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Exxon- Valdez

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Dredging for Lessons From the Tragedy in Prince William Sound

By Wesley Loy
Special to The Washington Post

NANCHORAGE, Alaska
early four years after the wreck of the Exxon Valdez, visitors to Alaska's coastline would be hard-pressed to find much sign of the nearly 11 million gallons of oil that spread over an area about 15 times the size of Rhode Island.

But the largest tanker spill in U.S. history has left a legacy that won't fade for years, if not decades, government scientists now say.

In the months following March 24, 1989, when the supertanker ran aground, the catastrophe attracted an army of biologists and sundry specialists who turned Prince William Sound and outlying coastal areas into a gigantic laboratory.

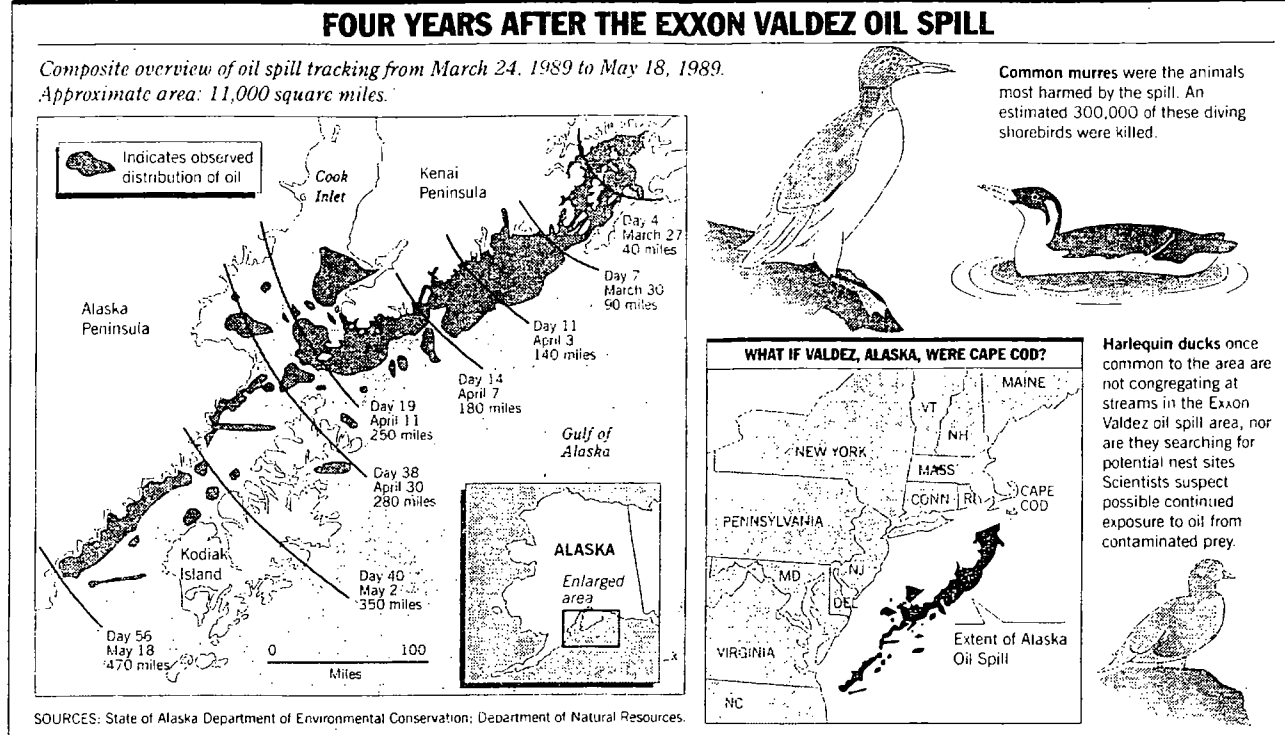
At least \$100 million was spent on research, making it the most studied oil spill in history. Many of the findings, however, had been cloaked in secrecy, waiting to be used as evidence against Exxon Corp. in the event of a trial. But in late 1991, Exxon settled with the United States and Alaska governments for more than \$1 billion.

Two weeks ago, about 500 scientists, lawyers and environmentalists gathered in Anchorage for the first thorough airing of more than 100 studies of the disaster. Many prompted concern, as scientists reported that oil continues to seep from beneath coastal sediments, some birds seem to have forgotten how to breed, some fish stocks are producing mutated offspring and some of the massive cleanup effort may have done more harm than good.

Few Visible Signs of Oil

Nonetheless, most of the oil has dissipated. A National Oceanic and Atmospheric Administration (NOAA) analysis estimates that: 50 percent biodegraded on beaches or in the water; 20 percent evaporated; 14 percent was recovered; 12 percent is at the bottom of the sea, mostly in the Gulf of Alaska; 3 percent lies on shorelines; and less than 1 percent still drifts in the water column.

Most beaches in the oil's path look as clean as they did before the



tanker hit Bligh Reef. No species are extinct. The commercial fishing industry has not collapsed. And some experts now caution against overestimating the scope of the damage. "There are a lot of people who are too ready to blame everything on the oil spill," said Mark Fraker, a biologist with the Alaska Department of Fish and Game. "There's a lot we just don't know."

