Oil Spill Prevention, Administration and Response (OSPAR) Fund

Annual Report
FY 2004

Abandoned Vessels; LST 1148, MV Yukalpeten

Rhode Island Department of Environmental Management
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Introduction

The Oil Spill Prevention Administration and Response (OSPAR) Fund, RIGL Chapter 46-12.7, was created in 1996 (modifying a prior statute adopted in 1990) in the aftermath of the environmentally devastating North Cape oil spill. The fund was created, and is continually supported, by the assessment a $0.05 per barrel fee on petroleum products received at marine terminals in Rhode Island. The purpose of OSPAR is multi-faceted. It provides funds to promptly respond to, contain, and remediate oil spills. OSPAR funds are also utilized to maintain a state of emergency response readiness through responder training and equipment acquisition. The fund further provides, in the event of a significant release, funding for emergency loans to workers affected by a spill as well as damage compensation for claims that cannot otherwise be compensated by responsible parties or the federal government. The funds and the operations conducted in accordance with the statute are managed by the Rhode Island Department of Environmental Management (DEM).

Section 46-12.7-7 of the statute requires the DEM Director to submit an annual report to the legislature on the OSPAR Fund. This report summarizes the status and use of the fund for FY 2004.

Revenues & Expenditures – FY2004

The OSPAR account started FY 2004 with a balance forward of $6,589,250. During FY 2004, the $0.05 per barrel fee resulted in the collection of $2,480,086 after the seven percent cost recovery. OSPAR also received $77,999 as reimbursement for expenditures in responding to the Bouchard-120 oil spill, $19,472 as reimbursement for expenditures from the North Cape Oil Spill Restoration project, and $3,000 for rental of the low-pressure excavator by the Town of Westerly. Personnel and operating expenditures for FY2004 totaled $1,332,422, which included $250,000 for the PORTS Navigational system in Narragansett Bay. In addition, $4,145,000 was transferred from the OSPAR account to the CRMC for the Providence River Dredging Project. A more detailed review of all expenditures is provided below.

Activities – FY2004

Summary

With regard to pre-spill preparedness, the OSPAR Fund was used in FY2004 to cover personnel and operating expenses, the PORTS Program, the development of a Continuity of Operation Plan (COOP), a Fisheries Closure and Reopening Plan, Bay Assessment and Response Team (BART) web site (http://www.state.ri.us/dem/bart/index.htm) and a comprehensive natural resources database for Narragansett Bay. Training initiatives undertaken during FY2004 included 24 hour hazmat training to the DEM staff which provide support to the emergency response program during an oil spill. A master price agreement was developed to provide scientific support for Natural Resource Damage Assessment. The department also issued a request for proposals for

scientific support services to provide the department with additional field scientific support during an oil spill response.

Personnel costs assigned to the OSPAR Fund included the following: DEM's Emergency Response Team (full salaries of Environmental Response Coordinator, partial salaries of four other team members, and full salary of an Executive Assistant assigned to the OSPAR program); DEM's GIS Supervisor (partial); and staff from DEM's Office of Waste Management engaged in oil-related investigation and remediation activities (partial); and staff from DEM's Office of Technical and Customer Assistance, Division of Fish & Wildlife, and Office of Water Resources responsible for carrying out DEM activities related to the Providence River Dredging Project (partial). These salary and benefit costs totaled $598,885. (See detailed breakdown below.)

Operating expenses charged to the OSPAR Fund included the following: vehicle maintenance purchase and lease costs ($207,353); emergency response equipment ($16,629); vessel equipment maintenance and storage ($16,485); training and travel ($16,565); under water video system ($27,701) and other miscellaneous equipment and supply costs ($74,286). These operating expenses totaled $359,019. (See detailed breakdown below.)

