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ALASKA OIL SPILL COMMISSION

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ANCHORAGE, ALASKA

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VOLUME II OF III

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and I understand it is basically because of lobbying efforts on the Gulf Coast by the maritime industry in the Gulf Coast. Not necessarily the oil industry or the tanker industry, but some of the offshore operators that operate port boats and tugs. They have resisted that because it would require a different mode of operation than they are traditionally used to.

MR. PARKER: Your training requirements. Where would that kind of training normally be handled?

MR. DORSCH: Well, the officers on board -- we talk about officer training. The officers on most of our ships have gone through four year maritime academies where they have received extensive training, shipboard and ashore. And, they have received Coast Guard license after sitting through an extensive exam process. My exam was five days long. I don't know of any bar exam that requires five days of examination. It's an extensive review process. There's also a Bachelor Science Degree issued to the graduate of the maritime academies. We generally hire people from the maritime academies. License renewal is every five years. Renewal generally requires that you sit down and take an exam to prove your continued proficiency. Virtually very few other professions, licensed professionals have to go through such process and certainly doctors and lawyers don't. Although

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they should.

Radar simulators are required when you renew your exams. Radar simulator process is a week long process each time you renew your license. Firefighting school is required now. CPR class was required before you renewed your exam. I don't know if the Coast Guard dropped the CPR, I believe, I don't know.

Then, in addition to that we feel that simply by virtue of the fact that you graduate from maritime academies you are not necessarily capable of handling oil aboard a tanker. We have a policy of where we hire maritime -- top maritime academy graduates into the decker engine department. Myself served a six month to a year -- six months as an ordinary seaman before I was allowed to move up. This gives the person some on-the-job training and to learn his way about an oil tanker and how to operate cargo.

We also require of our officers that they go to simulator schools. I am sending two of my tug officers to a simulator school back in Kingspoint next month -- this month. We also require firefighting school in addition to what the Coast Guard requires. We also conduct, as many other companies do, officer training seminars. We have Masters in, I set up a scenario where a selected group of Masters where we analyze casualties. If you were the

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Master of this ship and the ship started to break up what would you do? And, the seminar was to generate a discussion amongst the participants to what the best thing to do for the ship and for it's crew.

MR. PARKER: Okay. Any other questions?

MR. WENK: Mr. Chairman? Just one brief one. If I understood correctly, you've been describing the additional requirements by Chevron?

MR. DORSCH: Correct.

MR. WENK: Is there any industry wide discussion or agreement on this question of training and standards?

MR. DORSCH: That has not been defined. There is -- the API does call for additional training standards, yes, of officers in particular. As far as I know, it has not been pinpointed as to -- or has not been nailed down as to what they specifically want. In other words, how often should a person go to firefighting school, how often should a person go to rada simulator school. On the job training has traditionally been left up to the individual companies and I've got to say one company is probably better than another company. And, I know that BP and Shell and the major oil companies who operate tankers have too much to lose to entrust their ships and their cargos to unqualified people. The same cannot be said of perhaps

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independent operators.

MR. WENK: You mentioned, if I recall correctly, five days of examinations. Is this for your first.....

MR. DORSCH: That was my exam. Since then it has been reduced a multiple choice, where I think it's probably three days. Two or three. .

MR. WENK: My understanding is that it's not only been reduced in terms of the number of days, but the multiple choice type of question is a lot less stringent on the person being examined than was the case when you took the exam and you were obliged to go into considerable scenario narrative.

MR. DORSCH: It was primarily an essay type of test which took much longer. It doesn't necessarily mean it was any better. Multiple choice is a mixed blessing. It's easier to take the test, but it's also easier to miss the answer. Especially with the Coast Guards propensity for throwing trick questions in there.

Typically, let's say, the rules of the road exam. When they ask you to describe the lights required of a tug towing a barge, you had to go into great depth and details to describe what the distance between the lights was, what the visibility of distance between lights was. The ark of visibility for the light. What color the light was, of

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course, and where the light had to be displayed. To cover all the bases, it took you considerably longer than it would now. Now, with the multiple choice question it makes it easier for you, but it doesn't mean you are any less competent.

MR. WENK: Well, I asked Coast Guard officers about this very point. They were unanimous in saying that the new exams are considerably easier. They were also unanimous in saying they would have preferred not to have gone to these multiple choice questions, but were obliged to by cuts and budget.

MR. DORSCH: I understand that when they first came out -- I didn't have to take my exam under the multiple choice format. My initial exam. I understand that when they first came out 75% of the people taking them could not pass them. Whereas when I took it under the old system 90% of us passed.

MR. WENK: That also says something about training. Thanks, Mr. Chairman.

MR. DORSCH: The next.....

MR. HAVELOCK: One question on that. If both of the oil moving into the United States is coming in under foreign flag, then this aspect of the cure, that is licensing and training of mariners is catching only a small fraction of the problem. Is that right?

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MR. DORSCH: Is catching -- it's catching the U.S., yes. It's catching what we can control. We hire, as I mentioned to you, we have 41 ships in our fleet, Chevron does. Seven of which are U.S. the other the Liberian, the Bahamian, Bermuda flag with the officers from other countries. And, I've got to say that I'd be very chauvinistic if I told you that U.S. officers were better than all the rest. It is simply not the case. We have some excellent Italian officers, excellent British officers and some excellent Scandinavian officers. We are also starting to hire some officers from India and the Philippines. We are hiring them in the lower ranks and letting them work up. We think that they have excellent potential as well. To say that their educational level is any less than the United States would be very misleading and totally inaccurate. In some cases there training, I would have to say, is superior to ours. In some ways not as well. They have excellent maritime academies, school ships and training programs.

MR. HAVELOCK: But, they meet no U.S. administered standards. Is that right?

MR. DORSCH: No. No, but the adoption of the STCW, did I get that right, would give the Coast Guard jurisdiction over ensuring that these people were properly licensed by their flag states and that the bridge watchers

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are maintained properly.

So, when the ship does come here right now the Coast Guard does not have that jurisdiction. As I understand it.

MR. HAVELOCK: Does API support the giving the Coast Guard jurisdiction?

MR. DORSCH: That's what I mentioned before in the previous issue. Yes.

The next issue, to move along, is the question of automatic pilots that you brought up earlier, here. The recommendation, again, is short. Alarm systems for automatic pilots should be retrofitted for all tankers. The alarm system that they are eluding to there is one that would tell you when the automatic pilot is engaged. There's already alarm system on automatic pilots to indicate when you have drifted off -- when your automatic pilot has failed and you are starting to drift off course. If you drift off course 2 degrees or so, an example, an alarm comes on and tells you there is something wrong. The alarm that is being referred to here is an alarm that, I guess, to use the Exxon Valdez case as an example, if the automatic pilot is engaged and the helmsman, perhaps, is not aware of it and he thinks he's turning the ship with the wheel and in actual fact the computer's in control, when he starts to turn that wheel the alarm will

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come off and indicate, 'hey, you are not doing any good turning this wheel, the automatic pilot is control'. That is the alarm that's being eluded to there.

The use of automatic pilots is another issue. Generally any ship that I've been on the automatic pilot is being engaged in restricted waters nor in restricted visibility. There are occasions, though, when you are on a long course for an extended period of time when the automatic pilot could properly be used. Because in many cases the computer can steer better than the individual. Not the computer, but the compass
can steer better than the individual. Having steered myself, I'll tell you, I was a terrible helmsman and that automatic pilot could steer a lot straighter course than I ever could.

Questions on automatic pilots?

MR. PARKER: I don't think so.

MR. DORSCH: The next issue is shipboard response capability. The recommendation is ships' specific oil spill prevention and control contingency plan should be required, but shipboard oil spill response equipment should not be required. This is a fairly controversial issue here. An update on that: API has actively supported provisions in the House and Senate Oil Spill Bills respectively to mandate ship's specific

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contingency plans. Initial efforts by API to develop an industry stand to replace (?) on hold due to this legislation.

API still opposes mandating spill response equipment on tankers. Once it's research program begins API will request the petroleum industry response organization, PIRO, to make a high priority research on ship's specific oil spill response capability.

Contingency plans are being worked on. As Mr. Dooley pointed out in our previous meeting, contingency plans for a ship mostly consist of a phone number. Who do you call? But, they should also consist of emergency cargo handling plans, cargo hazards, to go with particular cargos, such as the High H2S cargo I previously mentioned. Notification requirements as we just mentioned. Emergency ship handling outlines and vessel salvage plans. Another words, damage control plans.

But, when a ship runs aground or comes into collision, the Master and the Officer's responsibility in that particular case is to save his ship and to save the lives of his crew on that ship. It is unrealistic to think that he can initiate efforts to control oil spill. He can initiate efforts to stop the oil spill, seek the source on board his ship and stop it, but his first responsibility is to salvaging his vessel. It is virtual-

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ly impossible for a ship to carry and deploy oil spill booms and clean-up equipment. It is unsafe to do so. In storm tossed waters it would very difficult and unsafe for a limited crew to watch and deploy oil spill booms when their primary responsibility is saving that ship and saving it from breaking up on that rock that it is hung up on.

The question came up a little bit earlier about containment by Mr. Sund. About containment around the vessel. That is a debatable issue inasmuch as containment around a vessel implies the containment of explosive hydro carbons around the primary source of ignition. The paper I read the other day referred to a ship that spilled gasoline and the ship could not transmit on it radio antenna for fear of igniting that gasoline. There was a similar fear with the Exxon Valdez that you contained that oil around that light hydro carbons bake off or release from that crude oil and drift around the ship, and provide a hazard to the crew. There's many sources of ignition on board the ship, primarily, of course, the stack of the ship, the exhaust stack. That's not to say that it shouldn't be contained in the vicinity, but it's not a clear cut issue that it should be contained around that vessel. In some cases it could be more of a hazard than anything else, than help. If that oil does ignite, you

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could start a fire on the ship and cause much more of the oil to spill and be released.

MR. SUND: Mr. Chairman, it just reiterates my point that I don't know why PIRO is spending 90% of their budget figuring out how to clean up oil when nobody wants to worry about how to contain it to clean it up. We ought to spend 90% of the budget on figuring on how to prevent the ship from hitting the rocks and about 10% on how to deal with the rest of this problem out here. We just run into these conflicts. If you don't want to contain it -- you can't clean it up unless you contain unless you contain it, you can't contain it because it will cause a hazard to the ship, so you've got to let it go. Once it's free in the ocean, you can't clean it up, because you can't contain it. So, why are we worried about it? I don't know. I think the priorities are in the wrong place.

MR. DORSCH: Well, I agree and unfortunately in our today's scheduling got the cart before the horse. I should have preceded the previous speaker in talking about all this oil spill prevention. Many of your questions that was directed to him that were about prevention and that was not his point in being here. That was my point in being here. I fully agree with you that prevention is a much higher priority than response. But.....

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MR. SUND: I'd ask you then, why does the API budget only have $150,000.00 out of 9.3 millon working on the issue?

MR. DORSCH: Again, I could only speculate. I'm not qualified to answer that. I didn't come up with the API budget. I am not part of the API.

MR. SUND: Thank you, Mr. Chairman.

MR. HERZ: Mr. Chairman? You mentioned the contingency plans but you don't mention anything to do with training or drilling. Does API does a position on whether crew tankers should as part of that Contingency Plan be required to do training and be subjected to drills either announced or unannounced in the same way that landbased terminal operators and terminal contingency plans require those kinds of things?

MR. DORSCH: Again, we get back to the ship response capability. You are talking about... yes, shoreside establishments do conduct drills frequently. Ships do not conduct, nor is it intended that they conduct oil spill clean up drills. Because, as I said before, we favor the shoreside response and not the ship. The ship can --- the ships do conduct drills, yes. But, not for clean up. Ships conduct fire and lifeboat drills on a weekly basis and they conduct other drills, too.

MR. HERZ: But, fire depression and lifeboat

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drills are very different than what people on the vessels should do in case of a spill. That is not life threatening -- I mean, yes, there's always the possibility of fire, but a lot of other things. The question is whether either in licensing certification and training or in the ship or oil spill response capability, whether API has thought about, and if they haven't you think they should think about, some component of training and drilling for the shipboard people in terms of what to do.

MR. DORSCH: The API report that I've been asked to address does not particularly bring that up. That doesn't mean that your idea is not a good idea. I personally think that's probably an excellent idea. The present API report, however, does not address that particular aspect.

