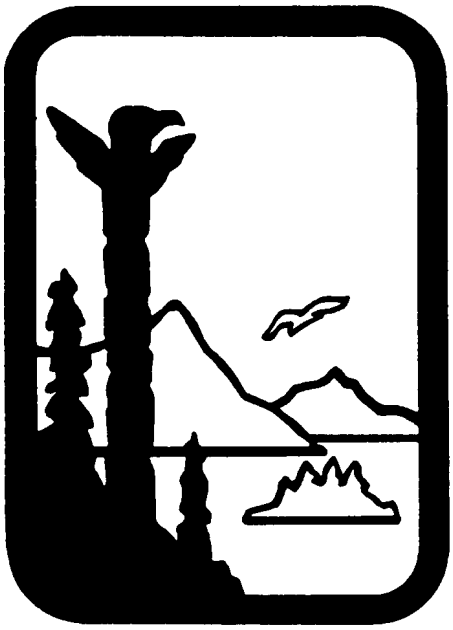
Department of Environmental Conservation
Division of Spill Prevention & Response



Contingency Plan Regulation Project, Phase 2
Oil Discharge Prevention Regulations
Informal Public Comment Draft & Discussion
April 1, 2005

Frank Murkowski
Governor

Kurt Fredriksson
Commissioner

Contingency Plan Regulations Project – Phase 2

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Contingency Plan Regulations Project – Phase 2

Introduction

The Alaska Department of Environmental Conservation (ADEC) has been engaged in a multi-year, multi-phase project to comprehensively review and update the oil discharge prevention and contingency plan (c-plan) regulations in 18 AAC 75. The current phase of this project involves a review and updating of regulations relating to oil spill prevention and prevention plans for all regulated operators. The oil spill prevention regulations are generally found within 18 AAC 75 Article 1 and the prevention plan requirements are located at 18 AAC 75.425(e)(2).

In July of 2004 ADEC sent a letter to all oil discharge prevention and contingency plan holders asking five questions designed to stimulate discussion of potential revisions to the oil pollution prevention regulations.

- Should ADEC's Oil Pollution Prevention Regulations be revised to correspond to Federal regulations?
- Should the Prevention Plan be a stand-alone document?
- What sections of Article 1 need updating?
- What sections of Article 1 need revision?
- What sections of Article 1 are no longer valid?

ADEC also held a workshop in Anchorage on November 9th to elicit further comments on our oil spill prevention regulations. Oral comments were received during the November workshop from the following groups:

- Cook Inlet Keeper
- Cook Inlet RCAC
- North Slope Borough
- Prince William Sound RCAC

Written comments were also received from the following groups in conjunction with the workshop:

- BP
- Cook Inlet RCAC
- Prince William Sound RCAC

Additionally, we reviewed comments submitted previously by the North Slope Borough as part of an earlier phase of this project, comments from internal department workgroups, and also reviewed comparable oil discharge prevention regulations in other states. The results were then used to formulate suggested draft revisions to our regulations, which we have included in this document.

The suggested draft revisions to the regulations in this document are just that – suggested drafts, not necessarily indicative of any future proposed regulation. They are intended to provide the regulated community and general public with some indication of departmental intent and to stimulate discussion on specific topics regarding oil discharge prevention.

We look forward to receiving additional comments that will be raised by this document.

General Concepts / Guiding Principles

> "The spill prevention requirements in Article 1 are intended to complement, rather than duplicate, the requirements of other State and federal agencies."
>
> 1994 C-Plan Guidance.

In developing this draft, we followed several basic guidelines:

1. Make the regulations efficient and enhance clarity. As much as possible, the requirements should be logical and clear to the regulated community and should not conflict with other regulatory or statutory requirements. The terminology used in the regulations should be clear and consistent throughout the regulations.

2. The regulations should be designed to "fill in the gaps" where federal or other State agency requirements are either non-existent or inadequate. This follows the intent of the original regulations.

3. The regulations should complement other requirements and form a comprehensive, coherent regulatory regime. They should not duplicate or conflict with other agency requirements.

4. The regulations must be current. References to outdated standards should be removed or updated.

ADEC's Response to Comments Received

The comments we received in response to the questions in our July letter, and ADEC's response to those comments, are summarized in the following paragraphs.

Should ADEC's Oil Pollution Prevention Regulations be Revised to Correspond to Federal Regulations?

Commenters generally inferred this to mean that the submission of an EPA Spill Prevention, Control, and Countermeasures Plan would be acceptable in lieu of the existing prevention plan. This was not our intent. ADEC is not able or willing to relinquish our statutory review authority to a federal agency.

Our purpose in this question was to determine if a large-scale reorganization of 18 AAC 75 Article 1 or 18 AAC 75.425(e)(2) was desired by the regulated community in order to clarify their compliance requirements. Based upon our review of the comments, wholesale reorganization of the regulations in 18 AAC 75 Article 1 or 18 AAC 75.425(e)(2) is not warranted at this time.

Should the Prevention Plan Required by 18 AAC 75.425(e)(2) be a Stand-alone Document?

Several commenters felt that if the prevention plan were separated out as a stand-alone document, the current c-plan public review process in 18 AAC 75.455 would not apply and therefore public trust in the document would be compromised. This was not the department's intention. Our purpose in proposing to separate out the prevention plan was to provide an easier way to increase the frequency of review of the oil spill prevention measures at a facility or onboard a vessel. Preliminary internal discussions within the department had indicated that a

five-year interval between a planholder's review of the prevention measures in their c-plan may be too long.

In our draft we are proposing that the plan-holder must annually review the prevention plan and certify within the prevention plan that the review has been completed. The prevention plan would remain an integral part of the overall c-plan and would be subject to the public review process every five years.

Additionally, the prevention plan requirements have been revised in an attempt to make them more coherent with Article 1 requirements.

What Sections of Article 1 Need Updating?

This question elicited several responses. It is generally agreed that all references to standards, codes, and recommended practices need to be updated. ADEC is considering several updated standards, codes, and recommended practices within specific sections of Article 1, and is also considering deletion of 18 AAC 75.090, Recommended Practices.

What Sections of Article 1 Need Revision?

We received several comments that included suggested revisions or additions to the current regulations, varying from minor updating to inclusion of entire new sections. Those comments that we deemed appropriate have been included in the draft attached to this document. Several suggested revisions were not accepted, or accepted in part, due to various reasons. These are discussed separately in the following paragraphs.

General Oil Pollution Prevention Requirements

One commenter suggested adding "acts of terrorism" to the security and surveillance risks listed in 18 AAC 75.007(f). In keeping with the premise that the Article 1 regulations are meant to fill in identified gaps in federal and state requirements, we did not add the suggested text. Anti-terrorism requirements enforced by the Office of Homeland Security are quite broad reaching and detailed and that further measures on our part would be redundant and potentially confusing to operators.

Spill Prevention Training Requirements

During Phase 1 of this project one commenter requested that oil spill prevention training requirements be strengthened, including more stringent recordkeeping requirements, operator certification standards, and 3rd party verification of training.

We agree, noting that human factors were the major cause of 26% of the reported spills between 1995 and 2002. As a result, ADEC is considering creating a new section, 18 AAC 75.020, specifically covering oil discharge prevention training and recordkeeping. The new section clarifies the training required and sets recordkeeping requirements. Additionally, the proposed draft language of 18 AAC 75.425(e)(2) explicitly lists prevention training programs as part of the prevention plan portion of the c-plan.

We are also considering draft changes to the approval criteria of 18 AAC 75.445(j) and adding a new section, 18 AAC 75.445(m), making oil spill prevention training a criteria for approval of a

c-plan. This will strengthen the training documentation requirements in order to verify training and to enforce plan holder responsibility for training.

Adoption of International Safety Management (ISM) System for Vessels

One commenter suggested the incorporation of the ISM code (33 CFR 96) for shipping into state regulations. We considered this an unnecessary duplicative of federal regulations and therefore not in keeping with the intent of Article 1 as described in the beginning of this document.

Tanker Escorts

Several comments requested that the current Prince William Sound (PWS) crude oil tanker escort system, in its entirety, be adopted into regulation. One other comment suggested a reduction in escort requirements for double-hulled tankers equipped with fully redundant systems.

ADEC notes that the PWS tanker escort system was originally put in place is response to U.S. Coast Guard regulations, and that the current PWS crude oil tanker escort system is required as a condition of approval for current state-required tanker c-plans for the Prince William Sound operating area, and that these c-plans are due for renewal in November 2007.

ADEC has discussed the status of the PWS crude oil tanker escort system with the U.S. Coast Guard. It is anticipated that the department and the Coast Guard will cooperate in development of any new PWS crude oil tanker escort regulations. In the event that the federal government does not proceed with this rulemaking, the state, at this time, intends to resume a careful and thorough regulatory process to develop and institute state PWS tanker escort regulations. This regulatory process would include, but not be limited to, a consideration of predicted tanker fleet characteristics, changes in escort vessel capabilities, an updated PWS crude oil risk assessment, and other relevant factors. That said, an acceptable and probably more desirable alternative would be for the state to collaborate, in a non-regulatory process, with the Coast Guard, the PWS crude oil tanker operators, and the PWS RCAC to determine the appropriate PWS tanker escort system. The escort system developed through this process could then be submitted by the tanker operators as part of their 2007 c-plan renewal application.

Two comments requested state regulations requiring tanker escorts in Cook Inlet. Based upon significant study and discussion of this subject since the early 1990's, including the October 2000 U.S. Coast Guard - sponsored Cook Inlet Ports and Waterways Safety Assessment, ADEC does not concur that tanker escorts in Cook Inlet are required.

Operating Requirements for Exploration and Production Facilities

During Phase 1 of this project one commenter requested that 18 AAC 75.045 be revised to adequately address North Slope drilling operations, particularly offshore ice and gravel islands and temporary bottom-founded drill structures.

ADEC has attempted to revise 18 AAC 75.045 to more accurately include all types of oil well drilling operations throughout the state. By rewording the language to include “marine structure used for drilling” and defining “marine structure”, the inspection provisions of 30 CFR 250, Subpart I, incorporated by reference, would now include the facilities referred to by the commenter.

We are also considering adding a requirement for impermeable wellhead sumps for new onshore wells and on wells located on new artificial islands and ice islands.

Leak Detection, Monitoring, and Operating Requirements for Crude Oil Transmission Pipelines

Comments were received from several groups indicating that the State should establish regulatory requirements for leak detection system installation and implementation, inspection, maintenance and repair. Comments included recommendations for establishing training standards for leak detection system operators and standards for documentation and record keeping as part of the overall testing and maintenance program for leak detection systems.

ADEC agrees that minimal standards for leak detection system implementation, testing, inspection and maintenance will support the effectiveness of leak detection systems on crude oil transmission pipelines in the State of Alaska. Likewise, minimum requirements for operator training and record keeping related specifically to leak detection systems established to meet the standards established in 18 AAC 75.055(a) provide a clear means for the State to verify leak detection system performance for regulated crude oil transmission pipelines.

