



LOUISIANA DEPARTMENT OF ENERGY AND NATURAL RESOURCES REPORT

PURSUANT TO EXECUTIVE ORDER JML 24-13



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State of Louisiana
Jeff Landry, *Governor*

Department of Energy and Natural Resources
Tyler Patrick Gray, *Secretary*

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Designed by Emily Barlett

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EXECUTIVE SUMMARY



OVERVIEW

Louisiana's Departmental Review for Innovation and Visionary Enhancement (DRIVE) Initiative was launched under Executive Order JML 2413 to modernize the state's approach to natural resource governance. The initiative focused on updating governance, policy, and operational guidance for the agency and simultaneously aligning a fragmented network of boards and commissions in anticipation of the growing demands for resilient energy and water supply. DRIVE sets a course for an integrated Department of Conservation and Energy (C&E), aligning regulatory, fiscal and research structures with 21st century realities while building on more than a century of conservation leadership. In June of 2024 and June 2025, the Louisiana Legislature codified the initiative through Act 727 and Act 458, respectively, which reorganizes the former Department of Energy and Natural Resources (DENR) into C&E and embeds many of the DRIVE reforms into statute.

STRATEGIC PILLARS

Following, the DRIVE Initiative, the agency needed core principles reinforcing the transformation to a single, cohesive unit. Deciding on three mutually reinforcing principles:

TRANSPARENCY



Encourage open oversight by publishing budgets, posting agency decisions, engaging the public and measuring performance.

BALANCE



Align resource management with revenue generation and long-term fiscal goals while fostering interagency cooperation.

SOLUTIONS



Deploy intuitive processes and modern information technology systems to deliver practical outcomes.

CORE REFORMS

The reforms enacted through *Act 727 of 2024 Regular Session by Rep. Brett Geymann* and *Act 458 of 2025 Regular Session by Sen. Bob Hensgens* represent a deliberate two-step shift of the Department's internal firewall. For decades, offices have been isolated from the rest of the agency, creating administrative duplication, blurred accountability, and unchecked authority, resulting in serious lapses in oversight. Act 727 broke down that outdated barrier so the Department could be assessed as a whole, redundancies removed, and accountability restored. Act 458 then rebuilt the firewall in a place that makes sense for today and the next fifty years — separating policy, finance, and coordination into distinct executive roles. This restructuring ensures technical regulation is integrated, fiscal management is independently overseen, and policy leadership is clearly accountable.

1. **Governance Realignment:** Act 727 broke down the outdated firewall that had long separated the Office of Conservation from the rest of the agency, ending administrative duplication and blurred accountability. This reform enabled a full assessment of its operations and cleared the way for Act 458, which rebuilt the firewall between policy and finance, and consolidated fragmented boards into a permanent Natural Resources Commission (NRC) made up of cabinet secretaries and the executive secretary of the Public Service Commission. Modeled on the federal Council on Environmental Quality, the NRC provides a standing forum for statewide planning and interagency alignment and is expressly tasked with water management and flood protection coordination.
2. **Separation of Powers and Leadership Restructuring:** Act 458 rebuilt the firewall in a new position — shifting it from between offices to between roles. Instead of isolating Conservation, the firewall now separates policy, finance, and coordination. This “three-legged stool” of executive authority assigns the Secretary exclusive responsibility for policy, the Undersecretary independent authority over finance and administration, and the Deputy Secretary responsibility for coordination through the NRC. By reducing political appointments to three and abolishing the Commissioner of Conservation role, Act 458 created durable checks and balances designed to prevent lapses like the loan scheme and hold for the next fifty years.
3. **Financial Autonomy:** The Undersecretary now holds independent fiscal controls, budget certification, and oversight of the Office of Administration without direct control from the Secretary, and may hire third-parties, including auditors, to assist. This firewall between policy direction and fiscal management insulates financial stewardship from political pressures. In addition, the Natural Resources Trust Authority's ability to issue bonds, pool collateral, and act as Louisiana's energy financing institution is a powerful tool and must be independent from political pressure with proper administration through Undersecretary's office and oversight from State Mineral and Energy Board.
4. **Technical Rigor:** Technical expertise is centralized in the new Office of Permitting & Compliance housing the Chief Engineer, Geologist, and Ecologist, ensuring every permit decision rests with subject matter experts and professional standards. Act 727 created the offices of Land and Water, Energy, and Enforcement. Office of Enforcement will focus on inspections, compliance orders and penalties, effectively enforcing laws and regulations through cross-trained, effective inspectors. Office of Energy will continue its role but expanding into program development, rule promulgation and information administration. Lastly, due diligence via DRIVE clarified that offices of Mineral

Resources and Land and Water could be one office, combining them via Act 458. Now, the Office of State Resources will manage the inventory of groundwater, surface water, and the leasing of minerals, water bottoms, and energy corridors.

5. **Flood and Water Management:** In addition to its broader coordinating role under Act 458, the NRC is specifically charged with developing statewide water management planning and flood protection strategies, serving as the strategic forum while implementation rests with mission-specific entities. To carry out this mission in this region, Act 418 of 2025 Regular Session, formerly Senate Bill No. 97 presented by Sen. Thomas Pressley and co-authored by nearly every upland delegation member, created the CURRENT Authority —the *Coordinated Use of Resources for Recreation, Economy, Navigation, and Transportation*. The breadth of CURRENT’s charge ensures its work is inclusive rather than exclusive, allowing multiple considerations — economic, navigational, recreational, and environmental — to be addressed in tandem. Because staffing an implementation agency without a plan would risk duplicating existing processes, Act 418 only creates the GOCA-equivalent, the *Governor’s Office of Coastal Activities*, to manage a board to develop a comprehensive master plan guided by upland priorities, so staffing is effective in project delivery, mirroring the success of CPRA’s *Master Plan for a Sustainable Coast*.
6. **Dispute Resolution:** Act 458 created a voluntary special master process for disputes within the Department’s jurisdiction. Parties may agree to use this method of adjudication — whether by contract, lease, or after a dispute arises — and may jointly appoint the arbiter. This structure ensures fairness, builds trust, and reduces both costs and delays. By design, the special master process mimics the role of an Article II court, giving parties access to a sophisticated, judge-like figure to oversee complex technical disputes. It delivers the benefits of judicial rigor without the burdens of traditional litigation.
7. **Workforce Development:** A dual career ladder is critical to retaining experienced subject matter experts, providing opportunities to advance without being forced into management roles. By creating Chiefs within OPC, the Department ensures quality control is maintained while simultaneously providing technical staff with clear paths for career progression. This reform is inclusive in its design, valuing both technical expertise and leadership potential so that staff at all levels have a pathway forward. Feedback from town halls, focus groups, and employee surveys underscored why this approach matters: staff consistently emphasized that technical career tracks are essential for morale, efficiency, and retention. Without them, experts feel forced into mismatched management roles or overlooked in favor of administrative positions. Every effort should therefore be made to build and maintain a workforce that is both technically strong and administratively capable, ensuring the Department’s long-term resilience.
8. **Autonomy and Accountability:** Act 727 removed the statutory isolation of Conservation, and Act 458 carried the reform further by embedding autonomy within the Undersecretary role. By distinguishing policy, *the Secretary*, finance, *the Undersecretary*, and interagency coordination, the *Deputy Secretary*, the Department institutionalized a balanced separation of powers, reducing opportunities for isolation, internally and externally. The structure ensures that autonomy is paired with accountability and that oversight processes are broad and transparent, not narrow or siloed. Crucially, fiscal and financial controls are now anchored in the Undersecretary’s independent

authority, creating a firewall that safeguards budgets, audits, and grants from policy influence while strengthening legislative and public oversight through this independent actor.

- 9. Programmatic Clarification:** Act 458 formalized the role of the Chief Resilience Officer as statewide coordinator of flood mitigation and NFIP participation. It also authorized the Secretary to establish a certification process for universities and research institutions, creating a pipeline for expertise in areas such as Class VI wells, water rights, solar decommissioning, and other emerging fields. The certification framework is intentionally broad and inclusive rather than exclusive, ensuring that multiple institutions and disciplines can participate and contribute to statewide priorities. The process is designed not just to endorse individual programs, but to identify and streamline effective efforts into a coordinated network of qualified programs across Louisiana. By raising the baseline of capacity and expertise statewide, the rising tide lifts all ships — ensuring smaller or less-resourced institutions benefit alongside flagship programs, and the Department gains a deeper, more reliable bench of talent. The intent is also to foster subject-matter focus and growth in highly specialized areas critical to Louisiana’s future. Rather than scattering resources across many average programs, the certification framework directs investment toward building properly funded and equipped A+ programs that can anchor innovation and serve as national leaders. Importantly, the certification system also provides the Legislature with clear signals and structured frameworks when making funding decisions for higher education and research institutions, ensuring that state appropriations align with demonstrated excellence and strategic priorities.
- 10. Water Resources Program and Adjudication:** Louisiana’s fractured water management threatens to worsen as power demands rise, requiring more sophisticated oversight. Act 458 addresses this by splitting duties between the Office of State Resources (inventory) and the Office of Permitting & Compliance (permitting), ensuring data can be collected transparently and used for reliable energy planning without conflicts of interest. This framework expands existing practices into a fair system where current and future withdrawals are judged by clear standards. While the proposed Saltwater and Oil Assessment Process (SOAP) was not enacted, Act 458 authorizes a voluntary special master process that gives operators and landowners access to neutral arbitration, providing efficient remedies outside traditional courts.

HISTORICAL CONTEXT

Louisiana has a long history of natural resource governance — from establishing the Natural Resources Commission in 1908 and the Department of Conservation in 1912 to enacting the Louisiana Conservation Act of 1940. DRIVE honors this legacy while addressing contemporary challenges, such as rapidly increasing present and future energy demand and the need to balance economic development with environmental stewardship. The initiative looks to leverage modern technologies, data-driven strategies, and cross-agency collaboration to build an agile and responsive governance framework.

PROCESS AND METHODOLOGY

The DRIVE Initiative employed a **six-phase methodology** from 2023 to 2025:

1. **Transition & Groundwork:** Mapping statutes and identifying redundancies
2. **Internal Review:** Auditing functions and bottlenecks
3. **Strategic Assessment:** Recommending the NRC and the NRTA, changing Conservation
4. **Due Diligence:** Integrating feedback from audits, town halls and employee surveys
5. **Analysis & Planning:** Drafting statutory revisions and transition protocols
6. **Implementation:** Involving phased IT modernization and ongoing performance evaluation

This structured approach anchored reforms in evidence and stakeholder engagement.

EXPECTED BENEFITS

By unifying previously fragmented authorities, establishing clear accountability structures and embracing modern tools, the DRIVE Initiative and Act 458 aim to produce several long-term benefits:

- **Predictability for Industry and Communities:** Clear separation of policy, finance, and coordination — along with the division of inventory management from permitting — gives regulated parties and communities a predictable pathway for engagement. This eliminates “forum shopping” and reduces confusion about which office holds authority.
- **Legislative Alignment:** The certification framework provides the Legislature with clear signals and structured benchmarks when making funding decisions. This ensures appropriations flow to proven, strategically aligned A+ programs rather than being diluted across average efforts, reinforcing both fiscal discipline and legislative oversight.
- **Federal Leverage and Partnerships:** By pairing CURRENT’s master plan with the NRC’s coordination role, Louisiana can present integrated strategies rather than fragmented projects. This positions the state to compete more effectively for federal infrastructure and resilience dollars, mirroring the success of CPRA.
- **Transparency and Public Trust:** The voluntary special master process and the proposed SOAP framework expand access to remedies while embedding record-based, quasi-judicial standards. This strengthens transparency, builds public trust, and demonstrates the Department’s willingness to subject itself to structured oversight.
- **Workforce Stability and Recruitment:** Dual career ladders for technical and managerial staff make the Department more competitive with private industry. This approach not only retains experienced professionals but also attracts new talent by offering fair, transparent, and predictable career paths.
- **Resilience to Market Shifts:** Separating technical inventory analysis from fiscal interests ensures that resource decisions are based on sound data rather than short-term revenue needs. This provides stability across political and economic cycles, reinforcing long-term planning and resilience.

CONCLUSION

The DRIVE Initiative, codified through Act 458 of 2025 and Act 727 of 2024, collectively represents a decisive step toward a cohesive, resilient, and future-ready system of natural resource governance in Louisiana. By renaming the Department of Energy and Natural Resources to the Department of Conservation and Energy, abbreviated “C&E,” consolidating offices and authorities, and empowering leadership roles with clear mandates and accountability, the state is positioned to meet the energy, water, and land resource needs of today while preparing for the demands of tomorrow. This includes capitalizing on renewable energy opportunities, strengthening grid and water resilience, and ensuring responsible stewardship of natural resources. Successful implementation will depend on continued stakeholder engagement, vigilant oversight, and adherence to the principles of transparency, balanced resource management, and practical solutions laid out by DRIVE.

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CHAPTER 1

INTRODUCTION



Louisiana’s natural resources — oil, gas, water, lands and coastal ecosystems — are central to its economic vitality and environmental health. The DRIVE Initiative¹ represents a critical opportunity to recalibrate the state’s governance structures, addressing longstanding inefficiencies and fragmented systems that have hindered effective management. By uniting a diverse array of stakeholders and employing data-driven strategies, the Initiative seeks to create a more cohesive and responsive framework for resource management.²

OVERVIEW

In February 2024, Governor Jeff Landry issued Executive Order JML 24-13, creating the Natural Resources Steering Commission (NRSC) and directing the consolidation of the DENR, the CPRA, the Louisiana Oil Spill Coordinator’s Office (LOSCO), and the Office of State Lands³ The Order mandated a review of more than 450 boards and commissions, with instructions to eliminate redundancy and consolidate authorities.

By 2025, additional reforms were required due to Louisiana’s oil production decline, which went from 72 million barrels in 2013 to 34 million barrels in 2023. Executive Order JML 25-72 responded by directing the Department and the State Mineral & Energy Board to reduce royalties, reform severance taxes, and use the NRTA to finance orphan well remediation and stabilize long-term revenues.⁴

Legislative acts reinforced these directives:

- **Act 16 (2024, 3d Extraordinary Session):** Eliminated the Oilfield Site Restoration Commission and transferred functions to NRTA⁵
- **Act 17 (2024, 3d Extraordinary Session):** Modernized Mineral & Energy Board leasing, expanding to alternative energy⁶
- **Act 726 (2024 Regular Session):** Restructured CPRA’s board to eliminate cabinet overlap and add independent appointees⁷
- **Act 458 (2025 Regular Session):** Primary instrument to the reorganization
- **Act 296 (2025 Regular Session):** Codified expedited permitting fees, balancing industry needs with cost recovery⁸

APPROACH

The DRIVE Initiative has employed a comprehensive and robust methodology⁹ to ensure its recommendations are both actionable and impactful.

KEY COMPONENTS

- **Historical Insights:** Leveraging over a century of resource management experience, from the Conservation Commission's early days to the establishment of modern regulatory frameworks.
- **Stakeholder Engagement:** Actively involving a broad range of stakeholders, including employees, industry leaders, environmental groups and local communities, to ensure diverse perspectives inform policy development.¹⁰
- **Data-Driven Strategies:** Ensuring decisions are based on facts through objective process with expectation C&E will utilize advanced technologies to identify inefficiencies, predict future challenges, and design effective and sustainable solutions.
- **Uniform Process and Communication:** Central to the initiative is improving communication internally but also across agencies, specifically the creation of the NRC,¹¹ a body designed to coordinate agency efforts, streamline decision-making, and foster greater transparency and accountability.

By integrating these elements, the DRIVE Initiative aims to position Louisiana as a national leader in natural resource management, demonstrating that economic growth and environmental stewardship can coexist in a balanced and mutually reinforcing manner.



Governor Jeff Landry signs Senate Bill No. 244 into law as Act 458 on June 24, 2025, reorganizing the agency into the Department of Conservation and Energy. Pictured with him are Senator Bob Hensgens, Secretary Tyler Gray, Speaker Philip DeVillier, Deputy Secretary Dustin Davidson, and other legislative and agency leaders.

CHAPTER 2

THE DRIVE INITIATIVE



The *Departmental Review for Innovative and Visionary Enhancement (DRIVE) Initiative* was deliberately structured as a research project, not merely an administrative reshuffle. Its phased design ensured reforms were evidence-based, systematically tested, and aligned with both statutory requirements and practical realities of implementation. Over nearly two years, the Initiative advanced through structured phases of internal evaluation, external stakeholder engagement, legal reform and structural design independently without reliance on third party's ensuring strategic alignment of all decision makers.

The DRIVE Initiative was structured around a phased process of transition, engagement and analysis designed to ensure that reforms were grounded in evidence and experience. Between October 2023 and mid-2025, the Department undertook one of the most comprehensive reviews of natural resource governance in Louisiana's history. The findings were shaped by legislative audits, statutory reviews, public engagement, archival research and formal petitions, culminating in a set of recommendations intended to guide Louisiana toward a more proactive, transparent and resilient governance model.

DRIVE PROCESS

PHASE 1 – TRANSITION & GROUNDWORK (Q4 2023)

An operational review conducted during the Governor-Elect's transition identified fragmentation across more than 450 boards and commissions. Town halls and workflow mapping exposed redundancies, while an inventory of statutes and offices revealed systemic inefficiencies.¹²

PHASE 2 – INTERNAL REVIEW & ACCLIMATION (LATE 2023–EARLY 2024)

New leadership onboarded, functional audits were conducted and classification diagnostics completed. Initial interviews with existing staff highlighted bottlenecks due to prolonged siloing in the Office of Conservation. Governor Landry issued Executive Order JML-13, directing a comprehensive review of the department's structure.

PHASE 3 – STRATEGIC ASSESSMENT & ALIGNMENT (SPRING 2024)

The depth of reorganization required the creation of the Natural Resources Steering Commission (NRSC) to guide the process. Its working groups recommended two cornerstone reforms: a NRC to ensure interagency coordination and a NRTA to provide independent financial management.

PHASE 4 – DUE DILIGENCE & STAKEHOLDER ENGAGEMENT (MID–LATE 2024)

Legislative audits, archival research and town halls confirmed persistent failures — such as the collapse of LORA,¹³ undervaluation of state water resources¹⁴ and limited interagency accountability. Formal listening sessions and surveys engaged department staff, industry, academic institutions, environmental groups and legislative committees. Feedback was integrated into the draft reorganization plan, which also identified key personnel transition challenges.

PHASE 5 – ANALYSIS & IMPLEMENTATION PLANNING (Q1–Q3 2025)

Findings were synthesized into reforms anchored in People, Process, and Technology. This stage finalized statutory revisions, office charters and transition protocols in direct coordination with Civil Service, legislative committees and stakeholders. The final DRIVE Report provided the blueprint for implementation beginning in 2025.

PHASE 6 – CONTINUOUS IMPROVEMENT (Q4 2025 AND BEYOND)

Implementation will extend beyond statutory reform into ongoing organizational improvement. This includes phased IT modernization, development of new performance measures, comprehensive program development and rule-making process for emerging programs and iterative evaluation to ensure accountability and adaptability.

AGENCY CHRONICLE

MILESTONES

Louisiana’s approach to natural resource management has evolved through more than a century of legislative and institutional reform.

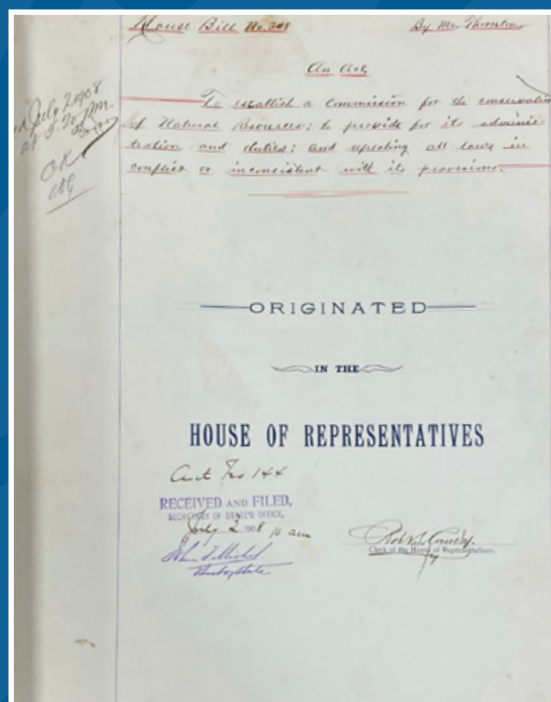
- **Act 144 of 1908** created the first *Commission for the Conservation of Natural Resources*, tasked with oversight of forests, minerals, water and wildlife.¹⁵
- **Act 127 of 1912** expanded conservation oversight, granting enforcement powers over mineral development.¹⁶
- **Act 93 of 1936** created the **State Mineral Board**, centralizing state leasing authority, establishing minimum royalties and directing revenues to LSU, state institutions and the General Fund.¹⁷
- During the mid-20th century, Louisiana emerged as a national leader in oil and gas conservation jurisprudence, adopting spacing, proration and waste-prevention rules under the Commissioner of Conservation.¹⁸
- **Act 157 of 1940** was the first step in comprehensive oilfield operational rules along with saltwater disposal.
- **Act 513 of 1976** consolidated Forestry, Mineral Resources, State Lands and Conservation into the **Department of Natural Resources (DNR)**.¹⁹ The **1977 Reorganization Plan** emphasized efficiency, budget stability and central authority.²⁰
- The **DNR Strategic Plan for FY 2023–2028** reaffirmed the DENR’s mission to balance development with stewardship, focusing on permitting efficiency, enforcement and coastal protection.²¹

HISTORY

Louisiana's principal natural resource regulatory body traces its origins to the Louisiana Commission for the Conservation of Natural Resources, established in 1908 during the administration of Governor Jared Y. Sanders, Sr.²² This early commission was chaired by Henry E. Hardtner, a senator from Shreveport and pioneering conservationist and one of the first Southern industrialists to promote sustainable forestry.²³ Hardtner advanced a six-point program aimed at curbing wasteful logging practices, creating forest reserves, reforming taxation to encourage reforestation and establishing a state forestry department. His leadership linked Louisiana's conservation policy to the broader Progressive Era ethos of resource management, which emphasized stewardship to sustain both economic growth and environmental quality.

The creation of the Commission coincided with Louisiana's emergence as a significant energy producer. By the first decade of the 20th century, oil discoveries in Jennings (1901) and later in Caddo Parish had placed Louisiana on the map as a vital contributor to the nascent U.S. petroleum industry. These early fields fed into a growing domestic and international market for crude oil, particularly as petroleum surpassed coal as the dominant source of industrial energy worldwide. Louisiana's oil production became strategically important during World War II, supplying fuel for Allied naval and transport fleets and linking the state's resources to the geopolitics of energy supply.²⁴

In 1912, the Legislature passed Act 127, reorganizing the Conservation Commission and granting explicit regulatory authority over drilling maps, cementing standards and plugging abandoned wells.²⁵ This move paralleled a global recognition that petroleum development, if left unregulated, could lead to rapid depletion of reservoirs — threatening both domestic supply and international market stability.



Top: DENR Undersecretary Mark Normand and Executive Counsel Blake Canfield look through historic documents at the State Archives in 2024.

Bottom: The original 1908 House Bill No. 348 establishing Louisiana Commission for the Conservation of Natural Resources

By 1916, Louisiana consolidated its conservation efforts under the newly created Department of Conservation, headed by a Commissioner of Conservation. The statutory framework for this department — still reflected in La. R.S. 30:1 — anchored the agency’s jurisdiction over the extraction and conservation of oil, gas and other natural resources.²⁶ In the years that followed, the state’s oil production surged, bolstered by discoveries in the Monroe Gas Field and the development of coastal oilfields. By the 1920s, Louisiana was among the top petroleum producers in the United States, and its crude was exported globally, reinforcing the state’s integration into the world energy economy.²⁷

In 1924, the Legislature enacted Act No. 133, prohibiting pollution of waterways by oilfield waste such as saltwater and petroleum residues.²⁸ This was a pioneering environmental measure for its time, balancing the imperatives of production with the protection of fisheries, navigation and public health — an issue that had international resonance as oil-polluted waters became a diplomatic concern under early marine pollution conventions.

In 1940, *Act 157* further modernized the conservation code, leading to the codification of oil and gas laws in Title 30 of the 1950 Revised Statutes. Around the same time, the Commissioner promulgated *Statewide Order 29-B* (1943), establishing comprehensive oilfield operational rules, including those for saltwater disposal. These rules were periodically updated — such as the 1961 saltwater disposal provisions and the 1982 alignment with the federal Underground Injection Control program — ensuring Louisiana’s oil sector could meet evolving domestic and international environmental standards.²⁹

The global oil shocks of the 1970s underscored Louisiana’s strategic importance. Offshore production from the Gulf of Mexico became increasingly vital to U.S. energy security, and Louisiana’s pipelines and refineries served as critical nodes in the global petroleum supply chain. In 1976, Louisiana undertook a sweeping reorganization of its executive branch, creating the Department of Natural Resources (DNR) and placing the Office of Conservation—the successor to the original Department of Conservation—within it.³⁰

In 2023, the Legislature passed Act 150, filed as SB103 by Senator Eddie Lambert, signed June 7th, adding DNR as the Department of Energy and Natural Resources, effective January 10, 2024, and directing the Louisiana State Law Institute to update all statutory references accordingly.³¹ This reflected a recognition that the department’s mission extended beyond traditional resource extraction to encompass broader energy policy, including renewable generation, carbon management, and grid resilience—issues that had by then become central to both domestic economic policy and international climate negotiations.



On May 15, 2024, Gov. Jeff Landry, joined by DENR Secretary Tyler Gray and members of the DENR staff, signed Senate Bill 65 into law, recreating the Department of Energy and Natural Resources for another four years.

In 2024, Act 727, filed as HB810 by Representative Brett Geymann, signed June 19th and effective July 1, 2024, was the first major legislation embodying agency restructure under DRIVE. Among other things, it established the NRTA, removed the firewall separating the Office of Conservation from the rest of the department, moved the Office of Oil Spill Coordinator from the Department of Public Safety to DENR, Office of Energy, Office of Land and Water, and an Office of Enforcement.

Finally, after over twelve months of due diligence, the Legislature passed SB244 by Senator Bob Hensgens during the 2025 Regular Session and signed into law on June 24, 2025, becoming Act 458, effective October 1, renaming DENR as

the Department of Conservation and Energy (C&E) and restructuring its internal organization.³² The act made many changes, focusing here on the new offices created — including Permitting and Compliance, Enforcement, and State Resources — to modernize oversight and align with both state needs and global trends in energy governance. The change reaffirmed Louisiana’s position as both a historic petroleum powerhouse and an evolving player in the transition to diversified, sustainable energy systems.

Throughout these transformations, the Office of Conservation has remained the regulatory backbone, ensuring that Louisiana’s oil and gas production—once a driver of the state’s integration into the 20th-century global economy — continues to be managed with an eye toward long-term resource stewardship, economic resilience and environmental protection. From Hardtner’s forestry reforms to modern carbon sequestration projects, the department’s history reflects Louisiana’s central role in shaping the balance between resource development and conservation, both at home and abroad.

AN AGENCY DIVIDED

When the Department was created in 1977, operational control and financial oversight were concentrated under the Secretary’s authority. This structure often produced ineffectiveness, redundancies, and confusion over accountability due to overlapping jurisdictions—particularly between the Secretary and the Commissioner of Conservation. The 1973 Constitutional Convention removed the constitutional provision that had isolated the Office of Conservation, but the Revised Statutes continued to grant the Commissioner quasi-independent regulatory authority. The result was a hybrid system in which the Commissioner exercised regulatory powers while remaining financially dependent on the Secretary, creating recurring friction when policy disagreements arose.



Gov. Jeff Landry joined DENR Secretary Tyler Gray and Deputy Secretary Dustin Davidson at House Committee on Natural Resources and Environment meeting during on June 3, 2025, to answer questions pertaining to SB 244.

These dynamics created constant confusion among external users of the Department, who struggled to determine whether decisions rested with the Secretary, the Commissioner, or the Undersecretary. Internally, employees faced similar uncertainty about reporting lines, approval authority, and program priorities, leading to fragmented communication, inconsistent policy application, and a culture of administrative workarounds rather than coordinated action. Over time, this tension fueled bureaucratic expansion to maintain “independent” fiscal control in defiance of centralized oversight—a trend that accelerated during the Edwards Administration and resulted in significant lapses in fiscal oversight and enduring structural ineffectiveness.

To correct these imbalances, the DRIVE Initiative and Act 458 of 2025 clearly define and empower the role of the Undersecretary, granting explicit, independent authority over fiscal and administrative functions. This separation of policy, finance, and technical regulation establishes a modern system of checks and balances that enhances internal accountability and strengthens external legislative oversight — ensuring the Department operates with clarity, effectiveness, and transparency.

AUTONOMY AND FINANCIAL CONTROLS

As the DRIVE Initiative’s research revealed that one of the Department’s most significant weaknesses was the firewall between the Office of Conservation and the rest of the agency, specifically the lack of clear statutory separation between policy leadership and financial management. Under La. R.S. 36:356, prior to Act 458’s revisions, the Undersecretary was tasked with directing management and finance functions — including accounting, procurement, personnel and grants — but the statute expressly required that these powers be exercised “*subject to the overall direction and control of the secretary.*”³³ Further, in La. R.S. 36:359, other agency leadership was forbidden to interfere with the Office of Conservation, “*except that the Secretary, Deputy Secretary and Undersecretary of the department shall have no authority to*

exercise, review, administer or implement quasi-judicial, licensing, permitting, regulatory, rule-making or enforcement powers or decisions of the Assistant Secretary of the Office of Conservation.” As discussed earlier, this structure created an incentive for defiant behavior whenever disagreements arose. Over time, and depending on the individuals in leadership, the statutory prohibition on oversight frequently produced a lack of coordination between the Secretary and the Assistant Secretary of Conservation on key matters such as proposed legislation, fee adjustments, departmental policies, and budget priorities. In its later years, this disconnect culminated in significant lapses in fiscal oversight underscoring the need for clearer lines of authority and accountability.

Altogether, this created a triangle of overlapping authority:

- The **Commissioner of Conservation** retained quasi-judicial authority over technical regulation but had no independent budgetary control.
- The **Secretary** of DENR acted as chief policy leader but unclear limits in relation to the Office of Conservation and also had ultimate authority over finances.
- The **Undersecretary** was charged with fiscal and administrative oversight but remained subordinate to the Secretary for each.

The result was blurred accountability. Two political appointees—the Secretary and the Undersecretary—shared overlapping financial influence, while the Commissioner of Conservation remained dependent on resources outside his control yet retained independence over certain operations and all regulatory decisions. This arrangement created a system of divided authority without clear accountability. Legislative auditors repeatedly highlighted the consequences: orphan well liabilities ballooned, pooled fund programs such as LORA collapsed, and the Legislature criticized the Department’s persistent weaknesses in internal control and fiscal oversight.³⁴

Research concluded that autonomy in financial control is not merely an administrative matter but a fundamental separation-of-powers issue within the executive branch. Concentrating policy leadership and financial stewardship under overlapping political control deprived the Department of effective internal checks and balances, fostering structural confusion and undermining fiscal discipline.

Act 458 of 2025 corrected this flaw by codifying the Undersecretary as an independent administrative officer with clearly defined fiscal and management authority. The Secretary now retains exclusive responsibility for policy direction and external engagement, while the Undersecretary serves as the Department’s independent fiscal executive—directly accountable for financial compliance, personnel administration, grants oversight, and management of the Louisiana Natural Resources Trust Authority. The Commissioner of Conservation was replaced by the Secretary, who is authorized to appoint office directors to serve as the Department’s technical regulators. Together, this clarified structure establishes durable checks and balances, restoring accountability, transparency, and long-term organizational integrity.

STRUCTURAL IMPROVEMENT OPPORTUNITIES

The DRIVE Initiative identified several core reforms to restore accountability and balance within the Department's executive structure. These improvements focus on defining distinct responsibilities, strengthening legislative oversight, and embedding durable internal checks to prevent the concentration of power and promote effective governance.

- 1. Codify Clear Executive Responsibilities:** Formally define executive roles to eliminate overlap and ensure accountability. The Undersecretary should hold independent authority over auditing, fiscal management, personnel, and grant administration, serving as the Department's fiscal executive. The Secretary should focus on strategic policymaking, external engagement, and overall leadership, ensuring clarity between financial and policy functions.
- 2. Strengthen Legislative Oversight:** Establish explicit reporting pathways from the Undersecretary to relevant legislative committees, enabling lawmakers to receive accurate, timely fiscal information separate from policy advocacy. This transparency reinforces the Legislature's oversight role and ensures fiscal accountability to the public.
- 3. Institutionalize Internal Checks and Prevent Overreach:** Create a permanent separation of powers within the Department by maintaining a clear firewall between policy leadership and financial administration. Independent oversight by the Undersecretary provides a structural safeguard against executive overreach, ensuring fiscal integrity and transparency across all operations.
- 4. Improve Operational Effectiveness:** Removing the overlapping policy role of the former Commissioner of Conservation and clarifying the lines between the Secretary's policy authority and the Undersecretary's fiscal responsibilities eliminates redundancy, improves coordination, and enhances overall effectiveness.

Prioritizing these structural improvements ensures that the Department of Conservation and Energy is governed with transparency, accountability, and lasting institutional resilience — anchored by clear roles, defined oversight, and balanced authority.

ALIGNING THE INDIVIDUAL WITH THE INSTITUTION

Clarifying how every role contributes to the Department's mission transforms isolated job functions into a shared institutional identity.

JOB DESCRIPTIONS LACK DUTIES

The need for structural clarity was echoed throughout the Department's employee town halls, where staff consistently described uncertainty stemming from both the top and within their own roles. Employees expressed that a lack of clear direction from executive leadership was compounded by vague or outdated job descriptions that failed to reflect their actual responsibilities. While Civil Service classifications are essential for ensuring fairness and protecting positions, their generalized terminology often focuses more on preserving titles than defining what makes an employee successful in that role. As a result, individuals were left navigating broad, protective language rather than clear expectations tied to mission outcomes. In

addition to clarity by statute, there must be clarity by job duty — ensuring every employee understands not just their classification, but their contribution to the Department’s goals. The town halls revealed that many staff members wanted to perform more effectively but lacked defined standards, performance measures, or feedback loops linking their work to agency priorities. These discussions reinforced that lasting reform requires not only statutory precision, but also operational clarity that connects each employee’s role to the Department’s overall mission and accountability framework.

