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From the Los Angeles Times

Alaska Struggles to Recover, 10 Years After Exxon Valdez

Environment: Prince William Sound's fishermen still feel the effects of largest maritime oil spill in U.S. history.

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CORDOVA, Alaska -- A year after the Exxon Valdez ground onto a reef in the middle of a frigid March night in 1989, unleashing the worst environmental disaster in U.S. history, a striking thing happened.

Amid oil-blinded sea otters and beached whales and the limp black carcasses of 250,000 shorebirds came the slow, sure swim of the pink salmon. The 1990 run was 44.5 million fish, the highest on record, almost four times higher than the year before 11 million gallons of oil spilled into Prince William Sound.

The next year was so high that Alaska fishermen couldn't find cannery space and were sending excess fish to Russia. Herring, the backbone of the North Pacific food chain, flooded fishing nets as well. What in the name of God, people wanted to know, was going on?

Then came the third year--the year the pinks didn't come back. There were barely enough fish to warrant sending out the boats that year and again in 1993, when just 7 million fish swam home. Herring collapsed. The 100,000 metric tons of fish that made their way back to spawn before the spill shrank to 16,000 tons in 1993--and the herring still there were plagued with weird lesions and erratic swimming patterns.

That's when Ron Anderson knew the spill wasn't over. What he is starting to realize now is that it may never be over.

"We dumb fishermen told them this was going to happen. They left us this mess, and here it's 10 years later and we're still in a mess," said Anderson, a lifelong Cordova fisherman who sold his boat earlier this month because hardly anyone can make a living fishing Prince William Sound anymore.

"They keep talking about recovery," scoffed Sylvia Lange, a former supply boat operator. "What about all the ones that died? The sea otters clawed their eyes out. The birds pecked their chests until you could see their hearts beating under their feathers. It was a holocaust. And you can't recover from a holocaust."

It was 10 years ago, on March 24, 1989, when the 987-foot Exxon Valdez pulled out with a load of 53 million gallons of North Slope oil and headed into the icy waters of Valdez Narrows, veering from the shipping lanes in the treacherous strait to avoid an iceberg.

Capt. Joseph Hazelwood's midnight radio transmission still echoes here, like the last words from the Challenger space shuttle crew or Neil Armstrong's first words from the moon. "We're leaking some oil, and we're going to be here for a while."

Full Effect of Spill Still Being Tallied

In the years since, Exxon Corp. has paid out about \$3.5 billion in cleanup costs, fines, settlements and compensatory damages while appealing the largest punitive damage judgment ever awarded in the U.S. courts: \$5 billion due to 34,000 Alaskans who suffered because of the company's alleged negligence. The ecological impact on the 15,000-square-mile sound is the most studied in history, producing conflicting prognoses ranging from near-recovery to fears of genetic and reproductive damage that could linger for generations.

What is clear, in the remote towns and villages that surround the scene of the largest maritime oil spill in American history, is that almost nothing is what it was before that night.

Maybe the seals would have died anyway, facing a loss of food supplies because of an unusual rise in ocean temperatures in the years before the spill. Maybe the herring would have died anyway, competing with hatchery fish for food. Maybe the fishing

industry would have collapsed anyway, when the price of pink salmon, in the face of a worldwide glut, plunged from \$1.10 a pound to 5 cents.

Maybe it wasn't all the fault of Hazelwood, who left the bridge that night and turned the mammoth tanker over to an inexperienced third mate. Or the third mate, who gave a delayed order to execute a turn to the helmsman. Or the helmsman, who didn't make the turn the way he was supposed to. Maybe it wasn't the three days of good weather that were lost before Exxon and port officials got the cleanup truly underway. Maybe it wasn't the fact that hot-water washing of the beaches hurt the shellfish more than if they had simply been left alone.

