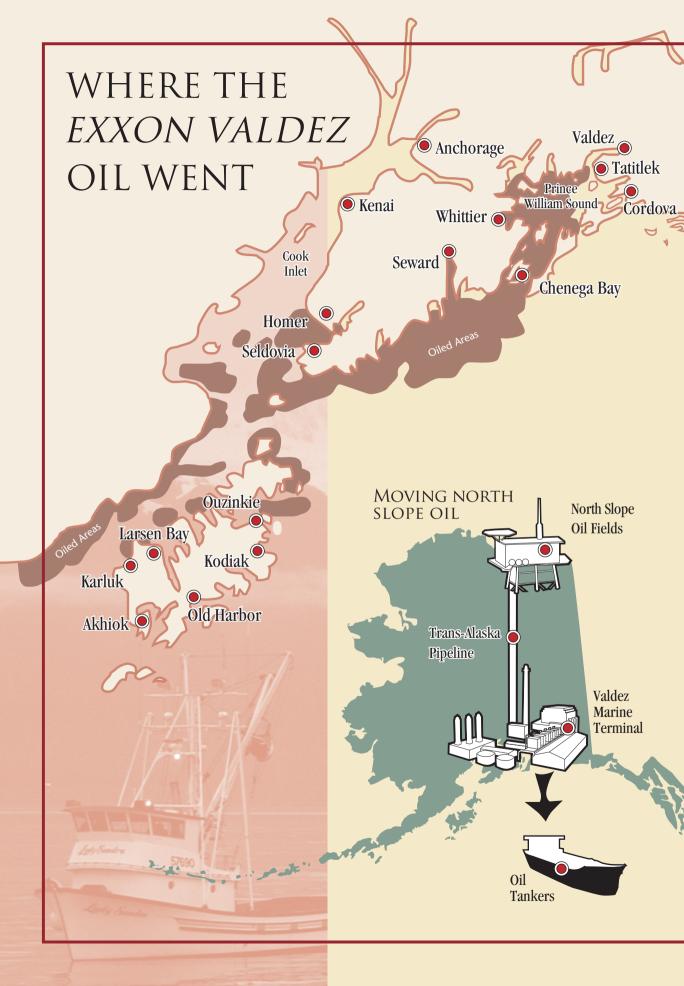


Prince William Sound Regional Citizens' Advisory Council



INTRODUCTION

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"Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers"

he Exxon Valdez spill of 1989
gave rise to a host of new rules
governing the transport of North
Slope crude oil through Prince
William Sound and the Gulf of

Alaska. The Alaska Legislature and the U.S. Congress swiftly passed laws requiring greater efforts to prevent oil spills, and better preparations to clean them up should prevention fail.

Among the tangible results of these actions are the doublehull oil

tankers entering service in the Sound and the detailed plans for preventing and cleaning up oil spills that tanker companies and Alyeska Pipeline Service Co. must prepare and submit to the state and federal governments.

But perhaps the most remarkable and fundamental change growing out of the spill was the

Anchorage Daily News

In March 1989, the *Exxon Valdez* struck Bligh Reef, spilling an estimated 11 million gallons of crude oil.

creation of independent, industryfunded, citizen oversight councils for Prince William Sound and Cook Inlet. The job of these councils: to make sure the kind of complacency that allowed the *Exxon Valdez* spill never sets in again.

In this brochure, you'll learn about one of those organizations:
The Prince William Sound Regional Citizens' Advisory Council.

WHERE WE CAME FROM

he oil industry has rightly received much public credit for the extensive safety improvements made in Prince William Sound since 1989.

What's less well known is that citizens were calling for improvements

like these long before 1989. In fact, the calls began even before the first barrel of Prudhoe crude started down the transAlaska pipeline to Valdez in June 1977.

Between the Prudhoe Bay oil strike in 1968 and the *Exxon Valdez* spill 21 years later, citizens called for,

among other things, doublehull tankers, escort tugs, and comprehensive preparations for cleaning up an oil spill.

