

## MEMORANDUM

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**TO:** NWABSD Board of Education  
Members

**DATE:** June 23, 2026

**NUMBER:** 26-203

**FR:** Office of the Superintendent

**SUBJECT:** Approval of Payment to  
United States  
Department of Treasury  
for Shungnak Fuel Spill

**ABSTRACT:**

Board approval is required for all purchases over \$50,000.

**ISSUE:**

At issue is the Board's approval for the payment of unpaid debt to the United States Department of Treasury, Bureau of Fiscal Service for the oil spill recovery costs of the Shungnak fuel spill as determined by the Department of Environmental Conservation.

**BACKGROUND AND/OR PERTINENT INFORMATION:**

According to the United States Department of Homeland Security, United States Coast Guard, the Environmental Protection Agency responded to an incident on or about June 20, 2020 near the Shungnak/Kobuk River and incurred charges for removal and damages. It has also deemed that the district as owner/operator of the facility as is, therefore, responsible for the payment of such costs in the amount of \$471,884.55.

**FUNDING SOURCE:**

Wells Fargo Investment Funds

**ALTERNATIVES:**

1. Approve the payment to the US Department of Treasury for an amount not to exceed \$471,884.55, as presented;
2. Disapprove the payment to the US Department of Treasury for an amount not to exceed \$471,884.55, as presented;
3. Take no final action.

**ADMINISTRATION'S RECOMMENDATION:**

The Administration recommends the Board approve the payment to the US Department of Treasury for an amount not to exceed \$471,884.55, as presented;



May 7, 2026



NORTHWEST ARCTIC BOROUGH SCHOOL DIS  
744 3RD AVENUE  
KOTZBUE AK 99752



UPGR

**Our records indicate that you owe the U.S. Government \$471,884.55**

The Oil Spill Cost Recovery, USCG National Pollution Fund Center, referred your unpaid debt to the U.S. Department of the Treasury, Bureau of the Fiscal Service, for immediate collection. You must immediately pay your debt in full to stop collection action and prevent the addition of more interest, penalties and administrative costs.

Account Number: 22942101

Agency Debt Number: UCGPE23006

**How Do I Pay My Debt?**

Pay Online: Visit [www.pay.gov/paygov/paymydebt](http://www.pay.gov/paygov/paymydebt) and follow the instructions to pay online.

Pay By Phone: Call (800) 289-7388 and follow the prompts to make payments, request a payment agreement, or check your balance. Hearing impaired persons may call the Telecommunications Relay Service at 711 to reach a Communications Assistant, who will dial the toll-free number.

Pay By Mail: Mail your payment and completed payment coupon to the address below. If you pay by check, include the Account Number 22942101 in the memo section of your check. When you provide a check as payment, you authorize us to use the information from your check to make a one-time electronic funds transfer from your account or process your payment as a check transaction.

**What If I Do Not Pay My Debt?**

As allowed by federal law, we may withhold some or all monies from your tax refunds and other federal and state payments. We may garnish your wages, refer your unpaid debt to a collection agency and report your debt to the credit bureaus, which could hurt your credit score. You will find further information online at <https://fiscal.treasury.gov/debt-management/>. If you wish to send us written correspondence other than payments, please address it to: U.S. Department of the Treasury, P.O. Box 830794, Birmingham, AL 35283-0794. DO NOT send payments to this address.

U.S. Department of the Treasury  
Bureau of the Fiscal Service

DSBDLSV141 fdv1

Detach Here

000000040322942101 DLSV0004034800 141

**PAYMENT COUPON**

\*Includes applicable interest, administrative costs and penalties.

Name of Debtor: NORTHWEST ARCTIC BOROUGH  
SCHOOL DIS

\*Amount Due: \$471,884.55

Account Number: 22942101

Send your payment to:

U.S. Department of the Treasury

P.O. Box 979101

St. Louis, MO 63197-9000

**METHOD OF PAYMENT**

Pay online at [www.pay.gov/paygov/paymydebt](http://www.pay.gov/paygov/paymydebt) or select:

Check  Money Order Amount Enclosed \$ \_\_\_\_\_

Debit Card Account Number: \_\_\_\_\_



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of

**Environmental Conservation**

DIVISION OF SPILL PREVENTION AND RESPONSE  
Prevention, Preparedness and Response Program

610 University Avenue  
Fairbanks, Alaska 99709-3643  
Main: 907.269.7569  
Fax: 907.451.2362  
jade.miller@alaska.gov

6/23/2020

Craig McConnell, Director of Property Services  
Northwest Arctic Borough School District  
P.O. Box 51  
Kotzebue, AK, 99752

RE: Shungnak School Tank HHO Overfill, Spill No. 20389917201

Dear Mr. McConnell:

This letter is to advise you that on 6/20/2020 a pollution incident occurred at Shungnak School Tank Farm for which you may be financially responsible. Alaska Statute Title 46 authorizes the State to respond to this pollution incident and to take appropriate action to minimize damages to human health, safety or welfare or to the environment. Under Title 46, the owner or operator may be held financially responsible for any actions taken by the State. If you undertake response actions, they must be approved in advance by the Department under 18 AAC 75.300 - .396, and the adequacy of those actions will be evaluated by Graham Wood the State On-Scene Coordinator for this pollution incident. Response actions are adequate if they accord with state and federal law, including 18 AAC 75.

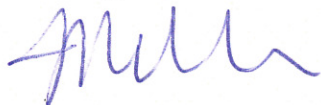
If you are taking adequate response actions, State involvement in the clean-up will be limited to approving cleanup plans, monitoring the progress of cleanup activities and providing guidance as necessary. Alaska Statute 46.08.070 requires that recovery be sought for certain costs, including oversight activities, incurred by the State in responding to pollution incidents. If you are determined to be a responsible party, the State will bill you at a later date for State expenditures associated with this pollution incident. Billable State expenditures include the direct costs of State staff time and indirect State overhead costs, as well as contractual and materials costs. Billable State staff time includes all time spent on activities related to the incident, including site visits, response and report reviews, telephone conversations, meetings, legal services, and interest.

Nothing in this letter shall be construed as a waiver of the State's authority or as an agreement on the part of the State to forego civil, criminal or administrative enforcement of the above-described violations or to seek recovery of damages, cost and penalties as prescribed by law. In addition, nothing herein shall be construed as a waiver of the State's enforcement authority for past, present or future violations not specifically described in this letter.

June 23, 2020

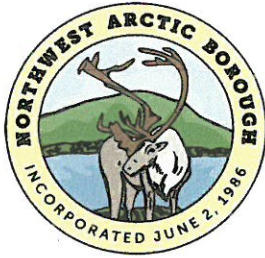
If you believe someone else may be responsible for this pollution incident or if you have any questions concerning this matter, please contact me at 907-230-2112.

