signature in black ink, appearing to be "BJ", written over a printed name.

Bobby Jindal
Governor

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www.gov.state.la.us

SECRETARY OF LABOR
WASHINGTON

May 07 2010

May 3, 2010

The Honorable Bobby Jindal
Governor, State of Louisiana
P.O. Box 94004
Baton Rouge, LA 70804-9004

Dear Governor Jindal:

Thank you for your letter regarding your request for the Department of Labor's assistance in the response to the oil spill in the Gulf of Mexico. The Department of Labor is fully-integrated into the DHS-led response team and is working within the inter-agency group to be supportive of all response activities.

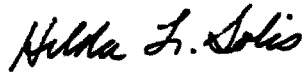
Following up on your letter, my staff spoke with Executive Director Curt Eysink of the Louisiana Workforce Commission to provide additional details on the Department's work within the inter-agency working group. To address your request for federal assistance under the Oil Pollution Act of 1990, the Department of Labor is working closely with our inter-agency partners at the Environmental Protection Agency and the U.S. Coast Guard to respond to your request for assistance. As we are examining the questions you raised regarding the Oil Pollution Act, the Department of Labor is already working to assist the State's response and recovery efforts.

Soon after the sinking of the oil rig, the Department of Labor began working with your staff at the Louisiana Workforce Commission (LWC) to address the various services that are available to those affected by the resulting oil spill. The Department of Labor is working with the LWC to prepare each of the affected local areas for clean-up and response activities.

In the event that the current resources available through the LWC for dislocated worker services are insufficient, the Department is providing technical assistance to the LWC on the application process for additional funds through a National Emergency Grant.

I am fully committed to working with you and the State of Louisiana to assure that the people of this region are able to go back to their lives and their livelihoods. If you have additional questions, please do not hesitate to contact Mr. Brian Kennedy, Assistant Secretary for Congressional and Intergovernmental Affairs, at 202-693-4600.

Sincerely,



HILDA L. SOLIS
Secretary of Labor



BOBBY JINDAL
Governor

State of Louisiana
Office of the Governor

May 1, 2010

Secretary Tom Vilsack
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Vilsack:

Louisiana is currently contending with a tragic environmental disaster, and we are preparing for a worst case scenario. The controlling law for an oil discharge into or upon the navigable waters and adjoining shorelines is the Oil Pollution Act (OPA) of 1990, 33 U.S.C. § 2701 *et seq.* OPA allows for the recovery of removal costs and damages, which includes damages for loss of subsistence use of natural resources, for loss of profits and impairment of earning capacity, and for the net costs of providing increased or additional public services.

The declaration that this discharge is a spill of national significance should allow federal authorities, within the parameters of the OPA, to approve programs and resources the state needs to adequately respond to this incident. Louisiana, in responding to previous emergencies and disasters, has used federal programs such as the Food Stamp Act of 1977 to provide necessary services to our citizens.

We are formally requesting that you authorize under OPA the distribution of commodities to disaster relief agencies and the state, as is done under the Food Stamp Act of 1977, for distribution to shelters, mass feeding sites, and/or directly to households in need. We would like to prepare for the worst case scenario and for you to assist our citizens if the need arises by providing commodity foods for shelters and other mass feeding sites, as well as distributing commodity food packages directly to those households that are in need.

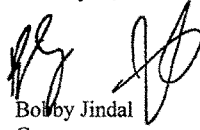
In addition, we anticipate that additional losses suffered by those parishes directly affected by the discharge may result in the need to request authorization to issue Disaster Supplemental Nutrition Assistance Program (D-SNAP) benefits. Therefore, we also request your permission to activate D-SNAP benefits under OPA, should that need arise.

We realize that under OPA, the responsible party (RP) is liable to provide for all needs in this instance. In an abundance of caution, we are seeking this preliminary approval should the RP's plans fall short of meeting the needs of our people.

Post Office Box 94004, Baton Rouge, Louisiana 70804-9004 • (225) 342-7015 • Fax (225) 342-7099
www.gov.state.la.us

Due to the ever growing impact resulting from the continuing oil discharge, we would ask that you respond to this request by close of business on Monday, May 3, 2010.

Thank you,

A handwritten signature in black ink, appearing to read 'Bobby Jindal', is written over the printed name and title.

Bobby Jindal
Governor



MAY 03 2010

United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MAY 3 2010

The Honorable Bobby Jindal
Governor
The State of Louisiana
Baton Rouge, Louisiana 70804

Dear Governor Jindal:

Thank you for your letter of May 1, 2010, requesting several categories of U.S. Department of Agriculture (USDA) disaster-related nutrition assistance in response to the potential catastrophic effects of the major oil spill in the Gulf. While we do not yet know the full extent of the impact of the spill on the regional economy, we realize one can reasonably expect a serious impact. Therefore, I commend your early, vigorous response and strategic planning in the wake of this unfolding event.

As a former Governor, I too have had to deal with disasters that have disrupted the economy and adversely affected many lives. Therefore, I appreciate the vital role played by local, State, and Federal governments in responding to such major events. Let me assure you that I have directed all program areas under USDA to provide ready access and direct help to the State within the authority of the laws governing USDA programs and services.

Immediately, I urge you to fully avail Louisiana and its eligible citizens of the nutritional (and personal economic) help provided by the regular Supplemental Nutritional Assistance Program (SNAP). I have directed the Food and Nutrition Service (FNS) to work with your State on available State options that can result in easier access for many thousands of Louisianians. USDA estimates that today, before the economic effects of the oil spill, there are many tens of thousands of Louisianians currently eligible for SNAP who are not participating in this program. The core SNAP program provides immediate help; moreover, the benefits of this program are available throughout the year for all eligible persons. And, as you are aware, the State is not required to share in the cost of the benefit; it is fully federally-funded.

You may be aware that under the provisions of the Oil Pollution Act (33 U.S.C. § 2701 *et seq.*), USDA does not have the authority to provide disaster help in the form of USDA food commodities or Disaster Supplemental Nutrition Assistance Program (D-SNAP) as is available under the Stafford Act in response to a Presidential disaster declaration. In the event of such a Declaration, our USDA goal is to expedite the process for all concerned.

An Equal Opportunity Employer

The Honorable Bobby Jindal
Page 2

Finally, in addition to the SNAP program, other companion USDA nutrition programs can help to mitigate the food insecurity that Louisianian families will likely face. Programs like the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the National School Lunch and School Breakfast Program, and the Summer Feeding Program may each offer particular sources of help to children and their families as your State deals with the economic effects of the oil spill.

Sincerely,

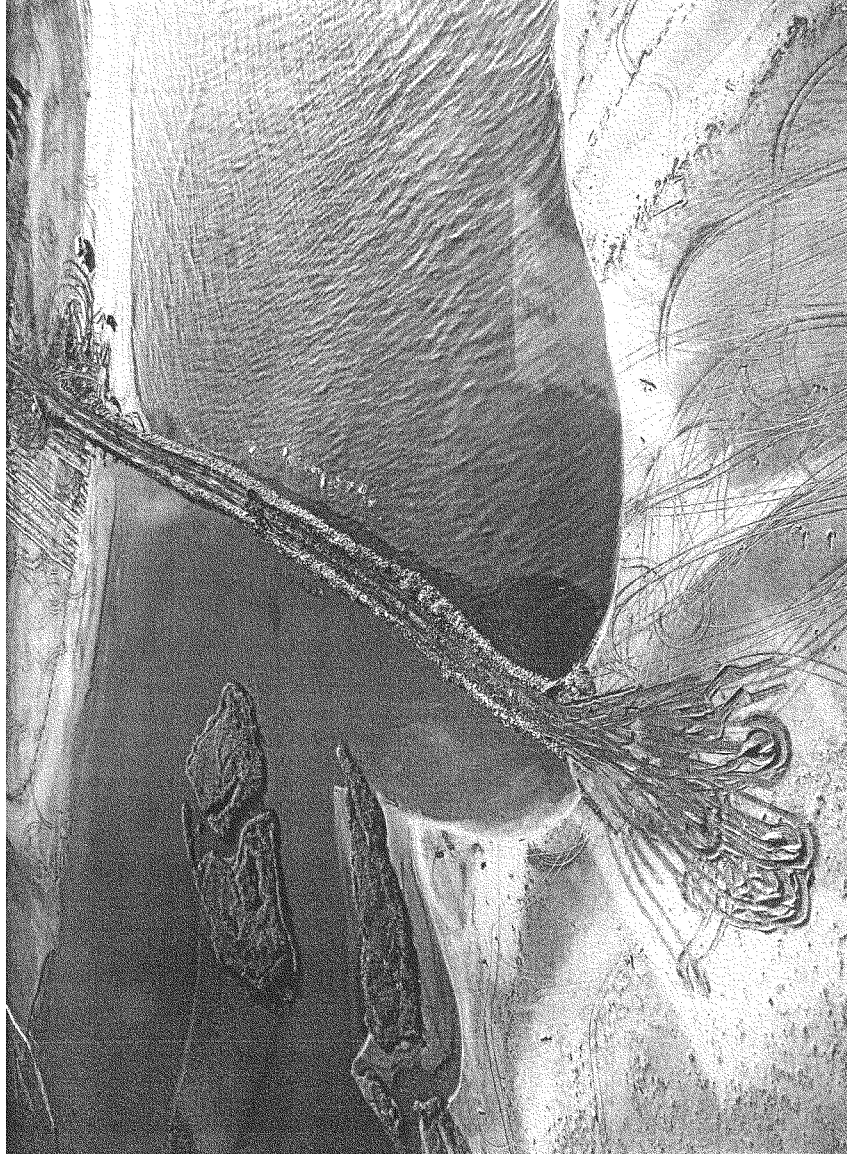


Thomas J. Wilsack
Secretary

Elmer's Island Wildlife Refuge

230-acre tract of barrier beachfront located on the southwestern tip of Jefferson
Parish, Louisiana

Photo taken on May 20, 2010



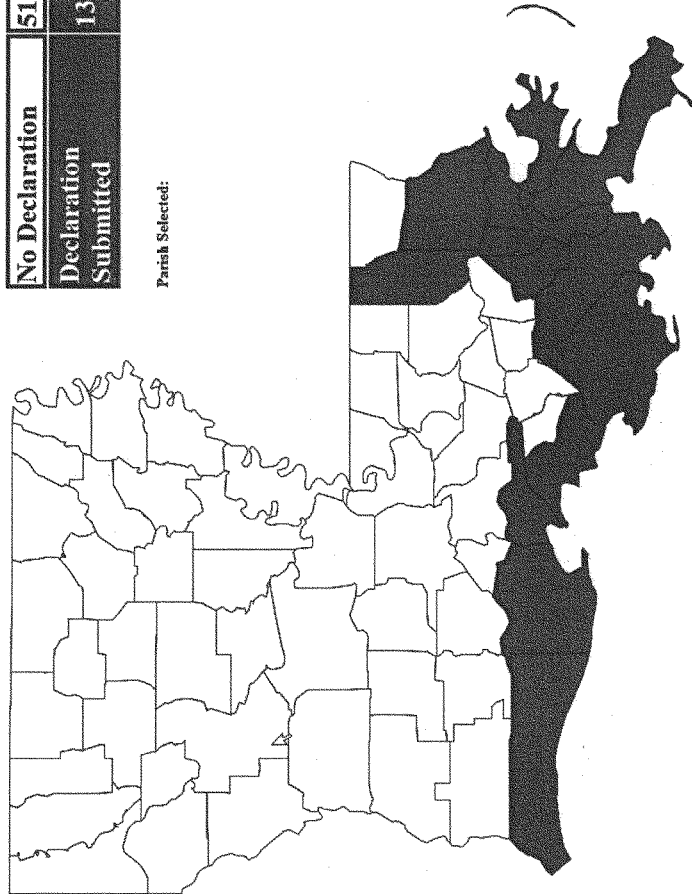


Parish Declarations



No Declaration	51
Declaration Submitted	13

Parish Selected:



