2009 ANNUAL REPORT
OFFICERS
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Vice Chair - Leon L. Jarrett (Petrojam)
President - Paul A. Schuler (CCA)
Treasurer - Douglas P. McCormick (Chevron)
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Glenn P. Sairras (Staatolie)
Jayme de Seta Filho (Petrobras)

COMMITTEES
Membership Committee
Personnel Committee
Technical Committee

GENERAL COUNSEL
Susan F. Delegal

CCA is committed to providing response resources that are fully ready for mobilization and deployment. One of our largest annual expenses is preventative maintenance, testing, inspection and repackaging of equipment. In January 2009, over 40,000 feet of containment boom was inflated as part of a 5-Year Inspection Plan.
2009: A Year of Change, Instability, Adaptation and Stability

Over the years CCA has kept up with changes in our operating environment and Members’ Preparedness & Response requirements by instituting a number of changes in the management or operation of our organization. Some of these changes have been subtle, and some have represented significant departures from the past or new directions in the future. 2009 presented CCA with further challenges and changes, and in August 2009, the Vision & Strategy Subcommittee reconvened at the request of the Board of Directors. The Subcommittee, Staff, and the Board of Directors have worked in close coordination to formulate appropriate strategies and responses to the new challenges that face CCA. Read further in this report for more detailed information on how CCA is responding to several short and long-term challenges, including:

- Banking and investment arrangements to protect CCA funds
- Adoption of a “Lease” arrangement for conveying equipment
- Access to CCA Equipment by P&I Clubs
- Modified Area of Interest to include the land mass of the Caribbean/Latin America
- Repackaged dispersants into air transportable bulk containers
- Initiative for contracted access to CCA’s Dispersant
- Draft Bylaws Revision for review and approval by Members in early 2010
- Plans for conducting MOBEX Amazonia 2010 in Brazil
- Personnel Succession Planning

CCA Members should be assured that amidst these adaptive changes, our fundamental strategy remains unchanged: to provide the most effective Preparedness and Response capability at the lowest possible steady state cost.

Paul A. Schuler
SUMMARY OF PREPAREDNESS & RESPONSE ACTIVITIES

In 2009, CCA was mobilized once (Jamaica) and placed on “Stand-by” for five other incidents (Turks & Caicos, U.S., Jamaica, Honduras, and Chile). In most of the Stand-by incidents, CCA Technical Advisors provided information and liaison support to the requesting party as an alternative to mobilization. Uniquely, two of the “stand-by” incidents involved response to spills or potential spills from natural events (volcano, earthquake).

Our three Oil Spill Preparedness and Response Courses in Fort Lauderdale were attended by 76 Member company personnel. Additionally, 18 government representatives attended under the CCA Sponsorship Program. We participated in 11 Member oil spill drills and exercises, four of which were conducted in the Area of Interest (AOI). Nine training courses were conducted in the AOI (Bahamas, Belize (2), British Virgin Islands, Dominican Republic, Guatemala, Panama (2), and Nicaragua), either as paid consultancies or as “in-kind” support to the UNEP-IMO Regional Office (REMPEITC-Carib). We also conducted 10 equipment training events for contractors, which included fast water boom vane deployment and annual flight training of the Airborne Dispersant Delivery System (ADDS) with Lynden Air Cargo.

We continue our partnerships with REMPEITC-Carib and ARPEL in Preparedness & Response capacity building in our region, and we are key players in working groups and exchanges with a wide range of industry associations, governmental agencies, non-governmental organizations, and several academic institutions and universities.

Field training with a wide variety of response equipment is one of the key benefits of CCA’s Oil Spill Preparedness & Response Courses.

HEALTH, SAFETY, ENVIRONMENT & SECURITY

CCA places the highest priority on Health, Safety, Environment and Security. We achieved our 18th consecutive year of zero Recordable Incidents and zero Days Away. Our annual HSES Audit/Peer Review was conducted by Marine Spill Response Corporation’s (MSRC) Health and Safety Manager.

Adopting a Petrobras practice observed in Brazil, a highly observable color-coded Hazards/Risks banner is prominently displayed during maintenance and field activities.
TROPICS

The 2009 25th anniversary of the TRopical Oil Pollution Investigations in Coastal Systems (TROPICS) presented a unique opportunity for CCA to follow-up on previous work in 2001, 2002, and 2005, and to add to the body of scientific knowledge regarding the relative effects of dispersed and non-dispersed oil on tropical marine ecosystems. In June, Technical Advisor/Marine Biologist Erik DeMicco led a small team of researchers to the TROPICS site near Bocas del Toro, Panama, to collect data and assess the overall recovery and condition of the mangrove, coral, and seagrass community. The research protocol was developed by CCA in consultation with Dr. Bart Baca, one of the original TROPICS researchers. Information derived from this project will be presented in a scientific paper and in other forums concerned with Net Environmental Benefit Analysis (NEBA) and Dispersant Use Decision-making. CCA’s first hand scientific knowledge is critical to our credibility as we address these issues throughout the Caribbean/Latin America region.

DISPERSAT CAPABILITY

In December 2009, our stockpile of 30,000 gallons (114,000 liters) of dispersant was transferred into 330 gallon (1,250 liter) air mobile Intermediate Bulk Containers (IBC). This was a high priority action recommended by the Technical Committee to improve logistical handling and ensure the integrity of the dispersant stockpile. The project was funded from Reserve.