Sincerely,



Jade Miller  
Environmental Program Specialist

cc: Graham Wood, SOSC, DEC/Anchorage via email  
Laurie Silfven, EPS IV, DEC/Anchorage via email  
DEC SPAR Cost Recovery/ via email



# Northwest Arctic Borough

P.O. Box 1110 Kotzebue, Alaska 99752  
(907) 442-2500 Fax (907) 442-2930  
www.nwabor.org

July 23, 2020

Jade Miller  
Alaska Department of Environmental Conservation  
Division of Spill Prevention and Response  
Prevention, Preparedness and Response Program  
610 University Ave.  
Fairbanks, Alaska 99709-3643

Re: Shungnak School Tank HHO Overfill, Spill No. 20389917201

Dear Ms. Miller:

I am responding to your July 10, 2020 notice of potential financial responsibility for the June 20, 2020 Shungnak fuel spill. The Borough is the home rule regional government for Northwest Alaska. As a regional government, the Borough shares the Alaska Department of Environmental Conservation's (DEC's) interest in ensuring an adequate response to the spill. To date the Borough has contributed over \$100,000 towards the spill response. The Borough is also the owner of the Northwest Arctic Borough School District facilities on which fuel was spilled due solely to the acts of third parties.

Your letter invites the Borough's response if it believes that someone else may be responsible for the pollution incident. That is precisely the case here. While the Borough intends to cooperate with and support DEC's efforts, the Borough is not a responsible party that must pay DEC cost recovery invoices,<sup>1</sup> nor is it the primary party charged with carrying out initial response actions.<sup>2</sup>

As DEC's July 10, 2020 situation report describes, the spill happened when a fuel delivery scheduled for Shungnak Native Store and Alaska Village Electric Cooperative (AVEC) tanks was misdirected to a tank at the school, which then overflowed. The fuel misdirection was the result of someone leaving a three-way valve on the fuel line open in the direction of the school tank rather than in the direction of the AVEC tanks. The Borough had no role in the fuel purchase and delivery or the management of the three-way valve. Nor does the Borough ever have any role in school fuel operations.

<sup>1</sup> See AS 46.03.822(b), (h).

<sup>2</sup> See 18 AAC 75.310, .315, .900(108); AS 46.04.020.

Although the Borough owns the school property on which the fuel was spilled, the Borough is excluded from liability for cost recovery under AS 46.03.822(b)(1)(B). Under that section, a person is not liable for a release that occurred solely as a result of the “intentional or negligent act or omission of a third party, other than a party or its agents in privity of contract with, or employed by, the person,” provided that the person took due care and reasonable precautions, and, within a “reasonable period of time” discovered the release and started containment and cleanup operations.<sup>3</sup> The fuel spill was caused entirely by non-Borough parties acting off of the Borough property. None of the Borough’s employees, agents, or contractors had any involvement in the misdirected delivery. Under the circumstances, the Borough exercised due care and reasonable precautions. It would be unreasonable to expect the Borough as a landowner to manage the conduct of third-party actors off its property to ensure that they do not misdeliver fuel to the school tank. And the spill was discovered, reported, and initial response actions started within a reasonable time. The Native Village of Shungnak reported the spill less than an hour after it happened, and cleanup has proceeded under the direction of the incident commander and the state and federal on-scene coordinators. The Borough has contributed over \$100,000 toward this response in addition to providing the City of Shungnak direct assistance. As a property owner whose land has been contaminated by the actions of third parties and who has responded reasonably and diligently, the Borough falls squarely within the liability protection of AS 46.03.822(b)(1)(B).<sup>4</sup>

In addition, to the extent any costs or damages result from actions taken in response to this spill emergency, the Borough is shielded from liability as a “municipality . . . who acts as a volunteer and is engaged in a response action under the direction of the federal or state on-scene coordinator.”<sup>5</sup>

Moreover, because the Borough had no role in causing or permitting the release, it is not the primary party charged with carrying out initial response actions. Under 18 AAC 75.310-.315, initial spill response actions must be carried out by a “responsible person.”<sup>6</sup> “Responsible person” is defined as “a person who is required under AS 46.04.020 or AS 46.09.020 to contain or perform a cleanup of a discharge or release of a hazardous substance.”<sup>7</sup> Those statutes, in turn, require containment and cleanup by a “person

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<sup>3</sup> AS 46.03.822(b)(1)(B), (2)(A)-(B).

<sup>4</sup> See, e.g., *Lincoln Properties, Inc. v. Higgins*, 823 F. Supp. 1528, 1542-44 (E.D. Cal. 1992) (applying analogous CERCLA third-party defense to county whose wells were contaminated by solvent releases from neighboring property, noting there was “no evidence of conduct by the County that contributed to the releases”).

<sup>5</sup> AS 46.03.822(h).

<sup>6</sup> 18 AAC 75.310

<sup>7</sup> 18 AAC 75.990(108).

Jade Miller  
July 23, 2020  
Page 3 of 3

causing or permitting the discharge of oil”<sup>8</sup> or a “person who causes a release of a hazardous substance.”<sup>9</sup> The Borough neither caused nor permitted the fuel spill on the school property. As such, the Borough is not a responsible person under the initial response regulations and is therefore not the primary party charged with characterization and cleanup.

Finally, the Borough stands alongside the State as a governmental entity with its own rights to pursue cost recovery and damages from responsible parties under AS 46.03.822(a). The Borough is evaluating its rights under that statute, but fully intends to recover from primary responsible parties. In order to streamline recovery from those that are primarily responsible for the spill, the Borough welcomes the opportunity to discussing coordination or alignment of cost recovery efforts with the State.<sup>10</sup>

Sincerely,

NORTHWEST ARCTIC BOROUGH



Mayor Lucy S. Nelson

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<sup>8</sup> AS 46.04.020(a).

<sup>9</sup> AS 46.09.020(a).

<sup>10</sup> The Borough fully preserves and in no way waives any additional rights to claims or defenses not discussed in this letter.



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Department of**

**Environmental Conservation**

DIVISION OF SPILL PREVENTION AND RESPONSE  
Prevention, Preparedness and Response Program

610 University Avenue  
Fairbanks, Alaska 99709-3643  
Main: 907.269.7569  
Fax: 907.451.2362  
jade.miller@alaska.gov

6/08/2021

Evelyn Woods  
Native Village of Shungnak  
P.O. Box 64  
Shungnak, AK, 99773

RE: Shungnak School Tank Heating Oil Overfill, Spill No. 20389917201

Dear Ms. Woods:

This letter is to advise you that the Alaska Department of Environmental Conservation (Department) has made a primary responsible party determination in the Shungnak School Heating Oil Overfill incident that occurred on 6/20/2020.