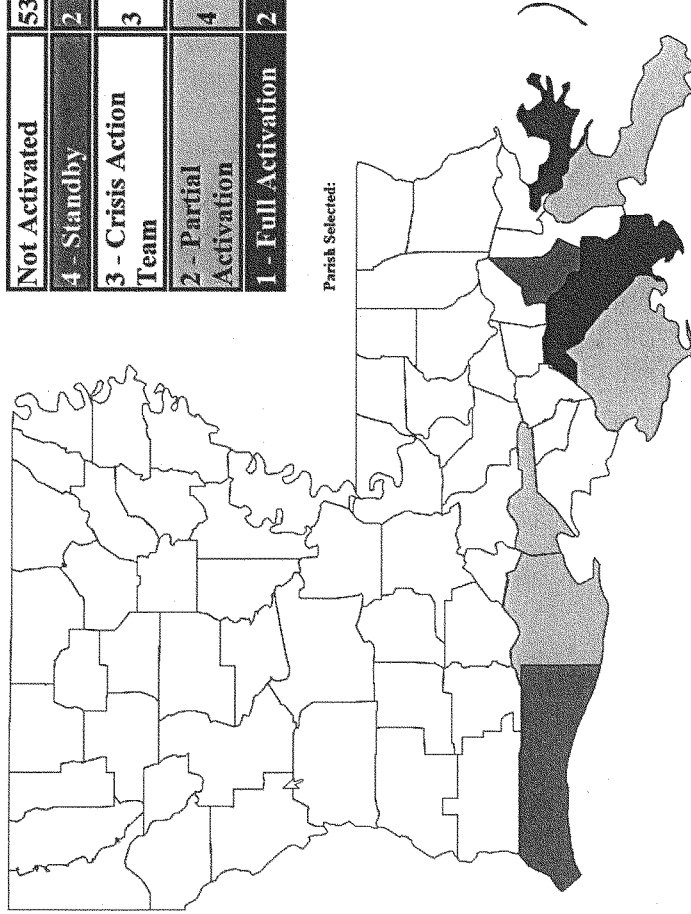


Parish EOC Activation Levels



Not Activated	53
4 - Standby	2
3 - Crisis Action Team	3
2 - Partial Activation	4
1 - Full Activation	2

Parish Selected:



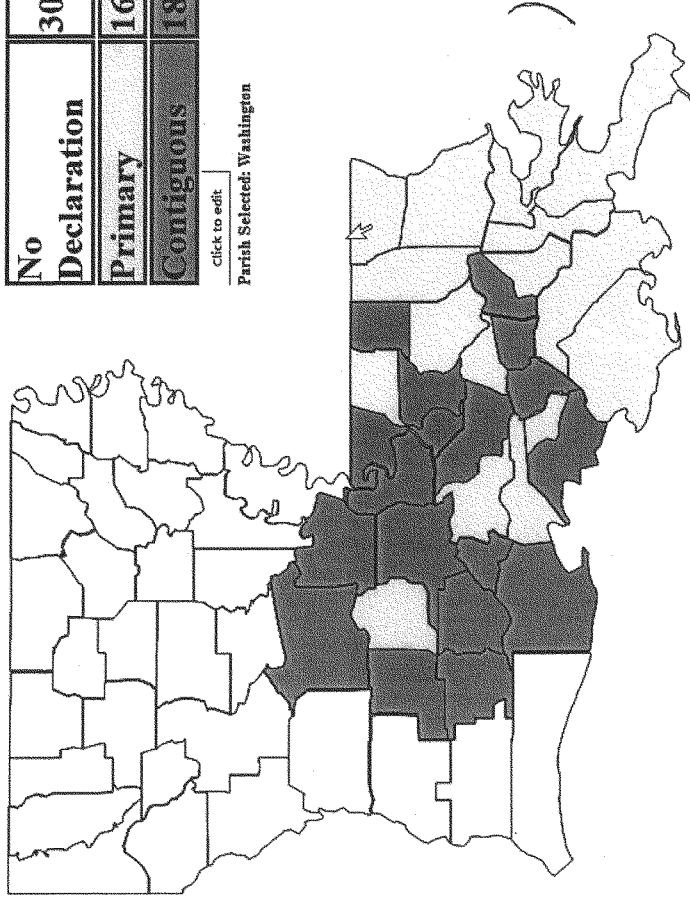


SBA Map



No Declaration	30
Primary	16
Contiguous	18

click to edit
Parish Selected: Washington



Plaquemines Parish Government



Parish President Billy Nungesser

8056 Hwy 23

Belle Chasse La, 70037

Phone No. (504)274-2460

Cell No. (504)329-1286

bnungesser@plaqueminesparish.com

www.plaqueminesparish.com

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Washington Trip 6/10/2010**STATEMENT OF PRESIDENT BILLY NUNGESSER:**

Good Morning honorable members of congress and distinguished guests. Thank you for allowing me this opportunity to share with you a first hand account of the ravages of the oil on the coast of our beloved Louisiana wetlands. For those of you who have not had the pleasure of visiting Plaquemines Parish Louisiana, we are the southern most parish in the state and up until April 20, 2010 we were the sportsman's paradise with some of the best commercial and sport fishing in the world. In fact Plaquemines Parish is the number one oyster producing parish in the state of Louisiana and our seafood industry is one of the leading sources of income and one of the largest employers in Louisiana.

As you are aware the horrific explosion on the Deepwater Horizon Oil Rig on April 20, 2010 and the ensuing oil release has now infiltrated our precious wetlands and has changed our life dramatically. But it did not have to happen the way it has and that is the story I would like you to hear.

Since the first day of the "Oil Disaster In the Gulf" we in Plaquemines Parish have understood the gravity of the situation and the potential damage getting oil in our wetlands would cause. We put a "Strike Force Plan" together which included our jack-up boats strategically positioned with oil boom ready to block and contain any oil that would venture into the wetlands area. No matter how hard we tried we were not able to get the attention of British Petroleum with our plan. When President Obama visited Plaquemines Parish on May 2, 2010 he listened to our strike force plan and gave his support. The next day BP approved the plan.

Our Strike Force Plan divided our parish into grids and identified thirteen grids where we requested jack-up boats as the oil came ashore. To our dismay even after the visit by President Obama and after BP approved our plan at his demand, we only got the first three (3) jack-up boats out of the thirteen requested approved. Since then no additional jack-up boats have been deployed to Plaquemines Parish. Jack-up boat #1 has worked from the mouth of the Mississippi River while jack-up boat #2 was positioned to cover the St. Bernard Parish side of the river. At the same time we partnered with Jefferson Parish with jack-up boat #3 to fight the encroachment of oil in the marsh on the Jefferson Parish side of the Mississippi River. We made the adjustments to accommodate not getting what we knew we needed in the way of jack-up boats but getting the personnel and the jack-up boats has been as tough a fight as keeping the oil out of the marsh.

On Monday, May 17, 2010 at 6:15 a.m. after a weekend of thunderstorms, oil was discovered by one of our Strike Task Force members on an early morning surveillance mission in the mouth of Pass a Loutre. That oil, as we sit here today, has never been cleaned up and that was a month ago. In some areas the booms are not anchored properly and have been ineffective. Without the proper anchoring, every time the wind kicks up the boom is blown ashore and allows more oil to penetrate the marsh.

We have asked week in and week out for the ability to deploy suction equipment that could suck the heavy oil out of the marsh immediately after it is discovered. Our plan would be to boom and skim the exterior area and once the heavy oil is out of the marsh we could hopefully persuade British Petroleum (BP) or someone capable of making a decision, to use one of the safe sprays to take care of the rest of the oil that has attached itself to the grass and cane. We feel this is the only way we can save our marsh as the oil continues to come ashore.

For more than 40 days we have been fighting to get sand berms dredged in specific locations that would block the oil from entering our marsh. This is not a concept we thought up over night. In fact we have been working for three and a half (3 ½) years to design a plan to protect our parish and our coastline from possible oil spills, storms, and from the influx of saltwater into our marsh lands. For this application however, we modified the outer barrier islands to a size and capacity that we thought would give us a fighting chance to keep the oil out and minimize the areas where we would have to fight the oil coming around the barrier islands to the open passes. Many of these barrier islands are right below the surface of the water and we have seen by air, as the oil continues to flow over those underwater barriers, how the oil is destroying our marshlands. It has been hard to sit by and watch knowing these sand berms would be effective and knowing that had we started weeks ago when we first presented the plan much of the area and many of the wildlife could have been spared as compared to what we are seeing happen today.

As we continue to locate equipment, such as skimmers, suction devices and additional equipment to fight this oil, instead of sitting side-by-side with us ready to assist, write the check, or do whatever is necessary to win this fight, it has been a never ending battle to get any equipment approved. We believe BP should have been the ones concerned enough to go out and find this equipment and flood the waterways with it to pick up this oil before it reached our marshlands. On the day Governor Jindal and I took Bob Dudley (BP) to see the oil first hand on the outer barrier islands, we showed him how the barrier islands catch the oil and how not catching it is destroying the marsh. That day we did not spot one skimmer in the waters of the Barataria Basin and that is criminal. There are hundreds of skimmers sitting in warehouses and I have people lined up in my office trying to show products and skimmers that would work. I have never seen such an unorganized, lack of attempt to get the job done. As I told President Obama, if we are not doing everything physically possible to keep this oil out of the marshlands of Louisiana, we are not doing our job. At this time, I must say that we are not doing everything possible. Until we deploy every skimmer, every suction device, and even ships which are capable of sucking the large plumes of oil located below the surface, we are not doing our job of cleaning up the oil and saving our wetlands.

It seems at times that the contractors working for BP have more control over the situation than does anyone and if you are not on their payroll then they are not interested in the equipment or in deploying the assets that could make a difference. We continue to see money being thrown at setting up land camps, quarters barges, and other things that are not directly related to cleaning up the oil. All of our efforts at this time should be directed toward preventing the oil from getting into the marsh by picking up as much of this oil in the open water as possible but then picking up the oil as soon as it hits the marsh. None of these things are being managed properly and as a result are not being done. The only way we will ever be successful is to have aggressive, knowledgeable managers on the ground with the passion to win this battle and the desire and ability to make the right decisions. We do not have those kinds of managers on the ground right now. In fact it seems that we do not have anyone from BP at the local level making decisions with a sense of urgency and knowledge of how to get the job done. You would not think it would be necessary to say we should suck up the heavy oil the minute it gets into the marsh before the next pelican dives for its meal and realizes its life is about to end because it is suddenly coated with this thick black gook, but apparently it is necessary to say it. We have watched hundreds of birds die, dolphins wash up on the beaches, turtles that have swam through the oil and ended their life and we continue to not do everything possible.

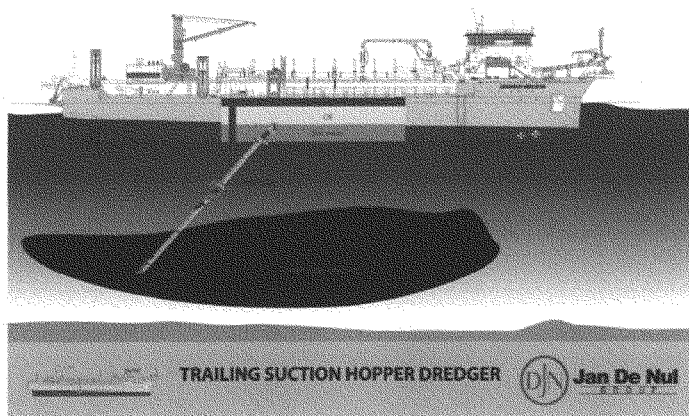
If BP does not have the means or knowledge to make this happen, we recommend that they put a representative, with a check book, who would sit next to the parish leaders who do know how and ask one

simple question; "what else can we do to help?" This would go a long way toward insuring that any and all methods we have to save our coastline are approved and used. Over and over I personally have experienced criticism of the recommendations we have made only to come back weeks later and not only approve those very same recommendations, but use the same methods and equipment themselves. As with the jack up boats, it took the President of the United States to tell the U.S. Coast Guard "we will use the jack up boats as recommended by Plaquemines Parish" and then weeks later the Coast Guard had jack up boats themselves. We continue to fight to get anything approved when it should have been approved yesterday and should be out there saving our coastline today. We understand that we do not have all the answers. But we will continue to say, "if you don't like our plan that's okay but show me your plan and let's go to work." It is not acceptable to just be a critic when you can offer no other solution. As Thomas Paine said centuries ago, "Lead, follow, or get out of the way."

