Gulf Restoration Update

November 18, 2015

Florida Fish and Wildlife Conservation Commission

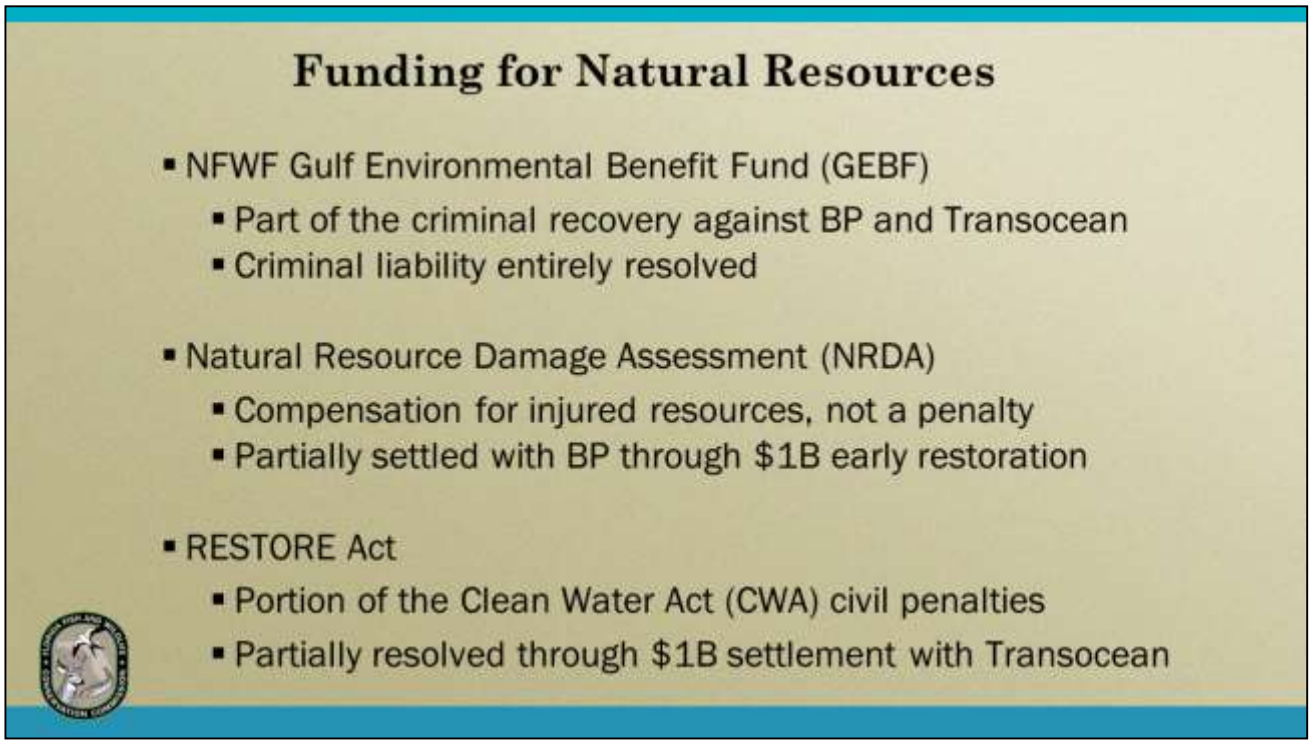
Office of Strategic Initiatives

Background

- FWC has been engaged in addressing the *Deepwater Horizon* oil spill since it began in April 2010, in response, assessment, and restoration
- FWC is partner to the Florida Department of Environmental Protection in representing the State of Florida in the major natural resource restoration avenues

Largest oil spill in U.S. history. Incident directly caused 11 human deaths; 134M gallons of oil discharged over 87 days; ~37% Gulf waters closed to fishing.

