



TESTIMONY OF
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ON
ALASKA OPERATIONS AND THE MODU KULLUK GROUNDING
BEFORE THE
OCEANS, ATMOSPHERE, FISHERIES, AND COAST GUARD SUBCOMMITTEE
U.S. SENATE

MARCH 27, 2013

Senator Begich and distinguished colleagues, thank you for the opportunity to join you today. I am pleased to discuss Coast Guard Arctic responsibilities and operations. This past summer we prepared for Arctic activity driven by the oil industry's planned drilling operations in the Chukchi and Beaufort Seas. Partnering closely with Federal, State, Local, and Tribal government partners, and working with industry as the regulated parties, the Coast Guard was ready for operations in the Arctic with Operation Arctic Shield. The lessons we learned this past year will inform our planning and strategy, to ensure we remain always ready to ensure the safety, security and stewardship of the emerging maritime frontier of the Arctic.

**MOBILE OFFSHORE DRILLING UNIT (MODU) KULLUK GROUNDING-
ON-GOING INVESTIGATION**

The Coast Guard shares your concerns regarding the grounding of the MODU KULLUK on December 31, 2012, which highlights the rigors of operating in Alaskan waters. The Coast Guard last inspected the KULLUK on December 20, 2012. The Coast Guard inspected and certificated the newly constructed Offshore Supply Vessel AIVIQ on April 20, 2012.

In January, I directed a marine casualty safety investigation into the facts and circumstances surrounding the grounding of the KULLUK. Members of the Coast Guard's Investigation National Center of Expertise are leading the investigation, coordinating with local Coast Guard commands, and utilizing the technical expertise of the National Transportation Safety Board and the Bureau of Safety and Environmental Enforcement to examine all aspects of this vessel casualty. Furthermore, in order to provide timely feedback to the American public and the marine industry, the investigators have been authorized to make interim safety recommendations prior to the final release of the report.

As my investigating officer is still actively engaged in the investigation, it would not be appropriate to provide additional information at this time. As soon as the investigation is complete, and the final report is issued, I will ensure a copy is provided to you and your staff.

Additionally, in January I also referred the casualty investigation of the Drill Ship NOBLE DISCOVERER, also operating in Alaskan waters, to the Department of Justice (DOJ) for their review and potential follow-on action. Since the Coast Guard is actively assisting DOJ with the case, it would not be appropriate for me to provide information regarding this on-going investigation and I would refer any questions to DOJ.

THE COAST GUARD IN ALASKA AND THE ARCTIC REGION

The Coast Guard has been operating in the Arctic Ocean since 1867, when Alaska was just a territory. Then, as now, our mission is to assist scientific exploration, chart the waters, provide humanitarian assistance to native tribes, conduct search and rescue, and enforce U.S. laws and regulations.

In Alaska, Coast Guard aircraft and vessels monitor more than 950,000 square miles off the Alaskan coast to enforce U.S. laws. We patrol an even larger area of the North Pacific Ocean to stop large-scale high seas drift netting and other illegal fishing practices, including foreign incursions into the U.S. Exclusive Economic Zone. We also conduct marine safety and environmental protection missions in the region.

To protect the Arctic environment, we are engaging industry and the private sector to address their significant responsibilities for pollution prevention, preparedness, and response. Recognizing that pollution response is significantly more difficult in cold, ice, and darkness, enhancing preventative measures is critical. Those engaging in offshore commercial activity in the Arctic must also plan and prepare for emergency response in the face of a harsh environment, long transit distances for air and surface assets, and limited response resources. We continue to work to improve awareness, contingency planning, and communications.

We are also actively participating in the Department of Interior-led interagency working group on Coordination of Domestic Energy Development and Permitting in Alaska (established by Executive Order 13580) to synchronize the efforts of Federal agencies responsible for overseeing the safe and responsible development of Alaska's onshore and offshore energy.

While prevention is critical, the Coast Guard must be able to manage the response to pollution incidents where responsible parties are not known or fail to adequately respond. In 2010, we deployed an emergency vessel towing system north of the Arctic Circle. We have also exercised the Vessel of Opportunity Skimming System (VOSS) and the Spilled Oil Recovery System (SORS) in Alaskan waters, but we had yet to conduct exercises north of the Arctic Circle until this summer. Both of these systems enable vessels to collect oil in the event of a discharge, however, these systems have limited capacity and are only effective in ice-free conditions. As part of Arctic Shield 2012, we conducted the furthest northern deployment and testing of the SORS in the vicinity of Barrow.