We hope the enclosed pictures and maps showing the thousands of acres that have already been destroyed speak for themselves. We are where we are now as a result of a lack of proper response. I hope this evidence of failure prompts you to make changes in the policies and procedures now being followed that will allow for future success. Although we have lost several battles we still have a chance to win this war and save coastal Louisiana. We are asking for your support and for your help.

Sincerely,

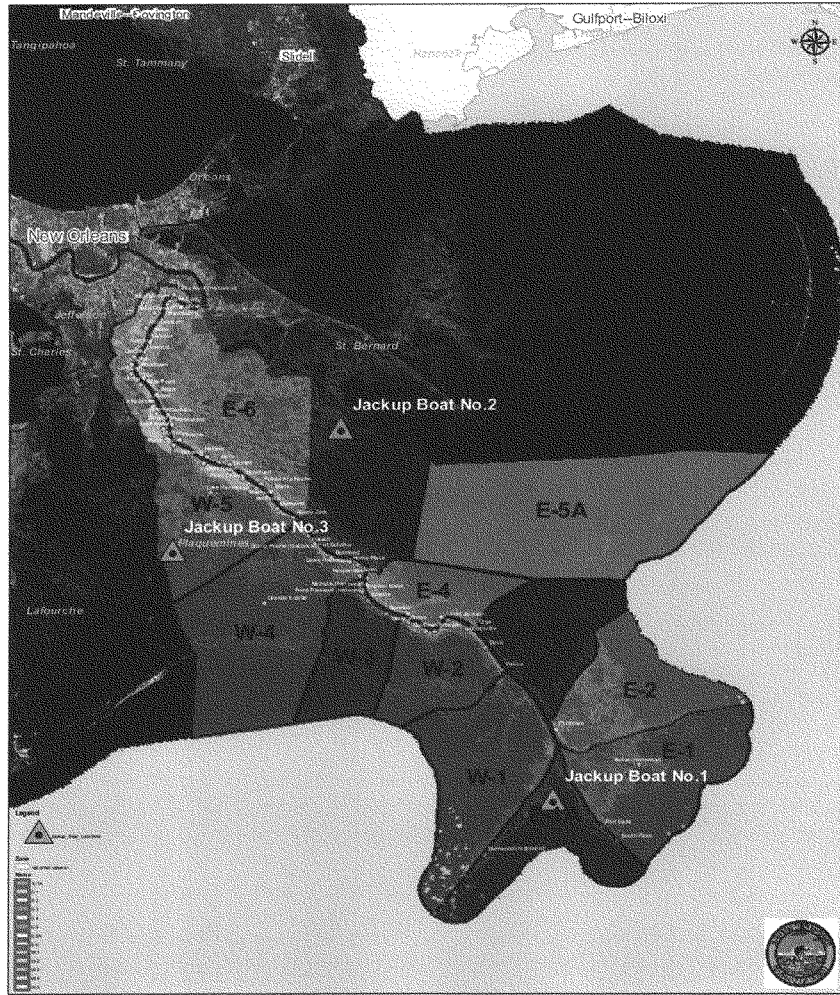
Billy Nungesser,
Plaquemines Parish President



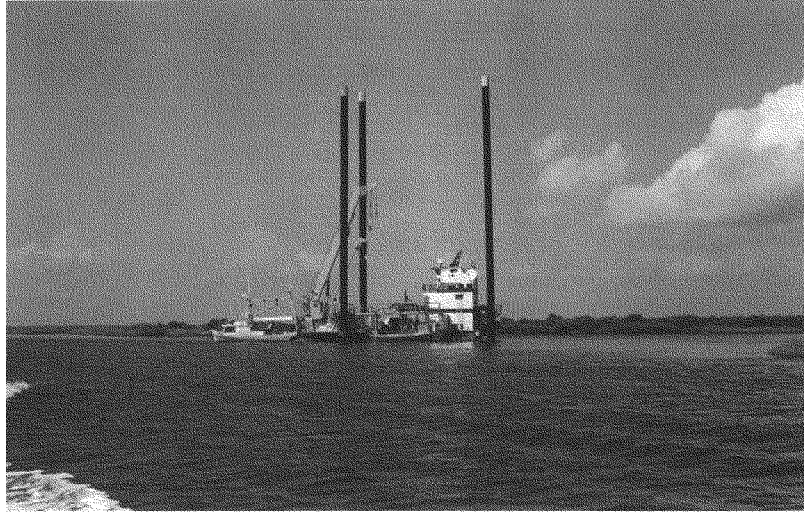
Oil Spill Time Line

Plaquemines Parish, Louisiana

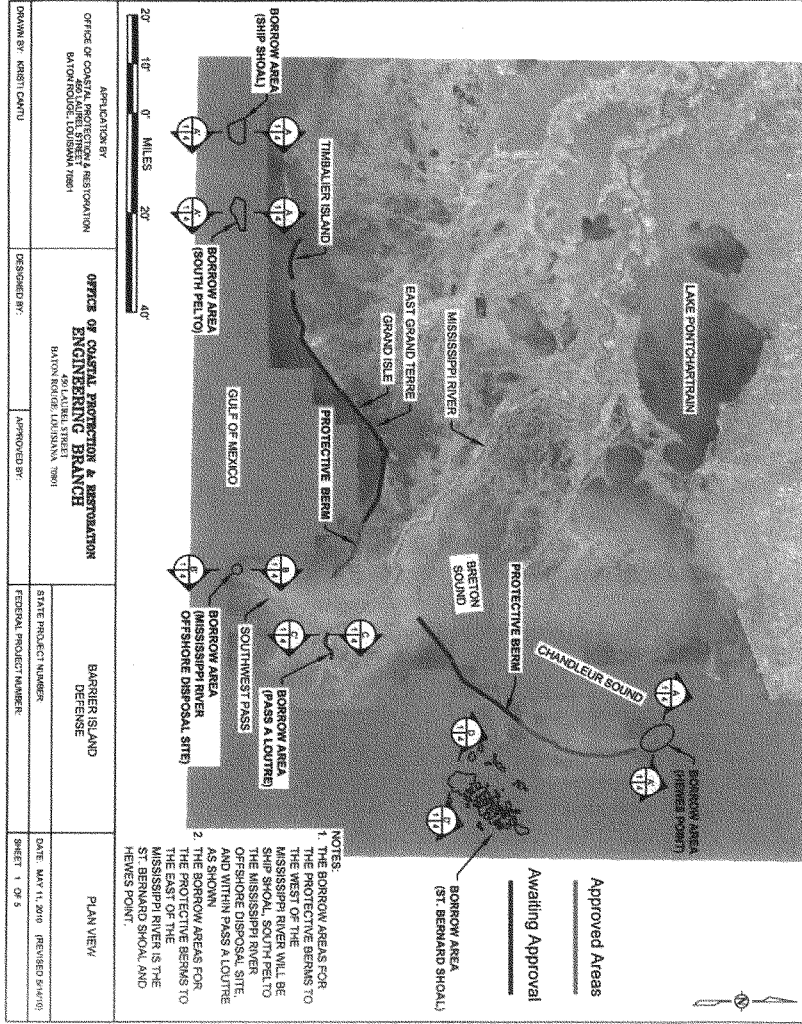
April 20, 2010	Deepwater Horizon Oil Rig catches fire
April 29, 2010	President Nungesser declares state of emergency
April 30, 2010	Plaquemines Parish employees, consultants, and emergency officials put together Inland Waterways Strike Force Plan
May 2, 2010	President Nungesser proposed Strike Force Plan to President Barack Obama
May 3, 2010	Strike Force Plan approved by BP
May 5, 2010	President Nungesser and Governor Jindal see first jack-up barge off
May 6, 2010	President Nungesser met with BP CEO regarding two additional jack-up barges
May 7, 2010	Strike Force reported sheen in Plaquemines Parish in East Bay and West Bay
May 8, 2010	President Nungesser and Governor Jindal announced Barrier Island Defense Plan
May 10, 2010	President Nungesser, Governor Jindal, and other Coastal Leadership met with Col. Lee
May 11, 2010	The CPRA filed an emergency permit with the U.S. Army Corps of Engineers and is still awaiting the Corps to issue the permit
May 12, 2010	Strike Force first discovered Tar Balls onshore at South Pass
May 21, 2010	President Nungesser had a conference call with Coast Guard Admiral Mary Landry at which time she gave negative remarks regarding the dredging plan
May 17, 2010	Strike Force first discovered thick oil at Pass A Loutre
May 22, 2010	Strike Force found thick oil on brown pelicans on Cat Island
May 23, 2010	President Nungesser met with Governor Jindal and all Coastal leaders in Venice to show unified support for the Barrier Island Plan
May 27, 2010	US Army Corps of Engineers approves 6 portions of the Louisiana Barrier Island Plan
May 27, 2010	Thad Allen directs BP to pay for one berm
May 27, 2010	Plaquemines Parish extends State of Emergency to June 27, 2010
May 28, 2010	President Obama visits Grand Idle; Billy and Craig Taffaro travel by boat from Myrtle Grove to Grand Isle and make meeting. Obama said a panel will review Barrier Island Plan in the next 3 days.
June 1, 2010	Panel of Scientists tears into Barrier Island Plan; local leaders respond; Thad Allen promised to respond in 24 hours with recommendation
June 2, 2010	White House called saying it will direct BP to pay for construction of 5 additional reaches
June 3, 2010	Brown Pelicans were found completely coated in thick oil on East Grande Terre Island in Plaquemines Parish
June 4, 2010	Billy Nungesser and Louisiana leaders met with President Obama at Louis Armstrong International Airport.
June 7, 2010	BP's Bob Dudley toured marsh with Billy Nungesser and Bobby Jindal and sees first hand oil destroying marshes



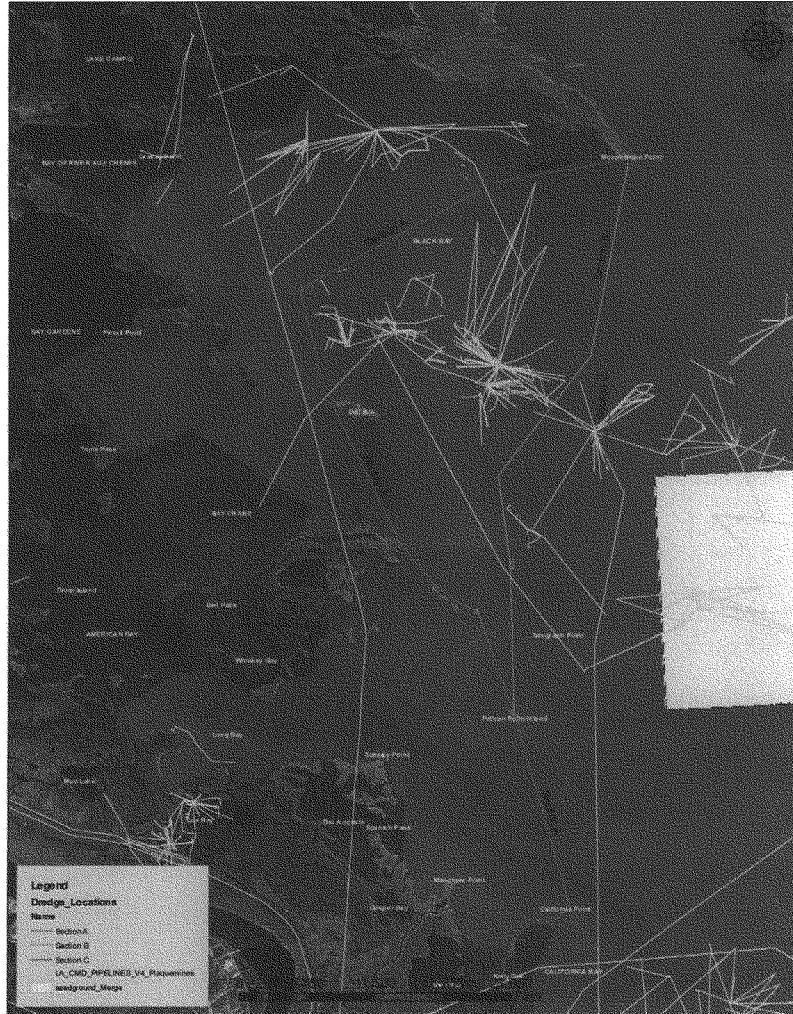
Plaquemines Parish Strike Force 13 Zones



