

**Bureau of Safety and Environmental Enforcement (BSEE)**

**Workshop Part 2 on “Rigs-to-Reefs” program**

**Moderator:  
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MR. SMITH: (In progress) – want to say and then talk to you about this afternoon definitely, but I want to go ahead and shift gears a little bit. We talked about the permitting process. You’ve heard us talk a lot about regs and statutes and things like that that we have to abide by.

One of the things, though, that we’ve had in place is an addendum to a policy that went out in 2009 that set a lot of requirements for rigs to reefs, and as T.J. (ph) had alluded to earlier, was to try to slow down actually the process a little bit in a smart way such that the gulf would not become a sort of a dumping ground.

And since that time, we’ve heard a lot of feedback. And, you know, even in our Houston meeting back in November, we talked a little bit about some of the impacts of that addendum. And a couple of the big issues that came out of that discussion were concerns related to this five-mile separation rule between reefing areas. And we were hearing that that was limiting companies’ or operators’ abilities to be able to move the platforms or making it more expensive and therefore not as advantageous to do that. We also heard a lot of concerns about some the reefing in place outside of the reefing areas known as the SARS program.

So we’re actually in the process of revising that policy because we do have the ability to change things within our authorities, and these types of meeting help us to do that. So at the risk of BSEE dominating this whole meeting, T.J. is going to once again talk about the provisions that our bureau is putting in place in the 2009 addendum and – (inaudible) – might go out and get some of your comments and feedback on that as well. So, T.J., back to you.

T.J. BROUSSARD: We don’t have a slide for this. If we can we just kind of maybe briefly discuss what Dave hasn’t already mentioned in a few minutes.

The 2009 addendum came on the heels of, of course, the 2005 and 2008 hurricane season, where the rigs-to-reef program and – Doug could speak more to it because it’s probably more related to the Louisiana artificial reef program – was kind of inundated by quite of few toppled and destroyed facilities, which we as a regulator went through some hurdles trying to see if we can allow a waiver, which is basically how we allow rigs to reef or a platform jacket to be put into a reef program. We provided a waiver from our regulatory requirement. We grant a departure basically, because the state becomes the liable party for it.

What we’re finding is that, then again, the state agency – and the states can speak for this – don’t have the staff that we have that the Mineral Management Service at the time. They don’t conduct – they didn’t conduct as – I guess an enhanced environmental review on these types of facilities. So what we were hearing from both the press, from some in the legislative branch was that why are we having so many of these facilities put into the program – could be problematic. The environmental NGOs were being concerned about it as well.

So what we did with the 2009 addendum was first to have the series of meetings we held in the 2008 workshop, which we invited the public to. We talked over some of the concerns and

considerations we were making. Then we went on this – the road show I mentioned to you guys. We met with the states from Texas, all the way to Florida, talked about ways to enhance the program. We went with each of the Corps of Engineer offices because we also understand why – (inaudible) – Alabama and some of – I guess – (inaudible) – Texas does Liberty ships. There's other (than ?) platform jackets going on out there in the reefing program. And we were trying to be also a part of that program because it affects our infrastructure and our verification work.

So we sat down – we tried to put into writing how we were reviewing a permit application submitted where you propose rigs to reef. And we wanted to encapsulate what our engineering standards were when we looked at it, the structural civil engineers in our Office of Structural and Technical Support, what were some of our environmental concerns with the reviewing standards, when we looked at – you know, a lot of the material on the seabed was not made to be on the seabed, tanks, containers, vessels, anything – (inaudible) – scale, more.

Again, our rigs-to-reef program, as we talked about earlier and the Louisiana program especially, MMS at the time was a major I guess leader in the process or Villere Reggio, (inaudible) – some of our previous employees worked hand in hand with Rick Caspersac (ph), who was Doug's predecessor, trying to establish rigs to reef and with the mindset that it was jackets what we were looking for because those were meant to be in the water and they make incredible structures.

When the move was going kind of more inclusive of – (inaudible) – we decided to write up what our 2009 reviewing process was and then we put it in another section called the approval guidelines, which, again, was the joint decision between the regional office, and our headquarters, and – (inaudible) – interior at that time for what type of – what type of structures would we be approving or how could we do approvals that would tap the breaks, as I mentioned before.

Things have changed, and we've seen a lot of material come off the gulf. We've had, thankfully, not the major storm seasons since 2008 that have caused the 166-plus structures to go off to the seabed. And we also kind of made this effort in the 2009 addendum, there's discussion in there about enhancing public involvement, which is what we're doing now. We went to Louisiana. We went to Texas. Of course, Louisiana had a fairly decent – (background noise). I didn't do that. (Laughter.) We – they had a very open process, I believe, with the SARS program, special artificial reef sites. They were working on I think improvements and enhancements to it at the time. The state of Texas didn't quite have an open and public process that involved all users of the OCS.

So what we did in that document was kind of say, we're going to hit the brakes until we can meet, discuss and move forward as a total – (inaudible) – group, not just as industry or just as the federal agency.

Sadly, in 2010, you all know Macondo happened, and we had to kind of move our focus towards working with our director at the time in an agency reorganization, which resulted in two of us being able to sit on here now. And when that process was over with, it's heading at this time. We were really going back in to revise that 2009 addendum. That addendum really isn't

anything but an internal type of document telling you what the mindset of the agency was at that time.

What we are moving towards now is an interim policy document, an IPD. These things are on our website. It explains our rationale. It talks to, it gives responsible parties within both BOEM and BSEE and our coordination work. That document's in draft state now. It's actually with folks up in Herndon (ph) and main interior.

