



CLEAN CARIBBEAN & AMERICAS



2010 ANNUAL REPORT



KEEPING THE CARIBBEAN AND
THE AMERICAS CLEAN SINCE 1977

FROM THE PRESIDENT

In December 2009, CCA Technical Advisors and Response Supervisors conducted flight training with the Airborne Dispersant Delivery System (ADDS) over the Atlantic Ocean near Fort Lauderdale. We loaded the ADDS and simulated dispersant (water) into a Lynden Air Cargo C-130 Hercules aircraft, worked with a US Coast Guard patrol boat to establish a target area, and received vectors and spray on/off commands from a spotter aircraft. Five months later we would be repeating nearly the identical procedures, using real dispersant on real oil from the Deepwater Horizon spill in the Gulf of Mexico.

CCA's mission can be summed up as "Preparedness & Response for Oil Spills." In addition to our equipment, a diverse set of "Preparedness" activities, ranging from ADDS flight training to advocating for National Contingency Planning during a MOBEX, make it possible for CCA to provide a credible and effective "Response" to a major oil spill. When BP activated CCA in April 2010, we were well prepared to respond and to assist in sustaining the airborne dispersant operation throughout the response.

CCA's Preparedness and Response system has been employed effectively many times over the past 20 years in the Caribbean and Latin America and it worked very well in the Deepwater Horizon response. Our people were stretched, but performed admirably, and our impact was significant. In the aftermath of the spill, science is revealing more and more that our efforts prevented oil from reaching and affecting sensitive coastal resources. We are very proud of the role we played and contribution that CCA made to the response. I am also very thankful and indebted to the many dedicated employees and Response Supervisors who made our part in the effort successful, and the Board of Directors for their support.

In the aftermath of the Deepwater Horizon response, we conducted MOBEX Amazonia 2010 in Manaus, Brazil. We continue to play a role in a number of industry task forces and government-industry working groups, identifying lessons learned from the DWH response, and how to meet new and challenging response requirements. Within CCA, an ad hoc Vision & Strategy committee met recently to chart our own course into the future. We anticipate some changes as we seek to provide even more robust Preparedness and Response to the wide range of petroleum operations in the Caribbean and the Americas. We have a solid foundation to work with.



Paul A. Schuler



Paul Schuler and Brazilian Navy Vice Admiral Jose Fernandez Nunes signing the Memorandum of Agreement to conduct MOBEX Amazonia 2010. Over the years, CCA's activities in the Caribbean and Latin America have resulted in high level government contacts important to coordinating and integrating Tier 3 resources into a national level oil spill response.

SUMMARY OF PREPAREDNESS & RESPONSE ACTIVITIES

The year 2010 began with the news of the devastating earthquake in Haiti. While we are not structured for humanitarian assistance, we did assist a CCA Member with assessing an oil spill at the Port-au-Prince petroleum terminal, and the viability of resuming product imports needed to support rescue and recovery operations. We also facilitated contact between a Florida-based Urban Search & Rescue Team which included one of our Firefighter contractors, and a member employee searching for a relative.

Other than the Deepwater Horizon response, we were “notified” of two other incidents in 2010, a chemical ship grounding on Clipperton Island, a French Polynesian island 600 nautical miles west of the coast of Mexico, and an offshore production well leak in the Gulf of Paria, Trinidad. CCA has adopted the practice of self-initiating “internal stand-by” when we learn of incidents that may require our assistance. This allows us to enhance readiness in anticipation of possible activation. We were on “internal stand-by” five times in 2010, including during the early stages of the Deepwater Horizon incident.

CCA Technical Advisors and Response Supervisors conducted training, participated in exercises, and provided small scale consulting services in The Bahamas, Panama, Brazil, El Salvador, and Belize. Three Oil Spill Preparedness & Response courses were offered in Fort Lauderdale in 2010, serving 91 personnel from 21 Member companies, and 12 government representatives from 6 countries.

