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ALASKA OIL SPILL COMMISSION

June 6, 1989

OIL SPILL COMMISSION MEMBERS

- Walter B. Parker, Chairman
- Esther C. Wunnicke, Vice- Chairman
- Margaret J. Hayes
- Michael J. Herz
- John Sund
- Timothy Wallis
- Edward Wenk, Jr.

Volume 1 of 2

1 (Tape #1 - 06/06/89 - Side A)

2 (On the Record)

3 MR. WENK: .....extremely positive plan. Now, I have not had a  
4 confrontation with the Coast Guard and I heard that they are somewhat  
5 nervous about making these logs available. But it seems to me that  
6 everyone of these federal agencies has a log just like this. GAO will  
7 have that and I think someone here had mentioned this fact finding  
8 means first of all using what facts already exist without copying down  
9 the same data and I think that the staff that the Commission hires is  
10 going to have an instant job. First of all cataloguing this material,  
11 but then looking for discrepancies. Because these inconsistencies may  
12 turn out to be clues as to the kind of things -- since the investiga-  
13 tory powers are here, to find out what to do additionally. Not to  
14 duplicate any of the hearings, but to find some conspicuous gaps that  
15 are inconsistencies to try to track those down. Final point, I think  
16 the question needs to be asked as to what, even now, what that final  
17 product's going to look like and how's it going to be used and I  
18 wonder whether there are any estimates of that because somehow or  
19 another that strikes me as a kind of navigation signal for us. Is it  
20 to be used as a basis for State legislation? Is it to be used as a  
21 basis for proposals for the Federal legislation? Is there any idea as  
22 to who the target audience is, and I mean apart from the general  
23 public, in terms of some action after the report's issued. Because  
23 certainly that will motivate those of us on the Commission a lot more  
25 if we feel it's not just going to be buried.

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1           MR. PARKER: In response to that, I feel that regarding ships  
2 and crews, we have to influence them through Federal legislation to  
3 have real effect. We have gone the route of trying to influence them  
4 through State legislation in the past, in the 1970's and run afoul of  
5 the commerce clause of the Constitution. So I would regard trying to  
6 influence the ships and crews through State legislation as a fallback  
7 position from trying to have maximum effect in buttressing those  
8 efforts that are already underway in the Congress: Senator Adams'  
9 effort in the Senate and Merchant Marine and Fisheries effort in the  
10 House. Is Congressman Young the prime sponsor on that? I think he is.  
11 In the oil spill response, of course, becomes much more complicated  
12 between Federal and State and I think both -- it goes back to the  
13 complications of marine jurisdiction, which many of us have spent a  
14 good part of our working lives in, so you can't separate the two out  
15 there and also ultimately we have to hopefully have some influence on  
16 the industry. Getting their attention certainly through the legisla-  
17 tive process, but hopefully leaving within them some ideas on how to  
18 proceed. Mike?

19           MR. HERZ: I want to share an experience I had with a much  
20 smaller spill down in the Bay area. In 1984, we had an anchor called  
21 the Puerto Rican explode just outside the Golden Gate, explosion and  
22 fire. Two days later, it split in two and spilled 25-35,000 gallons.  
23 I was very naive at that point in terms of having any direct experience  
23 with spills and I made a proposal, I was at an academic institution,  
25 made a proposal to a foundation, got a small grant to look at what was

1 going on with the -- thought while it was happening of doing a report  
2 that would evaluate the process, the response process, and come up with  
3 recommendations. I ended up doing this report, which I can get copies  
4 of and distribute. I learned a lot from going through the process.  
5 What I wanted to do was spend about a minute and half sharing what  
6 happened. We looked at a number of different things. We came up with  
7 findings and recommendations on a series of things which included fire  
8 fighting, towing, spill projectory, clean up capability, dispersant  
9 use, contingency planning particularly with regard to resources at  
10 risk, recommendations on the sunken stern portion which had the mis-  
11 fortune of sinking inside a national marine sanctuary, coordination and  
12 communication during the event, and, finally, some recommendations on  
13 damage assessment. But, germane to the notion of why you're doing it  
14 and what you're orienting it towards, it seems to me that looking at  
15 what you want to get -- starting at the back end and working backwards,  
16 particularly with the compressed time frame we have to work in, is  
17 extremely important. Accidentally, I mean there was no intent 'cause I  
18 didn't think that far ahead, a California State Senator used the  
19 recommendations in this study as the basis for hearings that he held.  
20 Out of those hearings came a bill which had a lot of our recommenda-  
21 tions integrated into it. Unfortunately, the oil industry lobbyists  
22 intervened after the bill had been introduced and the final version of  
23 the bill ended up calling for a study rather than implementing recom-  
23 mendations that we had in that study. And that is still going on  
25 today. Actually it never got started until about 8 months ago and it's

1 five years since the incident. But, the point is that I think its very  
2 important to think toward use of the report, but I think it's also  
3 important to try to outline, and that's one of the things I'd like to  
4 see agendized by the end of tomorrow, a list of the categories within  
5 which we feel it would be useful to come up with specific recommenda-  
6 tions because I think that is going to guide where we go in terms of  
7 what the staff will be doing immediately and the end product as well.

8 MR. PARKER: Anything else? John?

9 MR. SUND: I just had some thoughts here and maybe following up  
10 on some of your comments on the legislation. One, it says mitigation  
11 of all future discharges of oil. That's one of the thresholds here,  
12 and it was focused on the Valdez and that focuses on tankers. I guess  
13 I would ramble a little bit and say a major break in the pipeline is a  
14 large spill of oil. It's a land based spill. I don't know if we're in  
15 our scope of recommending management practices and how to deal with  
16 that, or how to mitigate that. Railroad tanker cars, large industrial  
17 vessels (ie: large fish processing vessels) seem to be running on the  
18 grounds all over this state. They just blew one up out in the  
19 Pribilofs, I think, and sank it. Those are all oil spill related  
20 issues and it seems to me within this document here that's kind of a  
21 category. I throw that on the table to see if anybody else is inter-  
22 ested in that. The impact and usefulness of this document, Dr. Wenk  
23 brought up the issue having -- both Tim and I having sat in the legis-  
23 lature for a few years. Sometimes these are useful, sometimes they're  
25 used and sometimes they're filed. And I think it depends a lot on the

1 emotion of the moment, the time in history, what people are looking  
2 for. I think if you look through the history of this draft, I think  
3 the first draft had a bunch of legislators on it, didn't it Mike?  
4 Isn't that how it started? And eventually it came out that's not even  
5 no legislators on it. There's no federal or state employees or oil  
6 industry employees or any. So there's some process, thinking process,  
7 went through there and said, hey we want to get an incredible document  
8 back from nominally disinterested party. That leads me to believe that  
9 somebody might be able to use if it is a credible document and it's  
10 perceived as a credible document. With that, I think it would be nice  
11 to have the oil industry involved in it and have them involved in the  
12 production of this. If we're going to try to modify oil industry  
13 practices, they ought to be involved in looking at some of those. Now  
14 I know they have their own investigation going on. I think former  
15 Attorney General Bell has been hired by Exxon itself to investigate  
16 Exxon's own internal practices. The other thing I think that has an  
17 impact on the usefulness of this document is the profile that the  
18 Commission wants to take. I'll give you an example. I set on a  
19 Commission called the Bodily Injury Reparation Study Commission, back  
20 in 1978-79. That was kind of a code word for tort reform way before  
21 tort reform became an issue. There was a couple members on that  
22 Commission who said we really want to get something done, so let's keep  
23 it really low key. We'll give public notice, but we really didn't  
23 widely public notice and the rooms we met in were kind of small and  
25 dank and uncomfortable and we produced a report that I'm not sure I

1 even kept a copy. It went no where. The other is that this Commis-  
2 sion, we, as a choice, have a choice to take a very high profile,  
3 highly public, highly visual approach in terms of fact finding hearings  
4 in the Sound. You know those are -- there's different stages between  
5 those two. And it just dawned on me that one of the things we're doing  
6 here is trying to get everybody's idea of the scope and see what kind  
7 of staff we ought to hire. That's pretty essential. I mean you can  
8 hire secretaries and you can hire people who are good at raising the  
9 profile in people's consciousness. So I think that's something we as a  
10 body have to decide. I think if you want the report to have an impact  
11 the people of the state have to know you're in existence. They have to  
12 believe you're doing an incredible job and they have to believe the  
13 document that comes out will be a valid, fair, unbiased document. So I  
14 would propose in a general way that that's the direction I'd like to  
15 go. And we do, I think working backwards -- I started working a  
16 timeline backwards and you've got to have something. The legislature's  
17 in the middle part of January, it means you've got to draft it. You've  
18 got to run around for final reviews. You can work yourself backwards.  
19 You really have to decide on what you're going to say somewhere around  
20 Thanksgiving. Then you can get down to what Mike's trying to do, maybe  
21 some nominal chapter headings here that we can aim at. I think what I  
22 propose is we take a high profile, that we widely advertise our meet-  
23 ings, that we invite a good group of people to those meetings. That we  
23 trying to narrow our scope a little bit. I keep throwing more items on  
25 the agenda here, but just a few observations I had.

1 MR. PARKER: Following up on that briefly, then I'll give it to  
2 you, Esther. On the spillage of oil, the last time I accumulated  
3 information on this for testimony to the Congress in 1977, why acci-  
4 dental loss oil were four times were one-fourth those of operating  
5 losses and I'm not sure if that ratio is still the same. It's been so  
6 long a time since I looked at that date. But it just makes a point  
7 that there's a lot to be done still. I'm sure as we get into this and  
8 the information starts flowing, phantom spills which still occur that  
9 have nothing to do with the Exxon Valdez will begin to come up again.  
10 The other point on public information, my once and again colleague Ms.  
11 Wunnicke and I administered a staff which turned out over 200 documents  
12 in the 1970's dealing with information. We did flood with information  
13 because it was a very large subject involving the entire state and all  
14 of its resources and all of its people. But, if I had it to do over  
15 again, I'd use a lot more video. It wasn't quite the time then for  
16 videos because it was too difficult to produce and too expensive, but  
17 nowadays it's not and I couldn't agree with you more on that. We have  
18 to have that profile and we have to utilize every means possible to  
19 achieve it within our resources. If we don't, we're going to putting  
20 in an awful lot of effort and spoiling our summer for very limited  
21 gains. Esther.

22 MS. WUNNICKE: I keep wanting to hear from Meg Hayes 'cause I'm  
23 sure she's given a lot of thought to this Commission. But to followup  
23 on this discussion, I think the task is great enough that we may want  
25 to form subcommittees so that the whole Commission doesn't attack every



1 aspect of the problem and yet we will all have to adopt and be respon-  
2 sible for the final recommendations on every aspect of the problem.  
3 And I think that we should certainly look at something other than  
4 public hearings as a means of gathering information, like a symposia of  
5 scientists and people with particular knowledge to help us. Hearings  
6 are very valuable, but they also have a tendency to polarize people and  
7 instead of getting constructive suggestions sometimes you get either/or  
8 kind of comments. I would just like to suggest that we use some  
9 additional means besides hearings to get, to pick the brains of as many  
10 people as we can in the process.

11 MR. PARKER: Tim?

12 MR. WALLIS: Just a comment. There's been a couple comments  
13 around as to what's going to happen to these reports and one that has  
14 to be submitted and I assume that the Chairman is going to be the one  
15 that's going to be telling certain committees as to what's in there and  
16 how we reached our recommendations. I would also keep in mind that  
17 it's an election year next year and people are going to be zeroing in  
18 on the oil spill as one of their campaign issues. So they could be  
19 using reports as kind of a political tool, so I think we do have to  
20 come out with a good solid report.

21 MS. HAYES: Mr. Chairman, my initial thoughts on it were a  
22 little bit different than some that have been expressed. One of the  
23 things that I think we could add to value of the history of what's  
23 happened is using the powers that we've been given in the legislation  
25 to bring out some of the scientific information that might otherwise be

1 buried for fear of litigation. To put it in a public forum that people  
2 can evaluate it; people maybe with better qualifications than us in the  
3 future. I'm talking of scientists and engineers, about methods that  
4 have been used, the processes that have been used, so that we, the  
5 State of Alaska, is in a better position a year from now to say what  
6 would happen if the same thing happened again. So many people have  
7 talked about this being their worst nightmare come true and it wasn't  
8 the worst nightmare come true. I mean, the same thing could happen  
9 tomorrow, the hold tanker could go. It isn't the worst nightmare and I  
10 think we have a responsibility of using the powers the legislature gave  
11 us to put some of that information in the public record and evaluate it  
12 as best we can, but essentially leave it to experts in their fields to  
13 use the data. It seems that that might be one way of accelerating the  
14 process of having it widely available that otherwise might not happen.

15 Another thing that I'm concerned about is that we've seen a lot  
16 of reports, and I'm sure you all have the picture of the furry mammal  
17 being soaked with oil and dying in the muck. I'm a little more con-  
18 cerned about what's happening to our communities. What the effect has  
19 been on the people that have been involved with it. The way that  
20 communities are reacting to it. The effect on local governments and  
21 how's the best way for a system to react to that. So I think that  
22 that's equally important to me as how many animals, how many birds have  
23 died, is what the effect is on the social systems that are involved. I  
23 don't know what the best way is to attack that. I don't, I'm not aware  
25 of anybody doing any researching or collecting of data or having any

1 method for that, but it's something I think the Commission ought to be  
2 involved with.

3 MR. \_\_\_\_\_: There's a study going on

4 MS. HAYES: Is there? Who's doing that?

5 MS. WUNNICKE: Mr. Tudor, Economic Research

6 MS. HAYES: Social Economic Research.

7 MR. \_\_\_\_\_: Just write university next to it.

8 MR. PARKER: Mike, is that being funded through.....

9 MR. HERZ: Mr. Chairman, I was just looking here. I have a  
10 list here of all the projects, assessment projects, that have been,  
11 that state aid's requested for funding. I was just glancing a look in  
12 there. Let me look at this and I'll report back to you.

13 MS. \_\_\_\_\_: Or any others you come across.

14 MR. \_\_\_\_\_: If I could comment on the science thing?

15 MR. PARKER: Sure

16 MR. \_\_\_\_\_: One of the real questions that has been  
17 discussed for the past twenty years about the Prince William Sound  
18 situation was the state of knowledge. One of the pre-spill questions  
19 that flows out of this kind of investigation is hat is the state of  
20 knowledge relative to currents burgen (ph) bits, various weather pat-  
21 terns, etc., that is the physical and biological environment. And was  
22 that knowledge -- were the people involved with the contingency plan-  
23 ning and process cognizant of that knowledge and then did they use that  
23 knowledge? Which becomes a pre-cursor to the question of the process  
25 of government industry interaction. So the state of knowledge flowing

1 into the process of interaction and how the clean up went is all tied  
2 together in a what, why and how.

3 MR. PARKER: Ed.

4 MR. WENK: A couple of generic comments. First, attention to  
5 this question of threats from oil spillage go back at least to the  
6 Torey Canyon spill in March of 1967. I was then on the White House  
7 staff, went over to England, found out how helpless and hopeless we all  
8 were. When I came back we started drafting the first contingency plan  
9 for Federal government and it was released in November, 1968. Since  
10 then I've been involved with that same type of question on a broader  
11 basis. It really boils down to the simple-minded approach of "What  
12 might happen if?" But not just applied to oil spills, it has to do  
13 with storage of nuclear weapons. It has to do with knocking out  
14 electrical power in the east coast, and so on and so on. The point I'd  
15 like to make is there is a whole body of techniques of what some of us  
16 call technology assessment that are available now. One of the dramatic  
17 initial uses of that is in that notorious Section 1022C of NEEPA (ph).  
18 That was all based on this concept developed about 1964. All that, I  
19 think, can help us in terms of how to go about even our own task.  
20 Moreover, I think the point was made by, I think it was you, John,  
21 about looking at what type of experts you need for staff. And I think  
22 the lesson from this may be that you do need this sort of highly  
23 specialized information, but the kind of people who do technology  
23 assessments are generalists. They are problem solvers. They're people  
25 who are very sensitive to the social as well as the technical side. A

1 final point in that regard. I was interested in Sheila's observation  
2 earlier about the emphasis in that statement on management and mis-  
3 management of whatever. In dealing with technology, some of us have  
4 found that we have to get around the myth that technology is hard ware,  
5 it's not just 747's and VCR's and so on. It's also software that  
6 computer people have already use that term, so some of us call it  
7 squishy ware, but it's really people ware. And when you analyze  
8 contingency plans and failures, most, something like 80-90%, of the  
9 failure is in the people ware, not in the hardware. Very little  
10 attention is given to that, and this is a management issue, is given to  
11 that in contingency planning. It's so easy to sit down and inventory  
12 all the equipment you need without asking a question as subtle as this:  
13 What's the culture of the decision operators? A little list I made of  
14 typical response by decision apparatus under these circumstances:  
15 denial, anger, depression, acceptance, plus the demons of ignorance,  
16 error, blunder, folly, mischief, arrogance, humor, self-delusion and  
17 exhaustion. The point though, is that I don't think there's been  
18 enough attention given to this management issue, or mis-management. I  
19 believe that everybody's observed that almost all the participants in  
20 this disaster suffer somewhat on the side. Talking about the kind of  
21 contribution this report could make, I realize it's awfully hard to get  
22 your hands around this sort of thing and yet I believe an additional  
23 focus on the management aspects of all the participating organizations  
23 and their interactions could be a major contribution, generally, to  
25 everybody who's involved in this kind of thing.

1 MS. \_\_\_\_\_: I agree

2 MR. PARKER: I've spent most of my working life trying to keep  
3 moving objects from hitting things, mostly airplanes and ships, occa-  
4 sionally automobiles. You know, there is no substitute for constant  
5 reinforcement of the operator that it can happen anytime, any where.  
6 You're right, we lost programs, time and time again, and then we went  
7 into a period of exceptionally good luck, which is what it all usually  
8 is. We stagger through and I think if we get into an evaluation of  
9 Valdez operations we're going to discover how many times we were lucky  
10 in the case of the Prince William Sound, when she lost her power inside  
11 the Sound. And in the case of a recent power failure off the coast of  
12 Washington and numerous power failures off the coast of California. So  
13 -- it's getting that constant awareness has always been a problem from  
14 the time we first decided to launch ourselves on moving objects and one  
15 we've always ignored. So I hope we can have a real impact there.  
16 Mike?

17 MR. HERZ: I'm struck by the wide range of things that we want  
18 to address, but, I guess as an outsider, I'm compelled to look about  
19 what Meg Hayes said about impact on communities and combine it with  
20 what you've been saying in terms of the healing that has to happen  
21 here. It seems to me that I don't know whether we are the place where  
22 it could begin, but it seems to me that Alaska town meeting -- a place  
23 where everybody can come and talk about their perceptions, make recom-  
23 mendations -- you can get some incredible recommendations from people  
25 that don't know anything about the technology of it -- I mean, it's an

1 immense job to solicit input from an entire state. But someplace along  
2 the line, maybe it can't be done within the time frame that we have,  
3 maybe it can be done using technology. Maybe it can be done from a  
4 central place in Anchorage with television feed, with public radio or  
5 public television, or maybe computer links. I don't know. But it  
6 seems to me that, yes, we've got to focus on all this technological  
7 stuff and assistance failure, but I think the people side, the impact  
8 the social, on the social fabric of this state is an extremely impor-  
9 tant message to get out to the rest of the country. Alaska is unique.  
10 One of the reasons that I'm so excited about being able to work here is  
11 that it's sort of a spirit and a way of life that people have con-  
12 sciously chosen to come up here for reason that are different from the  
13 way people look at things down in the Lower 48, I think. That spirit,  
14 that spiritual approach to the environment and the resources needs to  
15 be heard outside of here. I think the anguish of the people in Prince  
16 William Sound that you were talking about has got to be communicated.  
17 Already, the newspapers down in the Lower 48, you see practically  
18 nothing. And when you see it, it's buried way in the back. I was  
19 amazed at the morning paper today had one article on the impacts of  
20 sharing, of people in some of the native communities being scared to  
21 eat seafood; had been told not to eat seafood and there's some sharing  
22 of resources that are being caught in one area that have not hit by the  
23 oil spill and being taken there. All this human stuff, I think is  
23 critically important and I don't know whether it's within the scope of  
25 our charge, but I sure would like to see that be something that we

1 would pay some attention to and offer some opportunities for the  
2 citizenry to say they're mad as hell and to vent some of this stuff and  
3 feel better.

4 MR. PARKER: I think how much of that we can do is limited  
5 primarily by how much time the Commissioners can commit to it and  
6 possibly judicious utilization of Esther's suggestion of subcommittees  
7 and Ed's and other suggestions on a symposium. There's no particular  
8 -- I have urged every sociologist, cultural anthropologist, etc. that I  
9 know to go find funding and get out there in the communities now. I  
10 hope that the

11 (Off the Record)

12 (Tape Changed)



1 (Tape #2 - 06/06/89 - Side A)

2 (On the Record)

3 MR. \_\_\_\_\_: This is the afternoon of June 6th, 1:30.  
4 We're on time.

5 KEVIN: Just to go over a couple of administrative things again  
6 and I'll try to be brief. You're all entitled to reimbursements for  
7 the costs you've incurred for coming here today and I'll just go over  
8 briefly what that entails. The enabling legislation allows for \$150  
9 per day per member while you're on Commission business in addition to  
10 standard per diem and travel expenses; your air fare and other taxis  
11 and things that you might incur. So, basically, I have some trip  
12 reports and some State forms, what we call travel authorizations, that  
13 I'll pass out and ask that you all complete. For the first trip here  
14 I'll try and -- I guess I could take them back with me or have you mail  
15 them to me. We'll get some checks out just as soon as we can. But,  
16 basically, I would just encourage you all to keep your receipts.  
17 Things like plane tickets should be attached to the T A's (travel  
18 authorization) and any receipts over \$10 that you incur, whether they  
19 be taxis or another types of things like that, that you should keep  
20 receipts for those and attach them and we'll reimburse you for whatever  
21 you spend. Phone calls have been mentioned before. You should keep  
22 your phone bills if you make calls from your home until we can make  
23 arrangements for credit cards and we will reimburse you based on your  
23 itemized phone bills. Just take copies and highlight the calls that  
25 were for Commission business, that kind of thing. There may be some

1 questions when you start looking at the forms and some State former  
2 legislators and Esther may be familiar with the forms. Others of you  
3 are probably not, so, if there's any questions, I can deal with those  
4 specifically later

5 MR. WENK: Is this just a per diem or is it expenses?

6 KEVIN: Per diem, \$80 per days plus \$150, so there's \$230 a day.

7 MR. WENK: Per diem is \$80. It's not hotel, plus meals. Is  
8 that correct?

9 KEVIN: It's a little tight in Anchorage and I understand.

10 MR. WENK: Tell me about it.

11 KEVIN: But that's what it is. I didn't make that rule so.....

12 MR. WENK: I wasn't blaming you.

13 KEVIN: I know a lot of you are probably out some money for  
14 this trip and as soon as I can get back to Juneau we'll try to process  
15 these reimbursements and get them in the mail to you just as soon as we  
16 can.

