Director, National Pollution Funds Center
United States Coast Guard
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1996 has been a busy year for us at the National Pollution Funds Center (NPFC). This fourth annual report looks back and describes many of the activities we performed, the services we provided, and our accomplishments. I have also been giving a lot of thought to our course for the future. Our strategic focus is **quality, leveraged by technology**. We currently are in the midst of a major project to integrate our groupware case management information system with our financial data under an extensive relational database. The resulting system will improve data integrity, integration, and information access, resulting in greater productivity and improved service.

I believe in always striving for excellence. Shortcuts inevitably lead to failure, whereas setting the highest standards reaps the best results. NPFC's long, hard work reconciling oil spill case data and Coast Guard accounting records bore fruit in the form of an "unqualified opinion" rendered by the Department of Transportation Inspector General during their most recent annual audit of the Oil Spill Liability Trust Fund. Previous audits, conducted in FY-93-94-95, concluded with "no opinion," meaning the records and systems were still developing and could not be audited. The latest "unqualified opinion" is an affirmation of the accuracy of our records and accounting systems. We're proud of the progress that has been made and expect continued excellence in the future.

Improving service to our customers has been a priority this year, and we have made significant progress in this area. We established Customer Service Standards for two of our business lines, and have taken many other steps to improve service. These are more fully described in the "Quality Initiatives" section of this report. I recognized that we were falling behind in our processing of claims submitted by individuals, businesses, and state government officials for uncompensated removal costs and other damages resulting from an oil spill. In response, I elevated our Claims Branch to a Division and have added additional staff to the claims adjudication function. I expect this greater emphasis on claims will reduce cycle times and improve service. Additionally, our Internet home page has been upgraded to provide more and better information. I encourage you to browse on: **http://www.dot.gov/dotinfo/uscg/hq/npfc/npfc.htm**.

I believe that the people we have on board are the best of the best. They are helping NPFC evolve and move forward in a rapidly changing world. We are meeting our goal of improving service to you, our customers. I am proud of what we've accomplished and pledge to continue this course. Your suggestions are always welcome.

Sincerely,

Daniel F. Sheehan

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INTRODUCTION


USCG photo by PA1 R.D. Wyman

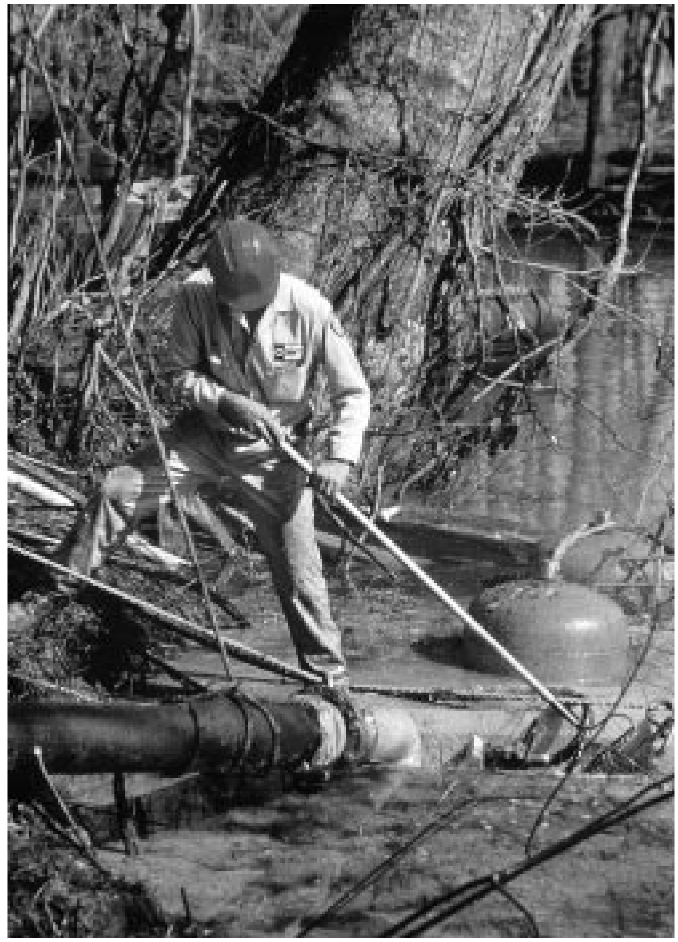
The Oil Pollution Act of 1990 (OPA) addresses the wide-ranging problems associated with preventing, responding to, and paying for oil pollution. It does so by creating a comprehensive prevention, response, liability, and compensation regime to deal with vessel and facility-caused oil pollution. OPA greatly increases Federal oversight of oil transportation while providing greater environmental safeguards by: setting new requirements for vessel construction, crew licensing and manning; mandating contingency planning; enhancing Federal response capability; broadening enforcement authority; increasing penalties; creating a new research and development program; increasing potential liabilities; and significantly broadening financial responsibility requirements.

Title I of OPA established new and higher liability limits for oil spills, with commensurate changes to financial responsibility requirements. It substantially broadened the scope of damages, including natural resource damages, for which polluters are liable. It also established a $1 billion Oil Spill Liability Trust Fund (OSLTF) to pay for expeditious oil removal and uncompensated damages. OSLTF administration was delegated to the Coast Guard by Executive Order, and on February 20, 1991, the National Pollution Funds Center (NPFC) was commissioned to perform this function as an independent Headquarters unit reporting directly to the Coast Guard Chief of Staff.

The many diverse provisions established in Title I of the Act are implemented on an ongoing basis. During FY96, 600 new oil pollution cases which required fund access were opened. The total outlay from the OSLTF in that period, for all purposes administered by the NPFC, was $48.2 million. During the fiscal year, the success attained by the NPFC in managing the various aspects of the Fund demonstrated that the policies and processes carefully crafted over the preceding years were truly valid and effective. Specific NPFC participation in major, highly publicized cases such as the *T/B NORTH CAPE* support this determination.

NPFC MISSION

The NPFC has fiduciary responsibility for the OSLTF and the portion of Superfund that the U.S. Coast Guard uses to respond to hazardous material releases in the U.S. coastal zones. In accordance with OPA and other pertinent laws and regulations, the NPFC executes programs to accomplish five principal objectives:


USCG photo by PIAT

Provide Funds for Removal Actions

When an oil or hazardous substance spill occurs in U.S. navigable waters, or there is a substantial threat of such a spill, the Responsible Party (RP) is expected to act promptly. The NPFC established a system that provides funds 24 hours a day for Federal On-Scene Coordinator needs, either to immediately respond directly or to monitor Responsible Parties' actions. Funds may also be accessed by states for removal actions as described later in this report.

Provide Funding to Initiate Natural Resource Damage Assessments

For oil spills affecting natural resources, trustees may choose to submit a request to conduct an initiation of an assessment of natural resource damages. Procedures are established that allow the trustees, acting through a Federal Lead Administrative Trustee, to gain access to OSLTF funds to complete these "initiate" activities. See page 19 for more information on this topic.

Compensate Claimants

OPA expands the scope of damages claimants can recover and abrogates the traditional admiralty shipowners' protection. Traditional protection generally limited the scope of pure economic damages to only those who owned property physically impacted by oil.

If not satisfied by an RP, the claimant may present claims to the Fund for certain uncompensated removal costs and damages resulting from an oil pollution incident. This enables parties damaged by an oil pollution incident to seek payment without having to resort to the legal system, which can result in years of litigation. Claims for mystery spills and claims not paid by the RP may be submitted to the Fund for consideration for uncompensated removal costs and damages in the following categories:

- Damage to real or personal property;
- Loss of subsistence use of natural resources;
- Net loss of governments' revenue by Federal, state, or political subdivisions thereof;
- Loss of profit and earning capacity; or
- Net costs for increased public services by state or political subdivisions thereof.

USCG photo by PIAT

Recover Costs from Responsible Parties

An underlying principle of OPA is to reduce the probability of oil spill incidents occurring. The law is designed to motivate potential polluters to act more carefully by holding them strictly liable for costs and damages resulting from oil spills. Such action is encouraged by enforcing cost recovery and prompt payment of damage claims established under OPA. NPFC's goals are to ensure that:

- Parties responsible for oil pollution or substantial threat of oil pollution are identified;
- All removal costs and damages are accurately documented and submitted promptly; and
- The RP pays such costs up to their limit of liability.

Issue Vessel Certificates of Financial Responsibility (COFRs)

OPA substantially increases the scope and limits of liability for vessel owners and operators. Operators of U.S. and foreign-flag vessels generally are prohibited from operating in U.S. waters without first demonstrating their financial ability to pay for pollution damages. The NPFC is responsible for issuing Certificates of Financial Responsibility (COFRs) in accordance with OPA and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA). Generally, a vessel over 300 gross tons may not lawfully operate in U.S. waters without a valid COFR. Coast Guard and Customs Service field units enforce this requirement. Currently, about 20,000 vessels carry COFRs issued by the Coast Guard.

Photo by Coast Guard Public Affairs

QUALITY INITIATIVES

The journey in pursuit of excellence has no end. Our customers' needs and demands are continually changing, resources are constantly threatened, and advancing technology presents opportunities for improvement. As an organization, the National Pollution Funds Center continued its journey in pursuit of excellence this past year. Recognizing that our customers are key stakeholders, we sought to establish Customer Service Standards by asking them what they value. The first standards ready for publication are in the vessel certification area and are provided below.

The NPFC COFR staff will be available to process applications and answer your questions from 7:00 am until 5:00 pm EST Monday thru Friday, and 8:30 am until 5:00 pm EST Saturdays and most holidays. We will:

- Continue to be the Coast Guard benchmark for providing professional and courteous service to the maritime community;
- Notify you within 3-5 business days, or less, of receiving your application if information is missing or incorrect;
- Return your domestic phone calls within two hours during the business day;
- Process your completed application within 21 days (or less) consistent with federal regulations; and
- Work with COFR applicants and enforcement officials to assist in processing COFRs and clearing vessels as expeditiously as possible in emergency situations (where a vessel is threatened with immediate detainment, or prevented from entering/ exiting port or loading/unloading cargo).

If you feel you have not received satisfactory service you may call the Assistant Division Chief at (703) 235-4813.

We also intend to establish customer service standards for several of our other key processes, including: claims adjudication, outreach and cost recovery.

A helpful road map for our journey toward excellence was available in the form of the Malcolm Baldrige National Quality Award criteria. Although, as a government organization, NPFC cannot apply for this eminent award, we can still use its framework to improve our systems and processes.

We conducted a thorough self-assessment and have identified key areas for improvement. We intend to do a gap analysis and establish an action plan to close the gaps.

At NPFC we recognize that ours is a knowledge-based, information-intensive, organization. With this in mind, we have aggressively pursued prudent investments in information systems, such as interactive groupware, which have given our employees the ability to work as "logical teams" even though they may not be colocated. This arrangement significantly increased the productivity of our people and improved the level of services we provide.

As part of an ongoing strategy, we are now integrating our groupware case management system with our financial data using Oracle Financial applications, a relational database which will improve data integrity, integration, and information access. It will also allow accurate transfer of financial information to and from the Coast Guard's Financial Center without manual intervention. Its three components—General Ledger, Accounts Receivable, and Project Accounting—in addition to custom applications for vessel certification and claims adjudication, will work together to give our employees the automated tools they need to perform their jobs more expeditiously, thereby increasing the overall productivity of NPFC operations.

