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: <u>arl-pf-npfcclaimsinfo@uscq.mil</u> Fax: 202-493-6937

CERTIFIED MAIL – RETURN RECEIPT REQUESTED Number: 7011 1570 0001 4802 8092

Paula Hahn

5890/DWHZ Claim # N10036-1537 13 December 2011

Dear Ms. Hahn:

The National Pollution Funds Center (NPFC), in accordance with the Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq. (OPA) and the associated regulations at 33 C.F.R. Part 136, denies payment on the claim number N10036-1537 involving Deepwater Horizon. Please see the attached Claim Summary/Determination Form for further explanation.

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 claim. However, if you find that you will be unable to gather particular information within the time period, you may include a request for an extension of time for a specified duration with your reconsideration request.

Reconsideration of the denial will be based upon the information provided. A claim may be reconsidered only once. Disposition of that reconsideration in writing 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 claim number N10036-1537.

Mail reconsideration requests to:

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

Sincerely,

Claims Adjudication Division National Pollution Funds Center U.S. Coast Guard

Enclosure: Claim Summary/Determination Form

CLAIM SUMMARY/DETERMINATION FORM

Claim Number	N10036-1537
Claimant	Paula Hahn
Type of Claimant	Private (US)
Type of Claim	Loss of Profits and Impairment of Earnings Capacity
Amount Requested	\$11,204.00

FACTS

On or about 20 April 2010, the Mobile Offshore Drilling Unit Deepwater Horizon (Deepwater Horizon) exploded and sank in the Gulf of Mexico. As a result of the explosion and sinking, oil was discharged. The Coast Guard designated the source of the discharge and identified BP as a responsible party (RP). BP accepted the designation and advertised its OPA claims process. On 23 August 2010, the Gulf Coast Claims Facility (GCCF) began accepting and adjudicating claims for certain individual and business claims on behalf of BP.

CLAIM AND CLAIMANT

On 31 October 2011, Paula Hahn (the Claimant) presented a claim to the Oil Spill Liability Trust Fund (OSLTF) for \$11,204.00 for loss of profits and impairment of earnings capacity allegedly resulting from the Deepwater Horizon oil spill.

The Claimant worked at Toojays, a restaurant in Sarasota, Florida. In January 2010, she left Toojays for the birth of her child. When she returned to Toojays, there was "no spot for her."¹ She then collected unemployment compensation.² The Claimant states that she lost earnings because she lost her job at Toojays due to the oil spill.³

APPLICABLE LAW

Under the Oil Pollution Act of 1990 (OPA), at 33 U.S.C. § 2702(a), responsible parties are liable for removal costs and damages resulting from the discharge of oil into or upon the navigable waters or adjoining shorelines or the exclusive economic zone, as described in Section 2702(b) of OPA.

The OSLTF which is administered by the NPFC, is available, pursuant to 33 U.S.C. § 2712(a)(4) and § 2713 and the OSLTF claims adjudication regulations at 33 C.F.R. Part 136, to pay claims for uncompensated damages. One type of damages available pursuant to 33 C.F.R. § 136.231 is a claim for loss of profits or impairment of earning capacity due to injury to or destruction of natural resources.

¹ Notarized letter from Michael Ridener, Manager Toojays Restaurant, concerning Claimant's employment ² OSLTF Claim Form signed by the Claimant and Form 1099-G Certain Government Payments from

Florida Agency for Workforce Innovations for 2010

³ OSLTF Claim Form signed by the Claimant

Under 33 C.F.R. § 136.233 a claimant must establish the following:

- (a) That real or personal property or natural resources have been injured, destroyed, or lost.
- (b) That the claimant's income was reduced as a consequence of injury to, destruction of, or loss of property or natural resources, and the amount of that reduction.
- (c) The amount of the claimant's profits or earnings in comparable periods and during the period when the claimed loss or impairment was suffered, as established by income tax returns, financial statements, and similar documents. In addition, comparative figures for profits or earnings for the same or similar activities outside of the area affected by the incident also must be established.
- (d) Whether alternative employment or business was available and undertaken and, if so, the amount of income received. All income that a claimant received as a result of the incident must be clearly indicated and any saved overhead and other normal expenses not incurred as a result of the incident must be established.

