

September 18, 2017

Ron Doyel  
Department of Environmental Conservation  
Division of Spill Prevention and Response  
P. O. Box 1709  
Valdez, AK 99686

**Subject: Response to Application to Amend the Prince William Sound Tanker Oil Discharge Prevention and Contingency Plans**

Dear Mr. Doyel:

Attached please find a response from the International Organization of Masters, Mates and Pilots (MMP) and the Inlandboatmen's Union (IBU), to an application from the Prince William Sound Response Planning Group (PWSRPG) to Amend the PWS Tanking Oil Discharge and Contingency Plans.

MMP and IBU members in Alaska have decades of experience navigating the unique and sometimes treacherous waters of Prince William Sound. We are deeply concerned that PWSRPG is cutting corners and putting the fragile environment of the Prince William Sound at risk by replacing an experienced oil spill response contractor – Crowley Maritime Corporation – with an inexperienced one: Edison Chouest Offshore (ECO).

Edison Chouest has already damaged Alaska's maritime industry and environment by letting the Kulluk oil rig run aground in 2012, through a combination of poor ship design, incompetent operations, and negligence by key personnel. The company also pled guilty to criminal negligence for illegally dumping oil and toxic waste in protected waters off Antarctica.

Edison Chouest does not have the local knowledge, resources, experience or track record needed to protect the Prince William Sound from oil spills. If members of the Response Planning Group believe Edison Chouest is actually qualified for this critical task, they should be required to present their case at a public hearing.

The Prince William Sound does not belong to the companies who drill for oil. It is a crucial shared resource for Alaska, including the fishing, maritime, Aquaculture, recreation and tourism industries. We believe proposed amendment fails to protect Prince William Sound, as required by Alaska law, and must be rejected.

Sincerely,

Donald J. Marcus  
President, International Organization of Masters, Mates and Pilots

Alan Cote'  
President, Inlandboatmen's Union

# Edison Chouest Offshore's Plans for Tanker Escort and Oil Spill Response in Prince William Sound – Designed to Fail?

The International Organization of Masters Mates & Pilots along with the Inlandboatmen's Union, with the assistance of outside experts, has reviewed documents submitted by the Alyeska Pipeline Company:

- Application to Amend the Prince William Sound Tanker Oil Discharge Prevention and Contingency Plans (Revision 1)

And the related:

- Valdez Marine Terminal Oil Discharge Prevention and Contingency Plan.

In its letter of transmittal for amendments to its oil spill response plan, Alyeska claims that “All systems will be equal to or greater than the capability of the current system.”

Unfortunately, this assertion is not supported by the facts. Multiple sources have pointed to flaws in equipment provided by Edison Chouest Offshore, the company Alyeska now wants to use for tanker escort and oil spill response.

- The U.S. Coast Guard, after investigating the grounding of the Kulluk in 2012, concluded that a significant part of the problem was a vessel poorly designed and improperly maintained by Edison Chouest.<sup>1</sup>
- The State of Alaska, this year, has raised questions about "substantial" design deficiencies in ECO vessels.
- Robert Allan, Ltd. a naval architect and marine engineering consultant hired by the Prince William Sound Regional Citizens' Advisory Council has also identified serious flaws in the vessels commissioned by Edison Chouest for service on Prince William Sound, including:

➤ “No evidence presented to indicate that this new hull form has been

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<sup>1</sup> U.S. Coast Guard, [“Report of Investigation into the Circumstances Surrounding the Multiple Related Marine Casualties and Grounding of the Modu Kulluk on December 31, 2012,”](#) April 2, 2014

- model tested to prove that all performance objectives will be met.
- “Existing performance predictions... do not prove performance in the full range of operating conditions
  - “The indirect performance analyses were done only for calm conditions and for wind directly astern.
  - “It is unclear what measures have been taken in the design to cope with the heavy snow and sub-freezing temperatures prevalent in the operating area in winter.”<sup>2</sup>

Allan has concerns about overall performance design and testing for five escort tugs and four support tugs being built in Louisiana and Mississippi, and whether they could handle Alaska's rough weather.