That includes precise counts of dead wildlife. Thousands of oiled carcasses were stored in freezers in Anchorage for later analysis. But researchers needed an array of techniques to better estimate the total kill, ranging from computer modeling to a controversial bird study in 1990 in which 219 live specimens were killed, fitted with radio transmitters, dunked in crude oil and then cast adrift to see where they ended up. Federal biologists defended the use of freshly killed birds, saying the frozen birds would not have the same buoyancy characteristics.

Seabirds were the biggest casu-

alties, dying en masse up to 500 miles from the spill site. More than 36,000 bird corpses were collected, but scientists now believe between 375,000 and 435,000 died, the most ever documented in the history of oil pollution at sea. The common murre, a diving shorebird, was hardest hit; an estimated 300,000 of Alaska's 12 million murre were killed. Scientists also estimate that about 900 bald eagles were killed—about 11 percent of those in the spill area.

Sea otters, the cuddly media symbol of the spill, were another major casualty. Between 3,500 and 5,500 of Alaska's estimated 150,000 sea otters died after their fur became fouled with oil.

Commercially important fish species fared comparatively well—including salmon and herring stocks. Yet scientists report dramatic harm to the long-lived, deep-dwelling rockfish. Normally, rockfish carcasses are rarely seen, but boaters throughout oiled waters found and collected them. Necropsy results on

a few rockfish confirmed oil had killed the bottom-dwellers.

Other questions may never be answered. What, for example, became of 14 killer whales that once swam in Prince William Sound? About 182 killer whales in nine families used the sound before the spill. Since then, one well-studied family has lost 14 members, including some females that left calves. It is not clear whether the spill killed the whales, which in years past have been spotted with bullet wounds, possibly inflicted as the whales stole fishing lines.

And what of the harlequin duck, which has all but stopped reproducing in oiled areas? Scientists suspect their breeding habits have been hampered by continued eating of oil-contaminated mussels, but that's not a certainty, said Fraker.

Harm From the Scrubbing

Also unresolved is the question of how some cleanup techniques affected the coast. Exxon hired a fleet

of local fishing boats and assembled giant, barge-mounted spray guns to scrub miles of contaminated beaches with hot water during the summer of 1989.

NOAA researchers now believe the unusual high-pressure, hot-water spraying may have done more harm than good. The water, up to 140 degrees, basically cooked small organisms and greatly slowed the recovery of those areas compared to a few oiled shorelines left unscrubbed at the request of researchers. The idea behind the washing was to push oil into the water, where it could be skimmed. But NOAA researchers believe a considerable amount of oil clinging to sediments just sank to the bottom of biologically rich tidal zones.

For the future, one major concern is what to do about abundant blue mussel beds, spared vigorous cleanup to let tide and waves do the job. Now many mussels beds overlay oil-bearing sediments, and the contaminated but oil-resistant mus-

sels are providing a fresh source of oil for the birds and young sea otters that eat them.

Concern About Breeding

Hard-hit murre colonies are likely to struggle for years, as well. Murre colonies normally begin their summer egg-laying almost simultaneously, staying densely packed to ward off gulls and ravens. Biologists suspect the oil spill killed many experienced adults, throwing off their breeding rhythm and leaving chicks more exposed to predators and stormy seas.

Fish experts also worry that high egg mortality and genetic deformities like curved spines and eye tumors could haunt commercially vital pink salmon and herring stock for generations. Another problem is the heavy toll the spill and cleanup took on *Fucus*, the dominant tidal algae that provides food and cover to many creatures, including young fish.

How much more research should be conducted to study those and other issues is a touchy subject in Alaska. Many environmentalists are urging the federal-state trustee council charged with managing the billion-dollar settlement to buy coastal lands threatened by logging, and not spend the money on further investigations.

Opinions differ widely. Many state and federal government scientists believe oil will haunt Prince William Sound and other coastal areas of Alaska for many years. They bemoan the fact that information on the number and habits of many species was sketchy before the spill, forcing researchers to glean what conclusions they could by comparing creatures living in an oiled area to those in un-oiled areas.

But some researchers, such as David Kennedy, an oil spill expert with NOAA, argue that the spill simply wasn't as bad as previously thought. Prince William Sound was so clean and healthy to begin with, said Kennedy, that it was able to recover from the massive spill far more quickly than could a more polluted marine system, such as the Chesapeake Bay.

"There is not a total recovery yet," he said. "There are holes. But the potential for recovery is tremendous."

Washington Post
February 15, 1993

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PRESERVATION

FAX TRANSMITTAL

Filing date: 12

To: KATY Mc GINN	From: DAN SAKRA
Organization: 456-023	Phone: 208-14125
NSN 7540-10-117-243	2009-101

Exxon Valdez Criminal Settlement Funds Committed for Alaskan Land Acquisition

On the fourth anniversary of the Exxon Valdez oil spill, the Clinton Administration announced today that it plans to devote \$25 million from the Exxon Valdez criminal settlement to acquire land and protect critical habitat in areas devastated by the Exxon Valdez oil spill.

Speaking on behalf of the Clinton Administration before the House Merchant Marine and Fisheries Committee, Commerce Secretary Ronald Brown said today that the Administration plans to commit \$25 million in Federal funding during fiscal years 1993-1994 to acquire lands in the oil spill zone.

In October 1991, the Exxon Companies agreed to provide \$125 million to the State of Alaska and the Federal Government to settle criminal charges resulting from the spill. Of this funding, \$50 million was provided to the Federal Government for restoration projects in Alaska. The acquisition and protection of habitats in Prince William Sound and the Gulf of Alaska is a vital component of a strategy to help restore injured natural resources.

