

OSPR News Release

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\$18.1 Million Verdict in Oil Spill Case

SACRAMENTO — The California Department of Fish and Game (DFG) has won its civil case against Attransco, owner of the oil tanker *American Trader*. The vessel sat on its own anchor in 1990, spilling 416,598 gallons of crude oil into the waters off Orange County. A jury awarded \$18.1 million, \$12.8 million of which is in damages, and \$5.3 million in State fines.

The DFG has been the primary State agency pursuing this case, represented by the Office of the Attorney General and the private law firm, Hedges and Caldwell. Other State agencies involved include the Regional Water Quality Control Board - Santa Ana Region, Department of Parks and Recreation, State Lands Commission, and the Coastal Conservancy.

The jury ordered Attransco to pay local agencies \$12.8 million in damages for the five weeks that beaches were closed to the public while the oil spill was cleaned-up. That money will go to trust funds held by local governments for beach and waterway improvements. Local agencies in the case included the Cities of Huntington Beach and Newport Beach, the County of Orange, and the Orange County Flood Control District.

\$5.3 million in fines was levied for violation of State water pollution laws.

“We’re encouraged that coastal residents have become well-educated about and conscious of the impact of pollution incidents on the coastal environment and their quality of life,” said Pete Bontadelli, Administrator of the State Office of Oil Spill Prevention and Response. At the time of the *American Trader* spill, he was Director of the Department of Fish and Game.

“We are pleased by the jury’s award of penalties. It shows that we proved negligence, and that citizens recognize the value of marine microorganisms,” Bontadelli continued. The

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tiny life forms, like zooplankton, form the base of the food web, which feeds all sea life. If the plankton population numbers drop, there’ll be a ripple-effect throughout the web, to fish, mollusks, crustaceans, amphibians, birds, and mammals, including humans.”

In the nearly eight years since the spill, three other defendants — BP America, Trans-Alaska Pipeline Liability Fund, and Golden West Refining Co. — have settled with the State for just over \$11 million. Approximately \$3.89 million of this total is for natural resource damages and clean-up costs, and \$1.3 million in attorneys’ fees.

The *American Trader* oil spill — which occurred less than a year after the *Exxon Valdez* spill — prompted lawmakers at both the State and Federal levels to mandate oil spill prevention and response programs. At the time the spill occurred, California's Lempert-Keene-Seastrand Oil Spill Prevention and Response Act had just been introduced in the California legislature. In Congress, the Oil Pollution Act of 1990 ("OPA-90") was being introduced and debated. Both became law on January 1, 1991. The State Act created the Office of Oil Spill Prevention and Response (OSPR) as a division of the California Department of Fish and Game.

"OPA-90 and the OSPR Act now give the people of California a stronger position in pollution cases," Bontadelli stated. "Now we can ensure that losses from spills aren't borne by the public, but by the spiller."

This case is the first time that a California jury has put a dollar figure on the loss of microorganisms, like plankton.

In the next few weeks, the DFG-OSPR will seek reimbursement for the cost of pursuing this case, approximately \$3.6 million. Attransco is expected to appeal the verdict, but the DFG feels confident that we have established a solid record in the jury trial.

OSPR will coordinate the restoration planning effort with local authorities, to ensure local concerns are addressed.

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