

# Summary of Tentative Deepwater Horizon Oil Spill Settlement

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# Total BPXP Settlement

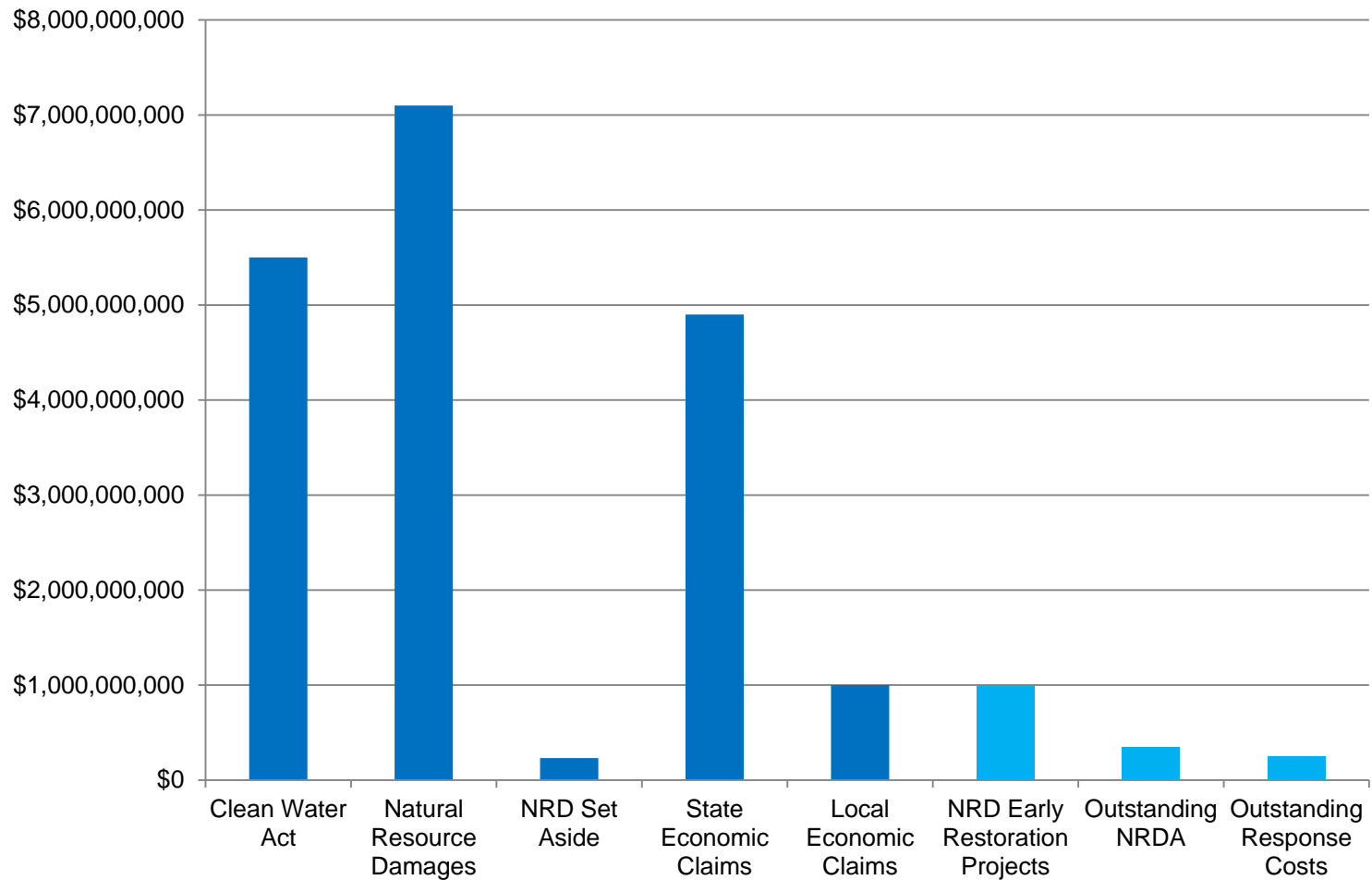
Component	Dollars
CWA Penalties (RESTORE Act) <sup>1</sup>	\$5,500,000,000
Natural Resource Damages <sup>1</sup>	\$7,100,000,000
NRD Set Aside for Future Impacts <sup>2</sup>	\$232,000,000
State Economic Claims <sup>3</sup>	\$4,900,000,000
Local Economic Claims	\$1,000,000,000
<b>Sub-Total</b>	<b>\$18,732,000,000</b>
NRD Early Restoration Projects	\$1,000,000,000
Outstanding NRDA	\$350,000,000
Outstanding Response Costs	\$250,000,000
<b>Total</b>	<b>\$20,332,000,000</b>