As illustrated, NPFC has embraced the principles of government set out in the National Performance Review:

"We will invent a government that puts people first by:
Cutting unnecessary spending
Serving its customers
Empowering its employees
Helping communities solve their problems
Fostering excellence."

-Vice President Al Gore

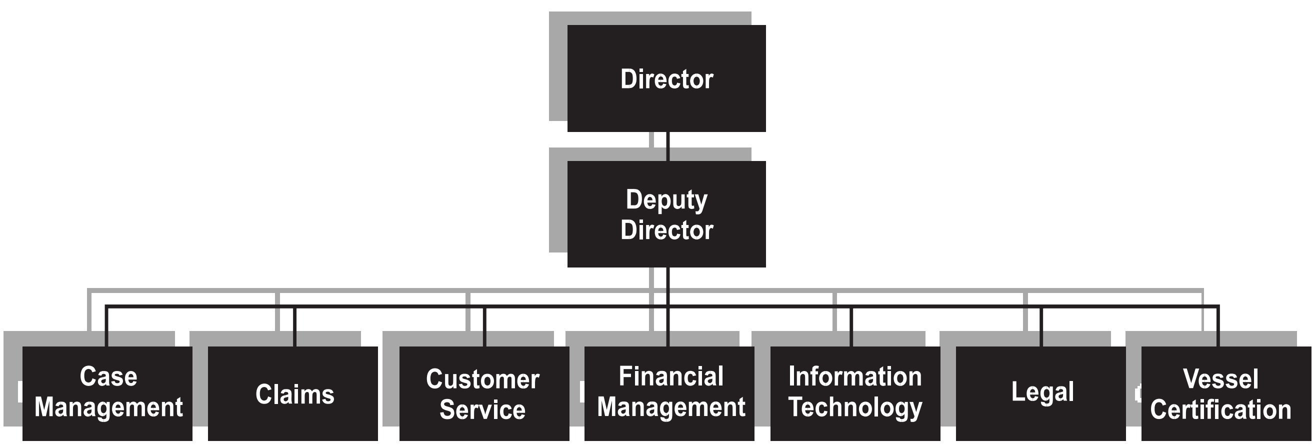
Most organizations recognize that their people are their greatest asset. NPFC is no different. The exceptional quality of our people was demonstrated again this year as our Director, Daniel F. Sheehan, was awarded the Presidential Rank Award of Distinguished Executive. This prestigious recognition is bestowed upon only a few of the most outstanding Senior Executive Service employees in all of the Federal government. Another of NPFC's employees, Maureen McCarton, was selected as the Coast Guard Civilian Employee of the Year for the metropolitan Washington, D.C. area. Maureen works in NPFC's Claims Adjudication division. Many others received recognition for their outstanding work, but these two individuals are deserving of special mention here.

ORGANIZATION

The NPFC has approximately 90 employees—60% civilian, 40% military—and is organized into seven divisions. For a list of names and telephone numbers for NPFC senior management, please refer to page 41.

- Case Management—Ensures emergency funding is available to support actions regarding the substantial threat or actual discharge of oil or hazardous substance release, provides for accurate cost documentation and effective cost recovery.

- Claims—Adjudicates claims for uncompensated removal costs and damages from a discharge of oil or the substantial threat of discharge of oil into the navigable waters of the United States.



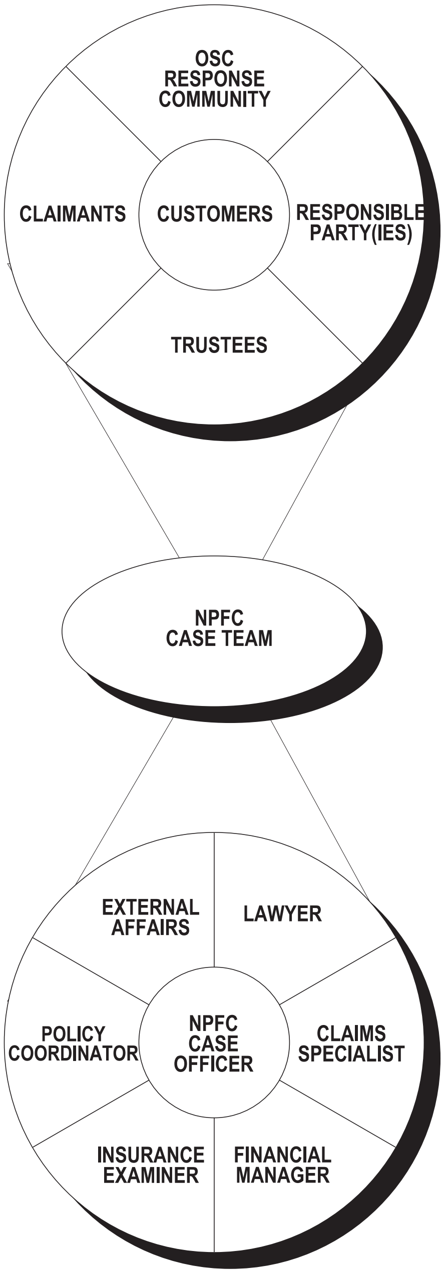
- Customer Service—Oversees and manages all outreach activities, the NPFC's strategic planning, Total Quality Management and publications programs, Congressional and public affairs activities, and coordinates all procurements, internal and external training programs, and military and civilian personnel matters.

- Financial Management—Provides fund management and oversight for the OSLTF and Superfund, coordinates all budgeting functions, including planning and programming, and prepares the financial statements in accordance with the Chief Financial Officers Act.

- Information Technology—Operates and maintains all Information Technology resources, seeks new technological opportunities to improve staff performance, and executes the Life Cycle Management plan for all automated information systems.

- Legal—Provides legal support for the Command, including advice on funding cleanups, handling claims and cost recovery, and the legal aspects of vessel financial responsibility. The Chief Legal Officer also serves as the Command's Staff Judge Advocate and Deputy Ethics Official.

- Vessel Certification—Issues Certificates of Financial Responsibility to the operators of U.S. and foreign flag vessels, receives and processes enforcement inquiries, and provides information to the field concerning the detainment and release of U.S. and foreign-flag vessels under the certification enforcement program.



THE CASE TEAM CONCEPT

Although the NPFC is organized along traditional lines with functional area chiefs, it also operates through a matrix organization centered around four Case Teams with regional responsibilities. Each Case Team is led by a Case Officer, who is the central internal coordinator and external point of contact for the pollution response community. In addition to the Case Officer, the Case Teams are comprised of technical experts from each functional area, including:

- A Lawyer,
- A Claims Specialist,
- A Financial Manager,
- An Insurance Examiner, and
- Other specialists, as required.

The Case Team is part of the National Response System, which consists of Federal, state, and local agencies. The Case Team works closely with the Federal On-Scene Coordinator and other members of the response community to support their efforts as necessary. They act as a natural working group to manage all fund-related aspects of cases to ensure effective cost recovery, prompt claims processing, and resolution of other related financial issues.

For a list of the names and telephone numbers of NPFC Case Team Regional Managers and their areas of responsibility, please refer to page 42.

THE OIL SPILL LIABILITY TRUST FUND (OSLTF)

History of the Fund

In August 1990, when President Bush signed the Oil Pollution Act of 1990 into law and authorized use of the OSLTF, the Fund was already four years old. Congress created the Fund in 1986, but did not pass legislation to authorize the use of the money or the collection of revenue to maintain it. It was only after the *Exxon Valdez* grounding and the passage of OPA that authorization was granted.

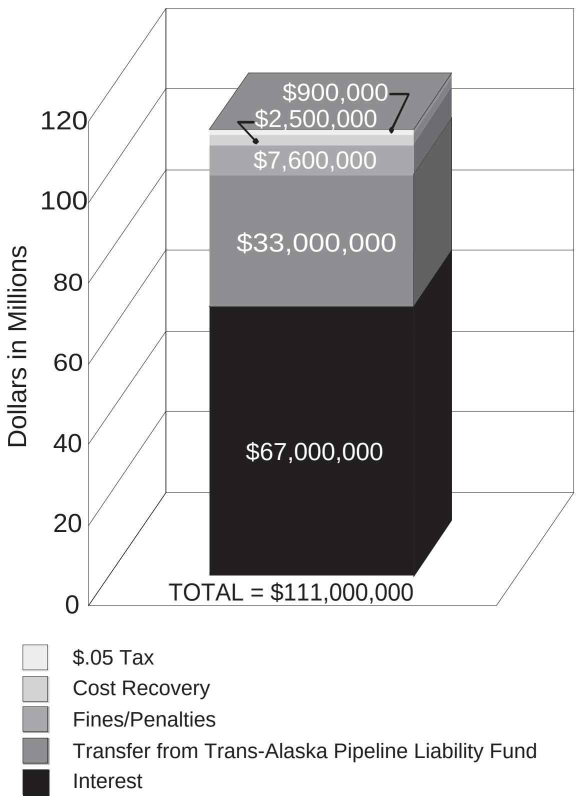
In addition to authorizing use of the OSLTF, OPA consolidates the liability and compensation requirements of certain prior Federal oil pollution laws and the supporting funds to include:

- The Federal Water Pollution Control Act;
- The Deepwater Port Act;
- The Trans-Alaska Pipeline Authorization Act; and
- The Outer Continental Shelf Lands Act.

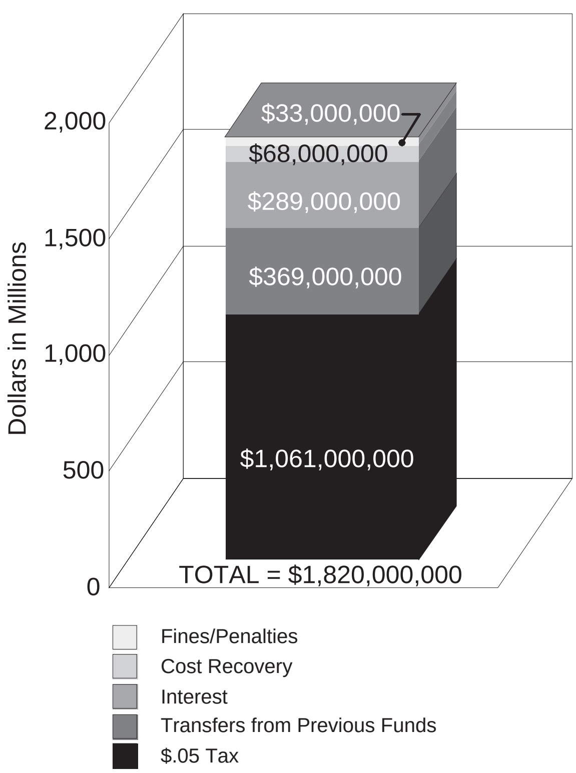
By consolidating the previous funds and legislation authorizing revenue collection, the Fund increased to $1 billion. Fund uses were expanded by OPA to include:

- State Access for removal actions;
- Payments to Federal, State, and Indian Tribe Trustees to carry out natural resource damage assessments and restorations;
- Payment of claims for uncompensated removal costs and damages; and
- Research and development and other specific appropriations.

FY96 REVENUE SOURCES



FY90-FY96 CUMULATIVE REVENUE SOURCES



Revenue Sources

The OSLTF has several recurring and non-recurring sources of revenue.

Previously, the largest source of revenue was a 5¢ per barrel tax, collected from the oil industry, on petroleum produced in or imported to the United States. The tax was suspended on July 1, 1993 because the fund reached its statutory limit. It was reinstated on July 1, 1994, but ceased on December 31, 1994, due to the “sunset” provision in the law. The tax generated up to $300 million a year in revenue. The FY96 revenue of $900,000 reflects the last deposits from the expired tax.