Previously, the Department sent a letter on 6/23/2020, advising you that Alaska Statute Title 46 authorizes the State to respond to this pollution incident and to take appropriate action to minimize damages to human health, safety or welfare or to the environment. Under Title 46, the owner or operator may be held financially responsible for any actions taken by the State. After review of the facts of the spill case, and in consultation with the Department of Law, the Department has determined the Native Village of Shungnak to be the primary responsible party of the Shungnak School Heating Oil Overfill. This determination was based on the following:

- Shungnak Store was the receiver of the fuel at the time of delivery,
- Shungnak Store employees incorrectly opened a valve that led to the fuel spill,
- Shungnak Store is owned by the Native Village of Shungnak.

As the primary responsible party, the Department has the following expectations from the Native Village of Shungnak:

- A. Completion of site characterization and delineation of the spill site by June 30, 2021.
- B. A site remediation work plan and timeline submitted to the Department by August 2, 2021.
- C. Weekly written reports of site status and clean up progress delivered via email to the Department and key stakeholders.
  - a. Key stakeholders will include government agencies, impacted and potentially impacted property owners (both public and private), and community stakeholders as identified by the Department.
  - b. Weekly reporting will continue until the Department gives notice that reporting frequency may be paused, altered, or cancelled due to seasonal conditions or completion of immediate remediation needs.

- c. Weekly reporting will include photos, and/or professional or hand drawn maps if requested by the Department.

Response actions must be approved in advance by the Department under 18 AAC 75.300 - .396, and the adequacy of those actions will be evaluated by Kimberley Maher, the State On-Scene Coordinator for this pollution incident. Response actions are adequate if they accord with state and federal law, including 18 AAC 75.

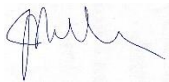
If you are taking adequate response actions, State involvement in the clean-up will be limited to approving cleanup plans, monitoring the progress of cleanup activities and providing guidance as necessary. Alaska Statute 46.08.070 requires that recovery be sought for certain costs, including oversight activities, incurred by the State in responding to pollution incidents.

The State will bill you at a later date for State expenditures associated with this pollution incident. Billable State expenditures include the direct costs of State staff time and indirect State overhead costs, as well as contractual and materials costs. Billable State staff time includes all time spent on activities related to the incident, including site visits, response and report reviews, telephone conversations, meetings, legal services, and interest.

Nothing in this letter shall be construed as a waiver of the State's authority or as an agreement on the part of the State to forego civil, criminal or administrative enforcement of the above-described violations or to seek recovery of damages, cost and penalties as prescribed by law. In addition, nothing herein shall be construed as a waiver of the State's enforcement authority for past, present or future violations not specifically described in this letter.

If you believe someone else may be responsible for this pollution incident or if you have any questions concerning this matter, please contact me at 907-269-7569.

Sincerely,



Jade Miller  
Environmental Program Specialist

cc: Kimberley Maher, SOSEC, DEC/Anchorage via email  
Laurie Silfven, EPS IV, DEC/Anchorage via email  
DEC SPAR Cost Recovery/ via email



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
**REGION 10**  
1200 Sixth Avenue  
Seattle, WA 98101

September 19, 2023

Terri Walker, Superintendent  
Northwest Arctic Borough School District  
776 Third Street  
Kotzebue, AK 99752  
[twalker@nwarctic.org](mailto:twalker@nwarctic.org)

Notice of Consultation for the Shungnak Oil Spill Clean-up Efforts and Cultural Resource Investigations

Dear Ms. Walker,

The Environmental Protection Agency (EPA) is conducting an oil removal assessment in the native village of Shungnak beginning on October 2, 2023. The proposed project is located at approximately Latitude 66.889053, N and Longitude 157.135091 W, within Section 09, Township 17 North, Range 08 East, Alaska-Northwest Arctic Borough, USGS Quadrangle Shungnak D-3 NE Quadrangle (Figure 1).

Purpose of Government-to-Government Consultation

The primary purpose of government-to-government consultation as described in Federal Executive Order 13175 “Consultation and Coordination with Indian Tribal Governments” to ensure that Federally Recognized Tribes are given the opportunity to provide meaningful and timely input regarding proposed EPA actions that uniquely or significantly affect Tribes.

Consultation Initiation

With this letter, the EPA is offering to consult on concerns that uniquely or significantly affect your Tribe related to the potential action described below. Early identification of Tribal concerns will allow the EPA and the landowner and operator to consider ways to avoid and minimize potential impacts to Tribal resources and/or cultural practices as project planning and alternatives are developed and refined. We would be pleased to discuss details of the proposed project and its potential impacts with you.

Project Information

This work is in response to a 15,000-gallon heating oil release that took place near the Shungnak School in 2020 and has since migrated downhill toward the Kobuk River. Ground disturbing activities include soil sampling using direct push technology (e.g., Geoprobe), and potential installation of monitoring wells. Most of the sampling is anticipated to occur within previously disturbed areas along existing roads.

Study Area/ Preliminary Area of Potential Effect (APE)

The preliminary APE for the proposed project consists of approximately 1 acre between the Shungnak School and the Kobuk River and including lands approximately 200-feet south. The preliminary APE boundary includes the direct footprint of the project, staging areas, existing disposal sites, and potential indirect effects of the project (e.g., noise, visual, atmospheric, and

cumulative effects). Indirect effects associated with the proposed project would be temporary and limited to the period that construction would occur. The APE will be finalized after comments are received from the consulting parties.

#### Identification Efforts

Shawna Rider, Secretary of Interior qualified archaeologist with Jacobs, examined the Alaska Heritage Resources Survey (AHRs) online database on September 01, 2023 to identify cultural resources (e.g., historic, prehistoric, and archaeological sites, structures, locations, remains, or objects) and historic properties [eligible for or listed on the National Register of Historic Places (NRHP)]. There were no previously identified AHRs sites within the preliminary APE. APE. Two previously identified sites are located within 1,000 feet of the preliminary APE (Table 1). Additional identification includes a literature review of the surrounding area from various sources.

Table 1. Previously Identified AHRs Sites

AHRs NUMBER	SITE NAME	DESCRIPTION	NRHP STATUS
SHU-00037	Kiana-Selawik-Shungnak Trail	prehistoric traditional winter trail between two existing winter villages	Has not been evaluated
SHU-00009	Shungak Site	Prehistoric house site	Has not been evaluated

#### Consulting Parties

The EPA submitted letters initiating consultation to the Alaska State Historic Preservation Office (SHPO), Native Village of Shungnak, City of Shungnak, Northwest Arctic Borough, Nana Regional Corporation, Maniilaq Association, Northwest Arctic Borough School District.

#### Confidentiality

We understand that you may have concerns regarding the confidentiality of information on areas or resources of religious, traditional and cultural importance to the Tribe. We would be happy to discuss these concerns and develop procedures to ensure the confidentiality of such information is maintained.

