

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672
2830 SCOMM 123: TASK FORCE ON MOTORIZED OIL TRANSPORT, 2000

1 BRIAN ROGERS: Good.

2 And that would probably also argue under the
3 recommendations after inspection measures, to also put
4 another recommendations section (v), because there very
5 well could be some other issues other than achievement,
6 practical measures, means, and inspection.

7 Other suggestions for changes? Obviously, the
8 actual report is subject to the Task Force decision and
9 could easily change once we get further down the road,
10 but this is primarily to allow us to have some marching
11 orders.

12 One suggestion that was made yesterday was that
13 we hold in abeyance approval of this until the end of
14 the day today so that if anything comes up over the
15 course of today, we could add it in. And if nobody
16 would have an objection, maybe we could move that
17 approval to the end of the day.

18 HEATHER McCARTY: Commissioner, I was wondering
19 if you could talk a little about the place that
20 prevention measures have in this. And the place that
21 they have in the original bill, the original statute,
22 273.

23 COMMISSIONER MICHELE BROWN: Me? Or Brian?

24 HEATHER McCARTY: I was addressing it to Brian.

25 BRIAN ROGERS: Oh. You said "commissioner,"

1 and so -- say that again.

2 HEATHER McCARTY: The prevention measures that
3 one of the subgroups is working on, I know that they're
4 not dealt with directly in Senate Bill 273 as such, but
5 could you tell us where they -- just prevention measures
6 under 6.

7 BRIAN ROGERS: Under 6, yes.

8 HEATHER McCARTY: Okay. Could you talk a
9 little about what the actual statute asks in that
10 regard?

11 BRIAN ROGERS: We've got that.

12 JUDY ERICKSON: We've got copies of the bill.

13 BRIAN ROGERS: That would be useful.

14 HEATHER McCARTY: I wanted to make that clear
15 to the group as to where that fit in.

16 CHARLOTTE MacCAY: Is that something extra
17 that's come out of the work group?

18 HEATHER McCARTY: You mean the Prevention Work
19 Group?

20 PAUL FUHS: The direct quote is, "response
21 measures as a means of achieving response planning
22 standard," is the specific language that was in the
23 legislation.

24 JUDY ERICKSON: Could everybody -- this is Judy
25 Erickson. Could you please say who you are before you

1 speak, so people on teleconference will know who is
2 speaking. And also Kim, who is doing our transcription
3 here.

4 BRIAN ROGERS: This is Brian Rogers. Judy,
5 could you also pass out the resolution.

6 JUDY ERICKSON: Yes, I will.

7 BRIAN ROGERS: Anything else on the agenda
8 before we -- excuse me -- on the draft outline before we
9 move on? We'll come back to this at the end of the day.
10 What I want to do now, then, is to go through
11 our report of what's been done in the RPS Work Group.
12 This is a fairly -- because they've had a significant
13 number of meetings -- and, Charlotte, you may want to
14 move so you don't get blinded. Because they've had a
15 significant number of meetings, this will take a bit.
16 I'll try to run through it. This should be about 15, 20
17 minutes in total.

18 The work group process basically set a goal
19 of -- the goals were that the approach to implementing
20 the RPS be realistic, effective, feasible, and flexible.
21 That's the goals set at the beginning of the work group.
22 The issues and methodology the work group went through.
23 First, to identify the nontank vessels with the largest
24 fuel capacity in each subarea. To identify the response
25 equipment by subarea. To establish equipment

1 requirements in relation to the largest vessel in the
2 subarea. To identify gaps. And then to cost out
3 equipment needed to fill the gaps. This is basically
4 their process, not all the way through the process, but
5 substantial progress made on each of those items. And
6 we will go through.

7 Building the data base, I talked about earlier,
8 with the marine pilot reports, proof of financial
9 responsibility, and member expertise and knowledge.
10 That's how we built it. We then cross matched the data
11 base, developing a table that shows the vessel with the
12 largest tank capacity by subarea. We're using the nine
13 planning subareas, and I'll go through those -- excuse
14 me, the ten, counting interior. I'll go through those
15 in a little more depth.

16 Vessel data base, we have information on the
17 persistent and nonpersistent, on how large the vessel
18 is, what waters they go in, some cases, not in others.
19 We've estimated for those we don't know the actual.
20 Most of those estimates are not the largest vessel in
21 the area.

22 The subarea vessel summary, then, we know the
23 maximum size, the maximum fuel quantity. We know then
24 what the subarea response planning standard is, which is
25 15 percent of that maximum fuel quantity. We know the

1 status of the response and cleanup equipment from
2 Chadux, from SEAPRO, from CISPRI. We know what other
3 equipment is available from DEC.

4 I'm going to go through the regions. I'm going
5 to take us fairly quickly, but to give everyone a sense,
6 but I would ask if you have knowledge that one of these
7 numbers is wrong, say so now, because that will allow us
8 to identify for the RPS Work Group whether we have a
9 problem.

10 In Southeast, largest vessel is a 77,500 gross
11 ton cruise ship with a fuel capacity of 21,000
12 persistent and 1500 nonpersistent.

13 MIKE O'HARA: O'Hara. You can expect
14 100,000-ton ships within a year.

15 BRIAN ROGERS: Good. Good to know.

16 The RPS then is 3200 barrels of persistent and
17 200 barrels of nonpersistent. I'm rounding there.
18 SEAPRO meets the response equipment requirements for the
19 response planning standard. Needs some cleanup in
20 Yakutat -- that's on cleanup equipment in Yakutat.
21 That's coming. Obviously, if we're moving up to 100,000
22 gross ton cruise ship, we'll need to revisit that issue
23 shortly.

24 Region II, Prince William Sound, largest
25 vessel, same thing. Same fuel capacity. Same RPS.

1 Chadux meets the equipment requirements for the response
2 planning standard and for cleanup.

3 MIKE O'HARA: Again, probably within two years
4 for 100,000 tons.

5 BRIAN ROGERS: That was Mike O'Hara. Two years
6 we're up to larger cruise ships.

7 Region III was Cook Inlet. Largest vessel is a
8 66,000 gross ton LNG carrier, with a fuel capacity of
9 roughly 25,000 barrels persistent, 10,000 barrels
10 nonpersistent fuel, so an RPS of 3700 and 1500 barrels
11 respectfully. Chadux in Kenai and CISPRI in Nikiski
12 meet the equipment requirements for the response
13 planning standard, except that the Task Force believes
14 we will need some additional equipment in a secondary
15 hub in Seward. And they meet the cleanup requirements.
16 So good shape there.

17 Region IV, Kodiak. Now, this one is one that
18 we're unsure of. It appears so far that the largest is
19 a 19,000 gross ton bulk carrier, with a fuel capacity of
20 10,000 barrels of persistent, RPS of 1500 barrels of
21 persistent fuel. And Chadux meets the equipment
22 requirements for response planning standard and the
23 cleanup.

24 JEFF THOMPSON: I'm Jeff Thompson. I'm not
25 sure the statistics on the Sea-Land D7 class, but want

1 to make sure those vessels don't exceed.

2 CAPTAIN ED PAGE: That's what I was thinking.
3 They're right about that.

4 JEFF THOMPSON: Sea-Land Tacoma, Sea-Land
5 Kodiak, and Sea-Land Anchorage.

6 BRIAN ROGERS: Okay, I have those three vessels
7 in the data base with unknown waters. I'll
8 double-check. If I remember right, those are larger
9 marginal.

10 Okay. Region V, which is the Aleutians. For
11 response planning purposes, we've divided into Dutch
12 Harbor and the rest of the Aleutians, because the
13 shipping characteristics are so different.

14 So, excluding Dutch Harbor, it appears on the
15 data base so far that the largest vessel is an 18,000
16 gross ton fishing vessel. The question we have is we're
17 not sure if any of the larger container ships or other
18 vessels might come close to waters within the
19 three-mile. At this point we think that's the largest
20 vessel, but this is the area that personally I'm least
21 comfortable that we have good knowledge so far.

22 KRIS MULLAN: This is Kris Mullan. Does anyone
23 know which that is? Is that the OCEAN PHOENIX?

24 BRIAN ROGERS: I can look it up during the
25 break and see which one that is. Let's see. Actually,

1 why don't I do it right now.

2 KRIS MULLAN: If I remember correctly, the next
3 largest vessel would be right around 5,000 gross tons.

4 BRIAN ROGERS: OCEAN PHOENIX is the largest.
5 And the next largest, in terms of capacity, would be the
6 NORTHERN EAGLE, with a reported persistent of 11,000
7 barrels.

8 MIKE O'HARA: This is O'Hara. Are you just
9 talking about fishing ships?

10 BRIAN ROGERS: On that one, yes.

11 MIKE O'HARA: Container ships are much bigger.

12 BRIAN ROGERS: Container ships are much bigger,
13 but outside of Dutch Harbor are the container ships
14 calling? This is excluding Dutch Harbor.

15 MIKE O'HARA: Except Dutch Harbor, gotcha.

16 PUBLIC PARTICIPANT: Does this exclude the
17 ferry system also?

18 SENATOR DRUE PEARCE: Ferry system should be
19 in.

20 JIM CARTER: Should be in.

21 PAUL FUHS: Dutch Harbor is in line for the
22 ferries.

23 PUBLIC PARTICIPANT: But as far as the
24 Aleutians, because they go into Cold Bay and Chignik.

25 MIKE O'HARA: Both of those are on the

1 peninsula. Do they go to Akutan?

2 BRIAN ROGERS: And I don't know that the State
3 has filed financial expenditure responsibility forms for
4 that.

5 HEATHER McCARTY: This is Heather McCarty.
6 Just for clarification purposes, I might say that when
7 we say fishing vessels, many of these are actually
8 fishing vessels. Some are just processing vessels. But
9 fish processing vessels. We're kind of lumping those
10 two categories together.

11 BRIAN ROGERS: Actually, we've had -- we've
12 used what people self-reported, and I want to do some
13 cleanup because some report as fishing, some as factory
14 trawler, some as trawler. And as of today, the data
15 base we've been doing, focusing on data entry telling
16 people, enter what they said. We've got some cleanup to
17 do of the data base to get consistency, and I'd like to
18 review with you some of those names to make sure we are
19 consistent.

20 So we're dealing with 20,000 barrels persistent
21 and 4,000 barrels of nonpersistent in likelihood in the
22 Aleutians unless the ferry is larger, in terms of its
23 capacity. So our response planning standard of 3,000
24 barrels persistent and 600 barrels nonpersistent. And
25 the committee says we need additional containment

1 equipment at three secondary hubs: Adak, Atka, and
2 Akutan. And Chadux is scheduled to meet the response
3 planning standard in that area. Once we add these, the
4 secondary hub stages, and I'll get into some detail
5 later on what the recommendations are there.

6 PAUL FUHS: This is Paul Fuhs. I don't think
7 Chadux is scheduled to meet this. I mean, we're only
8 now talking about these new requirements and, I mean,
9 they were at the meeting.

10 BRIAN ROGERS: Excuse me. Other than Adak,
11 Atka, Akutan, they're scheduled to meet.

12 PAUL FUHS: All right. As long as that's
13 clear.

14 BRIAN ROGERS: Dutch is the unique
15 circumstance, of course, largest vessel being a 65,000
16 gross ton container vessel carrying 52,000 barrels of
17 persistent fuel. So a response planning standard of
18 7,800 barrels. That would be the APL. Chadux meets the
19 RPS and cleanup requirements for that vessel.

20 PAUL FUHS: That's incorrect, Brian.

21 BRIAN ROGERS: That's incorrect, okay? Chadux
22 does not meet it?

23 PAUL FUHS: There's no persistent oil skimming
24 capacity in Dutch Harbor that needs to be added.

25 BRIAN ROGERS: Okay.

1 PAUL FUHS: That was Paul Fuhs speaking.

2 BRIAN ROGERS: And that would be under -- and
3 that's a significant volume of skimming equipment for
4 persistent then.

5 Region VI, Bristol Bay, largest vessel -- and
6 this one, because we don't know the waters on all of
7 these, we believe it's a 12,500 gross ton reefer,
8 refrigerated tramper, with a fuel capacity of 21,700
9 barrels persistent, and 10,800 barrels nonpersistent.
10 Total of 30,000 barrels.

