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ALASKA OIL SPILL COMMISSION

June 27, 1989
Valdez, Alaska

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.

WITNESSES

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U.S. Coast Guard

Mr. Steve _____ Page 44
Department of Environmental Conservation

Dr. Laurence Fraenhagen Page 79
Environmental Scientist
Monterey Bay, California

Dave Kennedy Page 85
NOAA

Mayor Braun Page 113
City of Whittier

Steve Eagleson Page 122
Prince William Sound Conservation Alliance

Kevin Casey Page 127

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SUBMITTALS INDEX

By Ms. Wendy Weideman

Letter

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1 (Tape Number 89-06-27-1A)

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3 (This portion previously transcribed.)

4 MR. PARKER: We have been appointed by the Governor of
5 Alaska. Our charge is to report to the Alaska Legislature with a
6 report by January 8th on recommendations to improve the
7 transportation of crude oil and other petroleum products and
8 with the focus primarily on tanker operations and also to make
9 recommendations on oil spill response and litigation in all of its
10 facets. Our recommendations will be in some cases technical,
11 and in some cases involving a way in which the personnel
12 involved in the operations are trained and managed, and in some
13 cases institutional. We will also plan that our recommendations
14 will be made to several Congressional committees in both the U.
15 S. House and Senate that will be working on this issue in the
16 next several months. Our agenda today is to begin at this time
17 with hearing from Exxon. We'll follow with the Coast Guard,
18 break for lunch from 12 to 1. We will hear the Alaska
19 Department of Environmental Conservation at 1 with the from
20 NOAA at 2 and public participation will be at 3. The main
21 purpose of our coming to Valdez at this time is to get the
22 Commissioners familiar with a sense of what went on at Valdez
23 at the earliest possible opportunity. This is our second meeting.
23 The first meeting was two weeks ago; an organizational meeting
25 in Anchorage and this is a part-time Commission so all the

1 commissioners have other lives to lead and businesses to take
2 care of. We visited some of the oil spill sites yesterday,
3 familiarized ourselves generally with the Sound, especially for
4 those members who'd not been familiar with the general
5 atmosphere of Prince William Sound before. We especially
6 wanted, at this time, to establish contact with the researchers
7 who had been working on the oil spill from industry, federal and
8 state governments, which is the main item that guided the
9 establishment of today's agenda in Valdez. Do any of the
10 Commissioners wish to add anything before we call our first
11 speaker?

12 112

13 (This portion previously transcribed)

14 (Tape Changed)

15 (Tape Number 89-06-27-1B)

16 000

17 (This portion previously transcribed.)

18 MR. CLOUGH: Mr. Chairman, just for coordination
19 purposes, we've taken notes of all specific requests that the
20 various Commission members made today. As you come up with
21 further requests, if they could be directed to me. I believe
22 there's a letter both from the company and myself in your files
23 already. I've been asked to sort of follow all that and contact the
23 appropriate people so we can make a quick response on your
25 various inquiries..

1 MR. PARKER: Very good. Thank you.

2 MR. MACKEY: Thanks for the opportunity. We'll see you

3 again.

4 MS. HAYES: I have a deadline.

5 MR. PARKER: Who does?

6 MS. WUNNICKE: Meg has a deadline.

7 MR. PARKER: Meg has a deadline. Okay. Admiral Kime.

8 Good morning Admiral.

9 ADMIRAL KIME: Good morning Mr. Chairman, members

10 of the Commission.

11 MR. PARKER: If you could just make an opening

12 statement. Then we'll go to questions. You know from our

13 phone conversation what we're interested in.

14 ADMIRAL KIME: Fine. I'm Rear Admiral J. William Kime,

15 U.S. Coast Guard. I'm the current federal on scene coordinator

16 for the Exxon Valdez spill. I appreciate this opportunity to

17 speak to the members of the Commission on what we're doing

18 and that is the cleanup effort that has been ongoing now since

19 the grounding occurred on the 24th of March. The thrust of

20 what we're doing is to make every effort to attack all the beaches

21 that have been contaminated by oil and we've surveyed about

22 800+ miles right now that are contaminated either from heavy

23 contamination right down to very light. We've categorized them

23 in four levels: heavy, moderate, light and very light. Surveys

25 have been done by both ADEC and by the SCAT teams and we are

1 developing plans for treatment of these beaches. The emphasis
2 is as follows that we will go after time sensitive beaches first. By
3 that we mean beaches no matter how heavy or high light they're
4 oiled, immediate actions needs to be taken because of dangers to
5 birds, to sea mammals, to fisheries. And then after that we will
6 be looking at the heavily oiled, then the moderately, then the
7 lightly oiled -- within those last three categories, we are going
8 after the beaches where resources are present first within a
9 particular category before we go after beaches with no resources
10 present. The effort is to remove the gross contamination of the
11 oil. To treat that and to prevent any further migration or re-
12 oiling of beaches. We feel that's absolutely necessary. The plan,
13 currently is to work as long as the weather permits this year.
14 The 15 September date has been mentioned by a lot of people.
15 It's taken on some kind of mystical meaning to a lot of people.
16 We just had to have a target. We had to have a realistic target
17 based on previous weather projections. We felt this was a
18 reasonable target, but it was just that, a target. We'll work as
19 long as the weather permits -- Exxon will. The idea is that the
20 cleanup mechanism will be kept on place. Exxon will stage their
21 cleanup equipment in Anchorage. The large vessels will be left
22 here, but equipment will be removed from it. The reason for
23 that is one of expedience. Putting it in Anchorage or somewhere
23 where warehouses are already available. It's very expensive to
25 build warehouses in Valdez where the snow load is so high. With

1 the idea that environmental surveys will be conducted during
2 the winter months and a detailed assessment will be done as
3 soon as the weather permits. We estimate that somewhere
4 around the first of March. Then re-mobilization of the cleanup
5 crews and at that time, based on discussions that were held on
6 Sunday between Secretary of Transportation, Commandant of
7 the Coast Guard, myself and senior Exxon representatives, we
8 will do what is necessary to continue the cleanup. That
9 commitment has been made by all parties. Exxon will be using
10 the same environmental consultants, the same contractors. It's
11 the intent of the Coast Guard to bring back the same people to
12 begin whatever work is not completed before weather sets in on
13 us this winter. We have just completed an assessment of where
14 we think we stand in our work. I would say that we've looked at
15 it two ways. One is on mileage of beach that has to be clean and
16 the other is on the base of total level of effort that has to be
17 committed to because a beach is not a beach is not a beach.
18 We've looked at beaches on the basis of the level of effort
19 considering how wide are they, How heavily are they oiled?
20 What percentage of that oiling covers the beach? The depth of
21 penetration, which is related to the type of beach you have. And
22 also the degree of driftwood and other debris that might be on
23 the beach. That goes into our level of effort. On that basis we
23 find that the cleanup is slightly ahead of schedule both in Prince
25 William Sound and in Western Alaska. We recognize also, the

1 plan for cleanup recognizes a certain mobilization period,
2 learning curve and the level of effort will be increasing. We'll
3 have to increase if we're going to keep up to the schedule over
4 the next two or two plus months that we have available to us. We
5 recognize that -- Exxon recognizes that and I think are
6 responding accordingly to that. As far as developments are
7 concerned, I think we're seeing a considerable amount of
8 floating moose appearing around Kodiak. That's an area of
9 concern right now. That's having an impact on the salmon
10 fisheries in Kodiak -- has resulted in some closures. I believe
11 there are only three salmon fisheries in the Kodiak area that are
12 currently open. We've been much luckier here in Prince William
13 Sound, a bit luckier in the Homer area. I could go on, I think,
14 and talk at great length about it, but I think probably what I
15 would rather do is respond to the questions, unless you have a
16 general area you'd like me to cover.

17 MR. PARKER: I think one of the things, at least is of great
18 interest to me, is where the Coast -- what research the Coast
19 Guard may be sponsoring now or encouraging EPA or any other
20 federal agency to sponsor in relation to this. I'm thinking
21 specifically on beach clean up of what methods, like if prevent
22 the pumping of the oil -- of a heavily oiled beach from
23 underneath so that re-oiling occurs after several tides in that
23 particular area.

25 ADMIRAL KIME: I think there's two stages to that

1 process. One, and not the one you specifically spoke to, but we
2 have received a great number of unsolicited offers of procedures
3 that could be used for cleanup. Some represent capability that is
4 fully matured, available, off the shelf. Those things we've
5 referred to Exxon for their use. Other items could merit further
6 research and we have referred those to the Coast Guard
7 Research and Development Center in Groton, Connecticut for
8 process. I could provide the committee with the information.
9 We have a summary letter on the status of that effort right now.
10 We'd be pleased to provide you with that. I think you recognize,
11 if you've read the report from the Secretary of Transportation
12 and the Administrator of EPA, Mr. Skinner and Riley, to the
13 President, that was mandated by the President, it indicates that
14 research is necessary on clean up capabilities and also things
15 such as skimmers, booms, things of that nature -- beach clean
16 up -- something that is probably going to be quite resource-
17 intensive, both the research and also the development of the
18 material. That is the long range plan, I think, that is still being
19 considered by the federal government in Washington, and
20 certainly doesn't come under my area of responsibility here or
21 my expertise. But I think that is something that, by talking to
22 the people who are running this particular aspect of the
23 program and in Washington, that you could get specific answers
23 to. On site here, I think it would be of interest to note that we
25 do have an experiment underway right now for removal of

1 material from oily beaches using the application of a product
2 called BP-11X and we did treat a section -- we've done some
3 small scale experiments. The product seems to work extremely
4 well. It does lift the oil off. We've got a larger experiment that's
5 been very, very closely coordinated by the scientific
6 representatives of this state and federal interests involved in this
7 and also Exxon to see just exactly how that is going to work to
8 get the oil off with a minimum disruption, recognizing that some
9 of this residue is going into the water and we have to determine
10 how it's dispersed and any toxicity effects that it might have. So
11 it'll probably be several weeks. But if this effort is successful, I
12 think it will help us a great deal, especially in western Alaska
13 where the type of equipment that has been put together for
14 Prince William Sound may not be as effective because the
15 difference in beach contour there. Over there you tend to have a
16 gentle sloping beach, not a lot of draft next to the low water
17 mark, where here you have a relatively deep draft. You can bring
18 very heavy mechanical equipment in that you can bring a lot of
19 energy to bear in cleaning up a beach. You don't just necessarily
20 have that over there. So this has prospects for that also.

21 MR. PARKER: Commissioners? Ed?

22 MR. WENK: A question about level of R&D effort
23 concerned with containment and clean up. The first time I
23 believe the Federal government became highly sensitive to this
25 was with the Torey Canyon spill in 1967, 22 years ago. Question,

1 which agency in the federal government is responsible for
2 research and what have been the levels of effort, roughly, during
3 the intervening time.

4 ADMIRAL KIME: Well, research monies have gone into
5 this. Not a great deal of money has been devoted to this
6 particular effort. The Coast Guard has been involved. The EPA
7 has been involved in these particular things. One of the findings,
8 I think, from the report to the President is that this needs to be
9 intensified. The concern about open sea containment of spilled
10 oil is a very difficult problem. The research is gonna be
11 extremely complicated. The equipment is gonna be extremely
12 expensive. And certainly, that needs to be looked at. Also,
13 various types of skimmers -- one thing we found, due to the spill
14 here, that the Army Corps of Engineers dredges were extremely
15 effective. I know a great deal of publicity's been given to the
16 Russian ship that was brought in, but the Army Corps of
17 Engineer vessels are extremely effective. They need some
18 modification. They do have four new dredges and hopefully that
19 will be looked at too. But I think you're gonna see an assessment
20 of the entire R&D effort and I think you're gonna have to -- it's
21 gotta be recognized by the public that this is gonna be a very
22 major, expensive effort, because it's a very difficult thing that
23 we're trying to attack.

23 MR. WENK: Just a quick follow-up question. What you've
25 been faced with in the last three months has been a form of R&D

1 under forced draft. Are there any lessons learned from that, that
2 you've already been able to apply and if we had the misfortune of
3 another major spill some time in the near future before the long
4 term research paid off, what would you advise on the base of
5 what you've learned recently?

6 ADMIRAL KIME: Well, I think that a lot of effort has gone
7 into developing means of mechanical clean up here. I think the
8 use of hot and warm water, under pressure, mechanically, large
9 flow rates such as the omni-barges and the maxi-barges which
10 were put together from old cloth -- there was nothing on the
11 market like this. It'd never been done before. I think that is
12 something that certainly is going to be well documented and I
13 think this time of clean up lends itself for use in the type of
14 terrain that we've got here in Prince William Sound. I think
15 you'll see that being used. I think that the need for -- I think
16 we've developed techniques for cleaning beaches here. This is,
17 of course, the largest oil spill we've ever had in this country. It
18 covers the greatest geographical area, I think, in numbers of
19 miles contaminated and total separation of this. I think
20 techniques have been developed for the actual process of
21 cleaning the beaches and, once you do that, to keep the oil that
22 enters the water contained behind the beach containment boom.
23 I think we've learned a great deal about that. Organizationally, I
23 think we've learned a great deal. We have established, I think, a
25 very efficient mechanism of cleaning up beaches because you can

1 sometimes do more harm trying to clean up a beach, than if you
2 did nothing. And we have set up a process that is documented
3 in the Spill Containment Manual that we've published that has
4 various steps. The first is the use of a Shoreline Clean up
5 Assessment Team or SCAT team that's composed of biologist,
6 archaeologists and other experts in the field, hired by Exxon.
7 And they do a survey of the various beaches. They're concerned
8 about the archaeological aspects, topographical aspects, degree
9 of contamination, depth of water, what mechanisms can be used
10 to remove the oil, and a recommendation is given to Exxon on
11 that basis and they develop a draft work order. That is then run
12 through the Inter-Agency Shoreline Clean Up Committee, which
13 is a multi-agency, both state and federal group of scientific and
14 practical experts that look at this type of proposal, the work
15 order. And there is a back and forth between them and Exxon
16 and then once agreement is reached, then it comes to me as the
17 Federal On-Scene Coordinator to approve or to go back to either
18 Exxon or the ISCC for further effort. We think this has worked
19 extremely well. What we have then -- to monitor it, we have
20 teams, Shoreline Clean Up Oversight Teams or SCOT teams,
21 composed of the Coast Guard, the ADEC and Exxon that monitor
22 the clean up effort and are the ones that eventually sign off on a
23 beach as being treated and permit de-mobilization. While the
23 clean up is going on, the Inter-Agency Shoreline Clean Up
25 Committee has an operating group out in the field called a

1 Resource Assessment Team, that make certain that the
2 information contained in the work order -- the procedures
3 outlined are strictly adhered to. If any other questions come up,
4 if something is found that wasn't anticipated, then this goes back
5 to the experts and the cycle repeats itself.

6 MR. WENK: Can I ask one more question? I'd like to
7 switch to the notion of prevention.

8 ADMIRAL KIME: Sure.

9 MR. WENK: In -- beginning in the middle 1970's and in a
10 report that was issued in December of 1982, completed partly
11 with Coast Guard funding, there was a major inquiry as to
12 navigation safety in Puget Sound, particularly with regard to the
13 possibility of a tanker spill there, but also with regard,
14 incidentally, to ferry passengers, not unimportant. In any event,
15 there were 10 major recommendations, most of which were to
16 the Coast Guard itself. The first one had to do with increasing
17 qualifications for Masters and Mates at all levels. A second
18 recommendation had to do -- or related to that, had to do with
19 relicensing. Another recommendation had to do with stronger
20 enforcement by the Coast Guard of violations, including the
21 application of more severe penalties. And I could go on with the
22 others, but the main question is: are you aware of this study and
23 do you know what response there has been, if any, by the Coast
23 Guard?

25 ADMIRAL KIME: I am aware of the study. I don't have it

1 here in front, obviously, and it'd be difficult to talk about the
2 specific recommen -- or action on those recommendations. I
3 think the Coast Guard, not just for Puget Sound, but for the
4 entire country, has maintained a consistent effort to upgrade.
5 New ship design requirements were necessary; personnel
6 qualifications, whether they be pilots or whether they be ship's
7 crew; and also the imposition of vessel traffic services, where
8 they might be required. I think the standards for ship crew
9 members in the United States certainly is as high as any place in
10 the world, probably higher. I think the thing we've been
11 concentrating most on recently, has been drug and alcohol
12 testing. We think this is a key aspect of it. When you talk about
13 prevention, we've just been faced with three more spills this
14 past weekend: one in Narraganssit (ph) Bay; one in the Houston
15 ship channel; and one in Delaware Bay by Marcus Hook. I think
16 they have one thing in common with the spill we had in Alaska:
17 personnel error, human error. And certainly this is being
18 looked at as to whether additional training is required of people.
19 There is a program in Washington right now to take a look at
20 licensing requirements for personnel to see if in fact they are
21 adequate. To see if there's additional requirements that should
22 be made. Also a study on pilotage is being initiated by the Coast
23 Guard; pilotage requirements. A retired Coast Guard Admiral,
23 Richard Bowman (ph), has been recalled to active duty to do
25 that. He's not only a Master mariner, he holds pilotages for most

1 of the ports in the United States, a great deal of experience if
2 we're gonna take a look at that. I think if you look at the
3 proposal put forward by API recently -- they request a look at
4 pilotage requirements. Pilotage requirements in most of the
5 waters of the United States are the prerogatives of the states, not
6 the federal government. The Coast Guard, based on the Soriono
7 (ph) decision not too long ago, has a great deal of difficulty in
8 enforcing requirements against state pilots. They may have a
9 Coast Guard license, which is required by the pilots association,
10 but the courts have found that's not a condition of employment,
11 so it's very, very difficult to take action against these people and,
12 unfortunately, many states have chosen either not to take action,
13 some to the extent of not even having a mechanism whereby
14 action could be taken. So there's a proposal to strengthen that.

15 MR. PARKER: John Sund was next.

16 MR. SUND: I have three sets of questions, Mr. Chairman,
17 just to follow on the same line that Ed has. One is a basic,
18 simple question. We were out in the water yesterday and
19 watched a large tanker come in without a tug escort and yet I
20 read a press release in April where they announced that all
21 tankers in bound and out bound would be escorted by tugs. Has
22 that policy been dropped or what's the relationship with the
23 Coast Guard to that?

23 ADMIRAL KIME: This is a state requirement that this be
25 done and as far as I know it's not been dropped. I think you may

1 have mis-stated the requirement by the state a bit. It requires
2 all laden, or partially laden tankers -- so if the tanker has no oil
3 aboard -- I believe that's the process.

4 MR. SUND: Okay. I was just reading an Alyeska press
5 release that said pilotage would be -- tug escort would be
6 requested on all incoming and outgoing vessels to a point beyond
7 Bligh Reef, but.....

8 ADMIRAL KIME: I don't know if that's -- if that's an
9 action, it's being taken by Alyeska. My understanding is the state
10 action requires those that contain oil as cargo be escorted by two
11 tugs and I can say that I've performed many over flights over the
12 vessel traffic system in the last two weeks and in all cases, the
13 laden tankers have been escorted by two tugs.

14 MR. SUND: Mr. Chairman, a followup on the manning
15 issue. I guess I would ask the question on what type of research
16 is the Coast Guard doing on the manning -- you mentioned --
17 well, you do drug and alcohol testing and I know that's coming
18 in, but what about getting down to the baser causes of maybe the
19 relationship between technology on the bridge and the human
20 factor that you mentioned in your testimony that you thought
21 human error was the cause of a lot of these accidents recently.
22 But where does the manning of the ship -- so where does the
23 Coast Guard come in in terms of trying to figure out how ships
23 are manned versus the technology available and why we might be
25 having problems there.

1 ADMIRAL KIME: Well, several things have been done.
2 This is an issue that's been studied rather extensively -- is being
3 studied rather extensively at the international level through the
4 International Maritime Organization. Seminars have been
5 conducted on this by Society Naval Architects, Marina
6 (indiscernible) and others. When I was Chief of the Office of
7 Merchant Marine Safety in Washington, I put together with the
8 Administrator of the Federal Maritime Administration, Mr. John
9 Gaugh (ph) in a symposium at the Merchant Marine Academy at
10 King's Point where we brought in key labour leaders and
11 management officials to look at this particular issue. What has
12 come out of that is a study being jointly funded by the Coast
13 Guard and the Maritime Administration. It is being done by the
14 Marine Board of the National Academy of Sciences to look into
15 these particular aspects: the interface between man and
16 equipment; the number of people required; the types of training
17 that should be required to have effective watch standards,
18 including the question of fatigue.

19 MR. SUND: Will the Coast Guard have authority to
20 implement manning requirements on ships?

21 ADMIRAL KIME: The Coast Guard does have authority and
22 does implement manning requirements aboard ship.

23 MR. SUND: So, if the recommendation came out that you
23 wanted to have more manpower on the ship, you could order
25 that through regulation?

1 ADMIRAL KIME: That would have to go through the
2 Administrative Procedures Act procedure to develop regulations
3 to do that. Yes.

4 MR. SUND: Mr. Chairman, my last question is a little
5 more esoteric I guess, but Admiral, could you give your opinion
6 of what would have happened here in Prince William Sound if
7 the tanker that went on the rocks was financially or not
8 responsible -- in other words, a bankrupt carrier? Not a deep
9 pocket like Exxon?

10 ADMIRAL KIME: First of all, I think that's a -- I think it's
11 a very important question and one that's been neglected up here
12 in the minds of most people because Exxon has taken some very
13 responsible action. In this particular case, there is a fund, the
14 TAPS fund, that is available and the tanker was required -- first
15 let's look at the various levels of insurance the tanker was
16 required. Under the Clean Water Act, the tanker was required
17 to have insurance at about \$14.2 million. And people could
18 access that directly through the insurance company. They would
19 not have to go to the company, the ship owner. They're also
20 under the TAPS fund, the ship has the initial \$14 million liability
21 with another \$86 million which would come from the TAPS fund
22 which right now has an excess of \$250 million, contributed to by
23 the oil companies. That could be assessed. How the \$14.2 and
23 the \$14 million combine, whether they're additive or not, I
25 think is something that the courts are going to have to decide.

1 The laws are not written very, very carefully on that. The court
2 decisions, and there've been about three recently, have shown
3 that the ultimate liability though, of a ship owner in an accident
4 is the worth of the ship and it's cargo after the accident. And
5 even if you have -- and many shipping companies, certainly
6 foreign shipping companies, are organized so that each ship is
7 it's own corporation and it's assets are not touchable -- even if
8 you can develop jurisdiction on these ships. Suppose we took an
9 incident where we had a ship owned by Company X. That was
10 their only asset. It was full of oil. It piled up on the beach. It
11 wasn't TAPS oil. And it spilled oil all over the coast. Now, what
12 can we do? Well, the Clean Water Act would have maybe up to
13 \$14 million liability and that would probably be it. And there'd
14 be insurance for that. But there's be no -- suppose there was no
15 deep pocket. Or suppose the company wasn't willing to pay. In
16 the case of the AMOCO Cadiz in France, that's been well over 10
17 years and the only people to get a nickel out of it so far are the
18 lawyers. The people impacted by it have not gotten a penny and
19 it's been tied up in litigation. There has been an effort put forth
20 in this country, and I've been very, very active in it and was the
21 spokesman for the Reagan Administration in Washington for the
22 last four years, trying to get comprehensive oil spill liability and
23 compensation legislation. One that would be put together on the
24 following basis: that the ship owner would have a certain
25 liability, upwards of \$75 million. He would have to have

1 insurance that covered that and an aggrieved party would have
2 access directly to the insurance company. They would not have
3 to go to court and the defenses of the insurance company and
4 the ship owner would be very specific. You would not have to
5 prove negligence. The next thing that that would be then -- and
6 that would handle most of the spills we've traditionally had. In
7 addition to that, there would be a fund, over and above that, that
8 would be contributed to by the oil companies. That fund, in
9 current legislation, would have a billion dollars in it. That would
10 cover any other damages that the ship owner's insurance did not
11 cover. So it was a two tier type of arrangement. The ship owner
12 with the primary responsibility. If that wasn't enough then you
13 would have the cargo owners or -- and this would be coming
14 from a tax or a levy on oil. And it would be on all oil produced or
15 brought into or exported from a country. And this would be
16 something that would take care of loss of income, it would take
17 care of environmental restoration. It would take care of clean
18 up. Any other reasonable type of damage that people would have
19 and it would set up a mechanism where people could, without
20 going to legal means, but through administrative means, could be
21 compensated. This is the type of thing that has been sought.
22 One key thing to get this legislation passed is the fact that you
23 cannot get insurance on unlimited liability. No insurance
23 company will write a policy on anything for unlimited liability.
25 They must define their liability. That's why the figure I gave of

1 \$75 million -- and we've looked at this statistically. We've
2 collected the data worldwide. That covers about 99% of the
3 spills that occur. That would be the ship owners limit of liability.
4 The remaining damages would come from this fund. Now there
5 are -- many object to this bill because they say, "Well, we want
6 unlimited liability." Well, unlimited liability towards somebody
7 who has neither desire nor the ability to pay does you no good.
8 AMOCO is the responsible party for the AMOCO Cadiz with
9 considerable assets. They have chosen to fight this in court and,
10 of course, nobody's gotten a penny as a result of that. Suppose it
11 had been a tank owner with -- tanker owner with no assets.
12 People still would have -- but they would have unlimited liability.
13 Theoretically, they would have something; practically, they
14 wouldn't have had anything. That's what's held this up in the
15 Congress for about seven years. Hopefully, we'll see a piece of
16 legislation passed on that very, very shortly. I think that Exxon
17 has come in, has taken responsibility. No doubt, they're the
18 party that caused this very unfortunate, major incident, but they
19 have taken responsibility. They've spent over \$200 million.
20 They've indicated they're going to still continue to spend money
21 for restoration of monies lost in fisheries, restoration of the
22 environment, protection of sea mammals and birds that have
23 been impacted by this, all of these things. So, that is one aspect
23 of this spill that people have taken for granted. But if it had not
25 been a company that was willing to do this, or if it had not been

1 TAPS oil, it would have been a major economic and
2 environmental disaster, far and away above what it was here.

3 MR. PARKER: Mike Herz.

4 MR. HERZ: A follow up on John's question and another
5 question. The follow up is, in a situation where -- let's even
6 assume that this legislation you've been talking about is passed,
7 that takes care of who pays, but the implementation -- I assume
8 the Coast Guard would be, would take the primary responsibility
9 -- would run the clean up. My concern is that, this is no
10 criticism of you, but the bureacracy works very slowly. One of
11 the things I've heard from people that have been here, looking at
12 the way spill has -- the clean up.....

