

The Observer

VOLUME 9, No. 4/DECEMBER 1999

AK Chamber of Commerce - AK Wilderness Recreation & Tourism Assoc. - Chugach Alaska Corp. - Cordova District Fishermen United - OSREC - PWS Aquaculture Corp.

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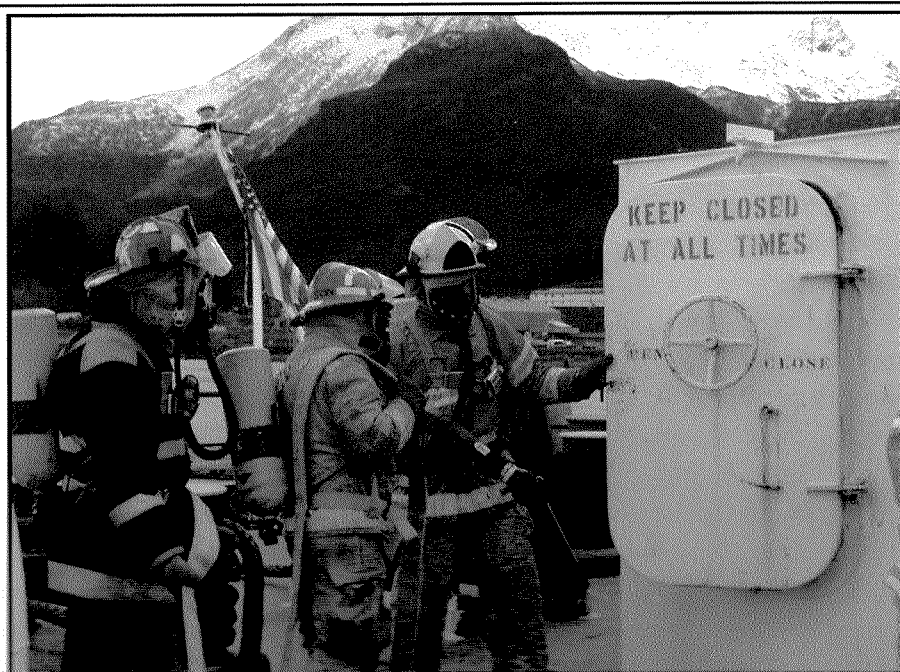
Citizens' council is celebrating 10th birthday

One of the most radical innovations to come out of the Exxon Valdez spill was the establishment of permanent, industry-funded citizens' councils to oversee both the oil transportation industry and its government regulators.

Now, that innovation is a decade old. The Prince William Sound Regional Citizens' Advisory Council was incorporated ten years ago this month.

Efforts to form the citizens' council began soon after the Exxon Valdez struck Bligh Reef on March 24, 1989, and spilled 11 million gallons of North Slope crude into Prince William Sound. After its incorporation in December 1989, the group in February 1990 signed the contract with Alyeska Pipeline Service Co. that specifies its rights,

See page 7, **HISTORY**



FIRE DRILL — Three firefighters prepare to battle a simulated engine-room fire aboard the BP-chartered oil tanker *Overseas New York* during the October firefighting symposium sponsored by the citizens' council. Some 31 land-based firefighters from council member communities received training in battling shipboard fires during the symposium. In addition, officials of the Coast Guard, Alaska Department of Environmental Conservation and Alaska State Troopers met to discuss the idea of an "Away Team" to manage battles against shipboard fires in Alaska ports. Photo by Rica Salvador.

State approves latest contingency plans for Valdez oil tanker fleet

The state of Alaska has approved the latest versions of the contingency plans that specify how the oil industry works to prevent oil spills and how it would respond to a spill from an oil tanker.

ARCO Marine Inc. and four other tanker companies got word of the approval in an Oct. 22, 1999, letter from the state Department of Environmental Conservation. The companies filed the plans with the state in July 1998, triggering an extensive 15-month review process by the citizens' council and other

interested parties. The plans cover approximately 22 tankers.

The council focused on several key issues as it went over the plans. Among them:

- The need for more analysis of whether the proposed new escort system at Hinchinbrook Entrance complies with state regulations requiring the use of best available technology. Hinchinbrook Entrance is the narrow passage where tankers leave Prince William Sound and enter the Gulf of Alaska.

See page 3, **READINESS**

Council files brief in suit over tanker rules

The citizens' council in early November decided to weigh in on a U.S. Supreme Court case testing the power of states to regulate oil tanker operations.

The case was brought by the International Association of Independent Tanker Owners, known as Intertanko. The association asked the federal courts to overturn certain crew and equipment requirements that the state of Washington imposed on oil tankers in 1994.

Washington state won in federal district court, with Judge John Coughenour holding the state rules were permitted under the Oil Pollution Act of 1990, which was passed after the Exxon Valdez spill and also governs how far Alaska can go in setting its own rules.

The Clinton administration came in on the side of Intertanko when the case reached the 9th Circuit Court of Appeals. The state of Washington lost on the tanker equipment rules, but won on the crew requirements.

The Supreme Court accepted the case in early September.

The council's decision to file a brief in the case came at a Nov. 5 meeting of the executive committee, with many board members listening in by teleconference.

John Devens, the council's executive director, said it was important for the nation's high court to understand how the safety of oil transportation in Alaska could be affected by the Intertanko case.

"A decision against the state of Washington would have ramifications with regard to Alaska's ability to set higher standards than the Coast Guard, particularly in the area of Best Available Technology," Devens said.

As the Observer went to press, the council's legal argument was being prepared by Juneau attorneys Avrum Gross and Susan Burke for submission to the Supreme Court

See page 6, **TANKER SUIT**

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Volunteer profile

Committee member didn't know what "busy" was until he quit working

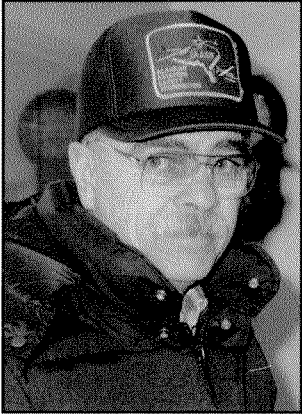
Neil Schultz is an Alaskan very much by choice. The California native waited years for the chance to move north and finally got it in the mid-1970s. He was working for the FAA in Los Angeles at the time. The agency announced an opening in Cordova so Schultz put in a bid and got the job. "We came here for a two-year tour and we're still here," said Schultz, 65. "I guess we haven't found a better place yet."

