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FILED
AUG 15 1989
UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA
By _____ Deputy

Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re)

THE EXXON VALDEZ)

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-117 (P-68 through
P-72, inclusive)

ANSWER OF DEFENDANT
D-3 TO PLAINTIFFS' CLASS
ACTION COMPLAINT

Defendant Alyeska Pipeline Service Company ("Alyeska"),
for itself alone, responds to plaintiffs' Class Action Complaint
("Complaint") herein as follows:

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ANSWER OF D-3 TO COMPLAINT
OF P-68 - P-72

NATURE OF CASE

1. Answering paragraph 1, Alyeska admits that this purports to be a class action arising from the oil spill in Prince William Sound on March 24, 1989. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

JURISDICTION AND VENUE

2. Answering paragraph 2, except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

3. Answering paragraph 3, except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

4. Answering paragraph 4, Alyeska admits that it does business in, and its principal place of business is in, this district and that this district is the site of the spill. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

PARTIES

5. Answering paragraphs 5 through 7, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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6. Answering paragraph 8, Alyeska alleges that it is a Delaware corporation with its principal place of business in Alaska; that it is owned by seven companies ("Owner Companies"), which are Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines (Alaska) Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, and Unocal Pipeline Company; that these Owner Companies are permittees under the Right-of-Way for the Trans-Alaska Pipeline System ("TAPS"); that Alyeska operates the TAPS, including the terminal facilities at the Port of Valdez, Alaska; that Alyeska acts as an agent of the Owner Companies in operating TAPS; and, that Alyeska has prepared and maintained an Oil Spill Contingency Plan for various geographical areas, including Prince William Sound. Except as so expressly alleged, Alyeska denies the allegations therein.

7. Answering paragraphs 9 through 11, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the ^hallegations and, on that basis, denies them.

CLASS ALLEGATIONS

8. Answering paragraphs 12 through 17, inclusive, Alyeska admits that the Complaint purports to define a class pursuant to Rule 23 of the Alaska Rules of Civil Procedure. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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FACTS COMMON TO ALL CLAIMS

9. Answering paragraph 18, Alyeska alleges that, on March 23, 1989, approximately 53 million gallons of North Slope crude oil were loaded aboard the EXXON VALDEZ at the TAPS terminal facility in Valdez, Alaska.

10. Answering paragraph 19 through 24, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

11. Answering paragraph 25, Alyeska alleges that it has prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, and that its actions complied therewith. Except as so expressly alleged, Alyeska denies the allegations therein.

12. Answering paragraph 26, Alyeska denies the allegations therein as they relate to Alyeska, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, on that basis, denies them.

13. Answering paragraph 27, Alyeska denies the allegations therein.

14. Answering paragraph 28, Alyeska denies the allegations therein.

DAMAGES

15. Answering paragraphs 29 and 30, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

16. Answering paragraph 31, Alyeska denies the allegations therein as they relate to Alyeska and further denies that there are any grounds for an award of punitive and/or exemplary damages or relief in any manner or amount as against Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, on that basis, denies them.

CAUSES OF ACTION

17. Answering paragraph 32 and all subparts thereof, Alyeska denies the allegations therein as they relate to Alyeska and further denies that it is liable to plaintiffs or the purported plaintiff class in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, on that basis, denies them.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Alyeska upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Alyeska did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation,

planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Alyeska did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations, or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Alyeska neither caused nor permitted the discharge of any oil as alleged in the Complaint.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Alyeska did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation, planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Alyeska predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

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SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Contingency Plan Not Statutory)

Alyeska's obligation, if any, to maintain a contingency plan for Prince William Sound is not statutory in nature.

SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No breach of Right-of-Way lease)

Alyeska did not breach any provision of the State and Federal Right-Of-Way Leases with respect to the preparation, planning, implementation or execution of Alyeska's Contingency Plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and subsequent discharge of oil into Prince William Sound.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re Right-Of-Way Lease)

Plaintiffs have no standing to assert any claim predicate on an alleged breach of the State and Federal Right-Of-Way Leases by Alyeska as plaintiffs are not in privity with any party to the Lease.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Alyeska is not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further, Alyeska's response to the grounding of the T/V EXXON VALDEZ and discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Alyeska is not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Alyeska is not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for ultra-hazardous activity)

Alyeska has no liability under a theory of ultra-hazardous activity as the preparation, planning, implementation, and

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execution of the Contingency Plan is not an ultra-hazardous activity.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full or partial satisfaction of the claims described in these actions. In the event of any recovery against Alyeska herein, Alyeska is entitled to setoff in the full amount of such payments.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payments operate as an accord, satisfaction, and release of all claims against Alyeska and any such releases should bar claims against Alyeska.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Alyeska is informed and believes, and thereon alleges, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Alyeska is entitled to an abatement of this action, or, in the

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event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Alyeska is entitled to a reduction in any damages that may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Alyeska acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Alyeska complied with all statutory and regulatory requirements concerning the contingency plan applicable at the time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Alyeska who were not employees, agents, or otherwise under the control of Alyeska.

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TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Alyeska has no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force winds, heavy seas and other conditions constituting acts of God. Alyeska is not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for nuisance)

Alyeska never owned nor operated the T/V EXXON VALDEZ, never owned the oil discharged from the T/V EXXON VALDEZ, and never

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discharged, caused to be discharged, or permitted any discharge of oil as alleged in the Complaint. By reason of the foregoing, Alyeska cannot be held liable for any claims of nuisance, whether arising under common law or statute.

TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Alyeska, if any, for the acts alleged herein is limited by, inter alia, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

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TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or exemplary damages.

TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

THIRTIETH SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Alyeska and, accordingly, plaintiffs may not recover from Alyeska for any such injuries or damages.

THIRTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

THIRTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

THIRTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

THIRTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Right to Petition)

Certain theories of relief may not be maintained because those theories are based upon the exercise of the state and federal right to petition the state and federal governments with respect to the passage and enforcement of laws. Any representations made during the exercise of said rights are privileged under the State and Federal Constitutions.

THIRTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Lack of Standing)

Plaintiffs lack standing to seek any relief based upon alleged representations to federal or state legislative bodies or agencies regarding the matters alleged in the Complaint.

THIRTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Bill of Attainder)

Those portions of AS 46.03 that were enacted after the oil spill constitute an unlawful bill of attainder violative of Article 1, Section 10 of the United States Constitution, and if applied to Alyeska would also violate the due process clauses of the state and federal constitutions and the contract clause of the United States Constitution.

THIRTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(TAPA Fund Liability)

The Fund, established under the Trans-Alaska Pipeline Authorization Act, 43 U.S.C. Sec. 1653(c), may be strictly liable for some or all of the damages alleged by plaintiffs. This action should not proceed in the absence of joinder of the Fund as a defendant.

PRAYER FOR RELIEF

WHEREFORE, Alyeska prays judgment against plaintiffs as follows:

1. That plaintiffs take nothing by way of their Complaint;
 2. That the Complaint be dismissed with prejudice as to Alyeska;
 3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law;
- and,

4. For such other and further relief as the Court may deem just and proper.

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UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA

By _____ Deputy

Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re)
)
THE EXXON VALDEZ)

No. A89-095 Civil
(Consolidated)

This Document Relates to)
Action Nos.:)
A89-140 (P-97 through P-111))

ANSWER OF DEFENDANT D-3 TO
CLASS ACTION FOR DAMAGES AND
OTHER RELIEF

Defendant Alyeska Pipeline Service Company (D-3)

("Alyeska") responds to the Class Action Complaint ("Complaint") as follows:

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ANSWER OF D-3 TO COMPLAINT
OF P-97 THROUGH P-111

1. Answering paragraphs 1 through 4, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, denies them.

2. Answering paragraph 5, Alyeska admits that the Trans-Alaska Pipeline Liability Fund is a non-profit corporate entity established pursuant to the Trans-Alaska Pipeline Authorization Act, 43 U.S.C. § 1653(c)(4). Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

3. Answering paragraph 6, Alyeska alleges that Alyeska is a Delaware corporation with its principal place of business in Alaska; that it is owned by seven companies ("Owner Companies"), which are Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines (Alaska) Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, and Unocal Pipeline Company; that it operates the Trans-Alaska Pipeline System ("TAPS"), including the terminal facilities at the Port of Valdez, Alaska; that it was formed to act as agent of the Owner Companies in the construction, operation and maintenance of TAPS and the terminal facilities at the Port of Valdez, Alaska; that it prepared an Oil Spill Contingency Plan for various geographical areas, including Prince William Sound, that it maintained adequate personnel and equipment to implement the plan; and, that it loaded the T/V EXXON VALDEZ with North Slope crude oil at the Valdez

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Terminal. Except as so expressly admitted, Alyeska denies the allegations of said paragraph.