In 1986, the city of Valdez attempted to take matters into its own hands by imposing a special tax on oilindustry property, with the proceeds to be used for

building and equipping an oilspill response facility. The idea died because of a lawsuit by the state of Alaska, which argued successfully that Valdez lacked authority to levy the tax.

Tinda Bohiron

The citizens' council represents people from many coastal communities, including the Cordovans shown here.

The public also called for independent, adequately funded citizens' advisory councils to oversee industry operations and to monitor the actions of regulatory agencies like the U.S. Coast Guard and the Alaska Department of Environmental Conservation.

Those calls, like

the demands for better tankers and escort tugs, went unheeded until the *Exxon Valdez* spill made it clear the old way wasn't working.

Sensing the shift in the political landscape, a group of citizens formed the Prince William Sound Regional Citizens

Advisory Council as a nonprofit corporation in December 1989.

In February 1990, Alyeska Pipeline Service Co. signed a contract with the council laying out its oversight powers and guaranteeing its funding. Today, Alyeska provides about \$2.7 million annually, some 95 percent of total council funding.

The contract also guarantees the independence of the council, which is referred to as the "Committee":

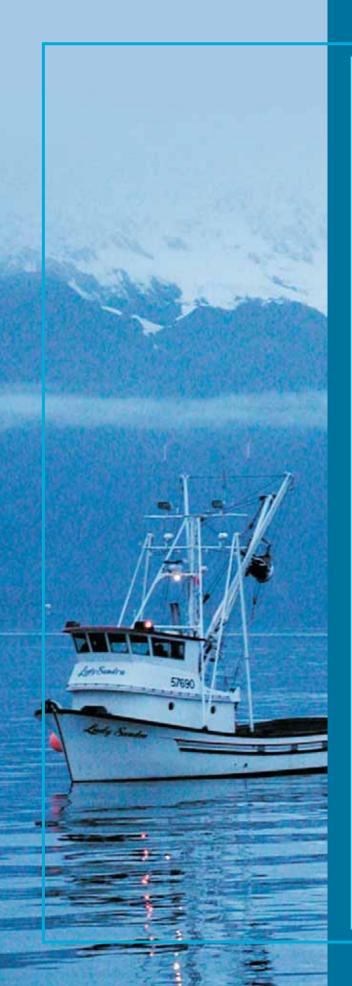
"The independence, and public perception of independence, of the Committee is of overriding importance to the Committee in fulfilling its functions and in meeting public needs. This Contract shall be interpreted in such a way as to promote the independence, both actual and perceived, of the Committee from Alyeska."

"Alyeska shall have no right to be a member, to have representatives on the board of directors, or to have any degree of control over the formation or operation of the corporation."

In August 1990, the council acquired federal authority when President George Bush signed into law the Oil Pollution Act of 1990.

Citizen oversight had become a reality.





WHO WE ARE

he council is an organization of organizations. Our 18 member entities are communities and interest groups in the region oiled by the *Exxon Valdez*, an area stretching from Prince William Sound to Kodiak Island to Cook Inlet.

Our members include statechartered cities and boroughs, tiny Alaska Native villages with tribal governments, Native corporations, commercial fishing organizations, groups from the tourism industry, and an environmental consortium.

Each member entity chooses one representative to our board. The lone exception is Valdez. It has two representatives, giving our board a total of 19 members. The board meets quarterly: March and December meetings are held in Anchorage, the May meeting is in Valdez, and the September meeting rotates among other member communities in the oilspill region.

Who serves on the board?

The names and faces change, but current and recent board members have included commercial fishermen, a schoolteacher, a college president, the chief executive of a regional Native corporation, tourboat operators, an oilfield engineer, and a village mayor.

The board is supported by a staff of approximately 18, with offices in Anchorage and Valdez.

