State says harsh conditions, not aging infrastructure, culprit in Cook Inlet gas leak

By <u>Elizabeth Harball, Alaska's Energy Desk - Anchorage</u> - May 18, 2017

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Still from a 1965 Shell video of Cook Inlet pipeline installations. (courtesy Cook Inletkeeper)

Everyone knew drilling for oil and gas in Cook Inlet wasn't going to be easy.

This is made clear by a 1965 documentary produced by Shell Oil Company about the industry's early work to lay pipes in Cook Inlet. In dramatic terms, the narrator talks about the winter ice that "only structures of the toughest steel" can withstand, "high winds and waves" and "swift currents, which move with each tide."

A number of Cook Inlet's platforms were built <u>in the 1960s</u>. Today, the Texas-based Hilcorp is the top producer in the Inlet. The company knew what it was getting into when it bought up platforms in the region. In a speech earlier this month, Hilcorp executive David Wilkins noted the company's business model is to "give new life" to old production.

This business model drew a lot of scrutiny this spring when the company was forced to shut down multiple pipes and platforms after three separate incidents. One gas leak went on for weeks after it was discovered; icy conditions in the Inlet made it too dangerous for divers to repair the line. State regulators are still reviewing data to learn about the environmental impact.

During this time, watchdog groups repeatedly brought up Cook Inlet's decades-old equipment. But now that the state's had time to investigate, Geoff Merrell with the Alaska Department of Environmental Conservation said aging equipment probably wasn't to blame for the gas leak.

"In this case, and as far as we know in any of the other recent cases that we've had in Cook Inlet, the age of the infrastructure was not a factor in the incident itself," Merrell said.

The state thinks the gas leak was caused by a big rock that rubbed against the pipe because of Cook Inlet's ultra-strong tides. Based on inspections he's seen, Merrell doesn't think the string of incidents means Cook Inlet's old equipment is starting to fall apart.

"I'm not feeling like the system...is subject to imminent collapse," Merrell said.

But Merrell said even though it wasn't a factor in the gas leak, the state is paying attention to the fact that many of Cook Inlet's platforms are getting up in years.

Lynda Giguere, a spokesperson for the Cook Inlet Regional Citizens Advisory Council, agrees that old pipes and platforms are a concern. But that's just one of many worries.

The Inlet is rife with extreme conditions, including strong tidal currents, dangerous floating ice in the winter and heavy sediment loads and rocks that can eat away at equipment — all factors involved in Hilcorp's recent gas leak. There's also a risk of earthquakes and volcanic activity.

But Giguere said the recent series of mishaps has a silver lining:

"One positive aspect of these incidents is that they have focused more attention on Cook Inlet and heightened the public's awareness of all the challenges that exist in the Inlet," Giguere said.

The Cook Inlet Regional Citizens Advisory Council is working with the state to review all of the Inlet's oil and gas infrastructure. The state said the review should be finished before the end of the year.