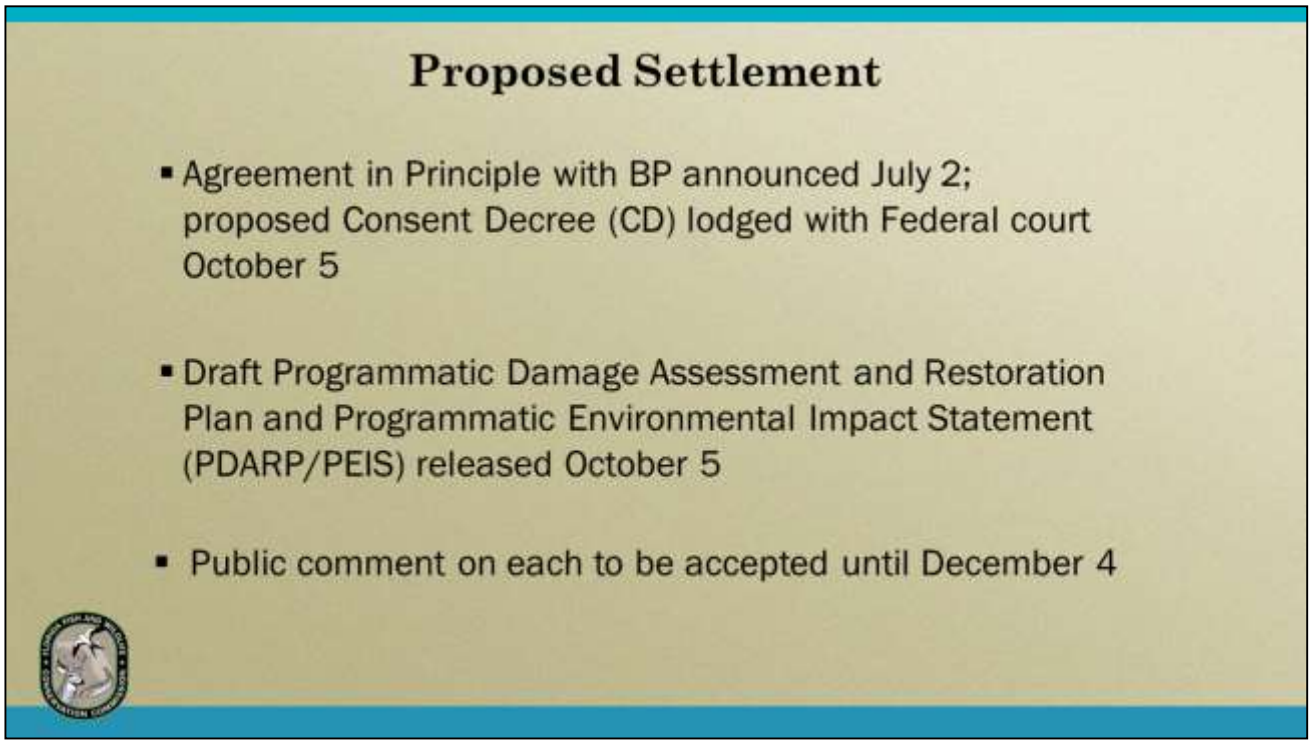
FWC and DEP each have agency units whose sole focus is to carry out post-spill restoration. Those units work hand-in-hand in planning, decision-making, and implementation. The FWC Gulf Restoration unit is within the Office of Strategic Initiatives of the Office of the Executive Director.



The focus of this presentation will be on the activities in which FWC acts as a decision-maker or has some role in influencing the decision-maker. However, the oil spill precipitated several other programs and funding initiatives that will not be examined in detail today, including the MOEX settlement, the Gulf of Mexico Research Initiative (GoMRI), the National Academies of Sciences (NAS) Gulf Research Program, and the North American Wetlands Conservation Act (NAWCA) grants.

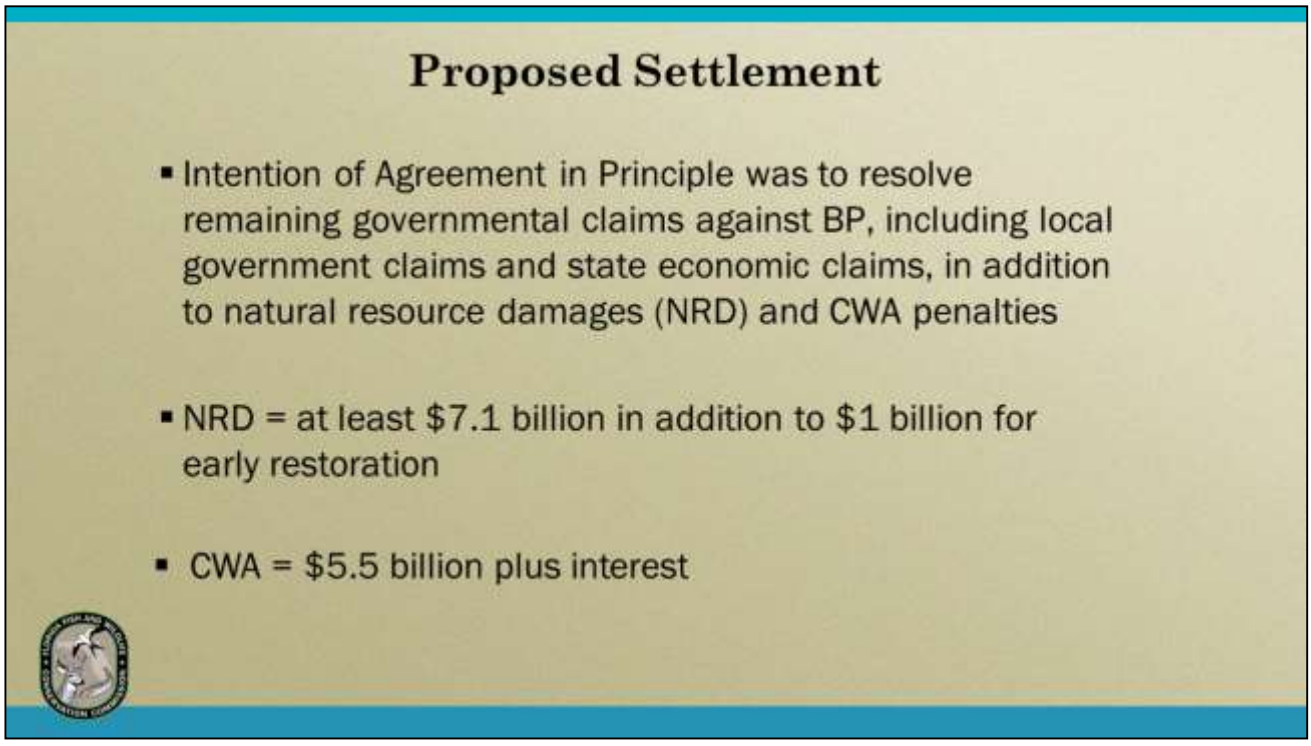
Summary of Funding Activity to Date in Florida

