

Regional Citizens' Advisory Council

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The Observer

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Tanker escorts catch attention

A not-so-subtle push from Governor Tony Knowles has triggered three new projects aimed at enhancing tanker escorts through Prince William Sound. After meeting with crude oil shippers January 12, Knowles and the shippers announced they had agreed that Prince William Sound will get new escort tugs, unless a major study now in progress concludes a different direction is better.

In his State of the State Address, Jan. 9, Knowles called for expanding "the use of the best technology available to ensure the safe transportation of oil."

Alaska's goal this year is to fix any loopholes that prevent us from having the world's finest oil transportation delivery and spill prevention system in Prince William Sound."

Long term enhancements

There are several different issues involved and study groups and task forces have been formed to address them individually. The "Escort Enhancement Project" (EEP) will establish performance requirements for new tugs to be obtained.

The EEP is headed by Jack Buono of SeaRiver Maritime. Decisions about those performance requirements will incorporate information from the Prince William Sound Risk Assessment Study, to be completed this summer. (See **related story, Page 6**). The project team consists of SeaRiver, ARCO, BP and Alyeska.

Interim improvements

The shippers had been directed, as a condition of approval of their oil spill contingency plans, to make interim improvements in tanker escorts during the winter months, pending completion of the Risk Assessment and resolution of questions about the

state requirement for "best available technology." Since design and construction of new tugs would take some time, another task force has been organized to examine the options for interim measures next winter.

The Interim Escort Study Task Force, co-chaired by Richard Ranger of ARCO Marine, and Steve Provant of ADEC, will look at the availability of different tug types and assess the benefit of additional conventional tugs. The task force consists of ARCO, BP, SeaRiver, ADEC, the U.S. Coast

Guard and RCAC.

Best available technology

The third effort is dealing with the state standard of "best available technology," or BAT. State law requires that the best available technology be used in oil spill prevention and response. That means the best available technology should be employed for tug escorts. But the term "best available technology" has not been defined and the lack of definition has generated considerable debate.

Continued on Page 5

RCAC lauds Governor's interest in tanker escorts

The RCAC Board of Directors adopted a resolution praising Governor Tony Knowles for his insistence on safer oil transportation. The resolution, approved at the annual meeting, March 15, expresses RCAC's "appreciation and gratitude to Governor Knowles for his insistence and commitment to safer oil transportation."

The Prince William Sound Risk Assessment Study was already well underway, but the task forces on escort enhancements, interim improvements and best available technology standards were triggered by Governor Knowles' insistence on enhancements to the tanker escort system.

In his State of the State Address, Jan. 9, Knowles called for "the best technology available to ensure the safe transportation of oil" and said Prince William Sound should have "the world's finest oil

transportation delivery and spill prevention system."

Three days later, Knowles met with officials from the major shipping companies. That meeting led to the three different projects.

The resolution also offers the Governor RCAC's assistance and support to ensure that (1) all stakeholders, including citizens, have input into the decision-making process and (2) that specific escort enhancements are based on performance standards identified by the Prince William Sound Risk Assessment Study.

RCAC has been advocating enhanced escorts for the TAPS trade since a two-year study on disabled tanker towing indicated that enhanced tugs could save a disabled tanker in extreme situations where a conventional tug could not. The disabled tanker towing study, completed in 1994, was a joint project of shippers, RCAC, regulatory agencies and Alyeska.

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People

Volunteer Profile: Meet Vince Kelly

Vince Kelly, of Valdez, has been a member of the Port Operations/Vessel Traffic Systems (POVTS) Committee since 1992. Originally from Portland, Oregon, Kelly first came to Alaska in 1976 to fish in Southeast. He migrated to Valdez in 1979 to run charter vessels in Prince William Sound.

Kelly is a Training Coordinator at Prince William Sound Community College. He develops curriculum, seeks funding and teaches. Currently, he teaches courses in marine biology and hazardous materials, and various health and safety courses.

Kelly, his wife and young daughter spend a lot of time on their boat, the Coriolis. They have land out in the Sound they hope to build on soon. His main hobby is sculling, which most people think of as rowing. In the summer months, he sculls back and forth to work every day.

I have a basic interest in the role of RCAC. I've always felt that one of the problems with oil transportation is lack of input from the local populations in Alaska that are affected by it.

My motivation for going to the University of Rhode Island (in 1990 he earned a master's degree there in Marine Affairs) was to become more knowledgeable about how laws are made and policies are developed. The program deals a lot with ports and harbors issues, and oil transportation issues.

My goal in volunteering on the POVTS Committee is the same as I see RCAC's overall goal: ensuring and improving the safety of the vessel transits and lessening the possibility of an accident. That's my main concern, it's why I belong to the committee.

Heddell represents Whittier on RCAC

Marilynn Heddell has been appointed to the RCAC Board of Directors representing the City of Whittier.

Heddell and her husband, Pete, own and operate a charter boat business, Honey Charters, and gift shop in Whittier. She is a member of the Port and Harbor Commission in Whittier, treasurer and co-founder of the Whittier Chamber of Commerce and past chair of the Prince William Sound Tourism Coalition.

Heddell started her business in Whittier in 1988, after leaving the State Department of Public Safety. Heddell is originally from Ohio. She first moved to Alaska in 1965, and lived a year in Valdez and a year in Cordova.

In the winter months, Heddell has a small publishing business which has published two children's books on Prince William Sound.

“...one of the problems with oil transportation is lack of input from the local populations in Alaska that are affected by it.”

I think RCAC has been effective. I think it has done a reasonable job of working with industry. I really feel like it's made a difference.

