



DEC NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Coastal Transportation, Inc. pays \$412,101 in fines for violating State oil spill contingency plan and financial responsibility requirements

October 5, 2005—Coastal Transportation, Inc., a Washington-based owner of cargo vessels, paid the State of Alaska \$412,101 to resolve violations of Alaska oil pollution prevention laws. The payment was for the company's operation of vessels in Alaska waters without approved Oil Discharge Prevention and Contingency Plans and the required proof of financial responsibility.

The State became aware of the illegal operation when a Coastal Transportation vessel spilled oil in Dutch Harbor in November 2003. Coastal Transportation, Inc. has since obtained contingency plan and financial responsibility coverage for its vessels.

DEC Commissioner Kurt Fredriksson noted that "Coastal Transportation, Inc. operated without the planning and contracts in place to respond to a spill which is a violation of State law and a significant risk to the environment."

The civil assessments were designed to nullify the economic savings Coastal Transportation was afforded by not complying with the oil pollution prevention requirements, and to reimburse the State for its effort investigating and resolving the long-standing violations." According to Attorney General David Márquez, "This case demonstrates that there is no economic advantage in noncompliance with Alaska's oil pollution prevention laws. The State intends to maintain an even playing field. We will not allow operators who do not comply to achieve an economic advantage over operators who do."

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