Gulf of Mexico Program

The Settlement Agreement and Initial Planning



Chris Elfring Spring 2013

utexas.edu

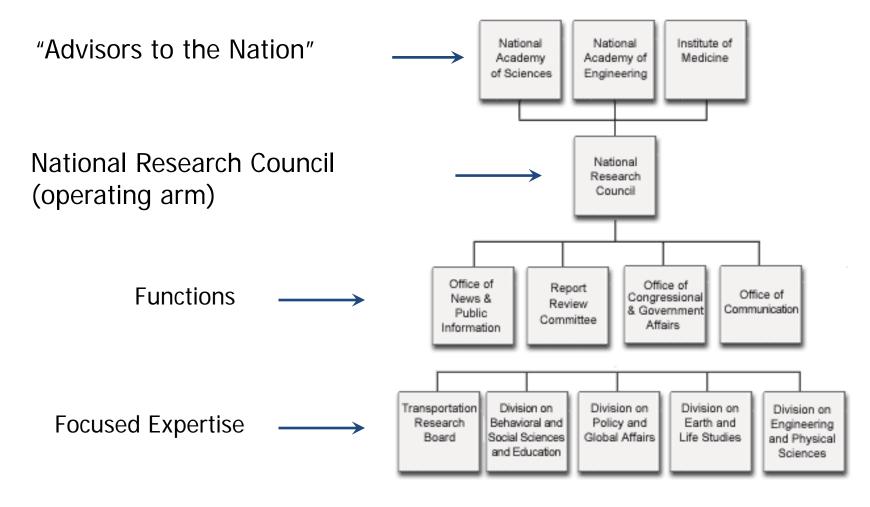
The National Academies





- NAS was chartered 1863 as a private, non-profit organization by Congress under the Lincoln Administration to provide independent advice to the Nation on science, engineering, and medicine.
- NRC established in 1916, NAE in 1964, and IOM in 1970
- Intellectual leadership comes from volunteer experts, carefully chosen for expertise, balance, and objectivity
- Many types of activities committee reports most well known (250+ consensus reports each year) but also research grants, fellowships, workshops, other uses of independent experts.
- Careful processes to ensure quality and objectivity (conflict of interest rules, peer review, etc.)

A Variety of Assets



New Gulf of Mexico Program has access to all elements of the National Academies system

\$500M Fixed Term Endowment

BP will pay \$350 million to the NAS as follows:

- \$5 million within 90 days of effective date (January 29, 2013)
- \$15 million more within one year of effective date
- \$45 million more within two years
- \$80 million more within three years
- \$90 million more within four years
- \$115 million more within five years

MONIES TO BE EXPENDED WITHIN 30 YEARS

Transocean will pay \$150 million as follows:

- \$2 million within 90 days of effective date (February 2013)
- \$7 million more within one year
- \$21 million more within two years
- \$60 million more within three years
- \$60 million more within four years

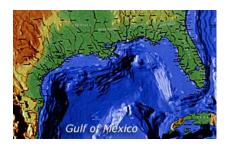
<u>Purpose</u>

- establish a program focused on human health and environmental protection including issues relating to offshore oil drilling and hydrocarbon production and transportation in the Gulf of Mexico and on the US outer continental shelf.
- "advance scientific and technical understanding with the objective of enhancing the safety of offshore oil drilling and hydrocarbon production and transportation in the Gulf of Mexico and on the United States' outer continental shelf" and
- "include the assessment and evaluation of strategies and technologies with the objective of enhancing the protection of human health and environmental resources in the Gulf of Mexico and United State's outer continental shelf."

