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### MESSAGE FROM THE MANAGING DIRECTOR

On behalf of the WCSS Board of Directors I would like to thank the many volunteers that have contributed to the success of Western Canadian Spill Services (WCSS) in 2007; the year that marked the 35<sup>th</sup> anniversary of the Western Canadian Oilspill Cooperatives (1972-2007).

WCSS volunteers benefit by increasing their general knowledge of oil spill preparedness issues and developing skills required to safely and effectively assist with the containment and recovery of an uncontrolled release. The company that provides volunteers benefits by having internal employees that can contribute positively when the company experiences a spill and having direct input into the Oilspill Cooperative's activities.

The need to promote volunteerism at the Oilspill Cooperative level and to inform our members of spill preparedness issues and other areas of potential interest was identified in WCSS's 2007/08 strategic plan. This newsletter is an attempt to help improve communications with our members and will be published twice/year. If you have suggested topics of interest and/or wish to provide feedback please email: [sjarrell@enform.ca](mailto:sjarrell@enform.ca)  
*Provide newsletter suggested topics and feedback and receive a WCSS 35<sup>th</sup> Year Commemorative T-Shirt; simply forward your mailing address with your input (while supplies last)*

Alan McFadyen, WCSS Managing Director



### SPILLS – FINANCIAL CONSEQUENCES

There can be a long list of potential financial consequences that result from an oil spill; sure not everything listed here applies to all spills but “hang on to your hat” it could be a rough ride!

- Response costs
- Fines/Penalties
- Legal costs
- Landowner claims
- Restoration/Remediation
- Loss of production
- Degradation of shareholder confidence
- Increased regulatory scrutiny
- Increased insurance costs

Although no two spills are the same and there are many variables that affect the costs, most company representatives that experience an uncontrolled release agree that they are stressful, disruptive and very costly.

It isn't just the large volume releases that can be costly to manage; a small leak over time can migrate and contaminate subsurface soils and groundwater. Smaller spills tend to be more expensive than larger spills on a cost/unit basis because of the costs associated with the response are often comparable to the response for a much larger spill.

### **Predicting Cost**

It is difficult to predict the cleanup cost of a spill because each spill is complex and unique. Some of the factors that have the most impact on costs include:

- Location of the spill – spills in surface water are generally more complex and shoreline cleanup costs are typically the most expensive component of a cleanup. In addition, the proximity to sensitive areas and public pressure can effect response decisions.
- Volume and extent of the contaminated area has a profound effect on cleanup costs.
- Type of spill – persistent and more viscous spills are generally more costly than lighter oils to recover/clean-up and heavier oil is much more visible than lighter oils
- Spill control strategies – the strategies employed can have a significant impact on cost.

One of the most notorious spills the last 20 years (Exxon Valdez; 1989) was reported to cost approximately \$65.00/litre for cleanup; given that there was over a 30 million litres reportedly spilled, that's a lot of money and the cost for fines and compensation is not included in the \$65.00.

It is interesting to note that in a 1999 presentation at the Arctic and Marine Oilspill Program Technical Seminar (AMOP) the average per-unit marine oilspill cleanup cost was reported to be \$23.02/litre in the US and \$5.85/litre in Canada. Closer to home we have seen a few multi-million dollar inland spill cleanups in the last few years (i.e. Pine River, Lake Wabamun) and the potential is there for others.

A WCSS member company representative recommended to the Cooperative Chairman at their annual 2007 meeting that our educational program should focus more on consequences of spills after his company experienced a 100/125M3 spill that cost the company about \$450,000 (approx \$3.60/litre). In his presentation he suggested that petroleum companies should be aware that spills could result in criminal charges, fines and that there is the threat of insurance companies not paying claims.

### **Legal Implications**

There is provision in both provincial and federal legislation for fines and penalties linked to oilspills; charges can result from not reporting in a timely fashion to not demonstrating due care and poor response. By way of example, Section 6 of the Federal Fisheries Act can include fines of up to \$1,000,000 for putting a deleterious substance in a watercourse.

### **Your Best Bet - Due Diligence**

Spills are going to happen; there are roughly 1500 upstream spills reported annually in Alberta alone. You can minimize the impact by demonstrating due diligence:

- Know the laws and stay in compliance
- Focus on prevention
- Be prepared; have a plan, train your people, have access to resources, participate in your regional Oilspill Cooperative
- Practice your plan; prepare for worst case scenarios
- Know where to get help

### **References**

- 1) Dagmar Schmidt Etkin, 1999 Estimating Cleanup Costs for Oil Spills; 2004 Modeling Oil Spill response and Damage Costs, 2000 Worldwide Analysis of Marine Oil Spill Cleanup Cost Factors

## WCSS MEMBERSHIP

It's that time of the year; WCSS membership invoices have been sent to all of the 640 petroleum licensees that operate in Alberta, N.E. British Columbia and Area VR1 that extends into Saskatchewan. Each licensee has the option of continuing as a WCSS member in good standing by paying their membership fees and following the WCSS Membership Charter (see [www.wcss.ab.ca](http://www.wcss.ab.ca)) or having their own approved plan with the respective provincial regulator. WCSS is obligated to provide the lead regulator with a list of non-members in Q3. Those licensees that are not WCSS members and do not have an approved plan are subject to enforcement action. Members in good standing will be posted on our website.