13 (Tape Changed)

14 (Tape Number 89-06-27-02A)

15 MR. HERZ:has worked is that Exxon has been very
16 quick to pay claims and to pay for equipment as needed.
17 Bureaucracy by its very nature is not able to respond that quickly.
18 How could the Coast Guard facilitate implementing stuff on the
19 rate that you have to implement it in order to be effective to
20 fight spills.

21 ADMIRAL KIME: Whether the federal government is ever
22 gonna be able to move as fast as an Exxon or whether a state
23 government -- with the checks and balances that I think the
23 citizens demand, and I think are probably justified. If they can
25 move as fast as an Exxon, I don't think that will every occur. But

1 this bill would have a provision for the -- just as the TAPS fund
2 does, just as the Outer-Continental Shelf Lands Act fund, and the
3 Deep Water Port Act fund, which are funds which are in
4 existence now, two of which, the Deep Water Port and the
5 Outer-Continental Shelf fund, the Coast Guard manages. That
6 has a provision for paying of claims that -- within a certain time
7 period. That is what would be used in this particular case. That
8 is what all pieces of draft legislation have had in place. And yes,
9 the Coast Guard would administer this fund.

10 MR. HERZ: Do you think that -- would that work
11 expeditiously enough that checks could be written for suppliers
12 and equipment could be acquired and moved -- I mean, the --
13 since I've had -- from what I've read about the clean up is that
14 once Exxon got mobilized after the first few days, they have
15 moved very quickly. They have moved incredible amounts of
16 equipment from all over the world, very quickly, very
17 expeditious. And my question is, with a bankrupt carrier, and
18 you gotta go into this mode, would it work?

19 ADMIRAL KIME: I think it would. Under current law,
20 we'd have difficulty because the only fund we really have access
21 to is the 311K fund under the Clean Water Act. And that had a
22 balance of, I think, about \$6 million it it at the time and the
23 maximum authorized by the act was \$35 million. And there are
23 some restrictions about what the fund can be used for. It
25 certainly wouldn't compensate fishermen. It does not provide

1 for many other things that Exxon is doing. This new legislation
2 would provide for the expeditious gathering of equipment. I
3 think one of the things that you have to do for major spills like
4 this is have, just like we do under the Clean Water Act, standing
5 basic ordering agreements with various companies. Contracts
6 that are in place already that can be accessed where, for a
7 certain amount of money you get a certain amount of work or
8 certain number of pieces of equipment or people or things of
9 that nature. That how, under the Clean Water Act, our response
10 is set up right now.

11 MR. HERZ: I have a follow up. Going from the abstract to
12 the concrete. We were on the beaches yesterday watching the
13 cleanup operation. There was a guy from VECO who gave us an
14 overview of what was going on. I asked him the question....he
15 said that Coast Guard was coming around and checking various
16 pieces of beach periodically whether they were clean or clean
17 up. I started -- asked him what was the Coast Guard using as a
18 definition of "clean". Well, he was sa upervisor, he didn't know.
19 Some of the field guys who were working on the beach were
20 actually doing the cleaning and some of the supervisors of the
21 crews I addressed the same question, "What are you working
22 towards? What's the definition that you're trying to get to?"
23 Some of the beaches have been clean three or four times and
23 there's still oil coming out of the sediment. And it struck me
25 that it must be very hard to be working in the field toward a goal

1 that is not necessarily clear to you or your supervisor and I
2 wanted to get a sense of what that definition is and how the
3 Coast Guard is going about certifying that they're finished with a
4 beach.

5 ADMIRAL KIME: You're asking me the question, "How
6 clean is clean?" And that's why, when I made my introductory
7 remarks, I tried to list what our priorities were. What we're
8 doing is to treat the beaches, trying to get to any oil that is
9 freestanding, oil that has a possibility of re-oiling beaches,
10 adjacent beaches; oil that has a possibility of endangering
11 fisheries, sea mammals or birds, any other natural resources that
12 we might have. That is the first priority. When we reach a level
13 where we think that has been accomplished for a particular
14 beach, recognizing we have a limited amount of time available to
15 us, we do authorize de-mobilization of that sector, saying it's
16 treating with a requirement for re-assessment. That type of re-
17 assessment can lead to further work on it if we just have the
18 random observations that we do, in addition to a strict re-
19 assessment. Find re-oiling or a problem from that, we would go
20 back to that particular beach. What we are trying to do is
21 stabilize the entire area of the spill -- minimize the impact so
22 that what work can't be done won't result in beaches that are
23 going to cause problems for us next year, but will lead to work
23 being done to actually complete the cleanup at that particular
25 time. That's what we're trying to do. We could take ten miles of

1 beach and clean it so you could perform surgery on it, but that's
2 not gonna solve our problem. I think that's the realism we're
3 facing. That -- I think all the agencies have agreed working this
4 problem, that that's how we have to attack the problem.

5 MR. PARKER: I want to go back and pick up on the
6 contracting for oil spill response and ensuring its presence.
7 From 1977 to a period of '80-'81, there was a very strong oil
8 spill response capability in Alaska, almost all under private
9 contract dealing with, not only with Alyeska but with Cook Inlet
10 and OCS. At the simulation conducted by the Coast Guard,
11 sponsored by Kominko (ph) in May of 1988, it was apparent that
12 most of those contracts had been cancelled, the equipment had
13 been mothballed, and the companies that were contracted had
14 reduced their staffs to just about the management and not much
15 else. So, what would be the difference now in the new
16 legislation that would keep that from happening again, that kind
17 of erosion?

18 ADMIRAL KIME: I'm not familiar with the Alyeska plan
19 here or what equipment was or was not available. You'd have to
20 ask some of our people on scene here who might have detailed
21 knowledge. But, let's talk about the future. As a result of this
22 action, the incident here, the Commandant of the Coast guard
23 has required a re-assessment of all the contingency plans that
23 are in place now, beginning by looking at the threat, the
25 maximum credible accident, if you want to use the term the

1 nuclear industry uses, to determine what we think could be the
2 maximum incident we would have to respond to; an assessment
3 of what equipment we have available; and assessment of what
4 equipment we feel is going to be necessary to contain a spill like
5 that and then look at the plans that are available, that we have in
6 place -- update those plans accordingly. If shortfalls of
7 equipment are found, that is going to have to be addressed. That
8 is going to have to be procedured, if it is available, either by the
9 federal government, the states, or by the oil companies, or the
10 shipping companies. That issue has yet to be addressed. It's
11 going to be the subject of legislation. If equipment is not
12 available that is going to be the research and development and
13 the expenditure of a great deal of money.

14 MR. WENK: Very quickly, you've emphasized the role of
15 human error and my recollection is that the Coast Guard studied
16 this very many years. As a matter of fact, your accident reports
17 require an identification of cause which would help you sort out
18 human error and so on and so on. The question has to do with
19 that same outlook, not only with regard to the cause of an
20 accident, but with regard to crisis response. The piecemeal
21 evidence now available would suggest that for a couple of days
22 the, call it management response to crisis, by all parties
23 concerned, left something to be desired perhaps again because
23 of the human element. Two questions related to that: First, is
25 this your view? And secondly, is there research that the Coast

1 Guard plans to undertake with regard to this whole question of
2 human factors that is quite different from dealing with the
3 hardware of accident prevention and cleanup and containment,
4 but dealing with the software:

5 ADMIRAL KIME: I think that there was some
6 disorganization at the beginning of this incident. I don't think it
7 was a question of people tugging at each other to say who's in
8 charge. I think it was a case of some well-intentioned people
9 setting up parallel and maybe conflicting mechanisms to
10 respond. The national contingency plan was not adhered. The
11 national contingency plan is in place now. it is working. It's the
12 plan that's worked very well in this country. It's the plan on
13 which the plan of most of the civilized world is based. Certainly
14 international agreements on spill response are based on the plan
15 we have. But I think that wasn't put into place until Admiral
16 Yost, the Commandant of the Coast Guard, came here, assessed
17 the situation, and saw fit that it was put into place. I think one
18 thing is we were looking at when I was chief of the Office of
19 Merchant Marine Safety, Security and Environmental Protection
20 -- we'd instituted a study for a catastrophic spill response plan
21 which included things such as this. Unfortunately this fell prey
22 to budget cuts. I think that things like this need to be done. I
23 think you'll see there is going to be an assessment of what needs
23 to be done for a spill -- let's call it a spill of national interest. I
25 think that's the term people are talking about right now that

1 involves the entire nation. The one off Narragansit Bay, if it had
2 happened by itself would not have caused national interest such as
3 this did. The Exxon, or the AMOCO Cadiz caused, I think,
4 national interest. Whether we need a special group of people to
5 come on scene, working in conjunction with the people who are
6 already here -- because, once you start bringing the governors of
7 state, high level political people involved in such like this, I
8 think it might be necessary to have a higher level mechanism,
9 more senior people in place to handle an incident like this.

10 MS. HAYES: I have a couple of questions to followup on
11 one Mike made. What is being done about research to prevent
12 the re-oiling of the beach. Mike said yesterday the beach that
13 had been cleaned was under the process being cleaned obviously
14 looked quite a bit less oil than the beach that had set for two or
15 three tides where it had come back up. Has there been any
16 effort about seeps or pits or pumping or anything like that about
17 getting the oil out of the sediment to prevent the oil rising again
18 to re-oil the beach?

19 ADMIRAL KIME: No, I think the effort in the clean up has
20 been to get the oil to rise so that it can be washed down into the
21 water and skimmed up. I think that we have done, and if you fly
22 over Northwest Bay -- Eleanor Island, I think you see a rather
23 extensive network of absorbent boom out there to prevent any
23 oil that's coming from another beach from washing up on a clean
25 beach and any oil that escapes from a beach that's been cleaned

1 from getting back out into the stream. I don't think in the short
2 time that we've got available right here, between now and the
3 15th of September, we're going to be able to rely too heavily on
4 research to come up with ways of doing this. I think we're going
5 to have to make do with the most innovative methods that we
6 possibly can come up with -- existing technology, existing
7 methods of keeping the oil out. I know of no good way that you
8 can go down into some of the cobble that you have here and try
9 to extract the oil from that. That's really one of the concerns.

10 MS. HAYES: Another question that I have is what kind of
11 examples have occurred or would occur if the interagency
12 Shoreline Clean up Committee made a recommendation to the
13 Coast Guard that you sent back. Have you sent recommendations
14 from that committee back to them -- to Exxon?

15 ADMIRAL KIME: We have sent some back for clarification,
16 especially if a unique processes were to be used and weren't
17 defined properly. Use of a more forceful mechanical technique
18 that maybe more disruption to the beach -- we would try to go
19 back to get more information on that particular thing. The
20 Interagency Shoreline Cleanup Committee is a group of very
21 knowledgeable, outspoken people, all of whom represent their
22 interest very well, but at the same time, I think, work very
23 harmoniously together. There's a lot of good give and take in
23 putting these things together. And the SCAT teams, I think,
25 represent a lot of excellent expertise in the fields you're talking

1 about.

2 MS. HAYES: And the last question I have, just for
3 background information -- I'm pretty ignorant about this. What
4 the different would have been to the response if the spill had
5 been federalized at the beginning? Would it still be done by
6 contractors? What would have happened if the Coast Guard was
7 in charge from the very beginning?

8 ADMIRAL KIME: I think what would have happened
9 would have been a great deal of difficulty finding money to mount
10 this kind of response in the only fund accessible to the Coast
11 Guard right now. We could have opened up the TAPS fund with
12 the \$14 million for the ship and the \$86 million for the oil fund.
13 The problem would be to get contractors moving, people to pay
14 claims, things of that nature.

15 MS. HAYES: Is there a shortcut through the federal
16 bureaucracy in this kind of event, if its being federalized?

17 ADMIRAL KIME: We hope that Congress will see fit to
18 pass some legislation that will provide that.

19 MS. HAYES: But at present there isn't?

20 ADMIRAL KIME: No, I wouldn't not say so?

21 MR. PARKER: Esther, Tim

22 MS. WUNNICKE: My question goes back to some of our
23 earlier questions. You mentioned the difficulty you had in terms
23 of overseeing pilots because those were within State jurisdiction.
25 My understanding of why the Exxon Valdez was not inside it's

1 normal shipping lane was because of ice. Do you know if there
2 was any systematic reporting of hazard conditions, whether it
3 was ice, weather or whatever, to the Coast Guard, and if so,
4 would you have had -- the Coast Guard have had authority to ask a
5 vessel to stay in port rather than leave port?

6 ADMIRAL KIME: You're talking about the specifics of the
7 vessel traffic system here and I think -- you do have the
8 Commanding Officer of the VTS in the room here. I think those
9 kinds of questions you ought to address to him, yes.

10 MS. WUNNICKE: Because as -- I think we're interested in
11 prevention.

12 ADMIRAL KIME: I think that the ultimate goal is
13 prevention, very obviously in cases like this. It's where our
14 emphasis should go.

15 MR. WALLACE: Admiral, there's talk about perhaps the
16 radar system needs to be upgraded. Is there anything being
17 done about that, or is that in fact the case?

18 ADMIRAL KIME: That's being investigated in Washington
19 right now, not only for this VTS, but also all the VTS the Coast
20 Guard either had prior to budget cuts or still manages to have.

21 MR. PARKER: I had a couple more questions. Regarding
22 the beaches, and -- is any consideration being given to taking
23 some of the most heavily oiled beaches, such as Northwest Bay,
23 where it is possible to establish an elaborate boom network to
25 protect it, and using those as research areas to -- you know, for a

1 wide variety of dispersants or whatever methods to elevate the
2 state-of-the art as rapidly as possible.

3 ADMIRAL KIME: Well, I mentioned one that we are using,
4 the BP1100X and that was a result of the some smaller scale
5 tests on quite a few products. I know Exxon, I think, has been
6 unjustifiably criticized for only wanting to use their own
7 products. That's not the case. They're using a competitor's
8 product here. That is underway with the view that if it is, in
9 fact, successful, we would use it on this spill. And it could have
10 significant impact on future clean ups. This has never been
11 tried. The product is not new. It's been around since 1977. It's
12 a dispersant. It's been approved by EPA as a dispersant and it
13 could be used, but it's mainly intended for open water. We wanta
14 see exactly what happens in the use of this product here and
15 there's a lot of concern that we do a test in a way that we can
16 guarantee that we're not gonna do more harm than good by
17 utilizing it. Keeping booms in place out there in the winter time
18 is just not gonna be impo -- possible. With winds of 50-70 knots
19 blowing through here, you're just not going to do that. I was just
20 given a note that the R&D team is looking -- we have, in addition
21 to the ISCC, we have an R&D Committee with makeups of the
22 various agencies here. They are looking into that aspect that you
23 just mentioned.

23 MR. PARKER: Okay. Thank you.

25 ADMIRAL KIME: In addition to the one application I told

1 you.

2 MR. PARKER: Going back to certification and crewing, is
3 IMO scheduling any major seminars or conferences to get back
4 on this. I remember the '78 conference, which I was a little
5 disappointed in, but.....

6 ADMIRAL KIME: Well, the '78 conference is a conference
7 on the standards of training, certification, and watch keeping.
8 Yes, which the United States, by the way, has not ratified,
9 although it's been before the Congress for about five years now.
10 Coast Guard regulations do implement all aspects of that, I
11 think, with some minor modifications. IMO has this as an
12 agenda item to look at manning and also to look at fatigue, which
13 I think goes hand in hand with this type of application. You have
14 to recognize that right now the shipping industry, as all
15 industries, are trying to economize as much as possible and
16 obviously people are looking at smaller crews. And I think that
17 raises a question of fatigue, the ability to sail and work a ship
18 with these particular crews. That's one of the things that's
19 being looked at.

20 MR. PARKER: John.

21 MR. SUND: Just to follow right up on that question, I --
22 you know, when you look at the economics of crewing, right,
23 you're -- as the Chairman has once mentioned that the oil
23 company basically is trying to move the largest volume of oil in
25 the cheapest ship with the least propulsion and the least amount

1 of crew as possible. That's their economic consideration.....

2 ADMIRAL KIME: I, I, I couldn't agree with that. I think
3 blanket.....

4 MR. SUND: Right.

5 ADMIRAL KIME:condemnation that you -- maybe can't
6 be justified. I think they're trying to take a prudent, cost-
7 effective approach to that. I spent a good part of my life working
8 on things of that nature and I think you find people spending a
9 great deal of money on ships and paying people a great deal of
10 money and certainly ships are being crewed at levels in excess of
11 international standards and in excess of what the Coast Guard
12 would required. But I think they are being prudent. They want
13 to get a cost effective approach to shipping.

14 MR. SUND: I just want to get back to -- the cost-effective
15 is obviously the trade off. It's what cost can I pay to get this job
16 done within a risk assessment type of theory, here -- you know,
17 if I'm the shipping master, I'm gonna make that kind of
18 assessment. What is the incentive when you get into the limited
19 liability issue, which you have put on the -- as an agenda item
20 here, and I can understand why you can't -- the argument that
21 with unlimited liability you may get nothing. But with limited
22 liability, that does say what the cost is and that does give you a
23 measure against -- say, that's going to be my maximum loss on
23 one side. I can now measure the cost of what I wanta take -- a
25 risk I wanta take against that. How does that figure in here?

1 ADMIRAL KIME: I really don't think it figures at all for a
2 responsible corporation. I think good faith is a good measure of
3 the worth of a company and certainly Exxon is not terribly
4 excited about the circumstances that have occurred here.

5 MR. SUND: Go beyond Exxon. I'm not trying to pick on
6 the company here at all.

7 ADMIRAL KIME: No. No. I understand, but I think for the
8 most part that's not gonna play a part in it.

9 MR. SUND: So, how do you get from the industry desire
10 or -- I mean, if you take the last 10-15 year outlook, the crews
11 have not gotten larger, they've gotten smaller and the pressure
12 seems to be get even smaller than they are now, even to the
13 Japanese thought of an automated ship. How do you counteract
14 that? How do you get it going the other way?

15 ADMIRAL KIME: Well, I think that one thing we might
16 wanta do is a re-assessment of the manning laws in the United
17 States. Our manning laws have grown like topsy (ph). We have
18 some very strange laws, many of them very old, looking at
19 specific aspects of the industry. The seminar that I was part of --
20 partly responsible for organizing, set up a committee to look at
21 that particular aspect. Is there a requirement for some of the
22 changes in the laws? Right now we have provisions such as a
23 cross over rule that if you are a technician and work in the deck
23 department on a cruise, you can't work on that same cruise in
25 the engine room, although you may be an electrician or

1 mechanic of one nature. Laws of this type, I think we need to
2 look at so the people that we have are used effectively so we
3 don't have any artificialities in there. That obviously gets you
4 into the question of job security, labor management relations. It
5 becomes a very emotional and a complicated issue. That's why
6 it's going to be very difficult to develop. I think what we're
7 looking for is a match between -- what we wanta look for is an
8 adequate number of people to sail the vessel. We're looking at
9 things such as what responsibilities do these people have when
10 the ship comes into port? Does the Master have to conduct the
11 paper work, signing the crew on and signing it off, worrying
12 about provisions, worrying about labor management aspects,
13 reporting back to the company concerning whether or not
14 there's a ship yard availability coming up and is a work list
15 necessary. Things of this nature. Those types of things are
16 being addressed by the Marine Board's study. I think it's a very --
17 where is maintenance taking place? Things of that nature.

18 MR. PARKER: I think, to follow up briefly on that. In
19 regard to the quality of the fleet, the thing that has always
20 amazed me is, you know, the wide variations in the composition
21 of the domestic fleets and their management, at least the
22 perceptions that were brought to the table when I dealt with
23 them. There was a substantial variance in quality control by the
23 companies. And the consistency is one of the things that we
25 hope to look at -- you know, between what would be regarded as

1 the fullest level of operations as to what the -- you know, and the
2 top level of operation and why is there such a range, if indeed it
3 still exists, which I suspect it does. The other -- I would say, you
4 know, the original concept behind the BLCC as it developed
5 overseas and was brought to the United States, was efficiency
6 and not particularly safety. Ed.

7 MR. WENK: Two quick questions. First, Admiral, you may
8 not have known this, but I'm on the Marine Board and
9 acquainted with the studies being done for you. And I think,
10 personally, it's very important and I'm a strong supporter of that.

11 ADMIRAL KIME: I was aware of that sir. One of my spies
12 had told me.

13 MR. WENK: I didn't wanta catch you unaware. My
14 question has to do with your comment on cost-effectiveness.
15 Over the years, some of us have become aware of the fact that
16 what is cost-effective from one point of view, ignores the
17 question of who pays the cost. And therefore, the question of
18 decision making on the basis of cost-effectiveness parameters
19 depends upon who's making the decision. When we're dealing
20 with the externalities of environmental hazards, the source of
21 the hazard may not be held accountable completely, not
22 withstanding this liability issue that you mentioned. So, how one
23 looks at cost-effectiveness may vary from one perception to
23 another. Innocent bystanders very seldom have the opportunity
25 to make their own cost benefit analysis, but they sure in heck

1 are impacted after the fact. I simply wanta come back to your
2 response to an earlier question in terms of efficiency being a
3 measure of corporate decision making. And I simply wanta
4 share one little insight in this regard to make the point. I was
5 chair of the committee that, in the early 70's, was able to get a
6 law passed in the State of Washington requiring the use of a tug
7 escort for tankers coming into Puget Sound. We also got a law
8 limiting tanker size that was overthrown in the Supreme Court
9 and then, thanks to Coast Guard intervention at a later date, the
10 tanker limit is still there. The tug escort, however, in spite of
11 extensive research that says that's probably counter-productive
12 to the environment -- that depends upon who looks at it. But,
13 coming back to the this question of universities in the State of
14 Washington looked at it. Yes, sir. Go ahead.