If you have questions or comments related to this proposed project, please contact Brad Martin, Federal On-Scene Coordinator, by telephone at 206/553-4029, or by e-mail at martin.bradley@epa.gov. Your timely response will greatly assist us in incorporating your concerns into project development. For that purpose, we respectfully request that you respond prior to October 1, 2023 of your receipt of this correspondence.

Sincerely,

Brad Martin  
Federal On-Scene Coordinator  
U.S. Environmental Protection Agency

Enclosures:

Figure 1: Location Map

2021 Site Assessment Report by Tanana Commercial / Environmental Management LLC JV

2022 Site Characterization Report by Tanana Commercial / Environmental Management LLC JV

Alaska Department of Environmental Conservation, Division of Spill Prevention and Response

Site Specific Website: <https://dec.alaska.gov/spar/ppr/spill-information/response/2020/04-shungnak-heating-oil-spill/>

Alaska Department of Environmental Conservation, Contaminated Sites Program Site Specific

Website: <https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/27821>

U.S. Department of  
Homeland Security

United States  
Coast Guard



Director  
United States Coast Guard  
National Pollution Funds Center

US COAST GUARD STOP 7605  
2703 MARTIN LUTHER KING JR AVE SE  
WASHINGTON, DC 20593-7605  
Staff Symbol: Cm  
Phone: 206-815-5129  
Toll-Free: 1-800-358-2897  
Email: Matthew.A.Fischer2@uscg.mil

7260

September 22, 2025

Native Village of Shungnak  
P.O. Box 40  
Shungnak, AK 99773

RE: SHUNGNAC SCHOOL OIL DISCHARGE  
FPN: UCGPE23006

Dear Sir or Madam:

This is a Notice of Potential Liability. Our records indicate that source of pollution has been identified as the source of a pollution incident that occurred on or about August 16, 2023 near the Kobuk River. The incident resulted after diesel fuel discharged from a tank and posed a substantial threat of affecting the Kobuk River near Shungnak, AK. Owners and Operators of a facility that either pose a substantial threat of a discharge of oil or are the source of an oil discharge into navigable waters of the United States (unless they can establish a defense to liability) are liable for Federal removal costs and damages as specified in the Oil Pollution Act of 1990 (33 USC 2701 et seq).

The Environmental Protection Agency responded to this incident and incurred costs as shown in the enclosed Estimated Costs as of the date of this letter. Our records also indicate that you were the owner and/or operator of the Facility at the time of the incident. If so, you may be liable as a responsible party for the resulting removal costs and damages. This is a completely separate process from any fines or penalties that may have resulted from the incident. If you have insurance that covers such pollution costs, you may want to provide a copy of this letter to your insurer.

Please contact me as soon as possible to discuss any of the following:

- If you are not the owner/operator of the Facility
- If you are the owner or operator but believe a third party caused the incident, or are claiming any other defense to liability
- Government costs specific to this incident
- Payment options
- How and where to send payment

**This is a serious matter and deserves your prompt attention.** If you do not communicate and work with us to resolve the matter, we may forward the case to the Department of Justice for potential litigation. If we determine you have a debt to the United States, we may forward any unpaid debt to the Department of Treasury's Debt Management Services (DMS) for collection. DMS charges additional fees for their collection efforts and can withhold income from tax refunds, social security benefits, salaries and retirement benefits of federal employees, and vendor or contractor payments.

RE: SHUNGNAC SCHOOL OIL DISCHARGE – UCGPE23006 7260  
09/22/2025

If you have any questions, you may contact me at the National Pollution Funds Center, at or 1-800-358-2897 or by email. If you write me, please include the Federal Project Number (UCGPE23006) on all correspondence to ensure a timely resolution in this matter. Thank you for your attention to this matter. I look forward to hearing from you.

Sincerely,

Matthew Fischer  
Case Officer  
U.S. Coast Guard

Enclosure: (1) Estimated Costs for Federal Project (UCGPE23006)  
(2) Explanation of Costs

**Estimated Costs for Federal Project UCGPE23006**

*Estimates calculated as of 09/22/2025, subject to change.*

<u>Expenditure Type</u>	<u>Amount</u>
EPA Personnel	\$16,675.16
EPA Travel	\$2,881.11
EPA Indirect Costs	\$53,389.71
EPA Contract	\$296,558.24
<b>Total</b>	<b>\$369,504.22</b>

**Please contact us to discuss actual cost and instructions for payment.**

## Explanation of Costs

**"EPA Personnel"** Total cost of EPA personnel used to conduct, direct and/or monitor the removal action based on actual hourly salary and benefits costs.

**"EPA Travel"** Total cost of EPA travel to conduct, direct and/or monitor the removal action. Per diem (meals and lodging) rates are specified in the Joint Federal Travel Regulations but only actual lodging expenses are reimbursed. Travel costs are based on federal contract carrier rates on commercial aircraft or actual costs of rental cars, etc.

**"EPA Indirect Costs"** EPA's indirect costs consist of the administrative costs of EPA's Headquarters and Regional offices that provide administrative support to the rest of the Agency. Also included are depreciation costs as well as the costs of fringe benefits funded by the Office of Personnel Management. Also included are the Regional administrative support costs that are incurred on a regional level.

**"EPA Contract"** Total costs for equipment, labor and materials used by a commercial cleanup contractor hired by the Federal On-Scene Coordinator (FOSC) for the removal action or to settle claims. Also, total costs of Technical Assist Team (TAT) or Superfund Technical Assist and Response Team (START) contract support based on rates approved by the EPA Contracting Official. Each EPA region has its own TAT/START contractor. The contractor's invoice is based on rates agreed to by the Contracting Officer. The FOSC certifies on each invoice that the work was performed and that it was consistent with the National Contingency Plan (NCP) 40 CFR 300.

U.S. Department of  
Homeland Security

United States  
Coast Guard



Director  
United States Coast Guard  
National Pollution Funds Center

US COAST GUARD STOP 7605  
2703 MARTIN LUTHER KING JR AVE SE  
WASHINGTON, DC 20593-7605  
Staff Symbol: Cm  
Phone: 206-815-5129  
Toll-Free: 1-800-358-2897  
Email: Matthew.A.Fischer2@uscg.mil

7260

December 4, 2025

Northwest Arctic Borough School District  
744 3<sup>rd</sup> Ave.  
Kotzebue, AK 99752

RE: Shungnak School Oil Discharge  
FPN: UCGPE23006

Dear Sir or Madam:

This Billing Package is a follow-up to the Notice of Potential Liability sent to you on September 22, 2025, regarding an oil pollution incident.

The Federal On-Scene Coordinator identified the storage tanks at the Shungnak School as the source of a pollution incident that occurred on June 20, 2020, in the Kobuk River/ Shungnak, AK. The Environmental Protection Agency initiated pollution removal actions and the Federal Government incurred costs. The Oil Pollution Act of 1990 (33 USC 2701 et seq) provides that the Owner and/or Operator is responsible for the costs incurred.

