



"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."

April 3, 2013

Members

Alaska State Chamber of Commerce

Alaska Native Groups

Environmental Groups

Recreational Groups

Aquaculture Associations

Fishing Organizations

City of Kodiak

City of Kenai

City of Seldovia

City of Homer

Kodiak Island Borough

Kenai Peninsula Borough

Municipality of Anchorage

Cathy Foerster
Alaska Oil and Gas Conservation Commission
333 West 7th Avenue, Suite 100
Anchorage, AK 996501

Re: Proposed changes to Title 20, Chapter 25 of the Alaska Administrative Code with regard to hydraulic fracturing

Dear Commissioner Foerster:

Cook Inlet Regional Citizens Advisory Council (Cook Inlet RCAC) submits the attached comments regarding the proposed changes in the regulations of the Alaska Oil and Gas Conservation Commission.

Cook Inlet Regional Citizens Advisory Council (RCAC) is a nonprofit corporation organized exclusively for the oversight, monitoring, assessing and evaluation of oil spill prevention, safety and response plans, terminal and oil tanker operations, and environmental impacts of oil tanker and oil terminal operations in Cook Inlet under the provisions of Section 5002 of the Oil Pollution Act of 1990. Our mission is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet. Cook Inlet RCAC consists of 13 members from Cook Inlet communities, as well as Alaska Native groups, commercial fishing and aquaculture, tourism, recreational and environmental interest groups that have a significant stake in the environment and resources at risk from oil production and transportation in the region.

The Alaska Oil and Gas Conservation Commission (AOGCC) proposes to revise state regulations that govern hydraulic fracturing applications, operations, and reporting. Cook Inlet RCAC believes that these proposed revisions will improve the regulatory framework governing hydraulic fracturing. These comments address the contents of the proposed regulations, and also include some recommendations for strengthening state governance of hydraulic fracturing operations.

Summary of Proposed Changes

Proposed revisions to 20 AAC 25.005 (Permit to drill) create separate applications for hydraulic fracturing drilling. The new requirements are described in 20 AAC 25.283, which would be a new section of the state regulations.

New regulations at 20 AAC 25.283 create notifications to nearby landowners, surface owners, and operators within a ¼-mile trajectory area when hydraulic fracturing applications are filed, as well as an identification of freshwater aquifers and wells in proximity to the drill site. The new regulations would also require sampling of water wells pre- and post-fracture. The regulations prescribe testing parameters and specific acceptable sample collection and analytical protocols.

New regulations at 20 AAC 25.283 also create requirements for cementing and casing, isolating all hydrocarbon zones penetrated by the well, and require operators to provide pressure testing information as well as active monitoring of annulus pressures during drilling. The regulations also require operators to provide information about the formations into which drilling will occur. We believe that cementing and casing operations, along with pressure monitoring, are critical to safe hydraulic fracturing and preventing unintended releases, and we encourage the AOGCC to actively oversee and enforce these provisions.

The new regulations include requirements for disclosure of the types and amount of fluids, including chemical additives, to be used in hydraulic fracturing and plans for cleanup and recovery of all fluids. Operators submitting hydraulic fracturing plans would also be required to register their sites with the Interstate Oil and Gas Compact Commission/Groundwater Protection Council hydraulic fracturing website at fracfocus.org.

The proposed regulations would also add definitions for “hydraulic fracturing” and “hydraulic fracturing fluid” to 20 AAC 25.990.

Cook Inlet RCAC Comments

Based on our review of current best practices for hydraulic fracturing, Cook Inlet RCAC believes that the proposed regulations will strengthen state regulatory oversight of hydraulic fracturing, and provide opportunity for public transparency regarding the siting of wells, planned operations, and types of chemicals to be used. The AOGCC regulations will establish well testing and monitoring requirements to protect wells and aquifers. We believe that the AOGCC is following suit with other states, such as Colorado, Oklahoma, Louisiana, Texas, North Dakota, Montana, Mississippi, Utah, Ohio and Pennsylvania, which are requiring operators to keep the public informed about hydraulic fracturing operations through the FracFocus website.

We recommend that the AOGCC consider expanding the landowner notification requirement at 20 AAC 25.283(a)(1) to include landowners, surface users, and operators within a minimum of 1 mile of the wellbore trajectory, rather than the ¼ mile specified in the proposed rule.

Based on our organizational mission, Cook Inlet RCAC recommends that other Alaska state agencies with purview over other aspects of hydraulic fracturing operations review their regulations to ensure that other operational risks – such as potential for spills of hydraulic fracturing fluids – are adequately addressed through contingency plans and operational permits.

Thank you for the opportunity to comment on these proposed regulatory changes. If you have any questions, please contact me at (907) 283-7222 or munger@circac.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Munger', with a stylized flourish at the end.

Michael L. Munger
Executive Director