Maybe the biggest challenge is to remain focused on the need for prevention in light of the naturally diminishing interest level after the spill. That's the tendency. We can't let our guard down.

What I get out of being involved in RCAC is the feeling that it makes a difference; that we really are a positive influence for the safety of oil transportation.



Vince Kelly, with wife Jenny and daughter Malaika, 2. Photo courtesy Tony Bickert, Valdez Vanguard.

Committee members appointed

Volunteers on RCAC's four standing technical committees serve two-year terms, which are staggered to ensure continuity. If the board decides to restructure the committees (see "Board Action," at right) committee members appointed in March will serve only through June.

	Residence	Profession	Year appointed
Oil Spill Prevention and Response Committee			
Paul Andrews	Homer	Facility operations supervisor	New
Jerry Brookman	Kenai	Retired electronics technician	1995
Jon Dahlman	Seward	Fishing vessel coordinator	1995
Floyd Heimbuch	Anchorage	Retired educator/fisheries	1991
Lee Majors	Valdez	Community college administrator	1995
Port Operations and Vessel Traffic Systems Committee			
Bill Conley	Valdez	Retired marine technician	1990
Vincent Mitchell	Valdez	Oil spill specialist/SERVS	1992
John Klepper	Valdez	Business manager/marine	1995
Scientific Advisory Committee			
Peter Armato	Seward	Coastal resource specialist	New
Dr. A.J. Paul	Seward	Oceanographer	1990
Ivan Frohne	Wasilla	Retired statistical analyst	1992
James Steward	Anchorage	Engineer	1992
Terminal Operations and Environmental Monitoring Committee			
Bob Benda	Valdez	Community college professor	1991
Bob Romine	Valdez	Community college administrator	New
Jim Levine	Anchorage	Engineer	1991
George Skladal	Anchorage	Attorney	1990

Tex Edwards takes helm of RCAC Board

Louis "Tex" Edwards has been elected President of the RCAC Board of Directors. A tour boat captain in Prince William Sound, Edwards has represented the City of Homer on the RCAC Board since 1992.

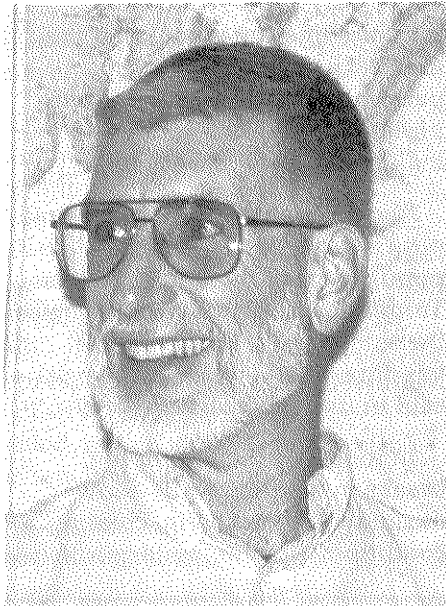
He currently attends the University of Alaska Anchorage. Until moving to Anchorage in January, he had lived in Homer since 1971.

Michelle Hahn O'Leary of Cordova was re-elected Vice President. O'Leary, a fisher, represents Cordova District Fishermen United. She has served on the board since 1991.

Charles K. Weaverling, a Cordova bookstore owner, was re-elected Secretary. He represents environmental interests through the Oil Spill Region Environmental Consortium. He has been a member of the RCAC Board since 1994.

New members of the Executive Committee are George Wuerch, Treasurer, and Marilyn Heddell, Member At-Large.

Wuerch, of Anchorage, represents the Alaska State Chamber of Commerce. A former public relations executive with Alyeska Pipeline, Wuerch is now on the Anchorage Municipal Assembly. He was appointed to the



Tex Edwards, President

RCAC Board in 1995.

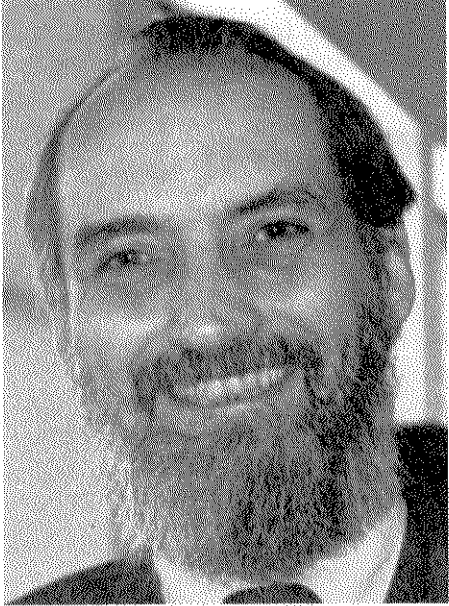
Heddell, who represents the City of Whittier, was appointed in January 1996. She is a tour boat operator and publisher.

Weaverling, Heddell and O'Leary were among the directors reappointed by their member organizations to two-year terms on the RCAC board.

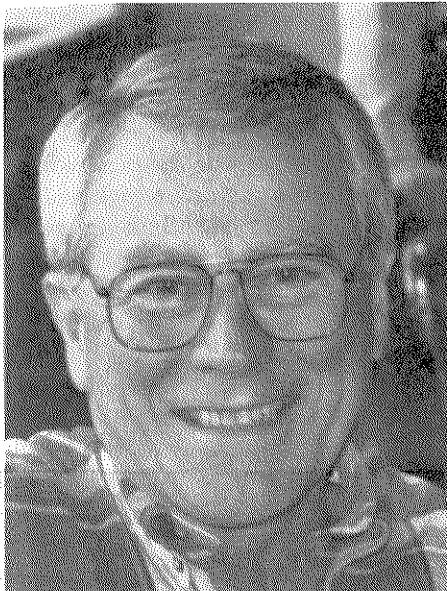
Also reappointed were Bill Walker, City of Valdez; Charles Christiansen, Kodiak Village Mayors' Association; Wayne Coleman, Kodiak Island Borough; and Margy Johnson, City of Cordova.



