# CLAIM SUMMARY / DETERMINATION<sup>1</sup>

Claim Number: UCGPM24001-URC001

Claimant: National Response Corporation

**Type of Claimant:** OSRO

**Type of Claim:** Removal Costs

Claim Manager: (b) (6)

**Amount Requested:** \$206,298.77

**Action Taken:** Offer in the amount of \$200,465.48

#### **EXECUTIVE SUMMARY:**

On October 4, 2023, at 0848 local time, the National Response Center received notification that the M/V BONNIE G broke anchor resulting from heavy weather during Tropical Storm Philippe, which caused the vessel to run aground off Red Point in St. Thomas, United States Virgin Islands ("USVI").<sup>2</sup> The Master of the vessel reported around 13 thousand gallons of diesel fuel present in the vessel tanks and around 700 gallons of lube oil capacity between the vessel's three diesel engines and two generators.<sup>3</sup> U.S. Coast Guard ("USCG") Sector San Juan ("SSJ") is the Federal On-Scene Coordinator ("FOSC") for the incident.<sup>4</sup> The FOSC determined that the vessel posed a substantial threat of discharge into West Gregorie Channel, St. Thomas, U.S. Virgin Islands, a navigable waterway of the United States.<sup>5</sup> The FOSC opened Federal Project Number ("FPN") UCGPM24001 in response to the incident.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> This determination is written for the sole purpose of adjudicating a claim against the Oil Spill Liability Trust Fund (OSLTF). This determination adjudicates whether the claimant is entitled to OSLTF reimbursement of claimed removal costs or damages under the Oil Pollution Act of 1990. This determination does not adjudicate any rights or defenses any Responsible Party or Guarantor may have or may otherwise be able to raise in any future litigation or administrative actions, to include a lawsuit or other action initiated by the United States to recover the costs associated this incident. After a claim has been paid, the OSLTF becomes subrogated to all of the claimant's rights under 33 U.S.C. § 2715. When seeking to recover from a Responsible Party or a Guarantor any amounts paid to reimburse a claim, the OSLTF relies on the claimant's rights to establish liability. If a Responsible Party or Guarantor has any right to a defense to liability, those rights can be asserted against the OSLTF. Thus, this determination does not affect any rights held by a Responsible Party or a Guarantor.

<sup>&</sup>lt;sup>2</sup> National Response Center Report #1380855 dated October 4, 2023.

<sup>&</sup>lt;sup>3</sup> USCG SITREP-POL 1, section 2A, dated October 5, 2023.

<sup>&</sup>lt;sup>4</sup> See, Notice of Federal Interest issued to M/V BONNIE G dated October 4, 2023. See also, United States Coast Guard Situation Report (SITREP)-POL 1 dated October 5, 2023. Additionally, the FOSC later issued an administrative order to the vessel detailing the substantial threat of discharge it posed beginning on October 4, 2023, to wit: The FOSC determined a substantial threat of the discharge of oil existed "based on the extensive damage the M/V BONNIE G and its vehicle cargo sustained on October 4, 2023, after the vessel ran aground. As a result of this grounding, a significant stability risk was presented, leading to possible vessel loss and/or capsizing, and subsequently, a threat of discharge/release of oil and/or designated hazardous substances both from the vessel and its vehicle cargo." See, Administrative Order issued to M/V BONNIE G dated October 25, 2023.

<sup>&</sup>lt;sup>5</sup> Moreover, USCG Marine Safety Detachment (MSD) St. Thomas personnel observed a 125' by 25' silver sheen coming from the stern of the vessel.<sup>5</sup> United States Coast Guard Situation Report (SITREP-POL One), section 1A, dated October 5, 2023.

<sup>&</sup>lt;sup>6</sup> USCG SITREP-POL One, section E, dated October 5, 2023.

Third Lady, LLC is the owner of the M/V BONNIE G<sup>7</sup> and MMS Americas, LLC is the operator of the M/V BONNIE G. In accordance with the Oil Pollution Act of 1990 ("OPA"), both are identified as the Responsible Parties (RPs) for the oil spill incident.