17 MR. WENK: Do you have any advice on how to live within the  
18 eighty?

19 KEVIN: I don't know.

20 MS. \_\_\_\_\_: Bed and Breakfasts are generally.....

21 KEVIN: Since they implemented a room tax up here -- it used to  
22 be that it was \$49 for a room and thirty-one for your meals. And  
23 that's what the eighty was intended to cover. Since then there's been  
23 a room tax implemented and its at least 8% here in Anchorage. It eats  
25 into your meal allowance real quick so, its unfortunate.

1           MR. \_\_\_\_\_: Out of curiosity, where do you get the  
2 forty-nine?  
3           KEVIN: It used to be forty-nine. It's been a while.  
4           MR. SUND: Theoretically, there's a government rate some place,  
5 but.....  
6           KEVIN: I would encourage you all to ask for the government  
7 rate.  
8           MR. SUND: It's all \$60 a night in Juneau. I spent two nights  
9 in Juneau coming back and forth here.  
10          MR. WENK: The government rate at Captain Cook is \$95.  
11          MR. SUND: Well, you just lost fifteen when you landed.  
12          MR. SUND: I felt it.  
13          KEVIN: I guess this would be somewhere where a staff person  
14 would come in handy in trying to make some arrangements where you might  
15 be able to swing some better deals, and make your travel arrangements  
16 and do those types of things.  
17          MR. HERZ: You really don't need to be concerned yourself.  
18          MR. WENK: You're lucky you're not there in Anchorage.  
19          MR. HERZ: Yeah, and hope I'm not going to go.  
20          MR. \_\_\_\_\_: So, are you going to pass out the forms?  
21          KEVIN: There are some trip reports that I've just kind of  
22 taken and they weren't really made for this purpose, but they're used  
23 by other State office, so I'd ask that you just keep that in mind. If  
24 I could get mailing addresses -- I have the mailing addresses, but what  
25 I would need is social security numbers on here. That would be fine.

1 Then I could probably take those, these trip reports, and transfer the  
2 information to these, but this is the actual State form that is ulti-  
3 mately going to get filled out and I'll just pass those around for your  
4 information. I think the first time through here, I'll take your trip  
5 reports and get them prepared back in Juneau and hopefully we'll have a  
6 staff person on board to take care of some of these things.

7 MR. WENK: Can I have your mailing address.

8 KEVIN: I'll give it to you. It's: Department of Administra-  
9 tion; P.O. Box C, Mailstop 0208, Juneau, AK 99811. And you can send it  
10 to my attention, Kevin (indiscernible). Like I say, with Mike, I can  
11 take yours back or anyone else that wants me to take it back and  
12 expedite the repayment process.

13 MS. WUNNICKE: Kevin, do we need to file forms just for the  
14 stipend for the meeting or do you have separate forms for those.

15 KEVIN: No, that'll just be included. As long as we have the  
16 days outlined in there then we can do the calculations on what the  
17 stipend and per diem and so forth will be. I think the trip report -- I  
18 guess I would encourage, to feel free to attach a separate paper that  
19 would add clarity to it for exceptional cases or whatever the reason.

20 MR. SUND: Mr. Chairman, I guess now is as good a time as any to bring  
21 up -- the other part of that is members of the Commission serve without  
22 compensation, but are entitled to \$150 per day while on Commission  
23 business. Just coming out of the legislative process that's very  
23 intuitive, that definition. But what is Commission business and we  
25 probably ought to, maybe not even resolve it now, but people ought to

1 think about what is going to constitute Commission business when you're  
2 not at a meeting.

3 KEVIN: I guess, again, everyone has talked about sensitivity  
4 in the perception of this committee, so if you're making a series of  
5 phone calls you might want to think about.....

6 MR. SUND: There's two ways to look at it. There's some who  
7 say they never were in the legislature and got hurrahs, and there's  
8 others said well if you never claimed any, you weren't doing anything,  
9 so, you're being lazy and not functioning properly. I always had the  
10 rule, if it screwed up my day I charge them for it. Sometimes it was  
11 20 minutes, sometimes it was four hours. Anyway, we ought to adopt  
12 some policy before we leave here tomorrow what generally is going to be  
13 a business day.

14 MR. PARKER: Yeah, I'd like the commissioners to think about  
15 that as to what they want to define as Commission business and we'll  
16 pick it up tomorrow afternoon. Anything else on travel?

17 KEVIN: I guess I would add one more thing Mr. Chair. Since I  
18 am going back tonight, I can leave a number and we can use a phone, the  
19 speaker phone, and I can be present here tomorrow to address any  
20 further questions that may come up via conference call.

21 MR. PARKER: Okay. Tim.

22 MR. WALLIS: Are we going to use anything like TR, or a TR  
23 book, or just.....

1 KEVIN: We can use TR's. That's, again, that's -- we're  
2 getting into the administrative in and it would be best if we had  
3 someone, a secretary or somebody, that could track this down.

4 MR. PARKER: I think our best bet on handling that from my  
5 experience, would be, once we're underway, to set up a travel agent.  
6 You can use TRs with a travel or someone where we can simply.....

7 KEVIN: Someone who will let you run a monthly bill.

8 MR. PARKER: Someone who will let us run a monthly bill and  
9 where we can have tickets for commissioners when they need to travel  
10 through their travel agent or at the airline counter. That keeps  
11 people's out-of-pocket expenses down to a mild norm and provides the  
12 best trail, the best accounting trail.

13 MR. \_\_\_\_\_: What's a T R?

14 MS. WUNNICKE: Travel request.

15 KEVIN: It's as good as money. You just walk in and buy a  
16 plane ticket with it.

17 MR. WENK: Some travel agents don't like to take them. At  
18 least my federal TRs they didn't.

19 KEVIN: If there in the state of Alaska, most of them are,  
20 they're good about it. I understand you're coming from down south. As  
21 long as the meetings are scheduled sufficiently in advance, there  
22 should be no problem and they can be arrangements before hand with a  
23 scretary or someone. And I get the impression that they probably will,  
23 there will be some advance notice.

25 MR. WENK: That will also be advantageous in reducing the fare.

1 KEVIN: Sure. You get the better fares when you have advance.  
2 MR. SUND: Kevin. Just a point. I notice in transportation  
3 there's no place in here for car rental. The choice is limo or taxi.  
4 Is there new policy here now?  
5 KEVIN: No. The car rental is an allowable expense as well.  
6 That's just more of a work sheet, John. The ultimate document is going  
7 to be the yellow TA and you can just do an itemized expense on the TA.  
8 MR. SUND: Okay.  
9 KEVIN: That's why I say, I just grabbed some forms and I knew  
10 I wasn't going to hit everything. If I could encourage you to add  
11 things if they're not on there or attach a separate sheet, cause it was  
12 not intended for you to be incurring out-of-pocket expenses for the  
13 Commission.  
14 MR. PARKER: Anything else. Okay, if we can -- we'll pick up  
15 on this again tomorrow if we need to. I have some information xeroxed  
16 for you which was just passed out which is pretty self-explanatory from  
17 the headings. I just thought it would be good background for you. For  
18 the record, it's part of the State's activities from a period from '74  
19 to '78 on oil tankers that I developed primarily for Governor Cowper  
20 when he was going to go back and meet with President Bush -- so just to  
21 refresh his memory on what when on in that period and my recommenda-  
22 tions for that time, March 30th, are on the back of that. The other is  
23 my last testimony before the Senate Commerce and Science and Technology  
23 Committee, the U.S. Senate, on oil spill legislation which defined, on  
25 the information at that time, what the potential was for oil spills in

1 Alaska. The other is Senator Brocke Adams, U.S. Senator Brocke Adams'  
2 remarks in introducing his legislation on tanker operations in Puget  
3 Sound last month with some back up information on the double, the  
4 bottoms and the double hulls and some history of that. But I just  
5 thought you would find that informative this evening when you have a  
6 chance to peruse it. If anyone else has anything they would like  
7 copied, the Governor's office has volunteered copying services for  
8 these particular meetings. I've agreed to get it to Paul if you need it  
9 copied. Alright. Shall we assume our discussion on objectives leading  
10 to our work program.

11 I would hope that this afternoon we can finish up with the  
12 beginnings of a work program which we can fine tune tomorrow. Then  
13 we'll get into discussions on staff to match the work program then. As  
14 we left the issue, the other thing I would hope we would discuss is the  
15 sociological impacts and also scientific information. In line with  
16 that after, as we develop a work program, I think it would be appro-  
17 priate to move to the subcommittees that we discussed for handling that  
18 work program and work that phase of it. Who would like to open up on  
19 the objectives and/or work program?