The Schultzes arrived at Thanksgiving 1976 and became a part of the community. Neil's wife Ann teaches first grade. Besides working for the FAA, Neil got into commercial fishing, and still owns a salmon seiner and a herring permit. He retired from the FAA in 1989, but he's been on the city council since 1993, serves on the local harbor commission and does boat surveys as a sideline.

In addition, he puts in 10-15 hours a month as a member of the Port Operations and Vessel Traffic Systems Committee, which monitors tanker operations in and out of Valdez. He's been on the committee, one of four technical advisory committees to the citizens' council, since 1994. "Before I retired, I used to have lots of time," Schultz said. "Now I don't."

He was born in Huntington Beach, Calif., which at the time had more oil wells than people, he said.

The FAA was his second career. The first was in the Air Force as a fighter pilot. He started with F-86s in the Korean War, and finished with F-4s in Vietnam. He was never shot down or involved in anything "spectacular," as he puts



Neil Schultz

it, "just one of the grunts." After his tours in Vietnam, his work stayed interesting. He became part of a special team trying to figure out why the missiles fired by U.S. pilots were missing enemy Migs in Southeast Asia. The team interviewed pilots, tried to duplicate the unsuccessful shots and eventually, Schultz said, "made a lot of changes that made them much more effective."

After retiring from the Air Force he joined the FAA, the job that eventually led him to Alaska. Since he didn't depend on commercial fishing for his livelihood, Schultz wasn't as traumatized by the 1989 Exxon Valdez oil spill as many of

Cordova's residents. In fact, he barely got a look at it because of the extra air traffic it generated. "We put in lots of overtime," Schultz said. "I never did see much of the spill, I was too busy working."

Neil and Ann live at Saddle Point near Cordova. Their four children are all grown and all moved away, except for one son who runs a local garage. Neil likes to do woodworking and says he completely rebuilt their house. His current project: rebuilding a 1967 John Deere bulldozer.

The Schultzes travel Outside from time to time, usually cruising around in their pickup with no particular place to go, just visiting friends and relatives. But Neil says it's unlikely they'll ever pull the plug on Cordova completely. "We could never agree on a place to go to," he said.

Board settles definition of Alaska resident

Partly in response to a Coast Guard recommendation, the board of the citizens' council settled on a new definition of Alaska resident at its September quarterly meeting.

Under the new definition, an Alaska resident for purposes of sitting on the council board is a person who intends to make Alaska his or her home, does not claim residency in any other state, and meets two of the following criteria:

- Owns or rents a home in Alaska.

- Is a registered voter in Alaska and is not registered to vote in any other state.
 - Has a current Alaska driver's license and does not maintain a driver's license from any other state.
 - Earns primary income in Alaska and is not employed full-time in another state.
- The Coast Guard recommended the council come up with a definition of Alaska residency when the agency recertified the council under the Oil Pollution Act of 1990 early this year.

Latest recertification application is filed

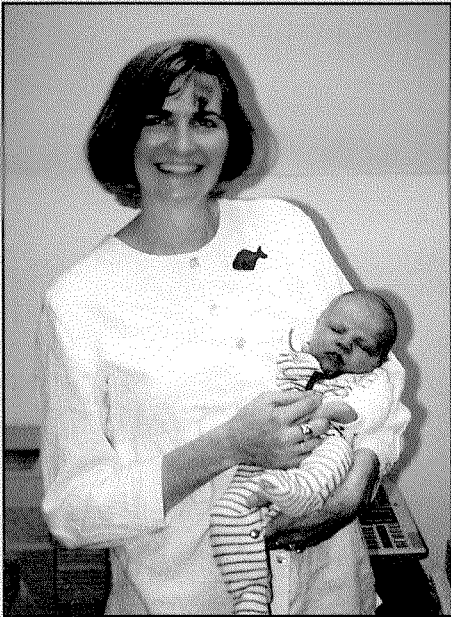
The council on Oct. 29 mailed the Coast Guard its recertification application for the period beginning Jan. 31, 2000. The current recertification was granted last January.

This year for the first time

the council's recertification application will be handled by the Coast Guard's District 17 in Juneau. In the past, recertification was handled by Coast Guard headquarters in Washington, D.C.

People notes

Council board member **JoAnn McDowell** has been appointed by Gov. **Tony Knowles** to the Alaska Human Resource Investment Council. Members serve four-year terms on the council, which promotes employment-related education and training programs and service. McDowell is president of Prince William Sound Community College in Valdez. **Marilyn Leland**, deputy director in the council's Anchorage office, has been reappointed for two years to the board of the Oil Spill Recovery Institute in Cordova. **Lynda Hyce**, deputy director in the Valdez office, was elected to chair the Prince William Sound Community Council. **Sandra Arnold Ganey**, executive assistant in the Anchorage office, has resigned



Sandra Ganey and daughter Terra Mae

to care for her daughter, Terra Mae Ganey and to develop her home-based environmental consultancy, Alaska Special Projects. She had worked for the citizens' council since July of 1996

THE OBSERVER is the quarterly newsletter of the citizens' council. It is free to anyone interested. Except as noted otherwise, articles in the Observer are written by Stan Jones, Public Information Manager. Questions and suggestions should be directed to him by mail to the council's Anchorage office, by phone to 907-273-6230, or by email to observer@anch.pwsrcc.org.

State puts contingency plan for Valdez tanker terminal up for comment

The state of Alaska has opened for public comment Alyeska Pipeline Service Co.'s new contingency plan for the Valdez tanker terminal. Alyeska filed it in July.

Comments will be accepted until Jan. 10, 2000. The plan can be reviewed at any of the following locations:

- Alaska Resources Library and Information Services, Anchorage. 272-7547.
- Joint Pipeline Office, Anchorage. 271-4336.
- Public Library, Valdez. 835-4632.
- Alaska Department of Environmental Conservation, Valdez. 835-4698.

Comments should be sent to Alaska Department of Environmental Conservation, Joint Pipeline Office, 411 W. 4th Avenue, Anchorage AK 99501.

The council's initial comments on the plan should be available on the council Internet site by about Dec. 10. The address is www.pwsrcc.org.