The vessel activated its vessel response plan (VRP) and hired National Response Corporation ("NRC" or "Claimant") to handle all response actions. <sup>10</sup> NRC and its subcontractors continued to assist with removal and disposal efforts until November 10, 2023, when the FOSC determined the vessel no longer posed a substantial threat of discharge. <sup>11</sup>

NRC presented its costs to MMS Americas, LLC via Invoice 1041669 R02 dated March 28, 2024. The RP did not deny liability or settle the claim within the ninety-days following presentment. NRC presented its removal costs claim to the National Pollution Funds Center (NPFC) for \$206,298.77. 14

The NPFC has thoroughly reviewed all documentation submitted with the claim, analyzed the applicable law and regulations, and after careful consideration has determined that \$200,465.48 of the claimed costs are compensable and offers this amount as full and final compensation of this claim.

# I. DETERMINATION PROCESS:

The NPFC utilizes an informal process when adjudicating claims against the Oil Spill Liability Trust Fund (OSLTF). <sup>15</sup> As a result, 5 U.S.C. § 555(e) requires the NPFC to provide a brief statement explaining its decision. This determination is issued to satisfy that requirement.

When adjudicating claims against the OSLTF, the NPFC acts as the finder of fact. In this role, the NPFC considers all relevant evidence, including evidence provided by claimants and evidence obtained independently by the NPFC, and weighs its probative value when determining

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Several documents in the administrative record, including the Vessel Critical Profile, list "Stevenson Formel Services" or "Stephenson Formel Services" as the owner of the vessel. (The NPFC believes "Stevenson" versus "Stephenson" is a matter of spelling vice there being two separate entities. This entity will be referred to below as "SFS"). However, other documents in the administrative record such as the Continuous Synopsis Record and the CG-2692 form submitted by the Master documenting the marine casualty that occurred here state that Third Lady, LLC is the owner. The NPFC communicated with Mr. of SFS who purported to represent both SFS and Third Lady, LLC. Mr. (b) (6) unequivocally indicated that Third Lady, LLC is the owner of the vessel, while SFS was the charterer of the vessel during this incident. OPA defines responsible party for a vessel incident as "any person owning, operating, or chartering by demise, the vessel." It is unclear from the record whether SFS was a demise charterer or a time charterer of the vessel at the time of the incident. The NPFC sent letters to both SFS and Third Lady informing them of their possible statuses as RPs for this incident. While the record contains somewhat conflicting information, for the purposes of this adjudication only, the NPFC will treat Third Lady, LLC as the owner of the vessel, as that is supported by the administrative record, including the phone and email discourse with Mr. (b) (6)

<sup>&</sup>lt;sup>8</sup> 33 U.S.C. § 2701(32).

<sup>&</sup>lt;sup>9</sup> Continuous Synopsis Record (CSR) for the BONNIE G dated August 2, 2021.

<sup>&</sup>lt;sup>10</sup> USCG SITREP-POL One, section 1A, dated October 5, 2023.

<sup>&</sup>lt;sup>11</sup> USCG SITREP-POL 7 and Final, section 2B, dated November 10, 2023.

<sup>&</sup>lt;sup>12</sup> NRC Original Claim Submission received August 26, 2024, NRC Invoicing pgs. 1-26 of 26.

<sup>&</sup>lt;sup>13</sup> 33 CFR 136.103.

<sup>&</sup>lt;sup>14</sup> NRC Original Claim Submission received August 26, 2024.

<sup>&</sup>lt;sup>15</sup> 33 CFR Part 136.

the facts of the claim. <sup>16</sup> The NPFC may rely upon, but is not bound by the findings of fact, opinions, or conclusions reached by other entities. <sup>17</sup> If there is conflicting evidence in the record, the NPFC makes a determination as to what evidence is more credible or deserves greater weight, and makes its determination based on the preponderance of the credible evidence.

