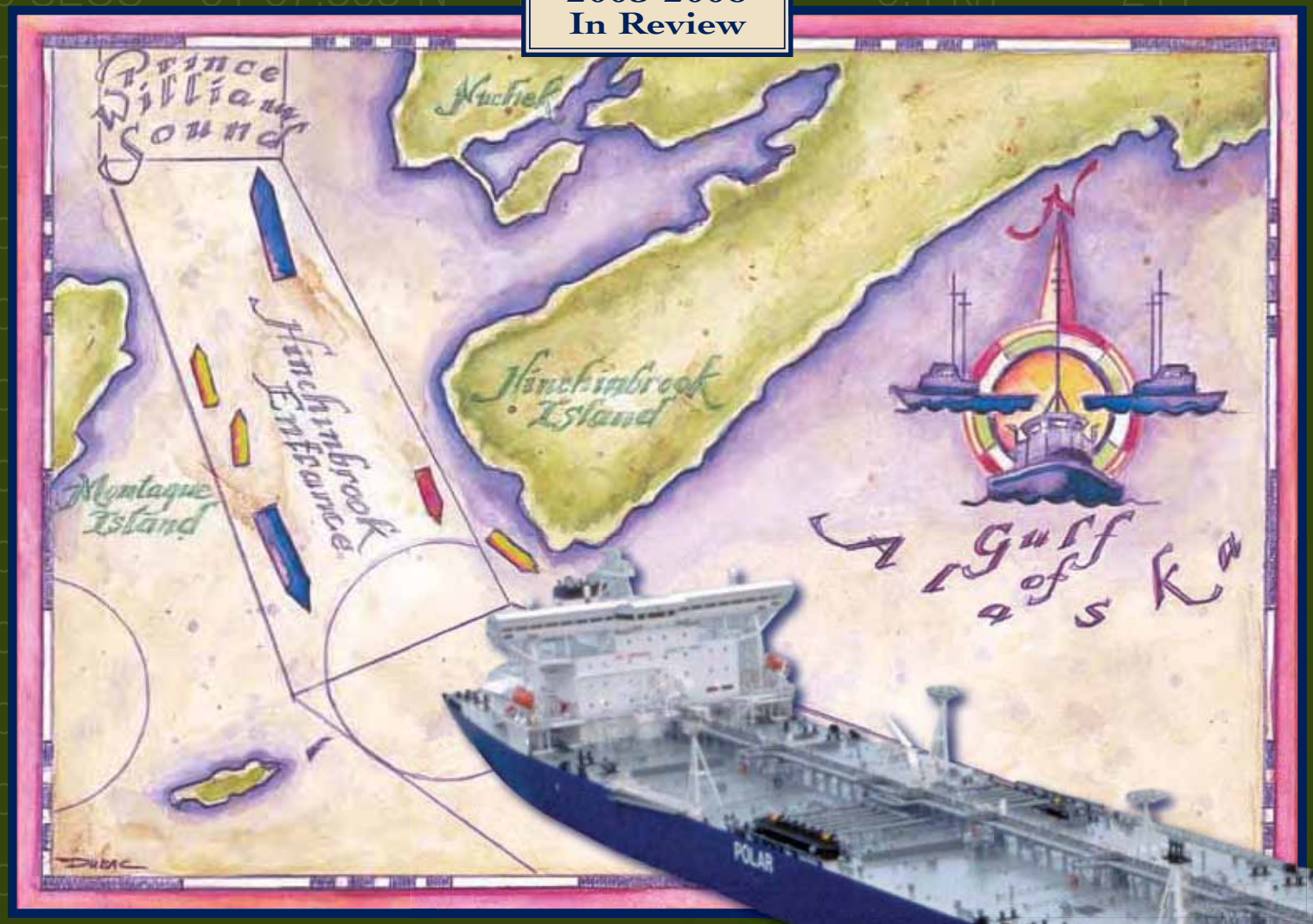
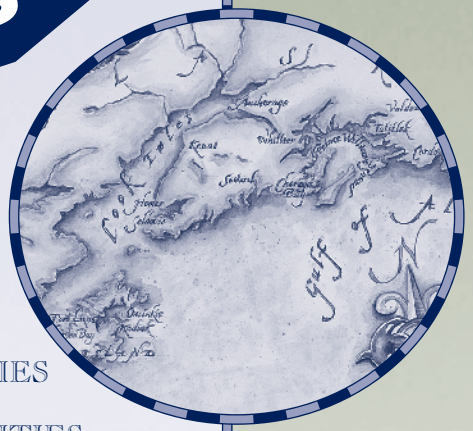
Prince William Sound

Regional Citizens' Advisory Council

2005-2006
In Review

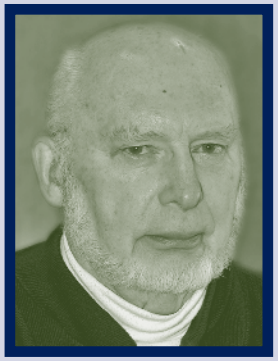


CONTENTS



Note: This report covers the period from July 2005 through June 2006.

LETTER from the PRESIDENT and the EXECUTIVE DIRECTOR



STAN STEPHENS
President

JOHN DEVENS
Executive Director

One year ago in this space, we identified the future of the Prince William Sound tanker escort system as perhaps the most important issue we face. We also reported on our efforts to get the oil industry and its regulators to promise not to change the system without a definitive scientific study showing that safety would not suffer.

Twelve months later, the situation hasn't changed much. As detailed elsewhere in this report, the industry and its regulators have made verbal pledges to avoid changes that could increase the risk of another disaster like the Exxon Valdez oil spill, but they still refuse to put anything concrete in writing.

Consequently, we continue to regard the future of the escort system with great concern. We will maintain extra vigilance over the coming year to combat any effort to compromise its effectiveness.

Another long-standing council concern also reached a critical point this past year. Our board voted at its May 2006 meeting in Valdez to oppose any use of chemical dispersants on oil spills in the region affected by the Exxon Valdez spill. Previously, we had agreed that dispersants could be used as a last resort if mechanical recovery tactics like booming and skimming were to fail.

After two decades of council work on dispersants, we concluded there is little reliable evidence that dispersants will work in our cold waters, and considerable evidence they will do more harm than good if applied.

We do not expect this to settle the matter. Rather, our goal is to trigger the solid scientific research needed to determine once and for all whether dispersants have a legitimate role in oil spill response in our region.

Though these somewhat contentious issues continue to loom large on our horizon, there are, as always, areas where we work comfortably in partnership with the oil transportation industry. Our staff has been intimately involved in planning two major oil spill drills in Prince William Sound this fall and next spring. And a council staffer served with industry and regulatory personnel on a panel that investigated a fatal accident on an Alyeska barge in April 2006.

Also, a once-contentious issue was settled this past year with full participation by the council. That issue was a study of whether the Alyeska fleet of escort, response, and docking tugs could be cut from 10 vessels to eight and still meet the requirement that two tugs escort each loaded tanker. At first, the council felt excluded from this study and cut off from the information necessary to evaluate its results. By the end of 2005, however, communication had improved dramatically and the council was included in a major review held in Valdez. Shortly afterward, the oil industry dropped the idea of reducing the tug fleet, at least for now.

Finally, we want to note the encouraging spread of the citizen oversight concept around the world in the past year or two.

Here in Alaska, a citizen oversight body was set up for the Pogo gold mine near Fairbanks.

In Washington state, legislators set up an Oil Spill Advisory Council. We were consulted by the sponsors as this measure was being drafted, and we testified at committee hearings in the Washington legislature.

