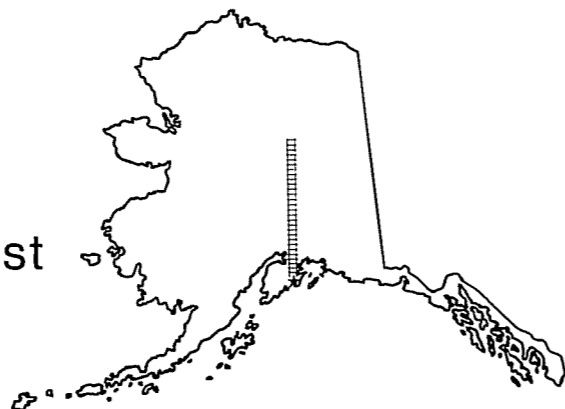


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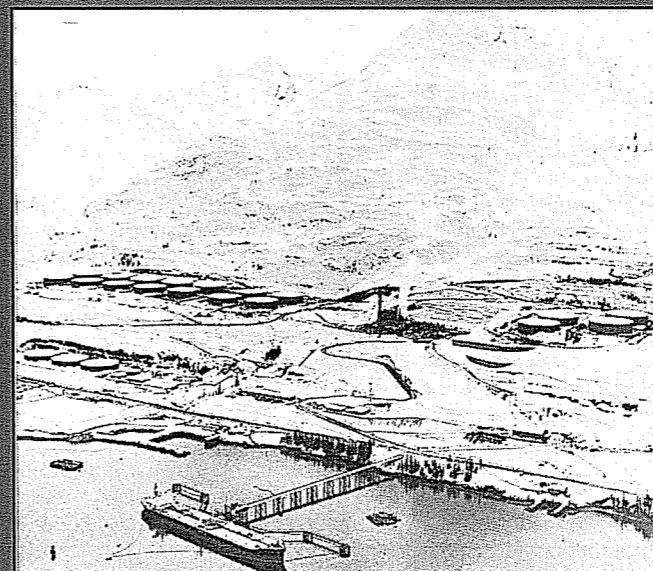


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## Resource Review

April 1989

### The Alaska oil spill



#### Related stories

- Impact on the fisheries ...Page 2
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- Environmental record ... Page 3
- President Bush's Statement ...Page 5
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An aerial view of the 1000-acre Valdez terminal of the trans-Alaska pipeline shows a tanker docked at Berth 4.

### ANWR debate takes on new political atmosphere

The debate over oil and gas development in the Arctic National Wildlife Refuge is certain to take on a new political atmosphere in the wake of the Prince William Sound oil spill. The effects of the oil spill have already reached the halls of Congress, delaying legislative action to open ANWR to oil drilling.

The Prince William Sound accident is one that induces outrage, even among industry leaders and the most ardent supporters of resource development. Much of the anger is justified, especially since the mishap resulted from a senseless human error in the transportation of oil to market, not in the actual development and production of the crude.

The nature of the accident does underline the immediate need for improved procedures in containing and cleaning up oil spills. Government agencies and industry have formed special task forces to investigate the Valdez accident and to

take immediate steps to improve the industry's ability to prevent oil spills and respond more effectively should they occur.

However, the spill should not be used to delay the opening of ANWR to oil and gas leasing. Faced with increasing trade deficits and rising oil imports, ANWR's enormous petroleum potential is too valuable for Congress to ignore. Without new development, the United States will have to substantially increase its already growing reliance on foreign imports. Virtually all of the additional imported oil would have to be transported by foreign tankers into American ports.

Prohibiting Alaska oil development will not reduce the risk of oil spills in the United States. Well over half the oil the nation now uses must travel by tanker through American waters into American ports. Failure to develop promising oil prospects in Alaska will not change that fact. (Continued on page 4)

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# Biologists caution about forecasting impact of spill on salmon season

The Prince William Sound oil spill has dashed hopes of commercial fishermen in Cordova and Valdez of a record season in harvesting pink salmon from the Sound. However, state officials are cautious about forecasting the impact of the spill on the salmon season.

Commercial fishermen and state biologists have been eagerly awaiting the largest run of pink salmon ever to return to the Sound. A record run combined with high prices could mean an economic boom to the communities of Valdez and Cordova. But in the aftermath of the March 24 oil spill, neither fishermen nor biologists know what to expect.

