



Regional Citizens' Advisory Council / "Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers."

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MEMBERS

January 28, 2016

Alaska State
Chamber of Commerce

Commander, 17th Coast Guard District (DPI)
Sector Juneau Port Safety/Marine Inspector
P.O. Box 25517
Juneau, AK 99802

Chugach Alaska
Corporation

City of Cordova

**SUBJECT: Prince William Sound Regional Citizens' Advisory Council
Recertification Application for 2015**

City of Homer

City of Kodiak

Dear Sir/Madam:

City of Seldovia

The Prince William Sound Regional Citizens' Advisory Council (PWSRCAC or the Council) hereby applies for recertification as the alternative voluntary advisory group for Prince William Sound, per Sec. 5002 (o) of the Oil Pollution Act of 1990, or OPA90.

City of Seward

City of Valdez

City of Whittier

This application is submitted under the guidelines in the U.S. Coast Guard's September 16, 2002, Federal Register notice which established a streamlined recertification process for two years out of every three. The notice stated that a streamlined application need only "describe any substantive changes to the information provided at the last triennial recertification." The year covered by this application falls under the guidelines for the streamlined process. Substantive changes for 2015 are summarized below.

Community of
Chenega Bay

Community of
Tatitlek

Cordova District
Fishermen United

Board Representation and Involvement in the Region

Board membership continues to remain strong with all 19 seats filled. While some long standing members have stepped down, those open seats have been quickly filled by the member entities. One member entity, the Alaska Wilderness Recreation & Tourism Association, ceased operations at the end of 2014, leaving an opening for a recreational organization should a suitable one be found. Our contract with Alyeska Pipeline Service Company (Alyeska) does not require a recreation organization, thus the Council continues to meet the contractual definition of being broadly representative of the affected area.

Kenai Peninsula
Borough

Kodiak Island
Borough

Kodiak Village Mayors
Association

Oil Spill Region
Environmental
Coalition

This past year, meetings and receptions were held in Kenai, Valdez, Kodiak, Ouzinkie, Port Lions, and Old Harbor, as well as most of the larger communities around Prince William Sound. Board meetings were held in Anchorage, Valdez, and Kodiak. Announcements for meetings and receptions were provided beforehand. In addition, many new citizen volunteers have been added to our technical committees.

Port Graham
Corporation

Prince William Sound
Aquaculture
Corporation

Executive Director Transition

Following the resignation of the Council's Executive Director, Mark Swanson, in November 2015, the Board of Directors quickly began searching for a new Executive Director. At the January 2016 Board meeting, long-time staff member Donna Schantz, who had been serving as Acting Executive Director since Swanson's departure, was officially named the new Executive Director.

Partnerships with Stakeholders and Affiliates

Funding for the Spill Prevention and Response Division

This year, PWSRCAC worked with State Legislators and the Spill Prevention and Response (SPAR) division of the Alaska Department of Environmental Conservation (ADEC) to help bring a solution to long-standing budget concerns. SPAR has been funded almost entirely from a per-barrel surcharge on crude oil coming down the trans-Alaska pipeline. With lower throughput in the pipeline and no increase in the surcharge, SPAR's funding has diminished over time. PWSRCAC believes that a robust SPAR division is paramount for the State of Alaska to carry out its oil spill prevention and response oversight functions. PWSRCAC has long advocated for increased SPAR funding, and at the January 2015 Board meeting, approved a resolution to the Governor of Alaska to supplement the funding mechanism for SPAR before the current model became unsustainable. In June 2015, in a formal ceremony to which the Council was invited, Governor Bill Walker signed into law HB 158, which authorized an increase in the refined fuels tax that is designed to supplement the per-barrel surcharge to help fully fund the division.

Geographic Response Strategies Workshop

A Geographic Response Strategies (GRS) workshop was held in March 2015 in Anchorage. This statewide workshop was jointly sponsored by PWSRCAC, the Cook Inlet Regional Citizens' Advisory Council (CIRCAC), ADEC, the Coast Guard, and U.S. Environmental Protection Agency (EPA). It was well attended by federal and state agencies, industry, the spill response community, and other interested stakeholders, with attendees participating in person, by teleconference, and by webinar. The goal of the workshop was to seek input from stakeholders on the current status of the GRS program administered by ADEC and determine a way forward.