<sup>1</sup> Payable over 15 years

<sup>2</sup> Payable at the end of the 15 year payout period

<sup>3</sup> Payable over 18 years

# Total BPXP Settlement



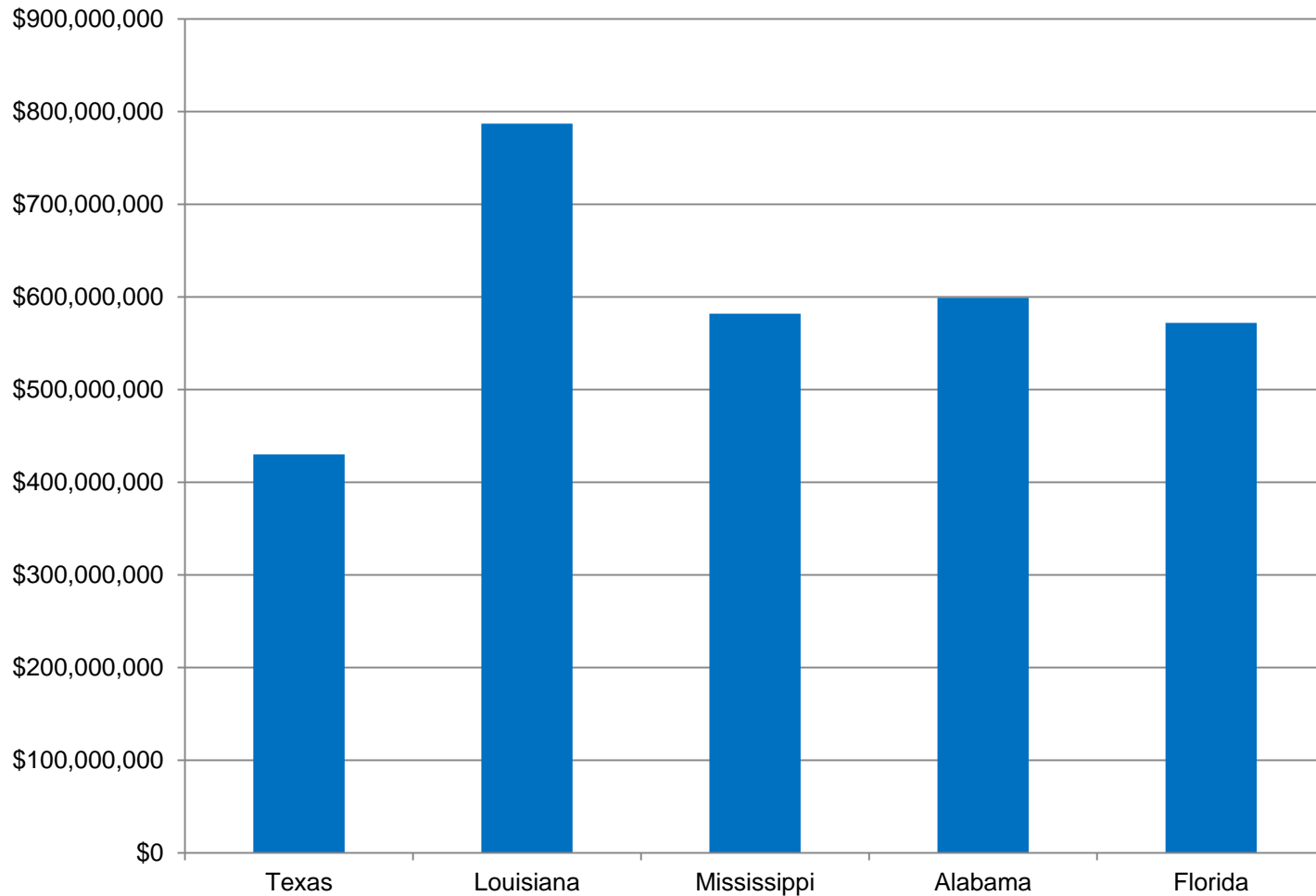


# RESTORE Act Funding by State\*

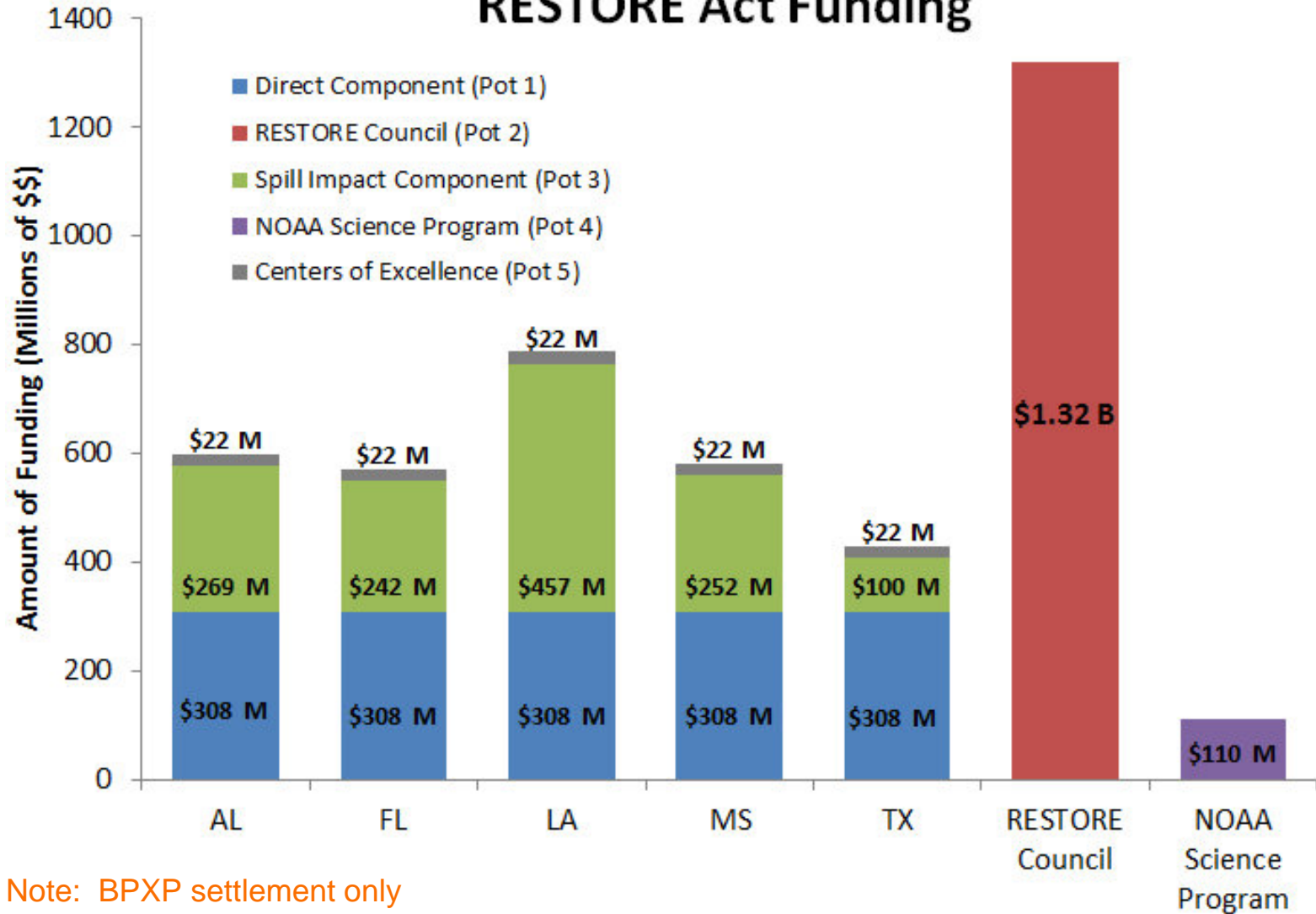
State	Dollars
Texas	\$430,000,000
Louisiana	\$787,000,000
Mississippi	\$582,000,000
Alabama	\$599,000,000
Florida	\$572,000,000
Total	\$2,970,000,000