Try blaming a cosmic coincidence of errors, misjudgment, climate change, global economics and 10.8 million gallons of oil for what happened to these 7,300 residents of southern Alaska and they'll likely look back with the kind of stare that greets all departures from the realm of the obvious. Call it what you want, that look says. Just make it go away. Make it be 10 years ago again--no, 10 years and an hour ago.

Dissecting a Disaster

"Technological disasters are considerably different from natural disasters. A natural disaster, once you clean up the hole in the yard or the fire or the flood, you move on. In a technological disaster, there isn't a definite source [of harm] out there. There isn't a Red Cross to tell us when things are right or wrong," said Margy Johnson, a Cordova innkeeper and ex-mayor.

"It's been described as a marathon, and my neighbors are exhausted runners," she said. "The oil companies, every two years you get a new face. They're fresh and ready to go. But I don't know who Exxon is. It's nobody I've ever been able to sit down and talk to. It could very well be that they're bigger than the government and they don't have to be a good corporate citizen because they're already bigger than God. But I don't know. I've never met Exxon."

For their part, Exxon officials wonder what they could have done that they didn't. How can a company go in after a spill, they ask, take full responsibility, spend \$2.2 billion cleaning it up, pay \$300 million in settlements to anyone who claims they were injured, pay \$125 million in fines and penalties and a \$900-million civil settlement with the government--and still be found liable for punitive damages, let alone \$5 billion?

"Clearly, we had an effect on people's lives and livelihoods that there was considerable anger about, with considerable justification," said Frank Sprow, Exxon's vice president for environment and safety. "But we did make every effort to compensate those people that were damaged. . . . One of the very first things we did was to ask fishermen in Cordova, 'What's your annual fishing revenue?' They'd say, 'X.' And we'd say, 'For a start, here's X.' "

Since then, he said, the company has moved to improve its crew training, emergency preparedness and navigation procedures. Crew members with a history of counseling for alcohol abuse, like Hazelwood, are moved out of safety-critical jobs.

"The award is 200 times the largest award ever affirmed by any federal court anywhere," said Los Angeles attorney John Daum, who will argue the appeal for Exxon before the U.S. 9th Circuit Court of Appeals. "The Supreme Court says you can have a large award only in the face of reprehensible conduct, intentional fraud, trickery, violence or personal injury to the plaintiffs. There's none of that here. This was an accident."

Brian O'Neill, the Minneapolis lawyer who is the lead attorney for the tens of thousands of plaintiffs who are waiting for Exxon to pay the judgment, calculates that the company already has collected \$780 million in insurance and an estimated \$2 billion in tax write-offs on the spill. By spending years appealing the case, Exxon also is earning interest on the money it hasn't paid. O'Neill figures Exxon will have earned the full \$5 billion in another two to three years.

"Exxon is about the 26th biggest institution on the planet, and that's counting governments. . . . I think it galls them in their heart of hearts that they're subject to the same justice system as everybody else is," he said.

Environmental Groups Fault Industry

O'Neill, who stands to take a substantial share of the \$1.02 billion in legal fees due out of the judgment, said it is the only case he has handled in 25 years in which the defense has not made a single offer to settle. Instead, he said, Exxon has pursued an exhaustive strategy he describes as "the my-sister defense."

"I didn't hit my sister, and if I did, it wasn't my fault, and if it was, I didn't hurt her," O'Neill explained. "We monitored Hazelwood because of his drinking, but even if we didn't, his drinking had nothing to do with it, and even if it did, we cleaned up the oil, and even if we didn't, oil doesn't hurt fish."

Environmental groups in Alaska also have been critical of the industry's slow move to double-hulled tankers, which would reduce the chances of a disastrous spill in the event of a collision or grounding. The 1990 federal Oil Pollution Act, the most direct consequence of the Valdez spill, clarified liability for oil spills and imposed stiffer fines. It requires double hulls for all U.S. ships by 2015. But only 40% of the fleet has converted, according to the Tanker Advisory Center in New York. Exxon has not placed a single order for a double-hull vessel.

