

Briefing for PWSRCAC Board of Directors – January 2018

ACTION ITEM

Sponsor: Linda Swiss
Project number and name or topic: 651 – Contingency Plan Review – Valdez Marine Terminal and Prince William Sound Tanker Oil Discharge Prevention and Contingency Plans

1. **Description of agenda item:** This informational and action item is intended to brief the Board on the status of two amendments and request additional funding for contingency planning. One amendment is for the Prince William Sound Tanker Oil Discharge Prevention and Contingency Plan (PWS Tanker C-Plan) and the other is for the Valdez Marine Terminal Oil Discharge Prevention and Contingency Plan (VMT C-Plan). These amendments incorporate the assets of Alyeska’s new marine services contractor, Edison Chouest Offshore (ECO) a/k/a Alaska Ventures LLC. ECO is providing five new ABS-classed escort tugs (known as “ASD 4517”), four new ship assist tugs (known as “ASD 3212”), and four new Open Water Response System Barges (“OSRB”).

PWS Tanker C-Plan Amendment: There was discussion at the September 2017 PWSRCAC Board meeting on the on-going public review for the PWS Tanker C-Plan Amendment. The Response Planning Group (RPG), comprised of the Prince William Sound shippers, submitted an amendment for the marine services transition in July 2017. PWSRCAC submitted comments and suggested requests for additional information on the amendment to the Alaska Department of Environmental Conservation (ADEC) on September 18, 2017 which are included as Attachment A.

On December 15, 2017, ADEC issued Requests for Additional Information (RFAIs) to the Prince William Sound shippers (Alaska Tanker Company, BP Oil Shipping Company, Andeavor/Tesoro Alaska Company, Chevron Shipping Company, Polar Tankers, and SeaRiver Maritime). Attachment B includes the cover letter transmitting the RFAIs (the same letter was sent to all of the shippers) and the RFAIs. Responses to these RFAIs are due from the PWS shippers by February 15, 2018.

On December 12, 2017, ADEC sent a letter to Monty Morgan, Plan Administrator for the RPG (Attachment C), on the progress of the marine transition. The letter pointed out ADEC’s expectations for the transition and identified areas where there may be differences in those expectations. PWSRCAC appreciates ADEC articulating its views on the transition so that a coordinated, collaborative approach will be used for a successful transition.

VMT C-Plan Amendment 2017-2: There was additional discussion at the Board meeting mentioned above on the public review for VMT Amendment 2017-2. This amendment also incorporated assets for the marine transition. ADEC issued RFAIs on November 17, 2017 (Attachment D). Alyeska’s responses to these RFAIs are due January 16, 2017.

The transition from Crowley Maritime to ECO is one of the largest changes to the prevention and response system in 20 years. The new system will incorporate purpose-built equipment for Prince William Sound as described above. The technical

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information for this marine transition has required extensive expert advice to understand the information and comprehend impacts to the prevention and response system in Prince William Sound. As the contingency plans outline planholders' prevention and response commitments, making sure these plans capture the information and commitments in this transition requires thorough review of the proposed changes to the plan. Expert contractors have provided vital support to PWSRCAC, and continuing support will be needed.

2. **Why is this item important to PWSRCAC:** The integration of ECO as the new marine services provider is the biggest change in the Prince William Sound tanker escort system in over 20 years. Incorporating ECO's assets and personnel into the prevention and response system is a significant undertaking that could potentially impact every member organization in the Exxon Valdez oil spill region. Contingency plans outline prevention and response activities that planholders commit to provide when preventing or responding to a spill. Review of contingency plans is a major task for PWSRCAC as outlined in both the PWSRCAC/Alyeska contract and OPA 90.
3. **Previous actions taken by the Board on this item:** None.
4. **Committee Recommendation:** The OSPR Committee has been briefed on the amendments to both the PWS Tanker C-Plan and the VMT C-Plan.
5. **Relationship to LRP and Budget:** Project 651-Contingency Plan Review is in the approved FY2018 budget and annual work plan.

6510--State Contingency Plan Review As of December 7, 2017

FY-2018 Budget	\$92,500.00
Actual and Commitments	
Actual Year-to-Date	\$19,357.49
Commitments (Professional Services)	<u>\$31,136.25</u>
Actual + Commitments	<u>\$50,493.74</u>
Amount Remaining	<u>\$42,006.26</u>

6. **Action Requested of the Board of Directors:** Delegate authority to the Executive Director to negotiate contract increases with selected contingency plan review contractors at a cost not to exceed the amount in the modified FY2018 contract expense budget for project 6510:State Contingency Plan Reviews.

Note: This action is contingent on approval of budget modification 2018043 on the consent agenda in an amount of \$20,000 to 651 contract expense.

7. **Attachments:**
 - A. September 18, 2017 cover letter and Comments and Requests for Additional Information on the Proposed Amendment to the Prince William Sound Tanker Oil Discharge Prevention and Contingency Plan

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- B. December 15, 2017 letter from ADEC to Alaska Tanker Company transmitting Requests for Additional Information on the Prince William Sound Tanker C-Plan
- C. December 12, 2017 letter from Geoff Merrell, ADEC, to Monty Morgan, Plan Administrator on the Transition of Marine Service Provider
- D. November 17, 2017 letter from ADEC to Alyeska transmitting Requests for Additional Information on VMT Amendment 2017-2