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DEPARTMENT OF TRANSPORTATION

U. S. COAST GUARD

STATEMENT OF

RADM PAUL J. PLUTA

ON THE

PHASE-OUT OF SINGLE HULL TANKERS

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

U.S. SENATE

JANUARY 9, 2002

REAR ADMIRAL PAUL J. PLUTA

Assistant Commandant for Marine Safety,
Security and Environmental Protection
United States Coast Guard

Rear Admiral Paul J. Pluta assumed the duties of Assistant Commandant for Marine Safety and Environmental Protection at Coast Guard Headquarters in Washington, DC in May 2001. In that capacity, he directs national and international regulatory programs for commercial vessel safety, port safety and security, waterways management, and marine environmental protection. RADM Pluta came to Coast Guard Headquarters after serving as the Commander of the Eighth Coast Guard District and Commander of Maritime Defense Command Eight, headquartered in New Orleans. As District Commander, RADM Pluta was responsible for U.S. Coast Guard operations covering 26 states, over 1,200 miles of coastline, and 10,300 miles of inland waterways from Florida to Mexico

Rear Admiral Paul J. Pluta is a 1967 graduate of the U.S. Coast Guard Academy. He holds an M.S.E. degree in Naval Architecture and Marine Engineering from the University of Michigan. He first served as an assistant engineering officer aboard the cutters CHINCOTEAGUE & MINNETONKA. Following these assignments, he attended postgraduate training and was then assigned to staff engineering tours at the Eighth District Merchant Marine Technical (MMT) Office in New Orleans, LA, and in the MMT Division at Coast Guard Headquarters, Washington, DC, where he specialized in plan review of commercial vessels for service in petrochemical, cargo, and passenger carriage. He returned to operations ashore, as Chief of the Inspection Department at Marine Safety Office, Baltimore, MD. RADM Pluta was then assigned to Coast Guard Headquarters as Chief, Engineering Branch and Chief, Compliance & Enforcement Branch, Merchant Vessel Inspection Division, where he represented U.S. maritime interests at the International Maritime Organization.

From July 1988 - July 1991, he served as Commanding Officer, Marine Safety Office, Wilmington, NC, where his command played a key role in support of OPERATION DESERT STORM. RADM Pluta assumed command of the U.S. Coast Guard Reserve Training Center (RTC), Yorktown, VA, in August 1991, home of the Marine Safety and other schools, where he led the first military-to-military assessment team to Kazakhstan to help this former Soviet republic form its own Maritime Force, patterned after the U.S. Coast Guard. In June 1994, RADM Pluta was reassigned as Chief of Staff, Ninth Coast Guard District, Cleveland, OH, where he was responsible for the day-to-day Coast Guard activities throughout the entire Great Lakes region, including the training and deployment of the Coast Guard Port Security Units to Haiti during OPERATION UPHOLD DEMOCRACY and negotiation of regional bilateral mutual support agreements with the Government of Canada.

In July 1996, RADM Pluta achieved flag rank and was appointed Director, Office of Intelligence and Security in the Department of Transportation. He served as the Secretary of Transportation's principal liaison to the Intelligence Community and held policy responsibility for transportation and national security issues in all modes of transportation.

Personal decorations: Legion of Merit (four awards), Meritorious Service Medal, and two Coast Guard Commendation Medals. A native of Carteret, NJ, RADM Pluta is married to the former Jane M. Oakley of Weeksville, NC. They have three children, Christine, Kevin, and Brian.

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Good afternoon Mr. Chairman and distinguished members of the Committee. I am RADM Paul J. Pluta, Assistant Commandant for Marine Safety, Security and Environmental Protection. It is a pleasure to appear before you today to discuss the Oil Pollution Act of 1990 and the phase-out of single hull tankers.

Thirteen years ago, we faced what seemed an insurmountable task: responding to a spill of 258,000 barrels (11 million gallons) of crude oil into the pristine environment of Prince William Sound, Alaska. Coincident with the massive cleanup effort, the Congress, state legislatures, many countries, and international organizations began an intensive investigation and exploration of the root causes of the accident and deliberated on appropriate prevention and response measures to reduce the likelihood of similar oil pollution accidents. Here in the United States, the 101st Congress unanimously passed the Oil Pollution Act of 1990 (OPA 90), and the President signed it into law on August 18, 1990. Since the passage of OPA 90, there has been a dramatic reduction in the volume of oil spilled into U. S. waters from tankers per million gallons shipped--declining from 9.7 gallons spilled per million gallons shipped in 1990 to 2.7 gallons spilled per million gallons shipped in 1999, a decrease of over 70 percent.