MR. HERZ: Thank you.

MR. SUND: Mr. Chairman, just one last comment here. The issue here is that the ship and its cargo are the predominantly important thing to save its salvage.

MR. DORSCH: True.

MR. SUND: And that's kind of been admiralty law for.....

MR. DORSCH: I would say the crew is predominantly.....

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MR. SUND: Okay, the crew. Okay and then the ship and the cargo next. Do you see a point in history here where maybe the surrounding environment is more important than the ship and the cargo? I'm not going to put it more important than the crew. But, in terms of how we should respond to these things. If we evacuate the ship of the crew, then we can weigh off the values of -- is it more important to contain that oil around the ship even if it causes a danger to the loss of the ship and the cargo and whether to let it go.

MR. DORSCH: You asking for my personal speculation. I believe that the ship and the cargo should be sacrificed to a greater -- if it can be shown that the greater exposure is to the environment. Yes. Yes, I don't think you could sacrifice the environment for the sake of the ship and its cargo. The crew, however, is top importance.

MR. SUND: I recognize that. I know we are late here, Mr. Chairman. I just want to put that down. I might follow that with you, again, on how do we get from here to there. We are not there now. Under the current law. The question is how we get there. Thank you.

MR. DORSCH: There are two remaining issues. Vessel configuration and design, i.e., double hulls. I'm sure you want to talk about. And, finally, moving along,

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vessel size. The recommendation regarding vessel configuration is the merits of full application of ballots(?) sides reduce tank size and double bottom construction should be carefully studied by the National Academy of Science or other independent body. Changes in vessel design criteria should be developed and implemented through the International Maritime Organization. And, the International Academy of Science is the body that has been asked to study this that was being referred to earlier. It was not the accurate number that was previously being tossed around. The National Academy of Science has been asked by the Coast Guard and API supports their study of this.

You probably heard this before. But, we in the industry do not necessarily view double hulls as the cure all to oil spills. In my opinion, it's a simplistic approach that's been grasped by the public to make a complex issue simple. If one hull is good, two hulls is better. Why not three hulls? It has been shown that in many cases a double hull is more of a hazard than a single hull. I'm not taking one side or the other. I'm just playing the devil's advocate here in showing you that there are problems with double hulls. I came up with -- our company came up with a little diagram here to show what some of the problems are with double hulls are. And,

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salvage ability is the main problem. If, you know, a double hull ship the void space between the two hulls is that vessels reserve buoyancy. In the case of, let's use the Exxon Valdez as an example. Have that ship in a double hull, that double hull would have been punctured. That void space would have then been flooded by water. That ship would have sunk further down onto that rock making salvage efforts more difficult. In a single hull ship, when that single hull is punctured the ship releases a certain amount of oil until the oil reaches a state of equilibrium with the water on the outside of the hull and then the remaining oil in that tank stays there. The ship is actually lost weight then and it floats up above what it grounded upon making salvage efforts much more easy. Double hulls, there's a diagram and as it indicates, that was an example of the 35 and 39,000 ton ship. Single hull ship versus double hull ship. I think it indicates that the double hull ship would sit almost three foot harder on the rock than the single hull ship. There has been, I know, Mr. Sund mentioned earlier that in his mind the Exxon Valdez, or it as been shown to him that the Exxon Valdez would not have leaked as much oil or any oil had it been a double hull ship, but I believe the Coast Guard testimony as well as the findings of the shipyard that built the ship has indicated had the Exxon Valdez been a

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double hulled ship it would have sunk with the virtual loss its entire cargo and not just the 110,000 barrels that it did lose. That ship ruptured 10, I'm talking off the top of my head here, 10 of 13 tanks, 10 of 15 tanks, something like that. If that ship had been a double hull ship and ruptured all those tanks and all those tanks had filled with water, then in my mind and in the minds of the ship builders and many others, certainly that ship would have sunk. Then you would have had all that oil.

MR. SUND: Well, Mr. Chairman, I just want to make the record clear that I didn't make that statement. That was Admiral Kyme of the Coast Guard, who was also a Naval Architect testifying to this Commission stated that 50% of the oil that escaped from the ship would not have escaped if had it been a double hull.

MR. DORSCH: Initially.

MR. PARKER: We don't have time to get into it here, but I would like to get some people that have really been working on letting -- we are not going to get them before this group, but I hope the National Academy does. Because there's something about this argument that is just not ringing, ringing to me, you know. I've been going over this argument now since 1971 and we've got stacks of papers everybody else has brought in and I just -- it's hard for me to accept the instability in the, you know,

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put it on the rock harder argument. I mean it's -- there's too many people going the other way on it. And, the... Anyway....

MR. DORSCH: Mr. Chairman, I submit that some of the other people are going the other way, because it is simpler for them to understand.

MR. SUND: Well, you know.....

MR. DORSCH: I think it's a simple.....

MR. SUND: Mr. Chairman, I don't want to get into it here, either. But, I will. Our ferry system are all double hulled and we've put them on the rocks and stuck them on the islands and grounded them several times and it hasn't cause any problems at all. As a matter of fact it didn't leak any oil, either. They carried large chucks of rocks to Seattle with them to be taken out of the hull. But, it seems to me, I'll just give you my point of view. I think it has to do with what the society deems to hazardous of the cargo. We put L&G in a double hull tanker. Why?

MR. DORSCH: I'm not familiar with L&G tankers, myself.

MR. SUND: Well, they are all double hulled. They've got double hulls in the bottom. They got side walls. And, we do it because we are afraid of an explosion which will vaporize whoever's around when it

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explodes. Nobody argues about those tankers being unstable. Nobody argues about that they are going to sink if they penetrate one of their hulls when they drown. They talk about the fact that if it's punctured the cargo will blow up. So, my point when I discussed this with the Coast Guard in Washington was that, you know, if we determined oil to be as hazardous as L&G we would get beyond the buoyancy question and a sinking and grounding question, we'd get into whether society wants to protect itself, it's environment from the cargo inside leaking outside.

MR. HERZ: And, in fact, the bottom line on your demonstration here points that up. It doesn't say anything about the amount of oil being released or the environmental damage, which is the think that I'm the most concerned about. It says that the double hull vessel would be three feet higher than the single hull vessel with the associated greater difficulty of salvage. I don't care about the salvage. That's the shipper's problem. I care about the environment and about preventing the oil from damaging the environment. And, the strongest case you can make is that the double hull vessel is going to be more expensive for you to salvage, that's not.....

MR. DORSCH: No, that's.....

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MR. HERZ: .....an issue. In my.....

MR. DORSCH: No. The concern is not at all the expense of salvaging the vessel, it's the fact that you've got get that ship off that rock before the heavy weather sets in. You let that ship sit on a rock as you are implying and it is going to break up and it's going to sink and you're going to lose all that oil.

MR. HERZ: Okay.

MR. DORSCH: You've got to get that ship off the rock soon.

MR. HERZ: The Exxon Valdez was impaled for quite some time and they were able to safely offload the oil and there was some pretty nasty weather that came up three days after the grounding. I mean, I think the argument really is encapsulated in this statement right here. The associated greater difficulty of salvage which is really the industry's concern about the cost of salvaging.....

MR. DORSCH: No.....

MR. HERZ: .....the vessel.

MR. DORSCH: No. Negative. Negative. Negative.

MR. PARKER: Is it -- normally you are not going to get the ship off the rocks until you lighten the oil anyway. You've got to get some of the oil.....

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MR. DORSCH: I know. I couldn't agree with you that if normally, there is a normally situation.

MR. PARKER: Yeah.

MR. DORSCH: There's a number of different scenarios that you would have to address. I couldn't say that there's a normal situation.

MR. PARKER: Well, if you do get it off and it's still leaking, why you are just going to continue to leak oil wherever the ship proceeds.

MR. DORSCH: Well, then you do have to lighter it off, yes.

MR. PARKER: Yeah.

MR. DORSCH: You have to light it off the ruptured tanks, yes. Or transfer them to another tank.

MR. WENK: Very briefly. Two questions. The first is if I recall correctly, you said that some of the Chevron tankers are double bottomed.

MR. DORSCH: We have five double bottomed ships.

MR. WENK: Why?

MR. DORSCH: We have them for other reasons than safety. They have proven because the -- in the double bottom ship, the strength members are in that void space. They are not in the cargo tank itself. That allows you to have cargo tanks that are flat sided, flat

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bottomed, no strength members that can gather oil, and the tanks strip up much easier, they clean up much easier. That allows -- you can put your cargo suction in the bottom of, because that's in the void space. You can strip out virtually every drop of oil in that cargo tank. It also allows for the segregated ballast to be on the sides of that ship which is the void space in a loading situation to be pumped out concurrent with cargo being pumped in so it makes a much quicker turnaround on the ship.

MR. WENK: Do you feel that you traded off safety for these other advantages?

MR. DORSCH: No. No. I'm not saying.....

MR. WENK: Well, then, it sounds to me like there's.....

MR. DORSCH: .....that double hulled ships.....

MR. WENK: .....something not quite consistent in what you have been saying.

MR. DORSCH: I'm not saying that double hulled ships are less safe. I am saying there are certain circumstances where they provided more of a hazard than a single hull. There are also circumstances where they are safer.

MR. WENK: But.....

MR. DORSCH: Collisions.

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MR. WENK: But, all things considered. Assuming there is no such thing as zero risk. Anyway. And, I think we'd all agree on that. But, all things considered, if I heard you correctly, you don't feel that you traded off, all things considered, safety by going to the double bottom?

MR. DORSCH: No.

MR. WENK: Okay. Thank you.

MR. DORSCH: Again, this is a complex issue.....

MR. WENK: Oh, yes.

MR. DORSCH: .....that I think the National Academy of Science should come up with. And, that is an independent body. Independent of the oil companies, independent of the API, independent of the Coast Guard.

MR. WENK: Incidently, just for the record. In Admiral Yost letter I think it refers to the National Academy of Sciences, the National Academy of Sciences and the National Academy of Engineering are the parent organizations of the National Research Council which is the contract body of the research arm. It's a minor, really a minor point, but the Academy of Sciences never does any research itself.

MR. DORSCH: Uh-huh.

MR. PARKER: I hope, you know, I hope when we

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get the results from the National Academy on double bottoms they know more about the issue than Prima Prost(?) Committee of the Academy knew about pipelining when we took the issue to them. So, you know, it depends upon who the Academy's got on the group.

MR. WENK: Well, that's why, Mr. Chairman, I suggested we get a report from them so that you can make that judgement.

MR. SUND: I think, Mr. Chairman, Captain Elsenjohn, who is to be here this afternoon, is aware of who is on that body. He might be able to tell us

MR. PARKER: Okay. Well, we can obviously go into this for a long time. We'll go ahead on vessel size.

MR. DORSCH: Okay. Well, I had other things to say about vessel configuration design, but I think that I agree with you that we can move onto the next issue.

Mr. Dooley attended a speech by Mr. Roland who we talked to extensively about double bottoms and design and I have a copy of that speech if you care to have.....

MR. PARKER: Love to have it.

MR. DORSCH: .....it if Mr. Dooley does not already have it. Do you have it?

MR. SUND: We appreciate it.

MR. DORSCH: Okay. Finally, vessel size. Puget Sound presently limits vessel tanker size to 125,000

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tons. That -- kind of putting that in perspective here, in 1988 the U.S. imported 6 million barrels per day into the United States. That came out to be 3800 port calls. That was on an average size of 80,000 deadweight ton vessels. That's just an average size. 20,000 tons on up to VLCCs. ULCC's. If you took that average size and decreased that by 25% to maybe a maximum of 60,000 deadweight vessel, you would be increasing the port calls by 1100 from 3800 to 4900 or 30%. The risk there is the more ships you have the more possibilities for breakdowns, collisions, groundings. So, there's a tradeoff there. You can have less exposure because of the small ship, but you have more ships. More accidents. I think Puget Sound is -- well, they've come up with this 125,000 ton that works out -- it works out reasonably well for them. Because it worked the Alaska Trade, but I don't think that's necessarily the solution for all ports in the world.

MR. HERZ: Mr. Chairman?

MR. PARKER: Yes?

MR. HERZ: Well, the next question is, if that increased number, 30% increase number of tanker trips is in double hulled vessels don't the actuarial figures show that we will be better off? Because although there may be an increase in an number of incidents, the safety

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will be such that the damage to the environment from those incidents will be reduced?

