



Summary

Oil spills, like other disasters such as floods or fires, are inherently local. Boaters, beachgoers or local emergency services are often among the first to discover a spill; and it is communities that are left with the consequences long after the response teams have gone home. Yet when it comes to marine oil spill planning and response in Canada, those who are most directly affected and have the most to lose – coastal residents and the local governments representing them – have ended up on the sidelines.

While the primary responsibility for marine oil spills rests with federal agencies, a spill of any significance affects and involves all levels of government. Clearly, oil spill planning and response should be a multi-jurisdictional effort, but too often this process fails to include communities. Senior spill response partners are not adequately engaging or supporting the involvement of local governments. In turn, some local governments, lacking capacity and understanding marine oil spills to be entirely a federal responsibility, are not adequately planning to manage the consequences of a marine spill on their community. Meanwhile citizens are neglected altogether, with no official voice in planning or oversight, and with limited opportunities to play a part in protecting the places they love if a spill were to happen in their community.

This report is intended for local government staff and elected representatives in BC, as well as key stakeholders in the provincial and federal government. The report covers:



Lessons learned from past oil spills, including the 2015 *Marathassa* spill in Vancouver, to highlight why communities should be concerned about spills, and the important roles local governments have in preparing for and responding to marine oil spills.



Barriers to local government preparedness for a marine spill, including poor communication and engagement from senior spill response partners, a lack of resources, and a lack of clarity about the roles and responsibilities of all parties involved in spill response.



How we can better protect people and the environment by giving communities a stronger voice in oil spill planning, and supporting local governments to better prepare for their role in a marine spill.



Actions that should be taken by local, provincial and federal governments.





Why should local governments worry about oil spills?

A major oil spill on BC's West Coast would have devastating and long-lasting environmental impacts, and cause significant harm to the regional economy. For example, a large oil spill in Vancouver's harbour could result in over \$300 million in losses to BC's coastal tourism industry.² But beyond these familiar headlines, what are the risks to individual communities and local governments?

COMMUNITY IMPACTS OF AN OIL SPILL

In the immediate aftermath of a major oil spill, many practical aspects of daily life in a community are likely to be affected. Beaches and other public infrastructure may be closed, municipal services may be disrupted, and local transportation such as ferries may be suspended.³ An influx of spill response personnel to the

area could easily outstrip the capacity of local services, and municipal facilities will likely be relied upon for housing and meeting space. For example, after the spill near the 7,000-person town of Kalamazoo, Michigan, many of the 3,000 spill response workers who descended on the town ended up living in campgrounds for months due to a housing shortage. During the *Prestige* spill in Spain, most workers were housed in municipal sports halls and other public buildings.⁴

In the longer term, business closures, a decline in tourism, and lower property values can lead to significantly reduced municipal tax revenues. Residents struggling with job losses, health impacts and legal compensation battles can contribute to increased pressure on health and social services. For example, following the *Exxon Valdez* oil spill, disturbance calls, arrests, and accidents more than doubled in the city of Valdez.⁵

"Local governments are on the front lines of oil spills... Municipalities bear the physical scars of spills on the landscape, experience the core losses to their economies, and confront the long-term effects through costly and long-lasting recoveries." – Recovery and Relief Services ¹



\$20 million

lost tax revenues for five Florida cities following the Deepwater Horizon disaster in the Gulf of Mexico.⁶



\$1,633,951

The City of San Francisco's costs for responding to the 2007 *Cosco Busan* incident (a relatively small spill at 200,000 litres - less than 1% of the size of the *Exxon Valdez* spill).9

LOCAL GOVERNMENT EXPENSES & LIABILITIES

Significant expenses could be incurred by local governments following a major oil spill, and these may be difficult to recover through oil spill liability and compensation funds. The following list describes the types of costs borne by local and regional governments following past oil spills. The list is long and, when tallied, estimates suggest that local governments could be on the hook for up to \$1 billion in direct costs:⁷