- GEBF
  - $69.7 million awarded to 21 projects
- NRDA
  - Emergency restoration of seagrass
  - Four phases of early restoration approved, including 8 projects being implemented through FWC
- RESTORE
  - In 2015, first awards issued under NOAA RESTORE Science Program and Florida RESTORE Centers of Excellence Program



On July 2 of this year, an agreement in principle was reached with BP to resolve remaining Federal and state claims for environmental and economic damage sustained in the wake of the 2010 *Deepwater Horizon* oil spill. Details of this agreement, initially subject to a court-ordered confidentiality agreement, were released to the public on October 5 with the lodging of a consent decree in the multi-district litigation. Further information on the agreement as it pertains to the Natural Resource Damage Assessment portion of the proposed settlement has been made available via the release of a Programmatic Damage Assessment and Restoration Plan, also on October 5. Public comment is open on both documents until December 4.

PDARP/PEIS elaborates on the NRDA portion of the settlement.



Local government claims and economic claims are negotiated and finalized outside of Consent Decree (although the CD is conditioned on finalization of agreement to resolve state economic claims). The agreement provides Florida the largest share of the economic recovery at $2 billion, which is subject to legislative direction on spending.

Under the terms of the CD, Florida will receive at least $580 million (on top of $100 million in early restoration) for NRD and at least $572 million in CWA penalty money being distributed via the RESTORE Act.