\* Pots 1, 3 and 5 for BPXP settlement only

# RESTORE Act Funding by State



## RESTORE Act Funding



Note: BPXP settlement only

Source: Environmental Law Institute



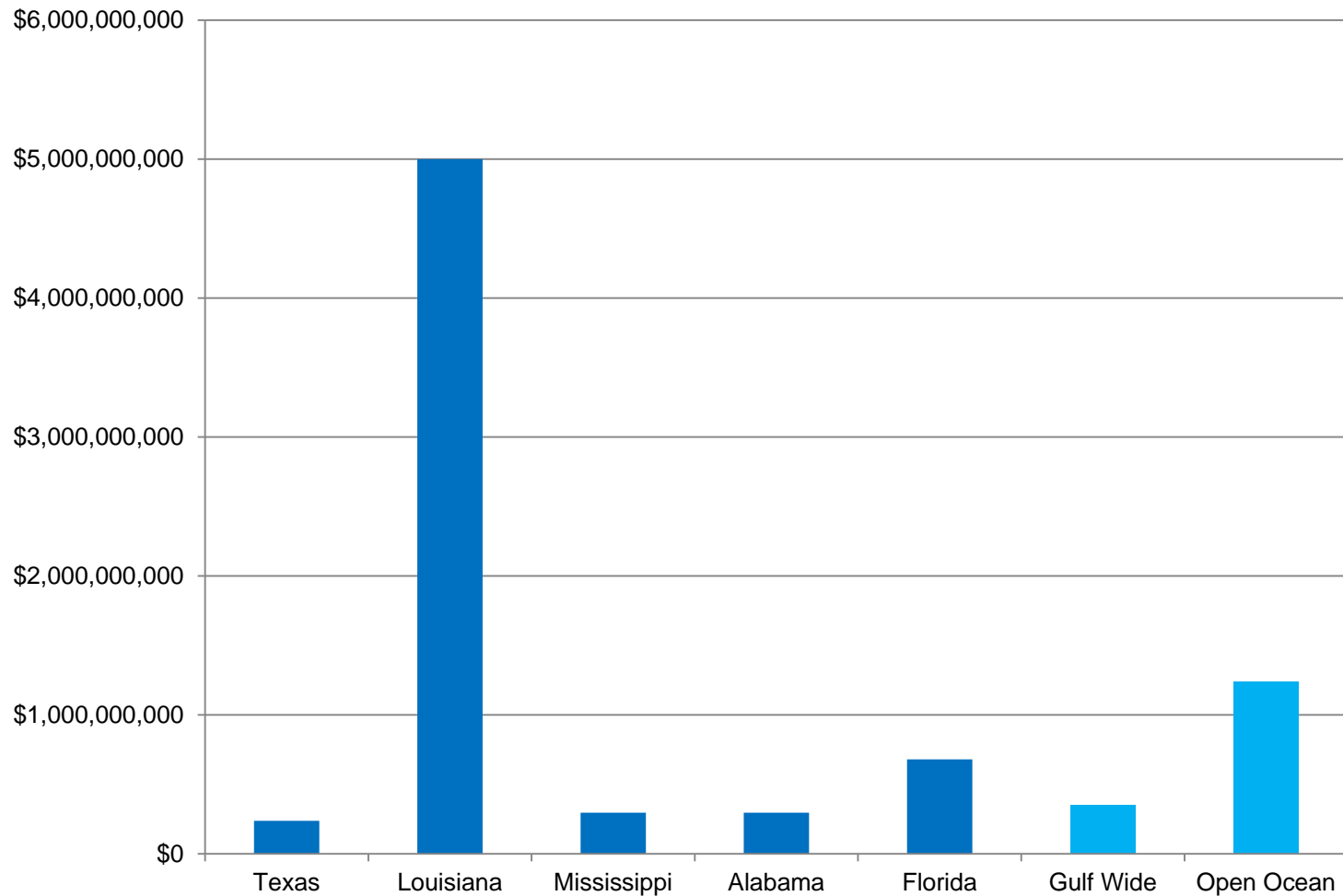
## NRD Funding by State

State	Dollars
Texas	\$238,000,000
Louisiana	\$5,000,000,000
Mississippi	\$296,000,000
Alabama	\$296,000,000
Florida	\$680,000,000
Gulf Wide	\$350,000,000
Open Ocean	\$1,240,000,000
<b>Total</b>	<b>\$8,100,000,000</b>