- Cost of providing space to stage response operations, provide housing for workers
- Cost of evacuating public and sheltering evacuees
- Cost of increased first responder and emergency services
- Public health costs
- Costs of disposing of waste generated by the response efforts
- Communications costs
- Volunteer management costs
- Legal costs, and cost of compiling data and research about damages

- Interim financial relief and payout to impacted residents and services
- Lost tax revenues due to depressed local economy
- Lost use of public spaces
- Cost associated with efforts to recover the local brand image, eg. tourism marketing campaigns
- Costs of staff time allocated to the spill

Longer-term recovery activities may occupy municipal agendas and budgets for years after the spill response is officially over, draw attention and resources away from other competing local priorities, and create hidden costs and challenges for local governments as they try to carry out the daily work of providing services.

Evaluations of claims following past spills demonstrate that many of the above municipal costs are not necessarily covered by available compensation regimes. For eligible costs, the claim process is complicated and costly in itself, and can take years or decades to reach a resolution. During this time, the costs are carried by the municipality and its taxpayers.⁸





Communities left on the sidelines in marine oil spill preparedness

OVERVIEW OF MARINE OIL SPILL PREPAREDNESS & RESPONSE IN CANADA

anada's marine spill preparedness and response regime is regulated by Transport Canada, and is based on the principle that the 'polluter pays' for preparedness and response. Operators of certain-sized vessels¹¹ are required by Transport Canada to pay fees to regional Response Organizations, which maintain plans, staff and equipment to respond to marine spills. On the West Coast of BC, there is one Transport Canada-certified Response Organization: Western Canada Marine Response Corporation (WCMRC).12

The Canadian Coast Guard (CCG) is responsible for overseeing industry's

response to marine spills. When a spill happens and the source of the spill is identified, the Coast Guard advises the polluter of their responsibilities and asks for their intentions regarding oil spill response. If the polluter is willing and able to respond, the CCG monitors the polluter's response, which on the West Coast of BC typically involves the polluter activating their contract with WCMRC. If the source of the spill is unknown (a 'mystery spill'), or if the polluter's response is deemed inappropriate, the Coast Guard manages the response itself.¹³

If a spill reaches a certain level of significance and affects multiple jurisdictions, a notification process is triggered to inform affected parties, who then coordinate their response through a Unified Command structure. Typically, this is led by the Responsible Party (the polluter) and/or the Coast Guard, and includes other federal agencies, the Province, affected local governments and First Nations.¹⁴

However, who gets notified and when, who gets invited to participate in Unified Command, and how decisions get made are complex and often controversial processes. The aftermath of many Canadian oil spills has revealed poor communication and untested relationships between partners, a lack of familiarity with

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"Oil spill response is a multi-jurisdictional activity. The lead jurisdictional agencies during a marine oil spill represent the federal government and the province, but impacted municipalities and First Nations play an equally important role."

"Contingency planning should not be a secret process." – Nuka Research Group²¹

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the Incident Command System/Unified Command structure, and challenging power dynamics in Unified Command. These problems emerged once again most recently following the *Marathassa* spill in English Bay in April 2015. 15

GAPS IN TRANSPARENCY & POOR LOCAL ENGAGEMENT

Both the Coast Guard and WCMRC have area specific oil spill response plans, which are supposed to provide detailed, operational level information to all involved parties about roles and activities. Both the Coast Guard and WCMRC are also supposed to engage local governments, First Nations, and other local stakeholders in developing these plans, and testing them through exercises and drills.16 However, none of these operational level oil spill response plans are available to the public, 17 and copies of these plans have not been made available to researchers working on behalf of municipalities,18 the Province¹⁹ and citizens groups.²⁰

This represents a serious failure of transparency, and means that local governments and citizens are prevented from scrutinizing the contingency plans that are supposed to protect public safety and the environment, or holding the senior partners accountable for the adequacy of the plans – let alone having an opportunity to contribute local knowledge that could significantly strengthen the plans.

