



**UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration**

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

July 19, 2004

Colonel Timothy J. Gallagher
District Engineer, Alaska District
U.S. Army Corps of Engineers
P. O. Box 898
Anchorage, Alaska 99506 -6898

Re: POA-2004-282-2
Prince William Sound
Water World L.C.C.

Attn: John Klutz

Dear Col. Gallagher:

The National Marine Fisheries Service (NMFS) has reviewed the above referenced public notice regarding a proposal by Water World L.C.C. to place a commercial floating lodge, fuel barge (for commercial sale of fuel), and docking facilities in Herring Bay, Prince William Sound.

The Corps of Engineers (Corps) has determined that the described activity will not adversely affect Essential Fish Habitat (EFH). Prince William Sound includes EFH for walleye pollock, Pacific cod, sablefish, Atka mackerel, rock sole, sculpins, chum, coho, Chinook, pink, and sockeye salmon. All of these federally managed species are found in these waters during certain stages of their life history. The proposed project has the potential to adversely affect EFH for these species.

The Magnuson-Stevens Fishery Conservation and Management Act (Magnuson - Stevens Act) requires NMFS to make conservation recommendations regarding any federal action that would adversely affect EFH. The construction and operation of the proposed project would adversely affect EFH, and marine and anadromous fish, if necessary conservation measures are not followed. We offer the following recommendations pursuant to section 305(b)(4)(A) of the Magnuson-Stevens Act.

NMFS' primary concern is the potential for fuel spills. NMFS understands the Corps does not have jurisdiction over fuel operations. However, fueling operations, with the inherent risk of spills and threats to EFH, would not occur but for the Corps issuing a permit for the structure. As such, NMFS requests the Corps include the following recommendations in any permit issued.



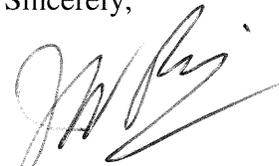
EFH Conservation Recommendations

The applicant should file a fuel spill response plan with the State of Alaska that includes the following stipulations:

- 1) Fuel collars and sorbent pads should be used during vessel fueling.
- 2) Fuel spill response equipment and supplies should be stored on site.
- 3) The applicant is responsible for coordinating and conducting annual oil spill response drills for spills that may occur within the mooring basin (i.e., Herring Bay).
- 4) The applicant shall ensure that fuel barges delivering fuel to the Water World facilities deploy containment or sorbent booms as appropriate or other fuel containment or spill prevention devices during fuel transfer operations between the supply vessel and the facility and only under safe operating conditions.
- 5) The applicant should make facilities, including lodge, fuel barge, and fuel transfer vessel open to annual inspection by the appropriate agency.

Please note that under section 305 (b)(4) of the Magnuson-Stevens Act, the Corps is required to respond in writing within 30 days to NMFS recommendations. If the Corps does not make a decision within 30 days of receiving NMFS EFH Conservation Recommendations, the Corps should provide NMFS with a letter to that effect, and indicate when a full response will be provided. Brian Lance is the NMFS contact for this project, and can be reached at (907) 271-1301.

Sincerely,



James W. Balsiger
Administrator, Alaska Region

cc: ADEC, ADFG, ADNR-OHMP, EPA, USFWS – Anchorage
USCG-Juneau

Applicant: Bob Burnett, Water World L.C.C., 525 West 54th Ave., Anchorage, AK
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