Need for citizen vigilance against complacency is still as great as ever

By John S. Devens, Ph.D.
Executive Director

With ten years of history behind us, this seems the right time to reflect on where the Prince William Sound Regional Citizens' Advisory Council was ten years ago, where we are today, and what the future should bring.

Before the Exxon Valdez oil spill, citizens tried to make their concerns known but lacked an organization to deal with government agencies, Alyeska Pipeline Service Co. and the oil shippers. Today we have a strong organization with a board of directors and four standing committees representing a broad spectrum of interests and a variety of communities in a region stretching from Cordova to Kodiak.

Our strength comes from our diversity, our willingness to evaluate situations objectively, and our courage to take stands on issues that others might avoid. We are not regulators and we are not contractors for industry. We are

citizens representing Alaskan Native, aquaculture, commercial fishing, environmental, recreation, and tourism interests.

Adding to our strength is the institutional knowledge we have amassed over the years through the commitment and longevity of our staff and volunteers. Through careful research and reporting, the council has been effective in encouraging prevention and response improvements such as more powerful and more maneuverable rescue tugs, more complete contingency plans, vapor recovery for tanker loading, improved fire safety, better methods for ice detection, response equipment stored in strategic locations, enhanced escort systems, and many other changes for the better.

Not only has the council been active in encouraging industry to make changes that better protect

the environment, but we have made substantial contributions of our own. The council recently published "Coping with Technological Disasters," a guidebook for people and communities facing man-made disasters such as major oil spills. We have also funded research in a number of areas including ice detection, better methods for



John Devens

detecting hydrocarbons in the water, long-term environmental monitoring in Prince William Sound, the Prince William Sound Risk Assessment, and the detection of non-indigenous species.

Our programs in drill monitoring, incident monitoring, community outreach, public relations, and government relations further enhance our philosophy that the citizens of an area are the ones most severely affected by a major oil spill and so should play a major role in

oversight of the systems that protect the environment.

Since 1989 the council has provided information and support to citizens around the world interested in starting groups like ours.

Much remains to be done. Citizens of the region affected by the 1989 oil spill now share responsibility with state and federal agencies and the oil transportation industry to ensure existing programs are fully implemented and maintained, that the new escort vessels are integrated into the system, and that a continuous improvement system is in place as new technology becomes available.

In the most basic sense, however, our main responsibility hasn't changed much over the years. As long as crude oil moves through Prince William Sound and the Gulf of Alaska, ceaseless vigilance will continue to be needed to prevent a return of the complacency that allowed the Exxon Valdez oil spill to happen.

READINESS: Latest tanker contingency plans get thumbs-up from the state

Continued from Page 1

- The council argued the spill model on which the plans are based should provide more detail and be easier to use.

- The council argued that the plans should include site-specific information on how sensitive areas — such as a subsistence clamming beach — would be protected from spilled oil.

Council volunteers, staffers and contractors met 24 times over the past year and half to review and draft comments on the plans.

The state concurred in most council suggestions for strengthening the plans, said Joe Banta, the council's project manager for contingency plans.

"We're very satisfied with the outcome," Banta said. "While we didn't get everything we asked for, neither did others. We're ready to roll up our sleeves and get to work with regulators and the planholders on the conditions of approval set out by the state Department of Environmental Conservation. They worked hard on this review and did a good job."

Banta cautioned, however, that the plans could change if they are appealed by the tanker companies. At Observer press time, the deadline for filing appeals was about two weeks off.

The state approval is

conditional, meaning the companies are required to take additional actions to achieve full compliance with state regulations. Some of the

conditions of approval address concerns raised by the council in its review of the plans. Among other things, the companies will be required to:

- Work to develop site-specific response strategies.

- Improve the model spill on which the plans are based.

- Demonstrate they have barges available to store oil recovered in nearshore operations.

- Provide improved training to fishing vessel operators under contract to work in an oil-spill cleanup.

- Conduct computer simulations and sea trials to demonstrate the escort vessels used at Cape Hinchinbrook can save a disabled tanker in 15-foot waves and 50-mph winds. The companies' final report on this

investigation is due to the state by Sept. 1 of next year.

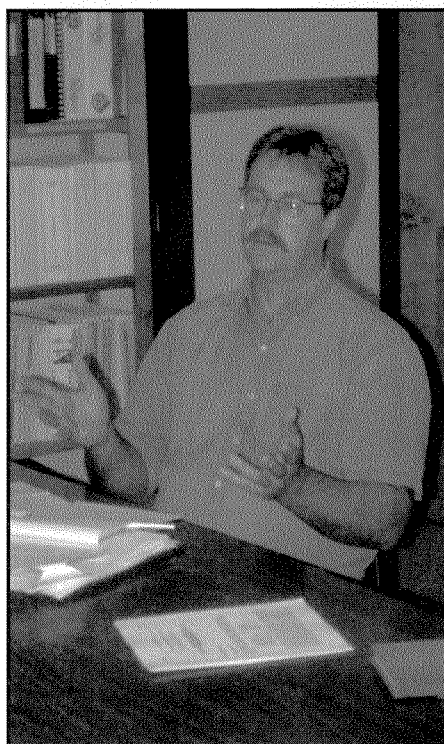
A spokeswoman for ARCO complained the contingency planning process has come to put too much emphasis on meetings and paperwork.

"It is unclear to ARCO how the proposed multi-stakeholder activities, which will be focused on a document, will be as effective in improving oil spill prevention and response as would performance testing of the system," said

ARCO's Patricia Berg.

As for the role of the citizens' council in contingency planning, Berg said, "its attention continues to be focused predominantly on the plan itself, and the outcome of these new conditions is that stakeholders will spend more time reviewing draft documents in meeting rooms, and less time on the water or in the field."

Executive director John



Joe Banta, a project manager for the citizens' council, testified on the tanker contingency plans at a June 1999 public hearing in Cordova. Photo by Stan Jones.

Devens said the council agrees that drills and exercises are important, which is why it employs a year-around contractor to monitor them. However, Devens said, "the contingency plan is also crucial because it tells us *what* must be drilled and exercised and what standards must be met."

Besides ARCO, the companies filing plans were Alaska Tanker Co. (which operates BP-chartered tankers), Chevron Shipping Co., SeaRiver Maritime, Inc. (Exxon's shipping subsidiary), and Tesoro Alaska Petroleum Co.