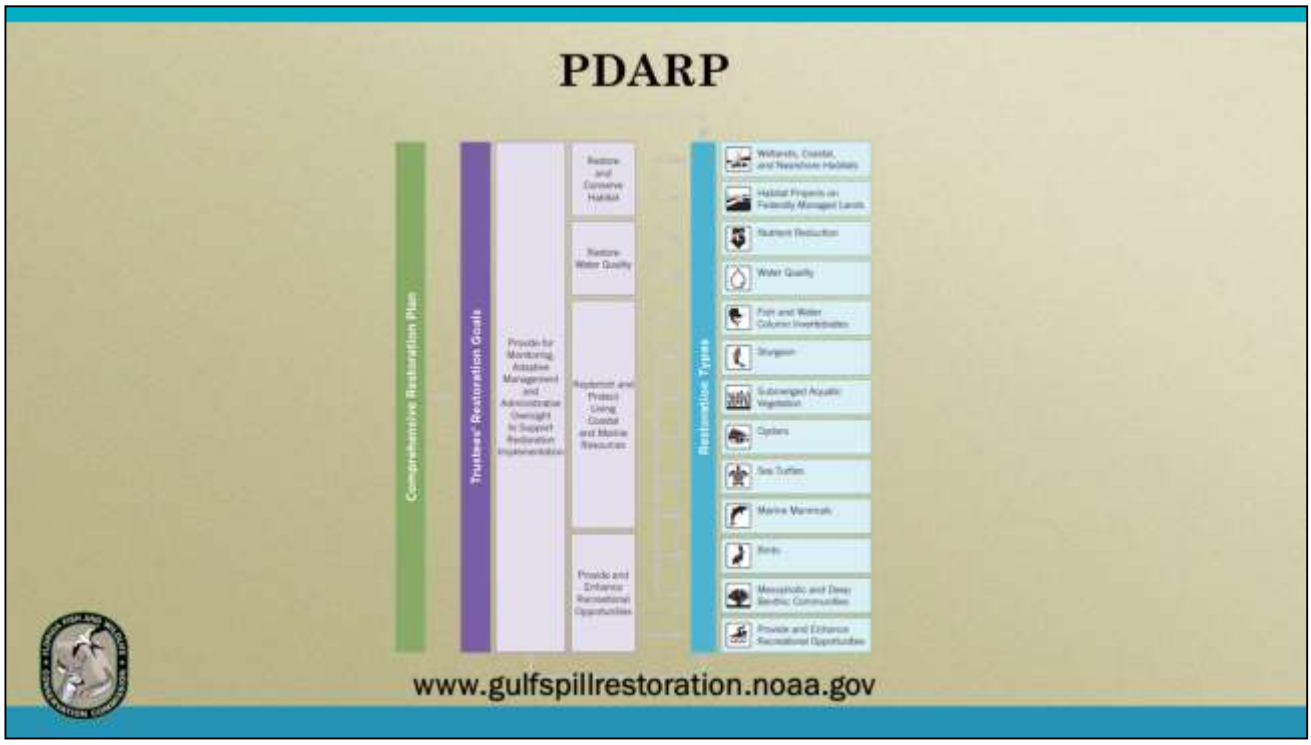
Proposed NRD Allocation

Restoration Funding in Dollars

Major Restoration Categories	Unknown Conditions	Regionwide	Open Ocean	Alabama	Florida	Louisiana	Mississippi	Texas	Total Restoration Funding*
1. Restore and Conserve Habitat									
Wetlands, Coastal, and Nearshore Habitats				60,000,000	5,000,000	4,000,062,700	55,500,000	100,000,000	4,294,562,700
Habitat Projects on Federally Managed Lands				3,000,000	17,500,000	50,000,000	5,000,000		75,500,000
Early Restoration (through Phase IV)				28,110,000	15,629,367	259,625,700	80,000,000		383,365,067
2. Restore Water Quality									
Nutrient Reduction (Nonpoint Source)				5,000,000	35,000,000	20,000,000	27,500,000	22,500,000	110,000,000
Water Quality (e.g., Stormwater Treatments, Hydrologic Restoration, Reduction of Sedimentation, etc.)					300,000,000				300,000,000
3. Replenish and Protect Living Coastal and Marine Resources									
Fish and Water Column Invertebrates			380,000,000						380,000,000
Early Restoration Fish and Water Column Invertebrates			20,000,000						20,000,000
Sturgeon			15,000,000						15,000,000
Sea Turtles		80,000,000	55,000,000	5,500,000	20,000,000	10,000,000	5,000,000	7,500,000	183,000,000
Early Restoration Turtles		29,256,165						19,965,000	49,221,165
Submerged Aquatic Vegetation						22,000,000			22,000,000
Marine Mammals		10,000,000	55,000,000	5,000,000	5,000,000	50,000,000	10,000,000		144,000,000
Birds		70,400,000	10,000,000	30,000,000	40,000,000	148,500,000	25,000,000	20,000,000	403,900,000
Early Restoration Birds		1,823,100		145,000	2,835,000	71,937,300		20,603,770	97,344,170
Mesophotic and Deep Benthic Communities			273,300,000						273,300,000
Oysters		64,372,413		10,000,000	20,000,000	26,000,000	20,000,000	22,500,000	162,872,413
Early Restoration Oysters				3,329,000	5,370,596	14,874,300	13,600,000		37,173,896
4. Provide and Enhance Recreational Opportunities									
Provide and Enhance Recreational Opportunities				25,000,000	83,274,513	38,000,000	5,000,000		131,274,513
Early Restoration Recreational Opportunities			22,397,916	85,505,385	120,542,167	22,000,000	18,967,000	18,582,688	287,986,576
5. Monitoring, Adaptive Management, and Administration Oversight									
Monitoring and Adaptive Management		85,000,000	280,000,000	10,000,000	10,000,000	225,000,000	7,500,000	2,500,000	570,000,000
Administrative Oversight and Comprehensive Planning		40,000,000	150,000,000	20,000,000	20,000,000	33,000,000	22,500,000	4,000,000	289,500,000
Adaptive Management NRD Payment for Unknown Conditions	700,000,000								700,000,000
Total NRD Funding	$700,000,000	$340,851,678	$1,240,697,916	$295,589,385	$600,752,643	$5,000,000,000	$295,567,000	$238,151,458	

* The total restoration funding allocation for the Early Restoration work, each restoration type, and monitoring, adaptive management, and administration oversight is $8.1 billion (plus up to an additional $700 million for adaptive management and unknown conditions).

Restoration in Florida column includes $100 million in early restoration projects in appropriate categories. NRDA settlement is organized around five restoration goals similar to the ecosystem goals articulated under RESTORE (Restore and Conserve Habitat; Restore Water Quality; Replenish and protect living marine and coastal resources; Enhance community resilience).



Four of the goals are then broken down into restoration types tied to major categories of resources injured by the spill. PDARP has >600 pages on injury assessment before describing restoration actions that may be pursued. Future project-level plans similar to the phased early restoration plans will tier off of the programmatic plan.

Bucket 1: individual coastal counties; processes differ to arrive at Multi-Year Implementation Plan

Bucket 2: Council (new federal agency) is comprised of governors of 5 states and 6 federal agencies; Mimi Drew represents Gov.

Bucket 3: Gulf Consortium; formula undetermined, working toward State Expenditure Plan

Bucket 4: NOAA RESTORE Science Program; research, observation, and monitoring to support long-term sustainability of ecosystem and fisheries; first funding opportunity opened Dec. 2014; science plan released May 6; first funding competition awarded approximately $2.7 million to seven research teams, including one led out of the University of Miami with co-investigators from the University of South Florida and FWC's Fish and Wildlife Research Institute as collaborators; two other teams led by non-Florida institutions will include personnel from Florida universities as co-investigators or from FWC's Fish and Wildlife Research Institute as collaborators

Bucket 5: Florida Institute of Oceanography; initial RFP focusing on fisheries and wildlife research and monitoring in Gulf opened February 2015, closed in May; 10 awards issued across 8 Florida universities (only nongovernmental institutions and consortia are eligible to apply)—two selected have FWRI co-PIs

RESTORE

RESTORE Act dictates 20% goes of in Clean Water Act civil penalties goes to Oil Spill Liability Trust Fund and 80% is distributed via the five RESTORE component, which means that $4.4 billion (80% of $5.5 billion) be allocated to these components.