The state has already announced the closing of the \$12 million herring season that was to begin this month. Biologists and fishermen fear the oil could poison too many fish and eggs to permit a harvest. The spill also caused the Fish and Game Department to order the pot shrimp season to an early end, and to cancel black cod season.

Chuck Meacham, state commercial fisheries supervisor, has expressed concern about the tainting of important spawning grounds and the successful hatching of eggs.

If the returning herring survive the toxins from the spill, the population should survive even without spawning this year. The main body of the herring is five years old and it will be back to spawn next year, Meacham said.

Biologists don't expect the returning salmon to be harmed as much as the herring. Water quality should improve between now and when the salmon return later in the year. In addition, salmon will not spend as much time in contaminated areas as the herring do.

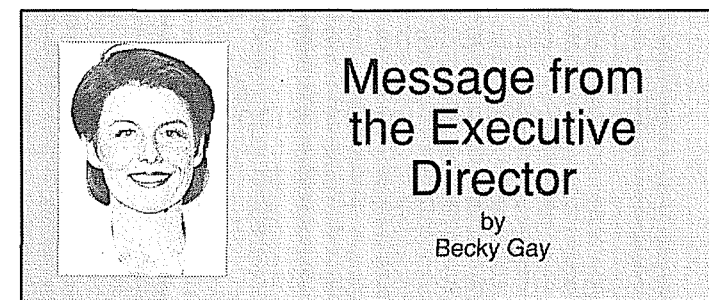
Meacham was cautious about forecasting the effects of the spill on salmon.

"Yes, they certainly can get tainted," Meacham said, "but there's just too many factors that can't be assessed at this time."

Dr. June Siva, manager of environmental science for ARCO, said the more significant impacts of the spill will be confined to birds, sea otters and the inter-tidal organisms which come into direct contact with the oil. However, because the oil slick is primarily on the surface, Siva predicted the impacts to marine fish are likely to be much less severe. She explained that fish travel in the water column, and since the oil is on the surface, fish should escape exposure to

(Continued on page 6)

# Time will tell and Exxon will pay



Message from the Executive Director  
by Becky Gay

Worse were the "blame-sayers," with their eyes ablaze and fingers pointing, they railed unmercifully on Exxon, the Coast Guard, the President and the federal and state agencies, never letting up while anyone would listen. They never let up while Exxon was busting guns to unload and float the impaled tanker to meet the high tide. Now the lawyers are crawling like flies over the whole area, anxious to stake their part in a cleanup of a different kind.

Scientists are descending upon the carcass of the event to learn from it. This is one of the most important positive side effects. They will help us, and we must learn all we can from this major spill. The Governor's Science and Technology Foundation has a chance to use this opportunity to get going on a real project.

For the near future, the tourism visitor industry in the Sound is likely to be primarily made up of scientists, interested observers, lawyers, Exxon personnel and a host of federal and state people. It will be tourism of a different kind, but we can and should make it easy for them to come.

The fishing industry is proving they can "catch" oil as well as fish, sometimes with the same gear. Exxon pays, they fish. It may run a distant second to fishing fish, but at least the boats and clean-up crews are "makin' bacon." The seafood season in Prince William Sound may very well be closed this year, bolstering prices elsewhere. Time will tell, but even government biologists caution against forecasting the impacts on the upcoming season, much less the long term.

The spill is upon us and the cleanup will be a long process. Nature remains the strongest force in the arsenal of cleanup tools. There will be a need for a second wave of helpers, a third and maybe more.

In my opinion, Alaska does need its own oil spill response army, similar in speed of deployment and effectiveness as its firefighters. The least this experience has shown is that in the event of a major spill, you don't need as many people as you need the **right** people. I believe Alaska has the right people and the right reasons to make sure of a ready response anywhere in our waters.

RDC'S efforts are committed to making sound resource development better. Learning from mistakes is a crucial part of the lesson. I believe amazing things will happen when the stones stop flying.

# Industry adopts united position on Tongass

The Alaska Loggers Association (ALA) has unanimously approved a new policy statement on Tongass legislation that represents a united industry position on the future management of the nation's largest national forest. The ALA is now calling on the Southeast Alaska Conservation Council, the Southeast Conference and the State of Alaska to work with the Alaska Congressional Delegation to forge an "All-Alaska" position to present to Congress.