Secretary Brown, Agriculture Secretary Mike Espy and Interior Secretary Bruce Babbitt agreed to a joint Federal position. Under the terms of the Clean Water Act, the Secretaries of Commerce, Agriculture and Interior serve as Federal trustees who oversee the restoration of the damaged fish and wildlife populations and other natural resources injured by the spill.

"I am pleased with the cooperative effort of the three Departments," said Secretary Espy. "This commitment of funds will help assure citizens of the U.S. and Alaska that the injured resources will be restored in a timely manner."

"The choice of how to spend the funds was rather obvious," said Secretary Babbitt. "Since the settlement was first announced nearly 18 months ago, the public has overwhelmingly advocated prompt action to protect critical Alaskan habitat in order to restore wildlife populations."

"With this initial funding, agencies within our Departments will work towards direct land acquisition and conservation easements," said Secretary Brown. "Their goal will be to enhance conservation values and to bring greater protection for fish and wildlife."

The Departments will focus on the acquisition and protection of inholdings in Kenai Fjords National Park, Kodiak National Wildlife Refuge, Maritime National Wildlife Refuge Islands and the Chugach National Forest. The use of these funds will restore and enhance natural resources damaged by the oil spill.

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Today's announcement complements the joint Federal and State program to use \$700 million which Exxon has agreed to pay over a ten year period, as part of the October 1991 civil settlement. The two governments have previously agreed to commit \$20 million in fiscal year 1993 from the civil settlement for habitat protection and land acquisition.

A draft restoration plan will be released for public review and comment early this summer. Habitat protection will be central to the restoration approach, according to the three Secretaries.

The Secretaries stressed their desire to work closely with Governor Walter Hickel to assure that this restoration program serves the nation and the people of Alaska.

200-6543

To: Katy Mc Ginty

201
further study
wildlife program
close acquisition

From: Jim Brown, Legislative
Reference, X3473

FXI

Cogswell
X-4586

Draft Testimony by Secretary
Brown for tomorrow's
hearing on the Exxon-Valdez
Cleanup.

YES

Big one!
Cogswell doesn't want
R. Brown to spend \$25m.
I told Secura and Hall
that if agencies agreed to substance
of a plan, DEP would probably
concur. NOAA, USDA, FS, and DOI
have agreed. Ron says it
isn't in budget. Foley likely to
you. DC there 3:30

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P02/Jan 7

Insert to Secretary Brown's Testimony (3/24 NOHAT Hearing)

Add the following two paragraphs to page 3 before the first paragraph (which begins "The EXXON VALDEZ disaster teaches. . .")

I am aware that there has been criticism regarding the progress to date in using the settlement monies to restore the Prince William Sound region. I share the disappointment but I also recognize that natural resource restoration is a complicated and time consuming process. I am, however, committed to expediting the restoration process to the greatest extent possible.

To further the restoration process, I would like to announce that Secretaries Babbitt, Espy and I -- in our role as Federal trustees -- have agreed to commit \$25 million from the EXXON VALDEZ criminal settlement for land acquisition and habitat protection in the Prince William Sound region. These funds will be made available during this fiscal year and will protect fish and wildlife. This is an important step forward to restore and protect our natural resources damaged by the spill.

\$25 million

Aggression implementation

Core acquisition

Group sum of it

could still be

expended This

Calendar year.

TESTIMONY
OF
RONALD H. BROWN
SECRETARY OF COMMERCE

BEFORE THE

COMMITTEE ON MERCHANT MARINE AND FISHERIES
U.S. HOUSE OF REPRESENTATIVES

March 24, 1993

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today. I am delighted that my first appearance before the Committee presents the opportunity to discuss the importance of NOAA to our nation's environmental agenda.

Let me begin by stating this Administration has renewed America's commitment to leave our children a better nation -- one whose waters, land and air are unspoiled and whose leadership for sustainable global growth is unsurpassed. I believe that NOAA, through its stewardship responsibilities, its commitment to sound management of natural resources, and its monitoring and forecasting responsibilities has a bright future in the Department of Commerce and an important role in achieving our environmental agenda.

Mr. Chairman, the primary purpose of the hearing today is to review the aftermath of the EXXON VALDEZ accident that occurred in 1989. I would also like to talk for a few minutes about

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NOAA's important contribution to addressing environmental problems which affect us all. After my remarks, I will ask Steven Pennoyer of NOAA's National Marine Fisheries Service to discuss in greater detail natural resource damage assessment and restoration issues concerning Prince William Sound.

Mr. Chairman, the grounding of the EXXON VALDEZ, the largest oil spill in U.S. history, had major environmental and economic consequences. NOAA and numerous governmental, academic and private organizations have worked together to respond to the devastation that threatened some of our most pristine wilderness resources.

Although the last chapter has not yet been written on the EXXON VALDEZ, I think we have learned several valuable lessons:

- Close cooperation between various federal agencies, including NOAA, the State of Alaska, and the oil industry, was important in bringing about an effective response.
- NOAA's environmental expertise and oil spill response capabilities helped in controlling and assessing damage from the oil spill.
- Nonetheless, our knowledge of environmental systems is far from complete. In some cases, we learned that the natural resources affected by the spill were more

-3-

resilient than expected. But other events have taught us that we may not know the full impact for decades.

- The settlement and subsequent restoration plan for Prince William Sound and the Gulf of Alaska hold significant promise to insure that the region's valuable natural resources will exist for our children and their children.

The EXXON VALDEZ disaster teaches one very important lesson: prevention is always better than cleanup. No matter how well we respond in the aftermath of environmental catastrophes, our energies and efforts always have a greater impact when focussed on preventing environmental damages in the first place.

The EXXON VALDEZ oil spill also illustrates the importance of demonstrating that environmental protection and economic growth are mutually compatible. This is the vision of President Clinton and Vice President Gore. The contrary notion -- that our environmental objectives are inherently incompatible with our economic priorities -- is simply wrong.

We are obliged to think seriously and honestly about how we can assure both economic development and environmental stewardship. I am aware of the difficult issues that face us when this attempt is made. There are no simple or easy answers; in some cases solutions may be difficult and expensive. Parties on both sides of issues will have to compromise. The approach of

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past Administrations has left the nation with a poor record and a set of national environmental agencies that need help in resources and leadership in meeting their responsibilities.

This Administration is dedicated to long-term economic growth because we know that a strong economy leads to a better standard of living for all our people, better national security in an uncertain world, and because we know that only a strong economy can maintain environmental health. We are committed to the best sustainable uses of the Earth's resources as population grows, with conservation as a key element in our plan.

The Department of Commerce will play a vital role in bringing these goals of environmental protection and economic growth together. Our approach will be based on the following beliefs.

Number One: Government has a legitimate and major role in harnessing science to help government agencies and private business make the best decisions now so that we will be prepared to compete in the economy of the 21st century. We must use our scientific expertise to help the private sector develop new technologies that preserve our environment. Science can provide tools for remedying environmental degradation; it can also point the way to more economically acceptable approaches to living with nature. Two examples:

-5-

- Science can help us avoid harming the natural environment. For example, as understanding increases about the complex interrelationships of coastal ecosystems, we can work with industry to develop new technologies for manufacturing and agricultural land use that satisfy environmental and economic objectives.
- Science can help us reduce the economic and social costs that result from naturally occurring changes in the environment. Hurricane Andrew is a good example of the risks posed to society by naturally occurring environmental changes. Using our knowledge to develop new technologies to provide improved warnings furthers both environmental and economic objectives.

Number Two: We need to recognize that investments in knowledge -- our intellectual infrastructure -- are every bit as important as investments in bridges and highways. We need to apply the best science, information and technology to developing science-based policy options for some of the most difficult issues we have faced. The success of our national economy will be significantly affected by the quality of today's science and the decisions we make as a nation.

Number Three: We must invest in sound management of our natural resources today. We know that investments made today are far cheaper than paying for cleanup tomorrow. We must do a

MAR 22 '93 14:01

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better job of managing the natural resources on which a great deal of our national wealth is based. Several examples illustrate the importance of this belief:

- Investments in our natural resources pay for themselves many times over. The Magnuson Fishery Conservation and Management Act established the most comprehensive marine resource management system in the world. As a result, in 1991, U.S. commercial fisheries produced \$3.9 billion in revenue to fishermen at U.S. ports.

However, a recent NOAA study concluded that, of the fishery stocks that can be assessed, 67 stocks are overutilized, and 28 stocks are underutilized, including skate, dogfish and Atlantic mackerel. The status of 80 stocks remains unknown. Making the needed investment to better manage our fishery resources can have a dramatic effect. We estimate that the seafood industry has the potential to produce nearly \$3 billion in additional growth to the U.S. economy.

- We have established a program in NOAA to assess environmental degradation caused by oil spills and hazardous substance discharges and, where possible, to help restore the environment. The program has been used at various sites throughout the U.S. where natural

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-7- ,

resources have been harmed including New Bedford Harbor, the Palos Verdes Shelf off Southern California, and Puget Sound, Washington. We have recovered more than \$130 million from responsible parties and we will use these monies to help restore the damaged sites.

These are but two examples of the need for a long-term view, recognizing that investments now will pay off many-fold later.

Number Four: We must take an integrated approach to making sure all resources are used as efficiently and effectively as possible. We will take an integrated approach from a scientific and information viewpoint, using all appropriate disciplines working together. Government will take an integrated approach bringing Federal, State, industry and academia together to respond to the important issues that we must face.

Number Five: We must take a global approach. As the Vice President has written, some of the environmental problems we face are truly global in scale. They are beyond the resources of any single nation. We must undertake international scientific and technological efforts to tackle environmental problems that require a multinational response. We must move towards a truly global system to monitor changes in our oceans, in the atmosphere and on our land.

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Our efforts to develop international solutions increase our ability to monitor the global environment because no one country can do this alone. Our leadership in the global arena will also help to develop new technologies and new markets for those technologies.

Conclusion

The good news is that this Administration recognizes what needs to be done -- and is actively committed to solving the problems we face. I am particularly pleased to have the honor of serving at the Department of Commerce because I believe that we are the agency of the future -- linking environment, technology, and economic growth.

I could not be more pleased with my team in NOAA -- Jim Baker, Doug Hall, and Diana Josephson -- which is fully committed to building an agency prepared for the 21st century. A key element of NOAA will be the management of natural resources, and my team will have this as a central element of their activity.

