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ALASKA OIL SPILL COMMISSION

NOVEMBER 16, 1989

ANCHORAGE, ALASKA

ALASKA OIL SPILL MEMBERS

Walter B. Parker, Chairman

Esther C. Wunnicke, Vice-President

Margaret J. Hayes

Michael J. Herz

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VOLUME II OF III

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1 regulatory standards. There is nothing to suggest in the
2 background of that professional workers that they have any
3 professionalism or career interest in emergency response
4 . The expertise they bring is very limited and I would
5 just like to put that expertise in a very small ease and
6 the testimony we have heard is that management skills,
7 particular in that department, is a very small m.

8 MARILYN: And, I would agree with what
9 Dennis is saying. I think the agency would admit themsel-
10 ves that they do not have the technical experts that they
11 wished they had. And, I think that's something this
12 Commission should look at very strongly. If we really
13 want to be able to respond to oil spill properly and make
14 that the industry can respond, we need to provide them the
15 ability to have those experts. And I think those experts
16 went away in the late 70's when the bill that was passed
17 was, you know, unconstitutional, preempted by federal law.
18 And, we've got to rebuild some of those kinds of experts,
19 because the industry is not going to be involved in all of
20 these pieces of a whole response system. They are going
21 to be involved in skimmers out there, getting boom out
22 there, getting the equipment and some of their people out
23 there, but there not going to be involved in organizing
24 the other states. I mean, I think there's some critical
25 roles that DEC could provide but they may not be providing

1 now, because of their lack of expertise.

2 MR. SUND: I'm not going to take sides here,
3 I'm going to offer a comment that I think in terms of
4 getting ready to respond to emergencies that over a long
5 period of time you're probably better off trying to group
6 those emergencies into one entity. And whether it's the
7 emergency response system that we have under DES or
8 National Guard or something whose primary goal in life is
9 to respond to emergencies. I think my inclination would
10 be that if you put it into DEC, DEC is so overloaded with
11 necessities of life, the ringing telephone syndrome
12 dominates every agency now, and I think DEC's ringing
13 telephone syndrome would overwhelm it's ability to stay in
14 a state of readiness to respond to emergencies. Let's
15 just take the leaking oil tanks, the Kenai Peninsula
16 problems, all of the subdivision problems, review of plans
17 for subdivisions, I mean it's

18 It just gets cut. It just disappears and I don't
19 see anything in that upcoming ten years that the State of
20 Alaska is going to change that.

21 MR. PARKER: Okay. So if we look at Senate
22 Bill 264 which is already established in response office
23 in DEC, I recommend moving that response office into
24 military affairs at a division. However, you do have
25 emergency services, the oil spill response and the

1 National Guard all in the same division which provides the
2 elements of oil spill response. You just outline and
3 Marilyn has outlined.....

4 MR. HERZ: Could I make a comment?

5 MR. PARKER: Sure.

6 MR. HERZ: My concern is resources. If you
7 move control into an agency that is purely an emergency
8 and connected with a military model, the perspective of
9 the resources is in jeopardy of getting lost to some
10 extent. And, DEC may not have the expertise, but they do
11 have a perspective which is a resource dominated respec-
12 tive, I think. Fish and Game also we saw yesterday, had
13 expertise and knowledge of that habitat. And, it seems to
14 me that you need to have that resource perspective
15 particularly if we are going to do the kind of things John
16 was talking about. Your deploying our facilities and
17 response equipment to sensitive habitat. So, I would hate
18 to see the whole thing move to a place where they are
19 better mechanics who are better able to deploy people, but
20 who don't have the resource of protection.

21 MR. PARKER: Yeah, but we view it very dif-
22 ferently. Because I view it as the people having the
23 resource protection perspective being free to do their
24 particular jobs.

25 MS. HAYES: Yeah.

1 MARILYN: I guess I have two points to make.
2 One is that a spill a lot of times I have over the last
3 four or five years trying to paint legislation and change
4 what is in the statute books and you realize that you can
5 change them and say you know, who's in charge, whatever
6 you want and what you find happens in reality may be a
7 whole different thing. But, what he described.....

8 (LAUGHTER)

9 but, the other thing is that one of the
10 things that I have heard from many of the legislators when
11 they reviewed this 264 last session was, we don't want a
12 lot of people sitting around waiting for an incident to
13 happen. And, the beauty of having, you know, utilizing
14 through the interagency structure all of the resources of
15 DES and their access to their resources throughout the
16 country is that you have people in DEC who, while they are
17 not responding to an oil spill, they are reviewing
18 contingency plans. They are providing the drills for the
19 master plans. They are doing the resource planning. And,
20 I don't know if you separate those -- I just think no
21 matter where you put them, there's got to be direct line
22 between DEC and whichever that emergency response system
23 is. I think it's more important that you have a structure
24 that really works between those agencies rather than
25 worrying about where, how.

1 MR. PARKER: The problem that I don't see us
2 solving, though, unless they put the response group up
3 here and move a substantial part of their Contingency
4 Planning up where the oil is that we get into the situa-
5 tion as occurred in the spill. Headquarters in Juneau paid
6 no attention to their person who was out on point. As we
7 have documented evidence through the years, chapter and
8 verse. So, whatever we do we got to break through that
9 syndrome.

10 MR. DOOLEY: The Seward testimony in particular
11 illustrated the ICS approach in how that was utilized to
12 give priority protection to resource value. When you put
13 that in conjunction with the suggestion with emergency
14 services and that, there is a very real role for all those
15 resource agencies in determining those resources. Then,
16 you're response system responds to those prioritizations.

17 MR. HERZ: Where did the resources input in
18 that decision making the ICS --come from?

19 MR. DOOLEY: It came from statewide resources.
20 People participated in that. Some of them were local and
21 some of which came from other state or regional efforts.

22 MARILYN: I don't think this country has
23 used the Mac Committee as we used it in this last spill.
24 And, basically we brought in our resource owners, fish and
25 Game, DNR, Park Services, all of the people involved.

1 MR. DOOLEY: And the Chugach Native Corpora-
2 tion.
3 MS. WUNNICKE: And the shipper?
4 MARILYN: Right.
5 MS. WUNNICKE: Exxon...
6 MR. HERZ: Those are now standing committees?
7 MARILYN: Well, no and that would be
8 something that we would want to tie into the system is
9 making, you know, those Mac Committees aware that they are
10 an entity and that they might talk to each other or do
11 some sort of drilling when this whole drilling takes place
12 at the local level.
13 MR. HERZ: Also, in your #7 when you talk
14 about the local citizen's advisory group reviewing
15 contingency plans, I think they should be involved
16 materially. By the time the contingency plan is done it
17 is too late. They should be helping to identify Fish and
18 Wildlife and habitats early on in the early planning
19 process.
20 MR. PARKER: Well, that brings us to the
21 planning apparatus for contingency plans and it's ade-
22 quacy, but, what about the adequacy as you see it now, of
23 Contingency Planning as it exist. It's still in the same
24 place. Lynn Kent's (?) still doing Contingency Planning
25 down there in Juneau pretty much within the Department

1 with a good deal of outreach to Fish and Game as we heard
2 and so forth. How about the rest of the outreach on that?

3 MARILYN: Well, that's exactly, -- I think
4 there's a very big problem right now. I don't think
5 there's an outreach. I don't think the Contingency Plan -
6 - for, number one, they don't have the people in DEC to
7 review the Contingency Plans at all, right now.

8 And, I truly believe that this interagency
9 organization should be mainly passed with at least
10 reviewing the Contingency Plans after DEC's initial
11 review. Sort of another review of those to make sure the
12 other considerations are taking care of.

13 MR. PARKER: Well, we are going to spend
14 \$650,000 bucks over the next year developing the new
15 guidelines and reviewing and everything and I'd like to
16 provide some direction to that particular expenditures.

17 MS. WUNNICKE: Mr. Chairman, one of the great
18 virtues of the Contingency Plan remembering that as we
19 heard Contingencies -- we can't plan for every contingen-
20 cy, but one of the great virtues is that the affected
21 parties reach as much preagreement as possible so that you
22 are not in a position having to decide about disbursements
23 or you are not in a position of having to decide about -
24 - like coagulant or whatever, when that event happens and
25 it's continuing thing and you can't just do it and set it

1 on the shelf as Profession Lathrop said. It's a process.
2 It's not just one piece of paper.

3 MARILYN: That's right.

4 MS. WUNNICKE: That's why these locals and state
5 elements, I think are so important that those eyes are all
6 looking at that and agreeing in advance so that you don't
7 have disputes when the emergency happens.

8 MARILYN: Well, I guess I could just finish
9 up pretty quickly, because I think we have covered a lot
10 of things that are now in this whole body.

11 MS. HAYES: Before you do, let me ask you,
12 what the relationship or the differences are between what
13 you have described as a state response team and Esther has
14 proposed as the Alaska Pollution Authority. Are they, do
15 they...

16 MARILYN: The way.....

17 MS. HAYES: have a staff policy relationship
18 to each other?

19 MARILYN: Well,

20 MS. WUNNICKE: We developed these independent-
21 ly...

22 MS. HAYES: Well, I know, but.....

23 MARILYN: Well, no, what I would say if you
24 read the last few sentences of my report, I guess I really
25 believe that the prevention and the response have to be

1 separate entities. It's not to say that they don't
2 communicate and there shouldn't be communication between
3 those, but even it means creating in DEC, keeping it in
4 DEC and keeping both a response office and a prevention
5 office in DEC, on way to help prevention what Commissioner
6 Sund is talking about is if you have response and preven-
7 tion and they got all the permits and everythings else
8 they are working on they can't focus. But, if these
9 people are response office and they are actually passed
10 with response and planning for response and contingency
11 plans and drills, etc., they can keep their focus there
12 and they won't be drained. They have to be separate
13 entities and tied in with emergency response to hazards
14 and things, too.

15 But, I guess I would like to look at that further,
16 how that communication -- I see that pollution authority
17 is a total separate thing. This is a planning, almost as
18 pollution authority would oversee that that, you know,
19 say, 'well, maybe there's some problems in some of the
20 planning or that they haven't done inspections as well as
21 they should, or drills, for response.

22 I don't know what, Esther, thinks.

23 MR. PARKER: You brought up hazardous response.
24 What is the recommendations from staff on emergency
25 response and hazardous response? Could we move towards

1 pulling them together or should be leave them split out?
2 I mean.....

3 MARILYN: I think there are arguments for
4 both sides. But, I think especially through and it's here
5 somewhere in this report, one possibility is to actually
6 put this interagency committee that I talk about state
7 response teams, which I like it because I sort of feel
8 like we should have the Coast Guard and EPA sit on our
9 team and they'll be a minority rather than -- we're
10 sitting on their team and us in the minority. But, you
11 could put this -- make this a sub-committee of the state
12 emergency response commission which was created through
13 the Super Fund Amendments last time for emergency response
14 to hazardous substances. It was not intended for oil
15 spills, but some of the planning processes that you have
16 in that emergency response commission and plan makes
17 sense.

18 For example, and it ties into what Commissioner
19 Herz was saying. You have from this emergency response
20 commission which is chaired by DEC and co-chaired by
21 Emergency Services, you have local emergency planning
22 committee in each region of the state which is usually
23 chaired by the local fire department or some sort of
24 entity like that. And, they are in a planning process.
25 And, I should say this is a new process and it hasn't been

1 fully developed and I think that's why the oil response,
2 for example, maybe for the region of Prince William Sound,
3 their local emergency planning committee is dealing with
4 oil. Or terminal kinds of problems, or spills, or
5 whatever. Whereas the one in Fairbanks might be dealing
6 with refineries of some other type, you know, hazardous
7 substances causing a potential -- or whatever.

8 I haven't completely in my mind pulled these two
9 ideas together, but I think there is a connection between
10 them. The emergency response commission which involves
11 DEC and DES and these local planning committees, with, for
12 example, 264 where you have the response corps of volun-
13 teers. I mean, these local emergency planning committees
14 are made up of volunteers. They don't have an incident
15 command structure, but they probably should tie into
16 something like that or hazardous substance where they can
17 access those resources all over the country or in the
18 state for an emergency that might be pending.

19 But, yeah, I think hazardous substances, especial-
20 ly

21 MR. PARKER: Well, you know,.....

22 MARILYN: since it's another way that you
23 are not having people sitting around waiting. You have
24 people working on several different types of aspects of
25 events.

1 MR. PARKER: Yeah, the main problem, you know,
2 between the two is that one is geared towards examining a
3 tank car or tank size spill, 35 to 65 tons where the other
4 is geared towards the 250,000 ton tanker type spills. So,
5 whether we can marry those two perceptions, we need to
6 think.....

7 MARILYN: And that's the difficulty.
8 Because, maybe within this planning structure you need oil
9 and hazardous substances. But, the planning structure
10 could be the same so that it is not all over the place.
11 Because you might have what the spill -- a local community
12 affected with -- I don't know, maybe something like if
13 there was a burn where they had to evacuate people
14 immediately, just like you would in an explosion with
15 hazardous substances or something like that. I don't
16 know.

17 MS. HAYES: I'm not, Mr. Chairman, I'm not
18 sure exactly whether you are recommending that the people
19 who do the planning are also the people who do the
20 response on the local level. I think I would have a
21 problem with that. I think that keeping them distinct is
22 valuable. I am much taken with the idea of having a
23 people who actually do the responding to the spill being
24 under the Department of Military Affairs. And, having
25 these trustee group, to use somebody else's word, be the

1 advisors to that, essentially the MAC committee. And,
2 have that same kind of MAC committee, including local
3 advisory groups involved with the planning process.

4 I'd like -- I personally am intrigued with the
5 idea of the Alaska Pollution Authority, partly because I
6 was struck with the comments from DNR yesterday about, I
7 don't know if it was yesterday, now, or not, about their
8 monitoring the enforcement reports on the pipeline. That
9 -- I think that regardless of whatever kind of budget
10 problems and things like that that have happened and maybe
11 they are going to be given more attention to it with their
12 new division of pipelines.

13 But, I think, so far that discussion hasn't come
14 about using the existing systems and the Mini-Cabinets and
15 all of that that DNR with their inspection respon-
16 sibilities haven't adequately communicated with DEC and
17 Fish and Game about what they are finding and what the
18 concerns are and the linkage back and forth. And, because
19 that hasn't happened already, I like the idea of having it
20 happen on a cabinet level for that kind of reporting and
21 communication processes.

22 So, I see them as being sort of mutually suppor-
23 tive.

24 MR. PARKER: Yeah, despite what the division
25 level people tell us, we all know from past experiences in

1 similar situations that unless there is a constant high
2 level pressure to co-ordinate the (?) Department coordina-
3 tion does not occur.

4 MS. HAYES: I'm not sure that that is still as
5 accurate as it used to be. But,.....

6 MR. PARKER: Well, unless the system -- you
7 described the other day.

8 MS. HAYES:it's one of the systems.

9 MS. WUNNICKE: A system that has been systemized.

10 MS. HAYES: Systemized, yeah.

11 MS. WUNNICKE: Whatever.

12 MARILYN: Yeah, that's exactly what I'm
13 talking about. Systemizing something.

14 MS. HAYES: You have to have something
15 regularly.....

16 MR. PARKER: But, planning isn't a systemized
17 thing. By it's nature, planning has to be initiated. Al?

18 AL: Mr. Chairman, in considering the separa-
19 tion between planning and response or planning and
20 execution, I think you might want to reflect on how
21 knowledgeable you want the people to be who are conducting
22 the response. Alternatively, how knowledgeable you want
23 the people to be who are doing the planning.

24 At present, with the Alyeska Contingency Planning
25 you have Alyeska employees preparing the plan who know the

1 state of the equipment, the location of the equipment, how
2 to operate it, etc. And, their knowledge of that goes
3 into the formulation of the plan as well as a sort of
4 review capacity knowledge developed by State people.
5 Those are in many cases the same people who are there for
6 the response when a spill occurs.

7 And, the way you define a separation between those
8 two is going to affect the kind of knowledge that is
9 brought to bear upon the implementation, the execution
10 stage of your Contingency Plan.

11 So, a (inaudible) separation may not be as good an
12 idea as it appears.

13 MR. PARKER: Okay, thank you for bringing that
14 up Al.

15 MARILYN: Al is an investigator.

16 MR. DOOLEY: It seems like a lot of ground's
17 been gone, but there's one element that we haven't
18 mentioned in four days here. It seemed to have controlled
19 the imagination of everyone involved. I don't see anybody
20 mentioning an attorney in this. And, I hate to bring it
21 up.

22 MR. PARKER: Well, we are trying to keep them
23 out of it.

24 MR. DOOLEY: But, there better be a defined
25 role of the Attorney General's office. Of course, my

1 prejudice would be put him in Europe somewhere while you
2 are working here.

3 AL: Oh, but Dennis, that's the Spill Com-
4 mander.

5 MR. DOOLEY: But, I think you need to define
6 what that role of the AG's office is and beforehand
7 planning and/or afterwards in terms of -- because they did
8 have without a doubt a very strong influence.

9 Then, as we heard yesterday - planning for next
10 year.

11 MARILYN: And, that's (inaudible) --
12 longterm.

13 MR. PARKER: I think you have to, you know...
14 Response legislation has to be written so that the
15 imperative to respond is absolute. I don't think you can
16 write it so -- you know, that's what we are attacking.
17 You know, the Attorney General and indeed the attorneys
18 for the shippers, the federal attorneys, all of them come
19 in through those great loop holes that exist in the
20 existing system and that's what we have to go sew up.
21 And, this, you know, when we get to dithering over who the
22 responsible clean upper is going to be - if we don't have
23 a system where the response is absolutely imperative, why
24 we haven't made any real ground.

25 It gets back to Response Number One.

1 MARILYN: Maybe I could just finish up and
2 then -- I mean, I think we have discussed almost everyth-
3 ing here, but there are sort of three parts that I see is
4 critical to an effective state oil and hazardous substance
5 spill responses.

6 One is Contingency Planning and review. Assuring
7 that there is adequate resources for that Contingency
8 Planning. If the state is really going to review those
9 Contingency Plans, that the industry has, they need to
10 have the resources to do that. Presently, there are few
11 people passed with that job. I think it's two or three in
12 the main office in Juneau.

13 MR. PARKER: While the Contingency Plan has
14 been in Anchorage.

15 MARILYN: Or,...

16 MR. PARKER: Or wherever, you know.

17 MARILYN: Prince William Sound or wherever,
18 right.

19 And, one possibility is to take that funding out
20 of the 470 fund for Contingency Planning and Review of the
21 Industry Plan as well as the 470 funds for the Master
22 Regional Contingency Plan.

23 As well, I think there need to be resources
24 available for the less-than-catastrophical oil spill and
25 I think there also needs to be better management for

1 spills. Now, we are probably all going to be ready for a
2 spill, well, as best we can, for a marine spill. But, I
3 mean, if there's a spill, the pipeline and the Yukon
4 River, or a spill elsewhere, I don't think that the
5 agencies are ready to respond and I think that there needs
6 to be a coordinating effort to make that happen.

7 And, the second part is a local state and federal
8 coordination for emergency response planning and prepara-
9 tion. And it's got to be systemized and it's got to be
10 in place and if it means putting in statutes whatever you
11 have to do to make that happen and keep that committee and
12 that coordination alive after, you know, after a year
13 after a major event.

14 And, the third. Possibly, if this decision is
15 made by the Commission, an adequate state resources to
16 respond to the spill in the first 72 hours in the case a
17 responsible party is unavailable.

18 I would say, though, in looking at that, there's
19 a lot of discussions that must take place for that first
20 72 hours. First of all, how are we going to prioritize our
21 idea of what a clean up is. Is that going to be protect-
22 ing resources or is it going to be taking the oil out of
23 the water? And, you know, the other area with that is
24 whether the state is going to contract out for those
25 resources under our contract or if we are going to own

1 them and have them available. And, that will mean, if you
2 are going to respond in the first 72 hours as a back up in
3 the case a responder is not available or not doing his job
4 that needs to be done, you are going to have to have more
5 resources rather just depending on an incident command
6 system.

7 If you are planning to respond yourself you are
8 going to have to have more resources on staff as far as
9 people to respond to in that 72 hours. But, if it is a
10 contracting out, I think we need to carefully review how
11 we have contracted out Contingency Plans in the past and
12 how we can make sure we don't face the same problems that
13 industry might face when they contract us.

14 I guess, the last thing, I'm not sure, I mean, I
15 think these are elements and I understand Commissioner
16 Wallis' frustration, because I usually don't think in
17 elements, either. I like to draw the picture of how it
18 exactly fits, but by working with the Commission I have
19 learned to pull out view that side first and I think that
20 if you get the basic elements, then you can decide where
21 the structure falls. Am I confusing you? And, how that
22 structure is carried out.

23 And, I haven't covered everything, but certainly
24 the report is available to look at.

25 MR. PARKER: Are the.....

1 MARILYN: Oh, attached, by the way is 261
2 and 264. The Bills which you have gotten before, but I
3 figured it might be easier to have them with us. And, a
4 summary. I have never seen a one-page summary of incident
5 command systems which is nice to see, because I have seen
6 a lot of fat books. That's also attached. I received
7 that from the Department of Natural Resources.

8 Oh, the other thing that I am suppose to do now is
9 introduce Sharon McClintok, who is our contractor, as
10 everyone knows. Looking at the response in local com-
11 munities Alaska and the spill areas. And, she is going to
12 provide us with, I think, some of the recommendations that
13 she has heard from these local communities on how to
14 response and it may supplement some of the things that I
15 have done.

16 MR. PARKER: You don't mind if we talk back to
17 you with our mouths full, do you, Sharon?

18 MS. McCLINTOK: Well, where's my sandwich?
19 Okay.

20 In my report, I am going to briefly summarize the
21 spill response efforts and the various small communities,
22 to give you an idea of what occurred there and what the
23 basis of their recommendations come from.

24 Now, I have been out in the field for over a month
25 and last week was the first time I was in town for more

1 than three days at a time. And, October wasn't a very
2 good time to travel because so much was going on in a lot
3 of these communities and weather conditions either kept me
4 from going in or going out three or four times in the
5 times that I was out there.

6 So, following the September AOSC meeting, I
7 finalized an interview question sheet for use during the
8 communities and it was important to get a whole picture of
9 what occurred in these villages before I went out there.
10 And, I prepared an outline for my response report and
11 conducted research on the availability of information from
12 communities to give me an idea of where we should go
13 first.

14 And, we also developed a schedule after assessing,
15 you know, with AOSC staff which communities might require
16 a field visit and then made contact through phones and
17 letters to all of the affected communities. Originally I
18 thought that there were nineteen that were impacted and
19 later, like several weeks later, I found out that there
20 were two other villages that nobody had really known about
21 that were also impacted. So, this brought a total of 21
22 villages that impact from the oil.

23 Given a short time span I was only to get to about
24 half of them. So, my report will focus on what occurred in
25 these communities. The response efforts there, the

1 interaction with the different agencies and also their
2 recommendations.

3 I began travelling in the first week of October
4 with visits to English Bay and Soldovia. The information
5 gathered from these two communities provided a real early
6 indication that the response efforts did differ. But,
7 many of the recommendations were similar. In English Bay
8 the spill occurred at the worst time when the spring
9 gathering was just beginning. Fishing was just about to
10 begin. Heavy oil which polluted their hunting grounds and
11 sunk deep into their beaches caused severe environmental
12 and economic impact. Although the money that was earned
13 by 70 residents enabled them to purchase things that we
14 consider necessities, the villages deeply affected by the
15 loss of their subsistence.

16 In early April, English Bay was in direct line of
17 the oil currents, but communities further away received
18 higher priority and obtained equipment and resources
19 before they did. There was a delay in the arrival of
20 equipment and resources. And, when they came they were
21 not sufficient. The workers who cleaned the beaches were
22 denied the use of shovels and were continually ordered to
23 change methods of cleaning. They were treated like they
24 didn't know anything. And, despite the severity of the
25 oil spill, damage on their land, and the good weather they

1 were pulled out early and the beaches were not cleaned.

2 They said that if they had been left to themselves
3 and provided with the proper equipment, they could have
4 done a much better job. Local control of the response
5 effort they said was important. They knew the local
6 capabilities, they knew what equipment was needed and what
7 cleaning methods worked and they knew the weather in all
8 the areas. They were very familiar with all of those
9 areas and the currents, too.

10 And, some of the recommendations that they
11 provided were prevention first, then preparation.
12 Communications between agencies is needed they said. But,
13 politics and the prioritization of sensitive areas for
14 clean up is not. They want to see studies done on the
15 movement of tidal current so that the approach of oil can
16 be controlled and so that knowledge could be known by
17 people that are making decisions. They said the technol-
18 ogy is there or somebody knew and why wasn't it there?

19 They also want equipment stored in English Bay so
20 that if another spill does occur they would be prepared to
21 deal with it and they need a place to store collected
22 oil.

23 In Soldovia, residents knew from day five that the
24 oil would impact them. They met with Exxon and the Coast
25 Guard early on. The Coast Guard assured them that it

1 wouldn't come their way. Nothing was done so the com-
2 munity organized a volunteer response effort. Their local
3 fire chief is appointed as emergency operations officer.
4 Their corp team checked charts, discussed boom designs,
5 availability of logs, inventoried resource people and
6 equipment and called for volunteers.

7 150 people answered the calls and the City donated
8 office space, while local people donated what they had.
9 What they lacked in technical expertise they made up in
10 inventiveness. Their goal was to build 8,000 feet of long
11 boom to protect Soldovia Bay and their harbor. By the
12 time they prepared their boom, and were ready to deploy
13 it, no one was out there yet. Then, their workers spotted
14 oil. Exxon was out in Picnic Harbor, but they didn't do
15 anything.

16 VECO came in on April 12th and began hiring.
17 Mixed feelings resulted and as the community effort
18 defused, their spiritual drive was lost. The attempt at
19 the clean up once the oil hit the water was hampered by
20 too many agencies, too many regulations and always a
21 concern that somebody would shut you down.

22 The people did the best they could under the
23 circumstances and the recommendations that they provided
24 are very extensive and many of them are summarized in my
25 later local response recommendations.

1 Though ,Port Graham was on my original travel
2 schedule their community leaders were in negotiations with
3 Exxon to contract for winter shoreline monitoring. They
4 suggested travel after the AFN Convention. Over the
5 phone, their chief commented that there had been too many
6 flunkies running the show.

7 The week of October 9th included travel to Kodiak,
8 Akiok, Larsen Bay and Karluk. It was interesting to visit
9 these communities that were located so far away from the
10 origin of the oil spill and to hear how they incountered
11 many of the same problems with response.

12 Kodiak's fishing economy, government, construction
13 and services were very much affected. Initially the
14 agencies merely kept the community informed as to the
15 progress of the report to the progress of the oil, since
16 the oil was not expected to impact Kodiak at all.

17 A previously established Emergency Services
18 Council composed of Kodiak's City Borough and Coast Guard
19 Support Center Officials were utilized as a key coodina-
20 tor. Their reaction and cooperation was very good.

21 Impact assessment were begun immediately after the
22 oil was spotted. When work forces were mobilized there
23 was a lack of delegation of authority in the field.
24 Delays were encountered because decisions had to be made
25 at regional headquarters or higher up. Shoreline clean up

1 assessment teams analyze priorities passed them onto the
2 onscene coordinator who in turn passed them onto Exxon for
3 assignment to do clean up work.

4 Organizationally it worked very well. But, local
5 officials had

6 (change of tape)

7stockpile back amounts of materials locally. They
8 need to be allowed to manage their own clean up operation
9 with assistance from state and federal agencies and to
10 be assured timely and adequate reimbursement. The state
11 or federal government should be in charge of the clean
12 up, not the spiller they said.

13 So, oil industry should be required to accumu-
14 late a response fund of two to three billion dollars.
15 They also would like to isolate the responsible parties
16 from direct control as this would eliminate the adver-
17 sarial conditions which existed and inhibited the clean
18 process on their island.

19 In Akiok, you know, this was an area that we had
20 no information whatsoever on. Nobody had been there and
21 I got to stay there an extra day because the gale force
22 winds kept me there, so I got quite a lot of information.
23 Their efforts began in early May with the arrival of a
24 boat from Kodiak, loaded with booms and clean up equip-
25 ment. Although people here were more prepared for the

1 spill than other communities, they were unprepared to
2 deal with the problems encountered in the overall
3 response effort. This is on a local level.

4 The competition for only a handful of jobs, there
5 were only a total of 15 available in Akiok and only 13
6 of those went to local people. The disruption of
7 families, the ineffectiveness of their clean up efforts
8 despite how hard they tried; the burdens placed on the
9 city, both financially and staffing; cleaning oil instead
10 of fish; and the uncaring attitude of the oil company
11 caused much turmoil. The lack of participation in their
12 subsistence activities caused extensive loss that was
13 both physical and spiritual. Their sobriety movement
14 dropped from 85% to 55% and many families moved out.

15 Local people knew where the oiled areas were and
16 as part of their job they informed Exxon where they were.
17 Exxon flew over a 100 yard stretch of beach instead. It
18 wasn't bad out there and nature will clean it up. So,
19 their faith in the oil company was totally gone and in
20 addition to all the feelings of disparity that they had,
21 they said, well they don't care at all, so that added to
22 their feelings of disparity.

