

CCUSA Disaster Operations

Situation Report

Disaster Event: Gulf Oil Crisis

Situation Report Number: 04.0-0619

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A. SITUATION OVERVIEW

The total oil and water mixture recovered to date is 504,590 barrels. The Flow Rate Technical Group estimates that the flow of oil remains between 35,000 and 60,000 barrels per day. BP has been directed to expand their current containment strategy to increase oil capture to 40,000-53,000 barrels per day by the end of June and 60,000-80,000 barrels per day by mid July. **To date, more than 77 million gallons of oil has leaked into the gulf**

Long term containment and disposal projects include the installment of freestanding riser components by June 21 and Q-4000 operations. Components for second free standing riser are scheduled for early July delivery. The Q-4000 flaring operations are in progress at 2,387 barrels per day. The burn rate is expected to increase to 10,000 barrels per day today,

As of June 18th approximately 30,000 personnel and over 8,000 vessels are supporting response activities to protect the shoreline and wildlife and clean up vital coastlines. In addition, dozens of aircraft, remotely operated vehicles, and multiple offshore drilling units are responding on site.

Current Impact/Oil Landfall

Shoreline clean up continues in Alabama, Florida, Louisiana, and Mississippi. The coastline west of Panama City, FL may be impacted shortly. NOAA increased commercial and recreational fishing closures. 80,806 sq. miles or 33% of the Gulf of Mexico exclusive economic zone closed to fishing.

BP has established a \$20 billion escrow account to pay claims to people affected by the spill. A "Claims and Escrow Facts" as put out by the White House are included at the end of this report.

B. AFFECTED POPULATION

At the moment, the affected population can be broken into two categories, namely primary and secondary affected populations, and include the following categories:

Primary Affected

- Fisherman, Boat Captains, Dockhands
- Small businesses supporting the fishing industry – bait shops, concessions stands/food service vendors, charter boat operations
- Large seafood packing plants
- Seasonal Migrant workers
- Undocumented migrant workers
- Independent (Sea-going) Contractors (unable to collect unemployment insurance)

Secondary Affected

- Tourism/Tourism industry
- Hotels/Casinos
- Small business owners
- Service workers:
 - Waiters/Waitresses
 - Cooks
 - Packers
 - Housekeeping staff
- Restaurant Owners

Oil Workers on other rigs are being asked to evacuate their work as the current oil leakage reaches there rig. For some, this means no work for undesignated periods of time. More information is being gathered in this area.

On-the-ground assessment and Case Management information has identified the following:

The Small Business Administration has opened Recovery Centers throughout the Gulf; however, individuals are reluctant to apply for SBA loans since loans obtained during the 2005 Hurricane Season (Katrina/Rita) are still being paid back. Potential applicants feel the future economic possibilities for the fishing/boating industry are so bleak that it would not make sense for them to secure a second SBA loan to carry them over without access to steady income.

BP has offered contracts to licensed boat captains with a clause requiring boats to be on a call list for cleanup efforts. Of those who signed contracts, the following is being reported

- BP has significantly ramped up the hiring process. Many are being hired and paid at a rate greater than they are accustomed to. At the same time, individuals are signing contracts with BP and will thus be receiving a 1099 at the end of the year. It's estimated that a good percentage of this population is unfamiliar with the tax filing obligation associated with the 1099 system and will most likely not know to file quarterly taxes. Most don't do so now nor do they utilize accountants normally during the year. The fear is many of the local folks being hired by BP will be caught off guard and be slapped with owing taxes, with high probabilities their monies will be spent down by the end of the first quarter 2011. CC/Biloxi is now considering inclusion of a financial literacy option and is

beginning by doing informational advocacy to clients to make them aware of the process (finding of course that most were unaware of the 1099 system.)

- The Associated press reports BP has paid less than 12% of current claims submitted to date since April 20th. No claims for bodily injury have been paid.
- Boat Captains received \$5,000 upon signing the contract but many have not received any additional compensation in 6 weeks.
- BP requires that all vessels under contract be fueled and ready to set sail on a moment's notice at the owner's expenses. Fuel charges for a large vessel can cost between \$15k and 40k. Insurance is also not being covered by BP and costs the boat owner between \$15k to 20K.
- A large percentage of vessels that ARE being utilized by BP have not received payment for their services, other than the initial \$5,000 received upon signing.
- Misinformation on open/closed waterways is causing vessel owners to expend money to "be ready" only to be turned away and unable to recuperate their losses

The Vietnamese population makes up the largest percentage of fisherman/shrimpers in the Louisiana/Mississippi area. Many do not speak English and those that do are reluctant to sign up with BP. This population has indicated their annual living and boating expenses are upwards of \$75,000 per family.

C. PROGRAMMING AND RESPONSE

Catholic Charities agencies in the gulf are very active in their response to the crisis. Activities in each area vary due to financial and human resources.

