Our Coverage Area

The Network’s area of service is incredibly vast. Flip the half page to hear why our board chair is proud of the work we consistently do.
Our Coverage Area

The Network’s area of service is incredibly vast. Flip the half page to hear why our board chair is proud of the work we consistently do.

From the Board Chairman

“Maritime shipping is a cornerstone of our global economy. As our industry continues to break new ground – whether it be cleaner fuel, advances in the prevention of maritime incidents, or exploring new routes through the Arctic – the Network is committed to fostering an environment of safe, sustainable shipping in balance with cost.”

- Network Board Chair Michael Moore
VP, Pacific Merchant Shipping Association
2019 was a year of growth and change – and we fully anticipate 2020 will be one as well. As the world grapples with the COVID-19 Pandemic, it is more important than ever that our global shipping supply chains remain solid, protected, and incident-free. And at the Network, our commitment to incident prevention, rapid response, and pioneering technology remains unwavering even during these challenging times as we support our enrollees and their vessels.

I am pleased to report that the number of companies enrolled with the Network increased by 6% last year, and as a result, vessel coverage numbers also increased by 8%. This growth is a testament to our unparalleled value and competitive pricing. The support and resources we provide our enrollees are second to none, which gives them and the communities and areas we serve peace of mind. We continue to be viewed by industry and regulators as the subject matter expert in Alternative Planning Criteria (APCs) and incident response in the remote regions of Alaska and the U.S. Arctic. We are proud of that distinction and will continue to use our expertise on the national and international stage to help shape maritime policy.

Last year, we also gained renewal of our APC to support tankers carrying persistent fuel as cargo. We are the only APC Provider to have attained this level of coverage, a testament to our capabilities and the confidence the United States Coast Guard and regulators have in our abilities.

As you will read later on in this Report, we’re continuing to lead in the area of good governance. The Network spearheaded the creation of the Western Alaska Tanker Lightering Committee, bringing industry, regulators, and environmental conservation groups to work together on maritime issues. I am particularly proud of this effort – as an Alaska-based APC provider, we firmly believe in being good stewards of the environment, and the Lightering Committee is a unique way for us to help bring those necessary voices to the table.

As the maritime shipping industry adapts to our ever-changing world of demands and challenges, it is critical that new technologies and methods are researched, developed, and deployed to transit the globe as safely as possible. We are proud of the role we have played to advance new technologies to prevent an incident from occurring, and look forward to what the future holds.

Our strength and core competency is bringing together a diverse group of organizations to support our mission. The adage, “The whole is greater than the sum of its parts,” is a concept that aptly applies in developing and sustaining an effective oil spill prevention and response readiness program for Alaska.

The Network’s primary goals are the safety of mariners and the protection of the environment for vessels operating in this challenging area while meeting environmental regulatory compliance requirements. Our programs are built around the tenets of Prevent – Respond – Pioneer. Each tenet complements each other, creating a comprehensive system of prevention and response capabilities designed to protect the marine environments from an oil spill.
Major Accomplishments & Achievements

• APC for tankers carrying Groups II to V oil as cargo accepted until September 30, 2022. The Network is the only APC provider to obtain acceptance for this APC from the U.S. Coast Guard due to our robust experience and capabilities.

• Established the Western Alaska Tanker Lightering Best Practices Committee.

• Testing of the EVATS™ in Norway. In March of 2019, the Norwegian Coastal Administration conducted a successful test of our Emergency Vessel Attachment & Towing System (EVATS™) off the Norwegian Coast.

• Local, National and International Outreach. The Network continues to be recognized in all areas of governance for our expertise and knowledge in the APC arena.

Companies Supported

500+

Total Vessels Supported

4,650+

Vessels of Concern Identified & Processed

329

Oil Spill Response Incidents

10

Deviations

81

Total Tracked Vessel Transits

10,000+

Awards

Capabilities: Paradigm Marine

The Network has a unique partnership with Paradigm Marine, which owns and operates a myriad of specialized marine equipment. Paradigm has two purpose-built, ocean-going, oil spill response vessels - OSRV Ocean Liberty & OSRV Sea Strike - based in Dutch Harbor, AK and Kodiak, AK respectively. In addition to these strategically-placed assets, Paradigm provides immense emergency towing and salvage support capabilities throughout our response region. Regardless of what may happen, thanks to Paradigm, our enrollees are consistently well-protected with such capabilities as their AHTS vessel Endurance, based in Kodiak, AK.
Best in Class

The Network is unique in that we provide incredible value to our enrollees. Our published rates are the lowest in Alaska, and we consistently offer the best value possible - without compromising on quality or undercutting our rates.

