New legislative committee is formed, already faces fishing vessel problem

The council’s Legislative Affairs Committee for 2008, formed in December, is already focusing on what could become a major council issue: a state requirement that fishing vessel captains pay unemployment taxes for crew members during oil-spill response training.

The six-seat committee, made up of council board members, monitors action in Juneau during the legislative session, advising the full council as needed. This year’s members are Patricia Andersen of Cordova, Steve Lewis of Seldovia, Blake Johnson of Kenai, John Velsko of Homer, John French of Seward, and Walt Parker of Anchorage.

John Velsko of Homer, John French of Seldovia, Blake Johnson of Kenai, Faulkner of Cordova, Steve Lewis of Seldovia, and Walt Parker of Anchorage are the chair and vice chair. The committee is supported by the council’s legislative monitor, Juneau attorney Douglas Mertz.

The issue of unemployment insurance for fishing vessel crews surfaced in July, when the state Department of Labor began notifying vessel captains they were liable for the tax. In the past, fishing vessel crews surfaced while,

The state of Alaska in early November approved new contingency plans describing how oil shippers will prevent and respond to oil spills.

But the state and the citizens’ council had lingering concerns about shortcomings in the plans. As a result, a steering committee was formed to address the remaining issues. The committee, made up of the Alaska Department of Environmental Conservation, Prince William Sound tanker operators, Alyeska’s Ship Escort/Response Vessel System, and the council, met in December and January.

The state attached several conditions to its approval of the plans filed by the companies that ship oil out of Valdez, most of which is carried for Exxon, BP, and ConocoPhillips.

Among the conditions:

• Verification that enough person-
nel are available to carry out all the requirements in the plans.
• Verification that aerial support is available for monitoring use of chemical dispersants in a spill.
• Documentation that measures are in place for activating Tier III of the Fishing Vessel Program. (This tier is for vessels that are hired, and trained only after a spill occurs. Other tiers are contracted to respond and do not incur costs. Other tiers are contracted to respond and do not incur costs.)
• The council had raised 19 issues in comments before the plans were approved by the state. Many were resolved, but others weren’t, such as responding to oil spills outside the Sound and some Best Available Technology issues.

“We appreciate the shippers’ willingness to improve the plans via the steering committee,” said John Devens, executive director of the council.

See page 2.

VESSELS

Work continues on tanker spill plans

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VESSELS
Continued from Page 1

The chamber holds a council seat on behalf of the tourism industry as a member of the Alaska Seaport Association. The chamber represents the tourism industry as a member of the Alaska Seaport Association. Duff is a board member of the Alaska Department of Transportation and Public Facilities. He is also a member of the Homer Chamber of Commerce and Industry. Duffy fills the seat formerly held by Bob Schoepf, who has retired and left Alaska.

DUFFY: Long experience in marine transport

George Skladal, here since committee’s beginning, is planning to stick around for the end, as well

By JACQUELYN OLSON
Project Manager Assistant

No matter what it is or where it’s at, the odds are pretty good that George Skladal has been there, seen it, or done it.

Skladal, 74, is a member of the council’s Terminal Operations and Environmental Monitoring Committee. Skladal was born in the Philippines, where his father was stationed with the American military. In 1939, his family moved back to the United States into his first U.S. home which included a 180-acre farm and 100 yards of driveway (no sidewalks, no hand-shoveled, every winter) in Woburn, Mass.

Skladal learned to adapt to regular changes of environment as the family continued moving. He attended a military high school and college, and then spent the next 20 years in the Army as an Airborne Ranger officer. He served in such widely-scattered points as Georgia, North Carolina, Virginia, Japan, Kansas, Korea, Vietnam — and Alaska. Mostly he worked in logistics — the part of the Army that makes sure the troops get the food, fuel and gear they need.

Skladal’s specialty was petroleum-related facilities like pipelines and tank farms, which would later dovetail with his interest in serving on the council’s terminal operations committee.