MR. DORSCH: I believe that's probably reaching, but I don't know.

MR. HERZ: Those figures should be obtainable from the actuarial data that exist. It should be a very easy question to answer.

MR. PARKER: And, the other fact, of course, is that you can establish more terminals and that also spreads your risk somewhat, but reduces your traffic congestion.

MR. DORSCH: You can establish more terminals?

MR. PARKER: Yeah.

MR. DORSCH: I, I.....

MR. PARKER: Or, you know, you can establish more deep water, more offshore terminals, more single point worrying systems, whatever. There's ways of spreading.

MR. DORSCH: There is. That's a -- from a practical standpoint I don't know if that's possible in today's environment. Not my backyard seems to be the current thinking. Offshore oil terminals have their own attendant risk, you know. I think that offshore oil terminals are much more subjected to weather and I think the potential for oil spills is higher yet than it is in

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an inland oil spill terminal --

MR. PARKER: Well, yeah.....

MR. DORSCH: Spreading the risk, spreading your terminals, it's a bit of a premium right now and I don't think you are going to find any state that is going to encourage more oil terminals than less terminals.

MR. PARKER: I think, you know, the point is the sizing the ship to the trade it's in is what needs to be done. And, whether some ships have been oversized for the ports habitually frequented is -- oh, should be strongly considered.

MR. WENK: Just very briefly, Mr. Chairman. I think that when you deal with the question of size merely the total volume of imports and so on over a number of equally sized ships, may really not get to the point of the question that I think Commissioner Herz was driving at, and I think to dramatize it a little bit further, if my information is correct we have had some new LCC's tie up at the offshore loading/unloading in the Gulf of Mexico.

MR. DORSCH: That's the terminal in Louisiana, yeah.

MR. WENK: One of which I think ran 477,000 tons and it strikes me that there really is a serious question about size limit that you can approach without

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getting down to this matter of just averaging everything out and coming to some general conclusion. I think that, if I may suggest it in terms of dealing with the issue of size limit, that one had to approach it somewhat differently than simply this question of how many more tankers you'd have if they were smaller size.

MR. PARKER: Okay. Any other questions. Esther?

MS. WUNNICKE: Mr. Chairman, my question is, maybe somewhat off the topic. But, we appreciate your coming. You know, as you say you are not a part of the American Petroleum Institute. But, the experience that you have in Chevron dealing with American vessels as well as foreign vessels. Would there be any merit in the shipping companies making a part of their contract standards with foreign flag vessels the same kinds of recommendations that they make for U.S. vessels. Because I think we are all grafting with the problem of some of this being out of the jurisdiction of the United States.

MR. DORSCH: I agree with you entirely on that. Yes, there is benefit to doing that and the actual factor is that there is efforts to do that already. When we charter in a ship we go through a rather extensive review process of that ship and it's owners. We require him to belong to certain conventions, insurance conventions. We

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require him to have certain equipment on board these ships. We require him to have a number of mooring lanes, proper type, that meets our personal approval. We review what type of ship he has. But, no we don't want to transport our oil on a ship of a questionable character. We review the owners tract record and we also review his accident record through Lloyds of London regarding his accidents and casualties. Decide if that's the type of ships we want.

That can be further expanded to incorporate some of what you are talking about here, yes. And I think that's probably appropriate.

MR. PARKER: Any other questions?

MR. DORSCH: Well, thank you for having me.....

MR. PARKER: Thank you.

MR. DORSCH: .....and I'm sorry I took so long.

MR. PARKER: Well, Commissioners you've run out of your lunch period. What do you want to do?

MR. HERZ: Eat.

MR. WUNNICKE: Next time I am bringing a doggie bag.

MR. PARKER: Do we want to send out for something or do we want to delay the whole afternoon?

MR. WENK: Why don't we send out for something?

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MR. PARKER: I think our best alternative is to send out for sandwiches and keep on schedule.

MR. HERZ: Can we take the time of 15 minutes?

MR. PARKER: Oh, yeah. We're gonna do that. But,.....

MR. HAVELOCK: Well, we'll send out for some sandwiches, then. Is that it?

MR. PARKER: Yeah, that's it.

(Off the record)

LUNCH

(On the record)

MR. PARKER: Alright, Mr. King.

MR. KING: For the record, my name is Richard King. I am with United Cook Inlet Drift Association. I have with me Loren Flagg from the Kenai Peninsula Fishermen's Association, as well as Ken Casnor, from the North Pacific Fisheries Association.

MR. PARKER: Are the mikes on? (Referring to PA mikes).

MR. KING: Testing, hello?

MR. SUND: Just speak up.

MR. KING: Okay. Between the three of us we are going to give you, we hope, a comprehensive final overview of what we think should happen in Cook Inlet.

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I'd like to start -- I did start by passing you our recommendations. We have come before you before with these recommendations. We have refined them a little bit. Two reasons. Well, we have a multitude of reasons why we think these recommendations should be considered. We are still uncomfortable with the fact that what seems to be good enough for Prince William Sound isn't good enough for Cook Inlet in the eyes of the Department of Environmental Conservation and we would urge you to consider our recommendations and consider the reasons why we think they are good enough for, at least a start, for Cook Inlet.

We feel like there seems to be an international double standard in terms of the Industry and how they deal with their prevention and their response capabilities in Cook Inlet. And in Alaska in general, when it's compared to other places around the world. Loren will go a little further on that when he describes his trip over seas to some other oil terminals around the world.

I'd like to go back in time a little bit about the time that you guys came down to Kenai and what has shook out since that time. There has been a variety of developments there. One thing that happened was the Department of Environmental Conservation created a position in the Anchorage office to deal specifically with Cook Inlet which was a positive step in our mind and in doing that

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DEC invited the industry, the Cook Inlet oil industry and the shippers to address a list of concerns that they had concerning prevention and response capabilities in Cook Inlet. Those recommendations as far as an agenda and issues that they asked the Industry to review, of course, center around putting an emergency response vessel or vessels on line and, I guess what I would like to do is go back through and tell you what the Department Environmental Conservation asked of the Industry and then review what I feel is having happen.

What Joe did, Joe Sontner (ph) who is the new Department Environmental Conservation person, is he gave them an agenda that he would like to have addressed and a supplement to that. The first thing that he was interested in talking about was station response vessels or tugs in strategical cases around Cook Inlet. Industry got together on October 5th. They came out with a new release. I think, Dennis, you were a party to that meeting and are undoubtedly current on what they came out with in terms of what they thought was necessary.

In a response vessel, as it shook out, was a boat called the Gulf Coast 69 and it was to be on line in Cook Inlet as of November 1st and it was suppose to be able to deploy 500,000 feet of oil boom. The standby ready response personnel and primarily I think it's used as a

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response tool as opposed, or in their minds, a response tool as opposed to a prevention tool. It's also rated for ice operations.

On Thursday, November 9th, I drove out to Rig Tender's Dock and took a look at the boat. At that point there was crew of three on deck with steam thawing equipment trying to get ice off of the boat so that the vessel could be loaded with the equipment and while I certainly wasn't -- I didn't wish the Industry and bad luck in terms of their progress on this thing, I think it is indicative of the overall attitude of the Industry and their agenda for getting on with the business of prevention and response in that ten days after it was supposed to be on line these guys were struggling at the Rig Tender's Dock trying to get this boat even clean or cleared of ice before they could put the equipment that was necessary to do the job on the boat.

I sure wouldn't have wanted to have been in their position if the boat was moving around. It was 3 foot sea state and a steady 20 knot wind. It was boiling and it was maybe 19 degrees outside and I guess the bottom line was that the boat was icing as fast as they were de-icing and the progress was -- there was none. In their news release they mentioned that it would be rated for ice operation. I'm having a hard time believing anything's

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going to be able to operate in terms of prevention and response in Upper Cook Inlet under the conditions that I saw last week on November 9th. It was bad weather -- bad wind, icing conditions and just a bad situation to be working.

However, in the background as you look at Rig Tender's Dock from the North side you see the Kenai Pipeline Dock and there with the ARCO River (ph) unloading or loading oil, whichever was they were doing. And, again, I think that speaks for the Industry's attitude.

I believe that if the Department Environmental Conservation would have said "okay, guys, as soon as you get this vessel, the emergency response vessel together, you can go back to work at loading your tankers". Their attitude would have been considerably different in terms of dealing with the prevention and response vessel.

And, this goes back to my original request that you take a look at making recommendations that EO -- Emergency Orders be used here in Cook Inlet similar to as they have in Prince William Sound.

One of the things that I didn't notice on the Gulf Coast 69 was a (indiscernible) package of any sort or a push/pull capacity -- equivalence to do so. If the emphasis is going to be on prevention, then it again needs to be there for those guys to be able to get ahold of one

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of those tankers that's in distress and hold on to them until they can either get back onto power or some more equipment can be brought on line to help hold onto it. I'm certainly not comfortable with the Industry's position that if they have a distressed tanker they can drop the hook and hold it. Everybody knows that the Glacier Bay was on the hook when he went on the rock. The Exxon Houston was on the hook -- the (indiscernible) over off the Coast of Hawaii when he went on the rocks, or when he broke his gear and eventually went on the rocks.

I think that if that's going to be a primary component of the prevention plan, then you need to get some expert opinions from perhaps the pilot in terms of anchoring up in different conditions. Particularly in Cook Inlet where the tides are running so hard.

And the last thing that I want to talk about that particular boat, was the 5,000 foot of expand BC boom that they intend to put on it. While I don't really know what the capacity of a vessel like that is to set boom and to handle it once it's in position, I have read some reviews of expand booms primarily by the Department Environmental Conservation. They have serious questions in their minds whether Expand DC Boom can operate in 3 meter state which is very criteria that they set in Prince William Sound for the operations of safe boom. So.

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Oh, you might notice in our recommendations that we made a recommendations that on-sight capabilities in terms of boom should be 30,000 feet. I pulled that right off the DEC Emergency Order. The 30,000 feet seems to be a criteria that's been established in other places around the world and places where they appear to have the role model prevention plans. One thing that I have noted in a review of that emergency order in the industry's response to that order over in Prince William Sound, was that Dan Long noted in his report that when the Valdez quit leaking the perimeter of the spill was 18 miles. So, that's approximately 95,000 feet and all I am suggesting is that the industry feels comfortable with a figure of 5,000 feet, then maybe they ought to take another look and at least consider some of the other aggregate booming capacities that are around the world.

One of the -- the second of the Industry's seven point plan that they are interested in manifesting is that a committee of oil industry members to develop specifications for long term vessels.

I really feel like, again, they need to look to criteria established by outside resource, perhaps Foss (ph) Tug and Barge. They put out volumes of information what will and won't work in different C states and different weather conditions. They made one positive step

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in my mind. All vessels inward and outward bound to and from the Kennedy Entrance will maintain 25 mile clearance from the Southern Coastline to the Kenai Peninsula. That I think is pretty positive. I really feel like staying off that beach, off of that outer district coast line is important. I think that if they have a tanker in distress that's 25 miles off, they are probably going to need to have their response vessel or their tug vessels in either Seward or Homer.

You will notice that in our suggestions or our recommendations. Before we had specific amounts of tugs in specific places. Now, we have backed off of that and decided that the appropriate way to deal with it is to ask them to respond in a two hour timeframe, because that's what they are doing in Prince William Sound, again. They are saying that if you can respond in two hours then you can have as many of them as you need. Or, the inverse.

I noticed and I think -- I noticed that in Solum Voe in Scotland two hour response capability seems to be fairly common numbers to work with. So, I think that again, if it's good enough for Prince William Sound it should be good enough for Cook Inlet.

The next component of their seven point plan is the continued work with the organization and further investment of equipment. One thing that they say is that

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they are going to define worldwide resources available by air to quickly respond to major incidents. I have a little bit of problem with that only from the standpoint that if the two hour time perimeter is going to be used then flying out of wherever it is they'll have to bring that equipment from into Kenai, or Homer, or Seward, certainly doesn't allow them to stay within the two hour timeframe that we are looking for.

One thing that I noted. I took the $.10 tour of CIRO here a couple of weeks ago. I looked at their inventory and their equipment and I talked to some of the guys that were working there. They were basically working on equipment to get ready for the response vessel. They were going to pull the boom and the skimmer as well as some of the other components vital to the operation of the emergency response vessel off of the shelf. They do seem to have a fairly comprehensive inventory of response equipment there. One thing that I did note was a ton of curexit. I'm not sure I'm comfortable with, again, the attitude of the Industry in that right way to deal with oil spill is to dump curexit on it. Certainly there are weather perimeters that have been established that are going to keep the use of those disbursants from being the primary source of response for a major portion of the year up in Upper Cook Inlet. And in any sub-arctic conditions,

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for that matter.

