

LISTENING SESSIONS

TEXAS IMPLEMENTATION of FEDERAL RESTORE ACT

PURPOSE OF THE LISTENING SESSION

- To receive comments from the public on the priorities for the Texas coast as we implement the federal RESTORE Act and distribute RESTORE funds.
- Specifically interested in hearing comments on the Priorities Document posted on the RESTORE web site in August.

FUNDING SOURCES

As the result of the 2010 Deepwater Horizon Oil Spill (DWH), Texas has access to three funding sources:

- Gulf Environmental Benefit Fund, referred to as NFWF;
- Natural Resource Damage Assessment (NRDA); and
- Resources & Ecosystems Sustainability, Tourist Opportunities & Revived Economies of the Gulf Coast States Act of 2012 (RESTORE).

FEDERAL RESTORE ACT

- Enacted by Congress in 2012, established the Gulf Coast Restoration Trust Fund (Fund).
- Dedicates 80% of DWH civil and administrative penalties assessed under the Clean Water Act to the Fund.
- Fund Purpose: ecosystem restoration, economic recovery, and tourism promotion in Gulf Coast region.
- The Fund currently holds \$800 million from early settlement with Transocean.

GULF COAST ECOSYSTEM RESTORATION COUNCIL

- The RESTORE Act established the Gulf Coast Ecosystem Restoration Council.
- Council Membership:
 - Governors of Texas, Louisiana, Mississippi, Alabama, and Florida, or their designee;
 - The Texas Governor designated TCEQ Commissioner Toby Baker as Texas' representative on the Council; &
 - Secretaries of the U.S. Departments of Commerce, Agriculture, Army, Homeland Security & Interior, as well as the U.S. EPA Administrator.

PROPOSED SETTLEMENT WITH BP

BP Total Payment \$5.5 billion (from 2017 thru 2031):

- \$4.4 billion to RESTORE Trust Fund; and
- \$1.1 billion to Federal Oil Spill Liability Trust Fund.

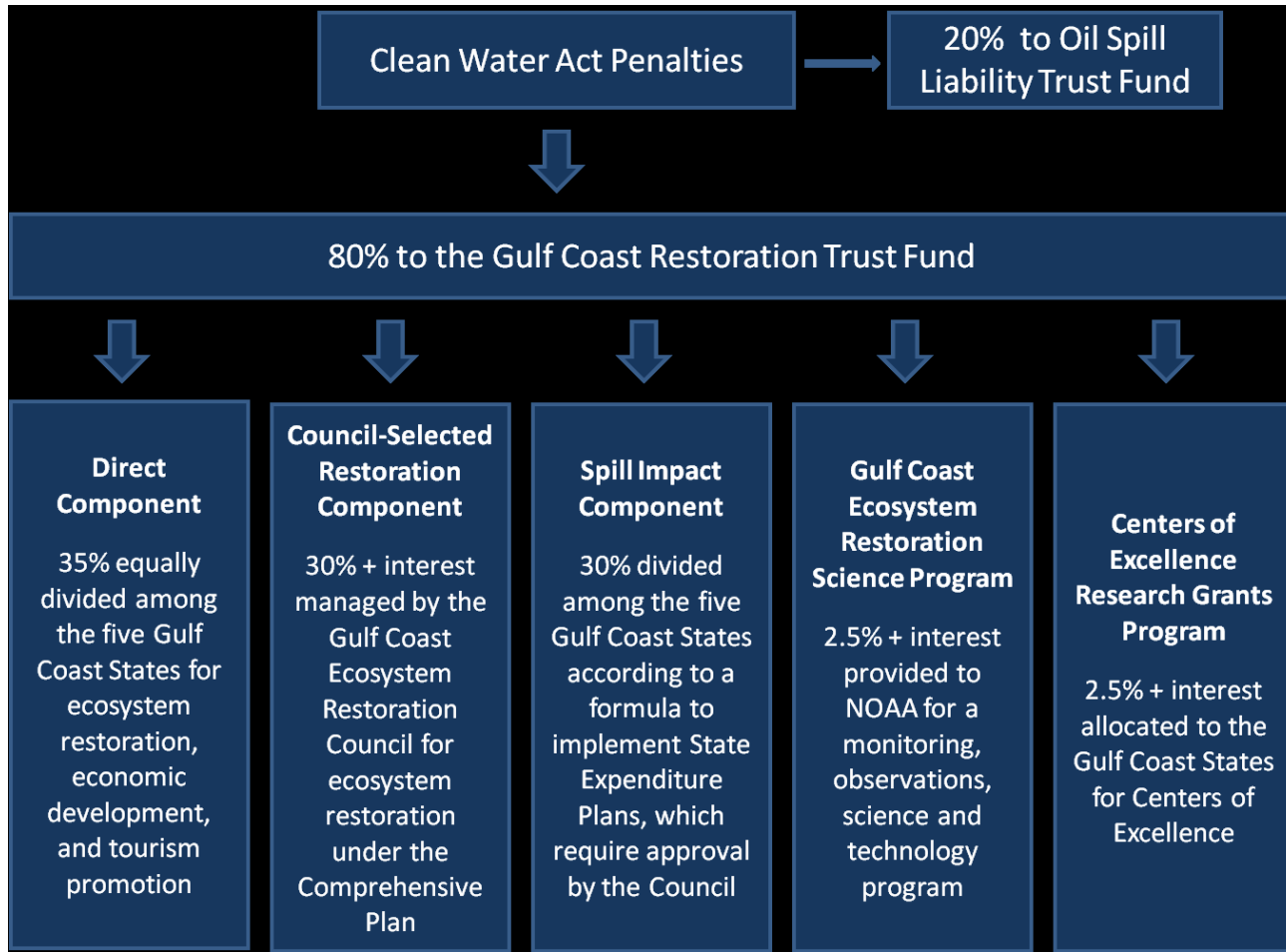
Of the \$4.4 billion:

