



"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."

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*Alaska State
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*Alaska Native
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Associations*

*Fishing
Organizations*

City of Kodiak

City of Kenai

City of Seldovia

City of Homer

*Kodiak Island
Borough*

*Kenai Peninsula
Borough*

*Municipality
of Anchorage*

September 4, 2012

Rear Admiral Thomas P. Ostebo
Commander, Seventeenth Coast Guard District
P.O. Box 25517
Juneau, AK 99802-5517

RE: Cook Inlet RCAC Certification Application for September 1, 2012 to August 31, 2013

Dear Admiral Ostebo:

The Cook Inlet Regional Citizens Advisory Council (Cook Inlet RCAC) is pleased to provide you with our application for recertification as the alternative advisory group for Cook Inlet pursuant to the Oil Pollution Act of 1990 (OPA 90), Section 5002(o). Our recertification request observes the revised U.S. Coast Guard guidelines that establish a streamlined application process for two years out of every three. The guidelines require a description of substantive changes to the information provided at the last triennial recertification in 2011.

The information we have provided below outlines activities that have occurred or will occur from September 1, 2011 to August 31, 2012. In addition, documents have been enclosed to aid in your review and consideration of our recertification, including:

- Council Position Paper on the Reopening of the Drift River Oil Terminal
- 2011 Annual Report (final draft)
- Recent **Council Briefs** Newsletters
- 2010 20 Year Anniversary Annual Report

COUNCIL PRESENTATIONS

We routinely bring critical industry and scientific presentations to our Council as a regular feature of our Board of Directors meetings. Among the presentations received during the subject period were:

- John Hendrix and Lisa Parker, Apache Corporation – update
- Kevin Kennedy, PPR USA – Skimmer technology presentation
- Captain Mark Bayer, Tesoro Maritime – Overseas Martinez incident
- Jon Kurland, NOAA Fisheries – Cook Inlet Habitat Conservation Strategy

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- John Barnes and others, Hilcorp – 3 presentations: acquisition of Marathon assets; update; Drift River Oil Terminal and Christy Lee Platform fender repair
- JR Wilcox and David Hall, Cook Inlet Energy – update; Trans Foreland Pipeline
- Bruce Webb, Furie Operating Alaska – 2 presentations: updates
- Tim Robertson, Nuka Research – 2 presentations on the Cook Inlet Navigation Risk Assessment
- Todd Paxton, Cook Inlet Spill Prevention & Response, Inc. – update, including new test tank and skimmer rating capabilities

MOUNT REDOUBT / DRIFT RIVER TERMINAL

Following the eruption of Mt. Redoubt volcano in 2009, the operators of the Drift River Oil Terminal (DROT) took steps to shut the facility in, although it continued to operate in a limited capacity to support its Christy Lee Platform “tight line” loading operations. This kept the facility firmly under our scrutiny. Current operator Hilcorp Alaska successfully sought an expansion of their use of the facility for minimal storage in early 2012, and has announced plans to seek permitting for utilization of additional storage capacity. Awareness of these plans prompted Cook Inlet RCAC to invite Hilcorp to address our Directors at three successive Council Meetings – in December 2011, and March and June 2012. In addition, staff was invited to a company planning session at the facility, joining Hilcorp personnel, engineers and contractors. Satisfied with its understanding of their intentions and plans for their fortification of on-site flood control measures, the Council released a Position Paper (enclosed) on the reopening of DROT, which includes a call for building a subsea pipeline in Cook Inlet within five years of reopening the facility. Hilcorp has agreed to provide a tour for Directors and staff in late August.

OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN REVIEW

Representing the public's interest, Cook Inlet RCAC works with state agencies and industry during plan review to reinforce their importance to protecting Cook Inlet's productive waters. A thorough review of these plans is especially important to the Inlet's health since the State of Alaska lengthened the effective period for contingency plans from three years to five. During the above period, we have reviewed and commented on plans submitted by the following operators and explorers:

- Apache Alaska Corporation's Cook Inlet Area Exploratory Drilling Operations
- Cook Inlet Pipeline Company
- Nordaq Energy, Inc.'s Tiger Eye Exploration Project
- Escopeta Oil (now Furie Operations Alaska) – amendment to their ODPC
- XTO Energy
- Marathon Beaver Creek
- Hilcorp/Drift River Oil Terminal
- Buccaneer (onshore)
- Tesoro Alaska Company
- Cook Inlet Energy

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In order to expedite the review process, Cook Inlet RCAC staff has been soliciting C-Plans from the Cook Inlet plan holders prior to their application to the Alaska Department of Environmental Conservation. Doing so allows Cook Inlet RCAC a longer review period, minimizes delays, and allows time for the plan holder to consider our recommendations and to make changes. Our reviews include considerable input from members of our Protocol Committee and independent contractors.

