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**DEPARTMENT OF HEALTH**

**STATE OF HAWAII**

ENVIRONMENTAL HEALTH DIVISION,	)	Case No. 21-UST-EA-02
DEPARTMENT OF HEALTH, STATE OF	)	
HAWAII,	)	<b>DECLARATION OF</b>
Complainant,	)	<b>JAMES B. BALOCKI</b>
	)	
v.	)	
	)	
UNITED STATES DEPARTMENT OF THE	)	
NAVY,	)	
	)	
Respondent.	)	
_____	)	

**DECLARATION OF JAMES B. BALOCKI**

I, James B. Balocki, declare as follows:

1. I am the Acting Principal Deputy Assistant Secretary of the Navy (Energy, Installations and Environment). I am the principal advisor to the Secretary of the Navy and the individual performing the duties of the Under Secretary of the Navy on Department of the Navy policies related to the environment, including protection, compliance, restoration, and pollution prevention.

2. I make this declaration in support of the Respondent, United States Department of the Navy's ("Navy") opposition to the Emergency Order of December 6, 2021, the Complainant, Environmental Health Division, Department of Health, State of Hawaii ("DOH"), issued

concerning impacts that contamination of the Red Hill shaft had on the Navy's drinking water system, and residents residing in military privatized housing. I make this declaration based upon personal knowledge and I am competent to testify as to all matters stated herein.

3. I have been assigned to provide Secretariat-level oversight of and assistance to the Navy's response, and address the agency's efforts to eliminate any risk to human health, safety and the environment posed by recent events from the Red Hill Facility. I arrived in Hawaii on December 1, 2021, and departed on December 14, 2021.

4. The Navy (and in part the Army) owns and operates a water system located in Honolulu, Hawaii that serves potable water on military installations, Public-Private Venture Housing (PPV Housing), and the military community and facilities associated with Joint Base Pearl Harbor-Hickam. The Navy's system also services limited areas adjacent to its installations, which were prior government enclaves the Navy transferred to state and local governments. The system is comprised of three drinking water supply wells: 1) the Red Hill Shaft; 2) the Navy Aiea-Halawa Shaft; and 3) the Waiawa Shaft. The Navy's drinking water systems is distinct from the Honolulu Board of Water Supply's drinking water system, which is a public utility.

5. On or about November 28, 2021, the Navy received reports from residents in PPV Housing that water from the Navy-owned and operated water system was producing odors of chemicals or fuel in affected areas. In response to these reports, on that same day between the hours of 7:30 pm and 9:15 pm, the Navy shut down the Red Hill Shaft. On December 3, 2021, the Navy, out of an abundance of caution and following the Board of Water Supply's action in shutting down the Board owned/operated Halawa Shaft, shut down Navy Aiea-Halawa Shaft. Thereafter, only the Waiawa Shaft remains in service.

6. On November 30, 2021, the Navy began providing bottled and bulk potable water supplies to all affected residents and users serviced by the Navy's water system, and it set up four distribution centers that continue to operate.

7. On December 3, 2021, the Navy provided notice to the affected residents or parties of water from its system to stop using the water for drinking, cooking, bathing, and laundry, which included notifications to area schools, child development centers, and all residents serviced by the system.

8. In addition to providing alternative drinking water, the Navy has provided alternative water sources for bathing and laundry facilities. Portable showers and laundry units have been placed in neighborhoods; gymnasiums with shower facilities at locations where the water has not been affected were made available to the residents. The Navy has also increased the operating hours at these facilities to accommodate affected residents.

9. To mitigate any further exposure to potential contaminants, the Navy is disseminating information through various outlets. As of December 13, 2021, the Navy has hosted nine (9) live in-person and virtual town hall meetings, and it provided up-to-date information on alternative housing and lodging resources. It has established a dedicated webpage publishing the latest information on the Navy and DOH's additional sampling results; the location and availability of alternative sources of water; family assistance resources; and links to news and information concerning the contamination available on public domains. The website is available at: [www.cpf.navy.mil/JBPHH-Water-Updates/](http://www.cpf.navy.mil/JBPHH-Water-Updates/).

10. The Navy established five (5) additional medical screening and medical care sites and a medical screening hotline. As of December 11, 2021, the Navy has screened over 4650 people for exposure to petroleum and other potential contaminants of concern.