The current industry standard for installing, maintaining, and operating computational pipeline monitoring (CPM) leak detection systems is found in API Publication 1130, Second Edition, November 2002, Computational Pipeline Monitoring for Liquid Pipelines. ADEC intends to require the owner or operator of a crude oil transmission pipeline with a CPM leak detection system to install, maintain, and operate the system in accordance with the schedules and practices outlined in API 1130. However, because API 1130 is referenced by U. S. DOT in 49 CFR 195 and because it should be applied according to the needs of each individual pipeline, ADEC has extracted minimum requirements from API 1130 for each regulated pipeline. These requirements are found in 18 AAC 75.055(e) and (f) and establish minimum standards for initial system testing, regular interval testing, incorporation of CPM training into the operator's overall prevention training program, and minimal standards for documentation and record keeping. It is not ADEC's intention to duplicate 49 CFR 195 by establishing these standards; rather ADEC intends to establish overall requirements for a crude oil transmission pipeline owner/operator to adhere to the standards in API 1130 while minimizing the need for interpretation for basic elements of the standard.

Leak Detection Performance Standard

Two commenters questioned whether currently best available technology and actual leak detection system performance has exceeded ADEC's regulatory performance standard of detecting a leak equal to 1% of daily throughput. One commenter stated that leak detection standards of .35% to .5% are "consistently met," although they did not indicate which pipelines operated with this standard of leak detection. A second commenter also stated that they believed leak detection systems currently available are capable of detecting leaks of .5% of daily throughput, and since the technology is available, they believe ADEC should revise their performance standard accordingly. One commenter stated that the leak detection standards were sufficient as written, and they did not recommend any changes. Further, they stated that due to wide variation of consistency in flow rates within North Slope crude oil transmission pipelines, reaching a reliable .5% leak detection rate was not uniformly possible.

ADEC agrees that leak detection technology has greatly improved since 18 AAC 75.055 became effective in 1992. In particular, Computational Pipeline Monitoring (CPM) systems have become capable of detecting smaller leaks over time due to enhancements in both software and support systems. Several CPM systems were highlighted at ADEC's 2004 Best Available Technology (BAT) Conference. CPM leak detection systems can be installed and maintained to a particular performance standard is influenced by individual pipeline characteristics (hydraulics, slack line conditions, consistency of flow rates) as well as by statistical manipulation of data to provide optimal alarm levels with maximum reliability and accuracy. ADEC believes it is possible for most CPM leak detection systems on crude oil transmission pipelines in Alaska to meet a performance standard of .5% of daily throughput. Therefore, ADEC has chosen to reduce the performance standard from 1% to .5% of daily throughput of a crude oil transmission pipeline. However, the agency agrees that not all crude oil transmission pipelines can meet this standard, and for that reason, we are retaining the opening clause in 18 AAC 75.055(a)(1) "if technically feasible."

Incorporation of Federal Leak Detection Standards Into State Regulation

Three commenters recommended that the State modify its regulations in some form to incorporate or apply federal regulations (49 CFR 195) to crude oil transmission pipelines in Alaska. Most noted that the U. S. Department of Transportation (USDOT) enforces 49 CFR 195 for most crude oil transmission pipelines in the state, but they wanted to see various elements of the federal standards incorporated into State regulation.

In 1991 during the State's process to develop the current oil spill prevention and response regulations, comments recommending incorporation or adoption of federal regulations were provided. At that time ADEC elected not to duplicate USDOT requirements, and it remains the position of ADEC that State regulations for oil spill prevention and response will not duplicate other State or Federal agency regulations. State regulations are intended to compliment rather than duplicate other agency requirements.

Crude Oil Transmission Pipeline Valve Inspection, Maintenance, Repair and Testing

One commenter requested that ADEC should adopt regulations that will ensure the safe and reliable functioning of crude oil transmission pipeline (COTP) valves. Their recommendation included requiring minimum inspection frequency, that valves are maintained in "good working order at all times" and that repairs or other maintenance activities identified during inspections be completed "immediately".

For most of the COTP valves regulated by ADEC, valve operation, maintenance, and inspection requirements are established by the USDOT. However, there are crude oil transmission pipelines regulated by ADEC that fall off the USDOT regulatory framework for a number of reasons, primarily because of their low flow pressure.

ADEC does not intend to duplicate regulations, and including regulations for all COTP valves regarding valve maintenance would have that effect. During the initial development of 18 AAC 75 Article 1 in 1991, ADEC responded to public comments about adding valve requirements (installation standards, maintenance and inspection standards) by stating that "These requirements are covered by the U. S. DOT." Earlier responses in the same document discussed the intention, reiterated in this document, to not duplicate federal regulations, but to fill gaps

where necessary. (Responsiveness Summary, Public Comments on the July 8, 1991 Public Review Draft of Revised Oil Pollution Control Regulations, dated October 10, 1991) ADEC is not considering additional regulation of crude oil transmission pipeline valves at this point.

Application of State Leak Detection Regulations to refined product lines, crude oil gathering lines, and process flow lines

Several comments were received recommending that ADEC modify or increase its regulatory scope to apply leak detection standards to gathering lines, flow lines, subsea multi-phase pipelines, and refined product lines. ADEC is not considering expanding the scope of regulatory authority into these areas at the present time.

What Sections of Article 1 Are No Longer Valid?

Several commenters noted that, throughout Article 1, references are made to outdated standards and practices. We have updated those references where applicable.

Some commenters questioned whether 18 AAC 75.090, Recommended Practices, should be retained, noting that the section is advisory in nature and that most of the referenced standards and practices are outdated. ADEC agrees, and is considering deletion of this section. Where third-party standards and practices are incorporated into other sections, those standards are now updated and explicitly called out.

Some commenters also stated that the current regulations for offshore exploration and production facilities (18 AAC 75.045) were originally developed for Cook Inlet and do not adequately address offshore facilities on the North Slope. We have attempted to modify and update this section to properly include North Slope offshore operations.

Other Changes to 18 AAC 75 Article 1

Based upon our experience with the current regulations, a review of similar regulations in other states, and an internal workgroup analysis of the regulations, we are considering several additional changes that were not identified by commenters. Many of these changes are based on historical spill data compiled by ADEC indicating that over half of all recorded spills are the result of structural or mechanical failure and that reducing the risk of structural or mechanical failure can significantly reduce the risk of a spill. The significant regulatory changes that we are considering, and our reasoning, are described in the following paragraphs.

Oil Storage Tank Requirements.

Currently, 18 AAC 75.065(h)(1) requires tanks to be constructed to American Petroleum Institute (API) 650 or API 12 standard, or “another standard approved by the Department”. API 650 and API 12 standards are applicable strictly to field-constructed vertical tanks only. The current regulations do not specifically address what standards will be applied by ADEC to regulated shop-fabricated tanks. In the interest of regulatory clarity, ADEC is considering adoption of two common industry standards into regulation for design, construction, and inspection of regulated shop-fabricated tanks under 50,000 gallon capacity. This change would be effective for all affected tanks placed in service after the effective date of the regulation.

First, ADEC is considering adopting UL 142 as the required design and construction standard for regulated shop-fabricated tanks of less than 50,000 gallon capacity. The Underwriters Laboratories UL142 design and construction standard was initially developed in 1922, and has been widely accepted by both industry and government agencies as the appropriate standard for over fifty years. ADEC notes that tanks built to the UL 2080 or UL 2085 standards also meet the requirements of UL 142.

Second, ADEC is considering adoption of the Steel Tank Institute (STI SP001-03) inspection standard. STI SP001-03 was originally developed at the request of the U.S. EPA and is also widely accepted as the industry norm for this class of tanks and we believe would provide a realistic minimum baseline for inspection of shop-fabricated tanks.

ADEC is also considering adoption of the National Association of Corrosion Engineers (NACE) RP 0193-2001 standard for cathodic protection systems for tanks placed in service after July 1, 2006.

Secondary Containment Requirements

We are considering a regulatory change to recognize that tanks with integral secondary containment effectively meet our current secondary containment capacity requirements and should be exempt from additional secondary containment requirements.

Facility Piping & Cathodic Protection

ADEC is considering a number of revisions to the facility piping requirements designed to address several long-standing issues regarding facility inspections and performance standards for facility piping and cathodic protection. The current regulations do not reference any inspection standards for facility piping, causing ambiguity and confusion regarding the proper application of the facility piping regulations to regulated facilities. We are considering the adoption of three common industry standards; one each for design and construction, inspection, and cathodic protection. ADEC believes that regulatory adoption of these three standards would resolve many of the existing ambiguities and help set clear realistic minimum standards for compliance.

First, we are considering adoption of American Society of Mechanical Engineers (ASME) pressure piping codes B31.3 and B31.4 as an appropriate standard baseline for the design and construction of new facility piping. The ASME B31.3 process piping code and B31.4 liquid transportation systems code provide a minimum set of rules concerning the design, materials, fabrication, testing, and examination practices for facility piping. These codes cover pipe, flanges, bolting, gaskets, valves, relief devices, and associated fittings, including hangars and supports. The regulation adopting these standards would become effective for new construction placed in service after July 1, 2006.

Second, we are considering adoption of the American Petroleum Institute (API) 570 inspection standard for facility piping inspection, repair, and maintenance. This standard covers the inspection, repair, alteration, and re-rating of in-service piping systems, and is already in use by much of the regulated industry for inspection of metallic piping systems used for the transport of petroleum products. Adoption by regulation would ensure that regulated facilities and ADEC inspectors are both inspecting to the same standard. The regulation adopting this inspection standard would become effective for buried piping upon adoption of any proposed regulations.

The API 570 standard was originally developed in the early 1990s to provide an inspection standard for piping constructed to the ASME B31.3 and it also complements existing tank inspection standards already in regulation (the API 653 standard).

Finally, we are considering incorporation of the National Association of Corrosion Engineers (NACE) RP 0169 corrosion control standard for cathodic protection of buried piping, in order to address the problem of spills caused by corrosion. This standard, if adopted, would become effective July 1, 2006.

ADEC encourages the regulated community to review these standards as they apply to their facilities, and to propose other design, construction, installation, inspection, or operation standards that should be considered by ADEC for incorporation into regulation.

ADEC is also considering a new definition of "facility oil piping" in order to clearly delineate the scope of piping regulated by 18 AAC 75.080.

Departmental Implementation of Standards Incorporated into Regulation by Reference

ADEC notes that we are considering several design and construction standards for incorporation into the pollution prevention regulations. We do not intend to enter into facility design and construction plan review in order to ensure compliance with 18 AAC 75, Article 1, however. Our purpose in considering these design standards is to define a baseline minimum performance standard which will effectively reduce or mitigate the threat of an unintended oil discharge in accordance with our statutory authority. We would use these standards as reference materials during our normal, routine facility inspection program, but would not act as reviewers for facility design and construction.

Changes to 18 AAC 75 Articles 4 & 9

Because of the intertwined nature of 18 AAC 75 Article 1 (Oil Pollution Prevention Requirements), Article 4 (Oil Discharge Prevention and Contingency Plans and Nontank Vessel Plans), and Article 9 (General Provisions), changes to Article 1 precipitate changes to the other two articles. These changes are discussed in the following paragraphs.

