

SLR International Corporation

Please see attached comments from SLR International Corporation. These comments are not submitted on behalf of any other organization.

SLR comments on 18 AAC 75 Article 4 Scoping

1. Changes to the ADEC review process

SLR recommends changes to the review process for amendments and renewals, and to a lesser extent, to new plan reviews. Not all submittals and reviews are equal, and the regulations should reflect that. We propose new definitions of ‘minor’ and ‘major’ renewals that are similar to ‘minor’ and ‘major’ amendments. We propose varying review schedules for these amendments and renewals to reduce the burden of review time and effort corresponding to the amount of material to review.

Planholders are required to submit new plans no later than 180 days prior to proposed start of operations and renewals no later than 180 days prior to expiration. These submittals are reviewed under 18 AAC 75.455, which provides a review schedule that exceeds 209 days. The timeframes in the regulations need to be decreased.

Planholders submit and ADEC reviews the following documents, which have various levels of complexity. In order of simplest to most complex review, these are:

1. Routine update amendment
2. Renewal with no changes
3. Minor amendment
4. Minor renewal
5. Major amendment/major renewal
6. New plan

All renewal, major amendment, and new plan reviews follow the same schedule in accordance with 18 AAC 75.455. This ignores the fact that renewals vary in review effort. Plans that are kept up to date by responsible planholders are not extensively revised during renewal. In fact, some renewals would be considered to be minor amendments if the same revisions were submitted as an amendment and not as a renewal. Our recommended changes recognize this. ADEC plan reviewers should focus their review efforts on the revisions, not on the entire plan. The shortened review schedule provides a structure in which this will be required.

#1-Routine update: We recommend limiting the definition of routine updates to the revisions in 18 AAC 75.415(b), plus the following:

- (1) addition of shop-fabricated oil storage tanks for temporary use at an oil terminal, exploration or production facility, or pipeline, if
 - (A) the shop-fabricated tank will be in service 180 days or less;
 - (B) all the requirements of 18 AAC 75.066 and 18 AAC 75.075 have been met; and
 - (C) inspection records showing compliance with 18 AAC 75.066(f) are maintained by the planholder and are made available to the department upon request.
 - (D) Temporary shop-fabricated tanks are not required to be included in the tank list described in 18 AAC 75.425(e)(3)(A)(i).

We recommend deleting ADEC review of routine updates. This appears to be the intent of 18 AAC 75.415(a): “An application for approval of an amendment to an ODPCP must be submitted and approved by the department before a change to a plan may take effect, unless it is a routine plan update under (b) of this section.” [underline added for emphasis] Planholders should simply distribute routine updates to the plan recipient list (provided by ADEC when plan is approved). If a planholder includes any revision outside of the limited definition in a routine update, ADEC would notify the planholder that the revisions must be submitted as an amendment to the plan.

#2-Renewal plan with NO changes [18 AAC 75.420(c)]: Public review should not be required for an unchanged document. This type of renewal should be reviewed like a minor amendment – reviewed and approved by ADEC in 30 days. Question for ADEC: How many plans are submitted with NO changes?

SLR comments on 18 AAC 75 Article 4 Scoping

#3-Minor amendment: No recommended changes to the review process for these amendments. The amendment is reviewed and approved within 30 days of submittal.

#4-Minor renewal: Revisions do not meet the criteria of a major renewal. SLR proposes new regulations to describe a shorter review schedule than provided in 18 AAC 75.455 as follows:

- 5 working days for sufficiency review (reduced from 7 working days in 18 AAC 75.455)
- 30 days for public review (reduced from 30-45 days in 18 AAC 75.455)
- 30 days for ADEC review after public review period closes (reduced from 90 days in 18 AAC 75.455)
- 10 days for final public review (same as 18 AAC 75.455)
- 5 working days for ADEC completeness determination (reduced from 7 working days in 18 AAC 75.455)
- 10 days to approve plan after completeness determination (reduced from 65 days in 18 AAC 75.455)

This provides a minimum of 90 days from submittal to approval, and does not include a timeframe for applicant responses to RFAI or department review of RFAI response, and includes both working and calendar days.

#5-Major amendment and major renewal: New definition - 'major renewal' is a renewal application with revisions that are equivalent to the criteria used to define a major amendment.

SLR proposes new regulations to describe a shorter review schedule than provided in 18 AAC 75.455, as follows:

- 5 working days for sufficiency review (reduced from 7 working days in 18 AAC 75.455)
- 30 days for public review (reduced from 30-45 days in 18 AAC 75.455)
- 60 days for ADEC review after public review period closes (reduced from 90 days in 18 AAC 75.455)
- 10 days for final public review (same as 18 AAC 75.455)
- 5 working days for ADEC completeness determination (reduced from 7 working days in 18 AAC 75.455)
- 30 days to approve plan after completeness determination (reduced from 65 days in 18 AAC 75.455)

This provides a minimum of 140 days from submittal to approval, and does not include a timeframe for applicant responses to RFAI or department review of RFAI response, and includes both working and calendar days.

#6-New plan: SLR proposes revisions to 18 AAC 75.455 to describe a shortened review schedule for new plans as follows:

- 7 working days for sufficiency review (no change)
- 30-45 days for public review (no change)
- 60 days for ADEC review after public review period closes (reduced from 90 days)
- 10 days for final public review (no change)
- 7 working days for ADEC completeness determination (no change)
- 50 days to approve plan after completeness determination (reduced from 65 days)

Current regulations require a minimum of 209 to 224 days. Proposed reductions provide a minimum of 164 to 179 days from submittal to approval, and does not include a timeframe for applicant responses to RFAI or department review of RFAI response, and includes both working and calendar days.