Fisheries are also a concern in the region. The National Marine Fisheries Service, based upon a recommendation from the North Pacific Fisheries Management Council, has imposed a moratorium on fishing within the U.S. Exclusive Economic Zone north of the Bering Strait until an assessment of the practicality of sustained commercial fishing is completed. The Coast Guard will continue to carry out its mission to enforce and protect living marine resources in the high latitudes.

We are employing our Waterways Analysis and Management System to assess vessel traffic density and determine the need for improved aids to navigation and other safety requirements. We are also moving forward with a Bering Strait Port Access Route Study, in coordination with our international partners, which is a preliminary analysis to evaluate vessel traffic management and appropriate ship routing measures.

The Coast Guard continues to support international and multilateral organizations, studies, projects and initiatives. We are actively working with the Arctic Council, International Maritime Organization and their respective working groups. We are leading the U.S. delegation to the Arctic Council Oil Spill Task Force that is developing an International Instrument on Arctic Marine Oil Pollution Preparedness and Response. We are also conducting joint contingency response exercises with Canada and we maintain communications and working relationships with Canadian and Russian agencies responsible for regional operations including Search and Rescue, law enforcement and oil spill response. We maintain bilateral response relationships with Canada and Russia, and last month we hosted representatives from the Russian State Marine Pollution Control Salvage and Rescue Administration to sign an expanded Memorandum of Understanding and Joint Contingency Plan to foster closer cooperation in oil spill response. We will continue to engage Arctic nations, international organizations, industry, academia and Alaskan state, local and tribal governments to strengthen our partnerships and inter-operability.

Our engagement with Alaska Native Tribes continues to be highly beneficial. Our continued partnership has made our operations safer and more successful. We are working hard to ensure tribal equities are recognized, and that indigenous peoples and their way of life are protected. We look forward to continuing to strengthen our partnerships with our Alaskan Native partners.

The Coast Guard continues to push forward and assess our capabilities to conduct operations in the Arctic. Since 2008, we set up small, temporary Forward Operating Locations on the North Slope in Prudhoe Bay, Nome, Barrow and Kotzebue to test our capabilities with boats, helicopters, and Maritime Safety and Security Teams. We also deployed our light-ice capable 225-foot ocean-going buoy tenders to test our equipment, train our crews and increase our awareness of activity. Additionally, each year from April to November we have flown two sorties a month to evaluate activities in the region.

Looking ahead over the next 10-15 years, the Coast Guard's regional mission profile will continue to evolve. Increasing human activity will increase the significance and volume of maritime issues, such as freedom of navigation, offshore resource exploration, and environmental preservation. While summer sea ice is forecast to diminish further in the coming decades, the region will still be largely ice covered in the winter. Thus, ice will continue to present hazards even in the summer time.

THE COAST GUARD IN CONTEXT OF NATIONAL ARCTIC POLICY

U.S. Arctic policy is set forth in the 2009 National Security Presidential Directive 66/Homeland Security Presidential Directive 25. For the past four years, as we are today with Arctic Shield 2012, we have been conducting limited Arctic operations during open water periods. However, we face many challenges looking into the future. Some Arctic operations demand specialized capabilities and personnel trained and equipped to operate in extreme climates. Our assessments of the Nation's

requirements for operating in ice-laden waters will consider infrastructure requirements to support operations, and requirements for personnel and equipment to operate in extreme cold and ice.

Given the scope of these challenges, we have been conducting oil-in-ice research since 2010 to evaluate, develop, and test equipment and techniques that can be used to successfully track and recover oil in any ice filled waters, and have explored promising technologies, such as heated skimmers. The Coast Guard's strategic approach is to ensure we pursue the capabilities in the future to perform our statutory missions so we can ensure the Arctic is safe, secure, and environmentally sustainable. This strategy is consistent with our Service's approach to performing its *Maritime Safety, Security, and Stewardship* functions.

CONCLUSION

Arctic Shield 2012 was an appropriate plan to meet projected mission requirements this past year. Moving forward, we will continue building our strategy using a whole-of-government approach that will inform national dialogue and policy development for this critical region.

While there are many challenges, the increasingly open Arctic Ocean also presents unique opportunities. We look forward to working with the Congress on how our Coast Guard can continue to support our national Arctic objectives, protect its fragile environment and remain *Semper Paratus* – Always Ready in this new ocean.

Thank you for the opportunity to testify today. I look forward to your questions.