20 MR. WENK: Somebody has to go first. I'll, Mr. Chairman, make  
21 one or two observations. I think there was considerable enthusiasm  
22 already expressed about fact finding by building on existing data,  
23 existing information. And I think it would be a tremendous service to  
23 the Commission if the staff, initially, could put a dragnet around all  
25 these reports that currently exist and ones which maybe haven't



1 surfaced and I'll come to that point in a second. First of all, with  
2 our short time, I don't think we can possibly duplicate that data  
3 collection. But, secondly, I'm not sure it's really necessary.  
4 Practically every expert in the field has already had some say. There  
5 are, however, different interpretations and this I understand GAO  
6 people already are showing up by careful comparison, but point number  
7 one would simply be trying to get that information in hand and struc-  
8 tured and summarized by staff so that all of us on the Commission have  
9 springboard for the next steps. I think we all come at this with same  
10 enthusiasm, but as individuals we have different perspectives. This  
11 will give us a common base, data base. We'll all be operating from the  
12 same knowledge and I don't think any one of us in the oil business  
13 before have any special expertise in the field, on the Commission. The  
14 second aspect has to do, this again in terms of the proposal, has to do  
15 with contingency planning before we get to the question of the mis-  
16 management and so on. GAO has already collected all of the available  
17 contingency plans from all participants. There was reference made, but  
18 I didn't think about it at the time of questioning, that the one from  
19 Exxon was 28 volumes. I really find that difficult to believe. The  
20 point, however, is that there -- I can imagine some value in -- this is  
21 not now the data base as such. The data base has more to do with  
22 (indiscernible). But a collection of these contingencies plans. And  
23 making it possible then for us to make our own evaluation as to where  
23 there may have been a shortfall in the plan, particularly their own  
25 expenditures. I think then we can establish some criteria to evaluate

1 whether or not the response followed the plan. My impression is they  
2 did not. But there's some great plans out there that were ignored,  
3 neglected, improperly implemented and so on. The final point -- I'm  
4 not saying anything that hasn't already been said before. I think  
5 Esther in her outline earlier covered these points. I'd like to  
6 underscore the prevention side a little bit. I got involved in this  
7 oil issue locally in connection with the potential problems in Puget  
8 Sound. When the pipeline was first proposed and DIS was required, I  
9 testified before the Department of Interior in Washington as an indi-  
10 vidual citizens but I was the only one who so testified in 1971 but  
11 there wasn't a single word about the maritime extension of the pipe-  
12 line. The next version of the DIS carried a little bit, but I wrote  
13 other critique and then went off and did some studies myself of safety  
14 in Puget Sound and that resulted in a major study and I brought a copy  
15 with me that's interesting. That the indications of navigation safety  
16 in Puget Sound on the grounds you can't look at tanker safety without  
17 looking at the whole thing. It's like looking at a tank truck on the  
18 streets of Anchorage without realizing there is traffic, and a lot of  
19 ships, especially from the point of view of collision. The approach I  
20 took with regard to the tanker safety issue was one of, which I never  
21 stated, but one where I really despaired of cleaning up Puget Sound, if  
22 we lost a whole tank. We were able to get a tanker limit size -  
23 125,000 pounds. I chaired a committee that got that bill through the  
23 legislature. They did bring that to the courts. Also a bill requiring  
25 an escort which is still in effect. But I could never say publicly

1 that I despaired. But all I did then was put all my attention on the  
2 prevention side and came up with a study on, as far as Puget Sound is  
3 concerned, on the steps that could easily, at low cost, be implemented  
4 to do some of this. The report was published in 1983. It was immedi-  
5 ately attacked by the agency responsible for safety -- the U.S. Coast  
6 Guard and the Washington State ferry system. It turned out we had to  
7 wait until there was a ferry accident due to some mis-management of the  
8 skipper. Has it's amusing aspect because he went on the roof to show  
9 his girlfriend from the pilot house their home on San Juan or Orcas  
10 Island and got himself in Grant Rhinestone Harbour and couldn't get out  
11 without hitting a rock. The press immediately hopped on this and the  
12 report got trotted out and so some actions have been taken. There were  
13 ten recommendations -- but the key point though I just want to under-  
14 score is I remain to be educated on how to contain a million barrels.  
15 But my feeling at the moment is that prevention is so much stronger a  
16 week ago that I think it's worth the Commission viewing -- thinking  
17 through proportionately -- I mean we're going to have to budget our  
18 times some way and you mentioned subcommittees which I think is another  
19 way to think about this. I would just like to put in a pitch for  
20 prevention as a really major production.

21 MR. PARKER: Some following remarks to that. I find the  
22 problem I had in dealing with the issue during the same timeframe is  
23 that both crude oil and refined products are not regarded by the  
23 maritime industry. Since they were not defined legally as hazardous  
25 cargo, they were not truly an extremely serious issue. And we're not

1 -- systems were simply not operated at the top of the state-of-the-art.  
2 And the impetus that was put into prevention both in ship construction,  
3 in manning, in crew training, in support systems -- I've vesseled  
4 traffic systems and so forth -- was simply not given the kind of  
5 priority that an ecological disaster of a very large spill deserves.  
6 You seem to be developing a somewhat political pattern on very large  
7 spills like Torey Canyon, Argo (ph) Merchant, Moka Cadice (ph) came  
8 close together, but as soon as they get a series together then there  
9 seems to be about a ten year break. But, there's no indication yet of  
10 any real political response in the operating agencies and in the  
11 in-shipping industry few lessons learned in major, past disasters and I  
12 hope this time we can change that particular pattern and truly get the  
13 attention of the shipping industry overall and of those who use the  
14 shipping industry. Mike?

15 MR. HERZ: A few following comments on the following comments.  
16 I couldn't agree more about the prevention side. But I think a couple  
17 of things on the contingency plan evaluation that I would like to raise  
18 and see us spend some time looking at. One is that a plan is just a  
19 piece of paper and unless there is field testing of those plans fre-  
20 quently to show that the capability is there, they're not going to  
21 function the way they're written on paper. I just still really under-  
22 score that. Some phone calls that I made shortly after the spill  
23 trying to find out about the surprise drilling and drilling that the  
23 State did of the terminal indicated that the last surprise drill was  
25 three years ago. In California, our State Coastal Commission does

1 emergency -- does drill most of them on and as a State Land Commission  
2 which controls the Freemont state lands -- does some surprise drilling  
3 although it sounds like the guys that do the inspecting are very good  
4 friends of the guys that operate facilities and some points I got from  
5 some of the guys made it sound as if, we know without their -- we don't  
6 have to check -- we understand each other. It's sort of a trust thing.  
7 And that worries me a little bit if you have the same people always  
8 interacting. That system may not work well, but still I think you find  
9 a lot of times along with systems if you test them, and if you don't  
10 test them, they're just there on paper, they don't work. Secondly, I  
11 think there's a big loophole that needs to be looked into. I think it  
12 stems from -- the oil industry took it upon themselves to establish oil  
13 spill cooperatives around the country. There was no requirement to  
14 force them to do that. In looking at the situation, it sort of slowly  
15 has dawned on me that strategically they were very clever to do that  
16 because it forestalled some legislation. As I read it, the legislation  
17 that now exists requires that there be contingency plans for facili-  
18 ties, for platforms, for tank farms, for terminals. But, there is no  
19 contingency plan and there's very little requirement for what's in  
20 between. In California again -- I'm sorry to keep bringing California,  
21 but I know more about California than I do about Alaska. We, at this  
22 moment, have no open ocean oil spill capability north of San Louis  
23 Visco (ph), between there and the Oregon border. So if there were to  
23 be a spill, a major spill like the Puerto Rican -- the Puerto Rican was  
25 a great example because it showed we didn't have the capability, even

1 though Clean Bay, the oil spill cooperative claims that their service  
2 area is from San Louis Visco (ph) to Humble Bay, they really don't have  
3 any ocean going equipment and they say this is our service area, but we  
4 only have bay capability. So, there was nobody available to do fire  
5 fighting and there was no real clean up equipment. They had to bring a  
6 ship up from San Louis Visco (ph) and it went, almost went on the rocks  
7 and they lost it for three days and had some windows stoved in and so  
8 on. But, you mentioned the transportation industry. In the oil  
9 industry, you've got the co-ops. The major accidents that we see are  
10 not related to development and drilling and exploration. They're  
11 transportation related accidents. They're pipeline facilities. And if  
12 they happen away from the facility, there currently exists, if I read  
13 it correctly, no legislative requirement that they do a contingency  
14 plan and that there be any coverage. But the co-ops, which are volun-  
15 tarily established, make it look as if there's coverage. But, when you  
16 sort of look through that you find, like in San Francisco region, you  
17 don't have the ocean going capabilities. So that's an area that I hope  
18 we can spend time looking into, because I think it will come up with  
19 suggestions for legislation. Finally, I'd like to say something about  
20 hazard assessment. I was involved with a group that did some work for  
21 Santa Barbara county last year, looking at their emergency management  
22 capability and their response capability. One of the things that we  
23 did was evaluate contingency plans. We did some scenarios, some risk  
23 analysis hazard assessment scenarios. We took small, medium, large and  
25 very large spills in a number of different categories. One was a

1 platform. One was a terminal. One was a set of vessel collisions,  
2 offshore. And we looked at a variety of potential impacts from those  
3 incidents. And I think that kind of thing maybe should be part of the  
4 contingency plans that are broadened to include these areas between  
5 terminals and platforms. I'm just -- that's my laundry list of things  
6 I want to see included.

7 MR. PARKER: Thank you. Mike. The state oil spill response  
8 legislation, that did pass did it not?

9 MIKE: Yes, it did.

10 MR. PARKER: the Governor has signed it or not yet?

11 MIKE: I don't believe he has.

12 MR. PARKER: The.....

13 MIKE: I think he was planning to do that in Valdez. Mr.  
14 Chairman, let me introduce someone here that's at the meeting, Ms.  
15 Marilyn Heim. Marilyn worked for the House Resources Committee and  
16 closely tracked all the oil spill legislation that went through the  
17 session this year.

18 MR. PARKER: I think that as we get into reviewing that legis-  
19 lation, especially the statewide oil spill legislation which is proba-  
20 bly the most far ranging and innovative of that legislation, we can  
21 really use that as a vehicle for approaching what Mike Herz was dis-  
22 cussing, because you're right sir. It's very much a patchwork quilt  
23 out there. And where your accident happens to fall is very much in the  
23 lap of the gods, as far as response goes. It, I think it reflects the  
25 general law approach which Congress and most state legislator brought

1 to this in which the weapon that one was going to use was liability and  
2 through liability we would force compliance in the right thing. It  
3 doesn't seem to have worked very well. John.

4 MR. SUND: Just following on that, various items here. I just  
5 want to comment on one. In terms of forcing it through liability which  
6 gets you back into funding cleanup and making people trade off the cost  
7 of prevention versus the potential liability for clean up. I want to  
8 address that under the hypothetical that the perpetrator of the acci-  
9 dent is a bankrupt company and then let's see where we're at today.  
10 What I'd like to do is take a look at the total costs and I'm sure the  
11 State's spending a lot of time and money annualizing what the costs  
12 are, 'cause they're going to go against Exxon. And Exxon loves to tell  
13 you what it's numbers are and they will be at least as high as they  
14 really are. So we can come out with what the cost is, I think as part  
15 of this report. We need to come back to the legislature and say, okay,  
16 if it hadn't been Exxon, if it had been a third party charter, let's  
17 just for hypothesis say a bankrupt company, what would we have done?  
18 How would we have done it? And what would those costs have been? How  
19 are we going to put the State and the governments into position to be  
20 able to handle that. Obviously you can see where I'm headed with it,  
21 but I think that's part of what I'd like to put into this report and  
22 make it a function of one of our -- I don't know if it's a major job or  
23 a minor job, -- but a part of it.

23 MR. PARKER: I think analyzing contingency plans and so forth  
25 is, depending on where GAO leads us and some of the other efforts going



1 on, is going to require finding just the right staff support who knows  
2 how to maximize the value of what's already been done. In particular I  
3 mean, I say this so that you'll be thinking of it.

4 MR. SUND: I wrote that down as part of the job spec here. The  
5 other comment I had, Mr. Chairman, had to do with the concept of  
6 prevention and I think I sense kind of a consensus that prevention is a  
7 major part of what we're going to work on. I think a sub-category of  
8 prevention gets into what Mr. Wenk was saying of their trade-offs...

