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ON THE
DEEPWATER HORIZON OIL SPILL RESPONSE AFTER ACTION REPORTS
BEFORE THE
HOUSE TRANSPORTATION & INFRASTRUCTURE
SUBCOMMITTEE ON COAST GUARD & MARITIME TRANSPORTATION

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Good Morning Chairman LoBiondo, Ranking Member Larsen, and distinguished members of the subcommittee. I am honored to appear before you today to provide follow-up details on the U.S. Coast Guard's status in regard to the 2010 Macondo 252 Spill of National Significance (SONS) that resulted from the tragic explosion and sinking of the Mobile Offshore Drilling Unit (MODU) Deepwater Horizon (DWH).

Summary of Deepwater Horizon Incident Key Reports

The Coast Guard has conducted a comprehensive review of several Deepwater Horizon reports, including the Incident Specific Preparedness Review (ISPR), the Federal On-Scene Coordinator's (FOSC) Report, the National Incident Commander's (NIC) Report, and the Joint Investigation Team (JIT) Report.

- The ISPR is the process by which the Coast Guard examines the implementation and effectiveness of the preparedness for and response to a major spill or other hazardous substance release, as it relates to the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), Area Contingency Plans and other oil spill response plans. On June 14, 2010, the Commandant of the Coast Guard chartered an ISPR team to conduct an independent, third-party review of the DWH response. The ISPR team was comprised of Federal and state government representatives along with representatives from the oil exploration and production industry, non-governmental organizations, community groups and the professional oil spill response industry who served as technical advisors. The report represents the independent views of the ISPR team and provides its assessment of the Coast Guard's preparedness process as well as recommended corrective actions.
- In accordance with the NCP, the National Response Team (NRT) formally requested a Federal On-Scene Coordinator's (FOSC) Report following the BP Deepwater Horizon oil spill. This report, which was recently completed, describes the situation as it developed, the actions taken, the resources committed and the problems encountered during the incident. The report also covers a wide range of topics relevant to the response, including safety, state and local official involvement, common operating picture, and the Natural Resource Damage Assessment (NRDA). The DWH FOSC Report was publicly released on September 14, 2011.
- The National Incident Commander's Report, released on October 1, 2010, discussed the effectiveness of the NCP as the U.S. blueprint for responding to both oil spills and hazardous substance releases. The report reviewed the roles and responsibilities of the NIC and examined whether existing legal authorities and doctrine were adequate. The NIC, Coast Guard Admiral

(Retired) Thad Allen, provided his observations and recommendations regarding the authorities, doctrine, and policy that collectively provide the governance constructs used for oil spill response.

- In the days following the loss of the DWH, the Department of Homeland Security (DHS), through the Coast Guard, and the Department of the Interior, through the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE), convened a formal investigation to examine the circumstances surrounding the tragic incident. This endeavor was classified under 46 U.S.C. 6308 and the governing rules for both agencies. The Joint Investigation Team (JIT) was comprised of and co-chaired by members from the Coast Guard and BOEMRE. The Coast Guard JIT members examined five aspects of this disaster relating to areas under Coast Guard jurisdiction: the explosions, the fire, the evacuation, the flooding and sinking of the MODU, and the safety systems of DWH and its owner-operator, Transocean. The findings, conclusions, and recommendations of the Coast Guard members of the JIT were publicly issued as Volume I on April 22, 2011. In the Final Action Memo (FAM), released on September 14, 2011, the Commandant accepted Volume I and commented on its findings, conclusion, and recommendations.

Together, all of these reports provide a valuable body of lessons learned, perspectives, and opinions, and they validate the soundness and effectiveness of the National Contingency Plan and National Response System. All of these reports pointed to the challenges in sustaining a response to a large uncontrolled spill over an extended period of time. The common themes in these reports identified the need to validate and enhance national capabilities to mechanically recover, chemically disperse, and burn oil in-situ. Incident management mechanisms and the health of our connectivity to our oil spill response community partners, especially at the state and local levels, also need to be bolstered. They also point to the need to refocus attention on oil spill research and development. In addition, they point out that a truly catastrophic oil spill requires close interaction with potential spill response providers worldwide and the need to establish more effective mechanisms for international cooperation in response to catastrophic oil spills.