OSPAR Funds were also utilized to provide continued support for the Narragansett Bay Physical Oceanographic Real-Time System (PORTS). The PORTS system provides continuous, real-time tide, current, and weather information to pilots to ensure safe navigation of oil barges and other large ships that transit Narragansett Bay. PORTS support costs totaled $250,000

OSPAR Funds, totaling $41,503, were used to continue the development and maintenance of a comprehensive statewide GIS application for natural resource damage assessment (URI/Narragansett Bay National Estuarine Research Reserve Cooperative Project).

The DEM Emergency Response Team, an all hazard response program that incorporates the oil spill prevention and response functions, maintained a high level of response with respect to oil spills, hazardous material incidents, domestic preparedness, and other state emergencies in FY2004. There were 525 emergency response investigations related to oil spills undertaken by the team during the fiscal year. The actions of the Emergency Response program resulted in removal from the environment of 40,600 gallons of oil and 3,500 tons of oil spill debris.

Expenditure Breakdown

Personnel

Environmental/ Emergency Response/Dredging **$**485,523
Full salaries and benefits of DEM's Environmental Response Coordinator and partial support for four other members of DEM's Emergency Response Team. All five personnel serve as first responders and are principally responsible for administering the OSPAR Program both in terms of pre-spill readiness and post-spill

response. An Executive Assistant is also assigned to the OSPAR program. Partial salaries and benefits for personnel from DEM's Office of Technical and Customer Assistance, Division of Water Resources, and Division of Fish and Wildlife responsible for dredge project oversight.

Geographic Information System (GIS) **$**35,911
Partial support of salary and benefits of DEM's GIS Supervisor. This individual is responsible for maintaining a comprehensive internet mapping application for planning, assessment and response to oil spills or other environmental emergencies in RI marine waters. This individual is also responsible for developing and maintaining a complete data inventory on an internal network capable of supporting responders during an oil spill or other environmental emergency. In the event of a spill, the GIS Supervisor coordinates the collection and dissemination of locational data documenting extent of spill, fish kills, etc. In the aftermath of a spill, support is also provided for natural resource damage assessments to aid in the collection of damages from responsible parties.

Division of Waste Management **$**77,451
Partial support of salary and benefits of two DEM employees in the Department's Office of Waste Management. Both individuals are routinely engaged in oil-related investigation and remediation activities, which during FY2004 included: Merva site, Arco/Amoco site, Chevron site, Getty terminal, Getty pipeline, Mobil site, Unocal site and several sites along Allens Ave. Providence.

$598,885

Operating

Vehicle Maintenance & Readiness	$168,056
Safety Equip. – Emergency Response	$16,629
Training & Travel	$16,565
Emergency Response Vehicle Leases	$6,852
Vessel Maintenance, and Storage	$16,485
Cell phones, pagers	$14,778
Computers/Printers	$31,176
Supplies: Office, Scientific, Miscellaneous	$28,332
Underwater Video Camera	$27,701
Emergency Response Vehicle	$32,445

$359,019

Navigation Aids

Narragansett Bay PORTS $250,000

See overview of PORTS Program later in this report.

$250,000

Other

Natural Resource Data Base for Narragansett Bay $41,503
Under this URI/Narragansett Bay National Estuarine Research Reserve Cooperative project, monitoring data pertaining to a range of natural resources – fisheries, wildlife, other biological parameters – from throughout Narragansett Bay is being gathered and incorporated into a comprehensive computerized data base. In the event of a spill, the data base can be quickly accessed to determine the type of resources likely to be found in a given area at a given time of year. With this information, scientists can initiate targeted sampling, ahead of a spill, to gauge baseline information on natural resources that might be impacted by the spill, thereby facilitating more accurate damage assessment analyses.

