

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL
September 8, 2017
Approved Minutes

Members Present: John Williams, Robert Peterkin II, Gary Fandrei, Carla Stanley, Paul Shadura, Walt Sonen, Rob Lindsey, Grace Merkes, Deric Marcorelle, Michael Opheim, Kyle Crow

Members Absent: Molly McCammon (excused), Bob Flint (excused)

Staff Present: Michael Munger, Jerry Rombach, Susan Saupe, Vinnie Catalano, Linda Giguere, Vaito'a Heaven, Cindy Sanguinetti

Staff Present by Teleconference: Maritta Eledge

Others Present: Donna Aderhold, NOAA; Heather Crowley, BOEM; Jade Gamble, DEC; Jim Herbert, PWS RCAC; Shannon Miller, DEC; Graham Wood, DEC; Robert Archibald, PWSRCAC; Natalie Mulewe, Cook Inletkeeper; Brian Blossom, ADF&G; Louie Flora, The Alaska Center; John Tuttle, EMC; Steven Russel, 152 degrees; Paul Mehler, Andeavor; Brent Mellen, USCG; Sean MacKenzie, USCG; Lori Nelson, Hilcorp; Michelle Brown, Harvest; Dan Polito, Hilcorp; Justin Jacobs, USCG; Bart Buesseler, NOAA; Dave Hassell, PHMSA; Kim Powell, NOAA;

Others Present by Teleconference: Jonathon Schick, DNR; Sierra Fletcher, Nuka Research; Tim Robertson, Nuka Research

1. CALL TO ORDER/ APPROVAL

President John Williams called the meeting to order at 9:02 am. Roll was called, establishing quorum.

Robert Peterkin II moved to approve the agenda. Gary Fandrei seconded. The agenda was approved.

Kyle Crow moved to approve the minutes of the regular and annual meeting on April 7, 2017. Robert Peterkin II seconded.

Grace Merkes noted that she was present for the regular, though absent for the annual meeting. It was also noted that Lori Nelson's name was misspelled.

The minutes were approved as amended.

- **New Ex Officio Directors**

Mr. Munger announced that Brian Blossom has assumed the Ex Officio position for Alaska Department of Fish & Game. Lt. Brent Mellen is the new Ex Officio representing the USCG.

- **Welcoming Remarks**

In the absence of Mayor Bryan Zak, Carla Stanley welcomed the RCAC to Homer.

Guests introduced themselves. There was no public comment.

*******Presentations on Related Activities*******

- **Captain Sean MacKenzie, Commander Sector Anchorage – United States Coast Guard** assumed Command in June, replacing Captain Paul Albertson. He updated the Council saying a Committee of Technical Scientific experts is reviewing and adjudicating the comments on Dispersant Use Avoidance Areas. The CG, EPA and State were briefed recently. The Captain expressed appreciation for Ms. Saupe who presented to the committee. The Avoidance Areas will be added as an annex to the Subarea C-Plans, and is on track to meet the January deadline. He thanked CIRCAC for its work.

- **Cook Inlet Pipeline Study – Tim Robertson & Sierra Fletcher, Nuka Research** provided a PowerPoint presentation to acquaint the Council with the scope of the Cook Inlet Pipeline Infrastructure Assessment aimed at gathering data to assess the integrity of 200 miles of onshore and subsea oil and gas pipelines in and around Cook Inlet. Collaborating through CIRCAC with the PHMSA Task Force, the Contractor has been updating the inventory and identifying the jurisdictional authority to regulate the various pipelines. This first phase, funded by CIRCAC and KPB, is set to be completed in this fall. The task identified as Phase 2, 2017-18, is to complete the Pipeline Integrity assessment; a proposal has been submitted to PHMSA's Technical Assistance Program for the funding needed. Information obtained during the first two phases will be used to complete Phase 3, 2018-19, by enlisting experts to develop risk reduction measures.

Goals of the overall project are to anticipate problems with the pipelines as the infrastructure ages utilizing high quality expert recommendations to identify risk reduction measures before further loss of integrity. The pipeline inventory will include maps and other pertinent data acquired from publicly available documents.

The Integrity Assessment, Phase 2, mirrors a North Slope study conducted in 2008-10. It will document analyses of causes of loss of integrity resulting in leaks. Operators will be requested to provide integrity management plans.

The information acquired through the first two phases will be presented to a panel of nationally and internationally recognized experts convened to interact with operators, agencies and the public and then to deliberate and recommend Risk Reduction Measures. It is hoped that DEC will provide funding for Phase 3.