SPILL TRAINING / DRILLS

The Oil Pollution Act of 1990 mandates Cook Inlet RCAC monitor and evaluate drills to gauge the oil industry’s ability to respond in a safe and efficient manner to actual events. As such, Cook Inlet RCAC takes the observation and participation in these exercises very seriously, even testing our own procedures for supporting the Unified Command and notifying stakeholders. In 2010/2011, Cook Inlet RCAC staff observed, reviewed, or participated in the following drills and/or exercises:

- XTO Energy Drill: Cook Inlet RCAC staff members participated in the operations section as a field observer, and as an assistant in the public information section for this table top drill. The scenario focused on a pipeline break from the A platform, releasing 4,000 gallons of oil.
- Tesoro Drill: Cook Inlet RCAC participation included assistance in public information office and the operations section during the tabletop portion of the “Harriet Point” exercise. Staff, Council members, and contractor Nuka Research were present to observe the second day’s extensive field deployment. Tesoro Alaska activated Cook Inlet Spill Prevention and Response Inc. (CISPRI) as the primary Response Action Contractor to use all available assets to respond.
- Furie Operating Alsaks Drills: Staff of Cook Inlet RCAC participated in two drills for Furie Operating Alaska (formerly Escopeta) during the application period – one called by the state in 2011, and a second in 2012 called by the company. The 2011 exercise was a “cold” or unannounced drill which centered on a 220 gallon diesel fuel spill occurring during a transfer from a rig supply vessel to their jack-up rig. Staff joined the Operations Section and the Public Information Section. In 2012, staff worked in the Operations Section on a tabletop drill scenario focused on a well blowout on the Spartan 151 jack-up rig at the Kitchen Lights #1 well.
- Marathon Oil Drill: Staff joined the Public Information Section for this drill, which centered around the onshore, roadway spill of crude oil when a truck left the road and overturned. Injuries were involved.
- ConocoPhillips Drill: This scenario centered around an onshore spill of diesel aviation fuel on the runway at the Beluga Whale facility. Cook Inlet RCAC staff participated in the Public Information Section.
- Chevron Drill: This tabletop drill focused on an earthquake scenario which caused an onshore spill at the Granite Point Tank Farm. Staff joined the Public Information Section.
- Hilcorp Drill (2): The 2012 drill focused on a tank rupture at Granite Point following an earthquake. RCAC staff worked in the Operations and Public Information Sections.
- Nordaq Drill: Staff will participate in this late August drill.

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- Apache Alaska Drill: Cook Inlet RCAC will participate in this late August drill through a contractor.

COOK INLET NAVIGATIONAL RISK ASSESSMENT

Initial funding of \$250,000 was appropriated in 2010 by the Kenai Peninsula Borough. This represents a grant from the Alaska Department of Environmental Conservation (ADEC). It allowed Cook Inlet RCAC to retain the services of a contractor to act as Project Manager, and Nuka Research was selected to facilitate the assessment, design the study parameters, and create a public website for the project (www.cookinletriskassessment.com). In 2011, Cook Inlet RCAC secured additional funding: \$180,000 from the National Fish & Wildlife Federation, and \$20,000 each from Tesoro and Prince William Sound RCAC.

An Advisory Panel of experts representing stakeholders in Cook Inlet was selected and held its first meeting in October to review a preliminary Vessel Traffic Study and trigger public comment.

Early in 2012, a draft Spill and Accident Causality Study was completed and posted for public comment. The final Study document has been completed and will be a catalyst for a Consequences Analysis Workshop of experts in the fall of this year. Meanwhile, efforts continue to secure additional funding to complete the two-year Assessment.

COOK INLET ICE FORECASTING NETWORK

The Cook Inlet Ice Forecasting Network consists of the placement of digital video recording cameras located throughout the upper Cook Inlet region. The images captured by the cameras, in conjunction with field observations and satellite radar imagery, enable the National Oceanic and Atmospheric Administration (NOAA) to produce the most accurate ice advisory and ice analysis for Cook Inlet. NOAA forecasted ice advisories and ice analysis provide commercial mariners, vessel managers, port managers, tug and barge operators, oil spill responders, and researchers with live images and detailed information to use as a basis for decisions concerning safety, oil spill response, and scheduling. Additionally, the archived video images will be available for future ice studies.

