

June 21, 2010

Mr. Carl-Henric Svanberg
Mr. Tony Hayward
BP p.l.c. International Headquarters
1 St. James Square
London, SW1Y 4PD; UK

via fax: +44 (0) 20 7496 4630

RE: Request that BP establish a \$20 billion (USD) *Gulf Restoration Fund*

Dear Mr. Svanberg and Hayward,

First, I applaud BP for agreeing to establish the \$20 billion (USD) *BP Oil Spill Victim Compensation Fund*. This will no doubt eliminate a great deal of difficulty in providing compensation to the people who have suffered economic losses from the Deepwater Horizon disaster.

In keeping with your professed spirit to provide full compensation for the disaster, I respectfully ask that BP also immediately establish a \$20 billion (USD) *Gulf Restoration Fund*, to provide urgent funding for the environment injured by the ongoing oil spill. Certainly, the environment injured by the spill deserves prompt attention just as do the people harmed.

You know that President Obama announced last week that he has appointed the Secretary of the Navy to develop a *Gulf Coast Restoration Plan*. Implementing a comprehensive restoration plan for the region will require considerable financial resources. If one were to conduct contingent valuation studies to place "a price on the priceless," I am confident the "value" of non-economic, environmental damage caused by the Gulf oil spill will easily exceed \$20 billion.

As to the question of how to restore the Gulf ecosystems injured by the BP spill, we must first accept the fact that there is little that can be done to *directly* restore the environmental damage caused by large marine oil spills. We just cannot fix a broken marine ecosystem like we can a broken car engine. To paraphrase the old nursery rhyme:

All the kings' horses and all the kings' men can't put the Gulf of Mexico back together again.

But what we can, and must do, is everything humanly possible to give the Gulf of Mexico and its coastal ecosystems the best chance possible to recover. That must be the singular objective of the Gulf Restoration program.

The restoration program for the Gulf spill should focus on Indirect Restoration, including reducing chronic pollutants into the system, allowing more sediment flow down-river to rebuild the Delta, establishment of new protected areas onshore and offshore, etc...e.g. projects that might be environmentally beneficial to the Gulf coastal ecosystems should be identified and funded.

The Gulf Restoration program should be developed primarily by Gulf coast residents and state and federal resource agencies in the U.S. My initial list for consideration in the comprehensive Gulf Restoration program includes the following:

1. Let the river run – restore the periodic flood flow of the Mississippi river, so that sediment can flow down-river and begin rebuilding the Delta. The Mississippi Delta has been shrinking for over 100 years, due primarily to flood control up river, as well as sea level rise and more intense and frequent hurricanes. This shrinking / sinking delta has added risk from hurricane storm surge, such as we saw tragically in Hurricane Katrina. Reversing this trend is an essential component of any environmental and economic Restoration plan for the region. This will take cooperation with states and cities up-river, but we all have to pitch in to save the Mississippi Delta.

2. Eliminate the dead zone - reduce the input of nutrients down the river, from the misuse / overuse of agricultural fertilizers in the Mississippi drainage. This high nutrient load flows into the Gulf of Mexico each spring, causes enormous blooms of phytoplankton, which respire oxygen at night and also die and decay and use oxygen from the water, and causes a huge anoxic dead zone along the coast each summer. This can and must be eliminated.

3. Reduce coastal degradation – better manage, reduce, or eliminate the amount of coastal channelization, wetlands loss, road building, etc.

4. Halt overfishing - to the extent that some fish populations had been overharvested in the past, harvest levels of these populations should be minimized for a time - e.g. a conservation moratorium for stock recovery. Harvests should be resumed only when the population, and the marine ecosystem, can be sustained. In particular, principles of ecosystem management must be front-and-center of any Gulf Restoration program, to dial harvests down enough to allow for needs of other predators in the ecosystem.

5. Establish additional protected areas - both marine and coastal – to reduce disturbance and degradation of coastal fish and wildlife populations.

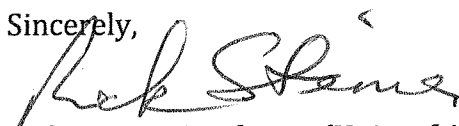
6. Build artificial seabird nesting islands in inshore areas - as the coastal nesting islands have dramatically eroded over the past several decades - due to reduced sediment flow down-river, sea level rise, and more frequent and intense hurricanes- the birds are now forced to nest on smaller and smaller remnants of their original nesting island habitat. In addition, the oil has severely damaged the perimeter of many of these nesting islands. Many of the plants that provide stability to the island substrate will die due to direct oiling, and thus the spill will contribute to the acceleration of erosional processes that will eventually eliminate these small islands altogether. And when the first hurricane surge occurs across these tiny islands, the oil will cover the islands, and thus more vegetative loss will occur. Using the *Gulf Restoration Fund* to place rip-rap and fill to form new islands or add to existing ones would greatly enhance breeding habitat for the thousands of birds in the region.

7. Prevent other oil spills - this is an obvious one, but needs to be mentioned. If the Gulf can recover from one Deepwater Horizon disaster, and that is a big if, it almost certainly can't from another spill disaster on top of this one.

I would be glad to assist your staff in conceptualizing the management of the *Gulf Restoration Fund*, and would initially suggest that it be placed in control of an independent Restoration Commission appointed by the US and Gulf state governments as NRDA Trustees.

Thanks you for your consideration, and I will anxiously await your response.

Sincerely,



Rick Steiner, Professor (Univ. of Alaska ret.)

Marine Conservation Consultant

Member, IUCN Commission on Environmental, Economic, and Social Policy (CEESP)

Board of Directors, Public Employees for Environmental Responsibility (PEER)

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