Currently, the largest recurring source of Fund revenue is the interest on the Fund principal from U.S. Treasury investments, which accounted for almost $67 million, or 60% of the Fund’s revenue in FY96.

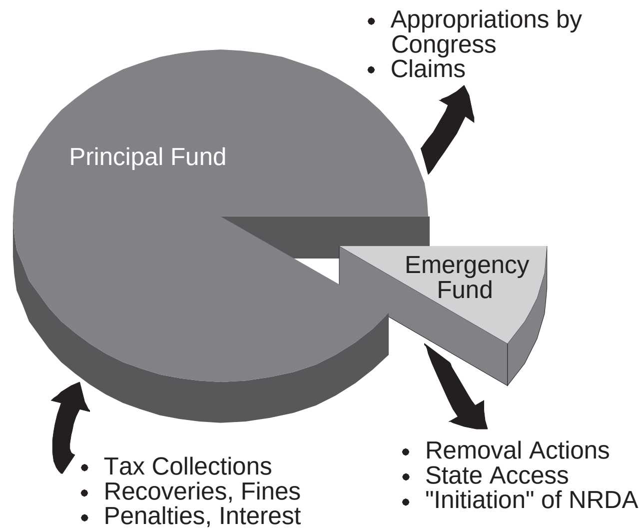
A third source is cost recoveries from Responsible Parties, which accounted for about $2.5 million, or 2% of the Fund’s revenue in FY96. Those responsible for oil spills are liable for costs and damages. NPFC bills Responsible Parties to recover costs expended by the Fund. As these monies are recovered, they replenish the Fund.

In addition to paying for cleanup costs, Responsible Parties may incur fines and civil penalties; these payments are also deposited into the Fund. In FY96 they accounted for $7.6 million, or 7% of the Fund’s revenue.

The Trans-Alaska Pipeline (TAPs) Liability Fund is being transferred to the OSLTF in yearly increments; $119 million was transferred to the OSLTF in FY95. An additional $33 million was transferred in FY96. Further increments are expected.

Fund Components and Uses

FUND COMPONENTS

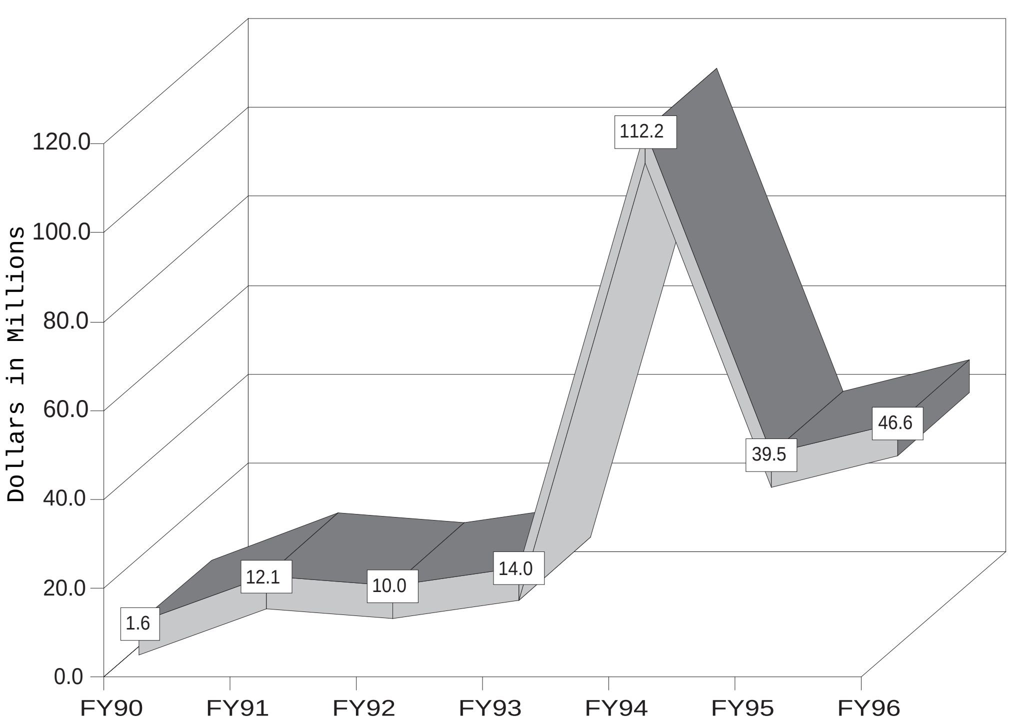


The OSLTF has two major components: an Emergency Fund for removal activities and the initiation of natural resource damage assessments, and a Principal Fund for all other authorized uses. OPA requires these components to be used for separate, distinct purposes. Expenditures from the Fund for any one oil pollution incident are limited to $1 billion, and natural resource damage assessments and claims in connection with any single incident are limited to $500 million.

The Emergency Fund

To ensure rapid, effective response to oil spills, the President has the authority to make available, without Congressional appropriation, up to $50 million each year to fund removal activities and initiate natural resource damage assessments. Funds not used in a fiscal year are available until expended. The graph below shows Emergency Fund usage from FY90–FY96.

EMERGENCY FUND USAGE




USCG photo by PIAT

REMOVAL ACTIONS

The OSLTF provides funding for oil pollution removal activities when an oil discharge impacts the surface waters of the United States. This not only includes oil spills, but also addresses the substantial threat of an oil discharge. The Emergency Fund may be used for the following types of removal activities/ costs:

- Containing and removing oil from water and shorelines;
- Preventing or minimizing oil pollution where there is a substantial threat of discharge; and
- Taking other related actions to minimize the damage to public health and welfare.

REMOVAL COSTS/SERVICES

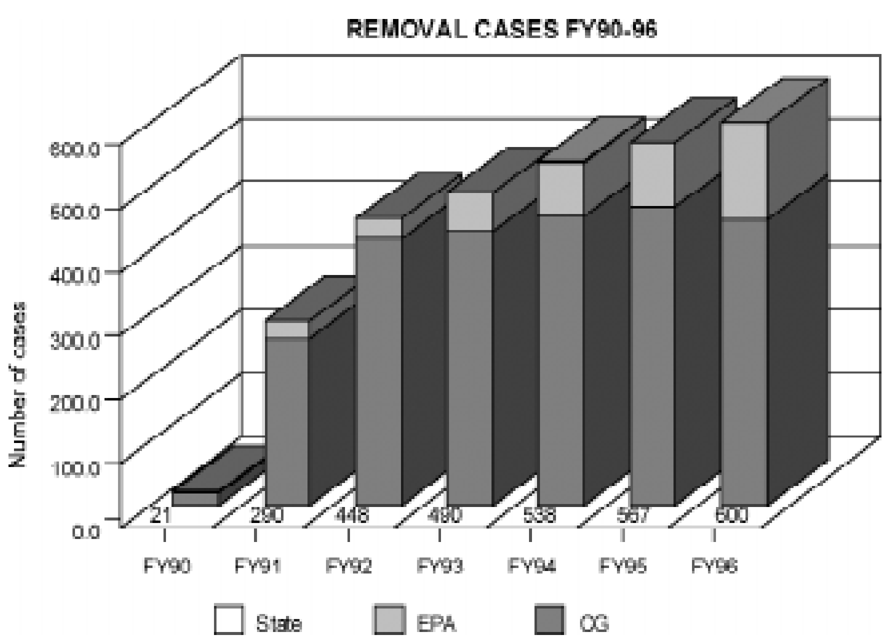
Examples of removal costs and services include the following:

- Contract services (e.g., cleanup contractors);
- Overtime costs for government personnel and temporary government employees hired for the duration of the spill response;
- Equipment used in removals;
- Chemical testing required to identify the type and source of oil;
- Proper disposal of recovered oil and oily debris; and
- Preparation of documentation for cost recovery.

Responsible Parties are billed for government personnel and assets normally available for oil spill response even though such resources are paid by a separate appropriation.

The Coast Guard has responsibility for removal actions in the coastal zone, while EPA has responsibility in the inland zone. Since NPFC's inception, the number of responses to oil pollution incidents for which the OSLTF is accessed has increased significantly each year as shown in the graph below. It is important to note that these cases do not represent all cases where oil is spilled, but only those incidents where Federal funds were used and a Federal Project Number assigned to the case.

- During FY96, 600 cases were reported, totaling $46.6 million. The cases included 447 with Coast Guard OSCs, 152 with EPA OSCs, and 1 State OSC (Illinois).
- During FY95, 567 cases were reported, totaling $39.5 million. The cases were handled as follows: 467 Coast Guard OSCs and 100 EPA OSCs.
- During FY94, the number of new cases rose again, with 538 cases reported totaling $112.2 million. One particular case required funding of approximately $82 million dollars for removal costs. The cases were handled as follows: 452 Coast Guard OSCs, 85 EPA OSCs, and 1 state OSC (Indiana).
- During FY93, the number of new cases grew even larger. The year ended with 490 cases reported, totaling $14 million. These cases were handled as follows: 429 Coast Guard OSCs and 61 EPA OSCs.
- During FY92, the number of new cases grew dramatically, with 448 cases reported, 416 Coast Guard OSCs and 32 EPA OSCs, totaling $10 million.
- FY91 ended with 290 new cases totaling $12.1 million. Of the 290 cases, the Coast Guard responded to 261.
- In FY90, there were 21 cases requiring OSLTF funding totaling $1.6 million. Twenty of the 21 cases were Coast Guard cases; the remaining case was managed by EPA.



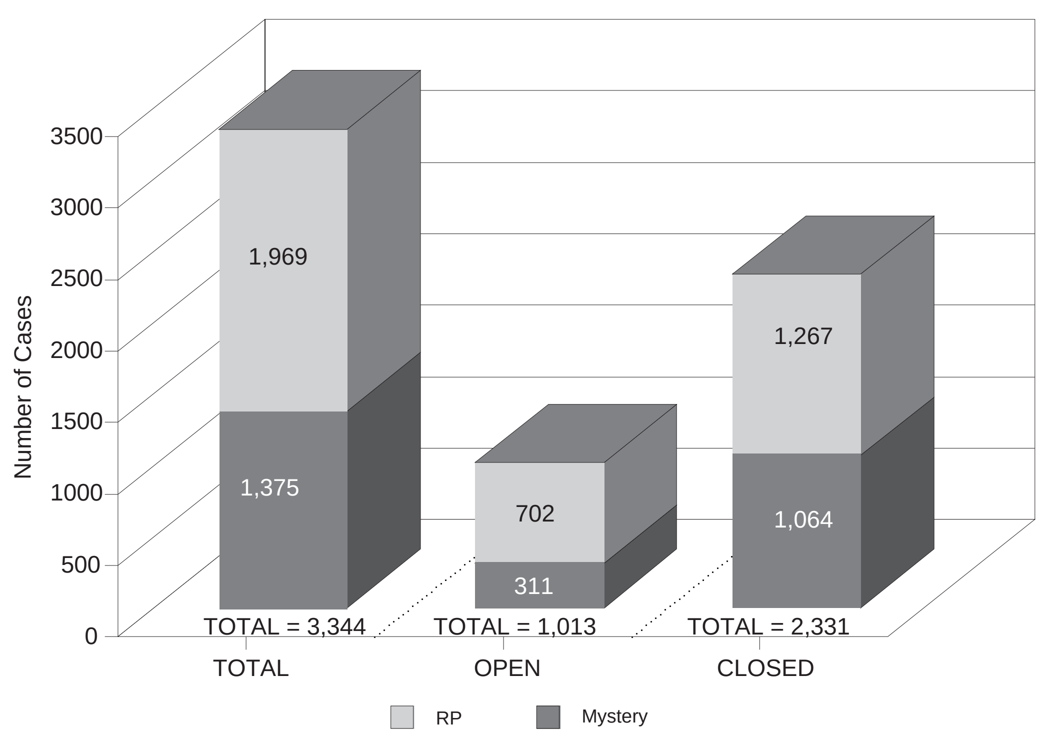
As of September 1996, the NPFC case teams have handled over 3,300 cases. The graph below represents the total number of cases, both open and closed, further broken down into RP and mystery spills. Closed cases are defined as follows:

- For cases with a responsible party (RP) after all bills have been issued, and have either been paid in full or any balance due has been written off;
- For mystery cases after no viable RP can be identified (mystery case) and all cost documentation has been reconciled with the accounting system.