Pat Carney, an official with BP, said his company and other shippers involved in the latest round of contingency plans feel good about the result.

"A lot of hard work went into the plan to make it a concise, user-friendly document," Carney said.

The council, he said, "provided helpful comments, many of which have been incorporated."

Carney said the shippers still have questions for the state Department of Environmental Conservation about the conditions of approval attached to the plans.

The tanker companies will be required to file the next round of contingency plans by February 2002.

Out of the Exxon tragedy emerged world's best oil transportation system

By Sen. Frank Murkowski

It was a calm night in March 1989 when the Exxon Valdez left its escort tug behind and headed for the open seas.

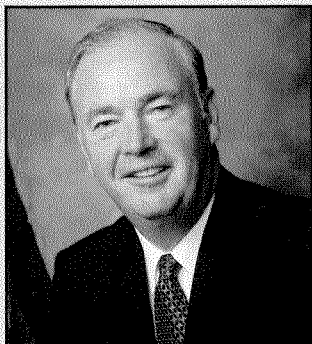
Hours later — because of human error — the tanker veered from a 10-mile-wide channel and struck clearly marked Bligh Reef. More than 11 million gallons of crude bubbled into the sea, creating the largest oil spill in U.S. history.

Today there still is debate over the effects of the tragedy. But what's clear is the impact the spill had on America's oil transportation system. The dramatic improvement in oil transport is one of the few bright spots to emerge.

Before the spill there were escort tugs to aid tankers in the event of engine failure, but only close to Valdez. The Coast Guard radar system didn't cover the lower Sound. And the spill response system was designed to clean up only 168,000 gallons of oil.

It's easy to blame the spill on human failure — on complacency and underestimating the potential for multiple human and mechanical mishaps.

After the spill I was one of the harshest critics of the initial response and set about with Senator Ted Stevens and Congressman Don Young to increase our oil spill response capability. I sent my staff to the British port of Sullom Voe in the North Sea's Shetland Islands to inspect the system they had devised to improve safety there after a tanker went aground while entering their local harbor and created a major spill. Observing their system made me a firm believer. I sponsored a provision in the Oil Pollution Act of 1990 to create Regional Citizens' Advisory Councils fashioned after Sullom Voe for Prince William Sound and Cook Inlet.



Senator Murkowski

The goal was to give local residents — those with the greatest knowledge of local conditions and the greatest stake in oil safety — the authority, resources and oversight to recommend improvement to all aspects of oil transport, planning and cleanup. A decade later the oversight and creativity of the councils have helped make Alaska's oil transportation system the best in the world.

A few examples:

- A new type of tanker escort tug is now in use. These tractor tugs now shadow tankers for the entire journey to open sea.
- The Coast Guard has expanded its radar system to track any tanker in the Sound.
- Oil spill prevention equipment and personnel have been boosted. More than \$60 million a year is now spent on spill response in Valdez,

compared to \$1 million before the spill.

- The incident command system is now streamlined.
- And a new fleet of double-hulled oil tankers will replace the older fleet.

Many of these changes are direct results of the greater oversight and innovative thinking that stemmed from increased citizen involvement.

While the risk of environmental damage can never be zero, the risk in Alaska is now much lower than before the spill. As we become more dependent on foreign oil coming to our shores in foreign tankers flying flags of convenience, we feel that in both Valdez and Cook Inlet we have a responsible system at the ready. With America importing 56 percent of the oil we consume, we need to spread the word nationwide about how well citizens' advisory councils have worked to prevent complacency from undermining the safe transport of oil.

Allegations of unsafe conditions continue at Alyeska's terminal in Valdez

Charges continue to surface that the oil tanker terminal in Valdez is in danger because of mismanagement and poor maintenance. But this time it is not the tanker vapor control system at issue.

In September, an internal Alyeska report obtained confidentially by the citizens' council said the company had failed to clear up maintenance problems in the fire-suppression system for the crude oil storage tanks and other land-based areas of the terminal. The system is a network of pumps and pipes that delivers salt water from Port Valdez to extinguish fires.

According to the internal report, Alaska's state fire marshal had received a complaint in April listing 22 problems in the system, including a lack of flow tests and a failure to perform maintenance.

In May, Alyeska told the fire marshal it would address the problems and formed a team to do so. That team discovered many of the items had been identified as early as 1996 and 1997 but never resolved, according to the internal report issued Sept. 7 as a Corrective Action Request by L.R. Blachut, at the time Alyeska's head of Quality Assurance and Compliance in Valdez.

"The combined impact of these deficiencies pose a risk that

the fire systems at the terminal will not operate as designed if challenged by a fire," Blachut wrote.

Even before the latest evidence of lax practices at the terminal came to light, Alyeska conducted limited but successful tests of the fire suppression system, and later said the system, though not perfect, was capable of performing its job.

More recently, however, Alyeska officials have expressed fears that the piping that's

supposed to deliver fire-suppressant foam inside the crude oil storage tanks may be clogged with sludge in as many as four of the tanks.

The council first inquired about this possibility several months ago but Alyeska at the time said it had no reason to believe the problem existed.

The questions raised about the fire-suppression system prompted the citizens' council in October to decide to hire its own team of experts to analyze the

situation. At Observer press time in mid-November, the search was still under way.

Alyeska president Bob Malone, meanwhile, told reporters he was on a "tirade" to root out the company's ongoing problems in tracking and resolving problems with its facilities. "We find these things, but they're not fixed," Malone told the Anchorage Daily News a few days after the fire-suppression problems surfaced in September. "I want these fixed. Find them, fix them."

Council repeats call for vapor controls on third tanker berth

The citizens' council board at its September quarterly meeting again called for Alyeska to install vapor controls on a third tanker-loading berth at the Valdez terminal.

Since early 1998, two berths at the terminal have been equipped with the controls, which capture oily vapors that otherwise would be released into the air as tankers take on their loads of North Slope crude.

But the council has been calling since May 1997 for controls at a third berth, in the belief that rising projections of future North Slope output mean two berths will not be able to handle all the oil.

The latest move by the council was in part a reaction to

statements from BP that efficiencies resulting from its acquisition of ARCO would result in North Slope production rising to 1.24 million barrels a day by 2004. That is 140,000 barrels a day more than the two-berth vapor control system was designed to handle on average.