11 Response planning standard, obviously we've got
12 an extra digit in there, 3300 and 1600 barrels. We'll
13 need containment equipment in Dillingham. The proposal
14 is that the skimmer be based in Anchorage for Bristol
15 Bay, Western and Northwest. Other than that, Chadux is
16 scheduled to meet the response planning standard for
17 Bristol Bay under their rollout agreement with the
18 APD&T, but there will need to be some new equipment.

19 Yes?

20 SUSAN HARVEY: Susan Harvey from DEC. In terms
21 of the primary and secondary hubs, we still had a little
22 bit more work to do. I know it was left as an open
23 issue from the last meeting, and at our next session I
24 know we were going to talk a little bit more. There had
25 been some preliminary recommendations, but I wanted to

1 through work through that.

2 BRIAN ROGERS: The preliminary was secondary at
3 Dillingham and, yes, there was some more work on when a
4 secondary becomes a primary, when that change needs to
5 be made.

6 SUSAN HARVEY: So we don't want to decision
7 that today because I think the work group needs to do
8 some more work there.

9 BRIAN ROGERS: No, we're not, and we do have an
10 issue on that. That one I sense that different people
11 had a different sense of what the -- that work group
12 ended, so we'll have some discussions when we get to
13 that point. That's the same issue on the next two
14 regions.

15 Western Alaska, same size vessel, and fuel
16 capacity. And same issue with containment equipment in
17 Bethel, secondary hub in St. Paul, and skimmer in
18 Anchorage, same issue. Chadux is otherwise scheduled to
19 meet the response planning standard.

20 And what we can see throughout the Western
21 area, this is the area where there's going to be the
22 most challenging, both in terms of equipment and
23 obviously in terms of logistics, given remoteness, given
24 weather conditions, given sea conditions.

25 SENATOR DRUE PEARCE: Brian?

1 BRIAN ROGERS: Yes.

2 SENATOR DRUE PEARCE: Senator Pearce. Can you
3 go back to the previous slide, please.

4 BRIAN ROGERS: Yes. It's slow. Easier said
5 than done with this remote.

6 SENATOR DRUE PEARCE: Well, I can probably ask
7 the question without seeing it.

8 BRIAN ROGERS: Go ahead.

9 SENATOR DRUE PEARCE: At the very bottom you
10 were talking about skimming capacity in Anchorage for
11 these western areas. And the way that reads, the way
12 you said it, it sounded as though you expected that more
13 skimmers would have to be in Anchorage. I would assume
14 that Chadux -- that there's enough skimming capacity in
15 Anchorage, either Chadux or through the memorandums with
16 other folks, that they wouldn't have to buy more to sit
17 in Anchorage. It's just that they're here.

18 BRIAN ROGERS: We'll get into that in some more
19 depth. The issue is skimmers sufficient to handle the
20 quantity that are DC-6 loadable.

21 SENATOR DRUE PEARCE: Okay.

22 BRIAN ROGERS: So you can get into most small
23 airports in rural Alaska, to get the skimmer as close as
24 you can to the site of a spill. And that's the
25 reason -- there are two reasons. One, logistics for

1 basing the skimmer in Anchorage rather than one in
2 Dillingham, one in Bethel and one in Nome.

3 SENATOR DRUE PEARCE: Sure.

4 BRIAN ROGERS: And the second, expense.
5 Because persistent oil skimmers are not inexpensive
6 pieces of equipment, and to deal with -- to spread that
7 cost over a broader base was a thought there. But it's
8 really the logistics issue of how do you get a skimmer.
9 And so I'm not sure whether Chadux has the right
10 skimmers for persistent oil that are DC-6 or equivalent
11 loadable.

12 TERRY MURPHY: Terry Murphy with Chadux. the
13 majority of our skimmers here are nonpersistent
14 skimmers.

15 SENATOR DRUE PEARCE: Okay.

16 BRIAN ROGERS: Northwest Arctic, the largest
17 vessel in Kivalina, 36,000 gross ton freighter, with a
18 fuel capacity of nearly 17,000 persistent and 1,000
19 nonpersistent. Response planning standard, 2600 barrels
20 of persistent and 200 nonpersistent.

21 CHARLOTTE MacCAY: I don't think any freighters
22 go to Kivalina, and Cominco doesn't bring freighters in.
23 We bring barges within, but everything else stays
24 outside three miles.

25 BRIAN ROGERS: Okay. Those are showing up in

1 the vessel data base.

2 CHARLOTTE MacCAY: But they do not come within
3 state waters.

4 BRIAN ROGERS: So next to that would be a
5 12,000 -- it would be the same as, then, Western Alaska,
6 or possibly even smaller, because I don't know exactly
7 where those refrigerated ships go. So we'll pull that
8 one off, then.

9 TERRY MURPHY: They go into Norton Sound.

10 BRIAN ROGERS: Yeah, so it would be fishing
11 industry-related vessels in Norton Sound.

12 MIKE O'HARA: O'Hara. I have two questions. I
13 thought that Cominco was bringing the ships to the dock.
14 That's what the simulation was all about. And number 2,
15 most of the ships --

16 BRIAN ROGERS: If I could ask there not be side
17 conversations. It's difficult for the transcriber and
18 for the folks on teleconference.

19 MIKE O'HARA: Number 2 is, has there been any
20 thought given to the fact that the ships can't operate
21 up there in the wintertime, the seasonal factors for
22 this response?

23 BRIAN ROGERS: The RPS Work Group is aware of
24 seasonal factors, and certainly there would not need to
25 be equipment standing by in the off-season. But the

1 discussion was we need to be able to meet the response
2 planning standards during that season.

3 And Northwest Arctic is a real problem area
4 because we have a small number of vessels, we have a
5 small operating season, and the costs are high, and so
6 trying to come up with a cost-effective method there is
7 probably the biggest challenge, from my viewpoint as a
8 watching the process. Northwest Arctic is going to be a
9 problem, unless we can find ways of minimizing the
10 amount of equipment that has to be staged locally and
11 prepping out of Anchorage, which I think the skimmer
12 process attempts to address.

13 MIKE O'HARA: This is O'Hara again. What about
14 the first question?

15 BRIAN ROGERS: The first question again?

16 MIKE O'HARA: Was Cominco going -- were ships
17 going to the dock?

18 CHARLOTTE MacCAY: This is Charlotte MacCay.
19 At this point in time there is no ability to do that.
20 There is a proposal to investigate the feasibility of
21 building another dock and dredging for two to three
22 miles to create a direct loading facility. But you've
23 got feasibility studies, permitting, funding, absolute
24 dredging which is a few years. Five years would be --
25 you know. You don't know that that's coming. So it's

1 very uncertain.

2 BRIAN ROGERS: But that brings up the issue
3 that will be addressed, is how to do we revisit what
4 this standard would be and what triggers a change in the
5 maximum -- in terms of what equipment needs to be
6 staged, and whether what might be a secondary hub today
7 gets upgraded to a primary hub, which this is -- this is
8 a circumstance that would probably cause that to happen.

9 Region IX, the North Slope. We don't know what
10 the largest vessel is. The largest we have right now,
11 we've been told there are some drill ships that might be
12 the largest. There is one small cruise ship that's been
13 in those waters in the last year. But if it's a drill
14 ship, we'd be looking at a fuel capacity of perhaps
15 8,000 barrels persistent. The largest cruise ship in
16 those waters, fuel capacity slightly larger than that.
17 Excuse me, slightly smaller than that. Response
18 planning standard is going to be about 1200 barrels.
19 And Chadux is scheduled to meet the RPS and cleanup
20 needs at that level. The one issue there again may be
21 whether there's need for persistent skimmers. We don't
22 know that until we have a better fix on the largest
23 vessel.

24 SENATOR DRUE PEARCE: I think Alaska Clean Seas
25 may cover any drilling ships up there because, as I

1 remember, they have to bring them in under their
2 areawide plan. So I think they're already a drilling
3 ship or any --

4 CAPTAIN ED PAGE: Probably wouldn't cover the
5 ARCTIC SUNRISE in protest.

6 SENATOR DRUE PEARCE: You're correct about
7 that. I'd suspect they don't. But the drill ships, I
8 am sure, reasonably sure, are covered under present law.

9 BRIAN ROGERS: So then we would be dealing with
10 the WORLD DISCOVERER with a gross ton of 3700 gross
11 tons, cruise ship, and we don't know the quantity that
12 the WORLD DISCOVERER carries, we don't have a financial
13 responsibility form for them.

14 MIKE O'HARA: The HANSIATIC also.

15 BRIAN ROGERS: Okay. I have them, but not
16 shown in those waters yet. So HANSIATIC.

17 SENATOR DRUE PEARCE: The HANSIATIC is the one
18 that did the Northwest Passage transit this summer.

19 BRIAN ROGERS: Okay.

20 SENATOR DRUE PEARCE: Captain Gurray (ph) just
21 came off of it.

22 BRIAN ROGERS: And we did not have marine pilot
23 data in this area.

24 SUSAN HARVEY: Susan Harvey, DEC. Senator
25 Pearce --

1 BRIAN ROGERS: You need to come up closer.

2 SUSAN HARVEY: Most of the drill ships that do
3 come in are paying members in Alaska Clean Seas. The
4 only exception to that would be if they aren't a
5 participating member, which I think they readily do
6 join, typically, so that should cover it.

7 BRIAN ROGERS: Region X is Interior Alaska. We
8 have no vessel information on Interior Alaska in terms
9 of fuel capacity, largest vessel, or response planning
10 standard, as to whether there are any vessels in excess
11 of 400 gross tons. And we're looking through the data
12 base trying to see if we see any vessels that anyone
13 would recognize. Again, from the financial
14 responsibility forms, we don't know.

15 TERRY MURPHY: The biggest boats are the cruise
16 ships right there in Fairbanks.

17 BRIAN ROGERS: Yes, the river boat DISCOVERY
18 crew.

19 TERRY MURPHY: Yeah.

20 BRIAN ROGERS: And the DISCOVERY 1, 2 and 3
21 have not filed financial responsibility forms. Whether
22 that means they're under 400 gross tons or that they
23 just haven't filed them, I don't know.

24 CAPTAIN ED PAGE: Probably not.

25 BRIAN ROGERS: They're below. That was Captain

1 Ed Page.

2 The response equipment data base, we have all
3 the equipment from Chadux, from CISPRI, from SEAPRO on
4 that equipment data base. We also have DEC's equipment,
5 but of course I would note that their equipment does not
6 count toward meeting the response planning standard, but
7 we have their data available on the equipment data base.

8 We also know about what additional equipment is
9 currently scheduled. This is under the Alaska Petroleum
10 Distributors & Transporters agreement with DEC.
11 Dillingham, a hub in July of 2001. Bethel, a hub in
12 July of 2002. Nome, a hub in July 2002. And North
13 Slope, a hub in July of 2003. This schedule is one that
14 you'll see later in the recommendations, that this group
15 has recommended for nontank vessels we use the same
16 rollout schedule.

17 Planning standards, we've got the response
18 planning standard in SB273, which is to contain and
19 control 15 percent within 48 hours, and cleanup in the
20 shortest possible time while protecting the environment.
21 That's what we're trying to achieve here. It is a
22 planning standard and not a performance standard. I
23 think that's been an important concept that the work
24 group has wanted to keep in mind throughout this
25 process.

1 I'm looking at response requirements versus
2 capabilities or review. We've got good coverage in
3 Southeast, Prince William Sound, Cook Inlet and Kodiak.
4 The result of this is the unit cost to coverage is
5 likely to decline as we add more vessels, spreading the
6 fixed costs of operations. Some additional variable
7 cost that deals with the cost of the co-op dealing with
8 more members. There are some variable costs associated
9 with that, but the fixed costs are pretty good.

10 The areas with coverage gaps, then, Seward,
11 Adak, Atka, Akutan, St. Paul, Dillingham, Bethel, Nome,
12 and certainly needs for some persistent skimmers where
13 we only have nonpersistent today.