And, the last thing, the last thing that they mentioned as far as a direction action that they would be willing to do is to work with the Department Environmental Conservation in assuring requirements that all vessels have approved Contingency Plans before they can be allowed to move cargo. Well, it was not but two weeks later that the San Finino Two (ph), of course, was held up and made to wait on the hook, because they were operating without an approved Contingency Plan in State waters. And, it wasn't the Industry's self-monitoring that made that vessel stay off -- it was the addition of that extra man in the Department Environmental Conservation. He went through the books and he found that the vessel wasn't operating with an approved Contingency Plan.

So, I'm having a hard time believing that they are very sincere about that, at least at this point. They promised as well to organize all interest groups, all user groups, in the Cook Inlet drainages and provide a form that could serve as a policy and education tool for the citizens in the area. Well, I guess submit to this Board that the education tool should be for the Industry themselves to find out that the citizens of this area are not comfortable with the pollution problem that the industry has. And, in my mind anyway, if they don't get

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a handle on the pollution problems, sooner or later they are going to be regulated or legislated completely out of business. That information needs to go two ways. It needs to come from them as well as to them.

There was a multitude of requests by DEC in asking them to participate in this meeting that weren't addressed. Those are skimming capacities, booming capacities, lightening storage, weather conditions, minimum weather conditions, spill drills, risk assessment, oily waste disposal, research and development. To date I haven't read where the Cook Inlet Industry has been dealing with any of these things even though I did learn something today from Steve in terms of the R&D plan.

I guess the bottom line in my mind is that if we continue to let this Industry monitor itself and be responsible to the people in a way that their record has indicated their going to be, it's not unlike me -- when I make request of this sort and I don't take these recommendations lightly, it's not unlike me telling my nine year old daughter to clean up her bedroom and after making her bed she comes back to me and says "well, I'll do my dirty laundry if I can go play for a little bit longer". I make this analogy because it has such an affect on my life and my relationship with my children and it has for the last three years. In '87 we dealt with the Glacier Bay, in '88

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we had a spill of unknown origin in Upper Cook Inlet and obviously in 1988 we were put out of business in completely. We got our paychecks alright, but we stood in line for our paycheck. And, my nine year old daughter got her crew share, but she didn't earn a dime of it. And, it goes every work ethic that my father ever taught me to be in this position. And, that is why, in my mind, at least personally I'm here.

So, I'll end it with that and if you have questions about our recommendations, please feel free to ask them. I'm sure that your recommendations are going to be a lot more comprehensive than mine are. And, I would happy to help in anyway that I can.

MR. PARKER: Okay. Thank you, Rich. Commissioners, any questions? Counsel?

MS. WUNNICKE: Thank you.

MR. PARKER: Okay. We'll go over your revised one and I'll see you again before too long. Loren?

Loren Flagg. Kenai Fishing Peninsula Association and just back from Norway. Welcome.

MR. FLAGG: Thank you, Mr. Chairman. I appreciate the opportunity for the Commission to hear the Cook Inlet Fishermen here one more time. Hopefully, we will have a few new things to add here to the process.

Two years ago I retired from the Alaska Department

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of Fish and Game after working 19 years as a fisheries biologist in the Cook Inlet area. In 1973 I was the area biologist for Commercial Fisheries in Homer when the State of Alaska leased portions of outer Kachemak Bay and adjacent lower Cook Inlet for oil and gas exploration. Concerned for the threat to the valuable fisheries resources and environment of the area resulted in the legislature funding a comprehensive baseline study of the marine environment of Kachemak Bay and Lower Cook Inlet.

I was transferred to the Habitat Division at that time and became field project leader for the studies. At the same time I was responsible for investigating oil spills and reviewing oil spill contingency plans for ADF&G in the Cook Inlet area.

I would like to take just a few minutes to relate some personal experience from this period in hopes that by remembering the past we can gain better control of our future.

Some of you may recall the George Ferris (ph), an oil drilling rig which was used in Cook Inlet in 1977. After experiencing mechanical problems off of Cape Caseloff (ph) in the Fall of 1977 it was moved down to Kachemak Bay for repairs and winter storage. When the rig became stuck in the Kachemak Bay mud and the tide began flooding over it's decks, the oil spill containment boom

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on board was covered by water and not available for deployment. As the ferris began to sink, containment boom and all, oil began to escape from the fuel tanks and since there was no contingency plan to cover this event, the oil escaped to the Bay. The oil was not contained until the second day due to a comedy of errors. The first boom to finally be deployed around the ferris was not of the heavy duty deep skirted variety suitable for ocean use. It was a flimsy piece of equipment that was unable to contain this relatively small spill, even under ideal conditions.

I personally observed the clean up operations from an airplane above and could plainly see oil freely escaping under the boom. At the time the seas were calm. The second boom was brought in. This was one of the heavy duty variety. However, this boom had a leak and when it was deployed it gradually filled with water and eventually sank.

Well, while oil continued to escape and spread around Kachemak Bay a third boom was rushed to the scene. However, this boom arrived still heavily coated with oil from a previous spill and could not be used.

Oil spills in offshore waters present a far greater challenge than the Ferris which took place in the relatively calm waters of Kachemak Bay. There's only one chance of containing an oil spill in Cook Inlet. There

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must be an adequate amount of the best available equipment that technology can provide located at strategic response stations available for immediate deployment. There must also be trained response teams at the sites which can be activated immediately. A delay of more than one hour -- one or two hours before booms are deployed is too late as the tides and wind disburse the oil over too large an area to allow containment. We learned this in 1987 with the Glacier Bay and, of course, again this year with the Exxon Valdez.

Initiating these measures may give us some chance of preventing oil from reaching our shores. However, we should all be aware that even with these types of measures we are still going to need luck on our side. Equipment and response strategies have not yet been developed capable of containing oil on the ocean on the open seas during rough weather conditions.

This point was underscored to me recently while I was in Norway attending the first International Conference on Fisheries and Offshore Oil Exploration. You have all heard how advanced the Norwegians are in the field of oil spill response capability. They have the most technically advanced booms and skimmers in the world. The state pollution control authority has an extensive network of people and equipment located at 12 depots along the

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Norwegian Coast. They have a total clean up capacity of 15,000 barrels per hour. At each depot there are ten trained people assigned on an on-call basis.

In addition to SPCA, the oil companies have formed a clean up co-operative called NOPO (ph) made up of 13 of the major offshore oil exploration and production companies. Each of these companies have the requirement to be able to clean up 60,000 barrels per day in 3 meter seas with a 1.5 knot current. Each oil platform must have skimming capacity standing by to respond, to contain and pick up a minimum of 600 barrels per hour. All within two hours while the equipment is on route. NOPO has five strategically located bases along Norway's west coast. At each of these bases are 27,000 feet of oil booms. 14 oil recovery and transfer systems with a capacity of 26,500 barrels per hour and 12 sets of disbursants units.

In addition to SPCA NOPO the oil terminals in Norway are also well equipped with oil response equipment. I visited the Stir (ph) Terminal to which is Norway's newest facility at the Osborn Pipeline. The spills adjacent to the terminal and out to the entrance of the fjords, response must be within two hours with the capability of picking up 36,500 barrels within 24 hours.

All the above sounds pretty impressive. In fact, on paper it would appear that even a spill the size of the

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Exxon Valdez could be picked up in less than two days if all of this equipment were pooled. So, what happens in a real life situation.

While attending the conference in Bergan, Norway, I had the opportunity to observe how the best available technology and the best available strategy really works when the sea kicks up. The opening day of our conference, the morning newspapers headlined the story entitled, "Disaster Tanker On The Rocks". Some of the Norwegians heading the conference had to leave to respond to a medium size oil spill just a few miles up the coast near the entrance to Sonja Fjord. There were 30 knot winds and 8 to 10 foot seas in the vicinity of the tanker. Which had broken in two and was leaking bunker sea fuel. Due to weather conditions, very little of the oil could be contained or recovered for two days following the accident. The oil was driven ashore into the Fjords by winds and tide. Mariculture farms, sand and streams, marine birds, and private properties were all threatened by the spill. Most of the oil ended up on shore and an extensive clean up expected to last several weeks was begun. The press was critical of the Norwegian Government in the oil industry for it's slow and inadequate response.

Mariculture owners were scared there was not enough containment boom to protect the salmon.

Audubon folks scrambled to set up bird recovering cleaning stations. Private property owners threatened to sue government and industry for failing to contain the spill. Does any of this sound familiar?

The point I am trying to make here is that prevention cannot be overemphasized. The Norwegians with the best equipment and response capabilities in the world could not control this relatively small spill. Once the oil is in the water, especially in Cook Inlet with the extreme range of tides and excessive tidal currents, the ballgame is over. This should be painfully obviously to anyone who is involved in the clean up of the Exxon Valdez spill. All of the best equipment and response plans in the world are not going to do any good at all under certain conditions.

Recognizing this we must all work to designing and implementing the best protection plan possible for Cook Inlet and other areas of Alaska. The seven point plan recently outlined by the oil industry for improvements in Cook Inlet is a good start, but just that. A start. I believe that you see these recommendations that Rich has outlined are reasonable and definitely worthy of serious considerations.

I have had a chance to briefly examine ECO's (ph) report on Assessment of Transportation Systems in Cook

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Inlet and Prince William Sound. Walt had brought down a copy on Friday night at a discussion in Homer and we had a chance to look at it over the weekend. For the most part I believe this is a very good report and KPFA supports ECO's recommendations for improvements in Cook Inlet.

I would like to end with just a few comments on this report and a few recommendations for your consideration.

One. I strongly disagree with any policy that does not allow Alyeska's oil spill response equipment to be used in Cook Inlet. Refineries in the Cook Inlet area are receiving Prudhoe Bay oil from Valdez on a regular basis. And, a thus and instate extension of the Trans Alaska Pipeline. It is imperative that agreements are worked out ahead of time to allow full use of this equipment in the event of a major oil spill in Cook Inlet.

Two, the concept of a state port authority with powers to close down ports if conditions are unsafe must be given serious considerations. The port authority and operational guidelines should be modeled after Solum Voe in the Shetland Island. Local citizens, fishing groups and other local interests must be involved in the process of oil spill prevention and contingency planning. Support is needed, right now, for the oversight and monitoring

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amendment by the Senate and now being considered a pre-conference committee in Washington, D.C.

Three. I was disappointed that ECO's report which included a section on improved tanker design did not address the vacuum method designed by Sweden to minimize escape of oil from damaged cargo tanks. The vacuum method or emergency cargo transfer system, would have greatly reduced the outflow of oil from the Exxon Valdez according to Swedish Naval experts.

I would ask the Oil Spill Commission to recommend to the State, Federal and Industry planners to seriously examine this method. Last month, Christenson, from the National Swedish Administration of Shipping and Navigation, reported to the International Conference on fisheries and offshore oil exploration that the major, technical and safety problems regarding this method have been solved during the past two years. A series of reports and a video on this method are available from Mr. Christenson. I have his address and phone number if you are interested in that.

Oil tankers presently in use in Alaska could be converted to take advantage of this new technology. The vacuum method should also be employed in the design of any new tankers in Alaska.

Four. All tankers transporting petroleum pro-

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ducts in Cook Inlet should be equipped with towing packages. This is now a requirement in Prince William Sound.

Five. An anchor system inspection program should be carried out by the U.S. Coast Guard on all tankers transporting petroleum products in Cook Inlet. The recent accident in Norway and the accident in Hawaii earlier this year involving an Exxon tanker, point out the need for this action. Both of these accidents were related to anchoring problems.

Six. ECO has recommended that two emergency response pollution control vessels be provided for Cook Inlet. KPFA recommends that a third vessel of this type be considered for Seward. The cost of this vessel could be shared with Alyeska since Seward is approximately midway between the pipeline and Cook Inlet refineries. At a minimum, a standby contract with an ocean going tug or capable response vessel in the Seward area should be negotiated. Without this response time to the outer coast of the Kenai Peninsula, including the Kenai Fjords National Park, could be too long to assist the tanker in distress.