Our value proposition includes:

• Nonprofit status. As a nonprofit, we are duty bound to the companies that invest in our system. Our funds go back to supporting our paying customers. For-profit companies are beholden to their owners and shareholders, not necessarily the customer at the end of the day.

• Governance by active Maritime Executives. Our program is overseen by active maritime executives who are paying into the system. They are looking out for the best interest of the maritime industry, balancing compliance with cost, and our reputation as a socially and environmentally responsible industry.

• Our Partnerships. We have unmatched partnerships with a vast array of companies to support our program, providing a wealth of knowledge and experience, as well as layers of resources no single company can ever hope to obtain alone. We do not rely on specific assets that could become a single point of failure, nor are we burdened with the large expenses and debt in owning large capital assets.

• Alaska Experience. Our team of professionals have been working in Alaska for almost three decades. No other APC provider, with its team of strategic partners, has the same level of experience in preventing and responding to oil spill response incidents in the remote regions of Western Alaska.

• Capabilities. Our unmatched 24/7 monitoring capabilities have been customized specifically to Alaska’s diverse needs and operating environments. Should an incident occur, our tailored response capabilities and strategic partnerships deliver more than any other APC provider.

Lightering Best Practices Committee

The Network initiated the Western Alaska Tanker Lightering Best Practices Committee in 2019, working in close partnership with the Alaska Chadux Corporation.

Tank vessel lightering operations serve over 160 communities and villages in Western Alaska with products for essential heating and fueling. Millions of gallons of fuel are transferred from Ship to Barge and Ship to Ship in the offshore marine environment during the ice-free season for delivery to the coastal communities throughout the region. Each delivery is unique in the destination, draught restrictions, fuel type, facility capacity, environmental factors, and seasonality of ice.

Protecting Alaska’s marine environment through a comprehensive oil spill prevention, preparedness, and response program is paramount for the mutual benefit of all tanker lightering operators. Developing a process to continually review lightering operations and establish mutually agreed to Best Practices and standards of care will enhance safe, efficient, and environmentally-sound tanker fuel transfer maritime operations in Western Alaska.

The Committee leads the way in fostering a productive exchange of information among tanker owners and operators and other stakeholders to ensure safety at all times. All of the operators have committed to meeting and exceeding rigorous environmental and safety standards, as well as ensuring that Western Alaska communities receive fuel in a safe and timely manner. The Committee is comprised of:

• Tank Vessel operators
• Tank barge operators
• Alaska Marine Pilots
• Alaska Chadux Corporation
• Alaska Maritime Prevention & Response Network
• U.S. Coast Guard
• National Oceanic & Atmospheric Administration, Office of Coast Survey
• Alaska Department of Environment Conservation
• Ocean Conservancy

2019 Annual Report • Safe, Sustainable Shipping

7
8
Safe, Sustainable Shipping

As the maritime industry enters a new decade, safety and sustainability are top priorities. Shipping remains the backbone of world trade, with over 90% of goods traveling the world’s major bodies of water annually according to the International Maritime Organization. From the transport of finished products to the timely delivery of fresh food to communities across the planet, shipping connects the globe in a way that no other mode of transportation can.

Alaska sees this uniquely with the integral role the Anchorage-based Port of Alaska plays in our commerce and everyday lives. Groceries, vehicles, fuel packages from Amazon - all come through one of the most important transportation hubs on this planet. Burdened with tens of thousands of vessels transit Alaska’s waters every year, sailing through the Western Alaska and Prince William Sound Captain of the Port Zones. More over, as the decline of sea ice continues in the Arctic, region, marine traffic through the pristine environment of the Bering Strait is increasing – as is the likelihood of a fully-opened Northwest Passage that 17th Century explorers dreamed of finding.