New Orleans

- Operating 5 Community Resource Sites in four county parishes in the affected region (St. Bernard Parish, Plaquemines, Jefferson, and Orleans)
- **To date, is currently providing services to 12,728 individuals (4,658 families)**
- Providing the following services:
 - Case management
 - Mental Health Assessments/Counseling – Anger/Stress Management
 - Providing Food Boxes
 - Providing Non-Food Items (diapers, formula, wipes)
 - Providing Gift/Certificates and local vouchers
- Also providing assistance with:
 - Utilities
 - Household supplies
 - Clothing
 - Employment
 - Rent
 - Mortgage
 - Doctor/Medical needs
 - Prescription Assistance
 - Gas/Fuel

Catholic Charities Archdiocese of New Orleans has also received \$1 million from BP for short term assistance (60 days) and has been invited to submit a second proposal, that include collaboration with partners, for a longer time frame (6 months).

Houma/Thibodeaux

- Houma-Thibodeaux is just beginning to see an increase in requests for services.
- Agency is currently providing assistance with:
 - Information/Referral services
 - Food coupons/food pantry vouchers
 - Utility/rental/mortgage assistance
 - Pharmacy/medication assistance
- **To date, the agency is providing case management services to 16 families and has provided 112 emergency and referral services**

Biloxi

- Operating out of three existing Case Management Sites in 3 counties (Hancock, Harrison, Jackson)
- **To date is providing services to approximately 5,600 individuals (1,400 families)**
- Providing the following services:
 - Case Management
 - Food Provision
 - Direct service needs (various financial assistance related to utilities, rental assistance, medical)
 - Mental Health Counseling Assessments

Through case management services, Catholic Social Services Biloxi is also seeing an increased request for Mental Health Counseling around domestic violence.

Biloxi has also sent mobile teams to affected areas, harbors, etc to provide services and has hosted community meetings around disseminating “good information” to affected populations.

Catholic Social Services Biloxi is currently conducting a thorough assessment of populations and needs to seek funding and align services

Mobile

- Current area of focus is Bayou La Batre,
- Catholic Social Services Mobile is assessing the ramp up of services and is in close coordination and contact with the local Catholic parish level
- CCUSA staff has been deployed to Mobile to conduct an assessment with the Mobile staff
- Working with the United Way, 10k pounds of food was distributed to 230 families (in one day)
- The Mayor of Bayou La Batre has included Catholic Social Services Mobile in a \$100,000 grant proposal to provide community services
- **Catholic Social Services Mobile received a grant from Alabama Power and is focused on Dolphin Island providing the 1,300 residents with utility, rental, and mortgage**

assistance – to date 30% (approximately 390 families/1,560 individuals) are in need of assistance.

- Catholic Social Services Mobile is coordinating with VOAD. The only responder is The Salvation Army, which is providing food for volunteers. Boat People SOS has a local office in Bayou La Batre and is focused on serving needs of Vietnamese population.

In the Mobile area, BP is hiring recreational fisherman to help with response and not following up with payments. Yesterday, the commercial fisherman staged a protest and used their boats to block the water access.

Pensacola/Tallahassee

CCUSA and Catholic Charities Pensacola-Tallahassee staff completed their needs and vulnerable populations assessment. Findings are consistent with information provided within this report. Additional information is as follows:

- 15 confirmed cases of health issues and reports of elderly having breathing difficulties
- Operating out of three existing Case Management Sites in 4 Regional Offices throughout North West Florida, regional offices are located in Pensacola, Ft. Walton, Panama City, and Tallahassee, and serve a total of 18 Counties.
- **To date, clients are streaming in to the Catholic Charities office in Franklin county seeking assistance, Apalachicola in a one day period has given out 350 bags of food about half of those (175) were given to families affected by the oil spill.**
- Providing the following services:
 - Case Management
 - Food Provision
 - Direct service needs (various financial assistance related to utilities, rental assistance, medical)
 - Mental Health Counseling Assessments
- Through case management services, Catholic Charities Pensacola-Tallahassee regional offices are also seeing an increased request for Mental Health Counseling around domestic violence.
- Catholic Charities Pensacola-Tallahassee offered to host community meetings with the Vietnamese fisherman, which would focus on disseminating “good information” to affected populations as well as further assessing their needs.
- Catholic Charities Pensacola-Tallahassee is currently conducting thorough assessments of populations and needs to seek funding and align services.
- Catholic Charities Pensacola-Tallahassee throughout its Regional offices has experienced a 24% increase for Emergency Assistance and an 8% increase in food assistance in the month of May.
- Catholic Charities Pensacola-Tallahassee Regional office in Bay County has experienced an 18% increase in food assistance.
- Catholic Charities Pensacola-Tallahassee is anticipating an increase of services throughout its regional offices, and has asked local partner agencies for additional help with the affected population.