In the fall of 2005, the council's executive director was invited to speak to a group in Cold Bay on the possibility of setting up a citizen group to deal with the risk of spills from oil and natural gas drilling in the area. The executive director also was invited to Murmansk, Russia, to speak at a conference on oil development in the Barents region.

Most gratifyingly, the 8th World Wilderness Congress, meeting in Anchorage in October 2005, passed a resolution endorsing the idea of citizen oversight on a worldwide basis, whenever an extractive natural resource project is launched.

In summary, the year has been about what you'd expect for a citizen group in constant close engagement with the oil industry: areas of contention and areas of cooperation, all directed toward maintaining and improving the safest crude oil transportation system on earth.

MISSION AND RESPONSIBILITIES

Citizens Promoting Environmentally Safe Operation of the Alyeska Terminal and Associated Tankers.

Susan Sommer

The Polar Adventure, shown here at Alyeska's Valdez terminal, is a new ConocoPhillips double-hull tanker built for the North Slope crude oil trade.

The Prince William Sound Regional Citizens' Advisory Council is an independent non-profit corporation guided by its mission: citizens promoting environmentally safe operation of the Alyeska terminal in Valdez and the oil tankers that use it.

The council's 18 member organizations are communities in the region affected by the 1989 Exxon Valdez oil spill, as well as aquaculture, commercial fishing, environmental, Alaska Native, recreation, and tourism groups.

Consistent with its mission, the council's structure and responsibilities stem from two documents. The first is a contract with Alyeska Pipeline, which operates the trans-Alaska pipeline as well as the Valdez terminal. Most of the council's operating funds come from this contract.

Tony Parkin

In the summer of 2005, the council staff assisted U.S. Geological Survey personnel in mapping water depths in Port Valdez. Here, an instrument is readied for lowering into the water.

The second guiding document, enacted after the council was created, is the federal Oil Pollution Act of 1990, which required citizen oversight councils for Prince William Sound and Cook Inlet. Their purpose is to promote partnership and cooperation among local citizens, industry, and government, and to build trust and provide citizen oversight of environmental compliance by oil terminals and tankers.

The Act allows an alternative, pre-existing organization to fulfill the requirement for a citizen group; our council has done so for Prince William Sound since 1991. Each year, the U.S. Coast Guard certifies that the council fosters the general goals and purposes of the Oil Pollution Act and is broadly representative of the communities and interests as envisioned in the Act.

The council's contract with Alyeska Pipeline pre-dates the Oil Pollution Act, but the similarities in the powers and duties given the

council in the two documents are not coincidental. Many people involved in the establishment of the council also actively promoted citizen-involvement requirements in the federal law.

In accordance with the provisions of the two documents, the council performs a variety of functions aimed at eliminating pollution from crude oil-transportation through Prince William Sound and the Gulf of Alaska:

- *Monitor, review, and comment on oil spill response and prevention plans prepared by Alyeska Pipeline and by operators of oil tankers.*
- *Monitor, review, and comment on the environmental protection capabilities of Alyeska Pipeline and the tanker operators, as well as on the environmental, social, and economic impacts of their activities.*
- *Review and make recommendations on government policies, permits, and regulations relating to the oil terminal and tankers.*

As part of these undertakings, the council regularly retains experts in various fields to conduct independent research and technical analysis on issues related to oil transportation safety.

The Alyeska Pipeline contract also calls for the council to increase public awareness of the company's oil spill response, spill prevention, and environmental protection capabilities, as well as the actual and potential environmental impacts of terminal and tanker operations.

The contract states that the council may work on other related issues not specifically identified when the contract was written.

The council was initially funded at $2 million a year. The funding is renegotiated every three years; current Alyeska Pipeline funding is approximately $2.9 million a year. The council's total budget is about $3.6 million.

Although the council works closely with and is funded chiefly by Alyeska Pipeline, the council is an independent advisory group. The contract is explicit: "Alyeska shall have no right . . . to have any degree of control over the formation or operation of the corporation . . ."

OIL SPILL PREVENTION

To ensure a maximum level of safety, the council reviews all aspects of the oil transportation system in Prince William Sound. These include operations of oil tankers and the Valdez Marine Terminal and other incidents, and the adequacy and maintenance of the Coast Guard's Vessel Traffic System.

Courtesy of ConocoPhillips

ConocoPhillips' Polar Resolution is one of the new double-hull tankers required by the Oil Pollution Act of 1990.

TANKER SAFETY

Escort System

The heart of the oil spill prevention system in Prince William Sound is the fleet of rescue and response tugs that accompany loaded tankers out into the Gulf of Alaska. Thanks to years of study and analysis, and considerable investment by the oil industry, this system is widely considered the best in the world. This fleet, operated by Alyeska Pipeline's Ship Escort/Response Vessel System, includes five state-of-the-art 10,000-horsepower tugs that have proved their capabilities in actual incidents, as well as in sea trials observed and reviewed by the council.

With the ongoing switchover of the Valdez tanker fleet to the double-hull design mandated by the Oil Pollution Act of 1990, there has been considerable discussion among citizens, the industry, and regulators as to whether and how escort requirements will be affected.

This is because, while the Oil Pollution Act requires that two tugs escort each loaded single-hull tanker through Prince William Sound, the Act is silent on escort requirements for double-hull tankers.

Marilyn Leland

In October 2005, council representatives visited the Coast Guard and other organizations in Washington to discuss preservation of the tanker escort system in Prince William Sound. Shown here, council board members Stan Stephens and Tom Jensen with Admiral Thomas H. Collins, commandant of the Coast Guard.

The present system requires two escorts for all types of tankers, and the council believes that should continue. If, however, any change is attempted, the council believes it should proceed only if a special kind of technical study – called a risk assessment – demonstrates conclusively that the chances of an oil spill would not increase.

The council has long sought commitment on those points from industry and regulators. Agency and company representatives seemed to make substantially similar verbal pledges at the council's September 2005 board meeting. After much council urging, the industry – through an entity called the Response Planning Group – put its views in writing in a June 2006 letter.

The letter did not make any commitment on one of the council's main points – that no increase in risk should be tolerated if the escort system is changed. It said only that the industry wants a risk assessment, that no proposed changes to the escort system were envisioned prior to completion of a risk assessment, and that no changes would be proposed before completion of the next round of renewals of the tanker companies' oil spill prevention and response plans in 2007.

As a result of this letter, the council continues to regard the future of the Prince William Sound escort requirements with considerable concern, and will continue to monitor and engage the industry and its regulators on the issue.

Separately from the question of future escort requirements, the council in the past year monitored an industry study into whether current requirements could be met with fewer tugs than the 10 vessels now in the Alyeska fleet. This culminated in an industry-sponsored workshop in December 2005 intended to demonstrate that a reduced fleet was practicable.

However, a follow-up analysis and report by the council showed that the industry could not meet current oil spill response requirements with fewer than 10 tugs. In addition, the council showed that more than 10 tugs would be necessary under some conditions.

As a result of this process, the industry abandoned its efforts to reduce the tug fleet for the time being.