In 1967, the Army sent Skladal to Alaska. He drove up the Alcan to become a petroleum officer on the joint staff of the Alaskan Command, helping supply Army, Navy, and Air Force facilities in Alaska by ocean tanker and 700 miles of pipelines. In addition, he coordinated oil spill clean-up of Canadian lakes with Canadian officials and received a commendation for his role in logistical Relief efforts during the 1967 Fairbanks flood.

In 1970, he was posted to Vietnam to command a petroleum battalion at Cam Ranh Bay, a sprawling facility that served American operations in the middle section of the country. He spent 18 months there, overseeing 2,500 people and enduring many restless nights from enemy rocket attacks. Although no rocket ever hit one of his fuel tanks, a pump at the docks was struck one night. “We had to stop over unexploded rockets to get in and fight the fire,” Skladal said.

In 1971, he received the Bronze Star for outstanding performance of duty as the leader of the logistical battalion in Vietnam.

His stint there ended that year with his return to Alaska, where he once again worked Army logistics. However, when Skladal retired in 1974, at age 41, boundless opportunities lay before him. He narrowed it down to two choices: become a lawyer, or a professional engineer.

When he learned the engineering track would require a five-year apprenticeship under a practicing professional, the choice was easy. “As a lawyer, you’re knighted immediately,” he said. “You don’t have to work under anybody.”

He went to law school in Texas, and now is licensed to practice law in federal court and in the state courts of Texas and Alaska, as well as the U.S. District Court in Alaska, the U.S. Court of Appeals, Ninth Circuit, and the U.S. Supreme Court. In addition, he teaches math at a private school in Anchorage.

When Skladal heard about the 1989 Exxon Valdez oil spill that the citizen’s council was forming a committee to oversee operations at the Valdez tanker terminal, he was one of the first to volunteer. That was in 1990 and even now, Skladal is still going strong as a TOEM committee member, recently volunteering for a joint committee project to assess the state of tanker fire-fighting capabilities at Alyeska and the Valdez Fire Department.

“I had operated terminals and pipelines in the Army,” Skladal said. “I thought I could make some contribution with my knowledge of operations, and I was also familiar with environmental concerns.”

With his background as a lawyer, a petroleum and civil engineer, the experience acquired in the Army, and his passion to alleviate environmental concerns, Skladal is a noteworthy asset to TOEM, said Bob Benda, who chairs the committee.

Now, some 18 years later, how long does Skladal plan to be a part of the citizens’ council?

“As long as it lasts,” Skladal said. “I cannot see a date of expiration to an organization to be a part of with excellent staff, board, volunteer members, and overall goal. Together, we are doing an outstanding job in protecting the environment, health, and welfare of the Valdez people, Alaskans, and the United States.”

In 1993, Skladal began taking art lessons — first painting, then drawing, and now sculpture and hand-thrown ceramics. It was a childhood interest, but one that he never had time to develop. His masterpieces can now be found on display at UAA, up for auction, and now sculpture and hand-thrown ceramics. It was a childhood interest, but one that he never had time to develop. His masterpieces can now be found on display at UAA, up for auction, and now sculpture and hand-thrown ceramics. It was a childhood interest, but one that he never had time to develop. His masterpieces can now be found on display at UAA, up for auction, and now sculpture and hand-thrown ceramics. It was a childhood interest, but one that he never had time to develop. His masterpieces can now be found on display at UAA, up for auction, and now sculpture and hand-thrown ceramics. It was a childhood interest, but one that he never had time to develop.
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Alyeska Viewpoint

2007: A year of challenges and accomplishments

As we begin the new year, we would like to take this opportunity to reflect on our accomplishments over the past 12 months and share a few of those in which we worked closely with the citizens’ council.

In 2007, we celebrated 30 years of operating and maintaining the pipeline and the Valdez Marine Terminal.

That same year, we safely delivered over 15.5 billion barrels of oil. Celebrations were held at every facility on the pipeline and in Anchorage, Fairbanks, and Valdez. This past year we achieved a reliability rate of 99.83 percent with an average daily throughput of over 740,000 barrels per day.

In the annual spring and fall Ship Escort Response/Vessel System fishing vessel training program, a total of 305 fishing vessels with over a thousand crew members were safely trained in the use of equipment and in oil spill response tactics.

