



January 29, 2013

Dear Stakeholders:

On behalf of the Gulf Coast Ecosystem Restoration Council (Council), I am pleased to present ***The Path Forward to Restoring the Gulf Coast: A Proposed Comprehensive Plan***. This document reflects the deliberations of the Council to date in developing a more detailed initial Comprehensive Plan. Our collective focus is on how to ensure the long-term health, prosperity, and resilience of the Gulf Coast. I'm confident that we can do this in a way that restores the environment, reinvigorates local economies, and creates jobs in Alabama, Florida, Louisiana, Mississippi, and Texas.

The Council recognizes this unique and unprecedented opportunity to implement a coordinated Gulf Coast region-wide restoration effort. We are committed to developing a plan in collaboration with the people who live and work in the Gulf Coast region. As we begin to develop a Comprehensive Plan, we will provide robust opportunities for public engagement so that we hear from people across the region. I hope that you will join us and offer your ideas, commitment, and passion to this important effort.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca M. Blank".

Rebecca M. Blank

Chair

Gulf Coast Ecosystem Restoration Council

THE PATH FORWARD TO RESTORING THE GULF COAST: A PROPOSED COMPREHENSIVE PLAN

The Gulf Coast region is vital to our Nation and our economy, providing valuable energy resources, abundant seafood, extraordinary beaches and recreational activities, and a rich cultural heritage. Its waters and coasts are home to one of the most diverse environments in the world – including over 15,000 species of sea life. Over twenty-two million Americans live in Gulf coastal counties – working in crucial U.S. industries like commercial seafood, shipping, tourism, and oil and gas production. The region also boasts ten of America’s fifteen largest ports allowing for nearly a trillion dollars in trade each year. Despite the tremendous importance of the Gulf Coast region, the ecological health of the region has been significantly impacted. The Gulf Coast States have experienced loss of critical wetland habitats, erosion of barrier islands, imperiled fisheries, water quality degradation, and significant coastal land loss due to the alteration of hydrology and other human activities. Amplifying these issues, the Gulf Coast region has endured significant natural and man-made catastrophes in the last decade, including major hurricanes such as Katrina, Rita, Gustav, and Ike, and the *Deepwater Horizon* oil spill.

Building on prior efforts to help ensure the long-term restoration and recovery of the Gulf Coast region, the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012, or the RESTORE Act, was passed by Congress on June 29, 2012, and signed into law by President Obama on July 6, 2012. The RESTORE Act provides for planning and resources for a regional approach to the long-term health of the valuable natural ecosystems and economy of the Gulf Coast region. The RESTORE Act dedicates 80 percent of any civil and administrative penalties paid under the Clean Water Act, after the date of enactment, by responsible parties in connection with the *Deepwater Horizon* oil spill to the Gulf Coast Restoration Trust Fund (the Trust Fund) for ecosystem restoration, economic recovery, and tourism promotion in the Gulf Coast region (see Figure 1). Due to uncertainty around a variety of factors associated with ongoing litigation, the ultimate amount of administrative and civil

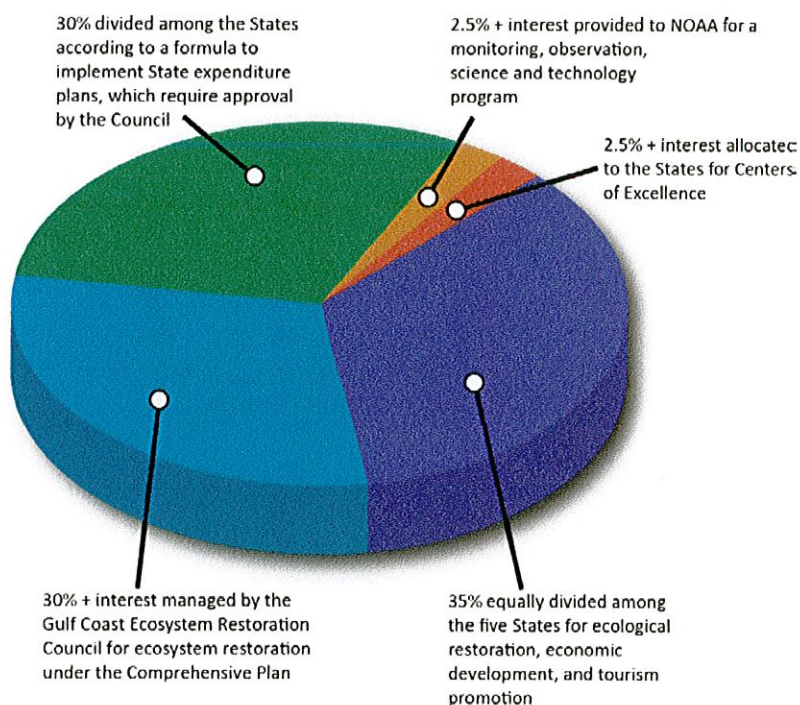


Figure 1: Allocation of RESTORE Act Funds.