Alyeska and Edison Chouest must demonstrate that the design deficiencies identified by outside reviewers do not diminish required escort and response functions and that these vessels can operate safely in the range of conditions and circumstances encountered in Prince William Sound

If Edison Chouest Offshore is permitted to operate in Prince William Sound, they plan to use different skimmers and different approaches to oil spill recovery. Before any plan is approved, it must be determined whether these new skimmers are up to the task of operating in Alaskan waters.

Edison Chouest proposes to use a Crucial disc system, as opposed to the current TransRec system, for recovering spilled oil. But the company has not yet demonstrated, through tests with North Slope crude oil, whether this new design can perform and recover oil at the rate listed in the plan under a variety of environmental conditions and sea states.

### **A Mountain of Missing Data**

In addition to reviewing what Alyeska has included in its two proposals, we are especially concerned about major issues the company has chosen to leave out of these documents. A number of key issues are omitted, related to Edison Chouest's operations and the human capital required to operate safely in Prince William Sound.

Significant aspects of a safe program to escort tankers in Prince William Sound and prevent oil spills have not been properly addressed – or addressed

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<sup>2</sup> Robert Allan Ltd., [“A Review of the Proposed New Escort and Support Tugs for Tanker Operations in Prince William Sound.”](#) February 2, 2017

at all – in documents released by the Prince William Sound Response Planning Group. Key areas of omission relate to:

- Operational Track record of Edison Chouest Offshore
- Local Knowledge and Crew Qualifications
- A Safe and Efficient Transition
- Proper Training
- Transparency

The current operator, Crowley Maritime Corporation, has not spilled a drop of oil in nearly a quarter century of operation. So why are they being replaced?

The proposed plan amendments are designed to cut costs for the Alyeska Pipeline Corporation and the multinational oil companies which own Alyeska. Alaska law requires the Department of Conservation to protect the precious natural resources that belong to all Alaskans – not the profit margins of oil companies that use those resources.

Here's how and why Edison Chouest is not up to the job.

### **1. A track record of failure, negligence and criminal behavior**

#### **Grounding of the Kulluk: “Sufficient evidence” of legal violations**

The grounding of the oil-drilling barge Kulluk in the Gulf of Alaska in December 2012 put the lives of 18 mariners at risk and could have resulted in a disastrous leak of more than 100,000 gallons of diesel fuel.

A U.S Coast Guard investigation found that the actions –and inactions – of Edison Chouest Offshore (ECO) played a major role in this disaster. ECO had been hired to tow the Kulluk from the Gulf of Alaska to Seattle.

The Coast Guard investigation found that Edison Chouest sent a poorly designed ship staffed by inadequately trained personnel without proper planning and preparation for dangerous conditions on the high seas.

The U.S. Coast Guard account, [reported Workboat.com](#), is “an indictment” of lack of preparation “and of actions and omissions of officers about the towing vessel... built and operated by Louisiana-based Edison Chouest Offshore.”<sup>3</sup>

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<sup>3</sup> *Workboat.com*, [“Shell, Edison Chouest implicated in Kulluk report,”](#) April 21, 2014

In its [detailed 152-page investigation](#), the Coast Guard found “sufficient evidence” of legal violations on the part of Edison Chouest Offshore “as a result of the company’s failure to report “numerous marine casualties and safety related vessel issues.”<sup>4</sup>

In addition the Coast Guard found evidence of negligent acts committed by several ECO employees, including an engineer, master and mate. The Coast Guard recommended further investigation and possible revocation or suspension of their licenses.

***Edison Chouest has been found to be criminally negligent and was required to pay criminal penalties for illegal dumping of oil.***

Offshore Vessels (OSV), a subsidiary of Edison Chouest Offshore, agreed in 2010 to pay \$2.1 million for illegal dumping of waste oil into the protected waters of the Antarctic.

Offshore Vessels had been contracted to operate the Lawrence Gould (R/V Gould) an ice-breaking vessel used for research expeditions for the U.S. National Science Foundation.

According to the U.S. Department of Justice,<sup>5</sup> “OSV admitted that crew members knowingly discharged oily wastewater from the bilge tank of the R/V Gould overboard to the high seas,” a violation of the Act to Prevent Pollution from Ships. The indictment and guilty plea followed an investigation by the U.S. Coast Guard Criminal Investigative Service.