And we've made several changes to it, which I think to be very quickly stated, one of which was the minimum distance between the established sites. That was something we had – and I guess I can talk about Texas since they're not here, but we had Texas at one point having I believe a two – Doug can correct me – a two- or three-mile minimum distance that they looked at because, again, you don't want one reef site to be robbing the fish from the other. And, as Dr. Galloway (sp) said, we don't know all the science behind the establishment of these artificial reef areas as well: Are they production or are they just gathering?

So we were following what we had felt was the state of Texas and some discussion with them that we were looking five miles, because we also had some situations where several reef sites were being placed within the same permit area, the same block. We couldn't get pipelines. If there was ever any offshore infrastructure issues, we couldn't get pipeline back to shore to transport the hydrocarbons. We had certain areas where if all of the reef sites were permitted and these individual sites, it would make it hard for future oil and gas operators to be able to get and directionally drill in certain areas.

So that got put into our policy document, that addendum and – is now out. That is one of the things based on the discussions we had in Houston, some of the discussion we've had with the states, with Dale, with Doug, the industry groups. That is where we feel we could make that decision on a case-by-case basis with the state. We'll let the state make and drive the argument. We'll coordinate with them so that they can understand too that we have infrastructure issues and we feel by just removing the entire minimum guidelines from the addendum and then not being in the interim policy document, it kind of puts the burden back on the operator, on the state agency and on us to make sure that it's an effective and essential reef – (inaudible). So that's one of the changes you will see.

The second change of course is the reef approval guidelines. We've again placed those in there in order to try to encourage this type of collective discussion. And we feel that that a lot has happened. The state of Texas has put a lot of work and a lot of effort into establishing the reef sites, opening up their process to where all users of the OCS can be involved in the decision making. And the state of Louisiana has, I believe, an improved process even for their special artificial reef site program. I'm not sure if it's in place or will be put in place. There was discussion of a panel. I'll let Doug discuss that if he wishes to.

But we feel that we're at the point where we have moved so far that we are going to take the entire reef approval guidelines out of the addendum. So there won't be any approval guidelines. If you work with the state and then we're running with a special artificial reef site proposal, we will work with the state on it. There is no more – there will be no more once this

document goes through the routing and the reviewing. That is one other components that – (inaudible).

That also affects the state of Texas. We do feel the state of Texas has opened up and has a much better public process to involve all users. We're going to try to finalize some of that discussion with Texas before we move too much further. But those components are going to be removed from the IPD as well. The IPD will, again, in draft stage, will probably take a couple of weeks to get finished.

As Director Watson mentioned, I believe in Houston, that if an operator has a proposal right now and would like to propose to Doug a special artificial reef site, if Texas wants to do it, go ahead and get into the plan, get it into the process, and we'll start looking at it. Again, we want to make sure that we're not holding up anything. And, as was mentioned earlier, we will work with the operator, even if they're on a terminated lease, to give them more time to get the reef permit approved.

I think that's pretty much it. A few other odds and ends in the addendum you won't probably see there, a couple of clarifications we will be making. But that's the interim policy document as it will probably be – (inaudible).

MS. : OK. That was shorter than I anticipated. That's OK.

MR. BROUSSARD: I've got some stories – (off mic.).

MS. : No. That's all right. We want to make sure we have public input.

Are there any questions of clarity? Yes. The gentleman in the pink tie.

Q: Good morning. My name is – (off mic). A few of us are scheduled to be in Tampa next week in – for essentially an ad hoc advisory group – (off mic). Thank you – (off mic). A few of us are scheduled to be in Tampa next week – (off mic). And so I came mostly to listen just to get a good sense of – (off mic) – driven off of mostly the interior and the operator perspective.

Obviously, there's a couple of different statutes and there's – (off mic) – processes. And I think that's going to be a challenge. I would be interested really in your views on – (off mic) – one, the extent to which you engaged with the council on – (off mic) – support for that as we're looking towards a – (off mic) – policy, because, obviously – (off mic).

The second topic I'd be interested in, if you have thoughts to share, is this whole issue of environmental assessment – (inaudible). And yet it's hard for me to imagine the agencies making – (off mic) – decision, which has been strapping those kinds of questions. And so I fully anticipate in – (inaudible) – process somebody will look at it and say, you know, I don't really think that these are major federal actions one by one. An aggregate – we need a full-blown EIS. And if that's the circumstance – (inaudible) – required – (inaudible) – a bit concerned about this process being extended even further than I might be thinking – (off mic.).

MR. BROUSSARD: Thank you. Actually, at the committee, you will also have – (inaudible) – one of the best; he’s a marine biologist. He’s on the committee, (I believe ?). And Dr. Keller (sp) is also going to be there on the meeting.

So, again, we participate in these discussions. We have an active coordination with the National Marine Fishery Service – (inaudible) – would like to speak to that, but we’re in the loop with them per se because, again, the establishment of EFH, the oversight of the fisheries, is managed by our partner, and we want to make sure that we’re in open to communication with those guys.

The second question was more of an EFH issue or a NIMA (ph) issue. Again, we have looked at the decommissioned facilities. We address it under an EIS with our – basically our program document. There’s multiple levels of – (inaudible) – we’re going at that’s – (inaudible).

So we have a major EIS that’s prepared on a five-year program. In the five-year program, there’s the decommissioning of gulf facilities. We then have a second EIS prepared in the basin – so the central western basin has a – (inaudible) – EIS, which addresses the removal of the facilities with the cumulative impacts, accidental and routine events. We have a specific one for the eastern Gulf of Mexico, where there’s very little infrastructure there now anyway.