18 AAC 75 Article 4

ADEC is considering adding language to 18 AAC 75.425(c)(3) to emphasize the importance of prevention. The revision amplifies and clarifies c-plan holder's responsibility to commit and maintain resources necessary to prevent oil discharges.

18 AAC 75.425(e)(2), the Prevention Plan portion of the c-plan regulations, requires that the plan holder verify that appropriate measures are in place to reduce the risk or size of an oil spill at the regulated operation, including demonstration of compliance with the applicable requirements of 18 AAC 75, Article 1 (18 AAC 75.005 -- 18 AAC 75.090). The ADEC believes there has been a general misunderstanding of the interplay between Article 1 and Article 4, along with a general lack of correlation between the two articles. Accordingly, we propose a number of revisions to 18 AAC 75.425(e)(2) to ensure consistency in wording and requirements between Article 1 and Article 4.

ADEC is also considering adding a new regulation, 18 AAC 75.425(e)(5), requiring that the calculation of the applicable response planning standard (RPS), and a detailed justification of any

prevention reductions to the RPS, be included in the c-plan. This proposed new regulation would clarify current plan review practice.

18 AAC 75 Article 9

Clarity of terminology is essential when discussing regulatory compliance. The many people involved in the c-plan development, review, and approval process come from a wide variety of backgrounds and expectations. Concise, clear, and consistent understanding of regulatory terms is essential for an effective, broad-based discussion. In order to reduce the potential for misunderstanding or misapplication of ADEC's intent, several regulatory definitions are proposed. Where the definitions are unique to a specific section they are incorporated into the relevant regulatory sections. Proposed definitions of a more general nature are located in Article 9.

Implementation Schedule

Some of the regulatory changes we are considering involve operations and maintenance procedures that may be instituted by the regulated community upon effect of any regulatory action with minimal initial cost. Other changes would require an outlay of capital, necessitating some reasonable amount of lead time for facilities to come into compliance.

Unless specified otherwise in the text of the proposed regulation, the proposed compliance date would be two years from the date the proposed regulations became effective, currently anticipated as February 2006.

Period of Informal Public Comment

ADEC intends to accept comments from the public on this document for a minimum of sixty days. At the end of that period, we will review the comments we have received and may then develop a formal proposed rulemaking package under the Alaska Administrative Procedures Act.

CPR Phase 2 – Suggested Regulatory Changes to 18 AAC 75 Articles 1, 4 & 9

In the following text, proposed changes generally follow the formatting requirements of the "Drafting Manual for Administrative Regulations", 15th Edition, June 2002, and its Supplement dated September 2004, as promulgated by the State of Alaska Department of Law. Proposed changes are indicated as follows:

Underlined text indicates lead-in text or prefatory notes that explain the changes to the following text.

[CAPITALIZED TEXT] indicates current regulatory text proposed for deletion.

Bold, underlined text indicates proposed changes to the regulations.

[…] indicates unchanged chunks of regulatory text.

For comparison purposes, a complete copy of the current 18 AAC 75 regulations can be found online at http://www.state.ak.us/dec/regulations/index.htm.

18 AAC 75, Article 1 - Oil Pollution Prevention Requirements

18 AAC 75.007. General oil pollution prevention requirements

[…]

18 AAC 75.007(d) is repealed, with the repealed text incorporated into a proposed new section, 18 AAC 75.020:

(d) **Repealed [**THE OWNER OR OPERATOR SHALL ENSURE THAT ALL PERSONNEL ARE APPROPRIATELY AND REGULARLY TRAINED REGARDING COMPANY AND STATE POLLUTION PREVENTION MEASURES THAT ARE APPLICABLE TO EACH PERSON'S DUTIES. AFTER COMPLETING A TRAINING COURSE OR PROGRAM, EACH PARTICIPANT SHALL SIGN AND DATE A STATEMENT THAT LISTS THE COURSE CONTENT].

18 AAC 75.007(e) is amended to read:

(e) The owner or operator shall **have in place** [INSTITUTE] programs designed to ensure that each drill operator, each person who has navigational, towline, security, or maintenance duties, and any other person **directly** responsible for an activity that might result in a violation of this chapter is free of substance-abuse or medical **condition** [PROBLEM] that would impair that person's ability to do that person's job. For a railroad, the requirements of this subsection are satisfied by the implementation of programs that meet the requirements of the Federal Railroad

Administration for the control of alcohol and drug use and for medical monitoring of the qualifications of employees.

(f) The owner or operator shall provide security measures and surveillance appropriate to each component of the operation to minimize the risk of vandalism, sabotage, and unauthorized entry.

18 AAC 75.007(g) and (h) are repealed, with the text being relocated to a new section, 18 AAC 75.020:

(g) **Repealed [**THE OWNER OR OPERATOR SHALL MAINTAIN FOR THE LIFE OF THE FACILITY OR OPERATION, A HISTORY SPILLS OVER 55 GALLONS, INCLUDING THE SOURCE, CAUSE, AMOUNT, AND CORRECTIVE ACTION TAKEN].

(h) **Repealed** [THE OWNER OR OPERATOR SHALL PREPARE AND MAINTAIN RECORDS TO DOCUMENT TRAINING, INSPECTIONS, TESTS, MAINTENANCE, AND REPAIRS REQUIRED BY 18 AAC 75.005 - 18 AAC 75.090. UNLESS SPECIFIED OTHERWISE, RECORDS MUST BE KEPT FOR AT LEAST THREE YEARS AND MUST BE AVAILABLE FOR INSPECTION AND COPYING BY THE DEPARTMENT UPON REQUEST].

A new section, 18 AAC 75.020, is created to read:

18 AAC 75.020. Oil discharge prevention training & recordkeeping

(a) The owner or operator shall have in place personnel training programs designed to ensure that all personnel are appropriately and regularly trained regarding company and state oil pollution prevention measures that are applicable to each person's duties. Personnel training programs shall include the following:

> **(1) a brief job description for each position with regular oil pollution prevention duties required by 18 AAC 75.005 – 18 AAC 75.085 and the training and level of knowledge appropriate to that position;**
>
> **(2) the means of achieving the identified training objectives, including training subjects, schedules, frequency, and type;**
>
> **(3) a listing of any licenses, certifications, or other prerequisites needed to hold a particular position; and**

(4) upon completion of a training course or program, each participant shall sign and date a statement listing the course or program content.

(b) The owner or operator shall maintain for the life of the facility or operation, a history of all known oil discharges over 55 gallons, including the source, cause, amount, and corrective action taken. Copies of records shall be provided to the department upon request.

(c) The owner or operator shall prepare and maintain records to document training, inspections, tests, maintenance, and repairs required by 18 AAC 75.005 - 18 AAC 75.090. Unless specified otherwise, records must be kept for at least five years and copies shall be provided to the department upon request.

18 AAC 75.025. Transfer requirements

[…]

18 AAC 75.025(b) is amended to read:

(b) Unless it is technically unfeasible to do so, an oil containment boom appropriate for local conditions must be deployed in an effective manner around an oil tank vessel or barge during the transfer of

(i) crude oil,

(ii) persistent petroleum products,

(iii) combustible liquids,

(iv) oily ballast water.

[CRUDE OIL AND OTHER PERSISTENT PRODUCTS.]

[…]

18 AAC 75.025(g) is amended to read:

(g) The lowermost drain and all outlets of any tank car or tank truck must be **visually** examined for leakage before filling and before departure. All tank car or tank truck manifolds must be blank flanged or capped, and valves must be secured before leaving the transfer area.

18 AAC 75.025(h) is added to read:

(h) For purposes of this section,

(1) "combustible liquid" means liquids which have a flash point greater than 60.5 degrees C (141 degrees F).

(2) "flash point" means the lowest temperature at which a liquid gives off vapor in sufficient concentration to form an ignitable mixture with air near the surface of the liquid.

18 AAC 75.027. Requirements for laden oil tank vessels

18 AAC 75.027(a) is amended to read:

(a) In addition to the applicable requirements of 18 AAC 75.007 - 18 AAC 75.025, a laden oil tank vessel must carry or have ready access to sufficient oil transfer equipment to facilitate lightering **cargo of a volume equal to the volume of the largest cargo tank** to and from other vessels **within 12 hours**.

[…]

18 AAC 75.027(d) is amended to read:

(d) The owner or operator shall ensure that measures are in place that allow the prompt detection of an oil discharge including measures such as visual lookouts, the sounding of all cargo tanks to check cargo and water levels in the tanks after an intentional or unintentional grounding**, collision, or allision**, and, where technically feasible, electronic leak detection systems.

[…]

18 AAC 75.037. Requirements for laden oil barges

18 AAC 75.037(a) is amended to read:

(a) In addition to the applicable requirements of 18 AAC 75.007 - 18 AAC 75.025, a laden oil barge must carry or have ready access to sufficient oil transfer equipment to facilitate lightering **cargo of a volume equal to the volume of the largest cargo tank** to and from other vessels **within 24 hours.**

[…]

18 AAC 75.037(d) is amended to read:

(d) The owner or operator shall ensure that measures are in place that allow the prompt detection of an oil discharge, including visual inspections of the barge and the area around the barge, and

the sounding of all cargo tanks to check cargo and water levels in the tanks after an intentional or unintentional grounding**, collision, or allision**.

[…]

18 AAC 75.045. Operating requirements for exploration and production facilities

(a) In addition to the applicable requirements of 18 AAC 75.007 - 18 AAC 75.025, the owner or operator of an exploration or production facility shall collect and store oil produced during a formation flow test or other drilling operation in a manner that prevents the oil from entering the land or waters of the state.

18 AAC 75.045(b) is amended to read:

(b) In state waters, a, **marine structure used for drilling** [PREFABRICATED OFFSHORE PLATFORM THAT IS TOWED INTO PLACE AND BEGINS OPERATIONS AFTER THE EFFECTIVE DATE OF THIS SECTION] must be inspected for fatigue and structural integrity as required by 30 C.F.R. 250, Subpart I, as amended through July 1, **2001**[1991], the provisions of which are adopted by reference. The inspection must be conducted after [PLATFORM] installation **of the structure** and before drilling or production operations begin. The owner or operator shall submit to [THE SUPERVISOR OF THE APPROPRIATE REGIONAL OFFICE OF] the department a report of the inspection results and any corrective actions taken.

18 AAC 75.045(c) is amended to read:

(c) Closure valves for pipelines leaving **marine structures** [THE PLATFORM] must be located at a protected location that isolates the pipeline from the **structure** [PLATFORM] if a discharge or other emergency occurs and must function both manually and remotely as part of an emergency shutdown system.

18 AAC 75.045(d) is amended to read:

(d) The owner or operator of an exploration or production facility shall provide, at a minimum,

> **(1)** containment and collection devices such as drip pans and curbs for offshore [DRILLING] **exploration and production** and
>
> **(2) sufficiently impermeable** wellhead sumps for [ONSHORE DRILLING] **exploration and production wells located onshore or on artificial islands or ice islands and completed after July 1, 2007.**

18 AAC 75.045(e) is amended to read:

(e) **A marine structure used for oil** [AN OFFSHORE] production [PLATFORM, INCLUDING A MOBILE OFFSHORE DRILLING UNIT,] must have a sufficiently impermeable deck with catch tanks or other devices adequate to contain, collect, and divert spilled oil. The catch tank must have adequate storage capacity to contain anticipated and accidental discharges of oil and high-liquid-level alarms that will immediately notify the operator if a high liquid level develops.

