

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF SPILL PREVENTION AND RESPONSE
INDUSTRY PREPAREDNESS PROGRAM

SARAH PALIN, GOVERNOR

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CORRECTED

July 21, 2009

File No.: 303.20 (CMS)

OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN PLAN APPROVAL

Mr. Stephen Wilson
Director, Health, Safety, and Environmental Affairs
Crowley Petroleum Services Inc.
P.O. Box 2287
Seattle, WA 98111-2287

Subject: **Crowley Petroleum Services Inc. Oil Discharge Prevention and Contingency Plan; (ADEC Number: 09-CP-5106); Plan Approval and Distribution**

Dear Mr. Wilson:

The Alaska Department of Environmental Conservation (Department) received the complete Crowley Petroleum Services Inc. Oil Discharge Prevention and Contingency Plan, ADEC Number: 09-CP-5106. The Department reviewed the Plan in accordance with 18 AAC 75.455.

This approval applies to the following oil discharge prevention and contingency plan:

Plan: **Crowley Petroleum Services Inc. Oil Discharge Prevention and Contingency Plan**

ADEC Plan No.: **09-CP-5106**

Plan Holder: **Crowley Petroleum Services Inc.
P.O. Box 2287
Seattle, WA 98111-2287**

Covered Vessels: ***Barge 550-1 (1123079), Barge 550-2 (1123080)
Barge 550-3 (1132685), Barge 550-4 (1134952)***

Regions of
Operation:

**Southeast, Prince William Sound, Cook Inlet, Kodiak,
Aleutians, Bristol Bay, Western Alaska, Northwest Arctic,
and North Slope**

PLAN APPROVAL: The Department granted approval of the above referenced Plan, effective July 21, 2009. A Certificate of Approval is enclosed. A copy of the Certificate of Approval and the Plan must be on board any vessel(s) operating under this Plan while in State waters.

The Department determined that the Plan, as represented by Crowley Petroleum Services, Inc. in the Plan and application for approval, satisfied the minimum planning standards and other requirements established by applicable statutes and regulations. The Department does not warrant to the applicant, the plan holder, or any other person or entity: (1) the accuracy or validity of the information or assurances relied upon; (2) that the Plan is or will be implemented; or (3) that even full compliance with and implementation of the Plan will result in complete containment, control or clean up of any given oil spill. Crowley Petroleum Services, Inc. is encouraged to take any additional precautions and obtain any additional response capabilities it deems appropriate to further guard against the risk of oil spills and to enhance its ability to comply with its duty under AS 46.04.020(a) to immediately control, contain and clean up an oil discharge.

This approval is subject to the following **terms and conditions**:

1. Documents required on board the vessel(s): While in State waters, a copy of the Certificate of Approval and the Plan, as defined in 18 AAC 75.425(e)(1), must be on board all covered vessels at all times.
2. Final copy of the Plan: Crowley Petroleum Services, Inc. must submit to the Department updated versions of the approved Plan, including all revisions instituted during the recent Plan review within 30 days of this letter. **You must send one complete Plan copy to each of the Department's Anchorage and Valdez offices. In addition, you must send either a complete updated version of the Plan or a copy of the Plan edits and revisions to each controlled Plan holder.**
3. Amendments and renewals: All amendments and renewals must be submitted in a "red line" format that clearly identifies the proposed changes. This includes all changes, regardless of their significance. "Red line" format means that each and every change, addition or deletion must be clearly identified within the text of the Plan.
4. Notice of changed relationship with response contractor: Crowley Petroleum Services, Inc. relies on the use of response contractor(s) for its Plan implementation. Crowley Petroleum Services, Inc. must immediately notify the Department, in writing, of: (1) any change in the contractual relationship with Crowley Petroleum Services, Inc. response contractors; (2) any breach by

either party to the response contract that may excuse a response contractor from performing; (3) any indication a response contractor may fail or refuse to perform; or (4) any event that may otherwise affect the response, prevention or preparedness capabilities described in the approved Plan.

EXPIRATION: This approval expires **July 20, 2014**. Following expiration, Alaska law prohibits operation of the vessel until an approved plan is once again in effect.

RENEWAL: Crowley Petroleum Services, Inc. must submit a completed renewal application and plan to the Department no later than 180 days prior to the expiration of this approval. This is to ensure the submitted plan is approved before the current approved Plan expires (18 AAC 75.420).

REVOCAION, SUSPENSION OR MODIFICATION: This approval is effective only while Crowley Petroleum Services, Inc. is in compliance with the Plan and with all of the terms and conditions described above. The Department may, after notice and opportunity for a hearing, revoke, suspend or require modification of the approved Plan if Crowley Petroleum Services, Inc. is not in compliance with the Plan or for any other reason stated in AS 46.04.030(f). In addition, Alaska law provides that a vessel or facility that is not in compliance with a plan may not operate in State waters (AS 46.04.030). The Department may terminate approval prior to the expiration date if deficiencies are identified that would adversely affect spill prevention, response or preparedness capabilities.

DUTY TO RESPOND: Notwithstanding any other provisions or requirements of this Plan, a person causing or permitting the discharge of oil is required by law to immediately control, contain and cleanup the discharge regardless of the adequacy or inadequacy of the Plan (AS 46.04.020).