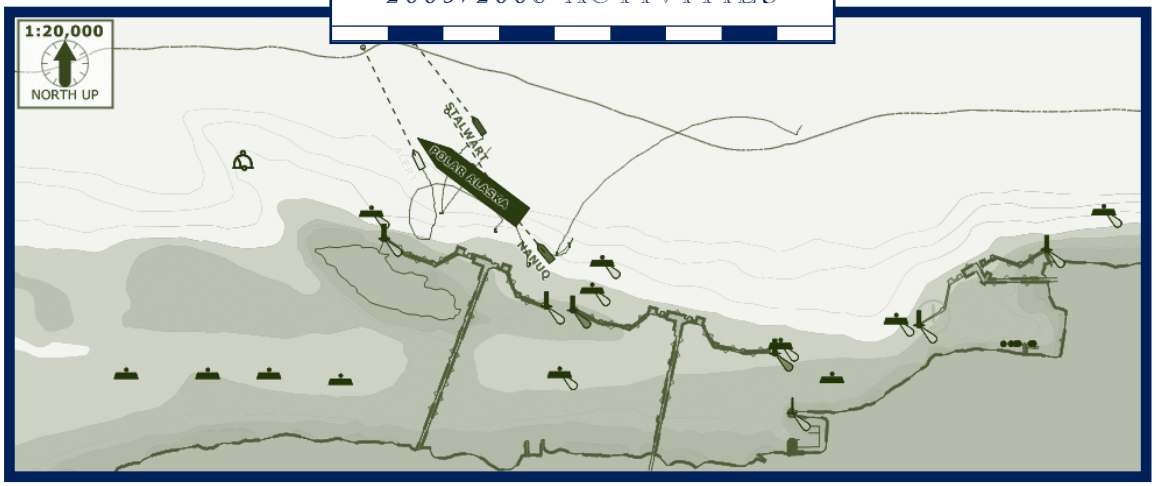
Automatic Identification System

In an effort to decrease the risk of collisions involving large ships, the United States Coast Guard recently required the use of Automatic Identification Systems, or AIS, on all large ships. This system reports the navigational status and position of the ship on which it is installed to all nearby vessels.

In August 2005, the council began examining whether this technology could be used to allow citizens to monitor tanker and escort tugs in Prince William Sound. During

Stan Jones

The council operates a Furuno Automatic Identification System in its Valdez office. The device shown here is part of a system that archives traffic information, as well as feeding it to a large video screen in the office.



This screen-capture shot from the Automatic Identification System display shows the ConocoPhillips double-hull tanker Polar Alaska leaving the Alyeska terminal in Valdez.

December 2005, the council installed an AIS in its Valdez office and started collecting vessel movement data in February 2006. The council is currently observing the operation of tankers, escort and response tugs, cruise ships, state ferries, and large fishing vessels in the Sound.

Data from the system is being archived for future analysis. The council expects it will prove useful in verifying vessel tracks and travel times from one point in the Sound to another. In addition, the information will permit the council to better monitor response operations for oil spills in the Sound.

Iceberg Detection and Avoidance

Icebergs have proven to be one of the greatest hazards to tanker navigation in Prince William Sound. In 1989, the Exxon Valdez left the tanker traffic lanes to avoid icebergs, leading to the worst oil spill in North American history. In 1994, a tanker coming into Port Valdez collided with an iceberg, causing significant damage to the hull. Fortunately, that tanker was empty and no spill resulted.

Council-sponsored research has determined that ice from Columbia Glacier will continue flowing into the tanker lanes for the foreseeable future. After investigating several ice detection and reporting technologies, the council, along with several partners, launched a major project to use radar to reduce the navigational risk posed by ice.

A VHF (Very High Frequency) radar system was installed on Reef Island, near Bligh Reef, scene of the Exxon Valdez disaster. This system began operation in 2002 and continues to operate successfully with minimal maintenance. It is linked to Alyeska Pipeline's escort system facility and to the Coast Guard's Vessel Traffic System, both in Valdez, enabling oil shippers, coastal pilots, escorts, and the Coast Guard to make informed decisions about shipping schedules and other ice avoidance measures.

Places of Refuge

The 2002 sinking of the fuel tanker Prestige off the coast of Spain focused the world's attention on the need for places of refuge for vessels in distress.

The Prestige began to leak and was towed offshore while the Spanish government tried to decide what to do. But the vessel broke up and sank in two miles of water, where it continued to leak, eventually fouling both Spanish and French coastlines.

Many observers believed that environmental damage would have been less if the vessel could have been towed to a place of refuge — a protected bay where the leaking oil could have been contained within the bay while repairs were made on the ship.

Accordingly, the council was closely involved in a project to establish potential places of refuge in Prince William Sound by pre-identifying sensitive resources and geographic response options. This very delicate issue required extensive communication with landowners in the Sound and other citizens represented by the council, as well as regulators who would have to make the decision on where to tow a disabled tanker. The project's end-product was a document called the Potential Places of Refuge Matrix that became part of the official oil spill contingency plan for Prince William Sound in November 2005.

OIL SPILL PREPAREDNESS AND RESPONSE

Roy Robertson

Fishing vessel crews receive regular training in oil-spill response. Here, use of oil-skimming equipment is demonstrated during a Homer training exercise.

The council has devoted significant resources to preventing oil spills, but that risk cannot be eliminated entirely. We must be prepared to respond quickly and effectively in case prevention measures fail. Two council programs address emergency preparedness and response: Oil Spill Prevention and Response Planning, and Oil Spill Prevention and Response Operations.

OIL SPILL PREVENTION AND RESPONSE PLANNING

State and federal laws require the operators of oil tankers, the Valdez Marine Terminal, and the trans-Alaska pipeline to prepare detailed plans showing how they will respond to oil spills, should prevention measures fail. The council devotes much time and attention to oversight of these all-important contingency plans, as they are known.

In some cases, the council participates with government and industry on working groups that develop the plans. In other cases, the council conducts independent reviews and submits comments and recommendations.

The council promotes compliance, enforcement, and funding for state and federal regulation and oversight, and supports the Alaska Coastal Management Program. Along with local communities, the council encourages the incorporation of local knowledge of sensitive areas into contingency planning.

This year's efforts in the program continued to focus on follow-ups to the 2003 approvals of contingency plans for Alyeska Pipeline's Valdez Marine Terminal and for the oil tankers that use it.

One notable initiative involved the part of the marine terminal plan dealing with training for oil spill response. Alyeska conducted a detailed analysis that identified training requirements for various response job roles. Because of its comprehensive nature and favorable reception by stakeholders and by Alyeska management, this approach may become a company-wide model for training.

Another significant effort in the past year involved revising the terminal's plan for managing the waste materials that accumulate during an oil spill response. The council participated in a multi-stakeholder effort to improve this plan in 2005 and in 2006. Our final comments commended Alyeska Pipeline and the state's Department of Environmental Conservation for the effort that went into revising the plan after the first round of comments in 2005.

©Courtesy of Alyeska

Every loaded oil tanker in Prince William Sound is accompanied by two powerful rescue tugs that are also equipped to begin an oil-spill response if needed.

Geographic Response Strategies

These are oil spill response mini-plans specific to sensitive areas and resources, such as salmon streams and clamming beaches. The council has worked to have them included in oil spill contingency plans for Prince William Sound, the Gulf of Alaska, Kodiak, and the Kenai Peninsula — all areas that received oil from the Exxon Valdez spill.

So far, approximately 250 Geographic Response Strategies are in place or under development in the council region.

More information about these strategies is available at http://www.state.ak.us/dec/spar/perp/grs/home.htm on the Internet.

Coastal Community Oil Spill Response

The council conducted a study examining the feasibility of creating a network of community-based oil spill response cooperatives in the council region, and evaluated the related "Firehouse Response Model" proposed by the Alaska Department of Environmental Conservation.

Under this model, each region of Alaska would have its own organization overseeing a network of community-based response teams. Each central oil spill organization would be staffed with full-time professionals, while the community-based response teams would be comprised primarily of part-time staff and volunteers. These teams could both respond to small local spills and join the cleanup effort for major regional spills like the Exxon Valdez.

To evaluate the potential of the small-scale community-response concept, our council and the citizens' council for Cook Inlet co-sponsored a forum on community-based response in January 2005 for representatives of agencies, industry, and communities. While the idea of regional co-ops wasn't adopted, several areas of the state were identified where the concept could work on a smaller scale, including the council region in Prince William Sound, Kodiak, and the Kenai Peninsula. In these areas, there are small organizations and communities that could benefit from increased networking and shared resources.

