



Insurance Catastrophe Loss Review: Oil Spills

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Top 10 Worst Oil Spills: By Volume of Oil Spilled

An estimated 5,000 barrels, or 210,000 gallons, a day of oil are flowing into the Gulf of Mexico after the explosion, fire and sinking of BP's Deepwater Horizon oil rig

Date	Spill Name	Location	Size of Spill (Tons)
January 1991	Gulf War Oil Spill	Persian Gulf	1,500,000*
June 1979	Ixtoc I oil well	Gulf of Mexico	454,000
July 1979	Atlantic Empress/Aegean Captain	Caribbean Sea	287,000
March 1992	Fergana Valley	Uzbekistan	285,000
February 1983	Nowruz oil field	Persian Gulf	260,000
May 1991	ABT Summer	Angolan coast	260,000
August 1983	Castillo de Bellver	Cape Town, South Africa	252,000
March 1978	Amoco Cadiz	Off the coast of Brittany, France	223,000
April 1991	The Haven	Off the coast of Italy	145,000
November 1988	The Odyssey	Off the coast of Nova Scotia	132,000

*Top end of estimated tons of oil spilled.

Sources: http://www.msnbc.msn.com/id/36852827/ns/us_news-environment

Sample of Most Costly Oil Tanker Spills*



Date	Spill Name	Location	Estimated Size of Loss
1989	EXXON VALDEZ	Alaska	Clean up: \$2.5 billion. Total costs (incl. fines, penalties and claims settlements): \$7 billion. Court cases continue, final costs unknown.
1978	AMOCO CADIZ	France	Est. cost \$282 million, of which about half for legal fees and accrued interest.
1993	BRAER	UK	Est. cost \$83 million. Clean up costs extremely low. Some \$61 million paid out in fishery-related damages.
1996	SEA EMPRESS	UK	Clean up: \$37 million. Total costs: more than \$60 million.
1997	NAKHODKA	Japan	Compensation settled at approx. \$219 million.
1999	ERIKA	France	Claims still being processed. Likely to exceed the \$180 million available under '92 Civil Liability and Fund Conventions.

*Where published data is available, caution is advised, as certain notoriously expensive cases can easily skew the analysis

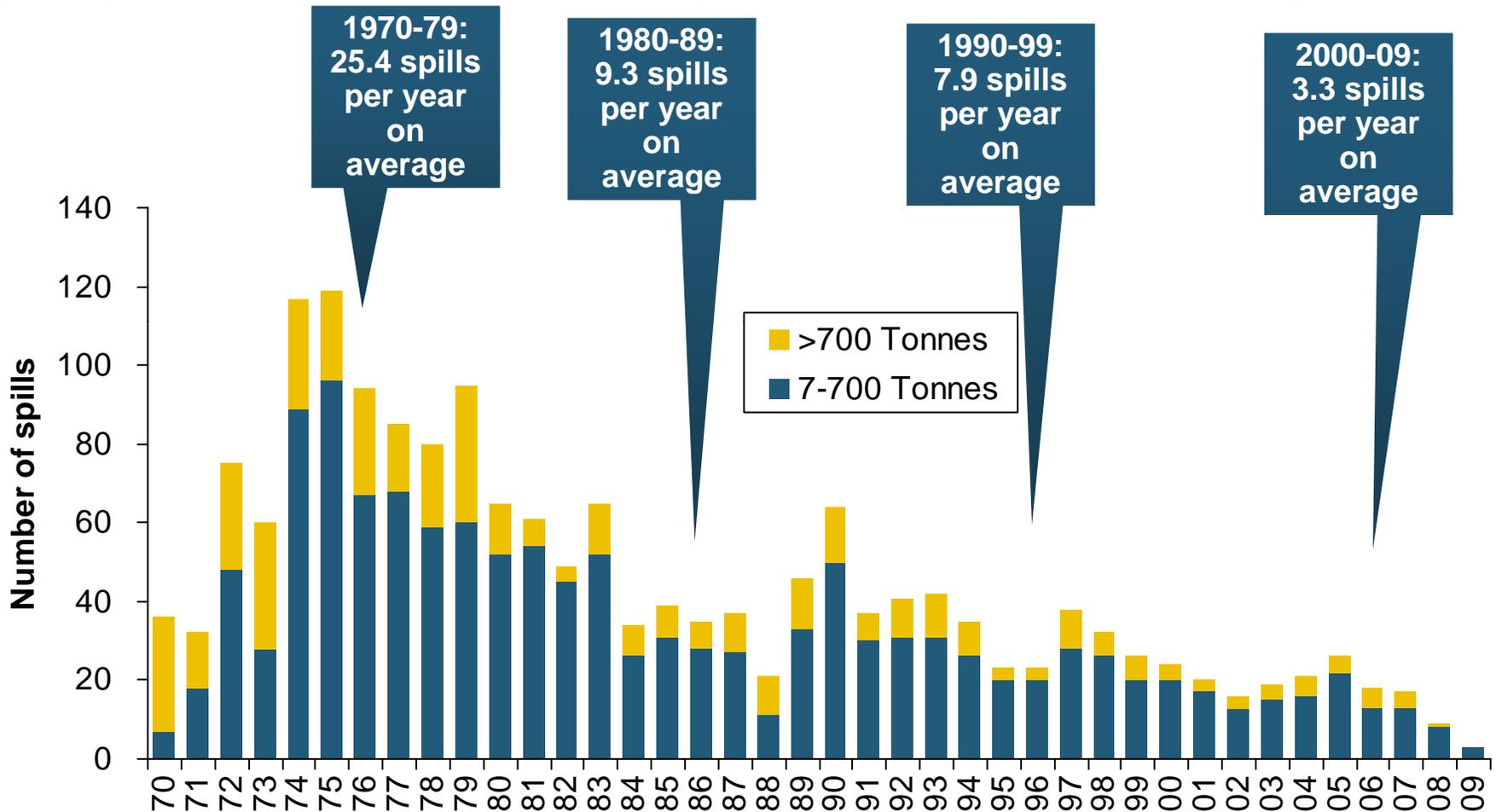
Sources: International Tank Owners Pollution Federation; <http://www.itopf.com/spill-compensation/cost-of-spills/>