Nor has the reach of the Valdez's poisonous oil stopped at the shores of Prince William Sound. It is present in the small New York office where the 52-year-old Hazelwood, still regarded by his colleagues as one of the most capable skippers ever to captain a tanker out of Alaska, works as a claims adjuster for a maritime law firm.

Other jobs--as a yacht delivery captain or an instructor at a merchant marine academy--didn't last long. Not when the public or the press found out it was Hazelwood. "They get me as the anti-Christ . . . the patron saint of the bad guys," he told the Seattle Times not long ago. Hazelwood declined to be interviewed for this story.

Gregory T. Cousins, who never explained his delay in ordering the simple right turn that Hazelwood commanded before leaving the bridge, is now working for another company as a second mate. Helmsman Robert Kagan Jr., who compounded the problem by under-steering the turn, retired from Exxon in 1995 and worked recently on an oil-spill cleanup ship.

And Hazelwood is left to remember the phone call from Cousins on the bridge--"I think we're in serious trouble"--and minutes later, the sharp jolt of metal on rock, a sickening grinding sound, and his own automatic response: Grab onto something. Throw up. Go back up to the bridge and try to do something about the black hell seeping out of the bottom of the ship.

Cordovans are the first to admit that Exxon-funded scientists may be right when they point to signs of biological recovery of the sound. It's what isn't recovered that people here keep seeing.

"We are looking at the same sound, and we're seeing it half-empty rather than half-full," explained Riki Ott, a biologist and author from Cordova.

"It's clean all right. It's clean of what we had," said Anderson, the fisherman. "Prince William Sound was so alive, it was just unreal. Killer whales, thousands and thousands and thousands of birds. But now you have to go halfway to Kodiak to see anything. Prince William Sound is clean. It's devoid of all wildlife. You see sea gulls, and that's all you see. . . . They live off dead things."

To be a salmon fisherman in Cordova in the 1980s was to be one of the anointed. Live in one of the loveliest settings in God's imagination--a ring of snow-clad, forested peaks rising out of the aquamarine of Prince William Sound--and spend your summers in the sea air on a boat built by your father. Expect to earn \$100,000 straight out of high school in a good season, for five months of hard work.

Fishermen earned good money, but most risked everything they had to get it; a good boat cost \$400,000; a salmon fishing permit cost upward of \$300,000.

Robert Maxwell did so well that he had two salmon permits, and both his sons had their own boats. Maxwell's plan was to sell his boat and permits to finance a comfortable retirement. Now they are worth almost nothing--and Maxwell is living on Social Security.

A Struggle to Survive

The boys are still fishing. In 1992, the first year the salmon crashed, his son Robert caught 500,000 pounds of fish, grossing \$60,000, with the coincidental drop in salmon prices. The crew got paid \$24,000, insurance was \$12,000, \$9,000 went into fish cooler costs. Net profit at year's end: \$1,500.

"Since 1989, I haven't been able to [put] one dollar into a savings account or a college account or a retirement account," Robert said. "Here I am turning 40 years old; I got a daughter going to college next year."

Kevin O'Toole had worked as a crewman for eight years to save for a down payment on his own fishing permit. But before the spill, he couldn't find anyone willing to sell. He and his wife, Linden, also a fisherman, wrote letters to every salmon fisherman in the sound, offering to buy a permit. When O'Toole finally found someone willing to sell, he drove 140 miles through a blizzard to close the deal--at \$300,000. They signed the papers in February of 1989. Then came the spill.

They sold the permit for \$48,000 and have limped along trying to make payments to the bank on the rest. O'Toole went back to work as a deckhand. Linden got a job as a real estate agent, hoping to hold out until the Exxon judgment money comes in, if it ever does.

"A high-liner used to be a guy who caught a lot of fish," she said. "Now it's a guy whose wife has a job."