The council plans to hold a second Community Response Workshop in the coming year to further develop this concept.

Citizens' council

The citizens' council has sponsored several symposiums to train firefighters from Alaska's coastal communities in battling shipboard blazes. In this 2005 symposium, ConocoPhillips donated the use of its Polar Endeavor.

Roy Robertson

The council sends observers to as many of Alyeska's oil spill drills and exercises as possible. The one shown here focused on deploying containment booms in a river, a tactic that could become necessary in the event of a spill from the trans-Alaska pipeline.

Weather and Current Data Collection

Weather conditions and sea currents affect nearly every aspect of oil transportation safety. They can play a role, sometimes the determining role, in efforts to prevent or to clean up oil spills. Consequently, the council promotes constant improvements in the system for collecting weather and current information for Prince William Sound.

We are partners with the Cordova-based Oil Spill Recovery Institute in a project to install weather stations in the Sound, many of which incorporate web cameras in addition to data-gathering equipment. Fifteen of the stations are now set up or scheduled to be installed in the near future as this report goes to press. Web camera images from many of them are available on the Internet at http://ak.aoos.org/pws/web_cams.php.

In addition, we co-funded a University of Alaska project to install radar stations at two sites near the tanker lanes in the central part of the Sound to measure surface ocean currents. The network was installed in May 2004 but was scheduled for shutdown in the fall of 2006 to be redesigned because the natural gas generators initially used for electric power did not prove sufficiently reliable. Possible alternatives include switching to units powered by wind and sunlight, or moving the equipment to Coast Guard sites that have reliable power supplies.

The council considers this a valuable project, as understanding current patterns in the Sound is important in developing accurate models for predicting the path of spilled oil. It can also be useful for navigation and for spill-response operations. Measuring actual currents makes it possible to test predictive models against reality.

OIL SPILL PREVENTION AND RESPONSE OPERATIONS

It takes more than volumes of carefully written and reviewed contingency plans to effectively respond to an oil spill. It takes equipment, trained people, and a management system to implement the plan; and it takes practice, practice, practice. The council's oil spill response operations program is tasked with monitoring the operational readiness of the Alyeska Pipeline Ship Escort/Response Vessel System and the tanker companies, and with making sure the council is prepared to respond to an oil spill.

Council staff members, volunteers, and contractors monitor and report on spill response drills, exercises, and training throughout the region to provide citizens, regulators, and responders with information about the state of readiness and to make recommendations for improvement. Most of the monitoring work is done by two council staffers, who present annual reports summarizing each year's activities, lessons learned, recommendations, and outstanding issues.

During this past year the council staff observed a total of 16 drills and exercises. Two large drills that had been planned for the past year were postponed because of hurricanes along the Gulf of Mexico coast in the summer of 2005. SeaRiver Maritime had planned a fall 2005 exercise, but postponed it for a year after the company's Houston headquarters was evacuated because of a hurricane. A BP exercise was postponed to spring 2007 to accommodate the rescheduled SeaRiver drill.

Roy Robertson

Though the council opposes the use of dispersants on oil spills, they remain on the list of approved response tactics, and Alyeska crews practice dispersant application from time to time. Here, one of Alyeska's escort tugs uses a dispersant spraying apparatus during an exercise near Valdez.

The Response Gap

The council has long been concerned about the "response gap" — the fact that loaded tankers are allowed to sail through Prince William Sound and into the Gulf of Alaska during weather so harsh that no effort to respond would be required if oil should be spilled.

The council has begun a study of how to solve this problem, starting with an analysis of how often weather conditions fall into this gap.

Over the past year, a council contractor devised a method for conducting this analysis. It will involve measuring four environmental factors – wind speed, wave height, temperature, and visibility – in the central part of the Sound and at Hinchinbrook Entrance, where tankers leave the Sound and pass into the Gulf of Alaska. The analysis was expected to be completed by early 2007.

Roy Robertson

This workboat from Alyeska's SERVS fleet towed boom for an early-morning training exercise near Valdez in the fall of 2005.

ENVIRONMENTAL PROTECTION AND SCIENCE

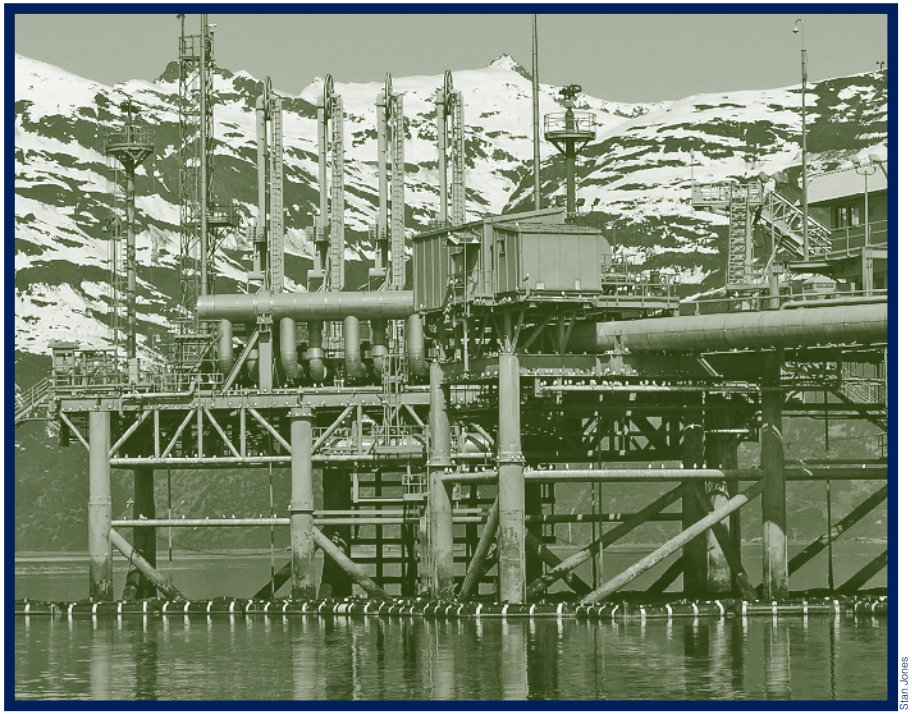
The Oil Pollution Act of 1990 directs our council to review, monitor, and comment on Alyeska Pipeline's environmental protection capabilities, as well as the actual and potential environmental impacts of terminal and tanker operations. The Act also calls on us to develop recommendations on environmental policies and permits. The council carries out this work through two major programs: Terminal Operations, and Environmental Monitoring. Under the leadership of the Scientific Advisory Committee and the Terminal Operations and Environmental Monitoring Committee, the council commissions scientific studies to determine actual or potential risks, to document levels of pollution and biological effects, and to better understand new technologies and what environmental effects might be associated with their use.

James R. Payne

A council contractor collects mussels for the Long Term Environmental Monitoring Program.

TERMINAL OPERATIONS

Besides posing the risk of a major oil spill caused by an earthquake or accident, the Valdez tanker terminal produces ongoing pollution from routine operations, as allowed by its permits from regulatory agencies. The council oversees terminal operations in an effort to make sure that pollution is within regulatory limits and that those limits are set at the lowest feasible levels.



Stan Jones

Tankers load North Slope crude at berths like this one at Alyeska's Valdez terminal. Equipment on the berths captures oily vapors forced out of tanker holds during loading. However, large quantities of hydrocarbon vapors are still released from the facility that treats oily ballast water offloaded by arriving tankers. The council is pushing for control of these vapors, too.