9 MR. WENK: Ed.

10 MR. SUND: Ed. Their trade-offs in terms of threat. That he's  
11 willing to have a tanker under 120,000 tons into Puget Sound, but not  
12 over that. I'm picking a number because the trade-off of something  
13 larger than that is he couldn't handle a catastrophe of what would  
14 happen, so you're obviously talking about the damage that could occur  
15 from that large a spill. People are not really concerned about a  
16 200,000 dead weight tanker breaking apart halfway between here and  
17 Hawaii. That is not what's on everybody's mind. Even though it may be  
18 a big ecological disaster out there. I don't know. So I'm just  
19 getting back to the concept that when you talk about prevention, you  
20 have to talk about the value of what you're trying to prevent from  
21 being harmed. And, when we're talking large oil spills, we're right  
22 now focusing on tankers, but I keep coming back to the pipeline. What  
23 about management of the pipeline to prevent a large spill or large  
23 break -- there or other types of categories and vessels. Yukon Bridge,  
25 large processing vessels for the benefit of our fisheries people here,

1 stuff like that. I'll note that under the prevention category. The  
2 fourth category here -- I rotate down to legislative proposals. I  
3 haven't quite figured out in my mind how you get at it. Whether you  
4 try to get through this until about September or October and see where  
5 we're at and see how it wraps out. Or if you try to sit here now and  
6 categorize certain things that you'd want to report on as the Chairman  
7 brought up the issue of deterrents with liability. Does it work or does  
8 it not work? Or do you want to try to go a different route. I think  
9 that involves an analysis of what is our current statutes. What are  
10 our current statutes and regulations in terms of trying to regulate the  
11 industry. And you can hold the carrot out or you can hold the stick  
12 out. We put the stick out, right. You do it, you pay for it. I'm  
13 going to throw the theory up the guy can't afford to pay for it, so now  
14 what. So now you've got to create a fund of some sort. Well, how do  
15 you do that. Is it per barrel fund? Is it some deep pocket fund? I'm  
16 not sure how you get into that. Maybe some trade-offs, let people make  
17 decisions. Do this or do that. I think in the end result that some  
18 type of legislative proposal is a category here, but I don't know if  
19 it's a result of our investigation or a beginning point.

20 MR. PARKER: Tim, you're next.

21 MR. WALLIS: I'm getting a lot of ideas here and good ideas, I  
22 might add, as to what we should look at. But perhaps, in order to put  
23 them in some order of semblance maybe we can take the legislation and  
23 just go down with duties of the Commission. Item one, what do we want  
25 to do on that and how much time do we want to spend? A series of

1 events that allowed the Exxon oil spill. Go down to number two and go  
2 to B-1, B-2 and B-3. And suggestions that are coming forth, where  
3 would they fit under here and -- just so we can get some type of ideas  
4 to where we're at and where we're going and how this relates to legis-  
5 lation.

6 MR. PARKER: I think, number one fits in very much with the  
7 general discussion that's gone on on oil spill response and all of its  
8 aspects so far, and would serve as a major program area which would  
9 have many subsets. The three most important, not the three most  
10 important, three major of those subsets being means by which oil is  
11 cleaned up; the current technology or programs that are available and  
12 used in those areas: mechanical, dispersant and burning; and ways to  
13 improve it so forth.

14 MR. \_\_\_\_\_: Would this idea of information gathering  
15 that's already produced or is in process now come under that?

16 MR. PARKER: Yes. OTA is working on a data system -- the  
17 Office of Technology Assessment is working on a data system for oil  
18 spill information primarily aimed at where everything is and who's  
19 available, both personnel and equipment and ships.

20 MR. \_\_\_\_\_: No, that's -- what I'm talking about is  
21 the series of events that allowed Exxon Valdez to discharge. I'm sure  
22 there's -- they've had hearings and everything else on that. To gather  
23 that information so that data gathering would fall under that.

23 MR. PARKER: The NTSB record is -- we can get that from the  
25 corporate quarter here simply by buying it and that gives us the NTSB

1 record to peruse, which is a state-of-the-art and the most comprehen-  
2 sive statement so far.

3 MS. WUNNICKE: Mr. Chairman, that's what I was getting at.  
4 Tim, in talking about the first part of the four items that I mentioned  
5 before lunch, was that we need to be the Commission that states the  
6 ultimate facts of what happened. That's without assigning damages or  
7 without making legal judgements, I think. Then I think you get into  
8 discussions that we've been talking about: prevention based upon  
9 whatever the salient facts are and that recitation of events. And,  
10 mitigation, which gets into the whole contingency planning and moni-  
11 toring and drilling and supervision of activities in the future and  
12 then ultimately to the public contribution.

13 MR. WALLIS: We have several areas, though, and I think that  
14 basically would come in under selection of recommendations related to  
15 that. The ensuing efforts to contain oil and clean up of the dis-  
16 charge. I think basically what we're looking at is dealing with the  
17 Coast Guard. I don't know if you want to hold hearings and subpoena  
18 them or what. But, talking to them, talking to Exxon, VECO, Alyeska,  
19 whoever, a lot of that information is already there and its just a  
20 matter of getting them to tell us what they're doing. Then we go down  
21 into findings and recommendations and all of the cure-all that we're  
22 talking about. The recommendations that we're talking about. The  
23 signs of technologies, dealing with the impacts on municipalities,  
23 social and cultural, economic, all those items. I think then fit  
25 within each one of these items that legislature has dealt us to do. I

1 think that way, just give us some semblance of order as to where we're  
2 going. Then I think we can talk about if we want to get into subcom-  
3 mittees to do some of these. Just an idea.

4 MR. PARKER: I think, in looking at the legislative language in  
5 the act, the prevention and mitigation are somewhat mixed together in  
6 the -- but, for our purposes we can answer the legislative charge and  
7 simply working our way through. We're not going work them in any  
8 particular order as I see it. We don't have any subcommittees. Why we  
9 can have a subcommittee working on prevention aspects and one working  
10 on mitigation and oil spill response. The interaction between the two  
11 subcommittees when we come together as a full Commission, they'll start  
12 producing the information we need. In the same way, I think it provide  
13 us a collection we need on what can happen this way on the staff we  
14 need. In the same way on handling the social/economic impacts. I --  
15 obviously, we're going to have to deal with that particular issue.  
16 Whether we want a subcommittee, I don't know, into wasting this Com-  
17 mission. Ed.

18 MR. WENK: Let me raise a slightly different issue with regard  
19 to one way of thinking about our own priorities. I think everybody,  
20 having witnessed what happened, everybody who is a partner in the  
21 enterprise and those of us who are bystanders are asking a question how  
22 to keep it from happening again. That's what this study is all about.  
23 But the again could be this week or this month. And I wonder if it  
23 wouldn't be interesting to see at a very early date what lessons have  
25 been learned by these various partners. I don't think that any of the

1 inquiries so far have addressed that question. And also, whether the  
2 profiting by that learning exercise. But, the reason I suggest this  
3 is, heaven forbid that there's another one during the next six months,  
4 but I can imagine some kind of a summary of those lessons learned at a  
5 very early date might be itself interesting to people who've got  
6 responsibilities. It would also be interesting to see whether the  
7 different participants learned the same lesson.

8 MS. WUNNICKE: Good point. Mr. Chairman. I think you see some  
9 indication of that just in watching the NTSB hearings and hearing some  
10 of the testimony there. You are already beginning to see some curative  
11 action that was being taken by some of the participants who testified  
12 before the NTSB. And there is a special news broadcast running on some  
13 of the.....

14 (Tape Changed)

15 (Off the Record)

16 (Tape #2 - 06/06/89 - Side B)

17 (On the Record)

18 MS. HAYES: Mr. Chairman? Looking on that idea, I don't know  
19 if it's any more or less feasible. But it's just looking at the causes  
20 of tanker accidents. In reading about tankers adrift in the Sound, it  
21 seems like it's not that unusual an occurrence. Looking at the causes  
22 for that kind of thing, maybe even on a world wide basis, to get an  
23 idea of what, generally what proportion of tanker accidents human, are  
23 caused by mechanical failures. How much by people.

25

1 MR. WENK: It just so happens that that information is avail-  
2 able.

3 MS. HAYES: Good.

4 MR. WENK: I used the Coast Guard records, U.S. Coast Guard  
5 records for five years, Canadian Coast Guard records for five years  
6 just to sort that out. It's limited data samples, but many of that --  
7 you're right on with the question about human error. 80% and that  
8 doesn't include those which might have been both mechanical and human  
9 so that it might even be more. After a mechanical failure you can have  
10 human error which can be disastrous. But those don't count in the log.  
11 Both the U.S. and the worldwide figures are available.

12 MR. PARKER: There've been -- As far as I know that data is  
13 computerized so it can be cross referenced and delivered in just about  
14 any format you want to extract although I'm always being shocked by  
15 government data systems and that they could not provided me the data in  
16 the way I asked for it, so maybe not. But I suspect.....

17 MR. WENK: You didn't give them a social security number. They  
18 can find it fast if you give them that.

19 MR. PARKER: Just for one social security number.

20 MR. HERZ: Related to that, it seems to me that looking at  
21 vessel traffic systems; how well they work, don't work and the range of  
22 radars, number one. Number two, the use of, at least in California,  
23 some of the systems and I don't know if that's true here or not, the  
23 use of these traffic systems is not mandatory, it's voluntary. It  
25 seems to a number of people that perhaps they should be mandatory. An

1 examination of the way the traffic lanes are laid out. We have a  
2 proposal now for the California coast, which -- the Coast Guard came  
3 out with a recommendation for location and shape of two north and south  
4 bound traffic lanes. MMS is very concerned about losing possible  
5 leasing areas, so they convinced the Coast Guard to propose it with  
6 platforms being permitted between the north and south bound lanes,  
7 which somebody has come to call the California Slalom Course. A review  
8 of those traffic schemes and in relation to mandatory versus volun-  
9 tary, and related to that is some of the technology reviews. What's  
10 the frequency with which inspections of radars, bridge radars, bridge  
11 communication systems, other electronic systems, what degree of redun-  
12 dancy is required on the shipboard systems? And relating to the  
13 aircraft, and I talked to you, Walt, on the phone a little bit about  
14 the -- aircraft transponders are off-the-shelf technology. They could  
15 be used to track location of tankers as easily as they are used -- much  
16 easier than tracking the location of aircraft because you only need two  
17 lensions (ph) instead of three with aircraft. I'd like to see that on  
18 our laundry list.