The maritime industry is not going anywhere, but as the world changes, so too must we. At the Network, we remain committed to fostering an environment of safe, sustainable shipping that protects our coastal and ocean resources. Through the Land Frontier and America’s Arctic, To be truly safe and sustainable, shipping activities must be balanced with the capacity, health, and longevity of our ecosystems.

As additional shipping lanes open up throughout the Global North, our commitment to good maritime governance and policy is unwavering. A sustainable maritime industry in Alaska is one that continues to contribute to the commerce that sustains our communities day in and day out.

Our Key Partners
2019
Year in Review
Industry Engagement

Throughout 2019, we attended and presented several papers at professional conferences, symposiums, meetings, and Qualified Individuals (QI) workshops. These opportunities help us expand our influence on policy and industry best practices, as well as network and establish key business and stakeholder relationships. These events are attended by senior government policymakers, industry representatives, maritime insurers, environmental groups, and many others, and our continued presence represents our commitment to influence policies and best practices in maritime safety and protecting the marine environment. Flip the half page to read more about some of the many forums we were invited to attend and provide a presentation:
Arctic Shipping Forum 2019, (Helsinki, Finland). Presented
“Experiences from the Alaska Network in meeting the challenges
for operating in the US Arctic.”

Arctic Encounter Symposium (Seattle, WA). Participated on
a panel regarding food security issues related to marine vessel
traffic in the Arctic, “Maritime Activity & Potential Food Security
Impacts.”

Alaska Native Village Corporation Association (ANVCA)
Annual Meeting (Anchorage, AK). Provided an overview of the
Network and our operations. ANVCA represents nearly 200 Native
village corporations in Alaska, most of which are located within our
coverage area.

Clean Pacific 2019 (Vancouver, British Columbia, Canada).
Presented a paper on “Amending OPA-90 to include an “Arctic
Waterways Protection Act.”

Participated in the Arctic Council’s invitation-only Forum as a
contributor to the IMO Polar Code Best Practices for safe marine
operations in the Arctic Region.

Gallagher Marine Services Regulatory Seminar (Galloway,
NJ). Provided presentation “Alternative Planning Criteria in
Western Alaska” to approximately 50 vessel owners/operators.

Witt O’Brien’s Incident Management Team Tabletop Exercise
(Seattle, WA). Provided an overview of the Network’s NTV APC
program and participated in the exercise for Western Alaska
fishing industry owners and operators.

Safety At Sea “Megabox Ship Forum” Expert Discussion
Forum (London, England). Participated on an expert panel with
representatives from the U.K, Greece, and Germany. This panel
covered “Megabox Ship” casualties in remote areas, highlighting
the Network’s monitoring and early notification program to key
stakeholders who support marine casualty response across the
globe.

North American Arctic Shipping Forum (Montreal, Canada).
Delivered presentation “What’s AEROS” Sea Trial For and Why”

Intertanko North American Forum (Houston, TX). Attended at
request of Intertanko, providing information on issues related to
Network’s tank vessel APC programs in Western Alaska.

American Salvage Association’s Canadian Coast Guard
Training Session (St. John’s, Nova Scotia, Canada). Presented
at the seminar for the Canadian Coast Guard - Atlantic Region on
the EVATS™. Over 50 response personnel attended, including
most of the major salvage response providers.

2019
Year in Review
Industry Engagement

Throughout 2019, we attended and
presented several papers at professional
conferences, symposiums, meetings, and
Qualified Individuals (QI) workshops. These
opportunities help us expand our influence
on policy and industry best practices, as
well network and establish key business and
stakeholder relationships. These events are
attended by senior government policymakers,
industry representatives, maritime insurers,
environmental groups, and many others,
and our continued presence represents our
commitment to influence policies and best
practices in maritime safety and protecting the
marine environment. Flip the half page to read
more about some of the many forums we were
invited to attend and provide a presentation:
**Prevent**

The best incidents are the ones that never happen. Incident prevention continues to remain our highest priority to protect crews, cargo, and Alaska’s coastline. In addition to ongoing work with the Lightering Best Practices Committee, the Network continues efforts aimed at preventing incidents on the water.

