

**ALASKA STATE LEGISLATURE**  
**SENATE TRANSPORTATION STANDING COMMITTEE**

March 30, 2023

1:30 p.m.

**MEMBERS PRESENT**

Senator James Kaufman, Chair  
Senator David Wilson, Vice Chair  
Senator Löki Tobin  
Senator Jesse Kiehl  
Senator Robert Myers

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

**SENATE JOINT RESOLUTION NO. 11**

Recognizing the Don Young Coast Guard Authorization Act of 2022 and the importance of certain provisions intended to enhance oil spill response capabilities in Western Alaska and the United States Arctic to promote improved safety in shipping commerce, protection of communities in the state, and the health of critical marine resources; urging the United States Coast Guard to consider the unique challenges of the state when developing oil spill response requirements for Western Alaska and the United States Arctic; and urging the deployment of individualized oil spill response resources for the state that use modern technologies to track the operation of large vessels in the region and local service providers with knowledge of the region and local wildlife.

- MOVED SJR 11 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: SJR 11

SHORT TITLE: WESTERN AK/ARCTIC OIL SPILL RESPONSE

SPONSOR(S): SENATOR(S) KIEHL

03/24/23	(S)	READ THE FIRST TIME - REFERRALS
03/24/23	(S)	TRA
03/30/23	(S)	TRA AT 1:30 PM BUTROVICH 205

**WITNESS REGISTER**

Senator Jesse Kiehl, District B  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Sponsor of SJR 11

CALEB YABES, Intern  
Senator Jesse Kiehl  
Alaska State Legislature  
Juneau, Alaska  
**POSITION STATEMENT:** Presented the sponsor statement for SJR 11 on behalf of the sponsor.

BUDDY CUSTARD, President and Chief Executive Officer  
Alaska Chadux Network  
Juneau, Alaska  
**POSITION STATEMENT:** Testified in support of SJR 11

JIM BUTLER, Principal  
Incident Response Group  
Kenai, Alaska  
**POSITION STATEMENT:** Testified in support of SJR 11

TODD PAXTON, representing self  
Nikiski, Alaska  
**POSITION STATEMENT:** Testified in opposition to SJR 11

**ACTION NARRATIVE**

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**CHAIR JAMES KAUFMAN** called the Senate Transportation Standing Committee meeting to order at 1:30 p.m. Present at the call to order were Senators Wilson, Myers, Tobin, Kiehl and Chair Kaufman.

**SJR 11-WESTERN AK/ARCTIC OIL SPILL RESPONSE**

[1:31:24 PM](#) **19**

CHAIR KAUFMAN announced the consideration of SENATE JOINT RESOLUTION NO. 11 Recognizing the Don Young Coast Guard Authorization Act of 2022 and the importance of certain provisions intended to enhance oil spill response capabilities in Western Alaska and the United States Arctic to promote improved safety in shipping commerce, protection of communities in the state, and the health of critical marine resources; urging the United States Coast Guard to consider the unique

challenges of the state when developing oil spill response requirements for Western Alaska and the United States Arctic; and urging the deployment of individualized oil spill response resources for the state that use modern technologies to track the operation of large vessels in the region and local service providers with knowledge of the region and local wildlife.

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Senator Jesse Kiehl, District B, Alaska State Legislature, Juneau, Alaska, sponsor of SJR 11, paraphrased the sponsor statement.

SJR 11 affirms the State of Alaska's commitment to strong oil spill prevention and response efforts in Western Alaska and the U.S. Arctic. It makes clear that Alaska expects to be fully consulted and engaged when the U.S. Coast Guard implements standards Congress required under the Don Young Coast Guard Reauthorization Act (Sec. 11309 of the 2022 National Defense Authorization Act.)

The waters of Western Alaskan and the U.S. Arctic are vast, and don't have the same commercial, Coast Guard, maritime organization, or volunteer vessel resources to respond to emergencies as the Lower 48. But ocean-going vessels carrying cargoes of fuel or oil must have plans in place to both prevent and clean up oil spills consistently and effectively. That's doubly critical when the closest response may be hundreds of miles away.