For closed cases where there is an identified RP (60% of all cases), the cost recovery rate is 65%. The cost recovery rate is based on the amount the NPFC bills an RP compared to the amount the NPFC has recovered. Forty percent (40%) of all cases are mystery spills, meaning no RP could be identified and, therefore, no costs were recovered.

Each year there are several large cases that dominate the total removal costs incurred for that particular year (e.g., cases exceeding $200,000 in removal costs). Those cases meeting this criterion are listed in the table on pages 20 and 21, and most are still pending cost recovery. Amounts for many of the cases are still preliminary.

OPA CASES FY90-FY96



NATURAL RESOURCE DAMAGE ASSESSMENT INITIATION

USCG photo by PIAT

In response to an OPA incident, the Emergency Fund can be used to pay for the initiation of natural resource damage assessments (INRDA) conducted by designated natural resource trustees. "Initiate" is the process which allows for a separate funding mechanism to be used to capture baseline data. The NPFC and the Federal Lead Administrative Trustee (FLAT) will execute an Inter-Agency Agreement for each OPA incident requiring funds for Initiation. The FLAT should submit a request for the Initiation on behalf of the affected state, federal, Indian tribe, and foreign trustees to the NPFC Regional Manager who will assign a case officer to coordinate access to the OSLTF. The NPFC case officer will ensure the FOSC is notified that Initiation activities are being performed for an incident. For funding beyond the scope of initiate activities, Trustees are required to seek other sources, such as a Congressional appropriation.

As designated by OPA, NRDA trustees include authorized representatives from the Departments of Commerce (National Oceanic and Atmospheric Administration), the Interior, Defense, Agriculture, and Energy, as well as from states, Indian tribes, and foreign trustees. Executive Order 12777 limits payments to the five Federal trustees who may act to allocate funds for initiate activities among all affected trustees. The "Inter-Agency Agreement to Initiate the Assessment of Natural Resource Damages" is reviewed by the appropriate NPFC case team to ensure conformity with OPA requirements, applicable Federal regulations, and NPFC operating procedures.

While the criteria for funding eligibility remains the same, the NPFC does not impose any absolute time limits on Federal trustees for NRDA Initiate Agreements. The length of time depends on the particular situation and is determined by the trustees. FY93 was the first year that the NPFC received an initiate request. Five initiate requests were submitted that fiscal year, totaling $567,000. FY94 ended with an additional 11 requests totaling $744,000. The NPFC received one request during FY95 for $253,000 and another in FY96 totaling $121,000.

FY	Cases >$200K	Total Removal Costs*	Type of Spill	FOSC
90	M/V Jupiter	$ 1,471,620	Vessel	Detroit
	T/B Natchez	$ 1,345,518	Vessel	New Orleans
91	F/V Tenyo Maru Collision	$ 6,046,925	Vessel	Puget Sound
	T/B Vistabella	$ 3,346,790	Vessel	San Juan
	T/B Coastal 2509	$ 752,408	Vessel	Morgan City
	Mystery	$ 568,689	Vessel	Long Beach
	Coastal Incineration	$ 211,189	Facility	Port Arthur
92	Pickett Road-Star Enterprises	$ 3,061,691	Facility	EPA Region III
	Bablin Construction	$ 1,250,000	Facility	EPA Region VI
	Tante Phine Pass	$ 1,029,823	Facility	New Orleans
	Mystery Spill	$ 715,000	Mystery	EPA Region V
	M/V La Poncena	$ 547,001	Vessel	Anchorage
	Derelict Barges	$ 539,088	Vessel	New Orleans
	New Forked Island Shipyard	$ 500,000	Facility	EPA Region VI
	Avila Beach Spill	$ 474,409	Facility	San Francisco
	Sovereign Oil Co.	$ 459,256	Facility	EPA Region III
	St. Eustatious Oil Refinery	$ 340,496	Facility	EPA Region III
	Coastal Properties East	$ 295,092	Facility	Hampton Roads
	Crazy Bob’s Trucking Co.	$ 220,442	Facility	EPA Region X
	Dixie Oil Co.	$ 218,235	Facility	EPA Region IV
	S. Parish Oil Company	$ 208,820	Facility	New Orleans
93	Tsasaba Shipping	$ 2,898,809	Vessel	Tampa
	Macmillan Refinery	$ 2,515,999	Facility	EPA Region VI
	Island Realty	$ 1,654,182	Facility	Philadelphia
	F/V Sotrudnichestvo	$ 1,494,021	Vessel	Anchorage
	Timbelier Bay	$ 1,320,426	Facility	Morgan City
	Cape Fear River	$ 799,448	Facility	Wilmington
	T/B Ken Adams 3	$ 660,088	Vessel	EPA Region VI
	Neches River	$ 636,032	Facility	Port Arthur
	Sugarland Run	$ 613,716	Facility	EPA Region III
	Fish Island	$ 361,951	Vessel	Providence
	C/S Yorktown Clipper	$ 355,901	Vessel	Anchorage
	Yoncalla Creek	$ 317,346	Facility	EPA Region X
	Dundee Creek	$ 300,000	Facility	Baltimore
	Tug Karen	$ 300,000	Vessel	Anchorage
	Tram Hollow Run	$ 251,657	Mystery	EPA Region III
94	T/B Morris J. Berman	$ 84,090,145	Vessel	San Juan
	Standard Tank	$ 5,288,172	Facility	EPA Region II
	Glen Rock	$ 3,025,775	Facility	EPA Region VIII
	Brownstown Bulk Oil	$ 3,000,000	Facility	EPA Region V
	Vernal Utah	$ 2,400,000	Facility	EPA Region VIII
	Husatonic River	$ 2,000,000	Mystery	EPA Region I
	Guanica Bay	$ 1,571,212	Facility	San Juan
	Rattlesnake Creek	$ 850,541	Facility	EPA Region IX
	F/V Jin Shiang Fa	$ 620,410	Vessel	Honolulu
	M/V Tank Master I	$ 569,301	Vessel	EPA Region II
	M/V Saudi Diriyah	$ 521,809	Vessel	Hampton Roads
	Santa Clara River	$ 340,541	Facility	EPA Region IX
	CAL HBR Tire Fire	$ 310,838	Mystery	EPA Region V
	M/V Forum Chemist	$ 302,866	Vessel	Morgan City
	F/V Big Mama	$ 294,421	Vessel	Tampa
	M/V Isomeria	$ 283,075	Vessel	Hampton Roads
	LK George	$ 220,000	Mystery	EPA Region V
95	Colonial Pipeline	$ 10,972,055	Facility	Houston
	Lovel Refinery	$ 3,601,414	Facility	EPA Region V
	Lakeside Refinery	$ 3,200,000	Facility	EPA Region V
	Tank Batteries	$ 2,943,412	Facility	EPA Region VI
	F/V All Alaskan	$ 1,482,489	Vessel	Anchorage
	Hotchedale Tank Battery	$ 1,400,000	Facility	EPA Region VI
	Drums-San Jacinto	$ 1,300,000	Mystery	EPA Region VI
	T/B Bunker	$ 1,034,810	Vessel	Hampton Roads
	Warden Oil	$ 1,020,000	Facility	EPA Region V
	Walker, LA Mystery	$ 1,000,000	Facility	EPA Region VI
	Summerland Well	$ 850,000	Facility	EPA Region IX

***CG costs included**

FY	Cases >$200K	Total Removal Costs*	Type of Spill	FOSC
	M/V Berge Banker	$ 768,468	Vessel	Galveston
	Riverbend Operating	$ 761,189	Facility	New Orleans
	Isla Culebra	$ 687,838	Mystery	Tampa
	Continental Steel	$ 625,000	Facility	EPA Region V
	M/V Antares	$ 524,786	Vessel	Mobile
	F/V Bayou Princess	$ 509,655	Vessel	Port Arthur
	Kelly Brook	$ 500,000	Facility	EPA Region I
	Aliso Canyon	$ 458,319	Facility	EPA Region IX
	M/V Firat	$ 451,107	Facility	San Juan
	M/V Orfeo-Drums	$ 441,311	Vessel	Miami
	Liquid Asphalt Barge	$ 400,472	Vessel	COTP Sault Ste.Marie
	Scott Contracting	$ 370,000	Facility	EPA Region II
	Carlyle Lake	$ 350,000	Facility	EPA Region V
	Crooked Creek	$ 350,000	Facility	EPA Region V
	River Rouge	$ 345,633	Mystery	EPA Region V
	Minesweepers	$ 307,587	Facility	EPA Region V
	M/V Sable	$ 253,356	Vessel	Port Arthur
	Riverbend Operating Co.	$ 250,000	Facility	EPA Region VI
	Lode Key	$ 237,711	Mystery	Miami
	Unocal	$ 225,000	Facility	EPA Region IX
	M/V Theresa Roseau	$ 213,168	Vessel	San Juan
	Mizher Oil Tank Truck	$ 210,000	Facility	EPA Region I
	Golden Meadows Tanks	$ 200,000	Facility	EPA Region IV
	M/V Florida Express	$ 200,000	Vessel	Galveston
96	Barge North Cape	$ 4,040,292	Vessel	Providence
	T/B Cleveco	$ 4,000,000	Vessel	Cleveland
	T/B Buffalo 292	$ 3,500,000	Vessel	Galveston
	Intercoastal Oil Co.	$ 2,750,000	Facility	EPA Region VI
	Shore Refinery	$ 1,074,714	Facility	EPA Region VI
	Nap Creek	$ 1,665,316	Facility	EPA Region III
	Chevron Pipeline Pearl Harbor	$ 1,600,000	Facility	Honolulu
	T/B Buffalo 286	$ 1,000,000	Vessel	Houston
	Zephyr Napthsol Refinery	$ 1,000,000	Mystery	EPA Region VI
	Barron River Lake	$ 970,000	Mystery	EPA Region IV
	Voda Petroleum	$ 839,241	Facility	EPA Region VI
	River Bend Facilities	$ 760,000	Facility	EPA Region VI
	T/V Julie N	$ 750,000	Vessel	Portland, OR
	M/V Citrus	$ 745,812	Vessel	Anchorage
	Pioneer Lake	$ 650,000	Mystery	EPA Region V
	Pier 204	$ 550,000	Mystery	Tampa
	Tri City Oil	$ 550,000	Facility	EPA Region IX
	Port of Newport Pier	$ 517,861	Facility	Portland OR
	Marathon Pipeline	$ 500,000	Facility	EPA Region VI
	Gemco Oil	$ 450,000	Facility	EPA Region V
	Nacelle Land & Mgmt Co	$ 409,569	Facility	EPA Region V
	Oil Well & Pit	$ 400,000	Mystery	EPA Region V
	Johnson Village, CO	$ 360,000	Mystery	EPA Region VI
	Tar Balls South Padre Island	$ 350,000	Mystery	Corpus Christi
	T/B MF 12	$ 300,000	Vessel	New Orleans
	Great Salt Lake, Rozel Pt., UT	$ 300,000	Facility	EPA Region VIII
	Unknown Vessel	$ 300,000	Vessel	Long Island Sound
	Tug Defiant	$ 290,000	Vessel	Jacksonville
	Sunken Barge	$ 271,393	Mystery	New Orleans
	USS Cabot, MM93	$ 267,780	Vessel	New Orleans
	Abandoned Well, Lot #2	$ 260,650	Facility	EPA Region III
	Big Stone Anchorage	$ 250,000	Vessel	Philadelphia
	Crude Spill Mermentau River	$ 250,000	Facility	EPA Region VI
	M/V Togo Beauty	$ 250,000	Mystery	Corpus Christi
	Pequannock River	$ 250,000	Mystery	EPA Region II
	NW Oil Drain Canal	$ 250,000	Mystery	EPA Region VIII
	M/V Guang Yuan	$ 205,043	Vessel	Long Beach
	Leaking Tank Truck	$ 203,829	Facility	Baltimore
	Gas Spill Kiniak River	$ 200,000	Facility	Anchorage
	Griffith Oil Pipeline	$ 200,000	Facility	EPA Region II
	Leaking Wellheads	$ 200,000	Mystery	EPA Region VI
	Elk City, OK	$ 200,000	Mystery	EPA Region VI
	Pine St. & Glenridge Avenue	$ 200,000	Facility	EPA Region VI
	Sunken Tug Nickpatrick	$ 200,000	Vessel	Portland, ME