Water Quality

Tankers arrive in Valdez with significant quantities of oily ballast water carried in cargo tanks to provide navigational stability during the trip north. The water is cleaned at the terminal's Ballast Water Treatment Facility, where concentrations of specified pollutants are reduced to a few parts per million before the water is discharged into Port Valdez. These discharges occur under a National Pollutant Discharge Elimination System permit issued by the Environmental Protection Agency and a separate permit issued by the Alaska Department of Environmental Conservation. The council reviews the permit applications during the renewal process, which last occurred in January 2005.

Air Quality

The terminal is a major source of volatile organic compounds and other air pollutants, primarily because of hydrocarbon vapors released at the Ballast Water Treatment Facility. Some of these emissions are known carcinogens and may be affecting health or the quality of life in Valdez. The council is working to reduce concentrations of hazardous air pollutants in Valdez and at the terminal.

The council has been active on multiple fronts in pursuit of this goal.

We have worked for several years to have emissions from the ballast water facility made subject to EPA limits under a regulation called the National Emission Standards for Hazardous Air Pollutants – Organic Liquids Distribution (or NESHAP-OLD) Rule. In early 2005, that goal seemed near when EPA began developing rules to limit air pollution from the facility under the NESHAP-OLD regulations.

However, EPA had not taken final action as this report went to press in the fall of 2006 and the council had entered into negotiations with Alyeska to reach formal agreement on steps to cut air pollution at the terminal.

Even as the regulatory process and negotiations have gone on, Alyeska has made or proposed changes that would reduce or eliminate some of the pollution sources at the ballast water facility. For the most part, these are aimed at reducing explosion risks rather than cutting air pollution, and they leave unaddressed other, major pollution sources at the facility.

Consequently, the council intends to maintain the pressure to cut pollution at the facility by either regulation or negotiation.

Susan Sommer

Alyeska has scaled back its plans for a major overhaul of its Valdez terminal, where tankers like the Polar Adventure, shown here, take on North Slope crude oil.

Strategic Reconfiguration

In 2004, Alyeska announced a major program described as Strategic Reconfiguration of the Valdez Marine Terminal. As originally envisioned, it would have included several major elements:

- Installing internal floating roofs on at least 12 of the terminal's 18 crude oil storage tanks to reduce the release of hydrocarbon vapors, and removing up to six tanks from service;
- Removing from service the plant that burns hydrocarbon vapors to produce electricity for the terminal;
- Installing combustors to burn hydrocarbon vapors produced when tankers load oil;
- Replacing the pumped-seawater firefighting system with a fresh-water system fed by gravity from a man-made reservoir on the hillside above the terminal;
- Obtaining electricity by connecting to the commercial power grid with a back-up diesel generator onsite, or by installing primary and backup diesel power plants onsite.

The Joint Pipeline Office reviewed and approved Alyeska's Strategic Reconfiguration plan, but the company eventually concluded that many projects in it lacked technical or economic justification. In September of 2005, the company announced that Strategic Reconfiguration had been terminated except for one element: the gravity-fed freshwater fire-fighting system, which would continue as a separate project.

The council consulted with and ultimately hired two nationally known fire-system experts to examine the concept and verify Alyeska's hydraulic

modeling. As a result of their work, the council expressed serious reservations about the project because there appeared to be neither sufficient quantities of water nor adequate water pressure to allow the freshwater system to perform as well as the seawater system.

Alyeska announced in May 2006 that it had abandoned the project, citing deficiencies already noted by the council.

ENVIRONMENTAL SCIENCE

Chemical Dispersants

Chemical dispersants are substances that, in theory, do as their name suggests: they disperse spilled oil into the water column, rather than leaving it floating on top in a slick. The council promotes research and testing to increase knowledge about chemical dispersants and the environmental consequences of their use on oil spills in Alaska waters.

The council has voiced concerns about the efficacy and toxicity of dispersants for years, urging regulatory agencies to take a conservative approach towards their use. Because outstanding questions have not been answered and research has not demonstrated that dispersants would even work in the waters of Prince William Sound, the council voted at its May 2006 meeting in Valdez to oppose any use of chemical dispersants for responding to North Slope crude oil spills in its region.

Previously, the council position had been that dispersants could be used on an oil spill as a last resort if mechanical recovery efforts with booms and skimmers proved ineffective.

The official new council position is as follows:

After years of observing dispersant trials, dispersant effectiveness monitoring, advising and sponsoring independent research regarding chemical dispersant use, it is the position of the Prince William Sound Regional Citizens' Advisory Council (the Council) that dispersants should not be used on Alaska North Slope crude oil spills in the waters of our region. Until such time as chemical dispersant effectiveness is demonstrated in our region and shown to minimize adverse effects on the environment, the Council does not support dispersant use as an oil spill response option. Mechanical recovery and containment of crude oil spilled at sea should remain the primary methodology employed in our region.

Among the council-sponsored research was a recent report that evaluated the phenomenon of resurfacing – the tendency of oil to bounce back to the surface after being chemically dispersed. The council also sent consultants to observe dispersant demonstrations this past year at the federal OHMSETT tank in New Jersey. One of these demonstrations was a cold-water testing program to address criticisms made by the National Research Council on previous cold water dispersant tests at OHMSETT. The council's consultants reported that some of the problems were adequately addressed in the latest tests, while others persisted.

The council's research reports on dispersants are available to the public. Those, as well as other reports and information, are available on the council web site at www.pwsrcac.org/projects/envmonitor/dispers.html.

Aquatic Nuisance Species

Not all ballast water discharged in Port Valdez requires treatment to remove oil. Some tankers employ segregated ballast tanks where "clean" sea water is used for stability. This "clean" ballast is filled with living organisms that are discharged with it into Prince William Sound and the Port of Valdez

Denny Lassuy

As part of its non-indigenous species project, the council uses traps to check for the presence of the green crab in Prince William Sound and nearby waters. In this photo, students from Cordova assist with the project, which so far has detected no sign of the potential invader.

as tankers approach the Alyeska terminal for loading. Because of the potential for invasions by harmful species, the council has made this issue a high priority since 1996.

We lead a multi-stakeholder working group to coordinate programs in our region. In addition, we hold seats on the national Invasive Species Advisory Committee and on the Western Regional Panel of the National Aquatic Nuisance Species Task Force.

In partnership with the U.S. Fish and Wildlife Service, NOAA's Sea Grant program, Alyeska Pipeline, and the University of Alaska Fairbanks, the council has co-sponsored a series of scientific studies conducted by the Smithsonian Environmental Research Center since 1997.

This past year, the Smithsonian researchers submitted a draft report synthesizing the results of biological surveys conducted at several sites, including sites in Prince William Sound. The report was designed to look at Alaska in the context of the whole United States. Results indicated that Alaska has a low level of invasions compared to other sites. However, the authors stated:

James R. Payne

As part of the council's Long-Term Environmental Monitoring Program, scientific contractors take sampling trips to various areas in the council region. This mud shrimp was found at Herring Bay.

Although this low prevalence in Alaska may reflect a low susceptibility to invasions, there is currently no evidence to support this. This pattern may instead result primarily from the historically low propagule (i.e., a part of an organism capable of independent growth) supply to Alaska relative to other more invaded sites. This argues strongly for a precautionary and proactive management strategy to limit the transfer of organisms by ships, aquaculture, and other human-mediated mechanisms, thereby reducing the risk of invasions.

The final version of this report was expected to become available in fall 2006.

The council has been active in an effort to establish a state-wide invasive species group intended to foster proactive management strategies, among other things. Other participants in this group include regulators, academia, and other non-governmental organizations.

For many years the council has sponsored a green crab trapping effort in Port Valdez. The European green crab is an invasive species that has traveled up the West Coast from San Francisco Bay at an alarming rate. Although it has not been reported in Alaska, it is of concern because ballast water is a known pathway for this crab. During the past year, the council has started to expand the green crab monitoring network in its region by working with organizations and students in Cordova, Kodiak, and Homer. We expect the expansion to continue in the upcoming year.