Michelle Hahn O'Leary, Vice President



Kelley Weaverling, Secretary



George Wuerch, Treasurer



Marilynn Heddell, Member at-large

In brief: Board action

At its annual meeting, March 14-15, in Valdez, the RCAC Board of Directors:

- approved \$40,000 to begin a study of the effects of glacier movements and the potential for calved ice impacting tanker transportation;
- agreed to review internal policies, including the committee structure, term limits for directors, residency requirements for directors and committee members, and prerequisites for travel;
- approved a bylaw amendment to reflect the name change of Chugachmuit to Nunagpet/CEPC. Nunagpet/CEPC is a member of the Oil Spill Region Environmental Consortium, which is one RCAC's 18 member entities;
- authorized staff to negotiate a contract with a consultant to advise RCAC on fire protection issues;
- adopted a resolution supporting upgrade of the navigational aid systems at the Cordova and Kodiak airports,

because of the need for reliable air transport in case of an oil spill;

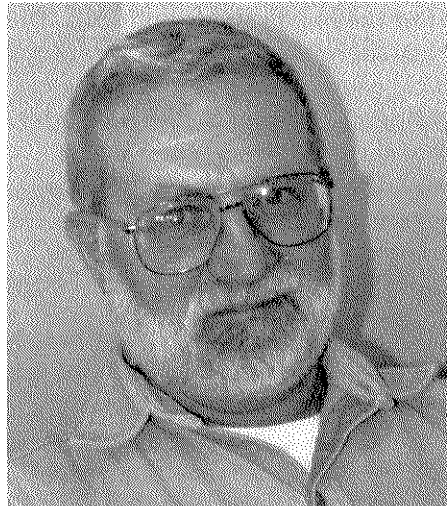
- approved a letter to the Senate Labor and Commerce Committee on a tort reform bill (HB 158), requesting that the proposed cap on punitive damages not apply to oil spills and other environmental damage from oil and chemicals related to shipment of oil;
- authorized staff to sign a report concluding that the Z-drive tug Kinsman Condor would not be appropriate for Prince William Sound; and
- reaffirmed its commitment to a no-surprises approach in its dealings with Alyeska, shippers and others.

The board also heard briefings on the Sea Empress oil spill off the coast of Wales, construction of the new tanker vapor recovery system at the terminal, a report on the U.S. Coast Guard's investigation of the tanker Kenai, and plans to replace corroded piping in the vapor recovery system.

Staff, committee changes

Jerry Brookman, of Kenai, has taken over from Floyd Heimbuch as chairman of the Oil Spill Prevention and Response (OSPR) Committee. Brookman is a retired electronics technician. Before his appointment to the OSPR Committee in 1995, he spent many years volunteering on environmental and resource issues . . . Becky Lewis has accepted the position of Project Assistant with

the OSPR Committee. She has been doing the job on a temporary basis since December. Lewis was born and raised in Anchorage. She has a bachelor's degree in history and a teaching certificate. Lewis previously worked in the family business (C.R. Lewis Co., Inc.) for three years, and as an environmental specialist at an engineering firm in Atlanta, Ga. for four years.



Jerry Brookman



Becky Lewis

Air and water

Regulators ok Alyeska pipe replacement plan

State and federal regulators have okayed a counter proposal from Alyeska to replace carbon steel piping that transports vapors to and from the crude oil storage tanks at the Valdez Marine Terminal.

In early December, the Joint Pipeline Office—composed of state and federal agencies with pipeline oversight responsibilities—directed Alyeska to replace all the carbon steel piping by the end of October 1996, or provide engineering justification for not doing so.

Under the pipe replacement schedule approved Feb. 26 by the JPO, Alyeska will replace within two years all sections of the high pressure and low pressure piping known to have sustained any significant corrosion damage. This year, Alyeska will replace all pipe sections that have been temporarily patched because of corrosion penetration, and sections determined to have significant wall loss from corrosion.

According to Alyeska, once the pipe replacement work is completed in 1997, 99 percent of the high pressure piping and approximately 30 percent of the low pressure header piping in the tank farm and plant area will have been replaced with stainless steel, or other corrosion-resistant material.

That is a more aggressive program than Alyeska had laid out earlier. Before the JPO directive in December, Alyeska planned to replace carbon steel piping over three years and slightly less pipe would have been replaced overall: 65 percent vs. 67

percent. Currently, 25 percent of the piping is either stainless steel or other corrosion-resistant material. The entire system consists of approximately 27,000 feet of piping.

Alyeska will not replace sections of carbon steel piping in intermittent service and sections in which additional corrosion mitigation measures are already employed.

The problem is corrosion of the carbon steel piping that transports vapors to blanket the head space of the tanks in the tank farm. Corrosion thins the pipe walls and eventually perforates the pipe if not caught in time. The incidence of leaks caused by corrosion seems to be increasing; since mid-1994, 15-20 leaks have been reported.

Until 1994, Alyeska replaced corroded sections of the pipe with the same carbon steel, which corrodes much faster than the more expensive stainless steel. Different sections of the piping are exposed to varying levels of corrosion. In high-corrosion areas, carbon steel has a 15-year life, while stainless steel lasts approximately 50 years.