The council directed the resolution on vapor controls not only to Alyeska, but also to Gov. Tony Knowles, who at the time was negotiating for concessions from BP in return for state concurrence in the ARCO acquisition. The council wanted Knowles to include the third berth in his package of demands from BP, but the agreement with BP that Knowles announced in early November failed to address

the vapor control issue. (See related story, page 5.)

Alyeska has not said if it will install controls at a third berth, but said it will do whatever is necessary to comply with the EPA rules that govern emissions at the terminal.

Earlier this year, whistleblowers alleged the vapor control system had design or operating flaws that made it unsafe. Investigations by the council, Alyeska and regulators indicated the system does have problems, but is not likely to cause a catastrophic fire or explosion. Now, the council is urging Alyeska to concentrate on fixing the problems turned up in the investigations to date.

Alaskans could learn lesson in cooperation from Prince William Sound

By Bob Malone, President
Alyeska Pipeline Service Co.

1999 has been a year of anniversaries and remembrances. This final anniversary of the year — marking the creation of the Prince William Sound Regional Citizens' Advisory Council — is one to celebrate.

Ten years ago we embarked on a journey together that would lead to a world-class oil spill prevention and response system in Prince William Sound. The process of working to achieve that goal is one of the most important lessons of all. At Alyeska, we have learned that we can create an open environment where people feel comfortable raising concerns and working together to achieve results. The proof is in our effort with the citizens' council.

We first sat down across the table in an adversarial condition.

As the first meetings began there was tension and mistrust on both sides.

Ten years of working with the council have taught my company that we can work together in an inclusive environment. We have developed strong relationships, which has taught us to trust each other. We have educated each other, which has taught us to respect the full range of knowledge and experience that each of us brings to the table. We have solved problems together, which has taught us innovation and creative problem solving. We have worked long hours together in difficult times, which has taught us that both sides are committed to the same goal. All these experiences have created a sense of

ownership in safe oil transportation in Prince William Sound.

These lessons were taught one interaction at a time.

When we first sat together, the council and the oil industry were faceless organizations built on stereotypes. As we interacted, we started to see people instead.

This process of inclusion is one I'm fostering at Alyeska Pipeline Service

Company. When employees raise concerns, I want their supervisor to hear them and take action. When someone feels intimidated, I want his or her peers to help. When people voice opinions different than the norm, I want people to listen and understand. This effort to create an open work

environment at Alyeska started in Prince William Sound as we worked with the council. I intend to bring the skills demonstrated by my SERVUS employees and contractors to all employees and contractors along the Trans Alaska Pipeline System.

As I look to the future of Alaska, I see the same lessons must be learned by the residents of this state. The Alaska Commission on Rural Governance and Empowerment says that without intervention we could be split into two states — Rural Alaska and Urban Alaska. I believe that the lessons learned by the oil industry and Prince William Sound residents are vital to the health of our state.

Alyeska, with advice from the council, has created a world-class organization in Prince William Sound. Our goal for the state of Alaska should be nothing less.

Alyeska Report



Bob Malone

Knowles deal includes some protections council sought, and omits others

But none are legally enforceable, according to the terms of governor's agreement with BP

Gov. Tony Knowles announced in early November he had won commitments from BP Amoco that justified state concurrence in the oil giant's proposed \$30 billion acquisition of ARCO.

But Knowles' deal with BP Amoco failed to include some commitments sought by the citizens' council. And the commitments that were included — such as a BP promise to build double-hull oil tankers — appear in a section on environmental issues that is not legally enforceable.

The agreement specifies that the environmental section "contains corporate citizenship commitments to the Alaskan community at large. The parties do not intend for them to be enforced by lawsuits but to be judged in the forum of public opinion."

Another section of the agreement, dealing with which Alaska assets BP must sell after the acquisition in order to satisfy state antitrust concerns, is enforceable. ARCO and BP between them operate every oil field on the North Slope and own most of the Trans-Alaska Pipeline System.

The council had requested that Knowles include six conditions in any agreement for state support of the ARCO buyout:

- Cost savings from the takeover would not reduce oil spill prevention and response capabilities in Prince William Sound, or operational safety at the Valdez tanker terminal and its vapor control system.

- BP would carry out ARCO's plans for three new Millennium-class double-hull tankers, and would replace its own fleet with equivalent tankers.

- BP would adopt the ARCO tanker operation practices and policies most effective at reducing human error.

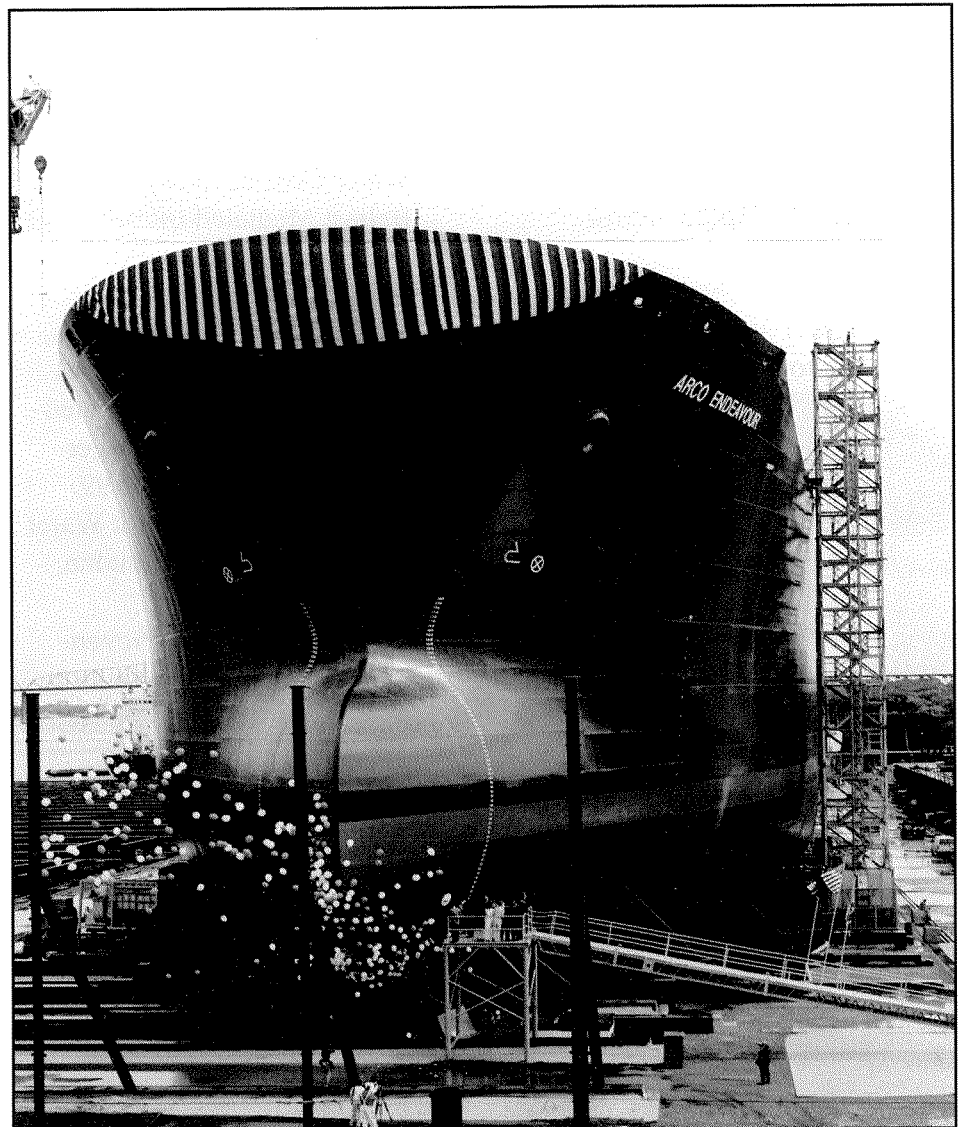
- BP would retain as many experienced ARCO tanker crew members as possible.