And then, again, we work programmatically as much as possible so that we don’t have repeating, basically regurgitation of same documentation, the same set of studies, and the same set of conclusions so that we do fulfill the compliance requirements of – (inaudible) – with the site specific environmental assessment, while all the time, again, incorporating in any new items that have come in since the last multi-sale, since the last more GIS documents. And that’s why we coordinate with. Ari’s (sp) group, who manages our subject matter experts on the BOEM side.

MS. : And at that point, that’s when we do – you know, we’re actively looking at the research and everything out there to be sure we have the most up-to-date information, and our group, if we do see something that would significantly change the decision, then we would contact the NIMA group and things would be done.

MR. : Yeah. Just to touch on that meeting next week, so will we have our Habitat Office from the Fishery Service there participating in that, giving a number of presentations and providing input that the council or the participants may need.

You know, ultimately, the determination of whether structures qualify as it should be designated as EFH is up to the council so that the council essentially makes the recommendations and the NIMs (ph) implements those recommendations. But, you know, what the council is going to have to ultimately determine is, do these artificial structures, and, in the future, other things, if there are wind farms, et cetera, out there, qualify under the definition that’s currently in the BOEM. So I look forward to see the result of next week’s discussions.

MS. : We’ve one other question here.

Q: I guess my clarification question – clarification –

MS. : Yes. Yes.

Q: Am I understanding right, T.J, that we're going to – you guys are going to put the decisions of the special artificial reef sites and that program back to the state level?

MR. BROUSSARD: Well, technically, that's where they always were. And what we worked through with Doug was that the council I was speaking of, which Doug now has to come up and qualify and straighten out, would have a representative from the shrimping industry, representative from recreational fishing, components of industry, basically a much larger panel that represented all the users of the OCS and not what you saw in the previous SARS program.

But, again, we would – we're still looking at it from other components. Again, we still have our engineering and our environmental standards that we're going to be holding to, because, again, we're granting the departure. We're going outside of what the regulations require. But we want to make sure that we do that in coordination with the state, and being a part of the public process I believe at one point, unless this means we'll make him change his mind, even talked about having a member of BOEM and BSEE on the panel because we are federal partners with the state programs.

MR. : Doug.

Q: I have one more – (inaudible).

MR. : Prior to the 2009 addendum, state was working on revisiting the SARS program. After the hurricane season in 2005, 2008 was – kind of realized that we need to revisit that, think about how we were going to establish new reef sites. The SARS program was never intended to take on every hurricane – (inaudible) – structure that ever – (inaudible). So we're revisiting that to come up with new guidelines.

However, the 2009 addendum came out, prior to us going forward completely, I think we will revisit what we've already done. And if this moratorium is lifted, we'll be working towards maybe an amiable solution to develop these reef sites elsewhere if needed. But as of right now, you know, we're not moving forward just yet.

MS. : We have another – we have a follow up question.

Q: Well, I have a different one that's yellow this time.

MS. : Well – (inaudible) – another question – (off mic.).

Q: Thank you, ma'am.

Q: My question is just about the moratorium. Who is responsible for lifting the moratorium?

MR. BROUSSARD (?): I'm sorry. When I hear moratorium in our agency, I get a little skittish.

Q: Are there new reef sites – (inaudible)?

MR. BROUSSARD (?): Yes, ma'am.

Q: There's a moratorium right now. We can't build new reef sites. Is that correct?

MR. BROUSSARD (?): Actually, again, the addendum has reef approval guidelines, where we basically said we weren't going to approve any new reef sites, so I guess you can that a moratorium – (inaudible). That is being removed from – (inaudible) – IPD. The IPD we're preparing, that's a much better vehicle for a federal agency to talk about an interim policy before it goes into our department manual, or into the regulations – one of the two – is going to be the vehicle that is going to be missing that reef approval guidelines.

And, as I just mentioned, and Director Watson mentioned in Houston, in November, please start working on a process. So I can't officially lift the moratorium until we have the IPD in place, but we know that it takes a while to get the processes moving. That is the direction of our agency. And that will probably – that will be reflected in our IPD.

So we will work with Doug to help in any way we can to try to get the program going and to make the changes necessary for the council and whatever other provisions you're doing. So it's – that IPD is the lifting of the moratorium.

MS. : Are there any other questions of clarity? Yes, ma'am.

Q: I'm Julie Hebert with Civil and Environmental Consulting Engineers. And there is a moratorium, as you say, or, you know, the semantics of what we would like to call it. You're going to be finished with your IPD, the final draft, in two weeks I think I've just heard a few minutes ago. Is that correct?

MR. BROUSSARD (?): It depends – (inaudible).

MR. : I'm not very committed to two weeks. We do have it in review. We're making sure it's meeting everybody's needs. So it's going to take a little bit longer.

Q: My clarity on this – because I'm hearing two weeks and we know in – (inaudible) – that two weeks really doesn't mean two weeks, but, realistically, when would you see resolution to that, where the moratorium would be officially lifted and we could go forward with new potential sites?



MR. BROUSSARD: If you went forward with now with Doug over lunch, we will be finished before Doug is ready to permit the site. Put it back on Doug.

Q: (Off mic.).

MR. BROUSSARD: I mean, it does take a while to get things through the system. It took us a while to develop it. We're in the process of getting final review on it now, which, by the way, sorry, it's not Director Barbee. Remember that in my evaluation. He's my boss, Chuck Barbee, the head of our Environmental Enforcement Division in our headquarters. They have – and now, that is what's undergoing review. Again, I'd say two weeks. I know that there's a time lag between Louisiana and Virginia.