The vapor system piping extends through the west tank farm, the vapor system plant, and the east tank farm. High pressure pipes (10 pounds per square inch higher than atmospheric pressure) carry vapors to the tanks, while lower-pressure lines carry vapors away from the tanks.

The risk of leaks is different in the two lines. In the high pressure pipes, leaks result in a short-lived concentration of vapors outside the pipe. A study commissioned by Alyeska to assess the risks of corrosion penetrations in the high

pressure line concluded that the greatest apparent risk from perforations in the high pressure piping is in repair and maintenance.

"Corrosion perforations do not pose a threat to the general populations of the Valdez Marine Terminal, nor do they compromise the safety and integrity of the vapor recovery system," Alyeska said in its proposal to the JPO.

In the low pressure piping, breaks in the pipe walls allow oxygen to be sucked in, creating conditions ripe for explosion. A

risk assessment of oxygen intrusion into the low pressure piping was still in progress in mid-March.

The JPO had also directed Alyeska to develop and implement a corrosion monitoring program designed specifically to address the unique problems and conditions in the vapor recovery system.

Alyeska responded that they believe the current monitoring and inspection program is adequate. However, JPO does not think it's adequate and is insisting that Alyeska submit a formal Corrosion Monitoring Program.

RCAC takes issue with pipe replacement plan

RCAC believes that all the carbon steel piping in the Vapor Recovery System at the Valdez Marine Terminal should be replaced.

Under Alyeska's plan, approved by the Joint Pipeline Office, about 33 percent of the carbon steel piping will be replaced.

In a March 6 letter to the BLM and the Joint Pipeline Office, RCAC supported the JPO's original request that all carbon steel pipe be replaced.

"In light of recent leaks due to corrosion in the vapor recovery system, we believe the utmost diligence must be used in correcting current corrosion problems and preventing future problems," the letter said. "We therefore recommend that all

carbon piping in the Vapor Recovery System be replaced as soon as possible, at least within two years.

"We are aware of Alyeska's forthcoming risk assessment on the low pressure portion of the Vapor Recovery System and of the company's engineering justification for implementing the pipe replacement process over two years. However, we have seen nothing that suggests replacing less than what your office has requested is in the best interests of the public," the letter said.

RCAC has proposed formation of a Terminal Maintenance Working Group to monitor age-related problems at the terminal and advise Alyeska. Several state agencies and the Joint Pipeline Office have agreed to participate. RCAC and Alyeska are working on the details.

Legislation

Tort reform, self-audits, budget bills to watch

RCAC is monitoring several areas of legislation this year because of their potential impacts on oil spill prevention and response:

Budget cuts

The proposed FY 96-97 budget for the Department of Environmental Conservation includes significant cuts to the Nearshore Systems Program and the Division of Spill Prevention and Response (SPAR).

The Nearshore Systems Program is the incarnation of the "depots and corps" concept which emerged

after the Exxon Valdez oil spill. The Nearshore Systems Program equips local communities, and trains local residents, to respond to an oil spill that threatens their shoreline. It was developed over several years in partnership between coastal communities and the state with input from the oil industry.

The proposed budget eliminates operations and maintenance for the program and includes no funding for any new community-based response units. Instead, the state would transfer the nearshore program to local communities, to maintain and operate. If local

communities are not able to take over the program, ADEC would give away or surplus the nearshore units.

The budget would also cut \$2 million (about 14%) from the SPAR Division. Personnel in SPAR would be cut from 46 full time equivalents, to 30. Agency officials say the personnel cut would not be a problem because of administrative consolidation and how the positions were used in the past.

Both the Nearshore Systems Program and the SPAR Division

are funded by a portion of the 470 Fund (Response Fund) outlined in AS 46.08.040. The 470 Fund is a five-cent per barrel tax on TAPS production. Because the money "saved" is not from the General Fund, it cannot be reprogrammed to other non-response uses.

RCAC has written to Governor Knowles, urging that funding be reinstated for the Nearshore Response Program.

Tort reform

Several bills deal with various aspects of tort reform, by limiting

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Alyeska

Terminal and SERVS report on activities

Alyeska held a briefing, March 5, in Valdez, to provide an overview of activities and issues at the Valdez Marine Terminal and SERVS (Ship Escort Vessel Response System). Reports included the following:

- Oil Movements Team Organization - Major activities planned for 1996 are:

- The tanker vapor recovery system will be installed at Berth 4 from June 1 to Sept. 1.

- Crude oil storage tanks #7 and #15 will be shut down for reconstruction between April 7 and July 31. With the tanks out of commission, storage capacity will be down from 9 million barrels to 8 million.

- A major spill drill will be conducted at the terminal, May 15 and 16.

- Repairs to the fire water system will be made June 1 to August 1.