### II. INCIDENT, RESPONSIBLE PARTY AND RECOVERY OPERATIONS:

#### Incident

On October 4, 2023, at 0848 local time, the National Response Center received notification that the M/V BONNIE G broke anchor resulting from heavy weather during Tropical Storm Philippe, which caused the vessel to run aground off Red Point in St. Thomas, United States Virgin Islands ("USVI"). <sup>18</sup> The Master of the vessel reported around 13 thousand gallons of diesel fuel present in the vessel tanks and around 700 gallons of lube oil capacity between the vessel's three diesel engines and two generators. <sup>19</sup> USCG Sector San Juan is the Federal On-Scene Coordinator ("FOSC") for the incident. <sup>20</sup> The FOSC determined that the vessel posed a substantial threat of discharge into West Gregorie Channel, St. Thomas, U.S. Virgin Islands, a navigable waterway of the United States. <sup>21</sup>

# Responsible Party

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<sup>&</sup>lt;sup>16</sup> See, e.g., Boquet Oyster House, Inc. v. United States, 74 ERC 2004, 2011 WL 5187292, (E.D. La. 2011), "[T]he Fifth Circuit specifically recognized that an agency has discretion to credit one expert's report over another when experts express conflicting views." (Citing, Medina County v. Surface Transp. Bd., 602 F.3d 687, 699 (5th Cir. 2010)).

<sup>&</sup>lt;sup>17</sup> See, e.g., Use of Reports of Marine Casualty in Claims Process by National Pollution Funds Center, 71 Fed. Reg. 60553 (October 13, 2006) and Use of Reports of Marine Casualty in Claims Process by National Pollution Funds Center 72 Fed. Reg. 17574 (concluding that NPFC may consider marine casualty reports but is not bound by them). <sup>18</sup> National Response Center Report #1380855 dated October 4, 2023.

<sup>&</sup>lt;sup>19</sup> USCG SITREP-POL 1, section 2A, dated October 5, 2023.

<sup>&</sup>lt;sup>20</sup> See, Notice of Federal Interest issued to M/V BONNIE G dated October 4, 2023. See also, United States Coast Guard Situation Report (SITREP)-POL 1 dated October 5, 2023. Additionally, the FOSC later issued an administrative order to the vessel detailing the substantial threat of discharge it posed beginning on October 4, 2023, to wit: The FOSC determined a substantial threat of the discharge of oil existed "based on the extensive damage the M/V BONNIE G and its vehicle cargo sustained on October 4, 2023, after the vessel ran aground. As a result of this grounding, a significant stability risk was presented, leading to possible vessel loss and/or capsizing, and subsequently, a threat of discharge/release of oil and/or designated hazardous substances both from the vessel and its vehicle cargo." See, Administrative Order issued to M/V BONNIE G dated October 25, 2023.

<sup>&</sup>lt;sup>21</sup> Moreover, USCG Marine Safety Detachment (MSD) St. Thomas personnel observed a 125' by 25' silver sheen coming from the stern of the vessel.<sup>21</sup> United States Coast Guard Situation Report (SITREP-POL One), section 1A, dated October 5, 2023.

Third Lady, LLC is the owner of the M/V BONNIE G<sup>22</sup> and MMS Americas, LLC is the operator of the M/V BONNIE G. In accordance with the Oil Pollution Act of 1990 ("OPA"),<sup>23</sup> both are identified as the Responsible Parties (RPs) for the oil spill incident.<sup>24</sup>

On August 28, 2024, the NPFC issued an RP Notification Letter to Third Lady, LLC via email. <sup>25</sup> On September 3, 2024, the RP notified the NPFC that it received all costs associated with NRC's claim. The RP further stated that it intended to pay the costs once it receives the proceeds from it insurer and agreed with NRC's decision to submit all costs to the NPFC at this time. <sup>26</sup>

# **Recovery Operations**

The vessel activated its vessel response plan (VRP) and hired NRC to handle all response actions.  $^{27}$  NRC subcontracted Play Land to assist with removal response actions.  $^{28}$  On October 5, 2023, personnel from Play Land arrived on scene and deployed 100 feet of containment boom around the stern of M/V BONNIE G.  $^{29}$ 