The Executive Director is hopeful regarding acquisition of sufficient money to complete all three phases of the project. Hilcorp has pledged full cooperation by supplying requested information, but acquiring the whole history of pipelines that have had multiple owners is problematic. Spill history from early years is virtually non-existent. CIRCAC has been receiving Voluntary Pipeline Reports since 2000. Mr. Robertson said every effort will be made to gather all available information. Mr. Munger is pleased with the project progress and he is glad the Federal government is focused on Cook Inlet pipelines given recent natural gas leaks.

- **Cross-Inlet Extension- Dan Polito, Projects & Facilities Specialist & Michelle Brown, Regulatory Compliance Specialist, Hilcorp/ Harvest Alaska**

Hilcorp representatives gave a PowerPoint presentation to explain the proposal to move oil through one of the existing 10" CIGGS lines to East Forelands, routing it down to Middle Ground Shoal and to the Tesoro Refinery. To compensate for the loss of half the capacity to flow gas in the CIGGS lines Hilcorp

proposes to build 5 ½ miles of subsea and 1 ½ miles of onshore line from the Tyonek Platform up to the Beluga pipeline junction. A 3 mile extension will be built from the Granite Point Tank Farm to Kaloa and a mile long pipeline will be built from East Forelands to Middle Ground Shoal. To handle increased gas pressure 8 miles of pipe will need to be replaced to meet PHMSA requirements. Though there is expense to this project it will extend the life of oil in Cook Inlet and reduce risks by eliminating tanker transport and costs of operation and maintenance of the Drift River Oil terminal.

Hilcorp's goal is 1st gas in a year and 1st oil in October 2018. Final negotiations are underway with contractors for the west side pipeline work. Pipe will be staged and welded during the winter and pulled offshore when the ice goes out. Bids are being reviewed for the work to be done on the east side. The CIGGS line is in excellent condition. Ms. Nelson assured the Council that Hilcorp is in communications with the Natives and set net lease holders.

Right-of-Way permit applications have been submitted and Ms. Brown urged the RCAC to provide public comment. There will also be a public comment period in regards to the application to reconfigure and reroute pipe. Reconfiguration will ensure more consistent flow of oil and could potentially promote more production. Other companies will be able to use the common carrier pipeline. The future of DROT is to be determined.

Mr. Munger commented that Tesoro will still bring in tankers, but the Risk Assessment recommended a pipeline and the elimination of DROT due to the volcanic threat. Ms. Crowley added that reduction of the risk of a spill is considered in the approval by regulators.

- **Gulf Watch Alaska Monitoring Program – Kim Powell & Donna Aderhold, NOAA**

Ms. Saupe reminded the Council that much of CIRCAC's work is accomplished collaboratively, through partnerships. The Gulf Watch Alaska Program, the EVOS long-term environmental monitoring program, focuses on marine ecosystems impacted by the Exxon Valdez oil spill. Their work overlaps with CIRCAC's oceanography and nearshore data interests.

EVOS funded injury assessment, recovery studies and various ecosystem programs and since 2012 Gulf Watch Alaska to collect and synthesize northern Gulf of Alaska data to share with all interested parties. Projects fall under these components of the second 5 year program: Environmental Drivers, Plankton, and the Pelagic and Nearshore Ecosystems, all overseen by a management team. Projects conducted in lower Cook Inlet include Continuous Plankton Recorders and Mussel, Clam and Predator Sea Stars studies. Ms. Aderhold listed other studies that are being conducted that will acquire data of interest to CIRCAC. Data can be accessed and overlaid using the Gulf Alaska data portal.

It has been determined that the oil on the Prince William Sound beaches is no longer biologically available. Populations are returning.

Ms. Powell explained that as part of the component Environmental Drivers oceanographic, zooplankton and phytoplankton data are collected along transects in lower Cook Inlet and Kachemak Bay, initiated by CIRCAC in 2000. The data shows a warming trend throughout the water column, especially in the winter and freshening of the Alaska Coastal current as it comes into Kachemak Bay. Freshening waters could affect salmon navigation, which is based on salinity, and nutrient availability. Turbidity affects sunlight reaching the water column which impacts algal blooms and plankton abundance, ultimately creating implications for higher organisms. The high resolution data can be used to inform oceanographic models. Ms. Saupe added that the data can help inform decision makers during a spill.

- **ADEC- Graham Wood**

Legislation is being promoted by DEC to address abandoned (left on state submerged lands for 30 days or more) and derelict (in imminent danger of sinking within 24 hours) vessels, which are a statewide problem. The vessels create a pollution threat and other problems. Mr. Wood requested letters of support for the legislation which will seek funding through boat registration fees, following the Washington model. A creative solution is needed.