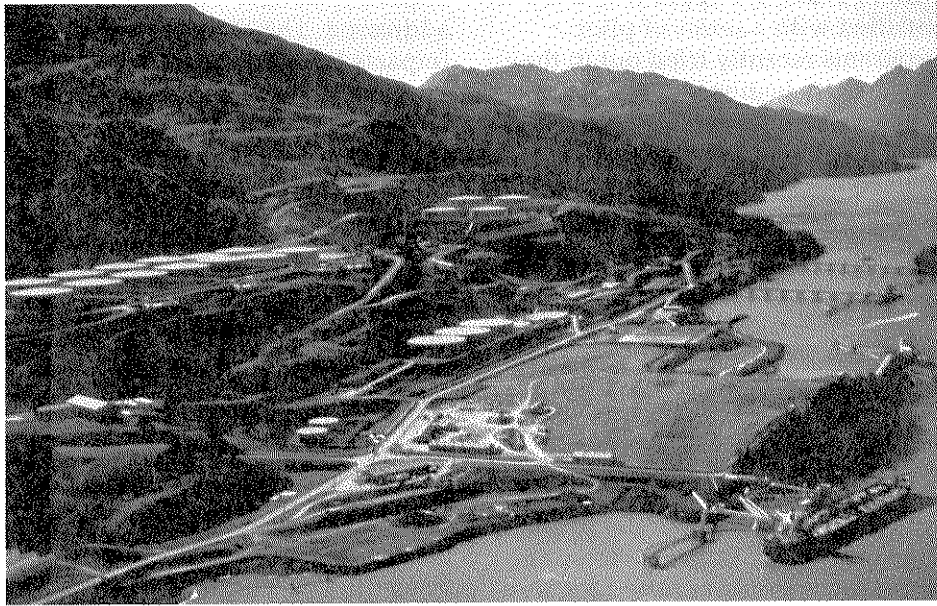
- 1995 Tanker Activities - The number of tankers serving the terminal dropped to 39 (down from

51 in 1991). Throughput declined, as well.

- National Pollutant Discharge Elimination System (NPDES) permit renewal, Ballast Water Treatment Facility: Alyeska hopes to take significant strides towards a draft permit at a March 26-27 meeting in Anchorage with EPA, DEC, JPO and RCAC representatives. After the meeting, a draft NPDES permit will be issued, and a 30 to 90-day public review period will follow.

- Vapor Control Project Update - Berth 4 will be out of service this summer as the vapor control system is installed there. In summer of '97, vapor controls will be installed on Berth 5. If oil throughput increases significantly, controls will be installed at Berth 3, but that is not anticipated at this time.

Once the two berths are equipped with the vapor control system, Alyeska will be allowed only 40 days of unregulated venting, meaning 40 24-hour periods of actually loading oil into



tankers from Berth 3 or 1. This will give them incentive to use Berths 4 and 5 as much as possible.

- Prince William Sound Risk Assessment - The outcome of the risk assessment will likely affect certain aspects of SERVS operations.

- Escort changes - The extra escort added Jan. 15 for winter

transits will be dropped around the end of March.

- SERVS Long Range Plan - The long range plan (10 years hence) was briefly discussed. Firefighting, interim escorts, enhanced escorts, and the Prince William Sound Risk Assessment were all listed as impacting the plan.

The next update meeting is Tuesday, June 4.

ERVs crews cited for fishing boat rescue

The masters and crews of the Escort Response Vessels Constitution Service and Liberty Service have been awarded certificates of merit from the U.S. Coast Guard for their Dec. 20 rescue of a fishing vessel and its crew.

The ERVs crews were cited for "exceptional service above and beyond the call of duty."

The incident occurred Dec. 20, when the Coast Guard received a distress call from the F/V Thor in Patton Bay on Montague Island. The Thor had lost an engine and was maintaining a position one nautical mile off the beach with a reserve engine. However, the boat was in danger of grounding because the reserve engine was not operating properly. The fishing vessel was in seas of 15 feet and high winds in excess of 30 knots.

After approval from the Alaska Department of Environmental Conservation, the SERVS duty officer quickly dispatched the ERV Constitution Service from Port Etches to respond to the Thor. The captain

and crew of the Constitution Service responded quickly and arrived on-scene within three and a half hours.

According to the Certificate of Merit, the master and crew of the Constitution Service displayed tangible self-sacrifice and initiative by placing their vessel within one nautical mile of the beach in Patton Bay in an attempt to pass a tow line to the Thor. By doing so, they placed their own vessel in possible jeopardy for the sole purpose of saving life and property.

With much effort, the F/V Thor was taken in tow by the Constitution Service, saving the owner/operator and fishing vessel from certain disaster. ERV Constitution Service towed the F/V Thor to Port Etches, where the ERV Liberty Service received the tow and continued to Valdez, safely mooring the F/V Thor in Port Valdez.

The escort response vessels are owned and operated by Tidewater Marine for Alyeska's Ship Escort Response Vessel Service (SERVS).

Contamination source ID'd

Alyeska has identified the source of hydrocarbon contamination in ground water at the Valdez Marine Terminal. The contamination was from historical discharges from condensate knockout vessels. The vessels accumulate hydrocarbons and water, and remove them from the Vapor Recovery System.

"There is no longer a source of contamination from the condensate knockout vessels and work is continuing on an interim remedial action plan," Jim Luchini, Power Vapor Manager, said in a Feb. 15 press release from Alyeska.

The plan includes installing ground water extraction pumps in two wells to remove contaminated water from the site. Alyeska will submit a comprehensive remedial action plan to the Alaska Department of Environmental

Conservation by May.

As part of the site assessment, Alyeska pumped ground water from test wells below the Power Vapor area into a catch basin that was believed to be connected to the oily water recovery system. The recovery system carries water to the Ballast Water Treatment Facility for treatment. Following the discharges, which occurred in October and November, Alyeska determined that the catch basin did not carry water to the oily water recovery system. Instead, the pipe drained to land near the Power Vapor area. Approximately 2,500 gallons of the water, containing trace amounts of hydrocarbons, leaked into the ground.

An investigation of the incident in ongoing and the Joint Pipeline office has been notified.