23 Now their recommendations were for having a
24 good contingency plan and have the spiller provide
25 matching funds so that lead organizations in the com-

1 munity would not have the problems of shortages of staff
2 and the strain on their budget. The leaders know what
3 type of equipment is needed and they want it stored
4 there. But if it can't be stored in Akiook, then store
5 it in Kodiak, 'cause there at least they can get it in
6 a more timely fashion. And they also want to see that
7 everybody that wanted to work is hired and trained. A
8 lot of people fell through the crack there and a lot of
9 people that depended on subsistence have not only no
10 jobs, no money, but no subsistence.

11 In Larsen Bay, people were out of town, a lot of
12 people were out of town and the village leader had the
13 flu, but was still trying to catch up on all of the tasks
14 that were left undone during the summer. A much needed
15 hydro project which should have been completed that
16 summer was still not done. And so their workers were
17 trying to complete it in the cold.

18 When advanced into the Shelikof Strait, people
19 could only watch helplessly. When oily moose was spotted
20 drifting into the bay, Larsen Bay organized their own
21 volunteer force. They obtained fish totes from the local
22 cannery and used private skiffs and bailers to contain
23 the oil. The bailers and five gallon buckets with holes
24 in the bottom were used to scoop up the oil for transfer
25 to the hull of the salmon seiner. No professional

1 equipment had been sent to Larsen Bay yet, despite their
2 request to Exxon. They said Exxon just ignored them.
3 The volunteer crew, with their fishing equipment, picked
4 up 6,000 gallons of oil during the first week. They were
5 averaging 20-30 drums a day and they were all -- they
6 weren't on VECO's payroll yet. They were doing this on
7 their own.

8 When VECO came in later, the volunteer workers
9 had their system pretty much under control. They needed
10 VECO's resources and support, but they didn't appreciate
11 what they considered inept efforts and interference.
12 When VECO took over, they imposed all sorts of rules for
13 the clean up, changed tactics for clean up, and nitpicked
14 about things like tying the bags or taping the bags,
15 instead of tie them. And they made them untie them and
16 tape them. And that wasted a lot of time there.

17 The beach workers took their orders from their
18 own coordinator. A VECO coordinator would come in and
19 say do it this way and when he left their coordinator
20 would say well, it's better if you do it this way, so
21 they followed him. And they said, who cares if it's a
22 Plan A or Plan A beach cleaning. We just want to clean
23 the beach, all of it.

24 When their workers de-mobilized on September 5th,
25 52,000 bags of oiled waste had been collected in addi-

1 tional to all of the gallons of oil. They said that the
2 state should have done the organization, not Exxon. And
3 local people should be hired to clean up their beaches,
4 instead of outsiders. Prevention of oil spill should be
5 number one, they said. In Larsen Bay, even if they are
6 prepared, there is little people can do with very few
7 resources and the booms that were sent just broke apart
8 in their type of waters.

9 The next day I was able to make it to Karluk,
10 barely. The pilot said the weather was turnin rapidly
11 and no planes would probably be in for who knows how
12 long. So, I left thinking that I'd be able to get the
13 information from the notes that came from the Commis-
14 sioners that went there and also I hoped that they would
15 be able to make it in for AFN so I could track them down.
16 And then, I'd try and get the information over the phone.
17 Now the weather socked in for over a week and they
18 weren't able to come in for AFN.

19 But, I did talk to KANA, the Kodiak Area Native
20 Association in Kodiak and they had mentioned that
21 originally Karluk had not been included in the priorities
22 that were established in Kodiak. And the folks from
23 Karluk were happy at all about that. The community's
24 priority was to protect the Karluk River, the home to the
25 largest run of reds in the state. And from information

1 that I had gathered over the phone, the response effort
2 was delayed, unorganized, crews ate spam for two weeks,
3 the water was so shallow that boats could only be used
4 at high tide so people would have to walk over a mile
5 just to deposit their bags of oily waste that they had
6 collected.

7 The village got shafted by the state when funds
8 from CRA were distributed. Personal equipment was used
9 without benefit of contract and they said too many
10 promises weren't kept. Many families left that village.
11 Their population dropped from over 90 people to about 60.
12 Exxon's clean up, they said, was a hit and miss, but
13 people -- and people are still paying the price.

14 During AFN week, I did get to track down some
15 people from the places that I wasn't able to go to. And
16 then I attended a meeting between the Chugach and Koniak
17 villages with their lawyer. And it was real interesting,
18 'cause he told them that they had to be careful what they
19 tell anybody about any aspects of the spill, particularly
20 their socio-economic impact and it was advisable not to
21 comment at all. And so I knew that the possibility of
22 getting information from some of these villages that I
23 hadn't gone from some of these villages that I hadn't
24 gone to yet would be influenced by what he said. And he
25 said the timing for their lawsuit could be as long as 10

1 years. So, my original plans the following week were to
2 go to Cordova, Tatitlek and Chenega Bay. Tatitlek has
3 requested a later trip since their people were out of
4 town. They couldn't even get a quorum of their counsel
5 for the last two months and they were tired of inter-
6 views. And they commented, why don't we just send one
7 person instead of 15.

8 So, I tried to gather information over the phone
9 and from notes and I'm hoping that maybe things will slow
10 down and if there's time I can go there, 'cause I have
11 a lot of gaps from what occurred with their response
12 efforts there. But weather delayed my trip again, but
13 I was able to make it to Cordova. I've got 16 hours of
14 interviews from Cordova and their response began from
15 scratch and their volunteer efforts were heroic. Their
16 fishermen's group had members who knew what was going on
17 at all times. They were familiar with Alyeska from
18 dealing with them for the last 20 years. So, I had the
19 most extensive batch of information and recommendations
20 from this community, some of which I've got summarized
21 later.

22 When I returned to Anchorage, logistical problems
23 and weather prevented a trip that week to Chenega Bay.
24 I couldn't even get out of Anchorage because the lakes
25 were frozen and the amphib planes couldn't go out, so I

1 had to drive to Seward just to get there.

2 I did get there the following Monday in very cold
3 and windy weather. To my surprise, Exxon folks were
4 there. I wasn't expecting them at all. And they were
5 there, in their response boat, to train local people to
6 deploy booms.

7 During a village meeting, they explained to
8 people what they hoped to accomplish in their training
9 and answered questions for about 1/2 hour. They also
10 sheepishly explained that the boom to be used in the
11 training a frozen in a Connex box, this is a cargo van
12 in their response boat. And when they opened the door
13 they ripped it. They admitted they didn't know how to
14 patch the boom, they would need local people to help
15 them; people who had already worked with the boom in the
16 summer.

17 This effort was to have taken two day. On the
18 second day they tried using a space heater to thaw it
19 out, because it was still frozen in its box. At the
20 meeting I got to explain who I was and that I wanted to
21 talk to as many people as I could. Then Exxon said
22 people needed to be there at 7 a.m. the next morning.

23 So most of my interviews were conducted until 11
24 o'clock in the evening, because everyone that was
25 involved in the winter were to be gone the next day and

1 the day after that. An individual who had seen my
2 interview sheet, which is 5 or 6 sheets, he commented
3 that Exxon would like to know the answers to those
4 questions too. And the AOSC information being public
5 they could probably use it against them in court. He did
6 give me some good recommendations nonetheless.

7 My first interview the next morning provided a
8 lot of information. My second one brought hesitant
9 information. By the time I got to the third one before
10 noon, there were "no comments", "no comments". I knew
11 then that the word had gotten out and that people weren't
12 commenting. But I did get a very complete picture of
13 what happened in Chenaga? Bay.

14 Now one of the people that I interviewed said
15 that his parents were washed away in the 1964 earthquake,
16 when the sunamis destroyed the original Chenaga Bay
17 village and the residents scattered. It took many years
18 of planning to reestablish their community, but they did
19 in 1984 and they were all self sufficient. In late March
20 their village was asleep and still in a winter mode when
21 the spill happened. The sea life disappeared, they were
22 invaded by agencies, the media, and oil company person-
23 nel; panic set in; helicopters and planes flew overhead
24 and landed all day; commercial fishing was cancelled;
25 coordinators arrived from every part of the universe.

1 The clean up for the community was not deemed an
2 priority in the beginning. People were mobilized and
3 put on standby for 10 days. Then they were sent to work
4 40 miles away while the oil washed on their own backyard.
5 The community was reeling in shock, the environment and
6 subsistence was destroyed. The uncertainty of the future
7 left this elder feeling homeless again. And the thought
8 that the bones of his parents were probably covered in
9 oil brought tears to his eyes and he said "it hurts
10 inside."

11 And so he said, "We're glad the commission sent
12 somebody here. The Governor went to Tiktiklik? but he
13 didn't come here. When you go back, tell them what
14 they're doing is good. We need to have someone help us,
15 but we can't just have a piece of paper." He was
16 referring to the report of the AOSC. He said "Let them
17 know what is happening to us." Because no one had really
18 been out there. And all the reports that came in were
19 slanted, and not accurate in the media. He said "The
20 impacts need to be known. The information needs to be
21 noticed. Maybe someday somebody will understand and will
22 be able to do something about our situation."

23 The spill impacted all communities on all levels.
24 What I saw in these communities was not a normal situa-
25 tion. All that was important to people were basically

1 destroyed: subsistence, the fishing economy, trust in
2 the industry, our own government, the beauty of the land,
3 the death of the water and wildlife, and the realities
4 of how people really got jerked around. And, the fact,
5 that the beaches are not clean and the spiller appears
6 not to care at all. Changes definitely need to be made
7 on all levels.

8 In assessing the whole situation, there were
9 definitely identifiable factors which influence a
10 response in all these communities. They included the
11 leadership, politics, preparation, organization--up and
12 down the line, knowledge of who to contact, communica-
13 tion, availability of local resources and this includes
14 people and equipment, availability of funding, support
15 from agencies and community spirit, and to get a real
16 clear assessment of why there were different causes and
17 results and effects. You need to know what happen on all
18 levels.

19 I got a lot of facts with regard to the response.
20 And it seems like hundreds of recommendations. Many of
21 them are the same things that I hear everyone else
22 recommending. Prevention; preparation; stricter laws;
23 enforcement of them; tanker safety; training; having a
24 good contingency plan in place; taxing the oil companies
25 for future cleanup expenses; not having the spiller in

1 charge of the cleanup, but be responsible for paying for
2 it; amending the Jones Act; better coordination among our
3 agencies; etc.

4 But I also have a lot of common sense ones, ones
5 that elicit a more effective response on the local level.
6 This is what I've gotten. I've conglomerated most
7 everything I can think of from the small villages, the
8 fishermen and the beach workers, people that don't know
9 what a contingency plan is. Local response efforts need
10 to be structured to meet local situations, in terms of
11 needs, resources, existing decision making infrastructure
12 and priority. The team should be headed up by a coor-
13 dinator or a logistical person who is respected by a
14 local authority in the community. Perhaps a smaller
15 community should consider adopting an incident command
16 structure, as it is a good method to organize response
17 mechanisms.

18 This organization needs to have the authority for
19 oversight and the ability to override bureaucratic
20 decisions if necessary. Locals need to be involved in
21 the development of any contingency plan or plans to set
22 up the response effort. The team would need to establish
23 a predesignated list of resources of equipment and
24 people. For example, a system to inventory local boats
25 by category; establishment of talent pools which em-

1 phasize local hire; and a complete list of equipment
2 specifically tailored to the area.

3 The team would determine values for priorities
4 of areas, involving local knowledge and in coordination
5 with state and federal agencies. The input from local
6 people is vital because they are familiar with their
7 areas, the sensitive areas, the winds, the tides, the
8 weather and local resource potential.

9 By now, they know what equipment works and how
10 much is needed. They say the equipment needs to be
11 available and stored in the community or in a regional
12 site. Training is needed in cleanup and containment
13 methods,

14 emergency and safety measures, personnel management,
15 recordkeeping and contract understanding, to name a few.
16 Videos, booklets, workshops and classes can supplement
17 practice drills and simulated response actions, hands-
18 on experience and on-the-job training.

19 Meanwhile the state needs to redefine the
20 criteria for effective cleanup. Technology and oil spill
21 cleaning must advance. Twenty year old equipment and
22 techniques didn't work very well. Advances in separating
23 oil from water are needed to maximize recovery.

24 We need to learn everything we there is to know
25 about the spill effect on the environment, social

1 impacts, and response techniques in case a spill gets
2 away again. An inventory of world-wide equipment
3 available needs to be on-hand. A clearinghouse for good
4 ideas needs to be developed.

5 Communications among agencies and with the
6 command center needs to be improved. Designated phones
7 for emergencies situations should be located in all
8 communities. Emergency situations need to be recognized
9 and delay should not be allowed to occur in responding
10 to them.

11 The state should require oil companies who do
12 business with the state to fund any response efforts
13 before any spill occurs. The funds could also come from
14 state and federal governments. We need to lobby for a
15 3 cents a barrel tax for the superfund. The federal
16 government should not have to impose taxes on the public
17 to fund cleanup costs. The bottom line is either the
18 public pays or we put the burden on the oil industry.

19 The government needs to regulate and control
20 tanker industry on the federal level. The American Board
21 of Shipping needs to set standards for the construction
22 of ships. And those standards needs to meet those for
23 the Gulf of Alaska. The state needs to get tough with
24 the oil industry. The industry needs to meet certain
25 standards and comply with laws and regulations. And if

1 they don't, shut down their operations or shut down the
2 pipeline, or impose fines and penalties. They also need
3 to improve there upper level management. The tax
4 agreement provision needs to be upgraded and interstate
5 restrictions need to be improved.

6 Finally, someone needs to come back to complete
7 the cleanup. Not necessarily Exxon, but they should pay
8 for it.

9 Now this report only provides a summary of the
10 case studies and recommendations. I wasn't able to get
11 a whole picture of what occurred in all the places that
12 got oiled. Therefore, I don't have a complete picture.
13 I hope that there is sufficient time for someone to add
14 on to this report as time goes on. I was only able to
15 spend one day in each village, where I needed to spend
16 three. We all need to know what happened in all of these
17 communities with regard to the response, because that's
18 where the recommendations that work are going to come
19 from.

20 PARKER: Thank you, Sharon, for that gripping
21 report. It brought back a lot of memories from our own
22 visits to the villages.

23 WUNNICKE: Sharon, do you intend to look at the
24 testimony before the commission with respect to Seward,
25 Homer and Valdez also.

1 SHARON: At the time that I was ready to go
2 to Cordova I didn't have them in front of me. The other
3 places that I needed to go, some of them weren't ready
4 yet. What I needed, after I got back from the com-
5 munities, was to put everything done. I needed more than
6 three days to pull all of this together. And then look
7 at what information is available and build them in. And
8 then stand back and look at it, and say why did this work
9 here and why didn't this work here. Until I got a whole
10 picture of what occurred I wasn't able to say why things
11 worked better in other areas and why not in others.