More information on the council's invasive species program can be found at www.pwsrcac.org/projects/NIS.

Regional Environmental Monitoring

The council established a Long-Term Environmental Monitoring Program (LTEMP) in 1993 that continues with an annual study plan designed to address trends and new circumstances. Samples are collected at 10 intertidal sites in Prince William Sound and the Gulf of Alaska. Mussel tissues from the sites are analyzed in a laboratory to determine whether hydrocarbons are accumulating and, if so, their source. The LTEMP contractor presents an annual report to the council and the data from it is made available to other research entities.

During the past year, the council embarked on a partnership with NOAA's Auke Bay Laboratory in Juneau under a proposal funded by the Exxon Valdez Oil Spill Trustee Council. This allowed for an expanded sampling effort in the summer of 2006, including random sampling at stations in the Naked-Knight-Southwest Islands complex. This region was the most heavily affected by the Exxon Valdez oil spill and is of particular interest to the Trustee Council.

Many LTEMP reports, along with additional information on the program, are available at www.pwsrcac.org/projects/EnvMonitor/ltemp.html.

OUTREACH

Linda Robinson

These girls visited the council's information booth at the Alaska Oceans Festival in Anchorage.

MEMBER RELATIONS

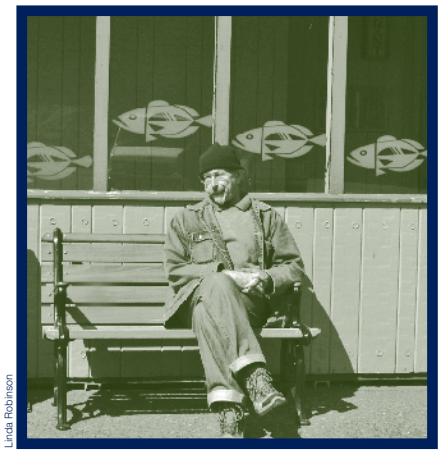
The council devotes a full-time staff position, called the Outreach Coordinator, to maintaining productive relations with the 18 communities and interest groups that make up its membership. The coordinator visits communities in the region, attends member group functions, gives presentations, coordinates special events involving the council and its member groups, and generally encourages citizen involvement in the council's work.

Outreach activities in the past year included receptions in several council communities and booths at numerous conferences. Also, the council gave presentations at the 25th anniversary of the French oil spill organization Vigipol in Brittany as well as participating in workshops in Kachemak Bay and New Hampshire. In July 2005, the coordinator traveled to three Kodiak Island villages to solicit input on geographic response strategies. The third edition of the Prince William Sound coloring book made its debut, as did a book of poems submitted by Kodiak residents for the Kodiak Whalefest.

Marilyn Leland

The council attends many public functions around its region, including Cordova's annual Copper River Nouveau celebration, shown here. The event is held to celebrate the river's prized red salmon.

CITIZEN OVERSIGHT AROUND THE WORLD



Linda Robinson

In the summer of 2006, the council played host and tour guide to a group of citizens associated with Vigipol, a French group similar to our council. Here, Jean Baptiste Henri relaxes during a visit to Cordova.

The Oil Pollution Act of 1990 designates the Alaska citizens' councils as demonstration programs. In the years since our birth, we have seen the citizen-oversight movement spread worldwide, and we have increasingly become a resource for citizens elsewhere who hope to establish their own programs.

- *When legislators in Washington state moved to set up an Oil Spill Advisory Council, we were consulted as the measure was being drafted, and we testified at committee hearings in the Washington legislature.*
- *Here in Alaska, a citizen oversight body was set up for the Pogo gold mine near Fairbanks.*
- *In late 2005, the council's executive director spoke to a group in Cold Bay at the invitation of the Aleutians East Borough about the possibility of setting up a citizen group to deal with the risk of spills from oil and natural gas drilling in the area.*
- *Also in late 2005, the executive director was invited to Murmansk, Russia, to speak on citizen oversight at a conference on oil development in the Barents region.*
- *In October 2005, the 8th World Wilderness Congress in Anchorage endorsed the idea of citizen oversight on a worldwide basis, whenever an extractive natural resource project is launched.*

We naturally regard these as desirable developments and stand ready to continue sharing the lessons we've learned since 1989 about the value of citizen oversight, and how to make it work.

Linda Robinson

These students participated in a science conference in Homer, one of the council's member communities.

PUBLICATIONS

The council increases public awareness on a wide range of issues pertaining to crude oil transportation through printed and electronic publications.

The Observer, a free quarterly newsletter, is distributed throughout Prince William Sound, the northern Gulf of Alaska, lower Cook Inlet, and the Kodiak Archipelago. The Observer is also sent on request to interested citizens elsewhere, as well as to regulators and industry.

The Observer covers council activities, developments in the oil transportation industry and news about policy and operational issues related to marine oil transportation. Major oil spill drills are covered, and Alyeska Pipeline is invited to submit a column for each issue. In the course of preparing articles for The Observer, the council frequently invites feedback from appropriate industry and regulatory personnel.

In addition, we publish a concise monthly email newsletter, The Sound Approach, which includes such regular departments as "Council News," "Q&A," "Reading Room," and "Featured Links." It also offers interesting tidbits about our region, oil transportation, and other related topics.

Once a year, the council summarizes its work in an annual report such as this one.

The council maintains an extensive, award-winning Web site, www.pwsrcac.org, which provides information about our work, membership, mission, and projects. Since implementing major site redesigns and updates, visitor traffic has increased significantly. In 2006, the site was selected as an Official Honoree for the 10th Annual Webby Awards, the leading international awards honoring excellence in web design, creativity, usability, and functionality.

The council makes available a 14-minute video about its origins, mission, and activities. This video, titled A Noble Experiment: The Story of the Prince William Sound Regional Citizens' Advisory Council, is shown at conferences

Susan Sommer

Among the council's publications is the Observer newsletter, and a children's coloring book.

Courtesy of Tamara Byrnes

Tamara Byrnes, a council staffer, chats with a visitor to the council information booth at Goldrush Days in Valdez.

and other events attended by the council, and is distributed free to member entities for use in informing their constituents about the council.

The council also places public-service announcements about its work, mission, and concerns on radio stations in the Exxon Valdez oil spill region. Many of these announcements feature council volunteers telling about their own lives and why they decided to donate their time and energy to the council's work. These announcements are available for download from the council website at www.pwsrcac.org/newsroom/radio.html.

STATE GOVERNMENT RELATIONS

The council monitors state actions, legislation, and regulations that relate to terminal or tanker operations, or to oil spill prevention or response. To track developments in the state capital, the council retains a monitor under contract during the legislative session. This area of council activity is coordinated by a Legislative Affairs Committee made up of members of the council board.

During the regular and special legislative sessions of 2006, the committee's chief focus was on securing adequate long-term funding for the Alaska Department of Environmental Conservation's Division of Spill Prevention and Response. This division has been funded primarily by a three-cent tax on each barrel of oil produced in Alaska, but inflation and declining oil production have combined to produce a revenue shortfall for the division. The council supported legislation to raise the levy to five cents per barrel. However, it was only increased to four cents per barrel, and the issue remains of concern to the council.

Stan Jones

In February 2006, council Executive Director John Devens met with Rep. Kevin Meyer, and other state legislators to push for adequate funding for Alaska's state spill-response office.

FEDERAL RELATIONS

The council monitors federal government actions and issues through a law firm in Washington, D.C. During the past year, the council's primary focus at the federal level has been on the effort to secure EPA regulation of hazardous air emissions from the Ballast Water Treatment Facility at Alyeska's Valdez terminal. This effort is described in detail elsewhere in this report.