11. The Navy and Department of Defense agencies have brought seventy-nine (79) additional medical and technical subject matter experts to Honolulu to assist with its response efforts, whose expertise include water quality, toxicology, and risk and public affairs to disseminate timely and accurate information.

12. The Navy has established a Red Hill Crisis Action Team to provide those affected with access to medical care, and financial and housing resources. To ensure its affected residents are protected from any exposure to contamination, the Army has also established Task Force Ohana Water Response to provide emergency family assistance and to connect service members, their families, and resident of Army facilities in affected areas with the available resources.

13. On December 10, 2021, the Navy established a medical registry to document potential exposure to contamination for impacted service members, their families, and residents of affected areas, and ensure any impacts that may manifest at a future date are documented.

14. On November 23, 2021, the Commander, U.S. Navy Pacific Fleet, convened an investigation (CPF Investigation) into the November 20, 2021 recovery of 14,000 gallons for water-and-fuel mixture from a fire suppression drain line, which initial indications indicate may be the source of contamination. The CPF investigation is focused on the root cause of two separate but potentially related incidents Red Hill Facility. Specifically, the investigating officer is examining the root cause of a prior release from a fuel pipeline in the lower access tunnel that occurred on May 6, 2021. The investigation is examining whether the fuel found during the November 20, 2021 release, which was located down gradient from the site of the May 6, 2021, release, is related.

15. In addition to the root cause analysis concerning the source of contamination, the CPF Investigation will make recommendations for decisions concerning additional actions the

Navy can take to protect human health and the environment. It will recommend improvements to: 1) the Navy's emergency and crisis team response measures; 2) the integrity of the Red Hill Facility; and 3) necessary corrective actions – both near and long term – for deficiencies in facility operations and oversight. The results of the investigation are due on January 14, 2022.

*See Attachments N-1-A and N-1-B2.*

16. On December 7, 2021, the Secretary of the Navy ordered the Chief of Naval Operations to take immediate actions at the Red Hill Facility and directed the following:

- a. The cessation of all operations at the Red Hill Facility until the investigation into the cause of the incident is complete;
- b. The continuing isolation of the Red Hill and Navy Aiea-Halawa wells, until the water distribution main and all affected homes and buildings have been flushed and supplied with potable water that meets EPA drinking water standards;
- c. Evaluate acquisition of a drinking water treatment system or systems at the Red Hill Shaft to ensure the distribution of drinking water conforms to standards prescribed the Safe Drinking Water Act and applicable regulations and to minimize the movement of any contaminant plume;
- d. Within 30 calendar days, the Navy will consult with a qualified independent third party to assess operations and system integrity of the Red Hill Facility to determine design and operational deficiencies that may impact the environment and develop a work plan and implementation schedule to conduct necessary repairs and make necessary changes in operations to address any deficiencies identified in the assessment. Corrective actions shall be performed as expeditiously as possible; and

- e. Following the independent third party assessment, the Navy will approve a final work plan and implementation schedule and will expeditiously perform work and make necessary changes in operations.

See **Attachment N-1-C**.

17. On December 9, 2021, the Navy awarded a contract for up to twenty million dollars to install a temporary drinking water treatment system at the Red Hill Shaft. The Navy is also pursuing a permanent drinking water treatment system for the Red Hill Shaft, and is planning for an investment of up to 100 million dollars. In the short-term, the Navy is examining application of an emergency military construction authority (MILCON) which allows investment of up to fifty million dollars in the system per fiscal year.

18. In coordination with the DOH, the Navy is developing a plan to remediate the Red Hill Shaft, the water distribution mains, and all affected homes and buildings by skimming contaminants and flushing the water systems. The Navy will not return Navy-operated supply shafts to service until all contaminants have been flushed from the affected buildings and homes, and the waters tested and found clear of contamination; the Navy will not supply water that does not meet EPA drinking water standards.


19. The Navy remains in daily communication with the DOH, and frequent communication with the Board of Water Supply. The Navy is providing timely results of testing and updates on its response actions.

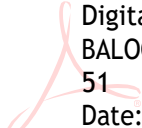
20. Every action the Navy has taken since it received the initial reports of users affected by contaminants in the water system have been taken to stop any threat to human health, safety and/or the environment.