- The governing body of Alyeska Pipeline Service Co. would ensure a strong voice for minority owners to maintain a competitive "market" for improving environmental protection.

- Vapor controls would be installed on a third berth at the Alyeska tanker terminal.

Knowles' deal includes an unenforceable BP commitment to finish ARCO's Millennium tankers and replace its own charter fleet with tankers at least as good. Also, BP promises to retire its single-hull fleet a year earlier than required by the Oil Pollution Act of 1990, with the last single-hull vessel to be out of service by 2007.

In addition, BP promises to



DOUBLE HULL - BP promises to continue construction of Millennium-class tankers if its takeover of ARCO is approved. Shown here, balloons soared October 9 as the ARCO Endeavour was christened in New Orleans. The Endeavour is the first of the three new ARCO double-hull Millennium-class tankers planned for the North Slope crude oil trade. Photo courtesy of ARCO.

promote a "performance management program" in the companies operating the tankers that haul BP's North Slope crude.

However, the Knowles package omits provisions the council had sought relating to oil spill prevention and response in Prince William Sound, vapor

control, and the governance of Alyeska Pipeline Service Co.

Executive director John Devens said the council was pleased to see the tanker provisions but disappointed not to see any commitments in Prince

See page 6, **DEAL**

DEAL: BP's environmental promises are enforceable by "public opinion"

Continued from Page 5

William Sound. And he said the lack of enforceability was a concern.

"Is it really a contract, or just a loose agreement that could be broken after the fact?" Devens said.

John McDonagh, oil and gas coordinator at the state Department of Environmental Conservation, said the state focused where the disappearance of ARCO would clearly have a

direct effect on state interests. Because the pipeline and the Valdez tanker terminal will continue to be run by Alyeska, he said, the state sought no commitments in that area.

"At some point," McDonagh said, "our agency had to make a policy decision on what to demand in the negotiations and what to leave on the table for another day."

Michele Brown, commissioner

of the Department of Environmental Conservation, said environmental parts of the agreement were non-enforceable because they address issues not directly related to standard anti-trust concerns such as who owns which oil field or controls what share of North Slope production. But she said lack of legal enforceability doesn't mean lack of public accountability for BP's environmental commitments.

"I don't actually have many worries that they are not going to

keep them," Brown said. "The public will hold their feet to the fire through scrutiny."

As the Observer went to press in early November, the Knowles administration was gearing up for a series of public meetings around the state to air details of the deal and collect comments.

Afterward, Knowles, BP and ARCO were to sign a final agreement for presentation to the Federal Trade Commission, which has final say-so over the acquisition.

Publications, presentations and reports are available to public from council office

Copies of most documents are available to the public free of charge. A handling fee will be charged for large documents and for requests of more than 10 documents. Contact the council's Anchorage office (see back page) to order.

Reports

1998-99 In Review (Annual Report). 10/1/99. Annual Report\98-99
Then and Now: Changes in Oil Transportation Since the Exxon Valdez Spill. 3/24/99. RCAC\Then and Now\9903\sj
1997-98 in Review (Annual Report). 7/1/99. SR\Annual Report\97-98
Final Report: Vapor Control Technology and Maintenance Review. 4/23/99. C\629.97.1\Vapor Review
Drill Monitoring Annual Report -

1998. 5/7/99. C\605.99.1\1998Annual Coping with Technological Disasters: A User Friendly Guidebook. 5/7/99. C\644.98\CIP Guidebook

Presentations and Papers

Biological Invasions of Cold-Water Coastal Ecosystems: Ballast Mediated Introductions in Port Valdez/Prince William Sound, Alaska. (Report by Dr. Anson Hines, Smithsonian Environmental Research Center.) Presented by RCAC Project Manager Joel Kopp, April 12, 1999. Study Group on Ballast Water and Sediments. Llandudno, Wales

Oil Spill Response and Prevention: Can It Happen Again? Panel appearance by RCAC Executive Director John Devens, March 1999. Symposium — Legacy of an Oil Spill: 10 Years after Exxon Valdez. Anchorage, Alaska.

Community Recovery from the Exxon Valdez Oil Spill: Mitigating Chronic Social Impacts. Presenter and co-author: J. Steven Picou, Ph.D., University of South Alabama, RCAC contractor, March 1999. Legacy symposium, Anchorage.

Community Stress Management for Technological Disasters: A Guidebook for Community Leaders and Mental Health Professionals. Poster presentation by Lisa Ka'aihue, RCAC Project Manager, March 1999. Legacy symposium, Anchorage.