To fully protect the waters of the Prince William Sound, as required by Alaska law, the Department of Environmental Conservation must review and consider Edison Chouest’s track record of poor ship design, inadequate training, disregard of dangerous conditions, and illegal dumping of waste oil in protected waters.

## **2. Local Knowledge and Crew Qualifications**

Missing from the public review documents submitted by the PWS Response Planning Group is any reference to the local knowledge of crews it plans to

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<sup>4</sup> U.S. Coast Guard, *op. cit.*

<sup>5</sup> U.S. Department of Justice, [“Louisiana Vessel Company to Pay \\$2.1 Million in Penalties,”](#) November 4, 2010.

employ in the unique waters of Prince William Sound.

Alaska has some of the most severe wind, current and sea conditions in North America, far different than the waters of the Gulf of Mexico where ECO does most of its work. It appears that ECO plans to operate with crewmembers who will work longer hours on the job and have little or no experience in Alaskan waters. They will be trained primarily using onshore simulators and classrooms in Louisiana, not with real hours of experience operating vessels in Alaskan waters.

Operating vessels without experienced personnel in frequently harsh weather and sea conditions is a recipe for catastrophe. This risk can be avoided by mandating that officers and crew engaged for this work have sufficient experience guiding tankers and operating oil spill response vessels in Prince William Sound. Simply observing Crowley operations is not a sufficient substitute for hands-on experience.

If ECO has sold the Alyeska Pipeline Company a cut-rate bill of good based on “on the job training” and limited time in simulators – instead of decades of practical experience in the harsh marine environment of Alaska -- why not just paint a revolver with one bullet in the chamber on every ECO vessel that operates in Prince William Sound? It would be appropriate. ECO is playing Russian roulette if the company’s managers arrogantly believe that training in a simulator is an adequate substitute for actual experience operating in Prince William Sound.

The International Organization of Masters, Mates & Pilots currently uses a \$30 million simulator to train Crowley Maritime captains and deck officers engaged in tanker escort. Those individuals will attest that time in the simulator, while beneficial, is only a small component of what is required to master escort operations in Prince William Sound. There is no substitute for practical experience in unforgiving marine environment of Prince William Sound.

Currently, masters, mates and other crewmembers who operate Crowley Maritime vessels in the Prince William Sound carry out training exercises at regular intervals throughout the year, in a range of conditions and in cooperation with the local fishermen who would be called upon to assist in oil spill response operations. These are round-the-clock, seven-day long training sessions in Alaskan waters, which closely approximate the actual conditions mariners would face in the event of an oil spill.

The average crewmember has participated in dozens of these drills, learning skills that cannot be easily acquired in a simulated environment or quickly through on-the-job training. As one IBU member described a typical exercise, “It’s like a well-choreographed dance designed to move fast in bad weather and not kill anyone.”

ECO has made vague public references to hiring experienced personnel with experience in Alaska along with promises to hire Native Alaskans. No offers have been made, however, to any current tug captains or crew and nothing about local hiring requirements is spelled out in documents submitted to state regulators.

Another significant concern is that ECO plans to staff its crews on a three weeks on, one week off schedule. This kind of schedule might be workable for operations in the Gulf of Mexico, but it does not take into account weather and travel conditions in Alaska, where it can take several days – or even a week – to get out of Valdez in inclement weather.

Particularly if they remain based in the Gulf Coast, Edison Chouest crewmembers assigned to the Prince William Sound may find most of their time off taken up by travel to and from home. This is likely to result in high turnover – and the waters of Prince William Sound are no place for a rotating cast of crewmembers without training or experience in Arctic waters.

Operating with outsiders in a culture that has ECO’s track record should concern not only state authorities, but also all Alaskans. Abandoning experienced local mariners in order to import out-of-state guest workers who have no knowledge of the conditions and operations conducted in Prince William Sound will put the community at great risk.

Before being entrusted with the responsibility of protecting Prince William Sound, Edison Chouest must show that it will employ mariners with training, qualifications, experience and local knowledge to safely and efficiently operate the new recovery system. This includes the ability to operate escort and response vessels through the array of maneuvers for required for towing, rescue and response to meet safety standards and requirements.