15 ADMIRAL KIME: I handled that.

16 (Indiscernible -- simultaneous talking)

17 MR. WENK: The point is that the practice has now
18 developed that the tug, instead of meeting these tankers when
19 they first enter the Straits of Wandafukem (ph) -- the tugs,
20 because they travel at a lower speed than the tankers wish to
21 travel and would therefore slow them down and not be cost
22 effective -- the tugs are encouraged to proceed at their top
23 speed ahead of the tanker. The tanker over takes it halfway
23 along the passage and by the time the tanker gets to port, it is
25 well ahead of the tug. This is an interpretation of cost-

1 effectiveness and so far as I know, no one's blown a whistle on
2 this practice, and I don't know that it's being uniformly done.
3 My only point is that this question of -- in this case trying to
4 protect the public interest by legislation, with the use of the tugs
5 and that's obviously been thought of here as very important, can
6 still become an issue if the specifics are not laid down. And I'm
7 only mentioning that in not knowing what the practice may be
8 five years from now here in Valdez in terms of urging the tug
9 boat to run ahead and let the tanker overtake it.

10 ADMIRAL KIME: Well, I think these are State
11 requirements you're talking about, both in Alaska and there. And
12 the federal government does have authority, legislative authority,
13 to implement regulations for tugs. I think that, in this case, the
14 states have done that and that's permissible. There's no pre-
15 emption by the federal government because they have not acted
16 under that authority. Had they acted, then the State law would
17 have been pre-empted. I think sometimes requiring certain
18 things can give one a false sense of security. We've done some
19 rather extensive tests with tugs up in Puget Sound, with tankers,
20 to see just what they can do. And when you have a 200,000 ton
21 ship moving at 12 knots and trying to stop it with a tug, what
22 you may accomplish is killing everybody on the tug. I think that
23 needs to -- is certainly something that needs to be looked at. It
23 looks like you're doing something. In certain cases, it will be
25 helpful in what you're doing. In other cases, it has to be

1 approached very, very cautiously. A ship moving like that, if it
2 has a rudder failure -- tugs employed in certain cases can
3 prevent the ship from standing into dangers, in other cases it
4 may not to be. Where they're placed is important. That's a very
5 difficult subject. It needs to be looked at very carefully and just
6 requiring tugs does not necessarily buy you as much safety as
7 many people might think it does.

8 MR. PARKER: Mike?

9 MR. HERZ: No gathering like this would be complete
10 without the Coast Guard being addressed the question about
11 double hulls, double bottoms?

12 ADMIRAL KIME: Uh, thank you sir. Go ahead.

13 MR. HERZ: The question is -- give us a little historic
14 background about the Coast Guard role in the decisions that
15 were made in the current Administration and then update us in
16 terms of what's happening currently in the wake of the Valdez
17 incident.

18 ADMIRAL KIME: We've deviated quite a bit from my basic
19 responsibilities here in Valdez, but we'll go back to what I have
20 done in my prior life. In -- as a result of the Argo Merchant and
21 a few other casualties that occurred back in '77, '76/'77 I guess,
22 probably the question of tanker casualties was the first big issue
23 facing the Carter Administration. They put together a inter-
23 agency task group and came up, I think, with five initiatives that
25 they put forward to be done, one of which was double bottoms.

1 It was agreed that since shipping is an international industry, we
2 would go to the International Maritime Organization to look into
3 that and quite a bit of research would, of course, have to be done
4 prior to doing that. At that time, I was a member of the U.S.
5 delegation to the Tanker Safety and Pollution Prevention
6 Conference in London and I -- I'm a naval architect. I was the
7 technical coordinator for the U.S. during that time. A great
8 number of studies were done on the effectiveness of double
9 bottoms. I think there's no question, in a low energy collisions,
10 a double bottom can be effective in preventing the outflow of oil.
11 It can have a negative impact on the ability to be able to re-float
12 the vessel. We have to remember that can sometimes be very
13 important. Few people realize that, although we lost 10+ million
14 gallons off the Exxon Valdez, there was about 40+ million gallons
15 still left aboard, which was probably in a more precarious
16 situation than most people like to realize. And how important it
17 was has the first priority to get that remaining oil off. That is an
18 issue. There's questions of having double bottoms. It could lead
19 to explosions, access of personnel --there's cost issues. There's
20 questions of whether statistics show that a double bottom is
21 gonna be effective compared to protection from side damage.
22 This was studied about eight ways from Sunday by the Coast
23 Guard, by the oil industry, by ship yards, by everybody, and, at
23 that time, an international convention was held. It was debated
25 and protective location of segregated ballast were 40 -- about

1 40% of the hull had to be double shell, whether it be bottom,
2 sides or a combination. And that was the agreement,
3 statistically. The question has been re-raised now by the -- the
4 Congress accepted that decision by the way, and the Port Tanker
5 Safety Act was written, incorporating, specifically, those
6 requirements into it. We promulgated regulations along those
7 lines. As a result of this casualty, this is being looked at and the
8 Coast Guard, again, has gone to the Marine Board, the National
9 Academy of Sciences, and requested that this whole issue be
10 looked at. We've had about 12 years now passed since that was
11 looked at, again, to see if it could be necessary. Let's take a for
12 instance. I think there's no question that if the Exxon Valdez
13 had grounded and opened up the same amount of the hull as was
14 opened up in this accident, the amount of oil leaking out would
15 have been reduced by about 50%. However, in building a ship,
16 when you build double bottoms, the bottom plating is thinner.
17 The structure is different. And we also, probably with equal
18 probability, could have had the Exxon Valdez absorb less energy
19 in going across the reef, maybe could have opened the engine
20 room up, lost the whole thing and we'd have had a 52 million
21 gallon spill. It's a very difficult question to answer. I think
22 people say the economics are from five to eight percent of the
23 cost of the ship. And the cost of a ship is a very small amount in
23 the total aspect of transportation. Operations of a ship are much
25 more important than cost. So I don't think this is just a case of

1 people saying, I'm not gonna spend 5% to build this tanker this
2 way. Let's face it. We're gonna pay for it costs by -- when we put
3 the nozzle in our gas tank. It's a pass through cost. So, there
4 are some very serious disagreements as to which is the most
5 important way. And we are instituting a new study. I think API's
6 recommended the same thing be done. They've both gone to
7 the Marine Board and I think we will be constituting a study on
8 that with the idea of gathering information to see, "Is there a
9 need to re-asses it? If so, what should the requirements be?"
10 It's a very good question.

11 MR. PARKER: The state-of-the art has advanced
12 substantially or are we going to hear the same argument?

13 ADMIRAL KIME: Oh, we'll always hear the same
14 arguments, Mr. Chairman. I think that any time you look at
15 something like this that has as much background, all the old
16 arguments will be re-surfaced by everybody. I think what we're
17 interested in are the new arguments. What new has been
18 developed and what could we do. Is there something different
19 in the state-of-the-art. I think the thing that we want to
20 concentrate on is, if we had an aircraft incident and we flew a
21 747 in the side of a mountain, I don't think we'd try to build a
22 747 that could bounce off and keep flying. I think we'd try and
23 keep it from happening. If there's an ability to make an
23 improvement that is going to do something reasonably, I think
25 we wanta do that. The thing we don't wanta do is to forget that

1 prevention is the most important thing and about 80-85% of the
2 marine casualties that occur are due to human error.

3 MR. PARKER: Well, I couldn't agree with you more that's
4 where the focus should be. Any other questions -- if you fellows
5 want to eat, you're gonna to have to leave soon. Any further
6 comments, Admiral?

7 ADMIRAL KIME: No sir. We'd be very pleased to
8 cooperate with you and on those issues of what's being done in
9 research and development and studies of the kind you talked
10 about, you might want to talk to our people in Washington who
11 have primary responsibility for that now and for the VTS to talk
12 to Commander McCall, who's located here in Valdez.

13 MR. PARKER: Thank you. Okay, we'll break for lunch.
14 Try to get back as close to 1 o'clock as possible. It's a short one.
15 Thank you again, Admiral.

16 (Off the Record)

17 (Tape Changed)

18 (Tape Number 89-06-27-2B)

19 (On the Record)

20 STEVE: I'd like to talk the Commission, just some
21 general class information.

22 MR. PARKER: Oh, okay.

23 STEVE: Commissioner Kelso expresses his regrets that
23 he couldn't be here. He did try and get back in touch with you
25 but apparently he got your answering machine. So, he did leave

1 a message on it, but.....

2 MR. PARKER: Uh, hum.

3 STEVE:he would like to have been here. But he is
4 travelling out of the State on oil spill related business.

5 MR. PARKER: Yeah, I hope -- we hope to schedule him at
6 our next series of meetings in July. Anyway, what we hope to --
7 you know from talking to you when we set this up, what we hope
8 to hear from you. So why don't you go ahead.

9 STEVE: Well, I'm not exactly sure what you'd like to
10 know from us, but we're -- our office here is overseeing the
11 clean up activities from an advisory standpoint to the Coast
12 Guard and to Exxon. We do participate in all the activities that
13 are going on. We oversee the beach clean ups that are going on.
14 We help to work through the Inter-Agency Shoreline Cleanup
15 Committee to establish clean up techniques for the various
16 beaches, depending on the makeup of the beaches and any
17 resources that may be sensitive for that particular area. We try
18 and respond back when we find things that we don't like or we
19 don't feel they're doing right. We let the Coast Guard and Exxon
20 know that we feel some changes are needed and we'll try and
21 work with them to effect those changes. If we see things
22 happening out there that are violations of the state law then we'll
23 document those for consideration of legal actions. Other than
23 that, I guess, I'd be more than happy to go into any details that
25 you might want or answer any questions that you have.

1 MR. PARKER: Yeah, Mike?

2 MR. HERZ: I don't know whether you were, I don't know
3 whether you were here this morning or not when we were
4 talking with Admiral Kime about a question having to do with
5 what is clean. Yesterday we toured Northwest Bay.....

6 STEVE: Northwest Bay, uh hum.

7 MR. HERZ:went ashore and looked at what the crews
8 were doing. We talked with a representative from VECO who
9 was a crew supervisor. We talked with a number of people who
10 were from DEC. We talked to a number of the people who were
11 working doing the clean up. And we're trying to get a sense --
12 they -- I asked the question repeatedly, what are you -- what is
13 the criterion to which you're cleaning. They said, "Well, Coast
14 Guard comes and tells us whether we've done enough." And I
15 said, "But what's the criterion?" This morning when Admiral
16 Kime was here I addressed the same question to him, "What's
17 the criterion that the Coast Guard is using to check off?" I don't
18 have a sense of what the relationship between the Coast Guard,
19 VECO, Exxon, Adak is. Admiral Kime said that -- oh no, it was
20 actually Captain Zootsky (ph), who is also working on the clean
21 up, told me that we should've not asked the VECO person what
22 the criterion was. We should have asked the Exxon person what
23 the criterion was. So, I'm confused in terms of who's running
23 the show, who's setting the criteria, and what those criteria are.
25 Can you clarify that?

1 STEVE: Right now I don't think that we are establishing
2 any criteria for how clean is clean. Right now we're looking at
3 trying to get the gross oil contamination cleaned up. And we're
4 looking at work -- having Exxon and their contractors work on
5 the most heavily oiled beaches or those beaches that are the
6 most environmentally sensitive. And we're not looking at that as
7 any final treatment whatsoever. That it's just strictly a gross
8 removal and that those beaches will have to be re-assessed and a
9 determination made as to what level they can be left so at some
10 future date we will decide, or not decide, as to what is clean.
11 It's actually the Coast Guard's call. They're the ones -- the
12 federal on-scene coordinator is the Coast Guard Admiral and it's
13 their decision as to when the clean up is adequate from a federal
14 standpoint. I think the Admiral has put it in writing that after
15 they make that determination, then it falls on the State and if we
16 want something more than that then it's up to us to have to deal
17 with Exxon from that point on.

18 MR. HERZ: So, if you look at what they have done already
19 -- he said that they were ahead of schedule in terms of the clean
20 up. What's your agency's sense of the quality of the work and the
21 -- and what they are considering checked off. From your
22 perspective is that adequate and what's adequate mean?

23 STEVE: Uhm, in some cases I think they've done an
23 adequate job of treating the beaches to remove the gross
25 contamination and I guess we would agree that they should have

1 moved off those beaches on to some new beaches to tackle the
2 more severe problems that are there. We haven't signed off on
3 any beaches yet because we -- first of all, the form that was
4 developed to do that we were in disagreement with. We felt that
5 it was actually implying that the beaches were environmentally
6 safe or environmentally stabilized and we disagreed with that.
7 The form now that we're working on, which should be approved
8 within the next -- probably at a meeting tomorrow, really just
9 calls for identification of treatment that's occurred on that beach
10 in order to remove the gross contamination. And if that
11 treatment has been satisfactorily applied, then they're allowed to
12 move on to a new segment -- beach segment. And we'll be a
13 participant in that evaluation, but again that doesn't mean that
14 the beaches won't have to be re-visited at some point in the
15 future. It's difficult to determine what is clean anyway, 'cause
16 when they clean a beach, if you go back a few weeks later, that
17 beach has been re-oiled. So if you inspect it right after the
18 beach has been cleaned, it's gonna look different than -- well,
19 two weeks from then, when it'll have a significant amount -- it
20 could have a significant amount of oil on it and some of them do
21 that have been cleaned.

22 MR. HERZ: I'll quit after this question, but I'm still -- I
23 guess what's bothering me is that from a damage claim point of
23 view, some sorts of decisions have gotta be made -- and this may
25 not be the appropriate time because it sounds like this is --

1 there are gonna be multiply levels of cleaning that are probably
2 gonna have to be done. But I guess I have a sense that -- let me
3 back up. I would feel badly, and I suppose the state would feel
4 badly, if anybody got the idea that what was doing now was
5 adequate. In other words, until.....

6 MS. HAYES: In itself.

7 MR. HERZ:you've -- yes. Until you have had a season
8 or two to see the the biota have returned -- that there has been
9 some measure of return to some pre-spill level, the state won't
10 be prepared to sign off, I would imagine. I mean, has there been
11 discussion and thought and consideration given to that general
12 problem or issue?

13 STEVE: We've discussed that amongst ourselves at the
14 ADEC. We haven't really discussed that with Exxon or the Coast
15 Guard. I don't know what sort of communications there may
16 have been between Exxon and the Coast Guard on that point, but
17 right now I think we're all just still looking at just clean up of
18 the gross contamination and at what point -- at what level the
19 Coast Guard is willing to sign off on a beach as allowing Exxon to
20 be done with it from their standpoint, I think is probably going
21 to be different from what we're going to feel needs to be done on
22 that beach.

23 MR. PARKER: Do you feel that, under existing statutes,
23 that you have the authority to require immediate action by Exxon
25 in case there is disagreement with the federal sign off?

1 STEVE: I'm not an authority on that, but the way I
2 understand that it works, no, we don't have the authority. The
3 authority resides with the federal on-scene coordinator and
4 we're in an advisory role. Now if we.....

5 MR. PARKER: Under the regular DEC authorities, though,
6 I mean -- the beaches are -- at least below mean high water, they
7 belong to the state.

8 STEVE: I suppose we could take legal action, you know,
9 under state statute. But, I'm not sure at what point we would --
10 we could do that. We'd have to -- it'd have to be when Exxon has
11 said they're not going to do anything more on that beach. And at
12 that point, I think then we would evaluate if we disagree. Then
13 we could go onto the state legal system to deal with Exxon.

14 MR. PARKER: What led me to the question, of course, is a
15 long debate to the facility across the bay on the adequacy of
16 various pollution treatments there.

17 STEVE: Uh, hum.

18 MR. PARKER: And, obviously, if we get into a long debate
19 like that, why it could be a long time before the beaches -- any
20 continuation of beach clean up continues if its required beyond
21 what the federal government requires. And you know, our
22 responsibility is to find what these loopholes are in the system
23 and to make recommendations to the Governor and the
23 Legislature on what further action is required to ensure that we
25 sew this system up a little better and have better assurances

1 than exist in existing statutes. I don't know what needs to be
2 done. So that's why this line of questioning. Meg?

3 MS. HAYES: We talked this morning to Mr. Mackey and
4 we had several questions that Mike had raised and I had joined
5 him about the ongoing research that had been done. I know that
6 there was a lot of work done in the early '70s, late 60's/early
7 70's before the terminal went in, in terms of baseline studies.
8 And we were curious as to what work had been done since then
9 as an ongoing -- taking a video of the baseline conditions rather
10 than snapshots of it. Are you aware of what DEC has done or has
11 Alyeska been continuing to do that kind of work? Mike was
12 pointing out that commonly when you have the terminal, you
13 have elevated levels of hydrocarbons in the water regardless of
14 whether the spill occurred or not. And so, you're looking at the
15 spill in relation to a moving background. And do you know what
16 work has been done and who has done it?

17 STEVE: I'm not aware of that work. I haven't had -- been
18 involved with Alyeska. I've been out of the state for a number of
19 years.

20 MS. HAYES: Is there somebody at DEC that would be able
21 to tell us that?

22 STEVE: I'm sure there would be people that would have
23 that information, yes.

23 MS. HAYES: Do you know -- who would you recommend
25 that we talk to?

1 STEVE: Well, the local person here in charge of the DEC
2 office, district office, is Dan Long and I think also there's some
3 other people that have been involved with the pipeline terminal.
4 I think Bill Amaro (ph), probably the regional director in
5 Anchorage.

6 MS. HAYES: We also heard some about the -- Exxon's
7 research projects that have been going on since it was the
8 morning of the spill or the day after the spill or something. And
9 we were trying to pin him down as to how much review has been
10 done by agencies and how comfortable the people that are the
11 end users of that data: DEC, Fish and Game, subsistence on
12 various people, have had a chance to review those plans. How
13 comfortable you are with the design of the projects? How -- to
14 what degree the proprietary nature of that is either immaterial
15 or has been -- has proven to be a handicap in making decision.
16 That's a line of questioning that we've been pursuing. Do you
17 have any -- you could help us with that?

18 STEVE: We always are continually being surprised by
19 what's going on out there. We find out about either through --
20 that they have a contractor out there doing a study for them --
21 that we have not been privy to the studies that they propose.

22 MS. HAYES: So these Wednesday -- weekly Wednesday
23 meetings are not an opportunity for Exxon to bring up what it's
23 weekly science projects are on the contracts that they're
25 signing.

1 STEVE: Are you referring to the R&D meetings? I'm not
2 sure what weekly Wednesday.....

3 MS. HAYES: Yeah, I think they -- perhaps they were.

4 STEVE:meetings you're talking about.

5 DEBBIE: Excuse me, are they talking about the science
6 meetings that are held by NOAA at the civic center on
7 Wednesday nights.

8 MS. HAYES: Yes. Has DEC been a participant in that?

9 STEVE: Debbie, do you know. I'm not aware of.....

10 DEBBIE: In the beginning, that meeting was more like a
11 forum and now it's taken more of an I'm doing this, I'm doing
12 that around the room. And off and on, we have attended, but
13 we're just low staff.

14 MR. PARKER: I guess that would lead to the question, is --
15 who is the science coordinator for this effort to maintain
16 oversight on the whole scientific effort?

17 STEVE: I'd have to say there isn't one. We are starting to
18 get into a mode where we're going to do damage assessment
19 work, weekly damage assessment work. And we're gonna collect
20 information -- we've been collecting information all along. We've
21 been collecting water quality samples, doing beach surveys, and
22 sediment samples. We been doing transects on the beaches that
23 are to be cleaned and doing transects after the beaches have
23 been cleaned. And we're also starting to look at what we need in
25 the way of information to do a natural resource damage

1 assessment. We have a program -- there've been some studies
2 that have been approved throughout the state government for
3 various state agencies to participate in that assessment.

4 MS. WUNNICKE: That's the CIRCLA (ph) process?

5 STEVE: Yes, uh huh.

6 MS. HAYES: Does that -- I guess my question is that it
7 would seem science is generally -- at least in an ideal situation is
8 regarded as being a cooperative effort rather than a competitive
9 effort. And that's what you -- what often we try to ascribe for.
10 And it seems to me that when you get into science for the
11 purposes of litigation or damage assessment and liability --
12 questions of liability, that there enters into it the factor of
13 secretiveness -- or at least a potential for that. And I guess I'm --
14 my question and what I'm trying to lead to is to what degree is
15 there a common data base being established that can be argued
16 about the meaning of the data, but not necessarily the collection
17 of it, or some cooperation toward collection of it. If the state is
18 just beginning to get involved with what the damage assessment
19 process is, and we have 17 projects that have been given to us
20 this morning for environmental assessment studies, we're
21 interested in finding out what kind of peer review has occurred
22 on these projects that Exxon is spending a great deal of money
23 on and effort on. How comfortable the agencies are? How
23 involved they've been in the review of the overall blueprint as
25 well as each individual project. Is that very likely?

1 STEVE: Again, I would have to say we haven't been
2 involved in any peer review. I don't -- we've been given the
3 opportunity to be involved in a peer review

4 MR. _____: You have or have not?

5 STEVE: Have not.

6 MS WUNNICKE: If I may.

7 MR. PARKER: Yes.

8 MS. WUNNICKE: To follow up on what Meg is asking,
9 then we were given a list this morning.....

10 DEBBIE: Would you care for a copy?

11 STEVE: I have a copy. I was given it earlier and yeah, I
12 was unaware of most of those studies. I mean, I could assume
13 that they were going on because those are some of the things
14 that we're looking at also. And I'm sure they're looking at it
15 from the standpoint of -- from one aspect. We're looking at it
16 from a different aspect. We want to see if there has been
17 damage to the natural resources. I'm sure they're going to be
18 looking at it from a different point of view.

19 MS. WUNNICKE: Mr. Chairman, I think that goes to the
20 heart of my question because we were told that the purpose of
21 these studies was to look at them, to assess things -- that
22 studies. Would not your studies be similar and would they not
23 often duplicate, perhaps already ongoing efforts?

23 STEVE: I think that's true -- that there is going to be
25 some duplication. Our studies and the information that we're

1 collecting is all going to be through Teen (ph) of Custody --
2 through legal means so that we can use that information in the
3 courts if we have to, to document our case. I'm not sure what
4 procedures they're using. I just don't know anything about their
5 plans at all.

6 MS. HAYES: Well, it seems as if there was some
7 skepticism as whether other researchers not sponsored by
8 Exxon would be following the proper procedures and meeting
9 the high standards that Exxon is demanding that their
10 researchers -- it sounds to me like we have an interesting cat
11 and mouse game going here.

12 MR. WENK: Excuse me, let me just make sure we
13 understood.....

14 MS. HAYES: Yes.

15 MR. WENK:our guest adequately, 'cause these
16 questions are.....

17 MS. HAYES: Yes.

18 MR. WENK:pretty pointed. If I understood the
19 discussion that just went on, you were saying that, number one,
20 you were unaware of all of these studies by Exxon?

21 STEVE: Correct, yes.

22 MR. WENK: Number two, that you were not consulted
23 with -- in relation to any type of peer review or quality
23 assurance?

25 STEVE: That's correct.

1 MR. WENK: And number three -- and this maybe was
2 inferred, but not asked directly, so I'll ask it directly. Have you
3 asked for any of Exxon's information and what has been their
4 response?

5 STEVE: We have -- to the best of my knowledge, we have
6 not asked for any of their scientific information. And we just
7 recently started looking at some of their mapping information.
8 That's what I have here is, uh, some examples of the mapping
9 that we've been doing to show the oiled shorelines, our -- the
10 over water or on water areas that were impacted by oil and some
11 of those things. Exxon is now coming up with their own system
12 and we've been doing some comparing of our system with theirs
13 from a standpoint of where we might disagree in how a given
14 area is classified. But that's the only area that I'm aware of
15 where we've had any sort of exchange of information. And
16 they've basically been using our information, because we -- we've
17 -- pretty much were the first ones out with this mapping
18 information.

19 MR. WENK: Well.....

20 MS. HAYES: Go ahead.

21 MR. WENK: Well, just one follow up on that. Could one
22 assume at this stage that the standards for mapping which
23 Exxon uses coincides with yours? In other words, so that we
23 aren't gonna see two different maps that are constructed from
25 two different data bases or premises or whatever?

1 STEVE: We have some concern that there will be some
2 different mapping -- data gathering techniques. I guess a lot of
3 it would -- you know, a lot of our information was gathered early
4 on and we're continuing to update it and to ground truth it.
5 Exxon has started earlier on ground truthing their's, I guess, and
6 there using some different techniques than we are. So, you
7 know, there.....

8 MS. HAYES: Could you give us an example of that -- the
9 differences?

10 STEVE: Well, I'm not all that involved or not that much
11 exactly about what Exxon's doing, but I understand they're
12 shooting video tapes of the beaches that they survey. And then
13 they'll -- first -- I think they look at them from the air and then
14 they go in and they shoot video tapes of some of the beaches and
15 look at them that way. We -- most of our's were evaluated
16 initially by aerial surveys and then we followed that up with
17 ground surveys where we've actually gone in and done transects
18 on the beaches and it's a slower process.