12 HERZ: I think we talked about this when you were
13 setting up. But I think it would be extremely useful,
14 the information in here is wonderful and useful, but it
15 seems it would be even more useful if it could be
16 tabulated in a way. I think better when I can see things
17 in tables. If you could list each of the communities,
18 and how many people in a given community participated in
19 the clean, I'd like to get a sense of what proportion of
20 the community that is. If we could list how big the
21 community is, who participated, then some of the observa-
22 tions.

23 There seems to be a recurring theme in the ones
24 you presented here in terms of the kinds of things that
25 were found. Perhaps you could set up some kind of a

1 matrix that lists problems encountered and recommenda-
2 tions, so we could get a sense if there is pattern among
3 all of these villages and the other ones we have visited
4 that you haven't included.

5 SHARON: I do have that. And it's more than
6 50 pages long. This is only my summary. What I did...I
7 don't know....I've got a copy of my outlined response
8 which goes into quite a bit of detail not only about the
9 spill itself but the community. Each community I devoted
10 at least 7 pages too. Outlining.....

11 HERZ: Did you summarize it in any table
12 form that would make it easier to digest?

13 SHARON:No, I have not. It is more in
14 a report form at this time.

15 HERZ: Is that something that might be
16 possible for you to do?

17 SHARON: Before November 30?

18 HERZ: I don't know that our deadline for
19 that would have to be November 30.

20 PARKER: I think at least (inaudible) but
21 other must have (inaudible), going through Sharon's major
22 report and extracting those common elements that you
23 mentioned and relating them to the development of what
24 our local response recommendations are going to look like
25 is a critical thing.

1 HAYES: Sharon, I would hope that your final
2 report to us would be able to group some of those things
3 together. For instance, I'm wondering whether you
4 noticed any distinction between the way the Kodiak
5 villages that you went to had a local government, the
6 Kodiak Island Borough, to buffer or interrelate or maybe
7 was simply another obstacle. Presumably played some kind
8 of role in the cleanup which the Prince William Sound
9 communities did not have. There was some other coor-
10 dinating group which acted for the Sound areas, perhaps
11 it was Chugach that acted for the Sound areas. I'd be
12 interested in your final report of having some distinc-
13 tions and some observations whether a local government
14 was helpful or a hindrance. And a recommendations on how
15 that might be able to be strengthened for the future.
16 Mike, is that something that you'd be interested in as
17 well?

18 HERZ: Yes.

19 SUND: Just to take this from the local to
20 the mega-scene, I guess, there are other people in this
21 country looking for our observations. In one sense,
22 these local communities in comparison to the United
23 States are quite small, and impacted in a different way.
24 It doesn't say that local communities... I try to
25 picture this oil spill on the East Coast, covering half

1 of the East Coast. Spread it 800 hundred miles from
2 Florida up to Washington D.C., or take the West Coast or
3 the Gulf; and picture Exxon going in with its Veco type
4 of team, into every community and private village and
5 private beach on 800 miles of the West Coast or the East
6 Coast and think of what the reaction would be. I think
7 there's a lot of things that are transferrable out of
8 what happened here on a very small scale, but a very deep
9 scale which disrupted entire villages lifestyles. As to
10 maybe this is something we can offer to the rest of the
11 nation that they ought to think about in their contingen-
12 cy plans and how are they going to involve local people
13 in their planning process. From my understanding, most
14 contingency plans don't really have a local element
15 involved in them.

16 WUNNICKE: Good point.

17 SHARON: Just a comment to your comment, Meg,
18 about the involvement of the Borough in the cleanup.
19 There was a lot of good organization handled by the
20 Kodiak Borough and city, which was lacking in Prince
21 William Sound who has mostly unincorporated communities.
22 Even so that, the element was there, you could see the
23 difference.

24 WUNNICKE: What the Kenai Peninsula Borough in
25 relation to Seldovia, same question?

1 SHARON: Seldovia said that early on the mayor
2 for the Kenai Peninsula Borough had flown to Valdez and
3 came back. He'd already called and said I'm going to
4 Valdez to get a status report and when I come back I'll
5 let you know. That's all they did. I got very little
6 indication of the effective of the Borough in that area.
7 They said there could have been more involvement from the
8 Borough. They've got political clout. They've got a lot
9 of information on these communities. They've got a good
10 GIS system that shows where everything is. I mean, the
11 knowledge and resources they have is there and it could
12 have been utilized a lot more efficiently.

13 HERZ: Listening to Sharon and listening to
14 testimony we had when we were in the various communities,
15 and listening to the fishermen, there is a great deal of
16 frustration about Exxon ignoring recommendations locally
17 as to where the sensitive areas were, and where it should
18 be cleaned. Where people were ignored, sometimes treated
19 very badly, rudely. There is a high sense of frustration
20 there.

21 And we've talked about volunteers and this sort
22 of thing, as to how do we minimize that in recognizing
23 that there's got to be some semblance of order in trying
24 to clean something up. That's all fine and well, but if
25 people are being ignored, and taken out of their com-

1 munity, when the oil is splashing up on their beach, to
2 go clean someplace. There's something a little bit wrong
3 with that. And how you address that question I'm not too
4 sure.

5 But maybe this is an area in where in the state's
6 response, regardless of who the spiller is and their
7 cleaning it up and the Coast Guard is overseeing it, then
8 perhaps in our response we can go in, and utilizing local
9 people, clean those areas up and simply back charge.
10 Using the state's wherewithal and legal resources to try
11 to gain those wages.

12 PARKER: I think that's the essence of the
13 winter plan. I don't we've had a chance to get much
14 feedback on how the winter plan is going yet, since there
15 just getting underway. Anything you've picked up we
16 would be interested in.

17 HERZ: One of the things that was most
18 striking to me in some testimony received in the local
19 communities was the impact on the social structure of the
20 community, some of which is in here. I thinking about
21 specifically, child abuse, spousal abuse, alcoholism,
22 overburdening the local communities' resources, mental
23 health resources, police department, boats, harbors. I
24 think that's extremely important information cause in all
25 the stuff I've read about other spills elsewhere in the

1 world, that kind of stuff has not, if it's occurred, has
2 not been described.

3 As I was listening to some of these people, I was
4 thinking about we have a spill on the north coast of
5 California. Town of Mendocino? is a town which is very
6 much in touch with the water, would be very much ef-
7 fected, and it would be very useful to have this informa-
8 tion and to be able to make some recommendations about
9 social structure in the same way... There is sensitive
10 social habitats as well as environmental habitat. I'd
11 like to see that information in your report and for us
12 to use it for recommendations.

13 SHARON: My report does go into not only the
14 impacts on the environment, the economy, but also the
15 social impacts. But for the purposes of this summary I
16 concentrated on the response. The social impacts are
17 very expensive. It's more than anybody ever would dream
18 of.

19 HERZ: Particularly if you can do this
20 tabular summary page, that would be matrix. Having those
21 categories in there too would be really useful. The more
22 information you have in one place to look at patterns,
23 the easier it makes it.

24 WUNNICKE: In a sense there were really two
25 events. The spill itself which had its own consequences

1 on the resources of the people relied on. But the
2 cleanup, which was invasion, like a military invasion in
3 a way of remote communities that had their own structures
4 and that's where that destruction came from.

5 PARKER: An undisciplined military invasion.

6 SUND: Perhaps some of this we get through
7 the citizen involvement committees that we're talking
8 about in terms of planning. I'm trying to figure out how
9 do you respond to the long list of things that Sharon has
10 laid out here that were problems. And maybe many of
11 those, in terms of our recommendations, come through
12 these citizen involvement committees that we're looking
13 at in Ms. Wunnicke's paper and in Marilyn's document
14 there.

15 (Off the Record)

16 BREAK

17 (On the Record)

18 PARKER: Where do you want to go next?

19 HAVELOCK: I thought that know having seen the
20 whole thing we might revisit prevention from an institu-
21 tional perspective and see how that might fit it with
22 some of the things that happened.

23 PARKER: Looking at those prevention elements
24 out there which seem to me to be nice guidelines, the
25 shipping industry. Does anyone feel that there are any

1 particular gaps there? We are going to do something on
2 liability, are we not? Which we haven't heard from, and
3 which we don't have available to us yet.

4 HAVLOCK: We'll have to wait for that in
5 the context of federal liability, in the context of what
6 federal legislation of what room that's left. We're not
7 in a position to say much about that now. Of course, in
8 terms of recommendations to the industry as fruituitous,
9 I don't know whether it worth their while or not. As
10 opposed to the main thrust is obviously in terms of
11 applying levers to the industry rather than advice. You
12 can give advice as Commissioner Wenk suggested for
13 example, encouraging them to put people on their board
14 who come from the communities. We could say that, we
15 have absolutely...there is no power on earth that could
16 make them do that. But it may be you have that kind of
17 direct advice you want to give them about where they
18 ought to go.

19 PARKER: I don't know how far we want to
20 proceed down the path of making this a social commentary
21 on multinational corporations and their role in the
22 world. That may more properly be in a separate document.
23 But....

24 WUNNICKE: I think there's a book probably
25 coming out on it.

1 PARKER:A lot of the things we've talked
2 to the industry about they are starting to pick up on.
3 And I think the question is are there any, looking at our
4 technical recommendations, most of which have direct
5 effect upon the industry are there any particular gaps
6 that we haven't talked about already, that need to be
7 filled in? We have the study on fatigue which we're
8 working on. (inaudible) we're going to continue on
9 which.....

10 HAYES: Is liability the same as insurance?

11 PARKER: Yeah.

12 WUNNICKE: There is one thing and it just has
13 to do I think with our report and I've talked with staff
14 about this before. And that, you've heard me say that
15 I think everyone affected by this event has looked at it
16 from his or its own perspective. And many have taken new
17 actions and made new decisions as a consequence of that
18 self-examination. And I would hope that we don't lump
19 the oil shipping into one bag. And we take account of
20 and comment on those aspects of the shipping industry
21 which we think are a step forward in terms of being
22 environmentally safe, oil shipping industry.

23 MR. PARKER: The other point which, you know just
24 occurred to me as you said that is it's not just the oil
25 shipping industry that causes oil spills. We have a 12

1 mile slick in the Aleutians as of last night caused by
2 a Greek container ship. So, you know, we're talking
3 about the shipping industry in this case. And, you know,
4 it gets back to some of our discussions yesterday, do we,
5 as we get into mandatory vessel systems, you know, how
6 far do we want to expand that? Where do we want to make
7 a cut. We can take that up again and remind them at the
8 next meeting. I'm sure after the consultants and staff
9 have a chance to recommend this and cuts as to where that
10 should occur. Meg.

11 MS. HAYES: Mr. Chairman, I would also appreciate
12 it if for the next meeting, in looking at what we did
13 yesterday and what's still being worked on, if we could
14 get some idea of where we have redundancy in our redun-
15 dancy. I have a sense that perhaps not all of the
16 recommendations that we talked about are needed; that
17 some of them, configurations of various parts of them may
18 supplement or replace other parts of that and I'd be
19 interested in some kind of list or tabulation or someth-
20 ing that would show me, as a lay person, where that is.
21 And I also would like to suggest, if we can, I was much
22 struck with Tim's suggestion for some kind of fiscal note
23 or ball park numbers in terms of those various systems.
24 Maybe there's some cheaper ways of doing things that
25 would achieve the same sort of thing, especially as we

1 talk about redundancy of our redundancies.

2 MARILYN: You're talking about both technical and
3 institutional redundancies?

4 MS. HAYES: No, well at the moment I'm talking
5 about the various things, the configuration of the things
6 we were talking about yesterday. For instance, vehicle
7 escort, the vessel escort system has many things, but one
8 of them is the materials on board for spill response.
9 It has a navigational systems and it has, you know -- and
10 then we've also talked about other systems that would
11 replicate some of those things and I'm not sure to which,
12 how much we need to be belt and suspenders in our
13 recommendations.

14 MR. PARKER: John.

15 MR. SUND: Well, I guess I'm not quite sure what
16 we're doing here myself, but I kind of look at it in a
17 fairly simplistic point of view here. You know, we have
18 about four elements, I guess: prevention, response,
19 clean up, and damage assessment. Somehow or maybe you
20 can throw it around a different way.

21 And I just say, okay, how -- what are our
22 recommendations in each of the areas. Let's just deal
23 with prevention, and then who's the major player in
24 getting them implemented. You know, I mean, that's, how
25 do you go about getting our recommendations implemented?

1 Well, a predominant player in the prevention implementa-
2 tion is the federal government.

3 MS. WUNNICKE: Which is your second.....

4 MR. SUND: And so then you just say, well how do
5 you influence the federal government. Well there's some
6 specific strategies we could recommend on how to in-
7 fluence the federal government. There's the administra-
8 tive procedures methodology that Harry gave us; there's
9 interstate compacts. There's a variety of things that
10 we could do and I think it's not above the Commission to
11 make some specific recommendations on how we think these
12 various things oughta get done.

13 And then the ongoing thing, what we've been
14 talking about for Dan Happ, is how do you keep 'em.

15 MR. PARKER: Well, that gets us, you know, alert
16 strong regulatory agency. How do you get an alert,
17 strong, regulatory agency. You.....

18 MR. SUND: Well, you have an alert, strong,
19 environmental watchdog beating 'em all the time.

20 MS. WUNNICKE: Right.

21 MR. PARKER: All right. Who's gonna be that?

22 MR. SUND: Well.....

23 MR. PARKER: For EPA and the Coast Guard.

24 MR. SUND: I think what, you know, you get there
25 a little bit through what Ed has been saying in that you

1 have -- people need information in order to measure
2 whether things are happening or not happening. And some
3 of his recommendations regarding this annual report is
4 only the federal government entity can pull a lot of that
5 data together. And so, I think that's one recommendation
6 there to get some of that stuff in.

7 MR. PARKER: We've got a library full of annual,
8 federal reports downtown, though, in the federal build-
9 ing. How do you separate this federal report out from
10 the Department of Energy's federal report on the state
11 of the nation's energy and so forth, and you know,
12 have.....

13 MR. SUND: Well, I find it very difficult, Mr.
14 Chairman, to tell people to be interested in what's going
15 on around them if they don't wanta be interested. So,
16 I don't know how to do that and I don't think it can be
17 done. I don't think you can mandate people to maintain
18 an interest level. But there are certain people in this
19 state, in certain areas of the state and in the nation
20 who now have a sensitivity for this issue and will
21 maintain that interest level. You've gotta give 'em some
22 tools to work with.

23 MR. PARKER: John?

24 MR. HAVELOCK: Commissioner Sund has anticipated
25 what I was thinking about the organizational implication.

1 I'm sort of itching Commissioner Wunnicke to do in your
2 authority up here, if you'll allow me. You're not gonna
3 have operational staff, you shouldn't call them authorit-
4 ies. You'll just confuse them. If what you're talking
5 about is an oil pollution quality council.....