Responders reported oily water present in the engine room and stated it was a necessity for fuel tanks to be pumped off. On October 7, 2023, NRC and Play Land began to assist with the removal and disposal of fuel oil under the observation of the FOSC<sup>30</sup>

On October 22, 2023, the M/V HARVEY CHALLENGER arrived on scene to remove the bulk diesel fuel from the M/V BONNIE G via a ship-to-ship transfer.<sup>31</sup> NRC and its subcontractors continued to assist with removal and disposal efforts until November 10, 2023, when the FOSC determined the vessel no longer posed a substantial threat of discharge.<sup>32</sup>

<sup>&</sup>lt;sup>22</sup> Several documents in the administrative record, including the Vessel Critical Profile, list "Stevenson Formel Services" or "Stephenson Formel Services" as the owner of the vessel. (The NPFC believes "Stevenson" versus "Stephenson" is a matter of spelling vice there being two separate entities. This entity will be referred to below as "SFS"). However, other documents in the administrative record such as the Continuous Synopsis Record and the CG-2692 form submitted by the Master documenting the marine casualty that occurred here state that Third Lady, LLC is the owner. The NPFC communicated with Mr. (b) (6) of SFS who purported to represent both SFS unequivocally indicated that Third Lady, LLC is the owner of the vessel, and Third Lady, LLC. Mr. while SFS was the charterer of the vessel during this incident. OPA defines responsible party for a vessel incident as "any person owning, operating, or chartering by demise, the vessel." It is unclear from the record whether SFS was a demise charterer or a time charterer of the vessel at the time of the incident. The NPFC sent letters to both SFS and Third Lady informing them of their possible statuses as RPs for this incident. While the record contains somewhat conflicting information, for the purposes of this adjudication only, the NPFC will treat Third Lady, LLC as the owner of the vessel, as that is supported by the administrative record, including the phone and email discourse with Mr. (b) (6)

<sup>&</sup>lt;sup>23</sup> 33 U.S.C. § 2701(32).

<sup>&</sup>lt;sup>24</sup> Continuous Synopsis Record (CSR) for the M/V BONNIE G dated August 2, 2021.

<sup>&</sup>lt;sup>25</sup> See, Email from NPFC to Third Lady dated August 28, 2024.

<sup>&</sup>lt;sup>26</sup> See, Phone Conversation Summary between the NPFC and Mr. (b) (6) dated September 3, 2024. In a follow-up email, Mr. (b) (6) stated that he believed the incident was the result of an "act of God" "as deemed by the [Coast Guard] on-scene". See, email from Mr. (b) (6) to NPFC dated September 5, 2024.

<sup>&</sup>lt;sup>27</sup> USCG SITREP-POL One, section 1A, dated October 5, 2023.

<sup>&</sup>lt;sup>28</sup> NRC Original Claim Submission received August 26, 2024.

<sup>&</sup>lt;sup>29</sup> USCG SITREP-POL Two, section C, dated October 10, 2023.

<sup>&</sup>lt;sup>30</sup> USCG SITREP-POL Three, section 2, dated October 14, 2023.

<sup>&</sup>lt;sup>31</sup> USCG SITREP-POL 7 and Final, section 1A, dated November 10, 2023.

<sup>&</sup>lt;sup>32</sup> USCG SITREP-POL 7 and Final, section 2B, dated November 10, 2023.