TOWN HALLS WITH DEPARTMENT STAFF

A structured series of town hall meetings with staff throughout 2024. These sessions were designed to solicit candid feedback, identify recurring challenges across offices and ensure that the reorganization effort was informed by those closest to day-to-day operations.

These town halls provided direct insight into workflow bottlenecks, communication gaps and the cultural challenges within the agency. Staff consistently emphasized the need for clearer lines of accountability, reduced duplication between offices, and more modern tools to track and manage workload. Input from these sessions was incorporated into the Phase 4 due diligence process, alongside legislative audits and archival research, to confirm systemic failures and refine the recommendations ultimately codified in Act 458 of 2025.

Research revealed that one of the Department’s greatest obstacles was not only technical delays but fragmented communication — both internally among employees and externally across divided offices. Staff often operated in silos, with permitting staff unaware of enforcement constraints or finance officers disconnected from programmatic priorities, and managers forced to interpret conflicting guidance from separate divisions. In many cases, individual employees were left to reconcile multiple, sometimes contradictory, directives. For example, matters involving water wells were subject to three separate sets of rules depending on whether the issue concerned drilling, groundwater use, or plugging—each administered by a different office. This created confusion for both staff and applicants attempting to determine which standards applied.

Externally, overlapping statutory authority compounded the problem, as applicants frequently received conflicting instructions from different parts of the agency. The result was a system that lacked a single, authoritative voice.

This fragmentation produced three major consequences:

- Delays in decision-making, as files moved between divisions without clear ownership or accountability.
- Erosion of public trust, as communities and industry viewed the Department as inconsistent and opaque.
- Duplication of effort, as multiple offices reviewed the same application under separate procedures.

The town halls followed a deliberate schedule across the year, ensuring participation from all program areas, including field offices:

April 18 and April 25, 2024

**May 15, May 19,
and May 29, 2024 (Two)**

July 24, 2024

August 5, 19, and 22, 2024

September 4, 25, and 30, 2024

October 17 and 22, 2024

November 6, 2024

December 4, 11, and 16, 2024



At the employee level, the intricate process of tracking job duties is divided into two distinct categories, neither of which is comprehensible, necessitating the agency to independently find a solution.

The DRIVE Initiative concluded that these communication failures reflected a deeper structural issue — unclear statutory authority and overlapping responsibilities. Without a clarified governance framework that consolidates responsibility and aligns rules across programs, even the most well-designed permitting reforms would continue to falter.

COMPREHENSIVE REGULATORY AUTHORITY NEEDED

The need for clarified authority arose from persistent communication failures within the Department. When applicants could not identify which office held decision-making power — or when employees themselves were uncertain about their responsibilities — accountability and consistency suffered. Overlapping statutes in Titles 30 and 36 left the Secretary, Undersecretary, and Commissioner of Conservation with shared but poorly defined authority, creating blurred lines of control. Legislative audits repeatedly documented the result: weak fiscal oversight, fragmented processes, and conflicting interpretations of the law.

These problems were evident in programs such as water well regulation, where three separate rule sets leave staff to reconcile contradictory guidance, slowing progress and undermining confidence in the Department's decisions.

To resolve these challenges, the Department must align and simplify its statutory framework, eliminating duplicative provisions and harmonizing state and federal law with rules and regulations. Standardized guidance and cross-office training will ensure authority is consistently applied. Act 458 advances this goal by establishing the Office of Permitting and Compliance as the unified point of contact for permit decisions—creating a single, authoritative voice for both internal coordination and public engagement.

The establishment of a cohesive legal architecture³⁵ not only facilitates seamless operational integration but also fosters resilience and adaptability. This framework ensures the department is equipped to address future challenges with transparency³⁶, precision and efficiency, positioning Louisiana as a leader in natural resource management.

CHAPTER 3

WORK SMARTER, NOT HARDER



The governance model emphasizes flexibility and adaptability, allowing the department to respond to evolving circumstances, including crises, regulatory shifts and technological advancements.

ADMINISTRATIVE FLEXIBILITY WITH TRANSPARENT OVERSIGHT

Dynamic frameworks should be used, incorporating periodic reviews to maintain relevance and effectiveness. This approach ensures the department remains proactive and prepared for unforeseen challenges, fostering a culture of resilience and innovation.

- **Develop Dynamic Frameworks:** Create governance structures adaptable to changing circumstances, including crises, regulatory shifts and technological advancements.
- **Periodic Reviews:** Introduce periodic governance evaluations to ensure relevance and efficacy.
- **Process Mining and Continuous Improvement:** Employ process mining to map how work flows through the department, identifying bottlenecks, redundancies and compliance gaps. By coupling AI with workflow data, the Department can continuously redesign and streamline its operations, improve resource allocation, and deliver faster, more transparent outcomes.³⁷³⁸

A key component of these dynamic frameworks is their ability to respond to external factors, including federal regulations, funding opportunities and intergovernmental mandates. By establishing a centralized oversight mechanism, the department ensures timely and effective responses to federal overreach when inconsistent with Louisiana policies. By creating an intrastate forum, regular communication channels amongst agency heads ensure consistent action in response to federal agencies, enabling all departments to advocate for Louisiana's unique needs while maintaining compliance with federal standards.

CLEAR SEPARATION: PROCESS AND CONTROLS

To foster clear and robust internal accountability, the role of the Undersecretary should be strategically restructured to include distinct, autonomous authority over internal auditing, fiscal compliance, personnel management and grant oversight. By clearly establishing the Undersecretary's independent responsibilities, the department can create a strong internal check against executive overreach or fiscal mismanagement, independent of the Secretary's daily operational influence.³⁹

Accountability is also central to the reorganization, requiring clarity on who is accountable, to whom, for what, by what standards and with what consequences.⁴⁰ Public-choice analysis highlights risks of self-interested behavior, but accountability design must also reflect normative values such as fairness and equity.⁴¹ The structural firewall between the Secretary (policy) and Undersecretary (finance) embodies this principle, ensuring durable checks and balances across executive roles.

If the language is ambiguous, the agency must use caution when expanding authority, which is why it is important to document processes so not to creep into areas reserved for the legislature. In *Guedes v. Bureau of Alcohol, Tobacco, Firearms & Explosives*, Judge Gorsch criticized reliance on *Chevron* deference where criminal liability was implicated, emphasizing that “only the people’s elected representatives in the legislature are authorized to make an act a crime.”⁴² Louisiana’s clarified internal structure — separating policy (Secretary), finance (Undersecretary) and technical regulation (Directors) — embeds this principle by requiring statutory clarity and record-based justification for all agency actions.

This empowerment would enable rigorous internal evaluation of departmental operations, enhancing transparency and accountability both internally and in relation to external legislative oversight. Clearly defined roles ensure continuous scrutiny of financial practices and regulatory compliance, reducing risks associated with concentrated executive authority and increasing trust among stakeholders.

INTERNAL CONTROLS

A key strategic improvement would be to clearly delineate the operational responsibilities of the Secretary from the financial and administrative responsibilities of the Undersecretary. Historically, ambiguity and overlapping roles have resulted in operational inefficiencies, duplication of effort and unclear accountability. Addressing these issues requires explicitly assigning responsibilities as follows:

- **Secretary:** Should focus exclusively on strategic policy formulation, operational oversight, public engagement and external regulatory coordination.⁴³ This role would guide the department’s strategic vision and interface with external stakeholders and legislative bodies.
- **Undersecretary:** Should be distinctly empowered to handle all internal fiscal oversight, administrative operations, financial integrity, internal investigations and compliance monitoring. This position would ensure procedural effectiveness, financial discipline and internal governance stability.

Establishing these clearly defined responsibilities streamlines governance structures, eliminates overlapping duties, reduces bureaucratic inefficiencies and allows both roles to effectively fulfill their distinct mandates. This structure aligns closely with best practices in governance, ensuring both policy-making and administrative oversight benefit from dedicated expertise and autonomy.

In summary, implementing these clearly defined roles will enhance accountability, promote robust internal oversight and improve operational efficiency within the Department. This strategic approach directly supports enhanced governance, transparency and overall effectiveness — ultimately strengthening public trust and institutional integrity.

SECRETARY DIRECTIVE: INTRA-DEPARTMENTAL PROCESS

Act 458 of 2025 empowers the Secretary to issue directives that “establish immediate agency policy” and to “reorganize, consolidate, create, merge or abolish” units within the Department. This authority transforms the way the agency engages with stakeholders and manages its internal governance. Instead of waiting for new legislation or gubernatorial appointments, the Secretary can, by force of law, create boards or commissions, when specialized expertise or public input is needed and dissolve them when their work is complete. This streamlines the advisory process by eliminating the delays associated with Senate confirmation and reducing political bottlenecks, while still preserving transparency and accountability through mandated public reporting and stakeholder participation.

From an operational standpoint, Secretary Directives serve as the “code” that binds people, process and technology. They formalize procedures, clarify roles and specify data requirements so that every workflow can be digitized and tracked within the Department’s emerging technology platforms. As a result, protocols such as the risk-assessment framework, NRTA financial assurance processes and permitting QA/QC can be embedded directly into the Golden Record system. Intra-departmental directives thus accelerate responsiveness during permitting reform and rule-making, centralize oversight through the NRC and provide the flexibility to align structure, processes and technology in real-time.

To help better organize the directives, assign letters for how they would correspond for organizational improvement:

A: PEOPLE

Directives centered on ethics, roles, training and leadership.

B: PROCESS

Directives focused on establishing or refining workflows, rule-making and governance.

C: TECHNOLOGY

Directives that build or govern data systems and other technological infrastructure, ultimately in coordination with the Office of Technology Services (OTS).

By categorizing each directive this way, the Department can prioritize technology development that supports the processes and people described in categories A and B.

On the next page, there is a list of proposed directives as an example to their application.

TITLE	TYPE	OFFICE	YEAR	#	SCOPE	KEY PROVISIONS
Executive Management Program	A	C&E	2025	1	Creates structured pathway for classified staff to transition into unclassified executive roles.	Establishes the nomination, eligibility, and review process. It also requires structured training and probationary periods. Furthermore, it creates an Executive Career Track Committee chaired by the Undersecretary.
Code of Conduct	A	C&E	2025	2	Establishes ethical framework for all Department staff.	Mandates integrity, transparency, open-mindedness, and scientific rigor. It also bars conflicts of interest and requires evidence-based decisions. Additionally, it adds accountability, environmental stewardship, and public reporting requirements.
Directives Protocols and Implementation Workflow	B	C&E	2025	1	Establishes uniform internal workflow for rule-making, CCUS, and PSC coordination.	Sets standards for rule-making and policy development. Act 458 may establish a process for pipeline removal (OSR) and CCUS applications and require referral protocols with the PSC regarding pipelines and common carrier issues.
NRTA Development	B	C&E	2025	2	Establishes NRTA as fiscal backbone for environmental liabilities.	Administration of financial assurance programs for decommissioning and orphan wells. Implements risk tiers with bonds, pooled collateral, and prioritization protocols.
Capital Area Groundwater Conservation District Operation	B	C&E	2025	3	Aligns contractors, including Water Institute to work with state water management under Act 458.	Capital Area Groundwater Conservation District Transition aligns contractors, including Water Institute, with state water management under Act 458. It requires groundwater and saltwater intrusion modeling deliverables, integrates statewide water inventory with the OTS data platform, and balances public access with IP protections.
Risk Assessment for Compliance & Enforcement	B	C&E	2025	4	Creates time-vs-risk framework for enforcement decisions.	Establishes multi-step test (harm, culpability, cooperation, deterrence). Clarifies when to use compliance assistance vs. enforcement. Requires documentation and proportionality review.
Rule-making & Program Development Uniformity	B	C&E	2025	5	Standardizes rule-making and clarifies hearing vs. meeting protocols.	Distinguishes Public Hearings (formal, APA-compliant) from Public Meetings (informal dialogue). Embeds stakeholder engagement and benchmarking. Integrates People, Process, Technology analysis.
SOP on PSC Coordination for Pipelines	B	C&E	2025	6	Standard process for PSC referrals on common carrier and expropriation created.	Requires OPC screening of permit apps for “common carrier” triggers. Legal review and formal referral to PSC. No action until PSC confirms jurisdiction (CPCN).
Strategic Communications Plan	B	C&E	2025	7	Creates communications framework for outreach and transparency.	Strategic Communications Plan (B) for CE in 2025, with a focus on outreach and transparency.
Delegation of Authority	B	C&E	2025	8	Clarifies Secretary’s delegation to offices.	Standardizes delegation templates. Assigns energy, permitting, and enforcement authority to respective offices. Requires quarterly review and publication.
Statutory Obligations Review	B	C&E	2025	9	Standardizes office compliance with Acts 727, 16, 17, 296, 458.	Creates statutory compliance checklist. Quarterly compliance reporting by each office. Aligns operations with APA and public trust doctrine.
Office Programs & Collaboration	B	C&E	2025	10	Clarifies office responsibilities and inter-office collaboration.	Defines “core responsibilities” for each office. Requires annual collaboration plan.
Institute Certification	B	C&E	2025	11	Creates certification process for Institute.	Certifies institutions as research partners. Provides funding via NRTA revenues & federal grants. Develops training in Class VI wells, solar decommissioning, water rights.
Internal Governance & Conflict Resolution	B	C&E	2025	12	Creates conflict-resolution mechanisms within C&E.	Defines roles between Secretary & Undersecretary. Establishes internal audit policies under Undersecretary with potential escalation to NRC.
Public Hearings Documentation & Transparency	C	C&E	2025	1	Standardizes documentation and record keeping for hearings/ meetings.	Centralized digital archive. Mandatory 30-day publication of minutes. Integrated into Golden Record system.
Statewide Integrated Data Infrastructure	C	C&E	2025	2	Creates “Golden Record” compliance protocol for data system.	Cross-agency platform led by OTS. Standardizes workflows, enables real-time analytics. Reduces duplication, silos, errors. Increases transparency, accountability, and regulatory certainty.
Public Comment Distinction	B	OPC	2025	1	Rule-making & Program Development Uniformity	Clarifies distinction between Public Hearings (formal, APA-compliant) vs. Public Meetings (informal dialogue).
Relationship between C&E and PSC	B	OPC	2025	2	SOP on PSC Coordination for Pipelines	Standard intake, legal review, and PSC referral for common carrier/ expropriation issues.
Protocols of OPC	B	OPC	2025	3	QA/QC Permitting Protocols	Requires Chief Engineer, Geologist, Ecologist sign-off; deputies oversee QA/QC.
Enforcement	B	OENF	2025	1	Risk Assessment for Compliance & Enforcement	Time vs. risk test; proportionality for compliance vs. enforcement. Economic Risk analysis
Transparency in Enforcement	B	OENF	2025	2	Enforcement Transparency Policy	Mandates posting of enforcement outcomes online within 30 days.
Royalty Collection and Audit Procedures	B	OSTR	2025	1	Royalty Collection & Audit Procedures	Establishes formal processes for auditing and collecting royalties.
Risk Analysis for NRTA	B	OAD	2025	1	Risk Protocols for NRTA	Risk-based assurance for decommissioning; bonds, pooled collateral; prioritization for orphan wells.
Website Governance Policy	C	OSEC	2025	1	Outlines roles, responsibilities, and standards for managing, maintaining, and improving compliance with ADA.	The website’s primary goal is to accurately represent C&E’s mission and work, provide timely, accessible, and user-friendly information, and adhere to accessibility, security, and transparency standards.

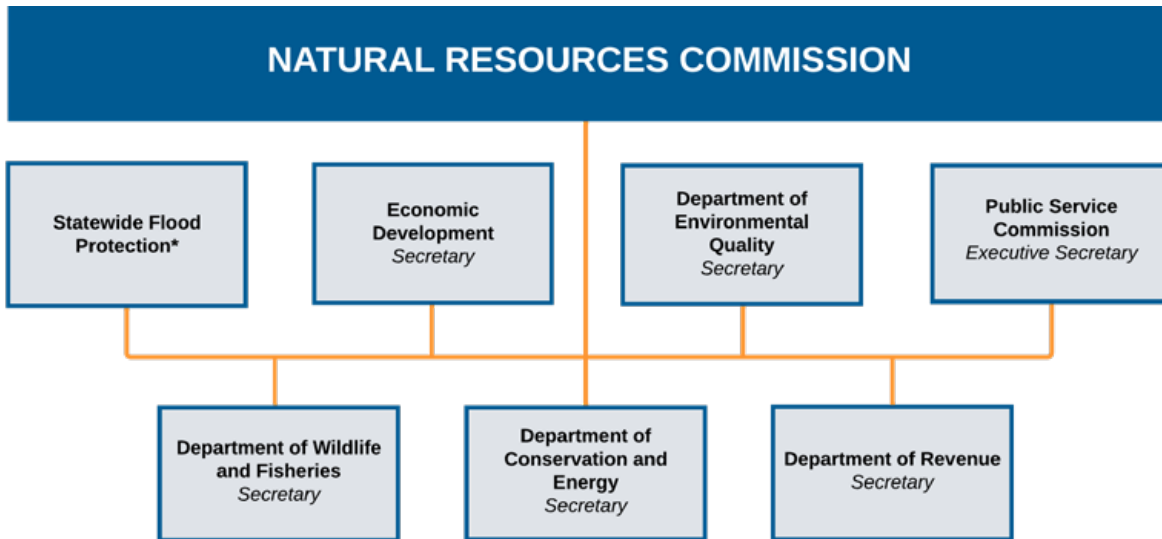
ACRONYM	OFFICE / ENTITY	DESCRIPTION
C&E	Conservation & Energy	The umbrella term for the Department of Conservation & Energy encompassing the Executive Office and broad agency-wide initiatives.
OAD	Office of Administration	Manages finance, procurement, HR, IT, strategic planning and other administrative functions.
OPC	Office of Permitting & Compliance	Oversees all permitting and regulatory compliance functions (e.g., drilling, carbon sequestration, mining).
OENF	Office of Enforcement	Conducts inspections and enforcement actions for violations of natural resource and environmental regulations.
OEN	Office of Energy	Directs energy development programs, including renewable and alternative energy projects.
OSTR	Office of State Resources	Handles energy-related leasing and management of state lands and water bottoms and administers groundwater and surface water resources.
OSEC	Office of the Secretary	Provides executive leadership, policy direction and communications support to the department.
NRC	Natural Resources Commission	A coordinating body created by Act 458 to lead statewide water management, flood protection and interagency coordination.

NATURAL RESOURCES COMMISSION: INTER-DEPARTMENTAL PROCESS

The proposed commission model introduces a dedicated commission that will hold quarterly meetings focused on programmatic and functional oversight, replacing temporary committees or task forces. The commission, named the “Louisiana Natural Resources Commission,” is inspired by the first commission for the Conservation of Natural Resources, chaired by State Representative Thornton from Shreveport, Louisiana, in 1908. This historical commission, consisting of seven ex officio members, ultimately reported the need for a Department of Conservation in 1912, providing a legacy of conservation oversight to inform the current initiative.

This new commission will oversee energy and natural resource management, ensuring streamlined coordination and supporting agency decision-making. It will be supported by the Office of the Natural Resources Commission⁴⁴, led by the Deputy Secretary of C&E⁴⁵, a statutory position dedicated to ensuring that resources are allocated effectively to establish an agenda and stay on top of issues presented. The Deputy Secretary will oversee staffing and operational functions, ensuring that the commission remains responsive and proactive in addressing critical natural resource challenges.

The commission will consist of seven voting members, meeting quarterly, *without the ability for proxy*, each representing a key state agency or function relevant to Louisiana’s natural resources and energy management.



**Represented by one of the following, Secretary of DOTD, CPRA, or CURRENT*

The proposed composition is:

- **Department of Conservation and Energy (C&E):** Represented by the Secretary, providing overarching leadership and policy alignment
- **Louisiana Economic Development (LED):** Represented by the Secretary, to ensure integration of economic considerations with natural resource initiatives
- **Department of Environmental Quality (DEQ):** Represented by the Secretary, focusing on regulatory compliance and environmental stewardship
- **Department of Revenue (LDR):** Represented by the Secretary, addressing financial aspects related to resource management and revenue generation
- **Department of Wildlife and Fisheries (DWLF):** Represented by the Secretary, ensuring the conservation of biological resources
- **Public Service Commission (PSC):** Represented by its Executive_Secretary, providing input on energy policy and public utilities oversight
- **Statewide Flood Protection Interests:** Represented by a Governor-Appointed Chief Executive From CPRA, Department of Transportation and Development (DOTD), CURRENT, or the Chief Resiliency Officer (CRO), ensuring focus on water resource management and flood mitigation⁴⁶

This structured composition ensures that all critical sectors influencing and impacted by natural resources and energy policy are represented, fostering integrated decision-making and enhanced inter-agency coordination. However, given Louisiana’s unique governance structure, there is no centralized representative for these efforts. To address this, the commission must provide flexibility by allowing a dedicated individual to step forward and represent statewide interests without being hindered by the dual office-holding restriction. This ensures that coordination and leadership are not impeded by structural constraints, enabling a more seamless and functional approach to managing complex issues.

DEFINED ROLES

Clearly outline responsibilities for commission members, emphasizing accountability and alignment with state objectives. The commission's structure will include mechanisms for periodic evaluations, stakeholder feedback integration and transparent reporting to foster public trust and institutional integrity.

This commission is also designed to navigate Louisiana's unique governmental structure, where the Attorney General and Public Service Commission operate independently from other executive branch departments. Through support provided by the Office of Natural Resources Commission located in the C&E, commission staff will serve as the primary point of contact for the Attorney General's office to ensure state responses to Federal actions are coordinated through the Commission and the State's standing is effectively preserved. By establishing clear communication protocols and collaborative frameworks, the commission ensures seamless coordination with these entities, mitigating potential barriers caused by structural separation. This setup improves statewide communication, integrates diverse perspectives and ensures a unified approach to resource management.

Additionally, the commission provides an effective outlet for the Louisiana legislature to express concerns or highlight needs that require multi-agency attention without necessitating the creation of task forces or study groups. By including these issues as agenda items for the commission, subject matter experts can coordinate and provide actionable responses efficiently. This model provides a structured mechanism for legislative requests, alleviating the need for task forces to manage one-off issues. This streamlined and responsive structure ensures that resources are directed towards meaningful outcomes rather than redundant studies. The commission's ability to centralize and address complex issues allows for more targeted solutions, reinforcing its role as a cornerstone of Louisiana's governance framework.

RULE MODERNIZATION

This statutory clarification aligns with the U.S. Supreme Court's decision in *Loper Bright Enterprises v. Raimondo*, which overruled *Chevron* and restored the duty of courts to exercise independent judgment under the Administrative Procedure Act.⁴⁷ Just as courts may no longer defer to agencies merely because a statute is ambiguous, Louisiana's reorganization ensures that permitting, enforcement, and rule-making operate within transparent statutory frameworks, reducing reliance on ad hoc discretion.

In addition, Louisiana precedent reinforces this record-based approach. In *Louisiana Chemical Association v. Department of Environmental Quality*, the First Circuit held that judicial review of agency rules under La. R.S. 49:963 is confined to the administrative record, not trial de novo.⁴⁸ This principle supports the Department's reforms requiring detailed documentation, standardized hearing procedures, and proactive publication of records.

BOARDS AND COMMISSIONS

OVERVIEW AND STRATEGIC RATIONALE

As part of the DRIVE Initiative's commitment to streamlining government and enhancing transparency, all boards and commissions under the jurisdiction of the C&E were subjected to a zero-based review. This approach required each board, commission and advisory body to justify its continued existence based on current statutory authority, mission relevance, operational effectiveness and overlap with existing C&E functions. Rather than presume the necessity of legacy structures, this process aligned with the reorganization's three pillars: Transparency, Balance, and Solutions.⁴⁹

The review revealed that many existing boards had:

- Obsolete mandates,
- Overlapping functions with reorganized C&E offices, or
- Administrative ineffectiveness due to cumbersome appointment procedures, lack of subject matter jurisdiction or unclear oversight authority.

To resolve these inefficiencies and foster a more agile governance framework, all boards and commissions — except the State Mineral and Energy Board (SMEB) — should be sunsetted or repealed via legislative actions.

REPEALED STATUTORY ENTITIES AND FUNCTIONAL REALIGNMENT

REPEALED STATUTE	ORIGINAL FUNCTION	REASSIGNED TO
R.S. 17:200–220	Energy education programming	Center for Energy Studies with funding
R.S. 30:2458	Oil Spill Interagency Council	Louisiana Oil Spill Coordinator within Office of Secretary by rule or directive
R.S. 30:2470–2474	Discharge Prevention and Response Certificate registration & enforcement	Louisiana Oil Spill Coordinator within Office of Secretary by rule or directive
R.S. 38:3071–3084	Groundwater conservation district governance	Office of State Resources
R.S. 38:3087.131–3087.138	Lake- and basin-specific conservation commissions	Allocated throughout Department as appropriate, depending on whether it relates to inventory or use
R.S. 38:3097.4	Water Resources Commission	NRC
R.S. 38:3098.6(A)(1)	Well driller licensing advisory committee procedures	Occupational licensing board

CENTRALIZATION THROUGH THE NATURAL RESOURCES COMMISSION

In place of the repealed entities, the Department established the NRC. Modeled after the federal Council on Environmental Quality (CEQ), the NRC is designed as a high-level advisory and oversight body. It incorporates diverse perspectives from across the energy, environment and economic sectors and ensures strategic policy decisions are guided by transparent, cross-agency collaboration.

The NRC holds quarterly public meetings and functions as a clearinghouse for long-term resource planning, conflict resolution, and guidance on matters previously spread across more than a dozen disconnected entities.

BALANCING STATEWIDE PROGRAMS WITH LOCAL NEEDS

Over the past century, the demands on Louisiana's local governments have increased dramatically, particularly as the obstacles facing essential systems such as natural gas and drinking water have grown in complexity. Municipal-run utilities often operate without profit motives and serve small customer bases. In rural parishes, water systems are frequently old and their finances are tight; a recent report noted that 115 of the state's water systems — mostly rural — are rated "D" or "F," and a legislator estimated that fixing rural systems will cost roughly \$4 billion. These conditions mean local operators and elected officials often lack the staffing and technical expertise to maintain and modernize systems, which leads to inefficiencies, service interruptions and underutilized assets.⁵⁰

Historically, Louisiana's state policy has been reactive — driven by the immediate needs or political influence of individual parishes — rather than proactive and regionally coordinated. This parish-by-parish approach has produced fragmented systems that often stop at administrative boundaries, rather than managing resources as interconnected parts of a larger whole. The department's restructuring seeks to reverse that pattern by fostering regional collaboration among parishes and municipalities to pool resources, share technical expertise, and coordinate long-term operations and maintenance. Across Louisiana, there are strong advocates — both formally and informally trained — who understand local needs and can drive implementation. Yet, the State must be prepared to serve as the backstop for essential programs, particularly where projects involve broader geographic or public benefits. When state interests are vested in shared infrastructure or natural systems that span multiple jurisdictions, policy should always lean toward regionalization as the simplest and most effective means of implementation, ensuring that the whole functions stronger than the sum of its parts.

WHY STATEWIDE PROGRAMS MATTER FOR LOCAL GOVERNMENTS

Moreover, the services that most require regionalization — such as water, energy, flood control, and data infrastructure — are inherently capital-intensive and dependent on large-scale coordination. These systems exponentially benefit from standardized data and shared analytics that provide a unified and comprehensive understanding of Louisiana's natural resources. Efficient implementation and responsible investment depend on accurate, interoperable information across parishes and state agencies. At the same time, cybersecurity demands are greater than ever, and maintaining adequate safeguards can impose an unfair burden on small or under-resourced local governments. By pooling resources and developing

a standardized statewide data management system, the State can protect sensitive information while equipping regional partners with secure access to shared datasets. This model enables the State to plan or react with a clearer operational picture — improving resilience, minimizing duplication, and ensuring that local, regional, and statewide priorities are aligned under one coherent framework. A fundamental message for local officials and their constituents is that statewide programs exist to fill capacity gaps that local governments cannot solve alone. Several initiatives illustrate this point:

- **Technical assistance and grant guidance:** The Louisiana Infrastructure Technical Assistance Corporation (LITACorp), launched in 2022 by the Louisiana Municipal Association and the Police Jury Association of Louisiana, helps rural and economically distressed local governments identify, apply for and administer federal grants under the Infrastructure Investment and Jobs Act. Its goals include equipping small jurisdictions with the tools and resources needed to pursue federal funding, reducing local cost share barriers and securing grants to improve or repair water, sewer, road and broadband infrastructure. By centralizing expertise, LITACorp makes it easier for local officials to answer constituents' questions about funding opportunities.⁵¹
- **Building technical, managerial and financial capacity:** The Louisiana Department of Health (LDH)'s Capacity Development Program ensures that public water systems have the technical, managerial and financial capacity to meet drinking water standards. The program conducts technical reviews, requires business plans for new systems and provides free technical assistance when existing systems lack capacity. This assistance helps small utilities meet regulatory requirements and plan for long-term sustainability, addressing gaps in local staffing and expertise.⁵²
- **Statewide recognition of capacity constraints:** A 2024 Brookings analysis on state water funding notes that local utilities often have limited technical, financial and staffing capacity to pursue complex projects; many states do not even address local staffing needs in their planning documents. These capacity constraints hinder coordinated state–local action. The report calls for states to support greater capacity — particularly through staffing and technical assistance — so that local utilities can access and implement funding.⁵³
- **Regional capacity building grant:** The Louisiana Watershed Initiative's Regional Capacity Building Grant Program provides grants of \$400,000 to \$800,000 per watershed region to build staff capacity, develop regional watershed management plans and offer technical assistance to municipal partners. By funding regional staff and coordination, the program ensures local governments have the expertise needed to reduce flood risk and manage watershed projects effectively.

These programs demonstrate why state involvement is essential: they channel resources and expertise that local governments cannot easily develop on their own. Messaging to local officials should emphasize that statewide programs are designed to help municipalities meet regulatory requirements, tap federal funding and plan for long-term sustainability. Clear information about program eligibility, contacts and benefits will make it easier for mayors, parish presidents and council members to explain state initiatives to constituents and avoid misperceptions.⁵⁴

MANAGING POTENTIAL CONFLICTS AND ENHANCING TRANSPARENCY

Although cooperation is the goal, conflicts between state and local governments are inevitable when priorities diverge. Some municipalities may fear loss of autonomy or perceive state actions as unfunded mandates. To mitigate these concerns, state agencies should proactively share planning documents, priority criteria, and technical guidance with local officials. Transparent communication helps local leaders understand statewide issues — such as compliance with federal drinking-water standards or eligibility requirements for grant programs — so they can make informed decisions and feel connected rather than sidelined. Open lines of communication also allow local officials to voice concerns and tailor state programs to local conditions.

IMPLEMENTATION STRATEGIES

- **Regionalization of services:** Establish mechanisms for parishes and regions to consolidate efforts, reducing overhead and ensuring effective use of state-allocated resources. Formal regional bodies can pool limited staff and technical expertise. This is currently performed by district offices, which should not only be maintained but potentially expanded to strengthen regional coordination.
- **Support for expertise:** Expand programs like LITACorp, the Capacity Development Program, and regional capacity-building grants to provide continuous technical assistance, grant-application support, and training for local operators and elected officials. In messaging, stress how these programs help local governments answer constituent questions and make informed decisions.
- **Sustainability focus:** Prioritize funding models and governance structures that incentivize long-term planning and operational efficiency over short-term fixes. Encourage local and regional entities to develop asset-management plans and participate in state capacity reviews.

Furthermore, the restructuring will connect local entities — such as community development boards and public finance authorities — with the Natural Resources Trust Authority (NRTA). By linking local initiatives with a state-level authority, the department ensures that infrastructure projects reflect community needs while benefiting from the strategic oversight and funding capabilities of the state. Leveraging the NRTA as a centralized investment hub enables municipalities to access resources and technical guidance for projects like levee systems or water treatment facilities, thereby enhancing longevity and resilience. No one is more invested in a levee system than the community it protects; connecting local stakeholders with statewide expertise ensures projects meet local needs while drawing on broader capabilities.

The overarching goal is to connect the dots rather than reinvent the wheel. This strategy harnesses the intrinsic commitment of local communities while integrating the broader capabilities of state-level resources and expertise. Through this approach, Louisiana's infrastructure systems will not only meet immediate needs but also evolve sustainably to address future challenges. Updating Louisiana's Public Records Act to clarify disclosure obligations will further strengthen public accountability and trust, ensuring that environmental, permitting, and enforcement records are accessible and transparent.

INTEGRATED DATA INFRASTRUCTURE - STATEWIDE

For any agency that reviews applications for permitted activity, an investment in an integrated information resource will pay dividends — reducing duplicative reviews, accelerating decisions, and improving environmental and economic outcomes statewide. At its core, the decision to deploy an integrated, statewide data platform is not merely about implementing advanced technology or digitizing existing information. It represents a strategic shift toward treating data itself as critical infrastructure — an asset as vital as roads, levees, or transmission lines. The platform will enable Louisiana’s regulatory agencies to function as a coordinated system rather than isolated entities, transforming raw information into actionable intelligence.

Today, one of the most critical challenges facing the State is the existence of informational blind spots — gaps between agency datasets where bad actors can exploit inconsistencies, obscure noncompliance, or misrepresent activity. These gaps weaken enforcement, distort the permitting process, and erode public trust. By unifying data systems, Louisiana can illuminate these blind spots, ensuring that regulatory decisions are informed by complete, consistent, and verifiable information. Integration therefore not only improves efficiency; it also strengthens the State’s capacity to detect fraud, enforce accountability, and protect communities from environmental and financial harm.