In broad terms, the public policy objectives of OPA 90 are: the prevention of oil spills, the provision of a comprehensive response regime when spills occur, and the assessment of appropriate penalties and liabilities to ensure that polluters pay for damages.

As part of the prevention objective, the Oil Pollution Act of 1990 established double hull requirements for newly constructed tank ships and tank barges that operate in U.S. waters and established a phase-out schedule for existing tank vessels. The OPA 90 phase-out schedule requires that existing single hull tank vessels be retrofitted with a double hull or be phased-out of operation by 2010, unless they are equipped with a double bottom or double sides, in which case some may continue to trade in the United States through 2015 (depending on their age). The phase-out schedule is specified in section 4115 of OPA 90 and all tank vessels operating in U.S. waters must have double hulls by January 1, 2015.

It is important to note that certain exemptions in OPA 90 allow single hull tank vessels to continue to operate in the U.S. through 2015. Any single hull tank vessel unloading oil in bulk at a deepwater port licensed under the Deepwater Port Act of 1974, as amended, or offloading oil in bulk within a lightering zone more than 60 miles may still operate until 2015. Currently, the Louisiana Offshore Oil Port is the only deepwater port operating in the United States and three designated lightering zones are available in the Gulf of Mexico. In addition, the double hull requirements do not apply to foreign vessels while engaged in innocent passage through U.S. waters.

To provide clarification in applying the provisions of OPA 90, the Coast Guard produced Navigation and Vessel Inspection Circular number 10-94, "Guidance For Determination and Documentation of the Oil Pollution Act of 1990 (OPA 90) Phase-Out Schedule For Existing Single Hull Vessels Carrying Oil in Bulk." This circular provides guidance for determining phase-out dates for single hull tank vessels operating on waters subject to the jurisdiction of the United States.

In 1991, the U.S. took the OPA 90 single hull phase-out proposal to the Maritime Environment Protection Committee (MEPC) of the International Maritime Organization (IMO). This resulted in the adoption of amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) in 1992. Regulations 13F and 13G establish a 25-30 year life for single-hull tank vessels and require double hulls or tank vessels with designs equal to or exceeding the double hulls' ability to reduce or stop oil outflow due to a collision or grounding. While this represented a significant step forward in the elimination of single hull tank vessels, these amendments fell short of the phase-out scheme established by OPA 90.

In December 1999, the tank ship ERIKA carrying 30,000 tons of heavy oil broke up off the French coast. The European Commission (EC) initiated a study, which resulted in numerous recommendations and proposals to prevent another such occurrence. One of these proposals was an acceleration of the MARPOL regulation 13G phase-out schedule for single hull tankers. In June 2000, France (along with Belgium and Germany) submitted a comprehensive paper to the 45th session of the MEPC proposing an amendment to regulation 13G of MARPOL that accelerated the phase-out schedule for single hull tankers. The U. S. assisted France to ensure that the proposed dates were aligned as close as possible with the phase-out dates in OPA 90. At its 46th session, MEPC adopted the modified version of 13G that requires the phase-out of all single hull tankers by 2015. However, since the dates were not consistent with those in OPA 90, the U.S. was unable to become a party to these amendments.

In November 2002, the tank ship PRESTIGE, carrying approximately 20 million gallons of fuel oil, began leaking after its hull split in a storm. The vessel eventually sank 150 miles off the northwest coast of Spain and the Coast Guard, along with National Oceanic and Atmospheric Administration (NOAA), sent a delegation to assist Spain with the massive clean up effort. Under OPA 90, the tank vessel PRESTIGE had reached its phase-out on January 1, 2000 and could no longer operate carrying oil in a U. S. port.

In response to the sinking, the European Commission is looking at accelerating the phase-out timeline for single hull vessels to those originally proposed after the sinking of the tank vessel ERIKA and more in line with the United States' OPA 90. This might also include an immediate prohibition on the carriage of heavy or persistent oils in single hulled tank vessels. The Coast Guard currently has a delegation meeting with the European Commission to discuss their proposals. The economic impact of the EC initiative is unclear at this point. The April 2000 Government Accounting Office (GAO) report to Congress recommended that MARAD regularly assess the progress being made to replace phased-out single hull vessels to determine whether sufficient shipping capacity exists to meet domestic oil needs. MARAD indicates that it intends to continue

such assessments with the Coast Guard's assistance and routinely report its finding to the Congress until the phase-out for single hull tank ships is complete on January 1, 2015.

In conclusion, the success of OPA 90 can be measured by the absence of significant oil spills from tankers in U.S. waters since its passage. It establishes the cornerstones of prevention, preparedness and response that serve as a useful model for the international maritime community. Nevertheless, we will continue to work with the international maritime community to ensure that shipping remains a safe, economical, and environmentally friendly transport option.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions you may have.