Q: So realistically, do you think within the next year?

MR. BROUSSARD: Oh, yes, ma'am. And, again, this is what I'm saying. As Director Watson said in Houston in November, and Dale has taken us up on it, just to let you know that Dale – (inaudible) – he's got one or two – (inaudible) – he has already proposed and we already have removal applications in for areas in the new sites that Dale has had develop off of – (inaudible). So please start working the process to where you can get your SARS program updated and get proposals into the system.

Q: Thank you.

MS. : OK. One more question of clarity.

Q: OK. I've got a clarity question. You mentioned that there was other things besides oil and gas ruptures on the platforms, like in our situation that most of them have been removed that there were substitutes that can be brought in for reefing. Could you elaborate on that? And would a (shield ?) fall into that – (inaudible)?

MR. BROUSSARD: Well, the Texas program I – Doug, I think you even permitted when you went to Texas several Liberty ships. No? Oh, you – (inaudible). (Laughter.) But I think that that's – (inaudible). There's other components. And it doesn't have to also be – again, it depends on the generosity of the operator, but it doesn't have to be a facility in that area. It could be one that could be towed over. Florida, I believe, has one or two facilities that came from the old Conoco or maybe Chevron, Texaco that has brought from the central Gulf of Mexico off of Louisiana all the way over to – I want to say to off of Tallahassee or someplace. So that even other platform jackets from outside the area, there's nothing stopping that from going over to a – (inaudible).

MR. : I'm just going to speak for artificial reefs in general. I'm part of a group that meets once a year to discuss the artificial reefs on the Atlantic Coast and the Gulf Coast from a wide range of materials that are used in each program, some of which I'm not sure I would deem appropriate. And then there's – (inaudible) – effective and useful. Also, Louisiana, Texas, we're fortunate enough to have these large complex durable structures that are going to last well beyond my life and probably anyone that might be younger than me so – (off mic.).

But, anyway, my point is that in Texas and Louisiana, there's a lot of pipeline, there's other considerations. Texas has been – (inaudible) – part of the state has started using other materials of opportunity, some that are near shore and some that are further offshore sites, but they also don't have the pipeline issue and some natural banks, other things that we have to be cognizant of – (inaudible).

I'm not really happy to say that we did a scan of all our reef sites and we have found that we've had – (inaudible) – that are quite large. So we are still trying to determine the cause of that. And, you know, that is why we as a program would like to build complex, stable, durable materials that are going to stay put because the (states ?) taking on liability for these structures from now until eternity. So we would like to maintain one of the best programs in this state, followed by Texas, only because I worked there. (Laughter.)

MS. : Well, if there are no other questions of clarity then I would like you to respond to what did you hear that you really liked, that really resonated with you, that you said, yes, that's a good step? People are working really hard to respond to some of the issues that would be helpful for you to acknowledge, this is – (inaudible) – really liked. Yes, sir.

Q: Yeah. Mike Hersh (ph) with – (inaudible). I really liked that they're going to remove the re-approval guidelines from the addendum.

MS. : Thank you. Is there anything else that you've heard in this proposed policy revisions and addendum that you really liked?

Q: I have a green and a yellow. I really liked the comment that the panels that are looking at these issues will include representatives of the shrimp industry. The shrimp fishery has spent a lot of money – (inaudible) – develop a database now that tends – (inaudible) – data points, which we can precisely define – (inaudible) – entire Gulf of Mexico. These data are sometimes – (off mic) – available, but not always because – (inaudible) – is not available – (inaudible) – specific sites, specific analysis.

The yellow is – (inaudible) – the issues may not work if the best available data aren't used – (off mic.).

MS. : All right. The need for best available data and – (inaudible).

Q: And data that are available.

MS. : That may not be available – (inaudible) – published.

Q: I'm sorry?

MS. : We're concerned in terms of the caution that might not work because –

Q: I'm concerned that funding sometimes – (inaudible) – allow analysis of the best available data for site specific – (off mic) – situation.

MS. : Thank you. Any other – do you have something that you liked?

Q: I do – (off mic.). But I'd really like to thank all of you – (off mic) – move forward on these issues – (off mic).

MS. : Hopefully this won't be the last time we see this happening. We're a knowledge-based economy and we've got to get together on these complex issues. There's another – I saw someone with a hand in the back. No? Yes. OK. Area of caution.

MR. : Are we into yellow yet?

MS. : Yes. Yes. What – what did you – (inaudible) – that might not work.

Q: My experience with the special – (inaudible) – sites that we have a lot of – (off mic) – years back but the structures that are – (off mic) – hurricane did not go through the process of being decommissioned.

MS. : Can everybody hear him?

Q: And you have – (inaudible) – and you have all kinds of things that when we you develop these –

MS. : You have a mic over here. We want to make sure that everyone in the room can hear you. Yes, sir.

Q: OK. You know, as we – (inaudible) – a lot of involvement in this – special artificial reef site questions years and the issues I have, and we still have the same issue, is that we're going to just open this up wide open for what – (inaudible) – want to do is, number one, hurricane toppled structures, if they at appropriate depth that would allow them to be reef sites, but you have, again, the clearance problem. You have the clearance problem of navigation.

And our experience was that they're not decommissioned as a process that – (inaudible) – so they are considered material – (inaudible). And that was being eliminated and it was just called a special artificial reef site – (inaudible). Representatives from fishermen, what I found was that the movement went from toppled structures to we're just going to (reef ?) all structures in place.

