

Yellowstone River Oil Spill Oversight

Witnesses

Panel I

Robert Perciasepe

Deputy Administrator, Environmental Protection Agency

Cynthia Quarterman

Administrator, Pipeline and Hazardous Materials Safety Administration

Panel II

Bill Kennedy

Commissioner, District 3, Yellowstone County, Montana

Gary Pruessing

President, ExxonMobil Pipeline Company, ExxonMobil Corporation

Scott McBurney

Montana Landowner

Subcommittee Members Present

Max Baucus, Chair (D-MT)

David Vitter, Ranking Member (R-LA)

Frank Lautenberg (D-NJ)

The Senate Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure held a hearing on July 20, 2011 to evaluate what caused the Yellowstone River oil spill and what progress has been made to clean up the spill.

Chairman Max Baucus (D-MT) introduced the hearing acknowledging the juxtaposition of the love Montanans have for the rivers plus jobs, agriculture, and tourism and their reliance on oil. “Water is our most sacred resource and oil is our most basic fuel,” he said. Baucus made clear he wants a prompt and complete cleanup stating that ExxonMobil must not only help with the short-term cleanup but ensure a long-term commitment to Montana landowners. He invited Montana citizens to submit comments and stories for the record within two weeks from the hearing date. Though not present at the hearing, Ranking Member James Inhofe (R-OK) submitted an opening statement on the committee website in which he expressed concern about overreactions in the government and the effects it may have on the Keystone pipeline development. The proposed Keystone Gulf Coast Expansion Project is a oil pipeline that would deliver crude oil from Alberta, Canada to the United States. “Unfortunately, I’m afraid that this spill has occasioned some misguided calls against pipelines and oil development. Already, some politicians have leveraged this spill in opposition to the expansion of the Keystone pipeline which would double the amount of crude we receive from Canada, reducing our imports from overseas,” he wrote.

Robert Perciasepe testified on behalf of the Environmental Protection Agency (EPA) and gave an overview of the cleanup process. The EPA, which shares responsibility with the U.S. Coast Guard for responding to oil spills, estimates 1,000 barrels of oil were released. They are continuing to hold ExxonMobil accountable, issuing an official Administrative Order to the company under the Clean Water Act. Thus far, they have found no hydrocarbons in the region above the water table and testing shows the drinking water is safe. Perciasepe was encouraged by the effort from Montana citizens in helping with the cleanup process. EPA's next steps include transitioning from emergency response activities to State-determined cleanup standards. They will be doing so under a process called Shoreline Cleanup Assessment Technique (SCAT).

The second witness, Cynthia Quarterman expressed the Pipeline and Hazardous Materials Safety Administration's (PHMSA) commitment to mitigate public and environmental safety risks. PHMSA reports that over the past 20 years, they have seen a 28 percent reduction in onshore incidents involving hazardous liquid pipelines. This has resulted in a 57 percent decrease of total barrels spilled. While they are optimistic of the progress made thus far, Quarterman reiterated her concern for the Yellowstone River spill. She assured the committee of PHMSA's involvement in investigating the incident, but acknowledged limitations because of the continued high water volume in the river.

During questioning of the first panel, Perciasepe hoped the cleanup processes will be concluded by the fall of 2011, as estimated by EPA. Chairman Baucus attempted numerous times to get a better understanding of the standards by which the EPA was working. "We need to know what we are dealing with here, that is, the standard. What is the standard?" He expressed concern for "the average guy who has his place along the river," and making sure that the general public understands what standards the state, EPA, and ExxonMobil are working towards. Perciasepe mentioned that the human nose is more sensitive than some of the monitors the EPA uses. Therefore, it might be possible for people living in the area to smell odors that the monitors cannot read and do not pose a threat. He stated that ExxonMobil has been providing most of the funding and will have to reimburse any funds EPA uses. Baucus questioned Quarterman about whether PHMSA takes into account the varying physical and hydraulic properties of rivers when determining the correct safety standards and depth of the pipeline below the surface, or depth of cover. The Yellowstone River oil spill may be attributed to an eroding depth of cover of the pipe because of spring flooding. Quarterman responded that companies are responsible for meeting the safety standards and creating a report on the risk of the pipeline. PHMSA's role is to provide oversight when decisions are made, according to Quarterman. She stated that the accuracy of depth of cover tests might be roughly 6 inches, though she would need to report back with a more accurate number. Baucus replied, "To be honest ma'am, it sounds like you are not really on top of this." He further expressed dissatisfaction with the work the agency was doing, but blamed ExxonMobil and PHMSA for the problems. Quarterman assured the chairman that PHMSA was working aggressively and diligently.