Plaquemines Parish Strike Force Jack Up Boats



Sand Berm First Line Of Defense Plan



East Bank Sand Berm Second Line Of Defense

Rene Cross

From: Rene Cross [rcross@cmaaccess.com]
Sent: Sunday, June 06, 2010 3:42 PM
To: 'angelo@fleetintermodal.com'
Subject: Levee/Sand Berm done by Bucket Dredges

Darren
 This is the breakdown of the project based on average depths of water from 2' to 6'.
 If the working depths of the water become deeper than 6' the integrity of the protective berm becomes questionable, due to unknown consistency of the materials to be used.
 This breakdown is based purely on average production rates in similar conditions without soil borings or any physical data.
 I have a simple drawing that will be included with this estimate.
 Thanks
 Rene P. Cross
 Renee Cross Construction

PROTECTIVE SAND/CLAY BERM

AVERAGE +3 CROWN ELV.
 AVERAGE 20' CROWN
 AVERAGE 5 to 1 SLOPE
 AVERAGE 125' BASE
 AVERAGE 40' BERM BETWEEN PROTECTIVE SAND/CLAY BERM AND BORROW AREA

BORROW AREA CHANNEL

AVERAGE 125' TOP WIDTH
 AVERAGE 8' CUT TO GET REQUIRED QUANTITY OF MATERIAL NEEDED FOR PROTECTIVE BERM
 AVERAGE 1' TO 1' SIDE SLOPE ON BORROW CHANNEL

EQUIPMENT, PRODUCTION RATE AND COST

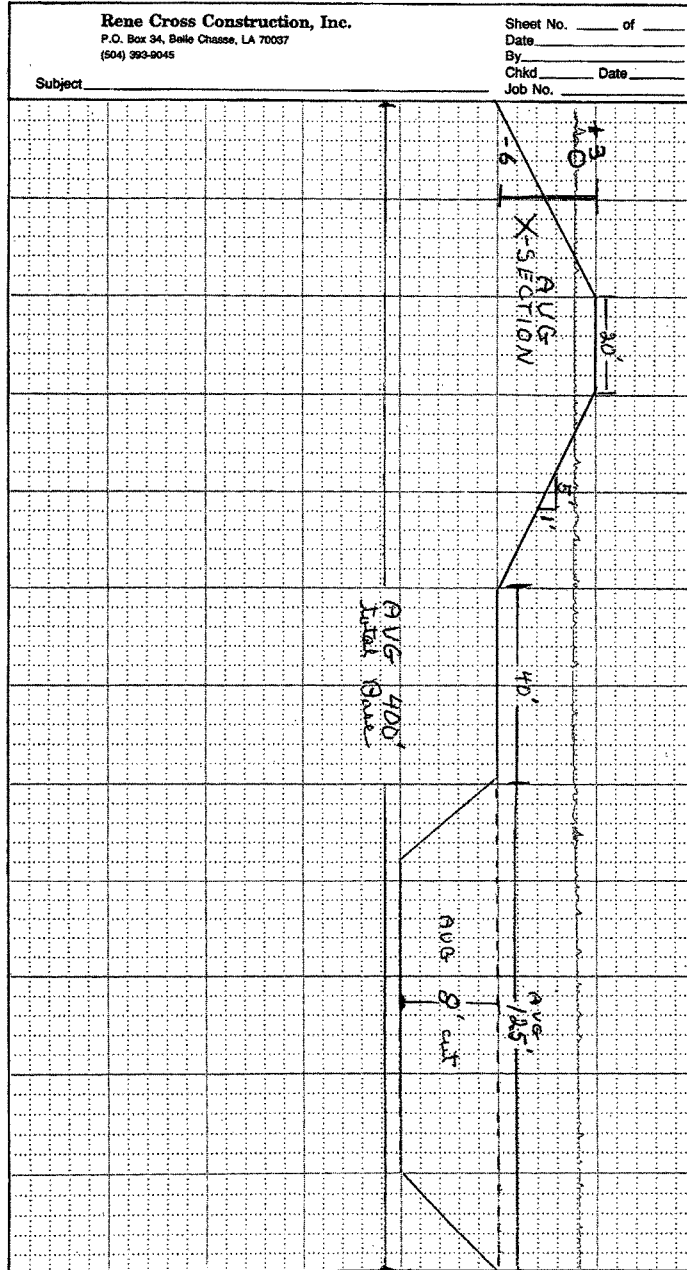
FOUR 5 TO 6 CUBIC YARD DIPPER DREDGES	
AVERAGE PRODUCTION RATE PER DREDGE	6000 CUBIC YARDS PER
DREDGE PER DAY	
TOTAL PRODUCTION FOR 4 DREDGES	24000 CUBIC YARDS PER DAY
AVERAGE PER FOOT OF BERM	28 CUBIC YARDS PER FOOT
AVERAGE FEET OF BERM BUILT PER DAY	860 FEET PER DAY
APROX. 74000 FEET OF BERM TO BE BUILT	90 DAYS MIN. TO COMPLETE

FOUR DIPPER DREDGES, SURVEY PARTY TO STAKE AHEAD OF DREDGES, AND MANAGEMENT TO COORDINATE DREDGES.

COST PER DAY.	\$ 56,580.00
MINIMUM 90 DAYS	\$5,092,200.00
MOB & DEMOB	\$250,000.00

4

6/6/2010





Bucket Dredge



Suction Dredge



Marsh Buggy Excavator



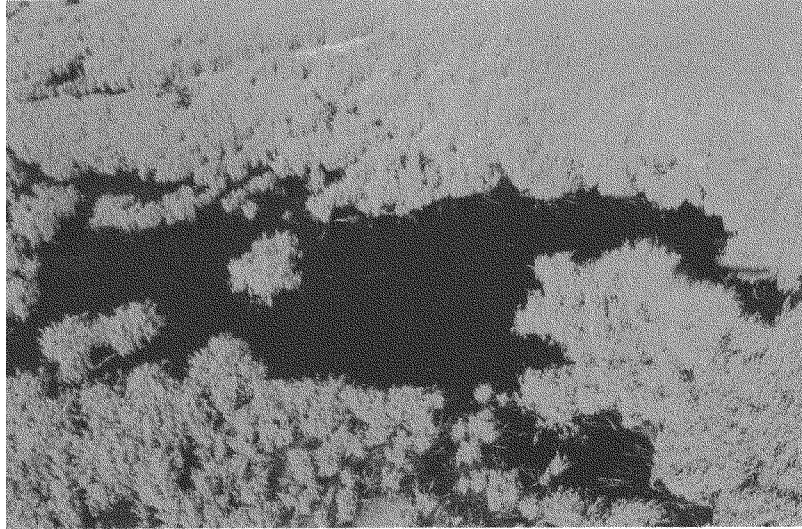
Sandbags



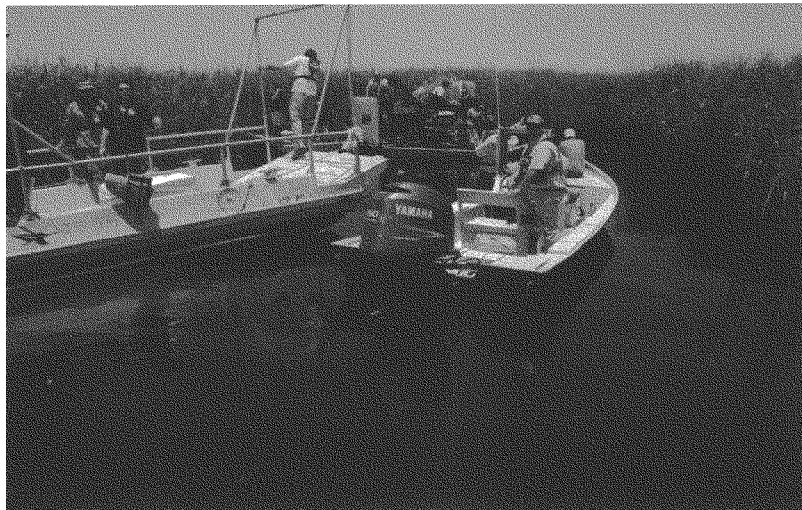
Oiled Beach & Marsh



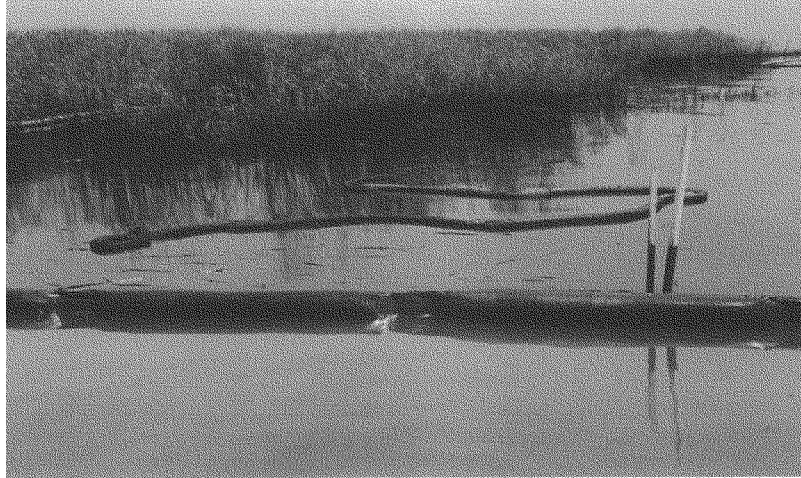
South Pass Outside Sandbar First Area To Receive Oil 5-17-10