The Don Young Coast Guard Authorization Act requires the Coast Guard to develop standards for oil spill plans that consider the unique issues and attributes of Western Alaska and the U.S. Arctic. The Act requires full consultation with the State of Alaska, local governments, Tribes, and others. SJR 11 calls on the Coast Guard to consult in advance, rather than just consider the state's comments on a federal register notice.

This resolution reaffirms Alaska's strong commitment to balancing economic activity with environmental protection on the seas.

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CALEB YABES, Intern, Senator Jesse Kiehl, Alaska State Legislature, Juneau, Alaska informed the committee that the Coast Guard Authorization Act requires the Coast Guard to collaborate with Alaskans when establishing oil spill standards. He explained that SJR 11 calls on the Coast Guard to consult with the state, municipalities, tribes and organizations on standards related to vessel monitoring. He provided an example of the Marine Exchange in Juneau, an entity that tracks marine vessels for anomalies or discrepancies. The resolution calls on the Coast Guard to include a wildlife rescue component. If an oil spill occurs, the resolution calls for the use of Alaska-based equipment. He stressed that time was of the essence. He added that transporting equipment from the rail belt is different from transporting it from the Lower 48.

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SENATOR TOBIN requested definitions for the terms "pelagic" and "anadromous" on page 1, line 12.

SENATOR KIEHL replied that the terms pelagic and anadromous apply to categories of fish species. He explained that anadromous fish spawn in fresh water and run to the ocean and include salmon and sea-run cutthroat trout. He added that pelagic species live in salt water entirely. He hesitated to provide a detailed description of pelagic species, but he believes that they remain in one environment versus migrating.

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SENATOR MYERS referenced the comment about importing equipment from the Lower 48 to address oil spills. He stated that equipment is stationed in certain Alaskan hubs along the southern and western coasts.

SENATOR KIEHL agreed that response equipment is stationed in several places in Alaska. He added that small quantities of equipment can be deployed quickly, and larger quantities of equipment are stationed in the Railbelt. He stated that a more detailed answer might come from an invited testifier, Mr. Custard.

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SENATOR WILSON further clarified the difference between pelagic and anadromous fish.

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CHAIR KAUFMAN moved to invited testimony.

[1:39:20 PM](#)

BUDDY CUSTARD, President and Chief Executive Officer, Alaska Chadux Network, Juneau, Alaska, provided invited testimony in favor of SJR 11. He explained that the Alaska Chadux Network is a Coast Guard-classified oil spill removal organization, a primary Alaska response action contractor, and an Alaskan clean-up contractor for both non-tank vessels and non-crude tank vessels and barges. He remarked that the organization had operated in Alaska for 30 years providing oil spill response services to vessels, petroleum storage, transport facilities, and exploration drilling operations in northern, western, central, and interior Alaska on land and at sea.

MR. CUSTARD provided his professional background. He stated that he worked as a Coast Guard officer for 30 years. Upon retirement from the Coast Guard, he served as an emergency response superintendent and operations manager for three years. He reported serving in his current position for eight years. He stated that SJR 11 allows the state legislator to voice strong expectations to the Coast Guard in favor of the Don Young Coast Guard Authorization Act of 2022. He explained that federal oil spill regulations for post-response plans cannot be met in most regions of northern, western, and central Alaska. The challenges are due to the distance, lack of infrastructure, remoteness, and harsh operational conditions in Alaska. He noted a provision in the regulations to submit an Alternative Planning Criteria (APC).

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MR. CUSTARD explained that Alaska is also an APC administrator. He stated that his team developed the first Coast Guard-accepted APC for tank and non-tank vessels operating in Alaska. He highlighted the lack of planning standards for developing APC, which led to inconsistencies and disparities with oil spill response administration. Large vessel incidents require standards to protect Alaska's coastal and marine resources. He furthered that Don Young wisely legislated Coast Guard vessels to develop oil spill regulations that consider the unique planning and operational challenges in Alaska.