The council is also supported by four technical advisory committees with a combined membership of 35-40 people. They include a few council board members, but most are citizen volunteers from the oilspill region. They advise the board on such issues as oilspill prevention and response, the operations of oil tankers and the Alyeska terminal in Valdez, environmental protection and scientific issues. Like board members, they work hard with no compensation and relatively little public recognition, but they accomplish great things. Without them, the council wouldn't be the organization it is.

Member Entities

Kodiak Island Borough

Alaska State Chamber of Commerce
Alaska Wilderness Recreation
and Tourism Association
Chugach Alaska Corp.
City of Cordova
City of Homer
City of Kodiak
City of Seldovia
City of Seward
City of Valdez
City of Whittier
Community of Chenega Bay
Community of Tatitlek
Cordova District Fishermen United
Kenai Peninsula Borough

Advisory Committee Missions

Oil Spill Region Environmental Coalition

Prince William Sound Aquaculture Corp.

Kodiak Village Mayors' Association

Scientific Advisory Committee: Ensure that council-sponsored research, monitoring, and testing projects are based on the best available scientific information, serve the best interests of the public, and are carried out in accordance with the policies and priorities established by the council and mandated by its contract with Alyeska and the Oil Pollution Act of 1990.

Oil Spill Prevention and Response Committee: Promote strong oil-spill prevention and response capability in the Exxon Valdez oil-spill region by advising the council s Board of Directors.

Terminal Operations and Environmental Monitoring Committee: Detect and monitor all existing and potential environmental impacts of the Valdez Marine Terminal and associated tankers, and advise the council of the committees findings.

Port Operations and Vessel Traffic Systems Committee: Advise the council concerning the safe loading, transit and escort of North Slope crude oil tankers in Prince William Sound and the Gulf of Alaska.

What we do

he council's powers and duties come from two documents: our contract with Alyeska, and the Oil Pollution Act of 1990. In accordance with these documents, we perform a variety of functions aimed at reducing pollution from crudeoil transportation activities in and through Prince William Sound and the Gulf of Alaska:

- We monitor, review and comment on the oilspill response and prevention plans prepared by Alyeska and by operators of crudeoil tankers. These large and detailed plans are required by state and federal law, and form the backbone of the system for making sure the oil industry operates safely in our waters.
- We monitor, review and comment on the environmental protection capabilities of Alyeska and the tanker operators, as well as on the environmental, social and economic impacts of their activities. This oversight function applies not only to preventing oil spills, but also to minimizing ongoing pollution from routine operations. One example is the council's long*unning effort to reduce hazardous air pollution from Alyeska's tanker terminal in Valdez.
- We review and make recommendations on government policies, permits, and regulations relating to the oil terminal and tankers. The council strives constantly to ensure that existing rules aren't weakened as legislatures, Congresses, presidents, governors and agency personnel come and go. We also try to change existing laws and regulations where necessary to improve environmental safety.

As part of these undertakings, we regularly retain experts in various fields to conduct independent research on issues related to oil transportation safety.

The Alyeska contract also calls on us to inform the public about the company's oil-spill response, spill prevention and environmental protection capabilities, as well as the actual and potential environmental impacts of terminal and tanker operations.

Occasionally, we decide to take on a project that falls outside the scope of our Alyeska contract, and consequently cannot be financed with the funds we receive from Alyeska. In such cases, we obtain grant funds from other organizations.



Are we an environmental group?

Because of the nature of our mission and the fact that nothing exactly like us exists outside Alaska, we are often asked if we are an environmental group.

Our answer: Yes and no.

We certainly want to protect the marine environment from oil spills, so in that sense we are an environmental group.

But there are important ways in which we're not an environmental group, at least not in the same way that Greenpeace and the Sierra Club are environmental groups.

For one thing, we are neither pro-development nor anti-development as an organization. The council, for example, has never taken a position on one of the most prominent environmental issues in

Alaska: oil development in the Arctic National Wildlife Refuge. Our only position is that, if development does proceed, it must be conducted without harming the environment we are charged with protecting: the waters and communities of Prince William Sound, the Gulf of Alaska and Cook Inlet.

