



"The mission of the Council is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet."

September 27, 2013

Members

Alaska State Chamber of Commerce

Michael R. Evans
Alaska Department of Environmental Conservation
555 Cordova Street
Anchorage, AK 99501

Alaska Native Groups

SUBJECT: Comments on Cook Inlet Pipeline Company Oil Discharge Prevention and Contingency Plan Number 12-CP-2081, Major Amendment

Environmental Groups

Dear Mr. Evans:

Recreational Groups

The Cook Inlet Regional Citizens Advisory Council (Cook Inlet RCAC) submits these Requests for Additional Information (RAFI) on the Cook Inlet Pipeline (CIPL) Company Oil Discharge Prevention and Contingency Plan (ODPCP) Number 12-CP-2081, Major Amendment. The mission of the Cook Inlet RCAC is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet. We submit these requests on behalf of our members.

Aquaculture Associations

Fishing Organizations

The proposed plan amendment seeks to double the storage of crude oil at the Drift River facility by bringing a second large storage tank back into service. This tank has been out of service – along with all but one of the other tanks at the site – since operations ceased and all stored product was removed following the eruption of Mt. Redoubt in 2009. (This event was preceded by an eruption in 1989-1990 which resulted in significant impact at the terminal, as well as previous eruptions recorded in 1902, 1933, and 1966 per the Alaska Volcano Observatory.)

City of Kodiak

City of Kenai

In preparation for an increase in production, Cook Inlet Pipeline conducted extensive work to exceed the level of fortification that protected the facility and its assets against the 2009 Mt. Redoubt eruption. Our comments are not meant to diminish those efforts, but only to encourage a more comprehensive approach to address all eventualities when considering the storage of 540,000 bbls of crude oil at a facility that is a historical area of concern.

City of Seldovia

City of Homer

Part 5 - Response Planning Standard

Kodiak Island Borough

Due to the precarious position of the Drift River Terminal relative to the active volcano at Mt. Redoubt, the Alaska Department of Environmental Conservation (ADEC) has appropriately used its discretion granted under 18 AAC 75.432(c) to require the planholder to base the response planning standard (RPS) on all of the potentially affected tanks at the site, rather than just the largest tank.

Kenai Peninsula Borough

Municipality of Anchorage

ADEC also has the discretion at 18 AAC 75.432(d) to allow for prevention credits – or not – based on actions undertaken by the planholder. The planholder specifies actions

and features it has put in place at the site that would significantly support prevention of a spill (or minimize the consequences, as in the case of secondary containment) under normal circumstances. These measures are very effective in preventing and minimizing the frequency and size of spills associated with day to day operations of the facility and most other conditions. However, the specific condition presented by the location of the facility requires the consideration of the total tank(s) volume for response planning to realistically address a complete system failure. We acknowledge that it is unlikely for the total volume of both tanks (540,000 bbls) to enter open water, yet a cleanup of the other receiving environments for that volume would require significant additional response efforts. It is those efforts Cook Inlet RCAC believes should be incorporated into the response planning for this facility.

RFAI: We strongly suggest that the planholder should not receive ADEC discretionary prevention credits to reduce the RPS. The RPS for the facility should be the full volume of both storage tanks, 540,000 bbl.

Scenario 1 – Oil Storage Tank Rupture

The scenario describing a response to the oil storage tank rupture is generally well-organized and clearly describes the equipment and procedures that will be used (relying on the CISPRI Technical Manual). However, as discussed above, Cook Inlet RCAC recommends that ADEC require the planholder to base their RPS scenario on the full volume of Tanks 3 and 4, which is 540,000 bbl.

RFAI: Please change the RPS scenario to demonstrate containment and recovery of the full 540,000 bbl RPS volume.

Table 1-8 specifies mobilization and transport times for critical response equipment, much of which appears to be coming from other locations around Cook Inlet and must therefore be brought over the water or via airlift. At least one CISPRI provided dump truck (referenced on page 1-30) will need to be brought in by barge. However, the light snow and overcast skies (referenced in the scenario) and likely partial ice coverage of Cook Inlet waters in that area (based on the Cook Inlet Ice Atlas) could significantly slow equipment transport and mobilization.

RFAI: Please describe how equipment will be transported to the site and whether prevailing weather conditions will prevent or slow this transport.

There is one reference to the use of Tank 4 for storage of recovered fluids (page 1-30). This should be removed since a rupture of Tank 4 is now part of the scenario.

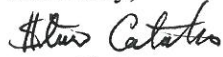
RFAI: Please remove Tank 4 as a storage option in the scenario.

Cook Inlet RCAC understands that it is important to find a sustainable, long-term solution for transporting oil from the west to the east side of Cook Inlet. That said; an oil storage terminal located within a flood plain near an active volcano, proposing to operate with a capacity of over twenty million gallons should be required to provide extensive additional response planning benchmarks as part of its contingency planning. We continue to advocate for what we believe to

be the only one viable option to reduce the risk of a catastrophic spill from the Drift River oil terminal; the reduction of oil stored at the facility through the use of a subsea crude oil transmission pipeline to transport oil from the Cook Inlet west side production operations to the east side refinery.

If you have any questions or wish to discuss this further, I can be reached at (907) 283-7222 or via email at munger@circc.org.

Sincerely,



FOR

Michael Munger
Executive Director

Cc: Betty Schorr
Graham Wood