



"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."

November 9, 2015

Members

Alaska State Chamber of Commerce

Mike Evans
Industry Preparedness Program
Alaska Department of Environmental Conservation
555 Cordova Street
Anchorage, AK 99501

Alaska Native Groups

SUBJECT: Comments on Blue Crest Alaska Operations, LLC, Oil Discharge Prevention and Contingency Plan, (ODPCP or C-plan) for Cosmopolitan Development Project (Plan No. 15-CP-5245)

Environmental Groups

Dear Mr. Evans:

Recreational Groups

Cook Inlet Regional Citizens Advisory Council (RCAC) submits the attached comments, recommendations, and Requests for Additional Information (RAI) on the Blue Crest Alaska Operations, LLC, Oil Discharge Prevention and Contingency Plan (C-plan) for the Cosmopolitan Development Project on behalf of our member entities. 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.

Aquaculture Associations

Cook Inlet RCAC appreciates BCAA's efforts to comply with oil spill prevention and response regulations in Cook Inlet. Overall the plan is comprehensive and aligns with the requirements in the applicable regulations. We offer the enclosed recommendations and requests to further improve the plan.

Fishing Organizations

One key item of concern that we note here and in the enclosed comments is the question of whether a scenario should be included that demonstrates the ability to respond to a spill that reaches Cook Inlet. While the planholder submits that a spill is very unlikely to reach the Inlet either directly (in the case of a blowout) or via drainages; inadequate information is provided in the figures depicting the area to substantiate this assertion. We request that additional information be provided and that ADEC strongly consider the potential need for a scenario that includes some amount of on-water recovery.

City of Kodiak

City of Kenai


City of Seldovia

Cook Inlet RCAC requests a findings document to be supplied at the end of this plan review.

City of Homer

As always, if you have any questions or wish to discuss this further, I can be reached at (907) 283-7222 or via email at MikeMunger@circac.org.

Kodiak Island Borough

Sincerely,


Michael Munger
Executive Director

Kenai Peninsula Borough

Municipality of Anchorage

Cc: Graham Wood
Young Ha
John Kotula



Comments and Requests for Additional Information

Regarding

**BlueCrest Alaska Operating, LLC
Cosmopolitan Development Project
Oil Discharge Prevention and Contingency Plan
(15-CP-5245)**

Submitted

By

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL

NOVEMBER 9, 2015

General Comments

BlueCrest Alaska Operating, LLC (BCAO) is an owner and operator of an onshore oil production facility on the east side of Cook Inlet. BCAO plans to conduct development drilling and multi-year production from the Cosmopolitan Development Project site in the Cook Inlet area. The facility consists of an onshore drill site and production facility located on private, leased property, approximately 5.5 miles north of Anchor Point and 1/2 mile west of the Sterling Highway. Sales quality oil will be transported from the Cosmopolitan production site to the Tesoro Refinery in Nikiski via tanker trucks.

Based on the general location of the site, it appears that a spill reaching Cook Inlet (or drainages to Cook Inlet) is possible. Planning for this eventuality should be demonstrated with a scenario that includes on-water response. The planholder has indicated, however, that they do not believe a spill will reach the Inlet and asserts that oil will stay on the pad whether from a blowout or tank release. Due to missing information on the facility and area diagrams (Section 3.2), it is not possible to fully assess this assertion. We request that further information be provided to support the assertion that a spill will not reach water, or that, without this information, a scenario including on-water recovery should be added to the plan.

While the BCAO C-plan is extremely comprehensive, there are still several areas where additional information is required to meet the letter and intent of 18 ACC 75.

General plan comments:

- Throughout the plan, weak language such as the term “would” is used, when “will” is more appropriate to indicate that an action *will* be taken by BCAO.
- Change all references to “O’Brien’s” to “Witt | O’Brien’s”.
- Change MSDS references to SDS throughout plan.

Introduction

Objectives

This section indicates that BCAO assumes responsibility for containment and cleanup of all spills related to operations conducted within the Cosmopolitan Development. Please clarify how this relates to tank trucks carrying crude oil between the facility and the refinery via road.

Plan Revisions and Renewal

This section describes how the plan is revised and renewed by referencing the procedures set out in 18 AAC 75.455 to review a plan amendment, and references the criteria to determine whether an amendment is a routine plan update, or otherwise does not diminish BCAO’s ability to respond to an oil discharge but fails to provide the regulatory cite that defines that criterion. Recommend adding “as defined in 18 AAC 75.415” to the last sentence.