The second panel of witnesses began with a testimony from Bill Kennedy. Kennedy gave a detailed outline of the response immediately following the leak, which was discovered by the city of Laurel's emergency personnel. Kennedy testified that ExxonMobil employees responded immediately and began working with the local disaster and emergency personnel. As the cleanup progressed and the EPA and the Montana Department of Environmental Quality became involved, Kennedy noted that "it was very evident that the local government was informed but not involved in decisions involving the next steps." He stressed the importance of including local government in emergency response decision making. Additionally, Kennedy acknowledged the consequences of the spill, but reiterated that "pipelines are safer than trucking and rail and keep good paying jobs in our community."

Gary Pruessing gave his "sincere apologies to the people of Montana" on behalf of his company. ExxonMobil is "steadfastly committed to not only complete the cleanup, but also to build the learning from this incident into our future operations," he said. ExxonMobil does not yet know the exact cause of the pipeline failure though he did mention they passed and met all regulatory inspections for the pipeline including an inspection in June 2011. As investigations continue, ExxonMobil is working under a Unified Command Center led by EPA. More than 750 people representing industry, government, and volunteer groups are working in the center. Pruessing expressed gratitude for the public servants and volunteers aiding the cleanup efforts. Under the Unified Command, ExxonMobil is closely watching the air and water quality along 200 miles of the Yellowstone River. Pruessing described his company's commitment to understanding the impact on the local community. The company has established a community information line and they have received about 160 claims as well as 160 offers from the community to help.

Montana landowner, Scott McBurney, testified about the events of July 1, the effects the oil spill has had on his home, and

ExxonMobil's cleanup response. McBurney's land is about 140 yards from the Yellowstone River. On the day of the spill, his family was already nervous because of the rising river and the United States Geological Survey's (USGS) height forecast, which would place stream water levels one vertical foot from the lower level of the house. "I have to say I think the USGS does a really good job with their river forecasts as far as snowmelt is concerned; we use their website a lot," he said. The river was forecasted to be within one vertical foot of his home level. Once the pipeline breach occurred, oil began to fill his property. "Oily water stood in the ditches and the pasture. The tall uncut hay had acted like a big brush and stopped a lot of the heavy oil, a thick line of oil showed on the edge of the uncut hay," he described. McBurney then spoke of his experience after the spill. His family contacted ExxonMobil the day following the spill and since then have had several meetings with ExxonMobil and Crawford Co., an insurance company acting on behalf of ExxonMobil, stating "they have always been helpful and more than fair" throughout the cleanup process. As the cleanup progress continues and the long-term effects are better understood, McBurney requested ExxonMobil provide site specific soil and water testing for homeowners to have on record.

During questioning Pruessing gave a detailed timeline of the events of July 1, 2011. This timeline is also given in the written testimony of Quaterman. Pruessing responded to how ExxonMobil was addressing wildlife in the area, which includes daily ground truthing as well as aerial surveillance. He described how portions of oil have evaporated, other portions are biodegrading, and the remaining oil requires cleanup. Pruessing explained the depth of cover surveys they conducted in December 2010 and what further risk assessment studies they conducted in May 2011. Reassuring the committee of his company's commitment to pipeline safety, Pruessing said ExxonMobil had been closely monitoring the pipeline and had met all testing requirements. McBurney noted one of the challenges is a lack of expertise where agriculture and oil overlap - someone to understand how the oil will affect his hay and land. Pruessing assured him that ExxonMobil would work to find the necessary bridge between the two.

Opening statements, witness testimonies, and an archived webcast can be found at the committee web page.