Note: Includes \$1 billion already paid for early restoration



# NRD Funding by State

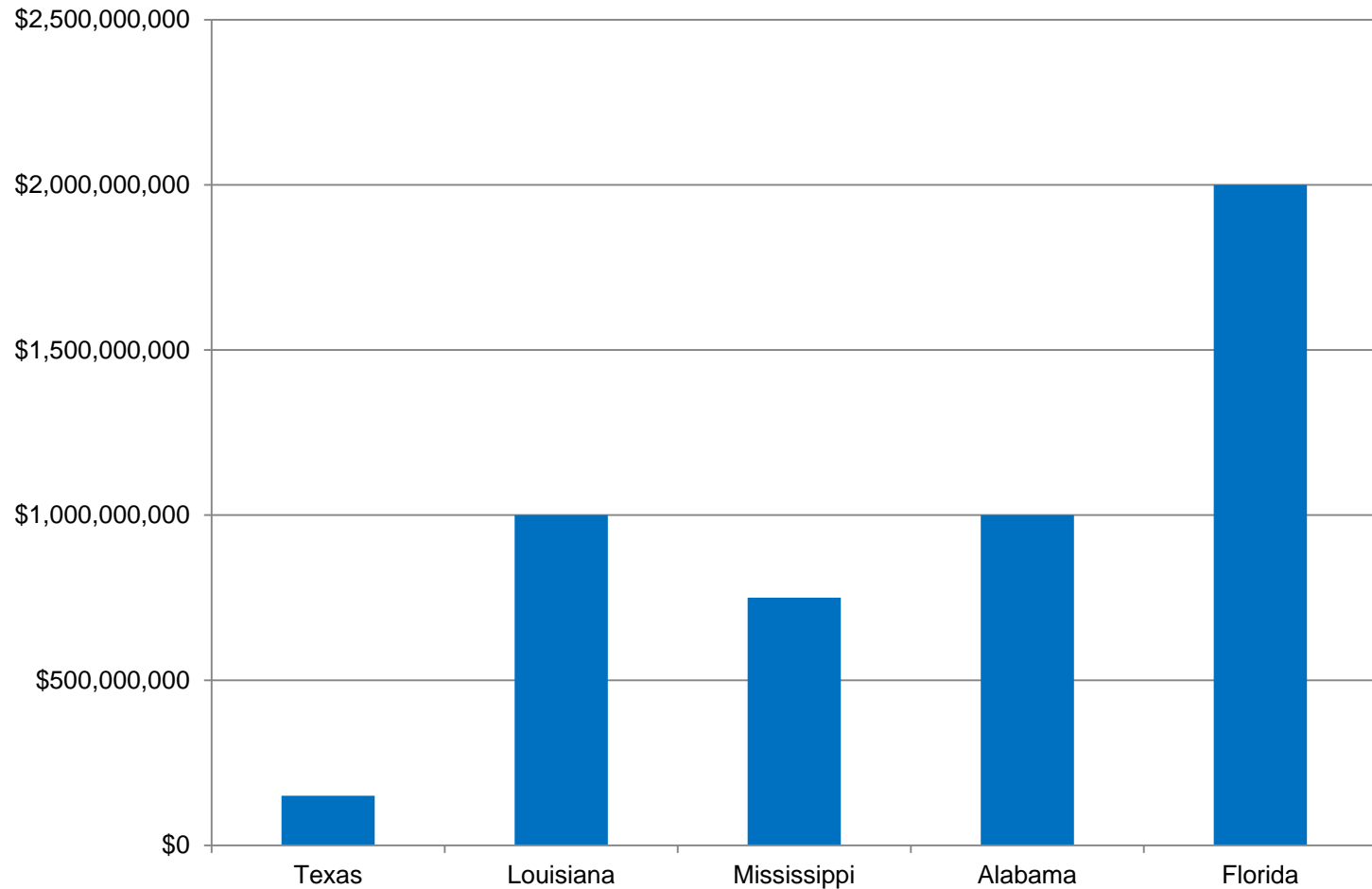




## Economic Settlements by State

State	Dollars
Texas	\$150,000,000
Louisiana	\$1,000,000,000
Mississippi	\$750,000,000
Alabama	\$1,000,000,000
Florida	\$2,000,000,000
Total	\$4,900,000,000

# Economic Settlements by State



## Triumph Gulf Coast, Inc.

- Non-profit corporation established within the Department of Economic Opportunity (DEO)
- Will oversee 75% of all funds recovered by the Florida attorney general for economic damages (\$1.5B)
- Must establish, hold, invest and **administer a trust account and grant program for the economic recovery, diversification and enhancement of the eight disproportionately affected counties**
- Remaining 25% of recovered funds controlled by the DEO and Florida legislature