2. Incorporate plan approval criteria [18 AAC 75.445] into ODPCP contents [18 AAC 75.425(e)]

SLR recommends moving all approval criteria into the appropriate section of contents. 18 AAC 75.445 would be deleted.

Some examples follow:

18 AAC 75.425(e)(1)(E) Deployment strategies - a description of initial response actions that may be taken, including procedures for the transport of equipment, personnel, and other resources to the spill site, including

SLR comments on 18 AAC 75 Article 4 Scoping

plans for alternative methods in adverse weather conditions; **identified personnel and equipment must be sufficient to meet the applicable response planning standard and be deployed and operating within the time specified under 18 AAC 75.430 - 18 AAC 75.442; Inserted from 18 AAC 75.445(c)**

18 AAC 75.425(e)(1)(F)(x): procedures and locations for temporary storage and ultimate disposal of oil contaminated materials, oily wastes, and sanitary and solid wastes, including procedures for obtaining any required permits or authorizations for temporary storage or ultimate disposal; **adequate temporary storage and removal capacity for recovered oil and oily wastes must be available at or near the site of the spill to keep up with the skimming and recovery operations and to meet the applicable response planning standard established under 18 AAC 75.430 - 18 AAC 75.442 for control, containment, and cleanup; Inserted from 18 AAC 75.445(d)(7)**

3. Include addressing requirements of 18 AAC 75.005 through 18 AAC 75.085 in Part 2 of the ODPCP

Part 2 - Prevention Plan: The prevention plan must describe how the applicant meets all the applicable requirements of 18 AAC 75.005- 18 AAC 75.085. The prevention plan may be submitted as a separate volume, and must include, at a minimum, the following information:

- (A) discharge prevention programs - a description and schedule of oil discharge prevention, inspection, and maintenance programs in place at the facility as applicable, including ...
 - (iv) **transfer procedures required by 18 AAC 75.025. Include a general description of the procedures for the loading or transfer of oil from or to a pipeline, facility, tank vessel, oil barge, railroad tank car, or storage tank;**
 - (v) **requirements for laden tank vessels and oil barges as required by 18 AAC 75.027 and 18 AAC 75.037.**
 - (vi) **operating requirements for exploration and production facilities as required by 18 AAC 75.045.**
 - (vii) **requirements for flowlines at production facilities as required by 18 AAC 75.047.**
 - (viii) **leak detection, monitoring, and operating requirements for crude oil transmission pipelines as required by 18 AAC 75.055.**
 - (ix) **requirements for field-constructed aboveground oil storage tanks as required by 18 AAC 75.065.**
 - (x) **requirements for shop-fabricated aboveground oil storage tanks as required by 18 AAC 75.066.**
 - (xi) **requirements for secondary containment as required by 18 AAC 75.075.**
 - (xii) **requirements for facility oil piping as required by 18 AAC 75.080.**
 - (xiii) **requirements for railroad tank cars and operations by rail as required by 18 AAC 75.085.**

4. Response planning standard for exploration and production facilities

Clarify/simplify the language as follows:

18 AAC 75.434(b): The response planning standard for an exploration facility is 5,500 barrels for each of 15 days, unless relevant well data, exploration data, and other supporting technical documentation provided to the department and to the Alaska Oil and Gas Conservation Commission demonstrates to the satisfaction of the department that a lower response planning standard is appropriate.

18 AAC 75.434(e): The response planning standard for a production facility is

- (1) For a production facility with assisted lift for all wells, three times the annual average daily oil production volume for the maximum producing well at the facility; or**
- (2) for a production facility with wells without assisted lift, a volume equal to the annual average daily oil production volume for the maximum producing well at the facility for each of 15 days.**

These revisions do not change the RPS volume but clarify the calculations.

SLR comments on 18 AAC 75 Article 4 Scoping

5. 18 AAC 75.990(162) Definition of annual average daily oil production volume

Revise as follows: means the average oil production volume from a common reservoir to a common production facility based on the highest annual volume produced by a well at the facility during the previous calendar year ~~12 months~~ divided by the number of days in the year ~~365 days~~, expressed as barrels per day;

6. Discharge history

Revise 18 AAC 75.425(e)(2)(B) to require a 5 year history of spills greater than 55 gallons in the ODPCP; planholder must maintain complete history of discharges but it does not have to be in the ODPCP.

7. 18 AAC 75.447 Department examination of new technologies

Delete this section. The last BAT conference was held in 2011. No conference was held in 2016 so ADEC is 4 years late. Is this regulation meaningful?

8. 18 AAC 75.480 and 18 AAC 75.485

Add requirement for ADEC to provide findings of inspections and exercises within 60 days of completion.

9. 18 AAC 75.495 and 18 AAC 75.496

Rewrite these sections to accurately describe the area contingency plans.

10. Public notice

SLR recommends removing the requirement to publish a one-day notice in newspapers and instead post the notice on the state's website (as is already done).

11. Wildlife Protection Guidelines for Alaska

Require planholders to follow Wildlife Protection Guidelines for Alaska; remove BAT analysis.

12. General

Many clarifications and simplifications (wording, organization) and terms requiring definitions have been identified in our review. These are not included here but will be provided if regulation revisions proceed.