Need To Use Suction Pumps To Remove Oil From Marsh



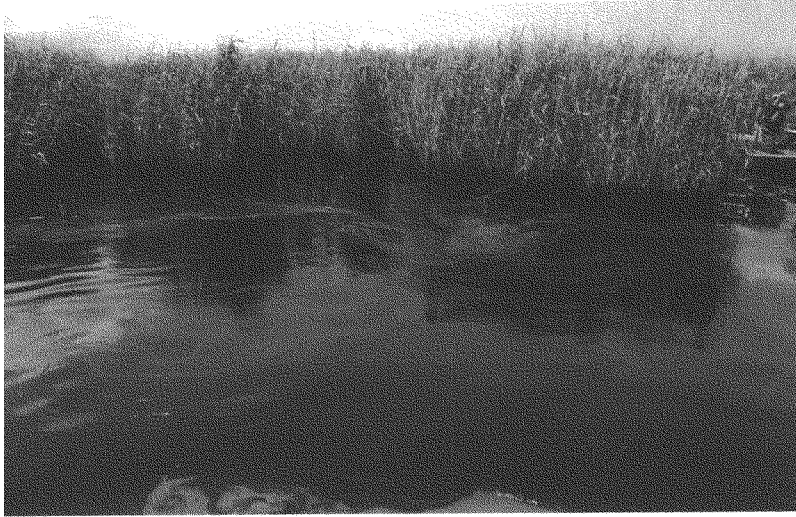
Pass A Loutre North Pass Area 5-19-10



Two Weeks Later Oil Still In Marsh



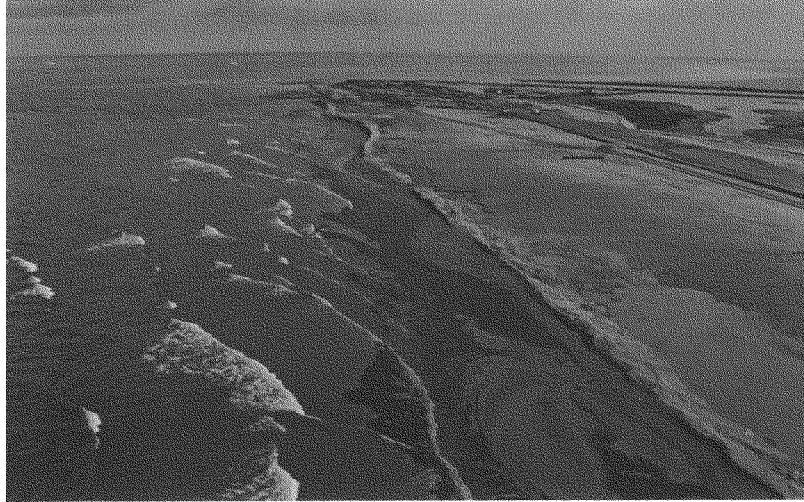
Pass A Loutre North Pass Area 5-26-10



Pass A Loutre



Three Weeks Later And The Oil Is Still There



Building Sand Berms And Barrier Islands Will Keep Oil Out Of Marsh



Cat Island Bird Nesting Grounds



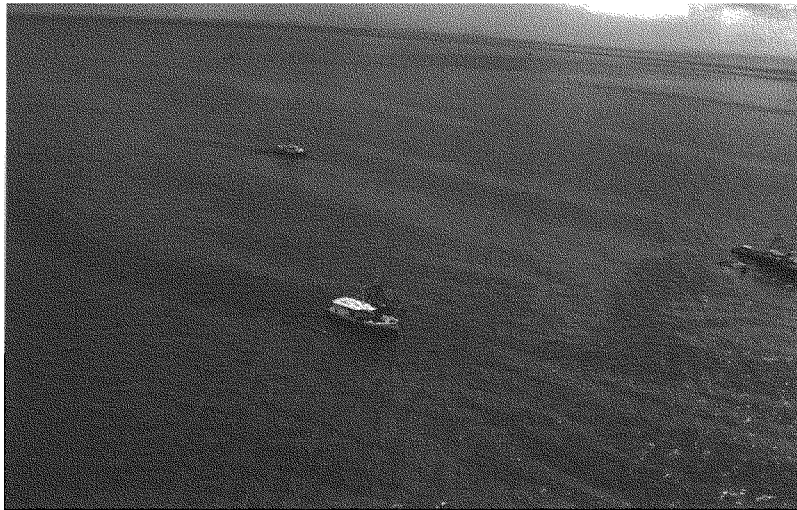
Cat Island Bird Nesting Ground



Crews Cleaning Up Oil @ Cat Island



Barataria Bay Area 6-3-10



More Skimmer Boats Are Needed To Keep Oil Out Of Marsh



If suction equipment was used to suck this oil off in the surf immediately when it arrives it would save hundreds of animals lives that dive into the surf for food. As this pelican struggles for its life, it is criminal that we do not do everything possible to prevent the oil from infiltrating the marshes.





Dead Dolphin @ Venice



Dead Pelican @ East Grand Terre Island



Dead Sea Turtle In Gulf Of Mexico







Help Save The Marsh and Animals

In Plaquemines Parish Louisiana more than 25,000 people were just beginning to get back on their feet from the destruction caused by Hurricane Katrina when the Deep Water Horizon Oil Rig accident and the ensuing oil release did the unthinkable. This time instead of physically destroying their homes and businesses as Katrina had done, the oil has destroyed two-thirds of our population's livelihood and our way of life. The wetlands of Plaquemines Parish and Southern Louisiana are the life line to our wildlife, our storm protection, our livelihood, and our way of life. I am asking you to speak up and be heard. Help us save our wetlands.

Sincerely

Billy Nungesser

Parish President

The Honorable Juliette Kayyem

**Assistant Secretary of Intergovernmental Affairs
United States Department of Homeland Security**

**Testimony before the
United States Senate
Committee on Homeland Security and Governmental Affairs
Subcommittee on State, Local and Private Sector Preparedness and
Integration**

**on
“Deep Impact: Assessing the Effects of the Deepwater Horizon Oil Spill on
States, Localities and the Private Sector”**

June 10, 2010

Chairman Pryor, Senator Ensign and Members of the Subcommittee: Thank you for the opportunity to testify before you today regarding the efforts that the Department of Homeland Security (DHS) is undertaking to respond to the BP Deepwater Horizon Incident(s) in coordination with our federal, state and local partners.

As a former state homeland security advisor who now works for a former governor, I understand that state, local and tribal officials know the unique needs of their communities and environments unlike any other entity. This unique knowledge is even more relevant in situations such as the one we are here to speak about today.

Since day one, DHS and the Administration's response to the BP Deepwater Horizon oil spill has been based upon existing, tested protocols that were tailored to fit the unique circumstances of this spill. We sought to combine lessons learned from the past with the local knowledge and experience of governors, mayors, county officials and others to inform our decision making. From the outset, we knew that gaining the confidence of the state and local officials and responders closest to the events would be essential in order to effectively coordinate the assets necessary to protect the Gulf region.

Pre-Event Preparedness

DHS routinely conducts planning activities and training exercises to strengthen our ability to respond to significant, national events. Part of this planning and exercise training includes preparation for a Spill of National Significance (SONS), defined as "a spill that is so complex due to its severity, size, location, or actual or potential public impact to the public health or environment that it requires extraordinary coordination of federal, state, local and responsible party resources to contain and cleanup the discharge."

To prepare for a SONS, the Coast Guard and/or the Environmental Protection Agency (EPA) leads a full-scale exercise every three years with federal, state, local and industry partners. This past March, I participated in the Coast Guard-led 2010 SONS exercise, which examined a complex, multi-agency response spanning the East Coast.

This SONS exercise included the deployment of the Incident Command System (ICS), an organization structured around National Response Framework (NRF) and the National Oil and Hazardous Substances Pollution Contingency Plan (NCP). The ICS provides a common strategy for developing and implementing tactical plans to efficiently and effectively manage the response to oil spills. The ICS organization can, as is the case for the BP Deepwater Horizon response, include Incident Command Posts and Unified Commands at the local level, and Unified Area Commands (UAC) at the regional level. This command structure implements the local, regional, and national contingency plans that were designed by a committee of local, state and federal officials. These same officials participate in the Unified Command, giving them direct access to the operational and strategic decision making authorities that manage the response.

As the Intergovernmental Affairs lead in the SONS exercise, I gained firsthand experience in the implementation of this collaborative command structure. During the exercise we were able to identify potential information gaps and gain a greater understanding of the needs of our state and local partners. Although I had worked similar issues as the Homeland Security Advisor for the State of Massachusetts, this exercise provided me invaluable understanding and preparation in the event of a Spill of National Significance.

Continuous DHS Response to the BP Deepwater Horizon Oil Spill

Since day one, the Administration addressed this incident(s) with an all-hands-on deck approach, starting with the search and rescue efforts the United States Coast Guard undertook in the hours immediately following the event. As the event transitioned from the initial search and rescue operation into a wider response, we engaged with our state and local partners in Louisiana, Texas, and Mississippi and then expanded to include Alabama and Florida as the oil spill projections expanded. Throughout these events, the Administration has closely coordinated our efforts with the states and local communities affected by the spill.

Prior to this incident(s), state and local partners had existing plans in place to respond to a disaster such as this, in the form of Area Contingency Plans (ACPs). These plans – written by a committee of local, state and federal officials from multiple disciplines – specify what types of actions would be taken to respond to an oil spill and what methods would be used to protect natural and economic resources. The ACPs outline all aspects of the response from establishing information lines to identifying target areas for boom deployment. After the oil rig explosion, the Federal On-Scene Coordinator (FOSC) worked with state and local leaders to review the ACPs and start deploying the resources outlined in the plans. Where the existing ACPs did not fully address the current concerns and as conditions in the region changed, the FOSC and the Unified Area Command (UAC) worked with state and local leaders to revise these plans and adjust resources accordingly.

The UAC was established on Friday, April 23 and continues to operate as the central regional authority for the response and the seat of the FOSC. Three incident command centers have been established in Houma, Louisiana (on Saturday, April 24), Mobile, Alabama (on Friday, April 30) and St. Petersburg, Florida (on Friday May 5) to provide even greater transparency to local communities.

Also on April 23, DHS organized a daily interagency intergovernmental affairs call to establish continual coordination between the different agencies involved in the response. These calls, now hosted by the White House, have expanded to include partners from the Departments of Interior, Commerce, Agriculture, Labor, and Health and Human Services, the Environmental Protection Agency, Small Business Administration, and other government agencies with existing resources and programs in place that can be used to assist the response in the Gulf region. Through this coordination, our office, working with the UAC, responds to questions and official requests from the governors, parish presidents, county executives, and mayors.

On April 26, I was forward deployed to the Unified Area Command in Robert, Louisiana at the direction of Secretary Napolitano and the recommendation of United States Coast Guard Commandant Admiral Thad Allen. Upon arriving in Louisiana, I immediately began to reach out to state and local officials and met with the governors of Louisiana, Mississippi, Alabama, and Florida. On April 27, I provided an in-person briefing to Louisiana Governor Bobby Jindal's staff and the Louisiana Homeland Security Advisor at the Unified Area Command Center. That same week, I joined Governor Jindal and Alabama Governor Bob Riley on flyovers of the affected area. Throughout these events, my staff and I have been in close contact with the governors and their staffs, communicating with them daily.

National Incident Command Structure

With the designation of this event as a Spill of National Significance (SONS) on April 29, and the designation of United States Coast Guard Commandant Admiral Thad Allen as the National Incident Commander (NIC) on May 1, the command structure was elevated to enhance operational and policy coordination across the federal government. One of Admiral Allen's first actions as the NIC was to establish the Interagency Solutions Group (IASG) under my

leadership. This working group is embedded in the National Incident Command at Coast Guard Headquarters and has representation from 17 agencies including: DHS, including Coast Guard, Federal Emergency Management Agency; Department of Health and Human Services, including the Food and Drug Administration; Department of Defense, including the U.S. Army Corps of Engineers; Department of Commerce, including the National Oceanic and Atmospheric Administration's National Marine Fisheries Service, National Ocean Service and Office of Oceanic and Atmospheric Research; Department of the Interior, including the Minerals Management Service (MMS), U.S. Fish & Wildlife Service and U.S. Geological Survey (USGS); EPA; U.S. Department of Agriculture, Department of Transportation's Maritime Administration; Department of Labor, including the Occupational Safety and Health Administration; Department of State; and Department of Energy. The IASG ensures interagency coordination on the key policy questions arising from the field. When state and local representatives have questions or concerns on issues that span across multiple agencies or departments, they are able to receive a clear, comprehensive, and timely response through the mechanism described in detail below. The IASG also serves as a conduit for communicating concerns through the ICS to senior officials throughout the administration.

Institutionalizing Communications

As the National Incident Command Structure, IASG, and Unified Command Posts were stood up, we sought a way to institutionalize our communications with our state and local partners. Initially this process was done on an as-needed basis with many of state and local briefings and meetings taking place throughout the week of April 26 and culminating in a meeting with Secretary Napolitano, Interior Secretary Ken Salazar, EPA Administrator Lisa Jackson, Assistant to the President Carol Browner, NOAA Administrator Dr. Jane Lubchenco,

and state and local officials in the Unified Area Command Center on April 30. To continue this dialogue between senior administration officials and state and local partners, on May 2 Secretary Napolitano and Secretary Salazar led a conference call with Gulf Coast governors and their staffs, and followed up with another conference call on May 4, which included NIC Admiral Thad Allen, White House Senior Advisor Valerie Jarrett and EPA Administrator Jackson.

