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COMMISSION

ALASKA OIL SPILL COMMISSION

JUNE 29, 1989

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1       also had the opportunity to be with and to talk with  
2       Majors from France who had been affected by the Amoco  
3       spill some years ago and I was certainly appreciative,  
4       and I know we all were, of that opportunity as well as  
5       the opportunity to go to some areas of the Sound that we  
6       might not otherwise have seen.     I thought that the  
7       meetings in Valdez and Cordova were very productive.    I  
8       hope it will be our policy to return to those communities  
9       towards the end of our deliberations to give affected  
10      parties an opportunity to comment on our conclusions.

11               MR. PARKER:     Thank you, Esther.

12               MR. WENK:        I don't want to prolong the  
13      introduction here, because we have a lot of business to  
14      get to, but I would like to offer one or two comments  
15      because I am one of the two Commissioners who are  
16      identified and I hope it's this way, not as outsiders but  
17      from the outside.   And, the reason I say that is, first  
18      of all, people here have been so hospitable that I don't  
19      feel like an outsider.   But, more to the point, what has  
20      happened here in Alaska is relevant to concerns  
21      everywhere in the Lower 48, indeed elsewhere on the  
22      planet.   I think the lessons that are going to be learned  
23      here from this Commission's inquiry, its' findings and  
23      its' recommendations, are going to be of interest and  
25      value to others who are equally vulnerable.   And I can

1 say that with some feeling coming from Puget Sound, that  
2 we have just been lucky that it didn't happen to us. But  
3 it could and therefore the attention this Commission is  
4 giving to what happened, to why it happened and how to  
5 keep it from happening again should be relevant to, not  
6 just the citizens of the State of Washington, but of deep  
7 concern to the State Legislature, the Governor and to our  
8 delegation in Washington. And, it would be my hope that  
9 they will pay attention.

10 MR. PARKER: Okay. Thank you, Ed. Anyone  
11 else? Well, before us is the draft minutes of our first  
12 meeting which thanks to the excellent efforts Judith  
13 Brogen (?), she was able to pull together from her notes  
14 of that meeting and recordings and, since none of you  
15 have seen them before I would ask for a Motion (\*) to  
16 defer action on the minutes until you have had a chance  
17 to read them.

18 MS. WUNNICKE: Mr. Chairman, I so move that  
19 we defer approval of the minutes until later in our  
20 session after we have had an opportunity to review them.

21 MR. PARKER: Thank you. Any other comments on  
22 that Motion? All in favor?

23 ALL: Aye.

23 MR. PARKER: Opposed?

25 NONE.

1           MR. PARKER: Carried unanimously. The next item  
2 we have before us is our Work Program (\*), which we did  
3 intensive work at the first meeting and which I sincerely  
4 hope that by noon today we will have an approximation of  
5 a draft document to take from this table. I think in  
6 summarizing our first meeting we did agree that our major  
7 concentration would be on the prevention of oil spills  
8 and that does not mean that we would neglect response of  
9 mitigation. It simply reflects that any intelligent  
10 approach to this matter would take steps to keep oil out  
11 of the water. So, let us proceed and we have before us  
12 the draft workplan prepared by Commissioners Hayes, in  
13 the interim between our meetings, which is a good working  
14 outline. We also have intensive documents prepared by  
15 Commissioners Wenk and the rest of you have also  
16 contributed. So, I think Commissioner Hayes' Workplan,  
17 unless there's some objection, would be a good one to  
18 proceed with and begin with. John?

19           MR. SUND: Oh, I just want to make a comment  
20 for not only ourselves but for the benefit of the people  
21 here that we are going to draft out this Workplan, but I  
22 think we should keep in mind that this is kind of a fluid  
23 document and as we go around taking testimony as we did  
23 in Valdez and Cordova and being made aware of new issues  
25 or different issues, the Commission has agreed to keep

1       this work document somewhat open and that people here  
2       shouldn't be overly concerned of issues that they think  
3       ought to be studied don't seem to be coming out at this  
4       time. This is an outline to get us started, not a table  
5       of contents of which we will work the rest of the five  
6       months to fill in the blanks. So, it's more of a  
7       direction pointing from 360 degrees to try to get it down  
8       to at least a 90 degree angle attack. And then we will  
9       move from there.

10               MS. WUNNICKE:       Mr. Chairman, in that connection  
11       I just might comment. I think it is going to be all too  
12       easy to expand and all too difficult to analyze and stay  
13       on top of a massive fact so that recommendations can be  
14       made   Reduce, reduce.

15               MR. PARKER:        Okay.    The first item on the  
16       Workplan is Prevention (\*). The first item under that is  
17       Tanker and Barge Safety Systems. And, the first item  
18       under that is Construction Design. At the first meeting  
19       you indicated that you wanted to examine not only those  
20       tankers involved in traffic from the Alyeska Terminal,  
21       but all systems in the State carrying oil. Is that still  
22       your desire?

23               MS. WUNNICKE:       Mr. Chairman, I'd like the  
23       other members of the Commission, and it should not be  
25       surprising, after three days of listening to people act-

1 ually walking the beaches and of having an opportunity to  
2 tour briefly the Alyeska Terminal, I am sure that we all  
3 are looking at all of this work with different eyes than  
4 we had a week ago. And, I would suggest that one of the  
5 first things that we can do to narrow our examination of  
6 the facts and future recommendations would be to limit  
7 our attention to tanker transportation of oil. I realize  
8 that in the Legislation that established us it's very  
9 broad and one could in fact interrupt it to include the  
10 entire pipeline system. But, I suspect that given the  
11 short duration of our lives' and the Commission that we  
12 should limit it strictly to tanker safety as one way of  
13 crossing out a great deal of work because of the time we  
14 have allowed.

15 MR. PARKER: Okay. You include barges in that?

16 MS. HAYES: Well, I think in the -- I guess I  
17 am thinking of something like the Marine Transportation  
18 of crude oil as being however you want to define that.  
19 But, I don't believe that it would be profitable for us  
20 to examine the entire pipeline in acceptance sofar as our  
21 recommendations about emergency response and oil spills  
22 in general may apply.

23 MR. PARKER: Oh, I agree. I certainly agree  
23 wholeheartedly with that. We wouldn't even begin to have  
25 time to approach any pipeline problems. Nor do we have



1 it in our mandate. In getting into the whole tanker  
2 issue and especially tanker and barge systems, I have  
3 provided you with my thoughts on that on how we should  
4 proceed, so which would be essentially an examination of  
5 the fleets that operate from the Valdez Terminal which  
6 are, you know, substantially varied. There are the owner  
7 fleets and there are a large number of tankers who  
8 operate under contracts. It is my thought in  
9 establishing a data base for our recommendations that we  
10 would have to examine the composition of that fleet and  
11 the variance in standards in some detail to arrive at a  
12 conclusion as to whether our recommendations could be  
13 satisfactory. As everyone that is involved in this issue  
14 knows that there is a 20-year debate on double bottoms  
15 and double hulls for oil tank vessels which first  
16 surfaced when the very large crude carriers were  
17 beginning to be constructed and which was taken up by the  
18 United Nations International Maritime Organization in  
19 1973 at a convention in which the US's position was  
20 strongly for double bottoms and which failed at that time  
21 and which was taken up again in 1978 at the International  
22 Maritime Organization Conference, at which the US  
23 position in President Carter's Administration was  
23 strongly for double bottoms and which failed again. A  
25 compromise was achieved under which the Exxon Valdez was

1 built which called for 45% of coverage of the hull area  
2 by protected spaces and for tankers under 200,000 tons  
3 and 30% above 200,000 tons. There have been several  
4 examinations of the Exxon Valdez and the information  
5 contained in the reports by the Secretary of  
6 Transportation Skinner and EPA Administrator Riley to the  
7 President are probably the best that are available in the  
8 public sector now. The indications of the best analysis  
9 which have been done through the computers now is that it  
10 would have been a major spill with double bottoms, but  
11 the estimates range from 40 to 60% less oil would have  
12 been discharged had the tanker had double bottoms. But,  
13 the National Academy of Sciences is forming a sub-  
14 committee to examine this issue. The problem we are  
15 going to have is that that sub-committee operates in the  
16 same measured way that the National Academy of Sciences  
17 usually takes up things, we really can't count on having  
18 a recommendation from them. We can have a lot of information  
19 from that process, but they will probably not resolve it  
20 in our timeframe. So, I think that hulls themselves are  
21 going to be the major item. There are several other  
22 items involving tankers that are apt to be considered and  
23 my particular interest is in looking at the fleet. Why  
23 do some tankers have more redundancy consistence than  
25 others including redundancy in hull construction? Why

1 do major problems, the hulls power plants, there have  
2 been a lot of power plant failures which we need to  
3 develop, I think, a comprehensive record and hopefully  
4 the Coast Guard will be able to provide us on that since  
5 they keep that information on an ongoing basis. There is  
6 bow thrusters. Some tankers have bow thrusters, some  
7 don't. The Exxon Valdez did not. There are navigation  
8 systems and almost everyone has excellent navigation  
9 systems. The difference there is whether the ability to  
10 use those navigation systems to track tankers and how far  
11 it's desirable to track them is the key item there. In  
12 any case, I think as the first item on the Workplan do  
13 you wish to proceed with an examination of the tanker  
14 generally in the manner outlined? John?

15 MR. SUND: Mr. Chairman, I just wanted to know  
16 whether you want to put into that alternative means of  
17 transporting crude oil in terms of basic reconstruction  
18 or redesign of existing vessels. But, do you want to  
19 venture out the next step to say you want to look at  
20 other means of transporting crude oil that may be  
21 different from the way we are doing it now?

22 MR. PARKER: I think that we need to examine  
23 the present fleet first and get a handle on the problem  
23 as it potentially may exist. The other item is the age  
25 of the tankers that is of critical importance.

1           MR. WENK:    It may seem paradoxical for the ship  
2   designer on the Commission to raise a question about  
3   looking at ship designs.   Although I am in accord with  
4   this notion of Commissioner Sund to look at the future,  
5   what I am wondering about is whether we shouldn't look at  
6   how decisions are made with regard to ship design and to  
7   be specific.   It is very clear that cost effectiveness is  
8   the key approach to decision making that underpends the  
9   choices 25 or so years ago to go to super tankers to very  
10   large cargo carriers on the basis of economy and  
11   efficiency.   The problem with that is that when you look  
12   at cost effectiveness in a narrow sense it is cost to the  
13   shipper.   No one is in a sense looking at the potential  
14   cost to our whole society.   And, to illuminate the trade  
15   offs that ultimately occur when innocent bystanders are  
16   not taken into the formulation of that cost effectiveness  
17   equation.   What I am wondering about, and it's really  
18   more in terms of a question rather than the position, is  
19   whether the Commission might look at the underlying  
20   premises that go behind ship design without our getting  
21   into the role of a technical review group that would be  
22   commenting on these alternative technical designs.   In no  
23   way pre-empting the need to do that, but it strikes me  
23   that with the case study of this accident that  
25   incidentally exposes what's wrong with the system.

1 It takes a crisis it seems to me, the stress of an  
2 accident to find all the weakness, that one of the things  
3 that we continually tripped over is this premise about  
4 economy and efficiency. And so my question is to pick up  
5 this very important point, really how do we approach that  
6 question of ship construction? And I'm just wondering  
7 whether we can approach it by looking at those premises  
8 or calling attention to the kind of trade offs that have  
9 been made in the past and whether they are still valid.

10 MR. PARKER: I did that the first time or the  
11 second, yea, actually the first, second and third time  
12 through on this particular exercise and we did call the  
13 major shippers together in the Spring of 1975 and had  
14 continued series of meetings with them for the next two  
15 years prior to the beginning of the Valdez Terminal. And  
16 the premises that were brought to the table were  
17 extremely different. We dealt primarily with the three  
18 major owners of the oil that was shipped from Valdez,  
19 Arco, VP, and Exxon and we did not, unfortunately, at  
20 that time have the means at our level in Anchorage of  
21 bringing together the major lead operators of flags of  
22 convenience and the major charters. But, the premises  
23 that were brought to the table were totally different.  
23 The reason I would like to get a real handle on the state  
25 of the present fleet that is carrying oil is exactly to

1 have a platform from which to bring those people to this  
2 table again. Those responsible for making decisions and  
3 ask them why, if any, there are major inconsistencies in  
4 the fleet, why those inconsistencies exist, and to have,  
5 you know, a platform from which to -- you know, to have  
6 information to which they must respond. Because, as you  
7 heard in Valdez on Monday, from the perception of at  
8 least some of the only testimony we heard there in regard  
9 to tankers, was that the system's okay. I think the  
10 premises under which we were formed is that the system is  
11 not okay. And, that, what I really think we have to  
12 define in some fairly reasonable terms, exactly what the  
13 system is, the something extends to the way in which the  
14 tankers are operated. The crewing and manning provisions  
15 and the sailing orders, you know. How much discretion  
16 the skipper has when he leaves the dock, and that sort of  
17 thing. There is a whole range of things that need to be  
18 examined here. But, I personally would like to be armed  
19 with some information before sitting down in dealing with  
20 the subject in depth with those who make the decision.  
21 Which, of course, includes the Coast Guard, the Federal  
22 Maritime Administration and the 40 or 50 operators of  
23 domestic tankers and the several hundred operators of  
23 foreign tankers. Which eventually we would hope to get  
25 to once again in an International Forum. Which it won't

1 be this Commission, but hopefully our information would  
2 be carried forward in our recommendations into that forum  
3 by the US Delegation.

4 MS. WUNNICKE: Mr. Chairman.

5 MR. PARKER: Yes?

6 MS. WUNNICKE: The risk of being amateur.  
7 Amateur got to be almost as bad a word as outsider the  
8 last few days. But, both of you gentlemen are certainly  
9 experts in this area and I am not. I would hope that  
10 one thing that we do throughout our deliberations is to  
11 take the aspects of the work program in the context of  
12 Alaska waters, in the context of the experience that has  
13 resulted in the last ten years since the conference that  
14 you mentioned. And, that we not find ourselves in a  
15 continuing investigative mode far beyond our life or at a  
16 level of detail that we are not able to staff. I am  
17 intrigued by Commissioner Wenk's approach to it and I  
18 think that may be a good one. So long as we do it in the  
19 context of the experience with respect to Alaska and  
20 Alaska waters. I thought that some of the articles that  
21 we've read in terms of the stresses that are put on the  
22 tanker fleet in the Alaska waters are quite different  
23 from the stresses put on tanker fleets in other waters.  
23 I think we always have to keep focused on what our charge  
25 is.

1           MR. PARKER:       I think that's exactly, you know,  
2       what I said in opening up.   That we would examine the  
3       fleet of those tankers that carry crude oil from Valdez.  
4       We certainly -- it was never my intention to examine the  
5       other major carriers of oil which is essentially from the  
6       Middle East and into East Coast terminals from Venezuela  
7       into Gulf Coast and East Coast terminals and large  
8       traffic into the Virgin Islands, of course, which  
9       originates in Valdez.   And the great amount of oil that's  
10      carried on the Mississippi River system, these are all  
11      things that are the duties of those states and the  
12      Federal Government to organize.   But, I think in  
13      examining our fleet we will find patterns which are  
14      generally general throughout the domestic fleet and  
15      throughout the International Fleet.   I think we will find  
16      that generally American Oil Tankers are operating  
17      substantially better than many foreign oil tankers, but  
18      probably -- whether that's good enough or not is what we  
19      are all about.   Yeah.

20           MR. WENK:       Mr. Chairman, apologies for this  
21      little discretion, but I want to say something in support  
22      of amateurism.   I'm of the vintage that remembers since I  
23      was a radio ham in the 1930's that it was amateur radio  
23      operators that really advanced the State of the Art.  
25      Amateurs see things that experts do not and I believe



1       that this is one of the virtues of the multiple  
2       perspectives we are going to have on this committee. If  
3       a colleague here thinks herself of amateur in one camp  
4       she ought to recognize how an engineer feels as a amateur  
5       in some other camp.

6               MR. PARKER:     Well, regarding amateurism certain-  
7       ly the Coast Guard and the operators of the various  
8       fleets made it very clear that they didn't like amateurs  
9       like me messing in their pea patch originally. So, you  
10      learn my doing. Tim?

11             MR. WALLIS:     Yes, Mr. Chairman, I assume the  
12      questions that John's answered then is, no we are not  
13      going to look at alternative transportation?

14             MR. PARKER:     Thank you for bringing this back  
15      to the table.

16             MR. WALLIS:     Is that correct?

17             MR. PARKER:     No, I think that what our  
18      recommendations will undoubtedly get into that area at  
19      this time. I haven't been reading the literature that  
20      naval architects and others read the last few years.  
21      I've been doing other things. I could hardly keep up  
22      with what was going on in the areas that I was working  
23      in. So, I don't really know what alternatives are out  
23      there. But, I know the people who do know and we'll find  
25      them.

1           MR. SUND:   Mr. Chairman, maybe I could elaborate  
2   a little more.   Some of my thoughts were looking at  
3   alternative means, I guess it gets back to the other  
4   phrase we've learned, maximum credible threat.   That  
5   comes from the nuclear contingency planning issue. But,  
6   you know, some of those things go through how large a  
7   tanker should be allow in Prince William Sound? How many  
8   should we allow there at any given time? What should be  
9   the flow through put of the Valdez Terminal? What is the  
10   maximum or highest allowable amount of oil that we should  
11   look at moving through the sound in any given period of  
12   time? If we do look at alternative means of transport  
13   and our ships engineer across the table here is somewhat  
14   humble, but he did state yesterday that he designed a  
15   tanker that you can't sink with a U-boat in World War II  
16   and was successful. So, I think there are engineering  
17   applications out there. Not to say that we should design  
18   those, but I think it gets to the point that Ed brought  
19   up, what is the underlined thesis that goes into ship  
20   design. And, I think some of that goes into -- you ask  
21   the engineer designer to move something and he says "how  
22   much" "when" "where" and "what kind of cost level do you  
23   want me to build into it"? And, I think it is part of  
23   our charge in terms of if you want to prevent oil spills  
25   in Prince William Sound, don't move any oil through

1 Prince William Sound. That's simple. Now, that we've  
2 decided to move oil through Prince William Sound, what  
3 degree of risk do we want to expose ourselves to. And  
4 that goes with -- well, I'll give you an example. We  
5 looked at the hull plate of the Exxon Valdez. It's about  
6 an inch and a half thick steel plate. And somebody said  
7 "gee, look at how thick that is and how heavy that hull  
8 is and that's really a strong hull". I looked at it and  
9 to me it looked like it was a piece of tissue paper when  
10 you look at an inch and a half steel plate holding 53  
11 million gallons of oil and a thousand foot long tanker.  
12 That's not much plate at all. I mean, your average  
13 destroyers got 3 inches of steel plate on it. So, I  
14 think the thesis is something that we can look at. And  
15 that's what I get through in terms of alternative  
16 systems. Maybe you get down to just saying here's some  
17 criteria that we think ought to be adopted, let someone  
18 else design to those criteria. But, in this outline of  
19 prevention we basically are looking at how to fine tune  
20 what's going on today. And, I think we need to take one  
21 more step a little farther forward here and say let's  
22 look down 20 years from now and try to lay some criteria  
23 out. And, I'm gonna hold off my discussion on the next  
23 step of prevention is the level of preparedness to clean  
25 up. What is the maximum credible threat for clean-up

1       that we should be prepared for.     And I think that's  
2       another item on the agenda.

3               MR. PARKER:       Oh, I think so.     In weaving this  
4       together, you know, we've progressed very rapidly from  
5       the first step which was simply some data accumulation to  
6       way down the line which was essentially achieving a  
7       certain level of ship design and then adjusting that to  
8       the level of operations that you wanted to permit from  
9       the terminal.     Which, you know, is a critical part of it.  
10      The system we are using now was originally opened up --  
11      it went from 700,000 barrels a day to a million six very  
12      rapidly and then stayed there for several years.     When it  
13      went to 2 million barrels a day I think we need to take a  
14      look at what changes and procedures occurred as a result  
15      of that 25% increase in shipping.     And, what pressures  
16      that brought on the Coast Guard and what pressures that  
17      brought on the captains of the port, who are normally  
18      Coast Guard Officers up to Valdez and all range of other  
19      things.     But, that was kind of down the outline a little  
20      bit.     But, I think we never have to forget that, you  
21      know, these are not independent criteria that have no  
22      relationship to anything else.     It is a shipping system  
23      and we've, you know, decided to restrict ourselves from  
23      when it enters the tanker at the terminal and when it  
25      leaves the tanker at destination.

1           MS. HAYES:       Mr. Chairman, I just like to say  
2       that I am quite intrigued with Ed's focus on the decision  
3       making process.    I think that that's -- I suspect the  
4       engineers who have had a great deal more schooling in  
5       this subject than I have or any of us have, have made the  
6       appropriate decisions given the list of criteria that  
7       they were given to deal with.   And I think that focusing  
8       on the assumption, the underlining assumptions and the  
9       criteria for the decision process and how that is made  
10      and how it's been changed over time.   We've heard from  
11      several people about the erosion of and the complacency  
12      that has occurred in many of the systems involved with  
13      this bill.   So, I support Ed's suggestion that we focus  
14      on the process for making the decisions as how we would  
15      shape our examination of these facts.   And not try,  
16      ourselves to second guess whether or not this was the  
17      appropriate decision or not.   But, in the process of  
18      looking at the criteria, perhaps that's the heart of the  
19      matter in trying to improve it for the future.

20           MR. PARKER:       I don't quite understand second  
21      guessing what...

22           MS. HAYES:       I'm not sure we at this Commission  
23      have ourselves the expertise to say whether or not a  
23      tanker should be such and such a size.   Or that it should  
25      be definitively double hulled or not.   Or that this type

1 of navigation equipment ought to be required. But  
2 looking at the process and the assumptions it may be --  
3 depending on what we find when we examine that process,  
4 we may be able to suggest different criteria or different  
5 ways of looking at the problem which would be more  
6 innovative than has happened up until now.

7 MR. PARKER: I think we are talking past each  
8 other in that that is pretty much where I was heading.  
9 If you find major inconsistencies within the existing  
10 fleet, it gives you an opening wedge to examine exactly  
11 those questions and the decisions on which they were  
12 based. You can approach that by simply dealing with the  
13 Coast Guard and the Federal Maritime Administration in  
14 asking why, you know, this wide range of tanker designs  
15 and so forth are permitted. Or, you can also incorporate  
16 the owners, but in essence, first you have to talk about  
17 real tanker decisions. And, why the decisions were made  
18 to build, especially to build the later tankers that  
19 were built after the 1978 conference to particular  
20 standards that they were built.

21 MR. SUND: Mr. Chairman, maybe to just  
22 elaborate a little bit more on terms when you get into  
23 talking about tanker/barge safety systems construction  
23 design, you know, you get into the trade off issues of do  
25 you want to take the whole day's production out of there

1 in one tanker and therefore eliminate the amount of trips  
2 going through the Sound. Which reduces the chance of  
3 hitting something. Or do you want to take a whole days  
4 production out of there in 20 tankers which lowers your  
5 chance of risk of any one tanker cracking up and  
6 spilling. But, also increases the volume of traffic.  
7 And the opportunity to hit a rock increases by having  
8 more volume. So, I'm just saying that you have to look  
9 at the volume of oil going through the system and trade  
10 those ideas off before you get into the design issue.  
11 You know, if you come down and tell an engineer to design  
12 a tanker to carry 2 million barrels, he can design one  
13 for you. You may not want to use it, but... So, I just  
14 want to put that into this if we are working out this  
15 outline of prevention, tanker/barge safety systems.  
16 Then, I think somehow you have to get to this basic flow  
17 through level before you can start really designing  
18 tankers or design systems.

19 MR. PARKER: Yeah. That brings up a good  
20 point, you know. The Alyeska Fleet is primarily designed  
21 to their receiving terminals. Not for the shipping  
22 terminal which can accommodate anything because of it's  
23 deep water. But, the receiving terminals on the West  
23 Coast have a whole range of drafts that govern the size  
25 of the ships that are dispatched to each terminal. Those

1 are a part of the whole situation. I think, you know,  
2 the Commissioners have to understand these various facets  
3 before they can deal intensively with the rest of it.  
4 Because, I certainly, you know, things have changed alot  
5 since I last took this up and I don't understand clearly,  
6 based on present information received, exactly what the  
7 structure of the present operation is. Ed?

8 MR. WENK: Very quickly to elaborate on John's  
9 point. The relative risk of a small number of large  
10 tankers versus a large number of small tankers, I was  
11 impressed with the fact that the testimony we had from  
12 the Coast Guard in Valdez failed to recognize that you  
13 cannot make that comparison on a rigorous basis because  
14 when you are dealing with infrequent accidents of a  
15 catastrophic proportion, none of this analytical  
16 precision is meaningful. Which brings you back to what  
17 the Commission's been on the tract of all along and that  
18 is prevention. So that tho it's handy to make some of  
19 these risk analysis and you can come up and show indeed  
20 what on some statistical basis the comparison of these  
21 two different tanker fleets are, you cannot use any of  
22 those methods in dealing with, as you point out, the  
23 maximum credible accident.

23 MR. PARKER: Yeah. And regarding movement of  
25 oil in small lots, there's been a tremendous amount of



1 work done on the Mississippi traffic on barge safety  
2 generally, and the best means of how many barges to put  
3 together in a train and so forth. And, so that  
4 information, you know, is available in risk analysis.  
5 The substantial body of information that goes back to  
6 previous decisions on oil terminals in the United States,  
7 there is a comprehensive body of knowledge there some of  
8 which has application to us, some of which does not. We  
9 are getting back to the steps by which we get from here  
10 to there. I am not quite sure I've made my proposal.  
11 I'm not quite sure what I've heard from you as to what  
12 the first step should be in this process. I would be  
13 somewhat loathed to call a meeting with the Coast Guard  
14 and the owners at this, you know, very early in the game  
15 and ask them what governs their decisions on shipping.

16 MS. HAYES: Mr. Chairman, this may be one of  
17 the places that we want to entertain a contract or a  
18 request for proposals to examine the current status of  
19 the Alaska Trade Fleet. To look at the age of the  
20 vessels, the point of origin of the vessels, the various  
21 types of construction on them, the sizes, and the  
22 weights, And, ship designers certainly know more about  
23 what kinds of things to look at than what I do, but I  
23 would suggest that that's one place that it may be much  
25 more cost effective. There may either be a literature

1 search done to find that someone has already done that or  
2 it may be someplace that we contract for.

3 MR. PARKER: The information is in with the Coast  
4 Guard data banks and several contractors have that  
5 information in their data banks, yes. It's not difficult  
6 to obtain. You stated exactly what I regard as the first  
7 necessary step and I do very simple systems analysis.  
8 You break it down into component parts and its a question  
9 of whether you want to start with the vessels, since we  
10 are not going to particularly examine all of the  
11 receiving ports. I don't think we have time for that. I  
12 think we can concentrate on the vessels, or you can make  
13 a decision to begin with the ports involved. But,.....

14 MR. SUND: Mr. Chairman, maybe to move this on  
15 here, I think that that's a good starting point to  
16 analyze the current fleet. And the status of the current  
17 fleet. And the status of how we do business as usual and  
18 maybe how to fine tune or find some gaps that could be  
19 changed there. But, I think in addition to that that  
20 there should be some effort put into looking at  
21 alternatives in terms of the flow of oil and also looking  
22 at perhaps recommending some perimeters on the volume at  
23 any given time going through the terminal. We have gone  
23 from 1.5 to 2. I don't know what the next ten or fifteen  
25 years holds. I don't know whether it means we are going

1 to go to 1.5 and 1. Or are we gonna go from 2.5 to 3 to  
2 3.5. But I think there are some here to say that we're a  
3 Commission in existence for 6 months, still gives us a  
4 little bit of salt to lay on the table to say "if in this  
5 given circumstance you want to double the volume of oil  
6 through the Port of Valdez" that perhaps we should offer  
7 some advice at this point what would be the best way to  
8 do that or whether you should do it or not. But, just  
9 trying to get beyond tanker and barge safety systems  
10 here, I think we should see what we have and then  
11 recommend some perimeters for change.

12 MS. WUNNICKE: Not to limit our conclusions  
13 by the Exxon Valdez incident, but it's from that incident  
14 that we gain the facts and I do not have the impression  
15 that it was the tanker itself or it's construction that  
16 was one of the probable causes of this disaster. But,  
17 rather the next item on the outline that we are looking  
18 at which had to do with crewing and training and  
19 management and oversight and other controls in terms of  
20 the tankers transit through the South. So, I think in  
21 terms of priority where you look at things, I think we  
22 need to focus also on that. I'm not disputing the need  
23 to look at the construction of the tankers and barges,  
23 but I think we need to look at that as one of the  
25 operable causes of the incident.

1           MR. PARKER:       Most accidents are caused by the  
2       crews that operate the vessels and aircraft automobiles.  
3       Whatever they are in, but, you know, the point on ship  
4       survival is that the ability of the ship and its cargo to  
5       survive after an accident. There's other factors in the  
6       tanker which, you know, it's ability to turn which is a  
7       factor of it's power plants, it's screws, bow thrusters,  
8       and so forth, that were a factor at Valdez. But, there  
9       can be little doubt for anybody who listened to the NTSB  
10      hearings that, you know, the operation of the tanker  
11      rather than it's construction was major contributing  
12      factor.     The difference on construction is whether  
13      different construction would have kept the release of oil  
14      to substantially less than 11 million gallons.

15           MS. WUNNICKE:    I'd like to look at the whole  
16      contenderzation issue in this.

17           MR. SUND:         Well, I'm trying to get that in  
18      here somehow.    I think the issue, I mean, this was not a  
19      structural failure of a ship that caused this accident to  
20      occur.    It may have been the structural construction of  
21      the ship that allow 11 million gallons to be released  
22      rather than 5 million.   Or, we could have had 50 million  
23      gallons out there.   You know, there's some discussion  
23      that this is very close to being a total loss.   So that  
25      comes into it.   But, the next accident maybe a structural

1 failure. We've had evidence of the Thompson Pass having  
2 stress cracks in it and we've other discussion of the  
3 aging of the fleet. So, I think this is the time to look  
4 at that. The next one maybe a structural failure off of  
5 Southeast Alaska, which will really get my attention.  
6 So, I think that's good, but I do think, and I'd like to  
7 repeat myself again, trying to get into this portion of  
8 it, or maybe it's another section or something. We're  
9 looking at total volume or total maximum threat that we  
10 want to be exposed to at any one time within the Sound.

11 MS. WUNNICKE: Mr. Chairman, if I may, then I  
12 promise... I think maybe, John, that there is a whole  
13 range of policy decisions that need to be looked at quite  
14 apart from the specifics of this outline. And, it's in  
15 that context just as it is in the context of the weather  
16 conditions and the daylight hours and all of operating in  
17 Alaska that we have to look at it. So, I don't think  
18 that this outline would exclude that general framework in  
19 which you have to look. It maybe in that general  
20 framework that you find the kind of policy  
21 recommendations that you are talking about as a means of  
22 prevention.

23 MR. SUND: It looks like tanker and barge  
23 safety systems is a part of the work effort here.

25 MR. PARKER: Yeah.

1           MR. WUNNICKE:       Can we take a short break  
2 here, Mr. Chairman. About five minutes.

3           MR. PARKER:        Alright. We can take a five  
4 minute break.

5           (Off the record)

6           (On the record)

7           MR. PARKER:        The Alaska Oil Spill Commission  
8 will reconvene. I'll announce that Public participation  
9 is at 3:00 for the benefit of those who arrived after the  
10 last announcement.

11          MS. HAYES:        If we can -- I'd like to direct  
12 the Commission's attention to the handout we have from Ed  
13 which we haven't really recognized yet in these  
14 proceedings. And I would suggest that the Commission  
15 also recognize that the outline that we have been working  
16 on, this first page of what I have given you is merely a  
17 list of the topics that we are trying to address. Not  
18 how we do it. And, I would suggest that Ed's outline  
19 here, I would like him to go through it a little bit to  
20 explain some of it to us and also suggest that this might  
21 be the way that we approach each one of the subjects or  
22 the topics that's in the outline that I've prepared from  
23 the Commission's previous discussions on this item. So,  
23 Mr. Chairman, I would ask Ed to do that.

25          MR. PARKER:        Dr. Wenk, would you care to dis-

1 discuss your outline?