4. Answering paragraphs 7 through 10, inclusive, Alyeska is informed and believes, and thereon alleges, that the State of Alaska has been dismissed from the Complaint. Except as so alleged, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, denies them.

CLASS ACTION ALLEGATIONS

5. Answering paragraphs 11 through 14, inclusive, Alyeska admits that this purports to be a class action. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, denies them.

FACTS

6. Answering paragraphs 15 and 16, Alyeska alleges that the EXXON VALDEZ, on or about March 23, 1989, loaded at Valdez, Alaska, approximately 53 million gallons of North Slope crude oil that had been transported through the TAPS. Alyeska further alleges that the vessel left the Port of Valdez at approximately 9:30 p.m. on March 23, 1989. Except as so expressly alleged, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

7. Answering paragraphs 17 through 25, inclusive, Alyeska alleges that, on March 26, 1989, Governor Cowper declared a disaster emergency. Except as so expressly alleged, Alyeska lacks

information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

8. Answering paragraph 26, Alyeska alleges that Alyeska had prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, that this plan was submitted to and approved by the State of Alaska, that Alyeska maintained adequate equipment and personnel to meet the emergency response provisions of the plan, and that Alyeska's actions were in compliance with with the plan. Except as so expressly alleged, Alyeska denies the allegations therein as they apply to Alyeska. Except as so expressly alleged and denied, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

9. Answering paragraph 27 through 30, inclusive, Alyeska denies there are any grounds for relief as against it. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, denies them.

COUNT I

10. Answering paragraph 31, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 30, inclusive, of the Complaint as though set forth in full.

11. Answering paragraph 32 and 33, Alyeska denies the allegations therein and further denies that Alyeska is liable to plaintiffs or the purported plaintiff Class in any amount or

manner. Except as so expressly denied, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

12. Answering paragraph 34, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

13. Answering paragraphs 35 and 36, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

COUNT II

14. Answering paragraph 37 through 42, inclusive, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 36, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against it and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

COUNT III

15. Answering paragraph 43, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 42, inclusive, of the Complaint as though set forth in full.

16. Answering paragraph 44, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient

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to form a belief as to the truth of the allegations and, on that basis, denies them.

17. Answering paragraph 45, Alyeska is informed and believes, and thereon alleges, that in excess of 100,000 barrels of oil was discharged from the vessel virtually instantaneously and such oil was, from the beginning, incapable of containment. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

18. Answering paragraph 46, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

19. Answering paragraph 47, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

20. Answering paragraph 48, Alyeska alleges that it had substantially all of the equipment specified in its contingency plan as submitted to and approved by the State of Alaska. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska

lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

21. Answering paragraph 49, Alyeska alleges that by early morning on March 24, 1989, it had sought approval from the United States Coast Guard and the State of Alaska for the use of chemical dispersants, as required by the applicable laws. Except as so alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

22. Answering paragraph 50, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

23. Answering paragraph 51, Alyeska alleges that on March 24, 1989, it sought approval from the United States Coast Guard and the State of Alaska for a plan to burn the surface oil. Except as so alleged, Alyeska denies the allegations as they pertain to Alyeska. Except as so expressly alleged and denied, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

24. Answering paragraph 52, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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25. Answering paragraph 53, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

26. Answering paragraph 54, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

27. Answering paragraph 55, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

28. Answering paragraph 56, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that there are any grounds for the award of punitive damages or any other sum or manner of relief as against Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT IV

29. Answering paragraphs 57 through 65, inclusive, Alyeska adopts and incorporates by this reference the responses to

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paragraphs 1 through 56, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against Alyeska and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

COUNT V

30. Answering paragraph 66, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 65, inclusive, of the Complaint as though set forth in full.

31. Answering paragraph 67, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VI

32. Answering paragraph 68, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 67, inclusive, of the Complaint as though set forth in full.

33. Answering paragraph 69, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VII

34. Answering paragraph 70, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 69, inclusive, of the Complaint as though set forth in full

35. Answering paragraph 71, Alyeska admits that crude oil is defined as a hazardous substance in Section 46.03.826(4)(B) of the Alaska Environmental Conservation Act. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

36. Answering paragraph 72, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

37. Answering paragraph 73, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

38. Answering paragraph 74, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

39. Answering paragraph 75, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient

to form a belief as to the truth of the allegations and, on that basis, denies them.

40. Answering paragraph 76, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VIII

41. Answering paragraph 77, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 76, inclusive, of the Complaint as though set forth in full.

42. Answering paragraph 78, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

43. Answering paragraph 79, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

44. Answering paragraph 80, Alyeska denies the allegations therein as they pertain to Alyeska and further deny that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks

knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

45. Answering paragraph 81, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT IX

46. Answering paragraph 82, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 81, inclusive, of the Complaint as though set forth in full.

47. Answering paragraph 83, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

48. Answering paragraph 84, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

49. Answering paragraph 85, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks

knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

50. Answering paragraph 86, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Alyeska upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Alyeska did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation, planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Alyeska did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations,

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or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Alyeska neither caused nor permitted the discharge of any oil as alleged in the Complaint.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Alyeska did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation, planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Alyeska predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Contingency Plan not statutory)

Alyeska's obligation, if any, to maintain a contingency plan for Prince William Sound is not statutory in nature.

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SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No breach of Right-of-Way lease)

Alyeska did not breach any provision of the State and Federal Right-Of-Way Leases with respect to the preparation, planning, implementation or execution of Alyeska's Contingency Plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and subsequent discharge of oil into Prince William Sound.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re Right-Of-Way Lease)

Plaintiffs have no standing to assert any claim predicate on an alleged breach of the State and Federal Right-Of-Way Leases by Alyeska as plaintiffs are not in privity with any party to the Lease.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Alyeska is not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further, Alyeska's response to the grounding of the T/V EXXON VALDEZ and

any discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Alyeska is not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Alyeska is not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full or partial satisfaction of the claims described in these actions. In the event of any recovery against Alyeska herein, Alyeska is entitled to setoff in the full amount of such payments.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full

satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payment operate as an accord, satisfaction, and release of all claims against Alyeska and any such releases should bar claims against Alyeska.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Alyeska is informed and believes, and thereon alleges, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Alyeska is entitled to an abatement of this action, or, in the event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Alyeska is entitled to a reduction in any damages that may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Alyeska acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with

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respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Alyeska complied with all statutory and regulatory requirements concerning the contingency plan applicable at the time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(No negligence per se)

Alyeska has no liability to plaintiffs on a theory of negligence per se as it did not violate any statutory or regulatory provision with respect to the preparation, planning, implementation, or execution of the Alyeska contingency plan for Prince William Sound or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any release of oil as alleged in the Complaint, and plaintiffs are not in the class of persons that the statutes or regulations were intended to protect.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Alyeska who were not employees, agents, or otherwise under the control of Alyeska.

TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Alyeska has no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities

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including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force winds, heavy seas and other conditions constituting acts of God. Alyeska is not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for nuisance)

Alyeska never owned nor operated the T/V EXXON VALDEZ, never owned the oil discharged from the T/V EXXON VALDEZ, and never discharged, caused to be discharged, or permitted any discharge of oil as alleged in the Complaint. By reason of the foregoing, Alyeska cannot be held liable for any claims of nuisance, whether arising under common law or statute.

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TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Adequacy of legal remedy)

To the extent that the Complaint may be construed to seek injunctive relief to create any fund or abate disruption of plaintiffs' business interests by any oil discharged as alleged in the Complaint, or in the event that plaintiffs seek such relief in the future, plaintiffs have not and could not allege the absence of adequate legal remedy to accomplish and compensate for such abatement. Injunctive relief is therefore unavailable and inappropriate.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Inappropriateness of injunctive relief)

The injunctive relief requested by plaintiffs is impracticable, uncertain, unworkable, and intrudes upon an area under the direct monitoring and control of State and federal authorities. Injunctive relief cannot be afforded plaintiffs without intruding upon the governmental exercise of its police power and without intruding upon the interests of persons not party to this lawsuit.

