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## Gulf Coast Ecosystem Restoration Task Force Meeting Galveston, Texas June 27, 2011

Panel – Painting the Big Picture of the Future of the Gulf: Other Voices "Industry Role in Gulf Restoration"

Remarks by Paul Kelly, Chair, Industry Sub-Panel, Ocean Research Advisory Panel,
Former President, Gulf of Mexico Foundation

In considering the role of industry in Gulf restoration, with regard to the petroleum industry, no discussion should begin without mentioning the importance of oil spill prevention and containment. The good news is that five major oil companies, which are among those leading the advance of revolutionary deep water drilling technology in the Gulf, have put competition aside to use their combined engineering skills and those of their contractors to develop new devices to address the threat of disasters such as Macondo in the future. We must restore and we must also protect.

That being said, in a broader sense, it is important to note the role industry in the Gulf of Mexico region has played in the past and in the present. For example, earlier today you heard a presentation from Suraida Nanez James, Education Program Manager at the Gulf of Mexico Foundation. Good stewardship of the Gulf begins at the lower school level and goes up to the university level and involves teacher education as well. Industry management knows that environmental education is as important as the professional education of its present and future employees and therefore puts its money where its mouth is. For example, the trips teachers take out to the Flower Garden Banks to learn about the offshore ecosystems of the Gulf under the guidance of the Gulf of Mexico

Foundation are paid for by Conoco Phillips Corporation. And, when a number of teachers appealed to the Foundation for an alternative to going offshore because they were afraid of diving or got sea sick, the Foundation put together an annual study tour of the Inland Waterway and surrounding coastal habitat of Texas and Louisiana by boat, also financed by Conoco Phillips.

For many years, the Gulf of Mexico Foundation has educated volunteers for habitat restoration projects at various locations along the coast. Recognizing the demands and importance of the work that lies ahead, the Foundation is planning to locate a new permanent and professional habitat restoration training center here in the City of Galveston. More information on this project will be forthcoming.

In another example of industry involvement, I received my Texas Audubon Coastal Stewardship Program newsletter this week and noted that supporters and partners in recovering and protecting coastal birds in the aftermath of the Macondo spill include a diverse group including H-E-B Grocery Company, General Motors, Exxon Mobil, Formosa Plastics Corp. and Conoco Phillips.

Another organization in which the private sector is involved is the Galveston Bay Foundation, known for its outstanding restoration work up and down this remarkable body of water which not only is traversed by all the vessels going to the United States' third largest port, Houston, but also is a major producer of oysters. I always enjoy receiving the Foundation's annual calendar in which each month features drawings done by school children illustrating different subjects in the life of the Bay. The winning drawings for the calendar are selected in a contest sponsored by Exxon Mobil.

The Nature Conservancy is another conservation group which partners with industry in the Gulf region.

On other fronts in our coastal states, you will find representatives of industry serving on boards of directors of our universities which have marine programs and our Sea Grant programs which keep close connections with the fishing, marine transportation, and offshore industries, as well as port management businesses. Having such collaboration can often be a good source of future jobs for students.

Senior industry representatives have also served on advisory committees in the U.S.

Coast Guard and the Department of the Interior. In my past career days I have served on the Coast Guard's National Safety Advisory Committee and Interior's OCS Policy

Committee. Interior also has a Science Advisory Committee. With the Federal

Government's increased focus on the Gulf, these groups should be reinvigorated.

The comments of my colleague, Jim Tripp, remind me of the critical importance of the Mississippi River to Gulf of Mexico water quality, marine life and habitat. As if the Macondo spill were not enough, we are now facing a major threat of river run- off from this spring's floods in the Mississippi River Basin. I needn't tell this audience of the concerns we have are that the so called "dead zone" will be larger than ever. I know these developments will be closely monitored, and we look forward to learning the results.

One development I find encouraging looking at the long run is that the States upstream from Mississippi and Louisiana seem to be taking more of an interest in the problem with hypoxia in the Gulf. For example, the Gulf of Mexico Foundation has recently received inquires from school administrators in Iowa concerning the possibility of establishing curricular used in Gulf state schools in their schools. In another development, farmers in

Mississippi have established programs to move drainage water containing excess phosphates and nitrates from fertilizer way from the river into areas where it can be used to develop conservation projects. I am told that meetings to discuss these possibilities have been held at the gubernatorial level. I have also been told that excess pipe from oil companies can be a source to move the water from agricultural lands into potential conservation areas.

As a final comment, I want to say that when I was President of the Gulf of Mexico Foundation, I was sometimes asked why, compared to other industry companies, oil companies and oil service companies so often seemed to be involved in backing and contributing funds to conservation projects and organizations in this region, as well as being a source of volunteers for beach cleanups and habitat restoration projects. The questioner almost seemed to be implying that this was distasteful. The answer I always gave to this question is, "Because they are always the ones to step forward first."

People who manage and work in the petroleum industry are like the rest of us. They want to earn a decent living, live in nice communities, and enjoy nature and a quality environment. In fact, because they are so involved and dependent on the Gulf of Mexico region for their well being, they and the companies they work for may appreciate the importance of a healthy Gulf more than a lot of us. As we move forward with Gulf restoration, I believe we will continue to find this to be the case.

There are many industries in the Gulf Coast region, however, all of which have an important stake in our future; and there is plenty more room for support and involvement. Coastal population growth projections for all five of our Gulf states are substantial. Recreation, tourism and hospitality, fishing, food, cruise lines and transportation, for

example, all will benefit from and be dependent upon a restored and healthy Gulf region in the years ahead, and they too have responsibility as stakeholders to play a role in restoring and caring for this exceptional gift we all benefit from and are privileged to have.

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