2. EXECUTIVE COMMITTEE REPORT

The Executive Committee met on 7/20, 8/17, and 9/6 to review financial documents, approve the carryover allocations, review the draft 2018 budget and discuss personnel matters in Executive Session. CIRCAC was recertified with 45 positive letters of support. The Alaska State Chamber requested to be restored as the sole representative and asserted they had been removed as a member, but the RCAC provided documentation otherwise.

The 2017 carryover was allocated as follows:

\$65,000	EMC
\$65,000	PROPS
\$10,000	Public Outreach
\$ 5,000	Protocol
<u>\$43,974</u>	Administrative
\$188,974	

The Executive Committee encouraged the PROPS to use \$45,000 of the carryover for the Pipeline Inventory.

The draft 2018 Operating & Program Budgets were presented as information items. They will be approved in December. The committees have approved their draft budget and will meet to incorporate the carryover. The funding companies have been credited for the portion they covered due to Buccaneer’s bankruptcy that was recently received through the settlement.

3. EXECUTIVE DIRECTOR’S REPORT

CIRCAC toured the BlueCrest facility this summer. Mr. Munger reported the company’s solvency is dependent on how well the well produces. If one company defaults the other companies will assume the obligation toward CIRCAC’s funding. The reduction of expected state credits has impacted BlueCrest. Staff is monitoring the situation.

There has been increased dialogue with PWS RCAC and the Executive Director encouraged board members to co-mingle with them on Science Night on November 30 and/or on December 1 for the Volunteer Appreciation Night. More information will be provided.

The Executive Director attended the USCG change of command ceremony; he will meet with the Captain McKenzie to educate him about the RCAC. He thanked the staff for their extreme dedication.

4. STATUS OF PROGRAMS & PROJECTS

- **Protocol Control Committee**

Protocol approved for signature comments regarding Tesoro Logistics' Kenai Refinery Storage Facility and Truck Terminal Oil Discharge Prevention and Contingency Plan.

- **Prevention, Response, Operations & Safety Committee**

Staff participated in the ADEC Response Exercise Program Improvement project, an Andeavor/Tesoro annual drill, the Alaska Marine Firefighting Symposium and drills for Hilcorp, Harvest/Hilcorp, Glacier Oil/Cook Inlet Energy and the associated field deployment. Committee members and staff attended the 2017 International Oil Spill Conference.

- **Environmental Monitoring Committee**

Ms. Saupe updated the Council on the 3 components of the field season which included the subtidal survey, intertidal work in the west side and lower Cook Inlet and a helicopter survey of the offshore reefs in Kamishak Bay.

The Science Director briefed the Subarea Committee regarding CIRCAC's comments on Dispersant Avoidance Areas. She will give training to Andeavour to equip them to use the ShoreZone website and CIRT and will provide a ShoreZone workshop at the Ocean 17 conference. Ms. Saupe continues to participate in the ARRT and ShoreZone partners meetings.

- **Public Involvement**

Ms. Giguere has been reaching out to expand the tourism group membership, writing a new radio ad, gearing up for the Pacific Marine Expo, and working on the Annual report.

- **Administrative**

The server is being replaced. The scholarships have been awarded. The elections/ appointments schedule will convene in early November. Mr. Rombach will attend the Alaska Process Industry Careers Consortium annual convention.

5. CALENDAR

Cook Inlet RCAC will meet at the Sheraton in Anchorage on November 30, December 1.

*****Closing Comments*****

Michael Opheim observed there was lots of information.

Kyle Crow said it was good to be in attendance.

Rob Lindsey expressed compliments to Maritta for her work on the audit.

Walt Sonen enjoyed the meeting and is happy with the work done on Dispersant Avoidance areas. He enjoyed the animated NOAA presentation.

Gary Fandrei assured the Council that the Executive Committee reviews all of the organization's financial information at each meeting and has never found anything questionable.

Robert Peterkin II was glad to hear the updates on the pipeline construction and the Pipeline Assessment. He looks forward to meeting with PWS RCAC.

Carla Stanley thanked the Council for coming to Homer and the staff and volunteers for their work.

Grace Merkes enjoyed the pipeline discussion.

Deric Marcorelle thanked the presenters, saying it was an interesting meeting.

Paul Shadura said he will represent CIRCAC at the Pacific Marine Expo.

Vinnie Catalano thanked the Directors, Council, Committees, and co-workers. It was a pleasure to be in Homer.

Susan Saupe expressed appreciation for the Council's interest in science.

Linda Giguere is surprised she has been at CIRCAC now for 5 years.

Jerry Rombach joked about giving a full presentation at the next meeting.

John Williams thanked each volunteer, the public and Coast Guard.

Michael Munger said everyone's efforts have contributed to CIRCAC's success. The staff is remarkable.

The meeting adjourned at 2:13pm.