14 The cost. How much is this going to cost?
15 Good question. We're still working on it. Who will
16 pay? Good question. Group still working on that in
17 terms of what that process will be, and we'll come back.
18 Ultimately, that's going to be market decisions, but we
19 should have some answers that help the Task Force and
20 the Task Force members understand what the likely new
21 fixed costs are likely to be and how many vessels those
22 fixed costs will be spread across. That does not mean
23 that we know how much it will cost, because that's an
24 independent market decision.

25 The future issues for the RPS Work Group. The

1 issue of upgrading hubs. Which hubs need to be
2 upgraded. More importantly, what are the criteria for
3 what's a primary and what's a secondary hub. How do you
4 determine how much of that is cost based, how much is it
5 risk based, how much of it is based on vessel size, et
6 cetera. So the RPS group continues to work on that
7 issue. And then changes in the vessel data base, how do
8 we make sure that as that data base, which will be
9 maintained by DEC, changes we know what that means in
10 terms of the hub and response process.

11 What I want to do now is go through each of the
12 recommendations of the RPS Work Group. And what I'd
13 like to do is I'm going to go through them one at a
14 time, and if people have issues they want to raise on
15 these recommendations, let's try to get them out and
16 identify what those issues are; and later today we'll
17 want to take action on as many of these as the group by
18 consensus is ready to do.

19 Senator Pearce?

20 SENATOR DRUE PEARCE: Thank you, Brian. I have
21 a question. When you're talking about primary and
22 secondary hubs, why is that something that the Task
23 Force would need to decide? I would think that where
24 primary versus secondary hub ends up being would be
25 driven more by the response action contractors based on

1 where they can -- because they've got the local
2 knowledge of where they can best base equipment and
3 where they've got the trained people, and vessels of
4 opportunity and whatever else they need to be able to
5 move the equipment where it needs to go. I don't know
6 why we need to make that decision.

7 BRIAN ROGERS: Let me see if I can capture the
8 discussion so far, and members, please tell me if I've
9 got this wrong. And that would be first, in order that
10 we can get a sense of costs, we needed to put out a sort
11 of draft of what we thought the likely equipment staging
12 would need to be. So that the Task Force can get a
13 sense of total equipment cost and how much new equipment
14 is going to be required.

15 Second, DEC has to ultimately sign off on
16 whether the equipment is adequate, and to meet the
17 response planning standard, and this was an attempt to
18 say first order, is this about right? Is DEC going to
19 be comfortable that this equipment can meet it? And, is
20 this cost going to be within reason to the nontank
21 vessel owners? The concern being if we go in with this
22 still being an unknown, how much equipment, the cost
23 concerns could drive some people to real concern over
24 the legislation.

25 On the other hand, completely leaving it up to

1 the co-ops, DEC then needs clearer criteria for what
2 demonstrates that it can meet the response planning
3 standards. So it's an attempt, Larry calls it, I guess,
4 a straw man, an opportunity to say, is this within
5 reason, so that DEC is comfortable that they're meeting
6 their standards or obligations, and the nontank vessel
7 community is comfortable that the costs are something
8 that is reasonable to bear. And let me turn and see if
9 others have --

10 TERRY MURPHY: Terry Murphy with Alaska Chadux.
11 Part of the concept of the primary and secondary hub is
12 that a secondary hub would be primarily containment, and
13 meeting some of the -- in line with what APD&T was
14 having to put in the secondary hubs. And the philosophy
15 behind that would be that the persistent skimmers and
16 the temporary storage would be in kits or units in
17 Anchorage and be able to be flown in, versus actually
18 putting those expensive items in each of those secondary
19 hubs. And that was basically the difference. The
20 primary hub would have all of the equipment and
21 everything in place.

22 SENATOR DRUE PEARCE: If I could ask one other
23 question. Larry, is your system for looking at
24 contingency plans within the department such that
25 there's consistency region to region? In other words,

1 are the people who are looking at these and deciding how
2 much is enough, if you will, does that bump up high
3 enough that one person looks at what you're requiring in
4 Southeast to what you're requiring in some other part of
5 the state, so we've got consistency?

6 LARRY DIETRICK: Yes. Larry Dietrick with DEC.
7 For the current regulated facilities, we do business the
8 same way across the state. To meet what's unique now is
9 different facilities have different response planning
10 standard whether you're a pipeline or crude oil tanker,
11 et cetera, but we otherwise go through the review
12 process the same way.

13 I think for the nontank vessels here, what was
14 part of the discussion here was that for them we need a
15 new approach. And we talked about it in terms of a
16 primary hub being a full kit to meet the response
17 planning standard for the nontank vessels, the 15
18 percent. And that that full kit would include the
19 containment boom, the recovery device, and fundamentally
20 down to storage capacity. And then we talked about the
21 tradeoffs between having that as a primary hub. A
22 primary hub, in other words, would have all the capacity
23 you need to respond. And then we got into discussion,
24 okay, where should those be, and if we, particularly in
25 the remote areas, because of the costs of maintaining

1 that equipment, should we have such a thing as a
2 secondary hub, which would only include containment boom
3 but would be the item that would be positioned in a
4 remote location, and we call that a secondary hub. But
5 the idea is that can get out there right away, and then
6 the equipment that's in the primary hub that might be
7 located somewhere else can cascade in.

8 So the secondary hub is to get into the remote
9 areas to provide initial response and be backed up by a
10 primary hub that would have the full kit that could then
11 be deployed in and en route -- well, it would be
12 activated the same time, but the containment boom from
13 the secondary hub would go out right away because it was
14 pre-positioned in that area, and the rest of the
15 equipment would be mobilized out of the primary hub in
16 Anchorage or perhaps even in another subarea.

17 And we're wrestling with the last piece that we
18 need, the way I understand it, is to figure out, okay,
19 what are the criteria now for where and when we should
20 pre-position a primary hub and a secondary hub, based on
21 what Brian has been showing us where the risks are,
22 where the vessel activity is, and where we need to have
23 it.

24 SENATOR DRUE PEARCE: Thank you.

25 BRIAN ROGERS: Other questions? Susan Harvey.

1 SUSAN HARVEY: Susan Harvey, DEC. Just to add
2 a little bit to what Larry had said. One of the issues
3 here in terms of a primary versus secondary is in
4 Southeast we have about the same RPS volume that we have
5 under Brian's current data, say, in Bristol Bay for the
6 Dillingham area, is about 3200 barrels in both places.
7 Southeast will have a persistent skimmer, so it will be
8 a primary hub, as he went through. What's being
9 proposed potentially is making Dillingham a secondary
10 hub. They have equivalent fuel volume so it would be a
11 little inconsistent. One could also say you could stage
12 a persistent skimmer out of Anchorage and fly it down to
13 Southeast in an event. So just keeping it consistent
14 across the state is why the discussion about primary and
15 secondary hubs probably warrants further work. Thank
16 you.

17 BRIAN ROGERS: I think the discussion of the
18 Task Force included that consistency also has to deal
19 with volumes of vessels as well. And there are some
20 differences. When you look at Norton Sound, for
21 example, where if I remember right we have 16 vessels so
22 far, and so whatever costs we have to amortize over
23 those 16 vessels, that could be of concern, and that's
24 probably the biggest area that could be -- Charlotte?

25 CHARLOTTE MacCAY: This is Charlotte MacCay. I

1 think one other thing with consistency is some places
2 may have above and beyond what's deemed necessary by the
3 group, so trying to compare one area to another just
4 because this area has it doesn't mean that it's
5 necessary that an area of that size have it.

6 HEATHER McCARTY: Heather McCarty. Will you
7 also take into consideration frequency of trips into
8 areas when you're discussing risk factors and the rest
9 of it?

10 BRIAN ROGERS: We don't know frequency yet
11 because that is not data that is reported on a financial
12 responsibility form, which is the data that we have the
13 most vessels. Out of roughly 1,050 vessels on the data
14 base so far, about 700 we have financial responsibility
15 forms on, about 450 came from the marine pilot reports,
16 so there's an overlap of about 150 where we actually
17 have fairly complete data. And it's only from the
18 marine pilot reports that we really know frequency, and
19 again that's only on some vessels.

20 But certainly that becomes a factor in
21 likelihood of a spill and that gets -- that also gets
22 into the cost factors as well. So that you've got a
23 multitude of issues that need to be considered, which is
24 why the criteria for what would require a secondary
25 versus a primary hub has been slated for additional

1 discussion by the RPS Work Group.

2 HEATHER MCCARTY: Thank you.

3 GENE BURDEN: This is Gene Burden. Just a
4 further comment on your question. I think the answer at
5 this point is clearly no, I don't know that this group
6 is going to be in a position to try to factor in a
7 tweaking of the RPS standards based on frequency of
8 traffic in any particular area. I think we've at this
9 point worked on what's the largest and what is the RPS
10 for the largest, and getting into calculations based on
11 frequency probably is going beyond the scope and
12 capability of this group.

13 CAPTAIN ED PAGE: This is Ed Page from the
14 Coast Guard. I think Heather's point and your point are
15 good, and I would say what we're really trying to do, I
16 believe the legislature and the senators are trying to
17 do, is manage the risk, and part of that risk is
18 exposure. So right now, the existing form we have, one
19 ship, large quantity volume would have to meet that
20 planning standard for that one ship even if it comes
21 once a year. When you look at Southeast Alaska, the
22 cruise ships are ubiquitous for about four months a
23 year, numerous transits, and so -- I think some
24 discussion on that, to answer the senator's question as
25 far as is it equitable, we talked about the distances in

1 the Arctic versus Southeast Alaska, and primary versus
2 secondary, cash and equipment, I think you'd have to
3 look at again some of that exposure, maybe in some type
4 of formula, or at least consider that, and see the
5 exposure is different and that's why we have a different
6 answer for Southeast versus Northwest Arctic. Leaning
7 toward more equipment, but the opportunity for something
8 to go wrong is substantially higher so it warrants that
9 additional risk management tool.

10 BRIAN ROGERS: Clearly the issue of the
11 secondary versus primary in those areas warrants further
12 discussion, and we don't yet have, you know, final
13 closure, and so what's coming, there's not a final
14 recommendation on those criteria coming to the Task
15 Force for action today. We would hope that we would
16 have that at your next meeting.

17 PAUL FUHS: Paul Fuhs. The other thing we
18 talked about is maybe having a periodic review rather
19 than completely strict standards, because partly what we
20 tried to do in this with the committee to is to apply
21 common sense. Even though we didn't have the complete
22 data set, people sitting around the table, they know
23 what's going on out there. We know what ships are going
24 back and forth. So that's why we picked Akutan, Atka,
25 Adak, Pribilofs and Seward.

1 Now, one thing we didn't discuss, I think we
2 need to, what should be the scheduling of that
3 equipment? And, you know, the two highest priorities
4 are the Pribilofs and Seward. That's where your
5 greatest level of activity is right now. There's really
6 not much happening in Adak and Akutan and Atka, could
7 come further down the line. We need to talk about that
8 scheduling. But that's how we came up with that. We
9 really tried to apply some common sense to what were the
10 vessels and trades operating in the area.

11 BRIAN ROGERS: It's 9:45 now. I'd like to go
12 through the recommendations before we break, but if it
13 does take longer we'll break when we're partway through
14 the recommendations. What I'd like to do now is to go
15 through those and see where there are any issues of
16 concern.

17 The first recommendation is that the nontank
18 vessel RPS and the whole program have a relationship
19 with the tank vessel program. That is, we use the tank
20 vessel equipment where there's good coverage and add
21 equipment in the gap areas. So in terms of that
22 recommendation -- yes, Heather.

23 HEATHER McCARTY: This is Heather McCarty. I
24 need a little clarification on this element here. The
25 tank vessel needs are being met by Chadux, in particular

1 now in western Alaska, and some of those places where
2 gaps have been identified. And there seems to be --
3 since I haven't been to all the subgroup meetings, I'm
4 not sure. There seems to be a schedule for adding
5 equipment to some of those areas even before the nontank
6 vessel discussion began. Is that correct?

7 BRIAN ROGERS: Yes, and that was the Dillingham
8 in July of 2001, Bethel in July of 2002, Nome in July of
9 2002, and North Slope in July 2003, are all currently
10 scheduled rollouts of equipment by Chadux. In addition,
11 I think there are ongoing purchases by Chadux of
12 equipment elsewhere.