[…]

18 AAC 75.045(h) is proposed, to read:

(h) In this section, "marine structure" includes any installation permanently or temporarily attached to the seabed, and includes, by way of example, mobile offshore drilling units, prefabricated offshore platforms, and artificial islands.

18 AAC 75.055. Leak detection, monitoring, and operating requirements for crude oil transmission pipelines

18 AAC 75.055(a) is amended to read:

(a) A crude oil transmission pipeline must be equipped with a leak detection system capable of promptly detecting a leak, including

(1) if technically feasible, the continuous capability to detect a daily discharge equal to not more than **.5 (one-half)** [ONE] percent of daily throughput;

(2) flow verification through an accounting method, at least once every 24 hours; and

(3) for a remote pipeline not otherwise directly accessible, weekly aerial surveillance, unless precluded by safety or weather conditions.

[…]

18 AAC 75.055(e), (f), and (g) are proposed, to read:

(e) The owner or operator of a crude oil transmission pipeline employing a computational pipeline monitoring (CPM) system for leak detection shall install, test, inspect and maintain the CPM system in accordance with recommended practices and schedules in API Publication 1130, Second Edition, November 2002, Computational Pipeline Monitoring for Liquid Pipelines including, at a minimum:

(1) initial system testing to verify design performance and establish baseline for interval testing;

(2) testing every five years or more frequently following significant changes to the CPM application or to the crude oil transmission pipeline configuration to confirm system effectiveness; and

(3) incorporation of CPM training into the operator's prevention training program required under 18 AAC 75.020(a).

(f) Documentation and Record-keeping. The owner or operator of the crude oil transmission pipeline shall maintain testing and inspection records related to the leak detection system as recommended in API Publication 1130, Second Edition, November 2002, Computational Pipeline Monitoring for Liquid Pipelines, including at a minimum

(1) documentation of the test purpose, test parameters, and methodology for the initial system tests and for re-tests;

(2) maintain detailed records for three test intervals in accordance with API 1130, Second Edition, November 2002, Section 6.2.6, including analysis of the results of the tests and any recommended modifications and corrective actions taken as a result of testing;

(3) documentation of leak detection system operation during any actual crude oil leak for the life of the leak detection system; and

(4) copies of records and documentation required by this paragraph shall be provided to the department upon request.

(g) For purposes of this section, "daily throughput" means the total volume amount of crude oil flowing through a crude oil transmission pipeline segment in any 24 hour period.

18 AAC 75.065. Oil storage tank requirements

18 AAC 75.065(a) is amended to read:

(a) The owner or operator of an oil terminal, crude oil pipeline, exploration, or production facility shall maintain and inspect oil storage and surge tanks consistent with the requirements of API Standard 653, **Third** [FIRST] Edition, **December 2001, and Addendum 1, September**

2003 [1991, AND SUPPLEMENT 1, JANUARY 1992], or API Recommended Practice 12R1, **Fifth** [FOURTH] Edition, **August 1997** [1991], **or STI SP001-03 for shop-fabricated tanks** as appropriate, unless a more stringent requirement is set out in this section. **Internal inspection intervals shall not be based upon risk-based inspection or similar service as specified in Section 6.4.3 of API Standard 653, Third Edition, December 2001, and Addendum 1, September 2003.**

18 AAC 75.065(b) is amended to read:

(b) The owner or operator shall inspect oil storage tanks for structural integrity at least every ten years unless a shorter or longer inspection interval is prescribed by API Standard 653 **Third Edition, December 2001 and Addendum 1, September 2003,** [, FIRST EDITION, 1991, AND SUPPLEMENT 1, JANUARY 1992,] or API RP 12R1 **Fifth Edition, August 1997** [, FOURTH EDITION, 1991]. The department will, in its discretion, require a more frequent **inspection** schedule

(1) for tanks older than 30 years;

(2) for riveted or bolted tanks;

(3) for tanks with demonstrated corrosion or foundation problems; or

(4) after a significant seismic event.

18 AAC 75.065(c) is amended to read:

(c) An elevated or [A] portable tank **whose configuration prevents internal inspection** is not required to undergo an internal inspection if an external integrity inspection, performed in accordance with API Standard 653, **Third** [FIRST] Edition, **December 2001** [1991], and **Addendum 1, September 2003 [**SUPPLEMENT 1, JANUARY 1992], or API RP 12R1, **Fifth Edition, August 1997 [**FOURTH EDITION, 1991], is substituted and that inspection includes **an** [A THOROUGH] inspection and a nondestructive integrity test of the tank, including the tank bottom.

18 AAC 75.065(d) is amended to read:

(d) **Records and documentation required by this section shall be maintained [**A RECORD OF INSPECTION RESULTS AND CORRECTIVE ACTIONS TAKEN AFTER 5/14/92 MUST BE KEPT] for the service life of the tank and must be **provided** [AVAILABLE] to the

department for inspection and copying upon request **with the exception of inspections required as specified in API 653, Subsection 6.3.1, Third Edition, December 2001, and Addendum 1, September 2003 which shall be maintained for five years.**.

18 AAC 75.065(e) is amended to read:

(e) The owner or operator shall notify the department [IF AN OIL STORAGE TANK]

(1) at least thirty days before an oil storage tank undergoes major repair or major alteration, as defined in API Standard 653, **Third** [FIRST] Edition, **December 2001** [1991], and **Addendum 1, September 2003, Section 12.3.1.2** [SUPPLEMENT 1, JANUARY 1992, SECTION 10.3.1.2];

(2) before an oil storage tank is removed from service for more than one year; and

(3) upon completion of actions required to remove the tank from service.

[…]

18 AAC 75.065(g) is amended to read:

(g) If an internal lining system **installed after July 1, 2006** is used to control corrosion or to meet the requirements of (i) of this section, it must be installed in accordance with API **Recommended Practice 652, Second Edition, December 1997** [STANDARD 652, FIRST EDITION, 1991].

18 AAC 75.065(h) and (i) are amended to read:

(h) **An** [A NEW] installation **placed in service between May 14, 1992 and July 1, 2006** must meet the following requirements:

(1) tanks must be constructed and installed in compliance with API Standard 650, 1988 edition, API Standard 12, D (Ninth Edition, 1989), F (Tenth Edition, 1989) and P (First Edition, 1986), or another standard approved by the department;

(2) oil storage tanks may not be of riveted or bolted construction;

(3) cathodic protection or another approved corrosion control system must be installed**,** to protect the tank bottom from external corrosion where local soil conditions warrant; [AND]

(4) each tank must be equipped with a leak detection system that an observer from outside the tank can use to detect leaks in the bottom of the tank, such as secondary catchment under the tank bottom with a leak detection sump, a sensitive gauging system, or other leak detection system approved by the department; and.

(5) after July 1, 2006, the operation and maintenance of the cathodic protection system must be in accordance with Section 11 of NACE 0193-2001, and the cathodic protection survey must be performed by a qualified/certified cathodic protection tester or corrosion expert.

(i) An [EXISTING] installation **placed in service before May 14, 1992** is subject to the following:

(1) each tank must be equipped with **one or more of the following:**

(A) a leak detection system that an observer from outside the tank can use to detect leaks in the bottom of the tank, such as secondary catchment under the tank bottom with a leak detection sump, a sensitive gauging system, or another leak detection system approved by the department;

(B) cathodic protection in accordance with API Standard 651, First Edition, 1991;

(C) a thick film liner in accordance with API Standard 652, First Edition, 1991; or

(D) another leak detection or spill prevention system approved by the department; and

(2) repealed 5/26/2004;

(3) after July 1, 2006, the operation and maintenance of the cathodic protection survey must be in accordance with Section 11 of NACE 0193-2001, and the cathodic protection survey must be performed by a qualified/certified cathodic protection tester or corrosion expert.

18 AAC 75.065(j) is amended to read:

(j) In addition to the applicable requirements of 18 AAC 75.025, the owner or operator shall ensure that one or more of the following means of preventing overfilling is provided:

(1) high liquid level alarms with signals that sound and display in a manner immediately recognizable by personnel conducting a transfer;

(2) high liquid level automatic pump shutoff devices set to stop flow at a predetermined tank content level;

(3) a means of immediately determining the liquid level of each bulk storage tank, provided that the liquid level is closely monitored during a transfer; or

(4) a system approved by the department which will immediately notice the operator of high liquid levels**; and** [.]

(5) tanks placed in service after July 1, 2006 must comply with (1) and (2).

[…]

18 AAC 75.065(l) through (p) are proposed, to read:

(l) An installation placed in service after July 1, 2006 must meet the following requirements:

(1) tanks must be constructed and installed in compliance with API Standard 650, November 1998 Edition, Addendum 1, January 2000, Addendum 2, November 2001, Addendum 3, September 2003, API Standard 12D, Tenth Edition, November 1994, API Standard 12F, Eleventh Edition, November 1994, UL 142, Eighth Edition, July 2002, or another standard approved by the department;

(2) oil storage tanks may not be of riveted or bolted construction;

(3) cathodic protection systems shall be in accordance with NACE Standard 0193-2001 or another approved corrosion control system and shall be installed to protect the tank bottom from external corrosion unless deemed not necessary by an evaluation conducted by a corrosion expert in accordance with API Recommended Practice 651, Second Edition, December, 1997, Chapter 5;

(4) cathodic protection systems shall be

(A) designed by a corrosion expert;

(B) installed under the supervision of a corrosion expert; and

(C) surveyed by a qualified/certified cathodic protection tester or corrosion expert;

(5) each tank must be equipped with a leak detection system that an observer from outside the tank can use to detect leaks in the bottom of the tank in accordance with API 650, Appendix I or other leak detection system approved by the department;

(6) each tank shall be equipped with overfill prevention devices meeting the requirements of paragraphs (j)(1) and (j)(2).

(m) Aboveground shop-fabricated portable tanks of less than 50,000 gallon capacity installed after July 1, 2006, shall be constructed to UL 142 standards recognized by the Steel Tank Institute (STI) and inspected in accordance with STI SP001-03. All aboveground shop-fabricated tanks not meeting these standards shall be replaced by July 1, 2015.

(n) Cathodic protection systems installed after July 1, 2006 shall meet the applicable requirements of paragraph (l)(3)-(4) of this section.

(o) Each tank regulated under this section shall be labeled with a description of the tank contents and safe fill levels. The labeling shall be in a location visible from the ground and be in letters of a contrasting color at least three (3) inches tall.

(p) All normal and emergency relief venting shall be designed, installed, and maintained in working order in accordance with API Standard 2000, 5th Edition, April 1998.