Under 33 C.F.R. § 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 C.F.R. § 136.235, the amount of compensation allowable for a claim involving loss of profits or impairment of earning capacity is limited to the actual net reduction or loss of earnings or profits suffered. Calculations for net reductions or losses must clearly reflect adjustments for—

- (a) All income resulting from the incident;
- (b) All income from alternative employment or business undertaken;
- (c) Potential income from alternative employment or business not undertake, but reasonably available;
- (d) Any saved overhead or normal expenses not incurred as a result of the incident; and
- (e) State, local, and Federal taxes.

DETERMINATION OF LOSS

Claimant's Submission to the OSLTF

To support this claim, the Claimant submitted the following documentation:

- OSLTF Claim Form signed by the Claimant
- Handwritten letter to BP from person who watched Claimant's children dated 17 June 2011
- Form 1040EZ Income Tax Return for Single Filer for 2010
- Form 1099-G Certain Government Payments from Florida Agency for Workforce Innovations for 2010
- Form 1040 US Individual Income Tax Return for 2009

• Notarized letter from Michael Ridener, Manager Toojays Restaurant, concerning Claimant's employment

On 07 November 2011, the NPFC sent the Claimant a letter requesting additional information in order to evaluate the claim. The letter was sent First-Class Certified Mail Return Receipt Requested. US Postal Tracking shows the letter was delivered 12 November 2011.⁴ The Claimant did not respond to the request.

Before presenting the claim to the NPFC, the Claimant filed a Full Review Final Claim (FRF) with the GCCF on 26 May 2011 in the amount of \$10,000.00.⁵ The claim was assigned Claimant ID #3522561 and claim #9390066.⁶ The FRF claim was denied on 08 July 2011.⁷ Additionally, the Claimant filed an Interim Payment (ICQ32011) claim with the GCCF on 12 August 2011 in the amount of \$9,209.00.⁸ The claim was assigned claim #9436121.⁹ The Interim claim was denied on 18 August 2011.¹⁰

Based upon the evidence provided by the Claimant, it appears that the subject matter of the GCCF claims is the same as the subject matter of the claim before the NPFC, i.e., Claimant lost earnings as a result of the Deepwater Horizon oil spill. To the extent the amount of the claims presented to the Responsible Party are equal to or greater than the amount currently presented to the NPFC, the subject claim is properly presented to the NPFC. Accordingly, this Claim Summary Determination for NPFC Claim N10036-1537 considers and addresses the loss of earnings up to the amount of \$11,204.00 for all claims presented to the Responsible Party, specifically: GCCF Claim #9390066 FP and #9436121 ICQ32011.

NPFC Determination

Under 33 U.S.C. § 2702(b)(2)(E) and 33 C.F.R. Part 136, a claimant must prove that any loss of income was due to injury or destruction or loss of real or personal property or a natural resource as a result of a discharge or substantial threat of a discharge of oil. Under 33 C.F.R. § 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.

The NPFC sent the Claimant a letter on 07 November 2011 requesting additional information in order to further evaluate her claim. The Claimant did not respond to the letter. Among other questions, the NPFC's letter asked for financial information to assess the merits of the alleged loss. Since she did not respond to the letter, she has not

⁴ US Postal Tracking Receipt 7011 1570 0001 4802 7194

⁵ Report from the GCCF dated 05 December 2011

⁶ GCCF On-Line Status Report

⁷ GCCF Denial Letter dated 08 July 2011

⁸ Report from the GCCF dated 05 December 2011

⁹ GCCF On-Line Status Report

¹⁰ GCCF Denial Letter dated 18 August 2011

provided sufficient documentation to support her claimed loss and demonstrate that the oil spill caused her loss of earnings.

This claim is denied because the Claimant failed to meet the burden to demonstrate (1) that there was an alleged loss in the amount claimed, and (2) that the alleged loss is due to the injury, destruction or loss of property or natural resources as a result of a discharge or substantial threat of a discharge of oil.

Claim Supervisor:Claims Adjudication DivisionDate of Supervisor's Review:13 December 2011Supervisor's Action:Denial approvedSupervisor's Comments:10 Denial approved