



**CLEAN  
CARIBBEAN &  
AMERICAS**

# **2011 ANNUAL REPORT**

**35<sup>TH</sup> ANNIVERSARY  
1977-2012**



**PROTECTING THE ENVIRONMENT FOR FUTURE GENERATIONS**

## 2011: THE POST-MACONDO YEAR

*In May of 2011, oil spill preparedness and response professionals from around the world gathered at the International Oil Spill Conference (IOSC 2011) in Portland, Oregon. In many senses, the atmosphere and program of professional papers and seminars reflected much of what defined CCA's efforts in 2011.*

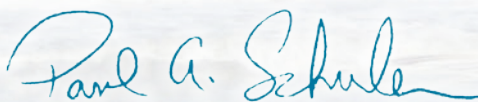
*For the many present at IOSC 2011 who had responded to the Macondo incident in 2010, there was a prevailing sense of success and satisfaction. A year after the spill, although controversies remained, there was general consensus that the response had been largely successful in minimizing damage to the Gulf of Mexico and its shorelines. Response methods, particularly the use of dispersants sprayed from aircraft and injected at the well-head, were given a great deal of credit for that success. The favorable results in the field and the subsequent scientific analysis on the fate of released oil have substantially vindicated those who made the tough decisions and conducted these operations in front of a sometimes uninformed or even misinformed public.*

*And while the atmosphere at IOSC 2011 was one of success, the agenda reflected the reality of tremendous change and work ahead in the aftermath of that seminal incident. Governments throughout the world were taking a new look at regulations relating to oil operations and spill prevention, preparedness and response. Even as work was being done plugging the Macondo well, the oil industry established its own task forces and study groups on prevention, preparedness and response.*

*Alongside these major post-Macondo forces, CCA staff and its directors were defining our role and path ahead in the evolving international oil spill response community. The focus of this effort was:*

- Restocking...and expanding...CCA's response inventory and capabilities.
- Contributing CCA operational experience and lessons-learned to industry, governmental and other oil spill preparedness & response groups.
- Creating and implementing a broader vision of Tier 3 response based on CCA's organic capabilities and identifying and cascading other external resources.
- Developing Access Agreements with other industry oil spill response cooperatives and organizations.
- Assuring ongoing readiness and service to our Members through commitment to a wide range of traditional CCA activities.

*CCA will reach a milestone in 2012 as we celebrate the 35th Anniversary of our founding in 1977. This Annual Report highlights the various initiatives and activities undertaken in 2011 to meet our Members' current and future oil spill preparedness and response needs in this new and challenging era..*



Paul A. Schuler  
President & CEO



**Paul Schuler and PDVSA representatives met in Caracas to discuss preparations for upcoming drilling in Cuba.**

## NEW VISION OF TIERED RESPONSE

For over a decade, during an incident, CCA staff would identify reinforcements and back-up resources from other cooperatives whenever we activated our own organic capabilities. Macondo demonstrated the need to efficiently identify and cascade resources from wherever available in the event of a major incident. As a consequence, CCA has adopted and is promoting a new vision of Tier 3 Response that embodies both organic and external response resources and the logistics to deliver them to the incident location and integrate into the response. This revised concept of Tier 3 Response was presented at the Clean Gulf Conference in October 2011 and is the basis for CCA's Vision & Strategy as it pertains to new acquisitions and developing mutual aid and access agreements with other response organizations.

<b>Tier 1</b>	Local Resources	On site
<b>Tier 2</b>	National Resources	In-country, Mutual Aid and Government Support Resources
<b>Tier 3a</b>	Organic CCA Resources	Deliverable by narrow body jet cargo aircraft to regional airports
<b>Tier 3b</b>	Organic CCA Resources External Resources	Deliverable by wide-body jet cargo aircraft to national airports Deliverable by narrow body jet cargo aircraft to regional airports
<b>Tier 3c</b>	External Resources	Deliverable by wide-body jet cargo aircraft to national airports
<b>Tier 3d</b>	External Resources	Deliverable by sea or special cargo aircraft

## RESPONSE CAPABILITIES ENHANCEMENTS

By early 2011 we had fully restored our equipment stockpile to pre-Macondo levels. By the end of 2011 the Technical Staff had implemented significant organic and cascading capability enhancements (Tier 3a,b,c) that included:

- 66% increase in available dispersants (additional 20,000 gallons available through a Dispersant Access Agreement with Clean Gulf Associates)
- 66% (4000ft) increase in offshore containment boom
- 50% increase in in-situ burn capability (organic increase of 1 fireboom system)
- Enhanced off-shore "encounter rates" with "Harbour Buster" containment/skimming systems
- Addition of Technical Advisor position.



*Harbour Busters proved very effective in the MACONDO response in enhancing off-shore recovery rates.*

## CASCADING AGREEMENTS & TECHNICAL/OPERATIONAL FORUMS

CCA's development of Mutual Aid Agreements has been centered on our participation in the Global Response Network (GRN) and to a lesser extent, the Association of Petroleum Industry Coop Managers (APICOM). In addition to the "Dispersant Access Agreement" with Clean Gulf Associates mentioned above, we are drafting similar agreements with Oil Spill Response Ltd, Petrobras, and MSRC. Equally important, the GRN has established six Operational Teams that capitalize on existing technical and operational capability resident in the respective response cooperatives. The aim of these teams is to provide a core of functional expertise available to an Incident Commander in the early stages of a response. CCA is leading the Dispersant Operational Team, while other coops are leading the Offshore Recovery, In-situ Burning, Nearshore and Shoreline Clean-up, Spill Management, and Remote Sensing teams.