Based on the information we have received regarding this case; the National Pollution Funds Center (NPFC) has determined that you are liable for these costs. If you have any evidence that would refute this assertion, please forward it to me, at your earliest opportunity or call me at the toll-free number below. A bill with itemized expenses and an explanation of those costs is attached to this letter (Enclosures 1-3). In compliance with various laws and regulations, personal information contained in the supporting documentation has been redacted.

This is a request for reimbursement of the costs incurred responding to this pollution incident, not a penalty or fine. Liability for pollution removal costs is in addition to other liabilities which may result from this incident, including, but not limited to, any damages or other pollution removal costs or any civil or administrative penalties arising from the incident.

Please note that the Oil Pollution Act requires that any unpaid portion of the bill is subject to interest which will begin to accrue 30 days after the date of the bill. Any payments received after this date will be first applied to the interest and then to the principal.

**Please understand that this is the only written notification you will receive from the NPFC, and that Federal law requires that we forward unpaid debts to the Department of Justice for potential litigation or to the Department of Treasury's Debt Management Services (DMS) for collection. DMS charges additional fees for their collection efforts.**

Subj: Shungnak School Oil Discharge/ UCGPE23006

7260

December 4, 2025

You are encouraged to read the "Explanation of Costs" (Enclosure 3) and "Rights, Responsibilities, Costs and Collection Alternatives" (Enclosure 4) which provides greater detail on some of the items covered in this letter.

The Internal Revenue Service requires that we collect your Taxpayer Identification Number as part of the collection process. "IRS form W-9" (Enclosure 5) is provided for this purpose. Please return the IRS Form W-9 with any correspondence that you send us.

Refer to "Methods of Payment for Oil Spill Cost Recovery to the U.S. Coast Guard National Pollution Funds Center" (Enclosure 6) for payment options. If paying by mail, please write the amount paid in the space indicated on the bottom of the invoice and mail to the address below:

Send your payment to: US Coast Guard - ART/OTHERS  
RE: UCGPE23006-INVOICE#13081  
P.O. Box 979119  
St. Louis, MO 63197-9000

If you cannot pay this bill in a single payment and wish to discuss a payment plan, please contact me as soon as possible at the toll-free number below.

If you have any questions, you may contact me at 206-815-5129 or 1-800-358-2897 or by email. Your cost to close this matter will only increase over time. Please include the Federal Project Number (UCGPE23006) on all correspondence to ensure proper credit to your account and a timely and accurate resolution of this matter.

Sincerely,



Matthew Fischer  
Case Officer  
U.S. Coast Guard

Enclosure: (1) Bill/Invoice # 13081  
(2) Itemized Expenses  
(3) Explanation of Costs  
(4) Rights, Responsibilities, Costs and Collection Alternatives  
(5) IRS Form W-9  
(6) Methods of Payment for Oil Spill Cost Recovery to the U.S. Coast Guard National Pollution Funds Center

Keep this portion of the statement for your records.

Return receipt at bottom with payment.

NATIONAL POLLUTION FUNDS  
CENTER  
TAX ID. NUMBER 54-6010204

Original Bill Date: December 4, 2025  
Federal Project: UCGPE23006  
Bill/Invoice Number: 13081

Date of this Statement (if different): December 4, 2025

To NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT  
Attn :  
744 3RD AVE.  
KOTZEBUE, AK 99752 United States

DESCRIPTION	AMOUNT
FPN: UCGPE23006	
This is a bill for U.S. Government costs. See second page for list of charges.	
This bill does not include, among other things, any other removal costs, damages, or any administrative or civil penalty which has been or may be assessed. Interest is charged on balances over 30 days past due. Interest rate is market-based and is subject to change pursuant to 33 U.S.C. § 2705. The terms of this bill are controlling; no other terms affixed to any payment are acceptable.	
Principal Due	\$369,504.22
Accrued Interest	\$0.00
Total Due	\$369,504.22
This invoice reflects collections received to date totaling :	\$0.00

Send Payment to: U.S. COAST GUARD- ART/OTHERS  
P.O. BOX 979119  
ST. LOUIS, MO 63197-9000 United States

Federal Project/Bill Number: UCGPE23006-13081

Case Officer : FISCHER, MATTHEW A.

Billed On December 4, 2025

Your billing address (please pen-and-ink any errors or changes): **Amount Due as of December 4, 2025**

NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Attn :

744 3RD AVE.

KOTZEBUE, AK 99752 United States

**\$369,504.22**

Please send this remittance advice with your payment in the enclosed envelope. Make check payable to "United States Coast Guard" & write FPN UCGPE23006 on the check. To avoid additional late fees, we must receive payment by January 3, 2026.

U.S. COAST GUARD- ART/OTHERS  
P.O. BOX 979119  
ST. LOUIS, MO 63197-9000 United States

**Amount Paid**  
  
\$ -----

NATIONAL POLLUTION FUNDS CENTER

Original Bill Date: December 4, 2025

Federal Project: UCGPE23006

Bill/Invoice: 13081

Date of this Statement (if different): December 4, 2025

**Itemized Expenses**

<b>Expenditure Type</b>	<b>Amount</b>
EPA Personnel	\$16,675.16
EPA Travel	\$2,881.11
EPA Indirect Costs	\$53,389.71
EPA Contract	\$296,558.24
<b>Total</b>	<b>\$369,504.22</b>

**Enclosure (2)**

## Explanation of Costs

**"EPA Personnel"** Total cost of EPA personnel used to conduct, direct and/or monitor the removal action based on actual hourly salary and benefits costs.

**"EPA Travel"** Total cost of EPA travel to conduct, direct and/or monitor the removal action. Per diem (meals and lodging) rates are specified in the Joint Federal Travel Regulations but only actual lodging expenses are reimbursed. Travel costs are based on federal contract carrier rates on commercial aircraft or actual costs of rental cars, etc.

**"EPA Indirect Costs"** EPA's indirect costs consist of the administrative costs of EPA's Headquarters and Regional offices that provide administrative support to the rest of the Agency. Also included are depreciation costs as well as the costs of fringe benefits funded by the Office of Personnel Management. Also included are the Regional administrative support costs that are incurred on a regional level.

**"EPA Contract"** Total costs for equipment, labor and materials used by a commercial cleanup contractor hired by the Federal On-Scene Coordinator (FOSC) for the removal action or to settle claims. Also, total costs of Technical Assist Team (TAT) or Superfund Technical Assist and Response Team (START) contract support based on rates approved by the EPA Contracting Official. Each EPA region has its own TAT/START contractor. The contractor's invoice is based on rates agreed to by the Contracting Officer. The FOSC certifies on each invoice that the work was performed and that it was consistent with the National Contingency Plan (NCP) 40 CFR 300.