2 MR. WENK: You Commissioner's are very kind in  
3 bringing this out on the table as a target, but it was  
4 intended as a target. It was intended as a draft simply  
5 as a starting point for discussion, but as Meg said it  
6 does have the virtue of building frankly, and I think she  
7 will, I think recognize, as building on her first cut at  
8 what the issues are and to try to structure these in a  
9 way that will lead us to the following. A workplan which  
10 says what ought to be done and why it's important to be  
11 done. A workplan that would then go to the operational  
12 phase of who's gonna do it and according to what time  
13 table. If I may just follow her invitation to explain  
14 it, and I will do this very briefly, the workplan is  
15 structured on three major questions. These are subject  
16 to revision, but if they -- whatever major questions  
17 stand, should, I think, suggest the structure of the  
18 final report. The ones I have proposed here are very  
19 simply what happened in the case of the accident? Why  
20 did it happen and how do we keep it from happening again?  
21 The process of doing the work stretching out horizontally  
22 on this chart from a series of study elements which are  
23 not enumerated on this first page, but are later on. For  
23 each of which we would try to develop some limits on  
25 scope and I think Esther made this point early today,

1       that we can't deal with all of these details. We need to  
2       in our own minds initially, sort out what are the key  
3       questions subject to later revisions, and I think there  
4       are two ways to do this. One is simply on the base of  
5       what we already know. And I think we've been educating  
6       ourselves in this regard, but also in formulating a  
7       tentative hypothesis for each of these issues. Always  
8       subject to revision. Then we go through three stages.  
9       What do we know about each of these issues, elements,  
10      hypothesis? What don't we know? What should we know?  
11      On the first item, what do we know? We have a data base  
12      which is elaborated below and frankly when I itemized  
13      these I began to be intimidated by the scope of the task.  
14      The only comfort we have is that there have been an awful  
15      lot other people out there doing things we can build on.  
16      But then I won't repeat this, but simply for our guests,  
17      we have the NTSB hearings, we have the contingency plans  
18      formulated by Exxon, the Coast Guard, Alyeska, etc., etc.  
19      We have the Skinner report. We have Congressional  
20      Hearings. We have minute to minute logs prepared by EPA,  
21      the Coast Guard, DEC, and Exxon and Alyeska. We have an  
22      API report I think that was just issued. There is a  
23      Federal Inter-Agency Committee report due sometime in  
23      July. There is a GAO report to the Congress due the 1st  
25      of August. There are the transcripts of our own hear-



1        ings, which     are very rich sources of insights.     And,  
2        thanks to the help we are going to have these are going  
3        to be distilled so we get the key elements.     I won't go  
4        on with this except to say there is an enormous data base  
5        but, after this is massaged I think we are going to find  
6        two things.     We are going to find conflicts and  
7        information and we are going to find gaps.     That type of  
8        analysis I believe has to be internal.     Done internally  
9        in the Commission with staff, with consultants and by  
10       Commissioners and then we need to proceed, I think, to  
11       two important next stages in terms of filling the gaps.  
12       First by some contract studies of limited scope and  
13       obviously limited duration, because they've got to be  
14       finished in time for us to build on them.     And, by  
15       hearings.     And it's here that it was suggested yesterday,  
16       I think we have to invite the very top people in each of  
17       the organizations involved and start asking the kinds of  
18       questions that developed this morning.     What were the  
19       premises that they operate from?     What are the kinds of  
20       trade offs that led to their decisions?     How do they  
21       define cost effectiveness?     For example, I think it would  
22       be very interesting to ask the President of Exxon how his  
23       company defines cost effectiveness in oil transportation?  
23       And, also ask the Commandant of the Coast Guard how he  
25       defines cost effectiveness.     And if these are the same, I

1 think we need to ask some more questions. If they are  
2 different, as I by my very questions suggest they should  
3 be in terms of looking not only for the Coast Guard to  
4 look at the cost to our whole society, then I think we  
5 ought to go one step further and see whether or not those  
6 assumptions are valid today. The next stage chronologic-  
7 ally would be to analyze this information to try to  
8 wendle out of it a relatively few number findings. I am  
9 so overwhelmed by reports with 50 or 100 findings that I  
10 think they get nowhere. I think if we can try to limit  
11 this to maybe 10, maybe 15 at the most. And the same  
12 with recommendations. Even fewer. But, not to duck the  
13 big questions. And I think this will be revealed when we  
14 go to Page Two. And I'm again, going to be very brief.  
15 Page Two is an elaboration of the study elements 2, 3,  
16 and 4. The studies state calm pre-event situations when  
17 you were moving oil and there was no accident. What are  
18 the premises under which that system operated,  
19 description of Prince William Sound Geography. Who are  
20 the stakeholders? Something which I don't believe  
21 anybody even thought about until there was an accident.  
22 Describe the transportation system, the ships, the  
23 manning and so on. Describe the potential threats.  
23 Describe the accident prevention measures before the  
25 accident. The contingency plans. Heavy emphasis here on

1 the legal authorities and, Mr. Chairman, permit me for a  
2 second to digress, because I think the point that John  
3 mentioned earlier is so important. That is to take a  
4 look at what are the requirements and what are the trade  
5 offs that are represented in the requirements. And I  
6 bring this up under the matter of legal authority. One  
7 could argue that those exposed to risk ought to have some  
8 say in it's management. The management of risk. The  
9 State of Washington tried to do this with regard to  
10 tankers coming in the Rupert Sound. In the early '60's  
11 somewhat alarmed about the threat horizon there, a  
12 Committee that I chaired for the State Legislature came  
13 in with two recommendations to help protect the State of  
14 Washington. One was the requirements for tug escorts.  
15 The other was a limit to tanker size. This is the way  
16 those impacted residents of the State of Washington would  
17 have their say on risk. It was illegal. The oil  
18 companies challenged this in the Courts and won. Saying  
19 that only the Federal Government could establish such  
20 limits. That this was unconstitutional, in fact. So,  
21 the local people did not have a say in this question of  
22 risk management and the pointed questions that John was  
23 raising in this sense are circumscribed by this whole  
23 question of what is it that is permitted in the present  
25 legal framework for people to even decide among these

1 trade offs as you so well point out, as between a small  
2 number of ships carrying a lot of cargo versus a large  
3 number in small cargo. Anyway, what is the state of mind  
4 of the different entities in the system. I realize how  
5 subtle that is -- I realize how equivocal that may be and  
6 yet it's the state of mind of the parties that set the  
7 premises and the state of mind of the people at the  
8 bridge of the ship. The state of mind that an equivalent  
9 positions when the emergency occurred that had everything  
10 to do with response. This is so well known in the  
11 literature dealing with emergency management, a matter  
12 that's been on the military mind throughout the history  
13 of warfare. Recognizing the human element in this and  
14 recognize that all of the battle plans, the strategies  
15 that are laid out on tables ten times this size, mean  
16 nothing until you look at the state of the mind and the  
17 people in the field and I think that's what I am  
18 suggesting here. What happened before the event, next  
19 page, what happened after the event? Beginning with the  
20 event itself, the response but, then a heavy emphasis on  
21 impacts and I know that there is very good reason to have  
22 put the microscope on ecological impacts and I don't mean  
23 to suggest there's any less importance of that but, there  
23 are other impacts that are just now surfacing, economic,  
25 social, political. And may I also suggest, Mr. Chairman,

1       that we have to recognize that the impacts extend not  
2       only to the residents of the State of Alaska, the impacts  
3       extend to the residents in the other 48 who saw an  
4       increase in prices at the gas pump. But it also, in all  
5       fairness, extends to Exxon and to Alyeska and to the  
6       whole oil industry. I think we better understand their  
7       state of mind before this happened and their state of  
8       mind at the present time, because it may be very well  
9       that they are going to be some of the principle readers  
10      of this report, or should be. I think we have to  
11      disaggregate the impacted parties. What happens can be  
12      described as a major event, but how it effects the stake  
13      holders is very different from one to another. Right  
14      around Prince William Sound it's different. I talked to  
15      a waitress last night here in Anchorage, just a sample  
16      opinion if you can do that with talking to one waitress,  
17      and the level of information was not very high and the  
18      level of concern showed the problem of having an informed  
19      citizenry.

20             Anyway, to get on with what happened after the  
21      event a number of items, I don't want to take the time of  
22      the group to go in to it, and incidentally, obviously,  
23      this is a first cut. But then some analysis and the main  
23      thing I want to suggest here is two things:

25             First, to try to deal with the most potent influ-

1 ences on the behavior of the system and this means  
2 trying to raise our sights. And it isn't easy to keep  
3 them up here because the higher the level of abstraction,  
4 the vaguer are the data, the greater the variety of  
5 interpretation but, never the less I am, this is now a  
6 personal view, only one of the Commissioners. But it is  
7 a plea to stay at this highest level of abstraction  
8 because, and I will be quite blunt about this, it's the  
9 values held by the people in the system that ultimately  
10 drive the decisions. Now, that's a difficult thing to  
11 say publicly. Most people think of their values as very  
12 private matters. I dare say from the literature I've  
13 read on the subject that the people making decisions  
14 don't realize themselves how strongly influenced they are  
15 by the values they hold. I think it's that kind of thing  
16 in terms of the trade off between economy and ecology.  
17 In the implications of privatization that's been going on  
18 here with the large corporation really taking over the  
19 whole management down there in the sound, we haven't  
20 talked about this here today, but, and I'm not saying  
21 this in a critical vein, I'm not evaluating, I'm simply  
22 describing what I saw, this is privatization. I think we  
23 need to talk about those things.

23 The second thing we cannot avoid talking about  
25 are the system problems with vessel traffic control. The

1 ship design standards we talked about this morning with  
2 Manning, constituency planning the legislative frame  
3 work, this whole question of accountability,  
4 responsibility, liability, about the need for oil  
5 transport research and an admission, I think we'll find  
6 that the research on constituency planning was virtually  
7 zero questions of management competence. Which is again  
8 a sensitive area but I don't think we can duck it. It's  
9 that kind of approach that's suggested here and I have to  
10 tell you my reaction to what I wrote based on Ms. Hayes'  
11 input was one of fright because of seeing for the first  
12 time, even though perhaps by fate. I've been close to  
13 this sort of thing. But seeing for the first time what  
14 this whole major question is, the only thing that I find  
15 reassuring is a group of people that's been appointed by  
16 the Governor of Alaska to do something about this and not  
17 just let each of the participants who are making studies  
18 have an ax to grind. I'm not suggesting that they're not  
19 going to come up with good valid information, but so far  
20 as I can tell this is the only constituted body that has  
21 a set of terms of reference where it can really call the  
22 shots as they see it.

23 MR. PARKER: Thank you, Mr. Wenk.

23 MR. SUND: Mr. Chairman, I think Mr. Wenk has  
25 laid out a fairly easy outline to follow here with a good

1 work plan and working down through the key question  
2 theory of identification here of issues. And although  
3 I'm one that's very hesitant to start with a hypothesis,  
4 because then I sometimes think you spend the rest of your  
5 time trying to develop data to prove your hypothesis,  
6 rather than maintaining an open mind that perhaps your  
7 initial hypothesis is wrong. And we won't kind of talk  
8 about that for the last few days given the time frame  
9 that I think we're probably going to have to draft our  
10 preliminary findings somewhere by Thanksgiving in order  
11 to circulate a draft around December to have it printed  
12 by January. I don't see any other way to really start in  
13 that we have to adopt a hypothesis and then fight very,  
14 very hard to keep an open mind to say that that's going  
15 to change and mold through the summer and the fall and  
16 the rest of it is a method to get through the data which  
17 I think is quite good. I don't know how the rest of the  
18 Commissioners feel but, I don't have a problem adopting  
19 this as a method and then spend the rest of the day  
20 trying to look at the content that we should be applying  
21 this method to. I, like Mr. Wenk, get a little  
22 overwhelmed sometimes but I want to elaborate one item  
23 that had come up with the beginning that this body seems  
23 to be the only one constituted to look at the whole  
25 picture. And, that's really come true to me after our



1       hearings in Valdez, particularly where Al Makey with  
2       Exxon came to the table to tell what Exxon was doing and  
3       brought his lawyer with him to sit next to him and at the  
4       end of explaining why they're doing seventeen programs  
5       and going to spend \$12 to \$14 million dollars studying  
6       the ecology of the sound. I asked him the question "Why  
7       are you doing this? What is the purpose of all of these  
8       studies?". And his answer was "to get ready for  
9       litigation to prepare Exxon's case in court." Then DEC  
10      came along and explained that they were doing a large  
11      amount of studies and I asked them the same question and  
12      not only was their answer the same, they had their lawyer  
13      with them and their studies at this time have a closed  
14      issue on it. I guess there is some priority or public  
15      privileged information they're attaching to those to get  
16      ready to go to court. I never did find anybody who's  
17      trying to figure out how to manage the part of the Sound  
18      down there for the public In that sense I think  
19      everybody here is bringing an ax to grind to the table  
20      and that this Commission needs to take a look at all that  
21      data. The data may be perfectly accurate but, the  
22      configuration of the studies and the plans are being  
23      configured in such ways so they can fight it out for the  
23      next ten years in court. And, I guess the lawyers will  
25      make some money on that, but we have the duty to bring

1 the public here to say what happened, why, and a broader,  
2 higher abstract issue of how we should look at it in the  
3 future.

4 MR. PARKER: In regard to that, the Commissioners  
5 are going to be very busy throughout July and August in  
6 working with the public and here most particularly in the  
7 communities affected by the oil spill and getting the  
8 input from that public. I think the one thing the work  
9 plan must do is provide what ever staff and contractors  
10 we have with the directions on the information we want  
11 them to seek, because we are going to be busy doing other  
12 things. So, it must be definitely on a step by step  
13 basis what we need from those people otherwise we will  
14 arrive at September with no information. We have to have  
15 people working on bringing together the information we  
16 are going to need in July and August, so I want you to  
17 keep that perception before you.

18 I think, going back to the outline, would someone  
19 care to develop the first portion in key questions and  
20 hypothesis, on the basis that we must take the first  
21 step?

22 MR. WENK: Because of those being so vital to  
23 what follows, would it be possible for each Commissioner  
23 to develop a specific set of key questions? First of  
25 all to find out whether there are some that all of us

1 agree on. It seems to me finding such common areas of  
2 agreement would be itself an indicator of priorities and  
3 in trying to compress this in as short as time possible,  
4 find the common questions, circulate then the complete  
5 list in sort of an intrative process. I know it goes  
6 under a fancy name of "delphi" and all that jazz but  
7 anyway, I think in matter of relatively short time we can  
8 cycle this through to arrive at not too many questions.  
9 But, I think a set of just a few questions that go with  
10 each of these study elements. In other words, to use a  
11 set of key questions with each study element that will  
12 help direct the later steps for that study element.

13 MR. PARKER: Commissioners?

14 MR. SUND: Mr. Chairman, I think the key ques-  
15 tions go to try to derive the elements. We've kind of  
16 gone through that step somewhat in our last meeting. We  
17 have come with a list of elements to go through and we  
18 kind of spent some time on parts and tanker safety  
19 systems this morning. Early perhaps we can just go back  
20 to Ms. Hayes' outline here and try to go down and see if  
21 we agree on that and then I guess we get into the gaps  
22 issue, what we haven't touched on.

23 MR. WENK: Could I respond very briefly that I  
23 think what happened earlier this morning points up a way  
25 to come to grips with it. After our talking about tanker

1 construction, design and so on, I got the impression that  
2 a key question was coming out with regard to who sets the  
3 requirements, or what are the requirements and who sets  
4 them rather than the purely engineering approach in terms  
5 of responding to the questions. Now, if indeed that's  
6 if I've adequately characterized it, that's the kind of  
7 key question that I could imagine driving that piece of  
8 our inquiry.

9 MR. PARKER: To me the key question is whether  
10 there is consistency within the system. Consistency at  
11 all levels and that's the way in which I have approached  
12 it. After one determines whether there is consistency  
13 within the system, one can then take the next step and  
14 determine whether the level of the system, what is  
15 demanded of all participants in the system is equal to  
16 achieve the goals. In setting the goal I went through  
17 this when we developed the national air system. And  
18 after great debate, the marvelous intellectual leadership  
19 of the Rand Corporation and going back and forth over key  
20 questions, why we bog down, on what is the value of a  
21 human life, and what percentage should we aim for in the  
22 national air system, we decided we had to aim for 100  
23 percent because nobody else was willing to go before the  
23 Congress and say anything less. That we were going to  
25 settle for 99.9 percent on air operations. I think that

1 I would loathe to go before a congressional or  
2 legislative committee and say I'm willing to settle for  
3 one major casualty every 30 years or every 40 years or  
4 every hundred years.

5 MR. SUND: There are cases where 99.9 percent  
6 isn't good enough, Mr. Chairman.

7 MR. PARKER: Yes.

8 MR. WENK: I'm not sure about this, but I  
9 believe this is the very first time that I may have a  
10 mild disagreement with the Chairman, but I think part of  
11 the reality with all technology is that there is no such  
12 thing as zero risk. There is no such thing as zero risk.  
13 This is a very difficult concept sometimes for us to  
14 accept morally and ethically but every time we climb a  
15 step ladder, every time we reach for a can on the upper  
16 shelf, every time we step in the car, we are at risk and  
17 my feeling is that the problem is not one of zero risk.  
18 The problem is letting people know that they are at risk  
19 and that we take reasonable steps to minimize it. I  
20 guess I wouldn't be afraid to go before the Congress and  
21 tell them that some of the decisions they've made in the  
22 past. For example, with standards on water quality, were  
23 impossible to reach and I think I would be willing to  
23 tell them that zero risk is impossible.

25 MR. PARKER: I think phrasing it that way you can

1 say that zero risk is impossible, what I'm saying is that  
2 you can't quantify zero risk.

3 MR. WENK: Agreed.

4 MR. PARKER: Okay.

5 MS. HAYES: Mr. Chairman, in order to recognize  
6 John's interest about different types of technology,  
7 could I suggest that the key question for that section 1-  
8 A of the outline about tanker safety systems would be,  
9 what are factors used in making decisions regarding the  
10 maritime transportation of crude oil, and who made these  
11 decisions as being open ended.

12 MR. PARKER: Who made these decisions we can  
13 identify fairly rapidly simply by the participants...

14 MS. HAYES: What are the factors used in making  
15 decisions regarding the maritime transportation of Alaska  
16 crude oil?

17 MR. PARKER: It goes back to some of Ed's early  
18 comments that the participants in making those decisions  
19 were limited by the Washington court case and by the  
20 Alaska court case which was also struck down as  
21 unconstitutional Half of it was struck down as  
22 unconstitutional and the other half was eliminated in the  
23 1981 legislature in which the state attempted to impose  
23 it's standards in addition to the federal standards.  
25 Those limiting factors on who can influence decisions is

1 an important part of this and where it comes in the  
2 analysis is what we hope to lay out here.

3 MS. WUNNICKE: Mr. Chairman, just in further  
4 expansion of Meg's question I think that's an excellent  
5 question. I know in public decision making you look at  
6 economic factors, you look at environmental factors and  
7 then broad use of the term political meaning people  
8 affected. You look at politic factors and if we looked  
9 at those three major factors as a part of that question I  
10 think we would be making real progress.

11 MR. PARKER: Okay. So, what are operational  
12 steps that we wish to take in response to that key  
13 question?

14 MS. WUNNICKE: I think that Commissioner Hayes'  
15 suggestion earlier are a contract defined in that matter.

16 MR. PARKER: Okay. That was my understanding  
17 too. I just wanted to clarify that that was our  
18 understanding.

19 MR. SUND: If I could, Mr. Chairman. I think  
20 maybe if we went through this process I think that's a,  
21 put that down as a note, but we've all been talking a  
22 little bit about the only way to fight this off is to  
23 assign categories or subcommittees or whatever you want  
23 to do out of that. And perhaps, if you want to ask what  
25 the next step is, let's collect this up and see what the

1 workload is and then maybe parcel it out amongst us and  
2 put at least one of us primarily in charge of a given  
3 area to run with it.

4 MR. PARKER: Well, I think that was our intent  
5 to get to these subcommittees after we had just sorted  
6 out what the tasks that could be collected to the other  
7 for however many subcommittees we formed to tackle it  
8 all.

9 MS. WUNNICKE: We are always going to have to be  
10 constrained by our own factors of budget and time so that  
11 some of these things we suggest tentatively as we go  
12 along may have to be altered.

13 MR. WENK: Excuse me, just one point. I think  
14 John suggesting is sort of a sequence of what we do here  
15 today and I only want to... and to that from point of  
16 view of sequence is the belief that after we do this step  
17 by step process we come back if there has been a  
18 consensus to adopt something that looks like page 1 and  
19 put some dates on these steps. Because I think, you  
20 agree with me, the point just now, Esther, that we're  
21 constrained by time. I think we have to work backwards  
22 from, I guess, Thanksgiving, which is the magic date you  
23 use and see what it means with regard to each of these  
23 steps.

25 MR. PARKER: I think what we will really have



1 to figure out is what do we really want to know about  
2 these things as identified in the contract suggestion  
3 that was made by Meg. The next step, if you wish to, is  
4 to continue with the discussion of key questions and  
5 hypothesis.

6 MS. WUNNICKE: Mr. Chairman, I share Commissioner  
7 Sund's somewhat distrust of hypothesis, although I am  
8 willing to use that as a method. I'm learning everyday  
9 as we go along and I think we will all continue to learn.  
10 And, I just hope that our assumption of a hypothesis does  
11 not give the impression that minds are made up around  
12 this table, because I want to wait until all the facts  
13 are in before I come to any conclusions and I guess  
14 that's just like a warning label, you know, child-proof  
15 bottle.

16 MR. SUND: No, I'm not ready to enunciate a  
17 hypothesis.

18 MR. PARKER: I would suggest, and many of you  
19 might have a comment, I'm not ready to put a hypothesis  
20 down at this time and I'm just too aware of the political  
21 process. I'm not ready to say something here. I'm ready  
22 to read it on the front page of the Anchorage Times, even  
23 though it's not sold in my town. At this point I would  
23 like to say that whoever's put in charge of each of these  
25 areas may be come back with a development or a draft for

1       our next meeting. I don't know if that gets us delayed  
2       timeframe wise, but I would be hesitant to generate one  
3       right at this moment.

4               MR. WENK: I want to comment on that. I'm not  
5       going to defend the notion of a hypothesis. You have to  
6       forgive me for having been a victim of my own tradition  
7       but sciences approach every question with a hypothesis  
8       and an open mind. I mean this is way science works and I  
9       think that scientist learn the hard way if they make up  
10      there mind too soon that they get trapped the minute they  
11      publish. Which is, again, one of the traditions of  
12      science and another scientists undercuts them because  
13      they were to hasty. I'm not worried about any  
14      impetuosity on this Commission. I would be worried  
15      about the reverse because I think the time span is so  
16      short and you yourself, John, said that we need some  
17      guidelines. I think that what I'm suggesting about a  
18      hypothesis is the following: implicit in any hypothesis,  
19      whether it be science in terms of natural science or  
20      science in terms of human science, is the element of  
21      causality. It seems to me that it's impossible to deal  
22      with this event without tracking some connections. The  
23      minute you start making connections implicitly you're  
23      establishing hypothesis. This is now just playing with  
25      words. I've got some relationships in my own line that I

1 believe are pretty well established. I don't feel  
2 uncomfortable with these but that doesn't mean that I  
3 have arrived at any findings or any conclusions. This  
4 database we have when we start analyzing this. The  
5 chronology of events will produce this. Event number two  
6 very seldom caused event number one.

7 MR. PARKER: In regard to that, this is an  
8 example that is germane to what we are about. The  
9 outcome of the '78 convention that required the 45  
10 percent coverage on tankers below 200,000 and 30 percent  
11 above 200,000. I haven't thought this nor have I found  
12 any naval architect or any attorney at any level who can  
13 provide any basis for that particular decision. It was  
14 just something that the guys at the International  
15 Maritime Organization got together in the back room and  
16 came out with. Which, you know, there was no scientific  
17 or engineering hypothesis that anybody has ever stood up  
18 and defended in a pure review process, it governs under  
19 all tankers. I'm throwing this out there in the hopes  
20 that somewhere somebody out there will come forward and  
21 refute me and present to me the facts upon which that  
22 particular decision, which governed the construction of  
23 the Exxon Valdez, was made.

23 MS. HAYES: Mr. Chairman. If it would give any  
25 comfort to the social scientist amongst us, the geology

1 in contrast to the engineers have a system of multiple  
2 working hypothesis recognizing that the connections are  
3 never clear until you've actually completed your work  
4 into much of your multitudness hypothesis may in fact be  
5 correct. So as your making your linkages you must  
6 recognize even as you do so that you may wrong and that  
7 you must continue to reexam new facts and put them into  
8 new slots as they can work. So, I would suggest that  
9 there's no need to be worried simply from having  
10 hypothesis, we should recognize that they can all be  
11 linked together in multitudes.

12 MR. WENK: She'd make a great engineer. That's  
13 exactly the way engineers operate.

14 MS. HAYES: Ed, don't say that to me.

15 MR. PARKER: Proceeding to the database, we've  
16 established a... at least a general point on arriving as  
17 what we know, what we don't know and what we should know  
18 and how to proceed, generally along that step with the  
19 vessels themselves. Going back to the Hayes draft the  
20 next item is crewing. A much more difficult subject. A  
21 brief background in that particular area, if you are  
22 aware, there is a great debate going on in the maritime  
23 world affecting not only tankers but \*container ships and  
23 everything else on substituting computers for crew.  
25 We've talked about this somewhat in our other sessions

1 and I find this element, personally, to be the most  
2 difficult to really get a handle on. It's one that we  
3 did not work on intensively before and as delegate to the  
4 '78 United Nations Conference that tackled with this.  
5 Even though they tackled this issue, I was most  
6 dissatisfied with what came out of that convention. I  
7 think it's something that there's an increase, one of the  
8 things that this particular accident has done is focused  
9 on this area. I think there is going to be a great deal  
10 of information flowing from it and a lot of conferences  
11 and a lot of workshops and so forth. I'm not sure how  
12 this commission handles are intervention in this so it's  
13 an area in which I'm still groping.

14 MR. SUND: Mr. Chairman, it seems that we're on  
15 a new item here, I guess, on manning not only tanker  
16 crews, but it directly gets into human factor issues and  
17 discussions and a lot of the tentative early reports from  
18 this accident here point at human factor or human error.  
19 This was not a technology error, so to speak, and not  
20 only had a human error on the bridge level or a human  
21 error in the coast guard command level and then you get a  
22 human error in the response level. I think it's a  
23 general topic of human interaction both in operations and  
23 in emergency response. I would like to split the two and  
25 just take, I think, manning of and crewing of vessels is

1 a topic here that would swallow anyone or all of us into  
2 a deep, dark, black whole if you let it. I think you  
3 have to keep a higher level abstraction then dealing with  
4 this one here because of an issue detail and traditions  
5 of admiralty law. It seems to become overwhelming to  
6 even think about it but like I say there's a lot of  
7 literature and a lot of articles. I think it is the  
8 critical issue to deal with and probably ends up to be a  
9 large part of our work. I think we should maintain a  
10 separate mind here of working on what should be done and  
11 how it should be done and try to not look to much  
12 immediately at all the impetuuous of achieving that goal.  
13 I think we should look out and say here's the ideal,  
14 here's what should happen and not worry about who, you  
15 know, the labor union versus management arguments and the  
16 crewing issues and whether the coast guard's going to  
17 implement this or the congress or federal state  
18 preemption. You get tired of even thinking about it.  
19 So, I would take and propose this, I'm trying to give Meg  
20 time enough to write the perfect question here while I  
21 expound on the concept. But in terms of separating the  
22 manning issue from the other human factor issues.

23 MR. PARKER: To show you how rapidly this is  
23 developing, it was in the morning paper, I forget the  
25 form of which it is, but a definite statement was made

1       that you know. Two officers and going from one officer  
2       and one crew on the bridge to two officers and two crew  
3       will solve the problem and that was made by someone,  
4       according to the report in the paper, had a substantial  
5       background in this particular area but I think we can  
6       expect a great deal more of that kind of debate. At this  
7       time, I think what I'm hearing you see, John, is that we  
8       can give directions to staff to pursue this area whether  
9       we're ready to and seek possibly for a contractor but I  
10      don't have any particular ideas on who or what that might  
11      be. I know that Ed had some ideas in the past on that  
12      but like I say I'm still somewhat at sea on what other  
13      than pursuing the gaining of further information on this  
14      what exactly I want to do beyond that.

15               MR. WENK:       Mr. Chairman, a quick comment with  
16      regard now to, first of all just as John purposes,  
17      separating the manning, talking now under human factors,  
18      from the management decisions on contingency response and  
19      so on. On manning, I believe we're going to discover,  
20      and maybe already have though we have, that the reduced  
21      manning is a product of the same type of cost  
22      effectiveness analysis that we talked about with regard  
23      to the ship design itself. Following again John's  
23      guidance on this, I can see that being the level of  
25      question that we want to ask in terms of what were the

1 decisions by whom with what precises in terms of this  
2 reduced manning but there's a flip side to that. Just as  
3 ship design is subject to approval by the U.S. Coast  
4 Guard so is manning subject to review by the U.S. Coast  
5 Guard and it seems to me that we ought to maybe go a  
6 little beyond simply who makes the decisions to be very  
7 clear that we want to inquire of the U.S. Coast Guard  
8 what decisions they have made and under what  
9 circumstances. I say this in recognition that, and at  
10 the risk of my own redundancy, calling to the attention  
11 of the commission that proposals were made to the U.S.  
12 Coast Guard in 1982, that the review and upgrade  
13 qualifications for Masters and Mates, that they examine  
14 this issue of relicensing in sense imitating the state of  
15 competence in our air system which requires  
16 recertification of pilots on a regular basis. To the  
17 best of my knowledge, and I can stand corrected on this,  
18 I don't believe, for example, the simple matter of  
19 hearing and eyesight of mariners as examined after they  
20 first are licensed unless they're upgraded, if they got  
21 the highest they can go the rest of their life without  
22 any further recertification. It seems to me that on the  
23 question of who, it's worth at least realizing that there  
23 is a public interest to be served as well as a private  
25 interest to be served and I simply want to underscore



1       that concept going through the sequence of questions that  
2       we're asking.

3               MR. PARKER:       I think you stated it very  
4       distinctly, both of you. To show you how complicated  
5       this problem is going, the people I've talked to on the  
6       issue, the thing that I think has stunned a lot of the  
7       people working on this is the fact that the high  
8       qualifications of the crew of the Exxon Valdez, you know  
9       it was a highly qualified, over-qualified crew. The  
10      look-outs, the two that were involved, the one who went  
11      of watch just as they were going down the arm and the one  
12      who came on watch, both held third mates tickets and were  
13      graduates of very good maritime academies. The people in  
14      the industry I think are really wrestling with that part  
15      of it. So it's one that certainly, as we get in to it,  
16      is probably going to take a good deal of staff effort and  
17      time. We're going to have, hopefully we'll be able to  
18      find somebody who is going to be extremely competent in  
19      this area.

20             MS. WUNNICKE:       I have a question to all of you  
21      and probably I'm getting over into the navigation item,  
22      which is the next item, but when the history of our ships  
23      captains and the history of the maritime system is such  
23      that it's difficult to apply air traffic controller kinds  
25      of controls as you do in the aviation industry. But it

1 seems to me that there is a fundamental question to  
2 address, just like one of the questions I have is, how  
3 long does it take to turn a ship around. I mean to turn  
4 around that kind of tradition and history, I think,  
5 wouldn't be very difficult to do. I wonder if this isn't  
6 area on the manning of crews that we shouldn't look to  
7 those other entities like the maritime unions and so  
8 forth, who are looking at the question too, to address.

9 MR. PARKER: Maritime unions want more crews,  
10 bigger crews. They make that very clear in their  
11 correspondence. I one of the maritime unions are one of  
12 the elements and that one of the major elements that you  
13 seek information from and the maritime academies are  
14 another elements you seek information. The coast guard  
15 operates a pretty large section that deals with this.

16 MS. HAYES: Mr. Chairman, from what you just  
17 said, I have no knowledge of this at all, but it sounds  
18 to me as though your suggesting that the U.S. Coast Guard  
19 is the key in this particular decision about manning  
20 requirements. And my suggestion is for a question, to  
21 get at that part of, would be to exam the decision  
22 process made in the coast guard and to who they listen  
23 to, how they make their decisions and use that as a  
23 shorthand method of getting at that problem, rather than  
25 yourselves getting embroiled in listening to the various

1 unions, the shippers and etc. I think that we may be  
2 able to see to how that balance is made whether the Coast  
3 Guard is simply a rubber stamp or whether in fact they  
4 have a complete process for it, would be one that would  
5 give us a hint as to how those decisions are being made.

6 MR. PARKER: Excellent suggestion, Commissioner  
7 Hayes.

8 MR. SUND: Commissioner, I just want to react a  
9 little bit to some of the testimony that we've got from  
10 Admiral Kime in Valdez and his response to a question of  
11 what's the coast guard doing about this and he says we're  
12 imposing mandatory drug and alcohol testing. I guess my  
13 reaction is how much research and development is going in  
14 the coast guard regarding the relationship between the  
15 human factor and technology on the bridge to try to avoid  
16 boredom or avoid repetition or avoid over reliance upon  
17 technology, not to replace it. It seems to be it's a  
18 reacting type of mechanism and again I have a little bit  
19 to learn about it but from the Admiral's saying they have  
20 the basic authority to set the minimum manning  
21 requirements. I think the emphasis is on minimum and it  
22 would be interesting to me to see the relationship  
23 between what is required under coast guard regulation for  
23 manning and ships and licensing and what is the actual  
25 practice in the industry. Is there a portion of the in-

1       dustry that has more than what is the minimal requirement  
2       under regulation? And if they do, why? And it get's  
3       into Ed's point what is the corporate mind set in terms  
4       of manning. The Admiral seemed somewhat satisfied with  
5       what was going on, he kind-of challenged my argument that  
6       corporations try to find the cheapest way to move the  
7       largest amount of oil with the least amount of power and  
8       the least amount of crew. It got him right out of his  
9       chair in a hurry. The history of is bigger and bigger  
10      ships with less and less crew. Period. I don't know how  
11      to reserve that and secondly should it be reversed. I  
12      guess I have a real open mind on that too.