***CG costs included**

STATE ACCESS

State Access to the OSLTF is provided by OPA and is a process for states to follow to directly receive Federal funds for immediate removal costs in response to an actual or substantial threat of a discharge of oil, after coordination with and approval by the OSC. In accordance with OPA, states are limited to $250,000 per incident for removal costs consistent with the National Contingency Plan (NCP). State Access does not supersede or preclude the use of other Federal payment regimes. States may also obtain Federal funding for oil spill removal actions by acting as a contractor to the OSC or by using the claims process. Neither of these methods are subject to the $250,000 limit per incident.

The Principal Fund

The Principal Fund, that portion of the OSLTF exclusive of the Emergency Fund, is used primarily to carry out four functions:

- The first, paying claims for certain uncompensated removal costs and damages, does not require an appropriation from Congress.

The other three uses, which require a Congressional appropriation, are as follows:

- Federal administrative, operational, and personnel costs necessary to implement, administer, and enforce OPA;
- Research and development; and
- Natural resource damage assessments and restoration.

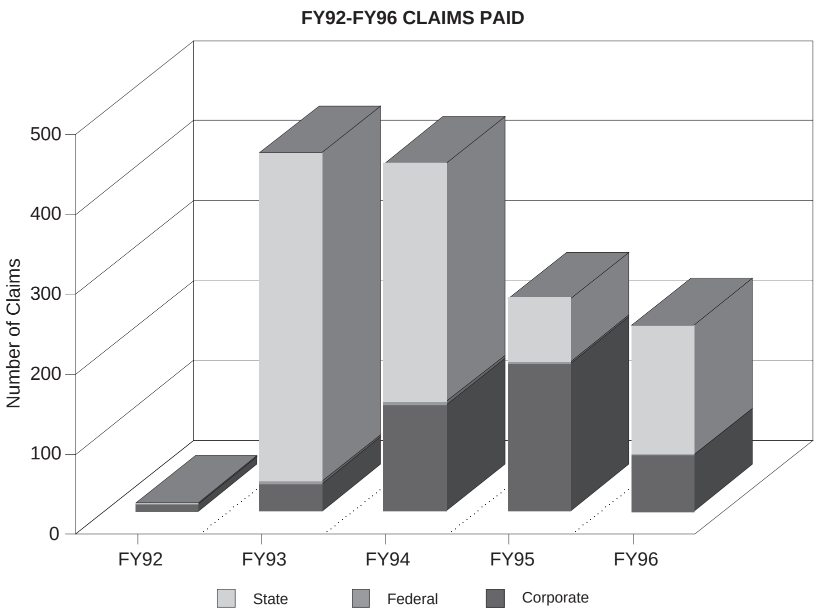
CLAIMS

To centralize the OSLTF claims process, the Coast Guard received an unlimited delegation of authority from the President to adjudicate claims presented to the OSLTF. This authority was further delegated to the NPFC on March 12, 1992. Generally, the NPFC's claim procedures attempt to strike a reasonable balance between the objectives of compensating deserving claimants and acting as a fiduciary for the OSLTF by ensuring that the funds are spent properly. Before a claimant can be compensated, he or she must satisfy the statutory requirements of OPA. For example, the incident must involve a discharge of oil or a substantial threat of a discharge into the navigable waters of the United States, and the claim must be submitted within the three year statute of limitations. Claims for uncompensated removal costs must be submitted within six years. Additionally, he or she must claim a damage recognized by OPA. Generally, claims must first be presented to the RP or guarantor before being presented to the NPFC. The NPFC has installed a toll-free number for use by claimants. The number is 1-800-280-7118.

Through its claims process, the NPFC generally accepts claims to compensate cleanup contractors when the hiring RP fails to pay. For instance, if an RP hires cleanup contractors, later determines that the oil came from some other source, and then refuses to pay the contractor, the contractor may submit a claim to the Fund for the uncompensated removal costs. The removal activity should be coordinated with the FOSC for purposes of establishing that the actions taken were consistent with the National Contigency Plan (NCP). The NPFC will reimburse for a reasonable amount, typically established by using Coast Guard prenegotiated contract rates as a guideline.

On October 30, 1995, the Comptroller General of the United States rendered a decision on natural resource damage claims under the Oil Pollution Act of 1990 (OPA), 33 USC 2701 et seq. In his decision, the Comptroller General determined that the trustees for natural resources may not submit claims against the Oil Spill Liability Trust Fund (OSLTF or the Fund) for natural resources pursuant to the claims provisions of OPA, 33 USC 2712(a)(4) and 2713. Matter of USCG-OSLTF, B255979, 1995 U.S. Comp. Gen. LEXIS 670 (1995). This decision affects all of the natural resource trustees, including Federal agencies, states, and Indian tribes. As of this printing, this decision has engendered litigation brought by state trustees.

As a consequence of the Comptroller General's decision, the trustees can not rely upon OPA's claims process, absent an appropriation from Congress, as a backup should responsible parties be unavailable to pay for natural resource damages resulting from their oil spills. On the other hand, the Comptroller General's decision does not affect other OPA claims. Those claims will continue to be processed for payment by the National Pollution Funds Center.



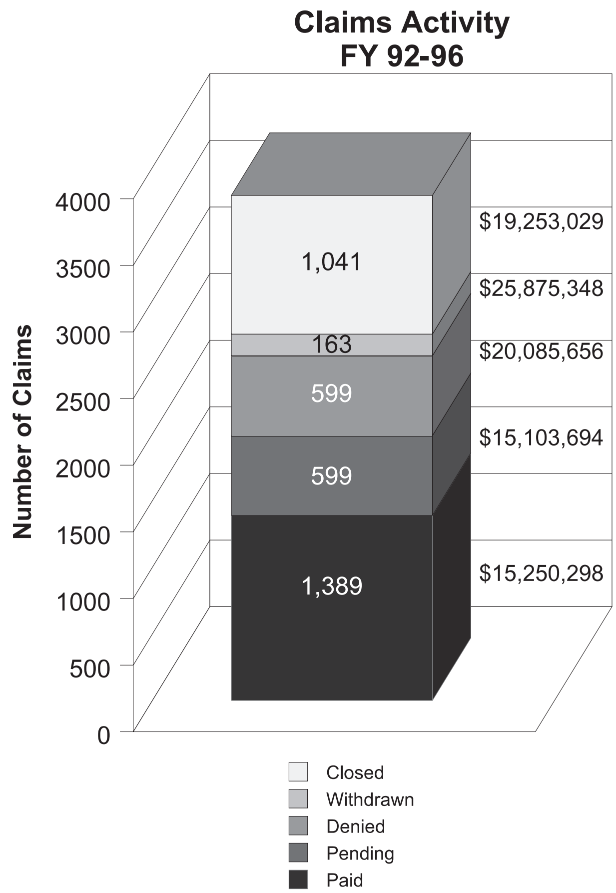
In FY93, the NPFC paid 448 claims to various states, corporations and private citizens. In FY94, a total of 436 claims were paid. During FY95, 265 claims were paid to Federal agencies, states, corporations and private citizens. During FY96, 232 claims were paid.

The chart to the left and table below depict the numbers of claims paid and the dollar value for those claims during FY92 through FY96. The claims listed as Federal claims include $8,102,669 in distribution of settlement amounts from several large pre-OPA oil spills. When there is an identified RP, claims payments and government adjudication costs are included in the billing and cost recovery process.

	No. of Claims	Amount Paid
FY 92		
State	1	$ 5,478
Corporate/Private	9	$ 88,277
FY 93		
State	411	$ 808,805
Federal*	3	$5,303,769
Corporate/Private	34	$ 215,393
FY94		
State	298	$ 778,280
Federal*	6	$2,000,881
Corporate/Private	132	$ 992,499
FY95		
State	79	$ 626,378
Federal*	2	$ 807,368
Corporate/Private	184	$2,178,080
FY96		
State	162	$ 593,008
Corporate/Private	70	$1,033,395

*Federal claims paid include $8,102,669 in distribution of settlement amounts.

The chart to the right represents the total number and dollar amounts of claims presented, paid, pending, denied, withdrawn or administratively closed from FY92–FY96. A brief explanation of each category follows.



Pending: The pending claims are those that have not been totally adjudicated. They include those pending calculation, awaiting additional information, and awaiting acceptance of a settlement offer.

Denied: Claims that fail to meet the statutory or regulatory requirements, or that fail to meet the burden of proof. Examples include claims for damages which do not result from a discharge of oil into navigable waters, or claims for losses which are speculative or unsubstantiated by the supporting documentation.

Withdrawn: Claims withdrawn by the claimant. The claimant still retains the right to resubmit the claim within the statutory period.