Equally important, a statewide data backbone allows the State to standardize and safeguard information across all sectors. As regulatory systems become increasingly data-intensive, the costs of fragmented or incompatible systems grow exponentially — particularly for services that demand regionalization, such as water management, flood protection, and energy permitting. By pooling resources and adopting a shared, standardized data architecture, Louisiana will strengthen its operating picture and enhance its ability to plan, predict, and respond to emerging challenges. This approach also mitigates cybersecurity risks, which have grown too complex and costly for local governments to manage alone. A unified data framework ensures that the burden of protecting sensitive information does not fall disproportionately on smaller jurisdictions but is handled through coordinated, statewide investment in secure infrastructure.

Ultimately, this initiative embodies Louisiana’s commitment to efficiency, accountability, and preparedness. By integrating data across agencies, the State can reduce redundancy, improve service delivery, and ensure that every permitting or compliance decision rests on the same authoritative, real-time information — creating a resilient foundation for informed governance and long-term public trust.

PROPOSAL

To develop and deploy an integrated, statewide data infrastructure platform designed to enhance cross-functional coordination among agencies responsible for permitting, compliance, emergency response, and natural resource management. This system will serve as the digital backbone of the State’s modernization effort — linking critical information across the C&E, DEQ, DOTD, LDWF, LDR, and LDH. OTS will provide centralized leadership for system design, development, and implementation, ensuring interoperability, cybersecurity, and consistent technical standards across all participating entities.

Each participating agency will designate subject-matter experts to map existing processes, workflows, and data management practices so that system architecture reflects operational realities rather than abstract theory. The effort builds upon and interconnects Louisiana’s strongest existing data assets: C&E’s *Strategic*

Online Natural Resource Information System (SONRIS), DEQ's Electronic Data Management System (EDMS) and DOTD's digital mapping and analytics tool, Esri.

Today, informational blind spots between these systems create opportunities for bad actors to obscure noncompliance, duplicate claims, or delay enforcement. The integrated platform will close those gaps — enabling cross-verification of data, real-time tracking of regulated activities, and automated alerts when discrepancies arise. By leveraging advanced analytics, spatial mapping, and standardized reporting, Louisiana can transition from reactive oversight to predictive governance, detecting risks before they escalate.

Grounded in the principles of People, Process, and Technology, the initiative will modernize how information flows between agencies, reduce redundant data collection, and enable seamless collaboration during both routine permitting and emergency response. Together, these elements will create a unified platform that strengthens Louisiana's analytical capacity, regulatory consistency, and operational agility across the entire natural-resource enterprise — transforming isolated data into a strategic asset that safeguards the State's environment, economy, and citizens.

PURPOSE

To create a single, authoritative platform that standardizes and centralizes environmental, energy, health, and infrastructure information across public agencies, transforming data into critical infrastructure that supports faster, smarter, and more transparent governance. By linking the systems of C&E, DEQ, DOTD, LDWF, LDR, and LDH through the Office of Technology Services, the State can consolidate thousands of disconnected datasets into a common operating picture for both daily regulatory functions and long-term strategic planning. This integration closes informational blind spots where bad actors can exploit inconsistencies, ensuring that SONRIS well data, DEQ's EDMS compliance files, and DOTD's Esri-based GIS mapping systems combine to provide a verifiable view of activities affecting land, water, and air. Unified data architecture enables predictive analytics, cross-agency monitoring, and coordinated emergency response — allowing, for example, a well incident in SONRIS to automatically alert DEQ, DOTD, and LDH programs. Ultimately, this initiative strengthens transparency, accountability, and preparedness by ensuring that every permitting, enforcement, and policy decision is supported by complete, consistent, and real-time information.

REDUCE REDUNDANCY AND DUPLICATION

Agencies currently maintain separate, often incompatible datasets, each requiring tax dollars to operate and maintain. An integrated platform centralizes information, saving resources and ensuring data accuracy. Operational efficiency thrives when redundancy is reduced and processes are streamlined. Under the current fragmented system, agencies often duplicate efforts, collecting identical data through separate channels and in varying formats. This duplication not only consumes resources and valuable staff time, but also increases the risk of data errors, inconsistencies and misinterpretation. An integrated data platform consolidates the data-collection process into a single source, which reduces administrative overhead, minimizes errors and enhances the speed and accuracy of data retrieval. This efficiency allows agency personnel to refocus their time and resources toward the critical, mission-driven aspects of their work, rather than navigating cumbersome administrative procedures. Over time, this will yield tangible cost

savings, improved performance metrics and accelerated processing of permits, inspections and regulatory decisions — making the state’s operational apparatus leaner and more effective.

BREAK DOWN INFORMATION SILOS

Siloed data inhibits effective decision-making. Standardized data exchange ensures comprehensive access to critical information, facilitating timely, informed decisions. The effectiveness of our institutions depends heavily on the quality, accessibility and consistency of the information available. In the absence of integrated data, agencies often operate in isolated environments, creating scenarios where decisions are based on partial, outdated or fragmented data. This leads to inconsistent outcomes, regulatory uncertainty and ultimately diminished public trust. By establishing a shared technological foundation, each agency can access the same high-quality, standardized information in real-time. Institutional effectiveness improves significantly when all stakeholders — from policymakers to field operators — are aligned by a common dataset. Such alignment ensures decisions made in different contexts — such as permitting, compliance, resource allocation and enforcement — are consistent, transparent and strategically coherent.

ENHANCE RESPONSIVENESS AND AGILITY

Real-time information allows agencies to proactively respond to issues, compliance matters, emergencies or shifting economic conditions, rather than being reactive. One of the greatest advantages of leveraging integrated data technology is its capacity to enable swift, informed responses to rapidly evolving circumstances. When data is centralized and easily accessible, agencies can respond promptly and decisively to incidents, emergencies, natural disasters and shifting market or regulatory conditions. Instead of reacting to problems after they have escalated, agencies can proactively identify potential risks and intervene early, mitigating impacts and protecting public safety, health and economic stability. The ability to anticipate and manage risk through predictive analytics, real-time monitoring and early-warning indicators is transformative. It turns the agency from a reactive body into a proactive guardian of public welfare, enhancing its ability to manage Louisiana’s natural resources sustainably and responsibly.

ENSURE REGULATORY CONSISTENCY

Technology provides a clear, transparent foundation for regulatory decisions, eliminating ambiguity and promoting consistent, fair enforcement across agencies.

IMPROVE TRANSPARENCY AND ACCOUNTABILITY

Centralized data that is accessible, verified, and consistently maintained strengthens both regulatory performance and public trust. A unified data platform not only makes agency decisions visible but also improves their quality by allowing regulators to cross-reference applications against high-quality public datasets. This helps confirm that proposed activities align with existing permits, geographic boundaries, and environmental conditions. Better information systems reduce the time spent reconciling conflicting data and instead allow regulators to focus on substantive evaluation of compliance and safety. Importantly, the system does not replace or diminish an applicant’s responsibility to provide its own complete data set for all site characterizations of the proposed actions within an area of review. The State’s investment in shared information infrastructure should not subsidize incomplete or inaccurate submittals; rather, it enables

reviewers to verify data integrity quickly and ensure that applicants who meet standards can advance with confidence while those who do not are identified early in the process.

For example, SONRIS offers robust subsurface data but contains spatial “blind spots” where applicants may still legally apply to operate. Integration with complementary datasets from DEQ, DOTD, and LDWF would allow reviewers to verify applications more efficiently and close those gaps without restricting legitimate activity. In this way, centralized data architecture supports transparency and accountability without compromising regulatory rigor. It builds a shared factual foundation for applicants, agencies, and the public — ensuring that every decision is based on accurate, timely, and independently verifiable information.

SUPPORT SUSTAINABLE ECONOMIC GROWTH

By streamlining permitting and compliance processes, the integrated platform reduces bureaucratic barriers, promoting responsible development and economic investment in Louisiana. For economic growth to be both sustainable and robust, industry requires clear, predictable regulatory frameworks and timely decisions. Without an integrated data infrastructure, permitting and compliance processes often become unnecessarily slow, inconsistent and inefficient. This creates barriers for businesses, discouraging investment and delaying essential infrastructure projects.

EXECUTION

An executive order, which will formalize the collaboration between the identified agencies and designate clear responsibilities for technology development, process analysis and workflow explanations under the project principle: *People, Process, & Technology*.

People

- Identify and empower cross-agency personnel critical to project implementation and ongoing support
- Provide comprehensive training and resources to ensure effective deployment and use of the integrated platform

Process

- Collaboratively define, standardize and streamline cross-agency workflows and processes
- Develop standardized data files to facilitate efficient use by all users for permitting, compliance monitoring, emergency response and resource management

Technology

- OTS will provide technological leadership in building a robust, secure and scalable platform.
- Utilize industry best practices in data governance, security protocols and advanced analytics to ensure data integrity and usability

AGENCY PARTICIPATION

Each participating agency (DENR, DEQ, DOTD, DWLF, and LDH) will:

- Fully collaborate in the identification and integration of existing data, processes and workflows
- Appoint a lead representative responsible for agency participation, ensuring timely input and alignment with project goals
- Significant long-term cost savings and operational efficiencies

CORE DATA DEVELOPMENT – THE GOLDEN RECORD

OTS employs the *golden record* concept as a foundational methodology for data management. A golden record represents a single, authoritative and reliable version of core data that serves as the baseline upon which all other data records and processes depend. Building upon this principle, a statewide integrated data platform is essential for achieving administrative efficiency, enhanced transparency and improved decision-making capabilities across government operations.

STEP-BY-STEP DEVELOPMENT AND EXPANSION

Step 1: Establishing the Basics

- Identify and define core data points necessary for all departmental functions. These core data points include but are not limited to location coordinates, resource classifications, environmental baselines, infrastructure conditions and regulatory statuses.
- Develop standardized formats and protocols to ensure consistency, interoperability and ease of integration across multiple platforms and agencies.
- Deploy initial centralized databases that house these core data elements securely and accessibly.

Step 2: Building Complexity

- Integrate advanced analytical tools and GIS capabilities to enhance spatial data management, visualization and decision support.
- Implement real-time data integration and updating mechanisms to maintain accuracy and timeliness, enabling responsive governance and timely resource allocation.
- Establish cross-departmental data-sharing agreements and access protocols that maintain transparency while protecting sensitive or proprietary information.

Step 3: Continuous Expansion and Adaptation

- Regularly review and update core data sets to incorporate emerging needs, technological advancements and stakeholder feedback.
- Scale up platform capacity and performance through modular architecture, allowing incremental expansion without disruption.
- Leverage advanced technologies such as artificial intelligence, machine learning and predictive analytics to anticipate trends, optimize resource management and proactively address potential risks.

ANTICIPATED BENEFITS

- Enhanced accuracy and consistency of data utilized for regulatory decision-making and strategic planning.
- Improved coordination across state agencies, reducing duplication and streamlining administrative processes.
- Greater transparency and accountability in resource management, facilitating increased public trust and stakeholder engagement.
- Proactive identification of issues and opportunities through advanced analytical capabilities, promoting agile and informed decision-making.

Through this structured and evolving approach, the statewide integrated data platform will serve as a critical tool to support the state's strategic priorities, enabling Louisiana to effectively manage its natural resources and infrastructure while providing practical solutions to complex governance challenges.

IMPLEMENTATION TIMELINE

The project will commence immediately upon approval, with phased milestones and deliverables clearly outlined in subsequent operational plans. The initiative will continue indefinitely, with periodic assessments and updates to maintain relevance and effectiveness.

A COHESIVE AGENCY

To enhance clarity and efficiency, the Department has delineated three critical tracks, each designed to address specific aspects of governance and operational management:

THREE AREAS OF FOCUS – OPERATIONAL CLARITY

PROGRAM PROCESS	PEOPLE	BUDGET
Programs and Functions Focus Statutes and regulations supporting strategic goals. Actions Define statutory and regulatory expectations for roles. Establish guidelines aligning duties with departmental objectives. Outcome Enhanced legal compliance and consistency with strategic goals.	Management Track Focus Task assignments, expertise mapping, and review processes. Actions Develop job descriptions detailing tasks, skills, and authority. Implement structured review mechanisms for performance clarity. Outcome Consistent execution of responsibilities and alignment with expectations.	Operations Focus Defining scope of responsibilities and contributions to strategic goals. Actions Align individual roles with department-wide objectives. Update job descriptions to emphasize operational clarity and efficiency. Outcome Improved operational efficiency and accountability across the organization.

PEOPLE TRACK

- **Construct** comprehensive task matrices and delineate roles across all managerial levels to ensure clarity in responsibilities. This includes the development of dynamic role maps that evolve with changing organizational needs.
- **Introduce** performance evaluation guidance for managers to consider job duties, including metrics explicitly designed to measure operational efficacy and strategic alignment. These systems will incorporate both quantitative and qualitative assessments, ensuring a holistic evaluation of performance.

PROCESS TRACK - PROGRAMS

- **Align** departmental mandates with regulatory and legal responsibilities to ensure consistency and accountability. This alignment includes defining explicit roles for each department and creating comprehensive policy frameworks that support streamlined decision-making.
- **Institute** specialized training programs to elevate technical and regulatory expertise among personnel, fostering a culture of continuous professional development. Training initiatives will be tailored to address emerging challenges in natural resources use, energy, water management and environmental preservation.

PROCESS TRACK - BUDGET

- **Implement** rigorous budgeting protocols that emphasize fiscal discipline and transparency. These protocols will include advanced financial modeling tools to optimize resource allocation and forecast budgetary needs.
- **Leverage** integrated reporting mechanisms to monitor financial performance relative to strategic objectives, facilitating data-driven decision-making. Enhanced dashboards will provide real-time insights into budgetary health and resource utilization.

Through the integration of these three tracks, the department seeks to achieve enhanced coherence across its operations. This approach ensures that resources are efficiently utilized, roles and responsibilities are unambiguously defined, and all actions align with the overarching mission of sustainable natural resource management. By fostering operational transparency and accountability, these tracks position the department as a model for effective and responsive governance.

PEOPLE

Institutional reform cannot succeed without people. Past morale problems and mismatches between civil service classifications and actual responsibilities must be addressed by adopting a more intentional human capital strategy. At its core is an eight-step change process, which requires leaders to create urgency, build coalitions, craft a vision, enlist broad participation, remove barriers, deliver short-term wins, sustain momentum and institutionalize change. These steps ensure reforms are not viewed as a one-off project but become part of the organizational fabric.

DUAL CAREER LADDER FOR MANAGEMENT AND TECHNICAL ADVANCEMENT

The department's new dual career ladder recognizes that talented employees should be able to advance without being forced into inappropriate roles. Traditional career ladders reward supervisory responsibilities, often sidelining technical experts. A dual ladder allows employees to advance along either a supervisory or technical track; such structures are common in engineering and scientific fields and help retain top talent by providing technical experts with higher-level titles and compensation without requiring managerial duties. In C&E, three senior technical authorities — the Chief Engineer, Chief Geologist and Chief Ecologist — now sit within the Office of Permitting and Compliance. Their job is to design the systems in which others participate in. They are the experts, ultimately approving complex permits, maintaining templates and standards, overseeing quality control and coordinating with federal partners, but do not manage day-to-day staff.

MANAGEMENT TRACK: EXPECTATIONS, DEVELOPMENT AND COORDINATION

The management track emphasizes competence in planning, cross-agency coordination and stewardship. Leaders are evaluated not only on program outcomes but on how well they promote transparency, balance and solutions:

- **Transparency:** Clear documentation, timely reporting and accessible communication build trust. Transparent environments support psychological safety; research shows that when employees feel safe to share information upward, organizations avoid cover-ups and finger-pointing. Gartner's survey found that staff in "high fairness" environments perform 26% better and are 27% less likely to quit.
- **Balance:** Fairly allocating time, budgets and personnel across competing demands ensures that neither technical excellence nor administrative efficiency is neglected. Leaders must champion both.
- **Solutions:** Managers are expected to remove bottlenecks, encourage innovation and facilitate inter-office collaboration.

To strengthen the bench, C&E is building a structured talent pipeline. First-time supervisors attend Leadership Fundamentals training; mid-level managers participate in institutes that emphasize cross-functional leadership and stakeholder engagement; and succession mapping ensures every critical function has a ready successor. Managers are accountable for outcomes, for fostering psychological safety and for supporting technical experts. Integration with the technical track is also formalized: office directors must convene the chiefs regularly, respect independent technical judgement and encourage mutual mentoring between subject matter experts and program leads.

CLASSIFICATION CHANGES AND ROLE CLARITY

Director-level positions and above will shift to unclassified status over time, reflecting their strategic responsibilities and need for alignment with executive policy. New unclassified roles include Executive Directors for Permitting & Compliance, Enforcement, Energy and State Resources. Some existing unclassified posts (e.g., the Executive Director of the LOSCO and the Capital Area Groundwater District) have been reconstituted, while several Assistant Secretary positions (Coastal Management, Mineral Resources, Land & Water, Energy) and the Commissioner of Conservation have been eliminated to reduce duplication.

Role clarity will be further improved through a department-wide audit to identify gaps and redundancies, the development of a competency framework for recruitment and evaluation, and periodic updating of job descriptions. Integrated job descriptions will align with three tracks: statutory programs and functions (compliance with laws), people (task assignments and expertise mapping) and budgets (how roles contribute to resource allocation). This systematic approach ensures that every position fits the department's strategic goals.

OBJECTIVE

To eliminate confusion across multiple job requirements and ensure job duties align with departmental expectations, the department will work with Civil Service to create relevant job descriptions for the C&E. This effort will ensure roles reflect the expertise needed to attract qualified individuals and appropriately compensate them, aligning job duties with both public and managerial expectations. This investment in aligning duties with expectations is critical for improving operational efficiency and accountability. Standardizing roles across offices will help eliminate ambiguity and align employee responsibilities with organizational goals.

ACTIONS

The process begins with a department-wide audit to identify gaps and redundancies in current roles. A comprehensive competency framework will then be developed to guide recruitment, training and performance evaluations, ensuring that employees are equipped to meet evolving departmental needs. Additionally, job descriptions will be regularly updated to reflect changes in priorities and regulatory requirements, fostering transparency and accountability throughout the organization.

- **Department-Wide Audit:** Assess existing job descriptions to identify gaps and redundancies. This audit will involve cross-departmental collaboration to ensure comprehensive coverage and accuracy.
- **Competency Framework:** Develop a framework guiding recruitment, training and performance evaluation. The framework will define essential skills, qualifications and benchmarks for success, ensuring consistency in hiring and development practices.
- **Regular Updates:** Revise job descriptions to reflect shifts in departmental priorities and regulatory requirements. These updates will be conducted periodically, incorporating feedback from employees and management to maintain relevance and alignment.

The integration of these practices will enable the department to develop a more cohesive and agile workforce, capable of adapting to the dynamic demands of natural resource management. By aligning job descriptions with organizational goals, the department will enhance operational efficiency and foster a culture of continuous improvement.

Integrated job descriptions will also reflect the department's broader strategic tracks, ensuring alignment with statutes, programmatic goals and operational clarity:

- **Programs and Functions (*Statutes*):** Clearly define roles around compliance and statutory expectations, ensuring alignment with the department's legislative and regulatory framework.
- **Management (*People*):** Task assignments, expertise mapping and structured review mechanisms ensure that responsibilities are consistently executed and aligned with public and departmental expectations.
- **Operations (*Budget*):** Emphasize operational efficiency by clarifying how individual roles contribute to achieving department-wide objectives and ensuring resources are allocated effectively.

This multi-faceted approach will align individual roles with the department's strategic goals, reduce inefficiencies, and foster a collaborative and accountable organizational culture.

MATRIX FOR CAREER PROGRESSION

C&E has devised a matrix that cross-references subject matter expertise (low, moderate, high) with management potential (low, moderate, high). This tool helps place employees where they can excel. For example, a high-expertise individual with low management interest becomes a senior technical advisor; someone with moderate expertise and high management potential might serve as a deputy director overseeing programmatic initiatives. By decoupling advancement from supervisory duties, the matrix provides upward mobility for both technical specialists and future leaders.

		MANAGEMENT POTENTIAL		
		LOW	MODERATE	HIGH
SUBJECT MATTER EXPERTISE	LOW	Junior Analyst/ Assistant Performs clerical or procedural tasks; Entry-level reviewer	Coordinator/Liaison Manages applications or public input workflows	Administrative Manager Supervises operations or support staff; Not technical content
	MODERATE	Field Specialist/ Analyst Performs technical reviews; Applies standards with oversight	Project or Task Lead Coordinates review teams; Oversees specific regulatory initiatives (e.g., GIS tools, expedited review systems)	Deputy Director Oversees operations or technical programs, blending strategic and programmatic oversight.
	HIGH	Senior Technical Advisor No supervisory role, leads peer reviews and technical determinations.	Lead SME & Oversight Focused on mentoring staff, developing SOPs or technical policies, OSR, or 29-B panels.	Strategic Technical Leader Participates in long-range planning; Integrates SME in strategic decisions

LAYERS OF LEADERSHIP

C&E's management hierarchy comprises supervisors, managers, deputies, directors and appointees. Supervisors oversee day-to-day tasks and coach staff. Managers bridge operations and strategy for a program area. They translate policies into actionable plans, coordinate cross-team efforts and monitor performance metrics. Deputies support executive directors by aligning projects with strategic goals. Directors set office-wide objectives, manage resources and ensure alignment with executive priorities. Political appointees shape enterprise-wide strategy, maintain cohesion across programs and mobilize teams toward shared visions.

ROLE LEVEL	PRIMARY FOCUS
Supervisor	Oversee day-to-day tasks within a program, ensure timelines and coach staff.
Manager	Bridge operations and strategy; they translate policies into actionable plans, coordinate cross-team work and monitor performance.
Deputy Director	Support executive directors by aligning programs with departmental objectives and tracking outcomes. Ensuring timeliness and consistent application of technical programs.
Director	Sets office-wide goals. Manages resources. Accountable for performance and alignment with executive priorities.
Executive Director	Oversees a statutorily created office within the Department. Translates enterprise priorities into policy and delivery plans. Resolves cross-office escalations and serves as the primary liaison to Appointees and external partners.
Appointees	Guides enterprise-wide strategy. Ensures cohesion across programs. Provides vision, mobilizes teams.

WORKFORCE DEVELOPMENT, LEADERSHIP AND COMMUNICATION

Recruitment will prioritize candidates who demonstrate flexibility, creativity and dedication to public service. Training will not simply teach skills but cultivate resilience and adaptability. Leaders must exemplify C&E's values through transparent decisions, empathetic engagement and decisiveness. Mentorship programs and leadership evaluations tied to cultural values reinforce accountability.

Transparent and purposeful communication is essential. Open, honest communication builds trust and engagement, while a psychologically safe environment encourages innovation and reduces the tendency to hide problems. More than 40% of employees withhold opinions when they feel unsafe. To counter this, C&E will adopt structured communication protocols, hold regular town halls and use modern digital platforms to share real-time updates. Cutting-edge technology — including data analytics, artificial intelligence and advanced document management — will streamline workflows and support evidence-based decisions. A dedicated team will ensure key documents remain current and accessible.

NEW NAME AND VALUE-CHAIN APPROACH

Rebranding as the Department of Conservation and Energy reflects a commitment to sustainability and resource stewardship. A “value-chain” approach will manage natural resource projects from permitting through decommissioning in a single, streamlined process. This one-stop-shop model reduces inefficiencies and integrates compliance, monitoring and restoration. The strategic plan emphasizes free-market principles and fair competition while safeguarding environmental integrity. Core principles include promoting competition by reducing regulatory barriers and fostering innovation, exercising fiscal responsibility through cost-effective resource use and encouraging public-private partnerships to leverage private expertise and investment.

CULTURAL PRINCIPLES AND INNOVATION

Guiding cultural principles across the department:

- **Disagree or Commit:** C&E will institutionalize deliberative processes that encourage rigorous analytical scrutiny and collaborative discourse. These processes will integrate short-term exigencies with long-term strategic foresight, thereby ensuring policy coherence and operational sustainability. By fostering environments where diverse perspectives are not only welcomed but actively sought, C&E aims to reinforce the foundation for sound and sustainable decision-making.
- **Make Room for Introverts:** By fostering an environment of inclusivity, C&E aims to harness the cognitive and experiential diversity of its workforce. Initiatives will focus on encouraging feedback through various methods, thereby enriching the decision-making matrix with a plurality of perspectives. Efforts will include mentorship programs, workshops and structured collaboration sessions to ensure that every team member feels empowered to contribute.
- **Share Progress, Sharpen the Process:** Embedded feedback systems will serve as iterative mechanisms for refining strategies, enhancing communication and driving innovation. This culture of reciprocal learning will ensure that both successes and setbacks inform future trajectories. Transparent communication and the deliberate sharing of ongoing work will facilitate collective refinement and continuous improvement.
- **Grit is the Glue:** The cultivation of a respectful and collegial workplace will be a strategic priority, recognizing that synergistic collaboration significantly amplifies individual and collective efficacy. By fostering mutual respect, C&E will optimize workforce cohesion and productivity. Team members will be encouraged to prioritize solutions over egos, ensuring that shared goals remain at the forefront of operations.

Innovation will be encouraged through calculated experimentation and cross-disciplinary teams. Mistakes are treated as learning opportunities rather than failures. Partnerships with universities, industry and community stakeholders will bring fresh perspectives and ensure that C&E stays at the forefront of best practices and emerging technologies.

MAINTAINING UP-TO-DATE KEY DOCUMENTS

C&E will institutionalize continuity and strategic alignment through a rigorous document management framework in which strategic plans, procedures, and organizational guides are regularly reviewed, refined, and maintained by a dedicated team to ensure they remain accurate, current, and accessible. The purpose of this framework is to make succession planning and consistent application of policies a core departmental priority — preserving institutional knowledge, minimizing disruption during leadership transitions, and ensuring decisions remain grounded in clearly defined standards and expectations.

These living documents will be integrated into the agency's digital platforms so that employees and stakeholders can easily access them, with training reinforcing their role as foundational tools for aligning individual and departmental efforts with broader objectives. Input from community and industry partners will ensure that guidance reflects best practices and external expectations. Embedding this discipline into daily operations will foster a proactive culture of responsiveness, collaboration, and intellectual rigor —

positioning C&E as a resilient, innovative organization capable of maintaining continuity, efficiency, and long-term public trust. Further, linking document management with a structured training and knowledge transfer program is vital. Every critical process — from permitting to enforcement — will include documented procedures and corresponding training modules to ensure staff understand not only what to do but why it is done. This alignment reinforces consistency across offices and prepares future leaders to step into roles with confidence and clarity. By embedding these materials into onboarding, mentorship, and professional development efforts, the Department will integrate succession planning into its workforce strategy, ensuring institutional knowledge is continually passed forward and that technical and regulatory expertise endure beyond individual tenure.

In addition, maintaining documentation with regular audits of procedures, documentation, and training materials will improve the agency continuously by ensuring accuracy, compliance, and alignment with evolving statutory and operational needs. Each review will assess whether processes are both effective and efficient, promoting cross-office learning and organizational accountability. Findings will directly inform updates to guidance documents and training programs, ensuring lessons learned are immediately incorporated. By treating audits as opportunities for refinement rather than correction, C&E will sustain a culture of transparency, adaptability, and professional excellence — ensuring that institutional knowledge evolves alongside the challenges it is designed to meet.

TECHNOLOGY

Lastly, leveraging technology as a long term strategy, ultimately will connect people, processes, and information across the Department. Modern digital systems — built on the principles of security, interoperability, and transparency — will form the backbone for efficient regulation and responsive governance. The Department will prioritize investments that integrate permitting, enforcement, and administrative workflows into a single operating environment, enabling real-time data sharing, performance tracking, and automated quality assurance.

Technology modernization will focus not only on deploying new tools but on integrating them effectively into existing operations. Systems will be designed to simplify staff workflows, reduce redundancy, and enhance decision-making through intuitive analytics and dashboards. Digital platforms such as the statewide integrated data infrastructure and C&E's Golden Record system will link technical review, financial management, and public transparency functions into one seamless framework. Regular evaluation and adaptive updates will ensure emerging technologies strengthen — not complicate — regulatory operations.

By aligning technological innovation with mission delivery, C&E will build a forward-looking organization capable of anticipating change, preserving data integrity, and sustaining public trust through clarity, precision, and accountability. Together, these practices — continuous documentation, knowledge transfer, audit discipline, and technological integration — form the foundation of a modern, resilient Department capable of consistent, transparent, and high-quality regulation that endures across administrations.

CHAPTER 4

REFORM INSIDE THE DEPARTMENT



MISSION

C&E is committed to remaining a national model for how energy development, conservation and natural resource management work together to deliver meaningful outcomes. Through responsible stewardship, data-driven regulation, and a commitment to transparency, balance and practical solutions, we deliver consistent results that build a safer, stronger and more resilient Louisiana.



LOUISIANA DEPARTMENT OF
CONSERVATION AND ENERGY

VISION

C&E envisions a prosperous and resilient Louisiana where natural and coastal resources are protected, restored and responsibly developed to support healthy communities and a strong economy. By leading with transparency, innovation and resource stewardship, C&E will set the standard for how energy and natural resource management can promote resilience, safeguard public health and enhance quality of life in Louisiana and beyond.

Along with its organizational restructuring, the agency has also undergone a rebranding that features a new logo, reflecting its updated mission and identity.

PHILOSOPHY

C&E is guided by a philosophy rooted in service, stewardship, and strategic foresight. We are committed to:

- **Delivering on C&E's mission** by providing superior customer service, sound resource stewardship, and fair, efficient regulatory practices.
- **Engaging stakeholders** with objectivity, consistency, and balance to build trust and transparency.
- **Embracing adaptive management** to ensure that projects are resilient, effective, and responsive to change.
- **Maximizing the value of Louisiana's natural resources** through expert knowledge, responsible use, and long-term planning, while balancing economic development and environmental protection through consistent data-driven regulation.
- **Taking a proactive, responsive and sustainable approach** to protecting the state's natural and coastal environments.

ECONOMIC ANALYSIS AND INSTITUTIONAL DESIGN

The Department should embed a risk-based, cost–benefit framework to ensure transparent and effective regulation. The only time regulation is truly needed is when there is an incentive to do the wrong thing. By recognizing where market or behavioral incentives may lead to harmful outcomes, C&E can target oversight where it adds the most value — minimizing unnecessary intervention while strengthening protection where risk is greatest. Cost–benefit analysis provides a disciplined way to resolve disputes that are more factual than normative, enabling agencies to base policy on the best available evidence rather than interest-group pressure.⁵⁵ This approach quantifies the probability and severity of environmental harm, incorporates the time value of delays and weighs compliance costs against public benefits. This framework ensures that regulation remains proportionate to actual risk, grounded in verifiable evidence, and aligned with the public interest — strengthening both accountability and confidence in the Department’s decision-making.

At the same time, modern administrative practice shows that economic analysis alone is insufficient. Research in behavioral law and economics emphasizes the importance of choice architecture and “nudges” to encourage compliance without coercion. Simple defaults — such as pre-populated permit templates and automatic enrollment in financial-assurance programs — improve compliance while preserving operator autonomy.⁵⁶ Complementing nudges, the Department will also conduct sludge audits to identify and eliminate unnecessary paperwork, delays and duplicative procedures that impose hidden costs on both citizens and regulated parties.⁵⁷

Accountability remains central, meaning identifying who is accountable, to whom, for what, by what standards and with what consequences.⁵⁸ Public-choice analysis underscores the risk of self-interested agency behavior, but Mashaw warns that accountability design must also reflect normative goals such as equity and fairness.⁵⁹ Accordingly, the Department has structured clear divisions between policy (Secretary), finance (Undersecretary) and technical regulation (Directors), embedding durable checks and balances.

Finally, the Department needs to fully recognize that governance involves optimizing risk rather than eliminating it. Constitutional and institutional design must balance the dangers of over- and under-regulation, not attempt to abolish risk altogether.⁶⁰ Consistent with this view, Louisiana will employ small-scale mechanisms — such as voting rules, information-disclosure requirements and cross-agency review through the NRC — to promote accountability and deliberation in everyday decisions.⁶¹

COMPLIANCE VERSUS ENFORCEMENT

Contemporary administrative scholarship observes that agencies often adopt regulatory language from their peers to promote uniformity and reduce compliance costs. Study of the concept, “regulatory diffusion,”⁶² shows that agencies reuse similar text to ensure consistency and to borrow expertise from agencies⁶³ with a “leadership role” in enforcement.⁶⁴ This diffusion can lower compliance costs for regulated entities because standardized rules reduce the need for expensive bespoke legal analysis. Likewise, the diffusion of regulatory standards functions much like the State’s effort to integrate data infrastructure across agencies: in both cases, shared systems and common frameworks eliminate fragmentation, create a single source of truth, and enable faster, more consistent decision-making. Just as a unified data platform allows regulators to access and verify information in real time, regulatory diffusion allows agencies to align their policies and enforcement practices through a common language of governance. Together, these processes transform compliance from a patchwork of disconnected standards into a coherent system that supports predictability, fairness, and public trust.

The transition from compliance to enforcement marks a pivotal moment that necessitates careful analysis. As regulations diffuse, compliance becomes easier — but it also raises expectations that agencies will diligently adhere to these shared standards. Effective enforcement thus depends not only on the rules themselves but on the quality and integration of the systems — legal, administrative, and technological — that sustain them.

Ultimately, both regulatory diffusion and integrated data systems reinforce the same principle that defines effective governance: accountability must be visible, measurable, and repeatable. When agencies operate from shared standards and accessible information, enforcement becomes less about punishment and more about verification — demonstrating that decisions are consistent, evidence-based, and proportionate to risk. Transparency is strengthened because the rationale for action is traceable in both the regulatory record and the data supporting it. In this way, Louisiana’s modernization of its regulatory framework and its investment in integrated information systems advance a single, unifying goal: a government that acts predictably, explains its reasoning clearly, and earns public confidence through openness and consistency.