18 AAC 75.075. Secondary containment requirements for aboveground oil storage and surge tanks

18 AAC 75.075(a) is amended to read:

(a) Onshore oil storage tanks must be located within a secondary containment area that has the capacity to hold the volume of the largest tank within the containment area, plus enough additional capacity to allow for local precipitation. Minimum secondary containment system requirements include

(1) berms, dikes, or retaining walls that are constructed to prevent the release of spilled oil from within the containment area;

(2) with the exception of the area under a tank, components constructed of, or lined with, materials that are

(A) adequately resistant to damage by the products stored to maintain sufficient impermeability;

(B) resistant to damage from prevailing weather conditions;

(C) sufficiently impermeable;

(D) resistant to operational damage, and

(3) checking for the presence of oil leaks or spills

(A) daily, **except during unsafe and extremely hazardous weather conditions,** at a manned facility; or

(B) each time the facility is visited, but at least monthly, at an unmanned facility; **and**[.]

(C) reasons for non-inspection must be documented.

18 AAC 75.075(b) is amended to read:

(b) In locations where physically feasible, offshore **exploration and** production **facility** [PLATFORM] oil storage tank areas must incorporate a secondary containment method to prevent oil spills from entering the water.

18 AAC 75.075(c) is amended to read:

(c) Secondary containment systems must be maintained free of debris, **vegetation**, or other materials or conditions that might interfere with the effectiveness of the system **or inspection of tanks and piping**, including excessive accumulated rainwater **and ice**.

18 AAC 75.075(d) is amended to read:

(d) Drainage of water accumulations from secondary containment areas that discharge directly to the land or waters of the state must be controlled by locally operated, positive close failsafe valves or other positive means to prevent a discharge. Valves must be kept closed and locked when not in use. The owner or operator shall inspect accumulated water before discharging it from a secondary containment area to ensure that no oil will be discharged and shall keep a written record of each drainage operation **and whether a sheen was present or not**. If no sheen is present, water accumulated may be discharged without a state wastewater permit under 18 AAC 72. Oil-contaminated water accumulations may be discharged from secondary

containment without a state wastewater permit under 18 AAC 72 if the receiving environment is not a sensitive receiving environment and if it is treated through an oil/water separating device that reduces the total concentration of hydrocarbons to below 15 ppm. The oil separating device must be equipped with effluent monitors and alarms that **notify** [NOTICE] the operator if the device fails.

18 AAC 75.075(e) is amended to read:

(e) **An** [A NEW] installation **placed in service after May 14, 1992** is subject to the following:

(1) impermeable liners or double bottoms that are chemically resistant to damage by the product being stored in the tank must be installed under all tanks, except for tanks containing viscous products exceeding 400 SUS (Saybolt Universal System) at storage temperatures; and

(2) drains and other penetrations through secondary containment areas must be minimized consistent with facility operational requirements.

18 AAC 75.075(f) is amended to read:

(f) At an [EXISTING] installation **placed in service before May 14, 1992**, in the event of a known or suspected discharge, the department will, in its discretion, require installation of monitoring wells to detect oil or other hazardous substances in the groundwater if the local geology and groundwater conditions allow installation of monitoring wells, and if monitoring wells will not substantially increase the risk of contaminating groundwater.

18 AAC 75.075(g) is amended to read:

(g) Rail tank car and tank truck loading areas and permanent unloading areas must

(1) have a secondary containment system designed to contain the maximum capacity of any single compartment of the tank car or tank truck, including containment curbing and a trenching system or drains with drainage to a collection tank or device designed to handle a discharge;

(2) be paved, surfaced, or lined with sufficiently impermeable materials;

(3) be maintained free of debris or other materials or conditions that might interfere with the effectiveness of the system, including excessive accumulated rainwater **and ice**; and

(4) have warning lights, warning signs, or a physical barrier system to prevent premature vehicular movement.

18 AAC 75.075(h) through (l) are proposed, to read:

(h) Shop-fabricated aboveground tanks of a vaulted, self-diked, or double-walled design meeting a national construction and design standard and placed in service after July 1, 2006 are not required to be placed in within bermed, lined, secondary containment areas.

(i) Vaulted tanks shall have discrete secondary containment vault systems constructed of seamless, poured and sealed or lined concrete, welded carbon or stainless metal, or other impermeable material as defined in 18 AAC 75.990(51) able to contain 100% of the volume of the tank plus any necessary allowance for precipitation, and have sufficient personnel access to allow full physical inspection of all sides of the tank

(j) Self-diked tanks shall

(1) have access that allows visual inspection for corrosion control or damage to the outer shell of the storage tank and the inner surface of the integral secondary containment area to facilitate non-destructive testing in accordance with 18 AAC 75.065(b) and (c);

(2) have catchments that positively divert any fuel overflow due to tank overfill into the diked tank integral secondary containment area;

(3) be equipped with systems for freeing water or spilled fuel from the integral dike and regular maintenance in accordance with 18 AAC 75.075(c);

(4) be equipped with integral dikes with leak detection in accordance with 18 AAC 75.075(h) for tanks placed in service after July 1, 2006 or 18 AAC 75.075(i) for tanks placed in service prior to that date; and

(5) have tank supports, base plates, and anchoring systems designed to meet or exceed seismic zone 4 requirements in accordance with Uniform Building Code, 1997 Edition.

(k) In this section

(1) "failsafe" means designed such that the equipment defaults to a safe condition in the event of an equipment failure;

(2) "vaulted tank" means a storage tank that is placed within a discrete secondary containment vault system at or below grade;

(3) "self-diked tank" means a horizontal aboveground storage tank with integral secondary containment of minimum capacity of at least 100% of the capacity of the tank; and

(4) "double-walled tank" means a horizontal steel cylindrical aboveground storage tank with a surrounding cylindrical containment tank fully enclosing a sealed interstitial space of a capacity less than 100% of the storage tank capacity and preventing visual inspection of the inner tank.

18 AAC 75.080. Facility piping requirements for oil terminal, crude oil transmission pipeline, exploration, and production facilities

[…]

18 AAC 75.080(b) is amended to read:

(b) **Metallic** [BURIED STEEL] piping containing oil must be maintained in accordance with a corrosion control program, [APPROVED BY THE DEPARTMENT] and,

(1) for **a** [A NEW] **buried** installation **placed in service between May 14, 1992 and July 1, 2006,** must be

(A) protected from corrosion by installing protective wrapping or coating and cathodic protection appropriate for local soil conditions; and

(B) of all welded construction with no clamped, threaded, or similar connections for lines larger than a one inch nominal pipe size; and

(2) **Repealed.** [FOR AN EXISTING INSTALLATION, MUST

(A) UNDERGO A CORROSION SURVEY;

(B) BE CAREFULLY EXAMINED FOR DETERIORATION ANY TIME A SECTION OF BURIED LINE IS EXPOSED FOR ANY REASON;

(C) UNDERGO AN ADDITIONAL EXAMINATION AND CORRECTIVE ACTION TO REPAIR THE DAMAGED PIPE AND CONTROL FUTURE CORROSION IF CORROSION DAMAGE IS FOUND; AND

(D) BE REPLACED WITH PIPING THAT MEETS THE REQUIREMENTS OF (1) OF THIS SUBSECTION, IF FEASIBLE, WHEN SIGNIFICANT REPAIRS OR REPLACEMENTS ARE MADE]

(3) all buried installations must be

(A) electrically inspected by a corrosion expert for active corrosion at least once every 3 calendar years, but with intervals not exceeding 39 months, unless it is cathodically protected;

(B) cathodically protected, in areas in which active corrosion is found, in accordance with (5) of this subsection;

(C) carefully examined for damaged coating or corroded piping in accordance with Section 9.2.6 of API 570 any time a segment of buried line is exposed for any reason. If active corrosion is found, actions for control of future corrosion must be implemented; and

(D) be replaced with piping that meets the requirements of (j) of this section, when significant repairs or replacements are made;

(4) the operation and maintenance of a cathodic protection system must be in accordance with Section 10 of NACE Standard RP0169-2002, unless a more stringent requirement is set out in this section;

(A) A cathodic protection survey must be performed by a qualified/certified cathodic protection tester or a corrosion expert; and

(B) test lead wires must be maintained in a condition that enables electrical measurements to determine the effectiveness of a cathodic protection system;

(5) cathodic protection systems installed after July 1, 2006, must be

(A) in accordance with NACE Standard RP0169-2002;

(B) designed by a corrosion expert; and

(C) installed under the supervision of a corrosion expert;

(6) aboveground piping must be cleaned and coated with material that is suitable for the prevention of atmospheric corrosion. Except piping in offshore facilities, protection against atmospheric corrosion is not necessary if it can be demonstrated by test, investigation, or experience appropriate to the environment of the piping segment that corrosion will-

(A) only be a light surface oxide; or

(B) not affect the safe operation of the piping before the next scheduled API 570 inspection.

18 AAC 75.080(c) is amended to read:

(c) Buried or insulated transfer piping and hoses that are located outside of secondary containment areas and that are used to transfer oil to or from docks or vessels must be leak tested at least annually, at or above the normal operating pressures, or must be subjected to another verification method approved by the department. The testing medium used must be in accordance with API RP 1110, **Fourth** [SECOND] Edition, **March 1997** [1981], or another applicable published safety standard. The owner or operator shall keep records of the results of these tests. Piping and hoses must be stenciled or tagged with the date of the last test and the allowable operating pressure. An oil discharge resulting from testing is not exempted from legal action under applicable state law.

[…]

18 AAC 75.080(e) is amended to read:

(e) **Piping**[PIPES] removed from service for more than one year must be **free of oil as defined in AS 46.04.900(12)** [DRAINED], identified as to origin, marked with the words "Out of Service", and capped or blank flanged. **The owner or operator shall notify the department when piping are removed from service in accordance with this paragraph**.

[…]

18 AAC 75.080(g) is amended to read:

(g) Piping supports must be designed to be seismically stable and composed of materials to minimize corrosion and [PREVENT] **fretting** [CHAFING].