And that's why – in my view, that's why we gave up all these hundreds and hundreds of square miles of fishing bottom in order to create artificial reef sites – (inaudible) – appropriate areas that have the right clearance as areas that are – that promote a reef – (inaudible) – you know, gulf, marine organisms that would inhabit the reef.

So my concern is that if we get away from this control, do we go back to just – (inaudible) – and drop them all the place and then we have a mine field in the Gulf of Mexico, not just for navigation, fishing, for everybody. Thank you.

MR. BROUSSARD: Yeah. Thank you. That's why I did mention that the artificial – excuse me – the rigs-to-reef addendum also had those environmental and engineering standards that are remaining in the IDP because as Doug mentioned, he's sharing the information with us through the surveys that the State of Louisiana did. There's massive movement on standing jackets that weren't toppled, weren't damaged. They'd taken joy rides during the storm (systems ?). We have no idea what happened to a lot of these jackets when they're toppled. We have already basically said no deck material. There would be no decks. Again, like you said, you're not probably decommissioning the facility so you have (tow ?) tanks, you know, valves, piping, fluids that should not be on an area where you're telling the charter and recreational fishermen to get and fish in. There's bio accumulation issues that can come up.

And we've also – as part of the discussion we had with the EPA – and I think – (inaudible) – that, where they have guidelines for best management practices that they work with us over as far as what makes a good artificial reef site. Tow tank facilities don't make good artificial reef sites. Some units don't make good artificial reef material. Jackets, as was discussed and developed into the program in 1986, '87, makes also a – (inaudible) – material.

But even those will – even the ones that have experienced damage. So that's why we have not removed the aspect of it must be structurally sound. There are certain components from the engineering standpoint that we'll be working with the state on that it won't just be carte blanche, removal, leave where it dropped. That's not going to take place. It's going to be continued coordination. And, again, from the improvements on the Louisiana side with more voice of the shrimping industry, recreational and chartered – (inaudible). So that's remaining. All of our reviewing guidelines are going to stay in our IDP.

MS. : Thank you. Sir, do you have a question of clarity?

Q: Yes.

MS. : Can you stand up so we can hear the question?

Q: Yeah. Can you speak to what you guys look for when we propose a reef site – (off mic.)? You know, what makes the – (off mic.)?

MR. : SARS and – (off mic) – in general?

Q: Just in general, you know, like what you guys look for when we propose a reef site and you guys decide whether or not – (off mic.)?

MR. : I'm not going to talk about established sites, because once we've established a site, we've pretty much determined that the initial (seed ?) structure is what we wanted and then what we're trying to do is augment, enhance the site so that we have a reliable complex

ecosystem. When we look at individual structures coming up for decommissioning, we look at the biological aspects, the user aspects. We look at a number of things.

And there's probably too many for me to talk about, because we have a GIS system that has over 30 layers and even include – (inaudible) – layers. And I do get data from them, so I know where the shrimpers are shrimping. And we're trying to factor all that stuff in. So there's a lot of factors involved in determining the initial site.

As I see the SARS program coming and going forward, if it's opened up by BSEE, is that we're not going to create a reef site around every individual structure. We're still going to go through the process of involving the user groups and looking at all the different factors and determining the natural reef site. Just going through the SARS process, I kind of jumped into that right in the middle and after the hurricane seasons, and learned a lot of things.

I mean, there were some SARs that were approved to go forward that in hindsight maybe we should have picked a different site. But there were others that were very productive and we wanted to continue them, but I'm happy to say that every SARs we've approved, we've been able to harvest additional structures being decommissioned nearby to maintain a complex – (inaudible) – reefs that are going to be beneficial to develop for years to come.

So, I mean, we learned some things. There's some positives to what happened. It's the – (inaudible). All we're going to do is try to move forward, but I don't see that as a program that we're going to proliferate and develop a reef site around every structure. I mean, for one, it's not mandatory. It's an option for the operators – (off mic.). And so what we want to do is find the best ones and make them into productive reef sites so that we can maintain the fish stocks and other things that Wildlife and Fisheries is trying to help manage, even though – (inaudible) – state of Louisiana and visitors all rely on these resources for now and into the future.

So, you know, we don't make these in a vacuum. And we would like to – we have a long-term viable program in the state. And I'd like to see it continue that way. As long as I'm here, I'm going to focus on that. And that's the way I feel about and hopefully there are others around who feel the same.

MS. : Thank you. Are there any – (inaudible) – questions of caution? What did you hear that might not work, concerns?

Q: Just – (inaudible) – understand is what's not working. Well, there should be no surprise as a – (inaudible) – platforms what's not working is the decommissioning process, taking the platforms off and – (inaudible). Why is that not working?

Well, I've got – (inaudible) – her with about a dozen studies, all indicate – all indications are the upper part of the platforms are the most productive. And if you remove that part, you're removing the most productive part of your platform. As a – (inaudible) – rigs-to-reef platforms had about 120 feet – (inaudible) – with – (inaudible) – some kind of mechanism or councils presently trying to establish artificial reefs – (inaudible) – platform because of essential fish habitats.

The only thing involved in Mexico is not – (inaudible) – concern or some fish habitat is a platform. That’s why – (inaudible). So this needs to be changed. We understand it’s a complicated issue. There’s a lot of money being made, taking them out, something like 30 (billion dollar) or \$40 billion industry. We understand because – (inaudible) – will be taken out this year alone. We understand the process is not easy. You’ve got a lot of – (inaudible) – understand that. We understand.