- Bucket 1: \$308 million to Texas;
- Bucket 2; \$1.32 billion to the Council;
- Bucket 3: \$1.32 billion TBD by Council; and
- Bucket 5: \$22 million to Texas.

PROPOSED SETTLEMENT WITH BP

- ▶ \$238 million for NRDA Projects in Texas.
- ▶ \$150 million for economic damages to be deposited in General Revenue for Texas.
- ▶ Consent Decree is being drafted.
- ▶ Once draft decree is complete it will be published in *Federal Register* for public comment.
- ▶ Federal Judge Barbier issues final approval.

RESTORE TRUST FUND



RESTORETHETEXASCOAST.ORG

- ▶ Web site should be used to:
 - receive updates on activities associated with implementation of the RESTORE Act, as well as other DWH-related activities;
 - submit project applications;
 - submit comments; and
 - request additional information through “contact us” button.

FRAMEWORK DOCUMENT

- Describes importance of a healthy coastal community on the State's environment and economy.
- Facilitates discussion of the implementation of the RESTORE Act.
- Posted on the restore web site.

PRIORITIES DOCUMENT

- ▶ We are seeking public input on this document which was developed to outline criteria for awarding RESTORE funds.
- ▶ It is based on elements of other grant review processes currently accepted by the Federal government.
- ▶ In addition to receiving comments today, the public can submit comments on the web site until October 9, 2015.

PRIORITIES DOCUMENT

▶ **ECONOMIC BENEFITS**

25 Points

- Job Creation
- Infrastructure
- Economic Resiliency
- Impacts to Local & Regional Economy
- Tourism
- Gulf Seafood Marketing

▶ **ENVIRONMENTAL BENEFITS** 25 Points

- Restoration, Conservation & Preservation of Habitat
- Protects or Enhances Rare and Threatened Resources
- Replenishment & Protection of Living Coastal & Marine Resources
- Restoration & Protection of Water Quality
- Project Synergy

PRIORITIES DOCUMENT

▶ **COMPREHENSIVE FACTORS** 20 Points

- Complements Other Projects
- Promotes Community Resiliency
- Promotes Ecological Resiliency
- Part of a Comprehensive Coastal Plan
- Recreational & Educational Uses