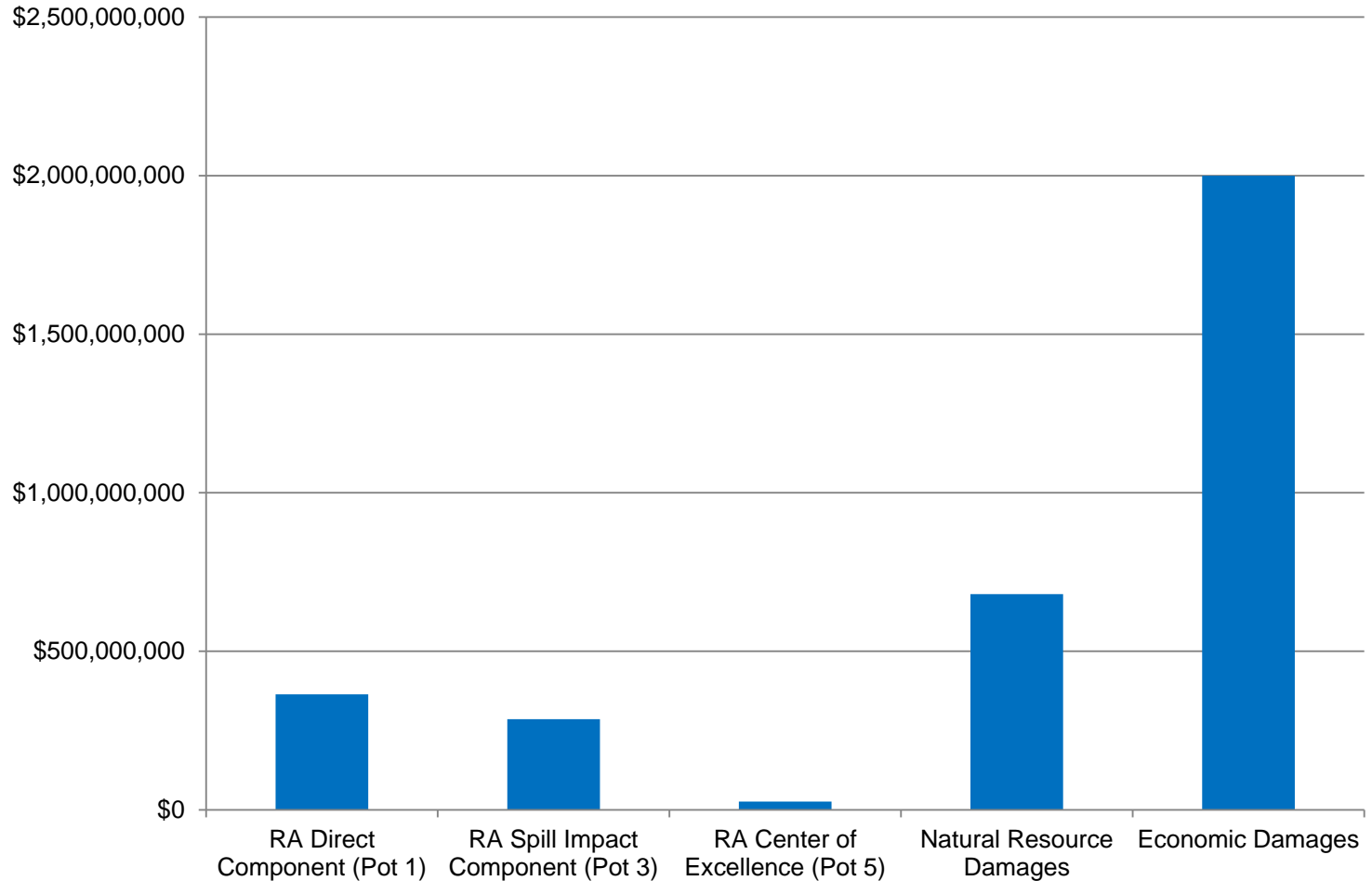
# Total Settlement for Florida

State	Dollars
RA Direct Component (Pot 1)	\$364,000,000
RA Spill Impact Component (Pot 3)	\$286,000,000
RA Center of Excellence (Pot 5)	\$26,000,000
Natural Resource Damages	\$680,000,000
Economic Damages	\$2,000,000,000
<b>Total</b>	<b>\$3,356,000,000</b>