## RIGHTS, RESPONSIBILITIES, COSTS AND COLLECTION ALTERNATIVES

**YOUR RIGHTS.** You have the right to an explanation of the basis and nature of the debt, an accounting and how we calculated the debt.

If you would like to inspect the documents that form the basis of the debt, please request a copy from the Case Officer assigned to your case. Copies will be provided free of charge. The Case Officer's contact information can be found on the billing letter.

You may dispute the information in the documents, submit additional material for consideration and request that we review or reconsider the determination of the debt. This request should be made within 60 days of the date of the invoice.

You may request a written repayment agreement in lieu of paying the entire balance of your debt at one time. Reconsideration for other than prompt full payment requires a review of your financial condition, including access to recent income tax returns. If funds are collected in excess of the debt, they will be promptly refunded to you, unless prohibited by law.

**INSURANCE COVERAGE.** If you have insurance coverage, contact your insurance agent to determine whether your policy covers any of the costs you are being billed.

**BANKRUPTCY.** If you file for bankruptcy, or if you were in bankruptcy at the time of the incident and an automatic stay is in effect, you are not subject to any offset during the stay. Please notify us of the stay by sending evidence about the bankruptcy proceedings.

**JOINT INCOME TAX RETURN.** If you file a joint income tax return, contact the Internal Revenue Service before filing your return to protect the share of your spouse's tax return refund. IRS Form 8379 is required.

**INTEREST.** Any balance not paid within 30 days of the original bill notice is a delinquent balance. A delinquent balance will subject you to additional charges for interest from the date of delinquency.

### **TREASURY DEPARTMENT DEBT MANAGEMENT SERVICE (DMS).**

Outstanding debts that are 60 days or older are eligible for referral to the DMS for collection action. In addition, we are required to refer debts that are 120 days delinquent to the DMS for further collection action. If the delinquent debt is referred to DMS for collection, additional fees will be added to the amount due. Those fees will vary based on whether DMS collects the debt directly or through a private collection agency. Debts may be referred to the Justice Department for collection by litigation at any time.

**TREASURY OFFSET PROGRAM (TOP).** In addition to the above fees, you may be charged a fee for tax offset or federal salary offset if collection is made through TOP. A separate fee is charged each time a collection is made. The U.S. Treasury is not required to send notice to debtors before it offsets payments.

Enclosure (4)

## RIGHTS, RESPONSIBILITIES, COSTS AND COLLECTION ALTERNATIVES

**ADMINISTRATIVE OFFSET.** The DMS may collect your debt through administrative offset. DMS may withhold money owed to you by the United States Government. The offset includes:

- Income tax refunds
- Certain Social Security benefits
- Black Lung Program benefits
- Salaries of federal employees (up to 15% of current net disposable pay per pay period until debt is paid).
- Retirement benefits, including railroad, federal and military benefits
- Vendor or contractor payments
- Travel reimbursements and advances

**ADMINISTRATIVE WAGE GARNISHMENT (AWG).** The DMS may also collect the debt through administrative wage garnishment (AWG) without a court hearing. The DMS may contact your employer and garnish a portion of your net disposable pay. If AWG is used in the collection of the debt, you may request a hearing to review the debt by notification to the agency on or before the 15th business day following the mailing of the administrative wage garnishment notice. The notification will stay the withholding order until the debtor has been provided the requested hearing. Failure to timely request a hearing by notification to the agency on or before the 15th business day following the mailing of the administrative wage garnishment notice will still entitle you to a hearing upon request but will not delay the withholding order. 31 CFR § 285.11(f).

**CONSUMER REPORTING AGENCIES.** The debt may be reported to consumer reporting agencies. The information that may be disclosed to consumer reporting agencies includes the debtor's:

- Name and Address
- Social Security Number
- Taxpayer Identification Number
- Amount, status, and history of the debt
- The program under which the debt arose

### **DELINQUENT DEBTS ARE A BAR TO CERTAIN FEDERAL PROGRAMS.**

Debtors owing money to the U.S. Government are barred from obtaining federal loans, including student loans and FHA mortgages, federal loan insurance, federal grants, or federal guarantees.

**PENALTIES FOR MAKING FALSE STATEMENTS.** Information provided by you must represent all material facts and must be true to the best of your knowledge and belief. Misrepresentation of facts in this matter is subject to prosecution under Federal law, including but not limited to 18 USC§ 1001, and 31 USC§ 3729.

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See S specific instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 5):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	Exempt payee code (if any) _____
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	Exemption from FATCA reporting code (if any) _____
	<input type="checkbox"/> Other (see instructions) ▶ _____	(Applies to accounts maintained outside the U.S.)
	5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>	
[ ] [ ] [ ] [ ]	- [ ] [ ] - [ ] [ ] [ ] [ ]
or	
<b>Employer identification number</b>	
[ ] [ ] [ ] [ ]	- [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶ _____	Date ▶ _____
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

## Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What Is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester.
2. You do not certify your TIN when required (see the instructions for Part II for details).
3. The IRS tells the requester that you furnished an incorrect TIN.
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; do not leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its Instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-9.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLÉ accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>4</sup>
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 9332 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

\*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.identitytheft.gov](http://www.identitytheft.gov) and Pub. 5027.

Visit [www.irs.gov/identitytheft](http://www.irs.gov/identitytheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

**METHODS OF PAYMENT  
FOR OIL SPILL COST RECOVERY TO  
US COAST GUARD NATIONAL POLLUTION FUNDS CENTER**

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Pay.gov is the convenient and fast way to make secure electronic payments and receive emailed receipt confirmation without the need to create an online account. Accepted forms of payment include:

- Debit Cards – Limited only by funds available in your account.
  - Credit Cards – Payments limited to less than \$25,000 per credit card.
  - Bank Account (ACH) – Limited only by funds available in the account.
  - PayPal – Up to \$10,000 per transaction. Multiple transactions allowed.
- 

Pay.gov is a free service. Visit Pay.gov and search "Oil Spill" to locate the form or use the link below.

**Oil Spill Cost Recovery**

Use this form to pay Oil Spill Recovery Costs.