penalties that may be available to the Trust Fund and the timing of their availability are currently unknown. However, on January 3, 2013, the United States announced that Transocean Deepwater Inc. and related entities have agreed to pay \$1 billion in civil penalties for violating the Clean Water Act in relation to their conduct in the *Deepwater Horizon* oil spill. If that settlement is approved by the court, 80 percent of the civil penalty payments will be directed to the Trust Fund. In addition, the United States continues to seek additional civil penalties from BP Exploration and Production Inc. and Anadarko Petroleum Corporation, which may also provide funds for the Trust Fund.

In addition to establishing the Trust Fund, the RESTORE Act establishes the Gulf Coast Ecosystem Restoration Council (the Council) to help restore the ecosystem and economy of the Gulf Coast region by developing and overseeing implementation of a Comprehensive Plan and carrying out other responsibilities. The Council is chaired by the Secretary of Commerce and includes the Governors of the States of Alabama, Florida, Louisiana, Mississippi and Texas and the Secretaries of the U.S. Departments of Agriculture, Army, Homeland Security and the Interior, and the Administrator of the U.S. Environmental Protection Agency. The Council has oversight over the expenditure of sixty percent of the funds made available from the Trust Fund. Thirty percent will be administered for restoration and protection according to the Comprehensive Plan developed by the Council. The other thirty percent will be allocated to the States according to a formula set forth in the RESTORE Act and spent according to individual State expenditure plans to contribute the overall economic and ecological recovery of the Gulf. These State expenditure plans will be consistent with the goals and objectives of the Comprehensive Plan and are subject to the Council's approval. The Council will oversee and implement this funding with the goal of a coordinated Federal, State, and local long-term recovery approach.

The Council recognizes this unique and unprecedented opportunity to implement a coordinated Gulf region-wide restoration effort in a way that restores and protects the Gulf Coast environment, reinvigorates local economies, and creates jobs in the Gulf Coast region. Ultimately, the Council aims to ensure the long-term environmental health and economic prosperity of the Gulf Coast region.

This document, *The Path Forward to Restoring the Gulf Coast (Path Forward)* reflects the deliberations of the Council to date in developing a more detailed initial Comprehensive Plan by July 2013. It fulfills the requirement of the RESTORE Act to publish a "Proposed Comprehensive Plan" no later than 180 days after the date of its enactment. The Council is in an early stage of plan development and intends to release a draft plan for public comment in Spring 2013, as discussed in more detail below. Although this *Path Forward* does not identify specific projects and programs that potentially will be included in the initial Comprehensive Plan, it incorporates the findings and recommendations of the Gulf Coast Ecosystem Restoration Task Force (the Task Force), describes how the Council will build on this work, and articulates the Council's path to collaboratively develop an initial Comprehensive Plan – a path that includes opportunities for the public to inform the Council's decision-making.

Building a Foundation for Gulf Regional Restoration

In the weeks after the *Deepwater Horizon* oil spill, President Obama appointed Secretary of the Navy Ray Mabus to develop a recovery plan that focused on the economy, the environment, and the health of the people of the Gulf Coast region. Secretary Mabus spent countless hours with local residents, businesses, and elected officials to develop a framework for long-term recovery. A key recommendation of Secretary Mabus was the establishment of a Congressionally-mandated inter-jurisdictional governance structure to oversee and implement restoration in the Gulf Coast region.

In October 2010, recognizing the persistent and significant ecological decline in the Gulf Coast region and responding to Secretary Mabus's recommendation, President Obama established the Task Force to identify the immediate needs of the Gulf while Congress could consider creating a more permanent Council. The Task Force was responsible for developing a strategy to address damage caused by the *Deepwater Horizon* oil spill and longstanding ecological challenges facing the Gulf Coast region. Led by EPA Administrator Lisa Jackson, the Task Force reviewed existing Federal and State efforts and produced a strategy based upon the ongoing work and priorities of each of the Gulf Coast States, relevant Federal agencies, local communities, Tribes, academics, nongovernmental organizations, businesses, and other Gulf residents. In December 2011, the Task Force released *the Gulf of Mexico Regional Ecosystem Restoration Strategy* (the Task Force Strategy), which identified four overarching goals to guide the collective actions at the local, State, and Federal levels to address the ongoing decline and restore the Gulf Coast's ecosystems.

The Initial Comprehensive Plan: Developing an Integrated Approach to Gulf Restoration

Building on the strong foundation established by the Task Force and other local, regional, State, and Federal plans, the Council intends to provide an integrated approach to Gulf restoration, recognizing that ecosystem restoration is inextricably linked to economic growth and development. To help accomplish this broad vision, the Council will develop an initial Comprehensive Plan and approve State expenditure plans to restore and protect the natural resources, ecosystems, fisheries, marine and wildlife habitats, beaches, barrier islands, dunes, coastal wetlands, and economy of the Gulf Coast.