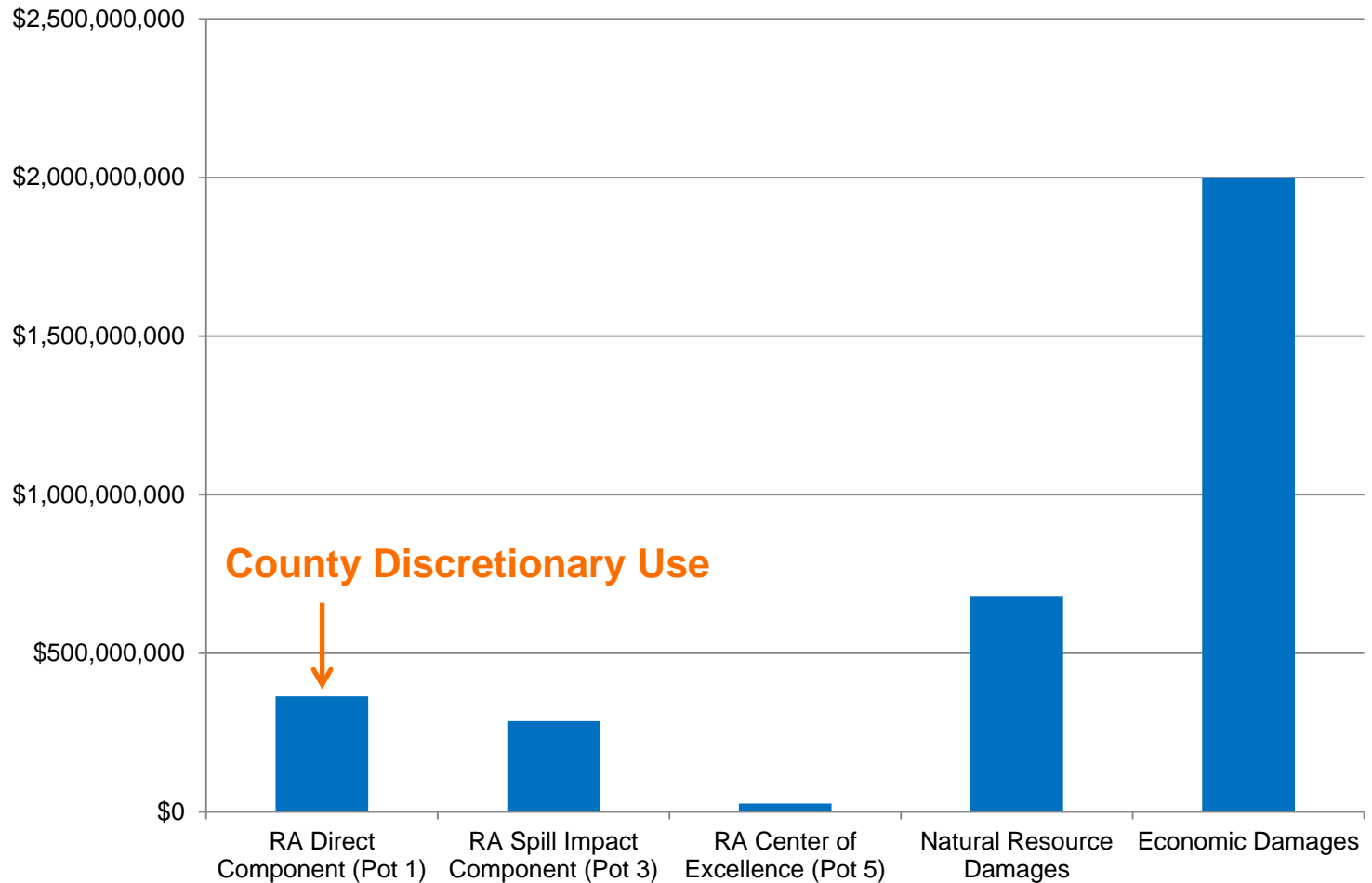
Note: Includes Transocean + BPXP settlements