<u>Purpose</u>

- Consist of studies, projects, and other activities that use the scientific, technical, engineering, medical, and health expertise of the NAS, NAE, IOM, NRC, and the nation's scientific, engineering, and healthcare communities.
- The activities will be:
 - ✓ determined solely by NAS
 - ✓ selected based on scientific merit and integrity, with emphasis on freedom of inquiry and independent nonpartisan advice

Programmatic Objectives



Research and development

Related to the protection of human health and environmental resources



Education and training

For undergraduate, graduate, professional school, private and public sector employees, Gulf Coast regional communities related to the protection of human health and environmental resources



Environmental monitoring

Contributing to advanced environmental monitoring systems related to the protection of human health and environmental resources

Structure & Organization



... appoint a Board to provide general oversight

- ... appoint other groups of volunteer experts as needed
- No current officer or employee of the US government can serve on the Board, committees, or panels
- At a minimum, appoint committees for:
 - (1) research and development
 - (2) education and training
 - (3) environmental monitoring

Structure & Organization

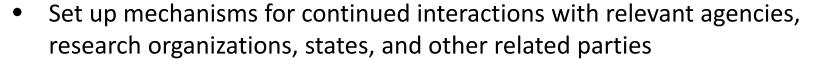
- NAS shall work in cooperation and coordination with industry, universities, research institutions, State governments, and other nations, as appropriate
- At least once a year, ... get input from:
 - Interagency Coordinating Committee on Oil Pollution Research (ICCOPR)
 - DOI Bureau of Safety and Environmental Enforcement (BSEE)
 - DOI Bureau of Ocean Energy Management (BOEM)
 - Environmental protection departments and other coastal natural resource managers from the States of Alabama, Florida, Louisiana, Mississippi, and Texas
 - Others that we determine

What Does the Agreement Say?



First Steps in Program Planning

- Making connections with key people/organizations
- Form an advisory group
- Form a small core staff
- Begin communication/outreach activities
- Being strategic planning process
- Includes discussions in Gulf Region
- Write draft strategic plan and get input





Biophysical Society.org

Starting Principles

- Science-based
- Forward –looking
- Open and inclusive
- Long-term perspective
- Fit into the landscape who's doing what, perceived needs, opportunities to coordinate
- Engage Gulf region stakeholders
- Find focus: where are can we contribute for lasting impact? ("Do real good")
- Think strategically: funds are not unlimited so must define both what we will and will not do



Oceanconservancy.org

The	Existing	Landscape

Funding source	Objective	Science contributions
BP, NOAA, DOI, EPA	Spill response & monitoring	Extensive data, publically available
National Science Foundation	RAPID awards (\$24M)	Quick response, short term research
BP and Federal & State Trustees	Natural Resource Damage Assessment	Extensive data, not yet available
BP to Gulf of Mexico Alliance	Gulf of Mexico Research Initiative (\$500M-10 yrs)	Investigations of impacts on ecosystems
Responsible parties	NRD remediation and restoration (\$1B early)	Design & monitoring to support activities
Criminal penalties	National Fish & Wildlife Foundation (\$2.5B)	Design & monitoring to support restoration
	National Academy of Sciences (\$500M-30 yrs)	TBD
Civil fines (80%)	RESTORE Act (\$1B so far)	5% for science & technology
Bureau of Ocean Energy Management	Environmental Studies Program (\$?M nationally)	Investigations to inform leasing decisions

Courtesy of D. Boesch

Glimpses of Possible Opportunities

- Using credibility to facilitate coordination
- Focusing on synthesis and integration
- Bringing a long-term perspective (30 years)
- Translating what is being learned into lessons useful in the future
- Creating opportunities for "applied research" in oil safety
- Creating young scientist opportunities
- Creating incentives for cross-disciplinary work
- Creating linkages across and beyond the Gulf of Mexico
- Finding ways to complement already-existing and planned environmental monitoring efforts

Questions

The program will be big, different, and challenging: the first step is defining the vision and areas of focus.



- What opportunities do you see? Risks?
- How can we ramp up quickly, while at the same time taking care to define the "right" program?
- How do we collaborate and coordinate while remaining independent?
- How do we define success so we can measure and communicate it over time?

For more information see http://www.nas.edu/gulfprogram
or contact Chris Elfring, Program Director, at celfring@nas.edu