RECERTIFICATION

The Coast Guard certifies the council as the federally approved citizens' advisory group for Prince William Sound, pursuant to the Oil Pollution Act. The council has been the certified group since 1991.

Under the annual recertification process, the Coast Guard assesses whether the council fosters the general goals and purposes of the Act and is broadly representative of the communities and interests as envisioned in the Act.

As part of its recertification process, the Coast Guard may consider comments from industry, interest groups, and citizens. The council fulfills the requirement for an industry-funded citizens advisory group, but it was established before the law was enacted.

WHO WE ARE

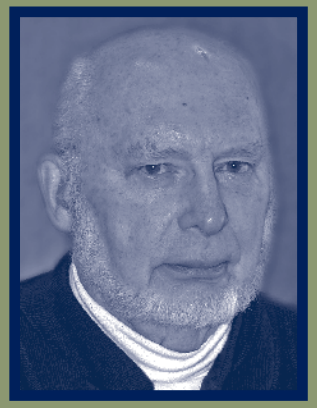
The council is an organization of organizations. Our members include state-chartered cities and boroughs, remote Alaska Native villages with tribal governments, Native corporations, commercial fishing organizations, an environmental consortium, and groups representing the tourism industry.

Each member entity chooses one representative to our board. The lone exception is Valdez. It has two representatives, giving our board a total of 19 members. The board meets three times a year: in January, May, and September. The January meeting is in Anchorage, the May meeting is in Valdez, and the September meeting rotates among other member communities in the oil spill region.

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

THE BOARD

Executive Committee



STAN STEPHENS

President

Alaska Wilderness Recreation and Tourism Association

STEPHEN LEWIS

Vice-President

City of Seldovia

MARILYNN HEDDELL

Secretary

City of Whittier

JANE EISEMANN

Treasurer

City of Kodiak

PATIENCE ANDERSEN FAULKNER

Member at Large

Cordova District Fishermen United

BLAKE JOHNSON

Member at Large

Kenai Peninsula Borough

JOHN VELSKO

Member at Large

City of Homer

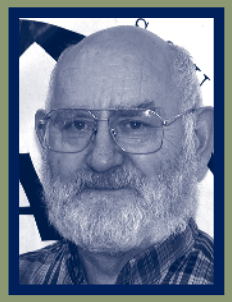
Other Directors

JOHN ALLEN

Community of Tatitlek

NANCY BIRD

City of Cordova



AL BURCH

Kodiak Island Borough

SHERI BURETTA

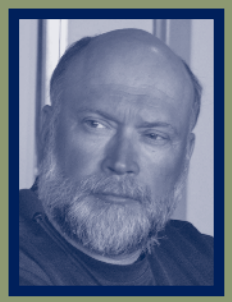
Chugach Alaska Corp.

JOHN FRENCH

City of Seward

PETE KOMPKOFF

Community of Chenega



GEORGE LEVASSEUR

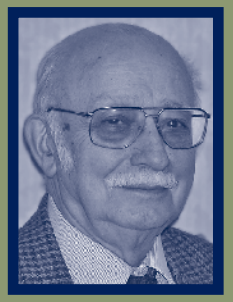
City of Valdez

SHARRY MILLER

Prince William Sound Aquaculture Corp.

JIM NESTIC

Kodiak Village Mayors Assoc.



WALTER PARKER

Oil Spill Region Environmental Coalition

BILL SCHOEPHOESTER

Alaska State Chamber of Commerce

CONNIE STEPHENS

City of Valdez

Ex-Officio Board Members (non-voting)

RON DOYEL
Alaska Department of Environmental Conservation

MARK FINK
Alaska Department of Fish and Game/Habitat Division

SHARON RANDALL
U.S. Forest Service

SCOTT PEXTON
Joint Pipeline Office

PATRICIA WINN
Alaska Division of Homeland Security and Emergency Management

CARL LAUTENBERGER
U.S. Environmental Protection Agency

DOUG MUTTER
U.S. Department of the Interior

COMMANDER MICHAEL S. GARDINER
U.S. Coast Guard/Marine Safety Office Valdez

KATEY WALTER
Oil Spill Recovery Institute

JOHN WHITNEY
National Oceanic and Atmospheric Administration

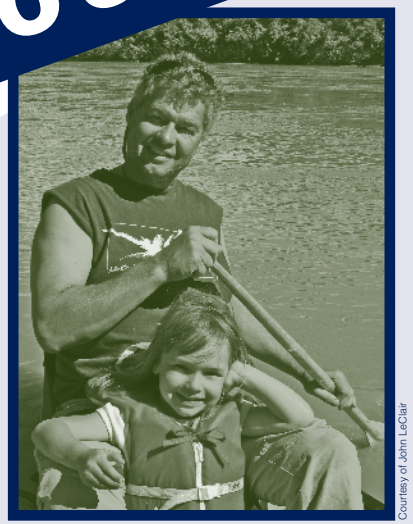
Committees

As of June 30, 2006

Four standing committees advise the Board of Directors and council staff on projects and activities. Committee volunteers also assist the staff on individual projects. The advisory committees are made up of interested citizens, technical experts, and members of the council board. Committee volunteers are selected through an annual application process. They are appointed to two-year terms and may serve consecutive terms.

OSPR

OIL SPILL PREVENTION AND RESPONSE COMMITTEE: Promote strong oil spill prevention and response capability in the Exxon Valdez oil spill region by advising the council's Board of Directors.



Courtesy of John LeClair

John LeClair with daughter Aubrey

JOHN FRENCH
Chair
Council Director

JERRY BROOKMAN
Kenai

JON DAHLMAN
Seward

JOE JABAS
Valdez

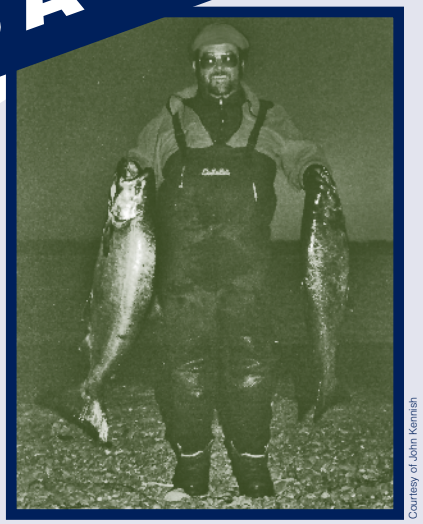
JOHN LECLAIR
Anchorage

WALTER PARKER
Council Director

GORDON SCOTT
Anchorage

JOHN VELSKO
Council Director

SAC



Courtesy of John Kennish

John Kennish

RICHARD TREMAINE
Chair
Anchorage

PETER ARMATO
Seward

JENNIFER BURNS
Anchorage

JOHN FRENCH
Council Director

ROGER GREEN
Hope

AGOTA HOREL
Valdez

JOHN KENNISH
Anchorage

SHARRY MILLER
Council Director

LESLIE MORTON
Soldotna

AJ PAUL
Fairbanks

TOEM

TERMINAL OPERATIONS AND ENVIRONMENTAL MONITORING COMMITTEE:
Detect and monitor all existing and potential environmental impacts of the Valdez Marine Terminal and associated tankers, and advise the council of the committee's findings.