Beginning May 5, we formalized these briefings with daily conference calls with the governors of the affected states in the morning and local officials in the afternoon. These calls offer an opportunity for the governors and local officials to obtain the most current information, engage in a dialogue with the senior administration officials who are overseeing the response, and have any concerns addressed. Through these daily conversations, we have sought to foster direct contact and access between state and local officials and experts in the federal agencies involved in the response. Our mission is to seek advice and ideas from state and local leaders and use it to help inform decision making at all levels.

In addition to our daily calls with state and local partners in the Gulf region, we wanted to be forward-leaning in providing the latest information to all potentially affected states. Thus, starting on May 6, we held a series of conference calls with Atlantic Coast governors to brief them on the latest oil trajectories and answer questions they had about regional impacts of the oil spill. We will continue to do this as new information relative to the Atlantic Coast arises and needs to be conveyed to state and local officials.

In addition to communicating via phone, we wanted to make sure there were personnel on the ground to help coordinate with our state and local partners. By May 5, intergovernmental affairs personnel were deployed to each of the command posts and the federal government had

deployed subject matter experts to each of the state emergency operations centers. To further amplify the coordinated response efforts, state governments in the affected areas sent top officials to the area command and incident command posts. This deployment has ensured seamless integration of federal, state, and local response efforts. We connected others virtually through a daily update of activities and oil trajectory projections sent out via email every evening. Seeking to create multiple channels of support at the most local levels, we established dedicated phone lines at each of the incident command posts, an effort that was announced by the President on the first local officials call. These communications outlets built upon the existing relationships between state and local officials and the field headquarters of the federal agencies in the area. The daily calls and dedicated phones lines have given officials at all levels of government a structured way to provide input and insight into the oil spill response.

Although these structures have proven useful in many ways, it soon became apparent that state and local officials required even closer coordination to handle urgent issues even more quickly than such a structured daily process could allow. As a result, DHS established a liaison program in which dedicated Coast Guard and BP personnel with decision-making authority have been assigned to parish presidents and governors specifically to handle emergent needs. The ultimate aim of this program is to move resources and solve problems in the most efficient and at the most localized level possible. To ensure the highest level of coordination, on May 27 Deputy NIC Admiral Peter Neffenger and I visited four parish presidents in Louisiana with their assigned liaison officer to discuss immediate and long-term needs. In addition, my office continues to communicate with all of the parish liaison officers daily to guarantee that the liaison officers are getting the resources necessary to carry out their missions. Since the program began, we are already seeing the results of more efficient and effective coordination to address any

issues immediately as they arise. For instance, one parish president recognized that boom was sitting on a dock waiting to be deployed. The parish president immediately called their respective Coast Guard liaison and the boom was deployed within the hour.

Our ongoing relationship with parish presidents and local officials is mutually beneficial – our local partners have helped the response effort by communicating to their residents and constituents the latest information on how to file claims for damages as a result of the BP Deepwater Horizon incident(s), and state and local officials have also informed our information-gathering and data modeling by sending us the latest information on oil and affected wildlife sightings. In turn, the parish presidents have relied on the Coast Guard and DHS officials to help expedite action on ideas to support the relief and containment efforts.

For example, on May 24, during a town hall meeting at Plaquemines Parish, a local participant suggested to BP that they use a specific skimmer used by the Dutch government in the response effort. After favorable review of demonstration videos and encouragement by the Coast Guard officials at the meeting, the suggestion was taken for action and BP was ordered to hire the skimmers. This state and local coordination and communication has proven to benefit the community and those responding to the oil spill(s) and we continue to identify new ways to improve our response and coordination.

Conclusion

We have worked hard to leverage the knowledge garnered and lessons learned from past Department response efforts in the region, as well as our long history of exercise responses. At the same time we have sought to institutionalize the involvement of state and local officials. Realizing the importance of the state and local role, my office, along with our interagency

partners, quickly developed several mechanisms to ensure state and local participation and feedback. We have done so while working with the responsible parties to ensure that information is being shared in a coordinated, effective manner. We have continued to improve and expand these mechanisms to ensure that our partners most affected by the oil spill have the information and access they need to respond to this and to address the concerns of their residents. Communication and coordination during an event like this is of prime importance, and I thank you for recognizing that by inviting me here to testify before you.

Chairman Pryor, Senator Ensign, and members of the Committee, thank you for the opportunity to address these important issues with you today. I look forward to answering your questions.

**United States Senate Committee on Homeland Security and
Governmental Affairs
Subcommittee on State, Local, and Private Sector Preparedness and
Integration
Ray Dempsey
Vice President, BP America
June 10, 2010¹**

Chairman Pryor, Ranking Member Ensign, members of the subcommittee, I am Ray Dempsey, Vice President for Strategy & Portfolio.

On May 6, 2010, I became a senior official in the St. Petersburg Unified Command, which has been directing spill response efforts for the west coast of Florida, and is working together with incident command centers throughout the Gulf region. As part of my responsibilities, I also oversee the St. Petersburg Joint Information Center, where BP works with the Coast Guard and along side other federal and state government representatives to share information on spill-related efforts. While I am directly responsible for supporting BP's response efforts in Florida, I also work closely with my colleagues across the Gulf region and have spent time along the Gulf Coast as we stand united in this unprecedented response.

There is an enormous team working on the response efforts, with over 24,000 personnel deployed throughout the Gulf region. In my role, I focus on addressing shoreline and economic consequences of this incident. I am here to share information with you about these activities.

I have worked for this company for twenty years. We are devastated by this horrendous accident. This incident has profoundly touched all of us, and we all want to do, and will do, the right thing for the people affected by this spill. Even as we absorb the human dimensions of this tragedy, we are committed to doing everything possible to minimize the environmental and economic impacts of the resulting oil spill on the Gulf Coast. I volunteered for my current assignment because I want to help the company respond to this spill and to address the needs of the people in the Gulf Coast region.

I would like to make one thing very clear, BP will not rest until the well is under control and we understand what happened and why, in order to ensure it never happens again. As a responsible party under the Oil Pollution Act, we will carry out our responsibilities to mitigate the environmental and economic impacts of this incident.

I would also like to underscore that the causes of the accident remain under investigation, both by the federal government and by BP. I am not involved in the

¹ The data described throughout this testimony is accurate to the best of my knowledge as of Tuesday, June 08, 2010, when this testimony was prepared. The information that we have continues to develop as our response to the incident continues.

investigation process and have no independent knowledge of it. I thus am not in a position to answer questions about the incident itself or the investigation.

I. Cooperation with Federal, State and Local Governments

I would like to reinforce what many of BP's senior leadership have already expressed. All of the resources of BP are behind this response effort. Nothing is being spared. Since the incident first occurred, we have been working collaboratively with, and often under the supervision of government entities – federal, state and local.

Overall region-wide spill response efforts are led by the Area Unified Command, which was in place even before the Transocean Deepwater Horizon sank on the morning of April 22, 2010. Admiral Thad Allen, the National Incident Commander, currently leads the Area Unified Command, which is comprised of personnel from BP and Transocean, the Coast Guard, and the Minerals Management Service. We also continue to work closely with the Departments of Interior, Homeland Security, Energy, and Defense, the National Oceanic and Atmospheric Administration (NOAA), US Fish & Wildlife Service (USFW), National Marine Fisheries Service (NMFS), EPA, OSHA, Gulf Coast state environmental and wildlife agencies, the Marine Spill Response Corporation (an oil spill response consortium), as well as numerous state, city, parish and county agencies. All subsea, surface, and onshore response efforts are coordinated through and must ultimately be approved by the Area Unified Command.

In addition to our collaboration with federal, state and local governments, we are also working alongside our industry colleagues, who have responded in full support. Among the resources that have been made available:

- Drilling and technical experts who are helping determine solutions to stopping the spill and mitigating its impact, including specialists in the areas of subsea wells, environmental science and emergency response;
- Technical advice on blowout preventers, dispersant application, well construction and containment options;
- Additional facilities to serve as staging areas for equipment and responders, more remotely operated vehicles (ROVs) for deep underwater work, barges, support vessels and additional aircraft, as well as training and working space for the Unified Command.

We are making every effort to keep the public and government officials informed of what is happening and are regularly briefing federal, state, and local officials. As the head of a Joint Information Center, a substantial part of my day is spent working with government officials at all levels to address concerns, discuss requests and recommendations, and to ultimately take the appropriate actions to meet our responsibilities in the Gulf region.

Soon after the incident, we began working with state and local governments to address their needs. For example, on May 5th we announced block grants of \$25 million each to the Gulf states of Louisiana, Mississippi, Alabama, and Florida to help address costs associated with this response. Following initial block grants of \$100m to Mississippi, Alabama, Louisiana and Florida, we have just announced a second round of \$25 million payments to Mississippi, Alabama and Florida, for a total of \$175 million in advance payments.

Additionally, after discussing concerns about tourism with state and local officials, BP made payments totaling \$70 million to Alabama, Florida, Louisiana and Mississippi to assist those states in promoting tourism.

On May 24, 2010, BP announced it would make available up to \$500 million to fund an open research program to study the impact of the Deepwater Horizon incident, and its associated response, on the marine and shoreline environment of the Gulf of Mexico.

II. Actions to Minimize the Environmental and Economic Impacts

At the direction of the Area Unified Command, we are taking actions across the Gulf Region to minimize and mitigate the environmental and economic impacts related to this spill.

In accordance with our pre-approved spill response plan, we are responding to the spill both on the open water and on the shoreline.

Actions on the open water:

On the open water, more than 3,500 response vessels are responding on site, including more than 125 skimmers, as well as storage barges, tugs, and other recovery vessels to assist in containment and cleanup efforts. In addition, dozens of aircraft, remotely operated vehicles and multiple offshore drilling units are engaged. The Hoss barge, the world's largest skimming vessel, has been onsite since April 25, 2010. In addition, there are multiple 210-foot Marine Spill Response Corporation Oil Spill Response Vessels, which each have the capacity to collect, separate, and store 4000 barrels of oil. To date, approximately 15,860,000 gallons of oil and water mix have been recovered and treated.

Actions to protect the shoreline:

Near the shoreline, we are implementing with great urgency oil spill response contingency plans to protect sensitive areas. According to the Coast Guard, the result is the most massive shoreline protection effort ever mounted.

To date, over 2.0 million feet of containment boom and 2.5 million feet of sorbent boom have been deployed in an effort to contain the spill and protect the coastal shoreline.

The Department of Defense is helping to airlift boom to wherever it is needed across the Gulf coast.

Highly mobile, shallow draft skimmers are also staged along the coast ready to attack the oil where it approaches the shoreline.

The Area Unified Command Center has been established in Robert, LA. Incident Command Posts have been established at Mobile, AL; Houma, LA, St. Petersburg, Florida, and a soon to be established Florida Peninsula Command Post in Miami.

Pre-impact baseline assessment and beach clean-up will be carried out where possible. Rapid response teams are ready to deploy to any affected areas to assess the type and quantity of oiling, so the most effective cleaning strategies can be applied. Contingency plans for waste management to prevent secondary contamination are also being implemented.

Wildlife clean-up stations are being mobilized working with Tri-State, a leader in wildlife rescue and rehabilitation. A toll-free number has been established to report oiled or injured wildlife, and the public is being urged not to attempt to help injured or oiled animals, but to report any sightings via the toll-free number.

Seventeen staging areas are also in place to help protect the shoreline. These staging areas provide a location for efficient storage and deployment of the equipment, materials, and personnel needed for this response:

- **Alabama:** Dauphin Island; Orange Beach; and Theodore;
- **Florida:** Panama City, Pensacola, Port St. Joe and St. Marks.
- **Louisiana:** Amelia; Cocodrie; Grand Isle/Port Fourchon; Shell Beach; Slidell; St. Mary; and Venice.
- **Mississippi:** Biloxi/Gulfport; Pascagoula; and Pass Christian.

