



ASRC ENERGY SERVICES
Response Operations, LLC

Via Email and Certified Mail/Return Receipt Requested

[\(lisa.mielke@alaska.gov\)](mailto:lisa.mielke@alaska.gov)

Ms. Lisa Mielke
Statewide Coordinator
State of Alaska
Rapid Response Unit
P.O. Box 115509
Juneau, AK 99811-5509

[\(mayor@muni.org\)](mailto:mayor@muni.org)

Mayor Ethan Berkowitz
632 W. 6th Avenue, Suite 840
Anchorage, AK 99501

November 10, 2015

Dear Ms. Mielke and Mayor Berkowitz:

Unfortunately, due to Shell's recent and unexpected decision to end its Arctic exploration efforts, ASRC Energy Services Response Operations, LLC ("ARO") expects to be winding down its business operations in the Beaufort and Chukchi Seas. Although we have continued to evaluate whether there is anything we can do to continue operating at least on a reduced level, it is beginning to appear as if that is not going to be possible. ARO was recently informed that its primary contract for this work will soon be terminated. Needless to say, ARO did not anticipate this unfortunate turn of events and it is having a devastating impact upon its business operations.

Because ARO is primarily a seasonal project based operation, it has already laid off the majority of its employees in accordance with its normal business course of laying off its seasonal workers at the end of the season. However, it still has approximately 30 employees that we anticipate will be laid off during November and December of 2015.

There is a possibility that these upcoming layoffs and the anticipated end of operations in the Beaufort and Chukchi Seas, along with ARO's regular seasonal layoffs, may be considered an employment action subject to the Worker Adjustment and Retraining Notification Act ("WARN"). Accordingly, notice is hereby given that these upcoming layoffs will affect the bulk of ARO's remaining project team members, including, but not limited to, those operating out of the ARO head office located at 3900 C Street, Suite 701, Alaska 99503. Because of the substantial reductions being made in ARO's workforce, the company is not able to offer, and there are no bumping rights to, other positions within ARO.



ASRC ENERGY SERVICES
Response Operations, LLC

None of the workers that have already been laid off or will be laid off have union representation or are members of a collective bargaining unit. The specific job titles and number in each job classification affected by ARO's layoffs is provided below:

Seasonal positions already laid off in normal course of business:

- Deckhand (21)
- OSR Mechanic (1)
- Spill Response Tech (66)
- Supervisor, Field (7)
- Vessel Operator (13)

Regular employees that will be laid off:

- Vessel Operator (4)
- Manager, Operations (5)
- Senior Supervisor (4)
- Supervisor, Field (3)
- Spill Response Tech (3)
- Mechanic, Master (6)
- Administrative Assistant (1)

Should you have any questions, please feel free to contact me or Human Resources by telephone at 907-339-6200, mail at c/o HR, 3900 C Street, Suite 101, Anchorage, Alaska, 99503 or email at AES.EmployeeRelations@asrcenergy.com. Thank you for your attention to this matter.

Kind regards,

Gary Schliesing
General Manager
ASRC Energy Services Response Operations