NOTIFICATION OF NON-READINESS: Crowley Petroleum Services, Inc. must notify the Department, in writing, within 24 hours after any significant response equipment, as specified in the Plan, is removed from its designated storage location or becomes non-operational. This notification must provide a schedule for equipment substitution, repair or return to service as described in 18 AAC 75.475(b). This notification does not in itself waive any provision of this Plan approval. If the Department accepts Crowley Petroleum Services, Inc.'s schedule for equipment substitution, repair or return to service, it will provide an approval in writing.

CIVIL AND CRIMINAL SANCTIONS: Failure to comply with the Plan may subject Crowley Petroleum Services, Inc. to civil liability for damages and to civil and criminal penalties. Civil and criminal sanctions may also be imposed for any violation of AS 46.04, any regulation issued thereunder or any violation of a lawful order of the Department.

INSPECTIONS, DRILLS, RIGHTS TO ACCESS, VERIFICATION OF EQUIPMENT, SUPPLIES AND PERSONNEL: The Department has the right to verify the ability of Crowley Petroleum Services, Inc. to carry out the provisions of this Plan and to access inventories of equipment, supplies and personnel. Verification may be through means such as inspections and

discharge exercises. Verification may be with or without prior notice to Crowley Petroleum Services, Inc. The Department has the right to enter and inspect the covered vessel(s) in a safe manner at any reasonable time for these purposes and to otherwise ensure compliance with Plan terms and conditions (AS 46.04.030(e); AS 46.04.060; 18 AAC 75.480 and 485).

COMPLIANCE WITH APPLICABLE LAWS: If amendments to the approved Plan are necessary to meet the requirements of any new laws or regulations, Crowley Petroleum Services, Inc. must submit an application for amendment to the Department at the above address. Crowley Petroleum Services, Inc. must adhere to all current applicable state statutes and regulations. This approval does not relieve Crowley Petroleum Services, Inc. of the responsibility to secure other federal, state or local approvals or permits or to comply with all other applicable laws.

VOLUNTARY INCIDENT REPORTING: In the interests of early identification and reduction of spill risks in Alaska waters, the Department requests that it be notified if the vessel(s) covered by this Plan, in transit to or from Alaska waters, is involved in: (1) a reportable incident as defined by United States Coast Guard (USCG) regulation or (2) is not in compliance with the vessel's USCG Certificate of Inspection. The Department requests a report as soon as possible after addressing resultant safety concerns either via telephone at (907) 269-7566 or by facsimile to (907) 269-8403. The initial report of the incident should contain the date, time, location, weather conditions, vessel operations underway, identity of any facilities and other vessels involved and a brief analysis of any known cause(s). The Department requests that Crowley Petroleum Services, Inc. submit a copy of the final USCG report within thirty days of the incident.

INFORMAL REVIEWS AND ADJUDICATORY HEARINGS: Any person who disagrees with this Plan approval may request an adjudicatory hearing in accordance with 18 AAC 15.195 - 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. **Informal review requests** must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days of the Plan Approval. **Adjudicatory hearing requests** must be delivered to the Department Commissioner, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days of the Plan approval. If a hearing is not requested within 30 days, the right to appeal is waived. Please send a copy of an informal review or hearing request to the undersigned.

If you have any questions regarding this process please contact Samantha Smith at (907) 269-7566 or Samantha.smith@alaska.gov or Martin Farris at (907) 269-8487 or martin.farris@alaska.gov.

Sincerely,



Betty Schorr
Program Manager

Enclosure: Certificate of Approval, Number: 09-CER-004

Electronic cc w/ enclosure:

Stephen Wilson, Crowley Petroleum Services, Inc.
Jenni Nelson, Young Environmental Services, LLC
John Kotula, ADEC
Samantha Smith, ADEC
Martin Farris, ADEC
Gayle Martin, ADF&G
Carol Fries, ADNR

cc w/out enclosure:

Carol Smith, Valdez Coastal Coordinator
Peter Denmark, Whittier Coastal Coordinator
Brian Templin, Craig Coastal Coordinator
Mayor Walter Jack, Angoon Coastal Coordinator
Steve Ritzinger, Haines Coastal Coordinator
David Richards, Hoonah Coastal Coordinator
Adrian LeCornu, Hydaburg Coastal Coordinator
Paul Reese, Kake Coastal Coordinator
Leslie Jackson, Ketchikan Coastal Coordinator
Allan Stewart, Pelican Coastal Coordinator
Leslie Isaacs, Klawock Coastal Coordinator
Leo Luczak, Petersburg Coastal Coordinator
Marlene Campbell, Sitka Coastal Coordinator
Carol Rushmore, Wrangell Coastal Coordinator
Karol Kolehmainen, Aleutians West Coastal Coordinator
Gary Williams, Kenai Coastal Coordinator
Tina Anderson, Aleutians East Coastal Coordinator
Yvonne Kopy, Bristol Bay Coastal Coordinator
Anne Cervenka, Cordova Coastal Coordinator
Marj Harris, Skagway Coastal Coordinator
Mike Harper, Thorne Bay Coastal Coordinator
Thede Tobish, Anchorage Coastal Coordinator
Susan Lee, Matanuska/Susitna Coastal Coordinator
Carl Andrew, Cenaliulriit CRSA Coastal Coordinator
Martin Lydick, Kodiak Island Coastal Coordinator
Vinnie Catalano, Cook Inlet RCAC
Andrew DeValpine, Bristol Bay Coastal Coordinator
Skip Ryman, Yakutat Coastal Coordinator
Donna Schantz, Prince William Sound RCAC
Jordon Keeler, Lake and Peninsula Borough Coastal Coordinator
Teri Camery, Juneau Coastal Coordinator