19 MR. HERZ: Exxon said that they're spending \$10-12
20 million to do their research program, this morning. I think the
21 concern being expressed here is who's going to have the better
22 data. Because, ultimately, this is gonna be part of the damage
23 assessment process. And let me give you an example of a recent
23 experience in California that we had. We had a major spill in a
25 refinery -- not big by your standards here, but the most

1 important point is that the agencies, the State Department of
2 Fish and Game and the federal government -- none of them
3 undertook any real serious research. So now, one year after that
4 spill, as the damage settlement meetings between the lawyers
5 for Shell and the lawyers for the state and the lawyers for the
6 federal government are getting together, Shell is the only one
7 that really has meaningful data. So, it seems to me that we're all
8 asking the same kinds of questions and that the degree to which
9 the state is protecting itself by initiating really good data
10 collection techniques such that when these damage claims are --
11 when settlement conferences occur, that the state is gonna be in
12 a strong position to maintain that the numbers and the claims
13 and the amounts that they are putting forward are justified. And
14 that requires that you have some of the best and the brightest
15 people doing the science and that you have a system that is peer
16 reviewed and all the things we were talking about.

17 MS. HAYES: Not only -- in my mind, not only doing your
18 own replicate types of studies to test accuracy and comparison,
19 but also to be comfortable with the overall blueprint for what is
20 being done by Exxon. The time -- if there is a problem that can
21 be worked out, it's now before a great deal of effort has gone into
22 it rather than several years from now when you find that
23 originally there was a glitch and that's difficult to repair at that
23 point. So, I guess that's what our concern is, is that -- it
25 sounded this morning as though there was a great deal of

1 cooperation going on -- that there was a very -- a serious effort at
2 trying to coordinate this -- the overall scientific effort. That the
3 data that was being generated was -- had been approved by the
4 agencies that would be using it as well as the Exxon scientific
5 advisor.

6 STEVE: Well, again, I'm not -- and I'm not aware of the
7 involvement or what involvement the Exxons have with the
8 federal government here in the design of these studies too. But
9 we've had very little.....

10 MS. WUNNICKE: I just wanted to clarify one thing. The
11 research then that the state would be doing for damage
12 assessment would be being done with your attorneys and it
13 would be privileged, proprietary information. My understanding
14 from Mr. Mackey this morning was that all of the research that
15 they were doing was freely available and public. Is there that
16 distinction in what we're talking about in what might be
17 duplicative research?

18 STEVE: I'd have to say that our information will be
19 treated as.....

20 MS. WUNNICKE: Proprietary information?

21 STEVE:proprietary information. I, I, -- again, I don't
22 know how Exxon's planning to handle theirs.

23 MS. WUNNICKE: I'm just going on what Mr. Mackey said
23 this morning.

25 STEVE: I'd have to -- we have an attorney here. Is that

1 correct - that we are dealing with ours as proprietary, aren't we?

2 DEC ATTORNEY: So far, it's been -- I don't think -- that's
3 a question that can be re-visited as we go. Certainly, I don't have
4 information about how Exxon's treating there's so all we have is
5 Mr. Mackey's words.

6 MR. PARKER: I think, you know, they're high
7 expectations because of the enormous amounts of money that are
8 being spent in research on this spill. We're already approaching
9 the level of the Outer Continental Shelf Environmental
10 Assessment Program in the '70's where we were so proud that
11 we finally spent \$30 million in researching the problems of the
12 shelf. And, you know, my personal interest and certainly the
13 interest of the Commission is to maximize the value of this
14 research that is going on. I -- you know, I think when we see
15 the fact now, that research hopefully is being undertaken in
16 areas 500 miles from Valdez, and still the general center of
17 operations is here, I think -- what do you think we, uh, should
18 do to -- I think I'd ask again, what would your recommendations
19 be on how we could take some fairly immediate steps to improve
20 the coordination of this fairly massive effort?

21 STEVE: Well, I guess, for one thing we would need to set
22 down with Exxon and go over their studies. Or have our experts
23 evaluate what they're proposing to do. And have input into that
23 data collection effort. If there's information that we need, if
25 they're willing to provide us with that, we'd like to be able to

1 identify those things.

2 MR. PARKER: Ed?

3 MR. WENK: On this very point I'd have to say, in my view,
4 we have definitely contradictory statements today from Exxon
5 and from you on this question of your access to their data.
6 Putting that aside, let's come back to your activities all by
7 themselves.

8 STEVE: Well, if I might, I'd say we haven't tried to get
9 any of their data yet. They haven't refused to give us, but we
10 aren't aware of what they've collected or what's available and we
11 have not, to the best of my knowledge, pursued trying to get any
12 of their scientific data at this point in time.

13 MR. WENK: But the implication was one of active
14 cooperation, was it not? I mean this was what I heard. That
15 maybe isn't exactly what they said, but that's what I heard. And
16 what you're saying is -- you're saying they didn't deny you access,
17 but that this concept of active coordination, you know, mutual
18 review, etc., etc., really has not yet happened.

19 STEVE: Not to my knowledge.

20 MR. WENK: Okay. Let me go on -- come back to a
21 somewhat different question. It has to do with your own
22 activities -- questions of standards you are setting for yourself
23 through quality assurance processes through the use of peer
23 review, through the use -- often done and said by Exxon this
25 morning to be the case for them, use of high level advisory

1 panels which, especially within this legal environment, add to
2 the credibility, authenticity and so on of your whole activity. So
3 my questions all point to, what are you doing -- put Exxon aside.
4 What are you doing from the point of view of quality control?

5 STEVE: Okay, we are in the process of developing our --
6 well, we have been collecting samples and we've been doing
7 those through a quality control/quality assurance plan that's been
8 developed. We're looking at.....

9 MR. WENK: By whom?

10 STEVE: By our laboratory in Douglas, which is out of
11 Juneau, and also that we -- there's been participation by the
12 Environmental Protection Agency in the development of that
13 quality control/quality assurance. Generally, when we collect
14 data, we always follow a rigid quality control/quality assurance
15 procedure just because it's demanded. In most cases where we
16 have our -- operating a program or have a program grant from
17 EPA, they demand that we follow rigid quality control/quality
18 assurance procedures. So that's pretty much standard operating
19 procedure any more. As we develop our studies for doing --
20 gathering additional information, where we need to have specific
21 quality control/quality assurance issues addressed, we'll develop
22 those in cooperation with EPA.

23 MR. WENK: One other, somewhat different question.
23 We're interested in the ultimate clients, users, of your
25 information. Now, you may be users yourself.

1 STEVE: Uh, hum.

2 MR. WENK: And I'd be interested in how you would plan
3 to use it, for what purpose? But it also occurred to us that there
4 may be other state agencies or even federal agencies, like FDA,
5 that would be interested in the data from the point of view of
6 safety to human health in consumption of fish and shell fish and
7 so on -- for which there might be some real timed activity.
8 Could you discuss that aspect at all in terms of the clients and in
9 terms of the shorter term utility of the information you're
10 collecting?

11 STEVE: Okay. There is a Task Force made up of other
12 state and federal agencies that are looking at the whole natural
13 resource damage assessment issue. And so, I guess, you know,
14 there is going to be -- those agencies will have the use of the
15 information that's gathered from you know -- DEC may primarily
16 be gathering water quality and sediment type information.
17 Another agency may gather some other type of information.
18 ADF&G would be maybe evaluating impacts on biota or
19 something like that. But -- so, I guess we see that the
20 information is gonna be available for -- amongst various agencies
21 that are participating in the study. As far as real time data, we
22 do -- we are gathering information to look at impacts of
23 resources that might be consumed right now and I know there's
23 a lot of concern amongst the subsistence fisherman regarding
25 the quality of the product -- the food that they would be

1 catching. And so, there is some -- through Environmental
2 Health and Fish and Game, there is some information that's
3 being collected on that to determine if there is any
4 contamination -- if the products are not fit to eat. That's the
5 only real timed effort that I'm aware of right now that's going on.

6 MR. WENK: But that's going on by ADF&G rather than.....

7 STEVE: And our environmental health.

8 MR. WENK: And environmental health?

9 STEVE: Yeah.

10 MR. WENK: Okay.

11 MR. PARKER: What -- where does the task force generally
12 meet?

13 STEVE: Pardon?

14 MR. PARKER: Where does the task force generally meet?

15 STEVE: Uh, I -- they've been meeting in Juneau and --
16 I'm not sure. I don't get involved with that, so I don't know what
17 schedule of meetings they're on or -- I'm sure they are the
18 people within DEC.

19 MR. PARKER: Who's heading it?

20 STEVE: I really don't know who's heading it either.

21 MR. PARKER: Yeah, Mike?

22 MR. HERZ: Coming back to damage assessment for just a
23 moment. It seems to me that although your agency's acting in
23 the public interest, that very often as you go into the damage
25 assessment phase and the agencies get involved -- that is the

1 right down to it, my job primarily is in dealing with the day to
2 day activities of the oil spill itself and the clean up of it. But, the
3 -- I guess, you know, we could work out some mechanism to get
4 the public involved -- to get their input and the information they
5 feel would be pertinent or that they would like answers to. And
6 they may have ideas as to things that need to be studied, I guess,
7 to be able to assess the damage. The whole issue of just damage
8 assessment is very difficult to approach 'cause I don't know how
9 far you take that. You know, you can -- and also, you have to be
10 able to put a value on it, as I understand CIRCLA (ph) process as
11 to show actual economic damages. So, when you start getting
12 into biota and how you show -- okay, you've had a reduction in
13 the biota, how do you translate that up to reduced salmon runs
14 and stuff. I -- that's gonna be very difficult.

15 MR. PARKER: I think the -- you know, to -- around that
16 particular problem -- characteristically the state of Alaska has
17 encouraged technological entrepreneurship on the part of it's
18 citizens. In fact we founded several, sometimes short lived,
19 sometimes longer lived organizations, and have one underway at
20 the present to do this. But, those people who have contacted us
21 have been sent to Exxon and to put it crudely, Exxon seems to
22 have been stiffing them and telling them that they really don't
23 need any help and we cannot determine yet -- the Science and
23 Technology Foundation process is -- the Legislature's given that
25 group some direction to respond to this. But I think that their

1 particular process is not going to be able to function in time to
2 be of any real help in the next six months, which is the
3 timeframe we're operating in in making our recommendations.
4 I think what we're looking for is some innovative thinking on the
5 part of DEC, Fish and Game, in particular, and any of the other
6 agencies that may get involved on this, on opening the door a
7 little bit to those citizens that have some idea on how this might
8 better be done and at least -- you know, getting them a real
9 hearing. 'Cause, there's little that we, as a state of Alaska, can do
10 to influence Exxon or the federal agencies in the short run.
11 There might be a great deal that we can do in the long run or in
12 the next several months, but you know, for a day-to-day response
13 why we are largely depend upon the State of Alaska to provide
14 that as the home in which we function.

15 STEVE: We have retained a contractor who is well
16 renown. He was involved in the AMOCO Cadiz spill in France. In
17 fact, they wanted him back to participate in the spill in
18 Narragansit Bay that just occurred a few days ago. I think we
19 have somebody who's very knowledgeable in looking at oil spills
20 and getting involved with damage assessment type work. So, I
21 feel we do have some very capable expertise that we're drawing
22 upon here to help us.

23 MS. WUNNICKE: Who is that?

23 STEVE: Eric Gunlock.

25 MR. PARKER: John?

1 MR. SUND: Well, I just asked a question -- I maybe
2 missed it earlier, but it seems to me there's several purposes for
3 doing studies and I guess I'd ask what the primary purpose of
4 these scientific studies that DEC and the state agencies are
5 doing is. Is the primary purpose to figure out how to manage the
6 resources from this point forward or to restore the habitat from
7 this point forward or is the primary purpose to figure out how to
8 make the best claim for damages.

9 STEVE: I.....

10 MR. SUND: Or is there a choice -- is there a difference, I
11 guess?

12 STEVE: I guess, probably right now, we've been thinking
13 it in terms of to evaluate the damages. I would certainly think
14 that the data that's collected in doing that is gonna give you a lot
15 of information that's gonna -- could be useful in looking at
16 management of those resources in the future to help to restore
17 'em. If that's at all feasible or if you can do anything.

18 MR. SUND: Do you think you'd be doing anything
19 different if the party creating the accident was not financially
20 responsible? In other words there was no hope for any return of
21 damages. It was a bankrupt party. Would the studies or the
22 things you'd be doing now, would they be any different under
23 that circumstance?

24 STEVE: Well, you know -- we have looked at the types of
25 awards or claims that you can get compensation for under the

1 CIRCLA (ph) process. And if you look at that, the amount of
2 money recovered through that conceivably could be quite small.
3 I mean, 'cause you've got -- and perhaps spend a lot of money to
4 prove damages. And it may be difficult to tie in and come up
5 with a large value that's gonna show there's a tremendous
6 economic damage to the resource. I don't have a feel for that.
7 We have talked about that as something that we have to look at.

8 MR. SUND: I guess Mr. Chairman, maybe I'll just throw
9 this out on the table here. I haven't talked much about it, but it
10 seems like -- Exxon testified this morning that their entire
11 purpose or their primary purpose in all these studies was
12 assessment of damages in preparation of litigation. That they've
13 made, obviously a preliminary estimate of their potential liability
14 and they're preparing their damages for their cases. I was
15 surprised that they stated their information was not proprietary.
16 I thought, under that reason for doing it, that they would make it
17 proprietary. And I'm not sure now I asked the right question.
18 But the state here is -- I think has a responsibility to figure out
19 how to manage the environment now. Let's just pretend it was a
20 natural disaster and not a man made disaster. We'd have to get
21 in and figure out how to.....

22 (Tape Changed)

23 (Tape Number 89-06-27-3A)

23 MR. SUND:manage the environment now. Let's just
25 pretend it was a natural disaster and not a man-made disaster.

1 We'd have to get in and figure out how to manage these
2 resources for the public good. I'm beginning to wonder whether
3 it is the role of the state to aim its entire scientific research at
4 preparing for a lawsuit to hopefully recover damages to the
5 public in that the general public -- I'm part of the public. The
6 state of Alaska's been damaged here, but there's also damages
7 gonna be recovered to specific individuals who have specific
8 economic loss -- and whether it's the role of the state to --
9 through the discovery process I guess it would be the fact
10 finding to prepare their cases for litigation. It's an interesting
11 issue that -- I just primarily wanted to see if -- you know, we're
12 working on how to figure to best manage these resources or
13 whether we're gettin' ready to go to court. I'm just a little
14 frustrated that everybody that comes to this table to testify
15 brings their lawyer with them.

16 STEVE: Mine happened to be here. I didn't bring him.

17 MR. SUND: That was a lucky guess. Thank you, Mr.
18 Chairman.

19 STEVE: Well, I -- if I could respond to that. I wouldn't --
20 I don't know all the thinking that's going on with regard to how
21 we're approaching the studies. And the discussions that we've
22 had amongst ourselves in this office has been more oriented
23 toward looking at damages assessment. So, I can't speak for the
23 entire big picture of this -- and the whole thought process that's
25 going on within the state of Alaska, right now.

1 MR. PARKER: Tim.

2 MR. WALLACE: That was gonna be my question. Do you
3 know if the Department of Fish and Game is doing the type of
4 the studies that John is asking about?

5 STEVE: They are involved in the studies. I'm not sure
6 what their focus is gonna be.

7 MS. HAYES: Mr. Chairman, my understanding of the
8 CIRCLA (ph) process is that that is supposed to be the end
9 product of the research done under that act. And so, John has
10 raised an interesting point which I think bears exploration. But
11 I think the source for that kind of research would probably have
12 to be some other kind of fund.

13 MR. PARKER: The primary reason why we didn't ask Fish
14 and Game here today is I couldn't find a focus. It seems that
15 Fish and Game -- everything is being conducted within the
16 entire agency and really I didn't particularly want to bring
17 Commissioner Collinsworth or one of the deputies to Valdez, so
18 -- but we'll get with Fish and Game, either our next series of
19 meetings, but very soon. But that was the primary reason is
20 there just didn't seem to be any focus within that department as
21 there is within DEC on this particular issue.

22 MS. HAYES: Mr. Chairman, I know that we're short for
23 time, but I wondered if Steve could just show us the maps that
23 he brought along for an example of that?

25 MR. WALLACE: While he's getting that ready, can I ask

1 him a question. He can do both at the same time.

2 MR. PARKER: Yes.

3 MR. WALLACE: Have you had any ERTS imagery done on
4 the spill?

5 STEVE: Any what?

6 MR. WALLACE: ERTS imagery -- satellite pictures.

7 STEVE: I think there are a few. We've had some -- a lot
8 of aerial photography -- I think we shot from 12,000 feet. I
9 think there was some ERTS, but I don't think there was -- I'm
10 not -- I haven't seen any of that. I know we have a lot aerial
11 photography that was shot at 12,000 feet. I don't know what the
12 best way to show this is, but.....

13 MR. PARKER: Hang it up on the wall?

14 STEVE: Anyway -- this basically shows the observed
15 spread of the oil from Prince William Sound down around the
16 Kenai Peninsula, around Kodiak Island. And we're now -- there
17 are reports of it down here all the way to that particular area.
18 So, you see that there is quite a significant area where there has
19 been oil.

20 MR. WALLACE: Now, what are the crosses. This indicates
21 sightings of any amounts?

22 STEVE: Yes.

23 MR. WALLACE: Is there any concern -- not a
23 concentration.

25 STEVE: Not on this. This is just oil that's observed on

1 the surface.

2 MS. HAYES: Excuse -- if a citizen came in and saw an
3 area.....

4 STEVE: I can lift it up just a little so you can see.

5 MS. HAYES: If a citizen had a sighting of oil in an area
6 that isn't shown on your map is there a way that that person
7 could add it to your map or that you could verify it?

8 STEVE: Well, we'll generally respond to sightings of oil.
9 We do like to have trained observers go out and look at it
10 because it is very easy to confuse kelp beds with oil and kelp
11 beds -- you can get a sheen off of kelp also, so -- which can be
12 very -- look like oil to somebody that hasn't observed a lot of oil
13 in the water.

14 MR. HERZ: Have you also done more detailed maps of
15 actually oiling of beaches?

16 STEVE: Yeah. I've got examples of that.

17 MR. WALLACE: Put it up on the wood, high.

18 STEVE: Yeah.

19 MR. HERZ: And my question -- how are we to get it up
20 there?

21 MR. PARKER: It works. Another technological crisis
22 overcome.

23 MR. SUND: We put tape up there, twice.

23 MR. PARKER: We can have good with tape as you've seen.

25 STEVE: Okay. This is the oiling that's occurred around

1 Kodiak Island. The red indicates the heavy -- there is -- let's
2 see, there isn't a lot of heavy on -- we have some green which is
3 light, very light. I don't see too much blue on here. So the
4 impact on Kodiak Island is -- on the beaches hasn't been so great
5 as it's the amount of moose in the water and because of the
6 policy on zero limit on oil and fish, you know, it is causing
7 fisheries to be shut down because the fish -- the potential for the
8 fish being oiled as they're caught in the net. So.

9 MR. HERZ: What about the third dimension in terms of
10 sediment penetration, particularly in terms of -- I don't know
11 how much shell fishing there is in any of these areas, but I would
12 imagine that impacts on shellfish in beaches where there's
13 penetration -- you're going to have a much longer residence time
14 and -- have you attempted -- I mean, is heavy, moderate, light,
15 very light only the amount that's visible or does that include the
16 depth dimension as well or.....

17 STEVE: It does include a depth dimension. The oil here
18 is different from the oil in the Sound. This oil is moose. It --
19 generally, the beaches have blobs of oil on them. The oiled oats
20 in the water or throughout the water column and I guess we
21 wouldn't expect to see a lot of oiling of beaches where if there's
22 penetration into the beaches here so much. There is quite a bit
23 of concern at -- I think this is Larsen Bay here -- amongst the
23 natives there -- subsistence fishermen there regarding shellfish,
25 'cause I guess they do use quite a bit of shellfish in their diet.

1 And so there have been some testing of shellfish that's been
2 going on in some of these areas. To the best of my knowledge,
3 none has shown up as contaminated. We don't have any
4 contaminated shellfish.

5 MS. HAYES: Steve, it occurs to me that perhaps we're
6 asking some of the questions to the wrong person at DEC. Have
7 -- how long have you been in this coordinating role for the clean
8 up? Since the spill itself?

9 STEVE: Since the 15th of May. And I'll be in that role
10 throughout the duration of the spill clean up.

11 MS. HAYES: Okay. And did you take over from the local
12 office here of DEC?

13 STEVE: No. The way that DEC was originally staffed was
14 to rotate people in and out and the on-scene coordinator would
15 maybe come down and fill in that role for two or three weeks at
16 the most. And so it was felt that there had to be some stability
17 given to the organization and they wanted somebody to come in
18 and fill that role on a permanent basis.

19 MS. HAYES: Would that be one of your recommendations
20 that -- for future event of this kind of thing, would be to have
21 somebody in a full time position from the beginning?

22 STEVE: Preferably. If you have somebody that was
23 trained and everybody knew exactly what they were doing at the
23 onset, yes. I think -- just for stability -- probably initially it would
25 have been almost impossible to do that, but once things started

1 settling down, I think it would have been important to do it as
2 quickly as possible.

3 MS. HAYES: Are there other parts of DEC that would be
4 perhaps involved with the research? I mean, my question is
5 this. We've heard some conflicting testimony, or apparently
6 conflicting testimonies. Is it possible that there are people in
7 DEC that are involved in the research effort or reviewing Exxon's
8 work that wouldn't be known to you?

9 STEVE: That could be, but I'm -- I think I'm fairly
10 informed.....

11 MS. HAYES: You think you're in the books.

12 STEVE:of what's happening here in Valdez. I don't
13 know what's happening, necessarily, always in Juneau. But,
14 conceivably, there could have been some involvement early on
15 with some of these research studies that I'm not aware of. But,
16 like I say, when I, I found out that there are Exxon contractors
17 out there doing research, I've raised questions about it and
18 people in DEC haven't been able to answer my questions. So, it's
19 my -- I've basically formed the conclusion, I guess, that we didn't
20 have a lot of involvement in that. Now, it could have been that it
21 was offered and we weren't -- we couldn't take advantage of it
22 because we didn't have the staff there to do it. I'm not sure of
23 that, but I.....

24 MR. PARKER: Okay. Any other questions. Anything else,
25 Steve?

1 STEVE: Unless you'd like to look at the other -- this is
2 the Kodiak, 'er the Kenai Peninsula area and then Prince William
3 Sound are the other two.

4 MR. PARKER: If you can just -- can you leave those maps
5 with us?

6 STEVE: Yeah. You can take these and (indiscernible -
7 simultaneous talking).

8 MR. PARKER: Okay. I think that'd be best if we go over
9 those later.....

10 STEVE: Sure.

11 MR. PARKER:and the Commissioners. I.....

12 MS. WUNNICKE: Mr. Chairman. If I might be sure.....

13 MR. HERZ: Are these copies?

14 STEVE: Yes.

15 MS. WUNNICKE:be sure I understand the maps. This
16 is according to the criteria that you outlined and I believe it's
17 similar to the criteria that Mr. -- that the Coast Guard outlined,
18 Admiral Kime outlined. Is that correct? You're using the same
19 criteria as to heavy.....

20 MS. HAYES: Moderate.

21 MS. WUNNICKE:light, very light?

22 STEVE: Yeah, yes.

23 MR. PARKER: Anything else, Steve, that you would want
23 to tell us then. Okay.

25 MS. HAYES: Thank you.

1 MR. PARKER: Thank you. NOAA is scheduled next. Is
2 there anyone here from NOAA? Okay. (Already transcribed. See
3 attached.)

4 MR. PARKER: Okay, we're gonna take a short break here
5 and we will begin, in the absence of any representatives from
6 NOAA, we'll begin public testimony after our break. We'll resume
7 at two-thirty.

8 (Off the Record)

9 (On the Record)

10 MR. PARKER:testimony. I have the list of people who
11 have asked to testify and -- how many people want to testify out
12 there? Okay. I'll just run down the list and if I don't hear your
13 name -- if you don't hear your name, because you didn't sign up
14 here, why we'll get to you. Okay. Kevin Casey.