Currently, cameras are located at the onshore OSK and ASRC facilities, the Port of Anchorage, Port MacKenzie, and at two offshore oil platforms. Each camera has the ability to transmit its images over the air to a transceiver that is hard wired through a Business Exchange Circuit (BXB) that carries the images to the system server, located at the NOAA facility in Anchorage. These cameras provide images of ice concentrations in the West and East Forelands areas, upper Cook Inlet and the Knik Arm.

With the support of the State Legislature, and specifically our Kenai Peninsula delegation, funding of \$70,000 was reserved in the 2012 Capital Budget for two additional cameras and system maintenance and upgrades. As of this writing, we are continuing negotiations for placement of these cameras.

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ALASKA SPILL RESPONSE CAPABILITES

Cook Inlet RCAC has compiled spill response capability data for Oil Spill Recovery Organizations (OSROs) around the state. The catalog of spill response organizations and equipment identifies each organization, and provides a summary of their OSRO classification and an equipment inventory. In addition to OSROs, the catalog will contain agency equipment inventories pertinent to Cook Inlet. After the compilation is completed the data will be made available on our website and periodically updated.

INCIDENT RESPONSE

Oil production and transportation in Cook Inlet are intense endeavors, subject to human and equipment performance and the whims of weather and nature. Cook Inlet RCAC reviewed and provided comment on two incidents which occurred in this time frame:

- In January, heavy ice and high, fast tide combined to cause the Tug Vigilant to temporarily lose propulsion while assisting the Overseas Martinez during loading operations at the KPL Dock. During the brief incident, tension on a mooring cable caused minor damage to a railing on the Martinez. There were no injuries and no oil was spilled. Cook Inlet RCAC staff maintained close contact throughout the incident with the owners of the tanker and facility, the Coast Guard and state agency personnel. Tesoro Maritime officials provided an update to the Council at its March, 2012 meeting.
- Hilcorp Alaska lost a fender at the Christy Lee loading facility during heavy Cook Inlet ice conditions last March. There was no vessel at the platform at the time of the damage, there were no injuries and no oil was spilled. Cook Inlet RCAC staff continues to stay in close contact with operators and their contractors who have worked to maintain safety while installing a temporary system, retrieving the lost fender, and pursuing permanent repairs. Hilcorp officials provided a briefing to the Council at its March 2012 meeting.

Cook Inlet RCAC staff closely monitored several reported spills of minor amounts of crude oil or refined product – near shore, on shore, from platforms, and at the Port of Anchorage.

VOLUNTEER PIPELINE REPORT

Cook Inlet RCAC works with industry to receive annual Voluntary Pipeline Activity Reports. Each Cook Inlet pipeline operator provides Cook Inlet RCAC with a summary report of their pipeline activities that includes:

- Brief written summary of previous year’s activities highlighting goals, accomplishments and improvements;
- A description, including location and age, of the facility;
- Pipeline design description or Inventory List (pipe size, length, material, operating pressures, etc.);
- Identify most recent DOT audits and the date each was conducted with a brief summary of the audit;
- Description of Integrity Management Program listing general PM (?) protocols, recent maintenance accomplishments, etc.;
- List of risks or known issues and how each are addressed;

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- List of reportable leaks from sub-sea pipelines and how each was resolved;
- Description of Spill Prevention Program, listing activities conducted during the previous year (drills, actual spill response, etc.); and
- Any physical changes in facility or procedural changes as a result of activities conducted in the previous year.

PUBLIC INVOLVEMENT & EDUCATION

In addition to publications, a website and presentations, Cook Inlet RCAC staff and volunteers attend many different workshops, conferences, and industry expos each year to present information to educate others, including the general public, on oil production and transportation issues affecting Cook Inlet. Additionally, staff and committee members take advantage of the many opportunities to learn and bring information back to the organization. In these areas and more, during the past year Cook Inlet RCAC representatives:

- Attended and operated an information booth at the 3rd biannual Clean Pacific conference held in Long Beach, CA;
- Presented a paper on the Ice Forecasting Network at the biannual Clean Pacific Conference. In addition, Cook Inlet RCAC staff served on the event’s management committee created to select paper and poster presentations at the conference, which included a report on the Cook Inlet Risk Assessment;
- Operated an information booth at the Pacific Marine Expo & Conference held in Seattle, WA;
- Operated an information booth at the Support Industry Alliance conference held in Anchorage;
- Operated an information booth at the FishCom conference and expo held in Kodiak;
- Presented posters on the Integrated Cook Inlet Environmental Assessment Program (ICIEMAP) at the Alaska Science Symposium in Anchorage;
- Sponsored ***Coastal Impressions: A Photographic Journey Along Alaska’s Gulf Coast***, a gallery exhibit of Alaska ShoreZone photographs and accompanying catalog at the Alaska Science Symposium in Anchorage. This exhibit was also showcased at the Kachemak Bay Science Conference in Homer, and the National Association of Marine Educators Conference in Anchorage;
- Provided informative presentations on Cook Inlet RCAC activities to local government assemblies, chambers of commerce, Rotary clubs, and the Support Industry Alliance Kenai Peninsula Economic Outlook Forum in Soldotna;
- Attended the 35th Annual Arctic & Marine Oilspill Program (AMOP) Seminar held in Vancouver, BC, Canada;
- Operated an information booth and distributed outreach materials at the annual Industry Appreciation Days held in Kenai;
- Published and distributed the 2010 (20th Anniversary issue) and 2011 Annual Reports, quarterly *Council Briefs* newsletters, a quarterly *Directors Synopsis* report for stakeholders, as well as the *Coastal Impressions* catalog referenced earlier;
- Continued to update and expand the Council’s website, www.circac.org;
- Established a presence in social media by creating a Facebook page;

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- Met with the Director of Curriculum Development for the Kenai Peninsula Borough School District with a goal of incorporating Cook Inlet RCAC information into the science curriculum; and
- Met with key print, radio and television media professionals in Anchorage, the central Kenai Peninsula, Homer and Kodiak, and submitted regular news releases on our activities.

BIOLOGICAL AND CHEMICAL MONITORING

In 2008, Cook Inlet led the development of an Integrated Cook Inlet Environmental Monitoring and Assessment Program (ICIEMAP). This incorporated a Cook Inlet-specific Environmental Monitoring and Assessment Program (EMAP); a Background River Contaminants Study; a Produced Water Discharge Fate and Transport Study; and a Kachemak Bay-specific National Status and Trends bio-effects study. The EMAP study and Alaska ShoreZone data and images were designed to nest within regional EMAPs that assessed ecosystem health in coastal bays and estuaries of the Gulf of Alaska coast.

In 2011 and into 2012, Cook Inlet RCAC and its partners worked to combine all of these studies and more into a single, on-line database of video, images and scientific data for the studied areas. That website has been completed and is being Beta-tested as of this writing.

In addition to aiding researchers, students and the scientific community every day, in the event of a spill this site would assist the Unified Command and on-scene responders with valuable information to aid in their containment and recovery efforts.

ALASKA SHOREZONE

Initiated by Cook Inlet RCAC in 2001, tens of thousands of digital nearshore images, hours of 1-second captures on high resolution flash video, and habitat mapping data along Cook Inlet and the Gulf of Alaska have been collected over the past decade. One of Cook Inlet RCAC's goals is to provide the very best possible ShoreZone imagery and data to oil spill planners and responders with a goal of protecting, preserving and restoring the nation's coastal resources and ecosystems. This Cook Inlet Response Tool is invaluable to oil spill planners and on-scene commanders in emergency situations where fast internet access might be limited.

Desiring to bring the imagery of the Alaska coastline to the public, the Cook Inlet RCAC sponsored the creation of an exhibit of ShoreZone images in January 2012. The exhibit and accompanying catalog, *Coastal Impressions: A Photographic Journey Along Alaska's Gulf Coast*, was presented at the Alaska Marine Science Symposium in Anchorage in January, at the Kachemak Bay Science Conference in Homer in April, and at the National Marine Science Educators Conference in Anchorage in July. Future appearances are being pursued.

COOK INLET RESPONSE TOOL

In collaboration with AOOS's large data visualization tool, we are able to serve up the high resolution streaming video and digital images from ShoreZone, along with sensor data, model forecasts and the resource information that is of most use for oil spill planning and response.

BELUGA WHALE WINTER PREY & HABITAT STUDY

Research scheduled for November 2011 and April 2012 had to be delayed due to terrible weather conditions, so Phase 1 of the study took place in late April 2012, with Phase 2 scheduled for November 2012.

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Trawling over various locations in Cook Inlet is expected to yield considerable information about the quantity and health of prey available to the unique population of Cook Inlet Beluga whales during winter months.

COOK INLET HABITAT BLUEPRINT

A steering committee (Cook Inlet RCAC, NOAA Fisheries, Alaska Region Initiative) has been formed to develop a blueprint for Cook Inlet marine habitat research, specifically to define the scope of research needs, identify participants, compile a matrix of available habitat studies, and develop a map of studies and a database of existing or planned data.