**Form Number:** Oil Spill

**Agency:** Homeland Security: US Coast Guard Finance Center

Direct Link: <https://www.pay.gov/public/form/start/404446768>

**Pay.gov Customer Support Available 7am-7pm EST at 1-800-624-1373 International 1-216-579-2112**

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**WIRE / BANK TRANSFER:**

1. **SEND TO: Federal Reserve Bank, New York City, NY** (via any U.S. bank)  
Foreign banks cannot wire directly to the Federal Reserve Bank but must go through an intermediary U.S. bank.  
Foreign banks may send the wire transfer to a U.S. bank of their choice, who forwards the wire transfer to the Federal Reserve Bank. All payments must be made in US currency.
  2. **BENEFICIARY (BNF): 70 06 0000** US Treasury, Agency Location Code for US Coast Guard
  3. **ABA #: 021030004 Treas NYC** Receiver's Financial Institution
  4. **TYPE / SUBTYPE CODE: 10 00** Type / Subtype Code is Mandatory
  5. **ORIGINATOR TO BENEFICIARY (OBI):** Cite the Invoice Number(s) in the description.
- 

**CHECK OR BANK DRAFT BY MAIL:**

**ON FOREIGN BANK**

US Coast Guard Finance Center  
Attn: Accounts Receivable & Collections  
RE: **Invoice Number**  
1430-A Kristina Way  
Chesapeake, VA 23326-0002

**ON US BANK**

US Coast Guard  
ART/OTHERS  
RE: **Invoice Number**  
P. O. Box 979119  
St. Louis, MO 63197-9000

**OVERNIGHT EXPRESS ON US BANK**

US Bank Government Lockbox  
US Coast Guard – ART/OTHERS  
RE: **Invoice Number**  
1005 Convention Plaza  
St. Louis, MO 63101

USCG/NPFC TAX ID (TIN): 54-6010204 DUNS: 806754677 TREASURY ACCOUNT SYMBOL: 70X8349

DATE

Matthew Fischer

ADDRESS

RE: UCGPE23006, Shungnak School Oil Discharge Response

Dear Mr. Fischer,

My name is Michael Caulfield, I represent the Northwest Arctic Borough School District ("the District") in matter number UCGPE23006, Shungnak School Oil Discharge. I am responding to your letter dated December 4, 2025, which was received by the District on January \_\_, 2026. Please direct all communication regarding this matter to me.

The District contests the Coast Guard's determination that the District is responsible for cleanup costs. This determination is directly contrary to the State of Alaska Department of Environmental Conversation's ("AKDEC") finding in the same matter, which found the Native Village of Shungnak to be the Primary Responsible Party for the discharge. AKDEC is the Alaska state entity responsible for determining responsibility for pollution incidents under Alaska Title 46. A copy of the AKDEC's initial notice to the District, and its subsequent responsibility determination, are attached to this letter.

Also attached to this letter is the Northwest Arctic Borough's response to AKDEC's initial responsibility notice. It explains that the spill occurred when a fuel delivery scheduled for Shungnak Native Store and Alaska Village Electric Cooperative (AVEC) tanks was misdirected by Store employees to a tank at the school, which then overflowed. The fuel misdirection was the result of the three-way valve on the fuel line being left open in the direction of the school tank, rather than the direction of the AVEC tanks. The District and Borough did not have any role whatsoever in the delivery of the fuel.

The District requests a review and reconsideration of the Coast Guard's determination based on the finding by AKDEC, with a determination that neither the District or Borough is responsible for the costs.

Furthermore, the District requests an explanation of the basis and nature of the alleged debt, and an accounting of how the debt was calculated. Finally, the District requests a copy of the documents relied upon to make the Coast Guard's determination.

The District retains all legal rights and defenses available to it. I look forward to your response.

U.S. Department of  
Homeland Security

United States  
Coast Guard



DIRECTOR  
NATIONAL POLLUTION FUNDS CENTER

US COAST GUARD STOP 7605  
2703 MARTIN LUTHER KING JR AVE SE  
WASHINGTON, DC 20593-7605  
Staff Symbol: CI  
Phone: 571-614-3804  
Toll-Free: 1-800-358-2897  
Email: [David.M.Dubay2@uscg.mil](mailto:David.M.Dubay2@uscg.mil)

7260

February 19, 2026

Jermain, Dunnagan & Owens, P.C  
Attn: Michael D. Caulfield  
111 West 16th Avenue, Suite 203  
Anchorage, AK 99501

RE: Shungnak School Oil Discharge  
FPN: UCGPE23006

Dear Mr. Caulfield,

I have reviewed your letter dated January 27, 2026, contesting the Coast Guard's determination that the Northwest Arctic Borough School District ("the District") is a responsible party for the oil discharge at the Shungnak School on June 20, 2020. After careful consideration of your arguments and the provided exhibits, the Coast Guard maintains its determination that the District is liable for removal costs and damages for this incident.

The NPFC does not dispute the facts of the incident as they are contained in the Alaska Department of Environmental Conservation's report. However, the misaligned valve does not absolve the District under the Oil Pollution Act ("OPA"). Under OPA, "each responsible party for a vessel or a facility from which oil is discharged, or which poses the substantial threat of discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive economic zone is liable for the removal costs and damages . . . that result from such incident." 33 U.S.C. § 2702(a). Under 33 U.S.C. § 2701(32)(B), the "responsible party" for an onshore facility is defined as "any person owning or operating the facility." While your letter clarifies that the Northwest Arctic Borough holds title to the tank, the School District actively manages its fuel deliveries and uses the tank/facility for heating purposes. This establishes the District as an "operator" of the facility.

The courts have had no difficulty finding liability for oil spills under an "operator" theory of liability. Despite Congress's circular approach of using a term to define itself, "defining the term 'operating' in the context of an oil discharge is not terra nova for the courts." *U.S. v. Nature's Way Marine, LLC*, 904 F.3d 416 (5th Cir. 2018) (quoting *U.S. v. Bestfoods*, 524 U.S. 51 (1998) (The United States Supreme Court has already opined that an "operator" in the CERCLA context was one who "manage[s], direct[s], or conduct[s] the operations specifically related to pollution [...]"). "When [Congress] used the verb 'to operate,' we recognize that the statute obviously meant something more than mere mechanical activation of pumps and valves and must be read to contemplate 'operation' as including the exercise of direction over the facility's activities." *Id.* at 71, 118 S.Ct. 1876. The District is the operator of the tank farm that was the source of the oil spill and is thus squarely within the purview of OPA's liability scheme.

The District argues that the Alaska Native Industries Cooperative Association (ANICA) is the correct responsible party for this incident. There may be more than one responsible party. *See Smith Property Holdings, 4411 Connecticut L.L.C. v. U.S.*, 311 F. Supp. 2d 69, 81 (D.D.C. 2004). Therefore, if a discharge occurs as part of a single "incident" involving the transfer from a barge to a facility, the government may designate both the facility and the vessel as responsible parties. OPA imposes strict, joint, and several liability on both owners and operators; ownership is not the sole prerequisite for liability. The District may have a contribution claim against ANICA and/or the barge company that delivered the fuel, Crowley Fuels, LLC, but it remains liable for the government's removal costs.

Further, the liability determination made by the Alaska Department of Environmental Conservation (ADEC) under Alaska Statute Title 46 is separate and distinct from federal liability. The Coast Guard is authorized by federal statute to recover costs from any liable party as defined by OPA, independent of state findings regarding "primary" responsibility.