15 MS. WUNNICKE: He was just here.

16 MR. PARKER: Stacey Hotchey (ph).

17 MR. WENK: His bag is here, so.....

18 MS. WUNNICKE: The one with the tape.

19 MR. PARKER: Lauren Frauenhagen.

20 MR. FRAUENHAGEN: Right here.

21 MR. PARKER: Okay.

22 MR. FRAUENHAGEN: I'd like to introduce myself to the
23 Commission. My name is Dr. Laurence Frauenhagen. I'm an
23 environmental scientist from the Monterey Bay area of California.
25 After I got over the preliminary shock of hearing the news of the

1 spill, I set about questioning myself as to how I could make a
2 contribution in a volunteer sense to this matter. Monterey Bay
3 area of California and Prince William Sound are very similar.
4 They're areas of exceptional beauty. They have heavy tourism
5 and fisheries interest. We have a great deal of interest in the
6 Monterey Bay area now in oil because of the proposed lease sales
7 off the Monterey coast. It's a very controversial subject in our
8 area and we're all very concerned about it. And what I came up
9 with was a plan to involve the institutions -- the four major
10 marine institutions of the Monterey Bay area in volunteer,
11 scientific studies. This is the Long Marine Station of Marine
12 Laboratory of UCSC, the Moss Landing facility of the State
13 University College system located in Moss Landing near
14 Watsonville; the Hopkins Research Station, which is the official
15 station of Stanford University; and the Monterey Aquarium. And
16 we have a core group now of about five of us. It will be
17 expanding. We have received a grant from the Chugach
18 Corporation and from Holland America Lines, initial seed grant,
19 and we are hopeful of getting a generous grant. And we are
20 hoping to supplement that to assist us, at least in the logistics of
21 the study. Our -- assistance is all volunteer. Our professional
22 activity. And by -- one of the reasons for that is to, hopefully, be
23 an objective voice and a pair of eyes and pair of ears and a mouth
23 in this matter. My -- as I say, my own profession is as an
25 environmental consultant. I like to call myself an environmental

1 sleuth. I do a great deal of investigation of various matters and
2 heavily involved in our local government and also in the
3 California legislature in this respect. And, what I'd like to bring
4 to you today is just an initial part of a little investigation I made
5 last week, by way of what you've heard today. And that is, what is
6 the status of prior historic studies on the invertebrates in Prince
7 William Sound? Two of the people in our group are very
8 prominent investigators in the whole area of enthic (ph)
9 organisms -- the bottom dwellers. And in talking with them and
10 with talking with principal people by phone through principal
11 researchers in this area, that is opinthic (ph) organisms in
12 Prince William Sound. My initial conclusion would be that the
13 historic perspective is rather poor, that certainly some studies
14 have been done. The quality of the studies is perhaps not the
15 finest or the more -- the greatest duration and the greatest in
16 intensity. The investigators were good investigators, but not
17 among some of the principal investigators. My conclusion is that
18 you've -- there is a problem with the baseline on exactly what the
19 status of the base -- what the status of the Opinthic (ph)
20 organisms are in Prince William Sound. The particular incident
21 I -- example I would point out are the types and the distribution
22 of the bi-valves, upon which your sea otters up here feed. Our
23 sea otters feed on our abalone and make -- and cause
23 considerable disturbance with some of our people. But, the bi-
25 valve population has been surveyed, but not rigorously and not

1 sufficiently to form a sufficient baseline. So that's the first bit of
2 information I would like to bring to you. I'm spending a week
3 here. I will be going out tomorrow. Some of the fishermen have
4 volunteered to make use the disposal of one of their high speed
5 craft and we're going to go out into the clean -- into the spill
6 areas and mark out some definite observations points to which
7 I'll be coming back next year and the year thereafter 'cause I
8 wanta see what the efficacy of that clean up operation is. I wanta
9 study the methodologies and I wanta relate this back. And one
10 of the reasons that I'm here, particularly at your Commission
11 meeting, is that California has no spill point -- contingency plan.
12 And our Coastal Commission is very upset about this at the
13 present time. I mean, it isn't in place. And so, I hope to make
14 my talents, and other people's talents available to that
15 Commission for an expeditious preparation of a spill plan. Our
16 Coastal Commission has taken the position that within the next
17 10-15 years, there will be a similar, major incident in California,
18 based upon reasonable projections. And we saw last weekend
19 that that may not well be off the mark. I -- we've had problems
20 and like to end my presentation I will be back with some further
21 presentations as I gain more information. I speak frankly and
22 openly. Some people are not very happy with that at times, but I
23 am interested in what the truth of the matter is. Let me -- Let
23 me handle just two examples. An example we had in Monterey
25 County here just recently. A group of three men came on the

1 beach -- and on New Nuevo (ph) which is right off the San Mateo
2 coast. And they claimed to the -- this is under state
3 guardianship. They made a claim that they were independent
4 consultants gathering marine life -- or just making a survey of
5 marine life. They were told of the restrictions of taking any
6 materials -- this is the seal elephant area at New Nuevo. They
7 were told of the heavy restrictions on removing any samples.
8 They were caught in dragging bags of minerals, stones and
9 minerals, away from the site, rather late in the day. And further
10 investigation revealed that they were not private consultants, but
11 rather employees of Exxon. And the types of samples and so
12 forth suggested that they were interested in geologic features in
13 the area. I came yesterday and I spoke with Dr. Mackey. I got a
14 rather cool reception, which I didn't entirely -- somewhat
15 anticipated. But he's a busy man and he has a great
16 responsibility upon him. I am a little consternated to hear today
17 of the lack of any peer review of those plans. I have to wonder
18 where all these studies are going. I have to wonder about the
19 adequacy of the baselines. And I think there's many questions
20 that you people here in Alaska and we people in California have
21 to ask and make sure are very definitely answered. And I guess
22 we people in California do, in fact, have a stake in this. We're
23 the users of your, of your natural product here. And someone
23 asked me the other day on a public radio show whether or not,
25 back in Monterey -- if I was pointing the blame at Exxon. And I

1 said, no, I said, personally, I said -- my own personal feeling,
2 opinion, is that the finger points at all of us, not just Exxon.
3 Human error will occur. There's as much as involved in the
4 Diablo Canyon nuclear plant thing years -- several years. Humans
5 suddenly made a discovery that there was an earthquake fault
6 running very close to the plant and it held up the op --
7 beginning of the plan of operation. It caused complete re-design
8 of the whole facility. And the explanation was, human error. No
9 one had bothered to check, even though there were references
10 in the literature to a possible seismic site nearby. So, thank you.
11 I hope I can make some sort of contribution to what you're
12 doing.

13 MR. PARKER: Thank you Dr. Frauhagen. Any questions,
14 Commissioners? Interesting -- I was spending most of the
15 winter before the oil spill on risk assessment and earthquakes.
16 We had a lot going on on that past winter here, too. And, you
17 know, risk assessment is a good deal of what we're going to be
18 about. We've got your telephone number and address, so we will
19 certainly keep you advised of what's going on and, as I said
20 earlier, we hope to have some workshops later on these specific
21 areas. Thank you.

22 MR. FRAUENHAGEN: But, and that'll be -- then, hopefully
23 then I hope to take some of that back into our California Coastal
23 Commission.

25 MR. PARKER: Okay. I see that Dave Kennedy from NOAA

1 is here. I have the advantage of Mr. Kennedy because I've seen
2 him on television many times the past several months. Mr.
3 Kennedy.

4 MR. KENNEDY: Hi.

5 MR. PARKER: Hi.

6 MR. KENNEDY: I'm at a real disadvantage. I've been in
7 town about 45 minutes.....

8 MR. PARKER: That's what I understand.

9 MR. KENNEDY:after a two week break. Right prior to
10 this I was in Philadelphia in the Delaware River, at that spill.

11 MR. PARKER: I though that's where you might have been.

12 MR. KENNEDY: Right after that, I was in Rhode Island at
13 the World Protegy spill. So, to talk about the Exxon Valdez may
14 be -- I may still be a little bit hazy and fuzzy. I've tried to follow
15 what's gone on in the last two weeks, but I'm gonna be a little bit
16 behind here and there. And really, to tell you the truth, I'm not
17 quite sure what you're up to. So, I'm hoping you can -- maybe
18 what you'd like to do is just ask me questions, but I have no idea
19 exactly how you would like to proceed. So, please tell me.

20 MR. PARKER: Well, you know when I talked to John
21 Robinson about it, why that was just before the series of spills
22 started that has taken up all your time the past week. And the --
23 I could tell when you came through the door that you'd had a
23 hectic week of this. So, I.....

25 MR. KENNEDY: I have.

1 MR. PARKER:I did want, you know -- the Commission
2 was created by the Alaska Legislature and our mission is to
3 report to the Legislature by January 8th on methods by which to
4 prevent oil spills, primarily concentrating on tanker operations
5 and all of its -- and all their facets. And on improving oil spill
6 response and oil spill mitigation and all the facets of that. And I
7 don't know if you know any of the Commission members, so I'll
8 introduce them all. I'm Walt Parker, I'm the Chairman; the
9 Vice-Chairman, Esther Wunnicke; Tim Wallace, Meg Hayes, Ed
10 Wenk, Mike Herz and John Sund.

11 MR. KENNEDY: Hi.

12 MR. PARKER: Anyway, I think -- you know, mainly we
13 wanted to talk to you 'cause, in many ways you've been Mr. Oil
14 Spill Response and the -- in NOAA for several years and have as
15 wide a background, certainly as anybody in the particular subject
16 and just get some -- make the contact and get some early
17 perceptions from you on what you might want to volunteer on
18 this time on ways in which we can improve the operation. So,
19 we can go right to questions or if you'd like to say a few words.

20 MR. KENNEDY: Well, let me just say a few words. They'll
21 be rambling, but I've said them before in many different forums
22 and I'll be happy to say them again. Unfortunately, what I have to
23 say in terms of background experiences learned from this
23 particularly spill are not particularly novel and I've said most of
25 the things I would say prior to this spill. Most of the problems

1 we have now, we've encountered before. And, unfortunately,
2 prior to now and for a number of years, we've been in kind of a
3 lull in terms of very many major spills, at least from my
4 perception and maybe others don't have that. But, having
5 watched spills for a number of years, I think we have had a lull.
6 And one of the things that I've seen over the 12 or 13 years that
7 I've been doing this is that the interest, and more importantly,
8 the funding and the manpower available to do anything about
9 spill response is directly related to the interest that is brought
10 to bear on the topic by the disaster. There's been a very well
11 plotted, if you wanted to go back and look at it, graph that shows
12 when funding and interest is there. And it always surrounds the
13 major oil spill. Generally, within a year or two after that
14 happens, that emphasis goes away. And you've seen that here.
15 It's nothing new. This is nothing novel. But, certainly the
16 technology that exists today to clean up a spill is not that much
17 different than it was 10 years ago. I can recall the National Oil
18 Spill Conference which was held this spring in San Antonio.
19 Several of us that have been around for most of the oil spill
20 conferences, after going through the exhibition center,
21 commented, as a group to a person, "Gee, does this remind you
22 of anything?" And, it most certainly did. The two years before
23 that, and the two years before that, and so on and so forth.
23 There have been no major advancements in technology. Those
25 that we have -- I say we, mostly it's industry and others, but

1 certainly that I've been involved in looking at, have been
2 controversial and consequently have not really come on board in
3 any sort of a many that I think provide any new answers. And, of
4 course, I'm speaking about dispersants most specifically. And
5 there's been a great, great deal of effort expended in trying to
6 come up with the answer as to whether dispersants should or
7 should not be included in the arsenal. And, quite frankly, I think
8 this incident does nothing different than the last several
9 incidents where I've been involved and we tried to use
10 dispersants -- certainly doesn't make it clear. So, in terms of
11 what we can do better, I think, obviously, there has to be, in my
12 mind, a very, very concerted effort to come up with some new
13 mechanical methodology. This spill has pointed out, again, and I
14 think probably fortunately, maybe in the right forum in that we
15 brought the whole world's attention to this place because of it's
16 location and the magnitude of the spill -- some of the real faults
17 where we can begin to put some money and attention. One of
18 those obviously has to be skimmers. The skimmers that we have
19 for the job that we had here, for the type of material for the
20 debris, the viscosity of the oil after a few days -- once again, I
21 have to point out that this is not new. We've had these problems
22 before, but generally not on this scale. They don't work. A few
23 did. And with an awful lot of field modification out there that
23 made a few, that have been around with us for years, better. We
25 need to incorporate that, that sort of methodology. But I think

1 we need to look bigger. I think that it was very, very unfortunate
2 that we didn't have something similar to the Russian
3 Vidagoopsky (ph) here. I think that had real potential. One of
4 the major problems we've had for years and years, again, is the
5 fact that you have these small skimmers. If they can collect the
6 oil, they may not have the capacity to offload onto other barges
7 and tankers. Those aren't readily available. To have a skimmer
8 that is self-contained and that can take on a huge quantity of oil
9 by itself and cover a lot of territory and work in rougher weather
10 -- all of those things seem to make an awful lot of good sense.
11 We brought up a couple of Corps of Engineers dredges which
12 had some indication that they could be successful -- in fact,
13 some indication that they might be able to whip some of this
14 problem of debris and high viscosity. There's a whole line of
15 thinking there that I think could be developed along with
16 incorporating some of the field innovations that we've seen over
17 the last several months. That's generally when we make some of
18 our greatest leaps -- when you have -- when you're trialed by fire.
19 When you've gotta be out there. When you've gotta produce and
20 you've got a bunch of people who, instead of having to propose a
21 study and then go through a technical committee review and
22 finally, if they're lucky, get a third of the money that they wanted
23 and then go into the field and three or seven or ten years later,
23 come out with a product. They have to produce right now. And
25 we've seen that they did. Along those lines then, I think we

1 stand possibly to move ahead. That mechanically, there, we can
2 make some gains. Boom, I'm not quite so optimistic about. But
3 then I'm not an engineer. I have seen an awful lot of different
4 kinds of boom over the years -- and I've seen all of it fail under
5 some fairly routine and minor sets of standards. It doesn't take
6 very much current or very much weather for boom to fail. I had
7 to laugh after having everyone propose that if all the vessels
8 carried boom on them, and they have a problem, all they have to
9 do is just throw it over the side and circle the ship and they're
10 all taken care of. I laughed at it when it's been proposed
11 throughout the last few months, when it's been proposed in
12 years past, and certainly laughed in my helicopter as I flew over
13 the World Protegy -- boomed off completely with the oil just
14 streaming right away just as slick and as nice as you can be,
15 under some fairly routine conditions. Nothing out of the
16 ordinary.

17 MR. PARKER: What was the sea state there?

18 MR. KENNEDY: A couple of feet or less; 15 knots of wind
19 or less.

20 MR. WENK: Current?

21 MR. KENNEDY: Maybe a knot, knot and a half. You know,
22 the tides change. The boom runs up against the side of a ship.
23 You don't have enough tenders out there to hold it away from the
23 ship. As it holds up -- as the boom hits up against the side of the
25 ship, it slips away from it anyway. You have to continually change

1 the booms to let people in and out. You've got all sorts of folks
2 that need to get in and out. They open it up -- sometimes that's
3 not a real quick operation. By the time they get it closed, a lot of
4 oil has escaped. They have to move the vessel and in the
5 process of moving the vessel a little bit, they have to take the
6 boom off to do that. And moving the vessel, something that was
7 stable in a water bottom that may have been in one of the hold
8 tanks breaks. You spill a whole bunch of new oil and away it
9 goes. And on, and on, and on, and on and on. The gentleman
10 before me talked about human error and the fact that you're
11 never gonna legislate, you're never gonna rule, you're never
12 gonna mandate out, human error. And I agree with that very,
13 very strongly. I think regardless of what you intend to do, you're
14 still gonna have human error and it's still gonna cause problems
15 that you're never gonna be able to correct. Certainly, in the
16 accident phase, and to a less, yet significant degree in the clean
17 up phase. These things are gonna happen. So, boom I'm not
18 optimistic about, but I certainly wouldn't rule it out. And I know
19 there are a number of people now that there's blood in the water
20 that probably will go out and try and improve boom. Fire boom, I
21 think, has a potential place, especially in Alaska. We saw it work
22 on a limited basis here, but it, like dispersants, is very, very time
23 limited. Once you get any kind of a multiplication in any sort of
23 an advance state, you loose most of the capacity to burn. We saw
25 that very clearly here. We had an excellent set of tests and

1 results. Then we had our high winds -- we got our
2 multiplication and the next time back zero, nothing.

3 MS. WUNNICKE: Was it Pelanellen (ph) that conducted
4 that....

5 MR. KENNEDY: Yes, it was. Out of Anchorage. And he's
6 been working on that for years. This was not just a novel, new
7 approach and the evolvment of fire booms has been taking
8 place for years. Interestingly enough, more for the Arctic than
9 for here, but seemed to really have a potential here.

10 (Tape Changed)

11 (Tape Number 89-06-27-3B)

12 MR. KENNEDY: Then we look at all the sorbent materials.
13 And I think there's some new methodology in the sorbent
14 materials. One of the things that actually evolved out of a spill
15 that I worked on around Christmas time and right up until I
16 came to this one is the -- what we call snare or mops. They look
17 like a pom pom. In fact, sometimes they're called a pom pom.
18 They're particularly good on heavy oils. And once the oil gets
19 viscus and weathered and emulsified, they seem to do much
20 better than some of your typical sorbent materials which, due to
21 the amount of water you have in the oil and due to the fact that
22 the sorbent materials repel water, are not so effectively.

23 MR. HERZ: Weren't we told yesterday that the boom --
23 that the pom poms were now outlawed and couldn't be used in
25 the clean up?

1 MR. KENNEDY: I have no idea.

2 MR. PARKER: You saw them in the water?

3 MR. HERZ: I did, but the guy who was showing us around

4 said we can't use these any more.

5 MR. KENNEDY: If that were the case, it would probably

6 have something to do with disposal. If you're incinerating, those

7 things have a by-product that can be very nasty. If you're trying

8 to put them in as any kind of disposal where you're actually

9 working with the material -- in other words, a chopper, a

10 grinder, conveyor belt, that sort of thing -- these things are

11 lethal for that sort of thing. They're made out of the coatings for

12 telephone wire and they're long strands that are extremely

13 tough. And, caught in grinders, choppers and stuff like that,

14 they just bring them to a halt in no time. But, at -- one thing

15 that I should say throughout any discussions that you have, is the

16 oil spill business is never a cut and dried, black and white. In

17 every instance that I -- of anything that I've mentioned that I will

18 continue to mention and I defy anyone really, there may be a few

19 exceptions, to tell me otherwise. There's always trade offs

20 involved. You almost always are having to give something for

21 something else. It's never, gee that's great, that's wonderful.

22 Mechanical clean up, all by itself, if it works, actually is one of

23 those exceptions. But, yes, that's true. There are some down

23 sides to sorbent materials. But on the other hand, I guess what I

25 would challenge folks to do then is to try and come up with a

1 way to dispose of those things better. Because I think they are
2 very effective and one way that we found that they were effective,
3 in a kind of a passive role, is to tie a series of them on a line and
4 to leave them tethered on a falling/rising tide to catch some of
5 the materials that floats on to a beach and then is re-suspended.
6 They seem to do a very, very good job of doing that. And
7 considering all of the incredibly high maintenance efforts that
8 are required for most of the kinds of clean up, these can be left
9 out there and over a period of time actually do an awful lot of
10 good without any kind of maintenance at all. I just am very
11 impressed with that and have not seen it before, although it has
12 been used in the spill, and that's most directly as a result of the
13 experience we had in Estuka (ph). I think they're other
14 example within the sorbent realm where thinks probably can be
15 improved and very well could be.

16 MS. WUNNICKE: Is there some systematic look being
17 given to all of those proposals in terms of absorbents and other
18 means of cleanup?

19 MR. KENNEDY: Yes, within reason. As probably others
20 have mentioned to you that have been up here, throughout the
21 first several months of this spill, and it's very characteristic of a
22 spill this magnitude, we've had hundreds if not thousands of
23 proposals from people for clean up technology. What we've done
23 is try to take all those proposals, understanding that probably
25 within all of those proposals there are a few really good ideas

1 and quite often people from far afield from the oil spill
2 technology schools or background or education come up with
3 some ideas that that's what you really needed -- is you needed to
4 bring someone in -- some different blood. Those proposals are
5 presently being reviewed, all thousands of them, by an Exxon
6 Technical Research and Development Committee, EPA, R&D,
7 Coast Guard R&D and as those proposals are reviewed, they're
8 put into a couple, three categories one of which is -- seems to
9 have some semblance of a possibility, let's take it another step.
10 That category gets reviewed further. Ultimately what we're
11 trying to do is -- right now I, NOAA, my position is the
12 Chairperson for a local research and development group which
13 is testing new ideas. The intent being if we can come up with
14 anything from all of this sifting that we're doing that may make a
15 real difference operationally, we wanta do the research and
16 development on it in a very, very timely manner. In a kind field
17 mode in sense, so that we're not having to do, as I mentioned
18 before, weeks, months, years in listening and reviewing
19 proposals and coming up with the appropriate people. We have
20 a team here. We evaluate. We go out in the field and we test. If
21 there's further potential, we do a second level of testing that will
22 meet the requirements of the federal and state regulations
23 governing their use and then we try and get them in the field.
23 We're trying to follow that up with a longer term study. I serve
25 on an American Petroleum Institute Spill Response and Effects

1 Task Force which has been in existence for quite some time, but
2 has not been heavily funded to do -- sponsor research. I met
3 with them in Philadelphia some weeks ago, during one of my
4 breaks, and was advised that we're gonna have some fair amount
5 of money now. Gee, I wonder why? To sponsor some of the
6 programs that we have had on our dockets for a long time to do
7 and one of them is a very extensive follow up on this initial R&D,
8 get into the field phase, with some long term review and study
9 of methodologies. There is also a program that's been in
10 existence, it's about a \$6 million program through Minerals
11 Management Service and Canadian -- what's the Canadian federal
12 equipment of the EPA?

13 MR. _____: Environmental -- Environment Canada.

14 MR. KENNEDY: Yeah. Environment Canada. Co-
15 sponsoring a \$6 million annual research and development
16 program that has a fairly sizable chunk looking at different
17 aspects of clean up. In fact, there has been a technical review of
18 clean up methodologies being conducted by Environment Canada
19 on the West Coast. A fellow by the name of Gary Surgey (ph). I
20 don't know whether you're familiar with him or not. He's pretty
21 well known in oil spill circles. He and I have been talking
22 frequently in the last few weeks to tie what he's already done
23 together with what Minerals Management is doing, together
23 with what we're doing here, and what API Spill Response and
25 Effects Task Force wants to do. So I think the answer to your

1 question is yes, there is some follow up. I have just been
2 meeting with some people on the east coast who -- as I
3 understand it, there's about 30 pieces of legislation on the hill
4 right now dealing with this same topic -- not this same topic,
5 obviously the whole, the whole gamut of topics, one of which is
6 to pass some legislation that will also address that.

7 MR. FRAUENHAGEN: Is there any hope for
8 bioremediation?

9 MR. KENNEDY: I've done some hope looking at
10 bioremediation over the last several years. In fact, a spill that
11 happened on the west coast -- I don't know if you're familiar
12 with it -- the ARCO Anchorage happened in Puget Sound and
13 Port Angeles. We were seriously considering bioremediation. At
14 that time, I did a couple week analysis of bioremediation in that
15 particular environment and came to the conclusion -- and this is
16 now how many years old -- Three or four years ago. Came to the
17 conclusion that you could not carefully enough control all the
18 parameters to make it work. By the time you added the
19 nutrients, by the time you growing right, cold water, the fact
20 that there were no fertilizers at sea, only -- that would stay in
21 the area to provide the nutrients without continually being
22 washed off by the tide. Bottom line being that there was not
23 enough control in that particular type of environment to
23 probably make it very successful. How much of that technology
25 has advanced in the last three or four years, I don't know, but I

1 do know in passing, listening to the EPA folks here, that they
2 certainly are -- that's part of what they're having to look at very
3 carefully and they don't have the answers yet that I know of.

4 MR. FRAUENAGEN: There's some claims made that there
5 have been significant advances.

6 MR. KENNEDY: I hope so

7 MR. PARKER: Excuse me. Let's keep it to the
8 Commisioners. Ed?

9 MR. WENK: This has really been very helpful and I'm
10 going to ask you to forgive me for switching to a completely
11 different subject.