Alyeska relies heavily on the resources and local knowledge of fishermen from the communities in Prince William Sound and beyond.

After a plan holder review of storage capacity, an additional oil recovery barge and tug was added to the existing fleet. Decant piping (a system to discharge sea water from barge cargo tanks after the recovered oil has been separated) was installed on four barges to maximize storage capacity in the event of a spill on the water.

Alyeska’s operations received praise from the council and other stakeholders, successfully meeting all objectives.

Alyeska did not win the award, this recognition by the council reinforces the confidence and positive relationship that has developed over the years.

We know we had to earn this nomination on the merits of our performance, and we remain strongly committed to comply with environmental laws and regulations and proactively minimize environmental impacts.

Alyeska community contributions included the staging of the annual health fair throughout Prince William Sound, and the company generated over $590,000 for the United Way Campaign, including employee contributions and the company’s dollar-for-dollar match. The impact this generosity has on Alaskan communities is huge and greatly appreciated and the employees in Valdez were a big part of the success for this campaign.

Finally, we greatly improved on our safety performance when compared to prior years. It is no surprise that good safety performance carries over into many facets of the business. In summary, the Valdez Operations teams accomplished their key goals in 2007 and we are looking forward to a safe and successful 2008. We will continue working closely with the council and do all we can to move oil safely and be responsible stewards of the environment.

• Greg Jones is Valdez Vice President, Alyeska Pipeline Service Co.

From the Executive Director

Punitive damages valuable for deterring oil spills

At about the time this Observer reaches you, our council will be filing papers in the punitive damages case arising from Alaska’s most famous environmental disaster, the Exxon Valdez oil spill.

In 1994, a jury returned a $5 billion judgment against the company and in favor of thousands of commercial fishermen and other individuals hurt by the spill. The case has been on appeal ever since, with the award reduced to $2.5 billion, plus interest. Now it has reached the U.S. Supreme Court and our council will be filing a brief in support of the court briefing.

This doesn’t mean we’re becoming a plaintiff. A friend-of-the-court brief is advisory, and giving advice is at the heart of our mission of promoting safer crude oil shipping through Prince William Sound. If the court rules that Exxon must pay, we won’t get a share. We’re not even taking a position on what size award is appropriate.

Why, then, are we entering this case? It’s another opportunity to put on the record that giant corporations that have giant oil spills like the Exxon Valdez should be immune from punitive damage claims.

The company’s argument turns on the case of the Amiable Nancy, a precedent in maritime law that is now nearly two centuries old. It was born in 1814, when the Nancy was plundered by an American vessel called the Scourge. The privately owned Scourge, operating on behalf of the U.S. government during the War of 1812, was supposed to attack British ships. The Amiable Nancy was Haitian and Haiti was neutral in the war, so the Scourge was not authorized to attack it. The Nancy’s crew and owners sued and won a damage award against the Scourge’s owners.

The Supreme Court overturned it, reasoning that the captain and crew of the Scourge had so far exceeded their authority that the owners weren’t liable. Exxon now argues that this logic protects it from liability for its spill in 1989 in Prince William Sound.

The first problem with Exxon’s argument is that today’s ships and operations bear little resemblance to those of 1814.

Ships are larger now. They carry more cargo. The 986-foot Exxon Valdez carried 53 million gallons of toxic North Slope crude; an estimated 11 million gallons escaped into Prince William Sound, fouling waters and shorelines as far away as Kodiak and the Alaska Peninsula.

The Amiable Nancy carried corn. Though the size of the vessel and its cargo went unrecorded, it seems a safe bet the Nancy was well under 986 feet in length and carried well under 53 million gallons of corn.

Ships today are also under much closer control by their owners. Two hundred years ago, a ship might be out of touch for months or even years as it traversed the seas at the speed of sail. Now, crews and owners are in essentially continuous contact thanks to radio and satellite communications.

So it’s a stretch for Exxon to claim the captain and crew of the Exxon Valdez were beyond its control when the tanker pulled away from the Alyeska terminal and drove onto Bligh Reef.