19 MR. \_\_\_\_\_: I think, going around the table, eventu-  
20 ally we're going to get back to Tim's point of sticking these in little  
21 slots, but right now we're kind of in an information free wheeling  
22 thing. The fishing industry traditionally has opposed mandatory  
23 traffic lanes. Basically, the reason is that once you set a mandatory  
23 traffic lane up, it's an exclusive lane for mandatory traffic and you  
25 can't fish in those lanes. That's one of the arguments off the



1 California coast. It's also one of the fears we have in southeast  
2 Alaska where we have -- there's 230 cruise ships landings in Ketchikan  
3 this year with 23 different cruise ships. They travel through some  
4 fairly narrow waters, cruising around southeast and if you want to talk  
5 about having traffic lanes because of density of traffic, we have a  
6 bigger problem in Southeast than Valdez and Prince William Sound ever  
7 heard of. You've got two tankers a day going through a ten mile wide  
8 traffic zone. That is not a high density traffic problem. I'll throw  
9 that back in here, right, because on the surface it all sounds nice,  
10 but you can complicate anything very rapidly, in a hurry. Again, it  
11 brings up my whole point earlier that we're kind of concerned with  
12 large oil spills and not necessarily tanker oil spills. We had the  
13 Ling Wang Zing (ph). If anybody remembers, the old Ling Wang Zing (ph)  
14 was an ore carrier and coming out of Prince Rupert it hit a reef in the  
15 middle of Dixon Entrance and washed up on the beach on the south end of  
16 Prince of Wales island and disgorged heavy crude oil for 30-40 miles up  
17 and down the coast there. I even have a little jar of it. I think  
18 that was in '79 or '80. Finally, they towed it out and it sank in  
19 spite of whatever everybody did. I think, keeping all these concepts  
20 in mind, I'll throw that one out. It'll come back again through our  
21 discussions. It seems that, and I was just trying to follow up on some  
22 of Tim's comments, and trying to get this in some categories. A lot of  
23 our ideas are subsets of some other ideas and trying to look back to  
23 the legislation and say there's three or four major components and how  
25 do we break it under there? I think the fact that all of us are

1 sitting here going around -- it doesn't break down easy. It doesn't  
2 break down into, okay this subcommittee is going to work on prevention,  
3 because it cuts across this whole litany of everything. You can't talk  
4 about prevention without talking about damage, without talking about  
5 this. I've been thinking about it for two weeks, or a week and a half,  
6 or whatever it is now, and I can't seem to find any neat categories to  
7 put it in. I've got the gathering data category. I can understand  
8 that. That's an easy one. But the rest of this is a little more  
9 difficult.

10 MR. PARKER: One of the things is that in prevention dealing  
11 with the ships' crews and their supports systems, you're dealing with,  
12 generally, with some exception, a different set of players than you are  
13 in mitigation. Obviously, you're dealing with the Coast Guard and  
14 we've integrated oil companies in both instances, but with mitigation,  
15 besides the Coast Guard you're prime players are going to be EPA, DEC,  
16 and NOAH (ph). With ships and fleet standards, why the Coast Guard,  
17 federal maritime administration and the various shipping unions are  
18 going to be your primary players. So, I just throw that out as one of  
19 the advantages, at least initially, in considering sub-committees to  
20 work with these because while a large part of it is directly inter-  
21 meshed, and finally it's solid or meshed into a single system for the  
22 carriage of oil. At the same time, in the initial phases, there might  
23 be some advantages to working on them in subcommittees. The same thing  
23 can be held with the institutional responses on these. Institutional  
25

1 responses all come together eventually, but there again, you get back  
2 to those organizations that have the present statutory responsibility.

3 MR. \_\_\_\_\_: Mr. Chairman, I'd just like to comment on  
4 that issue of writing down of keeping with we need to get on board. It  
5 seems to me this federal/state interaction of jurisdiction is going to  
6 be an ongoing thing. I was kind of thinking, well, we'll wait until we  
7 get our final product done and then start running it by someone to see  
8 where it interacts. But it just seems to me it's going to be an  
9 ongoing thing that we should have someone who has some expertise on  
10 where this line is. Maybe we have it at the table here. I'm not sure,  
11 but we've come to the conclusion that double-hulled tankers would be a  
12 smart thing to have.....

13 MS. WUNNICKE: Don't have authority to do it.

14 MR. \_\_\_\_\_: .....but don't have the authority to do  
15 it. I would offer a compromise. If you don't have a double-hulled  
16 tanker you have to have a tug boat alongside capable of towing you when  
17 your under full load. And trade it off.

18 MR. HERZ: Related to that, when Ms Kelso was down in Califor-  
19 nia addressing our State Lands Commission the week before last, there  
20 was a lot of discussion which makes it look as if California, Oregon,  
21 Washington, Alaska and perhaps British Columbia are very interested in  
22 pooling, at least the U.S. ones and British Columbia maybe, in pooling  
23 expertise and developing a push to push what comes out of this study.  
23 Also, the Coastal States Organization in Washington is very interested  
25 as well. So, I think there is some expertise again. We have this

1 ability to involve people's expertise and bring them here and having  
2 them make presentations of ideas that we can integrate in. But making  
3 a leap from just Alaska to federal legislation is going to be be much  
4 harder that it would be if it was the Pacific States or the whole  
5 Coastal States Organization.

6 MR. \_\_\_\_\_: I understand the method of how to get it  
7 done and I agree with it. The whole northern states have gotten  
8 together to deal with response to spill. British Columbia, Washington  
9 and Oregon are trying to coordinate what they'll do to respond to a  
10 problem. The recommendations here -- we all ought to get together to  
11 do what to do to prevent one. But, just identifying when you walk over  
12 that line. What can the states do on their own and what is subject to  
13 federal preemption? I'd just make a note to the Chairman to write down  
14 that I think we need to have somebody with some expertise in that area  
15 available to us.

16 MR. PARKER: Are you looking for legal expertise or for opera-  
17 tional expertise?

18 MR. \_\_\_\_\_: I think it's more of a legal issue and  
19 actually we may have it in the AG's office fairly well.

20 MS. WUNNICKE: Who's in charge, who's responsible.

21 MR. \_\_\_\_\_: Some of the people at your institute have  
22 made studies about -- who's the lawyer.

23 MR. WENK: Ralph Johnson

23 MR. PARKER: Bill Burke

25 MR. WENK: He's international

1 MR. \_\_\_\_\_: Another guy is on the Coastal stuff.  
2 MR. \_\_\_\_\_: Bill Rogers?  
3 MR. \_\_\_\_\_: Anyhow, in that institute there's some  
4 expertise that would be able to look at the state versus federal.  
5 MR. WENK: I think you'll find lawyers up here. I think  
6 there's some maritime lawyers up here who can give you some of these  
7 answers very swiftly.  
8 MR. PARKER: Since the last administration refused to sign the  
9 Law of the Sea, interest in that particular aspect in Alaska has  
10 dwindled off. I'm not sure. Esther, do you know anybody who's working  
11 that issue?  
12 MS. WUNNICKE: No, you mentioned Ralph Johnson.  
13 MR. PARKER: Ralph's the last one I saw. He came up from  
14 Seattle. That's another issue that's maybe fallen off the edge of the  
15 world, to quote Senator Adams.  
16 MR. \_\_\_\_\_: Well, we signed the Marpool Act, Annex  
17 Five to the Marpool Agreement, to create enough garbage problems in our  
18 state to last a lifetime.  
19 MR. PARKER: The.....  
20 MR. \_\_\_\_\_: Mr. Chairman? Would it be helpful to just  
21 read very briefly from this GAO plan of study as several people here  
22 are thinking about how to structure this. It's only two pages, but I'm  
23 not going to read the whole thing. Let me first give you the four  
23 "therefore" components and then one or two footnotes. Number one - the  
25 contingency plans themselves as draft. Number two - the readiness to

1 implement, the capacity to respond. Number three - the response.  
2 Number four - prevention. They, by virtue of their terms and refer-  
3 ence, emphasize what the responsibilities are of federal agencies, but  
4 they point out right off the bat that information in the federal and  
5 non-federal plans require understanding the plan roles and respon-  
6 sibilities of all players, important assumptions on which the plans are  
7 developed (that is the maximum spill size, the weather conditions, and  
8 so on) and these premises turn out to be quite interesting). Repeat-  
9 edly they refer to the whole question of the readiness of local re-  
10 sources which obviously means both federal and non-federal. I think  
11 they're going to track down sort of a diary of the deterioration of  
12 these resources over the years for a variety of reasons. They're going  
13 into, on what actions taken, they're going into the different mechani-  
14 cal techniques: pooling, dispersants, burning. It strikes me they  
15 plan to go into that in some detail. One of the things I've tripped  
16 over, incidentally, in this regard is something I hadn't seen any  
17 public report on and that is the enormous difference in toxicity of  
18 different dispersants. Somehow or other the reports on dispersants all  
19 sort of moving together. The difference in toxicity is something I get  
20 two orders of magnitude.

21 MR. PARKER: Doesn't EPA's list have that all catalogued?

22 MR. \_\_\_\_\_: EPA's got a list, but from the point of  
23 view of contingency planning, apparently there hasn't been much atten-  
23 tion to this. Coincidentally, it turns out that one of Exxon's prod-  
25 ucts is one of the most toxic.

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MR. PARKER: So, I've heard.

MR. \_\_\_\_\_: But on the other hand, I think Exxon's product represents like 90% of what is distributed around, not only in this country, but around the world. That is not a high toxicity one, but its one -- the big problem with dispersants is that in the laboratory they work, but in actual spill situations time and time and time again they don't perform, either have the sea conditions too rough or not rough enough. There's something missing.

MR. PARKER: My basic objection to dispersants is inherent to the name they're called. I would prefer something that collects oil together to be easily recovered rather than something that disperses it through the entire water.

MR. WENK: There are chemicals called coagulants that will do this.

MR. \_\_\_\_\_: But in addition to the chemical toxicity of the dispersant, you have to look at the chemical composition.....

MS. WUNNICKE: Of the oil.

MR. \_\_\_\_\_: ..... of the oil. And that's where.....

MR. \_\_\_\_\_: And their combination, working together.

MR. \_\_\_\_\_: Anyway, this is what I think you can count on finding in this GAO report and sort of build on that. I don't know whether this is at all suggestive of structuring within the Commission. It seems to me to be fairly consistent with what Tim has been saying, John has been saying about structure.

1 MR. \_\_\_\_\_: Could we get copies of that or do you  
2 think they would care?

3 MR. \_\_\_\_\_: I don't -- these first two pages I think  
4 we can get copies of absolutely. But the other two are internal.  
5 They're implementation plans that are tentative with regard to testi-  
6 mony, briefings, the report itself and so on. I'm a little bit timid  
7 about that, but the first two pages, I think it's okay.

8 MR. \_\_\_\_\_: Is that a GAO report?

9 MS. WUNNICKE: It's a draft.

10 MR. \_\_\_\_\_: That I have? Yeah. It's their plan.

11 MR. \_\_\_\_\_: I've worked on several of those GAO  
12 reports, the pipeline in particular, two or three of those reports, and  
13 some of that stuff is confidential. They won't pass it out until the  
14 final report is done. They'll give you some of their material, but the  
15 rest of it they won't. Probably, that's your experience too. Ed.

16 MR. WENK: I think you're right. The only thing that works in  
17 our favor here is that they have such a short fuse of having to have it  
18 done in five weeks, no, seven weeks from now. Their testimony is due  
19 the first week in August, so they've got to have their report done in  
20 time. I don't know how -- well, there just throwing a lot of people in  
21 there.

22 MR. PARKER: Probably the best scientific resource on coagu-  
23 lants and interaction is in the Exxon labs I would guess. They proba-  
23 bly put the most managers into research, having the biggest product for  
25 sale in that particular area. One thing about Exxon, everything it



1 does, it does in a big way. Obviously it would probably be difficult  
2 to get that information. I'm not aware -- it's one of the things that  
3 bothered me. It's bothered me for a long time, is the apparent lack of  
4 governmental research, major research programs on dispersants. If they  
5 exist they're certainly keep quiet about it. I don't see anywhere  
6 where.....