13               MR. PARKER:       I'm glad you brought that up  
14      because one of things that occurred at NTSB that find of  
15      great interest was NTSB for several years has had a  
16      cockpit response system that they've been working on and  
17      the chairman of the hearings indicated that getting into  
18      a similar bridge response thing was something they would  
19      pursue and I think they certainly intended to pick up on  
20      that as they developed there and see where they were  
21      going with that. The whole relationship of technology to  
22      the automated ship and so forth is of high interest to  
23      them. They, of course, will make their report at the  
23      same time we do so we have to...

25               MR. SUND:       Ed, there's just one more comment I

1 want to make and that gets down to talking about air  
2 traffic control versus this. I think, again I don't  
3 think you can get a way that the captain's in charge of  
4 the ship and that's kind of a fundamental basis issue  
5 that we're going to deal with. You can give them a lot  
6 of help but I don't think I want to turn over the  
7 responsibility for the ship from the captain to the radar  
8 operator in Valdez as the guy is pulling out of port.  
9 Who says when you make a turn and when you don't. I  
10 think it ultimately rides with the captain and you have  
11 to deal with how get information and advice. I guess if  
12 you want to take the step and say we want to look at  
13 alternatives to the captain being in charge of the ship  
14 all the time and put mandatory radar screening, and  
15 that's a giant leap, and I don't know that it's really  
16 necessary here. That's going to try a sideline,  
17 sideboard on the issue there and then say okay, "how do  
18 work for it then.

19 MS. WUNNICKE: Mr. Chairman, if I may respond  
20 to John. That's why I'm concerned that there is given,  
21 that the captain is in charge of the ship for purposes of  
22 discussion. Then I'm concerned that there was not, or it  
23 doesn't appear that there was systematic information  
23 given to the captain in terms of hazards like ice and  
25 perhaps even in terms of whether that would have allowed

1 him to have made an informed decision.

2 MR. PARKER: I would like to respond to one  
3 element that John brought up. The other thing which fits  
4 right back into Meg's argument somewhat for discussing  
5 this with the coast guard is that I would like to do a  
6 comparison of the crewing of the ships operating from  
7 Valdez because some were operating with twelve evidently  
8 and some were operating with twenty-four, those figures  
9 are still ones that come from memory but there does seem  
10 to be a fair range of crew size in similar ships  
11 depending on the company.

12 MS. HAYES: So, Mr. Chairman, at the risk of  
13 getting a reputation in the Commission of the asker of  
14 questions, I'll propose a second. And that one is how  
15 does the U.S. Coast Guard make decisions regarding the  
16 minimum manning requirements of tankers? And there's a  
17 correlary to that and that is how do the shippers in the  
18 Alaska trade respond to this requirements?

19 MR. WENK: I want to comment on a number of  
20 points raised here.

21 The first a general observation, I think that as  
22 we "unpeel the skins of this onion" we begin to see how  
23 complex every one of these questions are and I want to  
23 elaborate a little bit upon this particular area that  
25 we're operating from. There are ways already of dealing

1 with this issue of whether the captain is in charge in  
2 terms of vessel traffic control systems. Some are called  
3 advisory and the captain is always in charge but some are  
4 mandatory and the mandatory systems are ones where the  
5 coast guard or BTS operator can issue a command and it's  
6 tape recorded and by jove if it's ignored this is the  
7 basis for a citing of violation and a penalty. Now  
8 having said that, where's the problem? Well, there's  
9 several problems. We talked about cost effectiveness as  
10 one way of influence and decision making as another, a  
11 somewhat similar one but it's really cost ineffectiveness  
12 and it has to deal with budget cuts in the coast guard.  
13 Some major questions as to who asks the questions of what  
14 if this budget is cut and I'll give you some examples how  
15 it bears right on the case we're talking about. First  
16 with regard to crew qualifications. At one time mariners  
17 were required to take an examination, answers to which  
18 had to be provided in narrative form in great detail  
19 often with them being asked to draw their own charts to  
20 show how well they understood situations, for example,  
21 where the safety of the ship was involved and what the  
22 track of the ship would be and how to avoid a collision.  
23 Almost all of that inquiry or that technique is replaced  
23 by true and false questions. Any of us who examines  
25 students know that something is missing with true and

1 false questions why then did the coast guard to it?  
2 Because it's cheaper and because they simply didn't have  
3 the budget for people simply to read the narrative exams.

4 The second point, manning vessel traffic control.  
5 A master of a ship is going to wonder whether or not he  
6 should take orders from some very junior person operating  
7 even a mandatory system, conceivably who had never even  
8 been to sea much less ever faced with a situation of  
9 decision making that would might be at stake. And we  
10 come again to this question of manning and find that  
11 budgetary concerns have, in fact, been responsible for  
12 the reduced capability of the radar surveillance of  
13 Prince William Sound. Now when situations like this  
14 arise there are trade-offs made with safety in making  
15 those decisions because the reason you have a vessel  
16 traffic control systems is because of the potential human  
17 error that we've been talking about in this whole  
18 element. The way you try to guard against and reduce  
19 this risk to doggone near zero is to build in these  
20 additional precautions and therefore when the budgets are  
21 cut and the response of the budget cut occurs the whole  
22 system is made more vulnerable and those who are  
23 impacted, potentially impacted, often don't know this has  
23 happened, certainly we're never consulted. I don't know  
25 how to phrase another question, Meg, to add to yours but



1       it relates to some kind of a question having to do, not  
2       just to the decision process as it relates to the  
3       technical component, but the decision process as it  
4       relates to budgeting and the trade offs that occur  
5       between the different missions the coast guard has and  
6       the choices that they either made or forced to make, for  
7       example, to put more within a very constrained budget  
8       more emphasis on drug enforcement at the risk of safety.  
9       Maybe somebody here could phrase that question, if it's  
10      indeed a valid one but somehow or other this deeply  
11      bothers me.

12               MS. HAYES:   Mr. Chairman, it's seems to me that  
13      the question you're getting at, though Ed, is a little  
14      bit different then the maning question.   It sounds to me  
15      that you're talking about the individual decision process  
16      that goes on on the bridge.   Certainly there's a  
17      relationship between the information that the coast guard  
18      provides but I think it's a different subject than the  
19      maning question by itself.   It's really the people that  
20      are there response to events, how to communicate changing  
21      events to them.   For instance, one of the advantages of  
22      being in public office of any sort is, and one of the  
23      things that is billed in the Alaska constitution from the  
23      very being, an opportunity for public response and what  
25      that does, often times, is send a warning bell to a

1 decision maker that there is something that you've  
2 forgotten and the public response indicates something  
3 that's forgotten. I would wager that if someone had  
4 alerted whoever was at the bridge to the fact that they  
5 were really seriously off course, they would have done  
6 something about it. In whatever state they were there,  
7 it was so obviously an error. Maybe at some point it  
8 wasn't necessarily mandatory that they take evasive  
9 action but any reasonable person would have done so. I  
10 think it's the complacency of what happened there that,  
11 or the no warning system being in place. I guess what  
12 I'm saying is that I think it's a different topic, a  
13 different area than just simply the maning requirements  
14 on the tanker. So somebody else can write that question.

15 MR. WENK: I think, if I may suggest so Mr.  
16 Chairman, I think it's related in this respect; you made  
17 the observation, Mr. Chairman, that you had a third mate  
18 replacing a third mate in command but third mates are not  
19 all the same and this comes back to the question of  
20 qualifications of third mates and the fact that the  
21 demand for competence. Let me put it this way, I would  
22 operate, if you'll pardon the expression please, on the  
23 hypothesis that when you reduce maning you have to  
23 increase the competency of those few who are on board.

25 MR. PARKER: Now the point I made early was the

1 third mate, the AB had a third mates ticket.

2 MR. WENK: Right, but my point though is that  
3 this question of getting down to maning that this  
4 establishment of standards for the people in relation to  
5 reduce maning has to do with the relative competence of  
6 those on a reduced staff and this in turn is strangely  
7 affected by coast guard budgeting.

8 MS. HAYES: I guess my point, Ed, is simply that  
9 competent people can sometimes be irresponsible. That I  
10 think the question we're getting at is that sense of  
11 responsibility or care among the people that may or may  
12 not have the competency. I think Walt's point is that  
13 they were competent people. It was through complacency  
14 or some other factor that made them irresponsible and  
15 that's what I think we're trying to shape is how do you  
16 make people responsible.

17 MR. WALLIS: Mr. Chairman, just to move things  
18 along a little bit, can we wait and get this information  
19 from the coast guard before we start making our  
20 conclusions and also get the information on maning  
21 practices? And also get from the coast guard items from  
22 them from one, two and three. Also on number two we can  
23 get information, as you mentioned, the Maritime Unions  
23 Academy and even the navy for that matter. Then we can  
25 see how that correlates and go to item number four and

1 see how the industry utilizes that information.

2 MR. PARKER: That would certainly be the first  
3 step. Just one more point here, one of the elements is  
4 the example on the vessel traffic systems is consistency,  
5 it's certain though that the traffic directors are all  
6 certified marine pilots, whereas in the United States, as  
7 Ed pointed out, why there are now contract employees at  
8 Valdez in many cases. I think it's probably a mix of  
9 regular coast guard and contract employees. The other  
10 element on consistency of performance, having spent a  
11 good part of my life training traffic controllers,  
12 sometimes you're fresh trainee is the very sharpest  
13 person and your old hand who has years of experience has  
14 become, just through plain laziness, a real danger to the  
15 system which points out Ed's original point that we had  
16 to have recertification, retraining and constant  
17 vigilance are a part of any system where you're putting  
18 the environment and the social fabric of a community at  
19 hazard.

20 MR. WENK: This is a problem with academic tenor.

21 MR. PARKER: Okay, on proceeding to iceberg  
22 monitoring systems, does anybody want to say anything  
23 about that before we proceed to the next one.

23 MS. HAYES: Management practice is under tanker  
25 and barge cruise, not to skip everything else under navi-

1 gation, I think, Mr. Chairman.

2 MR. PARKER: Management practice, does anybody  
3 want to add anything on that. Well, you know, I think  
4 after we get all the other stuff together we certainly  
5 want to talk to the managers and find out what their  
6 practices are, there's no doubt about that.

7 MR. SUND: There's an interesting switch that  
8 occurs at Valdez, Mr. Chairman, that we don't mandate by  
9 state law regulation how many people man a pump station  
10 or how many people man the terminal at Valdez. The  
11 corporation has figured that out on some theory of how  
12 many people it takes to get a job done but somehow once  
13 the oil goes on a tanker we seem to look to the  
14 government to tell us how many people should be on board  
15 the tanker, what qualifications they should have, what  
16 watches they should stand and there's a real switch here  
17 in how we handle these things. It's all still the same  
18 transport of oil and because you switch to the government  
19 mandating all of these things you get into Ed's problem  
20 then you're into how well does the government fund their  
21 half of the job and when the defund their half of the  
22 job, then you get into this problem and it gets right  
23 into this management practice. I'm really interested in  
23 talking to the corporations about how do they make their  
25 decisions on management, on what needs to be done or how

1 qualified do they think the people should be or do they  
2 look to the minimum requirements of the government. It  
3 will be real interesting to see that.

4 MR. PARKER: I want to be substantial updated on  
5 what the present status is before I do so I can ask the  
6 questions I want to ask.

7 MS. WUNNICKE: You're looking at all this  
8 shipping based on operating out of Valdez harbor.

9 MR. SUND: I think that's a good point. The  
10 Alaska trade. . .

11 MR. PARKER: Okay, we discussed somewhat pretty  
12 thoroughly on the navigation. I don't anticipate any  
13 problems in getting the information we need and coming up  
14 with some, developing the range of options that are  
15 available here because were rapidly reaching the point on  
16 navigation systems for even the smaller fishing boats  
17 will have redundant systems, they're getting pretty  
18 affordable.

19 MR. SUND: Well somehow, Mr. Chairman, this  
20 accident we're looking at was a navigational error. As  
21 we all saw there, there is a very rather large buoy  
22 sitting on top of the reef, it had a bunch of sea lions  
23 sitting on it when we went by. I guess I would put my  
23 thoughts into the navigation area right into this whole  
25 budget issue that if we are going to depend upon the gov-

1       ernment or the public to supply adequate navigation  
2       then the public has a responsibility to do it in a  
3       reasonable and responsible manner and they have to fund  
4       that on a responsible manner and if it's not going to be  
5       done then if we're going to come out of this commission  
6       mandating or recommending a navigational system that  
7       doesn't exist now then I think we also have to look out  
8       how you structure so that it's functional, how does it  
9       get funded?

10               MR. PARKER: The point I was making is that the  
11       two prevalent systems, Morancy and Global Positioning  
12       Satellite, are both extremely effective and provide  
13       redundancy in that both ships are caring how well the  
14       crew responds to or the navigation system tells them they  
15       are is another matter. The other element in that is that  
16       Morancy retransmit would have allowed the ATS system at  
17       Valdez to be able to track the vessel all the way to a  
18       destination if you set it up that way and the same thing  
19       can be done with the Global Positioning Satellites. So  
20       you can in a cost effective manner, if I can use that  
21       word, you can very cheaply keep track of where you're  
22       tankers are practically anywhere you want to send them  
23       but most certainly on the Alaska-California route.

23               MR. WENK: Mr. Chairman, in going along with this  
25       outline under prevention, we're just about to come to

1     accountability in management, which we know is a very  
2     important item. There's another element that did not  
3     show up in our early discussion that I think is gone on  
4     our agenda, I think may quite rightly base this on what  
5     we discussed the first time but we've been adding to our  
6     knowledge base. On the notion of prevention, the whole  
7     question of escort vessels. Now, what's at stake there  
8     is a principle somewhat similar to that associated with  
9     certainly navigation and some of the others and that is  
10    where we think about redundancy in mechanical systems, we  
11    have to think about redundancy of the human systems  
12    because of this potential human error, not withstanding  
13    all the competence in the world, the rules and so on,  
14    people make mistakes. It is, I think, a good hypothesis  
15    to operate from base on coast guard data that 80 to 85  
16    percent of maritime accidents are the result of human  
17    error. The notion of the escort is not new, this was one  
18    of the items we legislated in the state of Washington and  
19    then it hit about 1975 before the tankers came in  
20    requiring a tug escort on tankers not at the maximum size  
21    but at anything over sixty thousand tons, which indeed,  
22    was our proposed maximum anyway. That was lost in the  
23    political process but not completely. The point is that  
23    I understand how current Alyeska planning takes very good  
25    note of this role of escort vessels providing three capa-



1 bilities. One has to do with a check on human error on  
2 the main vessel; secondly a stand-by capability should  
3 steering or power fails so that you can take it in tow;  
4 and thirdly, if I'm correct, a spill litigation  
5 capability, although somewhat limited but nevertheless,  
6 moving right along with the vessel which means that it  
7 sure can get there in a hurry which is one of the most  
8 important factors in litigation. All I'm suggesting is  
9 that we not lose sight of that escort issue and I'm not  
10 sure where it belongs in what we're talking about here.

11 MR. PARKER: I think we could put it down there  
12 by number five under iceberg monitoring systems. It's an  
13 important element and I think we have to require tug  
14 escorts and the whole thing with escort vessels, word to  
15 the wise, is that we all remember, those of us who were  
16 involved in carrier operations, probably the biggest  
17 problem is continual avoidance of the escort vessels.  
18 You don't get anything for free in this world. The  
19 escort vessels are an integral part of the system and if  
20 you're going to interject them you have to interject them  
21 at the same level of quality that's going to insure that  
22 they contribute and don't detract from the overall safety  
23 of the system. The tug thing, you know, tugs are one of  
23 those things that just goes on and on. We simulated them  
25 a good deal in the early years and kind of got an idea of

1        what the effectiveness of certain power tugs would be in  
2        helping tankers under adverse conditions in the narrows  
3        and so forth. I'm not sure what's been done in recent  
4        years and probably, as we discovered the other day, as  
5        the contract for tug operations at Valdez now and don't  
6        have any idea what kind of quality control standards  
7        Crowley uses on it's tug operations now but we can  
8        certainly find out.

9                MS. WUNNICKE: Mr. Chairman, in that connection  
10        on a number of things as Ed points out had been put in  
11        place since the Exxon-Valdez disaster. I'm one of those,  
12        of course, transit of Prince William Sound only during  
13        daily hours. I would assume that would be under vessel  
14        traffic systems and as I suppose the escort vessels would  
15        be under vessel traffic systems. Or is that a very  
16        limited term?

17               MR. WENK: Vessel traffic system is a term of  
18        art.

19               MS. WUNNICKE: "Term of art". Okay, let's  
20        "deart" it.

21               MR. WENK: VTS, you know these acronyms, you're a  
22        member of the club if you know what VTS means.

23               MS. WUNNICKE: Does the escorting occur during  
23        daylight hours?

25               MR. WENK: No, well, it could. There are a lot

1 of administrative conditions which the vessel traffic  
2 system could impose. Yes, yes definitely.

3 MS. WUNNICKE: Okay, I guess my point is. . .

4 MR. WENK: It could be and indeed, the only  
5 problem is this, is the question of who is going to  
6 impose that requirement and let me be specific. Daylight  
7 hours and escort vessels would be under the vessel  
8 traffic system if indeed they were mandated by the coast  
9 guard because it's the coast guard that's got  
10 responsibility for the VTS. If the state, for example,  
11 were to mandate these. . .

12 MS. WUNNICKE: It was an agreement reached  
13 between the state and shippers.

14 MR. WENK: Then, you see, there's a little  
15 jurisdictional question as to who is going to make sure  
16 it happens and I asked a question, remember, of Admiral  
17 Kime that indicated that the coast guard was indifferent  
18 to state requirements in Washington.

19 MR. SUND: On tug escorts, the state has  
20 jurisdiction to mandate it until the federal government  
21 acts and the federal government has choose not to act on  
22 tug escort issues so therefore, whatever the state wants  
23 it could have. As soon as the federal government says  
23 anything about tug escorts it will preempt the state law.

25 MR. WENK: That's fine because then the state, a-

1 gain because VTS "term of art" is coast guard jurisdic-  
2 diction, who in the state government is going to make  
3 sure that the daylight sailing and the escort happens?  
4 In other words, I don't mean to complicate things, all  
5 I'm suggesting is that

6 MR. PARKER: That's an excellent question and I  
7 think one that we could ask early on.

8 MS. WUNNICKE: I think the jurisdictional  
9 questions are fundamental.

10 MR. PARKER: In fact, we'll ask it tomorrow.

11 MR. SUND: The companies can do it if they want  
12 to voluntarily. They could just, again as a matter of  
13 corporate policy, and say this is what we're going to do.

14 MR. PARKER: My guess would be that right now DEC  
15 has been given the responsibility from forcing those but  
16 I'm not absolutely certain because I think if I remember  
17 my statutes correctly it belongs more properly with the  
18 department of transportation.

19 MS. WUNNICKE: Mr. Chairman, my point didn't even  
20 have to do with jurisdiction, although I think it's  
21 certainly is something we're going to have to contract  
22 for legal assistance on throughout our deliberations. My  
23 point was that a number of things were put in place after  
23 the Exxon Valdez accident, one of them being daylight  
25 sailing hours, as an example. When you have twenty hours

1 of daylight, it's not a problem. It's soon going to be a  
2 problem in terms of the end of September, I think is what  
3 we were told when we were in Valdez. So I think we  
4 should look at those things even though they are already  
5 in place as to whether those are appropriate responses  
6 to, under this is what we know theory. What's the  
7 question, Meg?

8 MS. HAYES: I don't know.

9 MS. WUNNICKE: You're in charge of questions.

10 MS. HAYES: No, no, no, no.

11 MR. PARKER: Give her a little freedom, a little  
12 moving room.

13 MS. WUNNICKE: She gives answers to.

14 MR. PARKER: Okay.

15 MS. WUNNICKE: Excuse me, Mr. Chairman, I think  
16 in terms of work, I don't think, do you need a contract  
17 here? It's a staff matter we can get through our own  
18 testimony.

19 MR. PARKER: We can get that through our own  
20 staff and any contractor who is doing tanker and those  
21 tanker systems for us and what have you, is going to be  
22 up to speed on all this stuff, we don't need. . .

23 MR. WENK: I think Esther, though, has just made  
23 a point, and I realize it was only incidental and that is  
25 that on the jurisdictional question there is a legal ex-

1       amination necessary and that seems to be popping up  
2       rather continuously and only as an alert to us that. . .

3               MR. PARKER:     Looming over us always in this  
4       debate is who rules? In the federal state we've gone  
5       from the beginning the federal state jurisdiction and the  
6       ability of the industry to react to that is the main  
7       motif.

8               MR. SUND:     We have the power of "moralsuasion",  
9       Mr. Chairman.

10              MR. PARKER:    Yes, if we can't exercise that we  
11       have nothing.

12              MS. WUNNICKE:   Just a comment about where are  
13       your legions.

14              MR. PARKER:    Yes.    Alright under navigation, is  
15       there anything else we want to bring up there, iceberg  
16       monitoring systems...?

17              MS. WUNNICKE:   I would add to that rather than  
18       just iceberg, iceberg and other hazards.   That's an  
19       earthquake zone, as we all know. I think that when we  
20       were talking about some of the research that was going  
21       on, one of the points, I believe Meg Hayes made, was that  
22       the Prince William Sound today is quite different from  
23       Prince William Sound ten years ago, twenty years ago and  
23       probably ten years from now it will be quite different  
25       again in terms of . . .    Could we just say iceberg and

1 other hazard monitoring systems?

2 MR. WENK: Mr. Chairman, I hate to complicate  
3 life for us but we've got yet another, what I think is a  
4 preventative measure and that is the role of pilotage. I  
5 don't know where that shows up on the system.

6 MS. WUNNICKE: See, I thought that was under  
7 vessel traffic systems.

8 MR. PARKER: I would put it up under maning.

9 MR. WENK: Well, wherever it goes, my suggestion  
10 is that it be made very explicit and we have to ask, I  
11 think, some very serious question as to, not just the  
12 requirements for pilotage which obviously have been  
13 altered during recent history here which had an  
14 unfortunate effect but again the question of who  
15 qualifies the pilots and under what circumstances there's  
16 some variation given in terms of where pilots let,  
17 pilotages required and this, it seems to me, all of this  
18 is in with the same intent as the daylight hours and  
19 escort vessels and so on. This whole business of  
20 building in redundancy in the human systems.

21 MR. PARKER: There are places now that are  
22 terminals who are thinking of seriously of requiring two  
23 pilots. So there I see a big debate coming up on  
23 pilotage and I think the debate will hinge on whether  
25 it's going to become a totally a federal preemption or

1       whether they will continue to let the states have it.  
2       It's one that they may limit it just to tanker operations  
3       or to even certain classes of tankers. If they get into  
4       it, it's a real hornets nest, as commissioner Sund knows  
5       as well as anybody. Your dealing with an ancient craft  
6       with rules laden on rules and prerogatives laden on  
7       prerogatives and the last time around the pilots were a  
8       very scratchy lot to deal with and will be again.

9               MR. WENK: But just like with almost everything  
10       we've covered so far, what decisions are made and who  
11       makes them.

12              MR. SUND: Well, I think that the interesting,  
13       and I don't know the answer, is somehow the pilotage is  
14       moved from Hitchenbrook into the pilot's station inside  
15       of Bligh reef. As Admiral Kime pointed out, pilotage is  
16       really a state issue the federal government or the coast  
17       guard doesn't have a whole lot to do with pilotage other  
18       than certifying pilots. You have to be certified as a  
19       pilot by the coast guard but I think it was moved in from  
20       Hitchenbrook because of the safety of trying to transfer  
21       pilots from ships out there. Maybe one of the answers is  
22       you just put a pilot on board for the duration of the  
23       trip. Again it's a redundancy issue, it gets back to  
23       maning and how many people should be on board and what  
25       certifications should they have. In the ferry system now



1 the crew itself are licensed as pilots so the ferry does  
2 not carry a pilot out of pilots association. The captain  
3 and the first mates carry a pilot license separate. The  
4 state gets a hell of a deal out of it because they don't  
5 have to pay the pilotage.

6 MR. PARKER: Yeah, that gets back to one of the  
7 ongoing things, that goes back in every kind of  
8 transportation is whether you're going to allow the  
9 pilots, drivers, captains or what have you,  
10 indiscriminate authority to move world wide or whether  
11 you're going to restrict them to certain routes as they  
12 do with the ferries. It's one that goes back  
13 historically, why we may wind up with the old historic  
14 system where we have a captain and a sailing master.  
15 Okay. Moving right along,

16 MR. WENK: Not when Ed, unfortunately, keeps  
17 bringing up items but another one, Mr. Chairman, and I  
18 think it comes under prevention and it has to do with the  
19 role of the coast guard in enforcing regulations. I  
20 think we know that there is a general principle involved  
21 here that safety is enhanced if you have rules and if the  
22 people who are subject to the rules know that they're  
23 going to be enforced. This whole question of weak  
23 enforcement and low penalties is a factor in every  
25 condition where a state, a unit of government, tries to

1 regulate human behavior. There is a history of rather  
2 inadequate enforcement by the coast guard which is well  
3 known by mariners. I don't believe we can avoid looking  
4 into this question, in terms, for example, of what the  
5 history is among other things of there records of  
6 violations just in this area. What have they done to  
7 improve enforcement, what penalties, if any, have ever  
8 been imposed on mariners or mates of ships coming in to  
9 Valdez?

10 MS. WUNNICKE: So you're question would be how  
11 does the U.S. coast guard enforce it's rules

12 MR. SUND: it's operating rules.

13 MR. PARKER: Do you just want to include that  
14 under accountability of management and coast guard or  
15 give it a separate section?

16 MR. SUND: It's an accountability issue but I'm  
17 not sure it's accountability of management.

18 MS. WUNNICKE: It's probably a part of your  
19 navigation section.

20 MR. SUND: No, it is accountability.

21 MR. PARKER: It's certainly an area where NTSB  
22 seems to be heading to.

23 MS. HAYES: I think under accountability, I would  
23 propose a question something like how can society make it  
25 profitable to be careful?

1           MR. SUND: Well, it came up in Cordova, and part  
2 of what Ed brought up is how do the stakeholders have a  
3 say in enforcing what the rules are and the stakeholders  
4 in Cordova being residence or fisherman or people, don't  
5 seem to have a way to get in to any one of these  
6 decisions that we have been talking about here at all.  
7 There's no hearing for outsiders, no outside  
8 intervention, there's no third party actions that an  
9 outside stakeholder can bring against a crew for  
10 violation of rules of the road or regulations. That was  
11 a big issue that they were talking about was how do the  
12 outside stakeholders get involved with safety issues of  
13 which they're the recipient of screw ups.

14           MS. WUNNICKE: Another question along that line,  
15 not having to do with penalties perhaps or litigation,  
16 would be how do you construct a system so that it's in  
17 the self interest of the shipper to provide the  
18 redundancies, to provide the safety factors, provide the  
19 kind of things that

20           MR. WALLIS: In that regard, Mr. Chairman, I just  
21 added a number four, just put incentives there.

22           MR. PARKER: Okay, it's noon. On prevention  
23 you can come back and add but we seem to have wrapped it  
23 up. Containment and litigation is next, we might as well  
25 break for lunch. We'll return to containment and litiga-

1       tion as much as we can this afternoon. We'll return from  
2       lunch at 1:30 where we will here from Bob Grogan, the  
3       intermental government coordination of the state of  
4       Alaska, then returning to our work plan for an hour and  
5       go to public participation. I want you to get on...

6               MR. WENK: Mr. Chairman, in regards to say that I  
7       must obliged to leave here about 2:45 to catch a plane  
8       and I'm just wondering whether it would be inconvenient  
9       for us to make more progress on the work plan by having a  
10      lighter lunch?

11             MS. HAYES: Perhaps, we could postpone Mr.  
12      Grogan, if possible.

13             MS. WUNNICKE: He's in town from Juneau,  
14      probably, I don't know what his schedule is. He will be  
15      very brief and by the way his name is spelled g-r-o-g-a-  
16      n. He just wants to alert us to his participation on  
17      behalf of the state and another group looking at this.

18             MS. HAYES: He may intend to be brief but after  
19      three days of listening to the mayors rail at us, we may  
20      not want to be very brief with him.

21             MR. PARKER: Would there be a problem with our  
22      trying to reassemble at 1:00?

23             We'll reconvene at 1:00.

23             (Off The Record)

25             (On The Record)

1 MR. PARKER: . . .primarily would be to meet with  
2 the NSF group that's up here working now on the oil spill  
3 which wouldn't take all day and those commissioners who  
4 didn't need to be here for that meeting could feel free  
5 to miss it I assume, if they wanted, because it will be  
6 very much a trading of information and coordination  
7 meeting and we simply wouldn't take up an substansive  
8 business of the 12th, if a four day meeting was a problem  
9 for anyone, (12th, 13th, 14th, 15th). Or we might even  
10 finish early and you could go home on Saturday but

11 MS. WUNNICKE: Is that a, excuse me, Mr.  
12 Chairman, is our intention at that meeting to go to Homer  
13 and Seward?

14 MR. PARKER: That was not decided. There's a  
15 great deal of action at Kodiak now so it's open as to  
16 whether we go to Homer and Seward and Kenia or to Kodiak.

17 MS. WUNNICKE: I believe the decision should be  
18 made, though, just in terms of alerting the appropriate  
19 communities and the logistics of that kind of travel.

20 MR. PARKER: Yeah, I think the decision should be  
21 made too, I'm just leaving it open to make it now.

22 MR. WENK: I think that one of the reasons that  
23 we looked at Kodiak the first week of August is because  
23 somebody had made some mention there was a congressional  
25 committee that was going to be in that area at that time.

1 I don't know whether that's on the agenda or not  
2 whatever, but it was just the fact of getting people  
3 together to talk sometimes it's easier to do it all at  
4 once then it is to ask them to come back again two weeks  
5 later.

6 MR. SUND: I would suggest Homer and Kenia at the  
7 July meeting.

8 MR. PARKER: Alright. Is there agreement on  
9 that?

10 MS. WUNNICKE: Homer and Seward.

11 MR. SUND: I'm sorry, what did I say?

12 MR. PARKER: Homer and Seward, the Mayor of Kenia  
13 is expecting us there too.

14 MR. SUND: We'll leave that up to the Chairman to  
15 work those logistics out.

16 MS. HAYES: Mr. Chairman, I would just like to  
17 note that my family plans are that I probably would not  
18 be back until the 13th, if then so, I would have to miss  
19 the 12th.

20 MR. PARKER: Okay.

21 MS. HAYES: Just for your information.

22 MR. PARKER: Is that okay with everyone else?  
23 Alright. August we had set for the 2nd, 3rd, 4th, and  
23 5th, is what I show.

25 MS. HAYES: I just show the 2nd, 3rd and 4th.

1 MR. PARKER: I don't know why I put the 5th in.  
2 MR. WENK: I have to leave the night of the 4th.  
3 MR. PARKER: Let's circle the 2nd, 3rd, and 4th.  
4 I have nothing that comes to mind why the 5th.  
5 Alright, August 2, 3 and 4 in Kodiak.  
6 MR. WENK: Including Kodiak, you mean all in  
7 Kodiak?  
8 MR. PARKER: No, I don't mean all in Kodiak, I  
9 mean  
10 MS. WUNNICKE: But we'd go to Kodiak and then  
11 have one day in Anchorage.  
12 MR. PARKER: The next meeting on our schedule  
13 that we'd look at now, when do you get back Ed?  
14 MR. WENK: I get back, I'm afraid it's not until  
15 the 27th of August. I have almost complete flexibility  
16 in the period immediately following I'd rather not  
17 because of jet lag, pick it up the next day but we can  
18 talk about that.  
19 MR. PARKER: So, how about the 30th, 31st and  
20 1st?  
21 MR. WENK: I think that's, yes, I'll say yes.  
22 MR. PARKER: Anybody have a disagreement with  
23 that ?  
23 MR. SUND: September what?  
25 MR. PARKER: We're in August now. August 30th,

1 31st, and 1st.

2 MR. SUND: Okay, I'm sorry.

3 MR. PARKER: That meeting would be very much a  
4 work session in Anchorage as I see it, unless it's highly  
5 desired to go out to Dillingham for a day and have  
6 hearings there.

7 MS. WUNNICKE: I would have to miss one of those  
8 days.

9 MR. PARKER: Which one?

10 MS. WUNNICKE: Probably the 31st.

11 MR. PARKER: Right in the middle, huh. Do you  
12 want to just miss it or you want us to reschedule?

13 MS. WUNNICKE: No, I think we're going to come to  
14 the point so long as we have a quorum that there are  
15 going to have to be some of us absent. So I'll just miss  
16 that day.