In considering Tongass legislation, the statement notes that "a primary concern for Congress should be with the well-being of people and communities dependent upon National Forest timber sales in Southeast Alaska." The statement represents the position of loggers, the pulp mills, the sawmills, Sealaska Corporation, Klukwan Forest Products Corporation, Koncor and associate members.

Virgil Soderberg, ALA president, said the policy statement "represents our best effort to address the concerns of the majority of people in Southeast Alaska, especially those people and communities dependent upon National Forest timber." Soderberg added, "We are also sensitive to the concern that other resources such as fish, wildlife and subsistence continue to be protected."

In its policy statement, ALA recommends that Tongass legislation and the U.S. Forest Service retain a sufficient commercial forest land and timber base under multiple-use management to make available an allowable sale quantity of 4.5 billion board feet per decade subject to ongoing and annual review to meet timber industry needs based on market demand, industry capacity and economic.

The ALA does not support the concept of "mandated" cut. The ALA believes the harvest levels should be driven by economics, markets, and sound principles of forestry.

The policy statement recommended that the Forest Service management program for multiple use lands should continue to provide proper recognition of other multiple use values such as fisheries, wildlife habitat and programmed subsistence. These resource values, ALA said, could be protected by provisions which provide for riparian management zones along streams, wildlife retention zones and protection of the visual

resources. Tongass loggers presently harvest federal timber in accordance with extensive provisions in the National Management Act and other laws which protect these other resource values.

The united industry position pointed out the Tongass multiple use lands should be managed to provide economically viable timber sales to all operators which will provide positive stumpage returns to be shared with local government bodies. The statement noted that intensive management funds are needed as part of the program to access marginal timber stands. These funds are necessary because of the 1980 designation of 1.6 million acres of commercial forest land as Wilderness.

Intensive management monies should be authorized up to \$18 million per year, ALA recommended, but should be subject to the annual appropriation process. The expenditure of intensive management funds should be limited to accessing marginal timber by preroaded of existing and new timber sales, reforestation and thinning and fisheries enhancement.

The loggers policy statement also called for retaining the exemption from Section 6(K) of the National Forest Management Act to access timber stands in marginal areas. Access to marginal timber areas is made necessary by the Wilderness designations which cover more accessible commercial forest land.

Tongass legislation should also allow for drainage management in which larger clearcut size would be permitted so long as it is not inconsistent with multiple-use management and other resource values. The ALA explained that clearcut size is not the best management practice on the Tongass because it does not necessarily minimize the potential impact of timber harvest on the national Forest.

The ALA warned that perceived problems of individual contracts should not drive legislation which can have far-reaching impacts on the people and the communities of Southeast Alaska. It suggested that matters concerning individual contracts should be negotiated between the U.S. government and respective private party.

In addressing land issues, the statement said that new land allocations, which add to designated Wilderness or other protected status,

Getting the most from RDC



By Anne M. Bradley

Much to my chagrin, when I thanked our conference sponsors in last month's Resource Review, I failed to recognize the Alaska R.O.A.D. Association, an exhibitor at the conference and a new-comer to the Alaska non-profit scene.

The Alaska R.O.A.D. Association (Alaska Road Opportunities for Access & Development Association), is based in Cordova and is an association of businesses and individuals who promote environmentally-sound road development in Alaska to provide opportunities and access to Alaskan land for recreation and economic development.

RDC sincerely thanks the Alaska R.O.A.D. Association for its support of our conference and for its patience in receiving thanks for that support!

should not be the subject legislation, nor should they be made prior to completion of the Tongass Land Management Plan (TLMP).

However, if Congress decides in the public interest to allocate land areas in advance of TLMP, ALA believes that only portions of the following areas should be considered for removal from multiple use management: Yakutat Forelands, Kadashan, Lisianski, Karta, Nutkwa and Chuck River.

The boundaries of areas considered for removal from multiple use management must be carefully delineated, a task which members of ALA are prepared to do. Areas removed should not block access to areas under multiple-use management and allocation should facilitate, not block, access for power transmission and transportation corridors. Areas now in protected status should be reviewed to provide substitutes for new areas removed from multiple-use management.

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# Nature recovers from earlier spills

Eleven years ago, the Amoco Cadiz broke apart and sank off Portsall, France, spilling tens of millions of gallons of Arabian crude into the sea. Black crude from the world's worst oil spill covered much of the scenic Brittany coastline, raising fears of complete biological annihilation of popular fishing grounds.