The Coastal Institute at the University of Rhode Island was contracted to develop a Continuity of Operation Plan (COOP), Fisheries Closure and Reopening Plan, and a web page for the Bay Assessment and Response Team (BART) $83,015

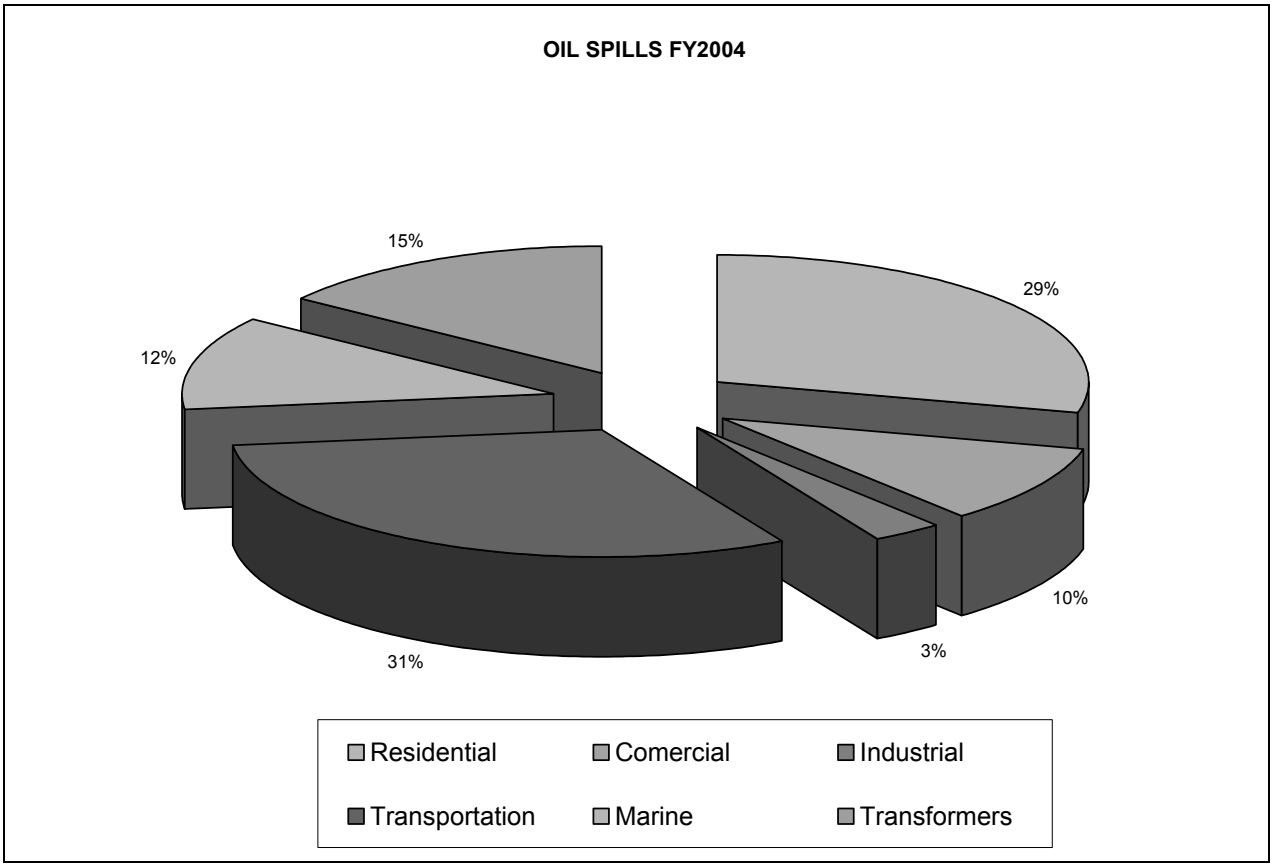
$124,518

TOTAL **$1,332,422**

Post-Spill Clean-Up Activities

The DEM emergency response team responded to over 525 oil spills during FY2004. This represents a 16 percent reduction in oil spill response compared to FY2003 The amount of oil products and oil spill debris managed during these response activities is estimated to be 40,600 gallons of oil and 3,500 tons of oil spill debris. In FY2003, the department remediated 39,200 gallons of oil and 780 tons of oil debris. While there were fewer spills in FY2004, the amount of oil recovered remained constant and the amount of oil debris removed increased by nearly 500 percent.