MR. CUSTARD stated that Congressman Don Young understood the devastating impact a large oil spill could have on Alaska. He mentioned Coast Guard requirements to develop planning criteria with the state. He expressed concerns that the Coast Guard might not engage with the state as demonstrated by the lack of engagement during the APC acceptance process. He expressed concern that the Coast Guard might utilize an indirect approach

to solicit comments through the federal register process on draft regulations. He stressed the need for the Coast Guard to consult with the state throughout the regulation development phases. The resolution affirms the state's expectations to participate in and share its expertise as the new regulations are drafted.

MR. CUSTARD mentioned that the Act requires the tracking and monitoring of vessels over 200 nautical miles of Alaska to detect situations that may lead to an incident. He provided an example where the Marine Exchange of Alaska detected a large 772-foot container ship that lost power near Unimak Pass. The notification led to a rapid response for tug assistance and prevented approximately two million gallons of oil from spilling on Alaska's coastal environment. He advocated for resources that can be quickly mobilized and deployed on small aircraft and vessels to reach remote Alaskan regions. The resolution ensures the availability of wildlife protection and rehabilitation resources. He encouraged the committee to affirm the state's commitment to the important consultation process.

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SENATOR MYERS asked where oil response equipment was positioned in Alaska.

MR. CUSTARD responded that his organization has 17 response hubs spread through various communities. He stated that another APC provider has four response hubs. He added that the state and Coast Guard each have caches of equipment.

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SENATOR WILSON wondered about the spill-responsive equipment stationed in a conex box in King Cove. He asked Mr. Custard if his company was in partnership with the state.

MR. CUSTARD clarified that he owned and maintained the equipment in the Conex box located in King Cove. He stated that his organization was not in partnership with the state.

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JIM BUTLER, Principal, Incident Response Group, Kenai, Alaska, testified by invitation in support of SJR 11. He commended the committee and sponsor for recognizing the important role that the state plays in oil spill response planning. He mentioned that established Coast Guard regulations are not relevant to Alaska. He explained that the industry attempts to fill the gap created by ineffective regulations. He stated that the process

is more cumbersome now as federal regulations expanded to capture more vessels in the program. He noted that Don Young understood the issues and the need for Alaska to be prepared for an oil spill. He stated that Don Young believed that the best way to ensure long-term predictability for Alaskans was through clear and concise regulations. He expressed concern about the federal and state understanding of the term consult. He stated that Representative Young clarified that he wanted an active consultation role for Alaska. He recognized that oil spills land on Alaska's beaches. He stated that Representative Young wanted Alaskans to remain actively engaged and he wished for state agency expertise and collaboration.

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CHAIR KAUFMAN opened public testimony on SJR 11.

[1:54:35 PM](#)

TODD PAXTON, representing self, Nikiski, Alaska, disclosed his position as the general manager of Cook Inlet Oil Spill Prevention and Response, Inc. He testified in opposition to SJR 11. He opined that the resolution resulted from a lobbying effort to strengthen the position of one of the two southwest Alaska alternative planning criteria administrators. He opined that the lobbying effort sought to reduce the capability of one of the APC administrators to the benefit of the other administrator. He opined that the competition for the southwest Alaska APC market is advantageous as it reduces compliance costs as a function of market competition.

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CHAIR KAUFMAN closed public testimony on SJR 11.

[1:57:12 PM](#)

At ease

[1:58:01 PM](#)

CHAIR KAUFMAN reconvened the meeting.

[1:58:15 PM](#)

SENATOR WILSON SENATOR Wilson moved to report SJR 11, work order 33-LS0526\B, from committee with individual recommendations and attached zero fiscal note.

CHAIR KAUFMAN found no objection and SJR 11 was reported from the Senate Transportation Standing Committee.

[1:58:47 PM](#)

At ease

2:00:36 PM

CHAIR KAUFMAN reconvened the meeting.

2:01:14 PM

There being no further business to come before the committee, Chair Kaufman adjourned the Senate Transportation Standing Committee meeting at 2:01 p.m.