Rather than being seen as important partners in a multi-stakeholder response, local governments have been left on the sidelines when it comes to marine oil spills. Interviews with coastal community emergency managers suggest that local governments are not adequately engaged by senior spill response partners such as the Coast Guard and WCMRC in the

development of oil spill plans, nor are they being actively involved in drills and exercises.²² Senior agencies are not adequately sharing knowledge and information with municipalities, supporting them to develop their own local plans. This leaves local governments unable to contribute important local knowledge and information to the planning process, and inexperienced when it comes to playing their part in a multi-jurisdiction response.²³ This poor communication and lack of transparency regarding roles and response plans on the part of senior agencies also undermines the regime overall, contributing to the untested relationships communications and breakdowns that we saw with the Marathassa spill.24

Under the current regime, there is no requirement or official avenue for citizen involvement in oil spill planning. There is a Regional Advisory Council for the Pacific Region, which consists of Transport Canada-appointed members, most of whom are industry, government or otherwise expert stakeholders; currently, membership and meeting minutes are not publicly available.²⁶ This it is not an adequate forum for coastal community members with important local knowledge

and concerns. This restricted approach to public involvement stands in contrast to the US regime, where a federally legislated, industry funded Citizens Advisory Council model has proven successful at involving citizens in oil spill planning, research, and preparedness as well as monitoring oil company compliance.²⁷ Experience with past oil spills has led to much stronger plans in some US jurisdictions to provide opportunities for citizens to safely and meaningfully participate in oil spill cleanup and recovery efforts.²⁸



The balance of power has gone awry. According to one US emergency manager: "Based on what I have seen up in Canada, the people that are in charge (feds, companies) all fail to understand the value of the local government and the communities. Lead governments note that industry will take care of it and everyone else should simply get out of the way." Meanwhile, local governments in Canada have to "beg" to be included as observers in drills and planning efforts carried out by the lead agencies.²⁵



Past marine oil spills show that local governments have important roles

il spilled into the ocean doesn't stay in the water; it washes ashore, often very quickly, at which point provincial and local jurisdictions are immediately affected and involved. In many portions of the south coast shipping route, local emergency services could likely be the first responders on-scene. While federal agencies and the Responsible Party (the polluter) have primary responsibility for containing oil on the water and treating oiled shorelines, there is a long list of other spill related activities that local governments become involved in as the spill and its consequences impact the community.

This is clearly illustrated by the City of Vancouver's audit of its participation in the *Marathassa* spill (see next page). These activities will vary depending on the nature of the spill and the community, but there are key functions that local governments consistently carry out when there is a marine spill.

The following analysis is based n local government accounts of

past marine spills, and interviews with emergency managers about the activities they anticipate engaging in following a marine spill.³¹

Interacting with the public:

Communicating to the public about health, safety and other emergency matters, and providing progress updates to residents and the media on the spill response are key local government roles. Local governments are often the first port of call when residents are looking for information and, in many cases, are better positioned to disseminate information than the official channels of Unified Command. Dealing with volunteers also often falls to local authorities. Although liability issues currently prevent untrained volunteers from participating directly in clean-up activities, members of the public invariably show up on beaches wanting to help and, in many cases, it's local government which steps in, either by re-directing volunteers to support other spill related activities or

providing beach-front crowd control.

o Emergency management: Local governments need to determine whether to issue, and subsequently manage evacuation or shelter-inplace orders. Police/fire/ambulance services are often called upon in a first responder capacity and/or to provide additional trained personnel for spill response activities. Local public works staff are likely to be involved in controlling access to unsafe areas, and setting out signage and safety perimeters.

Participation in Unified Command:

Local governments have critical information to provide to support decision-making, such as knowledge about sensitive areas to protect and available local resources. A seat at the table in Unified Command is also the only way for local government priorities and objectives to be considered when executing the spill response.