17 MR. PARKER: We'll give you lots of work to do in  
18 those three weeks interim so that you don't feel left  
19 out.

20 MS. WUNNICKE: Thanks.

21 MR. WENK: Now, if I could make a comment that  
22 doesn't necessarily pertain to the next meeting. I've  
23 gone seventeen years without ever missing a class,  
23 teaching, and I managed to do so by having all my classes  
25 on one day of the week, maybe Friday. So, beginning the



1 29th of September, and I really have to ask everybodys  
2 pardon if it's inconvenient, that we set dates so that I  
3 can be in Seattle on that Friday. The other thing would  
4 be that I would have to miss a meeting but I made a  
5 treaty with myself when I started to teach.

6 MS. WUNNICKE: Tell me the August dates again,  
7 the 29th, 30th, 31st?

8 MR. PARKER: No, the 30th, 31st and 1st of  
9 September.

10 MR. WENK: I think it's on a Friday, though, so  
11 I'll join up with the others.

12 MS. WUNNICKE: Okay, I can still remain. I'll  
13 just have to work around it, I'm going to have  
14 houseguests.

15 MR. PARKER: Bring them to the meeting.

16 MS. WUNNICKE: I'll bring them to the meeting,  
17 yeah.

18 MR. PARKER: Okay, beginning the 29th, I'll take  
19 note that Friday is not a good day for you Ed, I don't  
20 see where that rises any problems. Do we want to go  
21 beyond September 1st now? Is there any desire to set the  
22 September meetings and I also need an answer on  
23 Dillingham? Do you guys want to go to Dillingham? It  
23 was suggested earlier, our first meeting that putting in  
25 an appearance in Bristol Bay because of the debate on oil

1 out there might be a good jester, it would involve one  
2 day in Dillingham, as I see it.

3 MR. SUND: Well, Mr.Chairman, on the first point  
4 I would put off scheduling meetings past the 1st of  
5 September right now, until some of our schedules come  
6 together a little more.

7 MR. PARKER: Alright.

8 MR. SUND: Secondly, I don't know that we need to  
9 make the Dillingham decision right now either.

10 MR. PARKER: No, you don't.

11 MR. SUND: It might pay to see what the work load  
12 develops into summer here and how some of our committee  
13 meetings and other experts and other people that we have  
14 to work around.

15 MS. HAYES: Mr. Chairman, I would concur with  
16 that and I would also suggest that some of the subjects  
17 we're addressing may be of more interest to the  
18 Dillingham residents than others and we would have a  
19 better feel for the discussion and where we are in the  
20 place in our own work program at some later point.

21 MR. PARKER: Later in the fall you go to  
22 Dillingham, the more people you'll get. Tim?

23 MR. WALLIS: I don't see nothing wrong with going  
23 to Dillingham but before we do I think that we should hit  
25 a couple of the native villages that's been affected by

1 the spill area, too.

2 MR. PARKER: I've had some discussions with North  
3 Pacific Rim which serves the poor Chugiach villages as to  
4 times to go out there and they suggested that September  
5 would be a good time because there's no one left in the  
6 villages, they're all fishing or working the spill at the  
7 moment and probably after a good deal of people are back  
8 from working the spill would be the most appropriate time  
9 for those poor villages. Now the Kodiak villages, I  
10 haven't had that firm a feedback except from Larson Bay  
11 because the mayor is always at the mayor's meetings and  
12 he indicated that he's pretty well emptied out too. So I  
13 think the same thing may pertain to the Kodiak villages  
14 and I think probably looking at visiting Chugiach and  
15 Kodiak villages somewhere from mid-September to mid-  
16 October trying to beat the really bad weather would be  
17 appropriate.

18 MS. HAYES: Mr. Chairman, on that note, I would  
19 just like to mention that I've been trying to arrange an  
20 inspection of some of the beaches and a visit to some of  
21 the villages in the Prince William Sound area for July,  
22 not as a, necessarily, representative of the commission  
23 although I'd be willing to do that if that happened but  
23 I'm interested in seeing a little bit more detail of the  
25 beach clean-up that we were able to see in that short

1 visit on Monday.

2 MR. PARKER: In line with that, when we're in  
3 Seward, I was going to investigate, I always go to Seward  
4 for the Fourth of July, and I was going to investigate  
5 possibilities of a boat to run us out to Gore Point and  
6 see how Gore point is doing as one of the most heavily  
7 impacted areas. So, I will go ahead and do that and  
8 adjust it to whatever is going on in that area. I have  
9 no idea what is going on at Gore Point. I think if you  
10 were going out on the Prince William Sound, going as a  
11 commissioner would be most desirable from my stand point.

12 MR. SUND: Now that we have the summer planned.

13 MS. WUNNICKE: We've already taken care of  
14 Thanksgiving.

15 MR. PARKER: On other logistics, Dawn is going to  
16 get, hopefully, some premium vouchers for you to have to  
17 pull out for this last trip, assuming the governor's  
18 office has some up there. Any other logistic matters you  
19 want to bring up now before we go back in to the work  
20 program? Okay, back in to the work program and we have  
21 before us contingency, response, litigation section, the  
22 whole second half of it. We have fifteen minutes to get  
23 through this, make up your minds quickly.

23 MR. WENK: Mr. Chairman?

25 MR. PARKER: Yes.

1 MR. WENK: Just a word of an item to help at some  
2 stage of thinking about this, I believe circulated  
3 earlier was a paper that I prepared on the index of  
4 elements of, I'm sorry not indexed, on Elements of  
5 Generic Contingency Planning, which would apply here.  
6 The GAO and one of there contractors both have this, I  
7 don't know that they're going to follow it, necessarily,  
8 but it's sort of a check off list broken down into  
9 prevent, event and post event categories with perhaps a  
10 unique emphasis on the human factors and state of mind  
11 and so on. I don't think there's anything else new in it  
12 beside that relative emphasis.

13 MR. PARKER: Is that the one you passed out  
14 earlier?

15 MR. WENK: At the last meeting, I believe. It's  
16 more a thinkpiece than anything else in terms of whoever  
17 it is that has the task of reading and evaluating  
18 contingency plans, old and new.

19 MR. PARKER: Yeah, I've got that highlighted. On  
20 contingency plans, looking at that particular section,  
21 assuming that what GAO is going to come up with for the  
22 benefit of the audience, the general accounting office  
23 has a large group working on a review of contingency  
23 plans at this time which is due August 1. We're going to  
25 be utilizing the results of their work as applicable to

1       our efforts.

2               MS. HAYES:   Mr. Chairman?   I'd just like to note  
3       for the record that I was really quite surprised being in  
4       Cordova and having veterans of the fishing, fight over  
5       the Valdez terminal, step forward to give high marks to  
6       Alyeska in its current contingency planning process.   I  
7       thought that that was notable and this is a case where my  
8       thinking on the contingency planned element of what we're  
9       doing has changed significantly after talking about what  
10      was being planned, at least.   I would suggest that we,  
11      somewhat soon, at least that subcommittee or perhaps the  
12      whole committee get a better idea of what that proposal  
13      has been in terms of process.   This is maybe one that  
14      instead of leading the charge we sort of recognize what  
15      is being done right now and review it.   My understanding  
16      is the revised contingency plan is to be submitted to DEC  
17      by August 1, that's way faster than I think we could do  
18      very much of any usefulness on that.   I guess between  
19      that and the GAO report I'm not sure that we should be  
20      spending a great deal more time on contingency plans  
21      other than reviewing what's being submitted August 1 and  
22      seeing if there are any fine tuning or other things that  
23      might be possible to be done on that.

23             MR. PARKER:   I would regard that as wise.   The  
25      other element of this, the state of course has now a

1 legislation which on a state wide contingency response  
2 and contingency plan, which I'm sure DEC will be, when it  
3 comes up for breath from the oil spill, will be working  
4 on whether there efforts will be of aid to us. I'm going  
5 to talk to Commissioner Kelso about, he was on my  
6 recorder when we get home last night but I haven't talked  
7 to him about these things yet.

8 MR. SUND: Well, Mr. Chairman, it comes down, I  
9 think, on the policy level of contingency planning is  
10 contingency planning for what. I know, Mark Hutton spoke  
11 to us there in Cordova and he's on contract to, with I  
12 guess BP's leading the charge now to put this together  
13 and they are involved in these escort vessels and they're  
14 going to have towing and containment capacity, but it  
15 comes down to maybe there is a policy statement to be  
16 made here that there is maximum credible threat. I mean  
17 is your contingency plan designed to scoop up a total  
18 fifty-three million gallon, the largest capacity tanker  
19 total catastrophe issue. Is that what they're planning  
20 against? I never got a feel for what they were planning  
21 for and the ability to contain that, and the ability to  
22 pick that oil up, and the ability to put that oil  
23 somewhere. That point was brought up to that if you  
23 don't have another tanker laying around to put it in, it  
25 doesn't do you much good to have the capacity to pick it

1 up. Maybe it's like Meg says, they're out planning for  
2 this and maybe we need a meeting with Wes or whomever is  
3 leading that charge to give us a broad outline of what  
4 they're planning for and then I think we need to come up  
5 with or develop a policy of what we would recommend that  
6 they plan for. Do they plan for the biggest tanker  
7 losing half of its oil or what the other issue is. The  
8 other factor that came out that I guess was new  
9 information, I hadn't thought about it, was when they  
10 went into this whole planning process the number one  
11 priority it appeared from Alyeska Exxon thing was not to  
12 contain the spilled oil but to remove the remainder oil  
13 off the tanker and the free oil in the water became a  
14 secondary priority. It's a question of what should the  
15 policy be and I don't think they're mutually exclusive,  
16 you can't keep picking up something that's coming through  
17 a hole if you don't stop the hole which is on the other  
18 side of it. I think there's some policy issues there  
19 that we could lay out, not right to plan whatever, but to  
20 draft out here's, from Prince William Sounds point of  
21 view, here's what we want them to have the capability to  
22 do.

23 MS. WUNNICKE: Yeah, I think we're better off to  
23 focus on response. The benefit of looking at the plans  
25 that were in place that were not implemented, I think we



1 would all agree, would be to see if there were  
2 unrealistic elements in those plans that in actual  
3 practice were not usable. One that comes to mind and,  
4 correct me if I'm wrong, was that the plan did talk about  
5 containment booms around a vessel and yet we've been told  
6 that that was dangerous and shouldn't be done and put the  
7 crew at hazard and the vessel at hazard. If that were  
8 true then why was that a part of the contingency plan if  
9 they knew that was unrealistic to begin with. That kind  
10 of thing I think you might want to look at.

11 MR. PARKER: Okay. Bob Grogran has joined us.  
12 Do we want to pick up this debate later or we can  
13 continue. Go ahead Ed.

14 MR. WENK: Why don't we try to finish this  
15 discussion of contingency planning, if that's convenient  
16 for Bob Grogran.

17 Again, in terms of our learning curve, I think  
18 several things have happened since Meg had the  
19 opportunity to assemble this, that bear on this category  
20 at least. The first is the difference between  
21 contingency plans on paper and their implementation. I  
22 think there is a major category of activity worth  
23 describing in terms of what happened that deals with  
23 response, that deals with its vitality, with its scale,  
25 with its priorities, with its decision making or what all

1 of us have certainly heard, the confusion the first, at  
2 least, forty-eight hours and maybe longer. There's a  
3 whole dimension there that I think maybe ought to be  
4 separated out when we're dealing with this category. The  
5 second aspect has to do with something new, I believe  
6 that has come into our perspective, and that's the whole  
7 notion of impact. I think we've come to recognize that  
8 the contingency planning was largely done, for whatever  
9 reasons, with regard to the short term environmental  
10 impact. I don't believe the contingency planning had  
11 much though even about the long term ecological impact  
12 but it surely ignored people. I think all of us have  
13 tripped over this. Now it seems to me that in so far as  
14 finding a place to identify this dimension or this factor  
15 of what we're about, this might be the place because I  
16 think the concept of impact analysis deserves attention,  
17 even in the planning. I don't think you wait until after  
18 the accident then to inventory all the non ecological  
19 impacts and then try to take remedial and litigating  
20 action. So I think it's really a conceptual dimension of  
21 contingency planning but I believe we also have a very  
22 keen interest, again, in what happened, of trying to get  
23 lessons learned from this experience that I believe  
23 derives so strongly from what we heard there on the now  
25 and later social impacts which are unprovided for in the

1 planning but even unprovided for adequately, I think it  
2 could be said, by the state government with the cabinet  
3 not having adequate representation, etc, etc. Anyway,  
4 end of comment, in terms of simply enlarging on this and  
5 learn it in terms of what we've been learning.

6 MR. PARKER: Well, I agree if you're going to  
7 have true impact economic and social impact litigation  
8 you certainly have to have the structure in place for the  
9 event or things will get very bad before you can get  
10 tooled up for it. That's certainly a major lesson that  
11 we've learned from this one. On contingency plans then,  
12 I think we certainly will have to review from the stand  
13 point that we're going to develop our criteria for  
14 contingency planning including impact and some  
15 measurement standards to suggest to use on measuring the  
16 adequacy of contingency plans. If you're going to  
17 operate two hundred and fifty thousand ton tankers,  
18 probably a major spill from those will not be adequately  
19 accommodated by a ten thousand ton barge.

20 MR. SUND: I would just emphasis again on Ed's  
21 point that the one thing we learned in Cordova is there  
22 is no plan for the impact on the community right now.  
23 The example was, they hired locally, there was other  
23 impacts. They hired bilocally, they bought every  
25 raincoat in Cordova from the retail stores and the subse-

1       quent impact of that on other people who wanted to buy  
2       raincoats, there wasn't any to buy in Cordova. Nobody  
3       even thought about what the impact on the communities  
4       would be from reacting to a major disaster within the  
5       sound. This is a case study the Amocco could use is the  
6       same thing, the mayors in Brittany came by and said there  
7       is no, I'm not sure they had a contingency plan there but  
8       if they had one it certainly didn't involve what happens  
9       to a local community in the area when you have to  
10      mobilize to react to a major crisis. We have a perfect  
11      case study of what's happened that needs to be  
12      incorporated in the next round of contingency planning to  
13      how do you deal with all those issues. I think we again  
14      talk to the people putting this one together but  
15      hopefully they're doing something there.

16               MS. WUNNICKE: Mr. Chairman? I think that we can  
17      identify in the application of or failure to apply the  
18      contingency plans that were in fact, what the barriers to  
19      making them operable were, so if its preapproval of a  
20      decision, if there's some regulatory or some structural  
21      barrier to the ability to respond rapidly to that kind of  
22      crisis I think we would be doing a great service to  
23      identify those areas where it might be possible to make  
23      the plan be implemented.

25               MR. WALLIS: Mr. Chairman?

1 MR. PARKER: Yeah, Tim.

2 MR. WALLIS: On this whole deal, I really don't  
3 think that we should have to wait for the Alyeska  
4 contingency plans, certainly we can work with them and  
5 review it on an on going basis. I think their  
6 contingency plan is pretty specific for the terminal area  
7 and ours is, by statute, is to look at a state wide type  
8 deal and perhaps we could borrow from there's and that if  
9 they do have a spill they could borrow from ours in terms  
10 of government response. Let's go ahead with the  
11 contingency plan.

12 MR. PARKER: I agree totally. I think we have to  
13 exam carefully legislating the language in the bill and  
14 legislating intent on what the state wide plan is, what  
15 they visual the state has planned and use that as a  
16 starting point for developing the criteria and  
17 measurement standards and so forth. Kind of an API plan  
18 for Alaska since API didn't include us in there's.

19 MR. PARKER: Is there anything else on  
20 contingency plans at this moment?

21 MS. HAYES: Do we have a key question?

22 MR. WENK: Excuse me, John did raise one key  
23 question, at least and that is the maximum credible  
23 threat for which all plans are designed and what are the  
25 associated premises.

1 MR. PARKER: Okay.

2 MS. WUNNICKE: And Mr. Chairman, what is the  
3 criteria for contingency plans and the ability for them  
4 to result in their rapid successful response?

5 MR. WENK: The third area, and I'm not sure this  
6 is a key question but let me mention it anyway. The word  
7 litigation is what comes up so often in this type of  
8 contingency planning. It is meant largely to appeal to  
9 litigation of environmental damage and I believe there is  
10 key question with regard to dealing with all types of  
11 consequences and there litigation and the concept of  
12 litigation means trying to ask what might happen if, to  
13 whom, etc, etc, in other words, there's a whole  
14 intellectual approach to litigation which, my impression  
15 is, has been rather narrowly appealed in the contingency  
16 planning so I guess, incidentally, I have to call to your  
17 attention in this outline under precise factors are  
18 estimating consequences, economic, social, political,  
19 environmental. This is just the way one person thinks  
20 about this in terms of any emergency that involves  
21 people. I just think there is a major question here  
22 about the tunnel vision that's associated with  
23 contingency planning that has failed to recognize this  
23 broader issues. Now I haven't fully phrased question.  
25 Meg, can you put this in the form of a question?

1 MR. PARKER: I think, without doubt, the state of  
2 the art can be advance substantially.

3 MR. SUND: Well the other, in terms of  
4 development of the plan, is a role for the stakeholders  
5 to be involved in the development of the plan. I would  
6 just throw that in that the people who to be impacted by  
7 the spill should have a stake or say in the development  
8 of the contingency plan to contain or we're already in to  
9 a plan because there is a spill.

10 MS. HAYES: Could I expand that to just say  
11 contingency planning and the preparation or  
12 implementation, I think that the stakeholders need to be  
13 involved as well with decisions to change the factors  
14 involved and the response.

15 MR. SUNDS: There seems to be two levels here,  
16 Mr. Chairman. One developing the criteria for doing a  
17 contingency plan and I think Tim brought up the issue of  
18 need to look state wide at that, of what are the steps in  
19 the criteria and who are the players in developing it on  
20 a state wide basis. And then we have the more particular  
21 thing of dealing with Prince William Sound itself, here  
22 in which the plan will get very, very, specific on who  
23 does what, where, the inclusion of volunteers, which was  
23 totally left out of this last plan, where you had seven-  
25 ty-five to one hundred boats fueled and ready to go with-

1 in twenty-four hours that were never called on, totally  
2 left out of the planning process or the implementation  
3 process. I would kind of leave it like that I think in  
4 terms of trying to work on two levels at once. One is  
5 the criteria for planning and the process for planning  
6 and then the actually plan itself for Prince William  
7 Sound.

8 MR. PARKER: Okay. Anything else on this point?  
9 Bob you want to come up here a little closer, it's a long  
10 way down there. Do you want to make your point now or  
11 wait until later?

12 MS. WUNNICKE: No that's okay, I'll wait.

13 MR. PARKER: Bob, I think you know everybody at  
14 the table, probably, except for Ed Wenk.

15 MR. GROGRAN: Yes, I think I do. Do I need to  
16 identify myself for your record.

17 MS. WUNNICKE: Please do.

18 MR. PARKER: Yes.

19 MR. GROGRAN: Members of the commission, my name  
20 is Bob Grogran I'm the director of the provision of  
21 governmental coordination in the governor's office in  
22 Juneau.

23 I first want to say that I appreciate your taking  
23 time on your schedule to let me address the commission.  
25 I've got just a few comments to make and I thought we



1 might talk about some suggestions for improving  
2 communication. I wanted to tell you all about the thing  
3 that I'm involved in, the OCS policy committee. The  
4 committee last met in April and right on the heels, of  
5 course, of the spill there was a great deal of discussion  
6 from secretary Lohmeyer (?) on down, about the spill and  
7 the ramifications of the spill on the OCS program. The  
8 general feeling is that the spill and the time just  
9 following the spill, probably for several years, presents  
10 a major impediment to the nation's OSC program and it was  
11 with that recognition that the policy committee elected  
12 to form a subcommittee, which is composed of the states  
13 of Massachusetts, excuse me delegates of these states,  
14 Massachusetts, Louisiana, Oregon and Alaska with one  
15 industry representative and one environmental  
16 representative on the subcommittee. The charge by the  
17 secretary was to review the analysis, both federal and  
18 state, as well as congressional work and to next year  
19 make a recommendation to the secretary Richard Gord, to  
20 anything the group thinks is prudent for consideration.  
21 I think that we're all aware that there are a number of  
22 other states, coastal states around the country, that are  
23 looking heavily towards Alaska now for some sort of  
23 guidance on this issue. As results of last weekend indi-  
25 cate, we probably may well be expanding this subcommittee

1 to include some other states that have sort of moved  
2 this, perhaps more up on their priority list. I wanted  
3 to mention, also the governor's letter to secretary  
4 Luhawn that I think, I'm sure you all by now have a copy  
5 of. There's been quite a bit of confusion about that  
6 letter and what the governor might be saying or not  
7 saying with respect to OSC considerations in Alaska. I  
8 think the short way of putting what's said in the letter  
9 is the governor is putting everyone on those,  
10 particularly the Department of Interior, that the state  
11 intends to stay in the oil business but the state is  
12 going to make a very deliberate and concerted effort to  
13 become much more careful in terms of its decision making  
14 regarding contingency spill plans. I think both sides of  
15 the spectrum, so to speak, have tried to read into that  
16 letter things that were not there and I don't know to  
17 what degree that may concern the commission at all but I  
18 guess I would appreciate, as the state's delegate on OSC  
19 matters, should that become problematic in anyway I would  
20 appreciate a call from you all so that we have an  
21 opportunity to address that. The immediate concern with  
22 the Shell Western drilling proposal for this summer in  
23 the Chuckchee area and the immediate concern, of course,  
23 centered on the fact that the Chuckchee area is normally  
25 considered to be much more hostile than probably any

1 other OSC area off Alaska shores and certainly more  
2 hostile environmentally than the Valdez area. The  
3 feeling was that if we have major problems with spill  
4 contingency in Valdez, how then can the state look  
5 favorably on proposals in areas like Chuckchee. The  
6 state actually rendered it's decision and commented back  
7 to the Department of Interior, as luck would have it, on  
8 March 23, one day prior to the spill and the governor's  
9 letter essentially says if we knew then what we know now  
10 the state's response would have been quite different but  
11 the question was how do you retract or change your  
12 position and obviously the state's reassessment work to  
13 be done by the Department of Environmental Conservation  
14 has not even begun, so we're ways off from knowing what  
15 the state's position will be. It was a tricky situation  
16 with respect to timing and we tried to, as best we could  
17 at this time, set the record straight on that.

18 One of the other things that I think I look  
19 towards seeing from the coastal states, probably in  
20 general and certainly the states on this subcommittee  
21 will be once again referencing the revenue sharing  
22 aspect. I think, in this instance, we have seen a  
23 classic case of those who are shouldering the greatest  
23 burden of the risk not directly in any way being compen-  
25 sated for taking that risk.

1 I think we have always, in Alaska, maintained the  
2 position that there should be some up front revenue  
3 sharing. Not simply the promise of local hire at the  
4 development stage, but rather something up front in way  
5 of compensation for taking the up front risk on  
6 exploration. As you all were speaking with respect to  
7 the contingency of having fishing fleets prepared to, in  
8 some way, respond to a spill, it occurred to me that that  
9 might be a way to connect with revenue sharing somehow.  
10 I certainly think it would be popular in coastal Alaska  
11 and it might be as well in other states.

12 So, I wanted to make you all aware of what our  
13 time frame was there and I'm particularly interested in  
14 the work that this Commission will be doing and I'm  
15 particularly interested in getting your concerns fit into  
16 this process. Basically, I see what we're doing here for  
17 the state is we're pursuing another avenue to try to  
18 articulate what it is we think we have to have with  
19 respect to oil and water policy and in this instance as  
20 it affects federal lands.

21 I also wanted to make one more pitch and let you  
22 know that we would really appreciate some suggestions  
23 from you all on this. And that pitch would be that, as  
23 you all I'm sure have encountered, it seems that almost  
25 everyone is doing some sort of study on the federal and

1 state side. The longer I sit in this position, the  
2 bigger the problem appears to become and I think that we  
3 are grappling on the states side with getting a handle, so  
4 to speak, on that. We're clearly not there yet and I  
5 have suggested to the Department of Interior and perhaps  
6 other federal agencies as appropriate, that someone on  
7 that side needs to also try to corral exactly what all is  
8 going on in federal agencies. John Katz in Washington is  
9 doing his best to track congressional activities so I  
10 feel we have a little bit better situation there. I  
11 don't have a good suggestion as to who should do this,  
12 but it seems to me that a whole lot of time, energy and  
13 resources are being devoted to these studies. No doubt  
14 there will be some extremely valuable information  
15 generated there, my concern is if we don't know about  
16 that work there's no way that it can be used productively  
17 and I think the state has a large responsibility now, not  
18 only to our residents, but also in terms of national  
19 policy. And, I think we need every bit of information  
20 that has been produced. The Oil Spill Coordination group  
21 inside the state, I think is looking principle right now  
22 at dealing with legal matters and with budgetary  
23 concerns. We're trying to, at least I'm making a pitch  
23 for this at the state level, that we have a more coordi-  
25 nated approach on presentations. Presently we have vari-

1       ous state agencies giving various presentations to all  
2       sorts of groups. My fear is that if that is not in some  
3       way, regulated probably isn't the right word, but  
4       coordinated, I think in six months or a year down the  
5       road we'll have the potential, at least, to be giving  
6       presentations that are a hundred and eight degrees apart  
7       from one another on key issues. We're going to  
8       internally keep pushing on that but I think you all, with  
9       your unique perspective would be in an ideal position to  
10      give us some suggestions in that regard and I'll be happy  
11      to try to address any of these things and questions you  
12      might have.

13               MR. PARKER:       Okay. Thank you, Bob. On your  
14      last point I think it is critical. Our presentations  
15      from the state at Valdez and Cordova by the people who  
16      are out there and their working positions at Valdez, it  
17      was DEC at Cordova Fish and Game. They obviously didn't  
18      have any policy that they could adhere to to talk from.  
19      They were kind of wondering what they should say and I  
20      think getting as much in the hands of there's going to be  
21      as this thing grows with the massive amount of federal  
22      legislation that's already on the books. We're certainly  
23      going to need all the help we can get in tracking it and  
23      getting a sense of what is going on in the congress, be-  
25      cause, certainly, our hopes of what we developed will at

1       least have some real influence on the congress where it  
2       proceeds with that massive legislation.       Now,  
3       Commissioners?

4               MR. SUND:       Well, I think Mr. Chairman, on the  
5       last point if you're worried about who's doing what  
6       study, we are, too. It's very difficult to get a handle  
7       on it. Why people are doing different studies is always  
8       an interesting question to ask. Most of them seem to be  
9       doing it to get ready to go to court which is a different  
10      reason than I think some of them ought be used for  
11      Because what happens then is the studies done for a  
12      specific purpose and once you're in court they quit doing  
13      the study and a lot of the, maybe, continuity of data or  
14      continuity of research that should be just picked up by  
15      maybe another entity at that point and continued forward  
16      will be dropped and lost.

17             The second thing, and I just can't emphasize  
18      more, is that the state needs to get some high level  
19      spokesman or coordination of it's policies between Fish  
20      and Game and DEC and all the rest of the entities  
21      involved in this group. It may be that it already exists  
22      and we just haven't seen it yet. But, what we see is  
23      guys out in the field trying to do field work and try to  
23      think about overall policy at the same time and it's not  
25      very effective.

1 MR. PARKER: Meg?

2 MS. HAYES: You are the first member from the  
3 governor's office that we have seen since we came back  
4 from Cordova and Valdez. And, for three days we have  
5 been railed at by very irrate mayors about the state's  
6 response in providing them with the means to do the jobs  
7 that they think have to be done without concern of  
8 whether or not they're going to be paid back by Exxon. I  
9 guess I mostly want to alert you and your office to the  
10 fact that there's a great deal of emotion out there.  
11 There's also apparently a great deal of need that's not  
12 being met by the state or by someone. We had incident  
13 after incident of, as John said, a great deal of money  
14 and energy being spent on biological and water quality  
15 studies and relatively small amounts being spent or  
16 interest being expressed about, not only the effect of  
17 the spill on people, but the effect of the big money on  
18 the communities that are out in the sound. Some of us  
19 have been remarking earlier today about how Cordova was a  
20 town that had been prepared for a spill, had fought the  
21 terminal and was ready with volunteer boats, was not  
22 allowed to volunteer to be acted and have been relatively  
23 unaffected by the spill. In terms of their fish, they  
23 still can fish. Kodiak is a town that had no involvement  
25 really in the whole terminal issue or the pipeline issue,



1 had no ability to interact with any of the decisions  
2 being made, but they're not fishing and they're not being  
3 paid. In the same way there is something that needs to  
4 be done there by the state government in some fashion and  
5 we want you to know that that's definitely a problem.

6 And just briefly, the second point that I'd like  
7 to make is that at one point the state, I believe it was  
8 perhaps even the intergovernmental affairs I don't recall  
9 who, use to publish a work on a quarterly basis about  
10 research and progress in the state of Alaska. It seems  
11 to me that picking up some kind of publication or  
12 reresurrecting a publication like that, which have been  
13 due to budget cuts, would go far in alerting people to  
14 the type of work that's being done and I certainly would  
15 imagine that Dr. Loresh's group would be doing some of  
16 that, keeping track of it but since some many other  
17 people are doing it I would suggest that we explore that  
18 as one way of getting into the literature of what kind of  
19 work is being done even as it's being published rather  
20 than having to wait until it's actually completed.

21 MR. PARKER: Thank you, Meg. Anyone else? Go  
22 ahead.

23 MS. WUNNICKE: To reinforce what Meg said that  
23 it does seem, and it would be something that Dr. Loresh(?)  
25 should be asked rather than you Bob, is it appears to us

1       that the state agencies are being funded for their spill  
2       related increased effort and damage but that the local  
3       communities are not. It strikes me that the state does  
4       not exist separate from it's communities or it's people.  
5       That it's not an entity that doesn't encompass it's  
6       people and it's communities. I guess that's the message  
7       we'd like you to pass on.

8               MR. PARKER: I think the impression I carried  
9       back from Valdez, Meg has actually described Cordova, but  
10      Valdez is very much an occupied city, occupied primarily  
11      by Exxon Veco and the the federal agencies, to a lesser  
12      degree, by the state agencies. We have an embattled  
13      mayor and counsel there who kind of been the core of the  
14      oil mayors group that has been attempting to get a strike  
15      and agreement with Exxon for immediate relief. Now, for  
16      the last two months they keep coming to the table and  
17      having no agreement. They keep getting promises, but  
18      their frustration level is extremely high. The  
19      impression that one carries away, the other impression  
20      one carries away from Valdez is that Exxon Veco  
21      distributing largess in the form of jobs and free food.  
22      The free food is what just overwhelmed me. It's just  
23      something that I didn't expect it so I guess that's why  
23      it hit me so hard. You know, just available for anyone  
25      who walks in and I guess it's nice if your without a job,

1 but, it probably explains why so many people have been  
2 able to survive so long there without work.

3 MS. WUNNICKE: Mr. Chairman. If we could offer,  
4 I think when we're staffed, that we would copy you a list  
5 of things that come to our attention of work that's on  
6 going and you would reciprocate to us. Particularly any  
7 summaries of the national legislation or copies of the  
8 national legislation that may have been accumulated is  
9 certain to be helpful for us to get started with.

10 MR. GROGAN: I'm assuming you all have the  
11 compilation of state legislation.

12 MS. WUNNICKE: Yes, we have that.

13 MR. SUND: But, on the federal side doesn't Katz  
14 put together a list or a summary of all the federal  
15 legislation and it's progress? Could we get a copy of  
16 that or could you ask John or someone?

17 MR. PARKER: Maybe we should just ask John  
18 directly for that.

19 MR. SUND: Yeah, we could ask him directly.  
20 That'd be fine.

21 MR. WENK: I'll do it. As someone who's spent  
22 some years on Capital Hill I have a terrific appetite for  
23 reading complete bills rather than summaries, because  
23 I've found it's very difficult to get some of the subtle  
25 into a summary. So, I'm going to make it an additional

1 request to Katz, please to get us the copies of the  
2 complete bills. I don't think they're that long, it's  
3 not like a tax bill of seven hundred pages. I think the  
4 complete bills would be useful and also to know what the  
5 status is of hearings on these bills, where are they in  
6 the congress and what's the calendar of events and are  
7 some of these just symbolic or are they serious?

8 I would like to come back just to epitomize what  
9 you've heard from colleagues here a minute again about  
10 the conditions down on the sight. I characterized what  
11 was happening as privatization and in the same sense that  
12 words being used in high level political circles. This  
13 is a case study of privatization in terms of taking over  
14 almost all of the activities which some of us with grey  
15 hair would somehow or rather think of as being associated  
16 with the public sector. I'm not editorializing whether  
17 it's good or bad but there is something going on there  
18 that I've never seen before. I've never even imagined.  
19 I'm just wondering whether this is a precedent for what  
20 might happen if future emergencies in this country, not  
21 just oil spills, but other emergencies. If the public  
22 sector, federal and state, pardon me if I mention this  
23 too, are so sorely prepared to deal with it.

