

CLAIM SUMMARY / DETERMINATION

Claim Number:	914057-0001
Claimant:	Texas General Land Office (SOSC)
Type of Claimant:	State
Type of Claim:	Removal Costs
Claim Manager:	[REDACTED]
Amount Requested:	\$1,743.98

FACTS:

Oil Spill Incident: On May 13, 2012, the Texas General Land Office (TGLO) was notified about the recreation vessel WHAT KNOT which had sunk in Offat Bayou, Galveston County, Texas. The sunken vessel was discharging waste oil in Offat Bayou, a navigable waterway of the United States.¹ TGLO contacted Petty Officer [REDACTED] CG MSU Texas City who verified that TGLO's response was appropriate and conducted in accordance with the National Contingency Plan.²

Description of Removal Activities for this claimant: T & T Marine Salvage, Inc. was hired to remove the discharged oil with sorbent boom and pads. Originally, the owner of the vessel, Mr. [REDACTED] had stated that he would pay for T & T Marine's response to the spill. However, when T & T Marine attempted to contact Mr. [REDACTED] for payment, he refused to pay. TGLO returned to the site of the sinking on May 14, 2012, and found that the vessel and sorbent material had been moved by Mr. [REDACTED]. Attempts to contact Mr. [REDACTED] by TGLO were unsuccessful so they paid the costs incurred by T & T Marine for their response and removal actions. As Mr. [REDACTED] removed the sorbent material with his vessel, TGLO was unable to provide proof that the sorbent material had been disposed of properly.³ The claimant is requesting reimbursement of costs associated with their response to the incident as well as the costs reimbursed to T & T Marine Salvage, Inc.

The Claim: On April 17, 2014, TGLO submitted a removal cost claim to the National Pollution Fund Center (NPFC) for reimbursement of their uncompensated removal costs of State personnel and equipment costs as well as costs reimbursed to T & T Marine Salvage, Inc. in the amount of \$1,743.98.⁴

APPLICABLE LAW:

Under OPA 90, at 33 USC § 2702(a), responsible parties are liable for removal costs and damages resulting from the discharge of oil into navigable waters and adjoining shorelines, as described in Section 2702(b) of OPA 90. A responsible party's liability will include "removal costs incurred by any person for acts taken by the person which are consistent with the National Contingency Plan". 33 USC § 2702(b)(1)(B).

¹ See TGLO Expedited Small Claim Package dated April 17, 2014

² See email from Petty Officer [REDACTED] MSU Texas City, TX dated 9 May 2014

³ See email from Mr. [REDACTED] TGLO response officer dated May 6, 2014

⁴ See TGLO Expedited Small Claim Package dated April 17, 2014

"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".

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:

A. Overview:

1. MST2 [REDACTED] of Coast Guard MSU Texas City provided FOSC coordination.
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 on time.
5. The NPFC Claims Manager has thoroughly reviewed all documentation submitted with the claim and determined that the 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.

B. 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 FOSC, to be consistent with the NCP or directed by the FOSC, and (4) whether the costs were adequately documented and reasonable.

Upon review of the claim submission, the NPFC issued an RP Notification Letter to Mr. Rudy Wilson dated April 23, 2014. As of the date of this writing, no response has been received to date. The NPFC verified the actions undertaken by TGLO and the response contractor and has determined that the Claimant did in fact incur \$1,743.98 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 #914057-0001

The NPFC hereby determines that the OSLTF will pay \$1,743.98 as full compensation for the reimbursable removal costs incurred by the Claimant and submitted to the NPFC under claim # 914057-0001. 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.

AMOUNT: \$1,743.98

Claim Supervisor: [REDACTED]

Date of Supervisor's review: *May 13, 2014*

Supervisor Action: *Approved*

Supervisor's Comments: