

## West Coast Oil Spill Financial Responsibility Requirements<sup>1</sup>

RESPONSIBLE PARTY OR DAMAGE TYPE	ALASKA (SEE CITATIONS BELOW)	BRITISH COLUMBIA (CANADA) <sup>2</sup>	WASHINGTON (SEE RCS 88.40)	OREGON (SEE ORS 468B.390)	CALIFORNIA (CCR TITLE 14, SECTIONS 791-797 S.8670.32 AND S.8670.56.5)
<b>Small Tank Barges</b>	Same as for large tank barges (see below)	See below	Tank barges < 300 GT: Greater of \$2 million or \$3,000/bbl for persistent oil or \$1500/bbl for non-persistent oils	None	Tank barges <150,000 bbls: \$12,500 x 30% maximum cargo capacity
<b>Tank Vessels and Large Barges</b>	Greater of \$337.10/bbl of crude capacity or \$125.7 million, per incident; or Greater of \$125.70/bbl of non-crude capacity or \$1.257 million per incident, up to a maximum of \$43,995,000 See AS 46.04.040 and 18 AAC 75.235	The Canada Shipping Act differentiates between Convention ships and Non-Convention ships since Canada is party to the CLC/Fund scheme of 69/71 as recently amended in 1992. A Convention ship is a sea-going vessel carrying persistent oil in bulk, as cargo, or one that did carry oil as cargo on the prior voyage. The max. liability is based upon the ship's tonnage; if the ship's tonnage does not exceed 5000 tons, the max. per occurrence is 3 million units of account (SDRs). <sup>3</sup> If the ship's tonnage exceeds 5000 tons, the max. per occurrence is 3 million plus 420 units per additional ton, or 59.7 million units, whichever is less.	For all tank ships and tank barges =>300 GT \$500 million (\$1 billion after 1/1/04)	>300 GT & < 3000 GT: Greater of \$2 million or \$1200/gross ton >3000 GT: Greater of \$10 million or \$1200/gross ton <sup>4</sup>	Tankers >10,000 bbls. and large barges >150,000 bbls: \$1 billion

<sup>1</sup> The State of Hawaii defers to the US federal certificate of financial responsibility requirements and no specific state requirements.

<sup>2</sup> BC's provincial legislation (namely, the Waste Management Act and the Environment Management Act) does not specifically address the subject of financial responsibility for ship-source oil pollution incidents. The matter is essentially one of federal jurisdiction. The federal financial responsibility rules regarding vessel source pollution in Canada are, for the most part, covered by Part XVI of the Canada Shipping Act.

<sup>3</sup> An SDR is a "special drawing right" issued by the International Monetary Fund.

<sup>4</sup> These standards are identical to US OPA '90 financial responsibility requirements.