The whole process, what I really do not understand about this whole process, what upsets me more than anything else – I can understand (oil ?) companies want to make a profit. Hey, that’s what they’re in business for. Is the – (inaudible) – and others. They have so much – I guess you could call hate. They don’t want – they don’t even want the platforms out there. They oppose – and they recently opposed the leasing process, trying to stop that. It seems like they refuse to accept the – (inaudible) – decommissioned platform – (inaudible) – coming into a unique, beautiful artificial reef. (NOAA ?) is getting ready to – (inaudible) – species of coral in the Caribbean and the Gulf of Mexico are threatened, they’re endangered,

Now, I understand the process. When they take out a platform, that’s not part of the equation but a part is protecting Marine mammals – (inaudible) – but not what’s on the platform, like coral. They could be endangered corals on that platform. Now, how come – you know, where’s the scientific impact statements – (off mic) – artificial platform is not some type of essential marine habitat? Does it have endangered corals on it? They don’t know. They don’t care. They don’t check. All they care is about the mammals, which is great, (the turtles ?), which is great. I’ve seen many (turtles ?) – (inaudible). But, anyway, that’s what’s working and what’s not working from the point of view of a platform – (inaudible). Thank you.

MS. : Thank you. Respond.

RUSSELL DUNN: (Off mic.). Yeah. I just wanted to touch on EFH for just a second. As I mentioned earlier, it’s the – the process – well, first of all, we’re going to see this ad hoc council, committee, on artificial – (inaudible) – meet in I believe it’s the 28<sup>th</sup> maybe or that week, to really begin to dive into this issue, to provide guidance to the council. And the council will take that under advisement and make a recommendation if they see fit as to areas or structure types or structures that should be considered to be EFH and then the agency essentially looks to see those that make – meet the definition.

And so I don’t – (inaudible) – read the definition, which is a substrate necessary for fish to spawn, breed, feed or grow to maturity and that are necessary to maintain fish production consistent with sustainable fishery and – (inaudible) – species contribution to a healthy eco system. If something is determined to be EFH or designated as EFH, then we have to takes steps to mitigate any adverse impacts to prevent where possible and then mitigate any potential adverse impacts caused by fishing. And then we are able to consult on other federal agency actions which may adversely impact those habitats and make recommendations as to how they can avoid or minimize adverse impacts to those habitats.

Q: I'd like to make a point – (inaudible) – pages that declare platform or fishery platform as essential marine habitat. I've got it right here.

MR. DUNN: Apparently, there aren't any artificial structures designated as EFH in the gulf.

Q: No, because you won't – no, it's not – I'm understanding – (inaudible) – seek protection, B – (inaudible) – because you said there's – (inaudible) – but we don't think that don't happen – (inaudible) – because I have seen – (inaudible) – on and on the platform. Of course, I'm not a scientist – (inaudible) – observe – (off mic.).

MR. DUNN: Yeah. I think that comes back to the issue that these are considered temporary structures and they're not part of the natural environment. And then that is part of what this entire committee is going to look at next week is, is it and if so, when is it appropriate to designate artificial structures as essential fish habitat.

MS. : Thank you. A question of clarity.

Q: On the subject of – (inaudible) – fish habitat, as it's defined in – (inaudible) – is there any timeline on how – (inaudible) – fish habitat, especially if it on a (fishery ?) platform?

MR. DUNN: No. There's no temporal component to designations. Once it's designated, it's designated until some future decision might alter that decision. But there's no – there's no sunset – (inaudible).

Q: Then how does – how does that pertain to – (inaudible) – temporary structure as – (inaudible)?

MR. DUNN: Well, right now, there aren't any designated as EFH so that is essentially a novel question. And, actually, it's an interesting one to pose to that committee is if we designate it and that, in 125 years, that structure is assumed to no longer be there because it's rusted out or whatever, what do we do at that point?

Q: That's –

MR. DUNN: That's an interesting question.

Q: That might – (inaudible) – try to get these – (inaudible) – fish habitat, then what?

MR. DUNN: Yeah.

Q: Because if you established it that – (inaudible) – fish habitat on a temporary – (inaudible).

MR. DUNN: Yeah. That's interesting. I'll make sure our folks who attend – I can't attend the next one. I have to be in Washington. But I'll make sure that that – that they raise this issue during the meeting.

MS. : We have another question of clarity here and then the – (off mic.).

Q: (Off mic) – designate essential fish habitat, what impact does that have on fishing platform?

MR. DUNN: So they're still able to fish on it. We just have to make sure that the fishing activity doesn't adversely impact it. So if you're, for example, not coming into contact with the structure, it doesn't have any impact on it. So you basically have to look at what kind of fishing activity is going to occur. And if there is a – you know, substantial probability that – and those are my words; that's not written in – (off mic) – that there is going to be an adverse impact, then the agency would look at how can we mitigate or avoid that impact.

Q: But fishing could be – (off mic)?

MR. DUNN: That's one potential outcome. Yeah. That's – we – you know, the agency tries to minimize the impacts on fishing activities to the greatest extent possible. It's – that is always our sort of last choice is, OK, we're going to have to restrict fishing activities some way.

MS. : All right. Another question of clarity.

Q: I'm going to try to speak up so I don't have to walk all the way to the mic. I think another consideration – and that I would like you to clarify – is liability. Once we transfer these things to artificial reefs and you talked about – (inaudible) – special artificial reef sites and a lot of talk about – (inaudible) – place, without proper maintenance, these guys – (inaudible) – cost of lot of money, the lease of navigation costs a lot of money – (inaudible) – maintaining these things that don't last more than 20 years.