6 MS. WUNNICKE: That's fine.

7 MR. HAVELOCK:because you have a membership
8 and presumably you are trying to put this into the
9 Governor's office.

10 MS. WUNNICKE: No, I'm not trying to put it in
11 the Governor's office.

12 MR. HAVELOCK: Well, I would.....

13 MS. WUNNICKE: Well, yes and no.

14 MR. HAVELOCK:recommend that you do, put
15 it that way. Because the problem, I mean the other
16 option is to put in sort or an inside DEC.....

17 MS. WUNNICKE: Huh, uh.

18 MR. HAVELOCK: Were you gonna free float it?
19 Maybe I should ask you where would you put it then if you
20 didn't have it in the Governor's office.

21 MS. WUNNICKE: Well, it reports to the Governor
22 on the same level as a department, as the Alaska Power
23 Authority did, but it's an independent council.

24 MR. HAVELOCK: An independent council. Alright,
25 then I believe we'll talk about where it might on our

1 chart.

2 MS. WUNNICKE: I don't have any problem with
3 Counsel.

4 MR. HAVELOCK: And, as Commissioner Sund, said,
5 points out the likelihood is that all of the preventions,
6 not all, but 80% of the prevention stuff is substantially
7 in federal jurisdiction.. Federal jurisdiction which
8 will not be yielded, as opposed to what we're dealing
9 with on the response side where the state really has an
10 opportunity to take over the whole response. So, even
11 though there's federal jurisdiction, nobody loves a "rose
12 marie's baby" and so if you -- once you have a spill, the
13 federal jurisdictions are likely to yield to the state
14 at every opportunity. It's almost like saying earlier,
15 only in the mega-spill or the super-minor spill you're
16 not going to have a state-operated response team.

17 MS. WUNNICKE: Perhaps I didn't make myself
18 clear, but what this proposal, and it's just a proposal,
19 addresses is item three on new organizational arrange-
20 ments, most of which have what we've been calling a
21 watchdog to keep the pressure on and keep attention
22 focused on some future catastrophic event.

23 We have a paper. We've not discussed it with
24 respect to local groups who have the most to loose and
25 are very important part of that kind of watchdog ability.

1 We would have, I'm hoping and we haven't come to that
2 yet, some inter-state agreement between affected states
3 which would help to keep the pressure at the federal
4 level.....

5 MR. PARKER: There you are.

6 MS. WUNNICKE:on the Congress to fund the
7 Coast Guard; on the Congress to address it at the federal
8 level.

9 In between is this state council, whatever you
10 want to call it, that keeps the pressure on all the
11 agencies that have responsibilities in this area. And,
12 as I say, ideally you would have Coast Guard and EPA
13 sitting there as a part of that membership, if that were
14 possible. At a minimum they at least should be in an
15 advisory capacity to that council.

16 So that you have this body saying to DEC, hey,
17 it's coming to us that you're not doing a good job of
18 testing the contingency plans or you're not doing a good
19 job of requiring the contingency plans or whatever DEC's
20 responsibilities may be. And so, I see that as the
21 gadfly watchdog center. And as I said, kind of facetiou-
22 sly, the head of this council is the one who gets the
23 samari sword because this is the body that has primary
24 responsibility to prevent oil spills or pollution
25 generally. It's diffused throughout all the other

1 agencies and it's so easy for them to say, well, yeah
2 it's in my department, but I wasn't funded, or yes it's
3 in this division, but the other mandate from the legisla-
4 ture overrode that. And this is the person where that
5 focus is. And that's the only person that I see it for
6 is that middle watchdog capability.

7 MR. HAVELOCK: I basically agree with what you're
8 saying. That is, I guess to maybe to emphasize the point
9 where gilded lily, we say that the recommendations that
10 are made here about enhanced Coast Guard regulations, of
11 changes in the federal system, of changes in internation-
12 al bodies have no -- they are just recommendations and
13 they are to go on the shelf and the have a useful life
14 measured in weeks.

15 Unless you're will -- and this really does come
16 back to resources. You have to be willing to put in the
17 resources. So not only do you need a council made up of
18 people who are exofficios, but you need some kind of a
19 permanent secretariat.

20 MS. WUNNICKE: Yes, small.

21 MR. HAVELOCK: Maybe you want to do it a five-
22 year, you know, we have laws, sunshine laws anyway. I
23 mean sunset laws, so maybe that would take care of it,
24 but to enhance this and you want to tie it in with the
25 research which actually provides you with a good deal of

1 the staffing effort that would go to support. But you're
2 gonna have to not just file regulations with Coast Guard,
3 you're gonna have to appear at hearings in Washington,
4 D.C. You're gonna have to network with other organiza-
5 tions with common interests.

6 At the same time, you're gonna be working on the
7 second options which is also part of your leverage, which
8 is you are working on developing a multi-state compact
9 at the same time to cover those things which the federal
10 agencies seem to be unwilling to do on their own.

11 MR. PARKER: I would, you know I would view the
12 Chairman of this particular group, which I would visual-
13 ize as a 3-5 member group, the chairman of this group as
14 the state's representative on any inter-state compact
15 that was set up and having strong avenues through the
16 particular compact we took part on, the organization of
17 coastal states to influence federal policy strongly and,
18 you know, to ensure that both policy council reports and
19 the inter-state compact's reports would be the spur to
20 get the kind of report John Sund was talking about to
21 make it effective so that it didn't just become another
22 departmental report to serve the department and not much
23 else in the country.

24 MR. HAVELOCK: You're gonna, of course you're not
25 gonna have a compact in place at first, so you're

1 gonna.....

2 MR. PARKER: yeah.

3 MR. HAVELOCK:pick a person who would be
4 presumptively be.

5 MR. SUND: Maybe I could work on it during the
6 non-spill seasons.

7 MR. PARKER: Yeah. The non-spill season turned
8 out thought, last night, to be the spill season.

9 MR. SUND: We didn't do anything about it,
10 though, did we? I still think that comeback that this
11 is in the Governor's office. I know Esther is gonna
12 choke a little on that. But I don't see any other way
13 around. If you want to put some measure of importance
14 it, you've gotta stick it up in that level.

15 MS. WUNNICKE: It's at that level. I hear what
16 you're saying, but there are things in the Governor's
17 office in terms of inter-governmental coordination and
18 all that.....

19 MR. SUND: Science advisement.

20 MS. WUNNICKE: John.

21 MR. PARKER: But you know, the time to strike is
22 now. We have counter part groups in Washington and
23 somewhat less in California, you know, working on
24 legislation and developing recommendations, so if we're
25 gonna do an inter-state compact why this spring is the

1 time.

2 MS. WUNNICKE: But this could be the focus to
3 encourage the Governor's office, encourage the legisla-
4 ture to go after it.

5 MR. HAVELOCK: That body can provide a policy
6 oversight. Just as Marilyn was saying, your response
7 functions are basically operational and are different.
8 And we are still, I guess we haven't reached final
9 closure on the issue whether the head of that response
10 should be something related more to the Division of
11 Emergency Services, the military model which I hear some
12 blazes and some other people, if you will, you can shore
13 up the fee in some way.

14 MR. SUND: Does it make any sense -- switching
15 to response, does it make any sense to look at the
16 response in two phases: the short term and the long
17 term? One is the response and one is the clean up.

18 MS. WUNNICKE: Yeah, we put that next item up
19 there.

20 MR. HERZ: I've got about 15 or 20 minutes before
21 I have to go. I want to get a couple things out before
22 I go. It seems to me that the organizing, one of the
23 organizing foci for the response is the contingency plan
24 and I feel like we've got a black hole. We have really
25 addressed contingency plans to the extent we set out to.

1 I'm not clear on exactly what we're doing, but Al Adozeak
2 (ph) is doing some of that and I'd like to hear from him
3 what exactly he is doing to see how that fits with what
4 we have from ECO on contingency plans as sort of the
5 organizing part of response.

6 MR. HAVELOCK: Al, why don't you come up.

7 MR. PARKER: Yeah, in line with that, Al doesn't
8 know this yet, but I've asked Bob Schultz, and Marilyn
9 doesn't know it either, but I think Marilyn, Bob Schultz
10 and Al, at a minimum, should get together tomorrow and,
11 you know, kind of see -- start working on your black
12 hole, as you visualize it.

13 MR. ADOZEAK: Thank you very much. First, what
14 I was charged to do, since if you're expecting things
15 beyond that scope we better redefine them.

16 I was told to look at the evolution of the state
17 for the Alyeska contingency plans that govern the
18 terminal at Prince William Sound. Starting with 1976-
19 77, following them through to the present and see
20 essentially how they changed, why they changed, who made
21 the decisions, who the players were, what the forces
22 were, what alternatives might have been present that
23 weren't considered or were dismissed. And to get the
24 series of recommendations I interviewed who were parties
25 to this as to what might be done to improve the nature

1 of contingency both in terms of system design, par-
2 ticipants, equipment, etc; whatever their interests and
3 knowledge happen to be. So that's the scope of my
4 charges. It stops, apparently, before the spill.

5 MR. HERZ: And it's only that one plan.

6 MR. ADOZEAK: Series of plans.

7 MR. HERZ: the state's plan as well as the
8 Alyeska?

9 MR. ADOZEAK: Just the Alyeska plan.

10 MR. HAVELOCK: Well, there's an interface there
11 because it is, he interviewed state people on their
12 participation in the development of that plan. Under the
13 old game, Alyeska's plan was the thing, so that was where
14 the action was, so that's where presumably all the state
15 agencies focused their attention.

16 MR. HERZ: But isn't there also -- doesn't the
17 state of Alaska have it's own contingency plan?

18 MARILYN: wait, let me clarify. This document
19 was what the what the state's contingency plan was. It
20 apparently has some holes in it. But it doesn't -- I
21 think what has happened over the last seven or eight
22 years or 15 years or whatever is that we based our work
23 on reviewing the industry's plan, rather than having our
24 own plan.

25 MR. HERZ: Let me ask the question different.

1 Is there a mandate, a statutory mandate for a state of
2 Alaska contingency plan.

3 MR. PARKER: Yes. There is now.

4 MARILYN: There is now. There is 261.

5 MR. ADOZEAK: When did that start?

6 MARILYN: I mean just last legislative session.

7 MR. ADOZEAK: Okay

8 MR. HERZ: So prior to the -- the plan that you
9 just held up was not done under any mandate. It was
10 something that was voluntarily put together? What I'm
11 trying to get a sense is.....

12 MR. ADOZEAK: I notice Commissioner Wunnicke has
13 a question.

14 MS. WUNNICKE: No. No, go ahead.

15 MR. ADOZEAK: If you'd let me just begin the
16 history of the Alyeska plan, it may answer your question
17 on state contingency plans. If not, I'll stop there and
18 you can go more.

19 1976-77, the state started on its first contin-
20 gency plan, one independent of Alyeska. That contingency
21 plan was to determine what state employees, agencies,
22 etc. would do in response to oil spills. When that was
23 completed, it was provided to Alyeska for Alyeska's
24 consideration and inclusion into its plan. That kind of
25 procedure was followed through the first couple of

1 evolutions of the Alyeska plan, where there were separate
2 studies, works, documents that were merged. Subsequently
3 the focus turned, in the case of the Alyeska plan to
4 predominately a review of the Alyeska plan by state
5 officials. So, interms of a state contingency plan
6 that's what I found out in that framework.

7 MR. HERZ: I guess I've been labelling, I've been
8 labouring under a misconception which was that the state
9 had a contingency plan that covers not only Alyeska, but
10 the state of Alaska and guided oil spill response, the
11 performance of state agencies and the state's response
12 throughout the state.

13 MR. PARKER: No, there's 400 contingency plans
14 that DEC oversees and that's the state contingency plans.

15 MR. HERZ: But the state, itself, until this bill
16 was passed in the current session had no requirement of
17 anything to organize.

18 MARILYN: I'm checking that right now. I'm not
19 sure, we're checking.

20 MS. WUNNICKE: only as it participate in and had
21 veto power -- maybe it didn't have veto power over. But
22 only as it participate in the regional contingency
23 plan.....

24 MR. HERZ: Coast Guard's.

25 MS. WUNNICKE:from the regional response

1 team, in which it was a member, right?

2 MR. HERZ: Going back to what I -- I'm confused
3 also because I thought we were gonna and I didn't know
4 whether it was your charge or whose, but I thought we
5 were gonna look at the plans, plural, which would be the
6 federal plan, regional, the national plan, the regional
7 plan and the local plans for various places here in
8 Alaska. The state plan, which I thought there was a
9 broader one than there really is, and the Alyeska plans,
10 old and current.

11 MR. PARKER: I think the reason you're confused
12 is this is probably the first time it's fairly accurately
13 defined what exactly existed. There was a great mollonge
14 from Mineral Management Service and it's efforts offshore
15 developed a whole range of contingency plans which are
16 dealing with exploration and so forth. And, Virgil?

17 MR. KEITH: Mr. Chairman, to just add to this,
18 is we break this out in our report. We look at the Coast
19 Guard plan and we look at the national plan. The Coast
20 plan, having no requirements, looks at Alyeska's plan,
21 makes use of that equipment there, not judging if it's
22 sufficient or not sufficient, how are going to use what
23 they've got available. So it's strictly a plan that
24 comes into play that relies again, heavily on that
25 Alyeska plan and doesn't come up and make any independent

1 determination nor is there any mandate to review that
2 plan. it's just strictly how the federal on-scene
3 coordinator, or the on-scene coordinator use the equip-
4 ment that's in the area without any determining whether
5 that's good or bad or indifferent. How do we use that
6 should that spill have to be federalized? A very short
7 plan that relies on everything back to Alyeska. So, it
8 all kind of ties back to that point.

9 MR. PARKER: All of the scenarios are Alyeska
10 dependent. Is that right, Al? I mean they did all the
11 development.

12 MR. ADOZEAK: To the best of my knowledge.

13 MR. HERZ: But what about the rest of the state?

14 MS. WUNNICKE: This is only governed by the
15 regional plan for Alaska, developed by the regional
16 response team, of which the state sat as a member.

17 MR. HERZ: Well, having.....

18 MR. PARKER: Everybody dealing just with oil,
19 everybody who deals with oil petroleum products up to a
20 certain level, has to have a response, has to have a
21 contingency plan, which DEC oversees, and which the Coast
22 Guard oversees very rarely, in rare cases.

23 MR. ADOZEAK: there's a gentlemen in the Anchora-
24 ge office of DEC who probably reviews between 150 and 200
25 contingency plans a year. They are the point contingency

1 plans, if you will, rather than area contingency plans.
2 And they deal with a particular ship, a particular
3 terminal, or what you will, on an individual basis.

4 MR. HERZ: So, what controls -- what I'm trying
5 to get at is what control the state's overall response
6 to the Exxon.