Additional resources, both people and equipment, continue to arrive for staging throughout the Gulf states in preparation for deployment should they be needed.

Addressing the economic impacts of the spill:

We recognize that beyond the environmental impacts there are also economic impacts on many of the people who rely on the Gulf for their livelihood. As a responsible party under the Oil Pollution Act, BP will pay all necessary clean up costs and is committed to paying all legitimate claims for other loss and damages caused by the spill. We know that we will spend more than the \$75 million liability cap established by the Oil Pollution Act of 1990.

The claims process:

BP initiated the claims process on April 24 and had a toll-free call center in place on April 25. That call center is operating 24 hours a day, seven days a week. Potential claimants can call 1-800-440-0858 for instructions on documentation needed to support a claim and to receive an in-person appointment time at one of our claims office. BP has enlisted a company called ESIS to help administer claims. The company is well known as a leader in its field and is trained to respond quickly and professionally to significant events. We now have over 700 people assigned to handle claims, with over 500 experienced claims adjusters on the ground working in the impacted communities.

Thirty two walk-in claims offices are operating in Louisiana, Mississippi, Alabama and Florida. Spanish and Vietnamese translators are available in several offices, where needed. The claims offices are located in:

- **Alabama:** Bayou La Batre; Dauphin Island; Foley; Mobile; and Orange Beach.
- **Florida:** Apalachicola; Crawfordville; Fort Walton Beach; Gulf Breeze; Panama City Beach; Pensacola; Port St. Joe; Santa Rosa Beach; Key West; and Marathon
- **Louisiana:** Belle Chasse; Chauvin; Cut Off; Grand Isle; Hammond; Houma; Lafitte New Orleans East; Morgan City; New Iberia; New Orleans; Pointe-a-La-Hache; St. Bernard; Slidell; Venice;
- **Mississippi:** Bay St. Louis; Biloxi, Pascagoula.

We have also established an on-line claims filing system to further expand and expedite our capacity to respond to potential claimants. It is available at www.bp.com/claims.

We will continue adding people, offices and resources as required and are committing the full resources of BP to making this process work for the people of the Gulf Coast states.

We are providing expedited interim payments to those individuals and small businesses whose income has been interrupted. The interim payment is intended to replace roughly one month's lost income, based on the documentation provided by the claimant. The check for the advance payment will be available at the nearest BP Claims Center, the location of which will be communicated to the claimant. Alternative arrangements can be made if this method of check delivery is not feasible.

We have recently begun sending out second advance payments to individuals and businesses to compensate the loss of income. Claimants will continue receiving income

replacement for as long as they are unable to earn a living as a result of injury, destruction, or loss of real property, personal property, or natural resources caused by the spill.

Over 39,000 claims have been filed and approximately 19,000 have been paid, totaling over \$53 million.

We are committed to ensuring that our claims process is efficient and fair, and we look for guidance to the established laws, regulations and other information provided by the US Coast Guard, which has over 20 years of experience in handling and resolving these types of claims. It is not a perfect process but we are always looking to improve it.

III. Community Outreach & Engaging Volunteers

As part of our collaboration with state and local entities and residents, BP is supporting volunteer efforts in preparation for shoreline clean-up and is working closely with state and local entities on these efforts. We have partnered with existing volunteer organizations in each of the states to ensure efficient registration and deployment of volunteers to the areas where they can help most. Volunteers receive basic safety training to ensure that they can work safely in such areas as beach clean-up, shoreline monitoring, and wildlife monitoring.

Volunteers are not being used for any work involving contact or handling of oil, tarballs, or other hydrocarbon materials. This work is being carried out by trained personnel. In some cases, volunteers can become contract employees (Qualified Community Responders) and they receive more intensive training on the safe handling of hazardous materials and vessel operation for laying boom.

BP is operating twenty-five community-outreach centers across the Gulf Coast counties and parishes of Louisiana, Mississippi, Alabama and Florida in order to be accessible to members of the community.

In each state, a phone line has been established for potential volunteers to register their interest in assisting the response effort. We welcome input and assistance from others, and are doing everything in our power to put the processes in place to maximize the outpouring of help from the local Gulf communities.

Conclusion

BP is under no illusions about the seriousness of the situation we face. The world is watching us. President Obama and members of his Cabinet have visited the Gulf region and made clear their expectations of BP and our industry. So have governors, members of Congress, and the American people.

We intend to do everything within our power to bring this well under control, to mitigate the environmental impact of the spill and to address economic claims in a responsible manner.

We know that we will be judged by our response to this crisis. No resource available to this company will be spared. I can assure you that my colleagues in BP and I are fully committed to ensuring that we do the right thing, and working closely with federal, state and local governments is key to this. We and the entire industry will learn from this terrible event, and emerge from it stronger, smarter and safer.

ROBERT H. MAXWELL
MAYOR
KAY JOHNSON KELL
CITY MANAGER
EDDIE C. WILLIAMS
CITY ATTORNEY



CITY COUNCIL
ROBERT STALLWORTH, SR. Councilman, Ward 1
GEORGE WOLVERTON, SR. Councilman, Ward 2
JOE ABSTON Councilman, Ward 3
FRANK CORDER Councilman, Ward 4
JIM MILSTEAD Councilman, Ward 5
HAROLD TILLMAN, JR. Councilman at Large

Date: June 24, 2010

To: Ad Hoc Subcommittee on State,
Local, and Private Sector Preparedness
and Integration

From: Eddie C. Williams
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Re: "The BP Oil Spill: An Assessment
of the Preparedness Plans and the Effectiveness
of the Coordinated Federal, State, Local and
Private Sector Response", June 10, 2010

MEMORANDUM OF TESTIMONY

On May 14, 2010, the Mayor of the City of Pascagoula, Robert Maxwell, received an invitation from the Ad Hoc Subcommittee on State, Local and Private Sector Preparedness and Integration (Subcommittee) to a hearing that was to take place on May 25, 2010, at the Dirksen Senate Office Building. The hearing date was subsequently changed to June 10, 2010, and Mayor Maxwell was not able to attend. Consequently, he assigned to me the responsibility for representing the City before the Subcommittee and for preparing this memorandum of testimony to be offered to the Subcommittee. I was later advised that attendance at the Subcommittee hearings on June 10 would not be necessary and was requested to submit this memorandum in lieu of an appearance.

The City of Pascagoula is home to approximately 24,000 residents. It is located along the shores of the Mississippi Sound and is bounded on the west by the Pascagoula River and its estuarine area. This estuarine area is quite extensive and contains many miles of shoreline along marshes and inlets throughout the City limits. On its east side, the City is partially bounded by Bayou Cassotte, which opens to the Mississippi Sound and is the locus of a large industrial complex. In all, we have approximately 8.5 miles of shoreline along the Mississippi Sound with approximately 2.5 miles of sand beach.

The City of Pascagoula has a rich maritime heritage. The area was first settled by French explorers in the late 1700's and became noted for its fisheries and lumber industries. The City is now home to the largest employer in the State of Mississippi, Northrop Grumman Shipbuilding, and one of the largest oil refineries in the Western Hemisphere, Chevron USA. Although the commercial fishing industry is on the wane, there is still a significant amount of commercial fishing that takes place in the Mississippi Sound immediately south of the City limits. The City also has deepwater ports along the East Pascagoula River and the Bayou Cassotte Industrial Complex. The Port traffics in a variety of commodities including forest products and frozen foods. In years past, the Port also received and shipped many millions of tons of grain products from throughout the Mississippi Valley.

Although it cannot be described as a "tourist destination", our City ranks 149 among the top 200 US communities as a prime recreational location for water-related sports and activities. The ranking was reported in Outdoor Life Magazine in 2010. The City was significantly impacted by Hurricane Katrina in 2005 when 95% of the City was flooded by the storm surge. Pascagoula is still in the recovery phase from Hurricane Katrina and, in a somewhat ironic twist, our experience in dealing with that disaster, has equipped us

remarkably well for dealing with the present environmental disaster posed by the BP Deepwater Horizon Incident. The residents of this City take great pride in their “blue collar” heritage and in their willingness to meet adversity with fortitude and determination.

In response to the BP Deepwater Horizon Incident (“Incident”), the City has taken a number of measures to deal with the environmental impact. These include the following:

1. On April 30, 2010, at a special call meeting, the City Council voted unanimously to declare a State of Emergency. Pursuant to Mississippi Law, by declaring a State of Emergency, we are able to be more flexible in the procurement of equipment and materials that may be needed to protect our shoreline and to clean our marshes and beaches in the event that the oil spill impacts this area. Typically, this means that the State bid laws are relaxed to a certain degree during times of emergency and municipalities operating under a declaration of emergency may be eligible for State and Federal funds to assist in the response to a disaster.
2. Concomitant with the declaration of an emergency on April 30, the City Council voted unanimously to suspend enforcement of our zoning regulations in Industrial Zones (for the duration of the emergency) so as to facilitate the immediate location of staging areas for BP and for their sub-contractors. By so doing, the Council has waived the requirement for pre-filing intended uses with our Code Enforcement Department for clearance by the Planning Board. This is a process that would normally take several weeks if not longer to accomplish under ordinary circumstances. This suspension applies only to BP and its sub-contractors.
3. City staff has now prepared and submitted a grant request to the Department of Environmental Quality and Department of Marine Resources to pay for materials and equipment needed to combat the effects of the oil spill. These grants were made

possible by BP's contribution of \$25,000,000 to the State of Mississippi for such purposes. It is my understanding that an additional \$25,000,000 has now been made available by direct application to BP.

4. During the early days of the emergency, the City established a contact point for BP and its sub-contractors for the conduct of training classes for Hazmat and cleanup efforts. Our Human Resources Director has facilitated the use of a number of buildings in our City for these purposes and has coordinated with BP and its sub-contractors to make certain that these classes are made known to the public and are offered at times when people can be readily available.
5. The City has also assigned one of its veteran police officers to serve as a direct liaison with the BP Incident Command in Pascagoula. This officer has been working diligently 12 to 16 hours per day 7 days a week since early May and has served to facilitate better communication between the City and BP. Through his efforts and contacts, BP has now established an 80-acre staging area on Bayou Cassotte and its sub-contractors have likewise been assisted in locating staging areas throughout the City.
6. The City Manager has appointed the Fire Chief as our primary point of contact with State, County and Federal officials involved in the oil spill response. The Fire Chief attends daily conferences at the Emergency Operation Center here in Pascagoula and has attended numerous conferences and meetings along the Mississippi Gulf Coast since early May. He reports regularly to the City staff and has done an excellent job of maintaining lines of communication with the various agencies involved in the oil spill response.
7. The City Council recently passed a resolution authorizing our off-duty police officers to wear their uniforms and use their service weapons when serving as security

guards for BP and/or its sub-contractors. BP and its sub-contractors have hired in excess of 30 officers during their off-duty hours for the enforcement of security at the staging sites. This has proven critical to the City inasmuch as these off-duty officers are able to assist in the control of large numbers of workers hired by BP and its sub-contractors when they are moved from one staging area to the next. BP and its sub-contractors have now hired over 2,000 people in our area for various oil spill response duties. The logistics for moving these individuals to the various work sites have been somewhat daunting; however, through the efforts of the off-duty police personnel hired by BP and its sub-contractors, there have been a minimal number of incidents for which police intervention has been required.

8. City Staff, including the City Manager, Operations Manager, Program Manager, City Attorney, the Chief of Police, the Fire Chief and the Human Resources Director have all attended numerous conference calls and conferences to remain abreast of the oil spill response in our area so that City assets, if needed, can be made available as quickly as possible. Thus far, due to the vagaries of winds and tides, our immediate coastline has been spared from the impact of the Incident.
9. The City has now established a page on its official website and on our Facebook page, to update our citizens on oil spill response, location of the oil in the Mississippi Sound and appropriate warnings for beach-goers if the same become necessary.