Community Spill Response Workshops

PWSRCAC continues to provide its "ICS (Incident Command System) for Regional Stakeholders" workshop across the region with presentations in Cordova and Kodiak and at the Alaska Forum on the Environment. This workshop, designed to bring together local stakeholders, city officials, and other key community members, provides information to participants on how they may fit into a response. Participants learn how they can obtain information about an event and how to interact with the Unified Command and other decision makers. Representation from ADEC and the Coast Guard in their respective State and Federal On-Scene Coordinators' perspectives is key to the success of this workshop. Future workshops are being planned and we expect these workshops to help community representatives better understand the response process in order to better represent their communities.

Marine Firefighting Symposium

PWSRCAC hosted its eighth Marine Firefighting Symposium for land-based firefighters in Valdez in May 2015. This three-day conference is an industry-recognized effort to provide the best available marine firefighting information and practices to shore-based firefighters using both classroom and field experiences. Partnering with stakeholders, companies and agencies such as Crowley Maritime, Polar Tankers, and the City of Valdez, this symposium is our premier event entailing broad participation and support from communities, regulators and the marine industry from across Alaska to come together to improve their preparedness for a shipboard fire in Alaskan waters. New in 2015 was the opportunity for participants to receive State of Alaska certification in marine-based firefighting.

Weather Data, Weather Gap Analysis and Forecast Models

These projects study wind, water currents and other environmental factors near the Valdez Marine Terminal (Terminal), Prince William Sound and the Gulf of Alaska as these factors may affect the ability to prevent, respond to, contain, and clean up an oil spill. The Council continues to support operations at weather stations at Cape St. Elias and Port Etches. During 2015, the Council worked with the Alaska Experimental Forecast Facility (AEFF) at the University of Alaska Anchorage, and the Alaska State Climate Center (ASCC), to develop a mesoscale weather model for Prince William Sound. Funding was supplemented by the Council to produce customized products for use by mariners and others visiting Prince William Sound. An overarching goal of this project is to better understand weather in Prince William Sound and to make weather information more readily available to the public.

Toward More Effective Communications

Regular Meetings with Alyeska Senior Managers and Marine Safety Unit (MSU) Valdez

Over this past year, Council staff has continued a series of bi-weekly meetings and telephone conferences with senior leaders from Alyeska and Alyeska's Ship Escort Response Vessel System (SERVS). PWSRCAC's Board President has also met with Alyeska's President on several occasions. Council staff meets regularly with the Commander of the local MSU in Valdez, attends monthly breakfasts, and participates on the Valdez Marine Safety Committee. Captain of the Port Valdez CDR Lally regularly attends Council board meetings, while other MSU Valdez representatives regularly attend Council technical committee meetings. The intent and the success of these regular meetings has been to review substantive issues of mutual concern, share ongoing projects, research and priorities, explore opportunities for alignment and cooperation, and encourage open communications.

In 2015, the Council received two letters from the Coast Guard recommending development of a stronger working relationship with CIRCAC, industry, government, and local communities. Starting in November of 2015, then Acting Executive Director Donna Schantz has communicated with the Executive Director of CIRCAC on several occasions to foster open lines of communication. Working toward the goal of collaboration and trust between the citizens' councils is a priority for PWSRCAC, and efforts are expected to continue moving in this direction.

The Coast Guard formally recognized two Council staff for their efforts in the 2014 Prince William Sound Subarea Contingency Plan revision at the January 2015 Board

meeting. Donna Schantz and Linda Swiss each received recognition for their time and dedication to improving the Subarea Plan.

With regard to the Council's relationships with other regulators and industry, Council staff continue to meet on a regular basis with ADEC, BLM and other PWSRCAC ex-officio members. Additionally, the Council continues to participate on the quarterly Valdez Marine Terminal Coordination Workgroup attended by Alyeska, ADEC, Bureau of Land Management, the Coast Guard, EPA, and the Council. This workgroup has met since 2003 and is tasked with providing an open forum for communicating on the terminal contingency plan with a goal of continuous improvement to the plan.

We recognize that positive relationships and communications are critical components to achieving our mission. With the new executive director leadership, the Council Board and staff remain committed to strengthening and continuing to build relationships with our stakeholders, industry, and regulatory partners.

Dispersants

Subpart J Comments

The Council provided extensive comments on changes proposed by the EPA on Subpart J of the National Oil and Hazardous Substances Pollution Contingency Plan that governs the use of dispersants. The Council used a broad team approach in developing comments including multiple expert contractors, volunteers, Board members, and staff. Comments were submitted in April 2015 and shared with member organizations and others.