RESPONSIBLE PARTY OR DAMAGE TYPE	ALASKA	BRITISH COLUMBIA (CANADA)	WASHINGTON (SEE RCS 88.40)	OREGON (SEE ORS 468B.390)	CALIFORNIA (CCR TITLE ??, S.8670.37.51-57 AND S.8670.56.5-6)
<b>Non-tank Vessels</b>	Greater of \$300/bbl storage capacity per incident of persistent product, or \$5 million. Greater of \$100/bbl storage capacity per incident for non-persistent product or \$1 million. See AS 46.04.055 and 18 AAC 75.271	The max. liability of a ship-owner of a Non-Convention ship (non-tank vessel or tanker carrying non-persistent oil or other bulk cargo) is also based upon the ship's tonnage. In the case of a ship with a tonnage not > 300 tons, the amount is C\$ 1 million in respect of claims for loss of life or personal injury and C\$ 500,000 in respect of any other claim. In the case of a ship with a tonnage exceeding 300 tons, the amount is again based upon units of account (SDRs). Claims for loss of life or personal injury are capped at 2 million units for a ship not > 2000 tons. In excess of 2000 tons, the additional units go by tiers; up to 30,000 tons (800 units per ton), from 30,001 to 70,000 tons (600 units per ton) and in excess of 70,000 tons (400 units per ton). The same is true for other claims, which are capped at 1 million units for a ship not >2000 tons, and figures of 400, 300 and 200 units for the three tiers thereafter.	Cargo Vessels and Passenger Vessels of oil capacity > 6000 gals): \$300 million  Fishing Vessels: where oil is predominantly:  Persistent product: Greater of \$6.67 million OR \$400.20/bbl capacity  Non-persistent product: Greater of \$1.334 million OR \$133.40/bbl capacity	> 300 GT: Greater of \$500,000 or \$600 gross ton*	Non-tank vessel >300 GT: \$300 million
<b>Other vessel categories</b>	Not regulated (such as public vessels, non-self propelled watercraft and vessels engaged in innocent passage). See AS 46.04.055 and 18 AAC 75.271. Exempt Vessels (such as those used solely for oil discharge response operations). See AS 46.04.040 (m) and 18 AAC 75.205 (d).	See above	Inland Barge transporting hazardous substances: Greater of \$5 million or \$300/gross ton	None	Non-tank govt. vessels with capacity <7,500 bbl and any non-tank with carrying capacity <6,500 bbl: 1-10 bbls: \$1 million 11-50 bbls: \$5 million 51-500 bbls: \$10 million 501-1000 bbls: \$12.5 million 1001- above limits: see regulatory formula

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<b>Facilities or offshore wells</b>	\$62,850,000 for crude oil terminals, pipelines, offshore exploration facilities, and onshore production facilities that produce between 2,500 and 5,000 BBLs per day; \$1,257,000 for onshore production facilities producing less than 2,500 BBLs per day; \$12,570,000 for onshore production facilities producing greater than 5,000 but less than 10,000 BBLs per day; and \$25,140,000 for onshore facilities producing greater than 10,000 BBLs per day. \$31.43 per BBL or \$1,257,000, whichever is greater, for noncrude facilities, up to \$62,850,000. See AS 46.04.040 and 18 AAC 75.235.	The subject of offshore oil and gas is covered by the Canada Oil and Gas Operations Act (1992). The offshore rules only apply to wells. Under the offshore legislation operators are strictly liable for clean-up costs and for loss or damage to individuals including loss of income or future income.	None	None	<u>Marine facilities</u> : \$12,500 times the reasonable worst case spills (RWCS) volume, as measured in bbl, but not less than \$1 million or more than \$3 million <u>Offshore Marine Facilities</u> : \$12,500 times RWCS (No minimum) <u>Small Marine Fueling Facilities</u> : \$12,500 times RWCS (No minimum) <u>MTUs</u> : \$12,500 times 30% RWCS (no minimum)
<b>Unlimited liability?</b>	Yes	Liability in Canada is not unlimited.	Yes	Yes	Yes
<b>Certificate of Financial Responsibility required?</b>	Yes	Only Convention ships are required to have evidence of financial responsibility; under the CLC/Fund scheme such certificates are known as "blue cards", issued by flag states.	No	Required to be on ship or filed with the ODEQ	Yes
<b>Cleanup costs?</b>	Yes, to the extent that state resources are devoted to spill cleanup, but are not reimbursed, then cleanup costs are an element of cumulative damages.	The Canada Shipping Act makes the ship-owner liable for cleanup costs and loss or damage to individuals as a result of oil pollution damage from the ship.	Yes	Yes	Yes
<b>Third party damages?</b>	Yes	The Act makes specific reference to claims for loss of income by those who make a living from the sea (fishermen, etc.) and those whose culture links them to the sea (first nations peoples).	Yes	No	Yes

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<b>Natural Resource damages?</b>	Yes	Environmental damages are capped at the cost of reasonable measures of reinstatement, actually undertaken or to be undertaken.	Yes	Yes	Yes
<b>Other Comments</b>	Civil penalties and assessments are also included. See AS 46.03.758 through 46.03.760 and AS 46.03.822		Plus state's necessary expenses	Includes state's costs and any penalties or fines associated with the spill.	Includes states' costs and any penalties or fines associated with the spill.