Exxon knew about the captain’s drinking problem, though it’s never been clear how big a role that played in the grounding.

Exxon knew about, and bears sole responsibility for, manning practices that left the crew overworked and exhausted from the labor of docking the ship, loading it, getting it under way again, and steering it through the confined waters of Port Valdez and the northern part of Prince William Sound. Crew fatigue was among the contributing factors of the accident cited by the National Transportation Safety Board.

There’s any doubt of Exxon’s responsibility for the grounding itself, there surely can be none about its responsibility for what followed.

Alyeska Pipeline, which has responsibility for initial cleanup efforts after a spill, was utterly unprepared for an event of the size of the spill in Prince William Sound. Crew fatigue was among the contributing factors of the accident cited by the National Transportation Safety Board.

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Community Corner

Calling all coloring book artists!

WE WANT YOU…to submit simple line drawings related to our region for the next edition of the Prince William Sound coloring book. The coloring book is provided free to students in the area and is handed out at conferences. It has been very popular and we look forward to publishing the new edition.

Drawings must be received by February 29. You can mail your work to me at our Anchorage office using the address at the bottom right of this page. Or, if you can make a high-quality digital image of your work, you can try emailing it to me at robinson@pwsrcac.org.

I fell behind with a successful reception at the Old Powerhouse Restaurant in Kodiak in conjunction with our September board meeting. Many community members and officials came to visit with the council and its staff while munching on sushi.

To assist the council’s goal of increasing student involvement, we have formed an education working group. We met in October to discuss priorities and ways to involve more students in the council’s work.

One step toward that goal was to invite teachers and students from two schools in our region to participate in the second annual science night, the volunteer workshop, and the volunteer appreciation party, where guest speaker Dr. Peter Rona talked about his exploration of volcanoes under the sea. Valdez teacher Jenny Heckathorn brought Samantha Ace, Sara Stahlmy, and Bud Scott to the events in late November. While teacher and council board member Jane Eisenman of Kodiak brought Sonia Sorto and Allie Bateman.

Science night consisted of presentations by Steve Okkomen on Gulf of Alaska water temperatures and currents; Jim Alanko on coastal ocean dynamics applications radar; Scott Pegau on Cook Inlet currents; Jennifer Ewald on the Prince William Sound tides and currents; James Beget on seismic issues in Port Valdez; and Jim Payne and Bill Driskell on the council’s Long Term Environmental Monitoring Program.

The students from Kodiak hope to make a presentation next year at Science Night, and the students from Valdez plan to present lessons from the recently updated Oil Spill Curriculum to elementary students. The curriculum is available on the council’s website, www.pwsrcac.org, for free download.

In November, Jacqueline Olson and Dan Gilson, of the council’s Valdez office, gave presentations to local high school students on the council and invasive species. Scientific Advisory Committee volunteer Peter Armato and I gave a presentation in mid-December at Seward High School on the council and “Alien Invaders.” The students were very enjoyable.

The council’s information booth was set up at the annual conference of the Alaska Association of Municipal Clerks, November 4-6 in Fairbanks; at the annual meeting of the Society for Environmental Toxicology and Chemistry, November 11-15 in Milwaukee; and at Pacific Marine Expo, November 15-17 in Seattle. Upcoming conferences include the Alaska Forum on the Environment and the Alaska Wilderness Recreation and Tourism conference, both taking place in February. We will also participate in the Kenai and MatSu Sportsman’s shows in the spring.

The council wishes to thank Denise Saigh and Bill Schoephoester for their work. We are looking for more volunteers for TOEM as well as the Port Operations and Vessel Traffic System committee. Please let me know if you are interested.

We also wish to welcome new committee member Bob Flint who has joined the Oil Spill Prevention and Response committee, and Pat Duffy who replaced Bill Schoephoester on the board.

The council and staff of the Prince William Sound Regional Citizens’ Advisory Council wishes you a safe and happy new year!

Calling all coloring book artists!

Dr. Peter Rona visits with Kodiak students Sonia Sorto (center) and Allie Bateman during the council’s Volunteer Appreciation Party. Photo by Linda Robinson.