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TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Injunction contrary to public interests)

Given the comprehensive regulation and control of the cleanup efforts by both the State and federal authorities, being coordinated by the Coast Guard "On-Scene Coordinator" pursuant to the National Contingency Plan, an injunction requiring the Court to interpose itself in the cleanup process without the benefit of the coordinated overview enjoyed by the On-Scene Coordinator would be contrary to the public interest.

TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Alyeska, if any, for the acts alleged herein is limited by, inter alia, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

THIRTIETH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

THIRTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or

exemplary damages.

THIRTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

THIRTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Alyeska and, accordingly, plaintiffs may not recover from Alyeska for any such injuries or damages.

THIRTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

THIRTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

THIRTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

THIRTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Right to Petition)

Certain theories of relief may not be maintained because those theories are based upon the exercise of the state and federal right to petition the state and federal governments with respect to the passage and enforcement of laws. Any representations made during the exercise of said rights are privileged under the State and Federal Constitutions.

THIRTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Lack of Standing)

Plaintiffs lack standing to seek any relief based upon alleged representations to federal or state legislative bodies or agencies regarding the matters alleged in the Complaint.

THIRTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Bill of Attainder)

Those portions of AS 46.03 that were enacted after the oil spill constitute an unlawful bill of attainder violative of Article 1, Section 10 of the United States Constitution, and if applied to Alyeska would also violate the due process clauses of the state and federal constitutions and the contract clause of the United States Constitution.

PRAYER FOR RELIEF

WHEREFORE, Alyeska prays judgment against plaintiffs as follows:

1. That plaintiffs take nothing by way of their

Complaint;

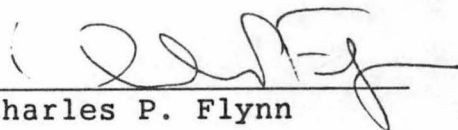
2. That the Complaint be dismissed with prejudice as to Alyeska;

3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law; and,

4. For such other and further relief as the Court may deem just and proper.

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ANSWER OF D-3 TO COMPLAINT
OF P-97 THROUGH P-111

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FILED

AUG 15 1989

UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA
By _____ Deputy

Attorneys for Defendants
ALYESKA PIPELINE SERVICE COMPANY (D-3),
GEORGE M. NELSON (D-9), AMERADA HESS
PIPELINE CORPORATION (D-11), ARCO PIPE
LINE COMPANY (D-12), BP PIPELINES (ALASKA)
INC. (D-19), MOBIL ALASKA PIPELINE
COMPANY (D-14), PHILLIPS ALASKA PIPELINE
CORPORATION (D-20), AND UNOCAL PIPELINE
COMPANY (D-21)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re

THE EXXON VALDEZ

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-145 (P-65 through
P-79)

ANSWER OF DEFENDANTS D-3,
D-9, D-11, D-12, D-19, D-14,
D-20 and D-21 TO CLASS
ACTION COMPLAINT

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Defendants Alyeska Pipeline Service Company (D-3), George M. Nelson (D-9), Amerada Hess Pipeline Corporation (D-11), ARCO Pipe Line Company (D-12), BP Pipelines (Alaska) Inc. (D-19), Mobil Alaska Pipeline Company (D-14), Phillips Alaska Pipeline Corporation (D-20), and Unocal Pipeline Company ("Defendants") respond to the plaintiffs' Class Action Complaint ("Complaint") as follows:

NATURE OF CASE

1. Answering paragraph 1, Defendants admit that this purports to be a class action arising out of the oil spill in Prince William Sound on March 24, 1989. Except as so expressly admitted, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

JURISDICTION AND VENUE

2. Answering paragraphs 2 and 3, Defendants deny that there are any grounds for relief as against them. Except as so expressly denied, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

3. Answering paragraph 4, Defendants admit that Alyeska's principal place of business is in this district and that Nelson resides in this district. Except as so expressly admitted, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

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PARTIES

4. Answering paragraphs 5 through 7, inclusive, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

5. Answering paragraph 8, Defendants allege that Alyeska is a Delaware corporation with its principal place of business in Alaska; that it is owned by seven companies ("Owner Companies"), which are Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines (Alaska) Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, and Unocal Pipeline Company; that it operates the Trans-Alaska Pipeline System ("TAPS"), including the terminal facilities at the Port of Valdez, Alaska; that it was formed to act as agent of the Owner Companies in the construction, operation and maintenance of TAPS and the terminal facilities at the Port of Valdez, Alaska; that it prepared an Oil Spill Contingency Plan for various geographical areas, including Prince William Sound; that it maintained adequate personnel and equipment to implement the plan; and, that it loaded the T/V EXXON VALDEZ with North Slope crude oil at the Valdez Terminal. Except as so expressly admitted, Defendants deny the allegations of said paragraph.

6. Answering paragraphs 9 through 12, inclusive, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

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CLASS ALLEGATIONS

7. Answering paragraphs 13 through 19, inclusive, Defendants admit that this purports to be a class action. Except as so expressly admitted, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations and, based thereon, deny them.

FACTS COMMON TO ALL CLAIMS

8. Answering paragraphs 20 and 21, Defendants allege that the EXXON VALDEZ, on or about March 23, 1989, loaded at Valdez, Alaska, approximately 53 million gallons of North Slope crude oil that had been transported through the TAPS. Defendants further allege that the vessel left the Port of Valdez at approximately 9:30 p.m. on March 23, 1989. Except as so expressly alleged, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

9. Answering paragraphs 22 through 26, inclusive, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

10. Answering paragraph 27, Defendants allege that Alyeska had prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, that this plan was submitted to and approved by the State of Alaska, that Alyeska maintained

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adequate equipment and personnel to meet the emergency response provisions of the plan, and that Alyeska's actions were in compliance with the plan. Except as so expressly alleged, Defendants deny the allegations therein as they apply to Defendants. Except as so expressly alleged and denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

11. Answering paragraph 28, Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

12. Answering paragraphs 30 through 32, inclusive, Defendants allege that Alyeska had prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, that this plan was submitted to and approved by the State of Alaska, that Alyeska maintained adequate equipment and personnel to meet the emergency response provisions of the plan, and that Alyeska's actions were in compliance with the plan. Except as so expressly alleged, Defendants deny the allegations therein as they apply to Defendants. Except as so expressly alleged and denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

DAMAGES TO PLAINTIFFS

13. Answering paragraphs 33 through 37, inclusive, Defendants deny that there are any grounds for relief as against

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them. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

PUNITIVE AND/OR EXEMPLARY DAMAGES

14. Answering paragraph 38, Defendants deny that there are any grounds for an award of punitive damages or any other damages of any manner or amount as against Defendants. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

FIRST CAUSE OF ACTION

15. Answering paragraph 39, Defendants adopt and incorporate by this reference the responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full.

16. Answering paragraph 40, Defendants deny the allegations therein as they pertain to Defendants and further deny that Defendants are liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

SECOND CAUSE OF ACTION

17. Answering paragraph 41, Defendants adopt and incorporate by this reference the responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full.

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18. Answering paragraphs 42 and 43, Defendants deny the allegations therein as they pertain to Defendants and further deny that Defendants are liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

THIRD CAUSE OF ACTION

19. Answering paragraph 44, Defendants adopt and incorporate by this reference the responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full.

20. Answering paragraphs 45 through 49, inclusive, Defendants deny the allegations therein as they pertain to Defendants and further deny that Defendants are liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

FOURTH CAUSE OF ACTION

21. Answering paragraph 50, Defendants adopt and incorporate by this reference the responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full.

22. Answering paragraphs 51 through 53, Defendants deny the allegations therein as they pertain to Defendants and further deny that Defendants are liable to plaintiffs or the purported

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plaintiff Class in any amount or manner. Except as so expressly denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

FIFTH CAUSE OF ACTION

23. Answering paragraph 54, Defendants adopt and incorporate by this reference the responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full.