21. The Red Hill Bulk Fuel Storage Facility holds a significant percentage of petroleum war reserves required to defend national security interests in the Indo-Pacific region. In contingency or crisis, our strategic reserve supports all U.S. military forces throughout the theater, including those stationed in and transiting through Hawaii. It also supports the Hawaii Army and Air National Guard and is available to support civil authorities as a vital fuel source for Hawaii during disasters and emergencies. Red Hill could supply fuel to the Daniel K. Inouye International Airport, Honolulu Harbor, Hawaiian Electric, and responding ships and aircraft. Its hardened, underground, cyber-protected, gravity-fed system to Joint Base Pearl Harbor-Hickam is unique, critical to national defense, and there is no comparable U.S.-owned facility anywhere from India to mainland USA.

22. I declare under penalty of perjury that the foregoing facts are true and correct to the best of my knowledge and belief.

Dated: Washington, District of Columbia; December 17, 2021.

  
\_\_\_\_\_  
James B. Balocki

  
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Date: 2021.12.17 19:55:38 -05'00'



**DEPARTMENT OF THE NAVY**  
COMMANDING OFFICER, STAFF ENLISTED PERSONNEL  
UNITED STATES PACIFIC FLEET  
250 MAKALAPA DRIVE  
PEARL HARBOR, HAWAII 96860-3131

IN REPLY REFER TO:  
5830  
Ser N00 1232  
23 Nov 21

From: Commander, U.S. Pacific Fleet  
To: RDML Christopher J. Cavanagh, USN

Subj: COMMAND INVESTIGATION INTO THE 6 MAY 2021 AND 20 NOVEMBER 2021  
INCIDENTS AT RED HILL BULK FUEL STORAGE FACILITY

Ref: (a) JAGINST 5800.7G  
(b) R.C.M 303, MCM

1. This appoints you, per references (a) and (b) to complete a command investigation into the 6 May 2021 and 20 November 2021 fuel leak incidents at Red Hill Bulk Fuel Storage Facility.
2. In light of new information regarding the possible scope and scale of the 6 May 2021 fuel leak combined with its possible impact on the subsequent 20 November 2021 fuel leak, I assess a comprehensive PACFLT investigation into both incidents is required to provide additional investigative scrutiny and quality assurance. Your investigation will be informed by three fundamental priorities: (1) ensuring there are no additional spillages released into the environment; (2) ensuring Red Hill operations are environmentally safe and secure; and (3) identifying root causes and remedial actions to safeguard the local environment and ensure this does not happen again.
3. In conducting your investigation, you will determine the facts and circumstances regarding what caused both incidents; calculate the quantity of fuel that may have been released into the environment; identify the role and impact of material failures, technical competence, and human error; evaluate whether reporting of both incidents was timely, accurate and thorough; and recommend appropriate remedial actions as informed by the priorities listed in paragraph 1. Report your findings of fact, opinions, and recommendations in letter form supported by enclosures. Your opinions and recommendations should include appropriate administrative and/or disciplinary actions, if any are warranted.
4. Based on the complexity of the subject matter surrounding these events, you are authorized at your discretion to assemble a multi-disciplinary team with a broad range of expertise and skills to assist in this investigation.
5. You may seek legal advice from the U.S. Pacific Fleet Judge Advocate throughout your investigation. If you have not previously done so, read chapter II of reference (a) in its entirety before beginning your investigation.



Subj: COMMAND INVESTIGATION INTO THE 6 MAY 2021 AND 20 NOVEMBER 2021  
INCIDENTS AT RED HILL BULK FUEL STORAGE FACILITY

6. Because the Red Hill Bulk Fuel Storage Facility is primarily operated by Naval Supply Systems Command (NAVSUP), you will coordinate with NAVSUP as necessary and appropriate to ensure you have access to the areas, personnel, and information you determine are relevant to complete your investigation. You are also authorized to directly liaison and coordinate with any additional commands or entities as necessary to complete your investigation.

7. You are to complete this report and return to me by close of business on 23 December 2021 unless I grant you an extension.



