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Restoration Settlement Reached for the *North Cape* Oil Spill

The owner, operator and insurer of the vessel *North Cape* have agreed to restock 1.24 million lobsters and pay \$8 million to restore other natural resources injured by the 1996 oil spill off the southern coast of Rhode Island. The Governor and federal officials announced today that they have reached a "settlement in principle" with West of England Ship Owners Mutual Insurance Association, the insurer of the companies responsible for the spill. The trustees and responsible parties will draft a mutually acceptable consent decree, which must be submitted to the United States District Court for Rhode Island for approval.

Commenting on the resolution, Jan Reitsma, trustee for the State of Rhode Island, said, "This settlement represents a big win for the people of the state who use and enjoy our magnificent natural resources. We can now get the restoration underway as soon as possible."

The restoration funds will benefit several wildlife species, including piping plover, protected by the Endangered Species Act, common loon and eider, migratory fish and shellfish, including quahogs and lobsters. Land adjacent to coastal salt ponds will also be acquired to improve water quality. The settlement will restock 1.24 million lobsters and provide funding to implement the following restoration projects:

- Build predator exclusion cages to protect threatened piping plover;
- Acquire land in northern New England to maintain loon and eider productivity;
- Acquire land in the coastal salt pond region to improve water quality and prevent ecological impacts from future land development;
- Remove or modify obstructions to fish runs in tributaries to the salt ponds;
- Transplant shellfish, such as quahogs, from a portion of the Providence River to shellfish sanctuaries in Narragansett Bay; and
- Provide oversight of the lobster restocking effort.

In January of 1996, the tug *Scandia* and the barge *North Cape* grounded on Moonstone Beach on Ninigret National Wildlife Refuge in southern Rhode Island, resulting in the state's largest oil spill -- 828,000 gallons of home heating oil. The spill killed roughly nine million lobsters, more than 400 loons, and 1600 other marine birds, as well as over a million pounds of clams, oysters, amphipods and other species. The spill shut down the lobster industry for five months and reduced the productivity of the area's piping plover population.

Several agencies (called "natural resources trustees") have been working on the public's behalf to assess and restore natural resources injured by this oil spill. For this spill, the Rhode Island Department of Environmental Management, the Department of Commerce's National Oceanic and Atmospheric Administration, and the Department of the Interior's US Fish and Wildlife Service worked together as trustees. The trustees worked collaboratively with the responsible parties, including Eklof Marine Corporation, Thor Towing Corporation, and Odin Marine Corporation. Representatives from these agencies have reviewed dozens of scientific reports prepared by local and national experts, hundreds of documents, and public comments on two draft restoration plans.

"From the perspective of the US Fish and Wildlife Service, this has been an amazing collaborative effort. The settlement will help us work to restore populations of loons, plovers, and eiders, and to compensate the public for injury to the environment caused by the spill," said Ronald E. Lambertson, regional director of the Service's Northeast Region.

Shortly after the *North Cape* oil spill, new regulations for conducting natural resource damage assessments under the federal Oil Pollution Act (OPA) of 1990 became effective. These regulations were designed to expedite the restoration of injured natural resources and provide opportunities for the responsible party and the public to participate in the damage assessment process. The expedited approach articulated in the OPA regulations was embraced by both government officials and the responsible parties.

"NOAA's primary goal was to restore the natural resources injured by the *North Cape* oil spill, and to get there as quickly as possible. We believe the *North Cape* settlement demonstrates the benefits of working cooperatively with the public and those responsible for the spill toward the goal of restoration. NOAA is very pleased that we could harness the expertise of our National Ocean Service and National Marine Fisheries Service to restore these coastal resources for future generations of Americans," said Craig O'Connor, Acting General Counsel for NOAA.

The final settlement is subject to negotiation of a mutually acceptable consent decree, which will have to be approved by government officials before being filed in Federal District Court. The consent decree will be lodged with the United States District Court for the District of Rhode Island. After lodging, a 30-day public comment period will be announced. The trustees will consider all public comments prior to

seeking the Court's approval of the consent decree. Restoration of injured natural resources is expected to begin in the spring of 2000.

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What is a Natural Resource Trustee?

Federal, state and tribal agencies have stewardship responsibilities for the Nation's natural resources. When public resources are injured by releases of oil or hazardous substances, governmental agencies are charged with protecting and restoring natural resources. In this capacity, trustees ensure that cleanup actions protect natural resources from further injury, work with those responsible for releases to restore injured natural resources and obtain compensation for the loss of resources pending restoration. Federal, state and tribal trustees share responsibility for preserving the Nation's natural resource heritage for future generations of Americans.

NOAA's natural resource trustee responsibilities are implemented by the Damage Assessment and Restoration Program (DARP), a cross-NOAA program dedicated to assessing damage and restoring coastal resources injured by releases of oil and other hazardous materials. The Program has three components: the National Marine Fisheries Service's Restoration Center; the National Ocean Service's Damage Assessment Center; and the Office of General Counsel for Natural Resources.