### III. CLAIMANT AND NPFC:

When an RP denies a claim or has not settled a claim after ninety-days of receipt, a claimant may elect to present its claim to the NPFC.<sup>33</sup> On August 26, 2024, NRC presented its removal costs claim to the NPFC for \$206,298.77<sup>34</sup> The claim included NRC's signed OSLTF form, NRC's invoice 1041669 R02, Play Land Marine invoices, all daily work reports and universal worksheets affiliated with on-scene operations, the NRC work order, and NRC work order summary.<sup>35</sup>

On August 27, 2024, the NPFC requested a copy of the contract agreement established between NRC and the RP and a copy of the RP's denial of the costs claimed.<sup>36</sup> On August 28, 2024, the NPFC additionally requested proof of payment for all subcontractor costs submitted with NRCs claim, and copies of the rate sheets pertaining to the costs submitted.<sup>37</sup>

On September 4, 2024, the RP submitted evidence that its guarantor, Safe Harbors, <sup>38</sup> sent NRC a payment on August 6, 2024, in the amount of \$54,508.28. <sup>39</sup> On September 6, 2024, the NPFC requested NRC provide a copy of invoice 988804, with confirmation of whether the costs subject of invoice 988804 were different from those costs subject of invoice 1041669 R02. <sup>40</sup>

On September 9, 2024, NRC submitted a copy of NRC's contract with MMS Americas<sup>41</sup>, a copy of the 2023 NRC/Republic T&M rates sheet and Play Land Marine's 2023-24 rate sheet, most recent correspondence with MMS Americas/Safe Harbors regarding payment of invoice 1041669 R02.<sup>42</sup> The correspondence also included a listing of NRC's proofs of payment for the Play Land Marine subcontractor invoices.<sup>43</sup> The NPFC requested NRC provide a more detailed listing of the subcontractor payments.<sup>44</sup>

On September 19, 2024, NRC submitted a copy of invoice 988804, explaining the costs were the same as the costs subject of invoice 1041669 R02, while confirming the costs remain unpaid therefore invoice 988804 was canceled.<sup>45</sup> NRC also provided email correspondence between NRC and MMS Americas, that contained a copy of invoice 988930. Upon review, the NPFC determined the payment on August 6, 2024, in the amount of \$54,508.28, was associated with

<sup>33 33</sup> CFR 136.103.

<sup>&</sup>lt;sup>34</sup> NRC Original Claim Submission received August 26, 2024.

 $<sup>^{35}</sup>$  Id

<sup>&</sup>lt;sup>36</sup> Email from NPFC to NRC dated August 27, 2024.

<sup>&</sup>lt;sup>37</sup> Email from NPFC to NRC dated August 28, 2024.

<sup>&</sup>lt;sup>38</sup> See, Certificate of Financial Responsibility (COFR) for the BONNIE G dated October 5, 2023, which identifies Safe Harbor Pollution as the RP's Guarantor.

<sup>&</sup>lt;sup>39</sup> Email from RP to the NPFC dated September 4, 2024, with attachment identified as Safe Harbor check #100540 dated August 6, 2024.

<sup>&</sup>lt;sup>40</sup> Email from the NPFC to NRC dated September 6, 2024.

<sup>&</sup>lt;sup>41</sup> USCG Vessel Critical Profile identifies MMS Americas, LLC as the managing operator of the vessel.

<sup>&</sup>lt;sup>42</sup> Email from NRC to the NPFC dated September 9, 2024.

<sup>43</sup> Id

<sup>&</sup>lt;sup>44</sup> Email from the NPFC to NRC dated September 10, 2024.

<sup>&</sup>lt;sup>45</sup> Email from NRC to the NPFC dated September 19, 2024, which included invoice 988804 dated November 13,2023.

invoice 988930.<sup>46</sup> The NPFC confirmed there were no duplication of costs submitted in this claim.

Lastly, the NPFC requested NRC provide proofs of payment for "Air Tanks" claimed on October 12, 2023, October 13, 2023, and October 14, 2023, and for "Air Tool Oil" claimed on October 13, 2024. 48

On September 20, 2024, NRC submitted a copy of the subcontractor payments. <sup>49</sup> On September 27, 2024, NRC submitted signed dailies with an explanation of Air Tool Oil and Air Tank pricing, along with an amended 2023 Play Land rate sheet that included the Air Tanks pricing. <sup>50</sup>

# IV. DISCUSSION:

An RP is liable for all removal costs and damages resulting from either an oil discharge or a substantial threat of oil discharge into a navigable water of the United States.<sup>51</sup> An RP's liability is strict, joint, and several.<sup>52</sup> When enacting OPA, Congress "explicitly recognized that the existing federal and states laws provided inadequate cleanup and damage remedies, required large taxpayer subsidies for costly cleanup activities and presented substantial burdens to victim's recoveries such as legal defenses, corporate forms, and burdens of proof unfairly favoring those responsible for the spills."<sup>53</sup> OPA was intended to cure these deficiencies in the law.