S. J. PAPARO

Copy to:  
NAVSUP  
NAVFAC  
Navy Region Hawaii  
N01J



**DEPARTMENT OF THE NAVY**  
COMMANDING OFFICER, STAFF ENLISTED PERSONNEL  
UNITED STATES PACIFIC FLEET  
250 MAKALAPA DRIVE  
PEARL HARBOR, HAWAII 96860-3131

IN REPLY REFER TO:  
5830  
Ser N00/1260  
3 Dec 21

From: Commander, U.S. Pacific Fleet  
To: RDML Christopher J. Cavanagh, USN

Subj: AMENDED COMMAND INVESTIGATION INTO THE 6 MAY 2021 AND  
20 NOVEMBER 2021 INCIDENTS AT RED HILL BULK FUEL STORAGE  
FACILITY

Ref: (a) JAGINST 5800.7G  
(b) R.C.M 303, MCM  
(c) Commander, U.S. Pacific Fleet ltr 5830 Ser N00/1232 of 23 Nov 21

1. In accordance with references (a) and (b), the following is added to paragraph 3 of reference (c): "In addition to your assigned tasking herein, you are also directed to investigate whether the events of 6 May 2021, 20 November 2021, or any other similar event at Red Hill Bulk Fuel Storage Facility (Red Hill) contributed to or caused the contamination of the Navy water system in and around Joint Base Pearl Harbor Hickam and its surrounding areas."
2. Paragraph 7 of reference (c) is amended to read as follows: "You are to complete this report and return it to me by close of business on 14 January 2022."
3. Reference (c) remains in effect as amended in paragraphs 1 and 2 above.
4. Our paramount obligation is to protect the health and welfare of service members, civilians, and their families. We must, therefore, ensure they have access to safe water. Your investigation will directly assist our efforts to identify the source of any water contamination, protect our community, and safeguard the environment.

  
S. J. PAPARO

Copy to:  
NAVSUP  
NAVFAC  
Navy Region Hawaii  
N01J



THE SECRETARY OF THE NAVY  
WASHINGTON DC 20350-1000

December 7, 2021

MEMORANDUM FOR THE CHIEF OF NAVAL OPERATIONS

SUBJECT: Immediate Actions: Red Hill Underground Storage Tanks

The Department of the Navy is committed to providing reliable and safe drinking water to our Service Members, civilians, residents and their families at Joint Base Pearl Harbor-Hickam and everyone who lives and works within the community. The recent incident at Joint Base Pearl Harbor-Hickam, in which military housing units and other facilities received tap water containing petroleum products is not acceptable. The Department of the Navy will take every action to identify and remedy this incident.

I am confident that the actions taken to date by the Department of the Navy, in coordination with the Hawaii Department of Health, the Board of Water Supply, the U.S. Environmental Protection Agency (EPA), the Army, and the Defense Logistics Agency, to include intensive site investigations and sampling, will assist in the identification of the cause of this incident and will lead to the implementation of robust corrective measures to remedy this issue and restore safe drinking water for the community. Therefore, I am directing, under your leadership, the following actions:

1. The cessation of all operations at the Red Hill Underground Storage Tanks until the investigation into the cause of the incident is complete;
2. The continuing isolation of the Red Hill and Halawa wells which we operate, until the water distribution main and all affected homes and buildings have been flushed and can be supplied with potable water that meets EPA drinking water standards;
3. Evaluate acquisition of a drinking water treatment system or systems at the Red Hill Shaft to ensure the distribution of drinking water conforms to standards prescribed by the Safe Drinking Water Act and applicable regulations and to minimize the movement of any contaminant plume;
4. Within 30 calendar days, the Navy will consult with a qualified independent third party to assess operations and system integrity of the Red Hill Underground Storage Tank Facility to determine design and operational deficiencies that may impact the environment and to develop a work plan and implementation schedule to conduct necessary repairs and make necessary changes in operations to address any deficiencies identified in the assessment. Corrective actions shall be performed as expeditiously as possible; and
5. Following the independent third party assessment, the Navy will approve a final work plan and implementation schedule and will expeditiously perform work and make necessary changes in operations.



The health and well-being of our service members, civilians, their families, and our surrounding communities is of utmost importance to me, and I want to ensure we continue the coordinated response. Therefore, we will continue to build upon our collaboration and invite Federal, State, and Local government to exchange views and information on our response to the incident and the operations at Red Hill. At all times, our efforts will remain centered on restoring potable water to affected communities, improving safety measures to the Red Hill fuel distribution system, and implementing mitigation measures to ensure a continued source of potable drinking water from the aquifer underlying the facility.

  
Carlos Del Toro

Copy to:  
DEPSECDEF  
EPA  
SECARMY  
SECAF  
USD (A&S)  
CMC  
UNSECNAV  
ASN (EI&E)  
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DLA  
IPC J4  
Navy OLA  
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CNRH  
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