The burden is on Edison Chouest to identify existing qualifications,

experience, local knowledge and training for all personnel necessary to implement the complex escort and response functions in a safe and efficient manner.

### **3. Safe and Efficient Transition**

The transition from Crowley Maritime to Edison Chouest is not clearly spelled out in public documents. But this transition in July 2018, if ECO is approved for operations, is a critical matter for the security of Prince William Sound.

We need much greater detail than a simple statement that “Alyeska will issue a Transition Notice, which will provide for the continued use of the comparable Crowley vessel until such time as the ADEC accepts the ECO vessel.” What is the schedule for transitioning between vessels? What kind of hand off will there be between crews? What training will be provided for new crewmembers?

Turning over operations in a challenging maritime environment such as the Prince William Sound requires more planning and detail than has been provided so far.

There is little doubt that the savings that the Alyeska Pipeline Company hopes to achieve by replacing experienced, fairly compensated and adequately rested mariners with low-paid, out of state workers who are required to work longer hours will be lost with the first mishap. Any reasonable transition period would, by definition, have to extend through the harsh Alaska winter, and must be carried out with adequately trained personnel and appropriate equipment.

The documents submitted by the PWS Response Planning Group show no plan for an orderly transition for equipment or trained, qualified personnel. As of now, neither Edison Chouest nor the Response Planning Group have met their responsibility to ensure no diminishment in response readiness, capability or timing.

### **4. Training**

Training and experience go hand in hand. It is apparent from documentation in the Application for Amendment that training requirements will be watered down.

When coupled with lack of experience, performance will inevitably suffer.



Replacing highly trained mariners with many decades of combined experience in Prince William Sound with ill-trained, inexperienced replacement workers from the Gulf of Mexico is an invitation to disaster. The citizens of Alaska deserve better.

Proper operation of escort and oil spill response vessels in the unique and challenging requirements of Prince William Sound requires mariners to make hundreds of decision, in real time, based on rapidly-changing weather and other conditions.

“There’s a reason we do training in all parts of the year,” says one experienced mariner. “We want heavy weather under our belts.”

Current operation, maintained for decades by Crowley Maritime without any oil spills or other incidents, include a robust training protocol, tested in real-world conditions with the people with actual responsibility for delivering oil spill response. The new systems proposed by Edison Chouest have not been fully tested in rough weather, or with the birds, sea otters and other marine life that are part of the Prince William Sound ecosystem.

## **5. Transparency**

Prince William Sound doesn’t belong to the Alyeska Pipeline Services Company or to the oil companies that own Alyeska. The Sound is a shared resource among many stakeholders.

Public hearings are absolutely essential so that those who live near this pristine body of water and who are involved in maritime, recreation, tourism, fishing and aquaculture can better understand the risks involved in this proposed shift from Crowley Maritime to Edison Chouest.

Many questions should be addressed such as:

- The swapping of tables that assume oil spills at the Valdez Terminal would be smaller in scale than past scenarios, projecting a release of 59,000 barrels of oil as opposed to 89,595 barrels.<sup>6</sup>
- The oil spill prevention plan’s reliance on out-of-state contract crews to fly in and clean up the spill more than a day later.
- Edison Chouest Offshore’s sorry track record of poor ship design, negligence, and criminal dumping of waste oil in protected waters.

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<sup>6</sup> Alyeska Pipeline Service Company, Public Review Documents, 08/08/17, RFAI Round 1 Responses VMT Plan, Amendment 2017-1, “4.0 Scenario 4 - 59,000 Barrels to Open Water”

- The design flaws identified in vessels that Edison Chouest proposes to use in Prince William Sound

It is in the best interests of the oil industry, the maritime industry and the State of Alaska to have a plan and a contractor that can get the job done properly. Another large oil spill in Prince William Sound would have devastating consequences for the oil industry, for Arctic drilling in the future and for all of the economic interests that rely on Prince William Sound.

Right now we lack specific answers to critical questions. Instead we have a corporate cost-cutting plan that appears to be designed to fail its responsibility to uphold Alaska law by protecting Prince William Sound for generations to come.