Tanker escort projects underway

Continued from Page 1

Michele Brown, Commissioner of the Department of Environmental Conservation (ADEC) is leading the "BAT Regulatory Development Project." The project will develop standards for defining "best available technology" through rulemaking. ADEC will conduct workshops on the issue and solicit public comment. In addition to ADEC, the project team consists of shippers and North Slope oil producers.

Why it matters

Tanker escorts have been an emerging focus of RCAC over the past three years. The reason is simple: escort vessels can prevent catastrophic oil spills by controlling disabled tankers before they ground. The capability of an escort vessel to successfully assist a disabled tanker depends in large part on the vessel's capability to perform critical maneuvers quickly.

Response and planning

Mental health pilot programs well received

Cordovans are apparently very satisfied with a series of pilot programs recently tried out in their community beginning in January. Early, informal evaluations from participants indicate the programs may be very helpful in helping people cope with the impacts of a technological disaster, such as the Exxon Valdez oil spill, on mental health.

The programs include a Talking Circle, Peer Listening Training, In-service Training Programs, a series of newspaper columns, a series of radio shows and leaflets. All are components of an umbrella project, the Community Impacts Planning Demonstration Project for Mental Health and Coping Strategies.

The Mental Health Impacts Demonstration Project is funded and directed by RCAC. The concept for it dates back to 1989, when citizens from the region organized the RCAC following the Exxon Valdez oil spill.

After the oil spill, it became apparent that people and communities experienced severe

impacts that have not been addressed. The Mental Health Impacts Demonstration Project is designed to provide communities with tools to help them deal with the mental health impacts of a catastrophic oil spill.

After the demonstration project is completed, a guidebook will be produced and distributed to enable other communities to apply the strategies used in Cordova.

The demonstration project is headed by J. Steven Picou, Ph.D., University of South Alabama. Picou was picked for the project because of his work in Alaska, studying the community impacts of the 1989 spill, and his extensive research on technological disasters.

Picou and his team have worked closely with two agencies in Cordova, Sound Alternatives and the Cordova Family Resource Center.

The Talking Circle was organized through Sound Alternatives, the local mental health agency, and the Native

Village of Eyak. According to Picou, approximately 85 people attended some part of the Talking Circle activities, held Jan. 27-28. Informal feedback from participants was very positive and many expressed interest in future events of this type.

According to a report prepared by Picou, 29 volunteers participated in the two-day Peer Listening Training conducted Feb. 6-7. Four local mental health professionals also participated. The training covered technological disasters and mental health, communication and listening skills, dealing with anger, depression, substance abuse, family issues, and improving support skills.

In-service training programs were conducted for clergy and providers, school teachers, law enforcement personnel, and

volunteer rape crisis counselors. A total of 36 people participated in the two-hour training sessions. Follow-up training with the same participants will be done in June and September.

Eight leaflets were produced on topics related to human response to technological disaster. The leaflets are being distributed throughout 1996. Topics include managing anger, depression, post-traumatic stress disorder, alcohol, and helping children cope with disaster.

A nine-part community education newspaper series began running in the Cordova Times in March and will continue through August. In addition, five radio programs were produced. They will air on KLAM (and possibly KCHU) in March, July and October.

RCAC following legislation

Continued from Page 4

liability, prohibiting awards for punitive damages except in outrageous situations, and discouraging frivolous lawsuits by imposing penalties on those who bring them. These issues can be significant in the oil transportation arena, in part because liability for punitive damages is one of the incentives for industry to step up spill prevention measures and response capabilities.

HB 158 passed the House in 1995 and is the most likely of the tort reform bills to be passed. Among its many provisions, HB 158 would limit liability for non-economic damages to \$300,000 in most instances for all injuries arising out of a single incident, and prohibit awards of punitive damages unless there is clear and convincing evidence of outrageous conduct.

RCAC wrote to the Senate Labor and Commerce Committee recommending that the restriction on punitive damages not apply to oil spills and other suits related to oil transportation.

Environmental self-audits

SB 199, relating to environmental and health/safety audits, would encourage companies to do their own internal environmental audits and disclose and correct any environmental or safety problem they discover.

The U.S. Environmental Protection Agency (EPA) recently implemented a similar policy and ADEC is also considering one. However, SB 199 goes much farther than the EPA policy. Critics of the bill, which include the EPA, say it is written far too broadly and could be abused by violators seeking immunity from known problems. The audit privilege could be used to prevent the public from learning about environmental and health hazards.

Under SB 199, companies that do self-audits would not have to disclose the audits and would not be penalized for violations uncovered by a self-audit, so long as they make a good faith effort to correct the problem.

In March, RCAC and Alyeska committed to seeking agreement on a position on the bill.

Water quality

HB 342 would prohibit the state from setting water quality standards higher than the receiving waters. It would also prohibit standards for protection of downstream users that are higher than federal standards.

The RCAC Board referred this bill to the Terminal Operations and Environmental Monitoring Committee.

