

CLAIM SUMMARY / DETERMINATION FORM

Date	: 6/10/2009
Claim Number	: 909085-001
Claimant	: State of Texas
Type of Claimant	: State
Type of Claim	: Removal Costs
Claim Manager	: Felita Jackson
Amount Requested	: \$8,111.07

FACTS:

1. Oil Spill Incident: On October 23, 2008 an oil spill was discovered in the Taylor Bayou Turning Basin in Jefferson County, Texas. The Taylor Bayou Turning Basin is a navigable waterway of the United States. The State on Scene Coordinator (SOSC), Johnny Darcey of the Texas General Land Office (TGLO), responded and discovered 32 gallons of oil in the Texas coastal waters. The source of the spill was determined to be the fishing vessel *Hannah Leigh*. The *Hannah Leigh* had been pushed ashore by Hurricane Ike and was in derelict condition. The SOSC coordinated with LTJG Phillip Nail, the Federal on Scene Coordinator Representative (FOSCR), who authorized the state to take the lead for the response.

The SOSC hired Triangle Waste Solutions (Triangle) for immediate response and cleanup of the spill. The Claimant monitored their cleanup efforts. According to the signed Texas General Land Office (TGLO) Memorandum, TGLO ensured that the cleanup and disposal were consistent with the National Contingency Plan.

Claimant did not attempt to collect administrative penalties or response costs from the owner of the vessel.

2. The Claim: On April 29, 2009, the Claimant submitted a removal cost claim in the amount of \$8,111.07 to the National Pollution Funds Center (NPFC) for reimbursement for their uncompensated State response costs. The claim consists of the incident billing summary, invoices, dailies, proof of payment, and photographs taken at the incident site.

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).

"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. The FOSC coordination was provided by LTJG Phillip Nail of Marine Safety Unit Port Arthur, Texas.

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 costs for these actions were indeed reasonable and allowable under OPA and 33 CFR § 136.205 as set forth below.

B. Determined Amount:

The Claims Manager’s review of the cost documentation has determined that the Claimant will be compensated for removal costs based on the contracted rate schedule of the response company which was provided by the claimant with the claim submission.

In reviewing Triangle’s Job Ticket #7159 for 10/27/08; a 70bbl vac truck with operator was billed out at \$65.00 per hour although the rate schedule provided shows a rate of \$55.00 per hour to be charged therefore the NPFC is adjusting the amount payable to \$55.00 per hour for a total denied amount of \$30.00. A fuel surcharge of \$40.95 is charged on this ticket as well which is based on 21% of the total vac truck charge of \$195.00. The NPFC is subsequently reducing the fuel surcharge to \$34.65 which is 21% of the total amount approved by the NPFC which is \$165.00 and 21% of that number is \$34.65 giving a total denied amount for fuel surcharge of \$6.30.

Lastly, Triangle billed \$65.00 for a new DOT drum on ticket #7557. The field daily log provided shows the drum as ‘used’ and the rate schedule states the price for a ‘used’ DOT drum is \$50.00 each therefore the NPFC denies the \$15.00 overcharge for the new drum.

Based on the NPFC’s denial of \$51.30, the NPFC determines that the OSLTF will pay \$8,059.77 as full compensation for the reimbursable removal costs incurred by the Claimant and submitted to the NPFC under claim# 909085-001.

AMOUNT: \$8,059.77

Claim Supervisor: ***Donna Hellberg***

Date of Supervisor’s review: ***6/15/09***

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
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4200 Wilson Blvd. Suite 1000
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Staff Symbol: (CA)
Phone: 2 [REDACTED]
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5890
6/15/2009

SENT VIA E-MAIL: P [REDACTED]@glo.state.tx.us

State of Texas
General Land Office
Attn: Peggy Spies
1700 N Congress Avenue
Austin, TX 78701-1495

Re: Claim Number 909085-001

Dear Ms. Spies:

The National Pollution Funds Center (NPFC), in accordance with the Oil Pollution Act (OPA) (33 U.S.C. 2701 et seq.), has determined that \$8,059.77 is full compensation for OPA claim number 909085-001.

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.

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 Central Contractor Registration (CCR) record prior to payment. If you do not, you may register free of charge at www.ccr.gov. Your 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,

Felita Jackson
Claims Manager

ENCL: Claim Summary/Determination Form
Acceptance/Release Form

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: [REDACTED]
E-mail: [REDACTED]@uscg.mil
Fax: 202-493-6937

Claim Number: 909085-001	Claimant Name: State of Texas General Land Office Attn: Peggy Spies 1700 N Congress Avenue Austin, TX 78701-1495
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I, the undersigned, ACCEPT the determination of \$8,059.77 as full compensation for the removal costs incurred.

This determination represents full and final release and satisfaction of all removal costs incurred under the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(4)), associated with the above referenced claim. This determination is not an admission of liability by any party. 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 loss. 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 the incident. 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 costs which are the subject of the claim against the Oil Spill Liability Trust Fund (Fund).

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 any compensation received from any other source for the same claim, 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

_____	_____	_____
DUNS	Bank Routing Number	Bank Account Number