12 MR. KENNEDY: that's all right.

13 MR. WENK: But it's to go back to the beginning of this
14 event and to give us your account -- first of all in terms of how
15 swiftly you or one of your colleagues was on the scene. What
16 NOAA's instant on-scene responsibility and authority was. What
17 kind of chronology NOAA has been maintaining and whether it's
18 available to us -- but in terms of your knowledge at this point,
19 what lessons can you adduce from it?

20 MR. KENNEDY: That's an easy question Ed. How many
21 hours do we have here. We do have a scientific support c
22 coordinator based in Alaska, in Anchorage. That person
23 responded and was here by about 10 o'clock, 10:30, something
23 like that. These are rough numbers so please bear with me, but
25 just a rough chronology. By about 10 to 10:30, I think the first

1 morning. He was followed by I forget how many -- I was one of
2 them. About four others by about five that first afternoon. The
3 role of the scientific support coordinator and, for that matter,
4 the hazardous materials response group is to provide the Coast
5 Guard with the best technical information to help mitigate the
6 situation that we can from a scientific nature. That takes many
7 forms. Certainly it includes trajectory models that show where
8 the oil is gonna go over the next six hours, twelve hours, 24
9 hours and so on and so forth. Another is to look at resources at
10 risk and to try and immediately do a summary of those types of
11 resources that can potentially be impacted to make sure that the
12 appropriate authorities that have statutory responsibility for
13 those resources are advised or coming to the scene to work
14 closely with them to make sure that our more or less broad-
15 based information on a particular spill is specifically fine tuned
16 by the local experts from all of the different agencies that are
17 involved. Look at chemistry issues, is this particular product
18 that's been spilled hazardous to humans? If so, in what degree?
19 What are gonna be its effects over time. We do data
20 management. We do aerial surveillance and mapping. I'm only
21 beginning to touch the list, I know, but those are some of the
22 basic things -- certainly marine biology, fisheries, marine
23 mammals, all that sort of thing. And once again, this is
23 understanding that we, in most every case there, do not have
25 ourselves the authority nor do we feel we want the authority to

1 be responsible for any of those particular pieces, so much as to
2 have access to that information -- to condense it, to collate it
3 and, in most cases, laymanize it so that the operational side can
4 understand what the science means and it can be inputted and
5 make some difference in the decisions the Coast Guard makes
6 when they, operationally, have to decide how they're going to
7 proceed so that the environment might better be protected. So,
8 we had our first person here -- generally that first person is
9 there to try and assess how bad the situation is and to bring in
10 extra troops and to try and provide some initial information to
11 the Coast Guard. One of the things that person in that particular
12 region does, is try and be as familiar as they can with the area
13 that they are responsible for, both in terms generally of the
14 resources, the currents -- any one of a number of basic pieces of
15 scientific information to apply to a spill. But also, and probably
16 more importantly in many cases, to be aware of all of the experts
17 that are available within the area to call upon to get the more
18 specific information. So the first person comes in, assesses the
19 situation, begins to call experts and get more specific
20 information and continually, then, feeds whatever information
21 they think is relevant to that spill to the Coast Guard. In a spill
22 like this, we knew it was gonna be serious and so we
23 immediately brought some of the expertise that was gonna be
23 required with us. So we had an oceanographer, we had a
25 resource-at-risk person, we had a data manager in the first

1 group, the first day. We set up a command post in the Westmark
2 Hotel and from then until now have provided that kind of
3 information, interacted with all the different agencies that are
4 here that have specific responsibility, and then provided
5 information to the Coast Guard. Just in coming on the airplane,
6 I wanted to check and make sure that I was gonna ask the right
7 questions of my relief so that I would know where we stood on
8 particular issues. And just to give you a flavor of the kinds of
9 things now, however many days we are into this spill, of what
10 we're still working on. One is fisheries. We're very heavily
11 involved in trying to determine some of the problems that exist
12 that are closing the fisheries out here. They include tar balls,
13 whether floating, how toxic they are, if in fact they belong to the
14 Exxon Valdez. We're finding in some cases right now that a lot
15 of the tar balls that are closing fisheries aren't Exxon Valdez.
16 Popweed, fucus (ph) that's oiled and floating in some of the same
17 rips as where the fisherman are and as a result closing some of
18 the fisheries. Some of the other toxological issues that are
19 associated with that. We have a particular individual, generally
20 with a small staff, that is dedicated just to those fisheries issues
21 within Alaska. We've also worked very closely with the halibut
22 openings and closing to make sure that surveillance was available
23 so that the halibut fishermen knew if and when there was oil in a
23 particular area to stay away from it. Made that available through
25 NOAA weather radio and other -- I'm gonna condense these and

1 let you guys just ask questions. I could go on forever here. We
2 are head of the R&D, Research and Development Committee,
3 which I've already spoken of just briefly. We are chairmen of the
4 Shoreline Committee, which is a committee that you've probably
5 have discussed here already. Is that correct?

6 MR. PARKER: Uh, huh.

7 MR. KENNEDY: We have scientific support representation
8 in Seward, Homer, Kodiak and Anchorage. Each of those have
9 subsets of the issues that we have and work with the local MAC
10 groups, SCAT teams and all of the other acronyms and groups
11 and organizations clear down to locals that are in each of those.
12 They act as a conduit to feed us information back so that we can
13 react here, to the Coast Guard Admiral and others advising him
14 of scientific issues and/or problems in those particular areas.
15 We're involved in some of the legislation. We're providing input
16 to the -- on the federal site to lots of the different legislation.
17 We monitor the Coast Guard mobile laboratory, which is here,
18 provide prioritization and analytical capability to everyone here
19 through that mobile lab. That mobile lab has been here and
20 there and everywhere. We handle -- we've gotten involved in
21 some of the native concerns. The more that I've travelled into
22 the outlying areas, the more I've been aware of how little the
23 natives have had an outreach program that's allowed them to
23 understand exactly the significance of the spill -- not only here,
25 but in their own communities, especially those further and

1 further away. I was advised here -- on my last trip I went to
2 English Bay, Port Graham, Seldovia, many of the village in
3 Kodiak, that the natives when -- were totally stopping any
4 subsistence activities whatsoever because this oil was so toxic
5 and so poisonous that their health would be greatly jeopardizes.
6 And this is, in particular, out in the Kodiak area where we know
7 that oil and its toxicological properties are extremely low at that
8 point. Yet, I heard reports of a native who was working on a
9 clean up crew accidentally wiping an oiled glove across his
10 mouth and immediately going into convulsions and having to be
11 Medivaced and that was widely spread throughout all the
12 communities that I went to. I tried to track that down and at
13 least was advised that there was nothing wrong with the man,
14 nor had their been except his extreme fear of the consequences
15 of that oil and, as a result, his reaction once he realized that he
16 had touched his mouth to the oil. We're doing a lot of outreach
17 into the communities, trying to talk to them about what we
18 know about the product and its state when it arrives there. I can
19 go on and on, but that's a few of the ideas. What am I missing in
20 your discussion? We've had up to 20 people here. We still have --
21 I just wrote out a list so I would know who was here. We still
22 have 13 people here right now involved -- Chairman,
23 chairpeople of each of some of the sub-committes that I'm
23 talking about with minor staff's. We have an extensive data
25 management program. We have developed a local data

1 management program for the Coast Guard called CAMEO,
2 computerated management of emergency operations. It's a --
3 run on an MacIntosh Apple. It's something that we have had in
4 other forms for a while to deal more specifically with hazardous
5 materials other than oil, but in this particular case we've
6 developed it so that we can keep track of the progress of Exxon
7 here, come up with work units, entered -- it's about a six
8 component program that has graphics, packages, all sorts of
9 separate data bases that we use. And, on an -- instantaneously
10 can give us some output that describes to us how well Exxon is
11 doing as to their advertised progress throughout the summer.
12 We've done a lot of other things.

13 MR. SUND: Well, I just had a question on the -- you talked
14 about when you first arrived here that you know, you do the
15 resources at risk analysis. In this case, what was the first
16 priority with the -- on the first day, with the tanker out there.
17 Was it containment of the oil or was it offloading, or protection
18 of the vessel or offloading the remaining oil? What was the
19 number one goal?

20 MR. KENNEDY: You're talking about the operational side
21 now, really. It's something that I don't have input to other than I
22 do because of the fact that I've got a corporate knowledge that
23 most people don't have when they come to a spill. But I can tell
23 you what the party line and I can tell you that I don't think that's
25 probably changed. And the first think is obviously to get the

1 leaked stopped, if at all possible. because you can contain like
2 crazy, but if you've got oil continuing to leak while you're
3 containing, sometimes that's real counter-productive. So, I --
4 from my understanding of what happened out there -- I wasn't
5 out there. I'm not an operational person, once again. Certainly,
6 the first thing was to try and get the leak stopped by
7 transferring the fuel. But certainly one of the first calls that was
8 made, having reviewed the tapes from the Coast Guard, one of
9 the first calls that was made was to get assistance on the way.
10 And really, given what tankers have on board to deal with
11 maintaining or containing a spill, there only option was to be
12 working on the removal of oil from the affected tanks, although
13 that's pretty hard to do when you've run aground like they've
14 done. There had to be a whole bunch of "oh shitting" going on
15 out there, I would think. First priority, though, needs to be to
16 stop it from leaking any more than it's already leaked and the
17 second one has to be to contain what you've already got in there
18 and, hopefully, you can do those mutually -- at the same time. In
19 this case, there's a delay built in that didn't allow them to get
20 containment gear out there. But, it's my opinion, having seen as
21 many spills as I've seen and how well you can expect the
22 equipment that's available to do it, to do it, that had they had
23 containment there, they wouldn't have done a whole lot better
23 than they did.

25 MR. PARKER: What are.....

1 MR. KENNEDY: They had to have done -- they would have
2 had to have done a little better. I mean it was amazing to see
3 that mass of oil and to see what was out there the first couple of
4 days, which was not much. I mean -- but then again, what if the
5 spill had happened clear outside the Entrance? What would we
6 have done then? We couldn't have gotten equipment.

7 MS. WUNNICKE: How accurate were your trajectories --
8 predictions of the course of the spill as time went on?

9 MR. KENNEDY: They were fairly accurate. The -- a
10 trajectory is really a guess and it's only as accurate as the good
11 data that you have that goes into it. And the winds, in particular,
12 play an important role in where that goes. So if you run a
13 trajectory based on a wind that doesn't happen, the chances of
14 you being very accurate are not too good. But, overall, actually
15 they were very good. We sometimes miss, and, on occasion,
16 miss badly. Here we seemed to do very well. Part of the
17 function of a model though is not to run it from afar without
18 there being some real expert, expert input into that model. And
19 we had that here immediately. Sometimes we're not called, or
20 not allowed to bring that kind of expertise in and it's hurt us in
21 the past. We've made a decision that if we're gonna run a model,
22 we're gonna cross check it and be better by having the experts
23 here to make sure that the input that it's receiving is as correct
23 as can be. But for the most part, they were good here and I
25 credit that to the experts we had with the model.

1 MR. PARKER: Mike?

2 MR. HERZ: Two sets of questions. One, you and I've had
3 this discussion for several spills, the Pack (ph) Baroness, the
4 Puerto Rican.....

5 MR. KENNEDY: Where'd you get this guy? He's not from
6 Alaska.

7 MR. HERZ: And again, it's the question of the
8 effectiveness of the dispersants. What everybody has read is that
9 there was insufficient energy during a couple days of flat calm,
10 and then there was a test which said things looked very, very
11 good the night before the weather changed and the wind kicked
12 up to something like 70 knots. There was too much energy to
13 make a drop of dispersant, I guess.

14 MR. KENNEDY: Uh, huh. Yeah. The planes couldn't even
15 get up.

16 MR. HERZ: Could you sort of give an assessment of the
17 steps that happened and then why the final decision, the
18 ultimate decision, seems to have been to not use it any more.

19 MR. KENNEDY: Well, you've got a pretty accurate, I think,
20 picture of what happened. You're probably aware we have a pre-
21 approval plan here and that the spill occurred in a Zone 1,
22 which is where you shouldn't be using it -- excuse me, in a Zone
23 3 where you shouldn't be using. Zone 2's are -- it doesn't make
23 any difference. There are three zones. One is don't use it unless
25 there's a very rare exception. Two is possibly use it, but you

1 need to consult with some folks. And the third one is use it as
2 per the discretion and understanding of the situation by the
3 Coast Guard on-scene coordinator. In this particular case, we
4 didn't have much energy. There is some literature and
5 experience that states that without that energy, you are --
6 probably are not going to get the kind of mixing action to make
7 dispersants work. And I think the first two tests that we did
8 tended to reinforce that in all of our minds. The third test was
9 just at the beginning of that wind and it worked pretty well. But
10 what happened -- that is, we were grounded. We couldn't get
11 aircraft up because of the severe turbulences that resulted with
12 (indiscernible) like situation we have here. And when we finally
13 could get up, we had run the oil through a mixmaster. And, as
14 you're also well aware, one of the other tenants of dispersant use
15 is that it has to be used before the oil becomes highly emulsified.
16 And what we found is that we got some very, very mixed results
17 after we did get up against -- with the emulsified oil. I have to
18 admit though, that in all of this I think the pre-approval process
19 did not work like it should have. I think the emotionalism, the
20 incredible pressure from interests groups really stood in the way
21 of clear headed decisions as to whether dispersants should or
22 should not have been used. I was here for the first night's press
23 conference. I listened to the issue of dispersants come up and I
23 was amazed. I had had some experience with meeting Ricky
25 Otte at the National Oil Spill Conference, though, and hearing

1 her voice her concerns there. And seeing her in the audience, I
2 didn't realize that one of the reasons it already was so prevalent
3 in terms of the pressure being exerted on not using dispersants.
4 I got up at a press conference later and made the statement
5 that, considering the options we had available out here, and what
6 we could expect if this oil all went ashore, that the use of
7 dispersants, even though there was obviously a negative side, was
8 something that people ought not fight quite so hard and that if
9 they thought about it a little bit and understood the significance
10 of the oil going ashore that maybe there should be quite as much
11 resistance. Throughout the whole process of the several days
12 when dispersants were an item for consideration, I felt that
13 considering the options -- and this of course is from someone
14 who, as you know, has been looking at the dispersant issue for a
15 number of years and feels very comfortable that I understand
16 what the significance of their use is -- that we had nothing to use
17 by trying them throughout the majority of the spill, up to the
18 point when it was obvious that they would not work because of
19 pretty well known and understood set of circumstances about oil
20 when it emulsifies. That about covers it. It did not appear to
21 work very well with little energy. It certainly seemed to work
22 quite well once we had it. Once we had the big blow and we got
23 the emulsified oil, there were never any, at that point, any real
23 clear cut, "ah, look at that. Look at how well it works." On the
25 other hand, I don't think it would've hurt. And in some cases, I

1 think, when it came ashore, it might've actually helped the clean
2 up.

3 MR. HERZ: A related question. You've mentioned the
4 various people who proposed solutions and substances that were
5 -- everybody and their brother who has shown up at the spill. In
6 our first meeting we had one presentation by one of those
7 people who'd been somebody -- another set of people.

8 MR. KENNEDY: Duck Brothers? It wasn't Duck Brothers?

9 MR. HERZ: No.

10 MR. KENNEDY: Oh, okay.

11 MR. HERZ: In any case, one of the issues seems to be that
12 these people have not been able to get samples of the oil
13 themselves, that they've been blocked, not by agencies, but
14 generally by Exxon saying they don't want people collecting
15 samples. Now I don't know if that's mechanical because -- and
16 logistical because they're trying to keep people out of the spill
17 area, but it seems to me that one of the things that might be very
18 easy is to somehow get some of the collected oil and make it
19 available to these people who are claiming they have things that
20 might work to let them have -- I mean, the same way that a
21 commercial lab can do a set of tests to get EPA approval for a
22 dispersant -- to let a commercial lab go through a process so
23 that oil screening doesn't have to be done by EPA or Coast Guard
23 or NOAA. I'm just wondering whether there is any way to
25 expedite these people who may have reasonable ideas to get a

1 shot at doing something.

2 MR. KENNEDY: If I, if I wasn't a cynic before now, I
3 certainly am now about some of the sales pitches we've gotten
4 from a lot of the people. And I guess I would immediately
5 respond, having been at the other end of an awful lot of these
6 pitches, that I can't imagine that if you didn't give people a
7 sample of this stuff you wouldn't hear incredible results from
8 their tests when you got it back. I know there are a lot of
9 legitimate people out there, but there are a lot that aren't and
10 trying to filter all of that out is a pretty, pretty hard thing to do.
11 And I think probably the biggest problem that we've had from
12 the very beginning is trying to filter out those that were legit
13 from those that weren't and having the time to do it. You're just
14 absolutely inundated with those kinds of ideas. And if you listen
15 to each one try and describe to you what they need to do, that's
16 gonna take 30 minutes out of your day. When you're working 18-
17 19 hours a day on very key, critical issues, 30 minutes out of
18 your day is precious and you got to the point very quickly where
19 you didn't have time to try and sort those things out.

20 MR. HERZ: But I understood that there's a process which
21 would take you out of that route and say, "Here's a procedure. Go
22 take this five gallon bucket to this certified lab and come back
23 with a four page report which says, you know, you passed. And
23 then we'll talk to you." And that would cut out 90% of the
25 people, perhaps.

1 MR. KENNEDY: Maybe it would. What I was gonna get to
2 after being cynical is that I can't imagine anybody would have any
3 objections to that if such a program could be set up, and I don't
4 very much if anyone was purposely trying to keep these people
5 from getting the oil, except for a whole bunch of other reasons
6 which may have, in the end, looked like collusion, but I doubt
7 very much were. There is large quantities of that oil. In fact,
8 some of it's available through the University of Alaska, collected
9 and delivered to the University of Alaska for testing in -- many,
10 many, many gallons, if not barrel full, by the Department of
11 Environmental Conservation for the State of Alaska. There are
12 other repositories for that oil and in general, I can't imagine that
13 anyone, provided they weren't the ones asked to try and set up
14 such a system, would object to it. I really can't. There's
15 absolutely no reason why everyone, that I'm working with at
16 least, is not pulling as hard as we can to come up with anything
17 that we think would work better, because we're as frustrated as
18 everyone else by the lack of really good success out there. It's
19 pretty sad.

20 MR. PARKER: Anyone else? Look like you need a good
21 night's sleep.

22 MR. KENNEDY: I do.

23 MR. PARKER: Thank you for coming over.

23 MS. WUNNICKE: Thank you for coming on such short
25 notice.

1 MR. PARKER: We'll see you again, down the pike.
2 MR. KENNEDY: I'm sure you will.
3 MS. WUNNICKE: Thank you very much.
4 MR. PARKER: Well, the Mayor of Whittier has joined us.
5 Mayor Braun, do you wish to say a few words to the Commission.
6 MAYOR BRAUN: Esther asked me to. I don't really know
7 what you want me to talk about. And you don't want to get me
8 started on how I feel because I don't think that's such a good
9 idea.
10 MS. WUNNICKE: I asked Mayor Braun to come because
11 we want to hold our meetings in the effected communities and
12 since she was in town from Whittier and it might be unlikely
13 that we would have a meeting soon in Whittier, I thought that it
14 would be beneficial for this Commission to hear some of the
15 environmental, if you will, or social and economic effects as it
16 has affected your community in Prince William Sound.
17 MAYOR BRAUN: Well, it's affected us in all ways. First of
18 all, we didn't know of the oil spill until we heard it on the news,
19 you know. No one bothered to call us because Whittier's not
20 believed to be a part of the Sound -- at least at that point it
21 wasn't. Unfortunately, it's a very important part of Prince
22 William Sound and as I said today, in front of the French
23 Delegation, I wasn't sure if we're the gateway to the Sound or the
23 exit, but we're on one end of it. We have had no oil on our
25 beaches, thank goodness. But I was talking to a gentlemen

1 yesterday who has sailed these waters for many years and he has
2 the same opinion that I do. The first heavy winter storm may
3 well bring that same oil to the beaches of that area of the Sound.
4 I guess my main concern is not exactly what you can do to clean
5 up the oil spill now, although that's important, but what I'm
6 mainly concerned is legislation that will provide prevention of
7 the same thing happening again. I think we need a fund set
8 aside which would be immediately available to small
9 communities like Whittier, Chenega, Tatitlek, Port Graham --
10 some of the small areas. Their budgets are very small and we
11 don't have the finances to do all of these extra things that's been
12 pushed on us. I think we need equipment made available and
13 trained personnel to operate it. I think that there should be a
14 planned action that would go into effect immediately. In
15 Whittier there was first shock and frustration and then anger
16 because we couldn't get anything done and what we were
17 worried about was closing off the Colross passage so that it
18 wouldn't get any farther than that. We weren't allowed to do
19 that. As a matter of fact, with my many phone calls to Exxon, I
20 was told we didn't have to worry. We weren't going to be
21 impacted by it and there was no booming material available.
22 Well, I had already had 17 calls from different people,
23 manufactures both in Alaska and the Lower 48 saying that there
23 was plenty of boom available. I just didn't have the money to buy
25 it. And when I say "I", I mean the City of Whittier. We have had

1 to, because of the influx of people -- VECO has set up an
2 operations office there. They've hired a lot of people to go out to
3 clean up the oil. Some from Whittier, those who were available,
4 and a lot from other areas. So the influx of people has caused us
5 a lot of grief. We've had to put on two extra police officers. And
6 for a little town of 300 people to have to have four police officers
7 is almost unheard of. However, they're kept busy 24-hours-a-
8 day. We have had one rape, one attempted suicide, 57 arrests,
9 174 calls, and these are just a few of the things that we suffer
10 with. Babysitting has become such a problem that people are at
11 the hair pulling stage -- and I mean that literally. They're having
12 to take their children to work with them, which does not work
13 too well. And the people who have children, have had to quite
14 their jobs to stay home because the babysitting people have gone
15 to work for VECO. The establishments that operate in Whittier
16 are almost at a standstill help wise. They can't compete with
17 that \$16.69 an hour. It's impossible to pay a waitress or a
18 dishwasher that kind of money. So, people are having to do
19 what they can. I'm real sorry -- and I was appalled today to think
20 that with all these visiting people here from France who came
21 here especially help us -- tell us what they did in their oil spill.
22 And to try to come to some agreements as to what we could both
23 do to help each other, that we did not have a single
23 representative of the state of Alaska. And I find that pretty hard
25 to believe -- that we wouldn't have any representation when they

1 had 20 people from France come here to help us. And, uh, like I
2 said, Esther, I don't know really what you want me to talk about.

3 MS. WUNNICKE: No, I think you.....

4 MAYOR BAUN: But I -- financially, I understand that Kenai
5 was given a couple million dollars. Money's been given to
6 Cordova from the State. Seward has not gotten any advance
7 monies and certainly Whittier hasn't gotten a penny. We have
8 had to do without a lot of the help that we normally would do.
9 Our city shop -- people quit their regular jobs to go to work for
10 VECO, which has left us short of help. Our city shop is running
11 on a skeleton crew. Therefore, they're not getting their work
12 done. VECO was supposedly gonna sign some contracts. They
13 use all of our heavy equipment. They also have taken over
14 Council chambers and our office space that was available.
15 Supposedly, they're supposed to pay for that. As yet, I have
16 received no money, so my personal opinion, if I had it to do on
17 my own, and had that authority, would be to say leave. Leave us
18 alone. We'll go back to normal and fight our own battles. Then I
19 think some people that are making good money wouldn't like
20 me very well. So, I'd probably be ostracized. But in the very
21 beginning of this thing I was almost asked -- they almost had a
22 recall petition out for me because I wouldn't give them
23 permission to go cut down all the timber and form their own
23 booming material. And I was told later by one of the State
25 Departments that that would have been a no-no anyhow. It was

1 not very effective. But, that's how angry people became. And it
2 wasn't for three weeks after the oil spill that we got any help in
3 Whittier. And these are the things that we want to make sure in
4 the future do not happen. Hopefully, we pray to God, it's not
5 gonna happen again. But we don't know that. We didn't think
6 this would happen.

