

RPWG
V

May 7, 1989
Civic Center
Valdez, Alaska

SUBCOMMITTEE ON WATER, POWER AND OFFSHORE ENERGY RESOURCES
OVERSIGHT HEARING ON
INVESTIGATION OF VALDEZ OIL SPILL PRINCE WILLIAM SOUND, ALASKA

Part I

WITNESS LIST

The Honorable John Devens, Mayor of the City of Valdez, Alaska

PANEL

Dennis D. Kelso, Commissioner, Alaska Department of Environmental
Conservation

Frank Rue, Director, Habitat Division, Alaska Department of Fish
and Game

PANEL

Ken Adams, Cordova District Fishermen United, Cordova, Alaska

Jack Lamb, Cordova District Fishermen United, Cordova, Alaska

Dr. Fredericka Ott, Cordova District Fishermen United, Cordova,
Alaska

PANEL

Theo L. Polasek, Vice President, Operations, Alyeska Pipeline
Service Company, Inc.

Ivan L. Henman, Vice President, Environmental and Engineering,
Alyeska Pipeline Service Company, Inc.

Peter Sarnacki, Marine Supervisor, Alyeska Pipeline Service
Company, Inc.

TESTIMONY OF MAYOR JOHN DEVENS
City of Valdez, Alaska
Before the House Interior Subcommittee
on Water, Power & Offshore Energy Resources
May 7, 1989

On behalf of the City of Valdez, I extend to you our warmest welcome and thank you for coming to the scene of the oil spill to hold these hearings. Alaska is all too often treated as though it were a foreign nation and we find it refreshing that this Committee is presently in Valdez.

Within days of the March 24, 1989, oil spill, attempts were made for areas of Alaska affected by the spill to be designated for federal disaster status. Alaska statutes set forth the qualifications for disaster status under state standards. One criteria is the "catastrophic oil discharge", defined as any spill over 100,000 barrels. The Exxon Valdez spill, being two and one-half (2 1/2) times that amount, quickly attained and surpassed the State disaster benchmark and, accordingly, Governor Cowper quickly declared this to be a disaster. Efforts to obtain Federal disaster status have thus far not been successful; however, we still hold out hope that that designation is forthcoming.

This being approximately 45 days following the spill, there is little reason to believe that the present clean up plan will in fact work. The amount of man power at the clean up sites has produced what appears to be a miniscule result. A recent report indicated that there are at least 20 tons of animal carcasses in storage for disposal; animals that have died as a result of this

devastating spill. While I do not know what 20 tons equates in numbers of sea otters and birds, one must conclude that this oil spill will have a long-term devastating affect on that population in Prince William Sound.

You must bear in mind that the devastation that we've seen thus far is based upon the last 45 days. We have reason to believe that the devastation will continue on for years to come, manifesting itself in yet unknown ways. There must be a plan for restoration of Prince William Sound. When I speak of restoration of the Sound, I'm referring to not only the mammal and bird life of the Sound, but also the commercial fishing, tourism and recreational aspects of Prince William Sound.

As I am sure you are aware, Valdez is not alone in its suffering from this disaster. Other communities such as Cordova, Tatitlek, Chenega, Seward, Homer, Whittier, Kenai, and Kodiak are all feeling the effects of the spill. Some communities such as Tatitlek and Chenega are subsistence communities. These villages have no industries or commerce and their residents literally live off the water. Not only their way of living, but life itself in these remote places is threatened by the likelihood of contamination to the food supply. Cordova is a community which is almost totally dependent upon its commercial fishing industry. All communities effected by this oil spill must have immediate federal support in order to keep their businesses solvent. The businesses of these communities cannot pay their monthly payments by submitting copies of filed lawsuits.