I have now visited the primary staging area at Bayou Cassotte where BP has leased over 80 acres of land for the staging of its oil spill response assets. This is indeed an impressive site. BP has been feeding in excess of 1,200 people 3 meals a day at this site and has also provided "cool-down tents" and medical facilities for the on-site employees. Inasmuch as parking is limited at the staging area, the employees are bused to the location

from a parking lot owned by Northrop Grumman Shipbuilding and made available to BP by Northrop Grumman for that purpose. BP is presently in negotiation with Northrop Grumman for an additional staging area located on the East bank of the Pascagoula River and formerly occupied as a shipbuilding facility by Northrop Grumman. It is my understanding that that staging area, which has a deepwater access, will be used for docking "reclamation" barges.

I must admit that I have been impressed by the efficiency of the BP operation in our City. Although communication issues arose very early in the process, I feel that a good many of those communication problems have now been alleviated by the placement of our liaison at the BP headquarters and representation by our Fire Chief at the County and State levels. The BP Incident Commanders, Steve Richards and Mark Holdsworth, both take the approach that BP is a "guest" in our City and they have seen to it that their personnel act accordingly. Efforts have been made by both Incident Commanders to have their personnel purchase goods and materials from local vendors, patronize local restaurants, barber shops, beauty parlors and retail establishments and interface regularly with local citizens in an attempt to recruit as many area residents as possible for assistance in the oil spill response. For this, we are grateful.

While communication with BP has been excellent and has been facilitated by their local representative, Pat Pressley, the same cannot be said for communication with many of the sub-contractors. We have experienced difficulty with sub-contractors locating equipment and personnel in sensitive environmental areas without obtaining the necessary permits. Our City is particularly sensitive to the requirements of the National Flood Insurance Program and our need to abide by a rather rigid Flood Plain Ordinance that was approved by the Federal Emergency Management Agency. Consequently, we have had to insist that BP and its sub-contractors, in compliance with the Ordinance, provide us with

site plans showing the location of assets and an evacuation plan in the event that a hurricane should threaten our shores. Many of the assets are housed in conex boxes, trailers and tents, all of which tend to become highly mobile during a hurricane event. It is absolutely essential that BP and its sub-contractors have plans for the removal of the assets to safer areas should a storm come into the Gulf of Mexico. Our experience during Hurricane Katrina taught us that, despite their enormous weight, fully loaded tractor trailers and conex boxes were pushed far inland by the storm surge and did considerable damage to homes and businesses all along the Mississippi Gulf Coast.

In recent days, I have been in conference with BP officials and with some of their sub-contractors concerning these requirements. Now that the hurricane season is upon us, the City has had to take some rather stringent measures to enforce the Flood Plain Ordinance and to have these entities comply with the requirements of that Ordinance. Our Code Enforcement Department has advised me that many of the sub-contractors are now coming into that office to obtain permits and to receive instructions on how to prepare the hurricane evacuation plans. Hopefully, this situation will be fully ameliorated by the time the Subcommittee reviews this narrative.

The City has been asked to comment on the economic impact of the oil spill in our area. As I explained to Kelsey Stroud, and with no pun intended, the oil spill has been a moving target. To date, we have had no significant impact on our immediate shores. The barrier islands that lie south of Pascagoula, approximately 9 miles into the Mississippi Sound, have been impacted by tar balls and oil sheen. Our BP liaison, Sergeant Doug Adams, has advised me that the SCAT teams have cleaned the oil from Petit Bois Island and that they have responded to a number of tar ball sightings on Horn Island. These "barrier islands" as they are called, have, in the past, afforded our City much protection

from the ravages of the hurricanes that visit the Gulf of Mexico at this time of year. It is indeed unfortunate that these beautiful islands are now having to serve as protective barriers for the City during this Incident.

Since the oil has not directly impacted our shoreline, it is difficult, at this time, to provide the Subcommittee with an assessment of economic damages. The City has recently authorized retention of counsel to employ experts for the purpose of assessing long term economic impact. It is anticipated that the City will suffer revenue loss in the future by the depreciation in value of our shoreline real estate and anticipated loss of revenue from the many sports fishermen who visit this area year round to indulge their pursuits. I do not, at this time, have any "numbers" that I can present to the Subcommittee on this anticipated economic loss.

Conversely, and with some irony, the immediate impact of disasters in this area is an uptick of sales tax revenues. I am sure that will be the case in the months that follow as more sub-contractors locate here in response to the Incident. Since these people are being encouraged to buy their materials and supplies from local vendors, and to utilize the services of our restaurants, hotels, laundries and other facilities, I am certain that we will experience a short-term upsurge in sales tax revenues. Indeed, this has been our experience after just about every hurricane that has impacted the Coast during the past 40 years. Unfortunately, this boost in sales tax revenue will be relatively short-lived depending on the length of time that the contractors are in the area working in response to the Incident. It is difficult to say, at this time, the degree to which those sales tax revenues will decline once the response and cleanup efforts have diminished.

You have also requested that the City provide information concerning interactions that our community has had with Federal and State governments in response to the

Incident. With regard to interaction with Federal agencies, that has been limited primarily to the United States Coast Guard and their personnel. Since the effects of the spill have not been as dramatic in this area, contacts with the Coast Guard have been somewhat limited. Fire Chief O'Sullivan has, however, interfaced with Coast Guard personnel over the past several weeks and maintains open lines of communication with that agency in the event that their services might be needed.

With respect to State agencies, City personnel have been in contact on a relatively continuous basis with officials at the Mississippi Emergency Management Agency (MEMA). We have also received briefings from the Department of Environmental Quality and from the Department of Marine Resources. As noted previously, BP has given the State of Mississippi \$25,000,000 to be used by local agencies for the purchase of equipment and materials that might be needed in response to the Incident. These funds are being administered through our State Department of Environmental Quality and Department of Marine Resources. Our staff has been in relatively constant contact with those two agencies and the flow of information has not been interrupted.

The State of Mississippi has activated its response plan immediately through the Department of Environmental Quality and Department of Marine Resources. This plan was last updated in the late 1990's. The DEQ and DMR agencies have interfaced with BP and its sub-contractors to identify critical and sensitive areas that need an abundance of protection. These are primarily in the estuarine area on the west side of the City of Pascagoula where extensive booming has taken place. It is my understanding that BP is in the process of acquiring a different type of boom, which in reality, is more like a fence made of absorbent material, that is being deployed around the more sensitive areas in the estuary. The approach taken along open beaches, on the other hand, has been to boom only

in those areas where an inflow of oil might find its way into our storm water system while leaving the majority of the beach unprotected. This appears to be the practice all along the Mississippi Gulf Coast inasmuch as the beaches are considered much easier to clean than the estuarine areas. The County officials have been very diligent in advising BP and their sub-contractors of the location of sensitive wildlife habitat and the need for added protection in those areas. Overall, BP and its sub-contractors have been quite responsive to any requests made either by City, County, or State officials for placement of protective devices in these sensitive areas.

The City of Pascagoula has cooperated 100% with BP and its sub-contractors to do everything possible to protect our environment. As noted previously, BP has taken the position that they are a "guest" in our community and our relationship with their local Incident Command has been excellent. Although there have been some problems with the sub-contractors, I feel that these problems have largely been resolved and that everyone is "on the same page" for the time being. Our citizens realize that they are going to be inconvenienced for possibly many months by the activities of BP and its large number of sub-contractors. These inconveniences include such things as heavier traffic volume on some of our traditionally more quiet streets and avenues, a large influx of people to the area during the day for cleanup purposes (numbering in excess of 2,000 at this time) and loss of use of some of our public facilities, such as launch ramps, parking areas and beach front.

As I stated earlier in this narrative, Hurricane Katrina taught us quite a few lessons. Thus far, the inconvenience incurred by our citizens during the oil spill response, is literally nothing compared to the massive problems engendered by the Katrina disaster. Our citizens are resilient and determined. Reports I have received from BP officials and sub-contractors are to the effect that they have never seen such cooperation from so many

people at the County and City level and they have been pleasantly surprised at the lack of hostility that they expected, given the nature of the Incident and the reason for their presence in our community. While all of us are horrified at what has happened, we realize that BP and its sub-contractors are here to help rectify the problem to the best of their ability and our spirit has been and is going to continue to be one of cooperation and facilitation.

Many of our commercial fishermen are now employed in the Vessels of Opportunity Program. The program in this area is being managed by Parsons Engineering and has staged from the West end of the Pascagoula beach for the past several weeks. Parsons is in the process of moving to a new staging area to alleviate the impact on the West end of the beach where many of our residents launch their boats and fish. It is my understanding that presently, 160 boats are being deployed from that location on a daily basis. Overall, I have been told that the Vessels of Opportunity Program in this area has trained 1782 crews. Additionally, numerous out-of-work residents have been hired by BP and its sub-contractors and have been trained in the handling of hazardous materials for shoreline and estuarine cleanup efforts. This has also served to temporarily boost the economy in this area.

I am attaching herewith the most recent data furnished to me by BP concerning the deployment of booms, number of vessels that are engaged offshore in our immediate area, number of people employed and type and quantity of assets available for the oil spill response in the Pascagoula area. I am also attaching herewith a series of photographs depicting our City limits and the various staging areas within the City. Hopefully, these will give you a visual tour of our City and you can better appreciate our reliance on the marine environment that may be adversely impacted by this Incident.

I appreciate the opportunity to submit this testimony to the Subcommittee. As I explained to Ms. Stroud, the oil spill is a "moving target" with respect to our area. I anticipate that I will have to supplement this testimony at a later date and will be quite willing to do so. Thank you for interest and concern.

Respectfully submitted:

Eddie C. Williams
City Attorney

ECW:khs

**By the Numbers
In Pascagoula/Jackson County**

177,500 --- Number of feet of boom deployed across Jackson County's waterfront.

363,550 --- Number of feet of boom deployed in Mississippi

2,065 --- Workers are trained in Jackson County to deal with the cleanup both on the water and the surface.

1,183 --- Local hires (from Jackson County and Mississippi) involved in the cleanup

Jackson County (Pascagoula) Division Operations

Company	Total Workers	Local	Non-local	%
Clean Harbors	1071	557	514	52%
Miller EG	680	399	281	59%
USES	123	123	0	100%
ES&H	64	32	32	50%
MSRC	4	0	4	0%
Global Diving	49	49	0	100%
Alaska CS	2	2	0	100%
Environmental Rest.	13	13	0	100%
Patriot	2	2	0	100%
SCSS	6	6	0	100%
Misc.	51	0	51	0%
Total workers	2,065	1,183	882	57%

3,681 --- Number trained in Mississippi as part of the Vessels of Opportunity

1,782 --- Number trained in Jackson County as part of Vessels of Opportunity

432 --- Number trained in Jackson County for Module 2 Para-Professional Contractor

1,037 --- Number trained in Jackson County for Module 3S Shoreline Response Training

313 ---- Number trained in Jackson County for Module 3M Marine Response Training

22 --- Number of local police officers hired daily

70 --- Number of local police officers in rotational schedule

6,149 --- Number of claims filed in Mississippi

\$10.9 million --- Amount of claims paid out in Mississippi

801 --- Number of claims filed at Pascagoula claims office

\$1.7 million --- Amount of claims paid out in Jackson County

\$500 million --- Amount BP committed to an open research program studying the impact of the Deepwater Horizon incident, and its associated response, on the marine and shoreline environment of the Gulf of Mexico

\$70 million --- Amount BP awarded to the four impacted Gulf States to promote tourism. The state of Mississippi was awarded \$15 million. These funds are being administered through the governor's office as they see fit to promote tourism. This is part of BP's commitment to help mitigate the economic impact of the oil spill.

\$50 million --- Amount issued by BP to Mississippi and each of the three other impacted Gulf States to accelerate the implementation of Area Contingency Plan