Dispersants Toxicity Reports

1. PWSRCAC approved a report titled "Toxicology of Chemical Dispersants in Alaskan Whales" by John Wise, Ph.D., of the University of Southern Maine at its May 2015 Board meeting. As there is limited laboratory-based data regarding the toxicity of dispersants and dispersed oil in marine mammals, this project sought to determine the toxicity of Alaskan oil, dispersants, and chemically dispersed oil in whales. The investigators found that dispersants are cytotoxic (toxic to cells) and genotoxic (can change genes) to sperm whales but not genotoxic to humpback cells. In addition, researchers found that oil-induced genotoxic effects in whale cells increased with the addition of dispersants.
2. In 2014, the Council approved a final report developed jointly with the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fishery Service Laboratories, titled "Embryonic crude oil exposure causes cardiac hypertrophy and reduced aerobic performance in juvenile pink salmon and Pacific herring." Recommendations from the report were transmitted to industry and agency stakeholders. The peer review version of the paper titled "Very low embryonic crude oil exposures cause lasting cardiac defects in salmon and herring" by Dr. John Incardona, et al. was published in the on-line journal *Nature.com* in August 2015. Since being published, this report has received a great deal of positive press locally, nationally, and internationally.
3. A report titled "Polynuclear aromatic hydrocarbons in Port Valdez shrimp and sediment" by Mark Carls, Ph.D., et al. was approved at the Council's May 2015 Board meeting. The Council worked with scientists at the Auke Bay Laboratories in Juneau to help answer whether shrimp caught in Port Valdez are contaminated by Alaska North

Slope crude oil. Small amounts of crude oil hydrocarbons enter the waters of Port Valdez from discharge from the Valdez Marine Terminal's ballast water treatment facility. While the report concludes that hydrocarbons accumulate to the greatest degree in shrimp eggs, the take-away message from the study is hydrocarbon tainting of shrimp muscle (the part usually consumed) is well below that which is considered to pose a human health risk. Researchers, however, suggested further studies to determine whether the hydrocarbon levels in the eggs have an effect on the shrimp's development.

Oil Spill Prevention

Review of Crude Oil Storage Tank Inspection Records

As preventing an oil spill is one of the most important goals for the Council, ensuring that the various pipes and tanks at the Terminal are inspected and maintained is a high priority. State regulations require crude oil storage tanks at the Terminal be periodically inspected both internally and externally. In 2015, the Council reviewed results of internal and external inspections of three crude oil storage tanks at the Terminal. Recommendations from these reviews have been forwarded to both Alyeska and State regulators for consideration.

Monitoring Progress of Repairs to Berth 5 Crude Oil Piping

Since the fall of 2014, the Council has been monitoring the progress of repairs planned for a corroded segment of over-water crude piping on Berth 5 at the Terminal. Discussions have been held with Alyeska and State and Federal regulators regarding the plan to repair the piping segment with a welded steel sleeve. PWSRCAC has reviewed Alyeska engineering reports outlining the repairs. As of late December 2015, the sleeve repair was completed and the berth was put back into service.

Review of Annual Corrosion Monitoring Reports

The Council reviewed Alyeska's annual "Pipeline and Valdez Marine Terminal Facilities Corrosion Monitoring" reports from 2010 through 2014. These reports summarize findings and recommendations from monitoring and maintenance activities on the Terminal. Reviewing these reports helps the Council understand how Alyeska manages its assets and corrosion monitoring program. This review identified corrosion trends and issues that could increase the risk of an oil spill from the Terminal's piping and storage systems.

Expanded Prince William Sound Navigational Database for Ship Bridge Simulator

Safe navigation and bridge crew training are vital to ensuring safe shipment of oil in Prince William Sound. The Council has been working with the Alaska Vocational Technical Center (AVTEC) to upgrade the Prince William Sound navigational database. AVTEC trains shipping and response vessel crews to operate in Prince William Sound. Project goals include acceptance of the AVTEC simulator program for mariner license requirement training, and exploring the use of the simulator to facilitate ice navigation training. In 2015, the Prince William Sound bridge simulator database was expanded and is being used to help ship masters and pilots analyze ship movements to pre-identified "ports of safe refuge."