Settlement Timeline

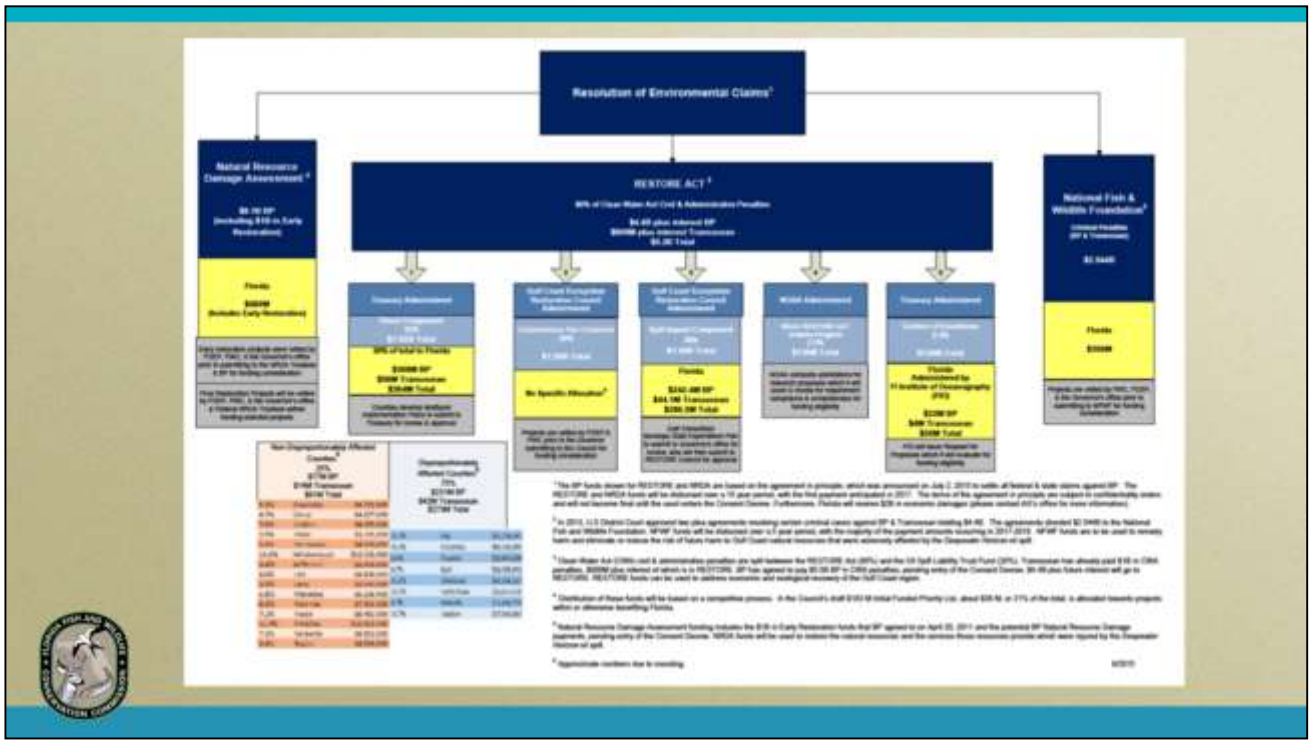
- Public review of CD and PDARP/PEIS open until December 4
- Public meetings held across the Gulf and in Washington, D.C. in October and November
  - October 27 in Pensacola
  - October 29 in St. Petersburg

Subject to finalization with court. Hearing on motion to enter CD as final settlement, if necessary, scheduled for March 23, 2016.

Questions?

deepwaterhorizonflorida.com

The following slides are considered backup material and are not anticipated to be part of the actual presentation



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Unknown Conditions and Adaptive Management

- CD provides for an amount not to exceed $700 million to address injuries not known as of July 2, 2015 or "to adapt, enhance, supplement, or replace restoration projects or approaches initially selected by the Trustees"