City of Vancouver departments involved in managing the consequences of the English Bay oil spill to the city, its resources, and its residents:³⁰

- City Manager's Office provided representation to Unified Command.
- O Communications developed public information messages, supported the Incident Command Post (ICP) communications process, and disseminated information to the media and public through the City's website, social media, and news releases. The City's website also gave the public an opportunity to provide feedback and to register as volunteers to support the spill response.
- Digital Services staffed the reporting line that was used to compile public reports throughout the spill response, and became an important conduit for information to and from the concerned public.
- Emergency Management provided staff at the ICP and the Emergency Operations Centre (EOC).
- Engineering provided sanitation trucks and services to assist with contaminated (oily) debris removal from city trash receptacles. They also printed signs to communicate beach closures and emergency information, and installed fencing and signage to protect oiled birds in ponds.
- Legal Services provided support to the City's representation at Unified Command by advising on jurisdictional authorities and legal context for spill response, claims, and compensation.
- Financial Services oversaw the Finance and Logistics sections at the EOC, and compiled information for cost recovery.
- Board of Parks and Recreation provided significant staff and management support to oversee volunteers, patrol beaches, set and tend public information signs, liaise with wildlife responders, participate in Shoreline Cleanup Assessment Technique (SCAT) surveys, and compile observations about shoreline oiling.
- Police Department provided security support to keep public away from active cleanup areas and closed beaches. VPD Marine Unit provided





City of Vancouver involvement in the 'small' Marathassa spill²⁹

- a vessel to support shoreline assessment in areas not accessible by land.
- Real Estate and Facilities provided personnel from Environmental Planning to participate in the Environmental Unit and SCAT surveys, and to contract water and sediment sampling for analysis by Vancouver Coastal Health.
- Risk Management provided staff to run the EOC and provided support to spill response functions like volunteer management.
- Vancouver Coastal Health (partner agency) provided public health officers to support Unified Command decision-making, provided technical experts to review sampling data, and participated in decisions about beach closures in the oil-impacted area.
- Other EOC-trained staff from across the City of Vancouver organization provided support as needed at the Emergency Operations Centre.



Local governments with past experience of spills have a number of important lessons to share. For example, lead agencies holding all the plans and resources may take time to arrive at the scene, during which time local officials are left to manage on their own. Even when a multi-agency incident command post is set up and distributing official updates, the community expects their local government to be involved and taking action, thrusting City Hall into the media limelight. Within Unified Command, local government priorities may differ from those of other players. In the Marathassa spill, for example, available communications capacity within Unified Command was directed toward supporting senior agencies with corporate communications, so the City felt it needed to fill the gap by providing reliable information to the public.

Most importantly, local jurisdictions' experience of past spills demonstrates that the tendency to categorize marine oil spills as solely a federal responsibility masks the realities of the complex ways a spill can affect and involve local governments, thereby weakening a community's ability to protect itself in the event of a spill.

"Prior to the oil spill, the City's emergency concerns were primarily focused on fire and earthquakes . . . the *Cosco Busan* oil spill was a wake-up call to the risks posed to the City from water based oil spills. The City now assesses the risk and appropriately plans for a water based oil spill emergency. As a result of the *Cosco Busan* oil spill, the City now recognizes that it cannot simply rely on federal and state agencies to have the same interests as the City . . . With these resources [for which the City petitioned following the spill], the City is prepared to take more of a leading role to protect its own interests rather than having to sit by and wait for the federal and state agencies to respond to the spill."

— Rob Dudgeon, Deputy Director of the Department of Emergency Management, City and County of San Francisco³²

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Capacity-building to strengthen local government preparedness

Given these important roles, it is unfortunate that a recent study which interviewed emergency managers in BC coastal communities (small and large municipalities and Regional Districts), and which analyzed published documents covering local-level oil spill planning and response in BC, Washington and California, came to the conclusion that BC's local governments are not currently adequately prepared for a marine oil spill.³³ Highlights from the research include:

- All but one respondent reported either limited preparedness or complete non-preparedness in the event of a marine oil spill;
- Most respondents indicated that the rules about the specific actions that local governments should take to prepare for a marine oil spill were unclear;
- Half the respondents indicated their local government had an emergency plan that addresses marine oil spills;
- All the respondents felt that their local government has insufficient resources to respond adequately in the event of a marine oil spill.