OPA provides a mechanism for compensating parties who have incurred removal costs where the responsible party has failed to do so. 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."<sup>54</sup> The term "remove" or "removal" means "containment and removal of oil […] from water and shorelines or the taking of other actions as may be necessary to minimize or mitigate damage to the public health or welfare, including, but not limited to fish, shellfish, wildlife, and public and private property, shorelines, and beaches."<sup>55</sup>

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<sup>&</sup>lt;sup>46</sup> See, Email from RP to the NPFC dated September 4, 2024, with attachment identified as Safe Harbor check #100540 dated August 6, 2024; See also, email from NRC to the NPFC dated September 19, 2024, with invoice 988804 dated November 13,2023.

<sup>&</sup>lt;sup>47</sup> NRC Invoice 1041669 RO2, pgs. 8-10 of 26.

<sup>&</sup>lt;sup>48</sup> NRC Invoice 1041669 RO2, pg. 9 of 26.

<sup>&</sup>lt;sup>49</sup> Email from NRC to the NPFC dated September 20, 2024, with attachment identified as Play Land Marine Payment listing.

<sup>&</sup>lt;sup>50</sup> Email from NRC to the NPFC dated September 27, 2024, with attachments identified as Play Land Marine T&M Rate Sheet 2023 parts 1 and 2.

<sup>&</sup>lt;sup>51</sup> 33 U.S.C. § 2702(a).

<sup>&</sup>lt;sup>52</sup> See, H.R. Rep. No 101-653, at 102 (1990), reprinted in 1990 U.S.C.C.A.N. 779, 780.

<sup>&</sup>lt;sup>53</sup> Apex Oil Co., Inc. v United States, 208 F. Supp. 2d 642, 651-52 (E.D. La. 2002) (citing S. Rep. No. 101-94 (1989), reprinted in 1990 U.S.C.C.A.N. 722).

<sup>&</sup>lt;sup>54</sup> 33 U.S.C. § 2701(31).

<sup>&</sup>lt;sup>55</sup> 33 U.S.C. § 2701(30).

The NPFC is authorized to pay claims for uncompensated removal costs that are consistent with the National Contingency Plan (NCP).<sup>56</sup> The NPFC has promulgated a comprehensive set of regulations governing the presentment, filing, processing, settling, and adjudicating such claims.<sup>57</sup> The claimant bears the burden of providing all evidence, information, and documentation deemed relevant and necessary by the Director of the NPFC, to support and properly process the claim.<sup>58</sup>

Before reimbursement can be authorized for uncompensated removal costs, the claimant must demonstrate by a preponderance of the evidence:

- (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 directed by the FOSC or determined by the FOSC to be consistent with the National Contingency Plan;<sup>59</sup>
- (d) That the removal costs were uncompensated and reasonable. <sup>60</sup>

The NPFC analyzed each of these factors and determined that most of the costs incurred and submitted by NRC herein are compensable removal costs based on the supporting documentation provided. All costs approved for payment were verified as being invoiced at the appropriate pricing<sup>61</sup> and all costs were supported by adequate documentation which included invoices and/or proof of payment<sup>62</sup> where applicable and have been determined by the FOSC to be consistent with the National Contingency Plan (NCP).<sup>63</sup>

Upon adjudication of the costs, the NPFC has determined that the amount of compensable removal costs is \$200,465.48 while \$5,833.29 is denied for the following reasons:<sup>64</sup>

1. Standard time (ST) and Overtime (OT) Foreman personnel rates are adjusted according to rate sheet pricing.<sup>65</sup> All Foreman labor rates claimed were for activities performed between the dates of October 11, 2023, through October 29, 2023.<sup>66</sup>

**Total Denied: \$4,203.13**<sup>67</sup>

<sup>&</sup>lt;sup>56</sup> See generally, 33 U.S.C. § 2712 (a) (4); 33 U.S.C. § 2713; and 33 CFR Part 136.