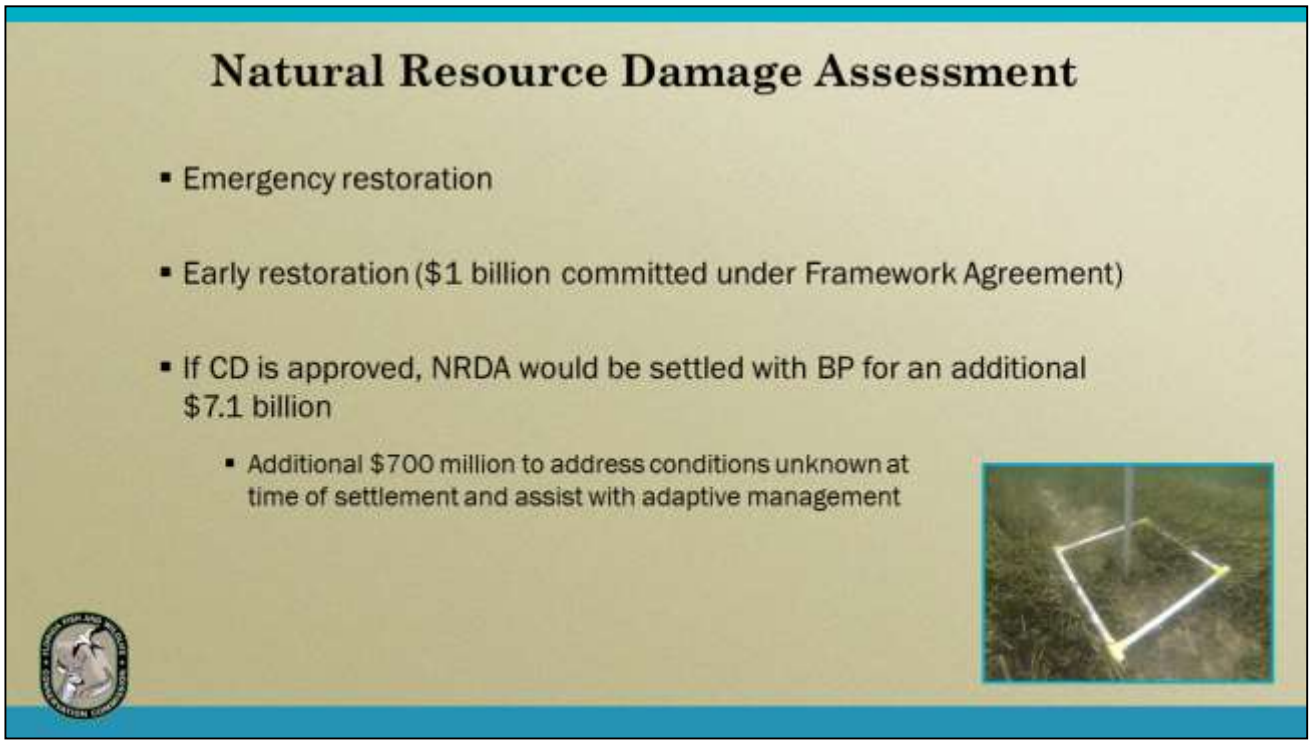
- Generated from unpaid interest on $7.1 billion
  - Between January 1, 2026 and anniversary of entry of consent decree in 2032, Trustees can jointly demand payment of the interest
  - On anniversary of entry of consent decree in 2032, payment is required
  - On 16th anniversary of entry of consent decree, payment of $232 million is required

Natural Resource Damage Assessment

- Authorities: Oil Pollution Act of 1990 (33 USC §2701 et. seq.); NRDA Regulations, 15 CFR Part 990
- Scientific and legal process used by natural resource trustees to develop the public's claim for natural resource damages against the party or parties responsible for a spill and to seek compensation for the harm done to natural resources and services provided by those resources
- Goal is restoration of the injured or lost natural resources and lost human use of those resources

NRDA is a process described by Federal law and that law prescribes the state role. Trustees are the decisionmakers; DEP and FWC represent Florida. Both the AMOUNT and TYPE of restoration is determined by injury.

NRDA is a phased process. Standard scenario is described as a linear process. However, with early restoration, restoration implementation begins prior to the conclusion of injury assessment and restoration planning.



Trustees may implement "emergency restoration" before completing an assessment to minimize continuing, or prevent additional, injury if the restoration actions are feasible and the costs are not unreasonable. For this event, three emergency restoration efforts were collectively implemented by the Trustees (individual Trustees may have implemented additional emergency restoration actions independently): a submerged aquatic vegetation restoration in select locations in the Florida Panhandle, provision of alternative wetland habitat in Mississippi for migratory birds, and a project designed to improve nesting and hatching success of Kemp's ridley sea turtles in Texas.

On the first anniversary of the spill (April 20, 2011), the Trustees and BP agreed that BP would provide up to $1 billion toward early restoration projects, under the terms of a Framework Agreement for Early Restoration, as a preliminary step toward restoring injured natural resources and services.

