

CLAIM SUMMARY / DETERMINATION FORM

Claim Number : 913026-0001
Claimant : O'Brien's Response Management
Type of Claimant : OSRO
Type of Claim : Removal Costs
Claim Manager : Cynthia E Oliver
Amount Requested : \$11,047.73

FACTS:

Oil Spill Incident: On March 30, 2012, CG small boat #25654 reported the sighting of a sheen in the vicinity of the M/T Glenross moored at the Sunoco Terminal Berth No. 5 at Nederland, Texas.¹ The body of water involved is the Neches River, a navigable waterway of the United States. Coast Guard Marine Safety Unit (MSU) Port Arthur responded to the incident and assessed the area for the source of the spill. At the time of the incident, the potential source for the sheen was suspected to be the M/T Glenross and as such, the vessel was advised to handle response actions. Sample analysis later confirmed that the M/T Glenross was not the responsible party for the incident.

Description of Removal Actions: O'Brien's Response Management responded to this incident and coordinated with USCG FOSC for their spill containment and mitigation efforts.² During the time the sheen was discovered in proximity to the M/T Glenross, oil transfer operations were being conducted.³ Upon the arrival of the USCG FOSC, the oil transfer operations had ceased.⁴ Removal actions undertaken were to boom the affected area around the vessel, remove oil and oiled debris, and conduct disposal of oily waste.

The Claim: O'Brien's Response Management presented a removal cost claim to the National Pollution Funds Center (NPFC) in the amount of \$11,047.73 for their uncompensated removal costs incurred to respond to the incident.

The claim consists of OSLTF Claim Data, email correspondence from Imelda Llerenas (O'Brien's Response Management) to Nelson Cutinha (International Tanker Management-owner of M/T Glenross), correspondence from the Texas General Land Office to Benckenstein and Oxford, LLP, correspondence from O'Brien's Response Management to International Tanker Management, claimant's invoice 556706 and backup report, lodging and meal receipts, Oil Spill Response Services contract for Tank Vessels, and O'Brien's standard rate sheet in effect at the time of the incident.

The NPFC conducted independent research into the claim and obtained copies of the Coast Guard MISLE report and the NRC report for the incident.

APPLICABLE LAW:

"Oil" is defined in relevant part, at 33 USC § 2701(23), to mean "oil of any kind or in any form, including petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredged spoil".

¹ See, Correspondence from USCG Hearing Office to Beckenstein and Oxford, LLP, dated June 1, 2012.

² See, Claimant's OSLTF Claim Form, dated December 19, 2012.

³ See, MISLE Report 3725269, dated March 30, 2012.

⁴ See, MISLE Report 3725269, dated March 30, 2012.

The Oil Spill Liability Trust Fund (OSLTF), which is administered by the NPFC, is available, pursuant to 33 USC §§ 2712(a)(4) and 2713 and the OSLTF claims adjudication regulations at 33 CFR Part 136, to pay claims for uncompensated removal costs that are determined to be consistent with the National Contingency Plan and uncompensated damages. Removal costs are defined as “the costs of removal that are incurred after a discharge of oil has occurred or, in any case in which there is a substantial threat of a discharge of oil, the costs to prevent, minimize, or mitigate oil pollution from an incident”.

Under 33 USC §2713(b)(2) and 33 CFR 136.103(d) no claim against the OSLTF may be approved or certified for payment during the pendency of an action by the claimant in court to recover the same costs that are the subject of the claim. See also, 33 USC §2713(c) and 33 CFR 136.103(c)(2) [claimant election].

33 U.S.C. §2713(d) provides that “If a claim is presented in accordance with this section, including a claim for interim, short-term damages representing less than the full amount of damages to which the claimant ultimately may be entitled, and full and adequate compensation is unavailable, a claim for the uncompensated damages and removal costs may be presented to the Fund.”

Under 33 CFR 136.105(a) and 136.105(e)(6), the claimant bears the burden of providing to the NPFC, all evidence, information, and documentation deemed necessary by the Director, NPFC, to support the claim.

Under 33 CFR 136.105(b) each claim must be in writing, for a sum certain for each category of uncompensated damages or removal costs resulting from an incident. In addition, under 33 CFR 136, the claimant bears the burden to prove the removal actions were reasonable in response to the scope of the oil spill incident, and the NPFC has the authority and responsibility to perform a reasonableness determination. Specifically, under 33 CFR 136.203, “a claimant must establish -

- (a) That the actions taken were necessary to prevent, minimize, or mitigate the effects of the incident;
- (b) That the removal costs were incurred as a result of these actions;
- (c) That the actions taken were determined by the FOSC to be consistent with the National Contingency Plan or were directed by the FOSC.”