And, finally, I believe that the oil industry in Cook Inlet should either greatly expand CIRO's (ph) role in oil spill response or form a new organization with more

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emphasis on shipping concerns. We need a single entity similar to Alyeska to represent Cook Inlet Industry to cooperate with state, federal, borough, city and citizen's groups in planning for future improvements in oil spill prevention and response.

Thank you. And, I'd be glad to answer any questions.

MR. PARKER: Thank you, Loren. Are you going to leave us a copy of your report?

MR. FLAGG: Yes, I have a copy for you.

MR. PARKER: Questions? Mike?

MR. HERZ: Do you have any figures on what actually was recovered in that spill that you were talking about in Norway?

MR. FLAGG: No. I don't I left there about the third day after the spill. At that time there was something like 38,000 gallons in the water with probably 2 to 3 times more that aboard the vessel and they were expecting it all to break up and into the water. But, I haven't followed up on that to see what the total amount was.

MR. HERZ: Is your conclusion from what you saw that even with the best technology their performance was not that much better than what we have seen?

MR. FLAGG: Their performance was nil for two

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days and it's strictly because of the weather conditions. They weren't able to get out there to do anything. The booms they have are designed to work in 3 meter seas and that's about what they had, but there was just no way to do anything. They could not put a container boom around the vessel and the only thing they could do was to go to some of the inshore areas, kind of like we did in the outer district near Homer, and set booms here and there and try to protect some of the salmon streams and some of the critical habitats. But, as far as preventing any of the oil getting away from the ship, they were pretty much helpless for two days.

MR. HERZ: I think it would be valuable to us if there's anyway that with the contacts that you've had there that you could get a documentation, you know, a report that summarizes the performance that would be useful information for us.

MR. FLAGG: I'd be glad to do that. I have some contacts to do that.

MR. HERZ: Okay. Thank you.

MR. PARKER: John?

MR. SUND: Yeah. Loren, what's the average current in Cook Inlet?

MR. FLAGG: I believe there's some figures in the ECO report. I'm not sure what the average was. They

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mentioned an extreme of about 8 to 10 knots. I would guess average tide and so forth, you are looking at maybe 4 to 6. The upper Inlet and probably something less than that in the lower Inlet.

MR. SUND: Do you know of any boom that will work in excess of 1 or 1 1/2 knots?

MR. FLAGG: No. There's no boom that's gonna work in over about 1.5 knots in a stationary fashion. Now, you can deploy a boom and float with it. You can go with it in that kind of a current, but you cannot hold it at any kind of an angle in that kind of current.

MR. SUND: So, your recommendations is just to get boom that you could put in a circle and float along with oil, then.

MR. FLAGG: I think that's almost mandatory in Cook Inlet, except at slack tide which is a very short period of time. As I understand, the operation procedure in Cook Inlet, that the vessels being loading and not boomed as they are in Prince William Sound just because they can't, doesn't do any good.

MR. SUND: The point I was getting at is that all the available technology says it doesn't do any good so why do we even bother to stock boom?

MR. FLAGG: Well, I think.....

MR. SUND: Isn't it kind of useless?

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MR. FLAGG: Yeah. I think one reason to stock boom is that it can be used to protect critical habitat areas. Salmon streams and, you know, bird sanctuaries and these types of things. It can be used in most situations. Inshore, but as far as out in the Inlet, the only application that I see is being able to move with the oil. You know, you surround it with two vessels. And you go with it, the skimmer goes with it. It's not a matter of pulling it in one place and being able to skim it up.

MR. SUND: Thanks, Mr. Chairman.

MR. PARKER: One second. The most graphic demonstration you can have of Cook Inlet currents is to be on a tanker, either L&G (indiscernible) -- it's just absolutely one tight and requiring, you know, two-thirds power just to hold it against the current. It's a tough port.

Go ahead, Mike.

MR. HERZ: You mentioned that you had been involved in supervising the baseline studies -- the characterization reports. And, you mentioned that you had reviewed the ECO report. I was very struck by the fact that the ECO report, number one, makes it sound as if relatively little is known about the current regimes in Cook Inlet and, number two, there was no discussion of

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characterization of habitats, identification of sensitive habitats. From your perspective, is there more now than was reflected in that and, secondly from our perspective, it is very important to know what the State of Art is in terms of identification of sensitive habitats and mitigation measures that can be laid out in advance. So that if you have a limited amount of response capability, containment booms and recovery equipment, where do you deploy it. Because you don't want to waste your time going to the vessel. You want to go to the place where you are going to prevent the damage from occurring.

Do we have enough information to do that job right?

MR. FLAGG: Yeah, I think I saw this as one of the weaknesses of the ECO report, and I'm sure it's just a matter of the time that they had to put that kind of report together. They did not get into the environmental sensitivities of Cook Inlet. All that information is available through Fish and Game Habitat Division. There is a whole series of reports. Some of them from the OCS days identifying all the salmon streams, all the crab spawning areas, critical habitats. There's also a very comprehensive study done of circulation patterns in Cook Inlet that's contained in those reports. That show the current transport system in Cook Inlet. How the water

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enters the Inlet and how it filters around. That was one of the things that I had questions on for them -- they had showed models of a spill in Mikisski (?) coming back on the east side and into Kachemak Bay. And, from my understanding of the currents, the general transport would not result in that type of movement.

Now, maybe under certain wind conditions it could. But, yes, the short answer is -- all that information is available in Fish and Game who I believe you are going to hear tomorrow. They have volumes of information on Cook Inlet.

MR. HERZ: A related question is -- if that information is available then it should be integrated into this -- CIRO have an overall contingency plan which takes segment by segment the shoreline, inlet and talk about how you can -- what you can do to protect those segments and does it prioritize the segments and so on. Is that -- does that work exist.

MR. FLAGG: CIRO has a fairly comprehensive plan that has some of that in there. I haven't looked at it for some time. I can't tell you how comprehensive, you know, how finally it's broken down into area. But, they do have a plan on file.

MR. HERZ: There are people who are residents of Cook Inlet and connected with the fishing industry

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there. I would think that would be prime importance. Somebody must have reviewed to a degree to which CIRO plan does in fact speak to protecting areas that do -- Do we have any information? Have we gathered any information on that?

MR. PARKER: It's the Department of Environmental Conservations' responsibility to review that plan. I don't know if they -- if you ever asked them that specific question. You were here when they were before us. Dennis?

MR. DOOLEY: At the CIRO meeting that I attended, maybe Loren and I are talking about two different instruments, but CIRO was pretty clear that they are an equipment depot. Other people have the plan. Not CIRO themselves and other people will provide the manning. Other people have their view of what the response was. They are an equipment depot and that came across pretty clearly at the CIRO meeting. And, I not aware that CIRO itself has a massive contingency plan as such for Cook Inlet. They do have some familiarity with it, but they pretty much said it's up to the spillers to have his plan.

MR. HERZ: I have to plead complete ignorance about Cook and it's only because we have the ECO report deal with probabilities of spill there, but I was struck by the fact that the other side of that issue is what are

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the resources that need to be protected and is there adequate information? I don't know if that's within our scope or not, but it certainly seems like a relevant question that should be addressed.

MR. PARKER: That's not within our scope because of the massiveness of the detail. The -- we'd probably be talking about several large volumes to identify all of the environmental resources in Cook Inlet that you are going to have to think about. Certainly, several hundred salmon streams and shell fish habitat and it would be a massive job.

I'm not even sure that's within the scope of the State's $650,000.00 contract that DEC is negotiating on contingency plan review. I don't think it is.

Any other questions for Loren?

MR. FLAGG: Thank you.

MS. WUNNICKE: I have a question, Mr. Chairman. When you were in Norway you mentioned Solum Voe. Do the Norwegian ports have a similar kind of authority? Over tankers entering their ports?

MR. FLAGG: I don't believe that their system or prevention is quite as good as Solum Voe's. They have probably a better -- they have better equipment. They have more equipment and trained response teams. Their capability for cleaning up and reacting to an oil spill is

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probably better than Scotland's. But, I think the Scotland program stresses more the prevention. They have a very close tie with citizen involvement in that program. And, they are able to get that by getting in on the ground floor early before terminals were built there and they had some control of the land in the area where oil was to be brought ashore.

MR. PARKER: Okay. Thank you, Loren.

MR. FLAGG: Thank you.

MR. PARKER: Next we have Captain Robert Elsenjohn.....

MS. WUNNICKE: No. I think they have one more.

MR. PARKER: Oh, I'm sorry. I didn't know that.

MR. CASNOR: Mr. Chairman, my name is Ken Casnor. I'm with North Pacific Fisheries Association out of Homer. Unlike the other two groups, our group is not just exclusively salmon fishermen. We have a large percentage of fishermen who fish halibut, crab and shrimp. And, a significant number of fishermen that live in Homer that fish over in Prince William Sound.

I'd like to touch on a couple of topics before I get to the main point of my -- we certainly agree with everything that was said by the other two fishing organizations.

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There's a lot that we don't know about the Cook Inlet oil industry. For example, I don't know anything about the decanting facilities over at Drift River. I don't know how many gallons they put into the water every day and I don't know how many parts per million of oil go into the water from those decanting facilities. I do know that at Valdez the decanting facilities are built for one purpose only and that's to recover oil. They are not water cleaning facilities. It is an oil recovery facility. And, something that I don't think many people realize about the Valdez facility is that every drop of water that falls with the rain or snow gets pumped through that facility. And, when you start talking about the volumes of water that go through that decanting facility you wonder how much oil is really decanted out and how much has been pumped back into the water in Valdez.

All that is besides the point. There really is no reason that we have to continue mixing oil and water as ballast. We could either go to a double hulled tanker system and include the ballast there or we certainly have the technology to be put deep flatible or flexible bladders into the existing cargo hulls and fill those with sea water and then pump those out as you are putting in oil on top of them. There's really no reason why we need to keep mixing oil and water and then going through this

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whole decanting process.

The ECO report -- I was really disappointed in the ECO report in that when I went to the Table of Contents and started looking at it there were a number of what I thought very hot topics listed for each page. And, all of this is on the same page as that. I knew that it wasn't going to be anything like an in depth report. But, there are a couple of things that I want to point out about that.

First of all, I don't believe that all of the oil that goes out of Cook Inlet goes to the West Coast of the United States. I believe some of that oil goes down the Aleutian Chain and has markets in the Far East, and Japan. A spill along the chain would really have significant consequences. Also, oil is not the only toxic that's transported in Cook Inlet. Large amounts of ammonia and liquid natural gas are also moved in volumes that are significant to warrant concern both for environmental and public safety.

The ECO proprietary model that they used has one failure. And that is the assumption that the oil stays on the surface. Commissioner Sund asked about corralling the oil and whether that does any good. Well, in 1987 there were short shots of boom floating up and down Cook Inlet with black centers in the middle of these donuts where the

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oil was. You could fly over it one time and there would be a lot of oil in there and you could fly over it again and it would disappear. Well, I think that it is significant to remember that this oil gets neutrally buoyant as it emulsifies. It became neutrally buoyant about the fifth day after the Valdez spill and in fact, it became neutrally buoyant and moved undetected across southern Cook Inlet and then re-emerged in Shelikoff Strait as a 20-mile spill. Everybody seems to kind of forget that. So, it's not always oil. When it gets emulsified it turns into some other creature.

The other thing that I believe that people haven't paid enough attention to is the fact that there's expediential growth between the raw crude oil in this moose. I heard one expert say that the volume increased by 30 times. I'm not sure if it's 3 times or 30 times, but when you start getting engaged in a numbers game with the oil industry, I think that it is something that is significant and people ought to remember.

North Pacific Fisheries Association wants to urge that stronger requirements for pilots, at least, to match the requirements of the pilots associations be required. We also believe that really should be a person like an independent marine pilot that oversees the loading and unloading of both and ballast water. That person will be

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licensed by the state and would have mandatory inspection and reporting responsibilities.

I heard on Friday night a suggestion that maybe the EPA should be the lead agency. It certainly hasn't demonstrated any desire to involve itself in oil clean up technology. But, then again it's silly to have one lead agency for water spills and another for land spills. And, so I would like to see one agency that takes care of all of this pollution.

Also, there should be more of a dichotomy of missions. Both for the Coast Guard and the industry. The very fact that there is a spill is a failure of their prevention mission. Why are the same players deemed competent to best handle the mission of containment clean up?