The circumstances causing these releases and the impacts generated were varied. The following illustrates the categories of oil spills and the relative percentages of each.



The greatest percentage of spills (31 percent) was transportation related. Most of these spills were relatively small and were the result of motor vehicle accidents. The department did respond to three spills related to aircraft accidents during FY04.

Residential oil spills comprised the next largest category, accounting for 29 percent of the department's responses. Releases from residential heating oil tanks are becoming extremely problematic. Cleanup for these types of spills can be expensive, and many homeowner insurance policies do not provide coverage. The DEM has discussed this issue with the Department of Business Regulation and, according to DBA, legislative action would be required to change the current underwriting practices. DEM has posted information on its Emergency Response web page regarding how to minimize the risk of a spill or release from a residential oil tank (http://www.state.ri.us/dem/programs/director/emerresp/prevent.htm).

A somewhat surprising statistic is that spills from transformers were responsible for 15 percent of responses. This may be the result of the stress put on the power transmission system during the peak demand periods.

Commercial and industrial spills, combined, equaled 13 percent of the total spill responses. The relatively low percentage of spills related to industrial and commercial facilities is not surprising. The facilities are subject to more regulatory oversight and the oil products themselves are typically an integral part of operating the facilities.

Oil spills in Narragansett Bay comprised 12 percent of response activities. There were several significant marine responses. The tanker *Asphalt Victory*, carrying 8 million gallons of heated roofing tar, en route to the Sprague Terminal, Providence, had an explosion inside a cargo tank. The explosion was the result of a steam line failure which super heated the cargo. Damage was sustained to the support structure between the port and starboard tanks resulting in the implosion of 20 square feet of the deck and a small loss of cargo. The incident occurred prior to the vessel entering Rhode Island waters. The vessel was brought to within five miles of Narragansett Bay where the hull and decks were cleaned and inspected. A stability assessment was performed. The vessel was allowed to transit to Providence escorted by the oil spill response vessel, *New Jersey Responder*. At the terminal the vessel was offloaded into shoreside tanks as well as an inter-coastal barge.

Asphalt Victory: Deck implosion and oil staining.

In the summer of 2003, the Department of Environmental Management and the U.S. Coast Guard responded to a report of an oil spill at the south pier of the Melville Marine facility. Tied to the pier were two abandoned derelict vessels containing significant quantities of oil and

hazardous waste. The vessels were in danger of sinking at the pier. A third vessel, a tug, had already sunk. Mitigation actions were taken to remove the accessible oils and hazardous wastes as well as temporarily stabilize the ships.

A plan was drafted in the fall of 2003 to scrap and salvage the 328- foot Landing Ship, Tank (LST) 1148 "*Sumner County,"* the freighter "*MV Yukalpeten"* and the Tug "*Electra."* All three vessels had been abandoned since the mid 90s. On February 4, 2004 salvage operations began. Initial actions focused on removing the remaining oils, hazardous waste and asbestos from the vessels. Containment and absorbent boom was deployed around all three vessels during salvage to contain any residual oil or floating debris. Despite extreme weather conditions, the project proceeded without any major incidents.

Yukalpeten Salvage May 2004

There were several spills at Galilee Pier and in the Harbor of Refuge. Most of the spills were related to discharge from bilges and fuel transfer operations. The largest spill involved the FV *Lady Helen*. The fishing vessel struck the jetty as it was returning to port. The crew successfully escaped prior to the vessel sinking in 20 feet of water. At the time of the casualty there was over 800 gallons of diesel fuel on board. Initial weather conditions made salvage impossible. A heavy sheen emanated from the vessel. The strong winds carried the sheen offshore where it was broken up by heavy wave action. When conditions became favorable for salvage, oil was collected at the surface using absorbents. An additional 100 gallons of diesel fuel was recovered from the vessel's six fuel tanks.