7 MR. \_\_\_\_\_: This is the National Academy NRC report  
8 that just come out about three months ago on dispersants.

9 MR. PARKER: What does it say?

10 MR. \_\_\_\_\_: It says that the toxicity is greatly  
11 reduced relative to what it was in the Torey Canyon days. And it says  
12 that -- well, I have a bias. I was involved in the committee. My  
13 feeling was that it didn't state the effectiveness issue as clearly as  
14 which I tried to state earlier. But in real life situations the  
15 demonstrations of its effectiveness have not been very convincing.  
16 Although, in the laboratory it seems to do a job on dispersants. But,  
17 its not the do all and end all that the people who are selling it would  
18 have you believe. I think there's a fair amount of agreement in that.

19 MR. WENK: Mike, you made, I thought, a telling point a few  
20 minute ago, Dave Hitcock fits in on this too. The circumstances on  
21 which you can use this are very specialized with regard to sea condi-  
22 tions, the type of lenson (ph), but also the speed with which it can  
23 get. And I think they make that point in the report.

23 MR. HERZ: Yes, one of the points that's made, one of the  
25 handicaps is that in a number of places -- well, the law requires that

1 there be concurrence within the state and the federal agencies. And in  
2 a lot of situations that concurrence doesn't happen for 24-48 hours and  
3 if you're going to use it effectively, the fresher the oil, the better.  
4 And the longer that it's weathered, the less effective the dispersants  
5 seem to be. So, one of the things that has led to is the manufacturer  
6 pressuring the Coast Guard to get pre-approval and a lot of the states  
7 are very concerned about the toxicity issue because even though the  
8 toxicity is reduced, it isn't eliminated. Pre-approval has.....

9 MR. \_\_\_\_\_: I think there's some pre-approval up here  
10 now, is there not?

11 MS. WUNNICKE: There was as in the lower part of the Sound.

12 MR. HERZ: The Coast Guard gave up on trying to get it in  
13 California because California now has it's own dispersant testing  
14 program going on and they have completed it.

15 MR. PARKER: Do you have the contacts that you could get copies  
16 of that for the Commissioners?

17 MR. HERZ: Of the report? Sure

18 MR. PARKER: Everybody want one?

19 MS. WUNNICKE: That's more than I'm going to want to know.

20 MR. HERZ: It has a summary chapter.

21 MR. PARKER: It appears to be the best thing I've seen so far.

22 MS. WUNNICKE: I think we should have it.

23 MR. WENK: I've just been appointed to that marine board that  
23 turned out that report. I was not on the board when that was done.  
25 We're meeting next week in New Orleans and we're getting briefings from

1 a couple of people on this whole oil spill. I don't recognize the  
2 names. They aren't from Alaska, so I don't know how they decided on  
3 who they'd decided on.

4 MR. \_\_\_\_\_: Major research on Prudhoe Bay dispersants  
5 has been done by an agency. I don't even know whether the Academy  
6 reports even got that.

7 MR. \_\_\_\_\_: They've got some of it.

8 MR. SUND: To change the conversation a little bit. I would  
9 like to just go beyond the dispersant/coagulant argument here and say  
10 there has to be a threshold that current technology faces when you say  
11 there's too much oil. No matter how fast you got there with what kind  
12 of equipment, you can't clean it up. I don't know whether we face that  
13 in this case or not. That, if all the resources, the best technology  
14 in the world, had arrived at the right time and everything had been  
15 done right whether you can contain 10 million gallons of Alaska crude.  
16 If you say yes, I'll throw 20 million on the table. At some point you  
17 go over the top. So I think there's an issue here of what is the  
18 proper containment contingency response, but then once you go over the  
19 top you get into the other argument. Okay, now, prevention is it or  
20 don't get yourself in that situation. There's different levels that we  
21 need to address in this report and I'm sure that somebody mentioned in  
22 the other comments that there are some threshold levels. Somebody's  
23 already talked about what the instability of something to clean  
23 something up. The other issue is the technology issue. I think it's  
25 kind of a threshold question that the Commission needs to think about

1 is when you come out you talk about the level, current level, of  
2 technology available in the world. Then you can talk about new appli-  
3 cation of current technology: the transponder theory which use an  
4 aircraft and apply it to ships. That's current technology being  
5 applied a new way. Then there's the third level: the creation of new.  
6 I mean, we need something that doesn't exist today. Maybe there are  
7 more dispersants, maybe there are coagulants. Maybe we have to  
8 reserve judgement to the end of this study in November to come out and  
9 say, okay we've looked at all of this and we just didn't apply what we  
10 already knew. Or we can apply something we have somewhere else to this  
11 situation and that will solve it. Or we may come out and say there's  
12 nothing available in the world and we either have to stay out of the  
13 situations that create it (ie: limit to 120,000 dead weight tons in  
14 Puget Sound, 'cause we can't handle a spill any bigger than that) or  
15 recommend funding of new R&D by maybe federal, state, local industry to  
16 handle that. I just throw that down -- as we go through here we need  
17 to keep that in mind. My last comment to Ed is I think you ought to be  
18 a little bit aware of some state laws here that anything that hits this  
19 table is probably subject to the Freedom of Information Act in this  
20 state. So if you want to keep something confidential, probably  
21 shouldn't bring it in the room.

22 MS. HAYES: Don't bring it in the room.

23 MR. PARKER: Ed, then we'll break for a few minutes.

23 MR. WENK: Yeah. A real quick comment on whether I thought  
25 when I proposed that 125,000 ton limit that we could contain that size

1 spill and the answer is no I did not think so. But let me explain the  
2 atmosphere that led to that. At the time, the comment by the oil  
3 companies was all the oil is going into Puget Sound because we're going  
4 to use tankers that pull 500,000 tons and they have such deep draft  
5 that it's the only west coast port they can get into. And so, what we  
6 were doing then, and the oil companies obviously were in there lobby-  
7 ing, is trying to deal with stopping the 500,000 ton tanker. But when  
8 I agreed to that 125,000 ton I have to tell you in all candor I never  
9 thought we could clean up that kind of a spill. And that's why we put  
10 in the additional law, which is still there on the books in the state,  
11 and implemented, of the tug escort you mentioned earlier. Now that's  
12 been violated recently, I've discovered. Because the tankers can go  
13 faster than the tugs, and they're supposed to rendezvous and run  
14 together from say Port Angeles into Seattle, whatever, maybe down to  
15 Tacoma, it may be 100 miles, they dispatch the tug ahead, cause it's  
16 slower. The tanker catches up half way through and then passes it.

17 MR. \_\_\_\_\_: It has something to do with the square  
18 root of the water line. 1.4 times the square root of the water line.

19 MR. \_\_\_\_\_: Before we break on this same topic, I  
20 think it's critically important that, they're are a lot of experts that  
21 make pronouncements about how much you can contain and clean up. I  
22 would like to see us include something which is logging spills and the  
23 amount that had been effectively contained and cleaned up or dispersed  
23 and dealt with. For example, I had a terrible argument with the Clean  
25 Bay Oil Cooperative about the Puerto Rican tanker. In our study I said

1 that they cleaned up 1%. The guy who ran the co-op called me back. He  
2 was mad as hell. He said you lied, your figures are wrong. I thought,  
3 wow, I've done a terrible job. I went back and re-did my calculations  
4 and I found that I was off by a huge margin. It was 3%, not 1%.  
5 That's a big error. I accept responsibility for that, but does it make  
6 any difference. Is the difference between 1% and 3% significant. If  
7 you look at spills, 20% is a high, high proportion, so I think you've  
8 got to do some actuarial stuff, look at actual events.

9 MR. WENK: Spill vane is available is for tankers and for  
10 single point worins. I'm not sure it's available for platform and well  
11 spills.

12 MR. \_\_\_\_\_: But where it exists, we ought to have it  
13 because it's germane.

14 MR. PARKER: Yeah, we'll get that either from the Coast Guard  
15 or whomever we can get it front.

16 MS. WUNNICKE: Mr. Chairman, before we break, if I may. We've  
17 talked about sources of existing information to determine what hap-  
18 pened. I think this has been an excellent discussion on some of the  
19 elements that go into each of the major thrusts of the work of the  
20 committee on prevention and mitigation. I made another list in think-  
21 ing through this and I'll just throw it out so that you all might add  
22 to it or think about it over the break. That is in general categories:  
23 who do we want to hear from of people who, like ourselves, have been  
23 thinking about this problem or who have jurisdiction or responsibility  
25 for the problem? And I listed whatever the appropriate federal

1 agencies are. you've mentioned Coast guard and a number of other  
2 federal agencies like NOA and EPA; the appropriate state agencies; the  
3 shippers; local officials in affected communities; scientific re-  
4 searchers; I would think some representatives from our Congressional  
5 delegation just to keep us up to date on what's being proposed in the  
6 national congress; appropriate legislators; and members of industry.  
7 That list could go on and on, but I think we need to be sure we don't  
8 overlook a large category of people who have been thinking about the  
9 problem and who have information that we could benefit from.

10 MR. PARKER: I think, certainly in the Congress and the legis-  
11 lature, their staffs have been working along the required networks and  
12 their own experts and we need to discover who those people are as soon  
13 as possible.

14 MS. \_\_\_\_\_: One thing I was going to mention. In my  
15 search for candidates outside, I talked to a number of people very  
16 knowledgeable and also very interested in what the Commission is doing.  
17 And some of them have offered to help in any way that they could. So  
18 what I will do, if you would like, is just provide you with a list of  
19 those people annotated. With reference to that, two people I spoke  
20 with, one, Dr. Billie Annososenon (ph) from the University of Cali-  
21 fornia in Santa Barbara who is very interested and I think would have a  
22 lot to offer and would like to help in any way that she could. Also,  
23 Barry Skyler, at Santa Barbara, will be coming up here in July and he  
23 is working -- he's done some work for the California Senator, Gary  
25 Kahort (ph), who's looking at legislation, both federal and state

1 legislation, for some of the Pacific states, plans to come up here in  
2 July. He may want to talk with the Commission if you're meeting in  
3 July. He also talked to me about meeting with the legislators because  
4 they're very interested in looking at some of this legislation. I'll  
5 certainly give you that information.

6 MR. PARKER: Yeah, I was wondering what California was up to in  
7 that oil spill legislation. There had to be something underway.

8 MR. HERZ: There's a tanker escort bill currently making its  
9 way through. It does not currently affect barges, which is some-  
10 thing.....I don't know the degree to which barges are a way of moving  
11 either refined or crude product around up here, but when talking about  
12 tanker safety we should also include barges.

13 MR. PARKER: Most of the Bering Sea is barge.

14 MR. \_\_\_\_\_: Most of Southeast Alaska is barge.

15 MS. WUNNICKE: How can you have a double hulled barge?

16 MR. \_\_\_\_\_: Put two hulls on it.

17 MR. PARKER: There's been as much work on double-hulled barges  
18 as tankers.

19 MR. \_\_\_\_\_: Double-hulled is double hull, two.

20 MR. \_\_\_\_\_: It's more important for barges since your  
21 working in shallower water.

22 MR. \_\_\_\_\_: The thing is you usually ground them to  
23 unload them. That's the interesting part. Run 'em up on the beach and  
23 run the hose off.