7 MR. PARKER: John?

8 MR. SUND: Yeah. Have you asked Exxon for any
9 reimbursement for the extra services your city has had to put
10 on?

11 MAYOR BAUN: Yes, we have, John.

12 MR. SUND: What have they said?

13 MAYOR BAUN: Actually, what they have done -- they have
14 -- the overtime that our regular police department's had to put
15 in, they're paying for that. They're paying for all overtime of
16 individuals -- the Harbor staff is so short that those people are
17 working six 10-hour days rather than five 8's. Exxon is paying
18 for that extra. We have no contract and they've been very willing
19 to pay it up to now. But should the time come when all of a
20 sudden they say to me, "Sorry, Mayor, but there's no more
21 money", I'm gonna be out \$15-\$20,000 for a pay period, which,
22 naturally, I can't afford.

23 MR. SUND: But how about the two extra police officers?

23 MAYOR BAUN: VECO supposedly hired the two extra
25 police officers and then proceeded to hire one of them back as a

1 security guard, so that leaves us now with three and they're all
2 work 12-14-16 hours a day. We had a incident last week, I
3 believe it was Friday night or Saturday, one of the people that
4 was raising a lot of problems in the city had been picked up five
5 times already for drunkenness. They finally arrested him and
6 put him in jail and we had to hire a babysitter for him 15 hours
7 before they could arraign him and get him out of town. You
8 know, at \$8 an hour, that's a lot of money. And we just can't
9 afford to do it. And I'm sure -- and I speak for all these small
10 villages. I'm sure everyone of them are in the same boat, not just
11 Whittier.

12 (Tape Changed)

13 (Tape Number 89-06-27-4A)

14 MR. SUND: Mr. Chairman, it seems to me, again, on the
15 evidence of reading in the paper which you always take with a
16 grain of salt for somebody who's had articles written about them,
17 that there seems to be a readiness of the oil companies to pay off
18 private individuals who have had difficulties and private groups,
19 but there's been a great deal of reluctance to contribute to the
20 governmental agencies, the cities or the mayors or the -- and I
21 just wondered if you could comment on that. If that's -- is that
22 not an accurate observation.....

23 MAYOR BAUN: Yes, very much so.

23 MR. SUND:and why would you think that's so. Why is
25 this reluctance to offer help to the public entities when they

1 seem to be readily willing to help the private entities.

2 MAYOR BAUN: I wish I knew the answer, John. One of
3 the things -- the Mayors formed a committee when this first
4 began. We're called the "Oiled Mayors" and we meet once a
5 week in Anchorage. We presented an agreement to Exxon
6 asking for straight time, over time reimbursement in an advance
7 amount set aside that we could draw on. Now we fully intended
8 to keep good contracts -- good records of everything that we
9 spent. And we thought it was a pretty open agreement. Well,
10 they turned it down. They counter-acted with one which we
11 couldn't, in any way, accept. And we came back and they finally
12 said "We'd like to go to the same agreement that the state uses."
13 And we did that. And they turned that one down. This is the
14 seventh week and they are at a standstill. They refuse to even
15 come and talk to us.....

16 MR. PARKER: You have no meeting scheduled.....

17 MAYOR BAUN:again. There is a meeting scheduled for
18 July 6th in Anchorage. It's gonna be at Community and Regional
19 Affairs up in the fourth floor. I don't know if Exxon
20 representatives will be there or not. But the Mayors did make a
21 commitment, unanimously, at the last meeting. They were
22 gonna stick to their guns as a body. They were gonna re-submit
23 the original agreement and go from there. What we can do, I
23 don't know. But we feel -- one thing that we felt all along and
25 that's lack of cooperation from the State of Alaska. We've had no

1 help and I think that's pretty bad.

2 MR. PARKER: Where's CRA been in this. We formed CRA
3 primarily to support the small communities and.....

4 MAYOR BAUN: Well.....

5 MR. PARKER:that was the original idea.

6 MR. PARKER:there was supposed to be a State
7 representative at the meeting today. Well, he failed to show up.
8 I don't know what the answer is. And I think and I have a
9 distinct feeling, as do most of the other mayors -- Exxon is
10 trying to split the mayors group. They're trying to work on
11 individual basis. What we want from them is equal
12 representation for every city, regardless of its size. And that
13 doesn't seem to be what they want. I don't know.

14 MR. SUND: Do you have a specific person at Exxon whom
15 you are talking with.

16 MAYOR BAUN: We've talked to just about all of them I
17 guess.

18 MR. PARKER: Otto Harrison.

19 MAYOR BAUN: Otto Harrison. We appointed three
20 members of our group to meet with those people and they did.
21 And they don't get any farther than the group as a whole. Otto
22 Harrison has been there. We talked to.....

23 MR. PARKER: Monte Taylor.

23 MAYOR BAUN:Monte Taylor's been, Bragg -- what's
25 his name? We've had a lot of them there.

1 MS. HAYES: Mr. Chairman?

2 MR. PARKER: Yes.

3 MS. HAYES: What kind of help specifically would you
4 anticipate from the State that hasn't been provided? Is it
5 community -- through Community and Regional Affairs or is it
6 other State agencies?

7 MAYOR BAUN: I don't really know, but Mayor Johansen
8 from Cordova presented a fact sheet yesterday. And you know
9 there was day care, \$18,000 from the State; \$45,000 for a study
10 -- there's a long list of things. I haven't spent in Whittier a
11 million dollars nor will I ever. You know, we just don't have that.
12 But if everybody else is getting \$18-20,000 for day care centers,
13 then my main concern is why doesn't Whittier receive some of
14 these benefits in some way, shape or form. And it's my
15 understanding that these things are going to be reimbursed by
16 Exxon, but then I don't know that.

17 MS. WUNNICKE: Thank you so much for coming. The
18 Chairman and Meg Hayes and I had the opportunity to sit in on
19 some of the meetings with the Mayors and we all had the
20 opportunity to be with you yesterday, but I thought that other
21 members of our group had not had an opportunity to hear what
22 some of those social concerns were in the smaller communities.
23 I appreciate you're coming.

23 MAYOR BRAUN: You're very welcome. Thank you.

25 MS. WUNNICKE: Thank you.

1 MR. PARKER: Next we have -- is it Steve Eagleson?

2 MR. EAGLESON: Yes. My name's Steve Eagleson. I'd like
3 to thank you for the opportunity to speak with you this
4 afternoon. I'm director of the Prince William Sound
5 Conservation Alliance, which is a small, grass roots organization
6 based here in Valdez. We were approached by the DEC in early
7 April to operate the Alaskan Volunteer Response Center, which
8 is an organization, as I said, operated by the local grass roots
9 environmental group. Unfortunately, the opportunity of
10 volunteerism in this catastrophe has not been great. At no time
11 had they planned to utilize volunteers in any shoreline clean up
12 capacity. Early on we supplied quite a number of volunteers for
13 the Bird and Otter Rehabilitation Centers here and also some in
14 Homer and Seward as well. It's my feeling that the volunteer
15 function in either the man made or natural disaster should be
16 institutionalized somewhat and that this is an area that needs to
17 be looked at a little bit. We have had over 1,400 phone calls
18 from Alaskans and people throughout the Lower 48 whose desire
19 it was to come and help mitigate the impacts of this disaster.
20 Unfortunately, there just was not the outlets to utilize those
21 potential volunteers. I think it would help if volunteerism was
22 institutionalized during these disasters because it would aid in
23 some of the spiritual recovery as well -- there's a lot of
23 frustration that goes on with these and information is difficult to
25 get and there isn't the outlet for the residents of the small

1 communities and the citizenry to have an impact on their
2 community. So, the frustration grows and grows. And then it
3 becomes negative. That is one area I'd like to suggest to the
4 Commission that they look at. How volunteers can be utilized
5 properly and what a proper role for volunteers may be.

6 MR. PARKER: The volunteers have been used heavily in
7 almost all past oil spills, especially those that were easily
8 accessible from our road network. Why do you think the
9 principle reason that volunteers weren't used in this one was?

10 MR. EAGLESON: Well, the response that we have been
11 getting, both from State officials, as well as from Exxon is
12 because of the liability issues. There is some legitimacy in that.
13 A lot of the potential volunteers that called, you know, wanted to
14 clean an otter or wanted to go to our beaches and help clean up,
15 not realizing that any of the beach -- 'er Beach A is in Prince
16 William Sound and the Kenai are not your -- you know, sandy
17 beaches that are easily accessible. But it seems sort of a feature
18 of this era that everyone looks at the liability and potential
19 litigation issues and don't realize that there's a necessity for
20 individuals to be able to contribute to their community in some
21 way when a catastrophe happens. And -- I believe there is some
22 validity to the litigation and liability issues. But we need to be
23 able to incorporate people's willingness to help.

23 MR. PARKER: Have any of the other Commissioners run
25 into this liability problem using volunteers elsewhere?

1 MR. SUND: Yeah, I heard that.

2 MS. WUNNICKE: Oh, I think so. Yes. Yes.

3 MR. SUND: Everywhere. They've had massive legislation
4 every year to exempt everybody and their cousin from liability for
5 volunteers, all the way from ski hill -- ski operators to.....

6 MS. HAYES: The State of Alaska did have some kind of
7 program for instituting park volunteers and various other things.
8 In your overtures to people about volunteers, have you contacted
9 agencies as well as Exxon, VECO, and NORCAN?

10 MR. EAGLESON: Yes, we did. In fact, DEC who
11 established the short term contract with the environmental
12 agency, saw that as a problem and realized that if we could do
13 nothing else but be the shoulder to placate people and to take
14 those phone calls off of -- that was good enough and I -- they're
15 terribly busy, very impacted, so we didn't want to push them in
16 that area and become another problem. We were there to lessen
17 their impacts and improve their ability to act and respond to the
18 clean up. But, it was just frustrating for the numbers of
19 volunteers we use just to answer the phones to have to say, "No,
20 I'm sorry. We can't use you." -- especially to Alaskans, to people
21 who's backyards were impacted.

22 MR. PARKER: It's difficult for the Chair to envision a
23 system -- to comprehend a system which sends grade school
23 children out along busy highways to pick up litter and doesn't
25 have liability problems with that, yet can't use adults as

1 volunteers on oil spills. I mean there's something missing here.

2 MR. EAGLESON: Well, the further irony, Mr. Chairman, is
3 there afraid to use volunteers 'cause of liability, yet every entity
4 that's testified here today brought their lawyer with them.

5 MR. PARKER: Mike.

6 MR. HERZ: It seems to me that you gotta accept the
7 reality of liability issues. I mean that's the society we live in.
8 But, many non-profit organizations are able to get coverage that
9 will cover the operation for volunteers. And part of what you're
10 asking for seems to me the institutionalization of a volunteer
11 program is to come up with funds that might pay a premium for
12 liability coverage and I think that that -- have you looked into
13 how expensive that would be because I think it is do-able. I
14 think there are a number of underwriters that would consider
15 doing that. Somebody might even donate it because it would be
16 a great community service, but then the policy would be in place.
17 The problems would be solved. And you could put these people
18 to work.

19 MS. HAYES: I was gonna say, Mike, is that that country --
20 Volunteer Park Rangers from National Park Service or
21 campground hosts for the State of Alaska campground system --
22 isn't that, isn't that free of liability or concerns about that. And I
23 believe there is a process for taking care of that.

23 MS. WUNNICKE: But they do -- one thing the State
25 provides the campground host is insurance.

1 MS. HAYES: Yes.

2 MS. WUNNICKE: Liability insurance. So that's certainly --
3 it is an issue. But what other ideas would you have about how to
4 organize or institutionalize a volunteer program.

5 MR. EAGLESON: Another problem with that was not
6 simply the liability issues. If we were to access a great many of
7 those people here in the Valdez Basin, we would need to provide
8 them with some kind of temporary or transient housing, which
9 was seen by Exxon and even some of the City officials as a
10 secondary impact and not a primary impact. As you know, it's
11 quite expensive for people to try to travel up to Alaska and we
12 could not offer them any kind of housing or any kind of social
13 service supports and, uh, the weather in May here in Valdez was
14 extremely rainy and -- I felt that, as did the other volunteers,
15 that it would not be in the best interest of anyone to say, "Sure,
16 come on up" without an identified position for them, without any
17 kind of housing support or any other basic service supports. And
18 at the time -- you know, hindsight is 20/20, but we certainly
19 couldn't institute all those support services needed and respond
20 to all those hundreds of phone calls daily and get an actual
21 volunteer program in. Unless you, you know, prepare for that
22 kind of thing pro-actively, then I don't believe volunteerism will
23 ever be able to help mitigate the impacts of any kind of
23 catastrophe.

25 MS. WUNNICKE: You did use volunteers at the Bird and

1 Otter centers in Seward and Homer and also here.

2 MR. EAGLESON: Yes, ma'am. The first several weeks it
3 was all volunteers at the bird and otter rehab here, except for
4 the management of the centers, which was brought in from San
5 Diego and places like that. But, unfortunately, those positions
6 were taken over by paid employees as well and so the
7 opportunity for even that volunteerism.....

8 MR. PARKER: Ed.

9 MR. WENK: A couple months ago I heard something about
10 a thousand points of light.....

11 MR. EAGLESON: So did I.

12 MR. WENK: It was not an advertisement for Liberty
13 Mutual Insurance. But I think there is a real paradox here in
14 terms of the President of the United States making a point of
15 volunteerism and faced with this reality -- I think this is
16 something this Commission really oughta take note of. I think
17 this is a serious commentary on our social situation.

18 MR. PARKER: Well, I agree with you. I think that -- you
19 know, I think that as we look at the institutional response on
20 this, I think the volunteers are probably feared as slightly losing
21 control of the situation. If you were paying people to do a job,
22 why you do have more control of the situation. But we certainly
23 do need to look in to it.

23 MS. HAYES: Thank you very much.

25 MR. PARKER: Thank you. Kevin Casey.

1 MR. CASEY: Is it possible to direct a question to Mr.
2 Mackey, Exxon's science director?
3 MR. PARKER: I think he's gone.
4 MR. CASEY: Yeah, it's typical. It seems to be.....
5 MR. PARKER: Come and sit down.
6 MS. WUNNICKE: You wanta sit at the mike.
7 MR. CASEY:Mr. Mackey's chief concern -- the
8 relational data base that he spoke of. And chief along those lines
9 were the biological communities. That would be the top
10 concern. I have seen nothing of recent in regard to the five
11 suicides in Kodiak over a four week period. No most
12 comparables; one article that was pushed aside. As far as the
13 dead whale count has gone, it's up to seven now and I got one
14 report from DEC in regard to the percentage of the
15 hydrocarbons in the plankton and Louisiana state study following
16 up on the percentage of hydrocarbons, that, after speaking to Dr.
17 Peter Volhart (ph), the director of organic chemistry, Lawrence
18 Livermore Lab, University of California, Berkeley, he said he
19 could complete that study in, no problem, seven days. That
20 study's been out for more than a month.
21 MS. WUNNICKE: What study was that?
22 MR. CASEY: This is in regard to.....
23 MS. WUNNICKE: The percentage of hydrocarbons in the
23 plankton?
25 MR. CASEY:in 35 foot, middle-age grey, which is the

1 number one nailing as far as -- it was killed because of the oil.

2 MR. PARKER: What about the other seven? Were they all
3 greys?

4 MR. CASEY: Well, they are talking a lot about old age,
5 harsh winter -- but this one is directly middle age.....

6 MR. PARKER: Are these greys or.....

7 MR. CASEY: These are greys. And also, I think our first
8 top concern in the food chain would be with the otter mothers,
9 who's 40% fat content in their milk is just a natural bonding
10 agent for the lipid. The first studies with the pups -- I'm sure
11 haven't seen any statement from Exxon in regard to that. As far
12 as common sense logistics, after being out on the water and
13 having the Admiral say that operations were much more
14 important than anything else, I can show you map after map of
15 common sense -- common straight A to B -- spoke with Exxon's
16 official John Messenger, who was the commander in chief at
17 that time. And he says, you know what Kevin, those are some
18 pretty good questions. And I got these from dispatch from
19 NORCAN Six, Exxon Command Center -- things that they wish
20 deployed a month prior to this. He says those are some pretty
21 good questions. If you had to go into the big picture, how about
22 Exxon's spokesman, L. G. Rall (ph), what he told Fortune
23 magazine one month after the spill. The advice he gave to other
23 CEOs in a similar crisis would be to pre-think which way you're
25 going to jump in a public affairs standpoint. You ought to always

1 have a public affairs plan. Well let's hope that Rall (ph) as
2 Exxon's spokesman, means public affairs from the best possible
3 standpoint, which would be honest information. The one joint
4 public information center they did have here that had no
5 pertinent information was disbarred Tuesday, which was the
6 Army National Guard. There information was -- okay. Can a copy
7 of the most comparable modern day cold water spill court
8 proceedings, the 78 AMOCO Cadiz, where 10 years later no
9 claims have yet been paid, be found in Valdez? And Mr. Rall (ph)
10 talks about public, honest information?

11 MR. PARKER: Have you tried to get that.....

12 MR. CASEY: Oh, for sure, for sure. I think that we -- it's
13 time that a full, factual, uncensored account of this spill, starting
14 with the failed containment efforts, the damages to the Sound,
15 the flock clean up effort, the aftermath of all and especially with
16 access directly to Exxon's information, which they have their
17 source and other people have -- that's something that should be
18 demanded right off is a full, factual account.

19 MR. PARKER: Well, you heard our discussion with Mr.
20 Mackey. You know the.....

21 MR. CASEY: A public.....

22 MR. PARKER:feelings of this group.

23 MR. CASEY: Right. Thank you for your time.

23 MR. PARKER: Thank you. Any questions?

25 MR. HERZ: Are you with any group or are you just

1 speaking as.....

2 MR. CASEY: I'm a concerned citizen. I live in Maui,
3 Hawaii. The first reports of dead whales, I got on the plane and
4 came. I see the whales from my front yard.

5 MR. PARKER: Since you live in Payaa (ph), you must be a
6 wind surfer.

7 MR. CASEY: Absolutely.

8 MR. PARKER: Yes. The -- Mary Percalle (ph), Homer.
9 Mary's not here. Is -- Is he still here?

10 MS. WUNNICKE: I don't know.

11 MR. PARKER: John, did you want to speak. John Beiler.

12 MR. BEILER: Yes. Mary's part of our group. So, there's
13 actually -- there's seven of us here this morning. I'm -- I mainly
14 wanted to get on the mailing list and introduce our organization
15 and myself to you folks. I'm the -- from the Governor's Office,
16 the Oil Spill Coordinating Office here in Valdez. My name is
17 John Beiler. It's B-E-I-L-E-R. And we're -- we have our office
18 over in the Eagles Hall.

19 MR. PARKER: Yeah. Mike Harmon from the Juneau office
20 said he was gonna be here, but I guess he got detailed
21 somewhere else.

22 MR. BEILER: I wasn't aware of that.

23 MR. PARKER: Yeah. Anyway, I am glad that you folks are
23 out here and I -- there's just five of you in the five communities
25 and one roving as I understand it so you're going to be.....

1 MR. BEILER: Plus one.
2 MR. PARKER: Plus one.
3 MR. BEILER: Cordova, Valdez, Homer, Seward, Kodiak
4 and then Dave Young is the overseer.
5 MR. PARKER: Yeah. Well, we're gonna have a busy
6 summer. Esther?
7 MS. WUNNICKE: Yeah, how closely are you working with
8 the city of Valdez, for example.....
9 MR. BEILER: As close as possible. Our -- just recently --
10 I've only been here less than a week now, but just recently we've
11 gotten into a lot of the socio-economic problems of the.....
12 MS. WUNNICKE: But you've heard.....
13 MR. BEILER: Yeah. Physical and mental health -- a lot of
14 things that we're working on right now. So, hospital, some stuff
15 right there.
16 MR. HERZ: What's your principle charter.....
17 MR. PARKER: Tim.
18 MR. HERZ: Oh, I'm sorry. Go ahead
19 MR. WALLACE: I have Commissioner Huffman here today.
20 Is he -- what?
21 MR. BEILER: Commissioner Huffman with CRA?
22 MR. WALLACE: Yeah.
23 MR. BEILER: I haven't met him. I don't know if he's here
23 -- is he here today?
25 MR. WALLACE: I was just wondering if they're providing

1 some assistance to help determine impact?

2 MR. BEILER: Uh, we haven't touched bases yet. It's still --
3 we're still in the information gathering mode here.

4 MR. PARKER: Mike's next then.

5 MR. HERZ: I just wanted a capsule description of what
6 your charge is of the offices.

7 MR. BEILER: As a community liaison to and from all
8 factions of the community, agencies, governmental -- I guess we
9 take a lot of flack. We wear a big target. But it's mainly just as
10 appointees of the Governor to coordinate things in the process.

11 MR. PARKER: Ed?

12 MR. WENK: I was very interested in your use of the term
13 just a minute ago of socio-economic impact and I wanta ask
14 questions about that.

15 MR. BEILER: Certainly, feel free.

16 MR. WENK: We've had witnesses tell us about -- from
17 Exxon for example, of having 300 scientists looking at the
18 environmental effects. We know other scientists, maybe 150
19 from DEC. I don't know how many from NOAA or EPA, looking
20 at very important impacts on the environment. But as you
21 suggest yourself, they are the only effects. So my question is,
22 overall, who is responsible for collecting information on
23 collecting information on socio-economic impacts. Is this being
23 left to local communities? We've got a report here done by the
25 Association of Mayors on the Kenai Peninsula. I mean, this

1 sounds to me as something terribly important on which we
2 haven't gotten any briefing so far. I don't want to put you on the
3 spot.....

4 MR. BEILER: That's all right.

5 MR. WENK:realizing that it might not be in burrow, so
6 to speak, but can you help us.

7 MR. BEILER: It won't be the first time. So far, it's been
8 up to the individual communities. It's our position, and I say our
9 position as the people in our group. We've discussed that at
10 some length -- to gather all the information that we can and
11 then feed it back to Dr. Laresche and then we'll take it to the
12 Governor and say, you know, here's what the needs are. Let's
13 see what we can do. So, basically, it's been up to the
14 communities to start waving flags and saying we need help here.
15 We need some sanitation help. We need mental health. We've
16 got a drug and alcohol problem. The whole gamut of it. Which is
17 gonna be the secondary effect and -- you know, to the spill. I
18 mean it's an effect that we can't ignore.

19 MR. WENK: This is a summary on a very small,
20 geographical area. We haven't had time to review it. Do you
21 expect there are gonna be reports undertaken with local
22 initiatives throughout the.....

23 MR. BEILER: I trust there will be. Yes.

23 MR. WENK: And these would then be coordinated by Bob
25 Laresche's office?

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MR. BEILER: Yes.

MR. WENK: So there might be, in some early date, a summary of the summaries that this Commission, I think might find enormously important.

MR. BEILER: I certainly hope and trust that we could get a report to you before you got to the Legislature with you're -- you know, so you'd have time to make your report.

MR. PARKER: Mike.

MR. HERZ: I don't know whether part of your charge is to attempt to develop costs to the community of not just the services, not just the direct costs, but I'm thinking of public health implications, mental health, physical health. I'm not aware of precedent in other spills where this has been done as a damage claim, but I'm struck by the fact that with an economy like the small communities in Alaska, that this impact is liable to be extreme and needs to be carefully document and needs just as much attention and time and energy and expertise addressed to it as does the biological and other scientific assessments that are -- damage assessment -- it's another type of damage assessment.

MR. BEILER: Absolutely. I agree with you.

MR. HERZ: Okay. But do you know if there is a precedent? Has this been done in other major spills?

MR. BEILER: No, I'm not familiar with that at all.

MR. HERZ: But that's one of your -- you are thinking that

1 this is one of the purposes of putting together this set of
2 coordinators in the field to collect this information.

3 MR. BEILER: To collect any and all information, not
4 only.....

5 MR. HERZ: I mean, for this purpose?

6 MR. BEILER: Yeah, well.....

7 MR. PARKER: Maybe I could add something here. The
8 legislature appropriate \$35 million to immediate response to
9 affected communities and to affected citizens and just generally
10 to alleviate the affects of the spill until re-payment from Exxon
11 could begin. And the State expects to be reimbursed for what's
12 paid out of this \$35 million. Bob Laresche's office has the
13 responsibility, general responsibility, for allocation of that \$35
14 million, both within the State agencies and to the communities.

15 MS. HAYES: Mr. Chairman. I guess I'm a little confused
16 after talking to you and after talking to Dr. Laresche at our last
17 meeting. Let me just clarify. If he implied when you met him
18 that your role was going to be sort of an ombudsman between
19 citizens that have problems dealing with Exxon, VECO, whoever,
20 and having some way of trying to smooth that path, if you will.
21 The work that you're talking about collecting socio-economic
22 data -- is that under some kind of scientific blueprint that has
23 been developed in terms of real science or is this just amounts
23 of stuff that when you guys hear about, you know, so many drunks
25 or so many incidents per week that Whittier's having that you're

1 going to feed to Dr. Laresche's office.