Management of natural resources involves knowledge of the Earth system and application of new technology. I am pleased to report that we are already developing cross-cutting initiatives in Commerce to make the links between environment, technology and development a reality. NOAA and other parts of the Department of

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Commerce will be involved in modernizing our observing systems, developing new environmental technology and opening up new avenues for access to environmental information.

Mr. Chairman, you know that we face difficult tasks. I believe that we in Commerce and in NOAA are ready to face these challenges. I see many opportunities for NOAA to build on its achievements and to be a central agency in the area of environment, development, and management of natural resources.

Finally, Mr. Chairman, I want to congratulate you on holding this hearing today. Your leadership and this Committee are important in addressing the restoration plan for Prince William Sound and many of the other environmental issues which are at the center of our national agenda for the future. I look forward to working with you and the members of this Committee on numerous issues in areas critical to the mission of the Department of Commerce.

Thank you Mr. Chairman.



United States Department of the Interior

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Washington, D.C. 20240

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1849 C Street, N. W.
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No. of pages to follow: 3

Date: _____

Time: _____

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WE WANTED TO ~~REAL~~
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Exxon Valdez Criminal Settlement Funds Committed for Alaskan Land Acquisition

On the fourth anniversary of the Exxon Valdez oil spill, the Clinton Administration announced today that it plans to devote \$25 million from the Exxon Valdez criminal settlement to acquire land and protect critical habitat in areas devastated by the Exxon Valdez oil spill.

Speaking on behalf of the Clinton Administration before the House Merchant Marine and Fisheries Committee, Commerce Secretary Ronald Brown said today that the Administration plans to commit up to \$25 million in Federal funding during fiscal years 1993-1994 to acquire lands in the oil spill zone.

In October 1991, the Exxon Companies agreed to provide \$125 million to the State of Alaska and the Federal Government to settle criminal charges resulting from the spill. Of this funding, \$50 million was provided to the Federal Government for restoration projects in Alaska. The acquisition and protection of habitats in Prince William Sound and the Gulf of Alaska is a vital component of a strategy to help restore injured natural resources.

Secretary Brown, Agriculture Secretary Mike Espy and Interior Secretary Bruce Babbitt agreed to a joint Federal position. Under the terms of the Clean Water Act, the Secretaries of Commerce, Agriculture and Interior serve as Federal trustees who oversee the restoration of the damaged fish and wildlife populations and other natural resources injured by the spill.

"I am pleased that the three Departments have worked together as the people's trustees," said Secretary Espy. "The \$25 million we spend on habitat acquisition and restoration is one way we can demonstrate to the people of Alaska and the country that we are serious about putting right the wrongs caused by the spill."

"Since the settlement was first announced nearly 18 months ago, the public has overwhelmingly advocated prompt action to protect critical Alaskan habitat in order to restore wildlife populations" said Secretary Babbitt. "Therefore the decision on how to spend the funds was rather obvious."

"With this initial funding, agencies within our Departments will work towards direct land acquisition and conservation easements," said Secretary Brown. "Their goal will be to enhance conservation values and to bring greater protection for fish and wildlife."

The Departments will focus on the acquisition and protection of inholdings in Kenai

PHOTOCOPY
PRESERVATION

Fjords National Park, Kodiak National Wildlife Refuge, Maritime National Wildlife Refuge islands, the Chugach National Forest and other lands. The use of these funds will restore and enhance natural resources damaged by the oil spill. Before specific lands are acquired, there will be opportunities for public comment.

Today's announcement complements the joint Federal and State program to use the approximately \$900 million which Exxon has agreed to pay over a ten year period, as part of the October 1991 civil settlement. The two governments have previously agreed to commit up to \$20 million in fiscal year 1993 from the civil settlement for land acquisition.

A draft restoration plan will be released for public review and comment later this spring. Habitat protection will be central to the restoration approach, according to the three Secretaries.

The Secretaries stressed their desire to work closely with Congress, Governor Walter Hickel, Alaska Natives, conservation groups and the general public to ensure that this restoration program serves the nation and the people of Alaska.

FAX TRANSMITTAL

To: *KEVIN McGINLEY* *DAN SAWARA*

Agency: *CORPUS* Phone: *456-6231* Fax: *456-6231*

NSN 7540-01-5017-7000 2088-101 GENERAL SERVICES ADMINISTRATION

Committee on Natural Resources

George Miller, CHAIRMAN
U.S. House of Representatives
Washington, D.C. 20515

News

FOR IMMEDIATE RELEASE:
Wednesday, March 24, 1993

CONTACT: Daniel Weiss
202/225-2095

MILLER PRAISES ADMINISTRATION MOVE
ON EXXON VALDEZ LAND ACQUISITION FUNDS

WASHINGTON -- Representative George Miller (D-Calif.), chairman of the House Natural Resources Committee, today applauded the Clinton Administration's announcement that money received by the federal government from Exxon Corporation in settlement of criminal charges stemming from the 1989 Exxon Valdez oil spill will be dedicated to acquisition and protection of fish and wildlife habitat in Alaska.

"Commerce Secretary Ron Brown's announcement that \$25 million of the Exxon Valdez criminal settlement funds will be committed to land acquisition is an important initiative that will benefit both the natural resources and the people of Alaska affected by the oil spill," Miller said.

"Coming on the fourth anniversary of the worst oil spill in American history, the Clinton Administration's plan is a critical first step toward taking full advantage of the opportunities provided by the Exxon Valdez settlement funds. It is also consistent with legislation that I sponsored in the last Congress. At no cost to the taxpayers, some of the nation's most significant fish and wildlife habitat can be acquired and protected for future generations.