Under 33 CFR 136.205 “the amount of compensation allowable is the total of uncompensated *reasonable* removal costs of actions taken that were determined by the FOSC to be consistent with the National Contingency Plan or were directed by the FOSC. Except in exceptional circumstances, removal *activities* for which costs are being claimed must have been coordinated with the FOSC.” [Emphasis added].

DETERMINATION OF LOSS:

Overview:

1. FOSC coordination was made by USCG MSU Port Arthur MST2 McLlelland, via MISLE Case Number # 495236.
2. The incident involved the discharge of “oil” as defined in OPA 90, 33 U.S.C. § 2701(23), to navigable waters.
3. In accordance with 33 CFR § 136.105(e)(12), the claimant has certified no suit has been filed in court for the claimed uncompensated removal costs.
4. The claim was submitted within the six year statute of limitations. 33 U.S.C. § 2712(h)(2).
5. The NPFC Claims Manager has thoroughly reviewed all documentation submitted with the claim and determined which removal costs presented were for actions in

accordance with the NCP and that the costs for these actions were indeed reasonable and allowable under OPA and 33 CFR § 136.205.

Analysis:

NPFC CA reviewed the actual cost invoices and dailies to confirm that the claimant had incurred all costs claimed. The review focused on: (1) whether the actions taken were compensable “removal actions” under OPA and the claims regulations at 33 CFR 136 (e.g., actions to prevent, minimize, mitigate the effects of the incident); (2) whether the costs were incurred as a result of these actions; (3) whether the actions taken were determined by the FOOSC, to be consistent with the NCP or directed by the FOOSC, and (4) whether the costs were adequately documented and reasonable.

The NPFC has determined that the removal costs presented and incurred were billed appropriately at the time services were rendered. The NPFC performed independent research into the incident and obtained copies of the Coast Guard Pollution Reports and a copy of all evidence in the Coast Guard MISLE system.

O’Brien’s Response Management presented personnel costs in the amount of \$10,125.00, travel costs in the amount of \$745.28, third party costs in the amount of \$8.72, and equipment rental charges in the amount of \$168.75.

Please see Enclosure 1 – Summary spreadsheet of costs for an itemization of all costs presented.

The NPFC has confirmed all costs were billed pursuant to the pricing schedule in place for the vessel at the time of the incident and that the actions undertaken were determined by the FOOSC to be consistent with the NCP. On that basis, the Claims Manager hereby determines that the Claimant did in fact incur \$11,047.73 of uncompensated removal costs and that that amount is payable by the OSLTF as full compensation for the reimbursable removal costs incurred by the Claimant and submitted to the NPFC under claim 913026-0001.

The Claimant states that all costs claimed are for uncompensated removal costs incurred by the Claimant for this incident. The Claimant represents that all costs paid by the Claimant are compensable removal costs, payable by the OSLTF as presented by the Claimant.

Determined Amount:

The NPFC hereby determines that the OSLTF will pay \$11,047.73 as full compensation for the reimbursable removal costs incurred by the Claimant and submitted to the NPFC under claim # 913026-0001. All costs claimed are for charges paid for by the Claimant for removal actions as that term is defined in OPA and, are compensable removal costs, payable by the OSLTF as presented by the Claimant.

Claim Supervisor: ***Donna Hellberg***

Date of Supervisor’s review: ***1/22/13***

Supervisor Action: ***Approved***

Supervisor’s Comments:

U.S. Department of
Homeland Security

**United States
Coast Guard**



Director
United States Coast Guard
National Pollution Funds Center

NPFC CA MS 7100
US COAST GUARD
4200 Wilson Blvd. Suite 1000
Arlington, VA 20598-7100
Staff Symbol: (CA)
Phone: 800-280-7118
E-mail: [REDACTED]@uscg.mil
Fax: 703-872-6157

5890
1/22/2013

VIA EMAIL: [REDACTED]@obriensrm.com

Keith Towler
O'Brien's Response Management
2929 E. Imperial Hwy Suite 290
Brea, CA 92821

Re: Claim Number 913026-0001

Dear Mr. Towler:

The National Pollution Funds Center (NPFC), in accordance with the Oil Pollution Act (OPA) (33 U.S.C. 2701 et seq.), has determined that \$11,047.73 is full compensation for OPA claim number 913026-0001.