For five to eight years after the spill, the aquatic food chain was disrupted. However, French officials claim that the worst fears were unjustified, at least in the long term. Today life on land and in the sea has returned to normal with few signs of the 1978 disaster. The French experience showed that nature cleans up such spills better than man.

It is too early to determine whether the Prince William Sound spill will have long-term lingering impacts. While the Alaska spill is six times smaller than that of the Amoco Cadez, it is concentrated in a more enclosed area that encompasses important salmon and herring runs. However, the strong tidal flush of Prince William Sound and its stormy weather may help mitigate the effects of the spill.

Experts say that rough seas helps disperse oil. In the French spill, the stormy English Channel cleared away much of the oil. A massive cleanup effort was launched and chemical dispersants were used on the spill, but in the end nature was most effective.

The major lesson of the French disaster is that recovery takes time. For the hardest-hit areas, natural regeneration has taken ten to twelve years.

Researchers noted some species of birds and marine life were not affected by the spill, but others were hit hard before bouncing back in time. The slowest to recover was the biomass, or accumu-

lation of plant and animal life in the sea. However, the food chain has now returned to a near-normal equilibrium.

Area fishermen report that fishing in the area returned to normal by the end of 1981, nearly four years after the oil spill. Sea life was back to normal by 1985 and today French officials believe the full richness of the sea will return in a few years.

A Massachusetts Institute of Technology report on the impact of oil spills from World War II tanker sinkings noted that 484,200 metric tons of oil was spilled within 50 miles of the U.S. Atlantic Coast during the first six months of 1942. The recent Alaska spill measured approximately 37,500 metric tons.

The only cleanup efforts were the burning of oil incidental to the initial bombing of ships and the cosmetic actions to clean beaches for tourists. Otherwise, the ocean and coastal environments had to absorb the full impact of the spilled oil.

MIT findings indicate that the ecology of the coastal regions survived this wartime devastation.

Other experiences also suggest that the long-term impacts of the Alaska spill will be small. For example, respected biologists predicted the Santa Barbara Channel would be dead for 25 years following the California spill, however, recovery was rapid with major impacts measured for less than two years.

Dr. June Siva, manager of Environmental Science for ARCO, estimates that it will take the Prince William Sound ecology about three years to recover from the Exxon Valdez spill. Siva is considered one of the most knowledgeable scientists on oil spills.

# Fish impacts...

(Continued from page 2)

the oil. Siva pointed to a fish farm in Port Angeles Harbor that was contaminated by an oil spill for several months. The fish, which were held in net pens in the top 15 feet of water, escaped exposure to the oil. Tests were conducted for months after the spill and no oil was found in the fish.

In the wake of the disaster, the Alaska Seafood Marketing Institute is scrambling to limit the damage to the state's reputation brought on by news reports of the oil spill. A number of seafood brokers have inquired about possible contamination problems, as well as projected price increases due to supply disruptions.

"A lot of them just want to be reassured that there's no contaminated product going into the marketplace," said Mary Gore, projects coordinator for ASMI. The Alaska Dept. of Environmental Conservation has guaranteed no contaminated fish will be allowed.

Meanwhile, the communities of Cordova and Valdez are watching the unfolding events in Prince William Sound with great concern. If the fishermen can't fish, the local processors and their employees can't work. Likewise, merchants will feel the pinch as will local governments through a loss in sales tax revenues and other funds.

Exxon has stressed it recognizes the potential impacts and has pledged to compensate those communities and residents damaged by the spill.



Cordova's economy is almost entirely dependent on the fishing industry. "What we have is an economy that is not diversified, which is in great jeopardy," says Cordova Mayor Erling Johansen.

## Pipeline owners announce plans to improve ability to prevent spills, ensure response

The three major owner-companies of the Alyeska Pipeline Service Company have announced a series of steps to immediately improve the industry's ability to prevent oil spills in Alaska and to respond more effectively if they occur.

Alyeska operates the Valdez Marine Terminal and the Trans-Alaska Pipeline System on behalf of affiliates of seven owner companies, including ARCO, BP America, and Exxon Company U.S.A.

"We sincerely regret the environmental tragedy in Prince William Sound and pledge to do everything feasible to prevent another such accident from happening," the companies said.