13 HEATHER McCARTY: So there's tank vessel gaps
14 already --

15 BRIAN ROGERS: Yes.

16 HEATHER McCARTY: -- that are being met on a
17 preestablished schedule that's under way.

18 BRIAN ROGERS: Correct.

19 HEATHER McCARTY: Okay, thank you.

20 BRIAN ROGERS: So basically what we're saying
21 in this recommendation is follow their lead, don't try
22 to go out and put new equipment out ahead of them. You
23 know, they're dealing with larger volumes, let's try to
24 work in synch, have a relationship with the tank vessel
25 program.

1 Does anyone have concerns about trying to keep
2 these two programs in relationship? If not, we'll take
3 that as tentative acceptance subject to final approval
4 on that recommendation.

5 The second one is the identification of the gap
6 areas. First, that Seward is a gap. Second, that in
7 Western Alaska, on the western coast, the Aleutians,
8 Bristol Bay, Western Alaska, and Northwest regions, that
9 we have gaps identified. Anyone disagree that those are
10 gaps?

11 Third recommendation.

12 MIKE O'HARA: I have a question. Doesn't
13 Crowley and Foss run up to those -- if you go back -- to
14 all those places that -- how does Dillingham, for
15 example, get fuel other than barge?

16 BRIAN ROGERS: It gets its fuel by barge, but
17 there is a gap in equipment as of today in that, A,
18 there's not response equipment in Dillingham yet; and B,
19 there is not equipment for persistent fuel even
20 scheduled to be there.

21 CHARLOTTE MacCAY: The fuel barge falls under
22 the different regulation.

23 MIKE O'HARA: But they're talking about sharing
24 the same equipment.

25 TERRY MURPHY: Terry Murphy with Chadux. Some

1 of the requirements that the transferring vessels are
2 meeting is some of that equipment is on board the barge,
3 thereby the nontank vessels would not have the same
4 equipment, so they're part of the gap that they're
5 seeing.

6 BRIAN ROGERS: Third recommendation is for a
7 cascading response system, with primary hubs having
8 control, containment and portable recovery equipment,
9 and secondary hubs with basically what we're calling a
10 starter kit, with control and containment equipment, and
11 then we would deploy additional equipment from the
12 primary hubs into the secondary hubs. And this is
13 basically, I see it, as more cost-driven to try to keep
14 the costs reasonable, but also to recognize the unique
15 logistics in the waters west of 157 and north of 62.

16 LEE EGLAND: Brian?

17 BRIAN ROGERS: Yes.

18 LEE EGLAND: Lee Eglan. I apologize for being
19 a little late this morning.

20 One thing I might just note for interest and
21 discussion is for our primary hubs, I don't think we
22 want to lose sight of potentially adding that second
23 line item as far as additional equipment being cascaded
24 in from other areas because of the fact that, you know,
25 the control and containment equipment and portable

1 recovery equipment in those primary hubs is going to be,
2 should I say, somewhat marginal if there's a larger
3 spill. So, you know, understanding that once we get
4 through with our recommendation, it needs to be very
5 clear as to what the expectations are as far as what the
6 equipment needs to be in each of the primary and
7 secondary hubs, as well as anything else that may be
8 required to be brought in. Thank you.

9 BRIAN ROGERS: Anyone else have an item? We'll
10 make sure that we address that in the written report.

11 Fourth, the containment equipment in secondary
12 hubs, that we have sufficient boom for three times the
13 length of the largest vessel in that subarea, and that
14 there be a deployment means for that containment
15 equipment. So that's basically what we're dealing with
16 in terms of containment at the secondary hubs. Anyone
17 have comments on that?

18 The fifth recommendation, the cleanup
19 equipment. At the primary hubs we have cleanup
20 appropriate to the type of oil. That it be mobile,
21 designed to fit in a DC-6 or equivalent to reach the
22 maximum number of runways. That the planning standard
23 use a wave height of three feet. Again, in order to
24 achieve that we needed some level of sea conditions.

25 Skimmers. A lot of discussion on this as to

1 what should be the recovery capacity of skimmers
2 required to meet the (inaudible) and a daily nameplate
3 recovery capacity of 15 percent of the capacity of the
4 largest vessel. Now, that's the nameplate recovery
5 capacity, recognizing that the actual effective may be
6 20 percent of that. So we would end up with 20 percent
7 of 15 percent being the likely -- the effective daily
8 recovery capacity. And then finally, temporary storage
9 equal to that skimmer's effective daily recovery
10 capacity. So effectively there we're dealing with 3
11 percent of the capacity of the vessel daily as being the
12 amount of skimmer capacity that would be required in a
13 primary hub, or in a primary hub to meet a region. Yes?

14 KRIS MULLAN: This is Kris Mullan. Just one
15 question. How would the skimmer get to the spill site?
16 Would that be by DC-6 or barge, or --

17 BRIAN ROGERS: It depends on where the spill
18 is, obviously, and that's the biggest concern in Western
19 Alaska, is how we're going to get skimmers there. And
20 fortunately, we have folks here from the response action
21 contractors who can tell us how you get a skimmer there.

22 TERRY MURPHY: Well, we've thought about
23 parachuting, but that was -- Terry Murphy with Alaska
24 Chadux. Typically, if it was mobilized out of
25 Anchorage, it would be by aircraft first, and then,

1 depending on where the spill would be, it would be
2 boats, vessel of opportunity, or anything that might be
3 available to move it out. And that's why the equipment
4 needs to be of a size -- I mean, I have a skimmer, for
5 instance, that can do persistent here. It's too big to
6 fit in a DC-6 to some degree and too big to go on
7 vessels of opportunity.

8 KRIS MULLAN: What about the weather conditions
9 for a skimmer that's going to fit in a plane? Is
10 that --

11 TERRY MURPHY: Yeah, the three feet, that's
12 basically a protected water skimmer. That's not an
13 ocean. And there are quite a few of those out there
14 that can be do both persistent and nonpersistent.

15 KRIS MULLAN: But can they fit in a DC-6?

16 TERRY MURPHY: Yes, definitely.

17 KRIS MULLAN: Really? Okay.

18 BRIAN ROGERS: Other comments, questions,
19 concerns?

20 The sixth recommendation, again, the issue of
21 primary and secondary hubs. And the initial cut at this
22 is that the primary could be Anchorage and Dutch Harbor
23 for the regions 5-9, Aleutians to North Slope, with
24 secondary hubs in Adak, Atka, Akutan, St. Paul,
25 Dillingham, Bethel, Nome, and then a new secondary hub

1 in Seward.

2 Again, subject to verification of the numbers
3 and some discussion as to whether any of these would
4 need to be upgraded to primary based on the completed
5 vessel data. Which we are finding that while September
6 1st was the deadline for financial responsibility forms,
7 not everyone has filed on time, and certainly some
8 vessels don't need to file until they're ready to enter
9 the waters, and so we may find new data out there.

10 Number 7, the schedule for new equipment. We
11 follow the tank vessel schedule -- oops, go back one --
12 which we laid out earlier of basically a three-year
13 rollout for that. There still is work to do on the
14 schedule for the secondary hubs.

15 So that basically completes the recommendations
16 of the RPS Work Group that are ready for action by the
17 Task Force today. Seven recommendations, those are
18 contained beginning on the second page of the written
19 report. Lights are coming back on. That was the third
20 item in your agenda packet. And I think it might be a
21 good point to see if there are any concerns that would
22 lead us not to tentatively approve those seven
23 recommendations by the RPS Work Group. Commissioner?

24 COMMISSIONER MICHELE BROWN: This is Michele
25 Brown. I just had a question. I know there have been

1 comments earlier that there are a couple issues that are
2 still being worked in each of the work groups. Is there
3 a statement of those issues? Are they defined, clearly
4 enough so that people with questions can see where they
5 know the work still has to go forward?

6 BRIAN ROGERS: Yes, they are defined in the
7 draft reports from each of the three work groups.

8 COMMISSIONER MICHELE BROWN: In the discussion
9 section?

10 BRIAN ROGERS: In the discussion section. And
11 we were working on this Power Point until 11:00 last
12 night, so I'm pretty sure we've also got a section in
13 here where we also talked about what's left to be done.
14 Actually, not on the RPS Work Group. I'm sorry. But it
15 was at the very beginning, we talked about the issue of
16 primary versus secondary, it's still to be dealt with.
17 The issue of schedule for the deployment. And third --

18 LARRY DIETRICK: Future issues.

19 BRIAN ROGERS: Future issues. It's on the last
20 page of the report but third in the agenda packet.
21 Thanks.

22 Gene?

23 GENE BURDEN: Just one general comment. Gene
24 Burden. The effort has been to identify what's
25 available and what's going to be available in each of

1 the areas. And although we have Chadux and SEAPRO
2 predominantly seen as the alternatives available, I
3 think that the Task Force shouldn't -- I would suggest
4 that the Task Force not be viewed as presenting an
5 endorsement or any kind of ratification of any
6 particular spill response group in terms of their
7 capability or their readiness. That this is what we
8 understand is available as an option, and basically
9 that's it.

10 BRIAN ROGERS: And actually, that is the other
11 item. I knew there was another one. Which is, under
12 what standards would DEC do the review of adequacy of
13 meeting the response planning standard for someone who
14 is not a co-op member of either one of the existing
15 co-ops, or how would DEC review the creation of a new
16 co-op? So, basically, how do we ensure that there are
17 other avenues and this isn't sort of a sole source
18 process, but we have -- the RPS Work Group has said this
19 is one way that clearly will meet the standard, and has
20 not said, specifically not said that's the only
21 standard. Both for the response planning standard and
22 for contingency planning.

23 CHARLOTTE MacCAY: Charlotte MacCay. Is there
24 also room in there for later when you're deciding if an
25 area is covered, that, say, if Red Dog ever gets the

1 direct loading facility built, and we decide to have our
2 own containment equipment, which is probably likely,
3 that's what we've always done to date for on-shore, that
4 you're not still going to hold that geographic area to
5 the standard for Red Dog, are you? Because right now
6 you're going on the largest vessel in the area. If that
7 largest vessel chooses to take care of itself, you don't
8 want to hold the rest of the area to that standard.

9 BRIAN ROGERS: That's a really good point. One
10 we had not considered is downgrading of an area, which
11 is what would happen if -- in several areas one or two
12 vessels set the standard and the next vessel is
13 substantially smaller.

14 CHARLOTTE MacCAY: Yeah.

15 BRIAN ROGERS: And so part of our discussion
16 needs to be, can the equipment be unstaged from areas,
17 if needed.

18 CHARLOTTE MacCAY: I don't think we've even
19 investigated yet the ones we have listed as the largest,
20 are they going through the spill response contractor or
21 do they have their own. And I'm not sure anyone else
22 does that besides us.

23 PAT CARTER: Pat Carter, Senator Pearce's
24 office. We may see that also in Southeast with the
25 barges that have been staged down there for the cruise

1 ships. And if they continue that sort of a trend and
2 maybe bring in more equipment, but I know they do have
3 their own skimmer aboard one of the barges, so we may
4 think about how that affects our planning standards for
5 Southeast as well.

6 LEE EGLAND: Lee Egland. Charlotte, that's a
7 good point. I think what we've done by setting the
8 three times the length of the largest vessel plus the
9 effective daily recovery capacity, that will help to
10 lower those limits as far as in the particular areas
11 that we've identified. Because that volume, for
12 example, we know the boom is going to be three times the
13 length of the largest vessel, so if the vessel gets
14 smaller, the largest vessel gets smaller, that boom
15 length goes down, as well as the skimming capacity
16 because of that response planning volume is going to go
17 down, as well as the storage. So I think there's a
18 mechanism built into that formula to address it.

19 What it doesn't have, what -- it kind of speaks
20 for itself -- if for some reason vessels stopped calling
21 in a particular area, there would no longer be a
22 commercial need for that equipment to be in a particular
23 location, so it could get redeployed or go somewhere
24 else, but it's very good point to consider. But I think
25 there's some issues that we've got to address in those

1 volumes for equipment size and type that might help
2 address that concern.