[…]

18 AAC 75.080(i) through (k) are proposed, to read:

(i) All piping must be maintained and inspected consistent with the requirements of API 570, Second Edition, October 1998, and Addendum 1, February 2000, Addendum 2, December 2001, and Addendum 3, August 2003, unless a more stringent requirement is set out in this section;

(j) An installation placed in service after July 1, 2006 shall have

(1) all buried piping protected from corrosion by installing protective wrapping or coating;

(2) all buried piping cathodically protected in accordance with (b)(5) of this section;

(3) facility piping of all welded construction with no clamped, threaded, or similar connections for lines larger than one inch nominal pipe size; and

(4) facility piping designed in accordance with ASME B31.3 or B31.4 as applicable;

(k) In this section,

(1) "active corrosion" means continuing corrosion which, unless controlled, could result in a spill;

(2) "buried" means covered or in contact with soil;

(3) "facility oil piping" means piping and associated fittings originating or terminating at an oil storage tank regulated under 18 AAC 75.065 or an exploration or production well, located within the boundaries of an oil terminal, crude oil transmission pipeline, exploration or production facility, including all valves, elbows, joints, flanges, pumps, and flexible connectors, up to the:

(A) Union of the piping with a fuel dispensing system;

(B) Marine header;

(C) Fill cap or fill valve;

(D) Forwarding pump used to transfer oil between facilities, between adjacent pump stations, or between a pressure pump station and a terminal or breakout tank;

(E) First flange or connection within the loading rack containment area; or

(F) First choke or valve inside a manifold building, or if a manifold building is not present at the well pad, the first choke or valve inside a gathering center or flow station;

(4) "pipe" or "piping" means any hollow cylinder or tube used to convey oil;

(5) "fretting" means wearing away or corroding in a manner which compromises pipe integrity;

(6) "NACE Standard RP0169" means NACE International, *Standard Recommended Practice-Control of External Corrosion on Underground or Submerged Metallic Piping System*s, 2002;

(7) "API 570" means the American Petroleum Institute Piping Inspection Code, Inspection, Repair, Alteration, and Rerating of In-service Piping Systems, API 570, Second Edition, October 1998, Addendum 1, February 2000, Addendum 2, December 2001, Addendum 3, August 2003;

(8) "ASME B31.3" means the American Society of Mechanical Engineers Code for Pressure Piping, B31, an American National Standard, B31.3, *Process Piping*, 2004 Edition; and

(9) "ASME B31.4" means the American Society of Mechanical Engineers Code for Pressure Piping, B31, an American National Standard, B31.4, *Pipeline Transportation Systems for Liquid Hydrocarbons and Other Liquid*s, 2002 Edition.

18 AAC 75.090 is repealed:

18 AAC 75.090. Recommended practices

Repealed.

[TO MEET THE REQUIREMENTS OF 18 AAC 75.005 - 18 AAC 75.080, THE OWNER OR OPERATOR IS ENCOURAGED TO FOLLOW APPLICABLE RECOMMENDED PRACTICES AND OPERATING GUIDELINES, INCLUDING THE FOLLOWING:

(1) AMERICAN PETROLEUM INSTITUTE (API) CHAPTER 6.6, MANUAL OF PETROLEUM MEASUREMENT STANDARDS, METERING ASSEMBLIES, PIPELINE METERING SYSTEMS, FIRST EDITION, 1981, REAFFIRMED AUGUST 1987 (ANSI/API MPMS 5.6-1981);

(2) API PUBLICATION 1615, INSTALLATION OF UNDERGROUND PETROLEUM STORAGE SYSTEMS, FOURTH EDITION, CAUTIONARY STATEMENT, MARCH, 1989;

(3) API PUBLICATION 2008, SAFE OPERATION OF INLAND BULK PLANTS (1984);

(4) API PUBLICATION 2200-83, REPAIRING CRUDE OIL, LIQUIFIED NATURAL GAS, AND PRODUCT PIPELINES (1983);

(5) API RECOMMENDED PRACTICE 2A, RECOMMENDED PRACTICE FOR PLANNING, DESIGNING AND CONSTRUCTING FIXED OFFSHORE PLATFORMS;

(6) API RECOMMENDED PRACTICE 2A-LFRD, DRAFT RECOMMENDED PRACTICE FOR PLANNING, DESIGNING AND CONSTRUCTION FIXED OFFSHORE PLATFORMS - LOAD AND RESISTANCE FACTOR DESIGN, FIRST EDITION, DECEMBER 15, 1989;

(7) API RECOMMENDED PRACTICE 2K, RECOMMENDED PRACTICE FOR CARE AND USE OF MARINE DRILLING RISERS, SECOND EDITION, JANUARY 1982;

(8) API RECOMMENDED PRACTICE 2Q, RECOMMENDED PRACTICE FOR DESIGN AND OPERATION OF MARINE DRILLING RISER SYSTEMS, SECOND EDITION, APRIL 1984;

(9) API RECOMMENDED PRACTICE 2R, RECOMMENDED PRACTICE FOR DESIGN, RATING AND TESTING OF MARINE DRILLING RISER COUPLINGS, FIRST EDITION, MAY 1984;

(10) API RECOMMENDED PRACTICE T-2, RECOMMENDED PRACTICE FOR QUALIFICATION PROGRAMS FOR OFFSHORE PRODUCTION PERSONNEL WHO WORK WITH ANTI-POLLUTION SAFETY DEVICES, REVISED EDITION, OCTOBER 1975;

(11) API RECOMMENDED PRACTICE T-3, RECOMMENDED PRACTICE FOR TRAINING AND QUALIFICATION OF PERSONNEL IN WELL CONTROL EQUIPMENT AND TECHNIQUES FOR DRILLING ON OFFSHORE LOCATIONS, JULY 1976;

(12) API RECOMMENDED PRACTICE T-6, RECOMMENDED PRACTICE FOR TRAINING AND QUALIFICATION OF PERSONNEL IN WELL CONTROL EQUIPMENT AND TECHNIQUES FOR COMPLETION AND WORKOVER OPERATIONS ON OFFSHORE LOCATIONS, FIRST EDITION, OCTOBER 1986;

(13) API RECOMMENDED PRACTICE 6G, RECOMMENDED PRACTICE ON THROUGH FLOWLINE (TFL) PUMP DOWN SYSTEMS, THIRD EDITION, JANUARY 1982;

(14) API RECOMMENDED PRACTICE 12R1 (RP12R1), RECOMMENDED PRACTICE FOR SETTING, MAINTENANCE, INSPECTION, OPERATION AND REPAIR OF TANKS IN PRODUCTION SERVICE, FOURTH EDITION, 1991;

(15) API RECOMMENDED PRACTICE 14B, RECOMMENDED PRACTICE FOR DESIGN, INSTALLATION, REPAIR AND OPERATION OF SUBSURFACE SAFETY VALVE SYSTEMS, THIRD EDITION, JANUARY 1, 1990;

(16) API RECOMMENDED PRACTICE 14C, RECOMMENDED PRACTICE FOR ANALYSIS, DESIGN, INSTALLATION AND TESTING OF BASIC SURFACE SAFETY SYSTEMS ON OFFSHORE PRODUCTION PLATFORMS, FOURTH EDITION, SEPTEMBER 1986, ERRATA NOVEMBER 1986;

(17) API RECOMMENDED PRACTICE 14E, RECOMMENDED PRACTICE FOR DESIGN AND INSTALLATION OF OFFSHORE PRODUCTION PLATFORM PIPING SYSTEMS, FOURTH EDITION, APRIL 1984;

(18) API RECOMMENDED PRACTICE 14G, RECOMMENDED PRACTICE FOR FIRE PREVENTION AND CONTROL ON OPEN TYPE OFFSHORE PRODUCTION PLATFORMS, SECOND EDITION, 1986;

(19) API RECOMMENDED PRACTICE 14H, RECOMMENDED PRACTICE FOR USE OF SURFACE SAFETY VALVES AND UNDERWATER SAFETY VALVES OFFSHORE, SECOND EDITION, APRIL 1984 AND SUPPLEMENT 1 TO THE SECOND EDITION FOR RP 14H, JUNE 1986;

(20) API RECOMMENDED PRACTICE 16E, RECOMMENDED PRACTICE FOR DESIGN OF CONTROL SYSTEMS FOR DRILLING WELL CONTROL EQUIPMENT, FIRST EDITION, OCTOBER 1, 1990;

(21) API RECOMMENDED PRACTICE 17A-87, RECOMMENDED PRACTICE FOR DESIGN AND OPERATION OF SUBSEA PRODUCTION SYSTEMS, FIRST EDITION, SEPTEMBER 1, 1987;

(22) API RECOMMENDED PRACTICE 53, RECOMMENDED PRACTICES FOR BLOWOUT PREVENTION EQUIPMENT SYSTEMS FOR DRILLING WELLS, SECOND EDITION, MAY 1984;

(23) API RECOMMENDED PRACTICE 521,GUIDE FOR PRESSURE-RELIEVING AND DEPRESSURING SYSTEMS, SECOND EDITION, SEPTEMBER 1982;

(24) API RECOMMENDED PRACTICE 652, LINING OF ABOVEGROUND PETROLEUM STORAGE TANK BOTTOMS, FIRST EDITION, 1991;

(25) API RECOMMENDED PRACTICE 750-90, MANAGEMENT OF PROCESS HAZARDS, FIRST ERRATUM, FEBRUARY 1990;

(26) API RECOMMENDED PRACTICE 1102, RECOMMENDED PRACTICE FOR LIQUID PETROLEUM PIPELINES CROSSING RAILROADS AND HIGHWAYS, FIFTH EDITION, NOVEMBER 1981 AND ERRATA;

(27) API RECOMMENDED PRACTICE 1110, RECOMMENDED PRACTICE FOR THE PRESSURE TESTING OF LIQUID PETROLEUM PIPELINES, SECOND EDITION, DECEMBER 1981;

(28) API RECOMMENDED PRACTICE 1111, RECOMMENDED PRACTICE FOR DESIGN, CONSTRUCTION, OPERATION AND MAINTENANCE OF OFFSHORE HYDROCARBON PIPELINES, FIRST EDITION, 1976;

(29) API RECOMMENDED PRACTICE 2003, PROTECTION AGAINST IGNITIONS ARISING OUT OF STATIC, LIGHTNING, AND STRAY CURRENTS, FOURTH EDITION, MARCH 1982;

(30) API RECOMMENDED PRACTICE FOR CATHODIC PROTECTION OF UNDERGROUND PETROLEUM STORAGE TANKS AND PIPING SYSTEMS, SECOND EDITION (1987) AND SUPPLEMENT 2, MARCH 1989;

(31) API SPECIFICATION 5L, SPECIFICATION FOR LINE PIPE, THIRTY-EIGHTH EDITION, MAY 1, 1990;

(32) API SPECIFICATION 6A, SPECIFICATION FOR WELLHEAD AND CHRISTMAS TREE EQUIPMENT, SIXTEENTH EDITION, OCTOBER 1, 1989;

(33) API SPECIFICATION 6D, SPECIFICATION FOR PIPELINE VALVES (GATE, PLUG, BALL, AND CHECK VALVES), TWENTIETH EDITION, 1991;

(34) API SPECIFICATION 10, SPECIFICATION FOR MATERIALS AND TESTING FOR WELL CEMENTS, FIFTH EDITION, 1990;

(35) API SPECIFICATION 12B, SPECIFICATION FOR BOLTED TANKS FOR STORAGE OF PRODUCTION LIQUIDS, THIRTEENTH EDITION, 1990;

(36) API SPECIFICATION 12D, SPECIFICATION FOR FIELD WELDED TANKS FOR STORAGE OF PRODUCT LIQUIDS, NINTH EDITION, JANUARY 1982, SUPPLEMENT 1, MARCH 1983, SUPPLEMENT 2, MAY 1985;

(37) API SPECIFICATION 12F, SPECIFICATION FOR SHOP WELDED TANKS FOR STORAGE OF PRODUCTION LIQUIDS, TENTH EDITION, JUNE 1, 1989;

(38) API SPECIFICATION 12P, SPECIFICATION FOR FIBERGLASS REINFORCED TANKS, FIRST EDITION, 1986;