JUDICIAL REVIEW

This emphasis on consistency and transparency in both data and regulation provides the foundation for effective judicial review, ensuring that agency actions can be evaluated on the record, not on discretion — where law, evidence, and process converge to uphold the public trust. In *Save Ourselves, Inc. v. Louisiana Environmental Control Commission*, the Louisiana Supreme Court underscored that compliance with environmental regulations is not, by itself, sufficient. The court vacated a permit for a hazardous waste facility because the agency merely showed compliance with hazardous waste management standards but failed to demonstrate that it had minimized environmental harm or weighed alternatives. The record showed no cost-benefit analysis or consideration of alternate sites or mitigation measures; the agency appeared to believe its duty was limited to “adher[ing] only to its own regulations.” The court held that the public trust and statutory mandates require agencies to show that they have protected the environment “to the fullest extent possible,” and failure to do so invites judicial intervention. This decision marks a clear tipping point: when agency compliance with procedural standards does not translate into substantive environmental protection, courts move from deference to enforcement.⁶⁵

PROCEDURAL COMPLIANCE AND RULE-MAKING

The *Louisiana Chemical Association* decision illustrates that procedural compliance during rule-making affects when judicial enforcement is triggered. The petitioners challenged DEQ regulations and sought a *de novo* trial, but the court held that district courts must limit review to the administrative record when determining whether a rule exceeds statutory authority or was adopted without substantial compliance with rule-making procedures. The court emphasized that judicial review of administrative rules should not “usurp the power delegated to the agency by the legislature,” and trial *de novo* is only allowed when a statute expressly provides for it. Thus, the tipping point here lies in procedural irregularities: failure to follow rule-making procedures can render a rule invalid and subject the agency to judicial enforcement, but courts will not re-weigh the evidence or substitute their judgment when procedures have been followed.⁶⁶

PRE-ENFORCEMENT STAYS AND IRREPARABLE HARM

The *Matter of Rubicon* case demonstrates when courts will intervene to stay agency action. Community groups sought to halt DEQ’s certification allowing a chemical company to dispose of hazardous waste through deep-well injection, arguing that injection is irreversible and dangerous. The court denied the stay, noting that a stay requires a strong showing of probable success on the merits and a specific demonstration of irreparable harm. Although the court acknowledged that the public interest is best served by a healthy environment, it recognized that the legislature had delegated environmental protection to DEQ and therefore presumed that maintaining DEQ’s decision served the public interest. The tipping point here is the move from compliant operation to enforcement through injunctive relief; absent compelling evidence of harm or legal error, courts defer to agency expertise.⁶⁷

THE TIPPING POINT FROM COMPLIANCE TO ENFORCEMENT

Taken together, these sources show that Louisiana’s regulatory framework encourages uniform compliance through diffusion and procedural consistency, yet courts are willing to enforce higher standards when compliance falls short of constitutional or statutory mandates. Agencies may borrow regulatory language from enforcement leaders to ease compliance, but they must still demonstrate that their decisions minimize environmental harm and consider alternatives. When rule-making procedures are followed, courts limit their review to the administrative record and respect agency expertise. Only when parties can show likely success on the merits and specific irreparable harm will courts intervene to halt agency action. The tipping point from compliance to enforcement is thus reached when agencies treat procedural compliance as an end in itself rather than as a vehicle for fulfilling public trust duties; at that moment, courts shift from deferential review to active enforcement.

Act 458’s separation-of-powers structure reinforces this boundary within the executive branch itself — ensuring that oversight, finance, and policy remain distinct and self-correcting, so that judicial intervention becomes the exception rather than the necessity.

In this way, Louisiana’s modernized framework links judicial standards with internal governance design — ensuring that the same principles of transparency, accountability, and record-based reasoning that guide the courts also structure how the Department itself is organized and operates.

STRUCTURE

The legacy structure was organized around siloed programs (e.g., Conservation, Mineral Resources, Coastal Management, Energy). Each office maintained its own permitting, compliance, enforcement, financial security and IT systems, resulting in inconsistent procedures, redundant systems and limited coordination. Technical staff were often diverted from scientific duties to handle administrative tasks such as financial assurance tracking or database management, reducing efficiency and delaying permit processing. Meanwhile, the department's reliance on numerous unclassified political appointees created overlapping jurisdictions, unclear lines of authority and confusion during emergency or high-stakes permitting decisions. A reorganization was therefore necessary to:

- Align governance with modern challenges — renewable energy, carbon sequestration, water resource management, energy resilience and expanding environmental responsibilities.
- Provide uniform permitting, inspection and enforcement processes across the state.
- Centralize financial assurance and orphaned well management within the NRTA and separate technical responsibilities from administrative functions.
- Reduce the number of political appointees and clarify accountability.

PRE-RESTRUCTURING

Multiple offices focused on discrete programs:

LEGACY OFFICE	RESPONSIBILITIES (SIMPLIFIED)
Office of Conservation	Regulated oil, gas and geothermal exploration and production; managed injection wells; oversaw orphaned well plugging and waste disposal; enforced rules to prevent waste and protect groundwater.
Office of Mineral Resources	Managed leasing of state lands and waters for oil, gas and minerals; conducted lease sales; tracked royalties and revenue.
Office of Coastal Management	Managed coastal use permits; coordinated sustainability and resilience planning; addressed erosion and habitat loss.
Office of Energy	Led state energy policy; ran efficiency programs, grants and alternative energy initiatives; promoted grid resilience.
Office of Management and Finance	Oversaw budget, procurement, IT and administrative operations.
Oil Spill Coordinator's Office	Coordinated oil spill prevention, response and natural resource damage assessment.

This structure placed identical administrative functions — permitting, inspections, enforcement, compliance, financial security and IT — inside each program office, causing redundancy and inconsistent service.

POST-RESTRUCTURING

The reorganization consolidates offices and clarifies functions. C&E's structure comprises six core offices:

1. **Office of the Secretary (OSEC):** Provides strategic leadership and ensures interagency coordination. It houses:
 - **Office of Legal Services (OLS):** Offering department-wide legal support
 - **Office of the Natural Resources Commission (ONRC):** Supporting the NRC's coordination role
 - **Louisiana Oil Spill Coordinator's Office (LOSCO):** Coordinating oil spill response and restoration
 - **Oilfield Site Restoration (OSR):** Managing plugging and abandonment of orphan wells
2. **Office of Permitting and Compliance (OPC):** Centralizes all permitting and regulatory compliance functions. It aims to streamline processes, ensure consistency across programs and reduce backlogs. The office issues permits, monitors compliance, manages mitigation for wetland impacts and ensures safe operation of pipelines and wells. Its strategy emphasizes science-based and data-driven decisions to support economic activity while protecting ecosystems.
3. **Office of Enforcement (OENF):** Oversees inspections and enforcement across all regulated activities. It brings violators back into compliance through targeted strategies and uses data-driven oversight. The office's mission is to protect public safety and natural resources and ensure timely enforcement actions.
4. **Office of State Resources (OSTR):** Serves as the proprietary arm of the state's natural resource management. The Office of State Resources is responsible for the stewardship, administration and strategic management of Louisiana's publicly owned land, mineral, water and subsurface assets for energy-related development. It operates in conjunction with the SMEB as the State's fiduciary resource manager — functioning at the intersection of public land management, economic development, energy regulation and fiscal oversight.
5. **Office of Administration (OAD):** Acts as the administrative and strategic hub. It provides accounting, budgeting, procurement, IT, data management, program analysis, strategic planning and human resources functions for the entire department. It also includes the NRTA, which administers financial security programs and trust funds supporting responsible resource development and site restoration. The office aims to modernize systems, enforce internal controls and support a skilled workforce. Policies promoting flexible work schedules, family leave, tuition reimbursement, anti-harassment and a violence-free workplace further the department's commitment to employee wellbeing.

6. **Office of Energy (OEN):** Leads statewide energy policy, planning, certification of research institutions, and infrastructure development. It coordinates renewable energy programs, grid resilience initiatives, energy efficiency grants and partnerships with academia and industry. The office's mission is to foster sustainable economic growth through reliable and diversified energy systems.

LEADERSHIP AND GOVERNANCE

- **Secretary:** Appointed by the Governor with Senate confirmation, the secretary oversees all departmental functions, replacing the former Commissioner of Conservation, retaining those duties and the power to reorganize, consolidate, create or abolish units within the department to improve effectiveness.
- **Deputy Secretary:** Appointed by the Governor, requiring Senate Confirmation, the Deputy is responsible for the Natural Resources Commission and provides support in executing departmental policies.
- **Undersecretary:** Appointed by the Governor, requiring Senate confirmation, the Undersecretary directs the Office of Administration, responsible for all fiscal matter.
- **NRC:** Serves as an advisory and coordination body for statewide flood protection and water resources and the hub of interagency collaboration.

Overall, the reorganization reduces leadership to three political appointees, the Secretary, Deputy Secretary and Undersecretary, a reduction from nine. The replacements are Executive Directors, appointed by the Secretary to lead each office, enabling professional management and clear accountability.

OPERATIONAL PRINCIPLES OF THE NEW STRUCTURE

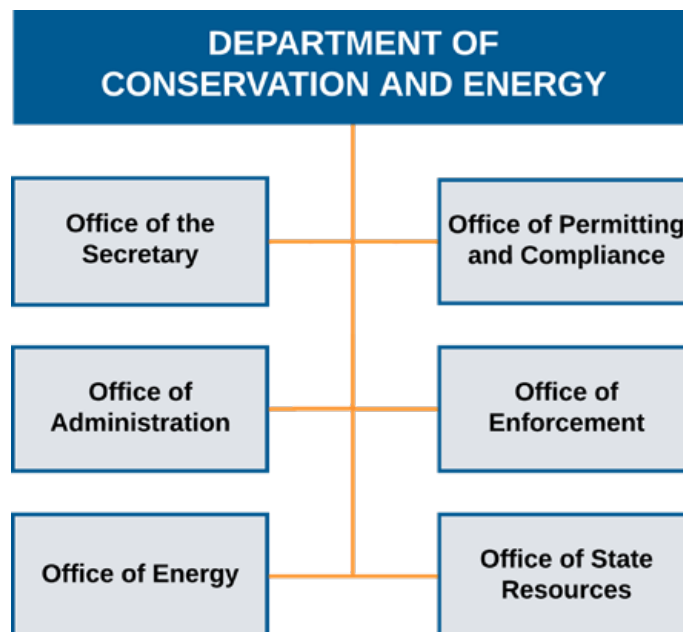
The DRIVE initiative emphasizes several principles:

- **Transparency and public engagement:** The new structure prioritizes open communication, clear reporting of metrics and accountable decision making. The NRC provides a forum for stakeholder input across agencies.
- **Balance between revenue and stewardship:** The department seeks sustainable resource utilization that supports economic growth while protecting the environment.
- **Practical solutions:** Adoption of intuitive tools and modern technologies to streamline permitting, compliance and data management.
- **Cross-disciplinary collaboration:** Centralized offices encourage engineers, geologists, environmental scientists and lawyers to work together, improving decision making and reducing duplication.
- **Separation of technical and administrative functions:** Technical personnel can focus on science-based regulation, while dedicated administrative staff handle financial security, IT and other support functions.
- **Career path clarity:** Distinct career tracks for managers and individual contributors encourage specialization and professional development.

OFFICE OVERVIEWS

In line with the strategic theme of regulatory diffusion and knowledge dispersion, C&E is dividing and restructuring its offices to ensure that the whole Department operates as a unified, adaptive system—more effective than the sum of its parts. This proactive reorganization strengthens operational efficiency, preserves and transfers institutional knowledge, and enhances decision-making across all levels. By deliberately diffusing expert know-how through a *knowledge cascade* model that circulates deep expertise among multiple teams, the Department safeguards critical institutional knowledge and prevents over reliance on any single role. These reforms are proactive, not reactive: they clarify responsibilities, grant teams greater autonomy to innovate, and foster collaboration across divisions — moving beyond legacy silos toward an integrated and agile organizational culture.

C&E's new structure organizes offices around core functions rather than historic programs, ensuring that staff expertise is applied where it delivers the greatest value. By aligning inspectors, engineers, geologists, ecologists, and policy professionals within dedicated offices for Permitting and Compliance, Enforcement, State Resources, Energy, and Administration, the Department eliminates duplication, accelerates permit review, promotes consistent enforcement, embeds energy planning into every operation, and enhances stewardship of Louisiana's natural and public resources. Through this reorganization, C&E advances the core DRIVE principles of transparency, balance, and solutions— building a structure that is efficient, evidence-based, and resilient enough to meet the state's future challenges.⁶⁸



OFFICE OF THE SECRETARY

The Office of the Secretary (OSEC) provides strategic leadership and interagency coordination, ensuring consistent alignment of departmental goals with statewide objectives. The office supports regulatory alignment, transparent governance and clear, accountable communication. It includes the Office of Legal Services (OLS), responsible for comprehensive legal guidance and regulatory compliance; the Office of the Natural Resources Commission (ONRC), facilitating transparent stakeholder engagement and strategic decision-making; and LOSCO, coordinating statewide oil spill prevention and response activities.

OSEC provides executive leadership, housing Legal Services, the Oilfield Site Restoration Program, LOSCO, and staff support for the Natural Resources Commission. It ensures that policy direction, legal authority, and interagency coordination remain aligned with state goals. By embedding OSR and LOSCO in the executive office, C&E elevates restoration and spill response functions, while Commission support ensures statewide coordination on water, flood protection, and energy issues. OSEC is the department's public face, ensuring transparency, legal rigor, and accountability in all operations.

MISSION

Provide leadership, guidance and coordination to ensure C&E's operations and policies align with state goals for resource stewardship, regulatory excellence and energy innovation. The office acts as Louisiana's natural resources ambassador to the world and houses the **OLS**, **ONRC**, **LOSCO** and **OSR Office**.

GOAL

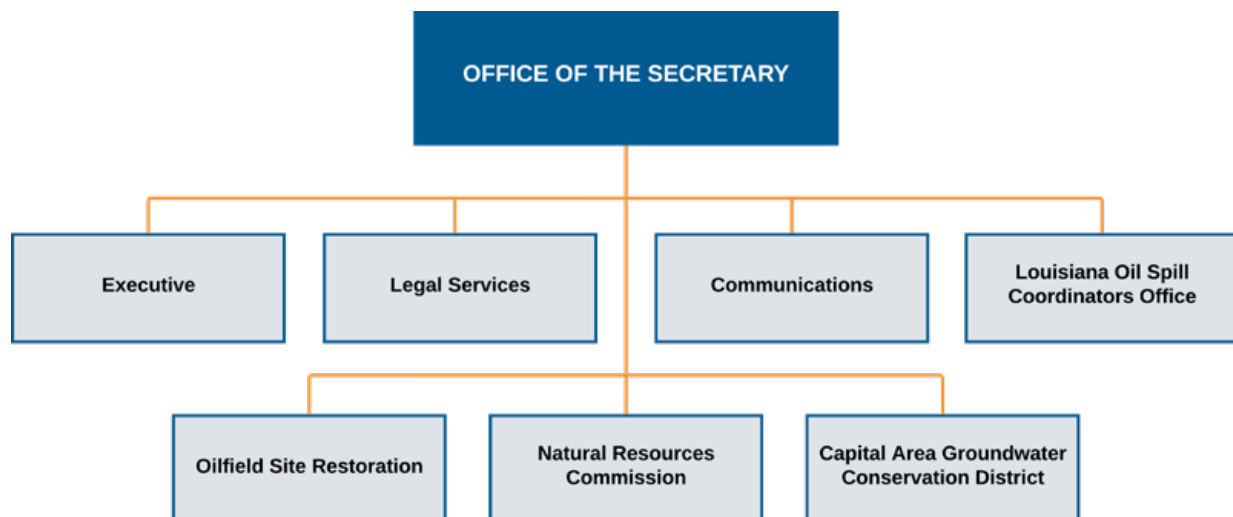
Deliver visionary leadership and transparent governance that align departmental operations, policies and partnerships with Louisiana's long-term goals for energy resilience, environmental stewardship and public trust.

STRATEGY

Analyze internal and external processes to identify inefficiencies and drive improvements; provide timely legal guidance and ensure compliance with state and federal laws.

OBJECTIVES

Offer strategic leadership and regulatory alignment; ensure decisions are legally sound and supported by robust policy development.



OFFICE OF PERMITTING AND COMPLIANCE

The Office of Permitting and Compliance (OPC) oversees all permitting and regulatory functions within the Department, ensuring clarity, consistency, and regulatory integrity. By streamlining processes, accelerating permitting timelines and enhancing data-driven decision-making, the Office ensures compliance with environmental standards while supporting responsible economic development. This Office prioritizes science-based permit approvals, wetland mitigation and regulatory oversight to ensure efficient operations that align economic activity with environmental stewardship.

OPC centralizes all permitting and compliance functions, aligning engineering, geology, ecology, design, and compliance divisions into a single workflow. Its structure includes integrity and production audits, UIC and storage regulation, groundwater protection, coastal permits and mitigation, and reservoir and legacy site management. By aligning these technical functions, OPC eliminates duplication, accelerates permits, and ensures that engineers, geologists, and ecologists apply their expertise consistently. This functional realignment allows specialists to focus on science-based regulation while creating clearer, faster permitting pathways for applicants.

MISSION

Oversee all permitting and compliance functions within C&E in accordance with state law and departmental policies.

GOAL

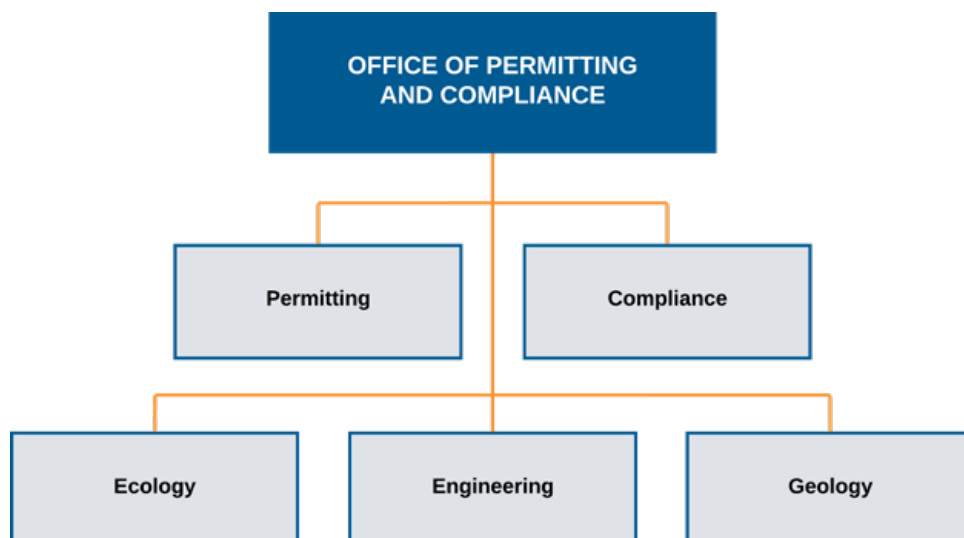
Manage permitting and compliance with clarity, consistency and integrity, ensuring regulatory activities support ecological and economic stewardship.

STRATEGY

Streamline permitting by accelerating processing times, increasing accuracy, reducing backlogs and enhancing customer satisfaction through expert-driven decisions.

OBJECTIVES

Ensure timely, science-based permitting for oil and gas activities; enforce wetland mitigation requirements; guarantee public safety and environmental integrity for pipelines and facilities; provide data-supported resource unitization decisions.



OFFICE OF ENFORCEMENT

The Office of Enforcement (OENF) is dedicated to ensuring regulatory compliance and protecting public and environmental interests through rigorous inspection programs, timely enforcement actions and transparent oversight. The Office emphasizes proactive monitoring, consistent regulatory enforcement and transparent reporting. Its operations are designed to uphold compliance standards, swiftly address violations and maintain trust and accountability within Louisiana's regulated community.

OENF consolidates all inspectors and enforcement staff into one office to maximize efficiency, consistency, and accountability. District inspectors, pipeline safety, UIC, coastal field services, and mining enforcement now operate under a unified structure that emphasizes cross-training, career progression, and consistent enforcement decisions. The office issues compliance orders, oversees damage prevention, and coordinates with Revenue, DEQ, and Wildlife & Fisheries for joint enforcement. Leveraging data analytics, automation, and tools like drones and sensors, OENF implements a proactive, risk-based enforcement model that prioritizes public safety while ensuring fair treatment of good operators.

MISSION

Inspect regulated entities and enforce laws and regulations under C&E's jurisdiction.

GOAL

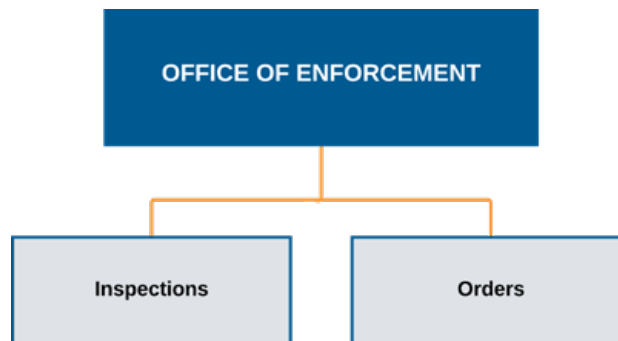
Protect public and environmental interests through consistent inspections, timely enforcement actions and transparent oversight.

STRATEGY

Strengthen accountability through continuous review, monitoring and improvement of enforcement processes and outcomes.

OBJECTIVES

Promote accountability through robust monitoring, inspections, and enforcement actions.

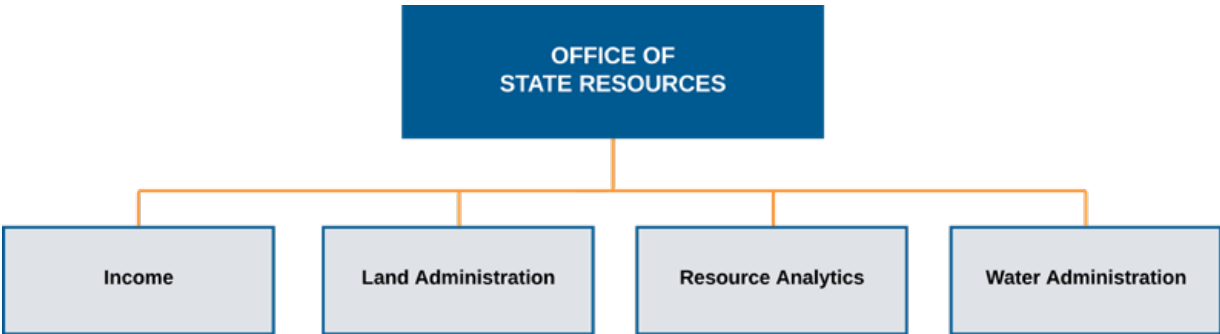


OFFICE OF STATE RESOURCES

The Office of State Resources (OSTR) is responsible for the stewardship, administration and strategic management of Louisiana’s publicly owned land, mineral, water and subsurface assets for energy-related development. At the direction of the SMEB, the Office supports the full lifecycle of public resource management — beginning with the initial bid and contract evaluation, negotiation and title verification. Once agreements are in place, OSTR oversees operational compliance, ensuring that developers and operators meet performance standards, fulfill contractual obligations, and remit appropriate royalty payments to the State. This integrated model allows OSTR to uphold its fiduciary obligations, enforce accountability, and manage Louisiana’s resource portfolio with foresight and precision. OSTR’s role expands beyond land and minerals to ground and surface water management, creating a foundation for conservation, monitoring, and strategic planning statewide.

OSTR manages Louisiana’s proprietary interests in minerals, water, and alternative energy on state lands and water bottoms. It oversees leasing through the State Mineral & Energy Board, ensures accurate royalty collection and audits, and expands into renewable leasing and groundwater management. By uniting mineral, land, and water stewardship, OSTR provides fiduciary oversight of public assets while developing a comprehensive water plan and integrating groundwater district functions. Its role ensures the state captures fair value from resources while safeguarding long-term sustainability.

MISSION	GOAL
Lease, explore and develop minerals, oil, gas and alternative energy on state-owned lands and water bottoms; collect and disburse royalties; manage groundwater and surface water resources; provide geological data and support the SMEB.	Maximize the economic value of Louisiana’s natural resources through responsible leasing, transparent royalty management and strategic resource development that supports long-term returns while promoting environmental stewardship and energy diversification.
STRATEGY	OBJECTIVES
Promote reliable resource management via active stewardship, revenue optimization, ecosystem health and effective stakeholder engagement.	Maximize economic value; improve compliance monitoring and operational efficiency; maintain capacity to manage an expanded scope; enhance transparency and public accessibility to data.



OFFICE OF ADMINISTRATION

The Office of Administration (OAD) supports the effective operation of the Department by managing accounting, budget control, procurement, contract management, strategic planning and personnel management. The Office also oversees the NRTA, which provides secure financial frameworks for managing environmental liabilities. The Office ensures fiscal responsibility, workforce development, regulatory compliance and modernization of administrative systems to enhance operational efficiency and transparency.

OAD delivers financial management, HR, IT, procurement, and strategic planning across the department, ensuring that technical offices can focus on their regulatory work. It manages the Natural Resources Trust Authority (NRTA), which oversees financial assurance and bonding programs for site restoration, orphan wells, and environmental liabilities. By modernizing systems, strengthening audits, and centralizing administrative services, OAD increases efficiency, enforces fiscal discipline, and supports a skilled workforce with flexible HR policies and updated IT infrastructure.

MISSION

Provide accounting, budget control, procurement, IT, data processing, strategic planning and personnel management for all offices. The NRTA administers financial security programs and trust funds, offering a transparent framework for environmental liabilities and site restoration.

GOAL

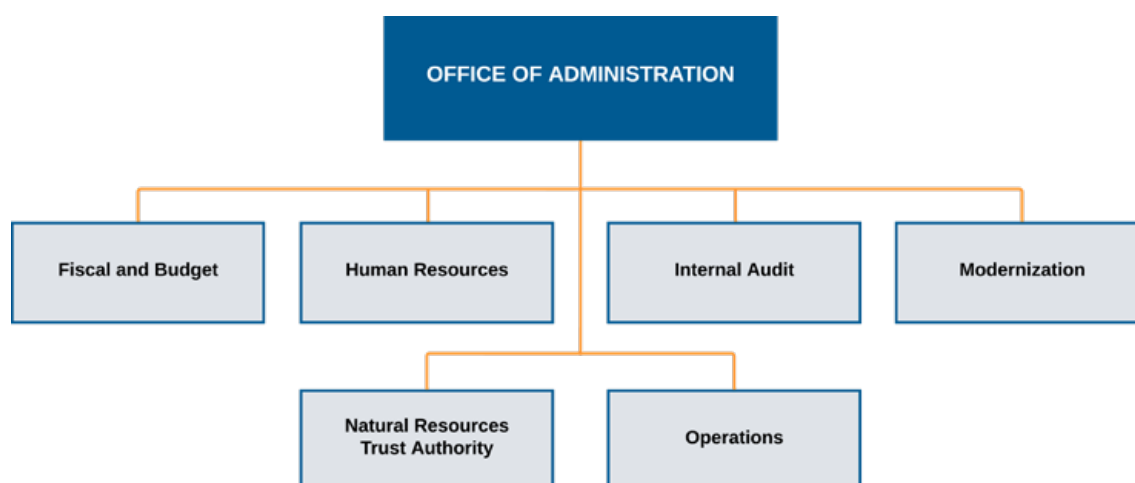
Ensure effective and efficient operation of C&E through strategic administrative support, sound financial management, modernized systems and human resource practices that promote employee wellbeing and compliance.

STRATEGY

Advance operational excellence via timely execution, transparent financial management, efficient grant administration and development of a skilled workforce.

OBJECTIVES

Align fiscal resources with departmental priorities; strengthen human resource policies (flexible work schedules, family leave, tuition reimbursement, anti-harassment and violence-free workplace policies); modernize data systems; maintain strong internal controls for audits and record retention.



OFFICE OF ENERGY

The Office of Energy (OEN) serves as the organization driving Louisiana's future energy position — integrating comprehensive program development, strategic policy planning, and innovative technology deployment into a single, cohesive framework. OEN strategically guides Louisiana's energy landscape through thoughtful policy development, advanced data management, and cross-sector collaboration. The Office fosters innovation through strategic partnerships, facilitates grant disbursement, and advances outreach and education programs that build public understanding of Louisiana's evolving energy future.

By aligning overlapping roles across the State's research institutions, OEN ensures that state and federal dollars are used efficiently and effectively, directing resources toward initiatives that deliver measurable, statewide impact. Through targeted coordination among universities, laboratories, and applied research programs, OEN reduces duplication, strengthens institutional partnerships, and channels investment toward high-value projects that advance resilience, diversification, and innovation. OEN develops energy policy, manages statewide data and analytics, and conducts fiscal and risk assessments to guide investment and enforcement priorities. The Office emphasizes protection of good operators, risk-based resource allocation, and solution-oriented compliance. It also coordinates public engagement, intergovernmental affairs, and coalition-building to ensure transparency and alignment with both state and federal initiatives.

MISSION

Enhance Louisiana's energy future through comprehensive program development for sustainable economic growth, resource management, technological innovation, comprehensive energy planning and stakeholder engagement.

GOAL

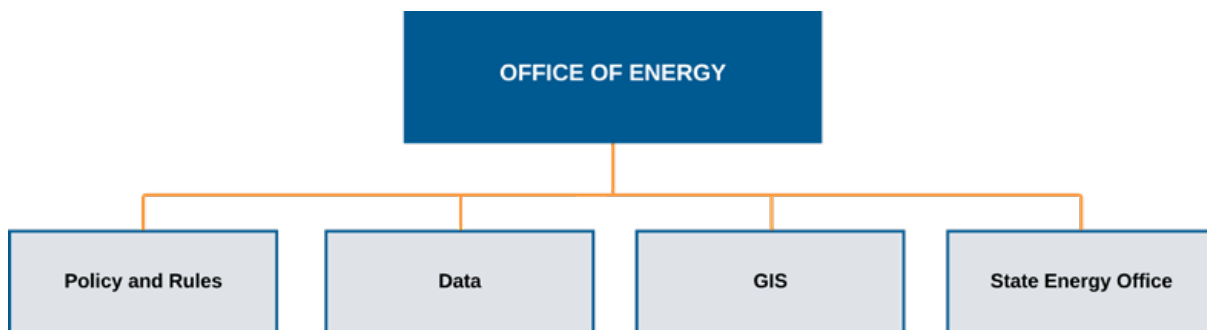
Guide development of energy systems through infrastructure modernization, aligning academic and industrial research networks, improving data capabilities, disbursing grants, and coordinating statewide energy initiatives.

STRATEGY

Expand renewable and efficient energy solutions and foster innovation through public-private partnerships, leveraging certified research institutions to align energy development, ensure the effective, transparent use of state resources.

OBJECTIVES

Unify Louisiana's energy policy, research, and investment strategy to advance innovation, attract federal funding, and strengthen the State's long-term energy leadership.



A cornerstone of OEN's mission is to realign Louisiana's academic and research ecosystem to position the State for a Department of Energy (DOE) National Laboratory designation. Rather than creating new institutions, OEN leverages existing centers of excellence by developing a unified governance and certification framework for universities and research partners. This framework evaluates institutional capacity, compliance integrity, and technical readiness to ensure that certified partners can meaningfully participate in federally aligned research initiatives. By certifying and coordinating Louisiana's academic and research infrastructure, OEN transforms the State's dispersed research landscape into a unified, competitive network capable of attracting major federal investments and advancing national energy priorities. Comprehensive program development is central to this transformation. OEN designs and manages statewide energy initiatives that integrate renewable generation, critical minerals, hydrogen, grid resilience, and carbon management into a single policy and operational platform. These programs are informed by continuous data evaluation and stakeholder input, ensuring that Louisiana's energy strategy remains adaptive, evidence-based, and aligned with both market conditions and federal direction.

OEN also administers federal energy grants, supports permitting and financing of renewable assets, and advances projects in grid modernization, microgrids, and emerging technologies. By embedding energy expertise throughout the Department of Conservation and Energy and aligning state programs with national research priorities, OEN positions Louisiana as a central player in the country's evolving energy economy — one that balances traditional strengths in oil and gas with leadership in the technologies of tomorrow.

C&E

Taken together, these offices form a coordinated system in which the whole is stronger than the parts. Enforcement is sharpened by consolidating inspectors, permitting gains speed and rigor through centralized technical review, state resources are managed with fiduciary precision, and energy planning is embedded across the enterprise. Administration underpins all of this with sound financial and workforce management, while the Secretary's office provides strategic alignment and interagency coordination. By distributing knowledge, clarifying roles, and aligning staff with their core functions, C&E ensures that expertise flows seamlessly across the organization. The result is a department that is more agile, transparent, and resilient — capable of meeting Louisiana's present challenges while positioning the state for long-term conservation and energy success.

CHAPTER 5

STATEWIDE TRANSFORMATION



Louisiana’s natural resource governance has always been shaped by necessity. From the first Conservation Commission of 1908, which sought to protect forests and minerals, to the creation of the Department of Natural Resources in 1976, the State has reorganized repeatedly in response to new challenges.⁶⁹ Yet as documented in Chapters 2 and 3 of this report, fragmentation, overlapping authorities and blurred accountability within the DENR left Louisiana ill-equipped to manage 21st-century risks.⁷⁰ Audits revealed ballooning orphan well liabilities, undervaluation of surface water and systemic weaknesses in financial controls.⁷¹ Town hall testimony and stakeholder petitions underscored the public’s frustration with slow permitting, conflicting guidance and insufficient attention to upland flood protection.⁷²

The DRIVE Initiative, authorized by Executive Order JML 24-13 and codified through Act 458 of 2025, represents a decisive break from this past. By consolidating functions, embedding separation of powers and establishing durable statutory bodies, Louisiana has begun to transform its statewide approach from fragmented and reactive to integrated and resilient. This chapter integrates the reforms described earlier — particularly those grounded in the research of Chapter 2 and the organizational initiatives of Chapter 3 — into a strategic vision that unites immediate transformation with long-term sustainability.