Senior Technical Advisor Skip Przelomski provided operational inputs and post-test evaluation for a test spraying of an experimental dispersant formulated for heavy oils. Testing was sponsored by ExxonMobil Research & Development. The product was sprayed from a King Air aircraft utilizing a spray system originally developed by CCA and Dynamic Aviation in 2003.

CCA’s role as a Hemispheric Dispersant Capability provider continues to expand with the growing acceptance of dispersants as a primary response option. We are reviewing our contract with Lynden Air Cargo with an eye towards meeting new regulatory response time-frames in the U.S. Any improvements would correspondingly improve our capability in the Caribbean/Latin America. We are also in preliminary discussions with Marine Spill Response Corporation (MSRC) and other Global Response Network (GRN) members regarding dispersant sharing or access agreements.
CORPORATE GOVERNANCE & LEGAL
The Board of Directors considered and approved a number of Staff, Vision & Strategy Subcommittee, Technical Committee, and Personnel Committee recommendations on a range of issues that impact CCA’s long-term business viability and operational effectiveness. An intensive effort is underway to modify or develop supporting legal agreements required to implement these directives and initiatives. The top three priorities are:

**Bylaws Revision:** Draft Revised CCA Bylaws are to be circulated to the Membership for review and ratification by Full (voting) Members. Revised Bylaws are required to align CCA with modern corporate structure and governance practices allowing for more streamlined decision-making and actions.

**Leasing of CCA Equipment:** The Board of Directors approved establishing leasing as the primary means of conveying CCA equipment for a response (while retaining the existing Sale/Purchase as a Member option). This aligns CCA with other industry cooperatives and with Member company commercial practices.

**P&I Club Contract:** The Board of Directors recognized the need for CCA to respond to P&I Club requests for CCA assistance and authorized the Staff to initiate negotiations to adopt a P&I Club Contract.

MEMBERSHIP
We welcomed two new Associate Members in 2009: UrdanetaGazprom-1 (Venezuela) and Refidomsa (Dominican Republic). Anadarko and Petro-Canada resigned due to the termination or sale of covered operations. Our year-end membership stood at 36 companies (see back cover).

BANKING & FINANCE
Due to the ongoing banking crisis, we spent an unprecedented amount of effort in ensuring that our operating and reserve funds are fully secure. We took decisive steps to focus our investments on capital preservation, with the knowledge that security comes at the sacrifice of earnings. All funds were placed in government-insured instruments under the Certificate of Deposit Account Registry Service (CDARS). Maturities are “laddered” to manage cash requirements. A Staff “CDARS Committee” meets weekly to review cash needs and to re-allocate funds. We have an established relationship with a Banking/Investment Advisor who assists us in bank placement, and identifying and evaluating our investment options. For the near-term, our objective is zero capital loss exposure. We hope that over time we will be able to slowly migrate to higher earnings instruments as the banking climate improves.

PERSONNEL
In March, Linda Whitman joined the staff as a Technical Advisor, realizing a strategic goal to align personnel strength with Preparedness, Response, and Succession Planning requirements. CCA has 7 full-time and 3 part-time employees. We regularly augment the staff with a cadre of local firefighter-Response Technicians and a number of Associate Consultants.
SUMMARY OF 2009 EXPENDITURES & REVENUES
CCA Members reported a total of 2.85 billion “qualified” barrels for 2009 dues assessments (same as 2008). Membership costs ranged from $23,524 for our lowest volume Member, to $325,790 for maximum volume Members (ExxonMobil, Petrobras, and PDVSA). Total 2009 Operating and Capital Expenditures was $2.4 million, which was under our $2.5 million budget.

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

2010: BASICS, INNOVATION, AND CREATIVITY
The challenge for 2010 is to reconcile growing Preparedness & Response expectations and requirements with economic realities. Because of restructuring and realignment in our Member companies, more and more Preparedness and Response burdens have been shifted to cooperatives such as CCA. CCA has always been recognized as an extremely cost-conscious and cost-effective organization. Current economic realities remind us of the virtues and practicality of this approach. Our Members rarely have spills, but our value to them must be tangible and recognized. In 2010 we will focus on basics, but we will use innovation and creativity to maximize the value of every dollar committed.

MOBEX AMAZONIA 2010
The next in our 15 year series of triennial International Mobilization, Preparedness & Response Exercises (MOBEX) is sponsored by Petrobras and will be conducted in August 2010 in Manaus, Brazil. This venue highlights one of the world’s most unique ecosystems as well as the Board of Directors’ recent decision to include the landmass and inland waterways of the Caribbean/Latin America in the CCA Area of Interest. MOBEX Amazonia 2010 will continue our partnership with the International Oil Spill Conference and ARPEL, which will hold the IOSC 2011 Pre-Conference Workshop as part of MOBEX.
MEMBERS
Aramco
BP
Chevron
Ecopetrol
ExxonMobil
Petrojam
Petróleos de Venezuela
Petrotrin
Petroterminal de Panamá
Shell
Staatsolie
Statoil South Riding Point
Sunoco
Tesoro

ASSOCIATE MEMBERS
Anadarko
Barbados National Terminal Company
Belize Natural Energy
Bergesen Worldwide
BHP Billiton
BPZ Exploración & Producción SLR
CESPM (Basic Energy)
Cool Petroleum
Devon Energy
EOG Resources International
Gazprom
MODEC
OCENSA
Panama Canal Authority
Petrobras
Petro-Canada
Petro-Tech Peruana
RECOPE
REFIDOMSA
Repsol YPF
Statia Terminals
TOTAL
Vopak Terminal Bahamas
West Indies Oil Company