Consistent with the RESTORE Act, the initial Comprehensive Plan will include: (1) provisions necessary to incorporate the strategy, projects, and programs recommended by the Task Force; (2) a list of any project or program authorized prior to enactment of the RESTORE Act, but not yet begun, the completion of which would further the purposes and goals of the Comprehensive Plan and the RESTORE Act; (3) a description of the manner in which amounts from the Trust Fund projected to be made available to the Council for the next ten years will be allocated; and (4) subject to available funding, a three-year project and program priority list. The three-year list will be based on criteria included in the RESTORE Act – projects and programs providing the greatest contribution to restoring and protecting natural resources of the Gulf Coast region, large-scale projects and programs that will contribute to restoring and protecting natural resources of the Gulf Coast region, projects contained in existing Gulf Coast State

comprehensive plans, and projects that restore long-term resiliency of the natural resources impacted by the *Deepwater Horizon* oil spill.

The initial Comprehensive Plan aims to provide an integrated approach to Gulf restoration by setting out high-level guidance focused on restoration of natural resources and the jobs, communities, and economies those resources support. To provide this guidance, the initial Comprehensive Plan will adopt and expand on the four overarching Task Force Strategy goals: (1) *Restore and Conserve Habitat*; (2) *Restore Water Quality*; (3) *Replenish and Protect Living Coastal and Marine Resources*; and (4) *Enhance Community Resilience*. In addition to these four goals, the initial Comprehensive Plan will include a fifth goal, *Restore and Revitalize the Gulf Economy*. This fifth goal will focus on reviving and supporting a sustainable Gulf economy to ensure that those expenditures by the States authorized in the Act under the State allocation and the oil spill restoration impact allocation can be considered in the context of comprehensive restoration. Together, these five goals provide the overarching framework for an integrated approach for Gulf region-wide restoration.

While focused on the long-term recovery of the Gulf, the initial Comprehensive Plan will invest in specific actions, projects, and programs that can be carried out in the near-term to help ensure on-the-ground results to restore the overall health of the ecosystem. The Council will ensure that the initial Comprehensive Plan is based on the best available science and can be adapted over time to incorporate new science, information, and changing conditions. In accordance with the timeline below (*see* Figure 2), the Council intends to develop this initial Comprehensive Plan by July 6, 2013 after notice and an opportunity for public comment.

The Council will develop the initial Comprehensive Plan in collaboration with the people who live and work in the Gulf Coast region. The Council supports robust opportunities for public engagement to hear from individuals across the Gulf Coast region. The Council will post specific meeting times and locations for public engagement on its website: www.restorethegulf.gov, where the public can also submit comments.

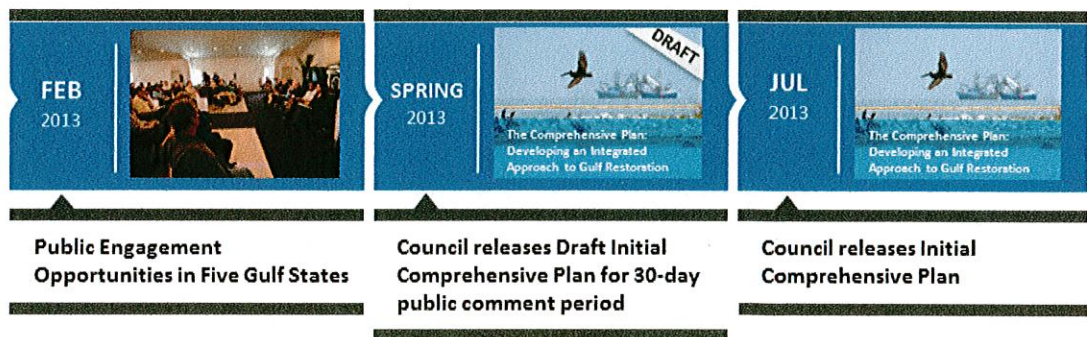




















Figure 2: Initial Comprehensive Plan Development Timeline.

Coordination with Related Efforts

The Council recognizes that there are other partners critical to restoring and sustaining the health of the Gulf Coast region. The Council will closely coordinate its efforts, as appropriate, with States, Federal agencies and other organizations working in the Gulf Coast region, including with any new projects and programs funded under other sections of the RESTORE Act. Additionally, as appropriate, the Council will coordinate with other intergovernmental bodies and large-scale Gulf restoration initiatives to ensure that efforts are complementary and mutually beneficial. Two significant processes include the *Deepwater Horizon* Natural Resource Damage Assessment, and upon judicial review and approval, the implementation of criminal settlement funds for ecosystem restoration by the National Fish and Wildlife Foundation. While each process is subject to different requirements for investing resources, funding from each of these efforts will be directed to restoration in the Gulf Coast region. The Council will work closely with its partners to advance common goals, reduce duplication, and maximize the benefits to the Gulf Coast region.