7 MR. SUND: The state has an emergency plan. I
8 mean, the state has an emergency -- I mean, the Division
9 of Emergency Services has a plan of how to respond to an
10 emergency.

11 MR. HERZ: But that's not specific to oil.

12 MARILYN: That wasn't used here. What was used
13 was a system -- well this is the state contingency plan
14 that deals with the agency response which I showed you
15 or Commissioner Herz, that you have some portions that
16 were copied. It talks about what each agency will do and
17 it lays out some of the things that I will talk about,
18 but I don't think it was really utilized in the spill.
19 They created a system as they went because no one was
20 preparing for a catastrophic spill of this size basically
21 is the bottom line. And that's why we need a new
22 creation of a system that really will respond. That's
23 where all that has come out of. All the recommendations
24 I've made have come out of Alaska.

25 MS. WUNNICKE: But Mr. Chairman, there is more,

1 Virgil, to a contingency plan, than just the hardware.
2 What existed, and correct me if I'm wrong, Al, what
3 existed in the Alyeska plan was the only site specific
4 plan for Prince William Sound. It had in it, unless I'm
5 misinformed, identifications of critical areas. It had
6 in it the projections of the currents and the waves and
7 the trajectory for the oil. But what happened was the
8 spiller chose to follow its own emergency procedures
9 without respect to the Alyeska plan. So whether the
10 Alyeska plan, as it then existed, would've done any good
11 or not, it was not use.

12 MR. HERZ: But what I'm trying to get at is the
13 software part of the contingency plan. the part that
14 determines the pathways and what happens.....

15 MS. WUNNCIKE: Yeah, exactly.

16 MR. HERZ:and what's connected to what and
17 the functional response. And I see one of the important
18 roles where it leads me to think that the Alaska pollu-
19 tion blank should go back to authority rather policy,
20 council or committee or commission because it seems to
21 me there should be the overriding structure that controls
22 or oversees the development of the contingency plan for
23 the state.

24 MR. PARKER: Well, you know the software you
25 referred to, that's just question let out not very

1 accurately. It didn't exist in any state or federal
2 plans. Virgil described what the Coast Guard part was.
3 They, all the software was in the Alyeska plans. The
4 amount of software in the smaller plans is probably
5 limited and that's what the guy who's getting paid
6 \$650,000 by DEC is reviewing is all those contingency
7 plans to respond to the legislators demands of last
8 spring.

9 MR. HERZ: But does that legislation in 264
10 dictate a structure for a statewide plan or is.....

11 MARILYN: Yes. 261, yes.

12 MR. SUND: It's attached to her report. It's only
13 three pages.

14 MARILYN: Yeah, it does. It creates a state,
15 federal, local planning process for.....

16 MR. HERZ: But does it have enough specificity
17 in it to -- are we satisfied with that?

18 MARILYN: No, that's what we're I think.....

19 MR. PARKER: Al, you wanta continue your story
20 then and maybe we can.....

21 MR. ADOZEAK: I think what I'll do is leap to the
22 end of the story, rather than tracing the evolution of
23 the plan and perhaps we'll answer to some extent a couple
24 Commissioner Herz's questions.

25 The end of the story is a few days ago in

1 Seattle, I interviewed Paul O'Brian who had been for
2 several years with the DEC and was the management level
3 person in charge of a three man team to review the
4 version of the Alyeska contingency plan that was in
5 effect when the spill occurred. He says, with complete
6 confidence, that that plan would have worked if it were
7 implemented. And he's terribly frustrated having been
8 down there, having so much long time personal involvement
9 in oil spill issues up here at not being able to figure
10 out at all what happened. Why there was this great time
11 gap, and that nobody put that plan into execution.

12 That's one of the things I found out. He wants
13 to know. He referred me, and by inclusion the Commis-
14 sion, to the Glacier Bay spill where there were five or
15 six different powerful entities contending owners, oil
16 owners, ship owners, charter operators, lawyers, in-
17 surance companies, all contending that they ere in charge
18 of that spill and giving orders and there was total
19 chaos.

20 The level of chaos this time was perhaps less,
21 but he speculates that there were some of those forces
22 at work in terms of whose interests were going to rule
23 in ordering the spill. He's very frustrated.

24 The other thing which I found sufficient to set
25 me back a little bit when he said it is that that spill

1 was never intended, that plant was never intended to
2 cover anything other than small spills. And I tried to
3 define small spills a little better and I'll have to go
4 back and listen to the tape because he moved around a
5 little bit. We were just talking casually, but a
6 thousand barrels, 2,000 barrels. That's all.....

7 MR. PARKER: 2,000 barrels.

8 MR. ADOZEAK: that's all it was intended to cover
9 and I said, following the logical train, what was to be
10 done then in the time gap when other forces were being
11 mobilized to move in because you had a far larger spill.
12 And he answered, and in fairness to him, I must transcri-
13 be the answer. The best I could say, at the moment, I
14 don't think I remember it accurately enough to quote it.
15 I don't know, to me, logically, still how you get over
16 that gap.

17 Assuming he's telling the truth, then there were
18 a lot more people than he who were operating on the
19 assumption that this is what that plan could do. This
20 was its limit factor. That's, and he says, it's a major
21 policy question that must be addressed as to whether you
22 want to re-tool the scope and magnitude that the plan is
23 supposed to respond to.

24 So, from his point of view, that's the frame of
25 reference that the plan was reviewed in during a protract-

1 tedd, two-year review from 1985-1987.

2 MR. PARKER: The 200,000 barrels scenario which
3 was part of the plan just before the spill, I think that
4 came after O'Brian's time.

5 MR. ADOZEAK: Nope. He was a party to it. He
6 explained why it was included. And although the scenario
7 was there as a test of equipment capabilities, metal etc,
8 review of staffing and what its flexibility was, his view
9 is the reality limit on that plan was about what I said.

10 MS. WUNNICKE: Hum. I was gonna ask you someth-
11 ing.

12 MR. ADOZEAK: That was sort of my reaction when
13 he told me.

14 MR. SUND: How did he get from that's a reality
15 limit of the plan that if the plan had been implemented
16 it would've solved -- they would've been okay on the
17 spill.

18 MR. ADOZEAK: Well, that's the question I asked
19 him John. 'Cause I said that if you push everything
20 thing out there and it hits your 2,000 barrels or
21 whatever it is, then you've got a gap. You've got a lag
22 time, while you're mobilizing these other forces to carry
23 on and meet the rest of it. How do you get across that
24 gap? And he answered and I will not say with that answer
25 right now, because I frankly didn't follow it. And I

1 questioned him a little bit and I'm still not sure I
2 followed it. To me it's a very difficult question to
3 answer.

4 MR. SUND: Well, it's also a fairly critical
5 question in the fact that the state is contending that
6 the Alyeska plan, if it had been implemented, would've
7 solved a lot of -- if they had had the equipment avail-
8 able to implement the Alyeska plan, we could've mitigated
9 the problem. I'm paraphrasing what I think you say his
10 position is. I don't know.

11 MR. ADOZEAK: I should qualify all of my remarks
12 and I will, with the fact that I have not worked,
13 prepared, and not flying from written testimony. I have
14 not had a chance to review 14 hours of tapes. And you're
15 getting my best recollection.

16 MR. PARKER: I'm gonna say.....

17 MR. ADOZEAK: I think it's probably 95%.

18 MR. PARKER: I must say this is a terrible time
19 for both of our Alyeska attorneys to be absent.

20 MR. ADOZEAK: Are they out?

21 MR. PARKER: Yeah. it seems almost unfair.

22 MS. WUNNICKE: We're giving them all this
23 ammunition and they're not here to write it up.

24 MR. PARKER: I think, I'm glad Commissioner Herz
25 you opened up this line of questioning because I think..-

1 ...

2 MR. HERZ: And then split.

3 MR. PARKER:well I think, you know that the
4 net result of what we have just heard is that the
5 situation was much worse than the Skinner report, NTSB
6 developments or any of the press reports have indicated.
7 You know, if you were to call up and say, you know, if
8 you were the commander-in-chief and you were to call up
9 the general when the enemy struck and said, just like
10 when Churchill called Paul Renault when the germans broke
11 through in 1940 and said, we're are the reserves and Paul
12 Renault answered, there are none. The same situation
13 pertains here.

14 MS. WUNNICKE: You gonna get me over in John
15 Sund's camp. I'm just gonna go with the elevators.

16 MR. DOOLEY: Mr. Chairman, I think this spill did
17 do something. We've heard in the record and from the
18 industry too. I was involved in the periphery of the
19 first review of the Alyeska contingency oil spill plan.
20 We looked for a normative and probable estimate of the
21 spill and the procedure at that time was, because the
22 closest model we had was bulk plants and insurance
23 company requirements, was hey, what's the most probably
24 likelihood and we, on the back of an envelope and
25 essentially nothing more than that, was we're gonna deal

1 with 120,000 ton tankers. The condition has a grounding
2 and it's gonna open one central tank and one sideways
3 tank. We'll deal with that size spill.

4 What we heard the industry say earlier, and
5 repeatedly again, that now the whole contingency review
6 has been moved to a different threshold; not the most
7 probable event, but the least probably, but the most
8 cataclysmic event is being reviewed now. And that is one
9 thing that I think the Commission could elaborate on.

10 MS. WUNNICKE: I wanted to ask, maybe an unfair
11 question of Al, but given your review of the progression
12 of the Alyeska plan, have you since reviewed the draft
13 Alyeska plan that's now kind of in process?

14 MR. APODEZEAK: I've leafed through it. I
15 haven't look at the whole thing.

16 MS. WUNNCIKE: Okay. What I guess I would ask
17 you, if you do, would be to take the criticisms that
18 you've gathered in your investigation and see whether or
19 not those have been answered in the current draft plan.

20 MR. APODEZEAK: I can offer you a few prelimi-
21 nary comments, qualified by the fact that I should
22 interview other people, do further research, but you want
23 a fly now. I want to let you know the best information
24 I've got.

25 I don't need to look at the plan to give you the

1 upshot of those comments. The comments are there has to
2 be adequate, competently trained staffing available in
3 a timely fashion to respond. There has to be adequate
4 equipment available to respond. Those are the, at a very
5 general level, that's it. Now if the new plan addresses
6 that and lays it out, then the problem is solved.

7 MR. PARKER: I think the review of that that was
8 done for GAO, which Virgil testified on at Cordova, you
9 know, the new plan will take care of 35-40%. I see you
10 guys cut that back to 20% in your final.

11 MR. KEITH: Well, 35-40 under the best of
12 conditions. We were pinned to that by the subcommittees.
13 Unfortunately in Alaska I've never seen the best condi-
14 tions when I'm up. The best is winds under 10 knots and
15 two foot waves and current less than .7 knots. But they
16 always pres you to that date. And then of course when
17 you have anything greater than that, it goes to heck in
18 a handbag.

19 MR. PARKER: But what you showed us the other day
20 was 20% recovery.

21 MR. KEITH: Under those conditions.

22 MR. PARKER: Yeah.

23 MR. KEITH: I think one other thing, what Alan
24 said just real quick without if you look at this you
25 realize the Exxon Valdez was spilling a thousand barrels

1 a minute over that five hours. You're at the 2,000 and
2 the 4,000 barrel limit which was in the four or five
3 minutes and the spill wasn't reported to the Coast Guard
4 for a minute and 25, so you're already at 25,000 barrels
5 out in the water before it was even reported at the
6 vessel traffic station.

7 MR. PARKER: Bye, Commissioner Herz. Have a good
8 trip. Okay, anything else? John.

9 MR. HAVELOCK: i just wanted to tell Commissioner
10 Wunnicke that my instructions to Al have not been to
11 review the current plan. One because it's in constant
12 metamorphis. Secondly, because everybody and their
13 brother using figures that are more than our entire
14 budget are doing just that.

15 MS. WUNNICKE: I knew it was an unfair question.

16 MR. HAVELOCK: It would be for us to review it
17 maybe just as Alan just put it. We could do a sort of
18 a reconnaissance overflight of it and see if the main
19 topics are there. But I would not want to get us in a
20 position of saying that an existing contingency plan is
21 okay or not okay.

22 MRS. WUNNICKE: No, I'm not suggesting that at
23 all. I guess my intent of it is, and I think John Sund
24 said this some time ago, is that they, as we, are putting
25 their money on prevention.

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MR. PARKER: Hum.

MR. HAVELOCK: Do you wanta see if they are doing that?

MS. WUNNICKE: Well, in terms of just the very things that we listed as part of our elements in terms of escort and those elements which are preventative elements, prevent a grounding rather than attempt to clean it up afterwards.

MR. PARKER: I think.....

MS. WUNNCKE: Is that right John?

MR. SUND: Well, I think it's -- here's kind of the sense of how I look at it. That in one fell swoop, Mike Williams at DP has said if you want your tanker to load at this terminal, you do these things. You do not leave the traffic lanes; you slow down when there's ice; you do not exceed 10 knots until you get beyond Hinchinbrook. And you have a dual watch on the bridge when you come in and you leave. In one fell corporate decision by one man and a corporate decision mode has accomplished everything that most people in the state have been fighting for 12 years. That kind of tells you where the power is. Now the question is how to you maintain it when Mike retires or three years from now he moves on and the corporate pressure increases on its own satellite, Alyeska, to start using these things. That's the

1 challenge that we have here. I've very happy that
2 they've implemented half the recommendations that we're
3 gonna make. I think we're halfway down the road.

4 MR. PARKER: In fact, they're well on the way to
5 implementing a good many more of them, if asked.

6 MR. SUND: Right, and if the Coast Guard would
7 just take those things there and put them into regulation
8 then we would feel a little bit secure that they might
9 stay there for a while. And then we just have to worry
10 about the Coast Guard enforcing their own regulations.
11 So, you know, I think we're beginning to get a little
12 ways down the place. But.....

13 MR. PARKER: You missed.....

14 MR. SUND:we definitely know who can make
15 the decisions.

16 MR. PARKER: it's too bad you weren't in Homer
17 when Captain Murphy told his famous story about how the
18 lack ship he was taking up to Nikiski, had a gyro failure
19 and he had told the Captain he wouldn't take him up to
20 Nikiski 'til he got his gyro fixed and the Captain called
21 his agent his agency and pretty soon a waiver came
22 floating down from the Coast Guard that they could go to
23 Nikiski without the gyro being fixed.

24 Now with enforcement like that, one does seemed
25 doomed to fail.

1 MR. SUND: yeah, I think, tell the story. I
2 don't know. In fact, Alan and contingency plans, I
3 guess. You don't have to repeat your story now that the
4 Alyeska Lawyers are back in the room. Make 'em listen
5 to the tape.