▶ **PROJECT LOGISTICS** 20 Points

- Project Readiness & Planning
- Likelihood of Success
- Long-term Operation & Management
- Success Criteria & Monitoring
- Based on Best Available Science
- Cost-Effectiveness

PRIORITIES DOCUMENT

▶ **COMMUNITY ENGAGEMENT** **20 Points**

- Public Support & Participation
- Financial Partners & Funding

▶ **DISCRETIONARY AUTHORITY**

The final project application rankings are compiled and submitted to the Governor and/or his designee for review and final approval. The Governor or his designee may make changes to the project rankings upon consideration of other discretionary factors related to protecting, preserving, restoring, or enhancing the natural and economic resources of the Texas coast.

REVIEW PROCESS

- ▶ Based on the comments received on the Priorities Document, a scoring criteria for the RESTORE project selection process will be developed.
- ▶ The criteria will be included when a Request for Grant Applications (RFGA) is posted.
- ▶ The scoring criteria will also be posted on the web site when a call for projects is announced.

BUCKET 1

DIRECT COMPONENT

- ▶ Call for projects: possibly as early as January 2016.
- ▶ Projects submitted to web site will be reviewed and scored.
- ▶ Selected projects will be posted for public comment and project list will be finalized.
- ▶ The Multi-Year Implementation Plan (MIP), with the finalized list of projects, will then be submitted to the U.S. Treasury.

BUCKET 1

DIRECT COMPONENT

- ▶ U.S. Treasury accepts the state's MIP, with selected projects.
- ▶ TCEQ submits Federal applications to U.S. Treasury.
- ▶ Treasury issues grant awards.
- ▶ TCEQ drafts Grant Agreement/Contracts for awarded projects.

BUCKET 2

COUNCIL SELECTED

- ▶ A Funded Priorities List (FPL) was published for public comment on August 13, 2015.
- ▶ Approximately \$140 to \$183 million in projects are included in the FPL.
- ▶ Public comments can be submitted to the restorethegulf.gov web site through September 28th.

BUCKET 2

COUNCIL SELECTED

- ▶ Total proposed amount for Texas: \$26.33 million.
- ▶ FPL Projects to Texas: \$18.48 million.
- ▶ Other FPL funds to Texas: \$7.8 million.

BUCKET 3

SPILL IMPACT

- ▶ RESTORE Council continues to work on formula for allocation of funds to the Gulf states and to finalize guidance.
- ▶ Once details are finalized, the state will issue a call for projects.
- ▶ The submission, review, and selection process will be similar to Bucket 1: RFGA posting; project selection; publication for public comment, etc.

BUCKET 3

SPILL IMPACT

- ▶ A state expenditure plan (SEP), with selected projects, will be submitted to the RESTORE Council for approval.
- ▶ Upon Council approval applications will be submitted by TCEQ to the Council.
- ▶ Council issues grant awards.
- ▶ TCEQ drafts Grant Agreement/Contracts for awarded projects.

BUCKET 5

CENTERS OF EXCELLENCE

- Texas was the first state in the country to be awarded funds: \$4 million from Treasury.
- Through a competitive process, Texas selected two “Centers of Excellence” to be led by:
 - Texas A&M/Corpus Christi
Texas OneGulf; and
 - University of Houston
Subsea Institute.
- Grant agreement contracts have been signed with both of our Centers of Excellence.

NEXT STEPS

- ▶ Coastal Master Plan
 - Long –range blueprint for projects along the Texas Coast.
 - In conjunction with the Governor, partner with Texas' other natural resource trustee agencies, the General Land Office and Texas Parks & Wildlife Department.
 - Apply for planning funds under Bucket 3 to support Coastal Master Plan effort.

REMINDERS

- ▶ Submit comments on the priorities document at the web site--restorethetexascoast.org--by October 9th.
- ▶ Sign up on List Serve through the TCEQ home page to receive notification of updates on the web site.
- ▶ Visit the restore web site periodically for information on all activities related to DWH activities, including funding availabilities.
- ▶ Use “contact us” button on web site to submit questions or request information.