For another thing, we take as much interest in protecting the socioeconomic environment as we do in protecting the natural environment. The council has spent hundreds of thousands of dollars on

research into the problems that oil spills cause for communities and individuals, and on devising solutions to those problems.

As a look at our board shows, we represent all the interests in the region oiled by the *Exxon Valdez* spill, not just environmental interests. Our members include commercial fishing organizations,

a for-profit Native regional corporation, two groups representing the tourism industry, and several towns, villages and boroughs. Only one seat is held by an environmental organization.

In short, our goal is to protect the environment in all its dimensions — natural, social, and economic — because all of those aspects suffer when oil is spilled.



Columbia Glacier is a magnificent sight, but its icebergs are dangerous to oil tankers in Prince William Sound.

Are we really independent?

No matter what our contract may say, it's only natural for people to wonder if we can really remain independent of Alyeska while getting most of our operating budget from the company.

The short answer is, yes, we can. Alyeska has essentially no control over what we do, as long as we operate within the scope of the rights and duties laid out in the contract.

For example, Alyeska couldn't cancel the contract just because it objected to a

position we took or a project we conducted. The contract is written to remain in force as long as there is oil in the trans-Alaska pipeline, and for a transition period afterward while the facilities are removed and the land is restored to its natural condition.

Nor could Alyeska arbitrarily cut our funding. The contract lays out a system of payments that can only be changed by mutual consent of Alyeska and the council. In the event of a disagreement that cannot be resolved by negotiation, the contract provides for arbitration or litigation.

The same is true of specific items within the budget. If Alyeska believed a particular council expenditure fell outside the scope of the rights and duties laid out in the contract, the matter would go to arbitration.

Thanks to the clarity of the contract, and the good faith efforts of both the council and Alyeska, there have been relatively few disputes over what the council can and cannot do since its inception in 1989.

The only major exception was a disagreement over whether the council could use Alyeska funds to review oil-spill prevention and cleanup plans for that part of the trans-Alaska pipeline where a spill into a river could send oil into Prince William Sound. The matter went to an arbitration panel, which ruled the council could not use Alyeska funds for the purpose.

Since that decision, the council has obtained outside funding for reviewing pipeline oil-spill plans. This is allowable because the contract permits us to undertake other activities if we do not use Alyeska funds.



What We've accomplished

ince its formation in 1989, the council has tackled numerous issues affecting the safety of oil transportation, and it has prevailed on many of them.

Below are some of the things we've accomplished to make a repeat of the Exxon Valdez spill as unlikely as is humanly possible, and to reduce routine pollution from oilindustry operations through Prince William Sound and the Gulf of Alaska.



Oil tankers are escorted through Prince William Sound by powerful rescue tugs like the Tan'erliq, shown here.

doublehull Polar Endeavour became the first such tanker built specifically for the Valdez trade to enter service. This marked a major step forward for Alaska, the oil

industry, and our council.

ESCORT TUGS

In the mid1990s, the council played a lead role in forming a partnership of citizens, industry and government to analyze tanker risks in Prince William Sound. The resulting technical studies contributed to the worldelass system of

escort tugs serving tankers in the Sound today.

ICEBERG DETECTION

Icebergs from Columbia Glacier figured in the Valdez spill, and a mid1990s risk assessment identified icebergs as the greatest remaining threat to tankers in the Sound. In response, the council led a collaborative effort to install icedetection

Double-Hull Tankers

From inception, the council was a staunch advocate of doublehull tankers to reduce the risk and size of crude oil spills. Immediately after the Exxon Valdez spill, council volunteers worked with Congress and the Coast Guard to include doublehull requirements in the Oil Pollution Act of 1990. In July 2001, ConocoPhillips'

radar on a small island near Bligh Reef, site of the *Valdez* spill. The system links electronically to Alyeska and the Coast Guard so that tanker captains and other mariners can be warned of ice in the shipping lanes.