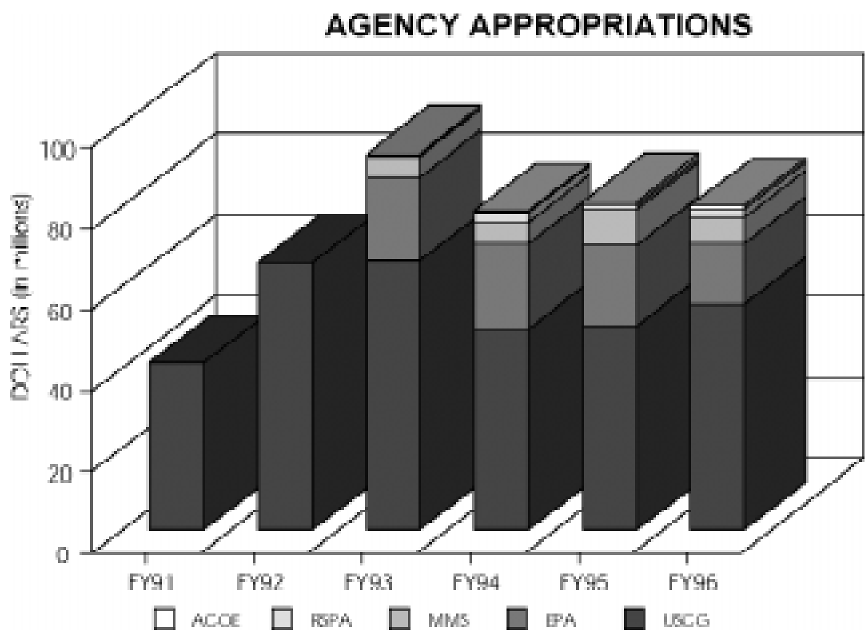
Closed: Claims closed by the NPFC for administrative purposes. Examples include claims that are subject to pending lititgation, and claims that were not presented to the identified responsible party or guarantor before being presented to the NPFC.

Photo by USCG District 7 Public Affairs

FY91	CG	$41,448,461
	EPA	0
	MMS	0
	RSPA	0
	ACOE	0
FY92	CG	$65,698,000
	EPA	0
	MMS	0
	RSPA	0
	ACOE	0
FY93	CG	$66,235,000
	EPA	20,700,000
	MMS	5,331,000
	RSPA	550,000
	ACOE	0
FY94	CG	$49,457,000
	EPA	21,239,000
	MMS	5,331,000
	RSPA	2,449,000
	ACOE	350,000
FY95	CG	$50,541,667
	EPA	19,903,000
	MMS	8,872,500
	RSPA	0
	ACOE	929,679
FY96	CG	$55,595,832
	EPA	15,000,000
	MMS	6,400,000
	RSPA	2,152,553
	ACOE	853,297

AGENCY APPROPRIATIONS

As of FY96, the Federal agencies shown in the graphs below and to the left have requested and received Congressional approval for appropriations from the OSLTF to cover certain administrative, operational, and personnel costs. Included in these appropriations is the funding to carry out some tasks cited in Title VII of OPA to develop a comprehensive oil pollution research and development program.



COAST GUARD USE OF SUPERFUND

USCG photo by PIAT

History

The Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) established the Hazardous Substance Response Trust Fund (Superfund) to provide monies to identify, prioritize, and clean up the nation's uncontrolled hazardous waste sites. The Superfund, administered by the Environmental Protection Agency, was created as an important CERCLA component to give the Federal government flexibility in identifying and addressing potentially harmful releases of hazardous substances. The Superfund provides the funds that enable Federal agencies to respond immediately to hazardous substance releases and contamination problems that pose a threat to public health and the environment, and is maintained by a tax levied on certain products of the chemical and petroleum industries and from costs recovered from Responsible Parties.

Coast Guard CERCLA Responses

Since August 1981, the Coast Guard has been responsible for serving as On-Scene Coordinator and conducting emergency responses to any actual or potential hazardous chemical releases in the coastal zone, the Great Lakes, and inland river ports as designated in the National Contingency Plan (NCP). The Coast Guard Strike Teams provide response support in other areas of the country as well.

Since its commission, the NPFC has served as the fiduciary agent for the Superfund portion accessible to the Coast Guard. These funds are provided to the Coast Guard through interagency and site-specific agreements with EPA and are used for the ongoing costs of building and improving response capabilities, including personnel costs and the costs of specific incident removals.

In August 1994, the NPFC completed negotiating and rewriting the Memorandum of Understanding (MOU) with EPA that addresses the Coast Guard's use of the Superfund. It replaces an MOU signed in 1982, which was more limited in scope. The new agreement comprehensively addresses all of the Coast Guard's uses of the Superfund and the mechanisms for transferring funding. This is part of the NPFC's commitment to the continuous improvement of internal processes and the cultivation of productive relationships with the other Federal agencies that are suppliers or users of pollution funds.

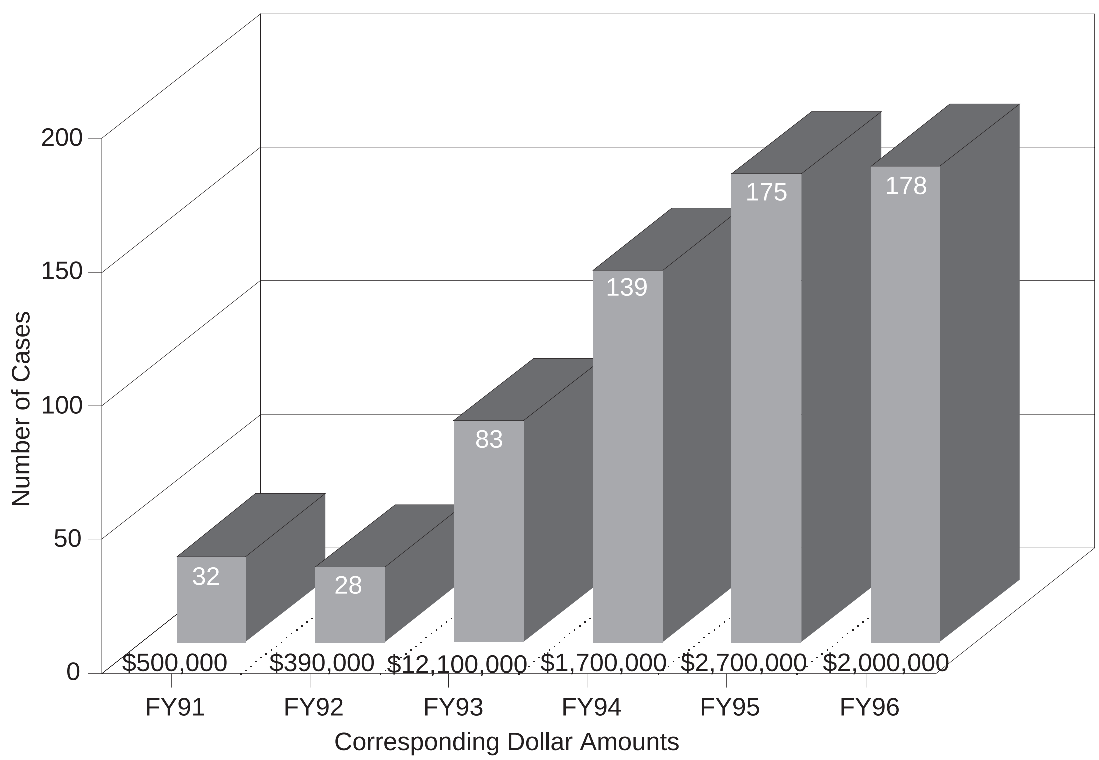
The growing number of Coast Guard responses to hazardous chemical releases is attributed to increased public awareness of the danger and environmental impact of these releases, and to the development of procedures and funding mechanisms that provide easier access to CERCLA funds. While the number of releases continues to increase, their actual cost fluctuates, more as a function of the size of the release in any given year than the number of responses. For example, in FY93, three cases—the Santa Clara, Empire Knight, and Nathan Berman-New York—comprised 83%,

USCG photo by PIAT

over $10 million, of the total response costs. In FY94, the largest case was the response to the Divex chemical release, totaling $450,000, which comprised approximately 27% of that year's total response costs. In FY95, the Powell-Duffryn case, at $1.4 million, accessed over half of the total response funding. In FY96, no case was larger than $200,000.

As shown in the graph, in FY91, the Coast Guard responded to 32 hazardous chemical releases totaling just over $500,000. In FY92, the Coast Guard responded to 28 releases totaling $390,000, and in FY93, to 83 cases totaling $12.1 million. In FY94, the number of Coast Guard responses to CERCLA releases increased to 139 cases totaling $1.7 million. In FY95, the Coast Guard responded to 175 cases totaling $2.7 million. In FY96, there were 178 cases totaling $2 million.

COAST GUARD CERCLA RESPONSES



VESSEL FINANCIAL RESPONSIBILITY CERTIFICATION

The United States depends on marine transportation for the majority of our imports and exports, which include chemical- and petroleum-based products. There are tens of thousands of vessels of all sizes that serve this purpose and have the potential to discharge pollutants into the navigable waters or onto adjoining shorelines of the United States. The primary goals of NPFC's Certificate of Financial Responsibility (COFR) program are to ensure that Responsible Parties are identified and are financially responsible, to the full extent of the law, for any expenses involved in dealing with any specific vessel water pollution incident. This certification is accomplished by issuing a COFR to vessel operators who have demonstrated adequate evidence of financial responsibility as established by law.

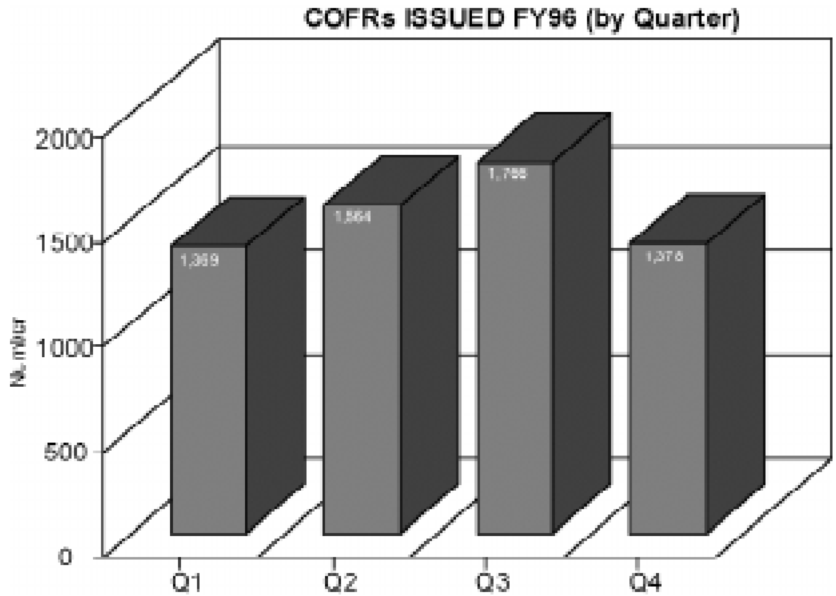
Section 1016 of OPA requires vessels over 300 gross tons, using any place subject to United States jurisdiction, or any size vessel using the waters of the exclusive economic zone to transship or lighter oil destined for a place subject to U.S. jurisdiction, to provide evidence of financial responsibility to satisfy claims for removal costs and damages up to the new higher statutory limits.

The law restricts the operation of vessels over 300 gross tons in United States waters unless the vessels' operators demonstrate some acceptable form of financial assurance that they can and will meet the liability limits set forth by law. The new vessel limits of liability under OPA are as follows:

- For tank vessels 3,000 gross tons or less, the greater of $2,000,000 or $1,200 per gross ton;
- For tank vessels greater than 3,000 gross tons, the greater of $10,000,000 or $1,200 per gross ton;
- For any other vessel, $600 a gross ton or $500,000, whichever is greater.