CCA Technical Advisors also provided expertise and input to a number of regional and international government and industry organizations, committees, task forces and working groups, including API, IOSC, GRN, IPIECA, ITAC, ARPEL, APICOM, CRRT, IMO, ASTM, and more (additional details at www.cleancaribbean.org).



Courtesy O'Brien's Response Management



CCA activated Lynden Air Cargo and loaded the ADDS aboard a C-130 Hercules aircraft for deployment to the Gulf of Mexico. We have a contract with Lynden to provide a Hercules on an emergency basis.

HEALTH, SAFETY, ENVIRONMENT & SECURITY

We continue to place Health and Safety as our highest priority and **2010 was our 19th consecutive year with zero Recordable Incidents and zero Days Away.** Health and Safety are stressed in every CCA activity, from work in the office to working in the field in training, exercises and responses. We continue to conduct an annual independent HSES audit to identify areas for improvement and validate our program.

DEEPWATER HORIZON RESPONSE

In response to the loss of the Deepwater Horizon drilling rig, BP activated CCA's Airborne Dispersant Delivery System (ADDS), 30,000 gallon (113,562 liter) supply of Corexit EC9500A dispersant, containment boom, in-situ burn systems, skimmers, and other ancillary equipment, along with our Technical Advisors and Response Supervisors. CCA activated Lynden Air Cargo on behalf of BP. A total of 20 CCA personnel rotated to the Gulf of Mexico for 84 days during which CCA:

- Provided ADDS management and flight crews, flew 81 dispersant spray missions under the authority of the Unified Command.
- Developed a GPS Flight Tracking solution to meet a new information requirement by Unified Command.
- Sprayed 360,000 gallons of Corexit EC9500A dispersant at a calibrated dosage. **This accounted for more than one third of the total dispersant sprayed by all aircraft during the entire incident.**
- Achieved 100 percent Full Mission Capable (FMC) status for the CCA ADDS.
- Provided flight crews for ADDS units dispatched from Alaska (Alyeska) and England (OSR).
- Mike Gass (former US Navy pilot) served as Dispersant Air Operations Coordinator at the Incident Command Center in Houma, LA.
- Linda Whitman and Christine Lane served as Deputy Operations Managers at Stennis Airport through a Global Response Network (GRN) support arrangement to MSRC.
- Provided operational, technical and scientific support to BP's Dispersant Group at Incident Command.
- **Achieved ZERO Health, Safety and Environment incidents during the entire activation and deployment.**
- Maintained back-up capability to respond to spills in the Caribbean/Latin America.
- Posted scientific information regarding dispersants on the CCA website.



Containment boom being prepared for shipment from CCA's Fort Lauderdale warehouse. Over two days, 13 truckloads of dispersant and equipment were trucked to the Gulf of Mexico.



Seen from above, the CCA ADDS with "spray on" over the leading edge of the Deepwater Horizon oil slick.



MOBEX AMAZONIA 2010

MOBEX Amazonia 2010 was the seventh MOBEX since 1995 and the first conducted on the South American continent. The 3.5 day program included the IOSC 2011 Workshop (coordinated in partnership with ARPEL), the MOBEX Conference, Technical Seminar, a Tier 1, 2 and 3 Tabletop Exercise, Field Deployment exercise in the Amazon River, and designated periods for Government-Industry exchanges.



MOBEX Amazonia 2010 was hosted by CCA Member Petrobras, who coordinated participation with our Brazilian government partners: the Brazilian Navy, Receita Federal (Customs), Polícia Federal (Immigration), and IBAMA (Brazilian Institute of Environment and Renewable Natural Resources). CCA personnel and equipment integrated into Petrobras' oil spill contingency plan and worked side-by-side with Petrobras employees, contractors and equipment from Petrobras' Environmental Defense Centers (Centros de Defesa Ambiental or CDA).

Approximately \$750,000 of CCA equipment, including a large capacity Rapid Deployment Skimming System, a Vessel-of-Opportunity advancing brush skimmer, dispersant application systems, boom vanes, and support equipment, were flown to Manaus on a DC-10 from Miami International Airport. CCA deployed 8 Response Supervisors and OSR provided one responder as part of GRN cooperation. The Amazon River provided a unique environment and opportunity to deploy equipment in a fast current. All equipment has since been returned to Florida by container ship and reintegrated into the stockpile.