3 CHARLOTTE MacCAY: I didn't recall that.

4 BRIAN ROGERS: Heather.

5 HEATHER McCARTY: What I'm thinking about also
6 is if, for instance, the fishing industry decided to do
7 their own plan, and in certain areas, clearly most of
8 these areas, the fishing vessels or the fishing industry
9 vessels are much, much smaller than the largest vessel
10 for which these response planning standards are laid
11 out. If we do a fleet plan, let's just say we're going
12 to, then the response planning standard would clearly be
13 the largest of that fleet, would be tailored to that,
14 and all the needs would then be extremely different.

15 BRIAN ROGERS: Correct.

16 HEATHER McCARTY: Okay. And how is that going
17 to be -- is that going to be clear in these
18 recommendations?

19 BRIAN ROGERS: The seven recommendations we
20 have already done don't include the issue of how do we
21 deal if you're not a member of a co-op, how does DEC
22 determine the adequacy. That's one of the things left
23 to be done. It has to be done.

24 HEATHER McCARTY: Yes.

25 BRIAN ROGERS: Before our work is done, as a

1 Task Force, we have to have laid out what the process is
2 for determining adequacy of a fleet plan, or determining
3 adequacy of an individual company's plan to meet the
4 response planning standard independent of a co-op.

5 HEATHER McCARTY: Because -- excuse me, this is
6 Heather again. As this develops and we see that the
7 planning standards are perhaps quite a bit higher than
8 they would be for most of the people in the fishing
9 industry, then we might be more and more likely to move
10 to that legislative solution.

11 BRIAN ROGERS: And that's one of the reasons we
12 broke Dutch Harbor out from the rest of the Aleutians,
13 was that Dutch set such a high planning standard that it
14 would be a concern elsewhere. And it may be other
15 areas, certainly the issue of Kivalina if it does become
16 something within three miles, would have a dramatic
17 impact on the planning standard for that region
18 otherwise.

19 CHARLOTTE MacCAY: Just for clarification,
20 Kivalina is not the Red Dog port. It's down the coast.
21 There are two separate places.

22 BRIAN ROGERS: Okay. But we have large vessels
23 going in to Kivalina, according to the data base, so
24 somebody may be reporting badly.

25 CHARLOTTE MacCAY: They don't have a dock.

1 BRIAN ROGERS: We've got folks in those waters,
2 so maybe they're not docking and they're just going
3 close to shore, but it was in the marine pilot reports.

4 CHARLOTTE MacCAY: It's misreported.

5 MIKE O'HARA: No. There are ships that stand
6 off Kivalina. I've been off Kivalina. FISH AND CHIPS
7 (ph), go to White Mountain. Unalakleet.

8 CHARLOTTE MacCAY: That's quite a ways from
9 Kivalina.

10 MIKE O'HARA: But we go around the corner.

11 BRIAN ROGERS: Gene?

12 GENE BURDEN: This is Gene Burden. I think in
13 response to the comment about separate plans for a
14 smaller fishing fleet, I think the parameters that I
15 think we've reached consensus on, the three-foot seas,
16 the three times the length, the rating of the skimmers
17 and so forth, I would propose that we just use that as
18 the criteria in directing DEC to evaluate independent
19 response plans and add that as a number 8 and have that
20 covered.

21 BRIAN ROGERS: Discussion back here. Larry?

22 LARRY DIETRICK: Larry Dietrick with DEC. I
23 agree with Gene. That is how we do it. What we're
24 trying to do here is describe the criteria that we would
25 use to judge what you needed, regardless of whether

1 you're an individual vessel or a fleet operator or
2 whether you're just wanting to operate from one of the
3 preexisting hubs that's set up for APD&T.

4 The last missing piece we need to be able to do
5 that, that the group is working on, that's listed here
6 in the future issues, is some criteria now for deciding
7 when and where you need to have the primary and
8 secondary hubs, and I think the discussion to this point
9 has centered around perhaps two sets of criteria to make
10 that call. One is that the product type, the volume,
11 the vessel of activity or transits that are in any given
12 area. And the second then is the logistics of what it
13 will take then to deliver equipment to that area and
14 whether or not that delivery should be done through a
15 primary or secondary hub pay per building. That gets
16 down to where you operate, whether or not you've got the
17 right airstrip, whether it can be moved fast from
18 Anchorage, so on and so forth.

19 BRIAN ROGERS: In terms of the first seven
20 recommendations, recognizing there we've still got at
21 least three more to go, on those seven is there any
22 dissent from those seven recommendations?

23 JIM CARTER: Jim Carter. If what you're doing
24 is asking for a consensus, I would recommend that the
25 Task Force give the consensus, subject to the completion

1 of the other task at hand.

2 BRIAN ROGERS: Good suggestion. Is there
3 anyone that would object to tentative approval of the
4 seven recommendations, subject to the completion of the
5 remaining three?

6 STEPHANIE MADSEN: I'm not objecting. This is
7 Stephanie Madsen, and I also apologize for being late.
8 Under the recommendation 7 for the schedule, I guess I
9 agree conceptually about the schedule but, you know, I'm
10 not -- I'd like to see a little bit finer resolution. I
11 know we have, Susan shared with me the tank vessel
12 schedule with the additional equipment that they're
13 having. But given the fact that their regulatory start
14 date was, you know, several years prior and now they've
15 got the schedule, I'd just like a little bit of comfort
16 level on what schedule we're talking about for the tank
17 vessel equipment gaps. And that hasn't been clear to
18 me, if we're on their schedule or we're going to look at
19 the timing that the tank vessels had phased in, if
20 that's the schedule we're looking at, or --

21 BRIAN ROGERS: And my understanding of this
22 recommendation is that we're saying for the first order,
23 basically the tank vessel equipment coming in on the
24 July '01, '02, '03 schedule, that is an acceptable
25 schedule for the nontank to begin meeting that. But we

1 have as one of the remaining three recommendations to
2 determine, the schedule for bringing in nonpersistent
3 skimmers if needed, and the schedule for rollout of the
4 additional secondary hubs. So that will be 8, 9 or 10
5 in the recommendations. But basically that the movement
6 in of the boom, storage, the boom into those four hubs,
7 that's an acceptable schedule. Does that answer the
8 question?

9 STEPHANIE MADSEN: I guess you're telling me
10 that the gaps that we've identified even with the
11 current tank schedule, is going to be on a different
12 time line than what I've seen for the tank vessels.

13 BRIAN ROGERS: Correct.

14 STEPHANIE MADSEN: Okay.

15 BRIAN ROGERS: And we don't know what that is
16 yet.

17 STEPHANIE MADSEN: Okay.

18 ERIC BRITTEN: Eric Britten, CSX. Just
19 following up on Stephanie's comments. I guess
20 Stephanie's comments were made with the assumption that
21 after the tank equipment is positioned that there still
22 remains a gap. Is that right?

23 STEPHANIE MADSEN: Yeah.

24 ERIC BRITTEN: Otherwise there is no concern,
25 right?

1 STEPHANIE MADSEN: That's right.

2 BRIAN ROGERS: Further discussion. Heather?

3 HEATHER McCARTY: Once again -- this is Heather
4 McCarty. I'm trying to look at these recommendations
5 from the point of view of an industry that may or may
6 not be part of a co-op. And if you look at the primary
7 and secondary response hubs recommendation, for
8 instance, that may or may not apply. If there's a
9 person or persons or group or groups that do not want to
10 be part of that particular system. For whatever reason.
11 Because they don't need it all or because whatever.
12 They had it already themselves, hypothetically.

13 Because a number of vessels that I represent
14 personally already have a fleet plan. For instance,
15 that they have worked on 24 vessels in Washington state,
16 who have a fleet plan for a response plan, and they
17 could probably do the same thing here. In which case
18 their standards might be different, and the primary and
19 secondary response hub layout might be entirely
20 different based on their capacity, their travels, their
21 operational areas and so forth. So if there's going to
22 be a number 8, as Gene suggested, then clearly it will
23 have effects on some of the other recommendations as
24 part of that. And I think that still needs to be worked
25 out.

1 BRIAN ROGERS: Yes.

2 HEATHER McCARTY: So if I, representing the
3 industry, agree to these recommendations, I think it
4 needs to be clear that these are based on a scenario
5 that includes the use of current co-ops -- I don't know
6 how exactly to put it.

7 BRIAN ROGERS: Basically the co-op scenario.

8 HEATHER McCARTY: It really is, which is great
9 and very useful for most needs. But whether or not all
10 of these people that are affected are going to end up
11 using that scenario is another question, and one that is
12 not yet known.

13 BRIAN ROGERS: Gene?

14 GENE BURDEN: Gene Burden. I appreciate your
15 comment. I think it's really important that -- and it
16 would certainly affect my view of the recommendations on
17 the table if we were to say that we're making
18 recommendations solely for plan holders to use co-ops.
19 I think it's extremely important it be clear that it be,
20 certainly the co-op's indicate a capability in the
21 regions that we've examined, based on information that
22 we've got. We think there's certain capabilities out
23 there, but it clearly should be that the permit holders
24 have the option to either strike agreements with those
25 RACs or do just as you say, come up with alternative

1 means to meet the requirements and, sort of paralleling
2 what Larry Dietrick has said, demonstrating that you're
3 meeting that through whatever means you choose.

4 BRIAN ROGERS: Anything else for Task Force
5 members before I go to the audience? Susan?

6 SUSAN HARVEY: Susan Harvey, DEC. Heather, I
7 think what we're talking about is consistent standards
8 across the board for the nontank vessels, but
9 flexibility in achieving those standards. And that's
10 real consistent with how we handle our current regulated
11 community. There's lots of folks who come in the door
12 and are members of the co-ops, and that's one choice.
13 Another is they might provide their own equipment. We
14 provide that flexibility, so we just need to be creative
15 in how we come up with the ultimate resolution, but I
16 think it can be accommodated.

17 HEATHER McCARTY: I do, too.

18 SUSAN HARVEY: Just come up with consistent --

19 HEATHER McCARTY: More generic than perhaps
20 some of these. For instance, if we're recommending in
21 number 6 that a secondary response hub be established at
22 Seward, potentially there may be subgroups of the
23 covered vessels who never go there. I mean, that's not
24 true of my people, certainly, but it may be true of
25 another subgroup; and if they decide to be a subgroup

1 for response planning purposes, then that would not
2 apply to them. You see my point?

3 SUSAN HARVEY: Yes.

4 HEATHER McCARTY: So if we're consensing on
5 these recommendations, we want to make it clear that
6 that's part of the deal. There's caveats, in other
7 words.

8 BRIAN ROGERS: So the proposal before the group
9 is to tentatively adopt recommendations 1 through 7,
10 with an understanding that, A, the recommendations that
11 deal with primary and secondary hubs have to do with
12 those folks who are being served by co-ops; and B, that
13 this tentative approval is subject to final approval of
14 three additional items. That being the standards for
15 determining adequacy of response planning standards for
16 vessels or fleets that are not members of co-ops, or
17 standards for when secondary hubs and primary hubs need
18 to be one or the other. And third, for a schedule for
19 the rollout of additional equipment into the primary and
20 secondary hubs to meet the persistent fuel RPS.

21 HEATHER McCARTY: This is Heather McCarty. I'd
22 make one change to that and that's not just the
23 recommendation 6, primary and secondary response hubs,
24 is subject to the caveat. I think all of the
25 recommendations, if I see it, may be -- that they need

1 to be more generic in language.

2 BRIAN ROGERS: Okay.

3 HEATHER McCARTY: For those people who may not
4 participate in existing co-ops.

5 BRIAN ROGERS: Gene?

6 GENE BURDEN: Gene Burden. I think one of the
7 ways we might be able to do that is put a definition of
8 primary and secondary hubs at the outset of this, and in
9 that definition focus on the equipment that we're
10 talking about in each of these locations and identify
11 that for purposes of primary or secondary, that that
12 could be equipment cache or could be demonstrated that
13 that equipment could be provided in a timely fashion if
14 a plan holder chose to stand alone on -- or do a fleet
15 plan.