The delivery systems that bring oil from the North Slope, Swanson River fields and upper Cook Inlet are for most part systems that made up of several aging components. Pipelines, tankers, supply boats, oil rigs, pumps valves, gauges and probes are all subject to failure in time and it's only conjecture is to which one of those failures will cause the next spill. So, while others are stressing prevention, prevention, prevention, North Pacific Fisheries Association would like to discuss preparation for the next spill.

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The Alaska oil spill occurred -- when the Alaska oil spill occurred there were herring tenders in Prince William Sound with hold capacity to carry roughly half of the 11 million gallons that were on the water. Coast Guard regulations prevented pick up because they were not certified and inspected as tankers. It wasn't until much later after the spill had spread to outside Prince William Sound that the oil became so well emulsified it was declared a slug and ordinary boats were allowed to transport it.

We all agree that we don't need more unsafe vessels transporting oil. But, we believe that there should be a new class of boat and we just gave it the name of Cue Class. Because there is no such thing as a Cue Class. But, a Cue Class tanker -- Cue Class Tankers would be inspected annually at an Alaskan point, have stability papers and documents reviewed and be the first vessels hired to help with the next spill. What that means is, if I have a herring boat that I can go down do some demonstration of my knowledge and stability of the vessel itself and get that vessel prequalified to work on a spill and to carry fresh oil that's on the water. Skippers of Cue Class vessels would have to take part in mandatory training exercises yearly in order to keep the vessel and themselves on the priority hiring list. Skippers would

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also have to demonstrate to the Coast Guard some basic knowledge of the conditions and geography of the area for which they are approved to work. You could consider it a semi-licensed position.

Commercial fishermen are used to working with their hands in controlling gear under all conditions. It's a talent that working around the water demands. Such at sea training cannot be taught in the classroom or quite harbor. No piece of technology can supplant it either. Contingency plans that do not use the train resources at hand is not a contingency plan. Contingency plan that does not unleash all regional resources in the first 48 hours of a spill is also not a contingency plan.

Just one organization should be responsible for all of Cook Inlet and another for Prince William Sound. Those organizations should be responsible for the maintenance and deployment of all the tools needed to immediately contain and recover the oil. If that means pumps, then pumps have to be readily available. If it means buckets and flower scopes, then those have to be readily available. Those organizations should include representatives from all the water users. Fishermen, marine pilots, shipping operators and, of course, the Coast Guard. Industry, only organizations have proven those short comings.

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The Commission should not recommend laws to correct the faults of the current administration. Laws that were enforced that inhibited the orderly clean up are not necessarily bad laws, they were, however, laws designed for purposes that paled in significance when compared to the gross contamination of the spill. We believe that those laws could have legally been overlooked with a simple declaration by the Governor, but since there was no such declaration, the enforces were only doing their jobs. By those laws I am referring to 'is there an outhouse on this beach where you are trying to take care of things and such'?

In conclusion the cost of an oil spill is largely the long and short term detriment of the coastal communities. Fishermen do not ever want to sit again idle watching as an industry that is infatuated with high technology fails to control and recover the oil lost in the next spill. No amount of paperwork, correspondence, plans, shoreside training or barrel disbursants can match the weight and ingenuity of Alaska's commercial fishing operators. They should be among the first employed not held in reserve until all other attempts have failed. While prevention is foremost in everybody's mind, preparation should at least be given equal billing.

If the 1987 spill in Cook Inlet in the March

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catastrophe that brings us here today teaches nothing else, it is that preparation is the hardest aspect to relate to in the first aspect to be shined on as time passes. It is not wholly to follow the industry, it's human nature to let things go like that. The weakest link is the person who somehow fails in carrying out a plan. We must discipline ourselves. Get trained, stay sharp and be ready. Maintain the equipment and have it in a place handy for fast employment. Only then can we dare hope that the weather will be warm and calm and the spill to be small and those that have been trained to be close by.

So, I thank you for your time and your patience in sitting through which is probably become repetitive testimony.

MR. PARKER: Okay. Thank you. Questions? The shipments to Asia probably amount to about five tankers a year according to my calculations, which is enough to cause an oil spill. We only got about a tanker every ten days out of Drift River now. And, I'm not sure when the last time anybody went and inspected Drift River. I guess we should find out.

Ahh, Captain Elsenjohn. Masters, Mates and Pilots. Thanking you for making this 8-hour plus stops flights to come talk to us.

CAPT. ELSENJOHN: Yeah, well, my pleasure

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and thank you very much for asking me.

I'm here today on behalf of Captain Robert Lowen, the President of Masters, Mates and Pilots. My name is Robert Elsenjohn. I'm the director of the Maritime Institute of Technology and Graduate Studies, which is a graduate school for ships' officers basically deck officers, masters, pilots, chief officers, second and so on.

I won't go very long in my experience, but I have held a Masters' license for 35 years. I was Master on ship for 13 years in the Columbia River Bar Pilot, for about 13 years and I've been back to the school for about 9 years. I've been Master on tankers, freighters, the whole mess. So, I think I am qualified to speak a little bit in the area that I would like to talk about today. I am not going into the Exxon Valdez situation. That's been beat to death by experts.

I would like to talk about prevention, basically. And, the Master, Mates and Pilots position with regard to that. We feel that adequately trained personnel and the proper numbers of personnel on ships answer a portion of the prevention problem. I don't know if you are ever going to be able to completely prevent oil spills anytime you are moving or handling oil around areas. We believe that there should be four licensed deck officers on the

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vessel in addition to the Master. Three watch standing officers, the second and two-thirds, and a chief officer whose responsibility is the cargo and the maintenance of the ship. When a ship comes in port and is loading and discharging, the chief officer is the man who is in charge and responsible and up and rested. He has the assistance of the other officers. You don't have watch standing officers who maybe tired from navigation and confined waters or restrictive visibilities either coming in or going out trying to handle the ship. The incident in Cook Inlet -- I'm sorry, in Prince William Sound, indicated that they may have been a fatigue factor. I am a member of the National Academy of Sciences Marine Board doing a study now that's ongoing for the last two years with regard to fatigue of ships' officers. And the result in casualties related thereto and reduce crews. And, one of the interesting -- we have no conclusion in that as yet, but we should have a report out in January.

An interesting thing. There was an oil spill off Providence or Newport, Rhode Island, in early October or September. Nearly 300,000 gallons of heating oil. The Master on the ship said that he had gone 36 hours with little sleep, had no look out, was overworked and distracted at the time of the incident. He said he had seen the buoys, but he didn't really understand, he couldn't

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understand why he didn't react or respond to them. We feel that fatigue may be a factor there. He said he had sent his chief officer below to calculate how to unload the cargo in Providence. The Second Officer was down helping the pilot get aboard. I don't know where the third officer, if indeed they had one, was. But, there were only, as we understand, three officers on the ship.

I said an adequate number of people, properly trained people are another point that we think is very valid. One of the things that we are stressing at the Maritime Institute and have for the last several years on our ship simulators is Bridge Management and Bridge Team Training.

Bridge Management means the proper voyage planning. Not out in the middle of the ocean. Anybody can lay a chart line down, but coming into port to have an adequate crack line, proper crack line for the area you want to go. The times are going to be at places. Time you'll be at the dock, the loading time and back out. That's bridge team management.

Now, Bridge Team Training, the team work itself. I have seen so many times when I was piloting a second officer, a third office comes on the bridge to relieve another officer and say 'oh, the pilot has it'. Well, that's fine. They don't have any idea where the vessel

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is, what the next courses are, what buoys you are going to change course on. The pilot has the responsibility, the Master the ultimate responsibility. But, every officer on that bridge should have the knowledge of the course line, where they are going, where the dangers are and what to do and that's bridge team management. Bridge Team Training and Management.

Now, the third officer should have enough knowledge and training to say to the Captain, "Captain, I think that buoy should be on the starboard side rather than the port". And not be afraid to do it. When I first heard, I sailed Master many years, and I first heard of Bridge Team Training I said, "Captain, you are screwing this up. We are going to knock him on hind end and then I'll worry about the rest of it from there." Well, that really isn't the way it is. We train very on simulators. We have four men on the simulator at a time and they go round and around from Master to navigation officer to watch officer to quarter master. And they learn to work together. And, at the end of the two weeks on the simulators, they have very good team training.

We think another point that you should look at is to have two pilots on the bridge at all times in the State of Alaska in congested waters. Now, when I say two pilots, there are two types of pilots as I am sure all of

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you are aware. A federally licensed pilot and a state licensed pilot. There are certain ships under federal law that do not require a state licensed pilot. Those are ships under enrollment or training domestically. Ships under register or under foreign trade, the states have the right to require pilots aboard. You have an arrangement I understand in the Valdez area, where even the ships under enrollment are required to take that role -- or take state licensed pilots. The pilot that's there now has been extended down the Bligh Reef. It's almost impossible to work below Bligh Reef. With a pilot -- to board a pilot on and off safely. We feel that when the ship is in route either inbound or outbound in any Alaska waters, not necessarily Cook Inlet or Prince William Sound, that a state licensed pilot as a minimum of one and an American Flag ship to have the officer of the watch to be also federally licensed. So, you have two licensed pilots aboard. Particularly in the shorter hauls. If no state licensed pilot aboard and it's an American Flag ship, then two of the officers should be federally licensed.

We think there's another position -- and some of these things that I am saying may require some legislative action or some may be done by rule making. Some, I have heard some concern about whether or not it's always safe to enter or depart. Particularly Prince William Sound.

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You have seasons in Columbia Glacier, and the whole area (indiscernible) you go out and you dodge the iceberg. It may not be the most prudent thing to sail or to come in. I think the State of Alaska should exercise the same authority I have seen around Europe for many, many years. And, that's a harbor master type of program. Wherein the state itself has the authority to close the port. Now, the Captain of the port, the United States Coast Guard has jurisdiction under the ports of waterway and safety acts of regulating the ship movement in waters. But, anything the State of Alaska did that was more stringent than the Coast Guard requirements would certainly be looked on very favorably and it could be done. Whoever, if you did go into a harbor master type program or whoever had the position would have to have authority responsibility to do it. If he was just a figure head you are wasting your time. But, if indeed the channel is closed it may not be prudent to try and go out and dodge icebergs. It may be better to wait till the tide changes when they clear out the way and give you some room. You would have to have equipment. That's something you might want to look into.

I have one other thing. Pilots, themselves as we have heard of gentlemen from the fishing industry say the pilot should be involved. The pilots are the main stay of ship movement in congested waters. Your state of Alaska

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pilots are well trained. All federally licensed and then state licensed afterwards. The pilots themselves say a problem recently. You obtain a license and generally it starts out as a main ship channel license. It doesn't cover the ports themselves. You can take it in the main ship channel, but you can't get out of the main ship channels. To get that in the State of Alaska -- to get that main ship channel limitation lifted, it requires 20 dockings and undockings.

The law doesn't specify where these dockings and undockings should take place. Theoretically, you can take a small ship and go into Dutch Harbor or someplace and dock and undock 20 times and get your limitation lifted all over the state of Alaska. It doesn't make any sense. The Southeast Alaska pilots presented a program to the Alaska State Pilot Commission last week wherein they said let's change that and make it 3 dockings in every major dock. Docks are different. Everyone of them. Some are peered, some are pilings, some have bendering systems (ph), some don't. The current acts differently. If you have wind, rocks around, they said make it 3 in everyone. There's about 15 major docks, so, in their area, so it would be about 45 dockings rather that the 20 the law requires. The State Attorney General said we can't do that, that's too restrictive. Restricted of what?

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Incompetence? It certainly isn't restrictive on experience. That's what you need. You need good pilots. I guess the point I am making here is that those who are in charge of regulation should not only understand the problems, but understand the possible consequences of not enforcing the most stringent requirements feasible.

That's really all I have. I thought I would answer any questions that you might want to ask me.

MR. PARKER: Well, thank you very much. On the Bridge Team Training, how much of the industry has received that kind of training now? What general percentage would you say?

CAPT. ELSENJOHN: To the best of my knowledge, Mr. Chairman, very few. We have, since we have implemented the Bridge Team Training concept and courses at the school, we have probably run through 200 officers. There was a symposium in Kings Point up at the Maritime Academy in New York last week that I sent my people to investigate the feasibility of putting it in the various state academies. And, it will be done. We are working now with some of the major oil companies to bring their people into a special one-week training course and it would be ship simulator training, but with heavy emphasis on the Bridge Team Training. So, it's a new concept. Started in Europe, oh, a few years ago and we've traced it

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probably four years ago.