THE HUMAN ENVIRONMENT

The need to repair the social and

economic damage of manmade disasters was largely unaddressed until the council took it up in the early 1990s. After studying the impacts of the Valdez spill on the commercial fishing town of Cordova, the council created Coping with Technological Disasters, a guidebook for communities hit by oil

spills and other manmade catastrophes.

The council also produced a fourpart video to train community members in peer listening, a counseling technique explained and recommended in the guidebook.

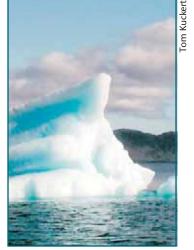
NEARSHORE RESPONSE

Once spilled oil escapes containment in the immediate vicinity of the tanker, the

battle shifts to nearshore response: protecting vulnerable resources like beaches, salmon streams and hatcheries. The council led a successful campaign to bring a new technique called Geographic Response Strategies to oilspill planning in Alaska. These are detailed plans on how to protect nearshore resources identified as being of

most importance.

Geographic Response Strategies are now in place or under development for Prince William Sound, Gulf of Alaska, Kodiak Island and lower Cook Inlet.



Icebergs have figured in two oil tanker accidents in Prince William Sound, including the *Exxon Valdez* spill.

VAPOR CONTROL

Thousands of tons of crude oil vapors are forced out when tankers take on cargo at

Alyeskas Valdez terminal. Initially, those vapors were vented to the atmosphere, threatening the health of terminal workers and Valdez citizens. The council opposed this practice and called for a system to capture the vapors, backing up its position with a series of scientific studies. In 1995, the EPA required such equipment. It began operating in Valdez in 1998.

FIRE SAFETY

After serious questions were raised about the adequacy of the firefighting system at the Alyeska tanker terminal, the council and Alyeska worked out a unique agreement to jointly fund the work of two fire protection and response experts. These experts worked directly with terminal personnel to identify needed improvements in the facility s fire prevention and

The consultants reported directly to the council's staff and committees to ensure the council was kept well informed about problems identified and corrective actions taken, and also to ensure that the public's concerns were

response system.

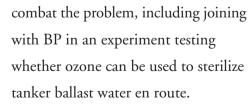
fully communicated to Alyeska. Significant improvements were made to the terminals fire protection system, including new foaming equipment at the metering facilities, two new fire engines, and a greatly improved working relationship with the Valdez City Fire Department.

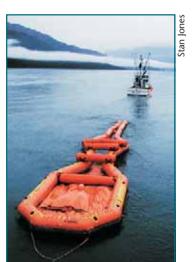
NON-INDIGENOUS SPECIES

The council spearheaded efforts to prevent an invasion of Prince William Sound by aquatic nuisance species traveling in the ballast water of oil tankers and other large vessels.

The council brought all stakeholders together — government, industry and citizens — and commissioned two major

studies of the problem by the Smithsonian Environmental Research Center. These studies established that non-indigenous species are, in fact, being carried to the Sound in tanker ballast water. The council is now seeking ways to





The council monitors oil spill drills, including this deployment of a skimming system near Valdez in 2002.

CONCLUSION

any of the council's achievements have come despite initial opposition from the oil industry. How did this happen?

We have learned that the best way to resolve contentious issues is with solid science and a partnership approach. We hire expert consultants to make the scientific case for our position, and we include industry representatives in the process at all stages.

Council board members - such as Chenega Bay's Pete Kompkoff, shown here - often participate in drills.

In the end we have a result that works for all parties. Many times, the industry ends up highlighting these outcomes in advertisements touting its concern for environmental protection.

One reason the Oil Pollution Act called for the creation of citizens

councils was the need to improve trust between the public, the oil industry, and government regulators. The post-*Exxon Valdez* era has seen great strides in that direction. We at the council look forward to continuing and strengthening this crucial relationship in

years to come so that future generations never have to learn firsthand what Alaskans experienced in 1989.

For more information on the citizens' council and its work, visit our web site -www.pwsrcac.org -or contact our office in Anchorage or Valdez.

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