24. Answering paragraphs 55 through 51, inclusive, Defendants allege that Alyeska had prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, that this plan was submitted to and approved by the State of Alaska, that Alyeska maintained adequate equipment and personnel to meet the emergency response provisions of the plan, and that Alyeska's actions were in compliance with the plan. Except as so expressly alleged, Defendants deny the allegations therein as they pertain to Defendants and further deny that they are liable to plaintiffs or the purported plaintiff Class in any manner or amount. Except as so expressly alleged and denied, Defendants lack information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, deny the same.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Defendants upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Defendants did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation, planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Defendants did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations, or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Defendants neither caused nor permitted the discharge of any oil as alleged in the Complaint.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Defendants did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation,

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planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Defendants predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

(No breach of Right-of-Way lease)

Defendant did not breach any provision of the State and Federal Right-Of-Way Leases with respect to the preparation, planning, implementation or execution of Alyeska's Contingency Plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and subsequent discharge of oil into Prince William Sound.

SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re Right-Of-Way Lease)

Plaintiffs have no standing to assert any claim predicated on an alleged breach of the State and Federal Right-Of-Way Leases by Defendant as plaintiffs are not in privity with any party to the Lease.

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EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Defendants are not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further, Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Defendants are not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Defendants are not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for ultra-hazardous activity)

Defendants have no liability under a theory of ultra-hazardous activity as the preparation, planning, implementation, and execution of the Contingency Plan is not an ultra-hazardous activity.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Defendants are informed and believe, and thereon allege, that plaintiffs, or some of them, have received payments in full or partial satisfaction of the claims described in these actions. In the event of any recovery against Defendants herein, Defendants are entitled to setoff in the full amount of such payments.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Defendants are informed and believe, and thereon allege, that plaintiffs, or some of them, have received payments in full satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payments operate as an accord, satisfaction, and release of all claims against Defendants and any such releases should bar claims against Defendants.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Defendants are informed and believe, and thereon allege, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Defendants are entitled to an abatement of this action, or, in the event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Defendants are entitled to a reduction in any damages that may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Defendants acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Defendants complied with all statutory and regulatory requirements concerning the contingency plan applicable at the

time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Defendants who were not employees, agents, or otherwise under the control of Defendants.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Defendants have no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force winds, heavy seas and other conditions constituting acts of God. Defendants are not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(No liability for nuisance)

Defendants never owned nor operated the T/V EXXON VALDEZ, never owned the oil discharged from the T/V EXXON VALDEZ, and never discharged, caused to be discharged, or permitted any discharge of oil as alleged in the Complaint. By reason of the foregoing, Defendants cannot be held liable for any claims of nuisance, whether arising under common law or statute.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Defendants, if any, for the acts alleged herein is limited by, inter alia, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or exemplary damages.

TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Defendants and, accordingly, plaintiffs may not recover from Defendants for any such injuries or damages.

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THIRTIETH SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

THIRTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

THIRTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

THIRTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Right to Petition)

Certain theories of relief may not be maintained because those theories are based upon the exercise of the state and federal right to petition the state and federal governments with respect to the passage and enforcement of laws. Any representations made during the exercise of said rights are privileged under the State and Federal Constitutions.

THIRTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Lack of Standing)

Plaintiffs lack standing to seek any relief based upon alleged representations to federal or state legislative bodies or agencies regarding the matters alleged in the Complaint.

PRAYER FOR RELIEF

WHEREFORE, Defendants pray judgment against plaintiffs as follows:

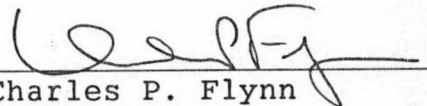
1. That plaintiffs take nothing by way of their Complaint;
2. That the Complaint be dismissed with prejudice as to Defendants.
3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law; and

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4. For such other and further relief as the Court may deem just and proper.

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Charles P. Flynn

Attorneys for Defendants
D-3, D-9, D-11, D-12, D-19,
D-14, D-20, and D-21

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FILED

AUG 15 1989

UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA
By _____ Deputy

Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re

THE EXXON VALDEZ

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-149 (P-36, P-38 and P-39)

ANSWER OF DEFENDANT
D-3 TO COMPLAINT

Defendant Alyeska Pipeline Service Company (D-3)
("Alyeska"), for itself alone, responds to plaintiffs' Complaint
herein as follows:

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ANSWER OF D-3 TO COMPLAINT
OF P-36, P-38 AND P-39

THE PARTIES

1. Answering paragraphs 1 through 5, inclusive, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

2. Answering paragraph 6, Alyeska admits that it is a Delaware corporation licensed to do business and doing business in Alaska. Except as so admitted, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

3. Answering paragraph 7, Alyeska admits the allegations therein.

FACTS

4. Answering paragraph 8, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 7, inclusive, of the Complaint, as if set forth in full.

5. Answering paragraph 9, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

6. Answering paragraph 10, Alyeska alleges that, on the evening of March 23, 1989, the EXXON VALDEZ left the southern terminal facility of the TAPS, located at the Port of Valdez, Alaska. Except as so expressly alleged, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

7. Answering paragraph 11, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

8. Answering paragraph 12, Alyeska alleges that it supervises the loading of oil at the TAPS terminal facilities in Valdez, Alaska. Except as so expressly alleged, Alyeska denies the allegations therein.

9. Answering paragraph 13, Alyeska alleges that, when it left the terminal facilities, the EXXON VALDEZ was laden with approximately 53 million gallons of North Slope crude oil that had been transported through the TAPS. Except as so expressly alleged, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

10. Answering paragraphs 14 through 17, inclusive, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

11. Answering paragraph 18, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations and, on that basis, denies the same.

12. Answering paragraph 19, Alyeska denies the allegations therein to the extent they pertain to Alyeska and further denies that it is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to

enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same

FIRST CAUSE OF ACTION

13. Answering paragraphs 20 through 23, inclusive, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 19, inclusive, of the Complaint as if set forth in full herein. Alyeska further states that said paragraph does not purport to contain allegations relating to any cause of action against Alyeska, and Alyeska, therefore, is not required to respond thereto.

SECOND CAUSE OF ACTION

14. Answering paragraphs 24 through 27, inclusive, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 23, inclusive, of the Complaint as if set forth in full herein. Alyeska further states that said paragraphs do not purport to contain allegations relating to any cause of action against Alyeska, and Alyeska, therefore, is not required to respond thereto.

THIRD CAUSE OF ACTION

15. Answering paragraph 28, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 36, inclusive, of the Complaint as if set forth in full herein.

16. Answering paragraph 29, Alyeska alleges that it has prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, and that its actions complied therewith.

Except as so expressly alleged, Alyeska denies the allegations therein to the extent they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

17. Answering paragraph 30, Alyeska denies the allegations therein to the extent they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

18. Answering paragraph 31, Alyeska denies the allegations therein to the extent they pertain to Alyeska and further denies that it is liable to plaintiffs in any amount or manner. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

FOURTH CAUSE OF ACTION

19. Answering paragraph 32, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 31, inclusive, of the Complaint as if set forth in full herein.

20. Answering paragraph 33, Alyeska denies the allegations therein to the extent they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

21. Answering paragraph 34, Alyeska denies the allegations therein to the extent they pertain to Alyeska and further denies that it is liable to plaintiffs in any amount or manner. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same

FIFTH CAUSE OF ACTION

22. Answering paragraph 35, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 34, inclusive, of the Complaint as if set forth in full herein.

23. Answering paragraph 36, Alyeska states that said paragraph does not purport to contain allegations relating to any cause of action against Alyeska, and Alyeska, therefore, is not required to respond thereto.

SIXTH CAUSE OF ACTION

24. Answering paragraph 37, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 36, inclusive, of the Complaint as though set forth in full.

25. Answering paragraph 38, Alyeska denies the allegations therein and further denies that it is liable to plaintiffs in any manner or amount.

SEVENTH CAUSE OF ACTION

26. Answering paragraphs 39 and 40, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in

full. Alyeska further states that this purported Claim for Relief is not alleged against it and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

EIGHTH CAUSE OF ACTION

27. Answering paragraphs 41 and 49, inclusive, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 38, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against it and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

NINTH CAUSE OF ACTION

28. Answering paragraph 50, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 49, inclusive, of the Complaint as if set forth in full herein.