BP Oil Rig Loss: Types of Coverage That Might Apply

- **Physical Damage:** provides coverage for physical damage or loss to a company's offshore property and equipment, including offshore fixed platforms, pipelines and production and accommodation facilities.
- **Business Interruption/Loss of Production Income:** provides coverage for energy businesses against loss due to temporary interruption in oil/gas supply from an offshore facility as a result of physical loss or damage to an offshore facility.
- **Operators' Extra Expense (Control of Well):** provides coverage for costs incurred by energy businesses when regaining control of a well after a "blowout". Coverage may include: redrilling expenses incurred in restoring or redrilling well after blowout; seepage and pollution liability coverage to pay third party bodily injury, damage to and loss of third party property.
- **Offshore Construction:** provides coverage for the many different risks energy businesses face during construction projects, from project inception through completion and beyond.
- **Liability: *Comprehensive general liability*:** provides coverage for claims an energy business is legally obligated to pay as a result of bodily injury or property damage to a third party. ***Workers compensation/employers liability*:** covers energy businesses for losses from injury or death of employees.
- **Environmental/Pollution Liability:** provides coverage for bodily injury, property damage, and clean up costs as a result of a pollution incident from a designated site.

Source: <http://www.iii.org/insuranceindustryblog/>;
http://www.iii.org/articles/offshore_energy_facilities_insurance_considerations.html

Number of Oil Tanker Spills Over 7 Tons



Source: The International Tanker Owners Pollution Federation Limited; Insurance Information Institute.