(39) API SPECIFICATION 14D, SPECIFICATION FOR WELLHEAD SURFACE SAFETY VALVES AND UNDERWATER SAFETY VALVES FOR OFFSHORE SERVICE, SEVENTH EDITION, JANUARY 1988 AND SUPPLEMENT, AUGUST 1989;

(40) API STANDARD 510, PRESSURE VESSEL INSPECTION CODE: MAINTENANCE, INSPECTION, RATING, REPAIR AND ALTERATION, SIXTH EDITION, JUNE 1989, ERRATUM SEPTEMBER 1989;

(41) API STANDARD 526, FLANGED STEEL SAFETY RELIEF-VALVES, THIRD EDITION, FEBRUARY 1984;

(42) API STANDARD 620, DESIGN AND CONSTRUCTION OF LARGE WELDED, LOW-PRESSURE STORAGE TANKS, EIGHTH EDITION, JUNE 1990;

(43) API STANDARD 650, WELDED STEEL TANKS FOR OIL STORAGE, EIGHTH EDITION, NOVEMBER 1988, REVISED 1990;

(44) API STANDARD 653, TANK INSPECTION, REPAIR, ALTERATION, AND RECONSTRUCTION, FIRST EDITION, 1991, AND SUPPLEMENT 1, JANUARY 1992;

(45) API STANDARD 1104, WELDING OF PIPELINES AND RELATED FACILITIES, SEVENTEENTH EDITION, SEPTEMBER 1988 AND ERRATA, JUNE 1989;

(46) API STANDARD 2000, VENTING ATMOSPHERIC AND LOW PRESSURE STORAGE TANKS, THIRD EDITION, REVISED 1987;

(47) AMERICAN SOCIETY OF MECHANICAL ENGINEERS (ASME), ASME SPPE 1-88, QUALITY ASSURANCE AND CERTIFICATION OF SAFETY AND POLLUTION PREVENTION EQUIPMENT USED IN OFFSHORE OIL AND GAS OPERATIONS, ADDENDA SPPE 1A-1988, ADDENDA SPPE 1B-1989, ADDENDA SPPE 1D-1990, SPECIAL NOTICE, OCTOBER 1990;

(48) ASME BOILER AND PRESSURE VESSEL CODE, SECTION VIII, "PRESSURE VESSELS DIVISION 1" (1989);

(49) ASME BOILER AND PRESSURE VESSEL CODE, SECTION IX, "QUALIFICATION STANDARD FOR WELDING AND BRAZING PROCEDURES WELDERS, BRAZERS AND WELDING AND BRAZING OPERATORS" (1989);

(50) AMERICAN NATIONAL STANDARDS INSTITUTE/AMERICAN SOCIETY OF MECHANICAL ENGINEERS (ANSI/ASME), ANSI/ASME BOILER AND PRESSURE VESSEL CODE, SECTION I, POWER BOILERS INCLUDING APPENDICES (1989);

(51) ANSI/ASME BOILER AND PRESSURE VESSEL CODE, SECTION HEATING BOILERS INCLUDING NON-MANDATORY APPENDICES A, B, C, D, E, F, H, I, AND J AND THE GUIDE TO MANUFACTURERS DATA REPORT FORMS (1989);

(52) ANSI/ASME BOILER AND PRESSURE VESSEL CODE SECTION VIII, PRESSURE VESSEL DIVISIONS 1 AND 2, INCLUDING NONMANDATORY APPENDICES (1989);

(53) ANSI B31.1, PRESSURE PIPING CODE, POWER PIPING, AND ADDENDA B31.1A (1989);

(54) ANSI B31.3, CHEMICAL PLANT AND PETROLEUM REFINERY PIPING (1990);

(55) ANSI B31.4, "LIQUID TRANSPORTATION SYSTEMS FOR HYDROCARBONS, LIQUID PETROLEUM GAS, ANHYDROUS AMMONIA AND ALCOHOLS" (ASME) (1989);

(56) ANSI B36.10M, WELDED AND SEAMLESS WROUGHT STEEL PIPE (1985);

(57) AMERICAN CONCRETE INSTITUTE (ACI), ACI STANDARD 201.2R- 77(82), GUIDE TO DURABLE CONCRETE, SIXTH PRINTING (1982);

(58) ACI STANDARD 222R-89, CORROSION OF METALS IN CONCRETE (1989);

(59) ACI STANDARD 224R-89, CONTROL OF CRACKING IN CONCRETE STRUCTURES (1989);

(60) ACI STANDARD 318-89/318R-89, BUILDING CODE REQUIREMENTS FOR REINFORCED CONCRETE AND COMMENTARY (1989);

(61) ACI STANDARD 350R-89, ENVIRONMENTAL ENGINEERING CONCRETE STRUCTURES ACI 515R.1R GUIDE TO THE USE OF WATERPROOFING, DAMPPROOFING, PROTECTIVE AND DECORATIVE BARRIER SYSTEMS FOR CONCRETE (1989);

(62) ACI STANDARD 357-R-84, GUIDE FOR THE DESIGN AND CONSTRUCTION OF FIXED OFFSHORE CONCRETE STRUCTURES (1989);

(63) ACI STANDARD 357.1R-85, STATE-OF-THE ART REPORT ON OFFSHORE CONCRETE STRUCTURES FOR THE ARCTIC (1985);

(64) ASTM SPECIFICATION A333333M, "STANDARD SPECIFICATION FOR SEAMLESS AND WELDED STEEL PIPE FOR LOW-TEMPERATURE SERVICE" (1988), REVISED A-88;

(65) ASTM SPECIFICATION A381, "STANDARD SPECIFICATION FOR METAL-ARC-WELDED STEEL PIPE FOR USE WITH HIGH PRESSURE TRANSMISSION SYSTEMS" (1989);

(66) ASTM SPECIFICATION A671, "STANDARD SPECIFICATION FOR ELECTRIC-FUSION-WELDED STEEL PIPE FOR ATMOSPHERIC AND LOWER TEMPERATURES" (1989), REVISION A, 1989;

(67) ASTM SPECIFICATION A672, "STANDARD SPECIFICATION FOR ELECTRIC-FUSION-WELDED STEEL PIPE FOR HIGH PRESSURE SERVICE AT MODERATE TEMPERATURES" (1989), REVISION B, 1989;

(68) ASTM SPECIFICATION A69 1 REV A, STANDARD SPECIFICATION FOR CARBON AND ALLOY STEEL PIPE, ELECTRIC-FUSION WELDED FOR HIGH PRESSURE SERVICE AT HIGH TEMPERATURES (1989);

(69) MANUFACTURERS STANDARDIZATION SOCIETY OF THE VALVE AND FITTING INDUSTRY (MSS), MSS SP-75, SPECIFICATION FOR HIGH-TEST WROUGHT WELDING FITTINGS (1988);

(70) MMS OCS ORDER NO. 2, DRILLING OPERATIONS, SECTION 5, BLOWOUT-PREVENTER (BOP) EQUIPMENT REQUIREMENTS (1988);

(71) NATIONAL ASSOCIATION OF CORROSION ENGINEERS (NACE), NACE RP0175-75, CONTROL OF INTERNAL CORROSION IN STEEL PIPELINES AND PIPING SYSTEMS (1975);

(72) NACE RP 0275-75, APPLICATION OF ORGANIC COATINGS TO THE EXTERNAL SURFACE OF STEEL PIPE FOR UNDERGROUND SERVICE;

(73) NACE RP 0276-76, EXTRUDED ASPHALT MASTIC TYPE PROTECTIVE COATINGS FOR UNDERGROUND PIPELINES (1976);

(74) NACE RP 0286-86, THE ELECTRICAL ISOLATION OF CATHODICALLY PROTECTED PIPELINES (1986);

(75) NACE RP 06-75 CONTROL OF EXTERNAL CORROSION ON OFFSHORE STEEL PIPELINES (1988);

(76) NACE RP 01-69 RECOMMENDED PRACTICE FOR CONTROL OF EXTERNAL CORROSION ON UNDERGROUND OR SUBMERGED METALLIC PIPING SYSTEMS, REVISED 1983;

(77) NACE RP 02-85, CONTROL OF EXTERNAL CORROSION ON METALLIC BURIED, PARTIALLY BURIED OR SUBMERGED LIQUID STORAGE SYSTEMS (1985);

(78) NATIONAL ASSOCIATION OF PIPE COATING APPLICATORS (NAPCA), NAPCA 3-67-87, EXTERNAL APPLICATION PROCEDURES OF HOT APPLIED COAL TAR AND ASPHALT ENAMEL COATINGS TO STEEL PIPE (SPECIFICATIONS AND PLANT COATING GUIDE, 1983);

(79) NATIONAL FIRE PROTECTION ASSOCIATION (NFPA), NFPA 30-90, FLAMMABLE AND COMBUSTIBLE LIQUIDS CODE (1990);

(80) NFPA 77-88, RECOMMENDED PRACTICE ON STATIC ELECTRICITY (1988);

(81) NFPA 78-89, LIGHTENING PROTECTION CODE (1989);

(82) NFPA CHAPTER 6, BULK PLANTS AND TERMINALS (FLAMMABLE AND COMBUSTIBLE LIQUIDS CODE HANDBOOK, THIRD EDITION, (1990));

(83) PETROLEUM EQUIPMENT INSTITUTE (PEI) RP-100-90, RECOMMENDED PRACTICE FOR INSTALLATION OF UNDERGROUND LIQUID STORAGE SYSTEMS (1990);

(84) STEEL STRUCTURAL PAINTING COUNCIL (SSPC), SSPC CHAPTER 16.1-82, COATINGS FOR PIPELINES AND OTHER UNDERGROUND STRUCTURES (GOOD PAINTING PRACTICE), VOLUME 1, SECOND EDITION, 1982;

(85) STEEL TANK INSTITUTE, STI-P3 SPECIFICATION SYSTEM AND MANUAL FOR EXTERNAL CORROSION PROTECTION OF UNDERGROUND STEEL STORAGE TANKS (1987);

(86) UNDERWRITERS LABORATORIES STANDARD 58, STEEL UNDERGROUND TANKS FOR FLAMMABLE AND COMBUSTIBLE LIQUIDS, EIGHTH EDITION, AUGUST 3, 1990;

(87) UNDERWRITERS LABORATORIES STANDARD 174689, EXTERNAL CORROSION PROTECTION SYSTEMS FOR UNDERGROUND STORAGE TANKS, FIRST EDITION, NOVEMBER 7, 1990.]

18 AAC 75, Article 4 – Oil Discharge Prevention and Contingency Plan and Nontank Vessel Plans

18 AAC 75.425. Oil discharge prevention and contingency plan contents.

18 AAC 75.425(c) is amended to read:

(c) The submitted plan must be accompanied by a cover page or promulgation letter that includes

(1) the name of the plan holder, and the covered vessel, barge, railroad, facility, or operation, followed by the words "Oil Discharge Prevention and Contingency Plan";

(2) the date of the plan; and

(3) a statement, signed by a person with appropriate authority, committing the **oil discharge prevention and response** resources necessary to implement the plan.