Analysis of Air Emissions from Tanker Ships

Recent international marine pollution control regulations require that large ships operating in certain areas reduce emissions of sulfur dioxide and particulate matter by using either cleaner fuel or emissions control technologies. As the Prince William

Sound tanker fleet is complying with the regulations by burning cleaner fuel, the Council was interested in understanding how much less pollution would be emitted due to this change. In December 2015, the Council approved a report by Starcrest Consulting, LLC, titled, "Tanker Pollutant Loading to the Prince William Sound Airshed," that analyzed whether air pollution was reduced as a result of cleaner fuel. This analysis revealed significant reductions in the amounts of sulfur dioxide and particulate matter emitted in Prince William Sound. The study found that by using cleaner fuel, sulfur dioxide emissions would be reduced by 426 tons and particulate matter by 33 tons annually. This represents reductions of 96% and 80%, respectively. PWSRCAC issued a news release to promote the news that the air in Prince William Sound will be cleaner as a result of these international regulations.

Combating Invasive Species

PWSRCAC continues to support citizen-based monitoring efforts, particularly for the European green crab and invasive tunicates. The green crab, a known ballast-water-borne invader, is an efficient and voracious predator that has invaded the West Coast from San Francisco to Vancouver Island. It is feared that the green crab will find its way to Alaska waters through tankers calling at the Valdez Marine Terminal.

This past year, the Council has continued to support the creation of an Alaska non-indigenous species coordinator group from existing state personnel. While state legislation has not been forthcoming, the Council wrote a letter urging Governor Bill Walker to designate a non-indigenous species coordinator in each state agency.

Preparing to Respond to Oil Spills

Drills and Exercises

PWSRCAC continues to monitor, evaluate and participate in drills and exercises each year for the Prince William Sound tankers and the Terminal. Not only do we observe and evaluate, but we are also part of the team that helps in drill design and planning. Staff participated in approximately 10 drills and exercises in 2015.

Monitoring the Fishing Vessel Response Fleet

Monitoring the health of the fishing vessel spill response program is a priority for the Council. In March 2015, PWSRCAC sponsored a meeting with State regulators and fleet representatives from all of the six ports where Alyeska/SERVS has vessels on contract. The meeting allowed for discussion between fleet representatives, the Council staff and State regulators.

Valdez Marine Terminal Contingency Plan

The Council continues to participate in reviewing the Valdez Marine Terminal Oil Discharge Prevention and Contingency Plan. Several issues are being tracked from the 2014 approval including facility oil piping, resources for damaged tank transfer procedures, best available technology for source control, protocols to assess non-mechanical response, and revisions to scenarios. As mentioned above, the workgroup consisting of industry, regulators, and stakeholders continues to meet on a quarterly basis to discuss conditions of approval and improvements to the plan.

Sharing information on our work

Organizing Committee for the “State of the Science for Dispersants in Arctic Waters” Initiative

PWSRCAC, along with the State of Alaska, the U.S. Coast Guard, the Oil Spill Recovery Institute, and others were invited by the Coastal Response Research Center (CRRC) to participate on the Organizing Committee for the State of the Science for Dispersants in Arctic Waters Initiative, an initiative funded by the NOAA and EPA. A workshop was held January 5-8, 2015 in Seattle entitled the “State of Science for Dispersant Use in Arctic Waters.” Three dispersants researchers with whom the Council has worked extensively attended. This group of researchers, academia, non-profits, and agencies are focusing on the science needed to answer pressing questions about dispersant use.

Youth Involvement Program

Under this program, educational opportunities are provided to students from our region to study topics related to our mission. This year, opportunities included a salmon camp in Kodiak (about which a video presentation was given during a keynote session at the Alaska Forum on the Environment), marine technology activities, salmon education programs, design competitions, and summer expeditions for youth and teachers in our region. Also in 2015, the K-12 Alaska Oil Spill Curriculum was revised and made available for public use, and was presented to grade schools in our region. PWSRCAC continues its internship program for college and high school students, focusing on aquatic invasive species and assisting educators in presenting the oil spill curriculum.

In Conclusion

We have kept this application brief in accordance with this year’s streamlined recertification process. This required the omission of many other worthwhile endeavors by our Council in our ongoing efforts to maximize the safety of Terminal and tanker operations in Prince William Sound. We would be happy to provide additional details on any of the Council’s activities. All reports accepted by the Council’s Board of Directors are posted on our website. Enclosed is our 2014-2015 Annual Report which highlights and expands on some of the work mentioned in this letter.

Sincerely,


Donna Schantz
Executive Director

Enclosure: PWSRCAC’s 2014-2015 Annual Report

Cc: Scott Hicks, Alyeska Pipeline Service Co.