Coast Guard Actions on Report Recommendations

The Coast Guard has reviewed the findings and conclusions of each report and is using these to improve upon our processes through several initiatives:

- 1) Strengthening interagency partnerships and transparency of operations between the Coast Guard and BSEE:
 - The Director of the Bureau of Safety and Environmental Enforcement (BSEE, formerly BOEMRE) and the Coast Guard Deputy Commandant for Operations meet on a quarterly basis to discuss issues of importance to the Agencies with regard to the Outer Continental Shelf (OCS) community. In addition to these quarterly meetings, the Agencies established working groups that are collaboratively engaged on a wide range of issues such as Oil Spill Response Plans (OSRP) reviews, oil spill response exercises, and joint inspections. The Agencies are also working closely on the development of new regulations, policies, and directives to address lessons learned and regulatory gaps identified in the DWH JIT Report.
 - The Coast Guard and BSEE have conducted a joint review of OSRPs in the OCS Regions of the Gulf of Mexico, the Pacific, and Alaska. This review identified the most accurate, up-to-date Worst Case Discharge (WCD) information for offshore facilities. In addition to the OSRP review, the Coast Guard and BSEE conducted a comprehensive analysis of Regional Contingency Plans and Area Contingency Plans to identify significant WCD preparedness

gaps. The Coast Guard directed field commanders to address these gaps and ensure WCD planning scenarios in all oil spill contingency plans reflect WCD information identified during the joint OSRP review.

- The Coast Guard is working jointly with BSEE to review the existing Effective Daily Recovery Capacity regulations for calculating the effectiveness of mechanical oil spill response equipment. The Work Group will determine if improvements are necessary to better align planning standards with actual performance of response equipment.

2) Current Initiatives:

Influenced by the DWH response and the findings of the various reports, the Coast Guard is currently establishing goals, objectives, and initiatives and courses of action to pursue over the next five years. By leveraging existing relationships under the National Response System and within DHS, the Coast Guard will measure the effectiveness of these program improvements.

- To heighten the Coast Guard's ability to manage and sustain an incident response, the Coast Guard is actively developing a Federal On-Scene Coordinator Representative training course, considering personnel enhancements in the pollution response field that will allow our high-performing Marine Science Technician enlisted personnel to advance into greater leadership roles, and tailoring the National Strike Force Coordination Center to better handle future incident management responses. The President's Budget requests billets in FY 2012 to establish a National Incident Management Assistance Team (IMAT) and additional billets to increase our pollution response capacity. A National IMAT will provide immediate deployable incident management surge capacity to Coast Guard Incident Commanders nationwide.
- While the NCP is sound and performed well during DWH, the Coast Guard is working with DHS, the NRT, and other agency partners to update guidance documents and protocols, the most notable of which is a new Coast Guard SONS/NIC Instruction to reflect DWH lessons learned.
- The Coast Guard, in partnership with EPA and FEMA, is engaged in a work group to develop recommendations that support improvements for whole-of-government responses under both the National Response Framework (NRF) and the NCP.
- We are working closely with the NRT and its member agencies, including EPA and the National Oceanic and Atmospheric Administration, to review and update dispersant and in-situ burn guidelines and protocols to ensure that these critical, high-volume spill response mitigation measures are readily and appropriately available to operational commanders in combating catastrophic spill events.
- The Coast Guard identified the need for Area Committees to encourage more participation from state and local officials in oil spill planning and preparedness efforts. As part of the Coast Guard's FY 2012 Strategic Planning Direction, we re-emphasized existing guidance for District and Sector Commanders to develop aggressive outreach programs with states, parish, county, and other local officials.

3) Safety and Prevention Improvements:

The Coast Guard is aggressively pursuing updates to OCS regulations. These updates will include standards for new and emerging technologies within the industry. We are also updating regulations in 46 CFR subchapter I-A, MODU Regulations. These regulatory updates will address safety gaps identified in Deepwater Horizon reviews for critical equipment such as Dynamic Positioning Systems and electrical installations in hazardous areas. The Coast Guard is also incorporating changes mandated by the Coast Guard Authorization Act of 2010.

- The Coast Guard has engaged the International Maritime Organization through its Flag State Implementation Subcommittee with regard the provisions on the Code for Recognized Organizations. This mandatory code is expected to be ready for adoption in 2012 and will include requirements and guidelines for flag state monitoring of recognized organizations acting on their behalf.
- Earlier this year, the Coast Guard published the Office of Vessel Activities Policy Letter 11-06, "Risk-Based Targeting of Foreign Flagged Mobile Offshore Drilling Units." This policy letter provides procedures for risk-based targeting of foreign flagged MODUs based on accident history, past discrepancies, flag state performance, and classification society performance. Risk-based targeting allows for efficient use of Coast Guard resources and more frequent examinations of the highest risk MODUs.

Summary/Conclusion

The BP Deepwater Horizon oil spill response was ultimately successful due to the effectiveness of the NCP, the unity of effort across all levels of government, industry, and the private sector, and perseverance of the many organizations and individuals that contributed to this unprecedented response. While the lessons learned from the BP Deepwater Horizon oil spill were framed in the midst of a SONS, our post-DWH initiatives have applicability to incidents of all sizes. We will continue to work closely with our agency partners to ensure a unified, whole-of-government approach to oil spills and domestic incident management.

Thank you for the opportunity to testify before you today and I will be pleased to answer your questions.