

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL
Video Conference
April 9, 2021
Approved Minutes

Members Present by Video Conference: John Williams, Gary Fandrei, Carla Stanley, Paul Shadura, Walt Sonen, Bob Flint, Deric Marcocelle, Michael Opheim, Scott Arndt

Members Absent: Robert Peterkin, Molly McCammon, Rob Lindsey (excused), Grace Merkes (excused)

Staff Present: Mike Munger, Sue Saupe, Vinnie Catalano, Vaito'a Heaven, Maddie Jamora, Shaylon Cochran, Cindy Sanguinetti

Others Present: Paul Mehler, Marathon Petroleum; Graham Wood, ADEC; Craig Hyder, Marathon Petroleum; Tiffany Larson, ADEC SPAR Director; Lori Nelson, Hilcorp; Todd Paxton, CISPRI; Lt. Hadley Owen, NOAA Office of Coast Survey; Sabine Poux, KDLL; Madison Govin, Senator Micciche's Office; CDR Matt Hobbie, USCG; Emma Pokon, ADEC, Deputy Commissioner; Cindy Monnin, Hilcorp; David Fitz-enz, Chugach National Forest; Steve Russel; Kevin Reeve; Jason Brune, ADEC Commissioner; Jonathon Schick, DNR; Angie Fuschetto, Crowley Ak Tankers; Vanessa Hughes, Hilcorp

1. CALL TO ORDER/ APPROVAL

President John Williams called the meeting to order at 9:05 AM. Roll was called, establishing quorum.

Gary Fandrei moved to approve the agenda. Carla Stanley seconded. The agenda was approved.

Gary Fandrei moved to approve the minutes of December 4, 2020.

Mr. Fandrei asked for clarity regarding the Protocol budget boost approved by the PROPS Committee. Mr. Catalano stated it was actually the PROPS budget that was boosted.

Walt Sonen identified an error in Captain Lusk's report. Commander Hobbie verified the incident was between the Russian military and American fishermen. He offered to assist with the correction.

Scott Arndt seconded. The minutes were approved as amended.

Guests introduced themselves.

- **Agency Ex-Officio Directors' Remarks**

Commander Matt Hobbie, USCG, spoke in behalf of Captain Lusk. The Coast Guard is working with Hilcorp, the responsible party for the natural gas release in Cook Inlet. The pipeline is secured. The amount discharged has not been determined.

Captain Lusk deactivated the lower Cook Inlet Ice Guidelines. The Commander extended thanks to CIRCAC, the Harbor Safety and Industry as it was an accident free season. He also thanked CIRCAC for its partnership in the Western Alaska Area committee which has a similar mandate to the citizens' advisory

councils. Hard work is ongoing behind the scenes and the Coast Guard looks forward to future productive meetings.

Jonathon Schick, Dept. of Natural Resources, announced an annual Cook Inlet and area-wide lease sale in late spring. The best interest finding for geothermal exploration at Mt. Spurr was recently released. A preliminary finding for an adjacent prospect is also out.

- **CIRCAC Member or Public Comments**

Paul Shadura mentioned interest in the CISPRI and Resolve merger and asked if a presentation could be scheduled to explain how it will affect Cook Inlet. Mr. Munger will endeavor to get that scheduled.

Carla Stanley asked if it's possible for Hilcorp to replace the pipeline by May 1st as she heard was required.

Commander Matt Hobbie clarified that PHMSA has jurisdiction regarding the replacement of the pipeline. Mr. Munger pointed out that the presentation will address the issue. The corrective order states the defective segment of the pipeline needs to be replaced within a year.

2. EXECUTIVE COMMITTEE REPORT

John Williams reported that the Executive Committee met once since the last Council meeting to review the 2021 Operating and Program budgets, all banking documents and the financial position through January 31. The committee received updates on matters pertaining to industry, funding, personnel, staff training, elections, the annual audit, scholarships, appointments, projects, regulations and more. He thanked the committee members for their effort.