Over 200 regional government and oil industry representatives attended MOBEX Amazonia 2010, the highest MOBEX attendance to date. Attendees originated from 27 countries and included representatives from 13 CCA Member companies.

MOBEX is intended to test CCA's ability to mobilize equipment across international borders and integrate our resources into the host company and country's national response system. A summary of the exercise and workshop will be presented in a special session at the International Oil Spill Conference in Portland, Oregon in May 2011.

MOBEX attendees observed the field deployment from a traditional Amazon River boat. Observers also viewed the Encontro das Aguas, or Meeting of the Waters, where the Rio Negro and the Solimoes meet to form the Amazon River.



CCA boom vane deployed in the Rio Negro using a local work boat.



PERSONNEL

The staff and Personnel Committee are examining various options for “Right Sizing” the organization in light of the Post-DWH mission review and outcome. We are also working on a smooth transition and succession plan in anticipation of the retirement of Senior Technical Advisor, Skip Przelomski. What is most clear is that our staff and cadre of Response Supervisors are our most valuable resource and were “the” critical factor in our success in the DWH response.

CORPORATE GOVERNANCE & LEGAL

A long-term corporate objective to revise our Bylaws was accomplished in 2010 with the Revised Bylaws coming into force on January 1, 2011. This will provide more streamlined and flexible corporate governance and management of the organization as our business environment evolves and changes. The Revised Bylaws seek to accomplish the following:

- Retain foundational rights and obligations for Members, changeable only by amendment of a super majority (two thirds) of Full Members.
- Provide guidelines for corporate governance with authorities vested primarily in the Board of Directors and Chief Executive Officer.
- Remove day-to-day temporal policy matters from Bylaws and incorporate into a separate Corporation’s Policy Manual.
- Update and align Bylaws to reflect modern corporate structure.
- Incorporate a number of previously approved amendments, including the mechanism to convey equipment by sale or lease.



CCA was activated by BP the night before a 5-day training course was scheduled to begin. CCA equipment and personnel were being mobilized to the Gulf of Mexico, but 27 students had also already arrived in Fort Lauderdale for training. Christine Lane flew in from Maine and Mark Oliver from Oil Spill Response to assist with the course. Christine and Mark deployed later to Stennis Airport to augment ADDS flight crews.

MEMBERSHIP

We welcome Marathon, Teikoku Oil Suriname (INPEX), and Murphy Exploration & Production Company-International who joined as Associate Members. Talisman Energy Inc. was approved for Associate Membership, effective January 1, 2011.

BANKING & FINANCE

We continue to focus our banking and investment strategy on capital preservation and have accepted limited return in this period of historic low interest rates. Our bank, Gibraltar Private Bank & Trust, has significantly shored up its financials. CCA operating and reserve funds are held in insured investment instruments.

SUMMARY OF 2010 EXPENDITURES & REVENUES

CCA Members reported a total 2.80 billion “qualified” barrels for 2010 dues assessments (down from 2.85 billion in 2009). Total 2010 Operating and Capital Expenditures were \$2.4 million. Approximately \$280,000 in offsetting revenues were generated from billable personnel time during the DWH response.

Audited Financial Statements are prepared separately by McGladrey & Pullen, LLP and are available upon request.

OFFICERS

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Glenn P. Sairras (*Staatsolie*)
Jayme de Seta Filho (*Petrobras*)

COMMITTEES

Membership Committee
Personnel Committee
Technical Committee


GENERAL COUNSEL

Susan F. Delegal



2381 STIRLING ROAD
FORT LAUDERDALE, FLORIDA 33312, USA
TEL: 954-983-9880 FAX: 954-987-3001

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Teikoku (INPEX)
TOTAL
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Cover: Artist Leslie Peebles carved block and hand painted the print capturing a population of *Black Skimmers* that she observed during a visit to the Lower Suwannee National Wildlife Reserve along Florida's northwest coast.