Cordova, the nation's seventh-most-lucrative fishing harbor the year before the spill, with an average of \$44 million in revenue a year, slipped to 51st in 1993, its earnings down an average of \$19 million a year since the spill. A former mayor committed suicide. The city of 2,500 has gone through six mental health directors.

In many minds, Cordova's story is one of economic disaster as much as environmental ruin. Salmon have come back in very good numbers in several years since the crashes of 1992 and 1993, largely due to a mass infusion of hatchery fish (wild fish are few, even now). It is the collapse of salmon prices that has been most hurtful, due primarily to a shrinking Japanese market and a worldwide glut resulting from the introduction of farmed salmon, argued Gunnar Knapp, economics professor at the University of Alaska and a leading market analyst.

That doesn't explain why the herring have yet to come back in any substantial numbers. Nor does it address Native Alaskans in the nearby villages of Tatitlek and Chenega Bay, who for thousands of years have depended on the bounty of the sound for their daily food, regardless of what it can be sold for.

On the island of Chenega, with its beaches still full of oil-soaked rocks, villagers now have to boat for miles to find a seal, once a staple for food and pelts. Only recently have they begun eating shellfish again. "We just got to the point where we eat 'em anyway. If we're gonna die, we're gonna die," said Pete Kompkoff, a member of the tribal council.

In the years since the spill, the population of the remote village has shrunk from 94 to 35 as residents, unable to maintain a subsistence lifestyle, have moved across the sound to the port of Valdez, terminus of the trans-Alaska pipeline, and taken jobs.

"You can't imagine everything that was here before. Seal. Crab. Shrimp. Sea urchin. Now, the sound is forever quiet," said Gail Evanoff, tribal council president. "There was a time before the spill, you'd listen to the sea otters, you'd see seals. . . . I sometimes wonder, what kind of cultural legacy has this interrupted? What will be left for my kids?"

The Exxon Valdez Oil Spill Trustee Council, charged with overseeing scientific studies and habitat restoration funded by Exxon's \$900-million settlement with the government, has painted a generally bleak picture of what has happened in the sound in the decade since oil fouled 1,300 miles of shoreline, killing more than 250,000 seabirds, at least 2,800 sea otters, 300 harbor seals, 150 bald eagles and 14 to 22 killer whales, along with billions of salmon and herring eggs.

It lists only two of 28 species affected by the spill as fully recovered: the bald eagle and the river otter. Eight species, including killer whales, harbor seals and common loons, have made little or no progress. Others, ranging from sea otters to herring, have made significant progress but have not yet reached pre-spill levels.

But a number of scientists, including those hired by Exxon and some working for the National Oceanic and Atmospheric Administration, think the trustee council is wrong to wait for species to number what they did before the spill before they can be considered recovered. For one thing, no good studies exist to document what those pre-spill numbers were, they say. For another, a wide range of environmental effects other than the spill could have produced population shifts--much as population numbers in Prince William Sound have fluctuated dramatically throughout the century.

Thus, they advise measuring recovery by looking at whether fish, animals and plants in oiled areas are exhibiting the same general trends now as those in areas that weren't washed with oil. In a good many cases, they are.

"We've seen very substantial recovery of the sound, and I really believe that the trustees' report very much leaves an erroneous impression," said Exxon's Sprow, noting that it fails to mention the large number of species not affected at all by the spill, including as many as half of the 100 bird species there.

Detailed biological work undertaken by Ernest L. Brannon at the University of Idaho, funded by Exxon, looks at the controversial decline of pink salmon in 1992 and concludes it could not have been a result of the spill, since the record-high returns of 1990 and 1991 included fish that had emerged as newly hatched eggs just after the spill and hatchery fish about to be released, many of them theoretically exposed to oil.

Brannon and David Page, a chemistry professor at Bowdoin College in Maine, argue that it was the advent of huge releases of hatchery fish competing for food supplies, beginning in 1987, that led to the collapse.