16 HEATHER McCARTY: That's part of it, yeah.

17 BRIAN ROGERS: With Heather's caveat, are we
18 ready. Charlotte?

19 CHARLOTTE MacCAY: This is Charlotte. I
20 endorse some of Heather's concern here that I think it
21 does kind of put everyone down the response contractor
22 path. And it somehow could be written different so that
23 it's not so directed that way. Because it may even be
24 that, you know, there might be a private agreement
25 between this subgroup and this owner of a private

1 equipment. There are a lot of different possibilities
2 out there, and we just need to make sure it's really
3 clear that those doors are open. I know that's the
4 intent, but the language, all this focuses on the
5 response contractor.

6 HEATHER McCARTY: That's my point.

7 CHARLOTTE MacCAY: Although we're both having a
8 hard time articulating that.

9 BRIAN ROGERS: I think my sense is the group
10 understands that these recommendations are focused on
11 the primary response action contractor, the co-ops, and
12 that the later recommendation number 8, which is going
13 to deal with how you meet it otherwise, is going to
14 basically follow -- be based on the same principles.
15 But again, that's the discussion of the RPS Work Group,
16 and I would certainly hope that both of you will be
17 there at the RPS Work Group to help us ensure that we
18 meet those issues.

19 KRIS MULLAN: This is Kris Mullan. Basically,
20 you're going to have recommendations 1 through 7, and
21 then, or recommendation 8, which would be other --

22 BRIAN ROGERS: Yes. Recommendation 8, 9 and
23 10, yes. And maybe more.

24 HEATHER McCARTY: For instance, in the wording
25 under nontank vessel recommendation it could read, "The

1 RPS Work Group reached consensus on the following
2 recommendations," or in this case it would be the Task
3 Force, "for how nontank vessels will meet the response
4 planning standard established in SB273 should they
5 choose to join existing cooperatives."

6 BRIAN ROGERS: Yes.

7 CHARLOTTE MacCAY: Yes.

8 BRIAN ROGERS: Larry?

9 LARRY DIETRICK: Larry Dietrick with DEC.

10 Clearly the intent, or just to avoid any confusion, we
11 are trying to design a system that's an either/or
12 system. The reason you see, I think, the heavy emphasis
13 on the current hub system here, is because that's been
14 the model that's been discussed all the way through the
15 session as the model to look at, how to build it,
16 because that's one we had information for. But clearly
17 we're not trying to preclude the either/or option here.
18 We've looked at it and the group's looked at it, because
19 the vessel data we've had that's come from the data
20 base, we've looked at it in context with the existing
21 hub structure and how it might work, and that's why it
22 has this kind of emphasis. But it is our, at least our
23 intent that it be designed in such a way that
24 requirements are clearly written so they can be applied
25 to an individual basis. So we agree with what you're

1 saying there. To the extent we have to wordsmith this
2 to get there, that's fine. But I don't think there's
3 disagreement here with regard to the intent.

4 CHARLOTTE MacCAY: This is Charlotte. I think
5 Heather and I both understand. We're just worried that
6 anybody else reading this would not understand.

7 BRIAN ROGERS: Susan?

8 SUSAN HARVEY: Susan Harvey, DEC. I think one
9 thing that we have to keep in mind we haven't got to yet
10 because we are yet to do the C-plan Work Group, but
11 there really is a tradeoff. One of the efficiencies in
12 terms of being a member of a co-op is they already have
13 on record with us a very extensive plan on how to
14 address almost all of the issues for a response. What
15 you buy by getting a co-op card is you get all of that
16 written documentation that's already been approved by
17 DEC. Heather, if you choose to do an alternative
18 equivalency, that's where your C-plan gets thicker.
19 Instead of showing us your co-op card, now you need to
20 come in with your equivalent Washington state model, do
21 an equivalency check. It's just a recognition that I
22 think there would be a trade-off. I think we can be
23 flexible, set consistent standards, the means by which
24 you choose to achieve those standards you have an option
25 in, but I think there are trade-offs that we have yet to

1 discuss in terms of documentation.

2 HEATHER McCARTY: I understand.

3 BRIAN ROGERS: One of the tools a facilitator
4 has to achieve consensus is to hold a break until you
5 reach consensus. Who had their hand up?

6 KRIS MULLAN: Both of us did. This is Kris
7 Mullan. Part of the concern also is we really don't
8 know what type of costs we're talking about here. There
9 are some of us who have -- use Trident Seafoods as an
10 example -- quite a few boats, and they're talking well
11 over \$100,000 a year, and so if in that instance it
12 might be cheaper for them to go with their own instead
13 of going joining a co-op. So I think that is part of
14 the concern.

15 BRIAN ROGERS: Charlotte?

16 CHARLOTTE MacCAY: This is Charlotte MacCay. I
17 think part of the discomfort here is we haven't done the
18 C-plans yet, and doing the cart before the horse by
19 approving this before you've done that. And part of
20 what needs to be discussed in C-plans is if you are not
21 going with the response contractor, you need a little
22 flexibility in the time to develop this backup C-plan
23 that you otherwise don't have given to you. Otherwise,
24 you are forced into a response contractor, because you
25 wouldn't have time to develop one. So I think that's

1 part of the discomfort, is we have a portion of this
2 that we're being asked to approve and we haven't looked
3 at what's probably the main part to most of us.

4 BRIAN ROGERS: And what we're doing is
5 tentative approval of sections. Ultimately, before we
6 finally approve the recommendation, everybody has to
7 sign off on the whole package. But in order to try to
8 get some building blocks in, we're trying to go through
9 and take one step at a time. So with provisional. Are
10 we okay on provisional acceptance?

11 CHARLOTTE MacCAY: Heavy on provisional.

12 BRIAN ROGERS: Heavy on provisional. Okay.
13 With that, we're probably ready to take a break until
14 10:30.

15 (Short recess taken.)

16 BRIAN ROGERS: Call the meeting back to order.
17 And ready to talk about the Alaska Railroad issues that
18 came out of the RPS Work Group.

19 First, the response planning standard for the
20 Alaska Railroad is the same response planning standard
21 of 15 percent. And as noted by the Alaska Railroad,
22 that's the primary thing that comes out of this
23 legislation, in that the railroad has already been
24 working on issues of planning and response and
25 contingency plans. But what this legislation does is to

1 set a response planning standard. Their planning is for
2 a 72-car train filled with fuel, basically. That's the
3 volume of fuel that they're planning toward. But
4 clearly there are some differences.

5 First, and this is probably self-evident, is
6 that access is different on land than in the water, but
7 there are some of the same issues of remoteness and
8 difficulty of getting equipment to specific locations.
9 And there are issues of spills on the land and
10 freshwater rivers that have some issues that are
11 different from spills in the ocean environment.

12 The work group came up with four
13 recommendations for the Alaska Railroad. First, is an
14 endorsement of the risk assessment process currently
15 being undertaken by the Alaska Railroad. And included
16 in your agenda packet is a copy of that risk assessment
17 process. Now, that risk assessment process goes beyond
18 purely dealing with fuel spills. It's looking at all of
19 their risks in a very comprehensive fashion. They've
20 brought on external contractors to assist and are making
21 substantial progress, are not ready to report on. Judy?

22 JUDY ERICKSON: I have another handout that the
23 railroad has given me, so if you would circulate these
24 around, everybody take one.

25 BRIAN ROGERS: Second, the group is endorsing

1 the same kind of response planning methodology which
2 goes to identify the volume, identify the response
3 planning standard, identify where you have equipment,
4 identify where you have gaps, fill the gaps. That's
5 basically that same methodology. Show where you -- and
6 that the railroad would show how they can meet that 15
7 percent response for containment and control within 48
8 hours at areas that a spill might occur.

9 Third, that the Alaska Railroad undertake a
10 contingency plan review under the current law. That
11 would be for the submission to DEC of their contingency
12 plan and a review by DEC of the adequacy of that
13 contingency plan.

14 And fourth, and perhaps most importantly, the
15 Task Force felt that the Alaska Railroad should do a
16 follow-up briefing to the complete Task Force at our
17 next meeting. And that basically goes into the
18 railroad's schedule, which is a sort of interim
19 completion date on the risk assessment at the end of
20 October. So an opportunity to report to this group on
21 what they learned from that process, to lay out what
22 their schedule is for their response planning and for
23 their contingency plan submission to DEC. And that
24 would be a major component at the next meeting, rather
25 than being for the work group, for them to come to the

1 full Task Force.

2 So that forms the recommendations that came out
3 of the Response Planning Standard Work Group railroad
4 session. Let me turn the lights on. And you do have a
5 briefing paper from the Alaska Railroad, recapping what
6 they're doing on response planning standards and what
7 they're doing on prevention measures. And Ernie, I
8 don't know if you want to take a couple minutes and go
9 over that, or if that's background information for
10 members of the Task Force.

11 ERNIE PIPER: Just background information to
12 let you know where we are. We're just completing now
13 the track portion of that. That included the detailed
14 track inspection of the entire line, and this week we're
15 finishing the branch lines, which is particularly
16 important because one of the branches goes out to the
17 North Pole refinery. And also, all 168 bridges on the
18 Alaska Railroad system as well. And that should be
19 complete Saturday or Sunday. And then we'll be giving a
20 mechanical and operating. So we're actually a little
21 bit ahead of schedule.

22 BRIAN ROGERS: The recommendations then of the
23 work group are laid out on Page 3 of the Response
24 Planning Standard Work Group Draft Report that was in
25 the agenda packet. Questions or issues?

1 KRIS MULLAN: Kris Mullan. Roughly what
2 percentage of tracks follow the water?

3 ERNIE PIPER: Depends how you define "water."
4 I mean, you got --

5 KRIS MULLAN: Saltwater.

6 ERNIE PIPER: Saltwater, very little.

7 KRIS MULLAN: It's inland.

8 ERNIE PIPER: Mostly. When we do our planning
9 we kind of break it into Tanana/Nenana River issues.
10 Susitna/Chulitna issues. Portage/Twentymile issues,
11 which includes right there along the arm. Kenai Lake
12 and Trail Lake. Those are the major ways that we look
13 at doing that. Some freshwater lakes, some freshwater
14 rivers. We have a small creek, small river response
15 package, large river response package as well. So
16 that's how we look at it. But we're near water almost
17 all the time. I mean, in some drainage.

18 BRIAN ROGERS: For all the members of the Task
19 Force who are more focused on marine vessels than on
20 railroad cars, the briefing on the rail sciences system
21 risk assessment really does show a number of different
22 dynamics that are at play in terms of what causes
23 derailments and the potentials for spills. And I think
24 it seemed to members of the work group that the railroad
25 is undergoing a pretty rigorous assessment here to

1 ensure that they've identified where their risks are.

2 Gene?

3 GENE BURDEN: Gene Burden. I just had a
4 question on in terms of out of 386 cars, the railroad
5 owns between 40 and 60 of the cars. I'm just curious,
6 as far as the railroad's perception of its
7 responsibility towards cars when it has those cars under
8 its transportation, any difference, are there any
9 contractual arrangements with the owners of the cars the
10 railroad has, or --

11 ERNIE PIPER: Yeah, the governing interchange
12 rules in the industry are the Association of American
13 Railroad Interchange rules. And there are both federal
14 railroad administration defects, class defects, and then
15 above that are AAR classified defects. When a car is a
16 foreign car in your care and you note (inaudible)
17 defects, you repair it and you backbill the owner.

18 GENE BURDEN: But as far as the normal
19 operation, they're considered pretty much
20 interchangeable with those that you own?

21 ERNIE PIPER: Right. And actually, we don't --
22 our owned cars are really secondary use.

23 GENE BURDEN: Thank you.

24 BRIAN ROGERS: Other questions? If there
25 aren't, then on the third page of the report are the

1 three recommendations and the request for the follow-up
2 briefing at our next meeting. That's on the third page
3 of the work group report. Are there any issues or
4 questions, concerns? Is the group ready to
5 provisionally adopt these recommendations for the Alaska
6 Railroad, pending any further information we get at the
7 follow-up briefing?

8 SENATOR DRUE PEARCE: Drue Pearce. I have one
9 question for Ernie. I don't know how your contracts are
10 written with your shippers and the owners of the actual
11 fuel, but let's say you had a spill caused by a
12 derailment and somehow you decided that that was caused
13 by the rail car that wasn't owned by the railroad but
14 was owned by the shipper or the owner of the fuel,
15 however all that works. Under your requirements right
16 now, the contracts that you have, is the railroad
17 responsible for all of the cleanup, even if the owner's
18 car was responsible for the spill as it were? Because
19 with the tankers, responsibility for cleanup transfers
20 after 72 hours.