Updating Procedures

This section uses verbatim language from 18 AAC 75; consequently paragraph 5 ends with "...required by this chapter." Recommend replacing this language with a reference to the applicable citation, i.e., "...required by 18 AAC 75.415(b)(2)7(3)."

1.0 Response Action Plan

1.1 Emergency Action Checklist

The BCAO Health, Safety, and Environmental (HSE) Advisor is listed as the primary point of contact to be notified in the event of any spill, but not identified by name in this section. Larry Burgess is identified as BCAO's HSE Manager in separate documentation found by the reviewer and named in Table 1.2-1 as the Incident Management Team (IMT) Safety Officer. The plan should clarify whether Larry Burgess, as the BCAO HSE Manager, also serves as the HSE "Advisor." The plan should clarify the distinction between the HSE Advisor and HSE Manager, and clarify how company roles align with IMT roles.

1.2 Reporting and Notification

This section includes several references to the BCAO HSE Advisor. As indicated above under Section 1.1, the plan should clarify if the BCAO HSE Advisor is the same as the identified BCAO HSE Manager.

1.2.1 Reporting and Notification

This section references incident level II and III. Recommend including a reference to section 1.2.2 - Response Level.

1.2.2 Response Level

Table 1.2-1 lists positions, names, and telephone numbers for IMT members. Recommend using company position titles rather than individual names to reduce the need to amend the plan as personnel change.

1.2.5 External Notification Procedures and Notification Lists

The tables in this section require some additional clarification:

- Table 1.2-2 is titled as providing a Federal Agency contact list, yet there is no corresponding State Agency contact list and both State and Federal agencies are listed in both Tables 1.2-3 and 1.2-4.
- Table 1.2-3 has a misleading and confusing title. The title implies that only written notifications will be made.
- Table 1.2-4 is titled "External Notification List - Local and Tribal Contacts" and contains multiple contacts. The reason for their notification is not immediately apparent, and some important local contacts are missing:
 - Southern Kenai Peninsula fire or police departments should be added, not only the Anchorage area fire departments.

- “Citizen Advisory Councils” are listed, implying that Prince William Sound RCAC should be notified. Please clarify how activities at this BCAO site could or would affect PWSRCAC interests; as any Cook Inlet community represented on PWSRCAC has primary representation on CIRCAC. Recommend that PWSRCAC be removed as an organization that may be required during a spill response at this location.
- XTO Energy and Marathon Oil are listed, neither of which operate in Cook Inlet at present.
- Cook Inlet Energy, which does operate in Cook Inlet, should be added.

Figure 1.2-2

This figure shows the ADEC Report Oil and Hazardous Substance Spills placard but does not include the NRC reporting placard.

1.2.6 Written Report Requirements

This section references Table 1.2-5 but fails to reference Table 1.2-3, which also shows written reporting requirements. Additionally, this section references interim and final written reporting requirements as specified in 18 AAC 75.300. However, there appears to be additional language intermixed with the regulatory language. Recommend providing verbatim regulatory language for required notification, followed by BCOA requirements that are additional to regulatory requirements.

1.4 Communications

1.4.3 Communications Systems Used During Spill Response

This section references use of CISPRI’s VHF radios. Please clarify if the onsite radios share the same operating frequencies with the CISPRI-provided VHF radios.

Additional, specific information on communications systems/frequencies, and channels to be used on-site should be included in this section. Relevant information contained in Section 3 should be cross-referenced. Communications equipment sources are listed in Table 3.5-1 but are not cross-referenced here.

1.5 Deployment Strategies

1.5.2 Utilization of On-Site Resources

This section indicates that “Equipment would be staged at the Cosmopolitan facility for immediate response,” yet the only significant on-site equipment listed (Table 3.6-1) are 500 sorbent pads and five sorbent rolls. There is only one 55-gallon drum on-site. Recommend adding on-site spill response equipment including drums for temporary storage and other equipment to implement berming, damming, and diking if spilled oil threatens to migrate beyond the pad.

1.5.4 Transportation Alternatives

This section does not address transportation alternatives. Recommend changing title to fit content.

Table 1.5-1 CISPRI Personnel Mobilization and Deployment times

This table's title references CISPRI Personnel Mobilization Times, however distances from CISPRI's equipment locations in Nikiski and Homer to the BCOA Cosmopolitan development site are also listed. Please clarify travel times and/or distances for each site listed.

1.5.8 Response Action Contractor

This section identifies Witt|O'Brien's as a Primary Response Action Contractor (PRAC) and Wild Well Control as "contracted." CISPRI is not identified as BCOA's PRAC. Witt|O'Brien's is a response/incident management team resource provider and does not seem to fit the definition of a PRAC under 18 AAC 75.500. Please clarify PRAC status for Witt/O'Brien's, CISPRI, and Wild Well Control.