PLENARY SESSIONS & POSTER PRESENTATIONS

Cook Inlet RCAC continues to pursue its mandate to share information with industry, the scientific community, stakeholders and the general public. Examples of these from the application period include:

- Alaska Marine Science Symposium – Posters (3) on Integrated Cook Inlet Environmental Monitoring and Assessment Program topics: A Collaboration of Four Inlet Contaminant Studies; Statistical Design, Field Studies, Indices and Analytical Parameters; and Distribution Patterns and Sources for Trace Metals in Seawater and Bottom Sediments
- Kachemak Bay Science Conference – Plenary session presentation “*Accessing the Inaccessible: Bringing Alaska’s Coastline to your Desk*”
- Clean Pacific Conference & Expo (2) – Ice Forecasting Network in Cook Inlet; Cook Inlet Risk Assessment

NEARSHORE MONITORING & CONTAMINANTS

We are continuing our partnership with the National Park Service (NPS) and US Geological Survey to conduct intertidal and nearshore monitoring along the Katmai and Kenai Fjords Parks. In a related study, we will be working with NPS to collect samples in our Kachemak Bay Mussel Watch protocol.

BALLAST WATER CATALOG

We received a draft final report from our contractor, which includes on-line databases, summaries and reports providing easy access to information on the sources, volumes and discharge locations of ballast water in Cook Inlet.

PHYSICAL OCEANOGRAPHY

Multiple activities were undertaken in the area of physical oceanography:

- Staff consulted with Tesoro Maritime in the production of a Cook Inlet winter navigation training video.
- We partnered with AOOS and USDA Natural Resources Conservation Service to deploy a Snotel (Snowpack Telemetry) Station at the McNeil River camp in Kamishak Bay to track precipitation, snow depth, solar radiation, barometric pressure, wind speed and direction, and average daily air temperatures (maximum, minimum and average), using meteor burst communications technology.

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- Past Cook Inlet RCAC studies were presented to NOAA, which is developing a hydrokinetic model useful for integrating into 2- and 3-dimensional transport models allowing for trajectories of surface slicks and sub-surface plumes. The presentation drew from our hydrographic surveys of Cook Inlet boundaries, the drogoue and surface drifter buoys, HF radar deployments and salinity transects in Central Cook Inlet near the Forelands.

DOCUMENT AND REGULATION REVIEW

Cook Inlet RCAC reviewed and provided comment on the following:

- Advocated for changes in the Oil Discharge Prevention and Contingency Plan review process for blowout prevention regulations, including a requirement that operators submit blowout contingency plans, establish standards for blowout prevention systems and emergency shutdown systems, and favoring review authority be transferred from ADEC to the Alaska Oil & Gas Conservation Commission (AOGCC);
- Supplied comments regarding the proposed revision of the National Preparedness for Response Exercise Program (NPREP) Guidelines;
- Provided comments on the Bureau of Ocean Energy Management’s (BOEM) Request for Information for their proposed 2012-2017 lease sales in Cook Inlet Planning Area;
- Provided input to ADEC and EPA on their plans for a new Exploration NPDES permit for oil and gas operators in the Inlet.

CONFERENCES

Directors, staff, and volunteers regularly attend seminars and conferences in matters related to our performance supporting the mandates of OPA 90. Programs we have participated in during the subject period include (in no particular order):

- Pacific States/British Columbia Oil Spill Task Force 2011 Annual Meeting
- Pipeline Leak Detection Technology Conference
- Alaska Regional Response Team meetings
- Coastal Response and Restoration Center on the future of dispersants use for oil spill response
- Clean Pacific Conference
- Arctic & Marine Oilspill Program
- Interstate Oil & Gas Compact Commission

ADMINISTRATION

Even on the administrative front, the past 12 months have been active:

- Cook Inlet RCAC implemented the recommendation of the United States Coast Guard contained in the letter approving our 2011 Recertification relative to posting its Council meeting documents on the website
- Cook Inlet RCAC implemented the findings from its 2010 financial audit prepared by the Soldotna-based company Lambe, Tuter, Wagner, CPAs on pursuing new policies for whistleblower protection, professional services contracting and purchasing.

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- In June of 2012, Cook Inlet RCAC accepted an audit of its financial performance. This recent audit recommended tighter controls over internal procedures for transferring funds from one budget line item to another. The Council has authorized steps necessary to address these concerns, and they have been implemented.
- We continue to implement the 5-Year Strategic Plan, and will update the Plan at our December 2012 Council meeting.

Admiral Ostebo, we appreciate your thorough review of this recertification report and accompanying documents. Please contact our office at your convenience if you require additional materials or more information on any of our programs. Thank you for your consideration.

Sincerely,



Michael Munger
Executive Director