Source: Erin Deady

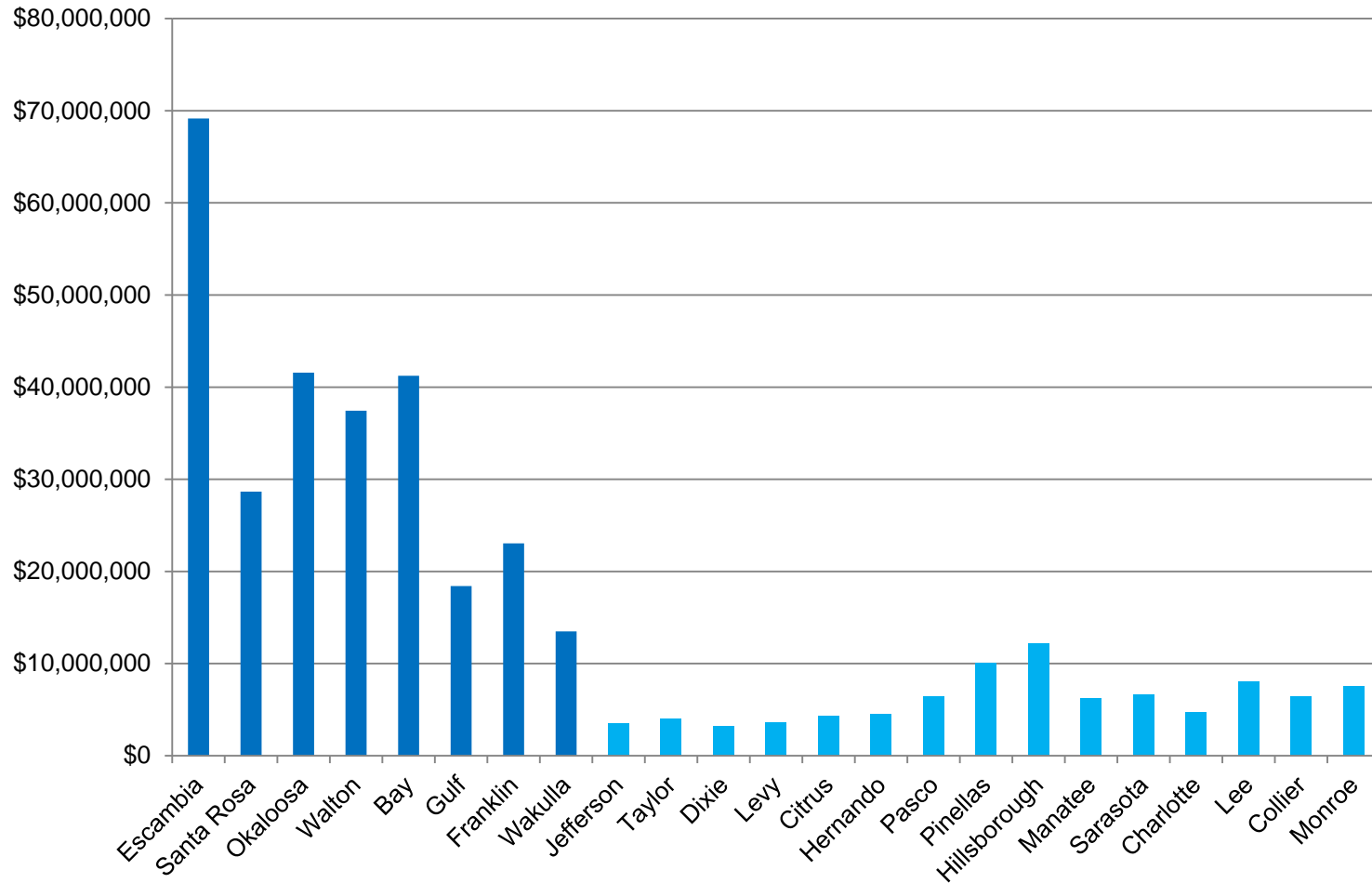
# Total Settlement for Florida



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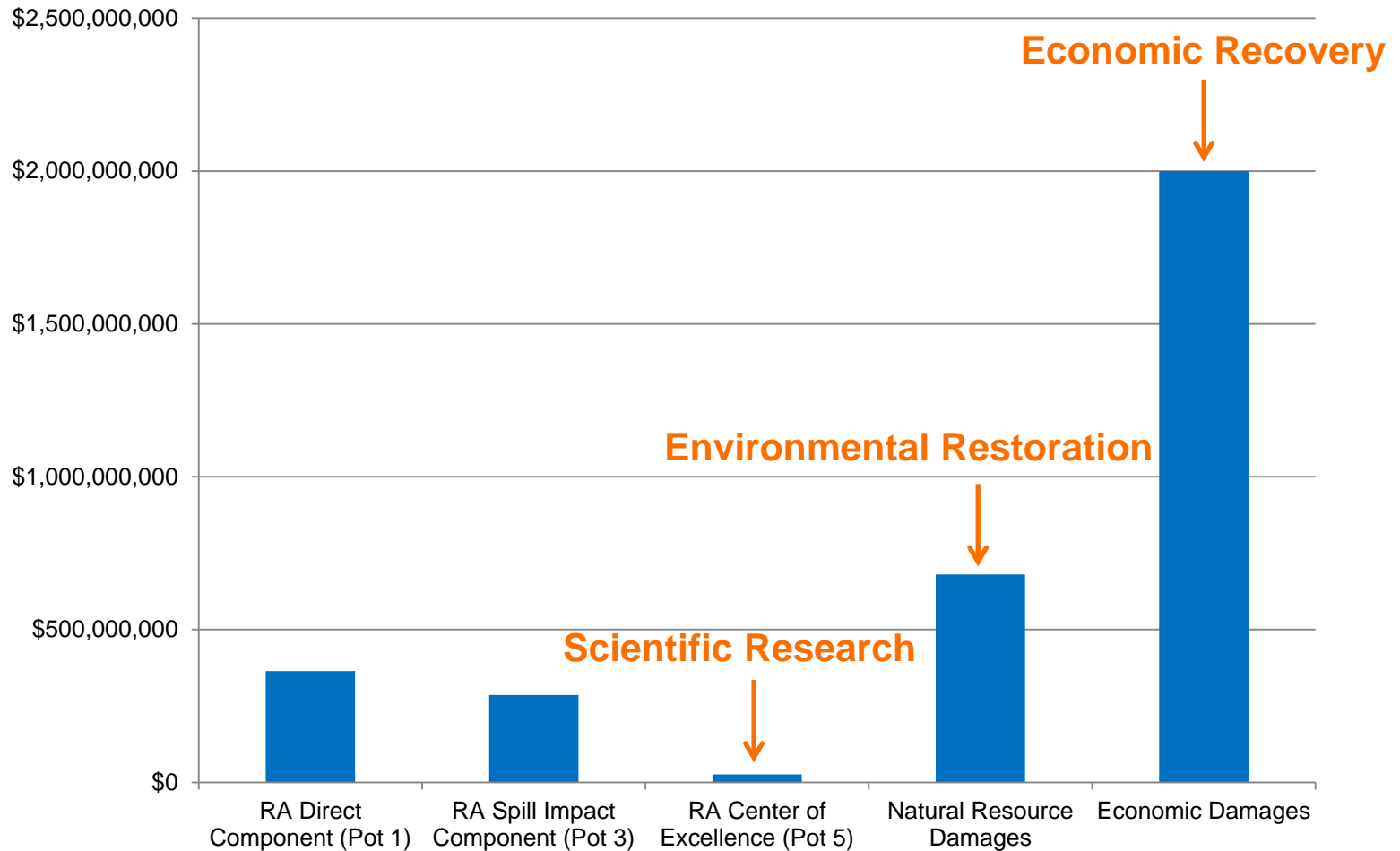
# Florida Direct Component