This determination is based on an analysis of the information submitted. Please see the attached determination for further details regarding the rationale for this decision.

All costs that are not determined as compensable are considered denied. You may make a written request for reconsideration of this claim. The reconsideration must be received by the NPFC within 60 days of the date of this letter and must include the factual or legal basis of the request for reconsideration, providing any additional support for the claims. Reconsideration will be based upon the information provided and a claim may be reconsidered only once. Disposition of the reconsideration will constitute final agency action. Failure of the NPFC to issue a written decision within 90 days after receipt of a timely request for reconsideration shall, at the option of the claimant, be deemed final agency action. All correspondence should include corresponding claim number.

Mail reconsideration request to:

Director (ca)
NPFC CA MS 7100
US COAST GUARD
4200 Wilson Blvd, Suite 1000
Arlington, VA 20598-7100

If you accept this determination, please sign the enclosed Acceptance/Release Form where indicated and return to the above address.

If we do not receive the signed original Acceptance/Release Form within 60 days of the date of this letter, the determination is void. If the determination is accepted, an original signature and a valid tax identification number (EIN or SSN) are required for payment. If you are a Claimant that has submitted other claims to the National Pollution Funds Center, you are required to have a valid System for Award Management record prior to payment. If you do not, you may register free of charge at www.sam.gov.

Our payment will be mailed or electronically deposited in your account within 60 days of receipt of the Release Form.

If you have any questions or would like to discuss the matter, you may contact me at the above address or by phone at [REDACTED]

Sincerely,

Cynthia E Oliver
Claims Manager

ENCL: Claim Summary / Determination Form
Acceptance/Release Form
(1) Summary Spreadsheet of Costs

U.S. Department of
Homeland Security

**United States
Coast Guard**



Director
United States Coast Guard
National Pollution Funds Center

NPFC CA MS 7100
US COAST GUARD
4200 Wilson Blvd. Suite 1000
Arlington, VA 20598-7100
Staff Symbol: (CA)
Phone: 800-280-7118
E-mail: [redacted]@uscg.mil
Fax: [redacted]

Claim Number: 913026-0001	Claimant Name: O'Brien's Response Management 2929 E. Imperial Hwy Suite 290 Brea, CA 92821
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I, the undersigned, ACCEPT this settlement offer of \$11,047.73 as full and final compensation for the removal costs arising from the specific claim number identified above.

This settlement represents full and final release and satisfaction of the amounts paid from the Oil Spill Liability Trust Fund under the Oil Pollution Act of 1990 for this claim. I hereby assign, transfer, and subrogate to the United States all rights, claims, interest and rights of action, that I may have against any party, person, firm or corporation that may be liable for the amounts paid for which I have been compensated under this claim. I authorize the United States to sue, compromise or settle in my name and the United States fully substituted for me and subrogated to all of my rights arising from and associated with those amounts paid for which I am compensated for with this settlement offer. I warrant that no legal action has been brought regarding this matter and no settlement has been or will be made by me or any person on my behalf with any other party for amounts paid which is the subject of this claim against the Oil Spill Liability Trust Fund (Fund).

This settlement is not an admission of liability by any party.

I, the undersigned, agree that, upon acceptance of any compensation from the Fund, I will cooperate fully with the United States in any claim and/or action by the United States against any person or party to recover the compensation. The cooperation shall include, but is not limited to, immediately reimbursing the Fund for any compensation received from any other source for those amounts paid for which the Fund has provided compensation, by providing any documentation, evidence, testimony, and other support, as may be necessary for the United States to recover from any other person or party.

I, the undersigned, certify that to the best of my knowledge and belief the information contained in this claim represents all material facts and is true. I understand that misrepresentation of facts is subject to prosecution under federal law (including, but not limited to 18 U.S.C. §§ 287 and 1001).

_____	_____
Title of Person Signing	Date of Signature
_____	_____
Typed or Printed Name of Claimant or Name of Authorized Representative	Signature

_____	_____
Title of Witness	Date of Signature
_____	_____
Typed or Printed Name of Witness	Signature

_____	_____	_____
TIN Required for Payment	Bank Routing Number	Bank Account Number