A Decade of Progress, A Vision for the Future in Prince William Sound (Panel discussion moderated by Mark Hamilton, University of Alaska President). Participation by John Devens, RCAC Executive Director, March 1999. Symposium — Partners in Prevention, a decade of progress in Prince William Sound. Valdez, Alaska

Valdez over the Last Decade (Panel discussion moderated by Dave Dengel, Valdez City Manager). Participation by John Devens, RCAC Executive Director, March 1999. Prevention symposium, Valdez.

How Oil Has Affected Alaska.

(Panel of former Alaska governors) Moderated by RCAC Board Member Stan Stephens, March 1999. Prevention symposium, Valdez.

Citizens and Industry Working Together to Make Oil Transportation Safer. Leann Ferry, RCAC Community Liaison, March 11, 1999. 1999 International Oil Spill Conference, Beyond 2000: Balancing Perspectives. Seattle, Washington.

Team Building. Session chaired by RCAC Executive Director John Devens, March 1999. International Oil Spill Conference, Seattle.



SPOONFUL OF MUD - Dave Shaw, University of Alaska chemist, stores sediment from the bottom of Port Valdez to be checked for hydrocarbons. Samples are collected each fall near the mouth of the outlet pipe from the Ballast Water Treatment Facility at Alyeska Pipeline Service Co.'s tanker terminal. The university does the sampling under contract to Alyeska as required for the company's federal wastewater discharge permit. The citizens' council uses data from the program in monitoring the environmental effects of the facility. Photo by Joe Bridgman.

TANKER SUIT: Brief is filed by citizens' council

Continued from Page 1

in Washington, D.C. by the filing deadline of Nov. 19.

The Oil Pollution Act of 1990 and the council's contract with

Alyeska bar it from initiating most litigation, but the council's attorneys concluded that filing a brief in the tanker suit as a friend of the court would not violate the bar.



BOOMERS - The CurrentBuster, a new type of oil containment system, was demonstrated in Port Valdez in October by Alyeska Pipeline Service Co. It is designed to separate water from oil and let the oil pass toward a separator tank from which it can be skimmed. The system can be used at speeds up to 6 knots. Alyeska has already ordered two more CurrentBusters and expects to add more in coming years. Photo by Becky Lewis.

HISTORY: Council marks 10 years of work toward safer transportation of oil

Continued from Page 1

powers, duties and funding.

Four months later, the council was already deeply involved in what over the years would turn out to be one of its most important responsibilities: helping make sure that the next major oil spill - should there ever be another - would meet with a better response. In June 1990, the council joined a working group on oil-spill contingency plans that also included representatives of government regulators and the oil industry.

In August 1990, President Bush signed the Oil Pollution Act of 1990, which gave the council the protection of federal law, as well as additional powers and responsibilities.

Here are some additional highlights of the council's decade-long effort to foster safer oil transportation in Prince William Sound.

1991

April: Council begins independent monitoring of effluent from ballast water treatment plant at Alyeska tanker terminal.

September: Council seeks proposals for assessing socioeconomic effects of oil spills.

December: Council board votes to co-sponsor independent jointly funded study of towing disabled tankers.

Also, Coast Guard appoints council to federal committee helping draft regulations for oil tanker preparedness and safety under a process called "regulatory negotiation."

1992

May: First Nearshore Response Plan is submitted to Alaska Department of Environmental Conservation (DEC). Council notes gaps but says there is much to be pleased about.

August: In an early round of what will become a years-long battle over tanker vapors, scientists hired by Council dispute Alyeska claims that the tanker terminal is not responsible for most of the benzene in Valdez air. Alyeska had claimed the terminal produced only 25 percent of the benzene in outdoor air; the council analysis puts the figure at 90 percent or more.

1993

March: Council launches Long-Term Environmental Monitoring Program. Blue mussels and subtidal sediments are sampled twice a year from nine sites around Prince William Sound, the Kenai Peninsula and Kodiak Island.

May: The council board adopts official position on chemical dispersants for oil-spill cleanup: They should be used only in non-sensitive areas and only after mechanical recovery methods, such as booms and skimmers, have been deemed inadequate.

October: Part 1 of disabled tanker towing study completed. Main recommendations: Quick-deploy towing packages on all tankers, more drills and training, and closer escorts in Valdez Narrows.

November: Alyeska announces plans to install vapor control system to reduce emissions at tanker terminal.

1994

May: Tanker Eastern Lion leaks about 8,400 gallons of North Slope crude while moored at Alyeska terminal. Afterward, council recommends more aggressive initial spill response in the future, even to spills thought to be small. First reports had put the Eastern Lion leak at 50 gallons.

September: ARCO conducts first nearshore response drill in Port Valdez.

November: New Coast Guard rules require additional escorts, tighter wind restrictions and changes in escort configuration for laden single-hull tankers. There are hints that new tugs, possibly the tractor tugs recommended by council, will eventually be used in Valdez Narrows. Council-supported disabled tanker towing study is used by Coast Guard in writing the rules.

1995

March: Council, shippers, Alyeska and regulators begin work on tanker risk assessment with goal of identifying those changes in tanker operations that would yield the most significant safety improvements.

September: EPA orders vapor controls on two tanker loading berths at Valdez terminal by early 1998, partly ending a years-long dispute between Alyeska and council. Still at issue: are two berths enough?

October: DEC approves contingency plans prepared by oil shippers for tanker spills, the first such plans drafted under rules adopted after Exxon Valdez spill. City of Cordova and Kodiak Island Borough file appeals.

1996

April: In the first step to combat possible invasion of Prince William Sound by aquatic nuisance species, President Clinton requires at-sea ballast exchange for foreign tankers bound for Valdez to export North Slope crude. Federal officials say the measure is a direct result of council recommendations.

May: Council awards contract for studying icebergs calved from Columbia Glacier and their effects on tanker traffic.

September: Smithsonian Environmental Research Center is hired by council to do a pilot study of the risk that Prince William Sound could be invaded by non-indigenous aquatic nuisances carried in ballast water of arriving tankers.

December: Tanker risk assessment is released with several recommendations for improving tanker safety. In response shippers promise changes including bigger tugs at Hinchinbrook Entrance, tests to see if tractor tugs should be used in Valdez Narrows, and "sentinel" plan to station a tug in central Prince William Sound.

1997

March: Oil shipping companies announce plans to build two new tractor tugs to escort laden tankers through Prince William Sound, with the new escorts to be in service within two years.