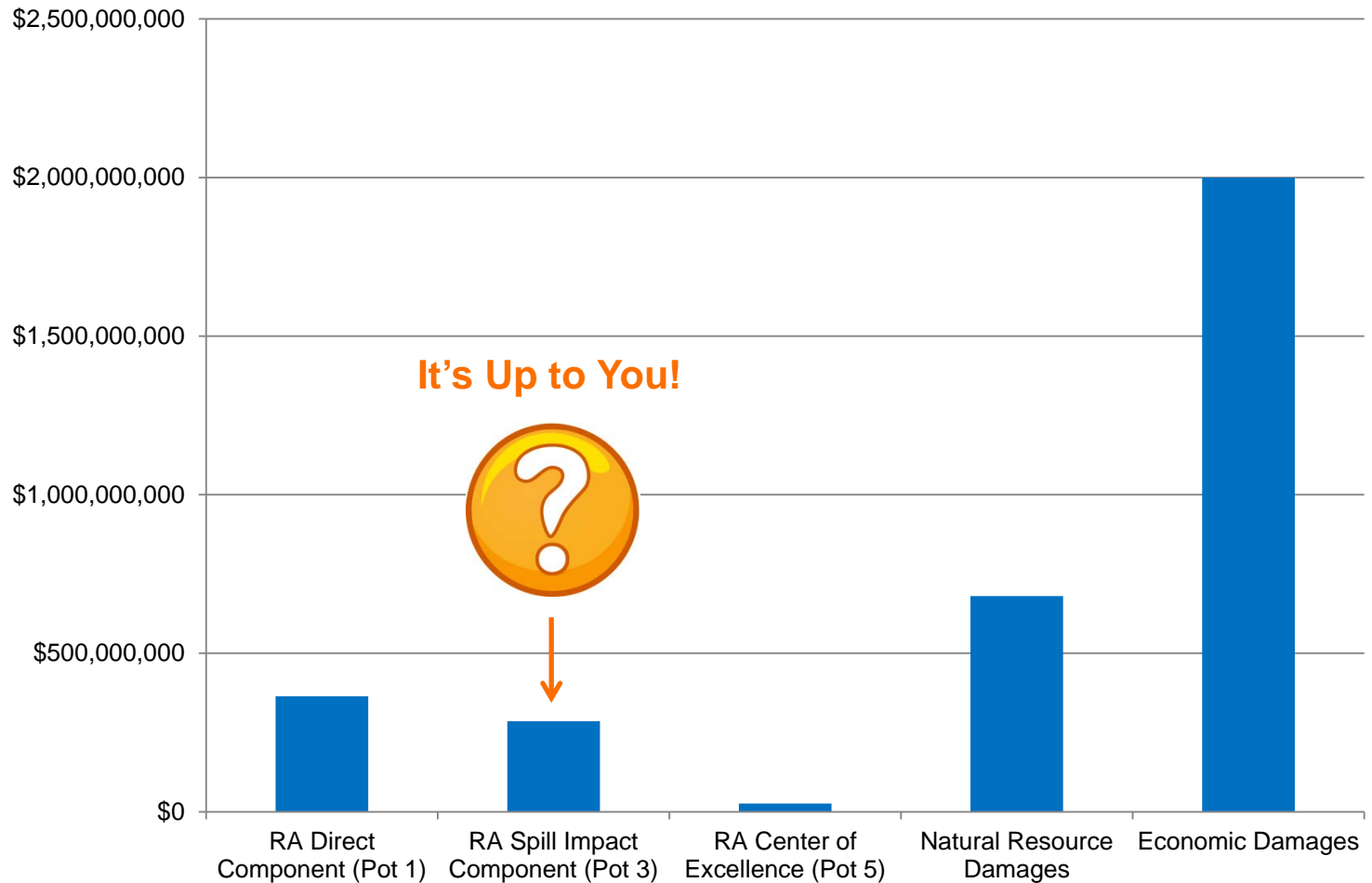
Note: Includes Transocean + BPXP settlements  
 Source: Erin Deady



# Total Settlement for Florida



# Total Settlement for Florida





# Florida Spill Impact Component

State	Dollars	Percent
RA Direct Component (Pot 1)	\$364,000,000	11%
RA Spill Impact Component (Pot 3)	\$286,000,000	8%
RA Center of Excellence (Pot 5)	\$26,000,000	1%
Natural Resource Damages	\$680,000,000	20%
Economic Damages	\$2,000,000,000	60%
Total	\$3,356,000,000	

## Maximizing Impact

- \$286M basis + \$14M interest = \$300M
- Scenario 1
  - \$300M ÷ 23 counties = \$13M/county
  - \$13M ÷ 15 years = **\$866K county/year**
- Scenario 2
  - \$300M ÷ 15 years = \$20M/year over 15 years
  - = **Fifteen regionally significant projects ~\$20M+**
- Leveraging could substantially increase the impact of Pot 3 funds!

## Leveraging Funds Will Be Critical

- Leverage = the use of a small initial investment, credit, or borrowed funds to gain a high return in relation to one's investment
- Grant programs often require match or leverage or give additional points to projects that leverage the grantor agencies funds
- Leveraging encourages coordination and discourages duplication
- The Consortium has the opportunity to require leverage to get a return of \$1B on its investment of \$286M from the settlement

# Potential Sources of Leverage

- Applicant's own cash
- Other Restore Act sources (Pots 1 and 2)
- Other DWH settlement sources
  - Triumph Gulf Coast = economic project
  - NNFWF = environmental projects
  - NRD = environmental and economic projects
- State/regional agency sources
  - FDEP
    - 319 grants = stormwater
    - Amendment 1 = land acquisition
  - Water Management Districts
    - SWIM Program funds
    - Local government cooperative funding
- Federal grant programs/initiatives
- Foundation and corporate grant programs