KEY OBJECTIVES

The transformation rests on four objectives that flow directly from the Department’s historical shortcomings and the reforms codified in Act 458:

- **Resilience:** To build statewide systems capable of withstanding current liabilities, market volatility and fiscal pressures
- **Water and Power Systems:** To unify oversight of surface water, groundwater and energy systems under clear statutory mandates
- **Flood Protection:** Balancing coastal (CPRA) and upland (CURRENT) governance
- **Fiscal Integrity:** To institutionalize transparency, bonding and intergenerational equity so that liabilities are managed proactively rather than falling on taxpayers

Each of these objectives ties directly to findings detailed in Chapter 2. The orphan well crisis, LORA's collapse and the undervaluation of water resources demonstrated the cost of fiscal weakness and fragmented governance.⁷³ Chapter 3 showed how excessive reliance on political appointees, overlapping roles between the Secretary and Undersecretary, and lack of consistent communication across agencies undermined public trust.⁷⁴ Chapter 5 builds on those lessons, presenting reforms already underway and a vision for the future. This is in line with recent Louisiana court decisions requiring agencies to balance environmental, social and economic factors. In *Healthy Gulf v. Louisiana Department of Energy & Natural Resources*, the Fourth Circuit upheld issuance of a coastal use permit after the agency demonstrated minimization of adverse impacts and weighed them against public benefits.⁷⁵ The decision affirms that *Save Ourselves* remains a binding constitutional standard and reinforces the Department's integration of cost-benefit analysis into all permitting programs.

WATER AND POWER: CLEAR AND COHESIVE

Beyond the statutory reforms to regulate water and power, Louisiana's governance strategy acknowledges that regulation involves optimizing risk rather than eliminating it. As previously discussed, constitutional and institutional design must strike a balance between the risks of over- and under-regulation, rather than attempting to eliminate them entirely.⁷⁶ Consistent with this view, Louisiana will use small-scale mechanisms — such as voting rules, disclosure requirements and cross-agency review through the NRC — to strengthen accountability and deliberation in daily operations.⁷⁷

WATER GOVERNANCE

Chapter 2 documented how Louisiana's surface water had been systematically undervalued — sold for as little as 15 cents per thousand gallons, compared to \$4.50 in Texas — and inconsistently enforced.⁷⁸ At the same time, groundwater regulation through the Capital Area Groundwater Conservation District (CAGWCD) was hampered by saltwater intrusion, weak fee structure and high legal costs.⁷⁹ Together, these failures threatened the state's drinking water, industrial base and long-term resilience.

The transformation corrects this. Authority to track the inventory of the groundwater is now centralized in the Office of State Resources (OSTR), which manages leases, royalties and inventory, while the Office of Permitting and Compliance (OPC) enforces standards and issues permits. This division of labor reflects the separation of fiscal and regulatory functions envisioned in Chapter 3's organizational initiatives, ensuring transparency and consistency.

SURFACE AND GROUNDWATER CODE

Engagement in the statewide water code should be a priority, first attempted through Senate Resolution 171 of 2014 Regular Session.⁸⁰ This code will integrate riparian rights, CEAs and groundwater into a central framework.⁸¹ Further, there should be a focus on inventory and availability in lieu of restrictions or fees before getting into withdrawals into a single statutory framework, eliminating litigation risk and ensuring sustainable allocation.

WETLANDS PERMITTING POST-SACKETT

The U.S. Supreme Court's decision in *Sackett v. EPA* (2023) narrowed federal jurisdiction under the Clean Water Act.⁸² As noted in Chapter 2, states may seek greater responsibility for wetland determinations. Louisiana's assumption of primacy of wetland permitting would ensure continuity for applicants while satisfying the public trust doctrine recognized in *Save Ourselves v. Louisiana Environmental Control Commission* (1984), which requires agencies to minimize adverse environmental impacts "to the maximum extent possible."⁸³

Further, the Fifth Circuit's decision in *Lewis v. United States Army Corps of Engineers* illustrates the implications of *Sackett v. EPA*. Applying the new standard, the court found that property in Livingston Parish lacked wetlands jurisdiction absent a continuous surface connection to navigable waters, placing responsibility squarely with the state.⁸⁴ This outcome underscores Louisiana's need to pursue Section 404 primacy and develop a coherent statewide water code.

POWER MODERNIZATION

The Department's reforms extend to energy. Senate Resolution 195 by Senate President Cameron Henry of the 2025 Regular Session documented the risk of a 90% increase in demand from data centers and industry, alongside grid conditions that threatened both reliability and affordability.⁸⁵ Responding to these findings, the Office of Energy has begun implementing Task Force recommendations for microgrids, renewable integration and expedited interconnection approvals. Coupled with Act 279 of 2023's renewable siting framework, these reforms align Louisiana's power systems with both economic growth and environmental resilience.

The Department's reforms extend to energy. Senate Resolution 195, authored by Senate President Cameron Henry during the 2025 Regular Session, documented the projected 90% increase in electricity demand driven by data centers, industrial expansion, and electrification — conditions that threaten both grid reliability and affordability if left unaddressed. The findings of the Resolution serve as evidence, not remedy. They reveal a system that is reactive and fragmented, lacking the policy instruments and programmatic authority necessary to guide investment or ensure long-term reliability. While the Office of Energy (OEN) has begun limited efforts — such as pilot programs for microgrids, renewable integration, and expedited interconnection approvals — these initiatives remain one-off projects without the structure or reach of a comprehensive regulatory framework.

The experience of Loudoun County, Virginia, illustrates the consequences of rapid commercial expansion without coordinated power planning. As one of the nation's largest data-center hubs, Loudoun's explosive growth has strained transmission capacity, caused voltage instability, and forced residential communities to absorb higher utility costs and delayed service improvements. The imbalance between large-scale industrial demand and local infrastructure demonstrates that economic growth without comprehensive regulatory planning can jeopardize both reliability and affordability — an outcome Louisiana must avoid as it positions itself for industrial and digital expansion.⁸⁶

To manage the State's growing energy needs, Louisiana must move beyond ad hoc responses toward a cohesive regulatory and planning program housed within the Office of Energy. Such a program must unify

forecasting, planning, permitting, and coordination functions to anticipate statewide demand and ensure adequate supply. A formal rulemaking and permitting structure, coupled with standardized interconnection and resilience requirements, would allow energy developers, utilities, and industries to plan with confidence, reducing delays and improving project viability. Equally important, this framework would create an institutional bridge between energy policy and economic development, aligning Louisiana's power planning with the state's industrial growth strategy.

Act 279 of 2023 Regular Session, which established Louisiana's renewable siting framework, represents a step forward but remains procedural rather than strategic. It does not provide the Office of Energy with sufficient authority or analytical capacity to manage long-term power planning or infrastructure investment. By contrast, a comprehensive regulatory program would give the Office the tools to oversee energy development holistically — coordinating grid modernization, integrating renewables, and managing storage and distribution assets as part of a single, data-informed system.

Achieving this vision depends on treating data as critical infrastructure. Integrating OEN's planning and permitting functions into the statewide data platform will allow Louisiana to forecast load growth accurately, identify infrastructure gaps, and coordinate investments across agencies and utilities. In doing so, C&E can ensure that power modernization is not a collection of disconnected efforts but a unified, evidence-driven strategy — one that delivers economic certainty, operational efficiency, and lasting resilience for the state's energy future.

EXPEDITED PERMITTING REFORMS

Expedited permitting represents a critical companion to power modernization. Executive Orders JML 24-166 and JML 25-074, together with Act 296 of 2025, codify expedited permitting fees and timelines, moving Louisiana beyond ad hoc overtime-based reviews into a predictable statutory framework. These reforms aim to align expectations between applicants and the agency by defining what constitutes a reasonable commitment of time, expertise, and resources for both. A clear, standardized process benefits all parties: applicants gain confidence that reviews will proceed within defined parameters, and the Department can allocate staff and technical expertise more efficiently — ensuring that regulatory decisions remain timely without compromising rigor.

Importantly, expedited permitting is not merely about speed; it is about accountability and transparency. Integrating the permitting workflow into the Department's statewide data infrastructure allows real-time tracking of application status, workload distribution, and performance metrics. Applicants, local governments, and the public can see where a permit stands in the process, reducing uncertainty and reinforcing trust in the fairness of agency decisions. For regulators, this integration provides operational visibility — identifying bottlenecks, improving workload management, and ensuring that statutory deadlines are consistently met.

When paired with comprehensive program development within the Office of Energy, expedited permitting becomes part of a larger modernization strategy that replaces reactive, transaction-based reviews with a proactive, data-informed regulatory framework. This system enhances coordination among permitting, enforcement and planning functions — allowing the State to anticipate challenges, evaluate cumulative impacts and align regulatory actions with long-term infrastructure and economic goals. Together, these reforms strengthen Louisiana's ability to deliver regulatory certainty, operational efficiency, and public

accountability, establishing a model for responsive and responsible governance. Together, these permitting and energy reforms lay the groundwork for a broader statewide approach to infrastructure management — one that mirrors the coordination and long-range planning now envisioned through Louisiana’s unified flood protection framework under CPRA and CURRENT.

STATEWIDE FLOOD PROTECTION

As noted in Chapter 2, Louisiana’s flood protection system was deeply unequal: CPRA served coastal areas with a master plan and federal partnerships, while upland parishes relied on fragmented levee districts competing for limited funds.⁸⁷

- **Historical Roots:** EO JBE 2018-16 created the Louisiana Watershed Council, underscoring the need for integrated floodplain governance.
- **CURRENT Authority:** Act 97 (2025) established the CURRENT Authority as CPRA’s upland counterpart, providing a non-federal sponsor for Vicksburg District USACE projects.
- **Unified Structure:** CPRA continues as the coastal entity, CURRENT addresses upland needs and both coordinate through the NRC to ensure equitable statewide flood protection.
- **Chief Resilience Officer:** Statutorily tasked with statewide risk coordination, the CRO now links CURRENT/CPRA efforts with Louisiana’s NFIP participation.

The DRIVE Initiative’s comprehensive review of statewide efforts pertaining to flood control, restoration and protection has shown differing levels of support for coastal and non-coastal areas of the state. Coastal areas benefit from the statutorily mandated development of a master plan for integrated coastal protection, which provides a blueprint for the advancement of projects that provide all stakeholders a voice in project selection.

In addition, coastal areas also benefit from the support provided by the CPRA, serving as the single point of contact with the US Army Corps of Engineers (USACE), as well as a dedicated funding source for projects. CPRA’s ability to pursue federal dollars and use the federal funds to deliver projects is a source of pride for the state. While coastal areas are well-supported and well-funded, the same is not true for non-coastal areas.

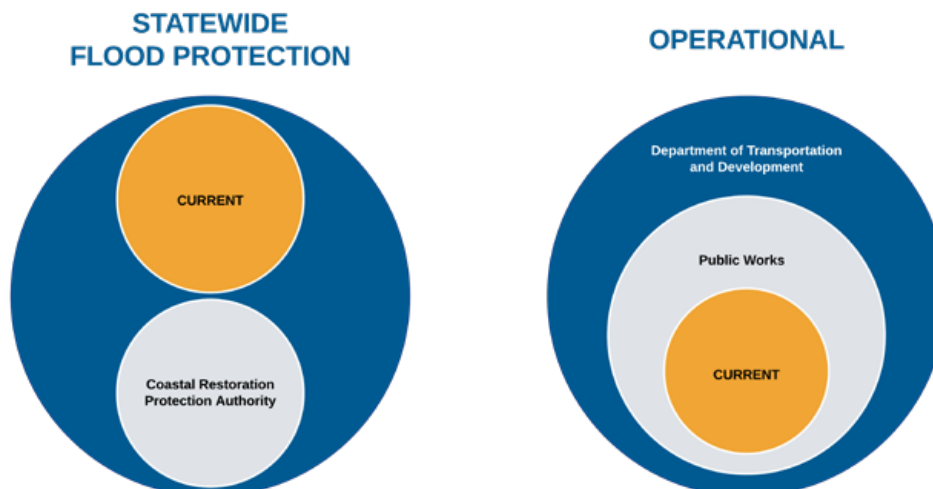
In the absence of a master plan identifying a concerted approach to flood protection projects located outside the coastal area, local levee districts and commissions must compete against each other for project funding. The statewide flood control program is administered by the Public Works division of the Office of Engineering at the DOTD. Unlike in the coastal area, however, there is no statutory mandate for the development of a master plan for flood control projects in other areas of the State. While Public Works statutes provide DOTD the authority needed to deliver flood control, navigational and other water-centric projects, the mandatory planning requirements and funding levels that have made CPRA successful are absent from the current statewide flood control regime. The DRIVE Initiative proposed to modernize the system to create the CURRENT Authority, along with improvements to the statewide flood control system and improved access to funding through the Trust Authority.

CURRENT AUTHORITY

Act 97 of 2025 created the Coordinated Use of Resources for Recreation, Economy, Navigation, and Transportation Authority (CURRENT) Authority to fill this gap. Modeled on CPRA, CURRENT serves as the upland non-federal sponsor for USACE projects, particularly within the Vicksburg District. Its statutory mission includes navigation and recreation, reflecting the economic importance of Louisiana's inland waterways.

PROPOSED FRAMEWORK

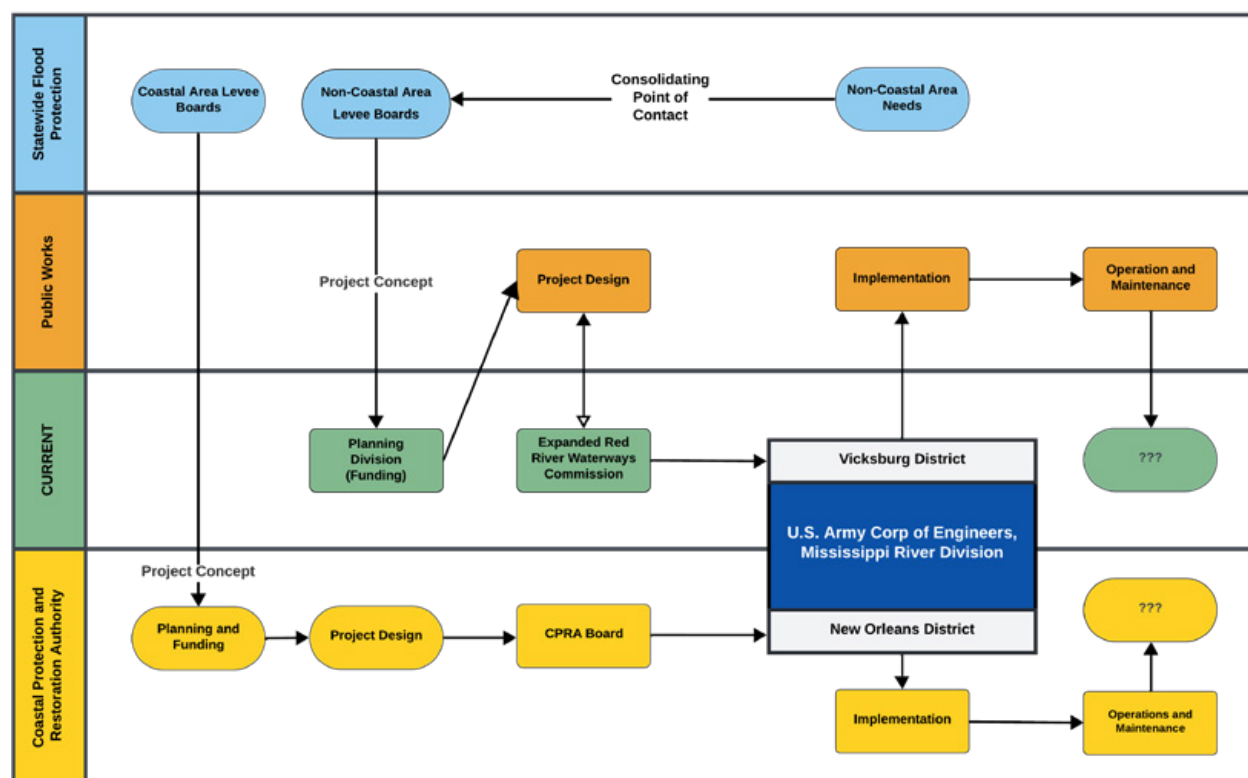
The proposed framework consists of several interconnected functions to provide capability to the system while not diluting the success of CPRA in its current task in the coastal area. First, the NRC serves as a strategic coordination body for all agencies involved in natural resources management. The Commission will serve to streamline governance by dissolving C&E's advisory boards and task forces and replacing them with one Commission.



The Commission will also serve to provide a coordinated response amongst agencies to Federal action and to ensure all agencies move in the same direction. The proposed CURRENT entity will be developed using the statewide flood control portion of Public Works and will work with non-coastal levee districts to serve as the point of contact for the USACE Mississippi River Valley Division and the Vicksburg District. CURRENT will also serve as a non-federal sponsor for projects much like CPRA does inside the coastal area. CURRENT will leverage funding provided by state sources such as the Trust Authority, C&E, and the dedicated statewide flood protection expenditures. CURRENT will look towards future expansion and utilization of entities such as the Red River Waterway Commission (RRWC) to maximize local return on investment for millage dollars. CURRENT will also pursue Federal funding for projects much like CPRA does for coastal areas. CPRA will maintain its independence and focus on the coastal area.

If the Trust Authority is successful, C&E will provide funding support for CURRENT and CPRA in the future. C&E can utilize funding sources such as damage assessment settlements and Trust Authority revenues. C&E will not pursue project design or implementation, instead leaving these functions to the expertise of CURRENT and CPRA. C&E will focus its efforts on regulation and management of the state's natural resources under its jurisdiction.

Finally, the proposed structure includes an opportunity to provide statewide flood protection support. This will be accomplished through the CRO, who is already statutorily charged with coordination of flood risk mitigation. The CRO will also coordinate the state's participation in the National Flood Insurance Program (NFIP)⁸⁸.



AGENCY ROLES

DEPARTMENT OF CONSERVATION AND ENERGY

C&E plays a pivotal role in supporting environmental restoration efforts of oil and oilfield wastes, particularly through funding mechanisms such as the NRTA and damage assessment through LOSCO. The DRIVE Initiative has emphasized the importance of improving efficiency through capitalizing on agency expertise. While C&E may lack the specialized expertise needed to implement certain initiatives like CURRENT and CPRA, it can effectively focus on identifying new financial support to ensure these projects are carried out. The NRTA, established in the 2024 regular session through Act 727 and granted authority over Oilfield Site Restoration (OSR) in the 2024 Third Extraordinary Session, can generate funding by bonding revenues, making it a key financial resource for restoration efforts. Meanwhile, LOSCO, which was transferred to C&E in 2024, has oversight over oil spill damage assessments and offers a dedicated funding source for specific restoration projects. Together, The Trust Authority and LOSCO enable C&E to play a crucial role in driving environmental restoration through targeted funding rather than direct project management.

COASTAL PROTECTION AND RESTORATION AUTHORITY

CPRA's independence has been maintained through the DRIVE Initiative. The independence of CPRA and its focused mission have resulted in great success for coastal areas of the state. Public support for CPRA and its mission is high. CPRA will continue its mission unchanged, as stated in previous DRIVE Initiative documents. CPRA and CURRENT will work together to provide flood protection and restoration services to the entire state.

CURRENT

CURRENT will provide new capabilities to non-coastal areas of the state in the form of flood protection, risk reduction and restoration. CPRA has provided these capabilities to the coastal area for years with great success. CURRENT will adopt the successful master planning process of CPRA for its own use in non-coastal areas and develop specific projects to improve flood protection and provide risk reduction to non-coastal areas. CURRENT will solicit funding from all available sources, including the Trust Authority revenues, to fund projects in annual plans alike to CPRA.

The creation of CURRENT will require drafting narrowly tailored statutes, likely modeled on CPRA's enabling statutes, to provide mission and capability. These statutes would enable CURRENT to be a stand-alone entity akin to CPRA. However, until adequate funding has been obtained, DOTD should continue to perform the CURRENT functions, utilizing its broad authority in the Public Works statutes to pursue project implementation. This will provide stability and capability to the CURRENT concept that would not be present if CURRENT was created as a stand-alone entity with limited funding.

CURRENT will also need to begin to develop a strategic plan, which will require funding. It is proposed that a one-time appropriation of capital outlay money be given in the 2025 Regular Session to fund planning at an appropriate level. This funding presents an opportunity to not only develop plans to improve flood control structure but also an opportunity to pursue flood insurance improvement in the state. CURRENT should investigate the possibility of using its planning process and projects to pursue changes to federal flood maps based on risk reduction. This will allow citizens to obtain a greater return on investment for planning dollars.

U.S ARMY CORPS OF ENGINEERS, VICKSBURG DISTRICT

CPRA provides coastal levee districts and other entities with a single point of contact for the USACE inside the coastal zone. No similar situation exists for levee districts in non-coastal areas. CURRENT will provide this capability as a single point of contact for the USACE outside of the coastal zone. This will prevent individual entities in non-coastal areas from competing against each other for funding from the USACE. Under the CURRENT structure, CURRENT will pursue funding from the USACE which will be distributed to individual projects pursuant to CURRENT's planning process.

LEVEE DISTRICTS AND COMMISSIONS

Coastal flood protection entities, such as levee districts, can lean on CPRA for non-Federal match dollars and sponsorship of projects. These entities can also lean on CPRA to find funding for projects that are included in CPRA annual and master plans. The same capability is not present in non-coastal areas.

CURRENT will provide this narrowly tailored mission by serving as non-Federal sponsor for projects outside of the coastal area. CURRENT will also pursue funding opportunities on behalf of all non-coastal areas through its planning process, a capability that many individual entities may not have. Non-coastal and coastal districts will inevitably meet and interact, and these entities will need to coordinate their efforts to avoid conflict. Therefore, CURRENT and CPRA will need to coordinate their planning process. CURRENT's initial planning process will, therefore, require a review of the Coastal Master Plan to determine how best to interconnect the non-coastal and coastal systems.

CURRENT BOARD

CURRENT, like any other state entity, requires reliable funding to fulfill its mission. Currently, \$20 million is dedicated to statewide flood control annually. This funding issue is compounded by the fact that coastal funding may be reduced as Deepwater Horizon settlement funding begins to end in the years to come. While coastal funding is currently secure and alternative funding mechanisms are being explored, funding for CURRENT beyond the current funding source must be obtained before projects can be developed. One potential source of future funding could be an expansion and utilization of existing funding sources, through engagement of entities such as the RRWC and leveraging CURRENT to bring down Federal dollars.

The DRIVE Initiative proposes to engage existing entities while seeking new funding sources such as Federal dollars, utilization of state damage assessments, and NRTA. Earlier versions of this report suggested a repurposing of the RRWC to fulfill this purpose. Instead, the DRIVE Initiative proposes to create a CURRENT Board utilizing to provide a pathway for existing entities to engage in CURRENT projects while retaining their existing mission. The proposed CURRENT Board would be made up of interested stakeholders, such as: (1) RRWC, (2) DOTD Office of Multimodal Commerce, (3) CRO, (4) LED, (5) North Louisiana Economic Partnership, (6) Department of Culture, Recreation, and Tourism, (7) area ports, (8) area levee boards, (9) local government executive branch leaders, (10) Department of Agriculture and Forestry and (11) area industry representatives. This mimics the structure of CPRA within the coastal area with adjustments for the unique needs of the non-coastal area. The CURRENT board will provide oversight and governance structure for planning and project execution, while also providing a pathway for potential funding partners to engage with the Authority's mission directly.

OFFICE OF PUBLIC WORKS, DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DOTD currently possesses both the authority and capability for project development and delivery. The authority granted to DOTD in the Public Works statutes is used not only to deliver flood control projects but also to deliver numerous other aspects of its mission. DOTD's existing authority and institutional infrastructure can also be leveraged to begin delivering CURRENT's mission with no delay. Therefore, until CURRENT is created, funded and staffed, the programs currently administered by Public Works will remain at DOTD, as well as the management of ongoing projects. Once CURRENT is operational and is equipped with statutory authority narrowly tailored to address the needs of non-coastal Louisiana, the Public Works statutes can be amended to remove this authority from DOTD. CURRENT's proximity to DOTD's existing will provide capability to CURRENT that would not be present if CURRENT was immediately formed into an Independent quasi-agency akin to CPRA.

STATEWIDE FLOOD CONTROL

CHIEF RESILIENCE OFFICER

The Chief Resilience Officer (CRO) is an office appointed by the Governor to coordinate state efforts with respect to resilience and risk mitigation, including flood risk mitigation. CURRENT seeks to utilize this position to build capabilities alike to the Governor's Office for Coastal Activities (GOCA), focused specifically on flood control and risk mitigation efforts. GOCA provides policy support to the Governor concerning coastal issues in the state. This position has historically been successful at obtaining funding for projects and providing sound coastal policy. The creation of CURRENT seeks to capitalize on these successes while not diluting the coastal focus of the existing position. Therefore, it is proposed that the CRO's statutory mission be clarified to include statewide flood control interests. This concept also provides the opportunity for improvement to the state's participation in the National Flood Insurance Program by changing the statutory designee from DOTD's Office of Engineering to the CRO. The CRO will be able to provide statewide coordination services within the current statutory charge and is ideally situated to provide this capability.

LOUISIANA WATERSHED INITIATIVE

The Louisiana Watershed Initiative (LWI) is housed in the Division of Administration's Office of Community Development (OCD) pursuant to the executive order. LWI has utilized grant funds to provide groundbreaking modeling capability and funding for necessary projects. However, there is no certain future for LWI once its current grant funding runs out. The projects and programs of LWI are beneficial to the state and its citizens, and their incorporation into the proposed natural resources governance structure is of great importance. It is proposed that LWI's programs and functions be reviewed by the NRC for incorporation into the natural resources governance structure.⁸⁹

NATIONAL FLOOD INSURANCE PROGRAM

Currently, the state's participation in the National Flood Insurance Program (NFIP) is coordinated by the Office of Engineering at DOTD pursuant to R.S. 38:84. The ability to enroll in NFIP participation is delegated to local communities such as parishes and municipalities. The DRIVE initiative and the creation of CURRENT provide an opportunity to create lasting and meaningful change to the state's NFIP participation by delegating these coordination responsibilities to the state's CRO. The CRO's existing enabling statutes consider a role in flood risk mitigation. Louisiana's citizens pay dearly for flood insurance coverage and desire support from the state level to make every effort to lower flood insurance costs. The proposed framework would place NFIP coordination with the CRO, who will be directly engaging with CURRENT in their planning process to include risk reduction in CURRENT master plans. The CRO will also be able to engage with coastal entities through the office's statewide reach to provide similar capability. This system, in concept, will enable the CRO to work with communities and FEMA to drive down costs through risk reduction.

STATEWIDE WATER RESOURCES MANAGEMENT

Recognizing water resources as critical to Louisiana’s ecological health and economic vitality, the Department proposes establishing a comprehensive statewide water-resource management framework (R.S. 30:98.1–98.11). To streamline oversight and enhance strategic coherence, this framework removes the existing Water Resources Commission, transferring its functions and authorities to the NRC.

Under this new structure, the NRC is explicitly charged with the following responsibilities:

- **Statewide Water Resource Plan:** Developing and periodically updating a strategic plan guiding sustainable water use, allocation, and conservation policies
- **Oversight and Coordination:** Serving as the primary coordinating entity for all state-level water resource management efforts, facilitating cooperation among state agencies, local governments and stakeholders
- **Advisory & Investigative Role:** Providing strategic recommendations to the legislature and executive branches regarding water policy, utilization and resource protection; conducting investigative reviews as necessary.
- **Stakeholder Collaboration:** Establishing formal mechanisms for consistent stakeholder engagement to ensure the Statewide Water Resource Plan reflects diverse interests and promotes equitable water resource access.

This streamlined governance structure strengthens Louisiana’s capacity for strategic water-resource planning and management, aligns operational efforts with transparent oversight and promotes balanced decision-making in resource allocation, ensuring long-term sustainability and resilience for communities and ecosystems statewide.

SEPARATION OF POWERS

For decades, the Department’s internal structure blurred lines of authority. Under R.S. 36:356, the Undersecretary was tasked with management and finance functions — including accounting, procurement, personnel and grants — but only “subject to the overall direction and control of the Secretary.” In practice, this created a triangle of overlapping authority:

- **The Commissioner of Conservation** retained quasi-judicial authority over technical regulation but was left dependent on resources outside of their control.
- **The Secretary** exercised broad policy leadership but also ultimate authority over fiscal matters.
- **The Undersecretary** was charged with administrative oversight but lacked autonomy to act independently.

SEPARATION OF POWERS

Act 458 (2025) replaced decades of blurred authority with a clear “three-legged stool” of executive roles. The Secretary sets policy and strategy, the Undersecretary independently manages budgets, audits, personnel, and the Natural Resources Trust Authority, and the Deputy Secretary provides statewide coordination through the Natural Resources Commission. This structure creates a statutory firewall between policy, finance, and coordination — strengthening legislative oversight, embedding internal checks, and ensuring transparent accountability to the public.

This diffusion of responsibility left the Commissioner dependent on the Secretary and Undersecretary's shared overlapping influence. The result was blurred accountability: orphan well liabilities ballooned, pooled funds such as LORA collapsed and legislative auditors repeatedly flagged weak internal controls.

ACT 458: A STRUCTURAL FIREWALL

Act 458 of 2025 corrected this flaw by codifying a durable separation of powers inside C&E. It establishes a three-legged stool of executive authority:

- **Secretary:** Leads policy direction, external engagement, and overall strategy
- **Undersecretary:** Holds independent authority over budgeting, audits, personnel grants, and administration of NRTA
- **Deputy Secretary:** Leads the NRC and provides statewide coordination, ensuring that agency actions align with interagency and legislative priorities

This structure creates a statutory firewall between policy, finance and coordination. By reducing the number of political appointees to three, the Department embeds internal checks and balances, clarifies accountability to the Legislature and prevents concentration of power.

IMPLICATIONS FOR GOVERNANCE

- **Clear Accountability:** Each executive role is now defined and non-duplicative, reducing confusion and improving transparency.
- **Legislative Oversight:** Lawmakers gain direct access to accurate fiscal information from the Undersecretary, separate from policy advocacy by the Secretary.
- **Internal Checks:** Autonomy in financial control provides a built-in safeguard against executive overreach, ensuring that policy, finance and technical regulation each operate within their own lane.

By codifying this separation of powers, Act 458 transformed overlapping authority into a balanced governance framework. The Secretary, Undersecretary and Deputy Secretary now anchor a modern structure that strengthens trust, improves efficiency and positions Louisiana to meet long-term challenges.

HISTORICAL CONTEXT AND STRUCTURAL RATIONALE

Following Louisiana's 1973 Constitutional Convention and the subsequent creation of the Department of Natural Resources in 1976, the governance structure explicitly placed the Secretary in control of the Undersecretary. This structure, reportedly designed during the consolidation of the Department of Conservation with the Department of Natural Resources, allowed the Secretary extensive influence over Conservation's budget. This arrangement blurred lines of accountability and contributed to administrative creep, ultimately undermining fiscal discipline and clarity in roles.

In response, the DRIVE Initiative proposes granting explicit financial autonomy to the Undersecretary of the Department. By significantly reducing the number of political appointees and clearly delineating authority, this new structure eliminates the historical justification — if there ever truly was one — for centralized

control. The Undersecretary's newly defined autonomy provides a critical check and balance within the agency, offering the legislature a clearer and more direct oversight channel regarding budget appropriations and financial prioritization.

The Undersecretary's financial autonomy includes:

- **Independent Budget Certification:** The Undersecretary independently reviews and certifies the agency's budget, creating a structural firewall between policy formulation and financial execution. This ensures financial management remains objective and insulated from political pressures, facilitating unbiased, transparent budgetary decisions and enhancing legislative oversight capabilities.
- **Direct Responsibility for Internal Audits and Compliance:** Placing responsibility for internal audits and financial compliance solely within the Undersecretary's purview provides clear accountability. It allows the Undersecretary to conduct objective reviews and investigations independently of the Secretary's operational influence, thus ensuring stronger internal controls and reducing risks associated with executive overreach or fiscal mismanagement.
- **Oversight of Grants and Personnel Administration:** By allocating authority over grant management and personnel to the Undersecretary, the structure ensures fiscal and administrative transparency. This delineation helps manage financial integrity, preventing conflicts of interest and increasing operational efficiency.

IMPLICATIONS FOR GOVERNANCE

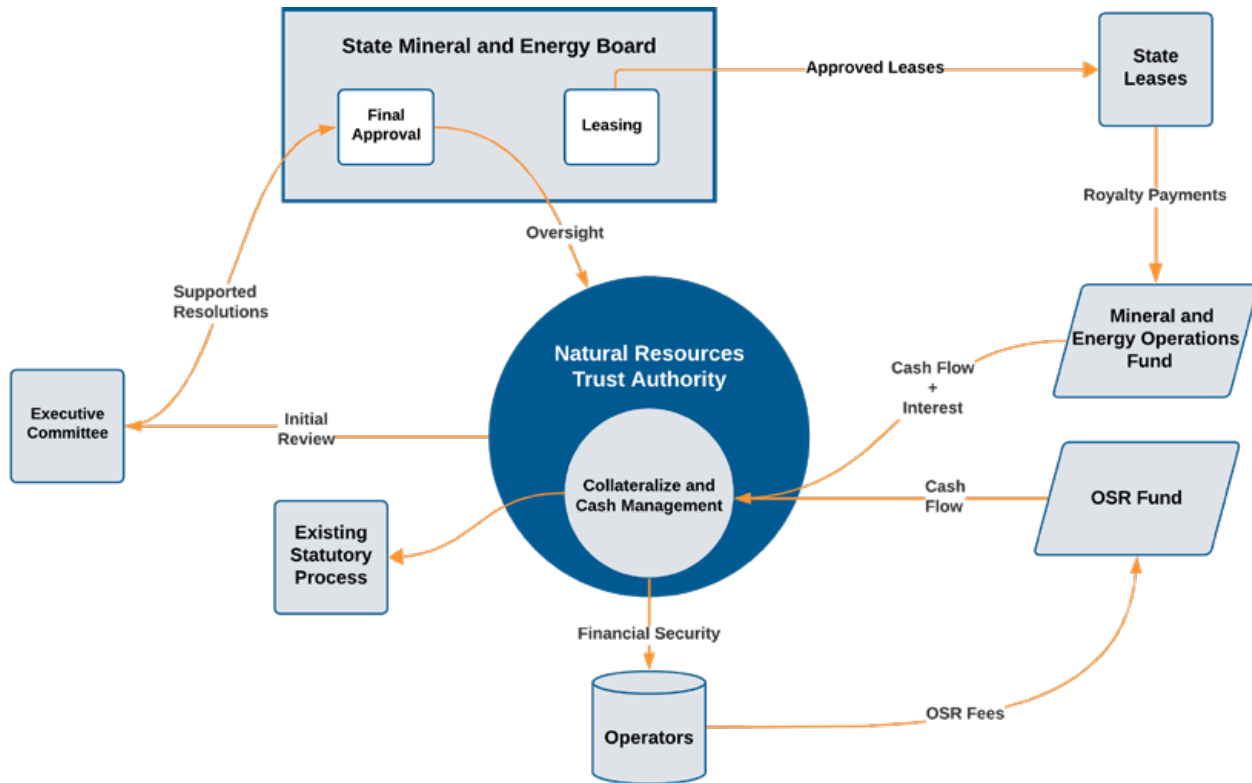
This explicit delineation of roles significantly bolsters the state's governance structure:

- **Enhanced Accountability:** Clearly defined roles provide legislative and public oversight bodies with an unambiguous point of contact for inquiries regarding fiscal accountability, increasing transparency and public trust.
- **Reduced Fiscal Risks:** Independent financial oversight significantly reduces the state's exposure to financial mismanagement, contributing to overall fiscal discipline and institutional resilience.
- **Alignment with Best Practices:** This governance approach closely mirrors successful international models, such as Norway's Government Pension Fund, where clear separation of financial oversight from political management enhances long-term fiscal stability.