D. IMMEDIATE NEED REQUESTS

Submitted by Catholic Charities Archdiocese of New Orleans, the chart below shows current needs being requested at sites and the percentage of requests made for that specific need. (as of June 18, 2010) Highlighted lines indicate an increase over previous reporting

# needs assessments □□□	Total/overall (last report)	Total/Overall CURRENT
Food	95%	90%
Utilities	78%	68%
Household supplies	59%	48%
Clothing	31%	28%
Employment	16%	18%
Rent	20%	22%
Mortgage	23%	19%
Baby supplies	26%	16%
Doctor/Medical *	13%	15%
Prescription assistance *	12%	12%
Gas/Fuel *	45%	45%
Anger/stress management *	4%	2%
Other	5%	6%

While the above chart indicates the needs requested by clients, the following are needs requested by Catholic Charities Agencies:

- Funds to hire case managers, translators, and support staff
- Funds to provide direct assistance (direct service dollars)
- Cash cards – for groceries, fuel, adult and baby needs

E. PARTNER COORDINATION

Agencies throughout the gulf are working closely with other NGO partners (though many have pulled out post-Katrina in Mississippi for example). Other partners include:

- USDA
- International Relief Development
- Health and Human Services (Food Stamp Program)
- United Way
- British Petroleum
- State and Local Voluntary Organizations Active in Disaster
- Catholic Charities agencies throughout the region

F. HEALTH, SAFETY, AND SECURITY

- Fishermen under contract are required by BP to attend a four (4) hr Hazardous Materials (HazMat) training. OSHA has authorized a basic HazMat training for 40 hrs for supervisors. (Normal HazMat training is 140 hours before being allowed to touch hazardous materials)

This reduced requirement for crude oil cleanup has potential for serious health issues in the short and long term for cleanup crews not properly trained in Marine HazMat. Operations. Skin contact and inhalation of crude oil fumes pose lasting health effects.

- Local Law Enforcement, Fire and Emergency Medical Services are anticipating an increase in crime and emergency call volumes.
- (as stated above) Catholic Social Services Biloxi has begun to see an increase in the area of domestic violence.
- The Houma area reports an increase of medical conditions amongst the elderly population. This will become a greater risk once the oil nears the Florida coast.

G. LONG TERM CONCERNS:

Health issues will be on the increase.

- An increase in breathing issues has been reported, particularly amongst the elderly population.
- Under trained hazmat workers have begun to report skin and breathing problems.

Hurricane Season

- A tropical depression can cause significant damage to coastal areas with oil-slicked waters.
- High winds may cause oil to be “picked up at sea” and disbursed through a large area amongst homes and communities. Smaller oil-slick disasters affecting property has resulted in properties and homes being demolished due to contamination

Unemployment/Economic

- It is critical to remember the affected populations for the oil spill are the same individuals who were impacted in 2005 by Hurricanes Katrina/Rita and in 2008 by Hurricanes Gustav/Ike. Numbers of individuals served continue to increase rapidly. This disaster has the potential to cause a “ripple” affect into the tourism and tourism service communities, particularly amongst hourly wage workers

Resources

- This is not a disaster where agencies are receiving large amounts of recourses to meet the social service needs of the population. There is a dire need to access funding that can be used to meet the immediate and long term needs of the growing vulnerable population

H. BP CLAIMS AND ESCROW FACTS

INDEPENDENT CLAIMS FACILITY

A new, independent claims process will be created with the mandate to be fairer, faster, and more transparent in paying damage claims by individuals and businesses.

- To assure independence, Kenneth Feinberg, who previously administered the September 11th Victim Compensation Fund, will serve as the independent claims administrator.

- The facility will develop standards for recoverable claims that will be published.
- A panel of three judges will be available to hear appeals of the administrator's decisions.
- The facility is designed for claims of individuals and businesses who have been harmed by the oil spill; local, state, tribal, and federal government claims will continue to be handled directly by BP.
- The facility will decide all claims as expeditiously as possible, and in any event within the existing statutory timeframe.
- Dissatisfied claimants maintain all current rights under law, including the right to go to court or to the Oil Spill Liability Trust Fund.
- Decisions under current law by the independent claims facility shall be binding on BP.
- All claims adjudicated under this facility have access to the escrow account for payment.

ESCROW ACCOUNT

BP has agreed to contribute \$20 billion over a four-year period at a rate of \$5 billion per year, including \$5 billion within 2010. BP will provide assurance for these commitments by setting aside \$20 billion in U.S. assets.

- BP has reaffirmed its commitment to pay all removal costs and damages that it owes as a responsible party. It will not assert any liability cap under OPA to avoid liability.
- The creation of the escrow account will provide assurance to the public that funds will be available to compensate the injured.
- This account is neither a floor nor a ceiling on liability.
- The escrow account is to be used to pay claims adjudicated by the independent claims facility, as well as judgments and settlements, natural resource damage costs, and state and local response costs.

VOLUNTARY CONTRIBUTION FOR RIG WORKERS

- BP will contribute to a foundation \$100 million to support unemployed oil rig workers.
- The Administration's May legislative proposal would create a new program of unemployment assistance, modeled after the Disaster Unemployment Assistance Program, to provide benefits to workers who lose their jobs as a result of a spill of national significance.

ENVIRONMENTAL AND HEALTH MONITORING

- BP has previously committed \$500 million for the ten-year Gulf of Mexico Research Initiative to improve understanding of the impacts of and ways to mitigate oil and gas pollution.
- As a part of this initiative, BP will work with governors, and state and local environmental and health authorities to design the long-term monitoring program to assure the environmental and public health of the Gulf Region.