23 MR. GROGAN: I think the only thing I can think  
25 of in our history that reminds me of this was the so-

1 called pipeline impact budget that was prepared in the  
2 mid-seventies, prior to the pipeline construction  
3 beginning in which state agencies had lots of time to  
4 conjure what impacts might look like and submit budgets  
5 and legislature appropriated for that. In this instance  
6 the sequence is just reserved, we had the event first and  
7 now we're trying to decide what the impacts will be,  
8 unfortunately.

9 MR. PARKER: Well, you know, that's what's so  
10 totally different because in Valdez in the pipeline era,  
11 there was a great deal of activity due to the camp  
12 structure. Most of the activity was out in the camps and  
13 on the worksites themselves whereas now it's all right  
14 there in the middle of the social and economic framework  
15 of the town. Meg?

16 MS. HAYES: Along the same vein, I just want to  
17 remind everyone that one of the questions that was raised  
18 frequently was the mini cabinet on the spill and the  
19 failure for the cabinet to include some of the community  
20 and regional affairs. It certainly, in terms of the  
21 impact that we were observing, I think that the long term  
22 impact on wildlife and on the environment is something  
23 that we have a relatively long time to study it. Perhaps  
23 not as long as John would like. John's point is that we  
25 should be doing studies for management decisions not sim-

1       ply litigation and damage assessment. But, the people  
2       problem is a very immediate problem and it's one that  
3       could. It's one that they're experiencing now, they're  
4       going to experience during the winter when the rest of  
5       the thing is kind of closed up and it seems to us that  
6       that is an emergency that isn't being handled very  
7       properly right now.

8               MR. GROGRAN:     I had gotten the same thing and  
9       suggested to Commissioner Hoffman or someone from the  
10      department. Should be involved in that because I think  
11      there seems to be a difference in understanding between  
12      CNRA with respect to what the oil mayors concerns are and  
13      the policy group. And to date they have not had someone  
14      in those meetings and I think they really should have.

15             One other thing that I might mention with regard  
16      to the Department of Interior in taking this on and  
17      getting there commitment for staffing for this  
18      subcommittee, they also agreed to put together a summary  
19      of federal studies and legislation and so forth so we'll  
20      have yet another source. I don't know, our goal was to  
21      reciprocate on the state's side and we would have that  
22      information to all subcommittee members this summer. So,  
23      I think that may still have some usefulness for you all.  
23      I'll just pass that on as we're in receipt of it.

25             MS. WUNNICKE:   We still don't have a phone num-

1       ber or fax number, but soon.

2               MR. GROGAN:       Just to editorialize that.    It  
3       seems to me things are coming together not as fast as  
4       folks need or would like but I think, at least on the  
5       state's side, I see things beginning to gel.    I know one  
6       day last week I called every number of the coordinator's  
7       office and I had three numbers and I never got the  
8       telephone answered.    I think we're not quite there yet  
9       and, of course, I'm in a position to be more  
10      understanding than perhaps someone with a problem.    So, I  
11      think we're getting there but we're not there yet.

12             MR. PARKER:    Yeah.   One of the real problems is  
13      Bob Loresh has been running his operation out of his APA  
14      office and we've been running ours out our homes and  
15      briefcases.

16             MR. GROGAN:    I think there are good reasons for  
17      it but still things do need to be fixed.

18             MR. PARKER:    When you're out in Cordova, Valdez  
19      and Kodiak, those reasons don't seem very valid to those  
20      people.    That is a problem we've got to get over in a  
21      hurry I think.

22             MS. WUNNICKE:   Thanks for coming Bob.

23             MR. GROGRAN:    Thanks.   Thank you all.   Have fun.

23             MR. PARKER:    Alright.   Returning to the work pro-  
25      gram.   We are at litigation, technology and assessment.

1 Some of the earlier comments made about volunteers it  
2 would seem would come under with hiring practices, right  
3 along in that area and management of the litigation  
4 process.

5 MS. WUNNICKE: And the whole issue of  
6 privatization.

7 MR. PARKER: Yep.

8 MS. WUNNICKE: Mr. Chairman, just before Bob  
9 Grogan came in I was seeing a hole in what we're doing  
10 here and perhaps it's not necessary, but in looking at  
11 the Contingency Plans, and I think Meg coined the view,  
12 there's a whole area of research that perhaps is being  
13 done that maybe we might at least have some knowledge of  
14 and give some direction to in terms of the Contingency  
15 Plans and their predictions being based on current  
16 weather, shore line, geologic, natural conditions of the  
17 area to be covered. Know, you're talking state wide  
18 that's going to be a lot of different scenarios.

19 MR. PARKER: I think DEC has to do all the  
20 different scenarios. We have to help them establish  
21 criteria and so forth.

22 MS. WUNNICKE: That's what I'm getting at I guess  
23 is what direction is there to be given to that kind of  
23 research that may still be needed to give you a good  
25 factual foundation for your plan.



1           MR. SUND:     I guess the example I would give is  
2     the, you know, we always assume these tankers travel one  
3     hundred, one hundred and fifty miles off of the shore by  
4     the time they get off southeast Alaska are fifty, sixty  
5     mile off and I always felt kind of safe. I hypothesis a  
6     total break up of the tanker at sea off the southeast  
7     British Columbia coast. Now we know this oil can move at  
8     least three or four hundred miles because it moved out of  
9     Prince William Sound and it's down at Trik Nick now. It  
10    makes you feel pretty close and I don't envision this  
11    Commission trying to come up with a contingency plan for  
12    all the areas off the coast of Alaska but I do hope that  
13    we would come up with a criteria or the general policy  
14    statements of what such a plan should plan to encompass  
15    and from that end, be useful. I think other states and  
16    other areas are looking kind of for that too. What are  
17    the general perimeters and who should be involved and how  
18    should it be put together and the planning process. I  
19    think there's two levels here.

20           MS. WUNNICKE:     Yeah, and I'm not making myself  
21    too clear, I think. I agree with you in terms of our  
22    establishing the criteria, but it's just some benefit to  
23    be gained of our looking at the need for or basic  
23    research, if you will, in these areas that may or may not  
25    be in place when there doing the Contingency Plan.

1 MR. SUND: Plans are moving often.

2 MS. WUNNICKE: Yeah because of...

3 MR. SUND: ...of new technology comes up.

4 MS. WUNNICKE: ...new technology, new information  
5 on winds and currents. The Columbia Glacier is a great  
6 case in point how rapidly it has changed in it's  
7 recession and just a few years since 1977 when they first  
8 started shipping out of Valdez.

9 MS. HAYES: Mr. Chairman, if I think I  
10 understand what Commissioner Wunnicke is trying to say...

11 MS. WUNNICKE: Would you tell them what I'm  
12 trying to say.

13 MS. HAYES: I'm not sure you said what I think I  
14 heard you say. I think what we're interested in is the  
15 type of information that's necessary for decision makers  
16 in making the best decisions as they come along and as  
17 we've heard there's quite a bit of change in the sound  
18 that may affect what the Contingency Plans would be over  
19 time, especially now after the spill. It's certainly  
20 going to take the environment a long time to react to  
21 that, to stabilize or even to stabilize in so far as it  
22 can. I'm a little reluctant if I'm not sure I'm hearing  
23 people right around the table. I don't think that what  
23 our charge is under the legislation is to try a state  
25 wide contingency plan. I think that what our charge is

1 under the legislation is to give perhaps an outline or  
2 guidelines or criteria for the production of the state  
3 wide plan which would be perhaps more in line of what Ed  
4 has presented under the Elements of Generic Contingency  
5 Planning rather than something specific to the state of  
6 Alaska and all of it's magnitudes of environments. I  
7 think that some identification of gaps in the data that's  
8 necessary to make those decisions is worth while  
9 identifying. I'm not sure we're the group to show where  
10 the holes are but perhaps in some process there should be  
11 some way of doing just that and encouraging that research  
12 to be done post haste.

13 MR. PARKER: Yeah, I would agree with that. I  
14 think that Contingency Plan on themselves will, the  
15 ultimate document, will probably continue to be done by  
16 those who desire to go out and do something but that it  
17 will be done to a much stricter guidelines furnished by  
18 the state and that we are, hopefully, going to be a key  
19 factor in helping them pull those guidelines together.

20 MS. WUNNICKE: Okay, but then let me understand  
21 something. If we are not to assess damages because it's  
22 not our charge then there is no role for this body in  
23 terms of scientific research except to set that broad  
23 criteria that you're speaking of.

25 MS. HAYES: I think that's right and I would also

1 suggest that rather than simply an outline of what the  
2 contingency plan ought to be one of the reasons, Tim,  
3 that I'm interested in seeing what comes out of this  
4 Alyeska BP effort is the process that's involved with it.  
5 The process seems to have won some supporters that one  
6 would expect to be critical of almost anything that came  
7 out of a process like that with BP and Alyeska being  
8 behind it. What I'm looking at is the evolution of that  
9 planning process to see whether it has elements of the  
10 model that we would want to encourage for the state wide  
11 plan as well.

12 MR. PARKER: Ed?

13 MR. WENK: I'd like to bring in a new element as  
14 a way of thinking about the problem without knowing where  
15 this comment may lead as far as the Commission is  
16 concerned with contingency plans. I think that both past  
17 and present and possibly future the mental image we get  
18 of a plan is a blueprint that says a lot of things about  
19 what might happen and what you do if it happens and who  
20 does what, a very crisp structure. That's a two  
21 dimensional representation of a four dimensional problem  
22 and what's missing is an understanding of the process.  
23 The general practice of organizations with regard to  
23 these plans is to behave like dinosaurs, an enormous body  
25 and a damn small head. Following Newton's Laws of Motion

1 dinosaurs can't move very swiftly and they certainly  
2 can't change direction fast and I draw this model of a  
3 pyramidal organization which is the way almost every  
4 large organization thinks versus what in the literature  
5 is referred to as an adhocracy. The whole question here  
6 is what is the survival value of different organizational  
7 formats in a face of crisis. It's been almost uniformly  
8 found through history but certainly know that we're  
9 trying to study these things that this higher archival  
10 organization is clumsy, slow, sometimes just plain  
11 incompetent. The trouble is that the organizations that  
12 set up these structures can't think any other way. They  
13 are usually big organizations themselves, very slow at  
14 being able to think new thoughts, nervous about boat  
15 rocking, pardon the expression please, and yet in this  
16 situation you've heard time and time again the first ten  
17 hours are critical is not just having the doggone booms  
18 and the disbursements and so on on hand and it's having an  
19 organization that can think and act in ten hours. All  
20 I'm doing in mentioning this is suggesting that this is a  
21 frequently overlooked element in the past. It maybe  
22 overlooked as far as this great advertised Alyeska  
23 Contingency Plan were going to see soon. I feel the Com-  
23 mission owes it to itself to hear from a couple of  
25 organization behavioral experts sometime a long the line

1       who can talk about the kinds of organizations which have  
2       been found by careful study to be able to respond to  
3       emergencies in five and ten hours, talking now only about  
4       the organizational question not about the hardware  
5       question.

6               MR. PARKER:    I studied organization theory under  
7       your old colleague in the Johnson years Bertrom Grosse at  
8       Syracuse.  He's got pretty well along in years now, who  
9       did you have in mind?

10              MR. WENK:     Well, there are a couple of people  
11       down at Berkley that I've been impressed with in this  
12       regard, I could be more specific at an appropriate time.  
13       I know one or two at Harvard.  I know there are people  
14       all over the country who are doing some of this thinking  
15       now about organizational behavior in the face of crisis.  
16       The point that's continuously being made is that the  
17       higher archival organization responds to crisis by  
18       beefing up there public relations to compensate for there  
19       inability to deal with the crisis.  That's the government  
20       too.  We're not just talking about private organizations  
21       and I think we see so many examples of this that the  
22       observations are pretty uniform.  In this world of a  
23       different kind of technological induced threats, the  
23       human organization side needs as much attention as the  
25       high tech of Star Wars and I don't see that happening.

1           MR. SUND:     I know we're getting short on time.  
2     Just to follow that, do you see, Ed, or an organization,  
3     and I guess we've had the firefighting thesis put out on  
4     the table before of a separate entity just in charge of  
5     fighting fires. I don't want to get into the who funds  
6     it and who pays for it stuff. And the agreement of this  
7     is my guy, it's not your guy, but this setting up a  
8     separate entity that's in charge of responding to crisis  
9     and organized in a crisis response mode.

10           MR. WENK:   In all candor, I haven't thought that  
11     far through to really answer your question. The main  
12     thing is to pick up on some points that have been made  
13     earlier and that is to use voluntary organizations and  
14     people and facilities when they're available and  
15     adhocricy can do this. Without looking at the book in  
16     terms of who's liable and so on and this is the kind of  
17     ready response that it seems to me that's absolutely  
18     essential in dealing with any, the same sort of thing is  
19     going to happen if, heaven forbid, there's a nuclear  
20     power plant accident. If people are going to start  
21     looking at the books in terms of emergency evacuation and  
22     all that sort of thing, we're in real trouble and that's  
23     the kind of thing that, I mean, we saw the disaster at  
23     Bowpaw. We can just sight these new types of threats,  
25     these are rare but catastrophic.

1           MR. SUND:     It gets back to the issue I brought  
2 up two weeks ago. Let's envision the case it's not Exxon  
3 it's a bankrupt third party carrier and you don't have a  
4 big Exxon that's going to dip into it's pocket book. I'm  
5 not sure any governmental entity in existence today is  
6 going to respond any better to what happened in Prince  
7 William Sound than what happened and that wasn't exactly  
8 the best response either. In Cordova we had the people,  
9 the Cordova fishermen's Union, calling the Alyeska  
10 emergency number all day and nobody every answered it in  
11 three days and they never got a call back. They stood  
12 stand by with boats ready to go help. Nothing, nothing,  
13 nothing. I'm not sure the state of Alaska is in any  
14 better position to respond or the federal government, the  
15 federal government has stated their not in a position to  
16 respond. So that's what got me to thinking of this third  
17 party entity out there that is created on behalf of all  
18 of these large bureaucracies that is the firefighter that  
19 responds, putting a person on the scene that knows  
20 something about oil spill response and not the first  
21 person on the scene being the lawyers and bean counters.

22           MR. PARKER:     I think John's question deserves  
23 answering by the Commission. I'm not prepared to comment  
23 on that I just think it's. . .

25           MR. SUND:     Well, maybe we can put that off until



1 we get into organizational theory.

2 MR. PARKER: Organization is the key, the  
3 organizations and the individuals it hires are the key to  
4 any implementation and I agree totally with higher  
5 archaism and better this than it is in responding  
6 economically in a fast moving economy or anything else.  
7 The old administrative technology where it's out won the  
8 ability of layered organizations to respond to anything  
9 but most especially to crisis.

10 MS. WUNNICKE: There are experiences like the  
11 interagency firefighting capability that encompasses both  
12 federal and state governments response to wildfires. I  
13 think, Ed, you had mentioned Red Cross. There are a lot  
14 of organizations that know how to respond to a crisis and  
15 I think we have some lessons to learn from them. That's  
16 what I was getting at a moment ago on how can we look at  
17 the positive side of it, if you will, and make  
18 recommendations that would eliminate some of the barriers  
19 to that vast effective response. Is it preapproval? Is  
20 it someway of insuring against liability for the use of  
21 volunteers? Is it cutting through some of things that  
22 know seem to constitute barriers to a rapid response.

23 MR. PARKER: Anything else?

23 MR. WALLIS: Mr. Chairman? In talking about this  
25 contingency plan perhaps we ought to start here so we're

1 all talking on the same level. And, on item A, scratch  
2 contingency and let's just put up the plan up there as to  
3 how we're going to go about developing criteria for a  
4 means of setting up guidelines for a response, emergency  
5 response. In looking, I tend to agree with John at the  
6 present moment and in looking at the separate entity for  
7 a response.

8 MR. PARKER: Any other comments on this  
9 particular part? The management of the litigation  
10 process, any particular comments on that? We already  
11 tentatively agreed to place volunteers in there under  
12 hiring practices which would include their relationship  
13 with all the other things. I think the whole discussion,  
14 we just had of course, it's in there to a certain degree  
15 too. The decision making process, we covered a good deal  
16 of this in various ways, I think the big question there  
17 obviously and that we talked about before and that Meg  
18 incorporated here is the liability going to continue to  
19 serve as a major deterrent, enforcer of the right  
20 actions. That debate, of course, is inescapable since  
21 there's some many bills, on the state and federal level  
22 dealing with it. I think our problem is going to be what  
23 part of this particular elephant we are going to caress  
23 and how we are going to involve ourselves in this  
25 particular debate without getting totally bogged down.

1        Maybe you want to add anything to that I will leave it at  
2        that but it's going to be one of the major components of  
3        the whole debate certainly.        Tripartite management,  
4        federal state industry. We discussed that kind of under  
5        organization.        Effectiveness of locally coordinating  
6        committees of which we had a good example yesterday.

7                MS. WUNNICKE:        There was an excellent one.  
8        Cordova had really had it's act together.

9                MR. PARKER:        I think the crucial thing there is  
10       how do you encourage local coordinating committees by  
11       providing them help without destroying them.       Always a  
12       tough thing to do.       The extent which necessary  
13       information is withheld because of fears of litigation

14               MS. HAYES:        Mr. Chairman, I'm not sure we've  
15       figured that one out yet.

16               MS. WUNNICKE:        Information and communication are  
17       in this, absolutely.

18               MS. HAYES:        I think, Mr. Chairman, that  
19       Commissioner Wunnicke has mentioned before the almost  
20       universal high regard the Commission has for the Cordova  
21       fact sheet coming out of that and again the desirability  
22       of having something like that, it's somehow incorporated  
23       into the contingency plan or the response plan for simply  
23       keeping rumors at bay and providing good solid  
25       information to all parties.

1           MR. PARKER: Yeah, I think there again it's a  
2 matter of training as much as anything else cause in the  
3 wrong hands the Cordova fact sheet could have been a  
4 visible failure too but it obviously fell into the hands  
5 of someone who really believed in disseminating  
6 information. Recommendations for the future legislative  
7 national and state, have we forgot anything there? Do we  
8 want to add in that?

9           MR. SUND: Local.

10          MR. PARKER: Local, okay.

11          MR. SUND: I'd just make a note that, just so it  
12 goes in everybody's mind, that one of the  
13 recommendations, one of the issues that came up here was  
14 that in the local community issue this disaster occurred  
15 outside the boundary of every local community that was  
16 affected by it. And there was a real question, I imagine  
17 there still is a question, whether a local community can  
18 declare it a disaster when the disaster hasn't occurred  
19 within their boundaries. That may just be a simply  
20 issue, Cordova went ahead and did it anyway.

21          MR. PARKER: I think even with some of the  
22 existing legislation passed in this last legislature, you  
23 wouldn't be stretching the issue with one of the respon-  
23 sible departments or just simply form oil response areas  
25 that were under the department's agents. The communities

1       could respond and form there groups around that. I'm not  
2       sure whether that requires legislation or not. If it  
3       does we can certainly include it in our recommendations  
4       if it works out that way.

5               MR. SUND: Well, it certainly is an issue because  
6       there has been no centralized state entity been able to  
7       step into this. Every community was left on it's own,  
8       every agency seem to be acting on it's own. Chairman,  
9       what I was going to bring up is in terms of the outline,  
10      the work progress that Ed laid out, this really is  
11      something that falls out of what we do at the end. And I  
12      think there are issues, as they keep coming up, that we  
13      can keep a record of how this is. We need to review  
14      legislation that's in the middle, what's going on. So,  
15      it's kind of a second level that follows one, I don't  
16      think it's an element in itself. It's kind of a reaction  
17      or a result of all the other work that's done in all the  
18      other areas. It's a simultaneous, God forbid, I hate the  
19      word intrative process that goes on here that is the end  
20      result of all of our work. I'm not quite sure how  
21      mechanically how to take care of that. We need someone  
22      who collects these things and keeps a running tab of them  
23      going.

23             MS. WUNNICKE: Mr. Chairman? It's 2:30 and we  
25      were going to involve Commissioner Herz, were we not?

1 MR. PARKER: Yes we were.

2 MR. SUND: Are we ready to assign Herz all the  
3 subcommittees nobody else wants? Is that it?

4 MS. WUNNICKE: Sure.

5 MR. PARKER: John, do you want to go ahead and  
6 see which number you can get him at.

7 MS. WUNNICKE: This is what he wanted to have  
8 input to, wasn't it?

9 MR. PARKER: Right. Especially if this  
10 Commission is ready to think about subcommittee  
11 assignments and he wanted to have, certainly an  
12 opportunity to comment there.

13 MR. WENK: We didn't talk much about litigation  
14 technology or I missed it somehow.

15 MS. HAYES: I think that one, Mr. Chairman, I  
16 would suggest that we go back and look at this process  
17 question. Obviously were not in the position of saying  
18 whether cold water is good, bad or indifferent but I  
19 think looking a little bit closer at the process as it's  
20 been described to us and also recognizing the great deal  
21 of frustration of people that have, feel that they have  
22 sure fire process that may not exceed this oil spill.  
23 It's something that we can look at, again, as how those  
23 decisions are made and if there's provision being made at  
25 the University or other places for the R&D that's involv-

1       ed and improving them. I think we we're all surprised to  
2       find out how rudimentary and archaic the process is for  
3       oil spill clean up. It's somewhat disconcerting to find  
4       out that in all the years that we've been in this  
5       business we still haven't spent a great deal of time or  
6       energy in innovative thinking and new ways of taking care  
7       of that problem.

8               MR. PARKER: Yeah, the Coast Guard R&D station at  
9       Grotten, at least the part of it that deals with disports  
10      under a commander which is fairly indicative of the  
11      stature it occupies within that organization.

12             MS. WUNNICKE: Well, Norway and Finland were  
13      mentioned, I guess, to us.

14             MR. PARKER: I think we'll find that the  
15      Norwegians and the Finns operate on the model that John  
16      brought up. An organization that is geared to do this  
17      and is always in place to respond to oil spills.

18             MR. WENK: I don't know whether, Mr. Chairman, we've  
19      reached a point where we could, while waiting for this  
20      call to go through, talk about one dimension of this  
21      process that might benefit by discussion at this stage  
22      and involve Mike when he gets on the phone. And that has  
23      to do with a time table associated with those various  
23      steps. I realize that things are going to be fuzzy, but  
25      I think it might be interesting to try to put on each of

1       those steps certain dates to see where we are and give us  
2       a little better feel for the scale of some of these  
3       endeavors.       For example, if we try to shoot for  
4       Thanksgiving for findings and recommendations then I'm  
5       wondering if we can't work back to see what the dates  
6       are, when the database needs to have been completed and  
7       available and even have some one use red, green or other  
8       highlighters to pick out of that million pages of stuff  
9       the things that some of us as the Commissioners need to  
10      read, then to get our heads on in order to go to the next  
11      step of studies which, if I interpret correctly, may be  
12      done under contract.       But, those have got completion  
13      dates that have got to come in, again, within a time  
14      frame, that would be helpful, hearings etc.       All I'm  
15      suggesting is whether it might be fruitful to try to put  
16      some dates down.       Estimated dates.

17               MR. PARKER:   Most of our data collection better  
18      be done in the time frame of September 1 to September 15  
19      if we're going to have any time at all for analysis and  
20      that would be what was going on while we were finishing  
21      up the public hearings which is also a form of data  
22      collection.

23               MR. WENK:    Are you suggesting to put dates down  
23      here for example, that there be a date between hearings  
25      and analysis of 1 October?



1           MR. PARKER:   Yep.   Where are we know?   I think  
2   the data base, I would shoot for 9/15 there.   Complex and  
3   gaps for analysis, shoot for 10/15.   Now studies, I view  
4   studies with complex and gaps, studies is how we're going  
5   to define complex and gaps.

6           MR. SUND:   Mr. Chairman, I propose that this is  
7   not a linear line.

8           MR. PARKER:   I don't view it that way either.

9           MR. SUND:   I think, if I can say, that the key  
10   questions, hypothesis, proposed areas of data base  
11   gathering and possible proposed studies of each of these  
12   areas, at least a preliminary look by the next meeting,  
13   July 14, 15.

14          MR. PARKER:   Preliminary look in what regard?

15          MR. SUND:   Well, I don't think you can wait until  
16   after you, you're going to have to get someone on board  
17   to start doing some of these studies.

18          MR. PARKER:   We can start doing them right after  
19   the Fourth of July on the basis that the Fourth of July  
20   is almost upon us and there's not much time to do it  
21   before then.

22          MR. SUND:   I don't think this is a chronological,  
23   linear line.   I would say the hearings, I would look for  
23   those in September.   We will have hearings in terms of  
25   going out to the villages on a factual gathering basis.

1           MR. WENK: I look on the factual information from  
2 the villages coming in quite early but I think these  
3 hearings are the ones, if indeed we are in agreement, on  
4 asking the people at the very top level of these  
5 organizations what there premises were, assumptions,  
6 trade offs and so on and so on. I think we've all sort  
7 of agreed on this, we're going to have to get our own  
8 head in order first to make sure that we make the best  
9 use of that time.

10           MR. PARKER: Well, I think in hearings in that  
11 sense we'd be looking at doing those somewhere in the  
12 October/November framework, both hearings and any  
13 workshops which is...

14           MS. WUNNICKE: Yeah, I think there are other  
15 things, a number of briefings and workshops that we need  
16 apart from...

17           MR. PARKER: We probably should plan on October  
18 and November, Ed, just to plan on only being in Seattle  
19 on Fridays.

20           MR. WENK: Well, someone, I think, in a humorous  
21 vein while we were in Cordova or wherever said "Wouldn't  
22 it be interesting if this Commission held some hearings  
23 in Washington D.C.?" But I don't think that's an idle  
23 question. I think there's some very good reasons for us  
25 to touch base with the commandant of the coast guard and

1 the head of EPI and so on and I don't think it would be  
2 to easy to get them in Anchorage all at the same time but  
3 I think it would be a lot easier to think about their  
4 being in Washington. I'm not looking forward to that  
5 trip but I'm just...

6 MR. SUND: I would rather invite them here  
7 myself.

8 MR. WENK: Well, okay. And the president of  
9 Exxon at the same time?

10 MR. SUND: Sure. He needs to make a trip to  
11 Alaska once a year.

12 MR. WENK: Alright. Well, in any event if what I  
13 heard correctly along the matter of dates we're talking  
14 about October for, hearings may not be the right word but  
15 whatever word it is. Is that about right, just to write  
16 something down, early October?

17 MR. SUND: If I could just comment Mr. Chairman,  
18 that this is a total example of having the open meeting  
19 process. It may appear to the audience this somewhat  
20 confusing and backwards but it also proves that the fact  
21 that we have not talked about any of this amongst  
22 ourselves anywhere and this is pure evidence of what the  
23 open public meeting brings to you.

23 MR. PARKER: It all hangs out.

25 MR. SUND: It's all here and some of this may

1        seem like minute detail but this is what the ball games  
2        about I guess.

3                MR. PARKER:    Also due to the fact that I kept  
4        them on the go pretty much, nobody's had a chance to  
5        develop any agenda above and beyond what they could pull  
6        together the last time we met.

7                MR. WENK:    Just following this along, if there is  
8        some validity to this data base that's sketched out on  
9        page one, I can imagine an initial and very important  
10       task for staff to have this data base all in one place.  
11       In the first instance, to start building this library and  
12       secondly for people to start perhaps under guidance of  
13       subcommittee yet to be discuss, starting to review these  
14       so as to highlight those nuggets that are really  
15       important to this Commission because this is very  
16       illuminous. I don't know how swiftly that can be done  
17       but I've got a feeling that that might be important at  
18       which time elements of this can be broken up and used by  
19       different Commissioners and the fax machines to those of  
20       us out of town and so on.

21               MS. WUNNICKE:    I would, Mr. Chairman, I would  
22        think each subcommittee is going to have a bit different  
23        time line. And, perhaps one of the things that we should  
23        look at is when we have to have all of it together for  
25        the full Commissions review and sign off and presentation

1 as a draft to the public and then an opportunity to  
2 consider the public comments and prepare a final report.  
3 Some data bases are readily available, you're talking on  
4 the pretense of major agencies and companies, to me, is  
5 the kind of accumulation of information. So that  
6 subcommittee's going to be different from someone dealing  
7 with response.

8 MR. WENK: The data base here on page one  
9 comprises in the main items which are already completed,  
10 although some of them are going like logs, or where there  
11 are known completion dates no later than I think, August  
12 1.

13 MS. SCOTT: Mr. Chairman, excuse me. We are  
14 having a hard time getting a hold of Mr. Herz. He's not  
15 at his work number and his answer phone is on in his  
16 home. Do you want me to leave a message on his answer  
17 phone?

18 MR. PARKER: That's about all you can do.

19 MS. WUNNICKE: It was at 2:30 that we tried to  
20 call.

21 MR. PARKER: That's what we agreed on so unless  
22 he got confused on the time I guess we'll go on.

23 MR. SUND: I would suggest following Esther's  
23 outline. We basically have an outline of the critical  
25 areas in each area, the proposed studies identified, some

1 proposed budgets for each of the areas identified by the  
2 next meeting by July 14, 15 and maybe in some of those  
3 ahead of time. At the August meeting that we have a  
4 factual gathering, there's interim review of progress of  
5 each of the areas where people are at continual data base  
6 fill in on going day to day and identification of further  
7 gaps or new areas to study or a new direction to take and  
8 at the end of August there's pretty much a general review  
9 where everybody's at. Hopefully, some of these issues  
10 are coming to a close, wrap up and we begin to outline  
11 the "formal hearing process" or workshop process to take  
12 place in late September/October which leads you into your  
13 drafting.

14 MR. WENK: Could I comment on that? First of all  
15 to support it with the thought that we've all been so  
16 saturated the past few days and I'm not sure it wouldn't  
17 be worth our while spending a little time after this  
18 meeting individually to get our own heads together by  
19 reviewing our notes, which in my case is now up to page  
20 fifty-five from the past three days for each of us to  
21 maybe identify these key questions we talked about to get  
22 them to headquarters and then fax to everybody,  
23 especially to find common ones and be prepared and I  
23 think I understood John to suggest that at this next  
25 meeting we really nail down who is going to what, when,

1 with what staff and what budget.

2 MR. SUND: If we could split these areas up and  
3 each one of us be responsible to come back with a  
4 proposed study area and proposed budget. We're going to  
5 have to hammer out now and get the budget out.

6 MR. WENK: Don't you think we'd be better  
7 prepared after we put our minds around this massive  
8 material.

9 MR. PARKER: I don't think we can wait until the  
10 next meeting to split it up, I think we should make  
11 decisions on subcommittees now. Do you want to do it  
12 today?

13 MR. SUND: Yeah, right now. And then have each  
14 one of those subcommittees be ready to lay it all out at  
15 the next meeting. I would suggest, since it's usually  
16 the prerogative of the Chairman to make assignments, that  
17 we take a five minute coffee break while he figures out  
18 who's going to do what.

19 MR. PARKER: The Chairman, before you leave, has  
20 broken the subcommittees down the same way he did at the  
21 first meeting; prevention, response and institutions and  
22 any additions to that you want to make.

23 MS. HAYES: Well, I would suggest for  
23 consideration by the Commission as whole, as well as by  
25 the Chairman, to consider it rather than in that way to

1 look at the elements of each as we've talked about it  
2 here. For instances, we have talked about tanker safety,  
3 it seems somewhat important to me that the people that  
4 look at the prevention would also be looking at the  
5 future of tanker safety rather than necessarily jumping  
6 into the contingency plans, as an example of that. I  
7 would suggest that we do it by area of expertise. We've  
8 all been appointed to the Commission for reasons under  
9 the legislation, of reasons of some kind of expertise in  
10 various areas connected with the spill and I know that  
11 various members of the Commission here feel that they  
12 are best prepared to deal with certain topics rather than  
13 just the prevention and response.

14 MR. PARKER: And institutions.

15 MS. HAYES: And institutions.

16 MR. PARKER: Well, what would those certain  
17 topics be?

18 MS. HAYES: Well for instance, I believe that  
19 there are people at this table that have some expertise  
20 in tanker and safety systems.

21 MR. PARKER: They go on prevention.

22 MS. HAYES: Perhaps, maybe that's the way it  
23 goes.

23 MR. PARKER: Yeah, that's what prevention's all  
25 about. And essentially prevention handles tankers, crews



1 and support system; response handles oil spill response;  
2 and litigation institutions handles the organizations  
3 that responded to those. It's intended that the  
4 interaction between the three subcommittees will come  
5 when we meet as a committee of the whole.

6 MR. SUND: Can you explain a little bit more  
7 about what institutions are?

8 MR. PARKER: Well, the federal state  
9 jurisdiction, the ability of the whole area of corporate  
10 mentality that we've talked about so much and generally  
11 examining the institutional framework under which tankers  
12 and oil spill response are managed.

13 MS. WUNNICKE: Mr. Chairman, there's another test  
14 too that we're charged with in our legislation and that's  
15 determining the facts of the Exxon Valdez spill.

16 MR. PARKER: Items 1 and 2?

17 MS. WUNNICKE: Yeah. Well, that's not included  
18 under prevention. What happened and how do you prevent  
19 it from happening?

