



State of Louisiana
Office of the Governor
GOVERNOR BOBBY JINDAL

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Governor Jindal and AG Caldwell: Over \$6.8 Billion Anticipated for State Claims Related to BP Oil Spill

\$18.732 Billion Agreement in Principle Represents the Largest Environmental Settlement in U.S. History

BATON ROUGE – Today, Governor Jindal, Attorney General Caldwell, and state officials announced that an Agreement in Principle has been reached with BP Exploration & Production Inc. (“BP”) on all of the state and federal claims arising from the 2010 *Deepwater Horizon* oil spill. The Agreement in Principle totals approximately \$18.732 billion, of which Louisiana anticipates receiving more than \$6.8 billion for claims related to Natural Resource Damages under the Oil Pollution Act of 1990, the State’s share of Clean Water Act penalties (under the RESTORE Act), and the State’s various economic claims. Upon finalization, the Agreement announced today will bring Louisiana’s total recovery from the *Deepwater Horizon* disaster to approximately \$10 billion.

Governor Jindal said, “Five years ago my administration committed to holding BP accountable for the *Deepwater Horizon* disaster. Today, through extensive coordination with the Attorney General’s office and the State’s coastal authorities, we’ve made good on that promise. This Agreement will not only restore the damage inflicted on our coastal resources by the *Deepwater Horizon* oil spill, it will also allow Louisiana to continue aggressively fighting coastal erosion. These funds will allow us to build on the momentum gained through the State’s increased investment in coastal protection and restoration since 2008. We appreciate the hard work of everyone who worked to construct this historic settlement, including General Caldwell, our Louisiana legal team and trustees, the governors and attorneys general of the other Gulf states, the federal trustees, and the representatives of the court who worked tirelessly to assure the fair and orderly administration of justice under such extreme circumstances.”

Attorney General Caldwell said, “This agreement is the result of five years of hard-fought litigation and intense scientific research, and it provides Louisiana the coastal restoration and compensation it needs following the *Deepwater Horizon* disaster. With a total recovery of more than \$10 billion – which is more than any state has ever recovered for this type of case – we can begin work to restore and repair Louisiana and its coastline. This agreement lets us focus right away on improving the state without further litigation delays and appeals that could take years. I am extremely pleased by the work done by the Court and all the parties in this matter to reach an agreement that will bring great and historic benefits to Louisiana and the Gulf.”

The \$18.732 billion agreement funds include the following components:

- \$8.1 billion for natural resource damages (includes \$1 billion in early restoration projects);

- \$232 million to address any unknown natural resource damages;
- \$5.5 billion for Clean Water Act civil penalties (subject to the RESTORE Act);
- \$4.9 billion for state economic losses; and

The more than \$6.8 billion included for Louisiana is comprised of the following components:

- \$5 billion for natural resource damages (includes \$368 million in previously allocated early restoration);
- A minimum of approximately \$787 million for Clean Water Act civil penalties distributed through the RESTORE Act (Louisiana's portion of the RESTORE Council distributed funds has yet to be determined); and
- \$1 billion for state economic damages.

“We’ve made tremendous progress in recent years in addressing the crisis we face in coastal Louisiana; a crisis that was exacerbated by the BP oil spill,” said Chip Kline, chairman of the Coastal Protection and Restoration Authority Board. “Through hard work and determination, we have now managed to transform this disaster into an opportunity. The oil spill intensified our resolve to restore and protect coastal Louisiana. Today’s announcement provides us with an opportunity to not only address the damages associated with the oil spill, but also to continue to build upon the progress we’ve made over the last 7 years. With our Coastal Master Plan guiding our efforts, and working in close coordination with our coastal parishes, our congressional delegation, and our communities, we will remain focused on our mission of achieving a sustainable and productive Coastal Louisiana where all Louisianans can continue to live, work, and thrive.”

“Over the past five years, the State’s efforts have been focused on conducting an unprecedented assessment of the oil spill impacts to Louisiana’s coastal environment,” said Kyle Graham, executive director of the Louisiana Coastal Protection and Restoration Authority and Louisiana’s lead natural resource trustee. “Today is a pivotal moment as we transition from the assessment of impacts to restoring for those injuries. This Agreement in Principle combined with prior Deepwater Horizon related settlements translates into approximately \$8.7 billion for coastal restoration. These funds will allow the State to move forward with identifying and implementing projects that will restore our unique and incredibly productive ecosystem.”

“Five years ago the Sportsman’s Paradise took a significant hit,” said Louisiana Department of Wildlife and Fisheries Secretary Robert Barham. “Some of the most iconic images of the Deepwater Horizon disaster were photos of Louisiana wildlife covered in oil. The impacts permeated our fragile coastline, threatening the vitality of one of the world’s most productive ecosystems. We’ve come a long way in furthering our understanding of the effects of the spill on our wildlife and fisheries. The department is eager to continue efforts to restore these resources that are essential to our coast and the people that depend on it.”

Today’s announcement marks the first of many steps in finalizing this Agreement. Over the next several months, state and federal officials will work diligently to take the steps necessary to finalize this Agreement, including the federal and state trustees drafting, publicly vetting, and finalizing a consent decree, a Damage Assessment and Restoration Plan (DARP) as well as resolving economic loss claims presented by various local governments, with the ultimate goal of seeking the Court’s approval of a final Consent Decree in early 2016.

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