6 MR. APODOZEAK: I'll seaway to the dull stuff
7 now. Does anybody want to leave.

8 MR. PARKER: Probably be a blank in the tape now.

9 MS. WUNNICKE: Don't you have about a 30 minutes
10 gap on your tape.

11 MR. APODOZEAK: yeah, rose mary isn't there a 30-
12 minute gap.

13 MR. PARKER: To proceed on down the pike always,
14 we've pretty well covered the first three elements on
15 prevention elements. We can go back to them, of course,
16 because of having such a benefiting chairman. But we'll
17 -- let's take up number four - systematic research which,
18 you know, as was brought -- made clear to us this
19 morning. The people who spend the most on research in
20 the United State government, in the marine environment
21 is the U.S. navy. And this has been consistent for the
22 30 years I've tracked. If the Navy spend 90 cents of
23 research dollar, which is why EPA has spent zero for the
24 last three years and the Coast Guard had budget a
25 million, seven or something were the last figures we got.

1 And I don't know what NOAA's spending, but anyway none
2 of the particularly comes together.

3 We also had graphically demonstrated this morning
4 that there's substantial institutional barriers to
5 trading research information. So where do we go from
6 that present sad state of event?

7 MR. SUND: Well, Mr. Chairman, I believe in the
8 federal legislation there is some approach on that by
9 creating some institute down in Prince William Sound.
10 I don't know what the exact name of that entity is, to
11 do some type of systematic type research. But I think
12 what you're bringing up is one other function of that is
13 not only doing their own research, but tracking what
14 everybody else is doing and trying to pull it together
15 in one middle area.

16 MS. WUNNICKE: Actually, we had a systematic
17 research twice up there. One having to do with ship
18 design and the kinds of things that ECO has educated us
19 on, but under item four under the response, you've got
20 another kind of systematic research in terms of.....

21 MR. SUND: It kind of just depend on what your
22 definition of prevention is. Are you attempting to
23 prevent accidents from occurring or are you attempting to
24 prevent oil from getting in the water?

25 MR. PARKER: And there's been little research on

1 either. Virg, what's the research on prevention at the
2 federal level right now or the international level?

3 MR. KEITH: I think the one that Dennis was at,
4 the national academy of Science is look at that double
5 hull issues. Of course Dennis was just there, what, a
6 week ago Dennis (no audible response), last Monday and
7 Tuesday. That's being done at NES.

8 Again I think what you've said, Mr. Chairman,
9 most of it on ship research as far as survivability. Now
10 the Navy's interested in survivability from protecting
11 it's people and protecting its weapon system is again
12 being done with name, Kevlar softball that was brought
13 up before. Those types of things to make the ships more
14 survivable. I's say that certainly within the marine
15 world, both in the ship building and the commercial
16 market is very, very soft right now in our country. So,
17 very little's being done, even at the ABX level or at the
18 Coast Guard level, or in Maritime Administration. Those
19 agencies are literally shut down.

20 MR. PARKER: Who's funding anything on fatigue
21 or crew or bridge resource management, that sort of
22 thing? Any body. you know Captain Elsenon spoke at
23 length on that the other day. Is anybody really fund-
24 ing.....

25 MR. KEITH: Not to my knowledge.

1 MR.DOOLEY: Well, there's a National Academy
2 study underway on some of that.

3 MR. KEITH: Well, that's on crew size.

4 MR. DOOLEY: And the one element of that is I was
5 briefed on it was a major element as to _____. Now one
6 of the things that was said at the National Academy of
7 Sciences was that we wouldn't have convened this commit-
8 tee for another 20 years if it had not been for the Exxon
9 Valdez because we did this in 1978. the Coast Guard said
10 that it would've been another 20 year before they would
11 have revisited that issue of tanker design.

12 MS. WUNNICKE: What.

13 MR PARKER: I think when you go back to what we,
14 you know, when you go back to the beginning, all the
15 research that done on prevention in 1975 to '77 was done
16 by the state of Alaska. The Coast Guard put nothing in
17 that I'm aware of in developing new and original research
18 beyond the simulations that we funded.

19 MR. KEITH: I agree with you.

20 MR. DOOLEY: And incidentally, Commissioner Sund,
21 on that academy, when they started evaluating where would
22 you design a ship to hit the bottom, they ended up with
23 the Department of Defense having troop carrier ships,
24 LST's, that type, and submarines as possible areas to
25 examine for energy absorption -- for designing energy

1 absorption at the bottom of the vessel.

2 MR. PARKER: Yeah, research.....

3 MR. DOOLEY: That's how far they're reaching out
4 to try to find those kinds of things.

5 MR. PARKER: But research has been driven by the
6 industry. Electric boat when they want to, you know,
7 come up with a submarine tankers, put a great deal of
8 money into getting the concept of a submarine, a large
9 submarine tanker before us. I don't know how much they
10 put into really basic research, but most of the research
11 is what the industry wants to do, which is what industry
12 wants to do which has left us where we are now with, as
13 you describe it, Commissioner Sund, the tanker being
14 designed as a loaf of bread wrapped in cellophane. is
15 that your.....

16 MR. SUND: That wasn't my comment.....

17 MS. WUNNICKE: That was Dennis.

18 MR. PARKER: Whose comment was it?

19 MS. WUNNICKE: Dennis.

20 MR. SUND:but it looks like something that
21 I might say.

22 MR. PARKER: That was Dennis' comments from the
23 National Academy.

24 MS. WUNNICKE: Mr. Chairman, one corollary on
25 systematic research, of course, is making the research

1 result available to decision makers. What about interna-
2 tionally in terms of -- and is information with respect
3 to any research internationally available to local
4 yokels?

5 MR. KEITH: The answer to that is yes. I think
6 internationally certainly the classifications decide it.
7 _____, Lloyds of London; those types of interna-
8 tional classification societies do various research.
9 Because tankers are not being built right now, there's
10 not a lot of research in tankers. The hottest thing now
11 is cruise ships. You go down to Miami and see 6, 8, 10
12 of them down there. So there's a lot of research into
13 cruise ships. Capability, safety especially with regards
14 to fire protection. We happened to have a fire in the
15 one right out here in Prince William Sound. That type
16 of thing. But there has not been a lot done into tanker
17 research.

18 MR. PARKER: Uh, hum.

19 MR. KEITH: Either IMO or the classification

20 MR. PARKER: You know, to systematize this.
21 Cruise ship research is being driven by the industry who
22 are being driven by their insurers, right?

23 MR. KEITH: Yes, sir.

24 MR. PARKER: You bet. And that's the missing
25 element here throughout, the liability the insuring

1 system does not drive, for some strange reason, does not
2 drive safety standards in the transportation of crude oil
3 as it does in many other areas.

4 MR. SUND: Well.

5 MS. WUNNICKE: They're self-insured for one
6 thing.

7 MR. SUND: Well, I think Mr. Chairman, one of the
8 real obvious reasons that drive that is on cruise ships
9 we have people, which we deem to be valuable for some
10 reason or other and when you kill 'em you have to pay.

11 MR. HAVELOCK: Yeah.

12 MR. SUND: Where we do not, up to this time, deem
13 the environment to be very valuable that if you spill oil
14 into it that it really costs anything. That's another
15 lesson of the Exxon Valdez that the people of the United
16 States are now putting some monetary level on environmen-
17 tal damage because of oil. And maybe it's as a result
18 of that you may start getting to see some movement in
19 the insurance world. We do have some report coming on
20 that, don't we, John?

21 MR. HAVELOCK: Yeah.

22 MR. SUND: Is somebody looking at insurance
23 issues.

24 MR. PARKER: Yeah, I, you know, I don't.....

25 MR. SUND: The lawyers may be have an influence

1 here on how valuable the environment is.

2 MR. PARKER: You know based on the last reports
3 on the settling of Amoco Cadese, why the value of the
4 environment when it's impacted by a maritime shipper
5 hasn't increased exponentially. It's still pretty low.

6 MR. SUND: i guess on that systematic research,
7 I, you know, I think we all see some need for it. I'm
8 not sure and it's probably readily identifiable that
9 nobody's doing it. Do we want to make some kind of
10 recommendation and observation that it's not being done
11 and its needed or couple that with a recommendation that
12 it should be done and if so, by whom.

13 MR. PARKER: I think there needs to be a focus.
14 Right now the focus, as I said before, is the Office of
15 Naval Research, which concerns itself primarily with the
16 Navy's needs, which it should. And the rest is dis-
17 tributed so thinly between EPA, NOAA and the Coast Guard
18 that little seems to get accomplished, if anything. So,
19 I don't know where that focus should be.

20 MS. HAYES: Mr. Chairman is the problem that the
21 research money itself is located in the office of naval
22 research. I mean, apparently from what we saw this
23 morning, there are products available, presumably off the
24 shelf, that aren't known by the Coast Guard and EPA, at
25 least it hasn't come up yet. And it seems to me that

1 that's something we might be able to address ourself to
2 rather than just simply saying, you need more money for
3 research.

4 MR. PARKER: I think.....

5 MR. DOOLEY: I think Lt. Goodbody had some
6 comments about that structure in the Navy where research
7 is institutionalized in the Navy. And you might make
8 some inquiries, but it isn't an accident that it's in the
9 secretary's office. And you might point out the resour-
10 ces and standby and position of visibility in the navy
11 that makes that available. If you're talking about --
12 I'm not reassured that the Prince William Sound In-
13 stitute is going to be a visible or forceful enough group
14 to be able to effect technology transfers.

15 MR. SUND: Well, I'd come back to this line up
16 of who has the authority to do what. You know if you
17 talk about prevention, it's predominately federal, but
18 when you get down to response and clean up. In other
19 words, you get to deal with the mess that you didn't have
20 responsibility over to try to prevent. We seem to have
21 some more movement or authority and I don't know where
22 to put coagulants or dispersant in this, but it seems to
23 me that you're talking about coagulants and dispersants
24 after the accident has occurred. And I put that in the
25 clean up response, damage assessment category. And

1 that's where I though this whole institute and prince
2 William Sound, or elsewhere in federal legislation
3 was.....

4 MS. WUNNICKE: I think you're right.

5 MR. SUND: I think that's where they see themself-
6 ves. So I come back again Mr. Chairman, the observation
7 of need for scientific research on prevention of acci-
8 dents, but I don't know exactly where you can make a
9 recommendation that it should take place.

10 MR. PARKER: No, the state's winter plan has a
11 research component which, by the time it winds its way
12 through to completion in March or April, may come up with
13 some pretty good recommendations on how the state should
14 handle its end of it which is gonna be long after finish.

15 MS. HAYES: Mr. Chairman, at one time one of the
16 great volumes of paper that we received, there were some
17 ideas about this subject, ideas of some kind of an award,
18 of a substantial award as a way of increasing -- can
19 somebody refresh my memory on that?

20 MARILYN: Are you talking about institute of
21 social economic research, the incentive plans that pay
22 the industry back some of the money that they paid in
23 taxes.....

24 MS. HAYES: It might have been. Yes.

25 MARILYN:for creating technology.

1 MS. HAYES: But there was so much addressed to
2 specifically research and development of new techniques
3 and things.

4 MARILYN: Right.

5 MS. WUNNICKE: Do we know, or can someone
6 articulate what the state is doing now in terms of clean
7 up technology and research. Mike, can you?

8 MR. PARKER: Mike, do you want to speak to that?

9 MIKE: It's not R&D. It's technology review.
10 What the state essentially is doing is trying to -- it's
11 a component in the winter plan and it's involves several
12 elements. One is to develop a protocols for testing.
13 We've got a list of about 3,000, a stack of 3,000 various
14 proposals for primarily chemicals to treat oil after it's
15 been spilled. The first thing the state wanted to do
16 was develop some protocols that we can agree on, that EPA
17 can agree on, that the Coast Guard can agree on. Okay,
18 how to you determine; how do you test those things. What
19 criteria do you apply to test all these various proposal-
20 s. So that's the first objective of the state's technol-
21 ogy review.

22 Then, another objective is to field test with
23 some beach transacts, Correxite and one other chemical
24 that was used this winter. And do the same for bio-
25 remediation. Again, with a goal to document why Exxon

1 should come back next summer and what they should do when
2 they get here. So we wanta know, so okay do we want you
3 to use more Correxite or not. Do we want you to use more
4 bio-remediation or not?

5 Plus some minimal. The final component of the
6 technology review is to do some kind of minimal testing
7 of mechanical clean up proposals that have been proposed
8 by local people. Those are essentially the primary
9 ingredients, with the number on priority being developing
10 this protocol.

11 MR. PARKER: Care to price a micro-encapsulating
12 polymers?

13 MS. WUNNICKE: Thank you.

14 MIKE: Yes, I think they should.

15 MS. WUNNICKE: Is there something, is absorb, if
16 you know off the top of your head, is absorb one of those
17 that you.....

18 MIKE: I don't know. There is, we've got a file
19 cabinet full of these proposals.

20 MS. WUNNICKE: Thank you.

21 MR. DOOLEY: We were told that the Department of
22 Environmental Conservation set up test sites, following
23 a Korean Ying Yang Yong, or whatever they call

24 MIKE: Ling Wang Zing.

25 MR. DOOLEY: Excuse me. Created test features

1 for bio-remediation.

2 MIKE: Yes.

3 MR. DOOLEY: What has been the review of that

4 bio-remediation. We've not been able to, listed any

5 information.

6 MIKE: They're doing it now.

7 MR. SUND: No, this was in 1980.

8 MR. DOOLEY: Bio-remediation on something that

9 was done in 1980.

10 MIKE: oh, I'm sorry. I don't know.

11 MR. SUND: On the southern end of Prince of Wales

12 with a Korean ore carrier.

13 MIKE: That's the first I've heard of it.

14 MR. DOOLEY: It appears that's the normal

15 response when we bring it up.

16 MR. PARKER: Talk to Don Buttons at the Univer-

17 sity in Fairbanks. He knows.

18 MIKE: I've never heard that mentioned by anybody

19 in DEC.

20 MR. SUND: You gotta find someone who was there

21 in 1980.

22 MR. DOOLEY: Well, we did. He's the one who told

23 us it was in place. He's worked on the spill, but he now

24 doesn't work for DEC.

25 MR. SUND: Oh, you gotta find him.

1 MR. PARKER: Okay, the -- Counsel, Commissioner's
2 are fading. What -- were would you like to lead us next?

3 MR. HAVELOCK: I'm proposing to not lead you
4 anymore, but allow you to go home.

5 MR. PARKER: I'm not ready.

6 MS. WUNNICKE: Hallelujah.

7 MR. HAVELOCK: Then you should pick where you
8 want to go. Do you want to go back to covering institu-
9 tions and prevention or do you want to re-visit -- we
10 have not done the close analysis of Virgil Keith's
11 report. In the absence of doing that, I know we'll be
12 doing it in writing. We'll be doing, going over with
13 them orally on the phone about areas where we want
14 improvements and so on.