20 MR. PARKER: We'll have subcommittee on  
21 determining what happened too.

22 MR. WALLIS: What it says basically, Mr.  
23 Chairman, is the series of events, the Commission shall  
23 gather information relating to the series of events that  
25 allowed the Exxon Valdez oil spill to occur and to the

1       ensuing efforts to contain and clean up the oil  
2       discharge. It's kind of a report, I assume, that staff  
3       could do that.

4               MR. PARKER: Do we need a subcommittee for that  
5       then? Or is that a part of all subcommittees, input to  
6       all subcommittees? How do you view that?

7               MS. HAYES: Under Ed's paper, the definition of  
8       prevent is something that applies to everything we've  
9       talked about and really what we're looking at is what  
10      happened before the spill, what happened at the spill,  
11      and what should happen in the future. Simplictiely put,  
12      and it doesn't matter whether you're talking about  
13      tankers, tanker construction or whether you're talking  
14      about contingency plans, those same three elements  
15      elements apply to them and give us the first part of our  
16      legislative charge which is what happened.

17              MS. WUNNICKE: So, those then all assembled  
18      become the operable facts. Okay. Well, I think that's  
19      true.

20              MR. WENK: I was going to pick Tim's point up  
21      there. It seems to me the staff could do it, could  
22      contribute very heavily to that particular preparation in  
23      terms of mining the chronologies, mining the contingency  
23      plans and so on.

25              MR. SUND: Well, it's always useful to look at

1 history and figure out what went right and what went  
2 wrong in order to plan for the future. There must have  
3 been something that went right in this thing someplace,  
4 it might take a little digging.

5 MR. WENK: Mr. Chairman, could I raise a question  
6 in terms of our procedure? Will there be other  
7 subcommittees established later or are these primary ones  
8 that will then. . .

9 MR. PARKER: They aren't fixed.

10 MR. WENK: No, but you aren't thinking of phasing  
11 subcommittees that these exist now do their job in the  
12 next two or three months and another set of  
13 subcommittees. Let me explain why I'm asking the  
14 question. I have been, I guess, rather stubborn in  
15 trying not get down into minute technical detail, in the  
16 belief that our ultimate report should deal with  
17 fundamental problems, and we've all discussed these, and  
18 I'm wondering whether the subcommittee organization can  
19 somehow or rather reflect some of these fundamental  
20 problems. As, for example, the exercise and significance  
21 of cost effectiveness evaluation. The premises, the  
22 cultural context of the trade offs between economy and  
23 ecology, the implications of privatization. I realize  
23 I'm in my own mind anticipating a little bit about some  
25 of the really key issues this Commission might uniquely

1 address so that we don't end up as a need to or a fine  
2 tuning all the studies that are being done because these  
3 other studies deal with what happened, they deal with  
4 prevention, they deal with response. I'm not at all  
5 disagreeing with that. All I'm suggesting is that the  
6 structure that are subcommittee structure follows the old  
7 notion that the medium is the message. The subcommittee  
8 structure, whether we like it or not, is going to begin  
9 to condition this final report and the structure of the  
10 final report. What I would suggest at a minimum is  
11 adding another subcommittee dealing with the overriding  
12 issues without knowing what their going to do but simply  
13 to make sure that the output of that subcommittee is  
14 prevalent. Coming to page 4 on this outline, I think the  
15 subcommittees can deal with the system problems; vessel  
16 traffic control, ship design standards, manning  
17 competence. I'm not saying this are cast in concrete,  
18 legislative framework and so on. I don't think the  
19 subcommittee structure can deal with human factors or can  
20 deal with these fundamental problems. I guess what I'm  
21 wondering out loud about is if we go this way whether it  
22 might be worth putting in another subcommittee to deal  
23 with these fundamental issues.

23 MR. PARKER: When you say human factors, is that  
25 a cross of crews right on up to Chairman of the board?

1           MR. WENK: It's all of them. The point is that  
2 repeatedly, I think, we have come to believe that the  
3 human factors need, at every level, before the event as  
4 well as after are significant. It seems to me that we  
5 take a different kind of way of thinking about this. . .

6           (Phone Interruption. Meg Hayes answered. Wrong  
7 number)

8           MR. WENK: Maybe, I haven't been very clear with  
9 my questions.

10          MS. WUNNICKE: Oh, I think you've been very  
11 clear. Mr. Chairman, may I speak to my colleague. I  
12 think that the subcommittees are going to be aware of  
13 those global concerns in every aspect of what they  
14 undertake. I don't understand, another subcommittee  
15 that's only going to look at big issues while the other  
16 subcommittees look at little issues. Is that what you're  
17 saying?

18          MR. WENK: Well, I'm concerned yes, to put it  
19 squarely, that we are down to the subcommittee structure,  
20 sounds like the subcommittee structure associated with  
21 all the other studies that are going on. To me the  
22 medium is a message as the structure of a study to the  
23 subcommittee, we're going to end up drafting pieces of  
23 this final report.

25          MR. PARKER: I think you have to, however, look

1 at the recipients of our final report and I think the  
2 Alaska legislature is going to expect some fairly  
3 detailed advice which they can implement fairly rapidly  
4 in addition.

5 MR. WENK: I absolutely agree. But I wasn't  
6 putting this in terms of an either or, all I'm suggesting  
7 is what the, remember my question was is this all the  
8 subcommittees are going to have.

9 MR. SUND: May I suggest something here that  
10 perhaps there's two levels. And, perhaps I think, and  
11 agree with some of Ed's issues on dealing with these  
12 fundamental issues and trying to use this Commission to  
13 start something that will continue on beyond the  
14 Commission rather than be an end in itself. These are  
15 issues I think we ought to deal with as a whole and that  
16 perhaps on the overall fundamental issues we deal with  
17 it, all seven of us as a whole and that we take care of  
18 the other portions of this, the prevention, responses,  
19 institutions on a level of the subcommittee. I want to  
20 be involved in this, everybody here would like to be  
21 involved in these issues and I think that's a committee  
22 of the whole and the only reason we're dividing this up  
23 is to because of the reason of time. I would say that  
23 you can go off with two people in a corner and kind of  
25 work on some of this and report back but I don't think on

1 the big issues you can do that. I think it takes all of  
2 us together to do that and we need to structure our  
3 meetings to allow that to take place.

4 MR. WENK: I think I was misunderstood. It  
5 sounded as though there was a proprietary quality to my  
6 proposal and I hope nobody interpreted it this way. I  
7 accept your point about the full committee dealing with  
8 this. What I'm suggesting is, from my own experience  
9 over the years in dealing with committees, that when you  
10 start off with a certain structure you end up with a  
11 report that sounds like that structure. And what I'm  
12 concerned about is that unless we start off this seven  
13 person subcommittee right off the bat, with staff doing  
14 the right things and studies in human factors, in  
15 organizational behavior, right off the bat, and not just  
16 wait until the very end it won't get done. Time's going  
17 to run out.

18 MR. SUND: Well, I agree. I guess my sense is  
19 that all of these issues, let's just take the human  
20 factor and the state of mind of maning a lot is the same  
21 as in people maning contingency plans or being ready to  
22 respond. There's a lot of issues that cuts cross wise  
23 across here from institutions. I still haven't quite  
23 figured out how. It's a lot of interlinking here that  
25 comes together. We can't treat these things as separate

1 entities or the fundamental issues go right through all  
2 of them sideways. They don't go vertically.

3 MR. WENK: But you're going to find out with most  
4 of the compenants that the. . .

5 MS. WUNNICKE: But, that was my point. That  
6 every one of us on the subcommittee is going to have in  
7 mind those fundamental policy issues. Which, I agree  
8 that we should all come together as whole on our general  
9 conclusions, that the subcommittee work doesn't stand in  
10 isolation from that policy we view. But every one of us  
11 working on a subcommittee is going to have in mind those  
12 policy considerations.

13 MR. SUND: You have to start working on the issue  
14 with staff and contract or whatever we're going to do  
15 from the beginning. And I think, if I could suggest Mr.  
16 Chairman, a way to do that is we bring some of those  
17 people on an on going basis from the beginning and that  
18 what they have to participate or add to is useful in the  
19 subcommittee process not the other way around and the  
20 subcommittee doesn't generate usefulness there. You  
21 operate on two levels here, it's just an organization  
22 theory of crisis management. I could see bringing some  
23 people in that would help develop those ideas or present  
23 those ideas starting in July and August at the same time  
25 as the subcommittee on prevention is working on that,



1       they could utilize that information.

2               MR. PARKER:   I see the subcommittees as just a  
3       focus for action.    I don't see them as restricting  
4       activity, I think it's a focus for Commission interaction  
5       with staff, staff at all levels, without having to bring  
6       the entire Commission together on an issue.   And, it  
7       enables the Chairman to schedule a level of activities in  
8       between the full commission meetings to the extent that  
9       they have energies to do so.   I don't see anything in the  
10      subcommittees beyond that.   Most of the real action will  
11      still take place at full commission meetings, the  
12      subcommittees will simply insure that things progress  
13      forward in the interim and will provide a focus for that.

14             MR. WENK:    I just want to underscore again  
15      because I think I wasn't very clear and I will take the  
16      full responsibility for that, and John translated it  
17      perfectly.   What I'm saying once more is that unless the  
18      staff work is begun, because the staff are going to be  
19      assigned to subcommittees, unless the staff work and  
20      resources for contraction studies is allocated to the  
21      equivalent of a subcommittee at the very beginning there  
22      won't be any money and there won't be any time left to do  
23      it later on.   Therefore, again I use the subcommittee as  
23      the medium as the message as a way of getting that done.  
25      But, it sounds to me like, and I really have to apologize

1 if I wasn't very clear about this, that's really the crux  
2 of the matter.

3 MR. PARKER: You want to take a break?

4 MR. WENK: Well, this break is the one then where  
5 I may have to leave.

6 MR. PARKER: Okay.

7 MS. HAYES: Perhaps we should assign.

8 MR. PARKER: I'll do whatever you want me to do.  
9 You guys know what I can and can't do. I am interested,  
10 honestly, in that institutional behavior and human  
11 factors. I know maybe I have been close to tankers as  
12 your Chairman turns out to have a heck of a lot of good  
13 experience in dealing with the whole tanker, contingency  
14 planning and so on. My goodness, a tremendous amount.  
15 I'll do whatever you want me to do. I think part of my  
16 interest in this organizational behavior and response to  
17 crisis results from believing that that's where some new  
18 mining can be done but, not claiming any expertise in  
19 this area however.

20 I was going to put you in charge of prevention  
21 and also put you on institutions but what I had scoped  
22 here up until now and we're running well into public  
23 participation time, is that the subcommittees would have  
23 four people each on them with generally people serving on  
25 two of them.

1 (Mr. Herz joining by telephone)  
2 MR. PARKER: Can you hear us, Mike?  
3 MR. HERZ: I hear you. Hello.  
4 MR. PARKER: Hello. We have finished the work  
5 program and reached our recommendations and are about to  
6 adjourn the Commissions. What do you think of that?  
7 MR. HERZ: That sounds wonderful except I don't  
8 get to see Alaska again.  
9 MR. PARKER: We have been working on the work  
10 program all day and have reached the point where we are  
11 deciding on subcommittees of three persons each, three  
12 subcommittees, working on prevention, response and  
13 institutions. I think the main thing on subcommittee,  
14 the main thing we're going to have to decide on these  
15 subcommittees, the Chairman of these subcommittees are  
16 going to have to recognize that they're going to have to  
17 devote so much extra time up and above their duties to  
18 the full Commission which is going to be somewhat onerous  
19 but necessary. The three subcommittees, prevention,  
20 response and institution, which would you like to be on?  
21 You get first choice.  
22 MR. HERZ: I guess I need a little expansion over  
23 how those relate to any of the pieces of paper that I  
23 have seen or the things that have, the work plan proposal  
25 that I got faxed to me today.

1 MS. HAYES: Mr. Chairman, if I could.

2 MR. PARKER: Go ahead.

3 MS. HAYES: Mike, this is Meg. What we have done  
4 generally today is to take Ed's thoughts about the work  
5 plan and incorporate it into the draft plan that I had  
6 prepared. You should have gotten a copy in your packet.  
7 Essentially what the Chairman means by prevention is  
8 number one on the outline that I did, Roman Numeral I.  
9 What response would be essentially Roman Numeral II  
10 regarding to containment and litigation and the  
11 institutions is not as well defined. But, it's generally  
12 the federal institutions and corporate mentality issues  
13 like that that would be sort of the context on which the  
14 rest of the things would participate in.

15 MR. HERZ: So, for example I would see aspects of  
16 Contingency Plans, for example, going in all three of  
17 those being covered in all of those three subcommittees.

18 MS. HAYES: Contingency Plans would be generally  
19 concerned with response and litigation in Roman Numeral  
20 II.

21 MR. HERZ: But they're also very much influenced  
22 by institutional settings because there are so many  
23 different plans and the reflect institutions.

23 MS. HAYES: Yes. These are by no means  
25 overlapping ideas and the subcommittees would not be ex-

1 clusive. They would simply be focused for attention by  
2 certain people on the Commission. But, certainly those  
3 of us that had other interests would be free to commence  
4 with the other subcommittees.

5 MR. HERZ: With that explanation it sounds like  
6 that response would be the one that I would be the most  
7 interested in serving on. However, the one thing I have  
8 not seen on any of these documents is this risk  
9 assessment task that I am very concerned about in seeing  
10 get down.

11 MS. HAYES: Mike, what's been suggested is that  
12 we, on your handout from Ed on page four, there's the  
13 fundamental problems, human factors and fundamental  
14 problems, and we've identified and discussed that as  
15 cutting across all of these things that we've been  
16 talking about on the paper. The suggestion has been made  
17 that we all recognize that, that we invite and budget  
18 specific speakers to come forward and to help us, as John  
19 put it, that they would be helping the subcommittees  
20 rather than the subcommittees feeding into this overall  
21 issues. So, if your cost effectiveness, certainly would  
22 be something that would be cutting across all of the  
23 items.

23 MR. HERZ: The risk assessment. . .

25 MS. HAYES: The risk assessment would be cutting

1 across everything.

2 MR. HERZ: Okay. So, where and when would  
3 decisions get made regarding the degree to which we're  
4 going to execute outside tasks and bring in other people  
5 to do that. Have you addressed that at all?

6 MS. HAYES: Well, we've been talking about  
7 storming our subcommittees and getting together to  
8 identify key questions, develop work plans, budgets,  
9 proposed schedules, that kind of thing and presenting  
10 that to the committee at the meeting in July, mid-July.

11 MR. PARKER: July 12th, 13th, 14th, 15th.

12 MS. HAYES: July 12th, 13th, 14th, 15th. I would  
13 be glad to discuss that with you in more detail at some  
14 point in the future if your satisfied with that for now.

15 MR. HERZ: Having not participated in the  
16 discussion, I think it makes as much sense as it can to  
17 someone who hasn't helped and been involved to here and I  
18 certainly have no objections as long as the, it sounds as  
19 if the plan then is to have these three subcommittees,  
20 each develop an individual work plan and that they would  
21 get intergrated at this next meeting?

22 MS. HAYES: Yeah, and budgeted.

23 MR. PARKER: Well, not particularly intergrated  
23 at the next meeting, probably intergrated completely that  
25 the subcommittees will serve as a focus for working in

1       these particular areas and will be reintegrated each  
2       time the full Commission meets, every three weeks.

3               MR. HERZ: Okay.

4               MR. PARKER: And it's a way of Commissioners  
5       being able to use their energies somewhat at their own  
6       pace on these issues in the interim between full  
7       commission meetings. Obviously we can't bring all seven  
8       of us in so the subcommittees will be three persons each.  
9       How's your work load look? Do you want to take on  
10      sharing the response subcommittee or do you want somebody  
11      else to do that?

12              MR. HERZ: I, at this point, with having one week  
13      until I kick off my new occupation here, I can't commit  
14      to taking that much responsibility until I see what's  
15      going to happen. I will know better by the time I get to  
16      the next meeting.

17              MR. PARKER: Okay. For now we'll let you off the  
18      hook on that one but assume that you'll pick up speed  
19      later on because you're the one with the enormous  
20      background in this area from a long term background on  
21      response and litigations. I'll make someone else  
22      Chairman, but they'll be counting on you heavily for  
23      input.

23              MR. HERZ: Okay. So the next meeting is the  
25      12th, 13th, 14th, and 15th?

1 MR. PARKER: Yeah.

2 MR. HERZ: Anything else productive that I can do  
3 without disrupting what you guys are doing?

4 MR. PARKER: In what sense? The work plan is not  
5 dramatically different from what you already have from  
6 the papers that were developed. We've added some things  
7 to it and so forth but we'll be getting it retyped and  
8 faxed down to you as soon as possible. You can take up  
9 an additions and so forth at the next meeting.

10 MR. HERZ: Okay.

11 MR. PARKER: The big debate today was  
12 substantially between how global we want to get and how  
13 far we want to get in to detail. We still haven't  
14 totally resolved that but essentially we do have to  
15 respond to our ultimate clients and to a certain degree,  
16 the legislature, the Congress and the public and, of  
17 course, the Governor of Alaska. Who are expecting  
18 certain things from us and as we interact more with them  
19 those will be more carefully defined. I guess it comes  
20 down to the point where we can incorporate all of those  
21 issues and if we do the smaller issues very well, we  
22 maybe listen to on the big ones too.

23 MR. HERZ: Okay. How was Cordova?

23 MR. PARKER: I didn't hear that.

25 MS. HAYES: How was Cordova?



1 MR. HERZ: How was Cordova?

2 MR. PARKER: Oh! It was great. Somebody else  
3 talked to Mike and fill him in on Cordova. We got a lot  
4 of input there. Who else wants to comment on Cordova?

5 MR. PARKER: Yeah, I'll call you back on that.  
6 We've got the public waiting for comments now. We're  
7 going to start the public meeting at 3:00. Let me call  
8 you this evening and fill you in on Cordova.

9 MR. HERZ: Alright. I will be at the number that  
10 you just called to get me which is (415) 567-4401 until  
11 about 5, 4:30 your time and then after that, after about  
12 5 your time, I will be at the other number.

13 MR. PARKER: Okay.

14 MR. HERZ: Alright. Thank you.

15 MR. PARKER: Thank you Mike.

16 MR. HERZ: Bye-Bye.

17 MR. PARKER: Okay. If you guys want to stand up  
18 were going to go into public participation. If you're  
19 going to take a break, take a fast one.

20 (Off the record)

21 (On the record)

22 MR. PARKER: The Alaska Oil Spill Commission will  
23 reconvene. We have finally reached public testimony,  
23 somewhat. I want to apologize for the twenty-five minute  
25 delay. The first person who signed up, who requests to

1       be called last. Okay. Next is Tom Albert.

2               Why don't you come around here so you're not  
3       clear down there at the end and that's where the mike is.

4               TOM ALBERT: Chairman and Commissioners, thank  
5       you for the opportunity to speak. My name is Tom Albert.  
6       I'm a scientist in the Department of Wildlife Management  
7       for the North Slope Borough. I've lived in Barrow for  
8       ten years and I want to speak as a individual, not  
9       representing the Borough. I have not had a chance to  
10      speak with the Borough's administration before coming  
11      here. I was in town for a meeting of the Arctic Research  
12      Commission a few days ago and interestingly enough to  
13      maybe some of you folks, they are struggling with impact  
14      assessment in the arctic at this moment and the adequacy  
15      of impact assessment study. So there's another group  
16      that's sort of struggling around with some of the same  
17      issues you folks are at the Federal Commission.

18              In any event, I saw this in the paper and since  
19      the oil that was spilled originated within the North  
20      Slope Borough I thought it might be interesting to come  
21      and listen. I, number one, am very thankful that such a  
22      group as your selves are struggling with this problem and  
23      I certainly wish you good luck and I'm sure everyone on  
23      the North Slope Borough does.

25              To speak now as an individual, for the last eight

1 years working in Barrow, I've worked almost every day on  
2 these very issues. That is the industrial impacts, oil  
3 spill potential impacts, regulating industry, oil spill  
4 Contingency Plan, all that type of stuff.

5 During the years that I've been doing this, in my  
6 conversations with many industrial scientists, lawyers  
7 and so on, administrators, one of the things that has  
8 come through loud and clear is that we're told over and  
9 over again three things which remind me of the three legs  
10 of a bar stool. One of them is the likely hood of an oil  
11 spill is minuscule, possibly zero or less. If there is  
12 an oil spill, we're told that it can be properly dealt  
13 with, be burned, it'll be dispersed, it will be sucked  
14 up, evaporated, something will happen to it. We won't  
15 clean it up. The third thing we're told repeatedly is  
16 what little we can't effectively deal with won't have  
17 much of an impact anyway. I think any reasonable soul in  
18 the state of Alaska now had good reason to doubt those  
19 things and if they were the three legs of a bar stool,  
20 one might be hesitant to sit on it.

21 Nevertheless, in listening to you folks here  
22 today I, if you don't mind I'm just going to make a  
23 comment or two on some of the things I heard you say.  
23 First of all I didn't have a clear understanding what the  
25 Commission is about. Which is my fault, but I heard the

1 Chairman comment this morning something about oil spill  
2 response and so on and I'm hopeful that even though you  
3 deal primarily with tanker problems that you also  
4 consider oil spill response in general because there are  
5 oil spill problems that are potentially lurking all over  
6 the state in the off shore areas. So, I hope you stick  
7 to that.

8 The other thing that one of your colleagues said,  
9 I think repeatedly, Dr. Wenk, who's now left, I believe,  
10 said several times that the people who are likely to be  
11 impacted, that is the people have to bear the risk, want  
12 to have some level, some say in determining the level of  
13 the acceptable risk. An over the years in my work, on  
14 behalf of the North Slope Borough, but amusing to me in  
15 Anchorage repeatedly with oil company representatives who  
16 speak very casually about oil spill risks, but they  
17 aren't going to suffer the consequence. So, I think  
18 people who are going to actually suffer the consequence  
19 if something goes wrong, need to have greater say in what  
20 is an acceptable level of risk.

21 Another thing, hopefully is, and this was eluded  
22 to by several Commissioners, is that the people have a  
23 right to know what is the actual level of risk, not  
23 something that one or two people conjur up but a level of  
25 risk that has been carefully examined and what are the

1       likely impacts for real. I think people have a right to  
2       know this. In the impact assessment stuff that I've been  
3       involved in, determining the actual level of risk is  
4       always very foggy and the subject of much controversy.

5               Another thing that has been spoken about is this  
6       privatization that's going on in Valdez. I've been away  
7       out of state for a month or so, so I haven't had an  
8       opportunity to get down but I will soon. I think it's an  
9       absolute disgrace to have a private organization industry  
10      in charge of something like that. I'm speaking as a  
11      private citizen now. I think this is a role for  
12      government and I've heard a lot of cynical people, I've  
13      been traveling outside the state for almost a month now  
14      on business and some other things, but in California and  
15      back East and places I've been, there's some real cynical  
16      people and Lord knows I'm not at all cynical, is that  
17      some people have expressed the opinion that maybe people  
18      are gently being bought off or something like this. I've  
19      even heard that said by people in Alaska now since I've  
20      been back. So, I think this is terrible what's going on.  
21      Exxon is to be congratulated for getting in there and  
22      trying to do something but the state and federal  
23      governments should be doing this and Exxon get the bill  
23      later, as someone pointed out, because the next time it  
25      may not be a company with the resources that Exxon has.

1 So, I think that's awful. Mr. Grogan when he was here  
2 said that Alaska intends to stay in the oil business but  
3 with better Contingency Plans and I think that's a very  
4 important thing for the state to put out is that it's not  
5 going to run away and this is where we derive our  
6 revenue, or a lot of it. But we do need better safe  
7 guards and I'm glad to hear that. I think almost  
8 everyone is recognizing this now that we really have to  
9 do. There were a lot of comments today about studies  
10 that are being done right now and will soon be done.  
11 That is people down there studying the sea otters and the  
12 people and the oil and God knows what, and they're all  
13 important. The thing I would just ask you to be real  
14 careful about, if you don't want to get into business  
15 about commenting about what should be done, should we  
16 study frogs, or lizards, or elephants, or sea otters, or  
17 whatever. If you don't want to get in that maybe that's  
18 okay but I would ask you to at least come out in favor of  
19 whatever studies are done, be they of people, of the  
20 environment, or whatever, that they be quality studies.  
21 What we don't need is a large amount of money, we don't  
22 want, or at least I hope doesn't happen, is six months or  
23 a year or two we get down the road and we have people  
23 standing up and saying hey what a minute, don't criticize  
25 us, we spent two hundred and eighty-seven million dollars

1 on studies. And I've heard this lots of times in smaller  
2 amounts and in other areas. The money that's spent is  
3 not so important as what the quality. If they're going  
4 to spend fifty million dollars on studies or whoever's  
5 going to do it, that's fine but these studies need to be  
6 done properly and the Chairman used the words pure review  
7 a couple times this morning. I think this is something  
8 that you folks can come out and say, even if you don't  
9 want to get too involved in the study process, is to call  
10 for proper pure review of all technical studies. Some  
11 people will find it convenient to say well that will  
12 delay everything, but if someone were spending your  
13 million dollars on a study you would want to make sure it  
14 was properly, a properly designed study. So, I ask you  
15 folks to hold up for pure review of scientific studies  
16 and the oil spill Contingency Plans themselves. Any of  
17 these things need proper study.

18 Well, anyway, if I could leave a thought or two  
19 with you. The things that I would urge you to recommend,  
20 plead or whatever, is that you come out somehow against  
21 this idea of privatization in response to a disaster. I  
22 think this is awful and it can lead to abuses. Another  
23 thing is in recommendations or whatever, I know you don't  
23 want to come out with too many findings but one of them  
25 could certainly be that it's time to call a spade a

1 spade. We've had people in this state for a long time  
2 know telling us how easy it is to clean up oil spills. I  
3 should have had enough sense to tape record some of them  
4 but I never did. It's hard to do this and just in  
5 passing I would leave with the Chairman, some stuff that  
6 I happened to bring this meeting and to the other meeting  
7 I went to but I'll give them to you. They may be of some  
8 value. One of them concerns two oil spills in Cook Inlet  
9 that occurred within the last couple of years, the one in  
10 1987, July, the coast guard reports out. I made a sort  
11 of plain language summary of some of this for some folks.  
12 That was the handwriting on the wall. Then in January of  
13 this year we had another small spill there on a  
14 production platform and it was decided not to ignite it  
15 because igniters might not work but these are the same  
16 people telling us eight hundred miles to the north now,  
17 that if anything goes wrong we'll get the skimmers out  
18 there, if that don't work we'll ignite it. There's  
19 something wrong, so I'll just leave that with you, if you  
20 don't mind. The other thing is that a real interesting  
21 thing and it's interesting how things sometimes work out  
22 but in the January 6 issue of the Journal Science, it was  
23 an article on a large oil spill that is a twenty-five  
23 thousand barrel spill that occurred off the coast of  
25 Panama, a big tank ruptured, crude oil ran down, twenty-



1 five thousand barrels got in the coast. It was studied  
2 for one and half years, long term. I'll leave this with  
3 you and there's a copy of the article right there. If  
4 you want to read something prophetic just take a look at  
5 that thing, in which they come out, these scientists, who  
6 were funded by the Mineral Management Service. And the  
7 Smithsonian Institution concluded that this study, large  
8 spill twenty-five thousand barrels, or maybe it was  
9 fifty, in any event the findings, the bottom line  
10 findings were that they're findings were much more severe  
11 than had been predicted by these minuscule little studies  
12 that have been conducted in laboratories where somebody  
13 goes out and spills ten barrels underneath the ice and  
14 watches what happens. When you get in to the real world  
15 things sometimes are different than they are in these  
16 little teeny weeny studies. So I'll leave that with you  
17 but that's a prophetic little paper right there.

18 The final thing I guess is that, in addition to  
19 the this pure review thing, that you plead for pure  
20 review of any scientific studies that are done and  
21 Contingency Plans. When somebody draws up a Contingency  
22 Plan, it ought to be looked at by a whole range of  
23 competent people and not just judged by one person, like  
23 me or you or whomever. Proper pure review, you can't  
25 beat it. The National Science Foundation and the Nation-

1 al Institutes of Health only give out money in response  
2 to pure review studies. But in any event another thing  
3 that came through loud and clear this morning and any  
4 person with half a brain can see, is that regulatory  
5 agencies need more help. Although I voted for Ronald  
6 Reagan, and I'm speaking as a citizen now, I regret  
7 having done that. I watched for eight years as that  
8 administration cut regulatory agencies and in northern  
9 Alaska we depend on regulatory agencies from the south.  
10 Environmental Protection Agency, National Fishery Service  
11 and so on and so on, coast guard, cut, cut, cut. I think  
12 the Coast Guard has been cut so to the bone that they're  
13 almost, well they have problems shall we say. Someone  
14 sighted a good example today, Dr. Wenk, about the tests  
15 for pilots or whomever, now masters or whatever instead  
16 of an actual written examination you get a true/false  
17 examination. I taught in an university for fourteen  
18 years and I know full well the implications of had gone  
19 from adequate examination schedule to those kinds. So I  
20 think the Coast Guard and it certain regulatory agencies  
21 need help and you folks maybe can help them. So, I leave  
22 these with the Chairman and I thank you very much and I  
23 certainly wish you folks well and please remember that  
23 I'm making comments on behalf of myself as a citizen.

25 MR. PARKER: Tom, thank you very much. On the

1 matter of peer review, after talking to the people doing  
2 the investigations at Valdez, I am convinced that there  
3 has to be some independent process to insure the quality  
4 of the science that's being done down there. If it's  
5 going to be believable to the public, at least. And, I'd  
6 appreciate any help anybody can give me on that. What I  
7 am looking for is somebody with enough scientific clout  
8 to convince either the NSF or the NAS to establish, very  
9 rapidly, a peer review process that involves all the  
10 independent academics in the field of expertise that are  
11 needed that can be found. And, also, government  
12 scientist whose independence would be, at least  
13 reasonably, beyond question. So, there's a lot going  
14 down down there and, you know, seventeen studies that  
15 were thrown out before us involving everything. All  
16 basic science, but, you know, done so rapidly and, you  
17 know, they're spending as much money as we spend on the  
18 oxia program. Almost. And look how many years it has  
19 taken us to digest the findings from that. And a lot of  
20 that is still undergoing some element of peer review.

21 The other question I wanted to ask you, are the  
22 Canadians going to send any tankers across this year that  
23 you know of? You monitor that pretty closely.

23 MR. ALBERT: We had a fellow from Gulf, Canada,  
25 I think it was, come to Barrow several months who assured

1       us that that was not going to happen. That there was one  
2       tanker that had come by with the products of a well test.  
3       I think it was a year or so ago, that they are not  
4       turning their eyes towards pipeline type situations of  
5       their own or possibly over to Alaska Pipelines. I don't  
6       want to speak too much for them, but that was the jest of  
7       what we got from it.

8               MR. PARKER:       Okay.

9               MR. ALBERT:       I think they probably knew that  
10       there would just be all sorts of problems, politically,  
11       from a tanker route across the top of Alaska.

12              MR. PARKER:       How about the Shell operation? Is  
13       it still going forward as far as you know?

14              MR. ALBERT:       I have been away for just about a  
15       month. I'm not really sure, but needless to say, North  
16       Star Borough is very interested in what Amoco is  
17       proposing to do off the northern coast, off of Barter  
18       Island, and Shell off of, let's say, Barrow - Wainwright  
19       area. Things have to go on. We are not going to stop  
20       anything and everybody in this State benefits from proper  
21       industrial activity. It's just a matter of, I think it's  
22       the responsibility of government, whether it's Federal,  
23       State, Local or whatever to help industry do the job  
23       right. And help might be in quotes, but nevertheless,  
25       somebody's gotta make the regulations. And somebody has

1 to enforce them. And it's a responsibility of the  
2 government to do that. The oil industry is more than  
3 capable of going out and doing these jobs. It's just a  
4 matter of, they need to know what the guidelines are.  
5 They need to know what the ground rules are and get them  
6 in there so that the governmental groups can agree that  
7 they're sound. And, like someone pointed out, there has  
8 to be some penalties. And the guidelines have to be  
9 clear and then let those people operate. If they choose  
10 not to operate, then that's fine. But, as far as  
11 environmental risks are concerned, it's not proper to ask  
12 certain segments of society, little segments usually, to  
13 accept all the risk burden. It's just not fair. So, I  
14 thank you.

15 MR. PARKER: Any other questions,  
16 Commissioners? Thanks, Tom. Charles McKee.

17 MR. MCKEE: Thank you, Commissioner, and --  
18 Chairman and Commissioners. My name is Charles McKee and  
19 I'd like to begin with a quote from George Bernard Shaw  
20 which dates "all great truths begins with blasphemy"  
21 because I am going to talk about some things that many  
22 people might consider such.