21 ERNIE PIPER: No. It's our transportation --
22 Ernie Piper. The way we treat it, there may be some
23 secondary liability issues that I'm out of my capability
24 to address in terms of our shipper, I mean our customer,
25 but when I have their fuel in a tank car on my system,

1 then I'm responsible for it. I take care of the
2 cleanup.

3 SENATOR DRUE PEARCE: All of it?

4 ERNIE PIPER: And so we don't hand off. We
5 just take that entire responsibility. Because it's the
6 entire system.

7 SENATOR DRUE PEARCE: Okay.

8 BRIAN ROGERS: Just one issue for note. Most
9 of the product is nonpersistent, as I recall.

10 ERNIE PIPER: Almost all of it is.

11 BRIAN ROGERS: With the exception of occasional
12 asphalt cars.

13 ERNIE PIPER: Correct.

14 BRIAN ROGERS: Any objection to these four
15 recommendations, then? Again, provisionally subject to
16 the briefing at the next meeting.

17 In that case, we're ready to go on to the
18 Prevention Work Group. It's unfortunate we can't have
19 both the lights on and this projector.

20 HEATHER McCARTY: Can you open one of those
21 blinds a little bit so we can write?

22 BRIAN ROGERS: Does that help?

23 HEATHER McCARTY: Yeah, just a little light
24 maybe.

25 BRIAN ROGERS: Okay. As background, the

1 Prevention Work Group, which is trying to determine a
2 prevention program -- and this was called for
3 specifically by the senate concurrent resolution. What
4 the group did was to look at what are the contributing
5 factors to a spill, some discussion of that issue,
6 discussion of issues surrounding prevention measures,
7 and some of the different federal and international
8 issues that affect what we can and can't do were
9 discussed in some depth with the group. Basically, that
10 primarily we're dealing with a voluntary system of
11 prevention measures. There is one mandatory
12 recommendation in the group that I'll get to when we get
13 to the recommendation section.

14 Basically, the group went over what the current
15 prevention requirements are, including the international
16 oil pollution prevention certificate, the SOLAS safety
17 requirements. The STCW is the Standards of Training,
18 Certification & Watchkeeping by the U.S. Coast Guard.
19 And finally, MARPOL. Those are the current agreements,
20 the current international and federal requirements that
21 affect in some fashion or another prevention by marine
22 vessels.

23 KRIS MULLAN: This is Kris Mullan. I don't
24 believe fishing vessels are required to have STCW.

25 CAPTAIN ED PAGE: This is Ed Page, from the

1 Coast Guard. Most cases they don't. And that list is
2 not totally comprehensive. We talk about U.S.
3 regulations in addition to the SOLAS. There are other
4 regulations that apply to fishing vessels, and all
5 vessels for that matter in the federal regulations, 154,
6 156, pollution regulations, and navigational safety
7 regulations, and 164, and other regulation on
8 construction vessels. But that's just kind of a
9 thumbnail sketch of some of the things that are out
10 there. It doesn't mention ISM either. International
11 Ship Management, which applies to some vessels, or will
12 be applying to most vessels here in 2002, larger vessels
13 for sure.

14 BRIAN ROGERS: One of the pieces in terms of
15 background information I think would be useful is to get
16 a more complete listing. We tried to cover the ones
17 that we understood from the group were the primary ones.
18 And, yes, there are some vessels that aren't covered by
19 certain of these. This was sort of to give some
20 examples of the kinds of prevention requirements. Of
21 course, the big issue out there is these are not subject
22 to the jurisdiction of the State of Alaska, but
23 rather --

24 CAPTAIN ED PAGE: I was asked about that and
25 had my staff to come up with this list of regulations

1 and came up with two-inch thick and I said, forget it,
2 stop, stop. It gets ridiculous. And that was just an
3 index. It wasn't even the regulations themselves.

4 BRIAN ROGERS: That's Ed Page.

5 PAUL FUHS: This is Paul Fuhs. I think the
6 concept when Brian says voluntary, when whatever all
7 these regulations are, when you go above and beyond what
8 is required, that would be a prevention measure under
9 this proposed program. Whatever we come up with.

10 KRIS MULLAN: I think the way I was reading it,
11 though, it was going to be a requirement. I could see
12 where it could be read different is my concern.

13 BRIAN ROGERS: When we get to the
14 recommendations we'll make sure we flag that issue.
15 That's an important issue. What we're saying is you're
16 required to do what you're already required to do, and
17 not you're required to do what somebody else is required
18 to do.

19 CAPTAIN ED PAGE: Ed Page again. Just to add.
20 The importance of that is recognize what already exists,
21 and that's why I say engaged, that exists for a certain
22 class of vessels or what have you, so if it is, I don't
23 have above and beyond as Paul mentioned, or whether it
24 is already required.

25 BRIAN ROGERS: We had a fair bit of discussion

1 of the Intertanko decision and what those limitations
2 are in terms of the ability of the state to regulate
3 international commerce, and states are restricted to
4 issues affecting unique waterways, and there was some
5 discussion as to just what, how much we could declare
6 our waterways to be unique and what that would mean in
7 terms of prevention measures. I think the ultimate
8 recommendations of the group do not utilize that unique
9 waterway condition provision of the Intertanko decision.

10 The recommendations, then, basically one
11 mandatory prevention measure, which is that all affected
12 nontank vessels must comply with the existing federal
13 and international requirements applicable to that
14 nontank vessel. And that's our only mandatory measure.
15 But for purposes of Alaska, the -- in terms of meeting
16 the response planning standard, in terms of showing that
17 you are doing things, basically nothing, that the state
18 is not imposing any new -- under this recommendation,
19 any new mandatory prevention measures.

20 BETH KERTTULA: This is Beth Kerttula in
21 Juneau, and just kind of a question to Captain Page. I
22 guess I just want to be sure that we've kind of said
23 that, you know, there may be other provisions. It
24 doesn't really have to do with what we're focusing on
25 here, but through next session and through the -- with

1 CAPTAIN ED PAGE: I talked right to the officer
2 who represented the Coast Guard in the Intertanko suit
3 before the Supreme Court, so he's a professional and
4 knows it inside and out. Loses me in about ten seconds,
5 but at least I ask the questions.

6 BRIAN ROGERS: Yes, Commissioner.

7 COMMISSIONER MICHELE BROWN: This is Michele
8 Brown. I think, Beth, if I understand your question, is
9 more not so much whether what we come up with is going
10 to be preempted, but whether this group is recommending
11 this is the universe of prevention that should ever be
12 done, and that would be going too far because --

13 BETH KERTTULA: I apologize, I just heard
14 Captain Page speak and the question probably should have
15 been more directed toward you. No offense, Ed.

16 COMMISSIONER MICHELE BROWN: No, and I think
17 your point is well taken. I mean, all this group is
18 saying is for purposes of these new vessels that are
19 being brought in, there aren't at this point going to be
20 recommendations of additional mandatory prevention.
21 That does not bar the legislature from making a
22 different analysis on different issues at a future time.

23 BETH KERTTULA: Exactly.

24 CAPTAIN ED PAGE: Sure.

25 BETH KERTTULA: Thank you.

1 BRIAN ROGERS: The second recommendation is a
2 list for voluntary prevention measures. Those measures
3 are contained on the second page of the Prevention Work
4 Group Draft Report, and include emergency tow line or
5 dedicated mooring line, emergency on-board dewatering or
6 petroleum pumps, storage bladders, noncontiguous tank
7 locations, redundant propulsion, redundant navigation,
8 use of an Alaska marine pilot when not otherwise
9 required by law, maintaining a transponder, automated
10 identification system or other vessel location and
11 identification technology on-board, advanced anchoring
12 systems, placement of mooring buoys, use of routes that
13 avoid proximity to shoreline hazards and environmentally
14 sensitive areas, a vetting program, compliance with
15 bridge safety management practices, meeting ISM code
16 requirements earlier than required, participation in
17 risk assessment process, and membership in marine safety
18 organizations.

19 And the group is continuing to work on what
20 other potential voluntary measures would be out there,
21 and when we get to the future work of this group, one of
22 the issues is determining for purposes of prevention
23 credits or other issues what the weighting standard
24 might be for these and sort of what are the priorities
25 for these kinds of recommended measures. Because one of

1 the issues that the work group was aware of is that not
2 all vessel types can do each of the recommended
3 prevention measures. Some are impractical for certain
4 vessel types or sizes. So that is the initial list. I
5 would expect some additions to be made to that.

6 Charlotte?

7 CHARLOTTE MacCAY: Yes, this is Charlotte
8 MacCay. My recollection is you did not get consensus to
9 include use of routes that avoid proximity to shoreline
10 hazards. It was an issue of pilots, and pilot choosing
11 routes based on safety, and that should be dictated from
12 outside, and I don't recall that we have consensus.
13 There are also some other discussions that were added
14 and have been dropped off the list.

15 BRIAN ROGERS: Okay. What were the ones that
16 were --

17 CHARLOTTE MacCAY: We added some on having
18 additional meteorologic or oceanographic equipment, or
19 enlistment in a service that provided that kind of
20 information. As well as staging of additional
21 containment or cleanup supplies on shore near port areas
22 above and beyond what's required by the (inaudible).

23 BRIAN ROGERS: Let me ask others if this issue
24 of the routes is one that the group wants to drop.
25 We'll go to Mike and then Heather.

1 MIKE O'HARA: Yeah, I have two problems with
2 that avoidance of shoreline hazards and environmentally
3 sensitive areas. Number one is the definition of
4 "environmentally sensitive area." I think the entire
5 coastline of Alaska is environmentally sensitive. And
6 it depends on who defines environmentally sensitive. I
7 was telling Jim that somebody can define the Barren
8 Islands as environmentally sensitive and that
9 (inaudible) and the entrance as impassable, which would
10 basically shut down Cook Inlet.

11 The second thing is that it takes this kind of
12 attitude, takes the seamanship away from the master or
13 the pilot and could regulate or -- not regulate, but
14 influence a master or pilot to make a decision based on
15 this thing rather than on the aspects of weather or
16 current or lees of shores or whatever. So this is more
17 of a seamanship issue than -- I'm not comfortable with
18 it.

19 BRIAN ROGERS: Heather?

20 HEATHER McCARTY: Yes, this is Heather McCarty.
21 We talked about this a lot in the Prevention Work Group,
22 and the subject that caught my attention was the
23 environmentally sensitive areas, and people on that work
24 group are tired of hearing about this, but when you're
25 in the fishing industry you're in environmentally

1 sensitive areas operationally by definition almost all
2 the time. So this was identified as one of the ones
3 that we could never comply with as an industry, and
4 would therefore, you know, have a hard time being a good
5 guy on.

6 KRIS MULLAN: For prevention measures, I think
7 in all there's a lot more ideas out there that hopefully
8 we can come up with that would help, and I also have one
9 question. What is a vetting program?

10 CAPTAIN ED PAGE: I guess I can explain that.
11 Vetting program is done by charters of vessels where
12 they do a safety assessment of vessel, looking at past
13 track record and history, and violations, and they
14 actually conduct inspection of vessels and set certain
15 standards as far as go, no go, whether they're going to
16 hire on that vessel. So essentially it's a safety
17 assessment, environmental assessment of the vessel
18 before you're hired on to carry your cargo. Commonly
19 more used in the tanker area.

20 SIMON LISIECKI: Correct.

21 CAPTAIN ED PAGE: Correct, our own. And the
22 tanker agencies that are --

23 SIMON LISIECKI: Simon Lisiecki. We've found
24 our vetting program reduces accidents by about 25
25 percent statistically.

1 BRIAN ROGERS: Judy and Charlotte.

2 JUDY ERICKSON: The Prevention Work Group is
3 meeting next Wednesday here in Anchorage, and this list
4 can certainly be added to it at that time. So we really
5 encourage you all to participate. It will be
6 teleconferenced, and I have a draft agenda I'm going to
7 hand out today for everyone.