Among the immediate prevention steps to be taken:

1) Ship owners and operators using the Valdez terminal will be required to institute random drug and alcohol testing on all their vessels. The policies for all vessels entering Valdez will be examined to ensure that they are in full compliance with all federal regulations.

2) Tug escorts will be provided and pilotage will be requested on all incoming and outgoing vessels to a point beyond Bligh Reef.

3) Alyeska will propose to the U.S. Coast Guard the addition of radar responder capability to the existing Bligh Reef buoy and other appropriate locations within Prince William Sound.

Top priority should be placed on prevention measures because of the difficulty in containing and effectively dealing with a major spill on the open water. However, the three companies also announced the following measures to improve response to a major spill:

4) Additional skimming and booming capacity will be acquired by Alyeska to augment the existing spill contingency equipment, in advance of a detailed study of contingency requirements.

5) Alyeska will assure the on-site availability of chemical dispersants and dispersant systems so they may be used in a timely manner in the event of a major spill.

A full assessment of Alyeska's response to the March 24 accident will be made in order to assure that all improvement opportunities have been identified. Subsequently, an owner-company task force will make additional recommendations on such matters as improved clean-up equipment and spill response management for Valdez and Prince William Sound. The task force's report will be completed within 30 days, made public, and promptly implemented.

The owners have also instructed Alyeska to cooperate fully with appropriate state and federal agencies to provide the best available oil spill prevention and response system feasible.

"Effective spill response is a complex process requiring a coordinated effort by a large number of people," the three companies said. "Industry and the appropriate government agencies must work together to examine the spill prevention-response system in Alaska from a broad perspective."

"A painful lesson has been learned. We all must make adjustments as a result of the experience gained."

## Industry's environmental record in Alaska

Before the grounding of the Exxon Valdez, there had been minimum environmental consequences of developing oil in Alaska. The movement of gigantic amounts of oil through the trans-Alaska pipeline and thousands of tanker shipments from Valdez have occurred under an excellent record.

But in the aftermath of the oil spill, a rightly regulated Alaska oil industry will likely come under increasing government scrutiny. Monitoring and enforcement activities are likely to intensify.

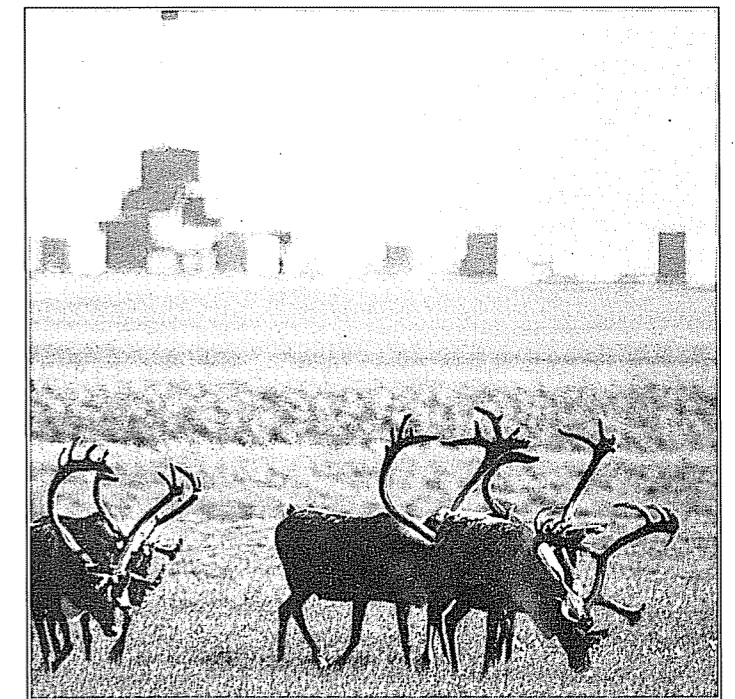
President Bush said he's determined to proceed with oil drilling in Alaska because a single oil spill caused by a negligent tanker captain is no reason to "go backwards." Bush said he's prepared to support tight requirements and improved emergency procedures for quicker response to tanker accidents.

Admittedly, early development in the harsh conditions of the North Slope was a learning experience for industry. However, highly effective, efficient and environmentally-safe methods of oil production evolved out of the early challenges faced by industry at Prudhoe Bay.

Early planning has helped to keep problems on the North Slope minor and infrequent. Where problems or mistakes have occurred, industry has taken appropriate action to correct them.