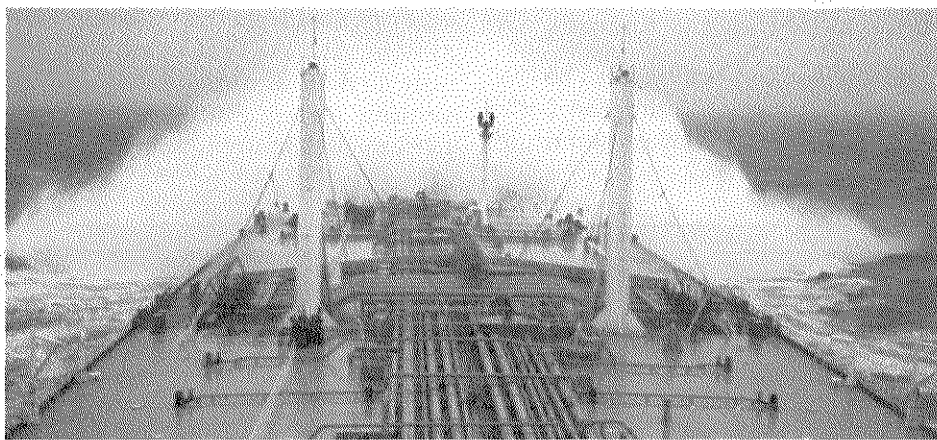


Photo by Mark Hutton

Study of oil transportation risks in Sound on track

The Prince William Sound Risk Assessment Study is expected to produce information essential to decisions about tanker escorts in Prince William Sound. The Risk Assessment is examining much more than escorts, but they are a key area of interest to many stakeholders.

The \$2 million study of oil transportation risks in Prince William Sound is on track, with a draft report expected in August. The study is particularly significant for several reasons:

- It is the first effort nationwide to apply several methodologies to the science of risk analysis and risk management, and to apply them to marine transportation through innovative new modeling techniques;
- It will provide a depth of information that hasn't existed before on risks associated with oil transportation and corresponding measures to reduce those risks; and

- It may help resolve longstanding debates about many issues, including tanker escort needs in Prince William Sound.

The Risk Assessment will identify, evaluate and rank the risks of oil transportation in Prince William Sound; identify, evaluate and rank proposed risk reduction measures; and provide a basis for the development of a risk management plan and risk management tools that can be used to support a risk management program

The methodology used in the study will be peer reviewed by the National Research Council Marine Board.

The project is directed by a Steering Committee composed of ARCO Marine, BP Oil Shipping, Chevron Shipping, SeaRiver Maritime, Tesoro Alaska, RCAC, U.S. Coast Guard, the Alaska Department of Environmental Conservation, and Alyeska/SERVS.

Spill prevention

Coast Guard issues verdict on Kenai close transit

The U.S. Coast Guard has concluded that there was no misconduct, no negligence and no incompetence involved when a laden tanker sailed unusually close to shore in Valdez Narrows, Nov. 10, 1995. That conclusion notwithstanding, the Coast Guard investigation, conducted by Lt. James B. Robertson, found lots of room for improvement to avoid similar "unusual transits" in the future.

The Kenai is owned and operated by Keystone Shipping Co. and chartered to BP. Earlier reports estimated the Kenai came within 200 yards of shore, but the Coast Guard investigation concluded that its closest point of approach was about 310 yards from Entrance Island Light.

Keystone execs outline response to problems

Executives of the shipping company that owns and operates the tanker Kenai visited Alaska in February to talk about changes they are making in response to the vessel's problems.

In November, the laden, outward bound Kenai veered unusually close to shore when an inexperienced helmsman oversteered in the Valdez Narrows. Even more serious – at least in the eyes of the U.S. Coast Guard – an inspection of the vessel in late November turned up significant problems with its mechanical and safety systems. Because of the Kenai's "poor material condition," the Coast Guard put it on a quarterly inspection, a move that is highly unusual for U.S. flag ships.

The Kenai is owned and operated by Keystone Shipping, Inc., which charters four tankers to BP in the TAPS trade. Keystone has a fleet of 30 vessels altogether.

In a meeting with RCAC, Feb. 21, Keystone Vice President Bruce Benn outlined changes the company has made in response to the problems:

- After the incident, they were unable to recreate the vessel's trackline with any degree of accuracy. To ensure a record of each transit through Valdez Narrows, Keystone now requires position fixes at various locations inbound and outbound.
- The Southwest Pilots' Association and the Coast Guard have identified the optimum trackline through the Narrows. "It's not our intention to bind the vessel to an exact track," Benn said. "The idea is they should be close to

"...it is disturbing to learn a company was operating a vessel in Prince William Sound with significantly degraded equipment coupled with significant human factor risks..."

U.S. Coast Guard report

The investigation found that the "proximate," or immediate cause of the unusual transit was over steering by the helmsman. As a result, the tanker was left of track for about four minutes.

Contributing causes included inadequate helmsman training; a lack of flexibility to allow the master to switch helmsmen; and the pilot's use of course commands rather than rudder commands.

In a presentation to the RCAC Board of Directors, March 15, Robertson and Lt. Joe McGuiness said the pilot and the master did a lot of things right once they realized the problem.

"There are a lot of advantages to what the pilot did," McGuiness said. "The Kenai class has a reputation for being harder to drive; it's difficult to turn and stop the turn. He opted for a steady state return instead of a drastic one."

Robertson added that the pilot and the master never called for assistance because they never felt out of control or thought they needed help.

More disturbing than the unusual transit, McGuiness said,

was the condition of the Kenai when it underwent inspection shortly after the incident. The Kenai was found to have significant maintenance problems in the steering system. There's no evidence that the structural problems contributed to the over steering. However, the report said, "it is disturbing to learn a company was operating a vessel in Prince William Sound significantly degraded equipment coupled with significant human factor risks..."

The Coast Guard listed a series of recommendations, including development of a standard approach to Valdez Narrows. That effort is now in progress. Other recommendations include:

- develop helmsman qualifications for complex transits,
- expand bridge team management to include all bridge personnel,
- train all involved personnel in steering a laden tanker with a tug tethered astern,
- allow masters more flexibility to assign the most qualified personnel in complex or critical parts of the transit, and
- improve oversight by BP to ensure charter companies meet federal requirements and ensure safe transits in Prince William Sound.