29. Answering paragraph 51, Alyeska denies the allegations and further denies that it is liable to plaintiffs in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

30. Answering paragraph 52, Alyeska denies the allegations and further denies that it is liable to plaintiffs in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

TENTH CAUSE OF ACTION

31. Answering paragraph 53, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 52, inclusive, of the Complaint as if set forth in full herein.

32. Answering paragraph 54, Alyeska denies the allegations therein to the extent they pertain to Alyeska and further denies that these are any grounds for an award of punitive damages or damages in any amount or manner as against Alyeska. Alyeska lacks knowledge or information sufficient to enable it to form a belief as to the truth of the allegations as they relate to other defendants and, on that basis, denies the same.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Alyeska upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Alyeska did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation, planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to

its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Alyeska did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations, or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Alyeska neither caused nor permitted the discharge of any oil as alleged in the Complaint.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Alyeska did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation, planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Alyeska predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Alyeska is not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further, Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Alyeska is not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Alyeska is not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for ultra-hazardous activity)

Alyeska has no liability under a theory of ultra-hazardous activity as the preparation, planning, implementation, and execution of the Contingency Plan is not an ultra-hazardous activity.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full or partial satisfaction of the claims described in these actions. In the event of any recovery against Alyeska herein, Alyeska is entitled to setoff in the full amount of such payments.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payments operate as an accord, satisfaction, and release of all claims against Alyeska and any such releases should bar claims against Alyeska.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Alyeska is informed and believes, and thereon alleges, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Alyeska is entitled to an abatement of this action, or, in the event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Alyeska is entitled to a reduction in any damages that may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Alyeska acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Alyeska complied with all statutory and regulatory requirements concerning the contingency plan applicable at the time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Alyeska who were not employees, agents, or otherwise under the control of Alyeska.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Alyeska has no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force winds, heavy seas, and other conditions constituting acts of God. Alyeska is not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused

solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Alyeska, if any, for the acts alleged herein is limited by, *inter alia*, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or exemplary damages.

TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Alyeska and, accordingly, plaintiffs may not recover from Alyeska for any such injuries or damages.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

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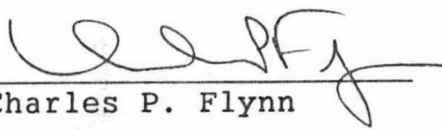
PRAYER FOR RELIEF

WHEREFORE, Alyeska prays judgment against plaintiffs as follows:

1. That plaintiffs take nothing by way of their Complaint;
2. That the Complaint be dismissed with prejudice as to Alyeska;
3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law; and,
4. For such other and further relief as the Court may deem just and proper.

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0698A

ANSWER OF D-3 TO COMPLAINT
OF P-36, P-38 AND P-39

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FILED

AUG 15 1989

UNITED STATES DISTRICT COURT
DISTRICT OF ALASKA
By _____ Deputy

Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re

THE EXXON VALDEZ

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-238 (P-167 and P-168
P-78 and P-79,
P-95 and P-96)
A89-239 (P-80)

ANSWER OF DEFENDANT
D-3 TO PLAINTIFFS' CLASS
ACTION COMPLAINT

Defendant Alyeska Pipeline Service Company ("Alyeska"),
responds to the Class Action Complaint ("Complaint") as follows:

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ANSWER OF D-3 TO
COMPLAINT OF P-167, ET. AL.

JURISDICTION

1. Answering paragraph 1, Alyeska admits that the Complaint purports to be a class action for injunctive relief and monetary damages arising out of the oil spill from the EXXON VALDEZ. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

2. Answering paragraph 2, Alyeska denies that there are any grounds for relief against it. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

THE PARTIES

3. Answering paragraph 3, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

4. Answering paragraph 4, Alyeska alleges that the Trans-Alaska Pipeline Liability Fund is a non-profit corporate entity established pursuant to the Trans-Alaska Pipeline Authorization Act, 43 U.S.C. Section 1653(c) (4). Except as so expressly alleged, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

5. Answering paragraph 5, Alyeska alleges that it is a Delaware corporation owned by seven companies ("Owner Companies"), which are Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines (Alaska) Inc., Exxon Pipeline Company, Mobil

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Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, and Unocal Pipeline Company, and that these Owner Companies are permittees of the Right-of-Way for the Trans-Alaska Pipeline System ("TAPS"). Except as so expressly alleged, Alyeska denies the allegations therein.

6. Answering paragraphs 6 through 10, inclusive, Alyeska lacks knowledge of information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

DEFINITIONS

7. Answering paragraphs 11 through 16, inclusive, Alyeska admits that the Complaint purports to define various specified terms. Except as so admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth or accuracy of the purported definitions or the use of those terms here or elsewhere in the Complaint and, on that basis, denies the allegations and further denies that any subsequent uses of the terms in the Complaint are necessarily accurate or appropriate.

OPERATIVE FACTS

8. Answering paragraph 17, Alyeska alleges that the EXXON VALDEZ, laden with approximately 53 million gallons of North Slope crude oil, left the Port of Valdez, Alaska, the southern terminal facility of TAPS, on the evening of March 23, 1989. Except as so expressly alleged, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

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9. Answering paragraph 18, Alyeska alleges that, when it left the terminal facilities, the EXXON VALDEZ was laden with approximately 53 million gallons of North Slope crude oil which had been transported through the TAPS. Except as so expressly alleged, Alyeska denies the allegations therein.

10. Answering paragraphs 19 through 31, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

CLASS ALLEGATIONS

11. Answering paragraphs 32 through 37, inclusive, Alyeska admits that the Complaint purports to define a class pursuant to Rule 23 of the Alaska Rules of Civil Procedure. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

12. Answering paragraphs 38 and 39, Alyeska denies that there are any grounds for the award of punitive damages or any other sum or manner of relief as against Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

13. Answering paragraph 40, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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COUNT I

14. Answering paragraph 41, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 40, inclusive, of the Complaint as though set forth in full.

15. Answering paragraph 42, Alyeska denies the allegations therein.

16. Answering paragraph 43, Alyeska denies the allegations therein.

17. Answering paragraph 44, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

18. Answering paragraph 45, Alyeska denies the allegations therein and further denies that it is liable to plaintiffs or the purported plaintiff class in any manner or amount.

19. Answering paragraph 46, Alyeska denies the allegations therein and further denies that it is liable to plaintiffs or the purported plaintiff class in any manner or amount.

COUNT II

20. Answering paragraphs 47 through 52, inclusive, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 46, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against Alyeska and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

COUNT III

21. Answering paragraph 53, Alyeska adopts and

incorporates by this reference the responses to paragraphs 1 through 52, inclusive, of the Complaint as though set forth in full.

22. Answering paragraph 54, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

23. Answering paragraph 55, Alyeska is informed and believes, and thereon alleges, that in excess of 100,000 barrels of oil was discharged from the vessel virtually instantaneously and such oil was, from the beginning, incapable of containment. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

24. Answering paragraph 56, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

25. Answering paragraph 57, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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26. Answering paragraph 58, Alyeska alleges that it had substantially all of the equipment specified in its contingency plan as submitted to and approved by the State of Alaska. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

27. Answering paragraph 59, Alyeska alleges that by early morning on March 24, 1989, it had sought approval from the United States Coast Guard and the State of Alaska for the use of chemical dispersants, as required by applicable laws. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

28. Answering paragraph 60, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

29. Answering paragraph 61, Alyeska alleges that on March 24, 1989, it sought approval from the United States Coast Guard and the State of Alaska for a plan to burn the surface oil. Except as so alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly alleged and denied, Alyeska lacks information or knowledge sufficient to form a belief as to the truths of the allegations therein and, based thereon, denies the same.

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30. Answering paragraph 62, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks information or knowledge sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

31. Answering paragraph 63, Alyeska alleges that its actions in response to the grounding of the EXXON VALDEZ and the resulting oil spill were in compliance with Alyeska's contingency plan as submitted to and approved by the State of Alaska. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly alleged and denied, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

32. Answering paragraph 64, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

33. Answering paragraphs 65 and 66, Alyeska denies that allegations therein as they pertain to Alyeska, denies that there are any grounds for an award of punitive damages against Alyeska, and further denies that Alyeska is liable to plaintiffs or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT IV

34. Answering paragraphs 67 through 77, inclusive, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 66, inclusive, of the Complaint as through set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against Alyeska and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

COUNT V

35. Answering paragraph 78, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 77, inclusive, of the Complaint as though set forth in full.