According to state and federal officials, the industry's overall environmental record in Alaska is a good one. The industry has invested over \$44.8 billion in North Slope development and clearly has a vested interest in maintaining high environmental standards to protect its investments.

Wildlife has cycled independently of any development on the North Slope. Research has provided no evidence that oil field activities have produced any measurable change in the population of any fish or wildlife species using the North Slope.



Billions of barrels of oil have been produced on the North Slope without causing any significant harm to the environment there. The Central Arctic caribou herd, which migrates into North Slope oil fields every year, has expanded from about 3,000 animals in 1970 to some 18,000 in 1988.

# Oil in Prince William Sound

(Continued from front cover)

## The scope of disaster

The area affected by the March 24 oil spill represents one of the most productive commercial fisheries in the nation and some of the most scenic touring areas in Alaska. For local communities of Prince William Sound, the spill could bring severe economic hardship by imperiling a commercial fishing industry worth hundreds of millions of dollars. However, government biologists warn that it is too early to forecast the impact of the spill on the fishery.

Exxon took full responsibility for the cleanup and plans to fully compensate individuals and groups affected by the spill. The corporation has also made a commitment to the state to help in the long-term rehabilitation of the area's fisheries.

More than 2.3 million pounds of cleanup material and equipment have been flown to Prince William Sound by Exxon in 49 cargo jet flights from the Lower 48 states, England and Canada. In total, about 100 vessels and 18 airplanes and helicopters have been contracted by Exxon to support cleanup operations.

As of early April, 39 large skimmers were in operation and more than 200,000 feet of booms had been deployed with another 155,000 feet on hand or enroute.

## Dispersants

Still more questions than answers surround the tanker spill in Prince William Sound, especially those dealing with the use of dispersants. For example, did government regulators hinder Exxon's initial response to the spill by failing to grant immediate permission for the spraying of chemical dispersants on the oil? If Exxon had responded immediately with dispersants, would that have made a difference in the early containment of the spill or a significant portion of it?

For spills over the 200,000 barrel threshold, the state-approved contingency plan calls for immediate containment by booms and mechanical devices and a quick treatment with dispersants.

Exxon claims that it immediately applied for permits to use dispersants and burn the oil, but that government permission was not forthcoming during the first days of good weather. Exxon press releases indicate the company was prepared to use dispersants when the slick was confined to an area of about four square miles.

Company officials said the results from limited testing were favorable, but authorization for full-scale use of dispersants came too late. A storm grounded planes loaded with dispersants in Valdez and strong winds pushed what had been a comparatively small slick over a 100-square mile area within hours.

Dr. June Siva, manager of environmental science for ARCO in Los Angeles, said that the toxicity of dispersants had been grossly exaggerated by environmentalists, government regulators and the media. She said modern dispersants are relatively benign, breaking the oil into tiny droplets that quickly dissolve into the first 30 feet of the water column.

"The only problem with dispersants," Siva said, "is the reluctance of government regulators to allow their use."

Responding to reports that dispersants do not work on North Slope crude, Siva said that extensive tests have found them to be effective. "Certain dispersants are more effective than others, and certain dispersants work better in cold water than others," Siva said.

"But, the more the crude weathers, the less effective they are and that is one of the reasons why it's necessary to use them as soon as you can."

## Perspective

In the 12 years before the spill, 6.8 billion barrels of oil, approximately 250 billion gallons, had been safely pumped through the Alaska pipeline and transported out of Valdez in nearly 9,000 tanker trips. Billions of barrels of oil have been produced on the North Slope without any significant harm to the environment there. North Slope production has accounted for 25% of all oil produced in America and has cut the national trade imbalance by hundreds of billions of dollars.

Failure to develop new oil prospects in Alaska would only deprive the state of potentially enormous petroleum revenues vital to its economy. Today \$8.50 of every \$10 spent by the State of Alaska comes from oil production. The state, in turn, spends four times the national average per citizen.

The economic well-being of Alaska and the oil industry are so firmly tied together that the livelihoods of many Alaskans, in one way or another, are affected by North Slope oil production.

Since 1980, the state has received more than \$26 billion in taxes and royalties from oil. State revenues generated from oil development have resulted in construction of schools, health care facilities, sewer and water systems, expanded higher education, new highways, airstrips, port facilities, libraries and scores of amenities that most Americans take for granted. Even fish and game management programs and environmental protection systems have been funded through oil and gas revenues.