INDEPENDENCE OF THE NATURAL RESOURCES TRUST AUTHORITY

Louisiana created NRTA through Act 727 of 2024 to serve as a finance arm within the SMEB.⁹⁰ The NRTA's mission is to develop financial instruments that secure obligations related to oil-field site restoration (plugging orphaned wells), which took on the administration of the financial security previously handled by the Louisiana Oilfield Restoration Association. The figure above shows the NRTA at the center of a process in which operators submit financial instruments, the NRTA manages collateral and cash, and an Executive Committee reviews requests before the SMEB gives final approval. This structure reflects the important policy decision that the Trust should operate at arm's length from other offices, with no discretion beyond the rules adopted by the SMEB and without undue influence from the Secretary or Undersecretary.

Governance for Process Authorization



The following sections explain why such independence is legally required and how various laws and banking standards reinforce it.

STATUTORY FRAMEWORK ENSURING INDEPENDENCE

This law created the NRTA and makes clear that it is empowered and governed by the SMEB. The statute directs the NRTA to operate in conjunction with the State Bond Commission and the Louisiana Department of the Treasury and to develop a strategic plan for addressing financial challenges.⁹¹ The NRTA may establish an executive committee, but inter-state determinations require approval of the state treasurer.⁹² These provisions place the Trust squarely under the SMEB's control and require outside financial oversight, preventing it from acting independently or setting financial terms on its own.

C&E has an Undersecretary who directs the Office of Management and Finance and the NRTA, but the Undersecretary acts under the supervision and control of the secretary.⁹³ While the Undersecretary manages accounting, procurement and personnel for the NRTA, his duties are governed by statute and cannot be changed at will by the Secretary.⁹⁴ This arrangement separates management functions from policy authority, with the SMEB retaining ultimate control over NRTA decisions.

SMEB is a body corporate with power to sue and be sued and has broad authority to manage the state's proprietary interest in minerals.⁹⁵ Because the NRTA is governed by this board, the board must authorize any transaction involving state resources, and the Trust lacks the discretion to act outside that authority.

CONTROLS ON PUBLIC FUNDS

Louisiana law mandates that all money received by the state or by any state board, commission or agency must be deposited in the state treasury unless a statutory exception applies.⁹⁶ Only funds appropriated by the legislature or dedicated by the constitution are available for expenditure.⁹⁷ These restrictions mean the NRTA cannot move or use state funds unless the SMEB and legislature have authorized the transaction. Depositing funds directly in the state treasury also limits opportunities for misuse of money.

Money may be drawn from the state treasury only pursuant to an appropriation made in accordance with law.⁹⁸ This appropriation requirement reinforces that the NRTA must obtain formal approval before disbursing or transferring state resources.

For any public entity depositing funds with a bank, deposits exceeding the \$250,000 FDIC-insured limit must be secured by collateral such as U.S. or state-guaranteed bonds, and that collateral must be held with an unaffiliated bank or trust company.⁹⁹ Deposited securities are deemed to be under the control of the public entity and cannot be released or substituted without the entity's consent.¹⁰⁰ These statutes ensure that funds held by the NRTA or its fiscal agent are fully collateralized and remain under state control.

ETHICAL AND FIDUCIARY OBLIGATIONS

The code's declaration of policy states that elected officials and public employees must be independent and impartial, that governmental decisions and policy be made in the proper channel of the governmental structure, that public office not be used for private gain, and that the law must protect against conflicts of interest.¹⁰¹ These principles require that NRTA officers and staff avoid self-dealing and operate only within the authority granted by the SMEB.

Trust statutes emphasize that a trustee shall administer a trust solely in the interest of the beneficiaries and must keep clear and accurate accounts.¹⁰² Trust agreements may relieve trustees from liability for some acts, but not for breach of the duty of loyalty or bad -faith conduct.¹⁰³ This means that the NRTA, acting as a trustee for financial security instruments, must put the state's interests ahead of any other considerations and cannot excuse itself from liability for self-dealing.

INTERNAL CONTROL AND SEGREGATION OF DUTIES

The Louisiana Legislative Auditor's "*Basics of Internal Control*" emphasizes segregation of incompatible duties such as approving, authorizing, recording, reconciling and custody of assets.¹⁰⁴ No employee should be able to commit and conceal fraud or abuse. NRTA operations must therefore be structured so that the Executive Director, Undersecretary and other officials do not both initiate transactions and approve them. The Executive Committee provides an internal check before requests reach the SMEB for final approval, ensuring multiple levels of review.

Another Legislative Auditor resource notes that segregation of duties involves assigning responsibilities so that more than one person is involved in completing a fiscal process, which reduces the risk of fraud or

error.¹⁰⁵ When conflicting duties cannot be segregated, entities should adopt compensating controls, such as enhanced oversight and documentation.¹⁰⁶ The NRTA's structure — review by an executive committee, final approval by the SMEB and strict adherence to documented policies — implements these controls.

RECOMMENDATIONS FROM THE NATURAL RESOURCES STEERING COMMISSION

In its report on state natural resources management, the Natural Resources Steering Commission (NRSC) recommended that the NRTA be governed by the SMEB and that it works with the State Bond Commission and State Treasury to develop investment guidelines and segregate funds for different projects. The commission urged engaging the Legislative Auditor for audits and performance reviews, adopting clear procedures and ensuring the Mineral Board's transparency and oversight.¹⁰⁷ These recommendations underline the need for the NRTA to operate under external controls rather than relying on unilateral discretion.

FIDUCIARY STANDARDS SUPPORTING ARM'S-LENGTH TRANSACTIONS

Federal banking guidance cites the Restatement of Trusts for the principle that a fiduciary must administer a trust solely in the interest of the beneficiaries and must avoid transactions that involve self-dealing or conflicts between the trustee's duties and personal interests.¹⁰⁸ The Office of the Comptroller of the Currency's (OCC) *Conflicts of Interest* booklet explains that bank fiduciaries have a heightened duty to avoid conflicts and that the duty of loyalty is the foundation of fiduciary obligations.¹⁰⁹

The OCC warns that conflicts arise when a fiduciary's duty of loyalty opposes other interests and notes that transactions not made at arm's length may be set aside at the request of a beneficiary.¹¹⁰ Banks must adopt policies addressing employee ethics, self-dealing and interactions with affiliates and must obtain prior approvals or court orders before engaging in sensitive transactions.¹¹¹ These standards align with the NRTA's requirement to avoid any financial dealing with the Department or its affiliates unless explicitly authorized by law and by the SMEB.

This federal regulation prohibits national banks from investing fiduciary funds in the bank's own stock or obligations or those of its affiliates, and from transferring assets between fiduciary accounts and the bank or its affiliates, unless authorized by law or court order. The regulation ensures that fiduciary accounts are managed at arm's length and not used to benefit the bank.¹¹² Although the NRTA is not a national bank, its use of financial institutions must respect similar principles; it cannot use trust funds to benefit the department, the Undersecretary or other insiders.

The FDIC explains that a fiduciary's duty of loyalty means conduct acceptable at arm's length for ordinary business is "forbidden to those bound by fiduciary ties".¹¹³ The prudent administration of conflicts requires management to recognize conflicts, implement procedures and supervisory guidelines and maintain documentation supporting the permissibility and prudence of transactions.¹¹⁴ This guidance underscores why the NRTA should have clearly documented policies and why any deviation from established procedures (e.g., moving funds without board authorization) could expose the Trust to liability.

COLLATERALIZATION AND RISK MANAGEMENT

Banking rules also require safe custody of public funds. Louisiana's local depository law requires deposits over \$250,000 to be secured by collateral and held by an unaffiliated bank, and the collateral cannot be released without the public entity's permission.¹¹⁵ This ensures that funds are protected and not subject to the trust or bank's discretion, complementing the NRTA's arm's-length approach.

RATIONALE FOR MAINTAINING THE NRTA AT ARM'S LENGTH

The combination of state statutes, ethical rules and fiduciary standards outlined above supports the requirement that the NRTA operate independently and at arm's length from any other office within the C&E. Key reasons include:

- 1. Legal requirement for board approval:** Act 727 explicitly places the NRTA under the SMEB's governance,¹¹⁶ and the NRSC recommended that the Trust be transparent and subject to the Board and Legislative Auditor.¹¹⁷ The NRTA cannot lawfully set fees, rates or obligations or move funds, without SMEB approval and, where applicable, coordination with the State Bond Commission and Treasury. Allowing the Undersecretary or other executives to direct trust operations without board authorization would contravene these laws.
- 2. Protection against conflicts of interest:** The Louisiana Code of Governmental Ethics demands independence, impartiality and decision-making through proper channels,¹¹⁸ while trust law and federal banking standards impose strict duties of loyalty and prohibit self-dealing.¹¹⁹ Ensuring that the NRTA acts only on SMEB-approved instructions protects against any appearance of self-dealing by the Secretary or Undersecretary and maintains public confidence.
- 3. Fiscal discipline and transparency:** Statutes require all money received by state boards to be deposited in the state treasury,¹²⁰ that funds be spent only pursuant to appropriations¹²¹ and that deposits be fully collateralized in unaffiliated banks.¹²² These requirements mean the NRTA's financial operations must be transparent and subject to external oversight, not handled internally within C&E.
- 4. Segregation of duties:** Internal control guidance states that no individual should perform incompatible functions such as authorization, custody and record-keeping.¹²³ The NRTA's process — initial review by staff, pre-approval by the Executive Committee, and final approval by the SMEB — provides necessary checks and balances. Any ability of the secretary or undersecretary to circumvent these checks would undermine internal control and increase the risk of fraud or mismanagement.
- 5. Risk management and fiduciary expectations:** Federal banking guidance warns that fiduciaries must document the prudence and permissibility of transactions and obtain required approvals before engaging in transactions involving conflicts.¹²⁴ If the NRTA were allowed to act independently of the SMEB, it could not meet these standards. Operating at arm's length ensures that all actions are documented, approved and defensible.

CONCLUSION

The Natural Resources Trust Authority holds and manages state resources to secure plugging and abandonment obligations for orphaned wells. *Because it deals with public funds and acts as a fiduciary, Louisiana law and federal banking standards require the Trust to operate at arm's length from any other office or individual.* Statutes governing the NRTA place it under the control of the State Mineral and Energy Board and require coordination with the State Bond Commission and Treasury.¹²⁵ Public finance laws dictate that funds be deposited in the state treasury, spent only pursuant to appropriations¹²⁶ and fully collateralized.¹²⁷ Ethical and fiduciary rules stress independence, impartiality and the duty of loyalty to beneficiaries.¹²⁸ Internal control guidance requires segregation of duties and formal documentation of approvals.¹²⁹ Combined, these authorities demonstrate that the NRTA cannot lawfully or prudently act without explicit authorization from the SMEB. Ensuring that the NRTA remains independent — free from undue influence by the Secretary or Undersecretary — protects the integrity of Louisiana's natural resource programs, safeguards public funds and upholds the public's trust in government.

FINANCIAL ASSURANCE IN ASSET DECOMMISSIONING

Louisiana's OSR fees, historically levied on oil and gas production, primarily fund the remediation of orphaned oilfield sites lacking financially responsible operators. An abandoned well refers to an oil or gas well that is no longer actively managed, maintained or operated but still has a responsible operator of record. Conversely, an orphan well is an abandoned oil or gas well without any financially responsible or legally accountable operator, leaving the state responsible for its remediation and closure.

HISTORICAL WEAKNESS

The OSR Fund, funded by fees on oil and gas production, was capped at \$14 million despite liabilities exceeding \$500 million.¹³⁰ With oil production declining from 72 million barrels in 2013 to 34 million in 2023, this undercapitalization left the State exposed.¹³¹

These fees fund the State's OSR Program, aimed at remediating orphaned oilfield sites where no operator remains financially responsible. While historically beneficial, this structure primarily addresses legacy remediation costs without proactive oversight of operator solvency or financial stability, potentially exposing the state to considerable financial and environmental risks.

During the Third Extraordinary Session of 2024, the fees for oil and gas were increased, clearly stating the intended use. Since natural gas is the primary payor of the fee, it is critical that Louisiana capitalizes on this opportunity to manage the legacy oil wells during a time of heavy production of gas.

NRTA AS FISCAL BACKBONE

Act 727 (2024) created the NRTA, while Act 16 (2024, 3d Extra Sess.) increased fees by a third and transferred OSR responsibilities to it. NRTA can now issue bonds, manage pooled assurance and contract directly with plugging contractors. Modeled on Norway's Government Pension Fund Global, it prioritizes transparency and intergenerational equity.¹³²

Created to assist in managing Louisiana’s orphan well backlog — currently estimated at 4,700 —demonstrates the urgency of sustainable funding mechanisms. As The Advocate reported, Act 727 created the NRTA to conduct financial risk assessments and collect upfront fees from operators, ensuring resources are available to plug wells when abandonment occurs.¹³³ This design reflects the DRIVE Initiative’s emphasis on intergenerational equity and fiscal resilience, modeled on Norway’s sovereign wealth fund.



On July 19, 2024, Gov. Jeff Landry, joined by DENR executive staff, signed House Bill 810 into law, establishing NRTA.

These concerns are not limited to the orphan wells. The risks of failing to maintain fiscal and technical oversight are exemplified by the collapse of Jackson, Mississippi’s water system. A New York Times investigation found that privatized “smart meter” contracts left the city with \$450 million in debt and ultimately triggered federal takeover in 2022.¹³⁴ Louisiana’s DRIVE reforms — requiring independent financial assurance through the NRTA and strategic oversight by the NRC — are designed to prevent such outcomes by embedding transparency and long-term fiscal planning into core agency functions.

PROACTIVE RISK MANAGEMENT AND REVENUE GENERATION

Under the proposed framework, OSR fees will continue their traditional role in remediating orphaned sites but will additionally serve as a financial security mechanism. Specifically, the state may utilize the OSR fund to provide financial assurance for existing operators unable to secure traditional financial instruments, ensuring readily available cash for plugging wells if operators become insolvent. This approach is advantageous as many wells that become orphaned share common financial risk profiles.

The enhanced use of OSR funds provides multiple critical benefits:

- **Immediate Fund Availability:** Funds held within the OSR account ensure immediate availability of cash, substantially reducing administrative delays in deploying contractors to plug wells upon operator default.
- **Reduced Administrative Complexity and Human Error:** Internalizing financial assurance processes minimizes administrative steps and human error, creating a streamlined, deadline-driven and regulated internal system for fund management and disbursement.
- **Revenue Generation and Additional Risk Mitigation:** Operators utilizing the state-backed financial assurance would pay interest for using the state’s funds, transforming the OSR fund into a revenue-generating mechanism. This additional income stream further strengthens fund solvency, providing yet another layer of financial security against orphan well liabilities.

CASH FLOW OVERVIEW

INNOVATION AND IMPACT

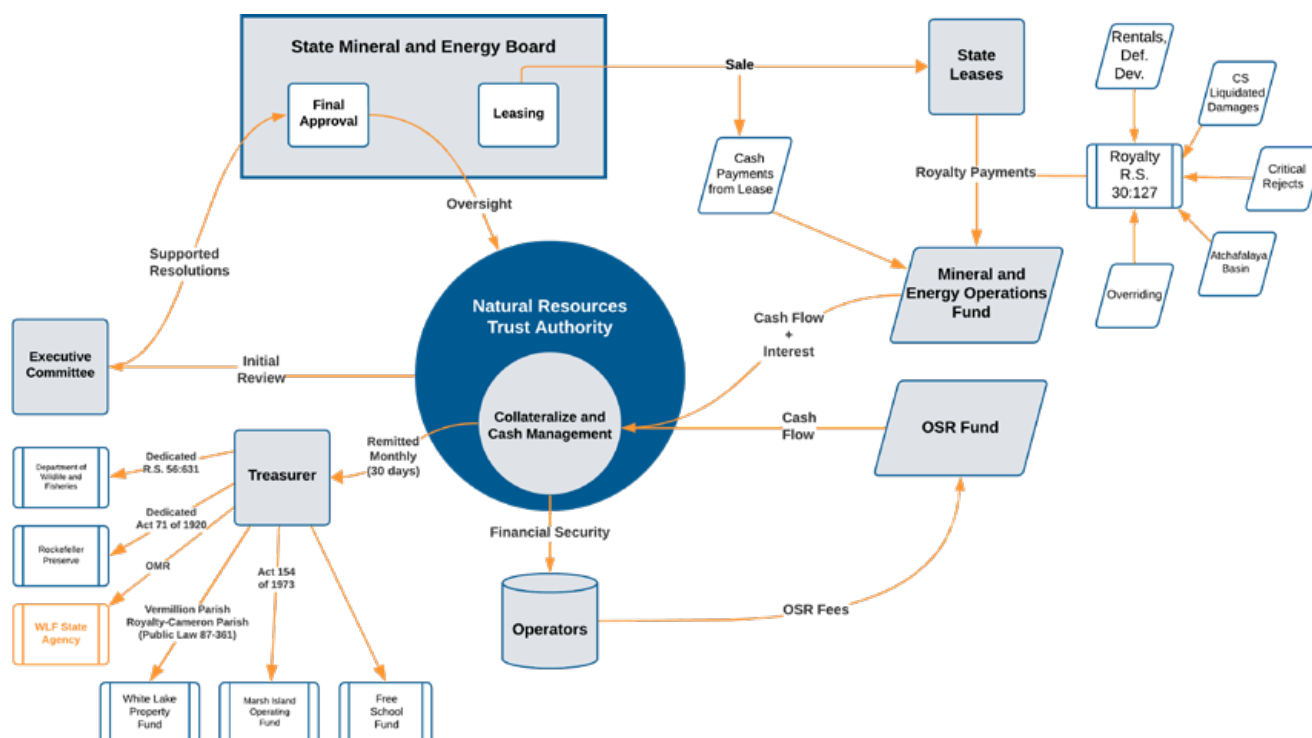
The strengthened OSR framework substantially enhances the state's fiscal and environmental resilience by introducing proactive financial safeguards:

- **Reduced Public Liability:** Robust financial security measures significantly diminish state liability exposure resulting from operator insolvency, protecting public resources and funds.
- **Operational Integrity and Public Trust:** Increased transparency through publicly accessible reporting on operator compliance and financial assurance promotes stakeholder confidence and enhances trust in state governance.
- **Alignment with National and International Standards:** This proactive model aligns with best practices seen internationally, bolstering Louisiana's position as a leader in sustainable resource management and fiscal responsibility.

Operators may use NRTA capital as financial security, paying interest that grows the fund. Key performance indicators include maintaining reserves at least double projected plugging liabilities and earning a minimum of 5% annual returns. This system transforms the OSR Fund from a capped liability account into a dynamic fiscal instrument.

Operators may use NRTA capital as financial security while paying interest, generating revenue and reducing exposure of the State General Fund.

Cash Flow Overview



NATURAL RESOURCES COMMISSION

RESEARCH INSIGHTS: CEQ AS A MODEL FOR NRC

The research also showed that communication failures were not limited to within the Department. At the state level, resource management was divided across multiple agencies, each with partial authority but no integration. Research into comparative governance models focused on the CEQ, established by the National Environmental Policy Act (NEPA) in 1969. CEQ does not directly administer programs; its strength lies in coordinating interagency reviews, setting process standards and ensuring consistency across federal agencies. The DRIVE Initiative concluded that Louisiana required a similar structure. A NRC would not duplicate agency missions but would unify them, embedding transparency and coordination into statewide governance. Reconstituted after over a century and modeled on the Council on Environmental Quality (CEQ), the NRC addresses this by creating a single forum for coordination. Its membership — C&E, LED, DEQ, Revenue, LDWF, PSC, and a flood-protection representative — ensures that virtually every modern natural resource decision (economic development, tax revenue, wildlife impacts, or utility infrastructure) is addressed with all voices present.

KEY PRIORITIES

- A structured communication strategy using digital platforms
- Iterative public engagement through forums and workshops
- Adaptive governance models informed by predictive analytics

NRC aims to replace ad hoc committees in the long run with a permanent body that incorporates communication, accountability and integration into the law. In the meantime, the legislature can establish subcommittees to address other issues that necessitate additional members. Research also tied this reform directly to economic development. LED has historically recruited companies before determining whether projects could be permitted. The NRC, by including LED as a voting member, ensures that projects are vetted for permitting feasibility before recruitment, aligning economic development with regulatory capacity. This change prevents wasted effort and increases Louisiana's competitiveness for new investment. At the same time, the research revealed that modern natural resource governance extends beyond LED and C&E. Virtually every major matter involving commercial activity or natural resources in Louisiana intersects with:

- **The Department of Revenue:** A critical component to understand and participate in a discussion around collections. Without Revenue at the table, fiscal impacts are considered only after decisions are made. The NRC ensures that financial consequences are integrated into decision-making from the start.
- **The Public Service Commission (PSC):** Commercial activities of energy infrastructure — pipelines, utilities, transmission lines and renewable integration — falls under PSC jurisdiction, typically under the term common carrier. NRC membership ensures utility regulation and natural resource policy move in tandem, not in conflict.
- **Louisiana Department of Wildlife and Fisheries (LDWF):** Natural resource development has direct implications for wildlife conservation, recreational economies, and habitat protection. LDWF brings ecological expertise to balance development decisions.

Together with LED and C&E, these agencies reflect the modern reality: most major decisions about natural resources have fiscal, economic development, ecological and utility components. By embedding all four into the NRC — LED, Revenue, PSC, and LDWF — the state ensures that its most strategic decisions are made with a full view of economic, financial, environmental and regulatory consequences.

This research-based recommendation positions the NRC as not only a governance tool for reducing duplication, but also a strategic integration hub that aligns Louisiana's policy choices with its long-term economic and environmental future.

PROCESS

The NRC¹³⁵ will operate as a high-level advisory entity analogous to the CEQ). Its primary function will be to guide strategic decision-making processes in natural resource governance by synthesizing insights from leadership, middle management, regulatory entities and external stakeholders. By adopting a participatory approach, the NRC will ensure that evidence-based practices inform its frameworks, fostering transparency and accountability.

Key priorities include:

- **Developing** a structured communication strategy to ensure transparency in policy formulation and execution. This strategy will employ advanced digital platforms for disseminating information and gathering real-time feedback from stakeholders.¹³⁶
- **Establishing** iterative mechanisms for public engagement through forums, workshops and consultations that integrate inter-agency perspectives. These engagements will be designed to maximize accessibility and transparency, ensuring input from all affected communities.¹³⁷
- **Crafting** adaptive governance models that address immediate priorities while building capacity for long-term resource stewardship. These models will incorporate scenario planning and predictive analytics¹³⁸ to anticipate and mitigate potential challenges.

The proposed commission model introduces a dedicated commission that will hold quarterly meetings focused on programmatic and functional oversight, replacing temporary committees or task forces¹³⁹.

This dynamic and transparent governance model will enable the NRC to embed diverse perspectives into strategic initiatives, thereby aligning operational goals with broader strategic objectives. The NRC will also serve as a central hub for cross-agency collaboration,¹⁴⁰ ensuring that all stakeholders are aligned in their efforts to manage Louisiana's natural resources sustainably.

MEMBERSHIP

The commission membership will include the chief executives of their respective agencies, ensuring that each agency's priorities are represented. For statewide flood control interests, the member would be the chief executive of either DOTD, CPRA or CURRENT, as appointed by the Governor. NRSC¹⁴¹ recommended this cross-functional commission to enhance efficiency and coordination across agencies related to energy and natural resource management. The commission will consist of seven voting members, each representing a key agency or function essential for an integrated natural resources governance system.

The proposed seven seats on the NRC will be designated for the following agencies, without the ability to proxy: C&E, LED, DEQ, the Department of Revenue, DWLF, PSC and a representative for statewide flood protection interests.¹⁴² This structured, high-level composition supports the DRIVE Initiative's goal of an integrated, collaborative approach to managing Louisiana's natural resources.

RESPONSIVE BY DESIGN

The commission's meeting dates are in statute and will provide continuous oversight, ensuring a structured, ongoing process to address emerging challenges, oversee projects and ensure transparency in natural resource management. It will streamline communication with the legislative branch, allowing formal discussions and resolution of legislators' concerns.¹⁴³ Additionally, the commission would, in theory, replace all task forces, boards and commissions designed to manage natural resources activities under the authority of C&E, except for the SMEB¹⁴⁴ (the "Mineral Board"), or reduce the need for such task forces, boards and commissions to manage future challenges. However, this Commission is not designed to replace existing boards and commissions outside C&E, such as the CPRA Board,¹⁴⁵ LDWF Commission,¹⁴⁶ or other such entities. It will allow for review of areas of concern in an open public forum at regularly scheduled meetings for issues not currently addressed.

The commission will operate under clearly defined goals, tasks and reporting guidelines, formally assigned by both the legislative and executive branches,¹⁴⁷ ensuring alignment with state policy and accountability at the highest levels. Institutionalizing this oversight within a permanent commission will create a proactive, transparent and collaborative framework for managing Louisiana's natural resources.

The commission provides a forum for strategic allocation of resources by coordination, supporting long-term planning focused on future challenges rather than only immediate concerns. It will allow the agency to make optimal use of its staff's varied skills and perspectives, driving innovation and resilience across departments. This includes developing cross-agency short-term projects that expand knowledge of agency operations.

The commission will emphasize structured public participation to build trust and encourage ongoing improvement through open public meetings. Its flexible structure will incorporate mechanisms for public input without the burden of numerous task forces, promoting public trust and allowing the agency to integrate community goals effectively while maintaining efficiency and clarity in responsibilities. This approach builds a resilient organization, fostering ongoing improvement through constructive public involvement.

The commission's composition will consist of seven members, each representing different departments or statewide interests in energy and natural resources. The commission's benefits will include strategic coordination and creating a platform for direct public engagement with the executive branch. Thus, the commission can function as a centralized clearinghouse for future issues necessitating executive branch action or review, effectively replacing ad hoc task forces with a more structured and systematic approach. The enabling legislation will include clear roles, meeting requirements and direct public reporting pathways. This commission is a cornerstone of the DRIVE Initiative and instrumental in building a modern, responsive natural resources management structure.

CONNECTING ENERGY AND WATER RESEARCH: RATIONALE, PRECEDENTS AND RECOMMENDATIONS

In Act 458, the Department, through the Office of Energy, can set up a formal certification process for Louisiana universities, research centers and other institutions that have special expertise in areas like energy technology, natural resources management, environmental protection and resource economics. Once certified, these institutions can partner with the Department on research and development.¹⁴⁸ The intent of this legislation is to develop a path to unify the state's scattered energy and water-related research programs. Rather than creating a single new campus, the process is conceived as a distributed consortium, recognizing one "subject type" (e.g., energy policy analysis, geological surveying, water resources research) statewide and integrating existing centers of excellence at universities, institutes and private partners. This model mirrors national laboratories: it will provide applied research, geological mapping, SONRIS data integration, renewable technology development and workforce certification programs. Certification curricula — such as Class VI well operations, solar project decommissioning and water compliance programs — could be developed with the Louisiana Community and Technical College System to promote workforce readiness.¹⁴⁹

WHY LOUISIANA NEEDS A COORDINATED APPROACH

FRAGMENTED RESEARCH AND DUPLICATION

Louisiana's universities and research centers have developed numerous overlapping institutes since the 1970s. Nicholls State University opened a Marine Laboratory at Port Fourchon in 1974¹⁵⁰ and subsequently subleased it to the Louisiana Universities Marine Consortium (LUMCON) when the legislature created LUMCON in 1979.¹⁵¹ The legislature established a Center for Energy Studies in 1982 on LSU's campus, UL Lafayette created the Energy Institute as a comprehensive unit for energy development and ecological research, Nicholls founded a new coastal program, and the University of New Orleans and McNeese State each opened separate marine or energy institutes. In recent years, SLU, Louisiana Tech, Southern University and McNeese have launched their own environmental or LNG research centers. With no statewide mechanism or plan to align agendas or pool resources, these programs compete for the same limited state funds and often duplicate one another's infrastructure and research objectives.

DATA GAPS AND MANAGEMENT BARRIERS

The *Capital Area Groundwater Conservation District* manages groundwater resources around Baton Rouge. Saltwater intrusion threatens the Southern Hills aquifer system, yet officials lack a comprehensive dataset on groundwater withdrawals and saltwater migration. The executive director of CAGCD noted that the district has contracted with the Water Institute of the Gulf and Louisiana State University to determine how much water is being pumped from the aquifer and how that affects saltwater migration.¹⁵² Annual groundwater use in the capital area — estimated at 64.8 billion gallons — is largely *self-reported*, especially by agriculture.¹⁵³ Without full participation from all well owners, it is difficult to evaluate saltwater intrusion or design effective mitigation strategies. The *Baton Rouge Water Company*, whose "scavenger well" pumps salt water from the Lula Street pump station, has offered to share data but emphasizes that a single well's information cannot represent regional conditions; officials stress that all wells and users must contribute to a

holistic solution.¹⁵⁴ CAGCD’s technical models page underscores the data gap. It explains that a cooperative modeling effort led by the U.S. Geological Survey and LSU “will soon provide within the next several years a *comprehensive view of groundwater flows and saltwater migration*,” confirming that a complete modeling dataset still does not exist. Meanwhile, the district relies on separate databases and ad hoc self-reporting. Similar fragmentation afflicts other resource areas: coastal erosion, renewable energy integration and carbon storage are studied independently by various university programs that rarely share data.¹⁵⁵

SCATTERED STATE INVESTMENTS

In the absence of a unified strategy, Louisiana often funds parallel projects at multiple campuses (See *chart below*). Each laboratory builds its own field stations, computing clusters and specialized staff. Without coordination, state appropriations are dissipated across duplicative facilities. For example, several universities maintain separate marine laboratories despite the existence of LUMCON as a statewide coastal research facility. Similarly, energy policy programs and carbon capture initiatives operate independently, competing for federal and state grants. This duplication wastes resources and undermines Louisiana’s ability to address complex, statewide challenges such as saltwater intrusion, decarbonization and renewable energy deployment.

PROGRAM	UNIVERSITY	NOTES
Center for Energy Studies	LSU	The Center for Energy Studies, established in 1982 by the Louisiana Legislature, provides economic and policy analysis on oil, gas, electricity, and renewable energy sources. It overlaps with UL Lafayette’s Energy Institute and McNeese’s LNG Center in terms of energy policy and workforce training.
Water Resources Research Institute	LSU	Coordinates statewide water research and trains scientists. Federally authorized under the 1984 Water Resources Research Act, it is one of several water research entities, with similar roles played by Turtle Cove, ICaWR, and PIES.
Institute for Energy Innovation	LSU	Leads research on renewable energy technologies, carbon capture and energy-storage systems to position Louisiana at the forefront of global energy innovation.
Louisiana Geological Survey	LSU	Provides geological and groundwater data. The state’s historic agency, established in 1973, removed its oil and gas regulatory arm and shifted its focus to geologic research and mapping. However, data integration is siloed, as multiple universities collect similar geological data.
Energy Institute of Louisiana	UL-Lafayette	The Energy Institute of Louisiana, located at UL-Lafayette, conducts research on oil, gas, renewable energy, and environmental impacts. Established as a “comprehensive research unit” for energy development, policy, and ecological impacts (the exact date is not specified), the institute collaborates with LSU’s CES and McNeese’s LNG Center, sharing a common mission.
Institute for Coastal & Water Research	UL-Lafayette	The Institute for Coastal & Water Research, located at UL-Lafayette, conducts research in climate change, coastal restoration, environmental modeling, and water management. Established relatively recently, its exact year of creation is not disclosed. This institute shares similarities with other coastal research centers, such as UNO’s PIES, LUMCON, Turtle Cove, and others.