23 Now, in my little bag of tricks, here, I have  
23 done some research. This book here was printed in 1913  
25 and it's done by Winston Churchill. And, primarily he

1 discussed prosperity. And, what's detrimental to us in  
2 reference to prosperity and it's who controls money.  
3 And, the second book is a biography of an idea and it's  
4 about the insurance industry. That's quite educational  
5 itself. Now, I have another book here, 1988 Annual  
6 Report from Exxon. It's also educational if you turn to  
7 the back page and look at the list of directors. The  
8 Board of Exxon and what their influence is controlled by.  
9 On this format, testimony from representatives is a  
10 little bit deficient because from the stakeholders groups  
11 you are lacking one category. And it's common law  
12 citizen of the Republic of the United States. I am  
13 referring to -- what really concerns me is the national  
14 security of this country. Now, I don't want to be  
15 beating the oil industry down, because it's not them that  
16 had anything to do with this pre-planning of this event.  
17 It's the major concern of Exxon -- is the insurance  
18 industry. So, we should focus on the pre-events of what  
19 occurred. And, here in the front page of the Anchorage  
20 Times is our debts in 1988. And, again, our national  
21 security is at stake if we don't focus on the common law  
22 of this Republic. It's in the Bill of Rights. And, I'm  
23 -- you should consider me a professional, because I have  
23 been victimized by professionals. I was an injured  
25 commercial fishermen. Which threw me into Federal Court

1 under the Jones Act Admiralty Law. So, I have been  
2 studying extensively the Admiralty Law. And, that's what  
3 this country is based on. This accident with the tanker  
4 is a maritime accident. That's all admiralty law.  
5 What's very detrimental to the largest industry in the  
6 work is admiralty law. Because it goes back to the  
7 1300's. It wasn't meant -- it was meant to protect us  
8 from the control of currency, which is what occurred  
9 prior to this country. And, they have exercised that  
10 through privatization of the insurance industry. And,  
11 they influence Exxon. And that's all I have to say.

12 MR. PARKER: Okay. Thank you, Mr. McKee.

13 MR. MCKEE: I have some information to pass  
14 out. I copied some of these pages for you.

15 Another thing I would like to add is the lack of  
16 ethics in reference to, I don't really want to call them  
17 attorneys, but maybe Officers of Court, and here's some  
18 information on that. And, there's some legislation that  
19 was submitted last session in reference to Civil  
20 Liability and it was directly related to the oil spill.  
21 It is House Bill 166 and the legislature, whoever  
22 submitted this legislation should be penalized in some  
23 fashion, because it is very detrimental to our national  
23 security.

25 And, for little comment or a personal note, I

1 often wonder if I am a wayward soul, because ethics and  
2 morality don't come into the picture. Seems to me.  
3 Thank you.

4 MR. PARKER: Okay. Thank you. Comments  
5 anyone? Sue Libenson?

6 MS. LIBENSON: Hi. My name is Sue Libenson and  
7 I am Executive Director for the Alaska Center for the  
8 Environment and for the record, we are a local private  
9 non-profit conservation group focusing on South Central  
10 Alaska, which is the area most affected by the spill.

11 And once again, I would just like to thank the  
12 members of the Commission for the task which you are  
13 about to undertake and remind you that you are serving as  
14 the public vehicle for resolving so much of the grief and  
15 anguish, which I think you have been hearing over the  
16 past few days in Cordova and Valdez and I can assure you,  
17 if you venture to Homer and Kodiak and Soldovia and any  
18 other town that has had to deal with it, you will catch  
19 the same ration. And, keep in mind that this is best  
20 vehicle that the public has. The industry will have  
21 plenty of money to throw at plenty of studies, plenty of  
22 public relations campaigns, but the public is really  
23 relying on you to resolve many of their issues. Both in  
23 terms of the environment and the social disruption which  
25 we have experienced.



1           There's a couple of real basic issues which I  
2 think are difficult to remedy and I think that you'll  
3 have to be facing, I think, some of the overwhelming  
4 issues that Dr. Waincless(?) suggested. Some of the  
5 questions that Tom Albert brought up before me. I think  
6 when you are looking at this incident, anyone who's been  
7 watching the oil industry as I have over the years will  
8 recognize that's it's not just an unusual accident. It's  
9 not typical, at all, of what happens in this state with  
10 regards to the industry. And, I think it is very  
11 important that you investigate in full the pre-existing  
12 situation. By that, I mean, the status of the agencies  
13 entrusted with regulating this industry, why and how  
14 those agencies act the way they do, get funded the way  
15 they do. There's some very straight forward, difficult  
16 political investigation in front of you. I think it's  
17 not going to be politically easy in this state to take it  
18 on, but that's how things get the way they do, and I  
19 really do urge this Commission to take that extra step to  
20 make public, once and for all, some of the larger issues  
21 of political influence in this state. Because, I think  
22 to get beyond that to get to -- if we are going to come  
23 back to relying on government to regulate this industry  
23 then, we are going to have to move beyond walking around  
25 the question of the enormous influence that this industry

1       exerts on our government.       Even in determining what  
2       actions are even considered and then how these actions  
3       are carried out.

4               Some of the other very basic issues, I think that  
5       would behoove you to look at are the timing within any  
6       permitting questions, you know, which actions get  
7       permitted when.   And, by that I am referring to the fact  
8       that we tend to put a lot of time and effort into  
9       studying prior -- we have all kinds of assessments that  
10      go on.   You've referred to the studies which are beyond  
11      anyone to even simulate at this point.   There's so much  
12      of it.   However, once the lease/sales occur, once the  
13      terminal is built, we really do turn a blind eye and that  
14      gets us to the situation where there's very little  
15      regulation of the industry as it operates.   There's a lot  
16      of consideration, I think, in terms of public agency time  
17      and input prior -- trying to analyze prior to that  
18      decision what happens.   But, there's very little input  
19      afterwards and I would suggest that we consider placing  
20      more emphasis in terms of public input.   Not given out  
21      permission to use our public resources.   Put our public  
22      resources at risk until we are satisfied that we have  
23      substantial remedies.

23              And, this, I think, gets to what I think is the  
25      hardest question before you.   It's public knowledge any-

1 one who reads Contingency Plans and anyone like who is  
2 with organizations like myself who writes comments --  
3 public comments on Contingency Plans, that it's not very  
4 reasonable to expect that the guy from Houston's gonna be  
5 on scene in five hours. And, Valdez, I would point to,  
6 again, is potentially the easiest possible situation that  
7 we have in the state to respond to in terms of oil  
8 spills. If this had been Point Lay or Port Hyden or many  
9 of the other areas that we have, either proposed or for  
10 lease or currently under development, there wouldn't --  
11 the possibility of response is even much less. And so, I  
12 think now that the general public and the world has  
13 really taken a look at this particular spill, we know  
14 that skimmers don't work. Well, it's admitted in every  
15 Contingency Plan on the books that they aren't going to  
16 work in most conditions. The booms won't work. And so  
17 on and so forth. But, I think that this Commission  
18 really needs -- has the authority, will have the weight  
19 to bring that very central fact to light. And, once and  
20 for all perhaps make it a very real part of our decision  
21 making process. Because, time and time again, as the  
22 public can very nicely comment to the fact that we don't  
23 feel that the Contingency Plans are adequate or  
23 reasonable. Especially for Alaskan conditions, but that  
25 never really seems to carry any weight.

1 I really appreciated Mr. Sund's comment this  
2 morning regarding the fact that all parties seemed to be  
3 sitting back analyzing the spill and getting ready for  
4 the ultimate legal battle. Where, as opposed to actually  
5 responding to the spill, and I have heard this basic  
6 reply from everyone from the Governor on down throughout  
7 DC. Why has no action been taken? Why is there so  
8 little enforcement action? And, it is the advice of the  
9 Attorney General that the state take that approach.

10 I would suggest to this Commission if that's the  
11 situation, if that's the interpretation of the  
12 regulations and the statutes, that that's a very serious  
13 thing that you need to be looking at adjusting. And,  
14 that's a problem that I see, not just in regard to the  
15 spill, but certainly on a lot of pollution issues in the  
16 state. There is a tendency to back off from enforcement  
17 because of potential interruption of future litigation.

18 I think within your investigation as well I would  
19 reiterate Mr. Albert's comment of the need to come up  
20 with recommendations that are applicable statewide. I  
21 think if you're gonna go to this effort, we want to make  
22 sure that we have recommendations that go beyond Prince  
23 William Sound. And again, the conditions to respond to a  
23 spill in Prince William Sound or perhaps the best in the  
25 state in terms of existing infrastructure, that kind of

1 struggle that we have in the other parts of the state.

2           There was some discussion this morning over how  
3 broad to make the recommendations versus how specific and  
4 I would say that you need to come out with some hard and  
5 fast recommendations. Time and time again we have got  
6 coastal planning throughout the state. We've got all  
7 kinds of guidelines on all kinds of Commission levels and  
8 it's very easy to dance around within broad  
9 recommendations. I think we need some hard and fast  
10 recommendations and I don't see, either from the industry  
11 standpoint or from a government standpoint, that there's  
12 been any change in the way they interpret the information  
13 that they have with regards to pollution. Alyeska has  
14 filed -- has appealed their waste water treatment permit  
15 at the terminal. So, even right at the site where the  
16 whole world is watching, they have no intention of  
17 backing down from trying to get around increased  
18 pollution protection.

19           And, with regards to Mr. Parker's question, the  
20 Federal Government is going ahead with the Chuck TC  
21 Drilling and my organization recently received a very  
22 lengthy letter responding to our letter pointing out that  
23 perhaps the oil spill technology and Contingency Plans  
23 that they had in mind were not very dependable based upon  
25 what we have seen in Valdez. And, I have received a very

1 nice, very lengthy letter assuring me that things were  
2 just okay and they are getting ready for summer.

3 Just a few other basic comments. I think we need  
4 to be very serious when we are evaluating the deterrents  
5 that affect this industry. And, that is money or  
6 potential criminal charges for responsible parties. And,  
7 again, I really urge this Commission to look seriously at  
8 deterrents that work as opposed to deterrents that work -  
9 - legislature that's affected by political pressure. I  
10 think you have the capability to come out with some very  
11 honest evaluations that doesn't tend to rise through the  
12 legislative process.

13 Again, I'll reiterate some of the points that I  
14 made in an earlier letter to you. There are a few issues  
15 which I think are still lacking from the plan and perhaps  
16 under the sub-committee of response you could include the  
17 question of waste disposal. And I have never seen waste  
18 disposal brought up in any Contingency Plan that I have  
19 looked at. And this is the one looming question in this  
20 spill and it looms in every spill.

21 Again, perhaps a lessor priority to my  
22 organization that I would point out, we need to look to  
23 some extent at animal rescue. The whole infrastructure  
23 for that, it was an enormous struggle, during this spill.  
25 And in certain instances, I think, depending on the tim-

1 ing of the spill, and the location, we could have on hand  
2 a real need to preserve population. So, that would be  
3 one other issue I would urge you to resubmit. One other  
4 thing you might consider, one of the justifications we  
5 have right now. Why is the terminal still open and why  
6 is tanker traffic still going on? Knowing what we know  
7 and seeing what we've seen and that is, the answer is,  
8 we've installed some emergency regulations and imposed  
9 some emergency rules in Valdez. I would suggest that  
10 Cook Inlet is an equally dangerous place to conduct  
11 tanker traffic and you might take a preliminary action of  
12 recommending some emergency rules be applied to Cook  
13 Inlet. So, once again I thank you. I look forward to  
14 working with the Commission.

15 MR. PARKER: Thank you, Ms. Libenson. Thank you  
16 for the material you've sent us regarding waste disposal.  
17 That was the first question I asked when we arrived at  
18 Northwest Bay on Elmer Island which is, in essence, a  
19 floating city and the DEC people didn't really give me an  
20 answer. But, I'll seek an answer further in that  
21 organization because there are no signs of any sewage  
22 lagoons or anything.

23 MS. LIBENSON: It certainly is a question of the  
23 increased populations in the clean up areas, but also the  
25 actual oil you waste and all that material. DEC is

1 planning on public hearings in mid-July, I believe, in  
2 Anchorage, Valdez, Cordova and Kodiak, I believe those  
3 are the towns they are now considering.

4 MR. PARKER: Anyone else? Questions? Ed Waugh.

5 MR. WAUGH: Mr. Chairman, members of the  
6 Commission, general public, my name is Ed Waugh. I'm a  
7 nauturalized American citizen and when I got my  
8 certificate the judge told us now that you're Americans,  
9 speak up and this is what I'm doing. All my life I've  
10 been a walking stiff with some experience and I have the  
11 feeling for a grass root wisdom as well as the old good  
12 American common sense.

13 What I'm concerned about is the emergency  
14 procedures, the absence of unified response command and  
15 no visible immediate disaster equipment. No booms, no  
16 vessels, no nothing. Also, oil companies bother me with  
17 their aloof stand while Exxon is taking all this heat.  
18 The possibility of using two pilot escorts is a plain  
19 nuisance, to my understanding. One pilot is enough as  
20 long as he takes the ship to the open sea. What bothers  
21 me is the six minute Coast Guard radar man. He had six  
22 minutes, the ship disappearing from his screen. Now I  
23 don't happen to be a radar person, I don't even know much  
23 about what radar is, the meaning of radar, but I know  
25 this much; if I was there and that ship was gone for six



1 minutes, I'd be screaming bloody murder to get their  
2 attention. My concern, also, is for the environmental  
3 safety. I'm not too heavy on assumptions and guesses but  
4 I'm heavy on checking them out and making sure.

5 Ladies and gentlemen, I want to leave you with my  
6 own concept and that is that what we need in this country  
7 and perhaps, in this state too, is the oil skimming  
8 vessel and the ice breaker rolled into one, instead of  
9 having a fleet of boomers that do not fly. Thank you.

10 MR. PARKER: Okay. Thank you, Mr. Waugh. Any  
11 questions from anyone? Denny DeGras.

12 MR. DEGRAS: Thank you, Mr. Chairman. members of  
13 the Commission, my name is Denny DeGras. I'm the  
14 Executive Director of the Alaska Native Health Board. We  
15 are the standing health committee for the Alaska  
16 Federation of Natives. We have several of our client  
17 member agencies in the affected areas of the oil spill  
18 and there's a lot of frustration right now about what is  
19 going on. I've heard some of the discussion today. I'm  
20 sorry I wasn't able to get here earlier this morning. It  
21 seems that a lot of the discussion has been sort of  
22 future orientated and what do we do in the future, which  
23 I can respect. I think that's real wise that we do that,  
23 however, we do have some rather immediate things  
25 occurring right now in the affected area, particularly

1 among the folks who live there. I was struck by the  
2 picture on the front of the Anchorage Daily News this  
3 morning. Again we have more otters in the news and  
4 otters are our neighbors in the region and we love them  
5 very much. I was talking to a gentleman from Tatitnic  
6 the other day who said I think if I see another otter on  
7 the front page I'm going to get sick. What he was saying  
8 was that there's not a lot of attention being given to  
9 the human condition in these affected communities. The  
10 fact is that services are under tremendous pressure,  
11 health services, our child care services. We have a  
12 catastrophe in the building in terms of who's taking care  
13 of children. We've heard of some households taking care  
14 of as many as twenty children because grown-ups are off,  
15 have been sucked out of the community. In behalf of this  
16 clean up effort, there's a lot of concern about the drain  
17 on manpower that the clean up effort has caused a village  
18 public safety officers, community health aides, child  
19 care givers are all being pulled away into the clean up.  
20 At one time, I guess, and I think some of this is still  
21 going on, Exxon has subsidized the payment of some of the  
22 positions in order to maintain competitiveness and I  
23 understand that they're about to stop that and there's  
23 some panic about this suspension of subsidies for some of  
25 these key public workers. I guess a way to sum up what's

1       happening down there among the native people is there's a  
2       quiet panic about what all of this means and where it's  
3       all going. No one has a firm handle on the dimensions of  
4       the impact, that is we are being rolled over in terms of  
5       health services. The North Pacific Rim, for example,  
6       manages clinics and Tatitnic, Valdez, Cordova, Seward and  
7       English Bay and Port Gram. In Valdez, for example, they  
8       pay contract dollars to private providers for services to  
9       Alaska natives living in that area. The contract dollars  
10      typically run out every month even under the best of  
11      circumstances. The Indian Health Service routes this  
12      money through the North Pacific Rim, it's paid to private  
13      providers, the physicians in the area. On any normal  
14      month, you're going to get those funds are depleted so  
15      that when native people come in to get there health  
16      services there's often a sign there that says, sorry,  
17      we're out of contract health care money and you're going  
18      to have to save your illness until next month and hope to  
19      God nothing serious happens to you. We've had just a  
20      devestation of the contract health care system in the  
21      region because of native people from other parts of the  
22      state who come in who are now using those contract health  
23      care funds. And about ninty-five percent of all the  
23      contract health care purchased in Valdez, for example,  
25      has gone to native residents of other parts of the state.

1 So, there's a real problem in equalizing and  
2 redistributing funds throughout the system because of  
3 this massive shift in the population that's been paused  
4 by the clean up effort. We have, I guess you could break  
5 it down in terms of some short term and some long term  
6 issues. Short term, we have a need for some meaningful  
7 communications. The native organizations that are  
8 responsible for dealing with these communities; and I'm  
9 talking about the North Pacific Rim, Kodiak Area Native  
10 Association, Bristol Bay Area Health Corporation,  
11 Aleutian Island Association, and to some extent Cook  
12 Inlet Tribal Counsel. There doesn't seem to be a good  
13 way to keep them on board in terms of getting meaningful  
14 communication to the communities. There's a lot of  
15 misinformation, there's a lot of rumor, which results in  
16 a lot of panic. There needs to be some, fairly  
17 immediately, centralized way of dealing with these folks  
18 who have actually been most heavily impacted by the  
19 spill.

20 MS. WUNNICKE: Mr. Chairman, if I may interrupt.  
21 Is that a role that your office could perform or that  
22 they and some other body could perform?

23 MR. DEGRAS: I think that the Alaska Native  
23 Health Board could. We held a news conference last, not  
25 a news conference a teleconference, last week with the

1       affected regions and they asked us to see if we could  
2       pull something together in order to do that.     As I  
3       understand it, this Commission does not have resources at  
4       it's disposal.     I'm not sure that there is a branch of  
5       government that does.     We are making an approach to Exxon  
6       but the most recent indications we have there is that  
7       that may be our dry well towards the problem.

8               MR. PARKER:     After I was contacted last week by  
9       Jean Degman I did get a hold of Loresh's people the next  
10      morning and emphasized to them that the seriousness of  
11      the problem because I'd received several other calls in  
12      addition to Jean's call, from North Pacific Rim and  
13      others. I urged them to take it to the Governor's Mini-  
14      Cabinet and get some priority going on.     I've been on the  
15      road since that, so I'll follow up tomorrow morning and  
16      see what has been done in that regard.     I would urge you  
17      to directly contact the Governor's Oil Spill Court and  
18      Aiding Office who has control of the state funds that  
19      were appropriated for spill relief in all areas and make  
20      your case directly them too.     A good contact there who's  
21      usually accessible is Mike Harmon and, of course, Paul  
22      Young has been assigned to go out to all the oil spill  
23      villages.     So, you see there's a coordinator in each of  
23      the five major communities, but then Paul Young has  
25      been assigned to, and in fact may be the roaming coordi-

1 nator. He's going to have a very difficult time. He's  
2 going to have to use your resources and the resources of  
3 the all the non-profits to keep going. I haven't met him  
4 and I don't know how well he knows the out reach system  
5 in the rural areas. I'll certainly make him aware of it  
6 first opportunity I get.

7 MR. DEGRAS: One suggestion that has been made  
8 has been the development of some kind of a medical SWAT  
9 team that could go out and be in to plug some of these  
10 holes and areas have been so drastically hit. We're  
11 thinking of a small team of physicians, assistants, nurse  
12 practioners that could go out and fill some of the gap.  
13 We're getting some tremendous reports of short term toxic  
14 response to the clean up in Kodiak. Dr. Geitson, who  
15 works for KANA for Kodiak Native Association, says that  
16 about nine out of ten of the patients he's seen in the  
17 last few weeks, and he's seen some forty of them, have  
18 come in with what looks like benzene Poison although we  
19 know that there shouldn't be any benzene in this stuff.  
20 It should have gone off in the first few hours, I guess.  
21 But, there's vomiting, rashes, celllulites, dizziness,  
22 sores, which seem to leave as soon as the person gets out  
23 of the business of cleaning up oil, but we're not sure  
23 exactly what it is. We have the state epideniologist  
25 looking at it right now and there's really no conclusive

1 direction at this point.

2 MR. SUND: Mr. Chairman, I'd also mention that  
3 when we were in Cordova they mentioned, I forgot the  
4 gentleman's name who worked on the mental health side of  
5 things that came through Cordova that was quite helpful,  
6 to be able to talk to the people there and be useful  
7 there and I'd add that. Do you remember what his name  
8 was? He came out of DES, I guess, Division of Emergency  
9 Services. You might put him on our team to take with you  
10 or someone like that. I think that would be helpful.

11 MR. DEGRASS: Yeah, we fear the worst in terms of  
12 long term mental health.

13 MS. HAYES: Richard Guest.

14 MR. SUND: Yeah, I think that was his name. The  
15 story you're telling is one that we've heard for the last  
16 three days in Valdez and Cordova and I think the  
17 Commission is very sympathetic to it. And, although the  
18 Chairman is going to talk to the governor's staff, few  
19 other of us may have our own personal word to it. It's  
20 really tragedy that somehow the villages and the cities  
21 aren't being dealt with as a part of the state. We're  
22 having a hard time conceptualizing why the villages are  
23 different than the state of Alaska and why either the  
23 state hasn't stepped in and Exxon's turned a closed door  
25 on all the communities. It's helped the businesses, but

1 not the communities and I don't quite understand their  
2 rational for that either. Somehow all of the others are  
3 doing well and the people are getting left out of this  
4 one.

5 MR. PARKER: I will, first opportunity which  
6 hopefully will be tomorrow, talk to the Governor  
7 directly about it. I will talk to Middaugh first and see  
8 what the epidemiologist has come up with so far. If  
9 we've got a serious crisis moving out there, there's no  
10 point in sitting around about it.

11 MR. DEGRAS: Yeah, I think he spoke with Dr.  
12 Geitson earlier this week. I'm not sure what they've  
13 concluded. He's been in contact with Dr. Geitson and Dr.  
14 Polar down in Seward to try to get a handle on this  
15 rather short term medical issue that's come up among  
16 workers. He thought it might be even something as simply  
17 as not the oil itself but whatever they're using to clean  
18 up after they're finished. It may be that they're using  
19 gasoline or something else.

20 MR. PARKER: Yeah, there are the other problems,  
21 too, that you mentioned. The child care and the general  
22 overloading of the health providers in the small  
23 communities which is . . .

23 MR. DEGRAS: Yeah, and what happens this winter  
25 when the clean up efforts are over and there's really



1 nothing. The foods are all different and the  
2 psychological impacts of this thing really begin to  
3 settle in. We're really afraid that the, you know we've  
4 already seen some increase in violence, some family  
5 problems and child abuse, and we're really concerned that  
6 it's going to get much worse as a result. Thank you very  
7 much.

8 I'll leave a few things here. The Kodiak Native  
9 Association did pass a couple of resolutions that they  
10 wanted to share with the Commission. And, also on the  
11 back of this is the North Pacific Rim had put together a  
12 cost estimate of what it would take to really take on the  
13 communities in their region. It's a little shocking what  
14 is anticipated as a cost. But, I guess we might as well  
15 get the bad news out first. They're talking something  
16 like six million dollars to really . . .

17 MR. SUND: We spend something like three million  
18 dollars a day cleaning up the oil now so six million  
19 sounds real big in terms of the. . .

20 MR. PARKER: Do you have any feeling for whether  
21 the Chugiach villages, for which villages have the  
22 greatest problems?

23 MR. DEGRAS: I think Cheniga Bridge, from what  
23 I've heard is the, so far the one that's most. . .

25 MS. HAYES: Cheniga?

1           MR. DEGRAS:     ...heavily impacted.   Even though  
2   they haven't been in the line of the oil, the impact in  
3   terms of man power outflow and loss of key folks in the  
4   village, loss of subsistence foods and that sort of thing.

5           MR. PARKER:   Okay.   Thank you.

6           MR. SUND:   Mr. Chairman, I'd just note for the  
7   record here that one of the other things that these  
8   villages and the other towns are going to face this  
9   winter, at least it's my personal opinion, is the  
10   tremendous amount of stress based upon the differential  
11   incomes that have been made by the people who were able  
12   to work in the spill making up to two thousand dollars a  
13   week coming home versus the people who had to stay in the  
14   villages and take care of the children and for other  
15   reasons there making very low wages.   The discrepancy is  
16   going to be enormous and I just think when you get those  
17   discrepancies in small communities whether it's Chinega,  
18   Tatitnic, or Cordova.   It just builds it's own set of  
19   problems.   You can put it on your list of things you'll  
20   have to deal with this winter.

21          MR. DEGRAS:   Thank you.

22          MR. PARKER:   Thank you.   Thomas Fisher.

23          MR. FISHER:   Mr. Chairman, members of the board,  
23   my names is Tom Fisher.   I'm a Civil Engineer involved in  
25   designing construction in main Alaska.   I come to you as

1 a private citizen, concerned citizen. I was listening  
2 this morning and the reason I wanted to talk here this  
3 afternoon is mainly I'd like to see this board have some  
4 focus.

5 As an example, there was considerable discussion  
6 this morning as to philosophically whether tanker traffic  
7 is a good way to transport oil, do we have big tankers, a  
8 few big tankers or several small tankers. Well, to me  
9 that isn't something this board should be getting in to.  
10 There's been millions of dollars, years of study,  
11 economic analysis of how do you transport oil. The  
12 industry has already decided that to get oil from Prudhoe  
13 Bay to southern California the most economical way is to  
14 put a pipeline down to here, use the size tankers that  
15 they have built and transport oil the way they have.  
16 Whether understandably if you have a spill on a big  
17 tanker, you're going to have a bigger spill. What I'd  
18 like to see is this board, instead of devling into a  
19 whole bunch of other problems that industry has already  
20 worked on, is to say alright if you want to transport oil  
21 in this manner we want to make darn sure that you can  
22 clean it up. If you have a pipeline I can assure you,  
23 you're going to have leak, the pipeline is going to leak.  
23 If you have tanker traffic, you're going to have an  
25 accident, you're going to have oil spilled on the ground.

1     There's going to be another oil spill. I guess my point  
2     is, if you're going to have a pipeline, there's got to be  
3     a plan to clean the oil up when the pipe does break. It  
4     might be such that you can tell the industry that we  
5     don't care if you have a hundred thousand barrel tanker  
6     or a million barrel tanker, or a ten billion barrel  
7     tanker. Our past experience in spills is that, for  
8     instance this last spill, twenty percent, or roughly  
9     whatever it was, of the fluid spilled out during the  
10    accident. So, we're going to require that if, no matter  
11    what size vessel you use, you have the capability of  
12    immediately recovering twenty-five percent of the vessels  
13    capability. If you have a ten million barrel tanker,  
14    let's see proof that you have the stand by vessel sitting  
15    there to recover two and a half million barrels of oil,  
16    immediately. Let the industry decide whether or not they  
17    want to use big vessels or little vessels. An example,  
18    I've been working the last couple summers briefly up in  
19    Canada's arctic. They have a boat their that's a little  
20    shy of five hundred feet long that has the capability of  
21    between a million, storing a million to two million  
22    gallons of oil, has a huge bay that's four hundred and  
23    some feet long and sixty or seventy feet wide, that you  
23    can store ten or twenty miles of boom on it. If you had  
25    a boat like that sitting in the port of Valdez, and you

1 had a big spill, then this boat can immediately go out,  
2 circle the spill, suck up so many gallons of oil and pull  
3 the tanker along the side and be unloading off of it, and  
4 that's just an example. I think that's, in terms of  
5 focus, who cares who's responsibility it was and that's  
6 why I disagree with some of the public testimony. I feel  
7 just as responsible as Exxon. I'm a citizen who drives a  
8 vehicle that uses gasoline, it comes from oil. I try to  
9 buy that gas for the cheapest price I can. The industry  
10 is trying to provide a service of providing us gas for  
11 the cheapest price. Well, where was everybody before  
12 this spill happened. Why wasn't someone out there  
13 saying, why wasn't I out there saying, why don't you guys  
14 make sure that you can cover a spill. I'm just as guilty  
15 and it doesn't matter who's guilty. You guys have so  
16 much to cover in such a short time I want to see  
17 something happen. I want to see you guys come up with a  
18 plan that says that tanker traffic is alright, if you  
19 want to use tanker traffic you go on and use pipelines  
20 we're going to make you have these requirements. If you  
21 want to use tankers, we don't care what size tankers you  
22 use but you're going to be able to cover fifty percent,  
23 twenty-five percent of the volume in your vessel. You  
23 have to immediately be able to recover that. That's the  
25 type of thing I'd like to see happen. I want to see leg-

1 islation passed. If you have a vehicle there's going to  
2 be an accident, if you have a car. As long as there's  
3 cars in the street, there's going to be accidents and  
4 what we've done in the past is we also recognize that  
5 some people aren't going to have the money to cover the  
6 accident, that's why we have insurance. The cost of  
7 doing business of driving a car, is having insurance.  
8 The cost of transporting oil on tankers is going to be  
9 that they're going to have to have a way to recover a  
10 potential spill that's going to happen. I've even done a  
11 quick analysis of it and for two and a half cents a  
12 barrel going through that pipeline you could have a major  
13 boat, with even smaller boats attached to it, that can  
14 handle that. That's just the price of doing business.  
15 If you want to do the business you have to cover it, you  
16 have to have the insurance. I think it's a tragic loss  
17 but I think everybody's responsible. I don't think that  
18 this Commission needs to spend their time and effort to  
19 find out what's wrong, I want to see something happen and  
20 I want to see some direction. I'd like to see the  
21 Commission focus on what are we going to do in the  
22 future. And the future being, we recognize the fact that  
23 we need the oil, we recognize the fact that maybe tanker  
23 traffic is a good way of doing it, but let's see  
25 legislation that's going to guarantee the ability to

1 cover any potential loss. So I guess that's all I had to  
2 say here.

3 MR. PARKER: Okay. Thank you. Questions,  
4 Commission?

5 MS. WUNNICKE: I was just going to ask if your  
6 concept is that this major ship that you speak of would  
7 accompany every tanker or where would it be located?

8 MR. FISHER: I've done a lot of thought on this,  
9 in fact, I was trying to picture a plan. This boat, I  
10 would think, instead of a whole bunch of little boats out  
11 there that can't do anything, you can't do much with a  
12 little boat anyway, it takes too much to mobilize that  
13 many people. I think there probably needs to be a big  
14 boat sitting in Valdez, probably one in central Canada,  
15 one in the Pacific North West and one down the central  
16 coast. Major boats that could get to a location, within  
17 twelve hours or a certain time frame, encircle a  
18 potentially big spill and again that's determined by the  
19 size of the vessel. In Mississippi, if you have smaller  
20 vessels you have a different situation. You need  
21 something that's big, you need something that has the  
22 capability and it's not small pumps. You're going to  
23 have to have several thousand gallons a minute pumps that  
23 can suck that much volume of oil. In light of things,  
25 it's inexpensive. This particular boat is very cheap. I

1 just happen to know all the details on that particular  
2 boat and it sleeps fifty. It has a hellapad that sets  
3 two helicopters. So, it's the type of thing that we need  
4 to have. In my opinion, we need to have at least in this  
5 part of Alaska and maybe one in southern Alaska jointly  
6 with Canada. We need to have something that will be able  
7 to have that capability of encircling a spill and picking  
8 it up. If we did that and we had this boat we wouldn't  
9 have the problems we have now.

10 MR. PARKER: Was that a Canmar boat or government  
11 boat or what?

12 MR. FISHER: It was owned by Beaudrill. It's one  
13 of, right now it's owned by another gentleman out of  
14 Vancouver, but it was recently bought.

15 MR. PARKER: Where is it based now?

16 MR. FISHER: It's based in Tuctoativ, which is  
17 north of Canada. They have hauled a couple tankers out  
18 of there in the past during the summers. If they're  
19 going to do that then if they go across Alaska waters  
20 they should have some type of contingency. It's the  
21 price of doing business. I guess that was my point  
22 there, but I do think they need a boat of this caliber  
23 setting in Alaska, setting in Canada and setting in the  
23 Pacific Northwest.

25 MR. PARKER: John?



1           MR. SUND: Yeah, I appreciate your comments and  
2 your ideas and actually some of these have been surfaced  
3 in Cordova and other places, too. I think we're going  
4 down that track. I would like to just comment on the  
5 process of the committee from observing this. Perhaps  
6 you were here earlier and heard my comment that when you  
7 do everything in public at a public table with  
8 Commissioners whom you've just met for a few times,  
9 things may appear to be disorganized and it doesn't maybe  
10 appear to have a clear focus. If we all went in the back  
11 room and cut the deals, and came out here, we could make  
12 this thing look very organized and very streamlined. So,  
13 bear with us as we go through and you may see ideas  
14 surface that appear to be wild ideas, but that's part of  
15 the process.

16           MR. FISHER: I understand and I think it's good  
17 that this happening this way although it probably takes  
18 longer to accomplish what it would it take to sit by it  
19 with a couple of people in a room. However, . . .

20           MR. SUND: I think the Alaska Contingency Plan  
21 was written by too few people in too small of rooms.

22           MR. PARKER: I think the only point upon which I  
23 would differ with you is that the cost to doing business  
23 also relates to the tankers and their crews and operating  
25 them in the best way possible and there's a wide preju-

1       dice in the industry.