2 MR. BEILER: Yeah. It's not as complicated as it sounds.

3 MS. HAYES: It's not science?

4 MR. BEILER: No.

5 MS. HAYES: I'm trying to get at -- is it science? I assume

6 that -- Ed, your comment was a question as to science. And

7 regarding.....

8 MR. WENK: Yeah. Rational.....

9 MS. HAYES: Anthropology and psychology, mental

10 health.....

11 MR. WENK: Well, but.....

12 MS. HAYES:I mean, some analysis.

13 MR. WENK:also in drawing on absolutely, but also

14 drawing on the implied science side. And again, my ignorance --

15 frankly, I'm an outsider. But some state agency, it seems to me,

16 must have some responsibility just as DO -- DEC does for the

17 environment for thinking about these questions of social impact.

18 For example, if you let every individual community put together

19 their own study, the chances are each is gonna use a different

20 methodology. Each is gonna operate from a different set of

21 premises, 'cause what they're gonna do is track down the

22 comparison to what's now -- the situation now in comparison to

23 so and so and so and so. It's gonna be awful hard for Bob

23 Laresche to assembly this when you've got these fragments that

25 just aren't gonna fit together at all. Isn't there some agency

1 that's gonna have responsibility here.

2 MR. PARKER: The Institute of Social and Economic
3 Research has a proposal for -- this thing is before Dr. Laresche,
4 to provide that kind of oversight.

5 MR. WENK: It's a kind of peer review.....

6 MR. PARKER: And I'm not aware of anyone else.

7 MR. WENK:we were talking about earlier today.

8 MS. HAYES: I was -- on that, when we talk about what
9 your office is doing, I assume that it's doing is providing services
10 at the grunt level, first line of defense, try and make it better for
11 people.

12 MR. BEILER: That's right.

13 MS. HAYES: And I think what I'm -- one of the -- I think
14 that's important and I'm not trying to diminish that, but I'm also
15 concerned about the equivalent of the in-depth environmental
16 studies that are being done on bi-valves and eel grass beds and
17 things like that to extrapolate to people. And that's something
18 that I haven't yet found anybody that's stepping forward and
19 saying that that's -- hey, that's my job.

20 MR. PARKER: I think as things go into place -- I spent a
21 good part of Thursday taking phone calls from people around the
22 Board about health and other -- general social problems in a
23 variety of places in the oil spill area and spent Friday relaying
23 those to one of Dr. Laresche's staff and trying to -- you know,
25 emphasizing the mini-cabinet which has been set up by the

1 Governor to handle this, which is chaired by his chief of staff,
2 Gary Peschka (ph) and which contains all the agencies that have
3 maximum concerns in this. And it's -- he's a good staffer and
4 I'm confident that he undoubtedly has carried the ball to the
5 degree he can in this timeframe. I think things are starting to
6 grind, but the problem is getting extremely serious and I think
7 resources to have be brought to bear and we have some
8 responsibility -- at least I feel enough responsibility that I will
9 follow up on it at the first opportunity and find out what is going
10 on and report back to you.

11 MR. BEILER: That's basically our job.

12 MR. WENK: Mr. Chairman, could I interject.....

13 MR. PARKER: Yeah.

14 MR. WENK:a little comment. This is the comedy of
15 an engineer pumping for social science research, but when the
16 Arctic Research Commission was created, I was consulted on
17 their research parameters. And in the strongest terms that I
18 could put in the letter and still be polite, I criticized them for
19 having zero social science research in the first cut. And then
20 went on to elaborate where I thought the needs were. This now
21 from sitting down in Seattle. I, I mean -- I used the word
22 comedy before. There's a comedy -- there's a tragedy going on
23 here in terms of a disproportionate focus on natural science
23 components of the situation versus human sciences part of the
25 problem.

1 MR. PARKER: Well, I hear you. You're correct. Natural
2 sciences are out-spending social sciences probably in the
3 magnitude of 200 to 1.

4 MR. BEILER: Thank you.

5 MR. PARKER: Thank you. The -- thank you John. Cindy
6 Bailey. Robert Wood.

7 MR. WOOD: I have no comments. I just signed the list.

8 MS. WUNNICKE: Just stay put. I thought you were taking
9 role.

10 MR. PARKER: I see that Steve McCall is.....

11 MR. WOOD: He did the same thing I did.

12 MR. PARKER: Yeah. We'll be talking to Steve later. I had
13 a name here that's hard for me to make out.

14 MR. HERZ: Gary Phillips.

15 MR. PARKER: Gary Phillips. Madelice (ph) Marin (ph).
16 Okay. Frank Sedna (ph). Wendy Weideman.

17 MS. WEIDEMAN: This is patient. Let me tell you, I'm
18 more frustrated than Mr. Kennedy because I'm frustrated having
19 all the agencies represented first and I'm really excited to hear
20 that when you get to Cordova that you will take testimonies from
21 local citizens in the middle of the day when they have a break.
22 My name is Wendy Weideman. I live in Valdez. And you received
23 a letter from a group which identifies themselves as the Spill
23 Coalition and it was a group of concerned citizens that got
25 together in Cordova two weekends ago. And I think each of you

1 probably received your letter very late, so I brought a copy again.
2 I don't represent any environmental group. I'm just a citizen
3 who needed to become activated because I was frustrated with
4 the volunteerism in the community. I did participate in the
5 otter and bird rehab centers, but I didn't feel like I was really
6 doing something that made our lives different. We still drank
7 coffee out of styrofoam cups. We still didn't worry about the
8 human waste disposal issues in the community. And all of those
9 things that you've already heard about. I'll just leave that letter
10 with you and when you get to Cordova, I'll just warn you that
11 there are many more folks in Cordova, thank goodness, that
12 represent the environmental side of the issues. We, in this
13 community, are bowed out. And I mean bowed out first by
14 Alyeska and second by any petroleum-based industry that wants
15 to move into this community. I'm in a human services agency in
16 the sense that I work for a community college, which has law
17 students. I work in conjunction with Harborview Developmental
18 Center, which cannot compete with the income that's paid by
19 the petroleum-based industries to clean up the spill and they're
20 at a critical minimum and have not been able to access the
21 monies that were set aside by the Governor. I'm really
22 disappointed today in the low participation of community
23 members, but I think that there are several reasons why. And
23 one is that there is a conflicting meeting going on and so there's
25 no Council members here. That's sad, but I was really fired up to

1 see Georgia come. She came anyway. The other thing is that I
2 think that the format of the agenda in having all these agencies
3 which, believe me, since March 25th we've heard from -- in
4 every public hearing we've heard from these people over and
5 over and over and by the time it gets around to people in the
6 community, they've gone. They're tired. They have jobs. They
7 have children. And there is not the support in the human
8 service system to provide day care to people who wanta testify.
9 So, I would encourage you to come back to the communities of
10 the coastal areas when fishing season's over, when the oil spill
11 clean up's over -- and I think you'll get a different response.
12 Hopefully you will in Valdez. A third concern that I had in
13 listening today and I thought it was real interesting is that the
14 level of funding for research and development technology is at
15 the economizing level. Basically DEC and the other regulatory
16 agencies have been cut through the legislature. There's not been
17 a whole lot of support by the petroleum-based industries to have
18 those monitoring agencies receive access to their information
19 and -- for me, trying to get information -- I had to take the FIO
20 Act in and say, "I want these documents". And I don't have any
21 Exxon documents, none. And so if the research is available to
22 local community members, I have not seen it. DEC, however,
23 has been willing, when they have the time and the manpower, to
23 provide me with information and other local citizens too. But
25 they just really don't have the manpower to do those kinds of

1 copying. The fourth concern that I have is -- and with the
2 funding I might just add that I am familiar with Prince William
3 Sound science and technology Institute and, of course, the
4 University of Alaska, Marine Science Institute. I find that both of
5 those organizations, within Alaska, could be subsidized and
6 should be subsidized, although, again, nobody wants to touch that
7 "dirty money" and I guess I feel like there's -- all money means
8 the same thing. We all work for Exxon if we drive a car and if we
9 live in a heated home, so it doesn't bother me to take their
10 money to do any kind of research that we need to do to study
11 the effects of petroleum-based industry. The fifth statement is
12 just the whole issue of restoration of quality of life. How do you
13 put a value on -- you know, I know initially when I was working
14 in the otter rescue center and they were talking about the cost
15 of an otter to a zoo, uhm, -- you know, I don't really think we can
16 put a value on a species that can't speak for themselves. It's
17 really not a reality for those people in the community and I do
18 have friends in Tatitlek and Alamar who are devastated. There's
19 not any amount of money that will improve their quality of life or
20 change it. I remember Don Cornett (ph) saying at a meeting
21 soon after the spill, like on Saturday, that this is a non-
22 compensational issue; quality of life. And I'm gonna hold him to
23 that. I believe him, you know. The sixth issue is that when we
23 look at the protection of health and welfare and you mentioned
25 about accessing the State's agencies -- I was trying to figure out

1 why I have, for the last three months, had a horrendous cough
2 and my voice doesn't generally sound like this. And I tried to
3 get into the local community clinic and waited six hours and
4 couldn't get in and spoke with many people -- and anyone
5 listening to the public hearings here know that for some reason
6 people are ill. So I decided I'll call the Department of
7 Epidemiology and speak with Dr. Midau (ph). He was out of
8 town for a week, but he had a physician call me right back. And
9 they did send someone down last week. He said that basically it's
10 real hard for people to know who to call. So after I heard that
11 they were involved and doing viral cultures, I called and spoke
12 with Commissioner of the Department of Labor, Sampson, and
13 he said that OSHA was also down here. But nobody's talking to
14 anyone else. I think one of the impacts that people -- that I
15 keep hearing from people is that you're sick because you're
16 stressed out. Well I have a real high stressful job and believe me,
17 since May 24th and I quit my job, I have very little stress. I can't
18 wait to deal with life again in an environment that doesn't reflect
19 all the frustrations that people do feel trying to get information.
20 I think it's the main problem. So, basically, our socio-economic
21 assessment is fragmented. I think, for me, it was just exciting to
22 have OSHA and the Department of Labor and the Department of
23 Epidemiology respond in a real pro-active way and so I think
23 that that's -- I have several things here that -- I like the word
25 pro-active because I think it doesn't mean aggressive and it

1 doesn't really mean assertive either. It means let's do it, since
2 no one else is. The immediate needs that I see are mis-
3 information. It's -- the access of information to the public has
4 been minimal. It's not limited. I have not seen anything but
5 vague answers and unfulfilled promises. Mostly it's that the
6 copying is timely, that it's too expensive and that the
7 information is too technical, which I find rather condescending.
8 I hope that you're Commission does make your reports and
9 documents and transcripts available to every citizen either
10 through the public library or -- I have not met John, but since
11 he's been here for a week that doesn't surprise me. We'll get to
12 know each other. And I'm really excited about it. I think that
13 when I really ask the question who represents the public, I'm
14 hoping that the Oil Spill Commission does. And I'm not gonna
15 ask you who your attorney is, but if they're in the room, I'd leave.
16 Another comment is that a lot of participation from local citizens
17 on an active level -- we do wanta collect information and attend
18 hearings. I think the recommendation of having community
19 response teams approach -- like the Cordova fishermen did and
20 the Seldovia fishermen did. They just took control and they
21 saved their hatcheries. That's exciting. It was fun to hear about
22 it. But there are the rest of us in the communities who can't
23 leave our communities to do that in our boats and would like to
23 be involved. The third pro-active approach that I would
25 recommend is to, again, seek public input and I like the fact --

1 this is the first hearing that I've seen in the newspaper, heard
2 on the radio -- as of yet, for example, the.....

3 (Tape Changed)

4 (Tape Number 89-06-27-4B)

5 MS. WEIDEMAN:incinerations has not had a public
6 hearing and the incinerator at Alyeska's been burning since day
7 two. It's been burning all the oily waste, but I heard today, now,
8 they're not gonna use these absorbent pads because they're toxic.
9 So our efforts have been to try to obtain a local ordinance
10 through our city council. And that's frustrating because when
11 they went to DEC, the monitoring agency said, "Even if you pass
12 this ordinance, we can't enforce it. We don't want to set a
13 precedence." So, basically what you're asking is for the local
14 communities to get involved in air quality issue and monitoring.
15 And I guess all I can say is that we can't compete with the
16 corporation that appears to be larger than our own government.
17 We don't have the attorneys to do that and we also don't have the
18 expertise. And so, if you can allow us to use you as a consultative
19 base to identify people who can address the issues, such as the
20 burning and the dumping -- not only the burning, but the
21 dumping of the ashy waste in our public landfill -- I find that
22 frightening since our water system is right next to it. Lastly,
23 then I would just ask that you do support the legislation of
23 upgrading the State regulatory agencies. I guess, you know, I'm
25 not looking for a job in the future working for EPA or DEC, but I

1 really believe that the access to their information and the
2 amount of monitoring that they've been able to do has been
3 interfered with, to say the least, by petroleum-based companies.
4 And I hope that comes out in the end. When you talked about
5 what our most crucial trade-off is, hopefully that's information.
6 I'm real excited that you're lookin' into the assessment of local
7 industries and human services. And I hope that when you
8 identify a basis of who we might go to that all of us who do have
9 interest in striving for the same end -- we're really striving to
10 make a difference in our lives and to change our lives to answer
11 the questions of how we could live and integrate ourselves in a
12 society that is dependent upon petroleum-based products. I'm
13 hoping that you'll look at the social fabrics of the communities,
14 of the coastal communities and all the communities in Alaska
15 and how this social fabric, due to the lack of day care and the
16 lack of housing, and -- I guess they wanta call it stress-related
17 illnesses. I tend to believe that they are probably more
18 specifically related to toxins and contamination, but -- thank you
19 for letting me address you.

20 MR. PARKER: Thank you and both Esther and I had
21 conversations with Larry Smith. Mine was a very long one and
22 he told me about the organization. We had not received the
23 letter yet before I left, so thank you.

23 MS. WEIDEMAN: You're welcome. And thanks for being
25 here.

1 MR. PARKER: Well, we'll do the best we can. Any
2 questions from the Commissioners? The -- I was glad that you
3 got such a prompt response from John Ridau (ph). I
4 emphasized to Laresche's office that the epidemiologist should
5 be involved in this as fast as possible because I was getting
6 reports that indicated that, you know, conditions under which
7 epidemics occur were starting to be generated in some
8 communities.

9 MS. WEIDEMAN: When you go to other communities, you
10 might check into the human waste disposal issues.

11 MR. PARKER: Uh, hum.

12 MS. WEIDEMAN: You know, they use that as the reason
13 for why we're sick. And I believe it. I'll believe anything for a
14 while, whether's it's virus or human waste. But there is a
15 noxious kind of odor in our community.

16 MR. PARKER: The biggest ongoing problem on the
17 pipeline was human waste -- the one that was most difficult to
18 solve. So, you know, as an old veteran of that, the first question I
19 asked on arriving in Northwest Bay is where are you guys putting
20 your sewage. 'Cause there were sure a lot of boats anchored out
21 there and it had to be going some where. Thanks again.

22 MR. HERZ: I just want to ask -- follow up on something
23 that you said. Did I hear you correctly that you had to use a FOIA
23 request in order to get information on the scientific studies
25 from Exxon?

1 MS. WEIDEMAN: I haven't been able to get any
2 information from Exxon. When you go over and you ask -- I took
3 the FOIA act with me to DEC and I wouldn't have needed to.
4 Basically, I felt like, well, I'd better be prepared. But when you
5 go to the Exxon office here -- for one thing, you have to go in
6 person, which is hard for people who work. Your phone calls
7 aren't answered. Your letters are not responded to. So, you go
8 in person and they do this little maze trip where you go over
9 here, go over here. And so I've not even been able to identify
10 who to go to. And I listen to this gentlemen. He's always been
11 on the forefront. He's been the scapegoat for Exxon and the
12 poor guy is probably attacked more than any other individual but
13 -- we don't have access to that information and hopefully you can
14 get it for us. So, yeah, I have asked and I've got a list of those
15 names, if I might give it to you later.

16 MR. CASEY: How about a comment on the information
17 maze.

18 MR. PARKER: Do you want to get a copy of this.

19 MR. HERZ: Just one.

20 MR. PARKER: The last person I have on the list is
21 Scovern (ph) Schrader. Scovern (ph) Schrader? Did you have
22 one last question, Mr. Casey, you wanted to ask?

23 MR. CASEY: In regards to the information maze. You go
23 to Exxon Command Center, introduce yourself. Hi, how are you.
25 I would like to direct a question. Very good, sir. Go next door

1 to the Days Inn. Approach through the side door. H i, how are
2 you. I'd like to direct a question. Go over to Exxon Command
3 Center and talk to them.

4 MR. _____: I have the same.

5 MR. CASEY: Yeah.

6 MR. PARKER: Maybe we should.....

7 MR. WENK: Sounds like a Fred Allen TV show I saw about
8 20 years ago.

9 MR. PARKER: Is there anyone else who has not signed
10 the sheet who wishes to testify. Yes.

11 MS. HAUSER: My name is Cathy Hauser and I'm nobody
12 important as far as I don't have a title or I don't have any special
13 knowledge or education.

14 MS. WUNNICKE: How do you spell Hauser?

15 MS. HAUSER: H-A-U-S-E-R. But, I'm an Alaskan and I'm
16 proud to be an Alaskan. And I feel like this young lady out here
17 that -- what has happened to us is concern everybody, but
18 there's a whole lot more to this story than a lot of you are
19 hearing. It's real unfortunate that people from out of our state
20 have to come in to try to handle and find our answers. And I feel
21 real sad about that. In fact, I stumbled into this meeting by
22 accident. I didn't even know this was actually going on -- and
23 started eavesdropping and the next thing I knew, I was in here.
23 And, one thing I'd like to know is -- everybody's been real gung
25 ho about putting the blame on Exxon. Okay. Now, it happens to

1 be Exxon is the name -- that that was the boat or oil or whatever.
2 But, what I'd like to know is the Coast Guard here has a lot of
3 responsibility as well. Now when they spoke this morning,
4 everything that you asked them -- they just kind of skirted
5 around the whole issue. Why isn't the Coast Guard taking more
6 responsibility here? Just a few days ago, supposedly, there was
7 another leak and this was over 10 miles long and this was when
8 they were pulling the ship through. The Coast Guard was
9 around. Well, how long does it take 'em to turn around behind
10 them and see that they're leaving a trail? So, I feel that as far as
11 responsibility goes here, that everybody is so busy looking to put
12 the blame somewhere. That's after the fact. The damage is
13 done. And now, to me, what's the most imperative thing is that
14 we clean this up. I think we need to continue the studies of
15 what the long range perspective's gonna be as far as the fish and
16 the whales and the otters and things like that. But that's not
17 solving the problem right now. The oil is out there and instead
18 of looking for the blame and trying to -- like you've said, there's
19 lawyers here and everybody's trying to cover their back side, or
20 whatever. Right now, I think this should have been considered a
21 national disaster from the President and everybody else. This is
22 something. This oil is moving along the coastline and where is it
23 gonna stop? How many other people are going to be affected by
23 this? It's not just Alaska. It might have started here. But it is
25 moving and it's continuing and the thing is that everybody needs

1 to be involved. And I think that this is something that if we
2 here in Alaska -- if our representatives aren't strong enough to
3 come in and support us and help us, then maybe the President
4 or somebody oughta step in and say, "Look, this has gotten out of
5 hand. It's no longer in control. Let's help these people." And it
6 isn't that we Alaskans are ignorant. We're not. We love Alaska.
7 We love our state and we wanta help in whatever way we can.
8 But we are definitely being stopped in a lot of different areas. As
9 far as Exxon coming in here, I feel sad to think that they are also
10 taking all the blame because somebody has not given them any
11 credit is -- we're in a very recessed economy up here. And even
12 though this is a very bad thing, this oil spill has provided a lot of
13 jobs and a lot of work for people as well. It may be out of control
14 and it may not be contained enough to where people can say
15 well, this money needs to be allocated here or this or that needs
16 to be taken care of. But most definitely, Exxon is helping.
17 Maybe they need some guidance. Maybe they're not answering
18 or they're shuffling people around. But with -- there's so much
19 confusion, maybe they need to set up a committee. I don't
20 know. I don't have the answers. I'm hoping. I'd like to see
21 them, if that's what they need, even for Exxon to have a
22 committee that would just -- work on just things like that,
23 whatever it would be. I'd like to see them have a committee that
23 every idea that comes here, whether big or small, that they go
25 through and they see if this idea will work. We're here today

1 because we have developed a skimmer and we are trying to help.
2 We wanta get this idea out and things and of course we're
3 keeping a very quiet and very coveted because it's not all
4 protected yet. We're trying to get oil samples. We cannot get
5 the oil samples. And to me, any idea, whether it's big or small,
6 whether it's feasible or not, should be tried. And if we can man,
7 what is it -- two or three thousand people out washing rocks,
8 why can we take two or three thousand people to one area and
9 let them go through every idea, everything that comes in and
10 concentrate -- let's clean this oil up. You know, continue to look
11 at the environment. Continue to look at how this is affecting all
12 of our people in the villages. Like they said, there are people
13 that can't compete wages wise, but there are people here that
14 are starving. We need that \$16.77 an hour too. So there has to
15 be a balance. If the state needs to set in -- 'er step in, then help
16 us. And if our state is gonna do that, then maybe it's people like
17 you that are gonna have to say, "Come on, get in there and get
18 involved." And I don't know what else to say, except, like I said,
19 I'm proud to be an Alaskan. And I -- more than anything I just
20 wanta get this oil cleaned up and I don't care what it takes or
21 what we have to do. But quite looking for to blame everybody
22 else. I mean, it's done. It's over and done with. Let's just get it
23 cleaned up and get on with. And any way you can help -- if you
23 need to go to the President and say, "Bring in the National
25 Guard." Do whatever you need to do. We just want it clean.

1 Thank you.

2 MR. PARKER: Thank you. You heard what Dave Kennedy
3 said about NOAA's doing on assessing -- and I don't know what
4 your protection is with that NOAA list, but.....

5 MS. HAUSER: Well, I was a little upset with DEC that they
6 weren't more informed. I was really a little disappointed. Now I
7 don't know if there are things to that that I'm not aware of that
8 maybe they don't have all the information. But it seems to me if
9 they're to protect us, they should have been just a little bit more
10 informed than what they were. They couldn't answer any of
11 their questions and I was a little bit embarrassed for us myself.
12 As far as NOAA, yes, I did hear what they were saying. But he's
13 saying how they have thousands and thousands of ideas coming
14 in. Okay. If there are thousands of ideas coming in then you'd
15 better get the manpower and the room and an area to have
16 somebody hour after hour looking over those thousands of ideas.
17 Whatever it takes to make sure -- see if something's feasible. We
18 can clean rocks. Why can't we make it rocks -- I mean, ideas.
19 So, does anybody else have any questions?

20 MR. PARKER: Esther.

21 MS. WUNNICKE: I do need your address though.

22 MS. HAUSER: 18740, McCrary, M-C-C-R-A-R-Y, Road,
23 Eagle River, Alaska. I'm living in a camper right now here in
23 Valdez, with this madness.

25 MS. WUNNICKE: Thank you.

1 MR. PARKER: Thank you. Anyone else out there.
2 MR. _____: I have just one question Mr. Chairman.
3 MR. PARKER: Yes. Go ahead.
4 MR. _____: Is this oil -- I'm from outside. Is this oil
5 spill response committee also gonna take up the question of the
6 future of oil exploitation and the route of pipelines and gas,
7 because there are.....
8 MR. PARKER: We are not going to get -- we will be doing
9 well to handle tankers and oil spill response in our timeframe.
10 Pipelines is next year's agenda if someone else doesn't pick it
11 up.
12 MR. _____: Okay.
13 MR. PARKER: Do any of the Commissioners have any
14 business they wish to bring before the Commission at this time.
15 Hearing none, this meeting is adjourned. We will re-convene
16 tomorrow, in Cordova, at the library conference room at 10 a.m.
17 until 5 p.m. Public testimony there from 11:45 to 1:30 and from
18 three until five.
19 MR. WENK: Three until four, yes.
20 MR. PARKER: Okay. Not too bad. From 4:30 until five.
21 Thank you all for coming.
22
23
23
25