



“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.”

June 14, 2016

Members

Alaska State Chamber of Commerce

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Aquaculture Associations

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City of Kodiak

City of Kenai

City of Seldovia

City of Homer

Kodiak Island Borough

Kenai Peninsula Borough

Municipality of Anchorage

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

SUBJECT: Comments on Hilcorp Operations Alaska, LLC (HAK), Oil Discharge Prevention and Contingency Plan for Cook Inlet Production (Plan No. 12-CP-2008); Proposed Major Amendment (Revision 13)

Dear Mr. Evans:

Cook Inlet Regional Citizens Advisory Council has reviewed the attached proposed amendment to Hilcorp Operations Alaska, LLC's (HAK) Oil Discharge Prevention and Contingency Plan (C-plan) for Cook Inlet Production Facilities on behalf of our member entities. Our mission is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and crude oil facility operations in Cook Inlet.

We appreciate ADEC's efforts to ensure that this amendment review follows the appropriate process under 18 AAC 75.415. We also agree with the determination that the proposal to reduce staffing at the Beaver Creek facility warrants additional prevention measures, as indicated in ADEC's June 3, 2016 letter regarding the plan's sufficiency for review.

HAK proposes to reduce staffing at the Beaver Creek facility, located 10 miles north of Kenai in the Kenai National Wildlife Refuge. The Refuge is part of a 150-million acre network of lands and waters set aside to help conserve our nation's fish and wildlife heritage. Future conditions must be anticipated so that adverse impacts are avoided and positive actions taken to conserve and protect refuge resources.

Currently, personnel are onsite at the facility 24-hours/day; under the proposed changes, there would be times when personnel were only present 12 hours/day. The proposed amendment raises concerns related to site security and the prompt detection of, and response to, spills at the site; both of which are potentially compromised by leaving the site unattended. We believe that additional measures are therefore warranted to mitigate potential problems, and to clarify HAK's intentions regarding staffing at the site.

(1) Clarification regarding staffing. With the amendment as written, it is difficult to understand exactly how often the site will be left unattended. The amendment indicates that staffing will be reduced from 24 hrs/day to 12 hrs/day depending on seasonal operations. It also indicates that a field worker "visits the site at least twice a day" to check the wells and inspect the area. We request: (1) additional information on the effect of seasonal operations, including when and how often these may result in the site being left unattended; (2) confirmation that the facility will always be staffed for *at least* 12 hrs/day (i.e., the field worker "visiting" does not mean that the facility is attended); and (3) when the field worker conducting checks "at least twice a day" will do so – assuming that the site is always staffed at least 12 hrs/day, do these checks occur when the site is otherwise unattended, or does this refer to a check of all pads during the 12 hrs when personnel *are* on site?

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(2) Clarification of gating. Section 2.1.4 indicates that the facility is gated and gates are locked. Gates are not shown on the figures included in the amendment, and we understand that these are simply gates at the access roads, not fencing to encompass the facility. While it is common industry practice for facility personnel to support security in this manner, it is not common to leave a remote, un-fenced facility unmanned for regular and extended periods of time. It is not clear how a vacant, unfenced facility with lights on but no surveillance will meet the intent at 18 AAC 75.007(f) of providing “security measures and surveillance appropriate to each component of the operation to minimize the risk of vandalism, sabotage, or unauthorized entry.” Please clarify.

(3) Detecting discharge or potential discharge and initiate mitigation remotely. Whether working at the site or members of the public, human presence has proven crucial to the detection of on-land oil spills. We cite the following two examples to illustrate the importance of having personnel present and aware of what is happening real-time with the facility.

- a. In an analysis of spills on the North Slope from 1995-2009, most spills were detected by visual observation. In fact, no loss of integrity spill in that timeframe was detected solely by a leak detection system, and the fact that spill reports spiked each June was attributed to the long hours of daylight and reduced snow cover facilitating detection by observation.¹
- b. Nationally, a review of 2002-July 2012 pipeline spill data collected by the federal Pipeline and Hazardous Materials Safety Administration found that 62% of spills were detected by company employees or contractors directly, and another 22% by the public or others not employed on site. (This data included the 960 spills for which information was available on how the leak was detected.)²

Additionally, the amendment states that external lighting at the facility will “assist with the discovery and prevention of discharges.” We agree with this statement, but note that this is only true if someone is on site.

Prompt detection of a spill in a wildlife refuge should be paramount, and to this end we request clarification of how HAK will augment their existing methods for leak detection at the facility and what mitigation measures they will be able to initiate remotely, if any.

¹ Report to the Alaska Department of Environmental Conservation, 2010. “Alaska North Slope Spills Analysis: Final Report on North Slope Spills Analysis and Expert Panel Recommendations on Mitigation Measures.” Retrieved from:

<http://dec.alaska.gov/spar/ppr/ara/documents/101123NSSARreportvSCREENwMAPS.pdf>

² Song, 2012. “Few Oil Pipeline Spills Detected by Much-touted Technology.” InsideClimate News. Retrieved from: <http://insideclimatenews.org/print/16594>

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(4) Adoption of additional prevention measures. As ADEC notes in the sufficiency letter for the plan review, the proposed amendment is considered “major” because it warrants additional prevention measures. It is not clear from the amendment that any such measures have been incorporated. Please clarify what additional prevention measures will be adopted at the Beaver Creek facility.

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

Sincerely,



Michael Munger
Executive Director

Cc: Graham Wood

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