The Alaska Department of Environmental Conservation is also expected to issue a report on the Kenai.

Update: Appeals process continues on tanker plans

In October 1995, the Alaska Department of Environmental Conservation conditionally approved oil spill contingency plans for tankers in Prince William Sound.

The City of Cordova, fishing organizations, Kodiak Island Borough and some individuals appealed the plans primarily, but not only, because of insufficient protection for Copper River Delta and Flats, and the Kitoi Bay Hatchery. The shippers also appealed the approval because ADEC attached conditions which required the shippers to develop oil spill trajectories in the Copper River Delta/Flats, and to perform response equipment delivery studies for Kitoi Bay.

With regard to the appeal processes, none of the issues under

dispute in the tanker oil spill contingency plans has been resolved, but some progress has been made on several fronts.

As of mid-March, the Kodiak Island Borough was informally discussing a possible settlement with industry regarding protection of Kodiak and Kitoi Bay Hatchery. However, no agreements have been reached.

The appealing parties have agreed to use an outside mediator to address planning and protection for the Copper River Flats. The adjudication process could be completed by mid-May.

The condition of approval requiring study of oil spill trajectories on the Copper River called for examination of

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Recertification coming up

RCAC's application for recertification will be available for public review in mid to late April. RCAC must be recertified every year under procedures outlined in the Oil Pollution Act of 1990 (OPA 90).

RCAC pre-dates OPA 90, but the federal law established demonstration projects for citizens' oversight groups in Prince William Sound and Cook Inlet.

The purpose of the advisory

'95 Year in Review available now

RCAC's annual report on its work and activities of 1995 is now available. The "1995 Year in Review" is an overview of completed and on-going projects, studies and tasks undertaken last year.

Copies are available by calling RCAC at 277-7222 or toll free in Alaska, (800) 478-7221.

groups envisioned by OPA 90 is to "foster a long-term partnership among industry, government and local communities in overseeing compliance with environmental concerns in the operation of crude oil terminal and oil tankers."

Each year, the President must determine whether RCAC meets the goals and intent of OPA 90, and thus satisfies the requirement for a citizens' group. The job of evaluating the two RCACs has been delegated to the U.S. Coast Guard, in Washington, D.C.

The recertification application is due by April 29. The Coast Guard will also solicit comment from industry, regulators, communities and interest groups.



Publications, reports available

Copies of most documents are available to the public free of charge. A handling fee will be charged for unusually large documents and for requests of more than 10 documents. The following are recent publications and reports.

Publications

- "1995 Year in Review." (Ref. #5.9.511.95)
- "Oil Spill Prevention: Improvements in Tanker Safety," September 1995. (Ref. #5.5.5005)
- "The Observer," RCAC newsletter, published since 1991. (Specify issue).

Consultants' Reports

- Drill Monitoring Annual Report 1995. Author: Tim Jones. (Ref. #C/2.5.2070).
- Very Deep Sediment Sampling Report, Long Term Environmental Monitoring Program. Author: Kinetic Laboratories, Inc. 11/15/95 (Ref. #C/4.5.4022.VD)
- VSP-Tug Escort Simulations in the Prince William Sound Area. Author: MSCN, 11/9/95. (Ref. # 3.5.3014)

Advice & Comments (1995)

- Fire Protection Task Force and RCAC Recommendations. 11/14/95 (Ref. #A/C 7.2.7001& 7501)
- Comments to State of Alaska on proposed changes in regulations for marine pilots. 12/11/95. (Ref. #A/C 3.2.3505)
- Comments to U.S. Coast Guard on Draft Guidelines for Classifying Oil Spill Removal Organizations. 11/30/95 (Ref. #A/C 2.2.2555)
- Comments to ADEC on the Cook Inlet Sub-Area/Regional Plan. 11/30/95 (Ref. #A/C 2.2.2556)
- Letter to ADEC regarding SeaRiver drill exercise of out-of-region equipment acquisition. 11/9/95 (Ref. #A/C 2.2.2552)
- Letter to regulatory agencies regarding decision about dispersant use in SeaRiver drill. 11/9/95 (Ref. #A/C 2.2.2553)

Tanker oil spill plans still in appeal

Continued from Page 7
conditions that could cause spilled oil to flow west to east, thus impacting the Copper River Flats.

Most of the shippers appealed that provision, but Arco did not and began the required study. This condition of approval also requires that the study incorporate local

knowledge. Arco is addressing that component through a 150-question interview developed and administered by the Prince William Sound Science Center.

Preliminary interviews made use of a cumulative total of nearly 1600 years of experience on the Flats, with an average of 19 years of experience per interviewee.

Prince William Sound Regional Citizens' Advisory Council

The Prince William Sound Regional Citizens' Advisory Council (RCAC) is an independent, non-profit organization formed after the 1989 Exxon Valdez oil spill to minimize the environmental impacts associated with the terminal and tanker fleet.

The RCAC has 18 member organizations, including communities impacted by the Exxon Valdez oil spill, a Native regional corporation and groups representing commercial fishing, aquaculture, environmental, tourism and recreation interests in the impact area.

RCAC is certified under the federal Oil Pollution Act of 1990 as the citizen advisory group for Prince William Sound, and operates under a contract with Alyeska. The contract, which is in effect as long as oil flows through the pipeline, guarantees RCAC's independence, provides annual funding, and ensures RCAC the same access to terminal facilities as state and federal regulatory agencies.

The mission of RCAC is citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers.

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