Who's going to pick up that liability? Who's going to pick up that liability if one of my guys runs into a platform that's not properly maintained? What's going to happen when the – (inaudible) – falls over and then you have – you don't have the proper clearance we have to navigate over this? Who's going to have that liability?

Talking about money. You know, money– (inaudible) – save these guys a lot of money because – (inaudible) – so you have to clean it. You have to transport. We're talking about millions of dollars. The contribution to the Louisiana special artificial reef site fund is very minimal compared to what it costs to put this – (inaudible) – like God made it, you know? So there's a big consideration for money. There's a big consideration for liability.

MR. BROUSSARD: Well, that is the component that we have to (worry ?) with the statute of – (inaudible) – because the only way currently that the operators can shift the liability from the facility to another party and that's through the rigs to reef program. That's what Doug already went through already. There is nothing, no mechanism, no aspect that would allow that



liability, which you pointed out rightly, you have to maintain. You want it there 150 years, it's got to have the – (inaudible) – protection. You've got to have annual surveys. There's a lot of money involved in maintaining a facility that, you know, on the surface, these discussions are trying to get us into a certain direction, but you can't avoid the fact – like you said, money makes the world go round. These will be two potential navigation hazards if they're not properly marked and buoyed, and that's what has to be – that's why we're kind of all working together – even (inaudible) – with the Coast Guard.

They will – and the issue where you may have even shallow water areas to establish reef sites. The Coast Guard can work with the state in order to determine what level of buoying and monitoring – excuse me – devices are necessary in order to mark those locations.

Q: (Off mic.)

MS. : Is there a – OK. Is there a question to the floor or a(n) issue that you want to raise?

Q: (Off mic.)

MS. : OK. We're moving then to – if there are no there – did you hear that, running into a tree when you're driving – (inaudible). OK. Are there – oh, I was going to go into specific recommendations, but –

Q: (Off mic.)

MS. : Thank you. That's a great point to make. A question of clarity, sir?

Q: (Off mic.)

MR. : I'd like to address a depth requirement that you mentioned, the 85 feet. That's not a requirement. That's – in the past, we had some policies, and that was in the policy, but that policy has been rescinded. We review each location now separately. We've actually just recently approved some reefs in six feet of water. And that 85 feet was a(n) arbitrary line that said if you had less than that clearance, you had to have a buoy on it. Again, that 85 foot is out of the – that hard line is out. And we evaluate each location separately.

MR. BROUSSARD: And I believe we provided that information to a group out of Corpus (ph), was it, but I'm not sure where we're at. I mean, we have on our website the location of all facilities, but the ones that we identified as the 400 on the Idle Iron list that, again, as Dave was mentioning, we encourage everyone to work with their states to try to pull under the reef program is I think a work in progress right now. Is that right, Dave?

MR. : That is one of the things that we're working on with our own website on BSEE, but we also provided some information to the Harte Research Institute in Texas.

And they were looking at putting together really nice information on that that would show all of the various activities that are going on, the multiple uses. So you'd have the offshore oil and gas pipeline forms and pipelines and things like that so you could see where they were. You'd have all the designated artificial reef areas for each state. You would have the most common ports where you would have, say, the fishing community launching out of and sort of the areas that they go to and all of those types of things so that as we could start identifying those platform that were considered essential or adding a lot of value to the state's artificial reef program, you could kind of see what that looked like and you could see where the holes and the gaps were and that sort of thing.

So that's still a work in progress. And, you know, if we don't – if we're not able to get the thing through the – the map done through the Harte Institute fast enough, what we might look at is seeing if we can put a list of that type of information on the website, working with the companies as well because a lot of this is up to companies as far as what they want to do with these platforms as well.

And so for another teaser for this afternoon, because I don't want only 20 people to show up after lunch, one of the things that we have to talk about is how do we do that sort of planning? How do you get that kind of information? So what informational needs do each group have.

For example, you need to know where these platforms currently are located. One of the other things you might need to know is what's the schedule, you know? This – (inaudible) – just start producing? Is it 10 years old? Is it 40 years old? Kind of, what's the life expectancy and that sort of thing? What do you need to know from the state? What do you need to know from all six federal agencies that are represented up here in order for you to be able to think about things that are going to help your needs so that you can propose those to us, because we know we're not going to leave any platform out there. We know we're not going to take them all out. So how do we meet in the middle and figure out the smart way to reef these things in the right places? So come back this afternoon. We're thinking about those needs that you personally have in order to be able to help us make those decisions.

Q: (Off mic.)

MS. : Are there any other issues that you want to raise? Yes, sir, but wait. I just wanted to make sure we share the air. You've spoken a couple of times, some great points, but if there's someone else who hasn't spoken yet, have a question of clarity or concern or a(n) issue. OK. Yes, sir.

Q: (Off mic.).

MR. : Bo (sp), do you want this one? I don't have a regulatory answer for you. I would suppose that if the buoy is in the right place and you run over it, that you're liable for it.

Q: (Off mic.)

MR. : Then the owner of that buoy is.

MS. : Can you repeat his question?

MR. : Yeah. I'm sorry. The question was – the follow-on question was if the buoy was unlighted or unmarked, who's liable – who would be liable for it. You know, it would be the owner, I would assume.

Q: (Off mic.)

MR. : Again, if those buoys or the markers, the – (inaudible) – marks or the buoys are in the proper location, as they're supposed to be placed by the Coast Guard, the person that runs into them would be liable. If those marks are pulled off of location, please report them so we can get them back on location.

MS. : Are there any recommendations that you'd like to – or question of clarity. Yes.

Q: (Off mic.).