PROGRAM	UNIVERSITY	NOTES
Pontchartrain Institute for Environmental Sciences	UNO	Focuses on coastal and environmental issues in the Lake Pontchartrain basin. Founded in 2001, it duplicates the functions of ICaWR, LUMCON, and Turtle Cove.
Marine Laboratory and DeFelice Marine Sciences Center	NSU/ LUMCON	Marine Laboratory and DeFelice Marine Sciences Center, located at the University of South Florida (NSU) and the Louisiana University of Military and Commercial Technology (LUMCON), are dedicated to coastal and marine science education and research. Established in 1974, Nicholls' Marine Laboratory was later subleased to LUMCON in 1979, and the DeFelice Marine Sciences Center opened in 1986. However, despite LUMCON's statewide consortium role, several campuses maintain separate coastal labs, leading to resource duplication and effort.
Trenchless Technology Center	La Tech	Develops innovative techniques for installing and rehabilitating water and sewer pipelines. Established in 1989 as the Trenchless Excavation Center, it expanded in 1992. This center aligns with the broader water infrastructure theme and overlaps with other universities' engineering endeavors.
Turtle Cove Environmental Research Station	SLU	Turtle Cove Environmental Research Station, a field station operated by the Southern Louisiana University (SLU), conducts research on wetlands and estuaries in Lake Pontchartrain. SLU assumed control of the station in 1981 and appointed a full-time director in 1984. The station shares its facilities with the PIES, ICaWR, and LUMCON organizations.
Center for Environmental Research (CER)	SLU	The Center for Environmental Research (CER), a research entity at the Southern Methodist University (SLU), monitors the environmental impacts of carbon capture and renewable energy projects and communicates its findings to the public. Launched in April 2025, the CER adds to the existing environmental research landscape in the region.
LNG Center of Excellence	MSU	The liquefied natural gas industry receives research and workforce training from this organization. Established in 2021 with a \$2.8 million grant, the program launched in 2022, and the facility is expected to open in 2025. This organization's efforts complement the energy sector training programs offered by Louisiana State University and University of Louisiana at Lafayette.
Center for River Studies	LSU	Expands beyond flood protection to include navigation systems; integrates engineering, ecological and economic strategies to enhance waterway resilience.
Environmental Research Center	MSU	The Environmental Research Center at McNeese State University conducts research on marsh creation using ship channel sediment and oil spill effects. They also evaluate coastal wetland restoration and oil spill remediation techniques. Similar wetland restoration research is being conducted at LUMCON, PIES, and Turtle Cove.
Water Institute of the Gulf	Hub	Serves as a research leader and commercialization hub; translates research into solutions for coastal and environmental sustainability; reinvests earnings into state priorities.
Southern University	SU-BR	Southern University (SUBR), a university focused on energy and water projects, lacks a formal institute. However, its civil engineering faculty conducts research funded by the Department of Energy (DOE) in environmental engineering, including water supply treatment, wastewater collection, biomass energy recovery, and hydrological modeling. These efforts compete for grants with larger centers.

SEPARATING DATA FROM ANALYSIS: TOWARD OPEN AND STANDARDIZED WATER DATA

Effective resource management requires transparent, standardized data. The Aspen Institute's *Internet of Water* report argues that all public water data needed to characterize and forecast water budgets should be open by default, discoverable and digitally accessible.¹⁵⁶ It recommends that states develop water data catalogs identifying all existing public water data and bind regulation, management practices and funding to the provision of open data.¹⁵⁷ Louisiana should adopt this approach. Specifically, the state should:

- **Mandate centralized reporting of groundwater and surface water data:** Municipal, industrial and agricultural users should report withdrawals, water levels and water quality to a state-managed database. This would eliminate reliance on voluntary, self-reported data and allow comprehensive modeling and gap analyses.
- **Make data open and discoverable:** Proprietary modeling methods may remain confidential, but the underlying data should be public. Open data foster transparency, allow independent verification and support informed decision-making. As the Aspen report notes, data should be shared as openly as possible, balancing privacy and security with the benefits of openness.¹⁵⁸
- **Invest in shared infrastructure:** State of the art computing resources, field instruments and laboratories should be pooled across institutions rather than duplicated. A centralized data and equipment platform would promote equity and efficiency.

Adopting open data policies would directly address the CAGCD example. All well owners, including agricultural users, would be required to report withdrawals. This requirement would enable a complete groundwater flow and saltwater migration model for the Southern Hills aquifer, allowing regulators to design effective mitigation strategies.

PRECEDENT FROM NORTH CAROLINA: UNIFIED UNIVERSITY GOVERNANCE

Louisiana can draw lessons from the University of North Carolina (UNC) System, which consolidated separate public institutions into a single university system in 1971–72.¹⁵⁹ The UNC Board of Governors determines the functions and academic programs of constituent institutions and reviews all proposals for new degree programs, considering whether existing programs already serve the need.¹⁶⁰ To develop new programs, campuses must demonstrate statewide demand, show that they do not duplicate existing offerings and align proposals with state workforce needs.¹⁶¹ The Board also issues a unified, system-wide budget request for higher education.¹⁶²

Another noteworthy feature is North Carolina's Distinguished Professors Endowment Trust Fund. State funds for endowed chairs are provided as challenge grants that require universities to match state dollars with private donations. The statute explains that private support helps obtain distinguished scholars and that each constituent institution may receive challenge grants only if it raises matching funds.¹⁶³ Focused growth institutions receive one dollar of state funds for each privately raised dollar, while other institutions must raise two private dollars for each state dollar.¹⁶⁴ This model encourages private investment and limits state-funded program proliferation.

The UNC system demonstrates how centralized governance, unified budgeting and private matching requirements can prevent duplication and align university programs with statewide needs. Louisiana's higher education landscape lacks a comparable mechanism. Universities independently lobby the legislature for funds, resulting in multiple energy and water institutes that duplicate infrastructure and compete for the same pools of money.

IMPLEMENTING A CERTIFICATION PROCESS FOR LOUISIANA

Act 458 empowers the C&E Secretary to certify academic and research institutions and to make agreements governing intellectual property ownership.¹⁶⁵ A well-designed certification regime could transform Louisiana's patchwork of research programs into a coordinated network. Drawing on the UNC model and open data principles, the certification process should include the following elements:

1. **Subject area hubs:** Certification would designate one statewide hub for each subject area (e.g., energy economics, groundwater modeling, carbon sequestration, coastal restoration, renewable technology development). Certified programs would be recognized as the primary resource for their subject, and other campuses would collaborate with them instead of creating parallel institutes. For example, LUMCON could serve as the certified field research facility for coastal and marine science, while LSU's Center for Energy Studies might be the hub for energy economics.
2. **Open data requirements:** Certified centers must adhere to standardized data collection and reporting protocols. All groundwater withdrawals, emissions and research outputs collected with public funds should be reported into a unified database accessible to regulators, researchers and citizens. Proprietary analyses and models may remain confidential, but policy recommendations must rely on publicly available data.
3. **Centralized funding:** State appropriations should fund only one major program per subject per institution. Universities seeking to expand beyond this base must secure matching funds from private or federal sources. This mirrors North Carolina's challenge -grant model¹⁶⁶ and discourages duplicative state-funded programs.
4. **Governance and oversight:** An Institute Board — possibly comprised of representatives from C&E, the NRC, the Board of Supervisors, universities and industry — should review certification applications. Proposals must demonstrate unmet statewide need, avoid duplicating existing programs and show how the program will coordinate with other certified centers. The board should also oversee data standardization policies and evaluate program performance based on metrics such as research outputs, workforce training and contributions to state goals.
5. **Pooling equipment and expertise:** Certified centers would share laboratories, computing resources and field equipment. Smaller institutions could access state of the art instruments without duplicating infrastructure, fostering equity and collaboration.
6. **Public accountability:** Open data and regular performance reporting would allow legislators and citizens to evaluate the effectiveness of the certification regime. Linking funding to data transparency ensures that public money supports programs that contribute to statewide knowledge and economic development.

RECOMMENDATIONS FOR ESTABLISHING THE INSTITUTE

1. **Promulgate rules and criteria for certification:** C&E, in coordination with the NRC, should develop regulations specifying eligibility criteria, data reporting requirements and standards for collaboration. These rules should require demonstration of statewide need and avoidance of duplication, similar to the UNC Board of Governors' program-approval criteria.¹⁶⁷
2. **Launch a statewide water data catalog:**¹⁶⁸ Implement the Aspen Institute's recommendations by inventorying existing public water datasets and making them open, discoverable and digitally accessible.¹⁶⁹ Couple the catalog with mandatory reporting of withdrawals and water quality, ensuring comprehensive datasets for modeling and policy.
3. **Designate provisional hubs:** As an interim step, certify existing strong programs — such as LUMCON for coastal research, LSU's Center for Energy Studies for energy economics, the Water Institute of the Gulf for water modeling and UL Lafayette's Energy Institute for renewable technology — while requiring them to coordinate and share data.
4. **Align funding with certification:** Condition state investments on certification status and require private or federal matching funds for program expansion.¹⁷⁰ Appropriations for equipment, facilities and staff should be consolidated through an Institute Board rather than distributed piecemeal to individual universities.
5. **Provide workforce training and certification programs:** Develop standardized curricula in partnership with the Louisiana Community and Technical College System to meet industry needs in carbon sequestration, renewable energy operations, pipeline safety and water resource management. Certification ensures statewide recognition of credentials and alignment with regulatory requirements.
6. **Evaluate and adjust:** After an initial implementation period, conduct an external review of the certification program's effectiveness in reducing duplication, improving data quality and advancing state goals. Use findings to refine rules, adjust hub designations and update data protocols.

Louisiana faces complex challenges at the intersection of energy, water and environmental management. Saltwater intrusion threatens the Southern Hills aquifer; energy markets demand decarbonization and innovation; and the state's research landscape is fragmented across competing institutions. Act 458 gives C&E the authority to certify research programs and coordinate expertise.¹⁷¹ By adopting an Institute built on open data, centralized governance, subject area hubs and private matching requirements, Louisiana can transform its patchwork of duplicative centers into a cohesive research network. Drawing on lessons from North Carolina's unified university system and the Aspen Institute's open data-principles, the Institute can ensure that public investments yield statewide benefits, foster transparency and position Louisiana as a leader in sustainable energy and water management.

CHANGING REGULATION AND JURISDICTION

RENEWABLES

Louisiana has taken significant steps to centralize regulation of renewable energy. Act 279 (2025) requires permits and proof of financial security for battery storage, onshore wind and solar power facilities. The statute vests exclusive jurisdiction in C&E and imposes decommissioning and setback requirements. Act 179 authorizes C&E to create a nuclear generation permitting program and to expedite environmental permits. Act 462 establishes a policy framework for “clean and renewable energy,” emphasizing affordability, reliability and dispatchability. Finally, House Resolution 212 directs C&E and the PSC to study the feasibility of nuclear energy.

In early 2025, the Department temporarily directed staff to defer duties related to certain wind, solar and energy-efficiency initiatives for a reevaluation following the legislative session. Justification for this decision noted that “recent shifts in federal policy” and ongoing state legislative deliberations created uncertainty; therefore, DENR would defer non-mandatory aspects of offshore wind feasibility studies, grant-funded solar programs and energy efficiency grants. The letter emphasized that the pause is not a cancellation but a strategic step to ensure future initiatives align with public sentiment and long-term funding; the deferment ran through July 1, 2025.¹⁷²

These developments underscore the need for comprehensive and clear permitting pathways, financial assurance requirements and careful coordination with federal policy. While C&E now holds primary jurisdiction over large-scale renewable projects, it must also address local concerns (e.g., setbacks, decommissioning) and coordinate with agricultural and wildlife agencies.

OIL & NATURAL GAS

PIPELINES

One challenge Louisiana faces is the jurisdictional gap created when pipeline systems are divested into component parts, particularly where gathering or terminal assets are separated from larger interstate systems. Historically, Federal Energy Regulatory Commission (“FERC”) jurisdiction under the Interstate Commerce Act applied to interstate transportation, while intrastate gathering systems were exempt. This produced uncertainty where assets located within Louisiana physically connected to interstate networks but operated only to move Louisiana production.

The May 30, 2024, memorandum from the DENR highlighted that jurisdictional ambiguity “should not be viewed as a strategy for unregulated development,” warning that attempts to exploit statutory gray areas devalue State minerals, cause safety concerns and invite disputes between operators and landowners.¹⁷³

Act 458 of the 2025 Regular Session closed part of this gap by redefining “intrastate pipeline” to include any pipeline located in Louisiana and “exempt from the control of the Federal Energy Regulatory Commission,” while striking the prior statutory language that limited the definition to systems that “do not extend beyond the boundaries of the state.” By eliminating the geographic qualifier, the legislature made clear that Louisiana retains jurisdiction over pipelines operating within the state that are outside FERC’s reach, even if they physically cross state boundaries.¹⁷⁴

Going forward, this change reduces the risk of pipelines being operated as unregulated entities through careful structuring of ownership or route. However, it also requires C&E and the PSC to develop consistent policies to define where state oversight begins and ends. Without careful implementation, disputes over whether assets are “transportation” versus “terminaling,” or whether facilities are “necessary and incident” to a regulated pipeline, may persist.¹⁷⁵

FEDERAL COMPARISON

At the federal level, FERC distinguishes between transportation subject to regulation and “gathering” or “processing” functions that fall outside its jurisdiction, often using the “integral to transportation” test. Under this approach, facilities that merely prepare or collect crude oil or gas before it enters an interstate line are exempt, while facilities that move hydrocarbons from one point to another are regulated. By adopting Act 458, Louisiana has ensured that pipelines located in the state but deemed exempt from FERC — including those crossing state lines — cannot claim a regulatory void. Instead, they remain subject to Louisiana jurisdiction as “intrastate pipelines.” This alignment both complements and diverges from FERC’s approach: while federal law narrows jurisdiction to transportation functions, Louisiana has expanded its statutory definition to ensure continuous state oversight when FERC steps back.

A proactive approach is therefore necessary:

- Establish formal coordination between the Department, the PSC and federal agencies to clarify jurisdiction on a project-by-project basis.
- Provide guidance to industry that contractual arrangements cannot override state jurisdiction where statutes confer regulatory authority.
- Ensure that rate regulation, safety oversight and expropriation powers are applied consistently across pipeline systems, regardless of whether assets were formerly subject to FERC tariffs.
- By addressing these questions prospectively, Louisiana can minimize conflict, protect the value of state resources and provide regulatory certainty to operators and landowners alike.

ROYALTY AND SEVERANCE REFORMS

Executive Order JML 25-72 directed the Department to develop a plan to reduce state mineral royalties and to provide guidance on implementing recent severance tax reductions. The order explains that targeted royalty adjustments and severance tax reform are intended to “revitalize Louisiana’s oil and gas industry” and that the NRTA will finance remediation of orphaned wells. A progress report dated August 23, 2025, notes drafting specific royalty-reduction incentives and administrative guidelines; these incentives aim to encourage new drilling, stimulate re-entries and recompletions, and facilitate plugging of unproductive wells. The report highlights cooperation with Louisiana State University to model economic impacts and a plan to solicit comments from operators, trade groups and capital markets.¹⁷⁶

Act 295 of the 2025 Regular Session implements these directives by reducing severance taxes on oil from new wells and lowering rates for incapable and stripper wells.

PRODUCED WATER MANAGEMENT AND BENEFICIAL REUSE

The water produced during oil and gas extraction — often disposed of in Class II saltwater disposal wells — presents both a liability and a resource.¹⁷⁷ The Office of Fossil Energy notes that almost all produced water is injected underground; the remainder is treated or reused. States and operators are exploring ways to reduce injection volumes by recycling produced water for industrial, agricultural or domestic use, especially in arid regions. New technologies — such as ceramic membrane filtration, electrocoagulation and ion exchange — can treat highly saline produced water to meet industrial cooling specifications.

Several states provide regulatory frameworks for industrial water reuse, although most focus on treated municipal wastewater. The U.S. EPA's water reuse guidance notes that industrial reuse includes using recycled water for manufacturing or cooling data centers; it also acknowledges that water may originate from onsite processes such as oil and gas production. Texas's industrial reuse regulations authorize the use of reclaimed water — including non-contact and once-through cooling water — for cooling tower makeup and specify treatment and performance standards. Although Texas's rules focus on municipal wastewater, they demonstrate that states can craft industrial reuse standards.

Other jurisdictions are beginning to explore reuse of produced water itself. In New Mexico, researchers are conducting controlled experiments to irrigate hemp, sunflowers and trees with purified fracking wastewater; however, open environment use of produced water remains prohibited, and state officials caution that there is too much produced water to dispose of on site. West Virginia University researchers have modeled cotreating powerplant cooling tower blow down with produced water; their simulations show that the treated water can replace nearly all the blow down water in powerplant cooling, reducing freshwater demand. Industry voices have suggested using treated produced water to cool hyperscale data centers; a West Texas water treatment company argues that produced water, once treated to industrial specifications, could supply hybrid or evaporative cooling systems, reducing demand on municipal water and avoiding injection restrictions. These proposals remain largely conceptual, but they illustrate potential pathways.

Because produced water is exempt from regulation under the Resource Conservation and Recovery Act (RCRA) so long as it remains within the “cradle-to-grave” oilfield waste stream, Louisiana could develop a *custody demonstration program* allowing operators to treat and reuse produced water for industrial cooling while maintaining the exemption. Such a program would require C&E, DEQ and the EPA to establish treatment standards, monitoring protocols and liability protections. Louisiana could draw on the DOE's research and other states' guidelines to craft a *state-specific framework* that encourages reuse, reduces injection pressures and seismic risks, and supplies non-potable water for industries such as data centers or power generation. To date, no U.S. State has fully implemented such a program; New Mexico's and West Virginia's experiments are the closest analogs. Developing a Louisiana program would position the state as a leader in produced water management and could unlock new economic opportunities.¹⁷⁸

SEAWARD BOUNDARY EXTENSION AND STATE JURISDICTION

The *Submerged Lands Act of 1953* confirms state control over natural resources within three nautical miles of the coastline, with two exceptions — *Texas and Florida* — which retain jurisdiction to *three marine leagues* (about nine nautical miles). Louisiana, Mississippi and Alabama remain limited to three nautical miles, leaving decisions about leasing and development in adjacent waters to federal agencies. The *Seaward Boundary*

Memorandum contends that the historic boundaries of Louisiana, Mississippi and Alabama extended to the *high seas* and that the 1960 Supreme Court decision limiting their jurisdiction to three miles misinterpreted historical documents. It argues that states entering the Union believed their maritime boundaries extended *three marine leagues*, consistent with customary international law and colonial charters.

Extending Louisiana’s boundary would have significant economic and environmental benefits. A broader boundary would *increase state revenue* from offshore oil and gas production and facilitate the development of offshore wind projects. It would also allow Louisiana to implement more comprehensive *environmental stewardship*¹⁷⁹ measures, such as marine protected areas and tailored conservation programs, and enhance maritime security and enforcement.

A separate memo (the “Blue River Boundary” proposal) advocates amending the Submerged Lands Act to give Louisiana, Mississippi and Alabama the same seaward boundary as Texas and Florida, asserting that “every Gulf state should have the same authority over its own waters.” The proposal outlines a *two-track strategy*: (1) pursue Congressional legislation to amend 43 U.S.C. § 1301(b) to set the boundary at three marine leagues; and (2) work with the U.S. Department of the Interior to create joint state–federal task forces, enhance Coastal Zone Management Act consistency procedures, and expand state enforcement roles for offshore activities.¹⁸⁰

Adopting this strategy would align Louisiana’s jurisdiction with that of Texas and Florida, enabling the state to manage its offshore resources and environmental protection more effectively and equitably.

CARBON SEQUESTRATION & OTHER OPPORTUNITIES

Act 508 (2025) dedicates revenue from carbon dioxide sequestration on state property: 30 percent of injection-based revenue is remitted to the governing authority of the affected parish, with the remainder deposited in either the Louisiana Wildlife and Fisheries Conservation Fund or the state general fund. Act 620 (2024) updated eminent domain rules for CO₂ pipelines and set financial assurance requirements. House Bill 691 (Act 397, 2025) increased civil penalties for violations of underground injection rules and imposed detailed reporting requirements for carbon injection.

Louisiana is well-positioned to leverage carbon credit opportunities in ways that expand state revenue while engaging with corporate and international efforts on climate. Carbon credits — whether generated via compliance or voluntary markets — remain volatile and quality-sensitive, but demand among major corporate buyers continues to grow, especially from energy-hungry sectors like tech and data centers. In 2024 alone, the global voluntary carbon market transacted around 84 million tons of CO₂-equivalent, valued at approximately \$535 million, but only high-integrity credits are attracting top-dollar buyers.¹⁸¹ With market oversight still developing and uncertainty persisting over standards, thoughtful state-level interventions could broaden participation and integrity.

Recognizing this, Louisiana’s legislature passed Act 508 in 2025,¹⁸² accepting CO₂ sequestration income as being royalty-equivalent — setting the stage for more inventive fiscal tools. One concept under discussion is a plug-and-abandonment credit framework: after verified plugging and restoration of orphaned wells, contractors or operators could receive transferable dollar-denominated credits usable to offset cash bonuses, rentals, and royalties.

Protective design features such as a statutory cash floor would ensure the state continues to receive a minimum cash remittance, while allowing surplus credits to carry forward. Allowing credits to be transferable via a registry could broaden their market appeal and draw private investment. Additionally, the voluntary arbitration provisions enacted in Act 458 of 2025 create a pathway for contractors and non-operators to secure Act 312 of 2006 protections when plugging and abandoning wells.¹⁸³ This is particularly beneficial if the state maintains a registry of such actions as part of the process. Although still hypothetical, this approach could transform legacy liabilities into instruments that support both cleanup and fiscal health.

Simultaneously, recent laws like Act 295 of 2025 (severance-tax reduction for new wells) and Act 458 of 2025 (which reorganized DENR and created a Natural Resources Financial Security Fund) illustrate Louisiana's broader strategy of weaving carbon and economic policy together — balancing incentives for resource development with environmental responsibility.

Louisiana also boasts immense blue-carbon potential, with coastal wetlands storing a disproportionate share of global carbon. While scientific and legal hurdles remain, grouping projects, strengthening ownership clarity, and exploring voluntary credit markets could make blue carbon a meaningful revenue and environmental opportunity. Launching these ideas will require piloting and establishing sturdy infrastructure — like state-aligned carbon registries, transparent governance, and quality protocols — to attract serious buyers. But if done carefully, Louisiana could transform oil-field remediation and coastal restoration into creditable, fiscally productive paths.

CHAPTER 6

CONCLUSION



The DRIVE Initiative stands as a turning point in Louisiana’s long tradition of natural-resource governance. Codified through Act No. 458 of 2025 and Act No. 727 of 2024, authored by Committee Chairs on Natural Resources, in their respective chambers, Senator Bob Hensgens and Representative Brett Geymann, respectively, transformed the former Department of Energy and Natural Resources into the Department of Conservation and Energy and establishes the institutional framework for a more transparent, accountable, and future-ready state government. The Initiative is not a one-time reorganization but the foundation of a continuous-improvement model — anchored in evidence, technology, and statutory clarity — to ensure that Louisiana’s decisions remain balanced between environmental stewardship, fiscal responsibility, and economic growth.

Through its reforms, the state has consolidated fragmented authorities, embedded a genuine separation of powers within the executive branch, and modernized internal systems to deliver measurable results. The new structure empowers leadership to act decisively while maintaining independent fiscal oversight and technical rigor. By centralizing permitting, strengthening enforcement, and integrating data across agencies, Louisiana now possesses the operational tools to respond quickly to emerging challenges in water, energy, and land management. These reforms also reaffirm a broader principle: that autonomy and accountability must advance together to preserve public trust.

Most importantly, DRIVE demonstrates Louisiana’s commitment to manage its resources not as commodities to be exhausted but as assets to be protected and renewed. It honors the century-old conservation ethic begun in 1908 while embracing the realities of a twenty-first-century economy driven by data, innovation, and resilience. As C&E implements these reforms, the Department will continue to lead through its guiding pillars — Transparency, Balance, and Solutions — ensuring that every decision rests on sound science, clear law, and open governance.

Louisiana enters this new era with purpose and confidence. By aligning people, process, and technology under a unified mission, the state has positioned itself not merely to meet today’s demands but to anticipate tomorrow’s. The DRIVE Initiative secures Louisiana’s legacy as a national model for effective, principled, and forward-looking resource stewardship — laying the groundwork for prosperity and sustainability for generations to come.

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REVISED STATUTES	
R.S. 9:2082 & 9:2091	Louisiana Trust Code provisions on trustee duties.
R.S. 30:1	Establishes the Department of Conservation and Energy (now part of the Department of Energy & Natural Resources) and provides that the department is directed and controlled by a commissioner of conservation; the commissioner is appointed by the governor and has jurisdiction over natural resources and waste disposal.
R.S. 30:2	Prohibits waste of oil and gas — “Waste of oil or gas as defined in this chapter is prohibited”.
R.S. 30:3	Definitions for Title 30 (e.g., definitions of brine, gas, illegal oil, pool, owner, etc.).
R.S. 30:4	Gives the department broad authority to prevent waste of oil and gas and to make rules on drilling, casing, cementing, plugging, and permitting of wells; allows rule-making to require plugging of abandoned wells and site cleanup and to collect reports and establish gas–oil ratios.
R.S. 30:4.1	Authorizes the department to permit and regulate hazardous-waste underground injection disposal; includes definitions and procedures for public hearings, permit issuance, and penalties.
R.S. 30:4.2	Wildlife and Fisheries enforcement.
R.S. 30:4.3	Authorizes the commissioner to require financial security for plugging and site cleanup.
R.S. 30:5	Grants authority over carbon black plants, gas recycling and unit operations.
R.S. 30:5.1	Authorizes unitization of deep pool wells and ultradeep structures.
R.S. 30:5.2	Provides for coal seam natural gas producing areas and unitization authority.

REVISED STATUTES

R.S. 30:6	Authorizes the commissioner to conduct evidentiary hearings on matters under his jurisdiction.
R.S. 30:6.1	Emergency authority of the commissioner, now the Secretary.
R.S. 30:7	Authority to fix production allowables for oil and gas.
R.S. 30:8	Authorizes issuance and enforcement of subpoenas.
R.S. 30:9 – 11.1	Governs units and pooling of mineral interests.
R.S. 30:12 – 24	Provides for judicial review, citizen suits, appeals process, and underground storage.
R.S. 30:19	Prohibits the sale of illegal gas.
R.S. 30:21	Authorizes fees and other charges.
R.S. 30:22 – 23.1	Regulates underground storage of liquid and gaseous substances.
R.S. 30:25	Provides for closure of production pits in wetlands.
R.S. 30:26 & 28	Authorizes permitting of exploration and production wells.
R.S. 30:31 – 34	Requires closure (plugging and abandonment) of wells.
R.S. 30:41	Establishes common purchaser obligations for natural gas.
R.S. 30:82 – 89	Governs the Oilfield Site Restoration Program and regulation of orphaned oilfield sites.
R.S. 30:121 et seq.	Governs the State Mineral & Energy Board's authority.
R.S. 30:412	Measure of damages for failure to supply.
R.S. 30:501 – 504	Natural Resources and Energy Act.
R.S. 30:542	Administration/enforcement (pipeline safety).
R.S. 30:544	Penalties, civil/criminal
R.S. 30:550	Authority over intrastate gas pipelines.
R.S. 30:560-561	Pipeline safety & inspection fees.
R.S. 30:603–606	Investigations, hearings, rehearing's.

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R.S. 30:704–705	Admin/enforcement; violations.
R.S. 30:901 et seq.	Louisiana Surface Mining Act.
R.S. 30:917–921	Inspections & monitoring penalties.
R.S. 30:1101 et seq.	CO ₂ sequestration (Geologic Sequestration Act).
R.S. 30:2455 et seq.	LOSCO statutes.
R.S. 36:354(A)(14)	Establishes certification process for academic and research institutions after amendment by Act No. 458.
R.S. 36:355	Grants the Undersecretary authority over management and finance functions; forms the basis for financial separation.
R.S. 36:356(B)	Provides that the undersecretary has authority over management and finance functions within the department; this creates a firewall between policy and finance.
R.S. 38:84 et seq.	Cited as amended to achieve statewide water-management reforms.
R.S. 42:1101	Code of Governmental Ethics.
R.S. 45:1338	Appears in your list; may refer to pipeline or utility regulation
R.S. 49:214.21 et seq.	Coastal Zone Management Program.
R.S. 49:308 & 49:314	Treasury deposit and appropriation rules
R.S. 56:1 et seq.	Wildlife and Fisheries Code.
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Act No. 727, 2024 Reg. Sess.	Reorganizes the Department of Energy & Natural Resources by creating the Louisiana Natural Resources Trust Authority and new offices (enforcement, energy, land and water) and amends various statutes.
Act No. 458 2025 Reg. Sess.	Renames the Department of Energy & Natural Resources as the Department of Conservation and Energy; replaces the commissioner with a secretary appointed by the governor and establishes offices of permitting and compliance, enforcement, and state resources.
Act No. 16, 2024 3d Extra Sess.	Part of the 2024 extraordinary session reforms, increased the oilfield site restoration fees.
Act No. 17 2024 3d Extra Sess.	Modernizes Mineral & Energy Board leasing to include alternative energy.
Act No. 726, 2024 Reg. Sess.	Restructures CPRA's board and adds independent appointees.
Act No. 296, 2025 Reg. Sess.	Codifies expedited processing fees.
Act No. 144, 1908 Reg. Sess.	Created the Commission for the Conservation of Natural Resources.
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Act No. 93, 1936 Reg. Sess.	Established the State Mineral Board and central leasing authority.
Act No. 133, 1924 Reg. Sess.	Prohibited pollution of waterways by oilfield waste.
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Act No. 150, 2023 Reg. Sess.	Renamed DNR as the Department of Energy and Natural Resources.
Act No. 548, 2025 Reg. Sess.	Treats CO ₂ sequestration income as royalties; allocates revenues among parishes and conservation funds.
Act No. 458, § 3, 2025 Reg. Sess.	Authorizes the Secretary to establish a certification process for academic institutions.

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- 43 This authority is codified pursuant to Act 458 of the 2025 Regular Session, effective October 1, 2025. By operation of law, upon initiation by the Deputy Secretary, certification by the Undersecretary, and issuance under the authority granted to the Secretary in La. R.S. 36:354(A)(14) (as amended by Act 458 of the 2025 Regular Session), the Secretary is empowered to establish immediate agency policy with full force and effect upon issuance. This framework also establishes a durable lineage of policy directives, allowing individual policies to be implemented across successive administrations while remaining anchored to their original statutory authority and intent.
- 44 Proposed division within the Office of the Secretary of C&E.
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- 96 La. R.S. 49:308. (Deposit requirement)
- 97 La. R.S. 49:314 (no withdrawals from the treasury absent an appropriation in accordance with law).
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- 140 The NRSC was a commission, established in Executive Order JML 24-77, to review and issue recommendations for the reorganization process under EO JML 24-13. The NRSC held meetings on June 18 and September 20, 2024. Its report was issued in October 2024. See <https://gov.louisiana.gov/index.cfm/form/home/52>.
- 142 Gubernatorial appointment of Executive Director of CPRA, Executive Director of CURRENT, Secretary of DOTD, or Chief Resilience Officer.
- 143 Legislators, through C&E, may bring concerns directly to the NRC for review.
- 144 La. R.S. 30:121, et seq.
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- 147 Broad authority established in Title 36 of the Revised Statutes with specific guidelines and policy developed by C&E.
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- 160 UNC Policy Manual § 400.1: Policy on Academic Program Planning (adopted May 23 2024), University of North Carolina System, <https://www.northcarolina.edu/apps/policy/doc.php> (describing the Board of Governors' role in approving new degree programs and requiring that proposals demonstrate unmet need and avoid duplication).
- 161 *See Id.*
- 162 *See Id.*
- 163 Matching funds requirement. *See N.C. Gen. Stat. § 116-41.15 (2023)* (establishing the North Carolina Distinguished Professors Endowment Trust Fund, which matches private gifts with state funds and requires universities to raise private contributions for additional endowed positions).
- 164 *See Id.*
- 165 Act 458, § 3, 2025 La. Acts — SB 244 (amending La. R.S. § 30:1 et seq.) (authorizing the secretary to create a certification process for academic and research institutions, requiring coordination with the Natural Resources Commission, and directing promulgation of rules).
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- 181 Louisiana's energy landscape is transforming due to the rapid growth of the AI-driven computing industry. The state has 13 operational data centers, mostly in Baton Rouge, New Orleans, and Shreveport. Large-scale hyperscale projects are underway, like Hut 8's \$2.5 billion facility, which needs 300 MW of power—equivalent to serving 54,000 homes. Meta also plans a \$10 billion AI-focused data center in Richland Parish. To meet its electricity demands, Entergy has secured regulatory approval for new natural-gas turbine plants and up to 1,500 MW of solar capacity. These developments emphasize the need for high-integrity carbon credits, robust registry infrastructure, and structured fiscal tools for Louisiana's energy and fiscal strategy.
- 182 Act 548, 2025 La. Acts (treats CO2 sequestration income as royalties, allocating 30% of injection-based revenue to parishes within the project's review area and the remaining 70% to the Louisiana Wildlife and Fisheries Conservation Fund or the state general fund, depending on the landowner. The revenue includes injection fees, guaranteed annual payments, and other income. This structure establishes a precedent for crediting operators or landowners who facilitate sequestration projects..)
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GLOSSARY OF TERMS

A

Act: A bill that has been finally passed by the House and Senate, enrolled, signed by the legislative presiding officers, signed by the governor (or allowed to become law without his signature), and assigned an Act number by the secretary of state. Joint resolutions (proposed constitutional amendments) are bills and are processed as such, except they are not signed by the governor or subject to the governor's veto.

Administrative Code (La. Admin. Code): The compilation of rules and regulations that govern the operation of Louisiana's state agencies. It outlines procedures for the implementation and enforcement of state laws.

Act 458 (2025): Legislation that renames the Department of Energy and Natural Resources to the Department of Conservation and Energy and replaces the position of commissioner with a secretary, appointed by the governor, and establishes new offices within the department, including the offices of permitting and compliance, enforcement, and state resources.

Act 727 (2024): Legislation that establishes the Louisiana Natural Resources Trust Authority, setting financial obligations for natural resource management, including provisions for managing financial instruments related to plugging abandoned wells and ensuring environmental protection.

Adaptive Management: A dynamic approach to managing natural resources that involves continuous learning and adaptation in decision-making, allowing for flexible responses to environmental changes and new information.

Administrative Code (La. Admin. Code): The compilation of rules and regulations that govern the operation of Louisiana's state agencies.

Allowable: The maximum amount of oil or natural gas that a well or field is permitted to produce during a specific period, as determined by regulatory authorities. Allowables are established to prevent overproduction, conserve resources, and ensure market stability while minimizing environmental impacts. These limits are typically based on factors such as reservoir capacity, market demand, and conservation policies. In Louisiana, allowable production rates are often set by the state's Office of Conservation or similar regulatory agencies.

Alluvial: Pertaining to deposits of sand, silt, clay, and gravel left by flowing rivers or streams, typically found in floodplains, riverbeds, and deltas. Alluvial aquifers are unconfined, meaning they are not bounded by impermeable layers, and are usually shallow. These aquifers are highly permeable, making them productive water sources for agriculture, municipal, and industrial uses, but they are also more vulnerable to contamination due to their proximity to the surface.