MR. PARKER: How many Maritime Academies on the West Coast?

CAPT. ELSENJOHN: Pardon me, sir.

MR. PARKER: How many Maritime Academies are there on the West Coast?

CAPT. ELSENJOHN: There's one with the exception of our school, all of the other schools, the academy type, are cadet, entry level type. Three year, four year schools. We train only licensed officers who are experienced and who have been at sea and them come back up to upgrade their skills and be trained in new concepts and equipment.

MR. PARKER: Okay. Questions?

MR. SUND: Yeah, Mr. Chairman, I would just like to thank Captain for coming back. I had a chance to meet with him a couple of weeks ago back at his school in Minneapolis and I do have a couple of his flyers here if anybody wants to go to school or see what they have. It's quite impressive. They have a major simulator there that I was impressed with. The full bridge has motion in it, too. You get in it and you feel the ship move around a little bit, but, the point that I think some of us were looking for in terms of prevention and training on the manning of the two issues I wanted to kind of pursue is

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one, the concept I think the Chairman has been talking about. The aircraft industry where you have two pilots in the front of the plane, but they are both equally competent to fly the plane and it's fairly a joint issue and the co-pilot is trained to speak up when he sees something go wrong. Wherein the maritime industry I think we have had an over abundance of fairly strict -- the Master's in control and by-god that's going to be it type of point of view. That, in the high tech world that we are in now that has to change and the school here has started that.

I am not sure how you mandate all of the industry to get through it. I did meet a little bit with the Coast Guard after I met with the Captain back there and they are starting to talk about relicensing. I think forcing or requiring people to go through some simulator training -- I think it's every five years you have to get your license renewed, and they were talking to do it. But, at midterm points...

I guess I ask you, Captain, the question is, if the regulatory body thought it was a good idea, how would they go about it and what has to change to get crews back through this system to get any training? I mean, it's voluntary, obviously.

CAPT. ELSENJOHN: Really, John, it is to a certain extent. Radar was introduced on merchant ships

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somewhere in the early 50's. And there was no requirement for any radar examination or training up until, oh, my goodness, in the early 60's, and then we had to take an examination when we renewed our license every five years. It was a written examination, general questions, and, collision avoidance and a couple of other things. But, now in order to renew your license and to have the radar endorsement on it you have to go to simulator school. It has to be a simulator operation. It isn't just paperwork anymore. And, if indeed the regulatory body felt that the bridge team concept is valid and they certainly do, then it should be a requirement for license renewal.

Now there are several simulators, Kings Point for example, our school and a couple of other simulators around that are capable of doing this training. But, it would have to be regulated within the structure of license renewals.

MR. SUND: Along the line of the Commissioner Wenk, this morning, brought up the whole licensing structure and the testing that goes on now with the Coast Guard to get the licenses, what's your opinion, I guess -- I don't know if we have had the testimony of the people -- or they've kind of hinted at it that the licensing requirements have become a little bit easier in the last few years.

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CAPT. ELSENJOHN: Well, I don't know if that's necessarily so. The only real change that's been made in the last few years with the license examination itself is that it is now multiple choice questions rather than essay. The questions are mostly worded so that you have to read them very carefully, while the possible answer -- the questions aren't ambiguous, but you have to know your material. I always felt that the essay were the hardest, but I also knew that if I could write a page or a page and a half, I might somewhere find the answer that was in there. I don't believe they've become any harder. The licensed renewal course at the school for Masters is nine weeks. Eight weeks of intensive instructions and one week in sitting for the license. For chief and second officers it is eight weeks. So, it's really quite intensive and very good.

The license renewal is another story. Now, license renewal can be done today by mail. It's an open book examination. Once every five years. Now, I've had license since I was 19 years old, Masters license, my 11th license altogether and, of course, I renew them every five years after I got the Masters license in 1954.

I study the radar for about 2 hours. I read the rules of the road. To take the examination takes about 20 minutes. Now, whether or not that should be changed --

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there has to be a service, you have to have at least one year sea time on the last three years. I don't know. Questions?

MR. WENK: One quick question, Captain? With regard to renewal, is any additional physical examination required?

CAPT. ELSENJOHN: Yes.

MR. WENK: Is it as intense, strenuous as the one for getting the license initially?

CAPT. ELSENJOHN: It has just become in the last two years about the same examination.

MR. WENK: About the same?

CAPT. ELSENJOHN: Now, the Coast Guard has adopted a new form. I have to have two physicals. One for my state license and one for my federal license. My state pilots license. And, I just went through one back in February that I felt was quite extensive. Made me happy, because everything came up fine. Made my wife happy because she's going to keep me around for a few years, she says.

MR. WENK: Thank you.

MS. WUNNICKE: Mr. Chairman? With respect to your comment about a harbor master authority. Would such an authority have the right to keep a ship in port even though the conditions dictating that were beyond the

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harbor area? You mentioned ice in the Sound for example. If there were ice in the shipping lanes, even away from the port, would that harbor master have the authority to keep the ship in port?

CAPT. ELSENJOHN: Madam Vice-Chairman, I would suggest that that would be a legislative problem that in the creation of the harbor masters position that that area should be covered. I would say that anywhere that that ship prances in Alaska waters between the dock it was actually at till it got to the open seas should certainly be a matter of concern and under the harbor master's authority.

MS. WUNNICKE: Thank you.

MR. PARKER: Mike?

MR. HERZ: You seem to come out of the tradition of Captains, but somehow you have evolved through this -- what sounds like a very contemporary view of the bridge team planning and management approach. I wondered what your response would be to some of the discussion we were having this morning about the -- in the traditional view or traditional role of this Captain or Master, he has ultimate responsibility and the discussion had to do with navigation and the possibility of developing vessel traffic system that uses satellite that would set up traffic lanes -- predetermined traffic lanes on the

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high seas or coastal and if you deviated from those lanes you would be requested or required to go back into those lanes. And, the question is are we in an era where the absolutely monolithic authority of the skipper can be questioned. Or whether the Master's voice is always the correct way to go?

CAPT. ELSENJOHN: Well, you are in the situation that as long as the ultimate responsibility is the Master's then the ultimate authority has to be the Master's also. But, this bridge, well, the harbor lanes or the traffic lanes have been an accepted thing, not only in the United States, but I was on the North Europe run for seven years before I went piloting and we have lanes up through the North Sea. Because of that heavy volumes of traffic. Now, if you get out of the lanes in one area for 206 miles, the penalty there was you were in a mine field. Everybody pretty well stayed in the lanes. If you got of them in other areas no one really bothered you, but it was ideal to stay in them, because a sea lane is like a highway. Everybody stays on the right side of the road. You go up and somebody comes down here. If you get out on the other lane, you're kicking people out of the way and it's dangerous. Everyone stays in it. But, the bridge team concept, when I was on this North Europe run I did all my own piloting to the North Sea except in the

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harbors. And, the traffic is very extremely heavy there and if I caught fog at land's end I had 44 hours on the bridge. I've been asleep standing up looking at the radar. I mean, just -- all of my officers were very good and I always told them that if I say anything or give any orders that don't make sense, correct me right away. Because you do become grumbly. I discharged a pilot in New York harbor one morning -- I was headed for Philadelphia, the course was 206 and I was steering 200 -- this is after 30 odd years at sea, and I started that compass and radar trying to decide whether I had to go right or left I was so tired. You need qualified people on a ship who also know and who aren't afraid to say. And, the Masters is now -- because ships are so much bigger than they used to be, they are accepting very well the assistance and the input they get from the other officers. It isn't the old Captain Bligh routine like it used to be or like they mentioned when I was a young Master. You need the help. Ships used to be 10,000 tons and 10 knots. Now, they are 200,000, 450,000 tons. Some of them make 30 knots. And, equipment on them is very sophisticated. One man cannot do it all.

MR. HERZ: What about relinquishing control to an outside authority who is dictating from his satellite view of where you are?

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CAPT. ELSENJOHN: Well, that's not a new concept. My company's first new ship was built in 1957 and I was the Master on it. It was one of the largest ships in the world, at the time. Right now, it would make a light boat on some of these things. But, I came into Rotterdam, dense, dense fog and there were 40 ships at anchor and I nosed around and pushed my snout up against the pilot boat till I got the pilot aboard and he said, "well, I have to go to anchor, Captain", and I said, "Damn". He said we do have a new system we just put in and it's radar control. Controlled by pilots and I think that is one of the important things in that type of an operation. And he said we can make a few round turns until they pick us up and identify us and then they'll start us in. We had 28 miles up the Maze River to go and he said they will give us every order, speed and helm order and we must obey them. If we don't our only alternative is to go to anchor. So, we tried it. They say we're 13 meters off buoy so and so, now come right 5 degrees. But it was a working pilot operating the system. We went into the dock, discharged, came out the next day, the ships had anchored. So, it's not a new concept. But if you have shoreside control with the authority -- mandatory authority, then you have to have qualified people running it.

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I don't say this derogatorily about the Coast Guard's vessel traffic system. It's a good system, it has worked well where it has been, but they've been more or less advisory and have the yeomen on their and they are good kids. But, they don't have the experience. And, if you have the type of system there it should be working pilots or retired pilots of the area that have the equipment, have the radars where they can see every thing that is going on. Then you can give them the mandatory control.

But, also, when you do that you have to accept financial responsibility, too. Because you give the bad order, the ship goes aground, and there's damage, let alone the environmental damage potential, somebody has to take the financial responsibility.

MR. PARKER: Anyone else? John?

MR. SUND: Well, I just wanted to follow up a little bit on the manning issues, Captain, that you brought up on the manning level. You direct the man in restricted waters and I'm assuming inside of entrances of restricted waters?

CAPT. ELSENJOHN: Yes.

MR. SUND: How do you feel what you laid out is different than what is being done today?

CAPT. ELSENJOHN: Because the competitive

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pressure is over the last few years, we reduced on most ships one mate. One deck officer. So, right now there's the Master generally. Well, the Master always and generally a chief officer, second officer and a third officer. In addition to the various duties that they have there are also watch standers. The chief officer in addition to standing normally the 4 to 8 watch, is in charge of cargo and maintenance on the ship.

The second officer, the 12 to 4 watch, is also in charge of the navigation of the ship. Correction of charts, laying the charts out, between he and the Master somebody puts the courses down, etc.

The third officer in addition to standing the 8 to 12 watch is in charge of the safety, lifeboats, flairs, signals, everything that has to go on there. So, they all have additional duties besides standing their watch. Now, if you have the chief officer who is in charge of cargo standing the four day watch and the ship arrives at 10 at the dock and starts to load, he's stood the four days watch, he's in there, he's on deck loading the cargo. He may work through his watch that afternoon and on into the next morning, finish the cargo and then he goes back on watch at 4 o'clock again. Now, the law says that he has to have six hours rest in the last 12 hours before he can take a watch role. Believe me, that is never seldom, if

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ever adhered to. Your officers when there are three of them work around, help each other. I said I wasn't going to get into the Exxon Valdez thing and I don't intend to, but I think you'll find out that the one officer who should have been on watch, they let him rest because he was tired. The man who was on watch wasn't the man who should have been there to begin with. But, that's one of those things.

So, if you have a cargo officer whose sole job it is to take care of the loading and discharging of the cargo, and I'm thinking particularly of tankers now, because that's where the bulk of the problems are. It's a problem on all the ships. But, he's always fresh, alert, you don't grind your other officers into the ground trying to handle the cargo.

The most dangerous part of any tanker operation is the loading operation. Discharging you can have a spill or cargo contamination, but the loading is the most dangerous. So, everybody is the most alert there. You get several people out helping you. Pump man on deck. Your AB's if you have them.

On some of the freighters a couple of our companies with Master, Mates and Pilots now have gone back and put the fourth mate on the ship. They took them off, oh, six, eight, ten years ago because of competitive

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pressure and they have put them back on now. Because it's working everybody too hard and the overtime -- you can pay for an extra man with the overtime.

MR. SUND: I want to get into my favorite issue here, Mr. Chairman. Captain, this is the great double hull, single hull issue -- it kind of keeps coming up every meeting, probably because I bring it up, but do you have an opinion? And, the way it's come out so far, today anyway, is safety, ballast issues, groundings, recovery of the ship is one issue. And the other issue is safety to cargo or containment of the cargo.