Recovery of the FV Lady Helen, March 2004

PORTS Program

OSPAR continues to support the Narragansett Bay Physical Oceanographic Real-Time System (PORTS) that began operation in June 2000. PORTS, which is operated by the National Oceanic and Atmospheric Administration (NOAA), is comprised of five monitoring stations located in Narragansett Bay that monitor stage of the tide, currents, and weather. This data is reported every six minutes to a central receiving computer, which processes the information. Real-time information regarding tides, current and weather can be accessed by telephone at 401-849-8236 and 1-888-301-9983 or on the Internet at www.coops.nos.noaa.gov/nbports/nbport. NOAA continuously monitors the in-water sensors and conducts data validation. This 24/7 quality control allows NOAA to guarantee the accuracy of the data. As a result, the state-licensed pilots who guide the largest vessels into port in Narragansett Bay are able to make decisions on vessel movements with real-time information. Accurate information to make navigational decisions is extremely critical because it is not unusual for a vessel to have less than three feet of clearance between its keel and the bottom of the channel.

Providence River Dredging

The state's share of the Providence River and Harbor Maintenance Dredging Project for FY2004 was $4.1 million. With the completion of the dredging project, 6 million cubic yards of material will be removed from the shipping channel returning a seven-mile stretch of the Providence River Channel to its federally authorized dimensions of 40 feet of depth and 600 feet of width,

helping to ensure safe passage of ships, including those delivering oil, into and out of the Port of Providence.

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Emergency Response Preparedness

In FY2004 the Emergency Response program began renovation of the former Dawley Park headquarters building. The facility, located on Route 3 in Exeter, is ideally suited for the needs of the program. It is centrally located, and will provide storage for the department's emergency response equipment. It will also provide a location for wildlife rehabilitation and can serve as a command center if needed. To date the architectural and engineering plans have been developed to repair the exterior of the building. The work is scheduled to be under taken during FY2005.

The department held a 24-Hour Hazwoper Course for staff on March 24-26, 2004 at the Canonicus Camp and Conference Center in Exeter. The purpose of this course was to instruct staff in the OSHA standards for hazardous substance emergency response and cleanup during oil spills. Twenty-six employees from the Bureau of Natural Resource's divisions of Fish and Wildlife, Agriculture and Parks & Recreation attended this three-day course, which was presented by C Sert, a nationally recognized emergency response firm. The course was specifically tailored to meet the specific and unique experiences of these workers who are responsible for protecting the state's pristine and sensitive areas as well as the wildlife. The course curriculum included instruction in the identification of hazardous materials, safety and health hazards, incident command system procedures as well as a demonstration of personal protection equipment. This course is part of the department's continuing effort to train its employees in the proper emergency response standards and procedures for the protection of the state's environment as well as their personal protection.

Outlook & Projections

In FY2005, $250,000 has been designated for habitat restoration, pursuant to a new statutory mandate that provides for annual funding from OSPAR in that amount (RIGL δ 46-12.7-4.1(g). The funds are transferred to the Coastal Resources Management Council, which administers the state's coastal habitat restoration program. Additionally, $968,267 has been allocated for the South coast Restoration project. This project will dredge breach ways and tidal deltas for eelgrass habitat restoration, replenish beach areas and restore fish passage in Westerly, South Kingstown and Charlestown. Lastly, $100,000 will be utilized for Boyd's Marsh. This restoration project will enhance various shellfish and finfish populations in Mount Hope Bay. The project will also return natural fauna to the inter-tidal marsh, providing control of mosquitoes.

Aside from these additional provisions, projected OSPAR-related expenditures during FY2005 are expected to be similar to FY2004 barring any major spills and associated response needs, the balance of the Fund is projected to be approximately $3.8 million at the close of FY2005.

Contact Information

For further information regarding this report, the activities of the emergency response team or OSPAR, contact Michael Mulhare, RIDEM Environmental Response Administrator, at 401-222-4700 extension 7124 or at mmulhare@dem.state.ri.us.