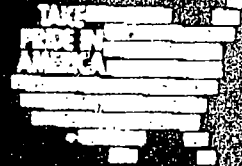
"Interior Secretary Bruce Babbitt, Agriculture Secretary Mike Espy and Secretary Brown should be commended for this decisive action," Miller said. "As the Federal Trustees responsible for natural resource restoration in the oil spill area, their interest and commitment to environmental protection is a welcome and refreshing change from the past Administration."

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United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240



FAX COVER PAGE

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Katy McHenry

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Dan Sakuma

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There are 3 page(s) including this cover page.

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AGRICULTURE
202-720--4623

GOVERNMENT EARMARKS \$25 MILLION
IN EXXON VALDEZ OIL SPILL FINES
FOR ALASKAN HABITAT RESTORATION

Some \$25 million in penalties collected from Exxon Corp. for environmental damage caused by grounding of its tanker Exxon Valdez in Alaska's Prince William Sound will be used to buy land and protect critical wildlife habitat in the affected area, Commerce Secretary Ronald H. Brown told Congress today.

Brown's comment was in testimony in behalf of the Clinton administration before the House Merchant Marine and Fisheries Committee. He spoke as the representative of a three-member cabinet level board of trustees overseeing restoration of fish and wildlife populations and other natural resources damaged by the oil spill. Other members are Mike Espy, secretary of agriculture, and Bruce Babbitt, secretary of the interior.

"We are fully committed to expediting the restoration process to the greatest extent possible," Brown said. "Our goal is to bring greater protection for fish and wildlife." He said the \$25 million will be spent in fiscal years 1993-94.

Exxon agreed in 1991 to pay \$125 million to Alaska and the federal government in settlement of criminal charges relating to the tanker grounding, with \$50 million specified for federal restoration projects in the state.

-more-

-2-

"I am pleased that the three departments have worked together as the people's trustees," said Espy. "The \$25 million we spend on habitat acquisition and restoration is one way we can demonstrate that we are serious about putting right the wrongs caused by the spill."

The three trustees had little difficulty on deciding how to allocate the \$25 million, said Babbitt.

"Since the settlement was first announced nearly 18 months ago, the public has overwhelmingly advocated prompt action to protect critical Alaskan habitat in order to restore wildlife populations," Babbitt said, "therefore the decision on how to spend these funds was quite clear."

The three federal agencies will concentrate on acquiring property for Kenai Fjords National Park, Kodiak National Wildlife Refuge, Maritime National Wildlife Refuge Islands, Chugach National Forest, among others.

Today's announcement complements joint federal-state programs to employ some \$900 million Exxon agreed to pay over a 10-year period as part of the 1991 civil settlement.

A draft restoration plan will be submitted for public review and comment later this spring. Protection of wildlife habitat will be central to it, the agencies said.

3/24/93

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To: Katy Mc Ginty

From: Jim Brown, Legislative
Reference, X3473

FXI

Draft Testimony by Secretary
Brown for tomorrow's
hearing on the Exton-Valley
Cleanup.

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03-22-93 04:34PM FROM NOAA OGC

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P02/

Insert to Secretary Brown's Testimony (3/24 1993 Hearing)

Add the following two paragraphs to page 3 before the first paragraph (which begins "The Exxon Valdez disaster teaches. . .")

I am aware that there has been criticism regarding the progress to date in using the settlement monies to restore the Prince William Sound region. I share the disappointment but I also recognize that natural resource restoration is a complicated and time consuming process. I am, however, committed to expediting the restoration process to the greatest extent possible.

To further the restoration process, I would like to announce that Secretaries Babbitt, Espy and I -- in our role as Federal trustees -- have agreed to commit \$85 million from the Exxon Valdez criminal settlement for land acquisition and habitat protection in the Prince William Sound region. These funds will be made available during this fiscal year and will protect fish and wildlife. This is an important step forward to restore and protect our natural resources damaged by the spill.

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MAR 22 '93 13:59

PAGE.002

**TESTIMONY
OF
RONALD H. BROWN
SECRETARY OF COMMERCE**

BEFORE THE

**COMMITTEE ON MERCHANT MARINE AND FISHERIES
U.S. HOUSE OF REPRESENTATIVES**

March 24, 1993

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today. I am delighted that my first appearance before the Committee presents the opportunity to discuss the importance of NOAA to our nation's environmental agenda.

Let me begin by stating this Administration has renewed America's commitment to leave our children a better nation -- one whose waters, land and air are unspoiled and whose leadership for sustainable global growth is unsurpassed. I believe that NOAA, through its stewardship responsibilities, its commitment to sound management of natural resources, and its monitoring and forecasting responsibilities has a bright future in the Department of Commerce and an important role in achieving our environmental agenda.

Mr. Chairman, the primary purpose of the hearing today is to review the aftermath of the EXXON VALDES accident that occurred in 1989. I would also like to talk for a few minutes about

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NOAA's important contribution to addressing environmental problems which affect us all. After my remarks, I will ask Steven Pennoyer of NOAA's National Marine Fisheries Service to discuss in greater detail natural resource damage assessment and restoration issues concerning Prince William Sound.