CAPT. ELSENJOHN: Well, that double hull situation is something that is kicked around for a lot of years and it has been rejected in many instances because of the cost factor and the lack of any strong indication that it will accomplish too much. If you go to a 15' double hull and you hit a rock that sticks up 20' you are five feet into the other hull anyway. Because you start moving 200,000 tons mass into a rock it is not going to slow down. It's steel, it will cut right through it.

It's good in the areas if you're loading, you settle the ship on the bottom or if the outer hull fractures, it's still contained. I don't presume to even know enough about the subject to get into the cost effectiveness of. I don't know what it would cost to

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double hull those ships. I did hear a comment earlier that the freighters that run around are double hulled. They are, but they are carrying oil in the space between the hull. That's where they carry their bunkers. Most of them.

So, I didn't give you much of an answer on that, John, I know, but I am really not knowledgeable in the area to speak as an expert on it.

MR. SUND: Thank you.

MR. HAVELOCK: Sir, do you have any observations regarding how low a bridge team should be assigned sea duty without a break?

CAPT. ELSENJOHN: Do you mean the team itself or the watch officer on watch?

MR. HAVELOCK; The team.

CAPT. ELSENJOHN: No, I don't. But I would -- I see no problem with them. Four hours, six hours. Because the team consist of the watch officer on watch, the Master, quarter Master, a look out, I would guess four hours. That's good nominal number.

MR. HAVELOCK: You keep the team running for a matter of months? Is that.....

CAPT. ELSENJOHN: Oh, no. Oh, I see. I misunderstood your question. The team itself, per se, only operates in restricted waters. It's always a team

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out in the middle of the ocean, but they work four hours on and eight hours off. And, when you are coming into congested waters or, for example, Prince William Sound, you have Hitchenbrook on up to Valdez. And, the Master the watch officer, the quarter Master and the lookout. That's a specialized area. The normal routine watch is at sea if there are the watch officer and two other persons on watch they act as a team then, too. But, it can go on for months.

MR. HAVELOCK: Is there any difference in the risk in loading and unloading tankers and unloading and loading, say, container ships?

CAPT. ELSENJOHN: Oh, very much so. Container ships, well, it all depends on what's in the container, I guess. But, it's a limited amount in any event. A 40 foot container with acid products, there is a hazardous problem, there, but it's not the spill or the contamination problem. And that's generally done, of course, some container ships are self-containment, but, generally it's done with a shark -- your danger is wire breaking or pad pulling. But, on tanker when you are loading at the rate of 20,000 barrels an hour or higher and a hose goes, an awful lot of oil can be in the water before anybody can get that hose shut down. Or if somebody doesn't close the value on #9 center tank, you

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can blow a lot of oil out of there. So, there's more danger in the tankers than anything else. From the contamination standpoint.

MR. HAVELOCK: We heard it said that pressure generated by the owners need to move oil quickly. That it is to meet refinery schedules or to meet tank farm limitation -- in Valdez have created pressure to cut corners. Would there be anything in your maritime experience that would support that? Or is that just a mythology?

CAPT. ELSENJOHN: No. That's, of course, the whole world is a competitive place today. I sometimes question some of our steamship companies when they discuss competition because they are really competing with themselves. It's an internal competition. Particularly with some of the oil companies. It's carrying their own cargos to their own refineries. They have very little outside pressure, but it's still competition. I don't say they cut corners. I don't think that's a fair term. They try to expedite the ships as quickly as possible. Time is money on ships, particularly -- the ships used to be worth $100 an hour and some of them are worth $6,000.00 an hour. If you could save an hour maybe the difference between profit on that leg of voyage and loss.

If you ammoritize the ship out it goes up to a lot

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more money than that. So, I don't think there's any company who would say to their master, "we recognize this as unsafe situation, but move the ship anyway". Generally that decision is left to the Master and over years of operating experience, companies know how long it should take to process a voyage. Regardless of where it is, too. And, if you get a Master who does it in 30% more of the time you won't be around very long. It's a competitive thing. And, it does, I'm sure on an individual ship basis occasionally, safety sacrificed in certain areas. But, I don't think it's a company policy to sacrifice the safety.

MR. HAVELOCK: Have there been any changes in the bureaucracies of oil transportation by sea in the last decade or two from the Master on up? That is, is there changes in the command structure, is there greater frequency of management intervention and management affairs?

CAPT. ELSENJOHN: I think there has and part of it's due to the size and value of the ship and part of it's due to the modern communications that we have. It used to be when the ship left the docks, they didn't have to put up with that company for the next two months or whatever it is. But, now they can get me on a telephone in two minutes. So, the companies do have a little more management control than they had ten years ago and

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particularly more than they had twenty years ago.

And, plus, too the ships are worth so much more money now. It requires -- we used to be able to build a ship for 3.5 million dollars. Now it's not uncommon to have 80 or 85 million dollars in a ship. And, upwards to 280 million dollars in a ship. Depending on the type of thing. We just converted a ship, a passenger ship granted, but we have 40 million dollars in the conversion. That would have bought 10 ships twenty years ago. So, in order to stay in the business, the companies have to keep more control than they used to have.

MR. HAVELOCK: Is there any change in the quality of that commanding control direction? Are there more accountants up there telling you what to do? Or, is that not an issue? A mythology?

CAPT. ELSENJOHN: No, I think that may be an issue. I can't speak to it from an authoritive standpoint, but the numbers are getting more involved in these today.

MR. HAVELOCK: Well, let me ask you about manning standards. Are you familiar with how the Coast Guard goes about setting the manning requirements?

CAPT. ELSENJOHN: Yes, I am.

MR. HAVELOCK: Maybe you could tell the Commission how that happened?

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CAPT. ELSENJOHN: Well, all of your older ships, of course, have the many standards that have been set for a long time. But, let's take for example a ship that's been running for some time. The company does a study and they come up with a number of jobs that have to be done on a routine basis. They add up the number of men it takes to do it and the number of hours. Then they'll take some emergency situations. Put the men in the number of hours. They'll add that all up in the bottom, figure a man can work "x" number of hours and it divides out to where we require two ordinary seaman, one QMED, so and so and so.

It's a number thing. Then the company itself takes their numbers to the Coast Guard and presents them to the OSMI and the port that the ship is running out of and if they can convince him that they can get by with a number of men that their study show, then they will reduce the men in requirements. If they can't convince the OCMI then they don't get a reduction. On a new ship they do basically the same way. It's a numbers thing.

MR. HAVELOCK: Does the Coast Guard ever actually come out and examine the vessel and talk to the crew or to the potential Masters in determining.....

CAPT. ELSENJOHN: Not to my knowledge. I couldn't say they don't, but not to my knowledge they

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don't.

MR. HAVELOCK: Does anybody participate in the establishment of those levels other than the company and the Coast Guard?

CAPT. ELSENJOHN: No.

MR. HAVELOCK: I guess that's my questions, thank you.

MR. PARKER: Fatigue is of a great interest to us and I look forward to reading your report. But, it will come out after our report, so as we get into it we'll probably be talking to you and any others you can recommend in the field in this particular subject. It seems like it's been around a long time and you know, when they first brought up the boredom problem on the very large ships, especially on the Gulf to the West Coast to Western Europe and East Coast runs and so forth. And, I -- you think the understanding of the problem is greater now than it was ten years ago, let's say?

CAPT. ELSENJOHN: Yes, it certainly is. And, that boredom -- ship design is starting to be looked at in that problem. It's possible now to go on a ship and never see anybody except the man you relieve. Crews all have their own individual rooms. There used to be at least three in a room and sometimes upward to 15 or 20 in one big room. So, you had some social contact. They

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discovered it's very important now. So, they are starting to build a central area, social type of a program and the rooms around us -- so that it opens onto a foyer type of a thing and the T.V. and radio and small beer bar and so they do have to socialize.

I was on the study for the Formaread (ph) and we went to Japan four years ago to study that same problem and it's a very definite problem. And, it affects the operation and it affects the work of the people on the ships. Man is a social animal and we are just beginning to learn it.

MR. PARKER: Okay. John?

MR. HAVELOCK: Could I ask one follow up to a question I already asked? As you described the phases through on which manning requirements are set and since the companies have the opportunity to independently determine above that standard what accruing should be -- that is most of our testimony here has been that actual crews are well above the Coast Guard standard or above by a few men. Would it be fair to say then that when the owners go in they are shooting to get the minimum possible requirement that they might have in terms of the Coast Guard minimum so that they would have freedom to move above that with the amount in determining the crewing requirements of the vessel.

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CAPT. ELSENJOHN: Yes, that's a safe statement

MR. HAVELOCK: Thank you.

CAPT. ELSENJOHN: One of the things, if I can just qualify that just a little bit. Let me think how I want to say this. Most ships run above the numbers that are required on the certificate of inspection. Simply because it takes that many people to do the job. The things that are problem areas that we see, if everything runs very smoothly you can get by with the minimum that the inspection requires. But, there are a lot of other factors. How many men does it take to fight a fire? I realize you can't operate on the basis that we have to cover every emergency to the maximum. You might fight a fire with seven people. What if you have two fires? Fourteen? Three fires? Twenty-one? You just keep going, so. You have that emergency that has to be looked at secondarily to launch a lightboat, not only for your own sake but to rescue others from another ship. There are all types of lifeboat designs now where they launch one time. They off the shoot, they throw everybody in and strap them down like airplane seatbelts and you drop this thing fifty feet and it hits the water and an injured man is in there and if he isn't dead before he hits the water he will be afterwards.

But, this is fine if you are abandoning your ship.

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But, you go now you have somebody else. You go to rescue them. How do you recover this boat? You can't. It's not recoverable. So, now you've got a ship sinking over here. You are taking the crew off in your life. Well, now you've got your lifeboat out there. You can't get it back. The manning is a serious issue and it really has to be looked at.

The unfortunate thing is that to build a ship today, the price is fixed throughout the world. Doesn't matter what flag it is or what type of crews you put on it. To buy insurance on that ship, the price is fixed. To buy bunkers for it the price is fixed. The only variable that can be attacked is crew wages. Numbers of the crew. Now, technology is such that we could probably run a ship across the ocean with nobody on it. And probably put everything there and let it go. Technology has no loyalty. If we can do it as a United States Flag Ship and operate with six men, Singapore ship can operate with six men. We pay our people $50.00 or $100.00 or $200.00 a day, whatever the number is, they can pay them $5.00 a day and one fish head.

So, you really -- the reduction of manning isn't the ultimate answer to this. The quality of transport were the only "maritime" nation. And I put that in quotes because we most certainly are not a maritime nation. We

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say we are, but it's just in word in only. We are the only one that has no cargo protection other than military cargo, which the law says 100% of military cargos being American bottom(?) - we don't do it. It says 50% of foreign aid cargo's being American bottom (?)-- we don't do it. Period. There's no incentive for an American company to build ships, quality ships and put them under the American flag unless they are engaged in the domestic freight.

The Norwegians have just discovered that they can't do it -- they are down to six men on their ships. Running big ships with six men. And, they've just ask now to be able to flag them out, because they can't compete even at six. Because the foreign flag nations are running the six men, too. I don't want to get into my speech of we should have an American Merchant Marine, because it would take me hours.

I thank you very much for having me up here. If you need any assistance or whatever, I love your country and I would be pleased to come back. I used to live up here when I was kid. So....

MR. SUND: On the minimum manning, Mr. Chairman, I just want to clarify one issue I think that came up here. They do set minimum manning, but the Coast Guard does not take consideration for maintenance or

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stewards. And, so when we get in the Exxon Valdez, and I think I made the comment earlier, they had a minimum manning requirement of fourteen or fifteen and had twenty people on board. I think I've tried to work through the numbers. I think they only had -- they met the minimum manning with the people they had to have. In other words, the officers and the engine room people, the extra five or six that show up aren't required on the certificate of manning anyway. So, they were real close to the minimum manning requirement on their certificate of manning. And the extra bodies were, I think, a couple of stewards and a cook and I think they might have had an extra AB or something like that. But, so, it just gets to be --- it isn't that they were over on what they were required to have. They were real close to it.

Thank you very much for coming.

MR. PARKER: Thank you very much.

MR. SUND: I do have two brochures from his school here if anybody wants to look at it.

MR. PARKER: We will take a five minute stretch and then we will resume with Mano Frey.

(Off the record)

(On the record)

MR. PARKER: Come back to the table, please, otherwise we will be late and everybody will blame me.

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