



January 6, 2015 (Adak Island, Alaska)

Settlement and Plea Agreement Reached in Adak Bulk Fuel Oil Spill

On January 2, 2015, Aleut Enterprise LLC (AE) signed a global settlement agreement accepting responsibility for violating its oil discharge and prevention plan. AE agreed to pay \$500,000 in civil fines plus an additional \$200,000 for enhanced compliance measures following the January 11, 2010 fuel spill on Adak Island. The civil assessment is in addition to the Natural Resource Damage settlement that settled all federal and state natural resource damage-related claims in exchange for payment of all past and future natural resource damage-related costs incurred by the United States and the State of Alaska, as well as completion of certain habitat restoration and monitoring activities in and around Helmet Creek.

In exchange for the civil settlement the State agreed to drop all criminal charges against AE. Michael Baker, the Manager of Operations for AE at the time of the spill, pled guilty to one count of violating AE's oil discharge and contingency plan (AS 46.04.030(a)), and one count of failing to test overfill detection devices (18 AAC 75.065(j)). Baker agreed to pay a \$2,000 fine and complete 40 hours of community service with an environmental group. The eight additional charged counts were dismissed.

The State filed criminal charges against AE and Michael Baker on July 5, 2013. The State alleged that on January 11, 2010, approximately 1,126 barrels of fuel were released to the waters of the state from a cut and cover tank located at AE's bulk fuel facility. Fuel was being transferred from a tanker at the loading dock when the tank overfilled into secondary containment. The containment sump unit was overwhelmed and the fuel entered Helmet Creek, which flows into Sweeper Cove, a small boat harbor in the Port of Adak. The State alleged that AE violated provisions of its oil discharge prevention and contingency plan ("C-Plan"). The State of Alaska further alleged that the spill resulted from criminal negligence on the part of AE and its agent, Michael E. Baker, due to their failure to comply with various provisions of the facility's oil discharge prevention and contingency plan ("C-Plan") during fueling operations.

The criminal aspects of the settlement agreement and conviction are the result of a joint investigation conducted by the US Environmental Protection Agency and the Alaska Department of Environmental Conservation's Environmental Crimes Unit (ECU). The ECU is tasked with conducting statewide investigations of criminal violations of Alaska statutes and regulations for the Alaska Department of Environmental Conservation. For information about the ECU, or to report an environmental crime the public may contact the ECU by phone, via email, or on the Department of Environmental Conservation's website:

<http://dec.alaska.gov/das/ecu/index.htm>.

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