## WCSS ACQUIRES NEW EQUIPMENT

WCSS added two new pieces of equipment in 2007 that will help improve the industry's spill response capability; the Bow Collector and Lake Boom Unit. The Bow Collector will provide more flexibility in the containment and recovery of hydrocarbon in mid-channel and/or stranded oil in back-eddies; we can be more aggressive in our approach with this new unit by going to the oil slick instead of waiting for the oil to migrate downstream to our recovery system. The Lake Boom Unit will increase our capacity to manage spills in a lake environment. Locations and contact information is posted on the WCSS website ([www.wcss.ab.ca](http://www.wcss.ab.ca)).



Bow Collector



Lake Unit Boom

## 2008 OIL SPILL COOPERATIVE EXERCISE

Zone	Coop Area	Exercise Type	Date
1	P	ICS Training 100	June 12
	Q	ICS Training 100	May 28
	S	Lake Exercise	June 24
2	H	Winter Exercise	Feb. 5
	M	Winter Exercise	Feb. 5
	N	Lake Exercise	June 11
	O	ICS Training 100	June 25
	U	Classroom/Dryland Exercise	June 19
3	G	TBD	Sept. 17
	I/J	ICS Training 100	Sept. 10
4	D (North) Wabasca	Spill Responder	April 9
	D (South) Slave Lake	Classroom/Land Spill Response (Inverted Weir)	Sept. 17
	W	Lake Exercise	June 18
5	VR-1	Spill Responder	May 14 (Lloydminster)
		Dryland Exercise or ICS Training 100	Sept. 23 & 24
6	Y	ICS Training 100	Oct. 15
	A	Winter Exercise	April 2
	C	Classroom/Dryland Exercise	July 16
	C	River Exercise	August 27
	T	Spill Responder	May 15
Other	E	Awareness Level or ICS Training 100	October 1
		Air Boat	March 11
		R&D Trials at Devon	June 4 & 5

## 2007 EQUIPMENT USE STATISTICAL REPORT

Spill Responses	Q1	Q2	Q3	Q4	Total
Land based (WCSS members)	1	2	0	0	3
Land based (non members)	0	1	0	0	1
Land based (unknown origin)	0	1	0	0	1
Surface water (WCSS members)	0	6	0	1	7
Surface water (non members)	0	0	0	0	0
Surface water (unknown origin)	0	0	0	1	1
Other	0	0	0	0	0
<b>Grand Total</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>2</b>	<b>13</b>
<b>Equipment Usage</b>					
Response units/equipment used for spills	1	7	0	1	9
Response units used for training	5	9	7	4	25
Response boats used for Spills	0	0	0	0	0
Response boats used for Training	0	8	9	2	19
Days Equipment used for spills	0	25	20	27	72
Days equipment used for training	5	9	7	3	24
<b>Training Exercises</b>					
Dryland/classroom	1	2	3	0	6
Spill Responder	2	5	0	0	7
Winter exercises	1	0	0	0	1
River exercises	0	0	3	0	3
Lake exercises	0	2	1	0	3
Tank Truck rollover exercises	0	0	0	0	0
<b>Grand Total</b>	<b>4</b>	<b>9</b>	<b>7</b>	<b>0</b>	<b>20</b>
Membership compliance (exercise attendance)					Average 87%
<b>Government Reported Spills</b>					
Alberta					1508
North Eastern B.C.	127	131	137	170	567
Saskatchewan (URI)					N/A

## UPCOMING EVENTS

- International Oil Spill Conference, Savannah, Georgia, May 4<sup>th</sup> - May 8<sup>th</sup> ([www.ioosc.org](http://www.ioosc.org))
- AMOP Technical Seminar on Environmental Contamination and Response, Calgary, Alberta, June 3<sup>rd</sup> to 5<sup>th</sup> ([www.etc-cte.ec.gc.ca/news/conferences/amop/amop\\_call\\_08.html](http://www.etc-cte.ec.gc.ca/news/conferences/amop/amop_call_08.html))
- Annual WCSS Cooperative Chairman's Meeting, Edmonton, Alberta, November 24<sup>th</sup> & 25<sup>th</sup>
- Disaster Form 2008, April 21<sup>st</sup> - April 24<sup>th</sup>, 2008, Banff Centre, Banff, Alberta ([www.disasterforum.ca/events.html](http://www.disasterforum.ca/events.html))

## NEW ENFORM ENVIRONMENTAL TRAINING PROGRAMS

Check out Enform's website ([www.enform.ca](http://www.enform.ca)) for a listing of emergency response courses including:

- High Vapour Pressure (HVP) Products Release
- Land Spill Response and Site Rehabilitation
- On-Scene Spill Commander
- Sour Well Ignition Training
- Surface Water Oil Spill Containment and Recovery
- Boat Handling
- Spill Responder

Also, check out the new environmental on-line (web-based) training courses; Environmental Awareness and Wildlife Awareness!