Courtesy of Janice Wiegers

Janice Wiegers

BOB BENDA
Chair
Valdez

JO ANN BENDA
Valdez

JON BOWER
Juneau

LYNDA HYCE
Valdez

DENISE SAIGH
Anchorage

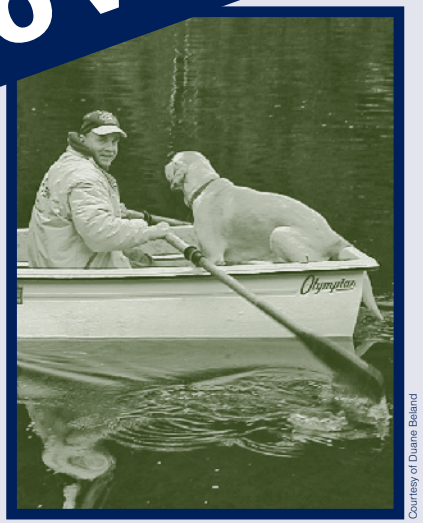
GEORGE SKLADAL
Anchorage

STAN STEPHENS
Council Director

JANICE WIEGERS
Fairbanks

POVTS

PORT OPERATIONS AND VESSEL TRAFFIC SYSTEMS COMMITTEE:
Advise the council concerning the safe loading, transit, and escort of North Slope crude oil tankers in Prince William Sound and the Gulf of Alaska.



Courtesy of Duane Beland

Duane Beland

BILL CONLEY
Chair
Valdez

DUANE BELAND
North Pole

CLIFF CHAMBERS
Seward

JANE EISEMANN
Council Director

PETE HEDDELL
Whittier

ROBERT JAYNES
Valdez

LINDA LEE
Valdez

CONNIE STEPHENS
Council Director

REPORTS AND PRESENTATIONS

"Observers' Report — MMS Cold Water Dispersant Tests," by Merv Fingas and Elise DeCola, for the citizens' council, May 2006. 955.431.060601.ObserverRpt.pdf

Paper titled "Oil Spill Dispersion Stability and Oil Re-surfacing," by Merv Fingas and Lisa Ka'aihue, "Oil Spill Dispersion Stability and Oil Re-surfacing," Arctic Marine Oilspill Program Technical Seminar, Vancouver, British Columbia, 6/7/2006. 955.107.060607.FingasOSdisp.pdf

Paper titled "Coping With Technological Disasters: Helping Communities Help Themselves," by Lisa Ka'aihue, council staff, published in the "Selendang Ayu Oil Spill: Lessons Learned Conference Proceedings. August 16 - 19, 2005, Unalaska, Alaska." 656.107.050816.CWTDalfAAyu.doc

Presentation by John Devens, council staff, on citizen oversight, at the international conference "Oil and Gas Industry and Sustainable Development of the Barents Region," Murmansk, Russia, 10/28/2005. 350.107.051028.JDMurmansk.fdr

Presentation by Walt Parker, council board member, to the Arctic Council Working Group on Preparation, Prevention and Response, Tornio, Finland, 4/5/2006. 350.107.060405. WParkerEPPR.doc

Presentation on citizen oversight, by John Devens, council staff, at an Oil and Gas Workshop sponsored by the Aleutians East Borough in Cold Bay, Alaska, 9/27/2005. 350.107.050927. JDColdBayAK.fdr

Presentation on non-indigenous species, by Marilyn Leland, Lisa Ka'aihue, and Dan Gilson, council staff, to the Pacific States / BC Oil Spill Task Force, in Anchorage, 7/27/2005. 952.107.050727.BCnisPres.ppt

Presentation titled "Effectiveness of Citizen Involvement," by Linda Robinson, council staff, Arctic Marine Oilspill Program Technical Seminar, Vancouver, British Columbia, 6/61/2006. 350.107.060601.Citizeninvol.doc

Presentations on citizen oversight, by Patience Andersen Faulkner, council board member, and Linda Robinson, council staff, at the 25th Anniversary of the Syndicat Mixte (Vigipol) in Brittany, France, 9/1/2005. 350.107.050901.VigipolFaulk.doc, 350.107.050901.VigipolPres.doc

Report titled "A Review of the Emulsification Tendencies and Long-term Petroleum Trends of Alaska North Slope (ANS) Oils and the 'White Paper on Emulsification of ANS Crude Oil Spilled in Valdez'." Merv Fingas, 8/1/2005. 600.431.050801. MFtrendsANSC.pdf

Report titled "Ballast Water Exchange: Efficacy of treating ships' ballast water to reduce marine species transfers and invasion success." G. Ruiz, K. Murphy, E. Verling, G. Smith, S. Chaves and A. Hines, Smithsonian Environmental Research Center, for the citizens' council, 11/10/2005. 952.431.051110. BWE&NIS.pdf

Report titled "Seal Rocks Open Water Deployment, August 23," in which weather prevented exercise objectives from being met. Citizens' council, 8/23/2005. 752.431.050823.SealRockOpWt.pdf

Report titled "Stability and Resurfacing of Dispersed Oil." Merv Fingas, for the citizens' council, 11/1/2005. 955.431.051101.StabilityRpt.pdf

"Response Gap Methods Report," Tim Robertson, Nuka Planning and Research, for the citizens' council, 5/5/2006. 756.431.060505.NukaRGmethods.pdf

Presentation on non-indigenous species, by Lisa Ka'aihue and Linda Robinson, council staff, at Steller Secondary School in Anchorage, 12/12/2005. 952.107.051201.StellarNisPr.ppt

Report titled "Accumulation of Polycyclic Aromatic Hydrocarbons by Neocalanus Copepods in Port Valdez, Alaska." MG Carls, JW Short, J Payne, M Larsen, J Lunasin, Larry Holland, SD Rice, NOAA National Marine Fisheries Service and Payne Environmental Consultants, for the citizens' council, 8/1/2005. 956.431.050801.CopepedRpt.pdf

Report titled "December 15, 2005 Prince William Sound Tug Fleet Workshop Summary." Susan Harvey, for the citizens' council, 2/23/2006. 801.431.060223.SHtugFleetWS.pdf

A poster, with abstract, presented by William Driskell, Jeffrey Short, James Payne, Joan Braddock, Lisa Ka'aihue And Tom Kuckertz, at the Marine Science Symposium, Anchorage, from the report "From Tankers to Tissues - Tracking the Degradation and Fate of Oil Discharges in Port Valdez, Alaska." 1/23/2006. 503.107.060123.TkrTissPostr.pdf and 503.431.060123.TkrTissAbst.pdf

Presentation on air quality, ballast-water treatment, and non-indigenous species, by Dan Gilson, council staff, to Valdez High School students, 11/17/2005. 400.107.051117.VDZhighPres.ppt

"Community Oil Spill Response Forum Final Report," Nuka Research and Planning Group, for the citizens' council, 10/17/2005. 659.431.051017.OSROForumRpt.pdf

Report titled "Port Valdez Dispersant Exercise, September 13, 2005." Citizens' council, 9/13/2005. 752.431.050913. PtVldzDispExer.pdf

These are a few of the many council reports, papers, and presentations produced during the past year. For further information, or to obtain copies, visit the council web site or contact our Anchorage office.

NEWS RELEASES & GUEST EDITORIALS

Citizen oversight is catching on, but much work lies ahead
Guest opinion by John Devens, council executive director, Feb. 1, 2006

Contact the council's Anchorage office for copies.

Nikiski tanker grounding shows need for escort tugs, value of double hulls. Guest opinion by Stan Stephens, council board president, Feb. 8, 2006

Citizens' group calls for dispersants ban in Prince William Sound
News release, May 4, 2006

Citizens' council board chooses new officers, seats new member
News release, May 4, 2006

Let's stop using dispersants until we know they work!
Guest opinion by John Devens, council executive director, May 12, 2006

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John S. Devens, Ph.D.

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Lisa Ka'aihue, Director of Administration
Barb Penrose, Data Entry Assistant
Linda Robinson, Outreach Coordinator
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Susan Sommer, Project Manager
Linda Swiss, Project Manager

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