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U.S. Department of the Interior Minerals Management Service Gulf of Mexico OCS Region

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Lafourche Parish and Port Fourchon, Louisiana: Effects of the Outer Continental Shelf Petroleum Industry on the Economy and Public Services, Part 2

OCS Study MMS 2001-020

The Minerals Management Service (MMS), Gulf of Mexico OCS Region, announces the availability of a new study report, Lafourche Parish and Port Fourchon, Louisiana: Effects of the Outer Continental Shelf Petroleum Industry on the Economy and Public Services, Part 2.

This study examines the economic effects on Lafourche Parish resulting from increased oil production in deepwater fields of the Gulf of Mexico. Because of its strategic location, Port Fourchon has a competitive advantage as a supply base for oil- and gas-related activities in the Central Gulf of Mexico. These activities are diverse, ranging from supply boats used to service oil and gas rigs to the maintenance and repair of mobile drilling rigs. Currently, more than 600 offshore platforms are located within a 40-mile radius of Port Fourchon and the port is likely to play an increasingly important role as development in the Outer Continental Shelf (OCS) progresses. Further development of OCS activity and Port Fourchon is expected to markedly affect Lafourche Parish.

The study uses the Community Impact Model (CIM) developed for Louisiana to evaluate the impact of the OCS petroleum industry on the economy and local government finances of Lafourche Parish. The OCS petroleum industry has and will continue to have a significant impact on the Lafourche Parish economy, according to model results. Model results also indicate increases in various revenue and expenditure categories as a result of the OCS petroleum industry. However, this result is tempered because certain costs incurred by local governments resulting from the OCS petroleum industry, such as a major expansion in the water system are not accounted for in model results. Such costs are an addition to costs increases predicted by the model. Hence, the ability of local governments to meet increases in cost caused by the expansion of the OCS petroleum industry could be problematic. Further, a detailed study shows that Louisiana Highway 1 (LA 1) is receiving significant damage as a result of OCS activity. Because it is not a local responsibility, the cost of maintaining and upgrading the road is also not accounted for in model results.

You can obtain copies of the report from the Minerals Management Service, Gulf of Mexico OCS Region, at a charge of \$15.00 by referencing OCS Study MMS 2001-020. You will be able to obtain this report also from the National Technical Information Service in the near future. Here are the addresses. You may also inspect copies at selected Federal Depository Libraries.

> Minerals Management Service Gulf of Mexico OCS Region Public Information Office (MS 5034) 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394 Telephone requests may be placed at (504) 736-2519 or 1-800-200-GULF or FAX: (504) 736-2620

U.S. Department of Commerce National Technical Information Service 5285 Port Royal Road Springfield, Virginia 22161 (703) 487-4650 or FAX: (703) 321-8547 Rush Orders: 1-800-336-4700

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion in 2001 and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

-MMS-GOM-MMS's Website Address: http://www.mms.gov

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