18 AAC 75.425(d) is amended to read:

(d) The plan must

(1) include the official plan title;

(2) consist of the four parts and contain the information described in (e)(1)-(e)(**5**) [(4)] of this section;

(3) contain a complete table of contents and lists of any tables or figures, with corresponding page numbers; and

(4) be presented in the order shown in (e) of this section, or include a cross-reference table that directs the reader to the appropriate information.

18 AAC 75.425(e)(2) is amended to read:

(2) Part 2 - Prevention Plan: [UNDER THE PROVISIONS OF 18 AAC 75.005 - 18 AAC 75.090, THE] **The** prevention plan must include a detailed description of all oil discharge prevention measures and policies employed at the facility, vessel, or operation, with reference to the **specific oil discharge** risks involved. **The prevention plan must describe how the applicant meets all the applicable requirements of 18 AAC 75.005 - .90.** 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 regular **oil discharge** [POLLUTION] prevention**,** inspection, and maintenance programs in place at the facility or operation**, including**

(i) oil discharge prevention training programs required by 18 AAC 75.020(a);

(ii) substance abuse and medical monitoring programs required by 18 AAC 75.007(e);

(iii) security and surveillance programs required by 18 AAC 75.007(f);

(iv) standard operating procedures and personnel training programs for routine inspections, oil transfers, and maintenance activities;

(B) **Discharge history –** a history of all known **oil** discharges greater than 55 gallons that have occurred at the facility, **including the source, cause, amount, and corrective actions taken,** with an analysis of the relationship, if any,

between their frequency, cause, and size, and a description of actions to be taken to prevent or mitigate similar discharges in the future;

(C) **Potential discharge analysis –** an analysis of potential oil discharges, including size, frequency, cause, duration, and location, and a description of actions taken to prevent a potential discharge;

(D) **Specific conditions -** a description of any conditions specific to the facility or operation that might increase the risk of a discharge, including physical or navigation hazards, traffic patterns, or other site-specific factors, and any measures that have been taken to reduce the risk of a discharge attributable to these conditions**, including a summary of operating procedures designed to mitigate the risk of a discharge** ;

(E) **Discharge Detection** - a description of the existing and proposed means of discharge detection, including surveillance schedules, leak detection, observation wells, monitoring systems, and spill-detection instrumentation; if electronic or mechanical instrumentation is employed, detailed specifications, including threshold detection, sensitivities, and limitations of equipment must be provided;

(F) **Repealed.** [A DETAILED BASIS FOR THE CALCULATION OF EXCEPTIONS, IF ANY, TO BE APPLIED TO THE RESPONSE PLANNING STANDARDS SET OUT IN 18 AAC 75.430 - 18 AAC 75.438;]

(G) **Waivers** - For an operation subject to a waiver, alternate compliance schedule, or existing condition of plan approval under 18 AAC 75.005 - 18 AAC 75.090 or 18 AAC 75.400 - 18 AAC 75.496, documentation of

(i) each waiver, alternate compliance schedule, or existing condition of plan approval; and

(ii) the approval of each waiver, alternate compliance schedule, or existing condition of plan approval; **and**

(H) Annual review certification – an annual written certification, signed by a person with the appropriate authority to verify and commit resources necessary, verifying that the prevention plan has been reviewed for

compliance with the requirements of 18 AAC 75.005 – 18 AAC 75.090 and 18 AAC 75.400 – 18 AAC 75.495, and that appropriate changes shall be made as required by 18 AAC 75.005 – 18 AAC 75.090 and this paragraph to ensure compliance; this certification shall be maintained with the prevention plan for five years and shall be made available to the department for inspection upon request;

18 AAC 75.425(e)(3) is amended to read:

(3) Part 3 - Supplemental Information: The supplemental information section must provide background and verification information, including

(A) facility description and operational overview - a general description of the oil storage, transfer, exploration, or production activities of the operation, including

[…]

(vi) a description of the **standard operating** [NORMAL] procedures for the loading or transfer of oil from or to a pipeline, facility, tank vessel, oil barge, railroad tank car, or storage tank;

[…]

18 AAC 75.425(e)(4) is amended to read:

(4) Part 4 - Best Available Technology Review: Unless application of a state requirement would be preempted by federal law, the plan must provide for the use of the best available technology consistent with the applicable criteria in 18 AAC 75.445(k) . In addition, the plan must

(A) identify technologies applicable to the applicant's operation that are not subject to response planning or performance standards specified in 18 AAC 75.445(k) (1) and (2); these technologies include, at a minimum,

[…]

(ii) for a terminal, a crude oil transmission pipeline, or an exploration and production contingency plan: cathodic protection or another approved corrosion control system if required by 18 AAC 75.065(h) (3); a leak

detection system for each tank if required by 18 AAC 75.065(h) (4); any other prevention or control system approved by the department under 18 AAC 75.065(i) (1)(D); a means of immediately determining the liquid level of bulk storage tanks as specified in 18 AAC 75.065(j) (3) and (4); maintenance practices for buried **metallic** [STEEL] piping containing oil as required by 18 AAC 75.080(b) ; protective wrapping or coating and cathodic protection if required by 18 AAC 75.080(b) (1)(A); and corrosion surveys required by 18 AAC 75.080(b) (2)(A);

[…]

(iv) for a crude oil transmission pipeline contingency plan: leak detection, monitoring, and operating requirements for crude oil pipelines that include prompt leak detection as required by 18 AAC 75.055(a) **and (e)** ;

18 AAC 75.425(e)(5) is proposed to read:

(5) Part 5 - Response Planning Standard: A calculation of the applicable response planning standards set out in 18 AAC 75.430 – 18 AAC 75.440 and 18 AAC 75.442, including a detailed basis for the calculation of reductions, if any, to be applied to the response planning standards.

18 AAC 75.445. Approval criteria for oil discharge prevention and contingency plans

18 AAC 75.445(j) is amended to read:

(j) **Training.** In addition to maintaining continuous compliance with other applicable state and federal training requirements, the plan holder shall demonstrate that

(1) designated oil spill response personnel are trained and kept current in the specifics of plan implementation, including deployment of containment boom, operation of skimmers and lightering equipment, and organization and mobilization of personnel and resources**;**

(2) personnel with maintenance, inspection, or operations duties are trained and kept current in methods of preventing oil discharges as required by 18 AAC 75.007; and

(3) [THE PLAN HOLDER SHALL ENSURE THAT] proof of **such** training is maintained for **five** [THREE] years and is made available to the department upon request.

[DESIGNATED OIL SPILL RESPONSE PERSONNEL ARE TRAINED AND KEPT CURRENT IN THE SPECIFICS OF PLAN IMPLEMENTATION, INCLUDING DEPLOYMENT OF CONTAINMENT BOOM, OPERATION OF SKIMMERS AND LIGHTERING EQUIPMENT, AND ORGANIZATION AND MOBILIZATION OF PERSONNEL AND RESOURCES. THE PLAN HOLDER SHALL ENSURE THAT PROOF OF TRAINING IS MAINTAINED FOR THREE YEARS AND IS MADE AVAILABLE TO THE DEPARTMENT UPON REQUEST.]

18 AAC 75.445 is amended by adding a new paragraph (m) to read:

(m) Prevention Plan. The prevention plan required by 18 AAC 75.425(e)(2) must describe all oil discharge prevention programs in place at the facility or operation. The plan shall:

(1) demonstrate that the applicant meets all the applicable requirements of 18 AAC 75.005 - 18 AAC 75.090 and 18 AAC 75.425(e)(2); and

(2) justify any applicable reductions to the response planning standards of 18 AAC 75.430 - 18 AAC 75.442; and

(3) demonstrate that the applicant has implemented the practices, standards and procedures designed to prevent oil discharges.

[…]

18 AAC 75, Article 9 - General Provisions

18 AAC 75.990 is amended as follows:

18 AAC 75.990. Definitions

[…]

(39) **Repealed.** ["EXISTING INSTALLATION" MEANS STORAGE AND SURGE TANKS, SECONDARY CONTAINMENT, PIPING AND ANY OTHER OPERATIONAL APPURTENANCES CONSTRUCTED AND INSTALLED BEFORE MAY 14, 1992, EXISTING STORAGE AND SURGE TANKS THAT HAVE BEEN RECONSTRUCTED, AS DEFINED IN API STANDARD 653, FIRST EDITION, 1991, AND SUPPLEMENT 1,

JANUARY 1992, ARE CONSIDERED A NEW INSTALLATION FOR THE PURPOSES OF THIS CHAPTER];

[…]

(68) **Repealed.** ["NEW INSTALLATION" MEANS STORAGE AND SURGE TANKS, SECONDARY CONTAINMENT, PIPING AND ANY OTHER OPERATIONAL APPURTENANCES CONSTRUCTED, INSTALLED, OR PLACED INTO SERVICE AFTER MAY 14, 1992, INCLUDING RECONSTRUCTED STORAGE AND SURGE TANKS, AS DEFINED IN API STANDARD 653, FIRST EDITION, 1991, AND SUPPLEMENT 1, JANUARY 1992];

[…]

(75) "oil storage tank," for the purposes of 18 AAC 75.065 and 18 AAC 75.075, means a container, including storage and surge tank, that is used to store bulk quantities of oil and that has a capacity greater than 10,000 gallons; "oil storage tank" does not include a process pressure vessel**, catch tank,** or underground storage tank;

[…]

(XXX) "allision" means when a vessel comes into contact with a fixed object, including but not limited to piers, rocks, platforms or other objects, whether manmade or naturally occurring.

(XXX) "permanent unloading areas" mean unloading facilities not used for emergency response use, seasonal usage, or temporary usage to meet operational demands.

(XXX) "qualified cathodic protection tester" means a person who is accredited or certified as being qualified as, at a minimum, CP1-CP Tester by NACE international.

(XXX) "cathodic protection" means a technique to prevent corrosion of a metal surface by making that surface the cathode of an electrochemical cell through the application of either galvanic anodes or impressed current

(XXX) "corrosion" means the deterioration of metal from the loss of positive charged metal ions from the metal surface into an electrolyte

(XXX) "corrosion expert" means a person who

(A) by reason of thorough knowledge of the physical sciences and the principles of engineering and mathematics acquired through a professional education and related practical experience, is qualified to engage in the practice of corrosion control on buried metal piping and metal tanks, and

(B) is accredited or certified as being qualified by NACE International as a corrosion specialist, cathodic protection specialist, or is a registered engineer with education and experience in corrosion control of buried metal piping systems and metal tanks.

(XXX) "shop-fabricated tank" means an oil storage tank that is constructed at a tank manufacturer's plant and transported to a facility for installation.

(XXX) "installation" means storage and surge tanks, secondary containment, piping and any other operational appurtenances.

(XXX) "placed in service" means the date of commencement of operational use, either

(A) after initial construction or installation, or

(B) after the date of return to service after reconstruction as defined by API Standard 653, 3rd Edition, December 2001, Addendum 1, September 2003.

(XXX) "removed from service" means free of oil as defined in AS 46.04.900(12), marked on the exterior with the words "Out of Service" and the date taken out of service, secured in a manner to prevent unauthorized use, and blank flanged or otherwise isolated from the facility system.