25 MR. PARKER: Okay. Are we ready for a break?



1 MS. \_\_\_\_\_: Before you break -- I know this can go on  
2 all afternoon, but I do have a favor. I handed you that two page  
3 statement. It's not complete, so if you'll give it back to me, I would  
4 appreciate that.

5 MR. \_\_\_\_\_: You mean the NTSB, the one.....

6 MS. \_\_\_\_\_: It's not complete so let me get that back.  
7 I would recognize it. There it is.

8 (Off the Record)

9 (On the Record)

10 MR. SUND: Anyhow, in addition to the scenario of a bankrupt  
11 company that can't afford to respond, assuming then that the Coast  
12 Guard would automatically step in and get co-ops or whoever to respond  
13 to look at cases where its not as clear.

14 MR. \_\_\_\_\_: That's exactly the situation that happened  
15 in 1979 with the Ling Wang Zing (ph). It was a Korean ore ship coming  
16 out of Prince Rupert, which is a large coal, wood, ore port in British  
17 Columbia, hitting a rock in Dixon Entrance on the Canadian side of the  
18 border, rolling over and floating up into Alaska, dumping out thousands  
19 of gallons of bunker sea all over the south end of Prince of Wales  
20 Island. Now, who's responsible to clean it up. Who even makes the  
21 initial response. Well DEC ran down there because that's their normal  
22 thing to run down, but there was no contingency plan, no vellity, no  
23 equipment. Big storm bringing 25 foot seas, no equipment to latch  
23 onto the ship. It just drifted into a harbor and after a while one of  
25 the salvage guys got hold of it. Then a big fight whether they should

1 tow it out and sink. Finally, they were towing out to shoot a hole in  
2 it when the tow line broke and it sank. But, you know, the more I  
3 think about this, a lot of what we do may have a major impact in  
4 southeast Alaska where we have this high volume of tour ships. We have  
5 63,000 ton vessels coming through as tour vessels, carrying, I'm going  
6 to go find out, but I'd guess they have 50-100,000 gallons of a variety  
7 of fuel on board.

8 MR. \_\_\_\_\_: Oh, easily.

9 MR. \_\_\_\_\_: So, they're in the large oil spill cate-  
10 gory which is under our mandate here if you talk about oil spill  
11 response and responsibility and funding. We can set up a whole tanker  
12 fund here funded out of oil for response to oil spills. Is that going  
13 to be available to go down and fishing vessels off the Pribilofs and  
14 stuff. Its issue I hadn't even thought about until here today.....

15 MR. WENK: That's a tricky legal issue all right.

16 MR. \_\_\_\_\_: .....Grinding away. I don't think we ever  
17 did recover from the Korean thing.

18 MR. WENK: Did the Koreans sue us for losing their ship?

19 MR. \_\_\_\_\_: It's like the Japanese with the fishing  
20 vessel, it hits a rock you just abandon it, right and go home.

21 MR. \_\_\_\_\_: Mr. Chairman, Mr. Sund is exactly right.  
22 During the last session, the legislature talked a lot about the lia-  
23 bility, increasing liability. The problem in southeast Alaska was a  
23 major problem in dealing with that issue because of the reliance for,  
25 on refined products primarily in the barges.

1 MR. \_\_\_\_\_: Refinement, it was a real tough one to  
2 deal with.

3 MR. PARKER: Okay, we have an option, for the rest of the  
4 afternoon. I was planning on going until 5 o'clock, in an hour and  
5 quarter from now. Bob Link is here from the Department of Administra-  
6 tion to, this afternoon, to carry on with some of the discussions we  
7 had earlier this morning on how quickly we can contract for services  
8 and other items and he'll come back tomorrow if you would prefer that,  
9 if you would prefer to continue with the work program this afternoon or  
10 we can discuss that. What's your pleasure?

11 MR. \_\_\_\_\_: Can I make a quick suggestion? I don't  
12 know how long that administrative detail would take, but I think there  
13 would be value in capturing sort of a sense of the meeting on the  
14 mission and the possible breakdown of a study and so on and if its  
15 chosen to go in that direction I will show my lack of courage in  
16 contributing by getting at the board as a college professor and putting  
17 up some of these ideas. I think it would be nice to mull over it  
18 overnight and then come back to it again tomorrow morning, but I can  
19 see some advantage of nailing down a few of the ideas that have been  
20 floating around.

21 MR. PARKER: Okay. Any objection to that?

22 MS. HAYES: Excuse me, Mr. Chairman. Could I just explain this  
23 packet of paper that I passed out? The origin of this is the Anchorage  
23 Daily News. I picked it up yesterday. These are cross referenced to  
25 the articles that they have published with an alphabetical list of all

1 the people they have mentioned in their articles. I thought that you  
2 might be as befogged as I am about who all the players are, so I made  
3 copies for you all hoping that that would be helpful.

4 MR. \_\_\_\_\_: Which paper is this?

5 MS. HAYES: Anchorage Daily News. They also have a packet of  
6 clipping of all the xeroxes of all of their stories available for \$50.  
7 Or you can check my garage, which I salvaged all the copies that the  
8 oil spill having not yet taken them to the recycle center and having  
9 most of them, if not all of them.

10 MR. \_\_\_\_\_: Here's my \$50.

11 MR. \_\_\_\_\_: How in the world did they get so many  
12 people involved?

13 MS. WUNNICKE: These are people they interviewed:

14 MS. HAYES: These are people they interviewed and people  
15 mentioned in the stories.

16 MR. \_\_\_\_\_: This has got to mentioned, not just  
17 interviewed. Joe Hazelwood is -- I don't think he was interviewed.

18 MR. \_\_\_\_\_: Mr. Chairman, just on the point of where  
19 we're going from here. I think there's a kind of trying to wrap our  
20 arms around what we've said here. Although I think I'd like to work on  
21 it this evening to see if we can't put some of it together. There's  
22 the issue of do we have the right to contract or not, which also  
23 influences how many people we want to have working on this and what  
23 we're thinking to have them to do. And then, I think there's an issue  
25 of just committee schedule. How many hearings to do we want to have?

1 Where do you want to have them? What do we want to do? As Tim was  
2 saying, how much percentage of our time do you want to allocate to each  
3 of these projects. I still don't have a sense whether this body wants  
4 to meet two days a month or twelve days a month. I know what my  
5 preference is, but I don't know if we ought to do that in the next hour  
6 and 15 minutes, but I would like, before we leave today, to lay out  
7 some kind of tentative agenda for tomorrow.

8 MR. PARKER: Okay, we have Bob Laresche coming at 10 and I  
9 asked Lyle Perrigo from the Arctic Research Commission is coming by at  
10 two. That's the only schedule we have now. We could ask Bob to....

11 MR. \_\_\_\_\_: Who's coming at two?

12 MR. PARKER: Lyle Perrigo from the Arctic Research Commission.  
13 For those of you -- Ed, I know knows what the Arctic Research Commis-  
14 sion is. I'm sure if Mike knows. Mike, the Arctic Research Commission  
15 was formed by the Congress in 1983, 4, somewhere in there, to provide a  
16 policy guidance on the Arctic and the Bering Sea areas for the United  
17 States. In any case, we can handle current matters now, like I said,  
18 or we can have Bob come back and open up with him tomorrow morning and  
19 wrap up, spend the rest of our time wrapping up the discussion on the  
20 work program.

21 MR. \_\_\_\_\_: Mr. Chairman. I agree with the John, the  
22 procurement thing is mighty important. That wouldn't take very long.

23 MR. \_\_\_\_\_: Why don't we just do that and then see if  
23 we have time to get up an agenda, tentative agenda for ourselves.  
25

1 MR. \_\_\_\_\_: Mr. Chairman, if I might add, Bob could  
2 probably address some specific questions that John might have and if he  
3 has more than that or if there's more questions they could spread over  
4 a couple days or something.

5 MR. PARKER: Okay, we'll open the agenda to procurement mat-  
6 ters, again. Bob, why don't you give us a briefing.....

7 MS. WUNNICKE: Join us.

8 MR. PARKER: .....Just sit right down there.

9 MS. \_\_\_\_\_: Before Bob starts, I have to leave and I  
10 want to certainly say on behalf of the Governor, you all volunteers.  
11 He thanks for the work that you have done and certainly for the work  
12 you have ahead of you. As he said to me, he's just very, very pleased  
13 about the capabilities of the Commission. Normally, after the ap-  
14 pointments are made to a commission, I go on to the next commission and  
15 work on those and I've been more involved afterwards than I normally  
16 am. I just wanted to say I'm certain -- many of you I know. Some of  
17 you I've gotten to know. It's hard for me to leave, but I want to say,  
18 certainly if there's any way I can help, I would like to. You're  
19 really now in the hands of the Department of Administration, but I wish  
20 you luck. You're a good group and good things are to come.

21 MR. WENK: You were present at the birth.

22 MS. \_\_\_\_\_: Yes, that's why it's hard for me to leave.

23 MR. LINK: Mr. Chairman.

23 MR. SUND: Sole source contracting is a specific issue.

25

1 MR. LINK: Basically, sole source contracting is very, very  
2 hard to do. But that doesn't mean the result of a contract of a  
3 procurement process won't end up with a contract with one person. You  
4 may end up writing a contract with somebody without bidding, but just  
5 going directly to somebody is very hard to do right now because the law  
6 says you have to provide clear and convincing evidence that they're the  
7 only person, place or thing which can meet the state's needs. If you  
8 can do that, go directly to them. If you can't do that, there are  
9 other procurement methods which will get you what you need in most  
10 cases. I don't know what all your needs are, but let's start out with  
11 a low end stuff. Right now you don't have to issue a bid or go through  
12 a bureaucratic process to buy something under \$5,000. So if you want  
13 to buy a copier tomorrow and it costs \$4,000, it can be purchased  
14 tomorrow. It requires getting quotes, that's all. Now, above \$5,000  
15 buying something other than a professional services, takes a bureau-  
16 cratic process. We'll set up all that's necessary to speed up the bu-  
17 reaucratic process for you. By bureaucratic process, I mean everything  
18 from a competitive bid, which is probably not going to meet your needs  
19 because it takes too long, to a procurement which is appropriate under  
20 the circumstances, which will meet your needs.

21 MR. \_\_\_\_\_: I think an example here is that we want to  
22 contract for professional services. All of the hardware we're going to  
23 try to bum off the state agencies.

23 MR. LINK: Okay. Professional services. Professional services  
25 are a different levels.

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MR. \_\_\_\_\_: Professional services.

MR. LINK: Professional services for less than \$5,000 requires what's called adequate and reasonable competition. Adequate and reasonable competition means that you feel comfortable with the price you're getting and the quality you're getting. That's it. There's no justification required to go beyond that for \$5,000 or less. For \$5,000 to \$25,000, you're supposed to seek at least three sources to get some sort of competition. It's not necessary to write a formal RFP.....

(Tape Changed - incomplete)

(Off the Record)