You have asserted the "Third-Party Defense" under 33 U.S.C. § 2703(a)(3), citing that the fuel was misdirected by Store employees (third parties). However, this defense is only valid if the responsible party proves that:

- The discharge was caused solely by the act or omission of the third party; and
- The responsible party exercised due care with respect to the oil concerned and took precautions against foreseeable acts or omissions of any such third party.

The SITREP indicates that fuel was able to flow into School Tank #1 and overflow. For the fuel to enter the tank, the tank's intake piping must have been open to flow. The failure to close, lock, or secure the intake valves of the school's tank during a time when no delivery was scheduled constitutes a failure to exercise due care. Had the District's facility been properly secured, the misdirection of the 3-way valve would not have resulted in an ingress of oil into the school's tank. Because the District's omission contributed to the incident, the spill was not caused solely by the third party. Please be advised that OPA requires a responsible party to pay all removal costs and damages incurred by "any claimant". 33 USC § 2702(d)(1)(B). If the District desires to assert an affirmative defense to OPA liability, it must first pay all claims and then file a request for third party defense to the fund for adjudication.

Consequently, the School District remains a Responsible Party under OPA 90. The request to rescind the liability determination is denied. The Coast Guard hereby requests payment of the outstanding debt or the initiation of a payment plan immediately. Under 33 U.S.C. § 2717(f)(2), an action to recover removal costs under OPA "must be commenced within 3 years after completion of the removal action." EPA's documentation shows that the removal action in this case was completed on October 7, 2024. Further, the 3-year limitation does not apply to referral of debts by federal agencies to the Department of Treasury's Debt Management Service for offset.

If you have any questions, you may contact me by email at David.M.Dubay@uscg.mil. As a reminder, your cost to close this matter will only increase over time. Please include the Federal Project Number (UCGPE23006) in all correspondence to ensure proper credit to your

Subj: Shungnak School Oil Discharge/ UCGPE23006

account and a timely and accurate resolution of this matter.

Sincerely,

David M. Dubay

USCG National Pollution Funds Center



# NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Ambler · Buckland · Deering · Kiana · Kivalina · Kobuk · Kotzebue · Noatak · Noorvik · Selawik · Shungnak  
PO Box 51 · Kotzebue, Alaska 99752 · Phone (907) 442-1800

March 19, 2026

Honorable Senator Sullivan  
702 Hart Senate Office Building  
Washington, DC 20510

RE: Shungnak School Oil Discharge, Coast Guard Demand

Dear Senator Sullivan,

I write to you on behalf of the Northwest Arctic Borough School District (NWABSD). As Superintendent for the District, I am seeking your assistance with a demand on the District from the United States Coast Guard regarding costs for a fuel spill cleanup in 2020.

On June 20, 2020, the Village of Shungnak Store had a scheduled fuel delivery. NWABSD was not involved in the delivery, and was not even aware that a fuel delivery was occurring. During the fuel transfer process, a Shungnak Store employee improperly operated a valve that allowed fuel to flow to the School District's tank farm. This caused fuel to overflow and spill out of one of the District's tanks. This spill resulted in cleanup efforts by both state and federal environmental authorities.

A subsequent investigation by the Alaska Department of Environmental Conservation, in conjunction with the Alaska Department of Law, found that the Village of Shungnak was "the primary responsible party" for the spill.<sup>1</sup> Additionally, because the spill occurred partly on Borough owned property, the Northwest Arctic Borough expended over \$100,000 towards spill response.<sup>2</sup>

Despite the facts, and DEC's official determination that the District had nothing to do with this spill, in late 2025 the Coast Guard sent the District a demand that the District cover the federal government cleanup costs of almost \$370,000.00.<sup>3</sup> Our legal counsel has already written to the Coast Guard informing them that the Village of Shungnak was found primarily responsible, and requesting that payment of the cleanup costs be borne by the party responsible.<sup>4</sup> Unfortunately, the Coast Guard has refused to pursue payment from the Village of

<sup>1</sup> State of Alaska, Dep't of Env't Conservation, Primary Responsible Party Determination, *Re: Shungnak School Tank Heating Oil Overfill, Spill No. 20389917201* (Jun. 8, 2021).

<sup>2</sup> Letter from Lucy S. Nelson, Mayor, Northwest Arctic Borough, to Jade Miller, Env't Program Specialist, State of Alaska Dep't of Env't Conservation, *Re: Shungnak School Tank HHO Overfill, Spill No. 20389917201* (Jul. 23, 2020).

<sup>3</sup> Memorandum from Matthew Fischer, U.S. Coast Guard, to Northwest Arctic Borough Sch. Dist., *Re: Shungnak School Oil Discharge* (Dec. 4, 2025).

<sup>4</sup> Letter from Michael Caulfield, Jermain Dunnagan & Owens, P.C., to Matthew Fischer, U.S. Coast Guard, *Re: UCGPE23006, Shungnak School Oil Discharge Response* (Jan. 27, 2026).

Shungnak, and continues to assert that the District should pay these costs.<sup>5</sup> The Coast Guard has also ignored our attorney's request to provide records to justifying the amounts charged, given that federal involvement in this cleanup was limited, and to the District's knowledge no federal personnel were on scene at any time during the cleanup.<sup>6</sup>

As you are well aware, school districts across Alaska are facing severe budgetary shortfalls. NWABSD is currently experiencing an approximate \$11 million dollar budget shortfall. What this means is that if the Coast Guard proceeds with this effort, valuable resources otherwise allocated for the education of the District's children will be diverted to pay a sum that is insignificant to the federal government, but a large and meaningful amount to the District. To then add insult to injury, the District would need to expend additional resources to engage in otherwise unnecessary litigation to seek recovery of this amount. These resources would come directly from the District's budget because insurance coverage for this payment has been denied. This unfortunate series of events can all be avoided if the Coast Guard would pursue the actually responsible party.

I respectfully request assistance to help convince the Coast Guard that its current posture is both unreasonable, and will unnecessarily cause direct harm to the District and the students it is charged with educating. The demand for payment should be withdrawn.

Enclosed with this letter is supporting documentation from DEC showing that the Village of Shungnak is the primarily responsible party, as well as the District's correspondence with the Coast Guard. Any assistance that you may be able to provide will go a long way towards helping our region's children, and ensuring that the District's limited public education dollars are spent on education for students.

Respectfully,

*Terri Walker*

Terri Walker,  
Superintendent

Enclosures: June 8, 2021 Determination Letter  
July 23, 2020 NWABSD Letter  
December 4, 2025 Memorandum  
January 27, 2026 JDO Letter  
February 19, 2026 U.S. Coast Guard Letter

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<sup>5</sup> Letter from David M. Dubay, U.S. Coast Guard, National Pollution Funds Center, to Michael Caulfield, Jermain Dunnagan & Owens, P.C., *Re: Shungnak School Oil Discharge* (Feb. 19, 2026).

<sup>6</sup> *Id.*