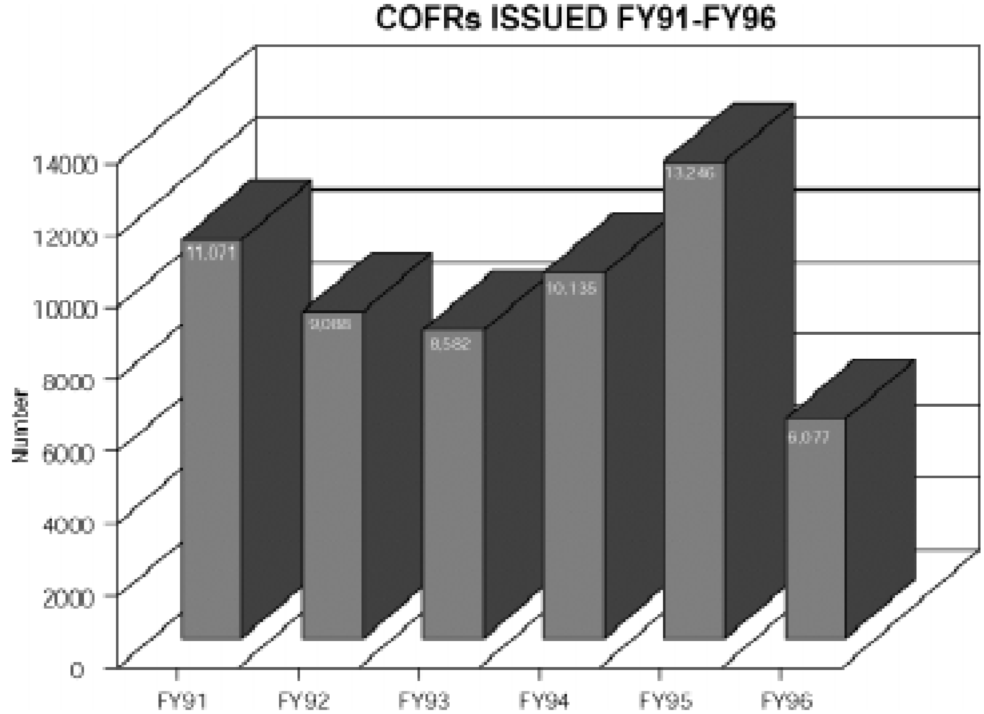
Additional amounts are also applicable under CERCLA:

- For any vessel over 300 gross tons carrying hazardous substance as cargo, the greater of $5,000,000 or $300 per gross ton;
- For any other vessel over 300 gross tons, the greater of $500,000 or $300 per gross ton.



Failure to comply with the law may result in prevention or cessation of operation and vessel detainment, denial of entry to a U.S. port, a civil penalty of up to $25,000 per day of violation, or seizure and forfeiture of the vessel. The law does not apply to public vessels. The financial responsibility requirements also do not apply to non-self-propelled barges carrying no oil as fuel or hazardous substances as cargo.

The graphs above and below show the number of COFRs issued in FY96 and cumulative COFRs issued by fiscal year from 91–96. The large increase in FY95 reflects the implementation dates for the new OPA financial responsibility requirements for tankers and tank barges.

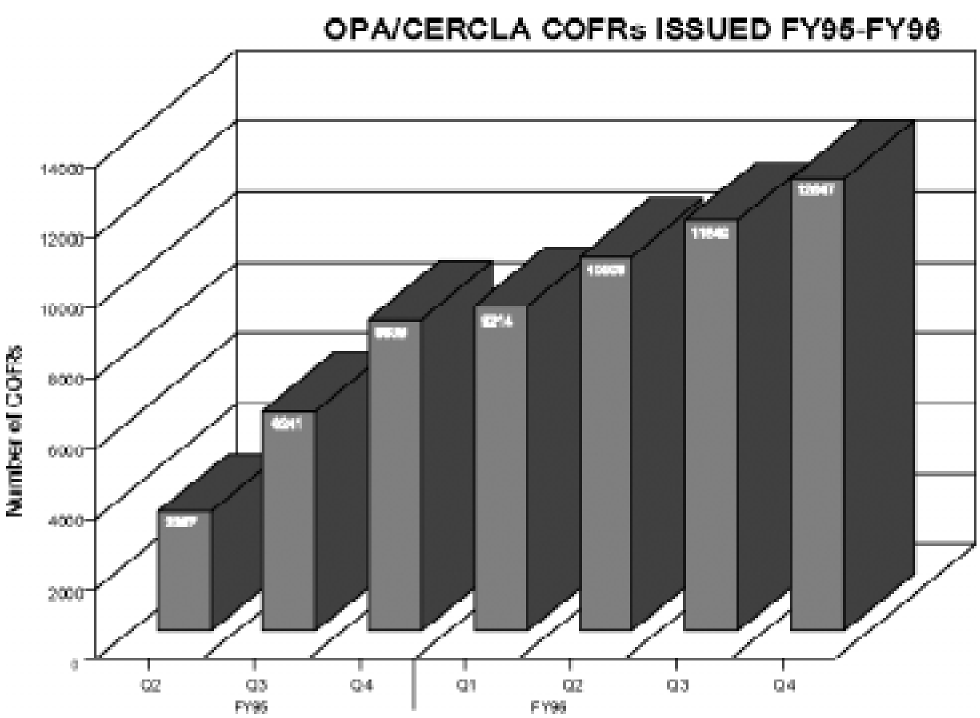


There are currently about 20,000 valid COFRs issued to vessel operators. The NPFC processes thousands of COFR transactions each year, including new issues, name changes, renewals and revocations. The following table illustrates the number and type of outstanding COFRs at the end of FY96.

Certificates of Financial Responsibility

Vessel Type	OPA/CERCLA	FWPCA	TOTAL
Dry Cargo	3,897	5,100	8,997
Tanker	1,895	-	1,895
Tank Barge	4,008	-	4,008
MODU	289	-	289
Passenger	256	186	442
Fishing	932	748	1,680
Utility	1,570	859	2,429
TOTAL	12,847	6,893	19,740

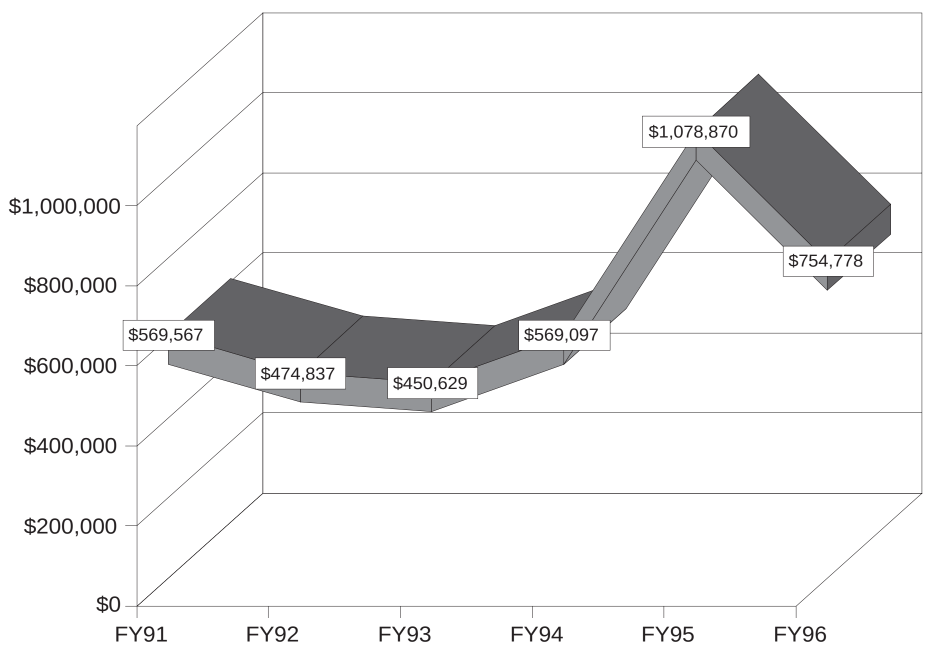
The graph below shows the total number of OPA/CERCLA COFRs issued from the second quarter of FY95 through FY96. As this number increases, the number of FWPCA COFRs decreases.



User Fee Receipts

User fees are the charges that vessel operators must pay for the service we provide to them (e.g., processing their applications and issuing the COFR). The graph below shows the user fees collected from FY91–FY96. User fees show a dramatic spike upwards in FY95 due to the significantly higher application and certification fees under OPA, and the large number of renewals following implementation of the new COFR regulations.

FY91-FY96 USER FEE RECEIPTS

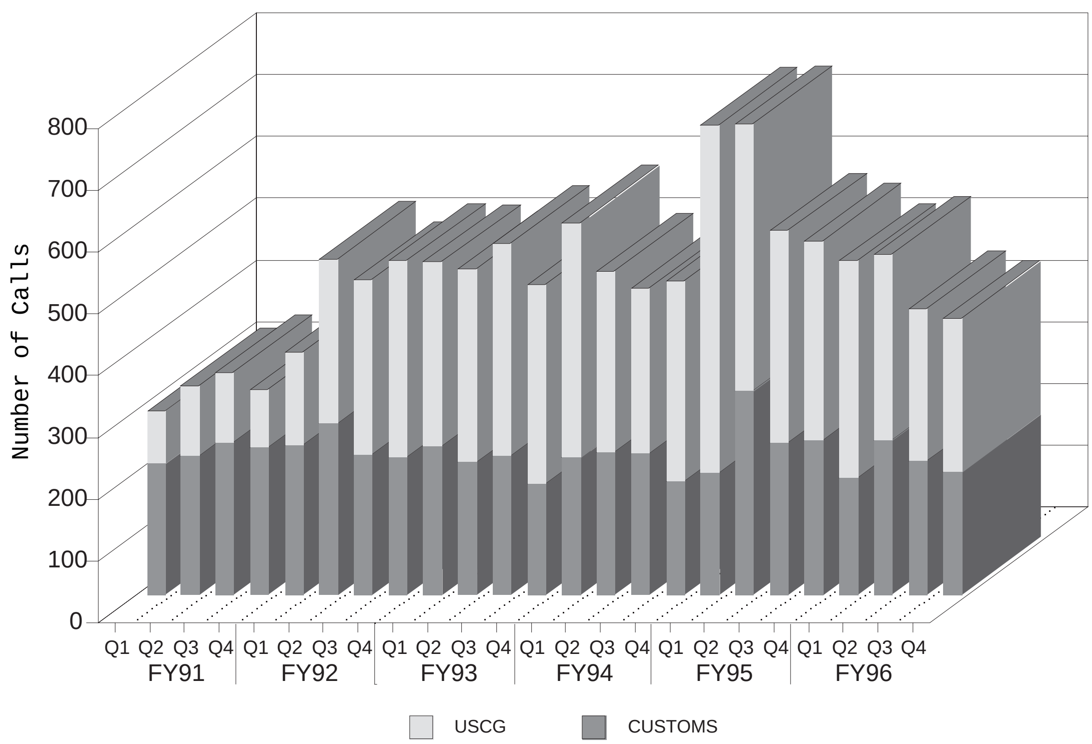


Vessel Enforcement Inquiries

A primary function of the Vessel Financial Responsibility Certification Program is answering compliance inquiries from the field. Thousands of calls per year are received from Coast Guard and U.S. Customs field offices, as well as approximately 300 calls from the Louisiana Offshore Oil Port. Enforcement inquiries result from random samplings of vessels in transit, entries found in the USCG Marine Safety Information System (MSIS), irregularities found on inspection, or discrepancies in information provided by ships' agents and representatives. The Coast Guard routinely checks for COFRs when vessels enter U.S. waters, sail coastwise, or are inspected. The U.S. Customs Service checks for COFRs when vessels leave U.S. waters.