NRDA: Early Restoration Phase I

- Eight projects in four states for an approximated $62M
- In Florida, $5.7M for a dune restoration project at Pensacola Beach and boat ramp construction or improvement at four sites in Escambia County

NRDA: Early Restoration Phase II

- Two projects being implemented by multiple Trustees in three states for almost $9M

- In seven Florida Panhandle counties, avian habitat project is stewarding beach habitat for 5 years ($2.8M) and sea turtle habitat project is addressing detrimental lighting practices ($3.5M) over 4 years

NRDA: Early Restoration Phase III

- Forty-four projects in five states for approximately $627M
- Twenty-eight of these projects are being implemented by the Florida Trustees; two other projects to be implemented by DOI in Florida
- Phase III Early Restoration Plan coupled with a Programmatic Environmental Impact Statement analyzing twelve early restoration project types

NRDA: Early Restoration Phase IV

- Ten projects in four states for an estimated $134M
- No projects are proposed for direct implementation by Florida Trustees, but one project to be implemented by DOI in Florida, two others would include activities in Florida, and a fourth project would benefit bird species Gulfwide

RESTORE Council-Selected Component

- Initial Comprehensive Plan provides framework for restoration
- 5 goals: Restore & Conserve Habitat; Restore Water Quality; Replenish & Protect Living Coastal & Marine Resources; Enhance Community Resilience; Restore & Revitalize the Gulf Economy

restorethegulf.gov

RESTORE Council-Selected Component

- 50 submittals for first round focusing on water quality and habitat goals
- No predetermined allocation; ~180M available
- Final decision on initial Funded Priorities List TBA

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RESTORE Council-Selected Component

- "Restoration in Key Watersheds: Acting Now and Laying a Foundation for the Future"
- Focuses on 10 key watersheds around the Gulf
- Two categories
  - ~$139.6M for planning and ready projects
  - ~$43.6M reserved for future, subject to additional review
- Subject to final Council vote; public meeting TBA

Florida Sponsored - $18.5 million

- Category 1 - $12.5 million
- Category 2 - $6 million

Other Council Member Sponsored - $12 million

- Category 1 - $4 million
- Category 2 - $8 million

Gulf-wide Florida Benefits - $7 million

- Category 1 - $5.7 million
- Category 2 - $1.6 million

Gulf Environmental Benefit Fund

- Established to administer criminal recoveries from settlements with BP and Transocean
- $356M to be made available over five years for projects in Florida
- To be used to replenish and protect natural resources of the type impacted by the oil spill

Gulf Environmental Benefit Fund

2013 Projects:

- Management & Restoration of Escribano Point Coastal Habitat
- Government Street Regional Stormwater Pond at Corinne Jones Park
- Apalachicola Bay Oyster Restoration
- Comprehensive Panhandle Coastal Bird Conservation
- Eliminating Light Pollution on Sea Turtle Nesting Beaches
- Enhanced Assessment for Restoration of Gulf of Mexico Fisheries

Fred Salomon
Gulf Coast Kayak Fishing Association

NFWF

$15.7M in projects announced November 14, 2013.

$34.3M in projects announced November 17, 2014.

$15.2M in projects announced November 10.

GEBF Restoration Strategy

- Two-year effort to plan remaining GEBF investments in Florida
  - Includes submerged habitat assessment and SWIM plan updates for SRWMD and NWFWMD
  - Based on the three NFWF GEBF funding priorities
  - Initial tasks underway: evaluate existing natural resource plans for priorities; categorize projects in state project portal

Focus is determining projects to be funded by GEBF; cannot directly serve as a global plan for other efforts such as RESTORE and other efforts but will coordinate with others such as the Gulf Consortium's SEP effort

Project portal is open at deepwaterhorizonflorida.com. ~1,411 proposed projects currently in portal.

GEBF Restoration Strategy

Submerged Habitat Assessment

- Assess, map, and model natural and human stressors and roadblocks to submerged aquatic vegetation (SAV) in Perdido, Pensacola, Choctawhatchee, St. Andrew, Econfina, and Suwanee estuaries
- Collate all available SAV imagery, mapping, and monitoring data (and where gaps exist, gather new information) and combine with water quality and sediment data to evaluate roadblocks to recovery
- Develop Submerged Aquatic Vegetation Recovery Potential (SRP) model to identify areas where natural recovery is occurring and where losses are continuing

Six priority estuaries were selected on the basis of complementary watershed restoration plans and proposals, patterns of historical SAV distribution, severity of SAV loss, and preliminary assessment of SAV recovery potential. Model expected to be available Fall 2016.