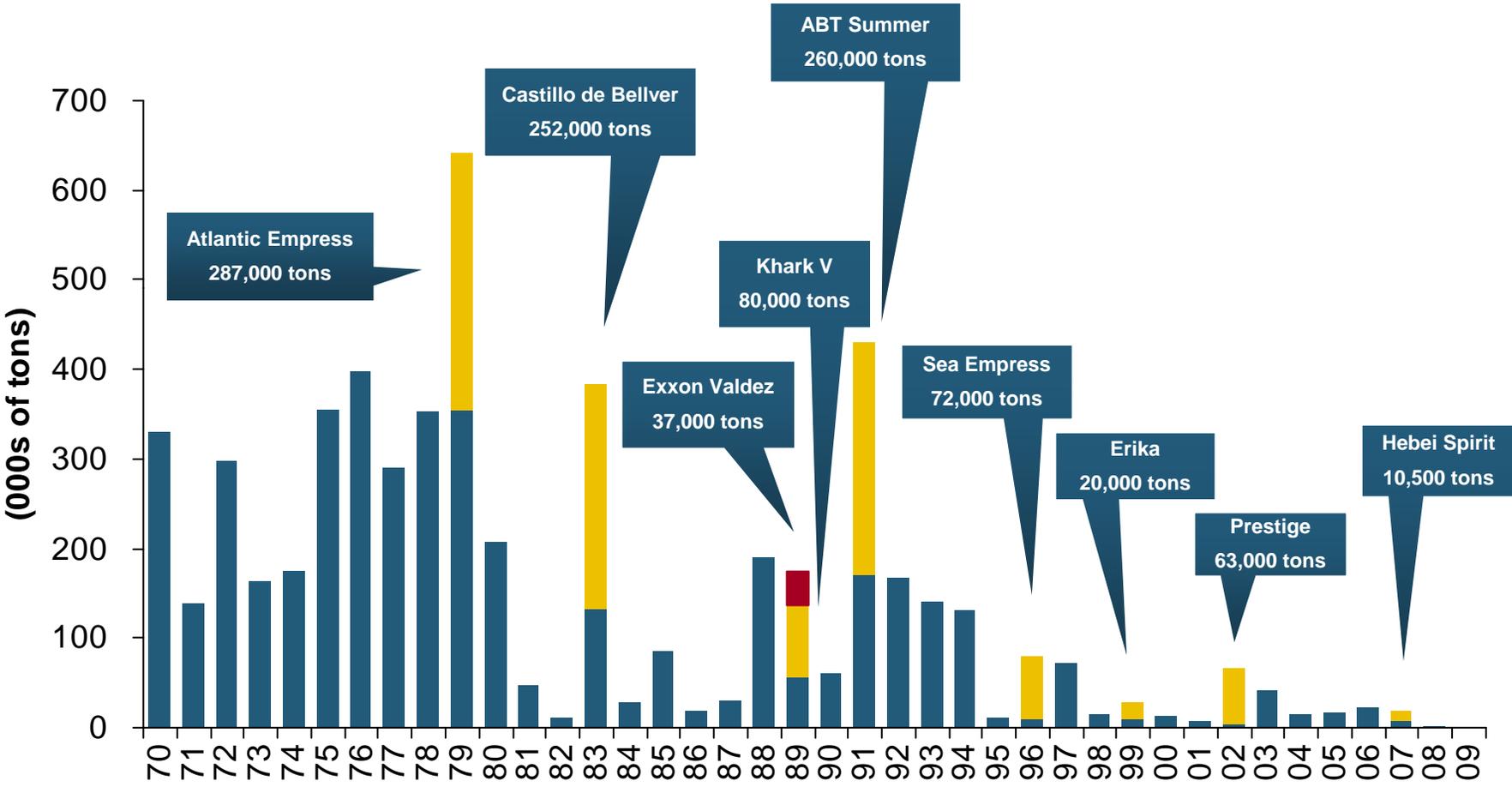
Top 20 Major Oil Tanker Spills by Size of Spill Since 1967, Plus Exxon Valdez



Position	Shipname	Year	Location	Spill size (tons)
1	Atlantic Empress	1979	Off Tobago, West Indies	287,000
2	ABT Summer	1991	700 nautical miles off Angola	260,000
3	Castillo de Bellver	1983	Off Saldanha Bay, South Africa	252,000
4	Amoco Cadiz	1978	Off Brittany, France	223,000
5	Haven	1991	Genoa, Italy	144,000
6	Odyssey	1988	700 nautical miles off Nova Scotia, Canada	132,000
7	Torrey Canyon	1967	Scilly Isles, UK	119,000
8	Sea Star	1972	Gulf of Oman	115,000
9	Irenes Serenade	1980	Navarino Bay, Greece	100,000
10	Urquiola	1976	La Coruna, Spain	100,000
11	Hawaiian Patriot	1977	300 nautical miles off Honolulu	95,000
12	Independenta	1979	Bosphorus, Turkey	95,000
13	Jakob Maersk	1975	Oporto, Portugal	88,000
14	Braer	1993	Shetland Islands, UK	85,000
15	Khark 5	1989	120 nautical miles off Atlantic coast of Morocco	80,000
16	Aegean Sea	1992	La Coruna, Spain	74,000
17	Sea Empress	1996	Milford Haven, UK	72,000
18	Nova	1985	Off Kharg Island, Gulf of Iran	70,000
19	Katina P	1992	Off Maputo, Mozambique	66,700
20	Prestige	2002	Off Galicia, Spain	63,000
35	Exxon Valdez	1989	Prince William Sound, Alaska, USA	37,000

This table gives a brief summary of 20 major oil spills since 1967. EXXON VALDEZ is included for comparison although this incident falls somewhere outside the group.

Annual Quantity of Oil Spilled by Tankers, 1970-2009



Source: The International Tanker Owners Pollution Federation Limited.