In an effort to increase awareness of COFR requirements among Coast Guard field personnel, representatives from Vessel Certification have visited Coast Guard Marine Safety Offices in most major U.S. ports to provide on-site guidance and instruction. As a result of this outreach training effort, the majority of enforcement queries come from USCG field personnel; however, the U.S. Customs Service role remains a vital part of the nation's COFR enforcement effort. As the graph below illustrates, the number of compliance calls increased dramatically during the second quarter of FY95. The deadline for operators of self-propelled tank vessels to comply with the certification provisions of OPA was December 28, 1994, which therefore led to the upward spike in the number of calls in the period January 1–March 31, 1995. During this transitional period, heightened awareness among field personnel resulted in a total of 892 compliance calls.

COMPLIANCE CALLS



OUTREACH

The NPFC has a dynamic outreach program designed to meet the demands of our various customers in the environmental response and maritime communities. These customers include USCG and EPA oil spill response personnel, other government agencies, Federal, state, and Indian natural resource trustees, the maritime industry, the fishing vessel community, international organizations, and the general public. The outreach program is designed to provide NPFC customers with information on:

- NPFC missions and functions;
- Various ways to gain access to the OSLTF;
- Specific requirements for cost documentation to support cost recovery efforts;
- Process for submitting a claim to NPFC;
- Eligibility for compensation;
- Information on owner and operator financial responsibilities and limits of liability under OPA; and
- General information concerning Title I of OPA.

USCG photo by PIAT

Outreach Initiatives

We accomplish our principal objectives through a wide variety of NPFC guidance materials and other innovative outreach initiatives. In addition to developing guidance materials, we continuously strive to develop new and creative methods to meet our customers' needs. The following is a summary of our efforts:

- In FY96, three Fund Use Seminars were conducted to facilitate NPFC's effort to promote an understanding of the OSLTF. More than 200 representatives drawn from a diverse group of Federal and state response agencies, natural resource trustees, and oil spill response organizations attended our seminars in Falls Church, VA, Philadelphia, PA, and Seattle, WA. More are planned for the future.
- We continued to use our NPFC exhibit booth at major environmental response conventions and exhibitions, such as Clean Gulf '95 and the Northeast All Hazards Conference, as a platform to disseminate outreach materials and interactive public education efforts.
- A USCG Reserve contingent at NPFC continues to provide outstanding augmentation support to the Case Management Division, exemplifying, in a real sense, the highest expectation of the "Team Coast Guard" concept.
- Production work continues on the second NPFC educational video *Funding a Cleaner Environment*, which will give general information on the organization's roles and missions.

- Close collaboration has been cultivated with the new U.S. Coast Guard Auxiliary Department of Marine Safety and Environmental Protection. Information and training is under development for deploying Auxiliarists under orders to assist the NPFC and designated FOSC in claims scoping and financial information gathering during an oil spill incident.

- We have expanded the contents of our Internet home page to include our introductory brochure, claimant information guide, Vessel Certification information, OSLTF User Seminar announcements and press releases. This edition of the Annual Report is placed on the Internet as well.

http://www.dot.gov/dotinfo/uscg/hq/npfc/npfc.htm

NPFC Guidance Materials

The NPFC has an extensive library of guidance materials, including five Technical Operating Procedures (TOPs), which provide our customers with a wealth of information on the NPFC, our roles and missions, and Fund access and use. To request any of our guidance materials, please call (703) 235-4717 or 4743. The following is a summary of the materials available:

- The TOPs serve as Coast Guard guidelines for Fund users. They provide an efficient means to compile and submit material by providing formats, forms, and instructions to submit documentation. During FY96, the NPFC upgraded four of its TOPs. Information about all of the NPFC's TOPs is provided below:

  - **Removal Cost TOPs** provide clear guidelines to determine valid and necessary removal costs for a substantial threat or actual oil discharges.

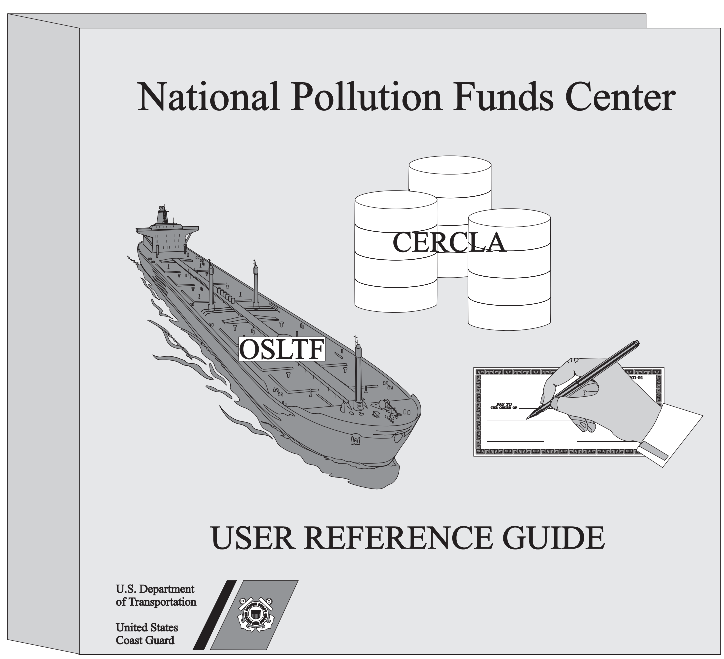
  - **Initiation of NRDA TOPs** describe the procedures for trustees who seek access to the Emergency Fund to initiate an assessment of natural resource damages.

  - **Resource Documentation TOPs** contain information developed to assist OSCs in documenting and reporting resources associated with removal activities.

  - **State Access TOPs** describe the procedures for states to access OSLTF, including requirements for documenting expenses, investigation requirements, and submitting documents for reimbursement.

  - **Designation of Source TOPs** contain information for OSCs in conducting investigations to identify sources of a substantial threat or actual discharge of oil, designating these sources, and duly notifying the responsible parties and their guarantors.

- The NPFC BROCHURE describes the NPFC's organization, its roles, and missions.
- The NPFC ANNUAL REPORT provides an annual overview of NPFC operations and OSLTF use since its inception on February 20, 1991, and for each fiscal year thereafter. This edition is the fourth published Annual Report.
- The CLAIMANT'S INFORMATION GUIDE provides information to potential claimants on how to file claims and what types of claims may be submitted.
- The NPFC COFR FIELD GUIDANCE serves as a reference guide for USCG field personnel and contains information on various aspects of the COFR program, including how to obtain a COFR, history, forms, current rulemakings, etc.
- The NPFC USER REFERENCE GUIDE serves as a single source book for various groups that may need to gain access to the OSLTF or the portion of the Superfund accessible to the Coast Guard. The User Reference Guide contains all of the TOPs listed above, the Claimant's Information Guide, and many other Fund access and financial management references.



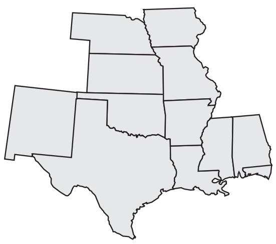
GLOSSARY OF TERMS

ACOE	Army Corps of Engineers
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act of 1980
COFR	Certificate of Financial Responsibility
COMP GEN	Comptroller General
COTP	USCG Captain of the Port
DOC	Department of Commerce
DOI	Department of the Interior
DOT	Department of Transportation
EPA	Environmental Protection Agency
FLAT	Federal Lead Administrative Trustee
FOSC	Federal On-Scene Coordinator (also see OSC)
FY	Fiscal Year
MMS	Minerals Management Service, DOI
MOU	Memorandum of Understanding
MSIS	Marine Safety Information System
MSO	USCG Marine Safety Office
NCP	National Contingency Plan (40 CFR 300)
NOAA	National Oceanic and Atmospheric Administration
NPFC	National Pollution Funds Center
NPRM	Notice of Proposed Rulemaking
NRD	Natural Resource Damage
NRDA	Natural Resource Damage Assessment
OPA 90 or OPA	Oil Pollution Act of 1990
OSC	On-Scene Coordinator (also see FOSC)
OSLTF	Oil Spill Liability Trust Fund (the Fund)
PRP	Potentially Responsible Party
RP	Responsible Party
RSPA	Research and Special Programs Administration, DOT
TAPS	Trans Alaska Pipeline Liability Fund
TOPs	Technical Operating Procedures
TQM	Total Quality Management
USCG	U.S. Coast Guard

SENIOR MANAGEMENT

Director	
Mr. Daniel F. Sheehan	(703) 235-4700
Deputy Director	
Ms. Jan Lane	(703) 235-4700
Chief, Case Management	
CAPT Joseph Bridger	(703) 235-4757
Chief, Claims	
Mr. Irving A. Pianin, Esq.	(703) 235-4801
Chief, Customer Services	
CAPT Dean Harder	(703) 235-4713
Chief, Financial Management	
Mr. Darrell W. Neily	(703) 235-4741
Chief, Information Technology	
Mr. George Cognet	(703) 235-4730
Chief, Legal	
CAPT Derek A. Capizzi	(703) 235-4790
Chief, Vessel Certification	
Mr. Richard A. Castellano	(703) 235-4811

CASE MANAGEMENT TEAMS



TEAM I (703) 235-4770

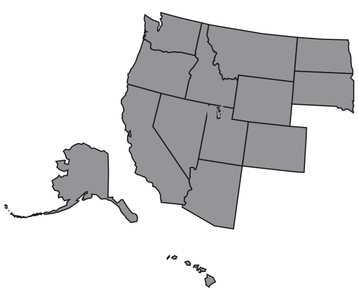
Regional Manager CDR Liston Jackson

Responsible for CGD8 and EPA Regions IV (Mississippi and Alabama only), VI, and VII. Includes: Texas, New Mexico, Louisiana, Mississippi, Arkansas, Oklahoma, Alabama, Missouri, Kansas, Nebraska, and Iowa.

TEAM II (703) 235-4771

Regional Manager CDR Robert Smith

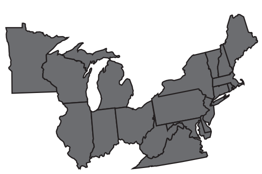
Responsible for CGD5, CGD7, and EPA Regions II (Virgin Islands) and IV (excluding Mississippi and Alabama). Includes: Virgin Islands, Puerto Rico, Florida, Georgia, South Carolina, Tennessee, North Carolina, Kentucky, Virginia (MSO Hampton Roads zone only), and Pennsylvania (MSO Pittsburgh zone only).



TEAM III (703) 235-4765

Regional Manager CDR Ron Gan

Responsible for CGD11, CGD13, CGD14, CGD17, portions of CGD8, and EPA Regions VIII, IX, and X. Includes: Arizona, California, Nevada, Utah, Colorado, North Dakota, South Dakota, Wyoming, Montana, Idaho, Washington, Oregon, Alaska, Hawaii, Guam, and American Samoa.



TEAM IV (703) 235-4731

Regional Manager CDR Tom Tansey

Responsible for CGD1, CGD9, and EPA Regions I, II, III, and V. Includes: Minnesota, Michigan, Wisconsin, Illinois, Indiana, Ohio, New York, Vermont, New Hampshire, New Jersey, Connecticut, Rhode Island, Massachusetts, Maine, Virginia (less MSO Hampton Roads zone), West Virginia, Pennsylvania (less MSO Pittsburgh zone), Maryland, Delaware, and Washington, DC.

CLAIMS (800) 280-7118

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DEPARTMENT OF TRANSPORTATION

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