GEBF Restoration Strategy

Restoration Planning for the Florida Panhandle

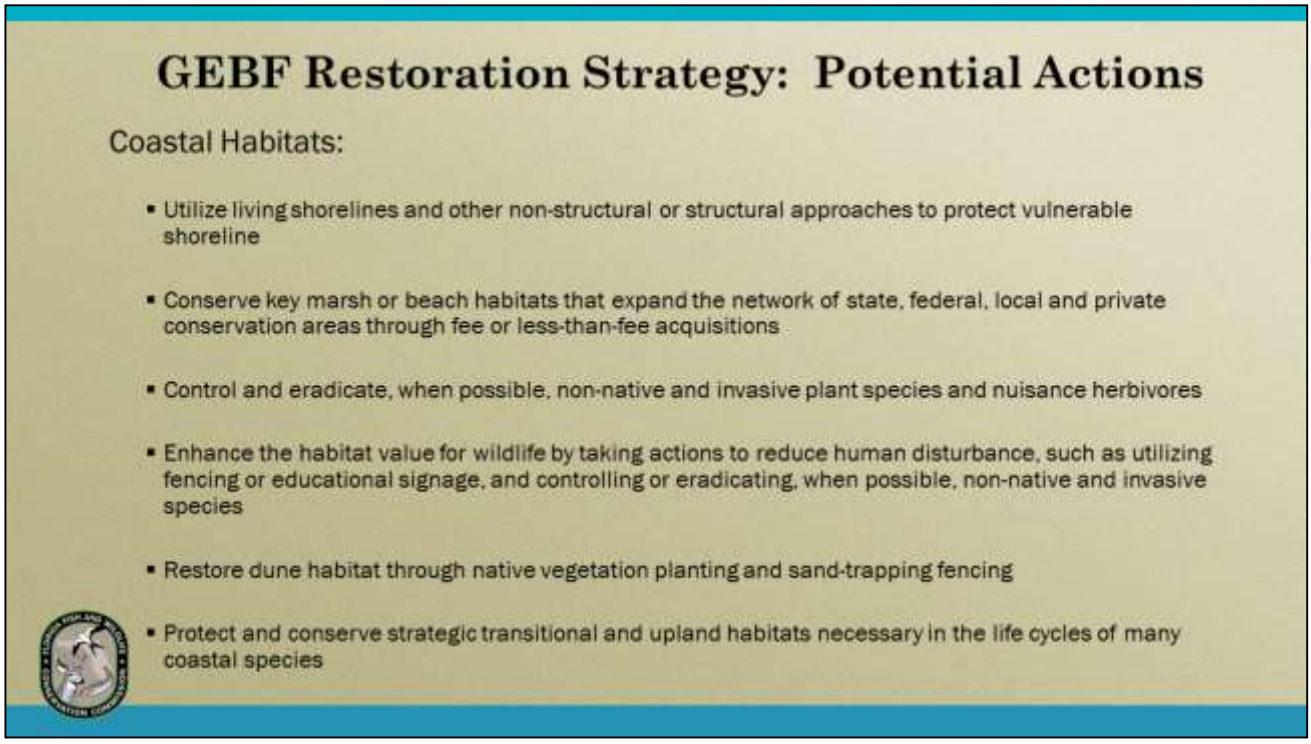
- Update watershed plans for seven major estuarine watersheds of Northwest Florida: Perdido River and Bay; Pensacola Bay System; Choctawhatchee River and Bay; St. Andrew Bay; Apalachicola River and Bay; Ochlockonee River and Bay; and St. Marks River and Bay
- Engage technical advisory committees to identify watershed issues, goals and objectives, and prioritize strategies and projects
- Conduct public workshops in each watershed

GEBF Restoration Strategy

Big Bend Watersheds Planning

- Update watershed plans for six major watersheds--Suwannee River, Aucilla River, Econfina River, Fenholloway River, Steinhatchee River, and Waccasassa River—and consolidate into two SWIM plans (Suwannee River and Coastal Rivers)
- Engage a steering group of agencies and NGOs to identify watershed issues, goals and objectives, and prioritize strategies and projects
- Conduct public workshops

Suwannee and Aucilla watersheds include tributaries.



Listed potential actions on next few slide modified from the NFWF website, which states: "The following list is a list of potential actions that may be supported through the Fund to advance important outcomes for each focal area. The list is not intended to be exhaustive but rather illustrative of the types of projects that may be candidates to receive funding through the Gulf Environmental Benefit Fund.

This list was prepared in collaboration with state and federal resource agencies. Individual projects will be subject to additional technical, legal and financial review as well as other considerations, including cost-effectiveness. These priorities and potential actions are expected to be refined over time as conservation planning at the regional, state and local levels occurs to better inform funding decisions."

GEBF Restoration Strategy: Potential Actions

Coastal Bays and Estuaries:

- Measurably improve water quality by reducing significant non-point sources of degradation (e.g., storm water management, agricultural runoff) to enhance or maintain the functioning of priority bays and estuaries
- Improve freshwater inflows to priority bays to enhance or maintain the functioning of priority bays and estuaries
- Utilize living shorelines and other non-structural or structural approaches to protect vulnerable shoreline
- Restore and conserve (e.g., through land or easement acquisition) coastal and near-shore habitats, in particular marshes, oyster reefs, seagrasses, and coastal buffers
- Control and eradicate, when possible, non-native and invasive species to enhance native wildlife and fish habitat

GEBF Restoration Strategy: Potential Actions

Living Resources:

- Gulf Coast birds: Reduce nest predation and human disturbance to increase reproductive success; enhance food resources and habitat availability to increase overwintering success; protect and restore critical colonial waterbird nesting islands
- Sea turtles: Reduce light pollution, nest predation, and other disturbances; reduce by-catch; protect strategic nesting beaches and inshore foraging areas; enhance and/or expand stranding networks
- Reef fish: Improve data collection to inform sustainable fishing practices; reduce by-catch
- Oysters: Restore or replenish oyster reefs; promote sustainable harvest strategies
- Marine mammals: Enhance and/or expand stranding networks