- **Special Board Recognition Presentations**

Volunteer Service Milestones were recognized for their dedication to the vision of CIRCAC:

5 Years:	Bob Pawlowski , PROPS Public Member and Kyle Crow, PROPS Public Member
10 Years:	Dan Urban, EMC Public Member and John Bauer, PROPS Public Member
15 Years:	Gary Fandrei, Council Director and Deric Marcorelle, Council Director
20 Years:	Robert Peterkin, Council Director and Mike Munger, Executive Director

The Volunteer of the Year award went to Gary Fandrei.

*******Presentation on Related Activities*******

Hilcorp: Natural Gas Subsea Pipeline Leak-Middle Ground Shoal

Mr. Munger introduced Lori Nelson, praising her interaction with CIRCAC as a model of the vision for communication between the Council and industry outlined in OPA90.

Lori Nelson, Manager of Public Affairs, confirmed that she is in constant contact with CIRCAC. She introduced the other team members Vanessa Hughes, Asset Team Leader for Cook Inlet Offshore and Cindy Monnin, Director of Integrity. She assured the Council that Hilcorp has a strong commitment to transparency.

Vanessa Hughes introduced herself. Regarding the incident at Middle Ground Shoal, all are safe, including wildlife. The leak was self-reported on April 1st. The platforms have been shut in and so is the line. The April 6 site scan sonar showed the leak to be close to the 2014 clamp. When conditions allow divers will identify the exact location. The cause is unknown. Hilcorp is conducting routine flyovers and there is no imminent hazard.

The line has not been purged; the pressure was allowed to drop off. Cindy Monnin stated the pressure in the line is 35 lbs to equalize in the environmental conditions.

Cindy Monnin clarified that PHMSA has set a May 1 deadline for the replacement plan. The consent agreement states the pipeline needs to be replaced within 365 days. Once Hilcorp has identified the problem they will be in discussion with PHMSA about the solution.

Paul Shadura asked if there is a sensor on the line. Ms. Monnin responded that pressure trending data has been discussed with PHMSA; the pressure drop occurred at the same time the release was noted at the surface.

Alaska Department of Environmental Conservation Updates

Mr. Munger introduced Commissioner Jason Brune to provide an update on the proposed regulation project and speak to the ongoing funding concern for spill prevention and response. He announced that Denise Koch has resigned; the Commissioner will introduce her replacement.

Jason Brune first introduced Tiffany Larson, the new SPAR Director who has worked at DEC for 16 years. Ms. Larson spoke to her background. Mr. Brune is impressed by her. The Commissioner said DEC loves the partnership with CIRCAC and is open to hear suggestions.

About 140 comments were received through the regulatory package scoping process which ended a year ago. In bi-weekly meetings each comment was reviewed and SPAR was tasked to submit a package of proposed regulatory changes. The new Director will digest these recommendations and provide her own input. The package will potentially be released in September for a 90 day comment period. Requests for additional time will be considered. A draft has been prepared by the staff, but more time will be taken as needed. Mr. Williams requested that CIRCAC see the final draft before its public release.

Mr. Munger reiterated the Council's position that C-Plan Regulations have seen incremental changes over the years; no wholesale change to them or the statutes is needed. He appreciates DEC working with CIRCAC. He welcomed Ms. Larson, but expressed concern for SPAR's loss of expertise and funding; he wonders whether the state could effectively manage a response if there were a major spill. He mentioned that EPA was going to reassume primacy of the Water portion of the APDES due to manpower and funding shortages until the legislature was convinced to provide funding to ensure the hiring of qualified staff. He hopes the same effort is made for SPAR.

Mr. Brune did not disagree. He committed that nothing in the proposed regulatory package will lessen focus on ensuring the environment is protected. Conflicts within the article are being clarified. He agreed to give CIRCAC the opportunity to see the draft before it is released to the public. No statutory changes have been identified.

Mr. Brune is doing exit interviews to identify why DEC has such high turnover. He agrees expertise and longevity is necessary. There is some improvement in the retention rates. To make SPAR sustainable he is working to increase the refined fuel charge to \$.015 per gallon. ADEC eliminated 12 positions, yet expects to be able to operate effectively. Duties will be shifted to others among the staff of 123. Mr. Brune will provide a graph to identify their positions.