- **Processing Deviation Requests:** In 2019, we managed 81 deviation requests. Our deviation process helps reduce risk through real-time monitoring, and a live management system used in conjunction with geofencing.

- **Timely Response and Notification:** The 24/7 monitoring conducted by our partner the Marine Exchange of Alaska provides a critical service, increasing response time and thereby saving lives. As an example, this past year, we received an initial notification from a 620’ Bulk Carrier that was laboring heavily due to significant waves, and drifting towards the shore. We immediately notified the U.S. Coast Guard, which resulted in deployment of a Coast Guard cutter and rescue tug to render assistance to the vessel and keep it out of harm’s way. This one incident demonstrates the importance of prevention - swift action protected the mariners and prevented over ten thousand barrels of fuel being spilled into the environment.

**Respond**

Even in the best of circumstances, response resources are sometimes required. Thanks to our continued partnership with the Alaska Chadux Corporation (Chadux), enrollees have access to key resources and response capabilities.

- **Geographic Response Strategy (GRS Validation):** In August, Chadux launched its Dutch Harbor oil-spill response vessel (OSRV), Ocean Liberty, to conduct on-site verification and several deployments of 5 Geographic Response Strategies sites near Unalaska and Unimak Pass. During this excursion, Chadux tested existing plans created to protect critical sites in the area to determine their viability, worked with local Vessels of Opportunity (VOOs), and became more familiar with the operating environment near the busiest shipping lane in the Aleutians. The event was successful on all fronts.

- **Skimmer Testing:** In early 2019, Chadux conducted an efficiency test with one of its Best Available Technology (BAT) skimming devices, the Aquagard RBS 35 Triton skimmer, in accordance with ASTM standards and overseen by the USCG and ADEC. The test determines how much water is collected along with recovered diesel in a skimming operation. Chadux’s investment in BAT has paid off; the drum recovery cassette (pictured right) was more than 99% efficient.

**Chadux Year in Review**

2019 was a busy, successful year for Chadux. In all, Chadux and its partners deployed:

- 17,400 feet of harbor boom
- 200 feet of shore seal boom
- 132 feet of fast water boom
- Six (6) vessels of opportunity
- One (1) Ocean Buster
- OSRV Ocean Liberty
Fostering safe, sustainable shipping has always been a part of what we do in pioneering new safety technologies for the maritime industry.

- **Emergency Vessel Attachment & Towing System (EVATS™)**: Our innovative towing system - created in conjunction with Glosten and Samson Rope - is designed to keep equal tension on the towing bridle for increased safety. It can be easily delivered via boat or helicopter, and hooked up during inclement weather. In March of 2019, the project team conducted a successful sea trial of the system in Norway to exercise and demonstrate the enhanced capabilities of the EVATS™ system working with the Norwegian Coast Guard and Norwegian Coastal Authority.

- **Arctic Vessel Monitoring Geofencing/Alert Awareness ADAC Project**: In 2018, the Network received a research and development grant from the Arctic Domain Awareness Center (ADAC) at the University of Alaska at Anchorage. The grant will advance Arctic Maritime Domain Awareness by helping develop enhanced protocols and software for Automatic Identification System (AIS) technology. Through improved “watch-dog” alerts to the Coast Guard and other maritime stakeholders, the project will enhance maritime security and safety, environmental protection, and vessel regulatory compliance in U.S. Arctic waters. An additional outcome of the project was the development of AIS geofencing around a moving vessel, known as “dynamic geofencing”, in 2019. This is a significant enhancement to geofencing technology; previously, it was based on stationary points of reference. The Network co-led the project research team, and we intend to use this new tool to monitor tanker lightering operations in Western Alaska, gaining greater awareness of higher-risk events that could potentially lead to an oil spill incident.
The Network conducted an independent, certified public accountant audit of its financial system for fiscal year 2018. The audit reviewed financial statements and found the Network was in accordance with Generally Accepted Accounting Principles (GAAP), finding no material weaknesses in internal controls or risks to our financial systems.