local governments participated in the study generally saw themselves as unprepared for a marine oil spill. They were largely unclear about their roles before, during and after a marine oil spill, and felt unsupported in their efforts to gain clarity about those roles. There was a high degree of inconsistency between local governments in terms of their understanding of how they would engage in a marine spill, and in what they were doing to prepare. Step-bystep procedures for local government involvement in activities associated with marine oil spills were largely absent in the planning documents of the lead federal agencies and local-level emergency plans. By contrast, in the US jurisdictions that were studied, local governments were actively engaged in regular preparations for a marine oil spill. American planning documents specified the activities that local governments are responsible for and provided specific procedures to ensure local governments are clear about their role as it relates to other lead agencies.

There are several key barriers to Canadian local government preparedness; notably poor communication and engagement from senior partners, and a lack of clarity and specificity about the roles and responsibilities of the parties involved in marine spill response, including local governments. A lack of capacity in terms of financial resources, staff time and training is also a critical barrier, in both the planning and response stages. The implications of industry-led response also makes oil spills a very different type of incident to the other kinds of emergencies that local governments are involved in, and has led to a situation where marine oil spills are often not included in local emergency planning documents.

Meanwhile, well-founded fears of having added responsibilities downloaded, without additional funding or capacity, may inhibit local governments from demanding a stronger voice in such an important issue that affects their communities.

However, funding and supporting local government involvement in marine oil spill planning and response does not have to lead to additional burdens of jurisdictional responsibility; rather, it allows for local governments to contribute

their local knowledge and skills, and better position themselves to play the many and diverse roles they are likely to have in a coordinated response. Moreover, local levels of government are the most accountable to their residents, and their involvement – particularly in the industry-led regime that we have in Canada – is vital to ensure the best possible protection of community and environmental interests.

To improve preparedness, change is needed at all levels. Local governments need to stop categorizing marine oil spills as solely a federal responsibility, and start planning for the many ways a spill is likely to affect and involve their government and their community. But unless engagement, transparency and resourcing from senior agencies improves, the unique and particular strengths of local governments to offer important contributions that could enhance the overall marine oil spill regime will remain underutilized – and our collective ability to protect our environment and our communities could pay the price.



Recommendations

Senior oil spill response partners (Canadian Coast Guard, other federal agencies and WCMRC) as regulated by Transport Canada should:



Improve engagement with local governments, including jointly clarifying the roles and responsibilities of all parties, and of local governments in particular; and proactively support local governments to participate in risk assessment, planning and training initiatives.



Ensure that all oil spill response plans, including local-level operational plans, are available in the public domain.



Establish a Citizens' Advisory Council for the West Coast, allowing for citizen input into and oversight of marine oil spill planning and response.



Provide additional funding, with the Province of BC, to support local governments in preparing for and delivering activities related to marine oil spills.

The Province of BC should:



Through Emergency Management BC, develop planning tools and provide expert support to facilitate local government planning for marine oil spills.



Contribute funding to support local governments in preparing for and delivering activities related to marine oil spills.

Local governments should:



Ensure their emergency plans address marine oil spills and provide operational details about all the types of activities the local government will engage in (whether in leadership or support roles) before, during and after a marine oil spill.

Endnotes

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- 25. Social Planning and Research Council of BC, 2015.
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- 27. Prince William Sound Regional Citizens' Advisory Council, 2006. Effectiveness of Citizen Involvement.
- 28. <u>Dudgeon, R. 2015. Written evidence of Rob</u> <u>Dudgeon in the National Energy Board's Trans</u> Mountain Expansion Project review.
- 29. Nuka Research and Planning Group, 2015a.
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- 31. Note, the following analysis draws on published local government accounts of past spills (Marathassa in Vancouver, Cosco Busan in San Francisco), and a survey of emergency managers in BC (including small and large municipalities and Regional Districts) that asked what types of activities they would expect to be involved in during a marine oil spill. All documents relied upon are referenced in this report.
- 32. Dudgeon, 2015.
- 33. Social Planning and Research Council of BC,
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