Aquifer: A geological formation of permeable rock, sand, gravel, or silt that stores and transmits significant quantities of groundwater. Aquifers are critical sources of freshwater for agricultural, industrial, and municipal use. They can be categorized as unconfined aquifers, which are close to the surface and recharge directly from precipitation, or confined aquifers, which are trapped between layers of impermeable material, creating pressure that can cause water to flow naturally when tapped by a well.

Artesian: Refers to a type of groundwater system where water is confined under pressure between impermeable layers of rock or sediment, such as clay or shale. When a well is drilled into an artesian aquifer, the water is forced to the surface without the need for pumping due to the natural pressure in the system. Artesian conditions are typically found in confined aquifers where the recharge area is at a higher elevation than the point of discharge.

B

Barrel: The basic unit for measuring oil, equal to 42 U.S. gallons.

Bit: A drilling tool that cuts the hole, designed on either a rotary or cable tool principle.

Blow-Out Preventer: A casing head control filled with gates or rams to close the top of the casing.

Boyle's Law: A law stating that when gas is compressed at constant temperature, the pressure and volume have an inverse relationship.

BTU: British Thermal Unit, a measure of heating value used to compare different fuel types.

Budgeting and Resource Allocation: The process by which funds are distributed across various departments and projects within an organization, ensuring that resources are used effectively to meet strategic goals.

REFERENCES

C

Capital Area Groundwater Conservation District (CAGCD): A regulatory body established to manage and protect groundwater resources within the capital area of Louisiana. The district is tasked with ensuring the sustainable use of aquifers, preventing groundwater depletion, and minimizing environmental impacts associated with water extraction. It operates under state legislation and collaborates with local governments, industries, and other stakeholders to regulate water usage, monitor aquifer conditions, and implement conservation measures. The CAGCD plays a critical role in maintaining the availability and quality of groundwater for municipal, industrial, agricultural, and environmental needs in the region.

Carbon Capture: The process of capturing carbon dioxide (CO₂) emissions at their source, such as from industrial facilities or power plants, before the CO₂ is released into the atmosphere. This technology is designed to mitigate greenhouse gas emissions and combat climate change by reducing the carbon footprint of industrial activities.

Carbon Capture Utilization (CCU): The process of capturing CO₂ emissions and repurposing them for industrial or commercial use. Common applications include using CO₂ in enhanced oil recovery, the production of synthetic fuels, or as a raw material in the manufacturing of chemicals, building materials, and other products. CCU focuses on creating economic value from captured CO₂ while reducing emissions.

Carbon Capture and Storage (CCS): A process that involves capturing CO₂ emissions from industrial sources and permanently storing them underground in geological formations, such as depleted oil and gas fields or deep saline aquifers. CCS is a critical component of climate mitigation strategies aimed at reducing atmospheric CO₂ levels and addressing global warming.

Carbon Capture, Utilization, and Storage (CCUS): An integrated approach that combines carbon capture with both utilization and storage. CCUS captures CO₂ emissions, repurposes a portion for industrial uses, and stores the remainder in secure geological formations. This comprehensive approach aims to both reduce emissions and promote the circular use of carbon in industrial processes, supporting the transition to a low-carbon economy.

Casing: Heavy steel pipe used to seal off fluids or stabilize the wellbore.

Casinghead Gas: Gas produced with oil and extracted from the top of the well.

Catalytic Cracking: A refining process to break down large hydrocarbons using a catalyst.

Christmas Tree: The assembly of valves, pipes, and fittings controlling oil and gas flow from the casing head.

Coastal Protection and Restoration Authority (CPRA): A state agency responsible for protecting, restoring, and enhancing Louisiana's coastal areas. CPRA manages flood protection infrastructure and implements coastal restoration projects.

Commercial Operations: Refers to activities, operations, or entities engaged in the production, processing, or distribution of goods or services as it applies to operations that discharge saltwater as a byproduct of their activities, including but not limited to oil and gas extraction, manufacturing, and energy generation, giving consideration to operations with significant environmental impacts due to their scale, frequency, or intensity of saltwater discharge, requiring structured assessment and mitigation measures.

Coastal Waters: The interconnected body of water located near the land-sea interface, encompassing estuaries, bays, tidal rivers, lagoons, and nearshore marine areas. Coastal waters extend seaward from the shoreline to a defined boundary, often the outer edge of the continental shelf, and landward to include areas influenced by tidal movements. These waters serve critical ecological, economic, and cultural functions, supporting diverse marine life, transportation, fisheries, recreation, and coastal protection. Definitions may vary based on jurisdiction or regulatory context.

Commission-Based Governance Model: A proposed structure for managing Louisiana's natural resources, where a central commission oversees various aspects of natural resource management, ensuring coordination and strategic alignment.

Natural Resources Commission: A body responsible for creating rules and regulations to preserve Louisiana's natural resources, established in 1912, re-created in Act 458 of 2025 Regular Session.

Common Carrier: A pipeline operator that transports oil, natural gas, or other products for the public under regulated terms, offering equal access to all shippers without discrimination. Common carriers are subject to government oversight, ensuring fair rates, transparent terms, and the obligation to serve all eligible customers. They may also be granted eminent domain powers to construct pipelines serving public interests.

Commission-Based Governance Model: A management structure proposed under the DRIVE Initiative, designed to consolidate oversight of natural resource management under a single body, the Natural Resources Commission, to improve coordination and effectiveness while reducing redundancies.

Condensate (Lease Condensate) – Light liquid hydrocarbons recovered from natural-gas wells at surface separators or field facilities. Condensate consists largely of pentanes and heavier hydrocarbons and is usually delivered into the crude-oil stream after production. In Louisiana, condensate is subject to severance tax and royalty similar to crude oil.

Conservation: The responsible use and management of natural resources such as oil, gas, water, and land, ensuring long-term sustainability and environmental protection.

D

DENR (Department of Energy and Natural Resources): The state agency responsible for managing Louisiana’s natural resources, including energy, waters, and coastal restoration activities.

Disadvantaged Community - Any community that fits the definition of “Low Income Community”, and a community that is directly adjacent to industrial development or a military base. For the purposes of this policy, industrial development is not limited to petrochemical facilities.

Directional Drilling: The drilling of a well that departs from the vertical.

Distillate Fuel Oils: Fuels that are products of distillation used for diesel and space heating.

Downstream: Activities in the oil and gas industry that take place away from the source, such as refining and marketing.

DRIVE Initiative (Departmental Review for Innovative and Visionary Enhancement): A comprehensive restructuring effort mandated by Executive Order JML 24-13, aimed at improving the effectiveness, coordination, and sustainability of Louisiana’s natural resource management agencies.

Department of Conservation and Energy: The proposed new name for the Department of Energy and Natural Resources, reflecting the dual focus on energy management and environmental conservation in Louisiana.

Disaster Risk Reduction (DRR): A strategy aimed at reducing the damage caused by natural hazards through preparedness, mitigation, and response planning, relevant in Louisiana’s coastal and energy sectors.

Drilled Uncompleted (DUC) – A DUC is an oil or natural gas well that has been drilled but has not yet undergone the final completion steps (casing, cementing, perforating and hydraulic fracturing) needed to produce hydrocarbons. DUCs are inventory wells; operators might delay completion to wait for higher prices or infrastructure.

Dry Gas: Natural gas that does not contain liquid hydrocarbons.

Dry Hole: A completed well that is not productive of oil or gas in paying quantities.

E

Ecology: The branch of science concerned with the relationships between living organisms and their environment. In permitting, ecology evaluates the impact of a proposed project on surface ecosystems, including wetlands, wildlife habitats, and water resources, and provides recommendations for avoidance, minimization, or mitigation of environmental harm.

Electricity: A form of energy resulting from the movement of charged particles, such as electrons or ions, through a conductive medium. It is a versatile and essential resource used to power homes, businesses, industries, and technologies. Electricity is typically produced at generation facilities, transported through transmission systems, and distributed locally to consumers.

Emergency Response Section: A division within DENR proposed to focus on preparedness and risk management, ensuring coordinated responses to natural disasters and emergencies.

F

Energy Addition: The act of exploring additional energy technologies to supplement existing conventional energy production and generation.

Energy Density: The amount of energy stored in a given system, substance, or region of space per unit volume or mass. It is commonly used to measure the energy capacity of fuels, batteries, or other energy storage systems. Energy density is expressed in terms of volumetric energy density (energy per unit volume, e.g., joules per cubic meter) or gravimetric energy density (energy per unit mass, e.g., joules per kilogram). Higher energy density indicates a greater ability to store or deliver energy efficiently, making it a key factor in evaluating the performance of fuels, batteries, and other energy technologies.

Energy Compound: An installation or area of land in which a large number of solar panels or windmills are set up in order to generate electricity.

Energy Resilience: The ability of Louisiana's energy infrastructure and systems to withstand and recover from disruptions, including natural disasters and regulatory changes.

Engineering: The application of scientific and technical principles to design, construct, and manage infrastructure and systems. In the permitting context, engineering incorporates geological and ecological findings to develop compliant, safe, and operational designs for wells, pipelines, site access, drainage, and long-term closure

Enhanced Recovery Techniques: Methods used in the oil and gas industry to increase the recovery of oil from mature fields, such as steam injection and chemical flooding.

Environmental Justice: Action taken to protect the environment through leveraging revenues generated from energy production or generation to restore coastal and inland habitats to provide for recreation and commercial activities.

Executive Order JML 24-13: An order issued by Governor Jeffery M. Landry directing the reorganization of Louisiana's natural resource management agencies under the DRIVE Initiative.

Exploration: The search for oil and gas through surveys, core testing, and drilling.

Fault Trap: A structural trap favorable for the retention of petroleum, formed by cracking and breaking of a rock plane.

Field Orders: Specific regulations issued by the Department of Conservation to manage oil and gas production in particular districts, addressing issues like well spacing and production limits.

Financial Assurance: Mechanisms put in place to ensure that financial resources are available for environmental remediation and resource management, particularly for abandoned wells and restoration projects.

Flaring: The controlled burning of natural gas at a well or facility when it cannot be captured or sold. Flaring is regulated to minimize waste and reduce greenhouse-gas emissions.

Firewall: In the context of public-resource governance, a firewall is an institutional barrier designed to keep decision-makers at arm's length from industry or political pressures. The term signifies policies and procedures that prevent undue influence by ensuring clear separation between regulators (such as the Department of Conservation and Energy, the Mineral and Energy Board or the Natural Resources Commission) and regulated entities.

Flood Protection: Measures and infrastructure aimed at reducing flood risks, such as levees, dams and floodplain management. The Phase 5 report proposes creating an Upland Restoration and Management Authority to address flood protection in non-coastal areas.

Forced Pooling: A regulatory process allowing the Commissioner to require owners of separate tracts within a drilling unit to combine their interests, ensuring efficient resource recovery and protection of correlative rights. Forced pooling is generally undertaken through a public hearing and may require certain thresholds of owner approval (see Unitization).

Floodplain Management: The process of managing land and water resources in areas prone to flooding to minimize flood risks and promote sustainable land use, a key aspect of Louisiana's coastal and watershed planning.

G

Geologic Storage: The long-term containment of fluids such as CO₂ or natural gas in deep underground formations (saline aquifers, depleted reservoirs). Requires robust site characterization, monitoring and closure plans.

Geology: The scientific study of the Earth's physical structure, materials, and subsurface formations. In the permitting process, geology establishes the physical feasibility of a proposed project by identifying geological constraints, aquifer locations, fault lines, and the integrity of formations for safe resource extraction, storage, or injection.

Governor's Office on Coastal Activities: An office within Louisiana's office of the Governor responsible for overseeing policy and funding strategies for coastal protection. Policy based, led by the Executive Assistant to the Governor on Coastal Activities.

Groundwater: Water found beneath the earth's surface in the spaces between soil, sand, and rock. It collects in underground layers called aquifers and is a major source of water for drinking, farming, and industry.

Groundwater Protection: Efforts to safeguard groundwater resources from overuse and contamination, ensuring sustainable water supply for both human consumption and industrial uses.

Groundwater Protection Council (GWPC): A national association of state groundwater and underground injection control agencies that promotes the protection and sustainable use of groundwater resources. The GWPC supports research, policy development, and coordination among states and federal agencies to improve water management and environmental protection.

Gusher: An oil well with pressure so great that oil flows into the air.

H

Horizontal Drilling: A method of drilling where the drill bit is turned horizontally to produce hydrocarbons from multiple areas at the same depth.

Hydraulic Fracturing (*Fracking*): A method used in oil and gas extraction where high-pressure fluid is injected into wells to fracture rock formations, allowing oil or gas to flow more easily. Order No. 29-B (1943) introduced regulations for its safe use in Louisiana.

I

Independent: A company involved only in exploration, production, and possibly transportation of oil and gas, but not in refining.

Injection Well: A well-used for introducing water or gas into an underground stratum, often for disposal or secondary recovery.

Integrated Company: A company involved in exploration, production, transportation, refining, and marketing in the oil and gas industry, often referred to as a major oil company.

Interstate Pipeline: A pipeline that crosses state boundaries to transport energy products, connecting multiple states. These pipelines are primarily regulated by federal authorities, including PHMSA for safety and the Federal Energy Regulatory Commission (FERC) for rates, tariffs, and operational standards, ensuring compliance with national and interstate commerce regulations. State agencies may have limited roles, focusing on localized issues.

Intrastate pipeline: A pipeline that operates entirely within the boundaries of a single state, primarily regulated by state authorities for economic activities and by the Pipeline and Hazardous Materials Safety Administration (PHMSA) for compliance with federal safety standards. These pipelines transport natural gas, oil, or other materials for local or regional markets and are generally exempt from Federal Energy Regulatory Commission (FERC) oversight unless their activities significantly impact interstate commerce. Intrastate pipelines often include gathering lines, which collect raw resources from production sites and deliver them to processing facilities or storage systems, and transmission lines, which transport materials within the state to distribution points or end-users. The transition from gathering lines to larger "spine" systems, which typically connect to interstate pipelines, is critical for determining regulatory jurisdiction. While PHMSA exclusively oversees safety regulations, FERC may assert jurisdiction over intrastate pipelines when their operations influence interstate commerce, such as by regulating rates, tariffs, or market practices to ensure fairness within the broader energy market. This dual oversight highlights the distinction between safety regulation and economic regulation in intrastate pipeline management.

REFERENCES

IT Analysis (Save Ourselves Test): The decision-making process established by the Louisiana Supreme Court in *Save Ourselves, Inc. v. Louisiana Environmental Control Commission* (1984). It requires agencies to demonstrate, in the record of decision, that they have considered all reasonable alternatives, balanced the environmental costs against the social and economic benefits, and minimized adverse environmental impacts to the maximum extent possible. The analysis ensures that government actions serve the public interest, not merely that they comply with existing regulations.

IT Modernization: The process of updating and enhancing information technology systems within an organization to improve data sharing, decision-making, and overall operational efficiency. A key pillar of the DRIVE Initiative aimed at updating technology systems across natural resource agencies to improve data sharing, decision-making, and transparency.

L

Lease: The instrument by which a leaseholder or working interest is created in minerals.

Legislative Amendments: Changes made to existing laws to update, clarify, or expand their scope, often to improve regulatory effectiveness or address emerging challenges.

LNG (Liquefied Natural Gas): Natural gas that becomes a liquid at minus 258 degrees Fahrenheit, allowing it to be stored and transported in liquid form.

Low Income Community: Any population census tract, regardless of racial demographics, that the poverty rate for such tract is at least 20 percent, or in the case of a tract not located in a metropolitan area, the median family income does not exceed 80 percent of the statewide median family income. In the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income.

Louisiana Oil Spill Coordinator's Office (LOSCO): The lead state agency responsible for preventing, responding to, and restoring resources affected by oil spills. LOSCO manages the state's contingency plans and ensures coordination between state, federal, and local stakeholders.

Louisiana Watershed Initiative (LWI): A strategic effort to manage flood risk and water resources on a watershed basis, responding to flooding events in Louisiana and focusing on sustainable water management practices, authorized under EO JBE 2018-16.

Lease Unit Well Code (LUW Code): A unique identifier assigned to each oil or gas lease, unit, or well within a regulatory jurisdiction, such as Louisiana. The LUW code is used for tracking and managing production, reporting, and compliance activities. This system ensures accurate record-keeping for regulatory oversight, royalty payments, and resource management. It allows operators and regulators to efficiently monitor the performance and status of specific leases, units, or wells, and to maintain transparency in the management of natural resources.

M

Market Adjustment Order: An order issued to adjust production limits in response to market demand, ensuring that supply and demand are balanced to prevent market oversaturation.

Market-Based Solutions: Economic tools and incentives designed to align private sector actions with public environmental goals, such as carbon pricing or trading systems for water rights and pollution credits.

MCF (Thousand Cubic Feet): The standard unit for measuring the volume of natural gas.

Mission Statement: A brief description of an organization's purpose, outlining its core goals and the values that guide its operations.

Midcontinent Independent System Operator (MISO): A regional transmission organization (RTO) responsible for ensuring the reliable and efficient operation of the electrical grid across 15 U.S. states and the Canadian province of Manitoba. MISO manages wholesale electricity markets, coordinates the flow of electricity across its vast territory, and oversees long-term transmission planning to maintain grid reliability and resource adequacy. It facilitates the integration of renewable energy resources while balancing supply and demand across a diverse network. Established in 2001, MISO operates under the regulatory oversight of the Federal Energy Regulatory Commission (FERC), striving to deliver electricity at the lowest possible cost while maintaining high reliability standards.

Mitigation: Any action taken to reduce impacts of any natural or anthropological activity, including actions taken by the U.S. Army Corps of Engineers on federal waterways, for the betterment of water and air quality.

N

Natural Gas: Hydrocarbons in a gaseous phase at atmospheric conditions.

Natural Gas Liquids: Hydrocarbons found in natural gas, which may be extracted as liquefied petroleum gas or natural gasoline.

Natural Resource Damages Assessment (NRDA): A process used to assess environmental damages resulting from incidents like oil spills, and to calculate the compensation required for restoration. Traditionally, NRDA is a key function of LOSCO.

Natural Resources Commission: Originated in 1908, now codified through Act 458 of 2025 Regular Session, modeled after CEQ, coordinating body to oversee Louisiana's energy, water, and conservation efforts, ensuring strategic alignment and reducing bureaucratic overlap.

Natural Resources Steering Commission (NRSC): A body within the DRIVE initiative responsible for overseeing the restructuring of DENR and ensuring that natural resources are managed efficiently and effectively. Created pursuant to Executive Order JML 24-77.

Natural Resources Trust Authority (NRTA): Responsible for centralizing financial management and providing oversight of financial assurances related to natural resource management.

Navigable Waters: Navigable waters refer to water bodies that are capable of being used for interstate or international commerce. These include rivers, lakes, bays, harbors, and coastal areas that are sufficiently deep, wide, and unobstructed for vessels to travel. In U.S. law, navigable waters are significant because they determine federal jurisdiction under the Commerce Clause and statutes such as the Clean Water Act and the Rivers and Harbors Act. For a water body to qualify as navigable, it must have been used or be capable of being used in its natural state for commercial navigation, connect to interstate or international waterways, and support travel by vessels of reasonable size and utility for commerce. The designation of navigable waters plays a crucial role in trade, transportation,

ecological systems, environmental regulations, property rights, and water management policies.

Navigation: Navigation is the act or process of planning, directing, and controlling the movement of vessels or other modes of transportation through waterways. It involves the use of natural or man-made channels, rivers, lakes, or coastal waters to transport goods, people, and materials. Navigation includes activities such as plotting courses, avoiding hazards, and complying with maritime laws and regulations to ensure safe and efficient movement. It is critical for commerce, defense, and recreation, often relying on infrastructure such as ports, locks, dams, and dredged channels to maintain accessible waterways.

New Orleans District, USACE: The New Orleans District focuses on managing the lower Mississippi River and the Gulf of Mexico's coastal areas. Its responsibilities include maintaining navigation routes for maritime commerce, managing flood control systems like levees and floodwalls, coastal protection and restoration, and environmental management of wetlands.

O

Offshore Oil and Gas Production: The extraction of oil and natural gas from reserves located beneath the ocean floor. In Louisiana, offshore production began in the 1940s and remains a critical part of the state's energy industry.

Oil Field: An area underlain by one or more reservoirs containing oil.

Oil Pool: An underground reservoir or trap containing oil.

Oilfield Site Restoration Commission: The governing body overseeing the Oilfield Site Restoration Program, responsible for setting policies and priorities for site remediation.

Oilfield Site Restoration Fee: A fee imposed on oil and gas operators to fund the Oilfield Site Restoration Program.

Oilfield Site Restoration Program: A program dedicated to the remediation of abandoned or orphaned oil and gas sites, ensuring that environmental damages from historical activities are properly addressed.

Operating Interest: A subset of a working interest, specifically referring to the party responsible for the day-to-day operations of a well or lease. This includes overseeing exploration, drilling, production, and ensuring compliance with regulatory and environmental requirements.

Orphaned Well: A well that has been abandoned by its operator, designated by the state as having no responsible owner, and thus becoming a liability to the state.

Outcome-Based Programs: Programs that focus on achieving specific results rather than following a set process, often used in the context of resource management and regulatory compliance.

Outer Continental Shelf (OCS): The federally controlled submerged land extending beyond state waters, where oil and gas lease sales take place. Louisiana's energy policies are significantly influenced by federal OCS leasing decisions.

Overboard Water: Another term for produced water or brine generated from oil and gas wells.

P

Permit: The general concept is a formal authorization that governs the allowable activities of human development within a defined area or resource boundary. Permits operationalize the balance between economic use and environmental protection, setting conditions under which human activity—such as drilling, construction, discharge, or resource extraction—may occur. In theory, the permitting framework represents the State's exercise of its police power and public trust duties, ensuring that private or industrial activity within public domains aligns with established thresholds for safety, environmental integrity, and public benefit.

Permit for Drilling or Injection: A specific authorization issued by the Department for activities such as drilling wells, injecting fluids, or operating a carbon storage site. This type of permit defines where and how human modification of the subsurface is allowed, requiring operators to meet technical, environmental, and safety standards that minimize harm to groundwater, air, and land. Permits are typically bound by temporal, spatial, and operational limits, and may require public notice or hearing. In Louisiana, such permits represent the State's mechanism for balancing productive use of natural resources with the obligation to protect them under the public trust doctrine.

Platform: A structure used in offshore drilling where drilling rigs, crew quarters, and related equipment are located. Platforms are essential for extracting oil and gas from beneath the ocean floor and may be fixed or floating depending on the depth of water.

Plugging and Abandonment (P&A): The process of permanently sealing a well that is no longer producing oil or gas to prevent environmental contamination and ensure public safety. This involves isolating the wellbore with cement or other materials to block fluid migration. Louisiana's regulatory framework includes strict requirements for P&A to protect public health and the environment.

Plugging of Well: The process of sealing a well to prevent fluid migration between geological strata or to the surface. This may be part of the plugging and abandonment process or performed during the well's operation for environmental and safety reasons.

Pooling: Combining small or irregularly shaped tracts into a larger drilling or spacing unit to facilitate efficient development. Pooling can be voluntary through agreements or compulsory (forced) through administrative orders (*see Unitization*). Owners share production in proportion to their interest.

Proration: The regulation of oil and gas production levels to match market demand, prevent overproduction, and ensure resource conservation. Proration policies are designed to stabilize markets and prevent waste of natural resources.

Produced Water: Water that is brought to the surface during oil and gas extraction, often containing high levels of salinity, hydrocarbons, and other contaminants. Produced water must be treated or disposed of in compliance with environmental regulations. It is also referred to as overboard water, saltwater, or oilfield brine.

Public Good: An economic concept describing goods whose consumption by one person does not reduce consumption by another (non-rival) and that are often non-excludable. Examples include clean air, national defense and public information. In the Louisiana context, conservation of natural resources and coastal resilience can be considered public goods.

Public Hearing: A formal meeting required by law for certain permit applications or rulemakings.

Public Works: Infrastructure and services provided by the government or authorized entities for public use and benefit, including roads, bridges, water systems, and flood control measures. In the context of natural resource management, public works may include levee systems and infrastructure supporting energy production and transportation.

Q

Quad: A quadrillion BTUs, used in measuring energy consumption.

R

Recomplete: The process of moving the primary completion of a well from one zone to another. This may involve operations such as reperforating, setting a new packer, or accessing a different reservoir to enhance production.

Red River Compact Commission (RRCC): An interstate commission established to oversee and manage the equitable allocation of water resources from the Red River among the states of Louisiana, Texas, Arkansas, and Oklahoma. Created through the Red River Compact, the commission ensures compliance with the compact's terms, resolves disputes, and promotes cooperation among member states for sustainable water use and management. The RRCC plays a critical role in addressing water rights, environmental preservation, and the shared use of the river's resources.

Red River Valley Association (RRVA): A nonprofit organization established to advocate for the development, management, and sustainable use of the Red River and its surrounding valley. The RRVA works across multiple states, including Louisiana, Arkansas, Texas, and Oklahoma, to promote projects that enhance navigation, flood control, water supply, hydropower, and environmental stewardship within the Red River Basin. The association collaborates with federal, state, and local entities, including the U.S. Army Corps of Engineers, to secure funding and support for critical infrastructure improvements. Its mission focuses on balancing economic development with the preservation of natural resources to benefit communities and industries along the Red River.

Red River Waterway Commission (RRWC): A state-level commission in Louisiana tasked with developing and managing the Red River Waterway, focusing on navigation, flood control,

and economic development. The RRWC oversees projects to improve and maintain the navigability of the Red River, such as lock and dam systems, and works to enhance recreational, commercial, and environmental opportunities along the waterway. It also promotes regional economic growth by ensuring the waterway supports efficient transportation and trade.

Regular Session: The annual session of the Louisiana Legislature during which bills are proposed, debated, and enacted into law.

Relatively Permanent: A term used in the Waters of the United States (WOTUS) framework to describe water features that exhibit consistent flow or connectivity to navigable waters, influencing their regulatory status under the Clean Water Act.

Reservoir: A porous and permeable sedimentary rock formation that contains commercial quantities of oil and gas, typically trapped in structural, stratigraphic, or combination traps.

Resilient Infrastructure: Infrastructure systems, such as levees, energy grids, and transportation networks, that are designed and implemented to withstand and recover from natural disasters, climate impacts, or other disruptions, ensuring long-term functionality and reliability.

Revised Statutes (R.S.): The codified laws of Louisiana, encompassing regulations related to natural resources, environmental protection, and other aspects of state governance.

Roughneck: A driller's helper or general laborer on a drilling rig, responsible for assisting with drilling operations and maintaining equipment.

Roustabout: A general laborer working around drilling rigs or producing wells, often tasked with maintenance, equipment handling, and site preparation.

Royalty: The landowner's share of production from an oil or gas well, paid as a percentage of the gross production value before the deduction of production expenses.

Royalty Interest: The share of production or revenue retained by the mineral owner under a lease. Royalty payments are made free of production costs but subject to severance taxes.

S

Salt Dome: A naturally occurring geological formation created when a mass of salt, typically deposited during the evaporation of ancient seas, is forced upward through overlying layers of sedimentary rock due to its lower density. Salt domes often form distinctive dome-shaped structures and are commonly found along the Gulf Coast, including Louisiana. These formations are significant for energy storage and extraction, as they frequently trap hydrocarbons such as oil and natural gas in surrounding rock layers, making them prime locations for resource development. Additionally, salt domes are used to create underground storage caverns for natural gas, oil, and other substances, including the U.S. Strategic Petroleum Reserve, due to the impermeability and stability of salt. They may also contain commercially valuable salts, such as halite and sulfur, further contributing to their economic importance. Salt domes play a vital role in Louisiana's energy infrastructure and resource management, supporting both production and storage capacities.

Safe Drinking Water Act (SDWA) of 1974: A federal law enacted to ensure the quality and safety of drinking water in the United States. The SDWA authorizes the Environmental Protection Agency (EPA) to set national health-based standards for drinking water quality and oversee states, localities, and water suppliers who implement these standards. It regulates public drinking water systems to protect against both naturally occurring and man-made contaminants, with a focus on safeguarding drinking water sources, including rivers, lakes, reservoirs, springs, and groundwater wells.

Severance Tax: A tax on the removal of minerals from the ground. In Louisiana, oil is taxed at 12.5% of value, and natural gas is taxed at a rate adjusted annually, based on market conditions.

Serial Number: A unique identifier assigned to an oil or gas lease by a regulatory authority, such as the Louisiana Office of Conservation. The serial number is used to track and manage the lease throughout its lifecycle, including activities such as permitting, exploration, production, and compliance monitoring. It ensures accurate record-keeping for regulatory oversight, royalty accounting, and resource management, enabling operators and regulators to efficiently identify and monitor specific leases. This number is critical for maintaining transparency and accountability in natural resource development.

Shut-In: The temporary closure of a producing well for repairs, reservoir pressure build-up, or lack of market demand.

Sour Gas: Natural gas contaminated with hydrogen sulfide or sulfur compounds, causing a foul odor. Sour gas requires treatment before transportation or use.

Specific Gravity: The ratio between the weight of equal volumes of water and another substance, often used to measure the density of oil. It is typically expressed in degrees of API gravity.

Spudding In: The initial drilling phase of an oil well, marking the first boring of the hole into the earth.

Standardized Drilling Practices: Established guidelines for safe and efficient oil and gas extraction, including well spacing, casing, and pressure maintenance techniques.

Strategic Energy Plan: A long-term planning document created in consultation with the Louisiana Department of Economic Development, that outlines Louisiana's strategy for managing its energy resources, including oil, gas, renewable energy, and infrastructure resilience. This plan is a core component of the DRIVE Initiative's focus on future-focused consolidation.

Strategic Planning: The process of defining an organization's strategy or direction and making decisions on allocating resources to pursue this strategy, often involving long-term goals and objectives.

Stripper Production: The final stage of production in the life of an oil well or field, characterized by low rates of production, sometimes as little as one barrel per day.

Surface Owner: person listed on parish tax assessor rolls as owning the surface rights.

Surface Use Agreement: sets terms for accessing land for drilling or injection, compensation for damages and restoration obligations.

Surface Water: Water that exists above ground in natural or artificial reservoirs, rivers, lakes, streams, wetlands, and oceans. Surface water is replenished by precipitation and runoff and is a primary source of water for human consumption, agriculture, industry, and ecological systems. Unlike groundwater, surface water is more exposed to evaporation, contamination, and seasonal variability, making its management essential for ensuring sustainable use and environmental protection.

REFERENCES

Sustainable Resource Management: The practice of using natural resources in a way that ensures their availability for future generations while minimizing environmental impacts. This concept is central to Louisiana's management of its oil, gas, and water resources.

T

Tactical Plan: A short-term action plan that outlines the specific steps and resources needed to achieve strategic goals.

Tension Leg Platform: A platform used in deep waters where the surface platform is tethered to the ocean floor by flexible steel tendons. It is commonly used for offshore oil and gas extraction.

Tertiary recovery – Another term for enhanced oil recovery (EOR) (see *Enhanced oil recovery*).

U

Underground Injection Control (UIC): A program established under the Safe Drinking Water Act to regulate the injection of fluids underground to protect drinking water sources. The UIC program sets minimum federal requirements for the construction, operation, permitting, and closure of injection wells. It categorizes wells based on their function, such as the disposal of wastewater, the storage of hazardous materials, or the injection of fluids to enhance oil and gas recovery. The primary goal of the UIC program is to prevent contamination of underground sources of drinking water by regulating the subsurface disposal and injection processes.

Unitization: A regulatory practice in oil and gas management where multiple owners in a field pool their resources to maximize production efficiency and minimize environmental damage. It prevents the drilling of unnecessary wells and promotes coordinated development.

Unit well: A well drilled or converted to produce from a unitized reservoir. Costs and revenues from unit wells are shared among unit participants according to the unit agreement or order.

Upstream: Activities in the oil and gas industry that take place close to the supply, such as exploration and production.

U.S. Army Corps of Engineers (USACE): This is a federal agency responsible for a wide range of public engineering, design, and construction management

projects. The agency's primary functions include flood control, navigation, environmental protection, and water resource development. In Louisiana's coastal management, both the Vicksburg and New Orleans districts are critical to flood protection, and infrastructure projects, collaborating with state agencies and local governments.

V

Vent – Controlled release of gas to the atmosphere. Venting is regulated due to safety and environmental concerns; flaring is generally preferred over venting.

Vicksburg District, USACE: This district oversees operations in parts of Arkansas, Louisiana, and Mississippi, focusing on flood risk management, navigation on major waterways, environmental stewardship, and water resource development. Its work includes managing the Mississippi River levee system, maintaining river navigation, and conducting environmental restoration projects.

W

Water Resource Permit Programs: Advisory programs that review and comment on permit requests for activities that may impact Louisiana's waterways, ensuring that water resources are used and managed responsibly.

Well: A hole drilled in the earth for the purpose of finding or producing crude oil or natural gas, or for providing services related to production.

Wellhead: The surface termination of a well, typically at the Christmas Tree, but it may be located elsewhere under exceptional circumstances.

Wellhead Revenues: The total dollar value of crude oil and natural gas at the wellhead, calculated based on production volumes and average wellhead prices.

Well Spacing Requirements: Regulations that establish minimum distance requirements between oil wells to prevent over-drilling and ensure efficient resource extraction.

Wet Gas: Natural gas containing liquid hydrocarbons that can be removed through a reduction of temperature and pressure or a simple extraction process.

Wildcat Well: An exploratory well drilled in unproven territory, where no production exists in the general area.

REFERENCES

Workovers: Operations on a producing well to restore or increase production, such as cleaning out a well that has sanded up.

Working Interest: A type of ownership in an oil and gas lease that grants the holder the right to explore, drill, and produce oil or gas from a property. The owner of a working interest is responsible for the costs of exploration, drilling, and production but also receives a share of the revenues generated from the production of oil or gas. Working interest owners typically bear all operating expenses and share in the profits based on their percentage ownership.

Y

Yearly Planning Horizon: A forward-looking strategy that sets goals and allocates resources over a year to ensure projects are initiated and completed with sustained focus and funding.

Z

Zone: *Geologic* – A distinct geological layer or formation that can produce or store fluids. Louisiana regulations often specify “injection zones” and “confining zones” for UIC wells, as well as “productive zones” in oil and gas wells.