Maritime & Local Community Support
We also maintain a belief that responsible organizations should give back to their local communities, and we take that very seriously. The Network supports charitable organizations throughout Alaska with goals and missions consistent with our own. We again supported the Alaska SeaLife Center and hosted a table at their Marine Gala. The SeaLife Center provides Alaska marine science education and research, and supports the recovery of marine wildlife impacted by an oil spill incident. We also support the American Red Cross of Alaska, with Network President & CEO serving as chair of their Board. Finally, we continue to support the U.S. Coast Guard Foundation, as well as the men and women serving in the Coast Guard and their families.

The Network’s Board of Directors is comprised of executives from various segments of the maritime industry. They are deeply familiar with the financial pressures shipping companies face in meeting the various regulatory compliance policies throughout the globe, and the unique difficulties the evolving COVID-19 pandemic presents for the industry. We understand the owners and operators we serve are facing constant pressure to reduce operating costs whenever possible without decreasing services.

When combined with our nonprofit status, our directors have a fiduciary responsibility to ensure our funds are invested back into our program, and to verify that we are meeting accounting guidelines and standards specific for a nonprofit organization. In 2018, over 86 percent of our funds were invested back into sustaining and enhancing our compliance and oil spill readiness and prevention programs; the other 15 percent was put towards program administration. This is a high-efficiency rate for our industry; and helps guarantee that our participants receive the best value for long-term sustainability while instilling public trust that our resources are being used for their intended purpose. At the end of 2019, the Network again had the lowest published rates for APC compliance in Alaska and has been able to stabilize its rates for the past two-and-a-half years despite increased program costs.

Financial Stewardship & Accountability

Maritime & Local Community Support
We also maintain a belief that responsible organizations should give back to their local communities, and we take that very seriously. The Network supports charitable organizations throughout Alaska with goals and missions consistent with our own. We again supported the Alaska SeaLife Center and hosted a table at their Marine Gala. The SeaLife Center provides Alaska marine science education and research, and supports the recovery of marine wildlife impacted by an oil spill incident. We also support the American Red Cross of Alaska, with Network President & CEO serving as chair of their Board. Finally, we continue to support the U.S. Coast Guard Foundation, as well as the men and women serving in the Coast Guard and their families.

The Network’s Board of Directors is comprised of executives from various segments of the maritime industry. They are deeply familiar with the financial pressures shipping companies face in meeting the various regulatory compliance policies throughout the globe, and the unique difficulties the evolving COVID-19 pandemic presents for the industry. We understand the owners and operators we serve are facing constant pressure to reduce operating costs whenever possible without decreasing services.

When combined with our nonprofit status, our directors have a fiduciary responsibility to ensure our funds are invested back into our program, and to verify that we are meeting accounting guidelines and standards specific for a nonprofit organization. In 2018, over 86 percent of our funds were invested back into sustaining and enhancing our compliance and oil spill readiness and prevention programs; the other 15 percent was put towards program administration. This is a high-efficiency rate for our industry; and helps guarantee that our participants receive the best value for long-term sustainability while instilling public trust that our resources are being used for their intended purpose. At the end of 2019, the Network again had the lowest published rates for APC compliance in Alaska and has been able to stabilize its rates for the past two-and-a-half years despite increased program costs.
Board of Directors

Michael Moore, Board Chairman
Vice President
Pacific Merchant Shipping Association

Mark Smith, Board Vice Chair
Chief Strategic Officer
Vitus Energy

Frank Vargas, Board Secretary/Treasurer
Director, Fleet Compliance & Regulatory
American Seafoods Company

David DeVilbiss
Senior Maritime Consultant
Glosten

Michael Inman
Director, Risk Management & Compliance
Windstar Cruises

John Cronin
Vessel Manager
Matson Navigation Company, Inc

Jim Elliot
Chief Operating Officer
Teichman Group, LLC

Network Officers

Buddy Custard
President & CEO

Jessica Wright
Vice President & Business Manager

Steven Gabelein
Director, Planning & Vessel Services

Contact Us

Anchorage Office
1400 West Benson Blvd, Suite 420
Anchorage, AK 99503
1 (907) 754-9700
admin@alaskaseas.org

Juneau Office
One Sealaska Plaza, Suite 304
Juneau, AK 99801

24-Hour Number: +1 907-463-4603

To enroll visit
alaskaseas.org