If one single common denominator has come out of this

devastating oil spill, it is the fact that the oil industry was not prepared for such a spill. The communities that are so rawly exposed to devastation of such a spill should not be left to rely upon assurances from the industry that this can never happen again. Coastal communities along with the State of Alaska working in conjunction with the oil industry, must collectively provide the assurances that should such a spill occur in the future, proper safeguards are in fact in place to respond to the spill immediately. The present oil spill contingency plan requires that the tanker Exxon Valdez was to be encircled by an oil spill containment boom within five hours of the oil spill. In fact, it was not boomed until 72 hours after notification of the spill. This type of response, or lack of response, conveys a message of utter disregard for the economic well-being of those whose economic life is based upon a clean environment.

On May 22, 1986, the City of Valdez passed an ordinance that established an environmental service area within the Valdez city limits. The five-year plan for that environmental service area consisted of the purchase of oil containment booms, oil spill skimmer boats, and storage of oil spill response equipment. In addition, the City of Valdez made available its floating container terminal for the repair of disabled tankers. No one was in a better position than the City of Valdez and the residents of Valdez to see on a day-to-day basis the potential effect of the aging tanker fleet plying the waters of Prince William Sound carrying 25% of the Nation's oil. Additionally, citizens of Valdez were aware of the dangerously complacent

attitudes of the industry towards clean up response of an oil spill. Valdez was preparing itself, through Service Area 3, to have in place the largest oil spill response team possible. Through contact with Port Angeles, Washington, who suffered from an oil spill (289,000 gallons) in 1985, we chose to learn from previous oil spills in other communities.

Unfortunately, we soon found ourselves entangled in a court battle with the Alaska State Assessor's Office with regard to the city's ability to establish Service Area 3 and tax the industry at a higher rate for those services. On March 24, 1989, instead of being able to respond immediately to alarming news of the grounding of the Exxon Valdez, we had no option but to sit back and watch the industry attempt to bring to Valdez the necessary equipment and expertise to attempt to corral the largest oil spill ever to occur in the United States.

Had this oil spill occurred off the coast of Norway, there would have been immediate deployment from their existing depots of oil spill response teams strategically located throughout that country's rugged coastline. The main depot at Horten, Norway, employs 20 full-time employees as well as acting as the central warehousing point for the oil spill response equipment. Additionally, Norway has 12 other oil spill response depots, each manned with 10 employees. Each of those depots have in stock oil spill response equipment including booms and skimmers. Also, each depot has in place contracts with existing boat owners for the immediate deployment of those boats to assist in the containment of any oil spill. We insist that this level of

response be available in Alaska in anticipation of another oil spill. We must insist that the municipalities affected by the devastation of the oil spill be a major participant in the oil spill response plan. Once the attention is moved from this oil spill, it will be these communities which I have previously mentioned who will deal with the ongoing affects of this disaster.

It is clear that the affects of this oil spill will have a major socioeconomic downturn effect on the fisheries and tourism industries of Alaska. Any short-term financial assistance received at the early stages of the spill will be of little help in the long-term debt service of each communities business sector. However, the loss goes far beyond the economic loss already described. One need only spend a short time in the otter and bird cleaning centers to get a grasp for the devastation of Prince William Sound. A few years ago, the cities of Valdez and Cordova were selected as the sites for the filming of a feature length documentary film by a Japanese filming company on our sea otters.

We have for a number of years, recognized the finite nature of the oil industry. The day will come when the oil will run out. We have aggressively invested in fishieries and tourism enhancement programs to ensure a stable economy when we are without oil. This spill has gravely damaged those efforts for future stability.

Our goal was to encourage and develop the industries that were dependent upon the once pristine waters of Prince William

Sound to build our economic foundation for the future. That cornerstone for our future has been virtually destroyed by this oil spill. Fisherman who have seen and done it all in their lifetimes have been quickly reduced to tears as they gaze trance-like at the crude-stained waters and shorelines and the oil-drenched carcasses of the marine and wild life scattered along our beaches.

We survived a devastating earthquake in 1964, and we will survive the oil spill of 1989. We will make no attempts to evict our oil spill industry guests who supply 25% of the nation's oil. However, we will continue our thus far unsuccessful attempt to gain control and assurance of the best possible, state-of-the-art response facility to assure our residents that when the next oil spill occurs, we will not be left on the beaches to idly watch others attempt to do that which we had been previously assured they could do.