With oil revenues sure to fall with the imminent decline in Prudhoe Bay production, Alaska is looking to promising new petroleum prospects in the arctic to help pay for the cost of government and a much ex-



*In the 12 years before the oil spill, 6.8 billion barrels of oil have been safely pumped through the Alaska pipeline and transported out of Valdez in nearly 9,000 tanker trips.*

panded infrastructure system. Although fishing, tourism, mining and timber represent vital links in Alaska's economy, these sectors make up less than 15% of all state revenues, underlining the impact oil revenues have on the state's economy. The combined revenues of these industries would fall far short of maintaining basic services and a modern infrastructure system that was largely non-existent in many areas of the state before the mid-1970's.

Alaska cannot afford to mortally wound an industry that comprises 85% of its paycheck, nor can it afford another oil spill. Furthermore, without a strong economy, Alaska will find it difficult to pay for high-quality environmental protection. The two go hand in hand.

## The Future

There is no hiding the fact that the Prince William Sound spill will leave its mark on the environment for some time. But, diligent cleanup efforts and the natural weathering process of the crude oil in the sea could very much limit the long-term harm. Studies by the National Academy of Sciences and others on the effect of oil in seawater suggest that the long-term impacts on marine life are likely to be small.

There's plenty of blame to go around and the Prince William Sound residents who make their living from the sea are angry. For the oil industry and the State of Alaska, the repercussions go far beyond Exxon's cost in cleaning up the mess and compensating area residents for losses.

But in the end, America's demand for energy is likely to continue to increase, and if the supply doesn't come from domestic sources, more foreign tankers will call on American ports.

# Nation highly dependent on Alaska crude

The Prince William Sound oil spill has shown millions of people along the West Coast how much they depend on North Slope crude.

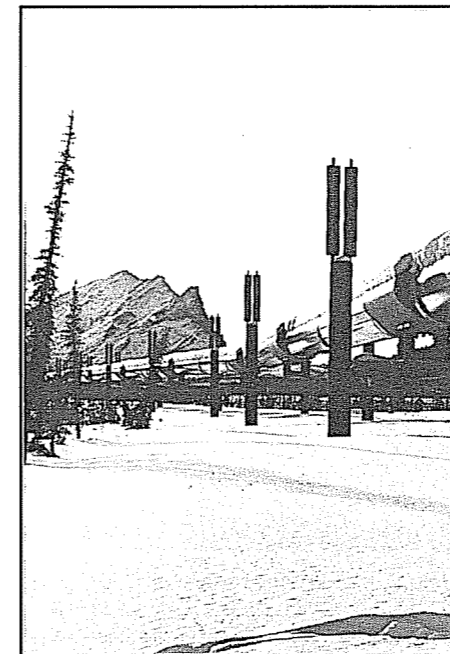
When the supertanker Exxon Valdez impaled itself on a reef south of Valdez March 24, spilling an estimated 10 million gallons of oil into Prince William Sound, the port of Valdez was shut down for four days. When the port reopened, the Coast Guard would allow only limited tanker traffic, citing both safety and cleanup reasons.

The shutdown and slow down forced Alyeska Pipeline Service Company to curtail the flow through the trans-Alaska pipeline by 60 percent, drastically cutting tanker traffic to the West Coast.

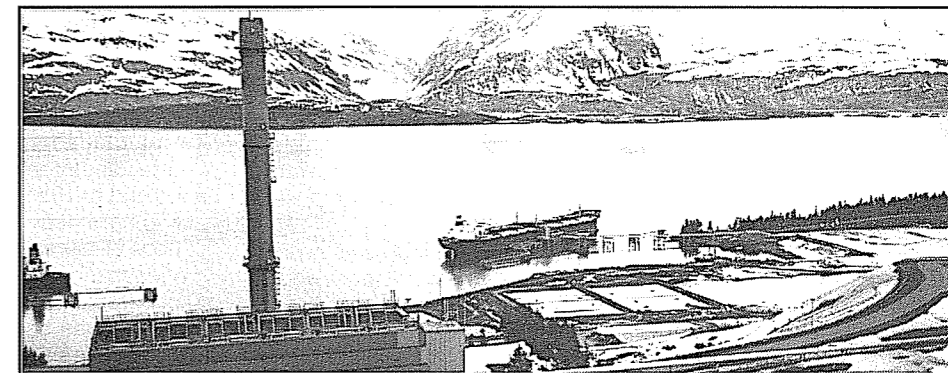
Since North Slope crude accounts for over 50% of the West Coast oil supply, wholesale gasoline prices quickly climbed. Consumption also climbed dramatically as people rushed to top off their tanks, scared that the Valdez tanker spill would cut off supplies.