2               MR. FISHER:   You're exactly right there.   There  
3       needs to be legislation.   Why do people carry insurance  
4       for their car?   Not because half of them are wealthy  
5       enough that they're afraid of getting sued and the other  
6       half because they have to.   It's necessary and that's why  
7       we need the legislation that says you have to have a  
8       certain requirement for the crews.   And again, I didn't  
9       touch on that but that's important but I really would  
10      like to see a steady fast Contingency Plan that has the  
11      juice, that has the capability of doing that.   It's going  
12      to take a large, substantially large, boat that does  
13      that.   It's cost effective, we're talking a couple pennys  
14      a barrel come out of that pipe, that's pennys in the  
15      scope of things.

16             MR. PARKER:   I think we've certainly proven that  
17      the present system is not cost effective in the way the  
18      costs of clean up are mounting.

19             MR. SUND:   I can't hold back, Mr. Chairman, since  
20      my colleague, Mr. Wenk, isn't here to bring up his point,  
21      that every time you speak of cost effective the question  
22      of cost to whom comes up and you have to always look at  
23      who pays the cost when you talk about what is cost  
23      effectiveness.   I'll leave it at that right there, but  
25      I'm beginning to learn something from Ed about...

1           MR. FISHER: You know the way I look at it is the  
2 costs is born by the citizens of the United States,  
3 anybody who burns gas. If an oil company makes money,  
4 who's the oil company, the oil company is nothing more  
5 than citizens of the United States that dump money into  
6 an economy that continue. It's all part of us and if we  
7 have to protect our ecology by raising the cost, the  
8 ultimate cost is going to the consumer, that's where it  
9 all ends up anyway.

10           MR. SUND: In this case, a lot of the cost went  
11 to people who, maybe who have never bought a gallon of  
12 gasoline that live in some villages in Prince William  
13 Sound.

14           MR. FISHER: Exactly. I mean that's why we're  
15 trying to protect that. I'm talking about costs, dollars  
16 and cents, where does the real cost come from. It really  
17 comes down to the taxpayer; that's the person buying the  
18 gas. We need to have legislation that does that and I  
19 guess my point here was that I'd like to see legislation  
20 -- I want to see juice come out of here, that says we  
21 need legislation and dwell on finite issues that deal  
22 with that.

23           MR. PARKER: Okay. Thank you for that  
23 perception. A man who asked to be last, Bob Allison.

25           MR. ALLISON: Thank you, Mr. Chairman and Commi-

1 ssioners. This morning I was hearing a word that I kind  
2 of believe I'm one of them and that word was amateur.  
3 And this is definitely my first time up trying to tell  
4 anybody about something that's going on. I have been  
5 going on with one thing for, I don't know, probably since  
6 about seven years. I work with developing an agent and  
7 this winter I had the time and I got it to do what I  
8 wanted it to do. It wasn't as an agent and I'm licensed  
9 as a detergent. That's basically what it was for,  
10 household use, but since this oil spill happened I had  
11 some of my people that we're testing my stuff, come to me  
12 and say, 'hey, these otters out here are croaking over,  
13 your stuff will work'. It kind of hit me hard, but the  
14 rescue centers, when I notified them, 'hey, we got our  
15 own stuff, we don't need yours'. That's the same way  
16 it's been with our government. Our state government has  
17 cost us, all the otters and all this that you've seen out  
18 there in the Inland. Strictly because from the  
19 Governor's office that Bob Grogan, I talked to him,  
20 talked to all of the DEC in order to go get Exxon, I've  
21 talked to them, yesterday as a matter of a fact. I can  
22 not get my product which I, I won't even bring it out  
23 because my attorney will probably get pissed off, but I  
23 told the press that I was going to pour it over my head  
25 right here and then show you that in about fifteen

1 seconds you won't know there's any crude on my head. I'd  
2 like to show you all that so you know that there is  
3 products out there and there's another gentleman here,  
4 that he's got the same problem as I've had.

5 We cannot get it checked out strictly because DES  
6 is the ones, excuse me that's DEC, is the ones for the  
7 state that checks all this products out and from the  
8 Governor's office Jim Sellers is who I got. Grogan put  
9 me on. He says DEC has no funds, the state has no funds  
10 to check your stuff out. I'm talking to Exxon's main man  
11 in Homer, he's sitting here with a beach that's eighty-  
12 five yards wide, three inches thick and twenty miles long  
13 of crude that's in other words a highway. He's got  
14 people on his hands and knees with rags and that's why  
15 you see all them barges. That don't know what to do and  
16 I've talked to -- I finally got -- Exxon has called me  
17 from Valdez, head of the oil spill clean up there and  
18 they know they're did in because the state government has  
19 locked in down and put so many, so many loop holes they  
20 found on count of the Coast Guard that's took charge of  
21 the--it's their tail. The Coast Guard is in charge of  
22 this so to get anything tested you have to go through  
23 their little bag of tricks and that's talking to the  
23 Commodore. Connecticut is where you have to send your  
25 stuff. You don't send your stuff, you send your paper-

1 work. When I talked to him, all he does is paperwork.  
2 It's the Coast Guard Research Center that they have no  
3 laboratory facilities, they don't check nothing out period.  
4 It's a research, I don't know where they get it. They  
5 don't know and he told me he don't know why he's even got  
6 the job but he's got it, he's got it put on him, so he  
7 does and all he does is sit with the paperwork, goes over  
8 it and at the end he sends it to USCG Environmental  
9 Protection Agency. Then they go on it to get on a  
10 contingency products plan schedule. Our Governor's  
11 Office, the day after I talked to him about it this and  
12 all I needed was for this is from DEC's Deputy  
13 Commissioner in Juneau when I talked to him he told me,  
14 'well there's two ways of going about doing this'. So,  
15 he put this on me about sending it to the Coast Guard  
16 research center. Then the other way is since we are in  
17 emergency mode up here, that I could have Exxon's  
18 officials request a review on my product to be and he  
19 would see to it it'd get taken care of. Well I'm  
20 probably, I know everybody by name now cause I have took,  
21 ever since this oil spill started I have got in my house  
22 and I've read everyone at least three times a piece and  
23 I've got a book over there with everybody's name in it.  
23 All your's will be in it. I know everybody in the Coast  
25 Guard and I know everybody in our state government by

1 name. Not face, but I know everybody, their positions  
2 dealing with oil spill and I know everybody in Exxon and  
3 I know most of them in Alyeska by name. I've talked to  
4 most of them. Our state government is the ones that's  
5 got Exxon tied. They cannot get anything approved to  
6 check to use out there to clean that mess up and it won't  
7 get cleaned up until they do. So, last night I finally  
8 got a call from the Coast Guard and it's Coast Guard  
9 Commodore's office and was Kyme's office, Colonel Kyme, I  
10 guess it's Colonel, Commodore Kyme's office, Admiral?  
11 Well, it was his office, so, Donald Copeland, he called  
12 me and he told me he says, what my products name was and  
13 my name and that kind of shocked me, because I figured he  
14 got it from Exxon because Exxon had called me the day  
15 before cause they know, like I know and anybody else that  
16 has been reading about this and paying attention to this  
17 which I haven't found, I haven't found, not even my  
18 neighbors. There's this own battle, war, going on  
19 between our state government and our Governor in  
20 particular, with Exxon and Alyeska. I don't know if you  
21 remember when all this first went down, he vowed to shut  
22 the pipeline down, to shut the terminal down, the whole  
23 nine yards and he couldn't get that done. So, what did  
23 he do? He said, 'well, I'll hit them in their purse',  
25 that is your reason for all your committees. We've got

1 committees out here that he's got and he's, I don't know,  
2 got fifteen billion for this, a million for this one.  
3 That oil spill response coordinating office, what did  
4 they do? Thirty-five point seven million dollars, he  
5 hands, I mean it may be good but he's told me he hasn't  
6 got any funds for something that, to check mine out in  
7 emergency mode. And, so what it's coming down to the  
8 other day, two days ago, the federal government is  
9 finally going to step in. They already own them on the  
10 drilling part, but they're going to federalize this  
11 spill, I hear, because they can't clean it up. The state  
12 government don't want them to clean it up because they  
13 want to draw it out and take the millions and take the  
14 millions and take the millions. It's going to be end up  
15 taking the millions and run and the Alaskan's will pay  
16 for it. There's just nothing out there that--I've talked  
17 to their research centers in Exxon, their people and  
18 their top people tell me as along with Alyeska, I've got  
19 some friends that's in pretty high up in Alyeska, and  
20 these response, these response, emergency response plans,  
21 they don't work, they can't work because their  
22 dispersents don't work to start with. Now they tried  
23 them, they dumped twenty thousand gallons out here. It  
23 don't do nothing except kill the -- it don't...

25 MR. PARKER: In regards to the Coast Guard, what



1 was the finally result of your last conversation?

2 MR. ALLISON: The Coast Guard? Well, the Coast

3 Guard I was going to get back to but I run on a little

4 bit. But the Coast Guard he told me he says he

5 understood I've been having a lot of problems with

6 getting my stuff checked out and so he said he would be

7 getting with head of the Environmental Protection Agency

8 at 4:30 yesterday afternoon and he would make sure the

9 red tape got severed and he would get EPA to get back to

10 me today. But I've been here almost all day. But he

11 said that he would get him back up with me and it would

12 have the red tape--the federal government finally knows

13 what it is that were having that's our state government.

14 If you take every article I've got and read it and write

15 it down, most of it, and all their names, and who's in

16 charge out there--the Coast Guard is suppose to be in

17 charge well the Coast Guard is not in charge. The Coast

18 Guard are not trained for no oil spill, they got other

19 duties. DEC out there is calling the shots for the state

20 and one person, in particular in DEC, I won't say his

21 name I know everybody knows him if anybody reads the

22 papers they know who it is that just taught warrior out

23 there and that's not DEC's job to be out there running a

23 clean up oil spill telling, advising the Coast Guard, is

25 what they have to do, they have devised the Coast Guard

1 and most of their advice comes from and it's written,  
2 this is in writing, who their advisors are and NOAA is  
3 one of their advisors. Any scientific, NOAA's federal  
4 too. Okay, NOAA can't do anything without DEC's approval  
5 either. Okay, our fish and game, our fish and game right  
6 straight out of NOAA, is now, not just working with  
7 advising Coast Guard. Now he is out from NOAA and going  
8 to be working with our fish and game on a project to tell  
9 well this place here, the salmon here they gotta be  
10 spawning, it's all these--it goes back to the old thing  
11 of he's working for three organizations. He's got ties on  
12 all of them and he advises the Coast Guard and he is  
13 advised by DEC. DEC needs to be back to their job  
14 because they're the Department of Environmental and  
15 Conservation and DES is what has started off as DEC is to  
16 do it, the Department of Emergency Services. They were  
17 in charge of all finances, administrative all things in  
18 emergency when with DES, our whole government is being  
19 reorganized just in the last, within the last month a  
20 complete reorganization. DES is relieved of all their  
21 activities from this oil spill. That we got out here  
22 anything to do with, DES is canned from it along with  
23 thirty-five point seven million dollars this crews got  
23 and it's top dog came out of our natural resources and to  
25 go to that position. What is his qualification? Would

1     you hand somebody thirty-five point seven million dollars  
2     and say spend it as you want? What qualification do you-  
3     -and then the main man for--I tell you I wouldn't. Not  
4     even the point seven. The governors, right out of  
5     governor's office the man that was in charge of all the  
6     financing and billing of Exxon receiving, every bit of  
7     that, I guess he run his mouth into the papers a little  
8     bit too much but he got relieved of his duty.

9             MR. PARKER: Who's that?

10            MR. ALLISON: I'd have to get my book, I got his  
11     name. I might remember here in second. He got relieved  
12     in the governor's office anyway. He's the one that did  
13     all of it. He got relieved and it went straight to some  
14     guy that is the OSCO's office there. Now they do their  
15     own billing, their own receiving, their own--the cash is  
16     in other words no body is held responsible for it and I  
17     don't see where anybody can possible ever, ever--it could  
18     be ten million dollars and not show up out here and who's  
19     going to know it cause they're controlling their intake  
20     and output. You don't know, I don't know and nobody out  
21     there in this state knows cause all my neighbors they  
22     don't even know that there was a war going on there with  
23     Exxon and nothing's getting done. That inlet out there  
23     will stay that way and my product I'm not something  
25     that's trying to push on it because I've been here thir-

1       teen years and this has taught me one thing. I've decided  
2       I want to take and instead of distributing this stuff,  
3       I'm going to sell it out right to the, probably to the  
4       oil companies, I don't know. My Exxon's guy I talked to  
5       yesterday, he chewed on me for probably about twenty  
6       minutes not to do it but that's what I'm going to do  
7       because I think it's time for me to leave this state, the  
8       government is there at the bottom of the line, as far as  
9       I'm concerned because this oil spill here is, it was a  
10      disaster. Well, if they can't take care of it, they  
11      don't have no, their response to the state will have,  
12      they don't have anything they can clean it up with out  
13      there. If they do, I'd like to see it. The oil  
14      companies don't have anything they can clean it up with  
15      but I have something and it's right now, and I wished I  
16      could if this room would have been a little bit of  
17      difference where I could've I would've had and poured it  
18      over my head and showed you that in about fifteen seconds  
19      later it won't be there and you'd never know there was  
20      any crude on my head and that's the same thing that  
21      otters would have liked to had. The same thing is going  
22      on not just here, I talked to people--of all the  
23      articles, I've probably got a thousand articles on this,  
23      I tore out but then I cut an article out I kept, it was  
25      in Skagway. It was about Skagway down in southeast and I

1 talked to them people last night and they've got the same  
2 thing that we've got going on with the emergency with  
3 this oil spill down there and the emergency but except  
4 for it's lead. They got DEC has been down there and told  
5 them that hey, your streets and your houses and your  
6 harbors are grossly contaminated with lead and they got  
7 down there eight months after that, eight months after  
8 they told them that they were, they pulled out. DEC  
9 pulled out in May, pulled off the job and I know what it  
10 was for, so they can get the DEC people down here to run  
11 around and try to catch Exxon so they can put another  
12 suit on them for another thing. They pulled out, closed  
13 down the operation down there after they went in there,  
14 they went in to that place and started on the oil  
15 terminal, not the oil terminal, excuse me, on the ore  
16 terminal there where it was getting ore at and that was  
17 their first priority to clean it up instead of cleaning  
18 the people's houses, the people up. They didn't care  
19 about the people, get it cleaned up because they wanted  
20 to cut off the sores where the people would be dead down  
21 there before they ever get--they closed it down and their  
22 excuse for closing it down, DEC's excuse to the people is  
23 because the summer tourist season was started, we have to  
23 close it down for the summer on account of summer  
25 tourist. You don't have no tourists when peoples croak-

1 ing over. There's one more thing that I really would  
2 like to apologize to the people at Skagway because I  
3 would like to said a lot more. But she did say that  
4 there was one little girl down there that's like she's  
5 one year old with a count of eleven point zero in her  
6 blood system of lead and they, the statistics for the  
7 lead, how much is a human can do is so far back and so  
8 out of date that that child will probably not even grow  
9 up to be what we would call a strong Alaskan. She,  
10 because they sit there and, the way I see it is they, our  
11 state government by abandoning the people down there it's  
12 just like the oil spill. They abandon them people on  
13 count of tourist. I think our state government is liable  
14 and I hope Skagway people can take all the billion or  
15 millions of dollars our state government is getting out  
16 of Exxon and I hope they take every dime away from them  
17 on count of it.

18 MR. PARKER: Okay. The problem here, the personal  
19 problem you brought up here, we've been exposed to that  
20 from many others and I can't promise you anything. The  
21 last thing we heard from NOAA was they had two thousand  
22 investigators on their list to provide a product to be  
23 tested in this spill. The system doesn't seem to work  
23 very well for everybody and we'll do what we can to  
25 improve the system but this is an area I can not promise

1       you anything cause there's just been . . .

2               MR. ALLISON:     I don't want any promises for  
3       myself.

4               MR. PARKER:     What?

5               MR. ALLISON:     I don't want any promises for  
6       myself, you know.   I'm going to get mine done cause it's  
7       going to be federalized and then I will be selling mine  
8       to the federal government and I'm not worrying about  
9       that.   That's what's going to happen and I betcha it  
10      happens within two weeks.

11              MR. PARKER:     Well.   I hope so.

12              MR. ALLISON:     That's what's going to take . . .

13              MS. WUNNICKE:    May I ask a question?   Your  
14      product is not yet on EPA's approved list?

15              MR. ALLISON:     No. It's not on it but he guaranteed  
16      me it will be on it and not one year like it usually  
17      takes.   One year just to get out out of the, usually out  
18      of Connecticut's one year, if it don't get thrown in the  
19      trash can but we don't have a year.   That's what it is  
20      and I imagine by the time I get back home I'll be getting  
21      a call on it again because it's --the Alaskan people is -  
22      -it needs to be informed of what's going on cause they do  
23      not know.   Your neighbors don't know exactly what's going  
23      on out here.   You have to keep close track of it to know  
25      what's going on.   I know everybody in our government, I

1        didn't even know what our Governor's name was and I  
2        couldn't care up to two months ago, but now I know  
3        everybody in our government that deals with oil spill and  
4        what their job is and where their at. It's the same  
5        thing as with everybody else with all the organizations  
6        and especially DEC. And I guess that's about all I got  
7        to say.

8                MS. WUNNICKE: Thank you, Mr. Allison.

9                MR. ALLISON: Thank you.

10               MR. PARKER: Is there anyone else who has not  
11        signed the sheet who wishes to talk to us?

12               MR. RUSHER: Yes. I'll make this as short as  
13        possible, because I know everybody wants to go home.

14               MR. PARKER: Could you give us your name for the  
15        record please.

16               MR. RUSHER: My name's Jerry Rusher, I'm with  
17        Rusher Services.

18               MS. WUNNICKE: Mr. Rusher, how do you spell your  
19        last name?

20               MR. RUSHER: R-U-S-H-E-R.

21               MS. WUNNICKE: Thank you.

22               MR. RUSHER: I would like to thank you for  
23        letting me take this time to talk to you. I hope that  
23        you take time to look at these tapes. Yesterday and  
25        today President Bush's Oil Response Team has looked at



1       those two tapes and there's seven different tests that I  
2       conducted myself out on LaTouche Island, across from  
3       Sawmill Bay, the fish hatchery. I had to conduct this  
4       test myself because nobody else seemed to be interested.  
5       I have invited state officials and Exxon, Coast Guard and  
6       I advertised it in the paper down in Valdez for all  
7       private property owners. This test cost me two hundred  
8       thousand dollars to do this test. I had airplane support  
9       and this was done on a private property, Cliff Grove's  
10      private property. So everything would be legal as far  
11      doing the test. DEC stopped out and they were the only  
12      state organization that stopped out to monitor my test  
13      and if I wouldn't have called Senator Frank Murkowski,  
14      DEC probably wouldn't have showed up. There is a little  
15      slowness in our state agencies, as a matter of fact,  
16      Exxon stated to me that they would test my product but  
17      that there's slowness in the EPA saying that they  
18      wouldn't want to do anything with my product. I've been  
19      on this since the 2 of April.

20               MS. WUNNICKE: Are you on the EPA approved list?  
21      Is your product on the EPA approved list?

22               MR. RUSHER: As far as I know, it is because I  
23      have a control number from the Coast Guard in Groten,  
23      Connecticut. My control number is forty-one hundred.

25               MS. WUNNICKE: Who have you received permission

1 from to test the product, from Exxon, from the Coast  
2 Guard, from DEC or not any of the above?

3 MR. RUSHER: I haven't approved permission to  
4 test it from anyone.

5 MS. WUNNICKE: From anyone. Okay.

6 MR. RUSHER: I done the test myself and I  
7 invited, I offered to furnish transportation to Exxon,  
8 DEC, and the EPA, and the Coast Guard and DEC was the  
9 only ones that came out and they furnished their own  
10 transportation.

11 MR. PARKER: Did you get any response from them  
12 to the test?

13 MR. RUSHER: DEC seems, they came into my test  
14 lab, they're on my tapes. They wanted to inspect some of  
15 my material after I brought it back in from the tests  
16 that I had done. They were very responsive but we got a  
17 serious problem here. This thing isn't over and they  
18 haven't got back to me, it's been about five days. This  
19 is really what's bad about this whole spill is the  
20 slowness of these decisions. This thing is no way going  
21 to be cleaned up this year. No way. And a lot of it is  
22 because of the slow decisions. Weeks. I've been at this  
23 three months.

23 MR. PARKER: Yeah, I haven't been able to figure  
25 out myself the interaction between EPA and the Coast

1 Guard as to on the federal side, why the state can't  
2 proceed independantly in this at all, it finally seems to  
3 come back to Exxon having some say in it, but it's not  
4 really clear to me. I've heard from a lot of  
5 entrepenuers who have a product and they all seem to have  
6 the same general problem with that the system seems to be  
7 so convoluted that it can get stopped at any part--  
8 getting on the EPA list doesn't solve the problem cause I  
9 know a lot of people's products are on the list but  
10 they're still not getting tested.

11 MS. WUNNICKE: Mr. Chairman. I don't know  
12 whether I'm accurate about it or not but my understanding  
13 is that getting on the EPA list is critical to getting  
14 Coast Guard approval. That's also necessary to get  
15 Exxon's approval and DEC's approval. That's my  
16 understanding of what people have to go through to get a  
17 permit.

18 MR. PARKER: I think that's fairly accurate.

19 MR. RUSHER: You will see on those tapes, you  
20 have to look at the tapes, I have DEC telling me that  
21 it's Exxon's decision, I have Exxon telling me that it is  
22 DEC's decision. Know all I need is a yes or a no from  
23 someone.

23 MR. PARKER: That is the problem.

25 MR. RUSHER: That is the answer that I need.

1 MS. WUNNICKE: Do you have your address on here  
2 Mr. Rusher?

3 MR. RUSHER: No, I've an address on a very  
4 important paper that I'd like each one of you to see from  
5 my meeting with Frank Murkowski in Valdez. I don't have  
6 enough copies for everyone of you.

7 MS. WUNNICKE: We can share.

8 MR. RUSHER: This correspondence with Frank  
9 Murkowski is a letter to Exxon, page three. This is a  
10 letter to Exxon Corporation, Senator Frank Murkowski  
11 asking questions of Exxon. If you look at Q9, it is in  
12 reference to products and cleaning technologies and  
13 Murkowski asks as far as the slowness of the techniques  
14 and towards Exxon techniques only and on the bottom it .

15 MR. SUND: This here's a (?) issue technique?

16 MR. RUSHER: Yes it is and mine's a natural  
17 product. There aren't any chemicals in it. That's  
18 probably why they don't want to use it. It's decayed  
19 seashells is what it is. It's a type of a floradry that  
20 I had them make special myself. It's a ground up real  
21 fine product.

22 MR. PARKER: Is it a flora (?) work?

23 MR. RUSHER: Yes, and if you know what that is I  
23 don't need to tell you anymore, because if you've had a  
25 McDonalds shake you've ate it before. It's FDA approved.

1 In response to the question that Murkowski asked Exxon,  
2 their response, and if you'll look at the letter from  
3 June 10th that I received from Exxon, stating "Dear Mr.  
4 Rusher: I am writing you acknowledged receipt of your  
5 June 7, 1989 letter to Otto Harrison at Exxon Command  
6 Center. Exxon will not be participant in or observe at  
7 your tests since it has not been endorsed by the  
8 shoreline research process, received process, review  
9 process and the appropriate agencies. Exxon does not  
10 endorse or support your test. We have not requested your  
11 test or recommend to all parties is that the test should  
12 not be conducted."

13 MR. PARKER: Would it be your perception that  
14 Exxon is in control of the testing process, as to  
15 ultimate authority?

16 MR. RUSHER: From this letter? From that letter,  
17 I would say that they have all the authority and then  
18 they tell me that if I get permission from EPA and DEC  
19 that they would do the tests. So we're back to the same  
20 question. If you people here, it sounds like you're  
21 going to have the authority to finally find out who does  
22 have the say. Or am I wrong in this?

23 MR. PARKER: Well, we haven't really tested our  
23 authority yet so we don't know. We get to ask questions.

25 MR. RUSHER: I guess I need to find out who that

1 person is, if that's possible.

2 MR. PARKER: The letter doesn't say that they'll  
3 do anything if you get . . .

4 MR. RUSHER: No, this letter doesn't state it. I  
5 got them on video. I wanted to make sure that they heard  
6 it from their organization. I also have fifty-two of  
7 these tapes distributed through out the state of Alaska  
8 and Washington D.C. In my brief case I have 225 and 25  
9 sheets of paper that I've started this project and 100  
10 and 25 besides that I've faxed, documented faxed.  
11 Paperwork that has been to all the state agencies in this  
12 state. So if they want more paperwork, I will just buy  
13 three more boxes of paperwork and give them the same  
14 copies that I started giving them the 16th of April.

15 MR. SUND: Mr. Chairman. Just a thought here  
16 that perhaps and this isn't a solution to our problem,  
17 Mr. Rusher, but you have to reflect upon the fact this is  
18 our second meeting and this has come up at both meetings  
19 here and in Valdez, I think. Maybe that's just a part of  
20 the contingency planning process on major spills as  
21 someway to incorporate new technology in entrepeneural  
22 effort that's going to come forth at the time. You don't  
23 know what it is and you can't say what it's going to be,  
23 but, you know it's going to happen. They've had over two  
25 thousand of these inquires into NOAA and nobody is geared

1 up to handle it. There's no structure decided, there's  
2 no methodology set up to implement it and test it and  
3 handle these things. It's hard to tell the agencies to  
4 staff up for it and get ready for years but I think it  
5 seems that between this and not being able to handle  
6 child care in the communities, they are the two big  
7 issues that are kind of left over in the weeds after  
8 ninety days that have come decending upon us.

9 MS. WUNNICKE: Another aspect that should be  
10 incorporated in and maybe we stated earlier is planning  
11 in the clean up or the contingency response for wildlife  
12 rescue. I don't know that that's included.

13 MR. PARKER: Have you proposed on science and  
14 technology foundation?

15 MR. RUSHER: The national news, their science  
16 people, are interested in all scientific data from this  
17 project.

18 MR. PARKER: The state has a science and  
19 technology foundation which has also been given some  
20 money.

21 MR. RUSHER: The one they are going to set up in  
22 Cordova?

23 MR. PARKER: No, the one here. It's chaired by a  
23 gentlemen named Ed Clinton and they were given a mandate  
25 by the legislature to use their resources, to apply their

1 resources towards the oil spill, not a mandate, just  
2 direction. It was resolutioned directing them to do  
3 that. You've put so much effort into this that it might  
4 not hurt to talk to Ed Clinton and see whether he can be  
5 of any help. I don't think he has any more access to  
6 Exxon or the Coast Guard or DEC then we do but science  
7 and technology and new experimentation is what they're  
8 all about. Their mandate is to promote new technology  
9 within the state. So that's why I think it might be  
10 beneficial for you to at least get to know him and if it  
11 doesn't have any immediate results you would learn what  
12 they're all about.

13 MR. RUSHER: Well, I'm ashamed to have all those  
14 all beaches and not find out as much as we can.

15 If you're going down to Seward, I can take you  
16 where I was and show you exactly where I cleaned the  
17 beach. The 16th, I can take you right to that spot,  
18 right now. I will not even tell you where I was and  
19 you'll be able to pick the area out where I cleaned.

20 MR. PARKER: It hasn't reoiled?

21 MR. RUSHER: No. If you're going down there this  
22 weekend I will fly down there and show you exactly. We  
23 got a supercub that we can go right in there and I will  
23 show you exactly, I will just show you the eighteen hund-  
25 red feet of beach I was on and I'll let you pick out



1       where I was.

2               MR. PARKER:   How deep was the oil where you . . .

3               MR. RUSHER:   The oil's a foot and a half deep  
4       there.   At La Touche.   Right there at the fish hatchery.

5               MR. PARKER:   Well, we'll look at your tapes.

6               MR. RUSHER:   Okay.

7               MS. WUNNICKE:   Thank you.

8               MR. RUSHER:   I appreciate it.

9               MR. PARKER:   Anyone else?   Hearing no one else  
10       who wishes   to come before us, is there any other  
11       business that the Commission wishes to undertake at this  
12       meeting?

13              MS. HAYES:    Yes, Mr. Chairman.   We should be  
14       assigned our assignments before we go and I'm sorry for  
15       the rush but I'm on duty at 5:30 so I need to leave  
16       promptly.

17              MR. PARKER:    Okay.    You're going to share  
18       response.

19              MS. HAYES:    Okay.

20              MR. PARKER:    John Sund, what's your preference on  
21       prevention, response, or institutions?   I reserve the  
22       right to, I don't know, does everybody understand what I  
23       mean by institutions?

23              MS. HAYES:    Now, I do. Yeah.

25              MR. PARKER:    Ed is still thinking in terms of a

1 committee on overall issues. I didn't hear any  
2 resolution on that or any particular consensus.

3 MR. SUND: I think where we ended up on that was  
4 that on the overriding issues that would be a committee  
5 of the whole. Also on those issues we would bring in  
6 people and staff and experts to help the committee on  
7 lining out all those subissues. I don't think we could  
8 have a subcommittee on the overriding stuff.

9 Why don't you ask Esther first and I'll take  
10 what's left.

11 MR. PARKER: She wants to be on institutions.

12 MS. WUNNICKE: I may be in one before it's over  
13 with.

14 MR. SUND: What do you want me to do?

15 MR. PARKER: Well, you can do response,  
16 prevention or institutions.

17 MR. SUND: I'll do prevention and institutions, I  
18 guess.

19 MR. PARKER: Okay. Tim, you want to work  
20 tankers, response or institutions?

21 MR. WALLIS: I'll go institutions and response.

22 MR. PARKER: Okay..

23 MS. WUNNICKE: Institutions is a full committee  
23 already.

25 MR. PARKER: We've got Wunnicke, Wallis, and Sund

1 on institutions with Wunnicke chairing. We've got Hayes,  
2 Wallis and Herz on response with Hayes chairing. We've  
3 got Sund, Parker and Wenk on prevention with Wenk  
4 chairing. Those of you who are not chairing have the  
5 privilege of serving on two subcommittees.

6 MS. WUNNICKE: Prevention, is it Ed chairing,  
7 yourself and . . .

8 MR. PARKER: Ed, myself and John.

9 MS. WUNNICKE: . . .and Sund, okay.

10 MS. HAYES: Mr. Chairman.

11 MR. SUND: Who's chairing institutions? You,  
12 Esther?

13 MS. WUNNICKE: Yes.

14 MS. HAYES: Okay.

15 MR. SUND: Who else is on institutions?

16 MS. WUNNICKE: Tim.

17 MR. SUND: Can you say the response one again?

18 MR. PARKER: The response one is Hayes, Wallis  
19 and Herz. What I've done is if you're chairing a  
20 subcommittee, you only serve on one subcommittee and if  
21 you're not chairing one you're on two except for Herz  
22 who's just on the one and he's short of time.

23 MR. SUND: I think there's just a couple of small  
23 items, I call them small. One is the historical, what  
25 happened and I think that includes probably even a review

1 of how we got there. That's kind of been left up to, I  
2 guess, general, all of us directing staff to do that. I  
3 think there's some work going to be done there of  
4 historical review of why were the regulatory agencies in  
5 the condition they were in at the time of the spill that  
6 may have lead to some of these problems. We may even  
7 have to beat up on the legislature a little bit for not  
8 properly funding.

9 MR. PARKER: I regarded that as something of  
10 response, that is response's. The whole leading into the  
11 tankers and the crews and what have you are not a  
12 particular part of that. It is much more a part of the  
13 response. It was the response that failed in the sense  
14 of...

15 MS. WUNNICKE: There's some aspects of every bit  
16 of this. There's going to be lots and lots of crossover.  
17 It does divide up the work a litte bit. We're suppose to  
18 have a budget for this and a time line by next meeting.

19 MR. PARKER: Well you have to, those of you who  
20 are working this, have to think about what additional  
21 staff resources you're going to need to accomplish, you  
22 don't have to wait until next meeting to get back to me  
23 and discuss that with me. If you want me at a  
23 subcommittee meeting for any part of it, either by  
25 telephone or whatever, I will try to accomodate. You had

1 something else John?

2 MR. SUND: Are you going to take of getting the

3 staff and the office organized?

4 MR. PARKER: Yeah. Dawn says we have hopes that

5 the lease will be signed on Monday.

6 MS. WUNNICKE: Oh, Mr. Chairman, there is one

7 other bit of business and that is I move the approval of

8 the minutes as submittted.

9 MS. HAYES: I second.

10 MR. PARKER: Moved and second with the approval

11 of the minutes as submitted. Any discussion? Any other

12 additional provisions to the minutes? Questions called

13 for. All in favor?

14 ALL: Aye.

15 MR. PARKER: Opposed?

16 NONE.

17 MR. PARKER: Motion carries. Anything else? The

18 Commission is adjourned until our next meeting which will

19 be July 12 at a place to be announced.

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