A key new development in the debate was the release late last year of a study by National Marine Fisheries Service scientists working at Juneau's Auke Bay Laboratory. Those scientists were able to document for the first time that exposing salmon eggs to

even very low levels of a particularly toxic type of hydrocarbon residue found in the oil could produce effects ranging from mortality to delayed development, slower growth, lesions and cancer as well as impairment of their ability to reproduce.

Jeffrey Short, one of those who led the study, said the results could help explain the salmon collapse of 1992-93, and in particular, higher salmon mortality that was documented in oiled streams. But Page says the study erred by assuming oil was what caused these toxic effects. Bacterial byproducts, such as ammonia, could have produced the same result, he said.

Stan Senner, the trustee council's science coordinator, refuses to accept that salmon and herring haven't fallen victim to Exxon Valdez oil.

"Exxon likes to point out that harvests of salmon have been very high. Well, this is [nonsense], because what they're including is all of the hatchery-reared fish. . . . If they were just talking about the wild stocks, the picture is not nearly so rosy," he said.

In fact, he said, hatchery fish have made up 66.5% to 86.5% of all the salmon returning to the sound since the spill, compared with 10% to 56% before the spill.

Sitting in the dining room of the Reluctant Fisherman, overlooking Cordova's quiet harbor, Johnson, the former mayor, declined to enter the debate. "For a million bucks, science will tell you anything that you want to hear," she said.

Next summer and in the following four summers, Hazelwood will be back in Alaska, picking up trash along the roadways, paying off the 1,000 hours of community service that was ordered as part of his misdemeanor criminal conviction.

Alaskans have mixed feelings about it. Cordova fisherman Ross Mullins, for one, can't even imagine what he'd say to Hazelwood if he passed him on the street. "I wouldn't know what to say to the man," he said, chuckling. "I just hope there would be a big puddle there when I drive by."

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10 Years After the Spill

When the Exxon Valdez ran aground on Bligh Reef on March 24, 1989, it was transporting 53 million gallons of Alaskan North Slope crude oil to California. The spill dumped 10.8 million gallons of the tanker's cargo into Prince William Sound, eventually damaging 1,300 miles of shoreline. More than \$2 billion was spent cleaning up and restoring coastal habitats. Since then, regulations have been adopted governing tanker design and oil spill prevention. The Exxon Valdez is banned from Prince William Sound and has been renamed Mediterranean, after the sea it has been operating in since 1990.

NEW STANDARDS FOR TANKERS

The Oil Pollution Act of 1990 set stricter standards on oil tankers. All new tankers are now required to have an extra hull contained within their outer hulls. The Exxon Valdez was a single-hulled tanker.

The space between the hulls is intended to be a buffer if the outer hull is penetrated in a collision with rocks or another ship.

If the Washington Monument was paper-thin, the 10.8 million gallons of spilled oil (1,444,000 cubic feet) would fill it to the top.

Washington Monument

555' 1/8 high, 55' 1/2 wide

L.A. City Hall, 150' high

WILDLIFE DEATH TOLL

250,000 seabirds

2,800 sea otters

300 harbor seals

250 bald eagles

About 14-22 killer whales

Billions of other unknown plants and animals

RECOVERED

Bald eagle

River otter

RECOVERING

Archeological resources

Common murre

Intertidal communities

Mussels

Pink salmon

Sediments

Sockeye salmon

Subtidal communities

NOT RECOVERING

Cormorants (3 species)

Harbor seal

Harlequin duck

Killer whale (AB pod)

Marbled murrelet

Pacific herring

Pigeon guillemot

Sea otter

RECOVERY UNKNOWN

Black oystercatcher

Clams

Common loon

Cutthroat trout

Designated wilderness areas

Dolly Varden trout

Kittlitz's murrelet

River otter

Rockfish

Sources: Exxon Valdez Trustee Council 1998 Status Report; SeaRiver Maritime Inc.

Researched by JULIE SHEER / Los Angeles Times

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