The Commissioner thanked Mr. Munger, the SOSC, CG and Hilcorp for the response to the spill. There is no sheen and no impact.

Mr. Williams noted the Statement of Financial Position is available in the packet.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Munger reported that HEX LLC, the purchaser of Furie AK, has stated they are getting out of the oil business to concentrate on natural gas; therefore they will not need a c-plan and will not be subject to fund CIRCAC. The other funding companies made up the difference, but Hex is renewing their c-plan while still maintaining they are not required to fund the RCAC. Mr. Munger is working with the CG to resolve the funding issue.

Ms. Sanguinetti, transcriber is retiring. She'll be missed.

The Executive Director recognized holding meetings by videoconference is difficult; policies will need to be developed to keep everyone safe when in-person meetings resume.

4. STAFF REPORTS

- **Administration**

Maddie Jamora stated the report is in the packet. Mr. Rombach will attend the annual meeting and can answer any questions on his assignments. A new receiver dish is being installed to improve internet at the office. The financial audit is scheduled for early June.

- **Environmental Monitoring Committee**

Susan Saupe offered to answer questions from the report. CIRCAC will submit a proposal to BOEM who has published an intent to sole source a contract for a Cook Inlet contaminants database. Additionally, Ms. Saupe is working with Mr. Silvers to submit requests for legislative funding to fulfill CIRCAC funding.

Paul Shadura asked about the APDES General Permit and Individual Permits that have not been released. Ms. Saupe explained that CIRCAC commented on the Osprey Individual permit in January, but it is tied to the general permit, which is complex. It is not uncommon for permit renewal to be late. If the state does not meet its commitments regarding the APDES permit, oversight can revert back to EPA under the NPDES. Mr. Shadura said he would like to see a response to CIRCAC's comments on the discharge permits.

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

Vinnie Catalano reported on items not mentioned in the written report. The ice monitoring camera has been installed at the Marathon LNG facility; the fi-wi will be completed soon. The camera gives a better view, and Mr. Catalano expressed appreciation for Captain Mehler's assistance.

The GRID was tested at Hilcorp's Drill Exercise workshop and contractors will clear up issues identified. CIRT needs updating.

The Stream Crossings GRS will be presented to the Area Workgroup in both hard copy and electronic format in hopes it will be inputted in to the GRS catalogue.

The Harbor Safety Plan has been reviewed and presented to the Harbor Safety workgroup. After format clean-up it will be released for public review.

Mr. Catalano sits on the planning committee which will hold a listening session to help guide the agenda for the next Oil Spill Technology Symposium.

- **Protocol Committee**

Mr. Catalano added to the written report that Protocol is conducting a full review of the Furie C-Plan with an April 26 deadline. A Protocol Committee meeting will be scheduled to discuss detailed comments.

- **Public Outreach**

Shaylon Cochran directed the Council to the written report, adding that work on the Annual report continues and it will be ready by the end of the month.

Mr. Shadura noted a reporter from KDLL was in attendance.

4. CALENDARS & MISCELLANEOUS

The calendar is in the packet.

*******CLOSING COMMENTS*******

Gary Fandrei appreciated the 15 year pin and the thorough minutes.

Walt Sonen congratulated Mr. Fandrei for his Volunteer of the Year award and added kind words for Cindy.

Bob Flint agreed and said Mr. Fandrei and the other volunteers do a great job.

Scott Arndt expressed appreciation for the presentations. The minutes are informative. He favors an in-person meeting.

John Williams said the next meeting is scheduled to be held in Seldovia, but the pandemic situation will need to be taken into consideration.

Carla Stanley can't wait until the Council can meet in person. She appreciates everyone and congratulated Mr. Fandrei. She said she'll miss Cindy and she commiserated with Mr. Munger over the Furie issue.

Paul Shadura expressed appreciation for Cindy's efforts. He has missed the vital interaction that is possible when in-person. He appreciates the staff and misses the lunches.

Paul Shadura moved to adjourn until 11:40 AM. Carla Stanley seconded. The meeting adjourned for a break before the Annual Meeting.

John Williams recommended a fake Webex meeting to help accustom all to the technology.