Immediately following CCA's demobilization from the Macondo response, we were asked to submit our key lessons learned to a Joint Industry Task Force (JITF) Dispersant Subcommittee. CCA continues to provide our inputs and perspective to the JITF and other similarly charged organizations.



*Petrobras' Marcus Lisboa and Ricardo Azevedo discuss CCA's "Air mobility" design concept at our Fort Lauderdale headquarters.*

## OIL SPILL PREPAREDNESS & RESPONSE TRAINING

Since the inception of the CCA Oil Spill Preparedness & Response Course in 1992, CCA has trained over 2,800 CCA member company personnel from 36 countries. We have also trained 299 government personnel from 35 countries under our Sponsorship Program. Member demand for the course required that we add an additional course in 2011. A number of short courses were also conducted at various locations in the Caribbean and Latin America at the specific request of Members. Each course is updated with the latest information on preparedness and response operations and technology.



*Training participants prepare for the final table top spill assessment exercise and briefing.*

## DISPERSANT FLIGHT TRAINING

Four months prior to the Macondo incident, CCA conducted Airborne Dispersant Delivery System (ADDS) flight training with Lynden Air Cargo off the coast of Miami. We believe this annual training contributed to the effectiveness and safety of our operation in the Macondo response. We continued flight training with Lynden in 2011 and resumed flight training with the US Coast Guard under a resurrected CCA-USCG Memorandum of Agreement.



*CCA Response Supervisors load the ADDS into a Lynden Air Cargo Hercules for a training flight over the Atlantic Ocean near Miami.*



*CCA ADDS and USCG Hercules conduct joint flight training operations in the Gulf of Mexico.*

## MOBEX 2013

The International Mobilization, Preparedness & Response Exercise (MOBEX) is currently planned for 2013. We are currently soliciting nominations for sponsoring Members and venues. We anticipate that once again we will partner with IOOSC 2014, ARPEL, the International Maritime Organization, and others in providing a Preparedness & Response Workshop and Technical Seminar during MOBEX.



*MOBEX was last conducted in Manaus, Brazil in 2010.*

## PERSONNEL

In 2011 the CCA Board of Directors authorized a fourth Technical Advisor to meet ongoing and emerging preparedness and response requirements. Approved was the direct hire of our cadre of part-time Response Supervisors. A new position Office Manager, was also approved to better meet business and administrative needs of the company. We institutionalized and expanded the Associate Consultant program with five seasoned "Associate Consultants" who now assist with training, contingency planning and response if needed. Marine Biologist Erik DeMicco recently left CCA to pursue a career enhancing opportunity with ExxonMobil, while Senior Technical Advisor Skip Przelomski has postponed retirement until the end of 2013. CCA hosted a US Coast Guard Marine Industry Training Program officer and now boasts several former interns, employees, and USCG MITP alumni working with major oil companies and in important positions in government and the response industry.



*Skip Przelomski's 30 plus years of oil spill response expertise was put to use as an X-Prize Challenge judge for the development of a high capacity ocean skimming system.*

## LEGAL & RISK MANAGEMENT

The Macondo incident resulted in a very onerous legal environment for the oil spill preparedness and response community. In light of Macondo's "response related" lawsuits, new focus is necessarily being given to indemnification and insurance clauses in our membership, conveyance agreements, and service agreements with our Contractor & Resource Network. This will continue to be a major work area in 2012 and we anticipate some changes to our activation protocols as well as additional insurance coverage and expense.

In 2011, we completed the adoption of updated conveyance agreements, adding a Lease Option as an alternative to the Sale Agreement. This better aligns CCA with other response cooperatives and oil industry contracting practices.



## MEMBERSHIP

Due to expanding exploration operations in the Caribbean and Latin America, as well as a trend in downstream divestitures, CCA is witnessing interest in CCA membership from a number of new oil industry players in the region. The Board of Directors created a new "Exploration" membership category in 2011, to cover short-term exploration operations. We welcome the following new Members:

**Full:** Puma Energy Ltd.

**Associates:** Hardman Petroleum (Tullow Oil), SOL Caribbean, Bayfield Energy, Niko Resources and CGX

## FINANCES

CCA Members reported a total of 2.37 billion "qualified" barrels for 2011 dues assessments. Total 2011 Operating and Capital Expenditures was \$2.49 million.

*CCA's Audited Financial Statements are prepared separately by McGladrey & Pullen, LLP.*



*CCA provides a number of short training courses for Members in the Area of Interest such as this IMO Level 1 equipment deployment exercise for the Panama Canal Authority.*

## OFFICERS

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## COMMITTEES

Membership Committee  
Personnel Committee  
Technical Committee

## GENERAL COUNSEL

Susan F. Delegal

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BP  
Chevron  
Ecopetrol  
ExxonMobil  
Petrojam  
Petroleos Venezuela  
Petrotrin  
Petroterminal de Panama  
Puma Energy  
Shell  
Staatsolie  
Statoil South Riding Point  
Sunoco  
Tesoro


## ASSOCIATE MEMBERS

Barbados National Terminal Company  
Bayfield Energy  
Belize Natural Energy  
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BPZ Exploracion & Produccion SLR  
CESPM (Basic Energy)  
CGX Resources  
Cool Petroleum  
EOG Resources International  
Hardman Petroleum  
Marathon  
MODEC  
Niko Resources  
NuStar Terminals Antilles  
OCENSA  
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