1.6 Response Strategies

1.6.1 Procedures to Stop Discharge

Blowout Control

This section states, "...detailed plans would be implemented to regain control." Please clarify if this refers to the Blowout Contingency Plan (BCP). If so, recommend stating that Appendix A (Blowout Contingency Plan Summary) does not contain the BCP but is rather, "based on the Wild Well Control BCP for this project supplied to plan holder." Recommend including the BCP in its entirety to ensure that all elements of 18 AAC 75.425 (e)(1)(I) are met.

1.6.4 Protection of Sensitive Areas

The last paragraph of this section indicates that, "Additional details about protection of sensitive areas can be found in the CISPRI TM, in...*Section 1.6.13, Response Scenarios, of this plan.*" (emphasis added). Section 1.6.13 does not exist. Recommend correcting reference to indicate Section 1.6.12.

1.6.7 Lightering, Transfer, And Storage of Oil from Tanks.

This section identifies the temporary storage options available and what "may be provided" but does not indicate what methods/equipment BCOA will actually use. Recommend stating what temporary storage methods will be used. If pits or basins are used, specify where they would be located on or "near" (as written) the facility.

This section does not include lightering or offshore temporary storage; the title should be modified to reflect the actual content.

1.8 Facility Diagrams

1.8.1 Facility Diagrams

The diagrams in this section do not contain the following information in accordance with 18 AAC 75.425(e)(1)(H). Please update the diagrams to comply with the regulatory requirements.

- Locations of response equipment
- Surrounding topography, roads, air transportation, and other features
- Transportation access
- Location and bathymetry of adjacent water bodies
- A representation of the distance and gradients to surface water for an operation located on land, by topographic map, aerial photographs, or other means

2.0 Prevention Plan

2.3 Potential Discharge Analysis

Except for well blowouts (Section 2.3.4) this section does not address the potential frequency with which other types of listed spills may occur. Recommend updating this section to include this information as per 18 AAC 75.

2.5 Discharge Detection

This Section and referenced sections do not appear to contain any information regarding the sensitivities and limitations of equipment as required in 18 AAC 75.425(e)(2)(E). Please add this information.

3.0 Supplemental Information

We suggest that the Cook Inlet Response Tool should be included in the C-plan as a valuable reference for any spills occurring on, or near, Cook Inlet. The tool can be found at: <http://portal.aos.org/cirt.php>.

Section: 3.2 Receiving Environment

The planholder indicates that spilled oil from either a blowout or on-pad discharge will most likely be contained on the pad. Section 3.2.3 does indicate that diversion berms and intercept trenches will be constructed if spilled oil escapes the pad, but there are no routes of potential travel indicated either within the text or on a facility map. As noted at the start of these comments, facility maps, contained within the plan (Figure 1.8-1 and 2), do not provide information such as potential routes of off-pad drainage; terrain gradients or elevations; or potential off-pad berm, trench, or containment areas. Recommend including a map that contains the information indicated in 18 AAC 75.524(e)(3)(B)(i), and identifying the most likely location where berms or dikes would be constructed should a spill threaten to escape the pad area.

Section: 3.3 Command System

In Section 3.3.4, the first sentence indicates, *“For significant oil spills, BCAO as the RPIC may decide to activate a Unified Command (UC)”* (emphasis added). Recommend changing “may” to “will” to demonstrate commitment to implementing UC.

Section: 3.5 Logistics

This section does not provide information on equipment availability. Recommend updating section to include information that indicates BCAO’s awareness and understanding of general and seasonal availability of equipment listed from vendors other than CISPRI as their PRAC.

Section: 3.6 Response Equipment

See comments on on-site response equipment under Section 1.5 above.

Section: 3.9 Training

Section 3.9.1 indicates that, *“In their anticipated roles, BCAO personnel will primarily focus on environmental compliance, pollution prevention, safety and health oversight, documentation, and financial/legal oversight. Accordingly, BCAO’s training efforts will focus on these aspects of the response.”* Please describe these training efforts to demonstrate compliance with 18 AAC 75.425 (e)(3)(I).

Section 3.9.4 should indicate that BCAO training records are maintained for five years as required at 18 AAC 75.445(j).

Section: 3.10 Environmentally-Sensitive Areas

The second paragraph indicates that, *“Unique or other site-specific conditions relevant to each well, which are not covered in the CISPRI TM are discussed in the site-specific appendices.”* Protection of sensitive areas is not contained within specific appendices but rather in Section 1.6.4. This section should be updated to reflect the proper location within the plan for this information.