36. Answering paragraph 79, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VI

37. Answering paragraph 80, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 79, inclusive, of the Complaint as though set forth in full.

38. Answering paragraph 81, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VII

39. Answering paragraph 82, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 81, inclusive, of the Complaint as though set forth in full.

40. Answering paragraph 83, Alyeska admits that crude oil is defined as a hazardous substance in Section 46.03.826(4)(B) of the Alaska Environmental Conservation Act. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

41. Answering paragraph 84, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

42. Answering paragraph 85, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

43. Answering paragraph 86, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

44. Answering paragraph 87, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

45. Answering paragraph 88, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the purported plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT VIII

46. Answering paragraph 89, Alyeska adopts and incorporates by this reference the response to paragraphs 1 through 88, inclusive, of the Complaint as though set forth in full.

47. Answering paragraph 90, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

48. Answering paragraph 91, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

49. Answering paragraph 92, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

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50. Answering paragraph 93, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiff or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT IX

51. Answering paragraph 94, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 93, inclusive, of the Complaint as though set forth in full.

52. Answering paragraph 95, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

53. Answering paragraph 96, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

54. Answering paragraph 97, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

55. Answering paragraph 98, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT X

56. Answering paragraph 99, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 98, inclusive, of the Complaint as though set forth in full.

57. Answering paragraphs 100 through 102, inclusive, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the plaintiff Class in any amount or manner. Except as so expressly denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

COUNT XI

58. Answering paragraph 103, Alyeska adopts and incorporates by this reference the responses to paragraphs 1 through 102, inclusive, of the Complaint as though set forth in full.

59. Answering paragraphs 104 through 107, inclusive, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs or the plaintiff Class in any amount or manner. Except as so expressly

denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Alyeska upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Alyeska did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation, planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Alyeska did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations, or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Alyeska neither caused nor permitted the discharge of any oil as alleged in the Complaint.

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FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Alyeska did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation, planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Alyeska predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Contingency Plan not statutory)

Alyeska's obligation, if any, to maintain a contingency plan for Prince William Sound is not statutory in nature.

SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No breach of Right-of-Way lease)

Alyeska did not breach any provision of the State and Federal Right-Of-Way Leases with respect to the preparation, planning, implementation or execution of

Alyeska's Contingency Plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and subsequent discharge of oil into Prince William Sound.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re Right-Of-Way Lease)

Plaintiffs have no standing to assert any claim predicated on an alleged breach of the State and Federal Right-Of-Way Leases by Alyeska as plaintiffs are not in privity with any party to the Lease.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Alyeska is not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further, Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim

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predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Alyeska is not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Alyeska is not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full or partial satisfaction of the claims described in these actions. In the event of any recovery against Alyeska herein, Alyeska is entitled to setoff in the full amount of such payments.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payments operate as an accord, satisfaction, and release of all claims against Alyeska and any such releases should bar claims against Alyeska.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Alyeska is informed and believes, and thereon alleges, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Alyeska is entitled to an abatement of this action, or, in the event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Alyeska is entitled to a reduction in any damages that may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Alyeska acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Alyeska complied with all statutory and regulatory requirements concerning the contingency plan applicable at the time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(No negligence per se)

Alyeska has no liability to plaintiffs on a theory of negligence per se as it did not violate any statutory or regulatory provision with respect to the preparation, planning, implementation, or execution of the Alyeska contingency plan for Prince William Sound or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any release of oil as alleged in the Complaint, and plaintiffs are not in the class of persons that the statutes or regulations were intended to protect.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Alyeska who were not employees, agents, or otherwise under the control of Alyeska.

TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Alyeska has no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force

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winds, heavy seas and other conditions constituting acts of God. Alyeska is not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for nuisance)

Alyeska never owned nor operated the T/V EXXON VALDEZ, never owned the oil discharged from the T/V EXXON VALDEZ, and never discharged, caused to be discharged, or permitted any discharge of oil as alleged in the Complaint. By reason of the foregoing, Alyeska cannot be held liable for any claims of nuisance, whether arising under common law or statute.

TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

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TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Adequacy of legal remedy)

To the extent that the Complaint may be construed to seek injunctive relief to create any fund or abate disruption of plaintiffs' business interests by any oil discharged as alleged in the Complaint, or in the event that plaintiffs seek such relief in the future, plaintiffs have not and could not allege the absence of adequate legal remedy to accomplish and compensate for such abatement. Injunctive relief is therefore unavailable and inappropriate.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Inappropriateness of injunctive relief)

The injunctive relief requested by plaintiffs is impracticable, uncertain, unworkable, and intrudes upon an area under the direct monitoring and control of State and federal authorities. Injunctive relief cannot be afforded plaintiffs without intruding upon the governmental exercise of its police power and without intruding upon the interests of persons not party to this lawsuit.

TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Injunction contrary to public interests)

Given the comprehensive regulation and control of the cleanup efforts by both the State and federal authorities, being coordinated by the Coast Guard "On-Scene Coordinator" pursuant to the National Contingency Plan, an injunction requiring the Court to interpose itself in the cleanup process without the benefit of the coordinated overview enjoyed by the On-Scene Coordinator would be contrary to the public interest.

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TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Alyeska, if any, for the acts alleged herein is limited by, inter alia, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

THIRTIETH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

THIRTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or exemplary damages.

THIRTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

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THIRTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Alyeska and, accordingly, plaintiffs may not recover from Alyeska for any such injuries or damages.

THIRTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

THIRTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

THIRTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

THIRTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Right to Petition)

Certain theories of relief may not be maintained because those theories are based upon the exercise of the state and federal right to petition the state and federal governments with respect to the passage and enforcement of laws. Any representations made during the exercise of said rights are privileged under the State and Federal Constitutions.

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THIRTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Lack of Standing)

Plaintiffs lack standing to seek any relief based upon alleged representations to federal or state legislative bodies or agencies regarding the matters alleged in the Complaint.

THIRTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Bill of Attainder)

Those portions of AS 46.03 that were enacted after the oil spill constitute an unlawful bill of attainder violative of Article 1, Section 10 of the United States Constitution, and if applied to Alyeska would also violate the due process clauses of the state and federal constitutions and the contract clause of the United States Constitution.

PRAYER FOR RELIEF

WHEREFORE, Alyeska prays judgment against plaintiffs as follows:

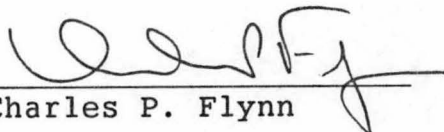
1. That plaintiffs take nothing by way of their Complaint;
 2. That the Complaint be dismissed with prejudice as to Alyeska;
 3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law;
- and,

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4. For such other and further relief as the Court may deem just and proper.

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By: 
Charles P. Flynn

Attorneys for Defendant
ALYESKA PIPELINE SERVICE
COMPANY

0700A:8/14/89

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RECEIVED
DISTRICT COURT
ALASKA

Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

In Re)

THE EXXON VALDEZ)

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-264 (P-170 through P-188,
inclusive)

ANSWER OF DEFENDANT
D-3 TO COMPLAINT
FOR DAMAGES

Defendant Alyeska Pipeline Service Company (D-3)
("Alyeska") responds to plaintiffs' Complaint for Damages
("Complaint") as follows:

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ANSWER OF D-3 TO COMPLAINT
OF P-170 THROUGH P-188

480

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RECEIVED
DISTRICT COURT
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Attorneys for Defendant
ALYESKA PIPELINE SERVICE COMPANY (D-3)

IN THE UNITED STATES DISTRICT COURT
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In Re

THE EXXON VALDEZ

No. A89-095 Civil
(Consolidated)

This Document Relates to
Action Nos.:

A89-264 (P-170 through P-188,
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ANSWER OF DEFENDANT
D-3 TO COMPLAINT
FOR DAMAGES

Defendant Alyeska Pipeline Service Company (D-3)

("Alyeska") responds to plaintiffs' Complaint for Damages

("Complaint") as follows:

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ANSWER OF D-3 TO COMPLAINT
OF P-170 THROUGH P-188

SUMMARY

1. Answering paragraph 1, Alyeska admits that this action purports to seek compensatory and punitive damages arising out of the oil spill from the T/V EXXON VALDEZ. Except as so expressly admitted, Alyeska denies the allegations therein as they pertain to Alyeska. Except as expressly admitted and denied, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

2. Answering paragraph 2, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

JURISDICTION AND VENUE

3. Answering paragraph 3, Alyeska admits that this action purports to arise from the discharge of oil from the EXXON VALDEZ. Except as so expressly admitted, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

4. Answering paragraph 4, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

5. Answering paragraph 5, Alyeska admits that it has its principal place of business in this district. Except as so

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expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

PARTIES

6. Answering paragraphs 6 through 14, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

7. Answering paragraph 15, Alyeska admits that the Trans-Alaska Pipeline Liability Fund is a non-profit corporate entity established pursuant to the Trans-Alaska Pipeline Authorization Act, 43 U.S.C. Section 1653(c)(4). Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

8. Answering paragraph 16, Alyeska admits that it is a Delaware corporation with its principal place of business in Alaska; that it is owned by seven companies ("Owner Companies"), which are Amerada Hess Pipeline Corporation, ARCO Pipe Line Company, BP Pipelines (Alaska) Inc., Exxon Pipeline Company, Mobil Alaska Pipeline Company, Phillips Alaska Pipeline Corporation, and Unocal Pipeline Company; that it operates the Trans-Alaska Pipeline System ("TAPS"), including the terminal facilities at the Port of Valdez, Alaska; that it was formed to act as agent of the Owner Companies in the construction, operation and maintenance of TAPS

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and the terminal facilities at the Port of Valdez, Alaska; that it prepared an Oil Spill Contingency Plan for various geographical areas, including Prince William Sound; that it maintains adequate personnel and equipment to implement the plan; and, that it loaded the EXXON VALDEZ with approximately 53 million gallons of North Slope crude oil on or about March 23 1989, at the Valdez Terminal. Except as so expressly admitted, Defendant denies the allegations of said paragraph.

9. Answering paragraph 17, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

FACTS

10. Answering paragraph 18, Alyeska alleges that, on the evening of March 23, 1989, the EXXON VALDEZ, which had been loaded with approximately 53 million gallons of North Slope crude oil, left the southern terminal facility of the TAPS, located at the Port of Valdez, Alaska. Except as so expressly alleged, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

11. Answering paragraphs 19 through 24, inclusive, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations therein and, based thereon, denies said allegations.

12. Answering paragraph 25, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks

knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

FIRST CLAIM

13. Answering paragraph 26, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 25, inclusive, of the Complaint as though set forth in full.

14. Answering paragraph 27, Alyeska denies the allegations therein.

15. Answering paragraph 28, Alyeska denies the allegations therein.

16. Answering paragraph 29, Alyeska denies the allegations therein.

17. Answering paragraph 30, Alyeska denies the allegations therein and further denies that it is liable to plaintiffs in any manner or amount.

SECOND CLAIM

18. Answering paragraphs 31 through 35, inclusive, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 30, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against it and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

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THIRD CLAIM

19. Answering paragraph 36, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 35, inclusive, of the Complaint as though set forth in full.

20. Answering paragraph 37, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

21. Answering paragraph 38, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

22. Answering paragraph 39, Alyeska denies the allegations therein.

23. Answering paragraph 40, Alyeska alleges that Alyeska's actions in response to the grounding of the EXXON VALDEZ and the resulting oil spill were in compliance with Alyeska's contingency plan as submitted to and approved by the State of Alaska. Except as so expressly alleged, Alyeska denies the allegations therein as they pertain to Alyeska. Except as so expressly alleged and denied, Alyeska lacks information or knowledge sufficient to enable it to form a belief as to the truth of the allegations therein and, based thereon, denies the same.

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24. Answering paragraph 41, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

25. Answering paragraphs 42 through 44, inclusive, Alyeska alleges that it has prepared an Oil Spill Contingency Plan for various areas, including Prince William Sound, and that its actions complied herewith. Except as so expressly alleged, Alyeska denies the allegations therein. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

26. Answering paragraph 45, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that there are any grounds for award of punitive damages or any other relief of any manner or amount as against Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

FOURTH CLAIM

27. Answering paragraph 46, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 45, inclusive, of the Complaint as though set forth in full.

28. Answering paragraph 47, Alyeska denies the allegations therein as they pertain to Alyeska and further denies

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that Alyeska is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendant and, based thereon, denies said allegations.

FIFTH CLAIM

29. Answering paragraph 48, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 47, inclusive, of the Complaint as though set forth in full.

30. Answering paragraph 49, Alyeska admits that crude oil is defined as a hazardous substance in Section 46.03.826(4)(B) of the Alaska Environmental Conservation Act. Except as so expressly admitted, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations and, on that basis, denies them.

31. Answering paragraph 50, Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

32. Answering paragraph 51, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

33. Answering paragraph 52, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs in any manner or amount.

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Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

SIXTH CLAIM

34. Answering paragraph 53, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 52, inclusive, of the Complaint as though set forth in full.

35. Answering paragraph 54, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

36. Answering paragraph 55, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

SEVENTH CLAIM

37. Answering paragraph 56, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 55, inclusive, of the Complaint as though set forth in full.

38. Answering paragraph 57, Alyeska denies the allegations therein as they pertain to Alyeska. Alyeska lacks knowledge or information sufficient to form a belief as to the

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truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

39. Answering paragraph 58, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

EIGHTH CLAIM

40. Answering paragraph 59, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 58, inclusive, of the Complaint as though set forth in

41. Answering paragraph 60, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

42. Answering paragraph 61, Alyeska denies the allegations therein as they pertain to Alyeska and further denies that Alyeska is liable to plaintiffs in any manner or amount. Alyeska lacks knowledge or information sufficient to form a belief as to the truth of the allegations relating to the other defendants and, based thereon, denies said allegations.

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NINTH CLAIM

43. Answering paragraphs 62 and 63, Alyeska adopts and incorporates by this reference its responses to paragraphs 1 through 61, inclusive, of the Complaint as though set forth in full. Alyeska further states that this purported Claim for Relief is not alleged against it and, accordingly, Alyeska is not required to respond to the allegations of this Claim.

FIRST SEPARATE AND ADDITIONAL DEFENSE

(Failure to State a Claim)

The Complaint and each purported Claim thereof fail to state a claim against Alyeska upon which relief can be granted.

SECOND SEPARATE AND ADDITIONAL DEFENSE

(No violation of Alaska law or federal law)

Alyeska did not violate any provision of Title 46, Chapters 3, 4 or 9 of the Alaska Statutes, or any other provision of Alaska statutes, regulations, or law or federal statutes, regulations, or law, with respect to Alyeska's preparation, planning, implementation, or execution of its Oil Spill Contingency Plan - Prince William Sound ("Contingency Plan") or with respect to its response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint.

THIRD SEPARATE AND ADDITIONAL DEFENSE

Alyeska did not violate any provision of Alaska statutes, regulations, or law, or of federal statutes, regulations,

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or law, as they neither owned, operated, nor had control over the vessel from which any oil was discharged or any oil that was discharged as alleged in the Complaint. Further, Alyeska neither caused nor permitted the discharge of any oil as alleged in the Complaint.

FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No violation of administrative order)

Alyeska did not violate nor disregard any order, permit, or other determination of the Alaska Department of Environmental Conservation, or of any other Alaska State agency, or of any federal agency, with respect to the preparation, planning, implementation, or execution of Alyeska's contingency plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any subsequent discharge of oil as alleged in the Complaint.

FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re statutory or regulatory violations)

Plaintiffs have no standing to assert any claim against Alyeska predicated on an alleged violation of any Alaska or federal statute, regulation, order, permit, or other governmental determination.

SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Contingency Plan Not Statutory)

Alyeska's obligation, if any, to maintain a contingency plan for Prince William Sound is not statutory in nature.

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SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No breach of Right-of-Way lease)

Alyeska did not breach any provision of the State and Federal Right-Of-Way Leases with respect to the preparation, planning, implementation or execution of Alyeska's Contingency Plan or with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and subsequent discharge of oil into Prince William Sound.

EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re Right-Of-Way Lease)

Plaintiffs have no standing to assert any claim predicated on an alleged breach of the State and Federal Right-Of-Way Leases by Alyeska as plaintiffs are not in privity with any party to the Lease.

NINTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for state-approved contingency plan)

Alyeska is not liable for any alleged negligence or defect in the formulation or terms of the Alyeska Contingency Plan as this plan was fully reviewed and approved by the responsible State and Federal governmental agencies.

TENTH SEPARATE AND ADDITIONAL DEFENSE

(Compliance with contingency plan)

At the time of the grounding of the T/V EXXON VALDEZ, Alyeska's emergency response capabilities were in compliance with Alyeska's Contingency Plan in every material respect. Further,

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Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint was in accordance with the provisions of the contingency plan.

ELEVENTH SEPARATE AND ADDITIONAL DEFENSE

(No standing re contingency plan)

Plaintiffs have no standing to assert any claim predicated upon an alleged defect in the preparation, planning, implementation, or execution of Alyeska's Contingency Plan.

TWELFTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for contingency plan)

Alyeska is not strictly liable for the preparation, planning, implementation, or execution of the Contingency Plan.

THIRTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for cleanup)

Alyeska is not strictly liable for damages resulting from an oil spill nor for insuring the success of an oil spill cleanup pursuant to the Contingency Plan.

FOURTEENTH SEPARATE AND ADDITIONAL DEFENSE

(No strict liability for ultra-hazardous activity)

Alyeska has no liability under a theory of ultra-hazardous activity as the preparation, planning, implementation, and execution of the Contingency Plan is not an ultra-hazardous activity.

FIFTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Setoff)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full

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or partial satisfaction of the claims described in these actions. In the event of any recovery against Alyeska herein, Alyeska is entitled to setoff in the full amount of such payments.

SIXTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Release, Accord and Satisfaction)

Alyeska is informed and believes, and thereon alleges, that plaintiffs, or some of them, have received payments in full satisfaction of the claims described in these actions and have executed releases of such claims. Accordingly, any such payments operate as an accord, satisfaction, and release of all claims against Alyeska and any such releases should bar claims against Alyeska.

SEVENTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Other Actions Pending)

Alyeska is informed and believes, and thereon alleges, that some or all of the plaintiffs have filed, or are putative members of purported classes in some or all of the plaintiffs' other actions in this Court and in other courts alleging claims for recovery for the damages or injuries alleged herein. Accordingly, Alyeska is entitled to an abatement of this action, or, in the event of any recovery by plaintiffs in such other actions as compensation for the damages or injuries alleged herein, to a setoff in the full amount of such recovery.

EIGHTEENTH SEPARATE AND ADDITIONAL DEFENSE

(Failure to Mitigate)

Alyeska is entitled to a reduction in any damages that

may be awarded against them by virtue of, and to the full extent of, any failure by plaintiffs, or any of them, to mitigate damages.

NINETEENTH SEPARATE AND ADDITIONAL DEFENSE

(Due Care)

At all relevant times, Alyeska acted with due care with respect to the preparation, planning, implementation, and execution of the Alyeska Oil Spill Contingency Plan and with respect to Alyeska's response to the grounding of the T/V EXXON VALDEZ and any discharge of oil as alleged in the Complaint. Further, Alyeska complied with all statutory and regulatory requirements concerning the contingency plan applicable at the time of any discharge of oil as alleged, and otherwise acted as a reasonable person under the circumstances.

TWENTIETH SEPARATE AND ADDITIONAL DEFENSE

(Acts or omissions of third-parties)

Any discharge of oil as alleged in the Complaint was caused solely by the acts or omissions of parties other than Alyeska who were not employees, agents, or otherwise under the control of Alyeska.

TWENTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Acts at direction of the government)

Alyeska has no liability to plaintiffs for any acts or omissions undertaken at the direction of governmental authorities including, but not limited to, the United States Coast Guard and the Alaska Department of Environmental Conservation.

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TWENTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Act of God)

In the days following the discharges of oil alleged in the Complaint, the region of the discharge experienced gale force winds, heavy seas and other conditions constituting acts of God. Alyeska is not liable or otherwise responsible for any injury or damages resulting from any discharge of oil as alleged in the Complaint to the extent that such injury or damage resulted from the environmental conditions hindering, rendering ineffective, or preventing response efforts by Alyeska.

TWENTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Combinations of third-parties and acts of God)

Some or all of any alleged injury or harm resulting from any discharge of oil as alleged in the Complaint were caused solely by a combination of the acts of third-parties (including governmental authorities) and acts of God referred to above.

TWENTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(No liability for nuisance)

Alyeska never owned nor operated the T/V EXXON VALDEZ, never owned the oil discharged from the T/V EXXON VALDEZ, and never discharged, caused to be discharged, or permitted any discharge of oil as alleged in the Complaint. By reason of the foregoing, Alyeska cannot be held liable for any claims of nuisance, whether arising under common law or statute.

TWENTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(No standing to assert claim for injury to environment)

Plaintiffs have no standing to assert any claim for damages predicated on general allegations of injury to the environment or, without limitation, to lands, structures, fish, wildlife, aquatic life, biotic and other natural resources.

TWENTY-SIXTH SEPARATE AND ADDITIONAL DEFENSE

(Statutory Limitations)

The amount of recovery against Alyeska, if any, for the acts alleged herein is limited by, inter alia, state statutes, federal statutes, and principles of maritime and admiralty law, including, but not limited to, AS 09.17.010.

TWENTY-SEVENTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Unconstitutional)

The claims herein for punitive or exemplary damages should be dismissed because the award of such damages herein would be unconstitutional under various provisions of the United States Constitution and under various provisions of the Alaska Constitution including, without limitation, Article 1, Section 7, and Article 1, Section 12.

TWENTY-EIGHTH SEPARATE AND ADDITIONAL DEFENSE

(Punitive Damages Not Supportable)

The Complaint and each and every count therein fail to allege facts sufficient to support a claim for punitive or exemplary damages.

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TWENTY-NINTH SEPARATE AND ADDITIONAL DEFENSE

(Preemption)

Certain claims of plaintiffs herein are preempted by the comprehensive system of federal statutes and regulations and maritime and admiralty provisions relevant to the subject matter of the Complaint.

THIRTIETH SEPARATE AND ADDITIONAL DEFENSE

(No Proximate Cause)

Some or all of the injuries or damages alleged by plaintiffs herein were not proximately caused by any acts or failures to act by Alyeska and, accordingly, plaintiffs may not recover from Alyeska for any such injuries or damages.

THIRTY-FIRST SEPARATE AND ADDITIONAL DEFENSE

(Comparative Negligence)

Some or all of the plaintiffs' claims may be barred or reduced by the doctrine of comparative negligence.

THIRTY-SECOND SEPARATE AND ADDITIONAL DEFENSE

(Maritime Limitations)

Plaintiffs' claims are based on an alleged maritime tort and therefore are subject to applicable federal admiralty barring of, or limits to, recovery for remote economic loss.

THIRTY-THIRD SEPARATE AND ADDITIONAL DEFENSE

(Admiralty Bar of Claims)

Certain of plaintiffs' purported claims for relief under state and common law sound exclusively in admiralty law and are therefore barred.

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THIRTY-FOURTH SEPARATE AND ADDITIONAL DEFENSE

(Right to Petition)

Certain theories of relief may not be maintained because those theories are based upon the exercise of the state and federal right to petition the state and federal governments with respect to the passage and enforcement of laws. Any representations made during the exercise of said rights are privileged under the State and Federal Constitutions.

THIRTY-FIFTH SEPARATE AND ADDITIONAL DEFENSE

(Lack of Standing)

Plaintiffs lack standing to seek any relief based upon alleged representations to federal or state legislative bodies or agencies regarding the matters alleged in the Complaint.

PRAYER FOR RELIEF

WHEREFORE, Alyeska prays judgment against plaintiffs as follows:

1. That plaintiffs take nothing by way of their Complaint;
 2. That the Complaint be dismissed with prejudice as to Alyeska;
 3. For costs of suit herein, including attorneys' fees as available under all applicable statutes and principles of law;
- and,

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4. For such other and further relief as the Court may deem just and proper.

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