<sup>&</sup>lt;sup>57</sup> 33 CFR Part 136.

<sup>&</sup>lt;sup>58</sup> 33 CFR 136.105.

<sup>&</sup>lt;sup>59</sup> See, Phone Conversation Summary between the NPFC and FOSC dated August 27, 2024.

<sup>60 33</sup> CFR 136.203; 33 CFR 136.205.

<sup>&</sup>lt;sup>61</sup> NRC Original Claim Submission received August 26, 2024, with Attachments.

<sup>&</sup>lt;sup>62</sup> Email from NRC to the NPFC dated September 20, 2024, with attachment identified as Play Land Marine Payment listing.

<sup>&</sup>lt;sup>63</sup> See, Phone Conversation Summary between the NPFC and FOSC dated August 27, 2024.

<sup>&</sup>lt;sup>64</sup> Enclosure 3 provides a detailed analysis of the amounts approved by the NPFC.

<sup>&</sup>lt;sup>65</sup> Email from NRC to the NPFC dated September 9, 2024, with attachment identified as Republic-NRC-USE Rate Schedule; pg. 2 of 17.

 $<sup>^{66}</sup>$  NRC Original Claim Submission received August 26, 2024, with attachments identified as NRC Work Order pages 7-24 of 24 and NRC Invoice 1041669 R02 pages 5-26 of 26.

<sup>&</sup>lt;sup>67</sup> See, Enclosure 3, Sheet 2, Lines 65, 83, 100, 117, 137, 152, 169, 184, 200, 226, 240, 255, 270, 284, 300 and 316.

2. All costs submitted by NRC for materials (sorbent boom and universal pads) were compared to the daily work reports to confirm quantity used. The NPFC reduced quantities claimed that exceeded the quantities identified on the daily reports.<sup>68</sup>

**Total Denied: \$280.00**<sup>69</sup>

3. The cost claimed for the use of Air Tool Oil on October 13, 2023, including administrative markup, <sup>70</sup> was compared with daily reports and subcontractor invoicing. <sup>71</sup> The NPFC reduced the 50% markup to 20% based on 20% administrative markup allowance for third party costs as identified in the rate sheeting pricing document.

**Total Denied: \$3.00**<sup>72</sup>

4. NRC bills all third-party invoices for services, including subcontractors, at cost plus 20%.<sup>73</sup> Where the NPFC denied certain costs, it accordingly denied the markup of those costs as well.

**Total Denied:** \$840.62<sup>74</sup>

5. NRC submitted costs that are subject of their Employer-Sponsored Insurance Charge (ESIC) at a rate of 9.5% of invoiced costs.<sup>75</sup> In those instances where the NPFC reduced the applicable approved costs, the NPFC reduced the ESIC costs accordingly.

**Total Denied: \$506.04**<sup>76</sup>

6. The NPFC denied \$0.50 as an unidentified rounding issue.

**Total Denied: \$0.50**<sup>77</sup>

**Total Costs Denied: \$5,833.29**<sup>78</sup>

<sup>&</sup>lt;sup>68</sup> Email from NRC to the NPFC dated September 9, 2024, with attachments identified as Republic-NRC-USE Rate Schedule; pg. 12 of 17 and NRC claim submission attachment identified as Daily Work Reports pg. 5 of 34.

<sup>&</sup>lt;sup>69</sup> See, Enclosure 3, Sheet 2, Line 68 and 69.

<sup>&</sup>lt;sup>70</sup> NRC Original Claim Submission received August 26, 2024, with attachments identified as NRC Work Order pg. 9 of 24 and NRC Invoice 1041669 RO2 pg. 9 of 26.

