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State's oil review stalls

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Two years ago, Gov. Sarah Palin proudly proclaimed she was launching a comprehensive risk assessment of Alaska's oil and gas infrastructure. Described as "a thorough, independent appraisal," the project would "identify facilities and systems that pose the greatest risk of failure, along with measures to reduce risks."

Describing the project, which would cost \$5 million and take two to three years to complete, Gov. Palin said, "no such system-wide risk assessment has ever been conducted on this complex system."

Two years later, as Gov. Palin leaves office early, the risk assessment project is in shambles.

The project was to begin this summer, with a final report to be completed by June 1, 2010. With more than \$1.3 million spent, implementation has not begun. Two weeks ago, Ira Rosen, the project manager for the Alaska Department of Environmental Conservation, told me the project is temporarily on hold — primarily because the state has been unable to secure the cooperation of the petroleum industry.

More than a dozen environmental groups and concerned citizens (this writer included) recommended that DEC terminate the project. Public criticism centered on factors such as:

- excessive reliance on statistical data;
- inadequate field review to assure data accuracy and relevance;
- failure to secure access to either necessary data or petroleum facilities;
- focus on major catastrophic events, to the exclusion of smaller issues;

- failure to establish clear definitions and criteria for evaluating potential hazards;
- inadequate attention to management principles and practices;

Observers such as Walter B. Parker questioned whether the project contractors — Doyon Emerald and ABS consulting groups — were sufficiently independent of the petroleum systems owners and operators.

What has Gov. Palin said about the apparent demise of the project she insouciantly initiated two years ago? Nothing.

As I observed while consulting for the Palin administration on petroleum taxes, Palin displays little interest in what state agencies actually do.

If Palin had paid attention to how DEC operates, she might have discovered another troubling situation at the department.

For many years, Ed Meggert has led DEC's Fairbanks-based emergency field response team, which covers the largest area of the state. Meggert led the state response to the 2001 bullet hole spill on the trans-Alaska oil pipeline, the 2006 North Slope corrosion spill and many other events, including the response to that mysterious blob that showed up in the Chukchi Sea recently.

In May, Meggert led response teams that dealt with toxic wastes released by the floods that tore through villages on the Yukon, Kuskokwim and other northern rivers. Palin visited flood sites, used Twitter to praise the emergency responders and encourage volunteer support for beleaguered communities.

Meggert, working as DEC's lead emergency responder, was not as happy. In his view, the dysfunctional DEC bureaucracy failed to provide the personnel, training and logistical support necessary for effective response, exposing his staff to needless risks.

"I will not send staff into a potentially dangerous situation again without proper support," Meggert wrote in a June 16 complaint to his superiors. Several weeks later, Meggert resigned after 20 years of state service. His resignation letter concluded:

"As one of our managers has stated on several occasions, 'It doesn't matter whether we do a good job as long as we look good.' I was not raised that way. I have not lived that way. And I

no longer wish to be associated with an agency that thinks and acts that way.”

These DEC developments demonstrate that Palin, as governor, utterly failed to walk her talk.

Veteran petroleum analyst Richard A. Fineberg, of Ester, evaluated the Alaska oil and gas risk assessment project for environmental organizations.