The slow down has also had negative fiscal impacts on the Alaska treasury, which receives 85% of its revenues from oil production. The cutback is estimated to have cost the state millions of dollars in lost taxes and royalties in just the first week following the spill.

Non-development-groups have urged Governor Steve Cowper to completely shut down the pipeline and terminal, but such a request was denied. Such action would not only bring immediate devastating financial losses to the state, but would spark supply disruptions throughout the United States rivaling OPEC actions in the 1970s.



*The trans-Alaska pipeline.*



*Some 25% of the nation's domestic oil production is shipped out of Valdez to Lower 48 markets. The oil-loading marine terminal at Valdez is the largest of its kind in the world.*

# Statement by President Bush

We all share the sorrow and concern of Alaskans and the determination to mount a sustained cleanup effort. Our ultimate goal must be the complete restoration of the ecology and the economy of Prince William Sound, including all of its fish, marine mammals, bird and other wildlife.

The Exxon Corporation has acknowledged responsibility for this spill and its liability for the damages. Exxon should remain responsible for both damages and for employing civilian personnel necessary to control further damage. However, Exxon's efforts, standing alone, are not enough. And after consulting with a congressional delegation - Senator Ted Stevens, Senator Frank Murkowski, Congressman Don Young - I have determined to add additional federal resources to the cleanup effort, in addition to the considerable federal personnel and equipment already on the scene.

And this new effort will focus on the job of helping recover oil now in the water and restoring beaches and other damaged areas. This effort should not in any way relieve Exxon from any of its responsibilities or its liabilities. I've asked Sam Skinner, our Secretary of Transportation, to serve as the coordinator of the efforts of all federal agencies involved in the cleanup and to work with the Alaskan authorities and Exxon.

Admiral Paul Yost, the Commandant of the Coast Guard, will return to Alaska to assume the personal oversight of developments. As we all know, the Coast Guard has many assets in place right now.

Also at my direction, Defense Secretary Dick Cheney, will make available U.S. Armed Forces personnel and equipment to assist in the cleanup. The military will provide personnel for direct cleanup activities, as well as assisting with logistics - the needs of logistics related to the cleanup. And of course, these efforts must be undertaken carefully, so that further damage to fragile areas will not occur. Intensive planning now going on, as well as appropriate cleanup training, will be completed before ground units are actually deployed.

In addition to the Department of Defense personnel, I'd ask my staff to develop plans to enable volunteers to participate in cleanup activities. By summer, we hope to have developed facilities to enable us to accommodate a corps of Alaskan volunteers. And when I say "develop facilities," these gentlemen will tell us, we're dealing with very remote areas in some cases here.

I've asked EPA Administrator Bill Reilly to coordinate the long-range planning to restore the environment of the Sound. EPA will draw on the expertise of scientists and oil spill experts in this work. It will also consult with other federal agencies that are assessing scientific data regarding the effects of the oil spill.

We will not forget the residents of Alaska, who have suffered extraordinary economic loss. And, when you talk to these congressmen, as I have, and get it brought home on a case-by-case basis, we have to be concerned and we are concerned. In addition to paying damage claims against it, we encourage Exxon to increase its local hiring for the cleanup efforts. Secretary Skinner will also work with Exxon and appropriate agencies to develop appropriate loan assistance programs, to assist those who have suffered economic injury.

This situation has demonstrated the inadequacy of existing contingency plans. And, consequently, I have directed a nationwide review of contingency plans of this type to determine improvements that may be necessary.

In describing these measures, we should not be under any illusions. The job of cleaning up the oil from both the sea and the affected land areas will be massive, prolonged and frustrating. Nothing we can do will totally resolve this problem in the short-term period. Rather, we must be prepared for a long sustained effort.

Learning from this experience, we also rededicate ourselves to transportation safety and to realistic planning for accidents that do occur. At the same time, our national security interests in the domestic energy supply should not be forgotten. The excellent safety record that was recorded prior to this incident must be restored and maintained consistently into the future.