15 MR. PARKER: Well, since you brought it up. Are
16 there any substantial problems with the report which you
17 wish to define right now, especially in the three groups
18 of recommendations that are in Chapter Six. Those
19 are.....

20 MR. SUND: Mr. Chairman, if we have them here,
21 I would appreciate at this time that the questions that
22 we put off two days and that was the methodologies that
23 were used to arrive at the percentage improvement and
24 safety based upon the implementation of certain types of
25 recommendations and how they -- I don't want to go

1 through an extended math class, but maybe a 20-minute
2 explanation of how those came about.

3 MR. PARKER: Okay, Virgil.

4 MR. WALLIS: Mr. Chairman, I assume then that
5 we're through with this process and that we made the
6 necessary decisions and gave the instructions to staff
7 as to what to do. Or they're going to take everything
8 they's heard and right their report.

9 MR. PARKER: Staff director's satisfied. I'm
10 satisfied. I don't know about the rest of you.

11 MR. WUNNICKE: There are still pieces to come,
12 but I guess I would ask Counsel, are you comfortable with
13 the framework that we talked about and.....

14 MR. HAVELOCK: I'm not comfortable if there's
15 any Commissioner that's not comfortable. But I want that
16 Commissioner to indicate the area where they want to
17 either elucidate the direction or where they wanta hear
18 where we think we're going.

19 MR. WALLIS: Well, let me ask you. Where do you
20 think you're going?

21 MR. HAVELOCK: On which issue?

22 MR. WALLIS: On response, for example.

23 MR. HAVELOCK: On response we are going to, at
24 the institutional level, we're going to -- the main
25 question that we will be briefing, I think is the

1 question of whether we stick with the DEC or whether we
2 move to the DES. And I think that we will probably come
3 back with a recommendation that DES was a second option,
4 to leave it at DEC. As far as -- it seems to me the
5 suggestions with respect to, that have been made with
6 respect to local involvement have uncontradicted. I just
7 don't, I see all the local involvement issues falling
8 into place on that.

9 With respect to response technology, I see that
10 we're going to -- we will have local, locally maintained,
11 local response depots to protect sensitive habitat
12 including such things as hatchery closing and small
13 harbour closing.

14 MR. WALLIS: Thank you Mr. Chairman.

15 MR. HAVELOCK: Do you want more of that?

16 MR. WALLIS: No, that's fine.

17 MR. PARKER: Okay, Virgil you heard Commissioner
18 Sund's request.

19 MR. KEITH: All right. I think to start with Mr.
20 Chairman and something that, Commissioner, we discussed
21 when you were back in Annapolis. In fact, at the time
22 you were back there then I think we called them Phase I,
23 Phase II, Phase III and you suggested we go to calling
24 them groups because the groups, the phases indicated that
25 we may start phase II after Phase I and you wanted to at

1 least allow the Commission the opportunity, if they
2 chose, to start all three groups at the same time,
3 recognizing that group through would take longer than
4 Group I. And I'm reading from page, roman number VI-18
5 on our draft report, and I stress draft report. It was
6 come up to solicit these types of comments.

7 What we did, is having set through the Cordova
8 hearings, the Kenai hearings and the material that your
9 staff sent us down for the written material of people
10 that testified before you, is put together the list of
11 items that you see on page Roman number VI-18, those
12 items. I think we faxed them up to staff, maybe two or
13 three times and asked for Commission input. Were there
14 any other items? Several of those, Marilyn added one
15 that it turned out was very, very important; in fact,
16 two. Is the spill response equipment coordination
17 involving the local people, and then the local spill
18 prevention involvement. So you had the people involved
19 both before the spill and after the spill. I think in
20 our early reports we only had the involved in the clean
21 up efforts and not the advisory groups before.

22 MR. SUND: Yeah, I guess that's one question I
23 had was I have a hard time in my mind putting that
24 category into a prevention group. I mean, how does local
25 spill prevention or local spill response look.....

1 MR. KEITH: We thought that input on the local
2 level, it's certainly where we as naval architects got
3 our knowledge, is out in Cordova, in Homer, in Kenai,
4 listening to the people out there saying these are the
5 risks involved. These are the hazards that Mr. Pourchel-
6 li described in his area. We think it's important to
7 have that local involvement, mainly as a watchdog. And
8 then, if nothing else, those people are out there to be
9 darn sure that tankers are in the traffic lanes. We've
10 heard all sorts of reports that we discussed when you
11 were in Annapolis ships had gone through before, cut that
12 corner. Now whether that's true or not, we don't know
13 that. But to have them out there almost in a watchdog
14 fashion.

15 MR. SUND: But, I get that from local spill
16 prevention, but spill response equipment, maybe there's,
17 I don't understand what that category is. I know that's
18 in the response side of it, but how does that lead to a
19 percentage reduction in oil spills on a prevention basis?

20 MR. KEITH: It -- that particular thing does not,
21 it only stressed the idea of having the equipment
22 coordinated between Alyeska and Cook Inlet. In other
23 words, we separated out the one report that we sent you
24 on the equipment, but nonetheless we did have the
25 contingency planning and the equipment is part of the

1 contract with on both, you know, to deliver to you. So
2 we thought it was important that we at least address that
3 in here.

4 You know, clearly the spill response equipment
5 coordination is not a prevention item, yet we thought it
6 was important that this report, like we discussed this
7 morning, kind of take on the whole area, the whole
8 spectrum.

9 MR. PARKER: I think we need to go back and
10 reinforce as we did the other day. We're talking oil
11 spill reduction here and not accident reduction leading
12 to oil spills. That's I think, how it got in there as
13 a part of the total oil spill reductions.

14 MR. KEITH: We were very careful in the report,
15 as you said Mr. Chairman, to only talk about oil spills,
16 not to say collisions or groundings or break 'em up.
17 We're gonna quickly in the game get into just oil spills
18 and preventing oil spills.

19 Otherwise you get into the argument in Alaska,
20 one out of three groundings result in an oil spill and
21 you have to play all those types of games and we decided
22 to the software modifications on the data base to do that
23 early to bring the Commission right into the oil spill,
24 since that was the thrust, and we not get too carried
25 away with whether that's a spill that's caused by a

1 grounding or a collision or a fire and explosion, that
2 type of thing.

3 MR. SUND: I think you were in the bas -- there's
4 were two questions that came up a couple days ago. One
5 was, how was the list compiled? What methodology did you
6 go through to get that? And that, I assume you'll add
7 that to the report here.

8 MR. KEITH: Yes sir. We can do that. I think
9 it's important though to bring through, we sent this list
10 up at least two times and staff can correct me, that
11 faxes back and forth to try to get some interplay from
12 were there other things on the list; basically went
13 through every bit of material that was sent down by us.
14 In other words the written testimony from industry, from
15 fishermen, from the local involvement to try to put that
16 list together. And it was a dynamic list. And there
17 still could be some things on there that we haven't
18 covered.

19 We thought, you know, there might be some other
20 things on there as a result of this hearing now, since
21 it is a draft report.

22 MR. SUND: One of the things that has come up is
23 speed. And I don't know how that comes it, but Alyeska
24 or Mike Williams is talking about a mandated speed
25 reduction within Prince William Sound not to exceed 10

1 knots and I don't know that that.....

2 MR. DOOLEY: That was primarily to accomodate the
3 escort vessels.

4 MR. SUND: Yeah.

5 MR. KEITH: And I think it was pri.....

6 MR. SUND: Well, it still has to, speed has to
7 relate to accident prevention somehow.

8 MS. WUNNICKE: Sure, particularly with respect
9 to ice.

10 MR. KEITH: Well, I think the speed, another
11 thing is that if there is any ice involved on that type
12 of thing, we did not bring into the scenario the fact of
13 hitting an iceberg. We're assuming that somehow that's
14 gonna be addressed. That either the iceberg problem is
15 going to be rectified or the lanes going to be changed
16 or something. But I think another reduction of speed is
17 when they're operated in ice waters, the idea is to slow
18 the vessel down.

19 MR. SUND: The second part of my question is how
20 do we translate these verbal things into the numerical
21 number under reduction in oil spill percent? What's the
22 methodology to get from here to there.

23 MR. KEITH: So, to wrap up the groups, then, so
24 then we put them into groups as a function of time. Now
25 we went back to Mr. Pourchelli's section and I will,

1 Roman number II-40. Well, let's go to Roman numeral II-
2 41. So that would be figure Roman II-13 and you see the
3 worldwide tanker spill incidents. So, again, what the
4 Chairman has spoken about, we're looking strictly at oil
5 spills.

6 Now what we attempted to do is using the data
7 base and the using the real time simulator that you
8 handled when you were back there is to come up with our
9 best estimate of what -- we couldn't test each and every
10 item within this three month period I've been working on
11 the report, individually. And we discussed this early
12 with Counsel, when Mr. Havelock was back there. So, we
13 attempted to take our base case without the Group I
14 items, in other words before the mandatory drug and
15 alcohol testing and before the emergency high risk
16 training and before the port closure system.

17 The port closure system is another one. We're
18 assuming one day a year that it be closed down. If it's
19 more than that, so then what it did, it reduced the
20 accident rate by basically 1/360 for each of those
21 categories. So we reduced all the spill accidents that
22 would be germane to the port closure. For instance the
23 port closure, if you close it down for one day, all the
24 accidents within that area would be reduced by 1/360.
25 So you basically, what's left then, you've 359/360.

1 As we went to the mandatory drug and alcohol
2 testing, the collision and groundings were reduced,
3 however the fires and explosions that are going to occur
4 naturally, that are not affected, those are left the
5 same.

6 So that's why it was important the we attack
7 Group I first and then after we do that, do Group II.
8 So when we're all finished running through all seven
9 items of Group I, we see how many accidents are left, or,
10 if you want to look at the other side of it, how many are
11 reduced. In this case, there were 86% of the oil spills.
12 I used the word accident on it. Of the oil spilllls.
13 We're only talking spill again. Based on casualty type.

14 Now, so we don't double count this, now we have
15 left in our pie, if you'd like to go back to that same
16 figure, we've got a reduced pie because we have some
17 white spaces in there for each accident type that we
18 pulled out. And now we go into Group II, but we only
19 have for our base now, 86% of the original of all the
20 accidents.

21 NOW we go through for the vessel monitoring
22 system. Well the vessel monitoring system is not gonna
23 help us with the fires and explosions. So that par-
24 ticular piece of the pie, that accident stays the same.
25 It's going to help us tremendously with the groundings

1 and collisions. In this case, we were looking at a
2 number of approximately 60%. Where we were in doubt, we
3 always went to the lower numbers and, again, most of
4 those documents are in the bibliography that we stated
5 in the back. We can supply more of those papers to you.
6 The OTA report, I think, is a linch pin that we should
7 go.

8 So, now we attack, now we attack the 40% of the
9 collisions because of the vessel monitoring system, so
10 you can see that you get big paybacks. And that's why
11 its so important that we had it mandatory. And that's
12 why we came up there. If all of the sudden you say it's
13 only an advisory system, then we can't reduce that
14 because we don't know, if it's an advisory system, how
15 many people are going to participate in that system. So
16 we assume that it's a mandatory system. Everyone is in
17 there and we're gonna watch it and you're not going to
18 have any north bound or south bound vessels in the north
19 bound lanes.

20 And again, reduce the accidents around the
21 circle, 'er reduce the oil spills, reduce the oil spills
22 around the circle. When we finish that, we've got
23 another reduction of 41%, or the cumulative is near 50%.

24
25 And then we do the same thing for the improved

1 tanker design. Now when we get into the improved tanker
2 design, where we are looking at fires and explosions and
3 the other areas because of the improved tanker design,
4 looks at the whole spectrum of tankers. All of the
5 sudden, now we're able to reduce cargo loading. We're
6 able to reduce with the auxiliary thrusters. Any time
7 that you have a breakdown in a vessel and that vessel
8 resulted in oil spill with a redundant power device, in
9 this case the thruster that would take care, then that
10 series of accidents is reduced out of the data base.

11 So now we go back to the data base and reduce
12 another 55%. So when we get all done from the very
13 figures that you see up here on Roman numeral II-41, the
14 spill incidents, we wind up, we have 23% of those total
15 accidents left.

16 Now we'd be happy to go through and show you the
17 chart on each one if you'd like to see that. Perhaps
18 that would help to run through even in the appendix. And
19 all that is automatic on our computer data base because
20 we've got the 10,000 accidents and where we don't -- we
21 don't know, for instance, what drug and alcohol testing
22 will do. We assume from the numbers that we've seen,
23 we've seen numbers like five, there's a 5% problem in the
24 fleet. Whether that's true or not we don't know. We've
25 assumed that. We've also assumed this testing program

1 would get half of those people. In other words, there's
2 going to be 50% effective. We can also give you that,
3 but that's the type of discuss -- we discussed that on
4 the simulator.

5 But the only way you can really do that in
6 absence of not having is going back to the simulator.
7 So it's the combination, the world wide accident base,
8 which we cut down and only looked at the oil spills, and
9 the real time simulator, so we're able to model this be
10 before and after.

11 For instance, I don't think 'til you brought the
12 vessel safely clear to the east side of Bligh Reef
13 anybody had ever tested that, nor would they be able to
14 do that in real life. However, you showed on the
15 simulator that you could safely bring the Exxon Valdez
16 down if you hadn't given the right full rudder to the
17 east side between Bligh Reef and Bligh Island and indeed
18 cleared and then went back in the traffic lane. But
19 without that tool, we don't see any way you could do
20 that.

21 MS. WUNNICKE: Don't try it.

22 MR. SUND: If Cousins hadn't done anything, he
23 would've made it.

24 MR. DOOLEY: If you hadn't had a look out, you'd
25 have made it.

1 MR. DOOLEY: And we'd be happy to add those other
2 things in there. We thought, I guess I'm influenced by
3 Commissioner Wunnicke. We're trying to look at some of
4 the institutions and not be, not wrap this up in too much
5 of a technical jargon, but we're glad to add. Those are
6 just other printouts, intermediate printouts of the
7 computer that we can add in for you.

8 So now you're gonna see, you can see in your
9 report the figure that you have on II-41 and then we'll
10 show the white spaces where the accidents that reduced
11 in each category. So, you'll have three other figures
12 like that and then instead of being the whole pie you'll
13 see how much of the accidents are cut out for each
14 particular group that the Commissioner may wanta go.

15 And again, we were very careful not to recommend
16 or advocate either Group I, Group II, or Group III. We
17 simply showed you the baseline, showed you a Group I,
18 which are basically institutional items. There non-
19 technical items for the most part. Group II, which is
20 in the middle. And then Group III, which are the highly
21 technical items. And the Commission can feel free to do
22 nothing or do all three.

23 MS. WUNNICKE: And you've assigned costs to each
24 one of these items. So if we, as Meg was suggesting
25 earlier, if we go back to the list we did yesterday and