8 BRIAN ROGERS: Charlotte, and then Gene.

9 CHARLOTTE MacCAY: I want to repeat a point I
10 made once before. This list really does favor certain
11 types of vessels who stay within Alaskan waters, and so
12 other industries -- fishing has difficulty with a lot of
13 these, spot charter has difficulty with a lot of these,
14 and there's great potential for people to come and turn
15 this on you, and instead of these people did something
16 above and beyond, people will start comparing
17 industries, these industries will be labeled dirty
18 because they hardly employ pollution prevention per this
19 list, and the list does not allow for parity of that.
20 And I know we've talked about weighting, but I think
21 you're going to have a great difficulty if you get into
22 any sort of recognition award or any sort of listing
23 other than recommending these.

24 BRIAN ROGERS: Gene?

25 GENE BURDEN: With the predicate that I'm not

1 privy to what took place in these discussions on
2 prevention measures, but prevention measures are
3 voluntary alternatives available that may be applicable
4 in certain areas and not in others. And so from the
5 standpoint of Mike's comment about the critical habitat
6 areas or environmentally sensitive areas, I think a
7 requirement that would preclude trafficking in those
8 areas per se would certainly never get a consensus on,
9 but there probably are some environmentally extremely
10 sensitive areas that someone may want to elect to go
11 around that might have some influence on the planning
12 purposes for shoreline protection, for example. And,
13 you know, I don't know, if these are not meant to be
14 totally voluntary, I guess where does the potential for
15 either discrimination or mandatory obligations arise?
16 I'd like to hear how that might play out from the
17 agency, and maybe from some of the concerns of other
18 board members.

19 BRIAN ROGERS: Senator Pearce is next, but I
20 wonder if somebody wants to respond to Gene's question
21 first. Does somebody want respond on where the concern
22 is about the negative implications of voluntary
23 measures? Charlotte?

24 CHARLOTTE MacCAY: I think everyone realizes
25 that these are voluntary, but there becomes an influence

1 and that's what I'm talking about. The influence.
2 Let's avoid this which may keep someone from making a
3 safety decision which may lead to an accident and a
4 spill. So it was keeping it out of that. And my
5 concerns were, there's never a purely voluntary thing,
6 and when you get into permitting and other issues,
7 people start looking if you're doing these and it gets
8 held over your head, you know, you guys aren't doing
9 anything here, maybe we want to give you this.

10 And the other concern was just the
11 environmental groups calling in from the outside,
12 looking at this list that's recommended and doing a
13 tally, and then doing a good guy, bad guy list off of
14 that. And you need a list that is very carefully
15 stated, you know. If these are not really available to
16 some groups, you need to be very up-front with that,
17 that these are available to certain industries, other
18 industries they're not available to, and not let people
19 get misled that certain industries are just choosing not
20 to do pollution prevention.

21 BRIAN ROGERS: Senator Pearce and then Eric
22 Britten, Dave Owings and Paul Fuhs.

23 SENATOR DRUE PEARCE: The reason we're even
24 talking about prevention measures is there was a lot of
25 discussion by the industry that there should be some

1 opportunity for giving prevention credits that would
2 bring down the planning standard if a ship had certain
3 things that it had done to make itself safer and bring
4 its risk down. So the use of these would be to take
5 your 15 percent planning standard, and the -- I think
6 that the devil is in the details of how you decide what
7 percentage risk reduction you can assign to different
8 things. But let's say you've got some of the new ships
9 have noncontiguous tank locations, let's say we decide
10 that reduces risk by 25 percent. Okay, boom, their
11 planning standard, come down, their 15 percent gets
12 reduced by 25 percent, and that's their new planning
13 standard. That's where this is going to be used.

14 Those ships that don't use some of these
15 voluntary measures, or if new ships are built that don't
16 use some of them, fine. They then still have to meet
17 the 15 percent planning standard. To on one hand say
18 well, gee, if we're doing things, we should get credit
19 for them, and then say although we don't like the list
20 because somebody's going to say we're not doing them and
21 therefore we're not good ships, kind of a round-robin
22 that seems rather useless and forget the whole thing and
23 forget prevention credits and everybody has to be the 15
24 percent, if that's the concern.

25 Because I don't think anybody is trying to come

1 up with a list so that other people can look at it and
2 say, oh, no, you know, we can't reach these. Of course,
3 there's some ships, because ships are different, and so
4 some can do things that others can't do. But all of
5 these are only here so we can try to reduce the planning
6 standard and therefore reduce the cost of complying with
7 the bill for those ships that have met some of these
8 risk reductions, and I think it's just a list of
9 different things we could use.

10 But my question, actually, two people said they
11 were concerned about the use of routes, or three people
12 were concerned about use of routes that avoid proximity
13 of shoreline hazards. I heard concerns of it being
14 there, but I didn't hear concerns of it being on there
15 in the first place. So what I was sitting here thinking
16 about -- I've been to Puerto la Cruz in Venezuela where
17 all of the ships, cargo, tankers, so on and so forth,
18 use a traffic pattern. It's a left-hand traffic
19 pattern, if you fly airplanes, where all the ships come
20 in one way and they go out another way, and everybody
21 uses it, including the little pleasure boats, and it
22 reduces risk of having a head-on collision because there
23 ain't any ships going toward each other. They're all
24 going -- they swim like fish, swim around in circles.

25 So is that why it's there? And it sounds like

1 it would be useful maybe in some areas where you ended
2 up as kind of a voluntary pattern to help keep ships out
3 of each other's way. But I'm wondering, how did it get
4 there in the first place, what was the reason for it?

5 BRIAN ROGERS: This is Brian Rogers, and it
6 actually came from DEC. The suggestion first, the
7 environmentally sensitive areas, was the 55 most
8 environmentally sensitive areas that have already been
9 identified through a planning process and are on the
10 website for this Task Force. But the idea was that if a
11 vessel has the choice of a route that takes them outside
12 the state's jurisdiction, there is more time to respond
13 before the shoreline is going to be affected and
14 therefore it's reducing the likelihood. And I don't
15 know, Larry, if you want to speak to that.

16 LARRY DIETRICK: Larry Dietrick with DEC. The
17 example used, this is being successfully used and
18 becoming more popular in west coast states. Monterey
19 has a critical marine habitat, it has a separation of
20 those areas from shipping lanes. Probably the most
21 graphic example we have in Alaska is the crude oil
22 industry whereby they have moved crude oil shipping
23 offshore, not only to protect the shoreline, but provide
24 for response time, reaction time, greater ability to
25 contain, control and clean up, but they're 200 miles

1 offshore. Less than 50 to 200 miles, and they not only
2 have probably pretty much successfully mitigated any
3 environmental impacts in Alaska, they are also
4 successfully avoiding the actual requirements under
5 state law and OPA, to have contingency plans, and so it
6 is a very successful tool. And we didn't present it in
7 the context to preclude fishermen from going into areas.
8 It is strictly voluntary. But it is a tool that's a
9 very good way of precluding impacts from oil spills.
10 And it is at the ship's discretion. It would not
11 supersede Mike's concern that the captain always had the
12 ultimate decision there, and it's not intended to
13 override.

14 BRIAN ROGERS: We have Eric, Dave, Paul,
15 Charlotte, Mike O'Hara, Stephanie stacked up here. And
16 Ernie. And Heather. And some people, if you want to
17 put your hand up now, you can think about what you want
18 to say later.

19 Go ahead, Eric.

20 ERIC BRITTEN: Thanks, Brian. Eric Britten
21 with CSX. I think it's important again that we point
22 out the fact that this is a work in progress. I think
23 item 6, you know, above is actually a recommendation.
24 Item 7, you know, there was a lot of discussion, as
25 Heather was talking about, about what is applicable to

1 what class of vessel and what is not. And that's part
2 of the process. I don't think that there is an intent
3 here that every item on this list would be applicable to
4 every vessel. And I missed the work session yesterday,
5 but Paul brought me up to speed on the fact that we
6 actually created five classes of vessels and tried to
7 determine which of these items on these lists would be
8 applicable to each of the classes of vessels. And
9 rather than encourage further discussion on this, I
10 simply would point out that since this is a work in
11 progress, everyone who is focused on these issues that
12 we seem to be talking about, I'd recommend that you come
13 to the meeting next Wednesday because that's when we're
14 going to be addressing these specific issues.

15 BRIAN ROGERS: Thank you, Eric. I was going to
16 raise the same issue on this, is one of the things we're
17 trying to do here by using the work group process is to
18 make efficient use of the Task Force time, and so if
19 this -- clearly we need more discussion on this issue.
20 It may be most appropriate to do that next week. I
21 guess I would think it would be appropriate for this
22 group to continue discussion, though, of the concept of
23 voluntary prevention measures, and if the Task Force is
24 concerned that adopting a list of voluntary measures
25 will cause -- instead of help with prevention, will

1 cause some industries to feel that it's not going to
2 work and causes an area of dissent, that probably is
3 something the Task Force needs to give the prevention
4 group some guidance on.

5 With that, let me turn to Dave. You were next
6 in line.

7 DAVID OWINGS: This is Dave Owings, with
8 SEAPRO. I do believe that the best way to clean up a
9 spill is to prevent it. Now, having said that, I think
10 that we need to recognize that our endorsement of the
11 items on this list will become standards of best
12 practice, I guess is a good way to look at this. And I
13 think Charlotte made some good points about the parts of
14 industry that aren't going to be able to do some of
15 these things or don't need to do some of these things,
16 and how they're viewed from other organizations.

17 I also had a question on the issue of
18 prevention credits, and I know --

19 BRIAN ROGERS: If you could hold on prevention
20 credits -- that issue is later on the agenda -- and to
21 try to focus first on the measures, I'd ask if you could
22 hold on it.

23 DAVID OWINGS: Okay. I'll stop then.

24 BRIAN ROGERS: All right, thanks. Paul?

25 PAUL FUHS: Eric covered my deal, that we split

1 it into five and we went down the list. Just so you
2 know, the other three things we added yesterday was ice
3 class vessels, if you're operating in an ice
4 environment; enhanced maintenance schedule, beyond
5 what's required; and also specialized training for crew
6 on board for how to react in the event of an oil spill.
7 And there may be some others, too, but I just wanted to
8 put those three on the table.

9 BRIAN ROGERS: Charlotte?

10 CHARLOTTE MacCAY: This is primarily to respond
11 to Drue, and I'm not sure if I'll stay right where I'm
12 supposed to on the agenda or not. If reduction and
13 response planning standard is all this goes to, I don't
14 think these concerns come up, but so far what's come out
15 of this work group is the probability of some sort of
16 five-star program and recognition, public recognition,
17 being the most likely outcome. And that is what
18 concerns me far more than any effect on the response
19 planning standard. I mean, I'm not against pollution
20 prevention, if that's how it's coming across, by any
21 means. But I do think this is very weighted toward
22 things that can happen to vessels that return, not come
23 and go on occasion.

24 BRIAN ROGERS: Mike O'Hara, Stephanie, Ernie,
25 Heather, Gene, and Lee.

1 MIKE O'HARA: I was going to ask Captain Page
2 about the federal standards for meteorologic equipment.
3 I get on a ship -- this is O'Hara, by the way. I get on
4 a ship and they've got a fax and they've got VHF radios,
5 but I'm not sure what the meteorological standards are.

6 CAPTAIN ED PAGE: That's it. I mean, there's
7 nothing beyond that.

8 MIKE O'HARA: Weather fax means the ability to
9 receive weather information. Not more sophisticated, or
10 ocean routes, any of these. The only option is ocean
11 routing.

12 CAPTAIN ED PAGE: That's right.

13 MIKE O'HARA: Over.

14 BRIAN ROGERS: Stephanie.

15 STEPHANIE MADSEN: Stephanie Madsen. I guess
16 I'm a little concerned because -- I haven't attended all
17 the prevention committees, but I do have the minutes,
18 and when they listed out the benefits of pollution
19 prevention, reduction of response planning standards is
20 not on that list. And I see us, by -- and I remember it
21 being talked about during the legislative session, but I
22 get mixed messages here, because I'm told that -- what I
23 hear now is that if pollution prevention may result in a
24 reduced or a different response planning standard, but
25 when we talk about different response planning standards