Overall, the goal of the Council is simple: to use the funds available to foster a stronger, healthier, and more resilient Gulf Coast region. The Council will build on the Task Force Strategy; coordinate with other significant Gulf restoration efforts; strive to make policy and regulatory processes associated with restoration projects more efficient; and leverage the best ideas from the Gulf communities to develop, and, once funding becomes available, implement an initial Comprehensive Plan. The Council looks forward to working with the citizens of the Gulf Coast on the challenging and important tasks ahead.

TIMELINE OF KEY DEEPWATER HORIZON OIL SPILL AND SUBSEQUENT GULF RESTORATION MILESTONES

 <p>20 APR 2010</p>	<p>The Deepwater Horizon oil rig explodes, killing 11 people, and begins spilling oil into the Gulf of Mexico</p>	 <p>MAY 2010</p>	<p>Natural Resource Damage Pre-Assessment begins. Technical working groups are deployed to establish baselines and begin to examine areas of potential impact.</p>	 <p>SUMMER 2010</p>	<p>Deepwater Horizon Natural Resource Damages Trustees convene.</p>	 <p>15 JUL 2010</p>	<p>BP implements the first successful stanch of the leaking well.</p>	 <p>28 SEPT 2010</p>	<p>The Obama Administration, led by Secretary of the Navy Ray Mabus, releases a long-term Gulf recovery plan, including a recommendation to dedicate a significant portion of Clean Water Act penalties to restoration and recovery in the Gulf region and establish a legislatively-authorized Council to administer the funds.</p>	 <p>5 OCT 2010</p>	<p>President Obama signs Executive Order establishing the Gulf Coast Ecosystem Restoration Task Force, appointing Lisa Jackson as chair. The Task Force is charged with developing a Gulf of Mexico Regional Ecosystem Restoration Strategy in one year.</p>
 <p>15 DEC 2010</p>	<p>Attorney General Holder announces that DOJ filed a civil lawsuit against nine defendants for the Deepwater Horizon oil spill. This lawsuit asks for civil penalties under the Clean Water Act and natural resource damages under the Oil Pollution Act.</p>	 <p>11 JAN 2011</p>	<p>The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling releases its final report, including a recommendation to dedicate 80 percent of the Clean Water Act penalties to restore the Gulf Coast.</p>	 <p>21 APR 2011</p>	<p>Deepwater Horizon Natural Resource Damages Trustees announces \$1 billion to fund early restoration projects, which serves as a down payment on BP's total liability.</p>	 <p>5 DEC 2011</p>	<p>The Gulf Coast Ecosystem Restoration Task Force releases its final Gulf of Mexico Regional Ecosystem Restoration Strategy, echoing prior Administration recommendations to dedicate a significant portion of the Clean Water Act penalties to restore the Gulf Coast.</p>	 <p>18 APR 2012</p>	<p>Deepwater Horizon Natural Resource Damages Trustees announces 8 early restoration projects ready for implementation.</p>	 <p>18 APR 2012</p>	<p>United States announces \$7.8 billion settlement with individual and business plaintiffs to resolve economic loss and medical claims from the Deepwater Horizon oil spill.</p>
 <p>29 JUN 2012</p>	<p>RESTORE Act passes Congress as part of the Surface Transportation Bill.</p>	 <p>6 JUL 2012</p>	<p>President signs RESTORE Act into law establishing the Gulf Coast Restoration Trust Fund and the Gulf Coast Ecosystem Restoration Council.</p>	 <p>10 SEPT 2012</p>	<p>President Obama signs an Executive Order dissolving the Gulf Coast Ecosystem Restoration Task Force and transferring some of its functions to the new Gulf Coast Ecosystem Restoration Council; naming USDA and EPA as Deepwater Horizon Natural Resource Damages Trustees, and calling for coordination among these two Councils to advance common goals, reduce duplication, and maximize consistency among their efforts.</p>	 <p>15 NOV 2012</p>	<p>United States announces \$4.5 billion criminal settlement with BP that includes \$2.4 billion dedicated to the Gulf of Mexico and the bordering states; harmed by the oil spill.</p>	 <p>11 DEC 2012</p>	<p>First Meeting of the Gulf Coast Ecosystem Restoration Council in Mobile, AL</p>	 <p>3 JAN 2013</p>	<p>The United States announces settlement with Transocean Deepwater Inc. and related entities for \$1 billion in civil penalties under the Clean Water Act in relation to their conduct in the Deepwater Horizon oil spill.</p>