

CLAIM SUMMARY / DETERMINATION¹

Claim Number:	UCGP926017-URC001
Claimant:	Michigan Department of Environment, Great Lakes and Energy
Type of Claimant:	State
Type of Claim:	Removal Costs
Claim Manager:	(b) (6)
Amount Requested:	\$27,259.71 amended to \$26,387.58
Action Taken:	Offer in the amount of \$25,983.35

EXECUTIVE SUMMARY:

On October 21, 2025, Michigan Department of Environment, Great Lakes and Energy (EGLE) received a report of a spill of 100-200 gallons of oil onto South Jonas Road, near Eagle, MI. Upon arrival, EGLE personnel discovered the spill on the road, bridge, and ditch; and because of a rain event, it entered the Grand River, a navigable water of the United States. No RP was identified. EGLE provided oversight of the response and contracted Michigan Spill Response (MSR) to perform the response. MSR responded with personnel, equipment and supplies to contain and clean up the oil. Contaminated water, sand, gravel and soil were disposed by MSR. On October 27, 2025, EGLE personnel inspected the site, and all visible “oil” was gone except road staining.² Cleanup was determined to be complete on this date.³ The EPA FOSC communicated with the EGLE personnel and stated that the response was performed in accordance with the National Contingency Plan (NCP).⁴

The claimant initially sought \$27,259.71 but withdrew \$872.13 on May 8, 2026, and amended its claim amount to \$26,387.58.⁵ After review and evaluation of the evidence, the NPFC determines that the claimant’s costs are compensable removal costs under the Oil Pollution Act of 1990, in the amount of \$25,983.35.

I. DETERMINATION PROCESS:

¹ 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.

² Master Data Form p. 2 of 3, submitted with Original Claim submission dated March 24, 2025, and received by NPFC April 23, 2026.

³ Master Data Form p. 2 of 3, submitted with Original Claim submission dated March 24, 2025.

⁴ Email from EPA to EGLE dated March 14, 2026, provided by EGLE to NPFC via email dated April 30, 2026.

⁵ Email from EGLE to NPFC dated May 8, 2026.

The NPFC utilizes an informal process when adjudicating claims against the Oil Spill Liability Trust Fund (OSLTF).⁶ 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 the facts of the claim.⁷ The NPFC may rely upon, but is not bound by the findings of fact, opinions, or conclusions reached by other entities.⁸ 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 21, 2025, EGLE received a report of a spill of 100-200 gallons of oil onto South Jonas Road, near Eagle, MI. Upon arrival, EGLE personnel discovered the spill on the road, bridge, and ditch; and because of a rain event, it entered the Grand River, a navigable water of the United States.

Responsible Party

No responsible party has been identified.

Recovery Operations

EGLE contracted with Michigan Spill Response (MSR) to perform the oil-spill response. MSR responded with personnel, equipment and supplies to contain and clean up the oil. Contaminated water, sand, gravel and soil were disposed by MSR. All visible oil was removed, and no additional cleanup was required as of October 27, 2025.⁹

III. CLAIMANT AND NPFC:

As a state agency representing the Governor claiming removal costs incurred by the state of Michigan, EGLE may present its claim directly to the NPFC without presenting to the RP.¹⁰

⁶ 33 CFR Part 136.

⁷ 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)).

⁸ 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).

⁹ Master Data Form p. 2 of 3, submitted with Original Claim submission dated March 24, 2025.

¹⁰ 33 U.S.C. § 2713(b)(1)(C).

Additionally, since no RP has been identified, presentment to the RP was impossible. The NPFC received the claim April 23, 2026.

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.¹¹ An RP's liability is strict, joint, and several.¹² 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."¹³ 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."¹⁴ 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."¹⁵

The NPFC is authorized to pay claims for uncompensated removal costs that are consistent with the National Contingency Plan (NCP).¹⁶ The NPFC has promulgated a comprehensive set of regulations governing the presentment, filing, processing, settling, and adjudicating such claims.¹⁷ 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.¹⁸

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;

¹¹ 33 U.S.C. § 2702(a).

¹² See, H.R. Rep. No 101-653, at 102 (1990), *reprinted in* 1990 U.S.C.C.A.N. 779, 780.

¹³ *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).

¹⁴ 33 U.S.C. § 2701(31).

¹⁵ 33 U.S.C. § 2701(30).

¹⁶ See generally, 33 U.S.C. § 2712 (a) (4); 33 U.S.C. § 2713; and 33 CFR Part 136.

¹⁷ 33 CFR Part 136.

¹⁸ 33 CFR 136.105.

(d) That the removal costs were uncompensated and reasonable.¹⁹

NPFC analyzed each of the regulatory factors above. The EPA FOSC confirmed that the response actions upon which the EGLE claim is based were removal actions performed in accordance with the NCP.²⁰ Considering the supporting documentation provided and independent information obtained by the NPFC, the NPFC determined that most of the amended, claimed costs incurred and submitted by EGLE are compensable removal costs. Certain state employee labor costs are not compensable. The EGLE costs for employee labor incurred after the end date of the response (October 27, 2025), including correspondence with the health department, EPA and local residents after the cleanup was complete, as well as requesting funds after the cleanup was complete are not removal actions and must be denied. The total amount for denied labor hours for two state employees incurred after October 27, 2025, is \$304.51. The 16.04% Indirect Costs related to the denied hours is, consequentially, also not compensable, and results in an additional denied amount totaling \$55.87. The total amount denied is \$404.23. The remaining \$25,983.35 approved for payment was verified as being at the appropriate pricing and was supported by adequate documentation.

V. 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 EGLE has demonstrated that it incurred uncompensated removal costs under the Oil Pollution Act of 1990 for actions that were performed in accordance with the NCP.

Based on a comprehensive review of the record, the applicable law and regulations, and for the reasons outlined above, Michigan Department of Environment, Great Lakes and Energy's request for uncompensated removal costs is approved in the amount of **\$25,983.35**.

This determination is a settlement offer,²¹ the claimant has 60 days in which to accept this offer. Failure to do so automatically voids the offer.²² The NPFC reserves the right to revoke a settlement offer at any time prior to acceptance.²³ Moreover, this settlement offer is based upon the unique facts giving rise to this claim and is not precedential.

¹⁹ 33 CFR 136.203; 33 CFR 136.205.

²⁰ Email from EPA to EGLE dated March 14, 2026, provided by EGLE to NPFC via email dated April 30, 2026.

²¹ 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).

²² 33 CFR 136.115(b).

²³ 33 CFR 136.115(b).

(b) (6)

Claim Supervisor: (b) (6)

Date of Supervisor's review: 5/29/2026

Supervisor Action: *Offer Approved*