<sup>&</sup>lt;sup>71</sup> NRC Original Claim Submission received August 26, 2024, with attachments identified as Daily Work Reports pg. 10 of 34 and Play Land Invoice 101123 pg. 4 of 11.

<sup>&</sup>lt;sup>72</sup> See, Enclosure 3, Sheet 2, Line 104.

<sup>&</sup>lt;sup>73</sup> Email from NRC to the NPFC dated September 9, 2024, with attachment identified as Republic-NRC-USE Rate Schedule; pg. 17 of 17.

<sup>&</sup>lt;sup>74</sup> See, Enclosure 3, Sheet 2, Lines 71, 87, 105, 120, 142, 159, 175, 191, 206, 230, 245, 260, 275, 291, 307 and 323.

<sup>&</sup>lt;sup>75</sup> NRC Original Claim Submission received August 26, 2024, with attachments identified as NRC Work Order pg. 2 of 24 and NRC Invoice 1041669 RO2 pg. 26 of 26.

<sup>&</sup>lt;sup>76</sup> See, Enclosure 3, Sheet 2, Line 327.

<sup>&</sup>lt;sup>77</sup> See, Enclosure 3, Sheet 2, Line 328.

<sup>&</sup>lt;sup>78</sup> See, Enclosure 3.

# VI. CONCLUSION:

After careful analysis of all the supporting documentation provided by the claimant and the entire administrative record, the NPFC determines and finds as a matter of fact that on October 4, 2023, the M/V BONNIE G grounded and posed a substantial threat of oil discharge into West Gregorie Channel, St. Thomas, United States Virgin Islands; a navigable waterway of the United States occurred.<sup>79</sup>

NRC was hired by the RP to perform response actions that were determined by the FOSC to be consistent with the NCP.<sup>80</sup> As such, the NPFC finds that the claimant's costs and actions were the result of a substantial threat of discharge as defined by OPA and as determined by the FOSC.

Based on a comprehensive review of the record, the applicable law and regulations, and for the reasons outlined above, NRC's request for uncompensated removal costs is approved in the amount of \$200,465.48.

This determination is a settlement offer,<sup>81</sup> the claimant has 60 days in which to accept this offer. Failure to do so automatically voids the offer.<sup>82</sup> The NPFC reserves the right to revoke a settlement offer at any time prior to acceptance.<sup>83</sup> Moreover, this settlement offer is based upon the unique facts giving rise to this claim and is not precedential.

(b) (6)

Claim Supervisor: (b) (6

(b) (6)

Date of Supervisor's review: 11/14/2024

Supervisor Action: Offer Approved

Supervisor's Comments:

<sup>&</sup>lt;sup>79</sup> USCG SITREP-POL 1, section 2A, dated October 5, 2023.

<sup>&</sup>lt;sup>80</sup> See, Phone Conversation Summary between the NPFC and FOSC dated August 27, 2024, and email from the FOSC to NPFC dated August 28, 2024.

<sup>&</sup>lt;sup>81</sup> Payment in full, or acceptance by the claimant of an offer of settlement by the Fund, is final and conclusive for all purposes and, upon payment, constitutes a release of the Fund for the claim. In addition, acceptance of any compensation from the Fund precludes the claimant from filing any subsequent action against any person to recover costs or damages which are the subject of the uncompensated claim. Acceptance of any compensation also constitutes an agreement by the claimant to assign to the Fund any rights, claims, and causes of action the claimant has against any person for the costs and damages which are the subject of the compensated claims and to cooperate reasonably with the Fund in any claim or action by the Fund against any person to recover the amounts paid by the Fund. The cooperation shall include, but is not limited to, immediately reimbursing the Fund for any compensation received from any other source for the same costs and damages and providing any documentation, evidence, testimony, and other support, as may be necessary for the Fund to recover from any person. 33 CFR 136.115(a).

<sup>83</sup> *Id*.