

READY TODAY. READY FOR TOMORROW.

May 2, 2025

The Honorable
Bruce Westerman
Chairman
Committee on Natural Resources
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Westerman:

On behalf of the Greater Lafourche Port Commission ("Port Fourchon"), I am writing to express our support for the Natural Resources Committee's portion of the pending Budget Reconciliation legislation, and our appreciation for your Committee's efforts.

Port Fourchon is located directly on the Gulf of America, and is the primary port in the Gulf providing intermodal services and supplies to offshore energy activities. More than 250 companies utilize Port Fourchon in servicing offshore energy projects, carrying equipment, supplies, and personnel to offshore locations. Port Fourchon's tenants provide services to nearly 100% of deepwater activities in the Gulf, and to roughly 45% of shallow water activity. In total, Port Fourchon plays a key role in providing nearly 20% of the Nation's oil supply, or one in every five barrels of oil in the country.

Port Fourchon is a public port authority, located in Lafourche Parish. The broad energy activities along the Gulf Coast, much of it located in Lafourche Parish and nearly all of the offshore activity serviced by Port Fourchon, provides a tremendous economic base to support our communities. Port Fourchon and the energy activities it supports is responsible for more than 8,000 direct jobs in our Metropolitan Statistical Area, located less than 90 miles from the populations centers of New Orleans and Baton Rouge. Eight out of the top ten taxpayers in Lafourche Parish are either a tenant of Port Fourchon or otherwise operate in the offshore industry.

The economic activity from Gulf of America energy operations supports not just jobs, but provides substantial funding to Lafourche Parish and neighboring Parishes for community services like after school programs, economic development assistance, public works projects, and emergency preparedness. Offshore energy also serves as an economic base for our levee and water districts,

Port Fourchon Operations Center

180 A.O. Rappelet Road Port Fourchon, LA 70357

Phone: (985) 396-2750

Greater Lafourche Port Commission Administration Office

16829 East Main Street Cut Off, LA 70345

Phone: (985) 632-6701 Fax: (985) 632-6703 Email: glpc@portfourchon.com Leonard Miller, Jr. Airport

GAO - South Lafourche

149 King Air Drive Galliano, LA 70354

Phone: (985) 475-6701

and our emergency responders. Offshore energy production is vital to all of these services that impact our daily lives, where we live, where we work, where we worship, and where we raise our families. Simply put, offshore energy is the underpinning of our economy and quality of life.

As instrumental as Port Fourchon is in offshore energy activities and what the offshore industry provides in terms of meeting the energy needs of the Nation, we do not directly participate in much of the regulatory processes related to Gulf energy exploration and production. We do not participate in lease sales; we do not apply for various permits to drill or do other activities offshore; and we do not directly operate vessels in the Gulf that are subject to regulatory oversight. Yet this entire federal regime directly impacts our business, the demand for the services which we supply, and in turn, the economic stimulus we provide to our regional and national economies.

While variables such as world energy supply and demand, natural disasters, or a worldwide pandemic such as Covid will impact the industry in which we participate, always present in our business activities and in planning for our future is the regulatory uncertainty that impacts offshore energy development. These uncertainties are borne out of changes or interpretations to the offshore program, often based on Presidential Administrations, or legal challenges to offshore activities based on unclear legislative or regulatory mandates.

The Committee's legislation addresses many of the uncertainties in the federal process related to offshore energy development. These uncertainties make it extremely difficult for Port Fourchon and surrounding governmental agencies to meet the current needs of our communities and to plan for the future. Let there be no doubt that federal policies impacting the offshore energy industry have a direct impact on surrounding communities and its citizens.

Among the many provisions in this legislation that aim to provide a more certain federal program, we applaud the Committee's direction for requiring 30 lease sales over the next 15 years. Lease sales are the major underpinning of a successful, and reliable, offshore energy program. Though local communities understand and can plan for the sometimes cyclical nature within the industry over a period of years and decades, knowing that there will be a reliable schedule for sales over a period of 15 years would remove a great deal of uncertainty caused by the federal government. Similarly, provisions in the legislation that are aimed at expediting the NEPA process, providing limitations on judicial review in some instances, and addressing the confusing application of laws such as the Endangered Species Act and Marine Mammal Protection Act, will address several of the key obstacles that have hampered the offshore energy and maritime industries. This, in turn, will assist our Port and other local governments in meeting the needs of our communities and planning for the future.

Finally, extending and adjusting the cap for GOMESA funding for 25 years will help state and local governments meet current needs and plan for future needs of their communities. The disparity between onshore and offshore revenue sharing for federal leases will still remain. Addressing that issue will continue to be a goal of our communities here in Louisiana. But the increase of the cap to \$650 million through FY 2035 will significantly help states along the Gulf of America. GOMESA funding provides valuable assistance to Gulf states and local communities to fund infrastructure, coastal restoration and other conservation projects. It is a vital source of funding for Louisiana and our communities and must continue to be a priority in the context of our Nation's energy program.

In conclusion, we applaud the Committee's work on this legislation. It will strengthen our Nation's ability to meet our energy needs, will provide much needed, sustained certainty in our federal energy policy, which will assist local governments in meeting the needs of communities. We appreciate your efforts on this legislation and stand ready to assist in any way possible as you move through the legislative process.

Respectfully,

Chett C. Chiasson, MPA Executive Director