Mr. Chairman, the grounding of the EXXON VALDEZ, the largest oil spill in U.S. history, had major environmental and economic consequences. NOAA and numerous governmental, academic and private organizations have worked together to respond to the devastation that threatened some of our most pristine wilderness resources.

Although the last chapter has not yet been written on the EXXON VALDEZ, I think we have learned several valuable lessons:

- Close cooperation between various federal agencies, including NOAA, the State of Alaska, and the oil industry, was important in bringing about an effective response.
- NOAA's environmental expertise and oil spill response capabilities helped in controlling and assessing damage from the oil spill.
- Nonetheless, our knowledge of environmental systems is far from complete. In some cases, we learned that the natural resources affected by the spill were more

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resilient than expected. But other events have taught us that we may not know the full impact for decades.

- The settlement and subsequent restoration plan for Prince William Sound and the Gulf of Alaska hold significant promise to insure that the region's valuable natural resources will exist for our children and their children.

The EXXON VALDEZ disaster teaches one very important lesson: prevention is always better than cleanup. No matter how well we respond in the aftermath of environmental catastrophes, our energies and efforts always have a greater impact when focussed on preventing environmental damages in the first place.

The EXXON VALDEZ oil spill also illustrates the importance of demonstrating that environmental protection and economic growth are mutually compatible. This is the vision of President Clinton and Vice President Gore. The contrary notion -- that our environmental objectives are inherently incompatible with our economic priorities -- is simply wrong.

We are obliged to think seriously and honestly about how we can assure both economic development and environmental stewardship. I am aware of the difficult issues that face us when this attempt is made. There are no simple or easy answers; in some cases solutions may be difficult and expensive. Parties on both sides of issues will have to compromise. The approach of

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past Administrations has left the nation with a poor record and a set of national environmental agencies that need help in resources and leadership in meeting their responsibilities.

This Administration is dedicated to long-term economic growth because we know that a strong economy leads to a better standard of living for all our people, better national security in an uncertain world, and because we know that only a strong economy can maintain environmental health. We are committed to the best sustainable uses of the Earth's resources as population grows, with conservation as a key element in our plan.

The Department of Commerce will play a vital role in bringing these goals of environmental protection and economic growth together. Our approach will be based on the following beliefs.

Number One: Government has a legitimate and major role in harnessing science to help government agencies and private business make the best decisions now so that we will be prepared to compete in the economy of the 21st century. We must use our scientific expertise to help the private sector develop new technologies that preserve our environment. Science can provide tools for remedying environmental degradation; it can also point the way to more economically acceptable approaches to living with nature. Two examples:

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- Science can help us avoid harming the natural environment. For example, as understanding increases about the complex interrelationships of coastal ecosystems, we can work with industry to develop new technologies for manufacturing and agricultural land use that satisfy environmental and economic objectives.
- Science can help us reduce the economic and social costs that result from naturally occurring changes in the environment. Hurricane Andrew is a good example of the risks posed to society by naturally occurring environmental change. Using our knowledge to develop new technologies to provide improved warnings furthers both environmental and economic objectives.

Number Two: We need to recognize that investments in knowledge -- our intellectual infrastructure -- are every bit as important as investments in bridges and highways. We need to apply the best science, information and technology to developing science-based policy options for some of the most difficult issues we have faced. The success of our national economy will be significantly affected by the quality of today's science and the decisions we make as a nation.

Number Three: We must invest in sound management of our natural resources today. We know that investments made today are far cheaper than paying for cleanup tomorrow. We must do a

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better job of managing the natural resources on which a great deal of our national wealth is based. Several examples illustrate the importance of this belief:

- Investments in our natural resources pay for themselves many times over. The Magnuson Fishery Conservation and Management Act established the most comprehensive marine resource management system in the world. As a result, in 1991, U.S. commercial fisheries produced \$3.9 billion in revenue to fishermen at U.S. ports.

However, a recent NOAA study concluded that, of the fishery stocks that can be assessed, 67 stocks are overutilized, and 28 stocks are underutilized, including skate, dogfish and Atlantic mackerel. The status of 80 stocks remains unknown. Making the needed investment to better manage our fishery resources can have a dramatic effect. We estimate that the seafood industry has the potential to produce nearly \$3 billion in additional growth to the U.S. economy.

- We have established a program in NOAA to assess environmental degradation caused by oil spills and hazardous substance discharges and, where possible, to help restore the environment. The program has been used at various sites throughout the U.S. where natural

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resources have been harmed including New Bedford Harbor, the Palos Verdes Shelf off Southern California, and Puget Sound, Washington. We have recovered more than \$130 million from responsible parties and we will use these monies to help restore the damaged sites.

These are but two examples of the need for a long-term view, recognizing that investments now will pay off many-fold later.

Number Four: We must take an integrated approach to making sure all resources are used as efficiently and effectively as possible. We will take an integrated approach from a scientific and information viewpoint, using all appropriate disciplines working together. Government will take an integrated approach bringing Federal, State, industry and academia together to respond to the important issues that we must face.

Number Five: We must take a global approach. As the Vice President has written, some of the environmental problems we face are truly global in scale. They are beyond the resources of any single nation. We must undertake international scientific and technological efforts to tackle environmental problems that require a multinational response. We must move towards a truly global system to monitor changes in our oceans, in the atmosphere and on our land.

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Our efforts to develop international solutions increase our ability to monitor the global environment because no one country can do this alone. Our leadership in the global arena will also help to develop new technologies and new markets for those technologies.

