

**Testimony of
Hon. Garret Graves
Chairman, Louisiana Coastal Protection and Restoration Authority
Before the
House Committee on Natural Resources
Houma, LA Field Hearing: *"Gulf of Mexico: A Focus on Community
Recovery and New Response Technology"*
April 18, 2011**

Chairman Hastings and members of the Committee, thank you for the opportunity to provide testimony to you this morning. We appreciate your Committee's attention to the critical natural resource challenges currently facing our state and nation.

Mr. Chairman, my testimony will cover three important topics today. These include, the co-existence of offshore energy production with ecosystem productivity, the Deepwater Horizon disaster and, finally, issues related to the current and future production of offshore energy in the Gulf of Mexico.

For decades, coastal Louisiana has provided more offshore energy than any other state while also serving as the top producer of shrimp, oysters, blue crab and crawfish. These two activities have co-existed with little conflict. In fact, U.S. Fish and Wildlife Service referenced coastal Louisiana as one of the most productive estuaries on the continent. This same Gulf of Mexico ecosystem is the source of billions of barrels of oil and trillions of cubic feet of natural gas that have been safely produced.

On April 20, 2010, the Deepwater Horizon platform exploded killing 11 workers and causing the release of hundreds of millions of gallons of oil into our Gulf. We recognize and support any efforts to fully investigate cause of the Deepwater Horizon deaths and disaster. The responsible parties should be held fully accountable for their actions and efforts should be made to assist the families of the 11 victims. In addition, any applicable lessons learned from the Deepwater Horizon errors should be incorporated into current and future offshore energy operations. However, just as we do not take drivers off the road every time there is a car accident or stop all airplanes from flying following a crash, shutting down offshore energy production penalizes all for the negligence of one facility.

Further, the decision to stop deepwater production and install obstacles to shallow water extraction under the auspices of environmental protection fails the reality test. Mr. Chairman, the moratorium did not cause a corresponding reduction in energy demand. America continues to consume a relatively stable level of energy. The void created by decreased domestic energy production resulting from the moratorium is being met with imports from many nations. The top five exporters of energy to the United States includes Nigeria -- with much lower environmental standards than those of the United States. Venezuela is also a top provider of energy to the United States. Venezuela's leader, Hugo Chavez, is the antithesis of America's values yet we provide billions of dollars to that country's economy while eliminating employment opportunities here at home.

There is something wrong with an oil supertanker sailing half way around the world emitting greenhouse gases and risking a spill only to pass idle offshore energy production facilities in the Gulf of Mexico.

Another example of the adverse environmental impact of the moratorium is that offshore energy revenues provided to the state under the Gulf of Mexico Energy Security Act are dedicated to

environmental restoration and coastal resiliency efforts under Louisiana's constitution. Preventing new offshore energy production actually prevents the state from investing in wetlands restoration -- again, resulting in a net loss to our environment. The moratorium prevents the restoration of Louisiana's coastal wetlands.

This policy installed under the auspices of environmental protection actually results in increased environmental impacts, the loss of American jobs and a large trade deficit.

Last, the moratorium will result in billions of dollars in decreased revenues to the federal government from offshore energy production thereby increasing the federal deficit. This is the last thing our nation needs in these challenging economic times.