MR. : Yeah. I forgot – (off mic) – better than I do. Captain. Yes. We actually published those marks on everything. It's published on the charts – (inaudible).

Q: (Off mic.).

MR. : That's correct.

MS. : All right. I have a question of clarity here.

Q: You said that it doesn't have to be buoyed, if it's under 60 feet, if the clearance if 60 feet now, is that correct?

MR. : No, ma'am. I said, in the past we had a policy that if it you had more than 85 feet of clearance, there was no buoy requirement. We have gotten rid of that policy and now we look at each individual location on its merits.

Q: Thanks.

MS. : Was there another question? The gentleman in the back. Yes.

Q: (Off mic.).

MS. : Any other input for this reefs policy revisions? We will be discussing – is Dave here? Do you want to talk just a minute about some of the questions or – (off mic) – you have some other – OK.

MR. : All right. So I've been teasing this afternoon all day. I'm practicing for my role in Hollywood when I leave this job. So this afternoon, you've kind of heard some of the

things that we've been working on since our last meeting, so now, what we want to do is take it away from the federal community and put it in your hands. And that's sort of a participatory government here.

So what we want you to walk away with today is an idea for how we might move forward in a way that addresses all of these concerns. So we have a lot of multiple uses on the Outer Continental Shelf, a lot of interests, concerns, environmental protection, safety issues, energy security issues that the federal government has to balance on behalf of all of you.

And instead of all of us making the decisions and then telling you, here's how it is, it's a lot better if you're able to contribute to those decisions. And so while I realize there are people with even more different interests than we have in this room today, this is at least a starting point for us.

So one of the things that we need to think about is how do you take a broader look at this entire issue? And the point I made a while ago, does it have to just be oil and gas platforms that provide habitat for fish in the Gulf of Mexico? Are there other structures that can be converted into artificial reefs? Are there other ways to grow these populations that can help mitigate as these temporary structures start to come out?

You know, this is an issue now because 50 years ago, when we started talking about moving into the offshore environment and we started going deeper and deeper over the years, the concern was, well, if you're going to go out and extract these resources, you're going to damage the environment. So you have to have a commitment from the companies to restore that when they're done.

So move down the road 40 or 50 years and now you look at the growth and everything that's happened under these platforms as well, and so the discussion has to be, well, the environment has changed since man went out there. So what do we do to address that change? Is that a positive change? Is that what we want to see continued? How do we continue to make that a viable resource for all of us to use while still being able to access the energy resources that our nation needs as well?

And so we have to look at all the various concerns from navigation, to being able to do the various types of fishing, from shrimping, from charter fishermen, to recreational fishermen, from looking at the actual environmental ecosystem and the marine environment, and the changes that that has when you mess with it. All of those different types of things.

So there's not an easy answer to any of it. And we have to balance all of the different issues when we're trying to make these decisions.

So what I'm going to ask each one of you to do is think about how we do that better. And so this afternoon, a couple of questions we're going to ask you to answer.

One of those is what information do you need from us? What can I put on our website, what can the other agencies provide on their websites, what other mechanisms do you need us to

provide information to you through if not – for example, I personally don't use a computer a lot at home because I have to do it all the time at work, so there might be other ways that you want to get information from us. Do we need to continue having meetings such as this? Are you finding these types of things helpful? So what information do you need? How do you want us to get it to you?

And then, also help us to identify information that we now might need from you. And the states are going to have to understand that they're going to need the industry to provide them information about their schedules and about their facilities as well and vice versa. So how do we get that flow working?

One of the other questions that I have, being sort of new to all of this, is does there currently exist a mechanism by which all of you get to provide input or are we sort of creating it here today and through this process? Have you ever had the opportunity before to go to the state or to go to the federal government and say, here's my concern about what you're doing in this particular spot in the Gulf of Mexico? If not, what do you need that to look like?

And what authorities do we already have in place? What can the state do? What can the federal government do to try to set up a mechanism by which you get to provide that direct feedback and then how do we let you know what we're doing with that feedback?

So if that mechanism exists in some way, maybe it's through the artificial reef plan. Then how do we modify that or how do we all tap into that so that our concerns are being addressed? And how do we then use that to help us start planning for what happens next on the Outer Continental Shelf? How do you look at whether or not you bring in other structures? How do you look at whether or not reef platforms or have to remove them? What's going to be the best for the environment? What's going to be the best for your livelihoods, for people who depend on this area?

If that mechanism does not currently exist, or there's not a process by which we can modify something that exists, then how do we create such a body that can do that? Are there already organizations, are there any councils set up through the RESTORE Act or other resources that we could tap into where we could actually create an organization? And I have to be careful not to get into the Federal Advisory Committee Act requirements there.

But is there a process to create an organization, how all this input can be gathered and how decisions can be made and how planning can occur? And what would that look like? What kind of resources would have to be provided? What kind of authorities would they have to have? Would be regional or is this issue best dealt with state by state? Those are the types of questions we would want to look at.

And then, ultimately, who's going to put that together? And I can tell you I can't do it. We might have people in the room who can come together, working with the states to make that happen. And I keep emphasizing the states. And that's because the current way that the artificial reef program is set up, it's a state-run program. And the fisheries are largely dependent on the states.

So I think in my mind, the best way to approach this is setting up a dialogue by which the state has the lead on the artificial reefing. You all get to provide input. The federal government gets to provide input and we come up with a solution that kind of works for everybody. Even if it doesn't make us completely happy, it's the best for the environment and it's the best for the region.

So that's what we're going to talk about this afternoon. And we cannot talk about that by ourselves. You have to be here. So we have put on the tables during a break, I believe –

(END)