May: Council board passes resolution calling for vapor controls at a third tanker berth at the Alyeska terminal, arguing that rising projections for North Slope oil production mean two berths won't be enough.

July: ARCO Marine announces plans to construct Millennium-class double hull tankers to meet OPA 90 phaseout requirements.

December: The council's non-indigenous species study is completed, with the researchers concluding that live plankton from distant ports are routinely flushed into Prince William Sound in ballast water of oil tankers. The question of whether any non-indigenous species have colonized the Sound will be explored in two-year follow-up study.

1998

March: Vapor controls go into operation at Alyeska terminal on Berths 4 and 5.

May: Council board reiterates position on dispersants, calling for their use only as a last resort.

Also, board hires its own experts to investigate the first of what will become a series of claims by whistleblowers that the vapor control system at Valdez tanker terminal could cause a catastrophic explosion. The review panel concludes the vapor system is "safe from all reasonable risk of catastrophic fire and explosion."

1999

January: First of two new Alyeska enhanced tractor tugs, the Nanuq, arrives in Prince William Sound.

March: On tenth anniversary of Exxon Valdez oil spill, council issues special 28-page report concluding Alaska waters are safer today because of improvements made since 1989. But more remains to be done, the council concludes, and continued vigilance is essential to make sure safety is not reduced as memories of the spill fade. Council co-sponsors a major symposium in Valdez to mark the tenth anniversary, and participates in another in Anchorage.

June: Culminating almost eight years of work, council issues "Coping with Technological Disasters," a guidebook for communities facing the socioeconomic impacts of man-made catastrophes such as the Exxon Valdez oil spill.

Also, second enhanced tractor tug, the Tan'erliq, arrives in Prince William Sound.

August: Whistleblowers continue to claim the vapor control system is unsafe, but an investigation by council, like one by the state-federal Joint Pipeline Office, rebuts the latest claims as well.

Council calls on Gov. Tony Knowles to insist on safety requirements — including continued to commitment to double hulls — as condition for state support of BP's proposal to buy ARCO.

September: Council board passes resolution repeating its call for vapor controls at third berth at Alyeska terminal in Valdez.

October: First ARCO Millennium double-hull tanker is christened in Louisiana. DEC approves the second set of contingency plans for tanker spills drafted under the post-Exxon Valdez rules. The first set of tanker contingency plans, approved by DEC in 1995, are still under appeal.

Today: Council is gearing up to analyze and comment on the new oil-spill contingency plan for the Valdez Marine Terminal, and is hiring experts to investigate the latest whistleblower claims of unsafe conditions at the Valdez tanker terminal, this time in the fire-suppression system.

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

Citizens' council pays visit to Whittier

By Leann Ferry
Community Liaison

Executive director John Devens and I visited the community of Whittier on Monday September 13. We met with citizens' council board member Marilyn Heddell, Pete Heddell, Mayor Bill Coumbe, City Manager Carrie Williams, Harbormaster Al Sorum, Fire Chief Doug Malinski, Police Chief David Haywood and Louis Bencardino with the Alaska Railroad. Some issues they brought to our attention include a need for mooring buoys, interest in a risk assessment for Cook Inlet, getting reliable marine weather reports, and needing assistance using the "Coping with Technological Disasters" guidebook.

"Coping with Technological Disasters" Guidebook Now Available on Our Web Site!

After the Exxon Valdez oil spill, the citizens' council sponsored research to learn how to mitigate the psychological and sociological impacts of a major oil spill or other technological disaster. The mitigation strategies are contained in the guidebook "Coping with Technological Disasters." This guidebook was developed by the citizens' council because of the need for a human impacts "contingency plan." It provides the framework for communities to deal with the

mental health issues of a catastrophic oil spill or other technological disaster. The guidebook can now be accessed on our Website at www.pwsrcac.org. You may also purchase copies of the guidebook from our Anchorage office. We must charge a small fee to cover our cost of reproduction. The citizens' council makes no profit from these sales. Guidebooks cost \$40 plus shipping.

Community Corner



Leann Ferry

Board Meeting Moved from Kodiak

Due to weather concerns, the council's executive committee made a last-minute decision to move the September 23rd and 24th board meeting from Kodiak to Anchorage. We apologize if this

change inconvenienced you or you did not receive notice of the switch. The board is expected to schedule another meeting in Kodiak at some time during the coming year.

We'd Like To Hear From You

Send us an email or subscribe to PWSRCAC_Hotline and receive regular email announcements about oil transportation issues in the region served by the Prince William Sound Regional Citizens' Advisory Council. Just send an email to ferry@anch.pwsrcac.org.

You can call us toll-free, write us a letter or send us a fax with questions or comments about our work. Contact information is on the back page.



Former Gov. Jay Hammond visited with staffers and passersby at the citizens' council information booth during the Alaska State Chamber of Commerce annual meeting in September. Shown here: Administrative assistant Jenny Quinlan from the council's Valdez office, Hammond, and Executive director John Devens. Photo by Leann Ferry.

Prince William Sound Regional Citizens' Advisory Council

The Prince William Sound Regional Citizens' Advisory Council is an independent, non-profit corporation formed after the 1989 Exxon Valdez oil spill to minimize the environmental impacts of the trans-Alaska pipeline terminal and tanker fleet. The council has 18 member organizations, including communities affected by the Exxon Valdez oil spill and groups representing Alaska Native, aquaculture, environmental, commercial fishing, recreation and tourism interests in the spill region.

The council 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 Pipeline Service Co. The contract, which is in effect as long as oil flows through the pipeline, guarantees the council's independence, provides annual funding, and ensures the council the same access to terminal facilities as state and federal regulatory agencies.

The council's mission: Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers.

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President: William M. Walker - City of Valdez
Vice-President: Margy Johnson - City of Cordova
Secretary: Marilyn Heddell - City of Whittier
Treasurer: JoAnn McDowell - City of Valdez

Stan Stephens - Alaska Wilderness Recreation and Tourism Association
Bill Lindow - Prince William Sound Aquaculture Corporation
John Allen - Community of Tatitlek
Charles Christiansen - Kodiak Village Mayors Association
Wayne Coleman - Kodiak Island Borough
Tom Copeland - Oil Spill Region Environmental Coalition
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