Conclusion

The good news is that this Administration recognizes what needs to be done -- and is actively committed to solving the problems we face. I am particularly pleased to have the honor of serving at the Department of Commerce because I believe that we are the agency of the future -- linking environment, technology, and economic growth.

I could not be more pleased with my team in NOAA -- Jim Baker, Doug Hall, and Diana Josephson -- which is fully committed to building an agency prepared for the 21st century. A key element of NOAA will be the management of natural resources, and my team will have this as a central element of their activity.

Management of natural resources involves knowledge of the Earth system and application of new technology. I am pleased to report that we are already developing cross-cutting initiatives in Commerce to make the links between environment, technology and development a reality. NOAA and other parts of the Department of

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Commerce will be involved in modernizing our observing systems, developing new environmental technology and opening up new avenues for access to environmental information.

Mr. Chairman, you know that we face difficult tasks. I believe that we in Commerce and in NOAA are ready to face these challenges. I see many opportunities for NOAA to build on its achievements and to be a central agency in the area of environment, development, and management of natural resources.

Finally, Mr. Chairman, I want to congratulate you on holding this hearing today. Your leadership and this Committee are important in addressing the restoration plan for Prince William Sound and many of the other environmental issues which are at the center of our national agenda for the future. I look forward to working with you and the members of this Committee on numerous issues in areas critical to the mission of the Department of Commerce.

Thank you Mr. Chairman.

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February 1993

INTRODUCTION

Two Alaskans, Mr. Stan Stephens and Ms. Riki Ott, Ph.D, both of Prince William Sound, will be in Washington, D.C. the week of February 22-26 and seek the opportunity to visit your office to talk about critical oil issues in Alaska.

Mr. Stephens is a board member of the Regional Citizens' Citizen Advisory Council, mandated by the Oil Pollution Act of 1990 to oversee Trans-Alaska Pipeline System (TAPS) operations in Port Valdez. Stan is a leader in the tourism industry in Alaska and operates a small cruise ship business from Valdez.

Dr. Ott is President of the Oil Reform Alliance, a coalition of commercial fishing and environmental organizations which formed after the Exxon Valdez oil spill to reform oil industry practices. Riki has masters and doctorate degrees in marine pollution and fishes commercially in Prince William Sound.

We have summarized our concerns in a 40 page report entitled "Status Report on Alaska's Oil Industry: A Blueprint for Improving Performance" which addresses North Slope, TAPS and Cook Inlet operations. Our concerns focus on irresponsible waste disposal practices, inadequate government oversight for monitoring and compliance, faulty structural integrity of the TAPS pipeline and TAPS trade tankers, and inadequate spill prevention measures, especially tug escort in Prince William Sound and Cook Inlet.

The "Status Report" also addresses aftermath of the Exxon Valdez oil spill. Our concerns here focus on cleanup workers' health, long-term and ongoing damage to fish and wildlife, damage to fishermen, Natives and municipalities, squandering of civil settlement monies, and lack of followup with requirements of the Oil Pollution Act of 1990.

We would welcome the opportunity to share not only our concerns with you, but also our solutions. None of these problems is insurmountable. However, we firmly believe these issues must be addressed before the oil industry is allowed into other environmentally sensitive areas in Alaska, such as outer continental shelf lands.

We are traveling as volunteers and concerned citizens working towards a citizens' perspective on what must be accomplished by us all to achieve environmentally sound oil development in Alaska.

We look forward to meeting with you.

Contact numbers: Stan Stephens - (907) 835-4731
Riki Ott - (907) 586-2820 / 424-3915

Temporary local number: (703) 549-0515

P.S.: Stan recently returned from the Shetland Islands spill site where he observed the disastrous break up of the tanker Braer.

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36 LINES

PM-OR--Timber Summit-Gore, Bjt,289

~~Official Says Gore Will Chair Timber Summit~~
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EUGENE, Ore. (AP) Many of the loggers attending the 53rd Annual Oregon Logging Conference and Equipment Show groaned when it was announced that Vice President Al Gore would lead the Northwest timber summit.

However, Stewart Hardy, natural resources director for the U.S. Chamber of Commerce in Washington, D.C., told the conference that Gore's chairmanship of the meeting will be symbolic.

"Gore won't matter much in terms of policy," Hardy said at the conference Friday.

The Northwest timber industry has counted on a summit to break the deadlock between loggers and environmentalists resulting from protection of the threatened northern spotted owl. Clinton promised the summit last August during his campaign.

The decision to make Gore chairman drew strong opposition from the Western Council of Industrial Workers, the union that represents the bulk of Northwest timber workers, when it was first announced Dec. 18.

But Hardy told loggers that environmentalists deserved their
PRESS RETURN TO CONTINUE OR ENTER ANOTHER REQUEST.

role in the summit, and Gore's presence will "show the Clinton administration cares enough to send the very best, as far as the environmental lobby is concerned."

Hardy told the loggers they must seek a compromise to help avoid lawsuits like those resulting in court bans on logging federal land with spotted owl habitat.

He also predicted the Senate's deliberations concerning reauthorization of the Endangered Species Act would produce "the environmental battle of the decade."

Hardy promised the U.S. Chamber of Commerce would lobby for amendments requiring the government to ease the economic impact of implementing the act.

Hardy Miller - Seattle Parks

Diana Gale