

Marathon Petroleum

Marathon Petroleum

Please see attached file for comments.



Marathon Petroleum Company LP

19100 Ridgewood Parkway
San Antonio, Texas 78259

March 9, 2020

Oil Discharge Prevention and Contingency Plan Public Scoping Comments Provided by Marathon Petroleum

1. Best Available Technology Plan requirements:
 - a. This section in the ODPCP and 18 AAC 75 regulation for BAT is outdated, and could be managed by reference in regulation, and not requiring an entire section of the ODPCP for evaluation and comparison of BAT applicability.
 - b. I have been told both by ADEC plan reviewer and ADEC engineers who must review the BAT sections, they wish it was not addressed in the plan. It is my understanding that it has been recommended for removal on several occasions internally at ADEC, but the process of removal was never completed.

2. Statement in regulation “at the discretion of the Department”
 - a. This statement in ADEC regulation has been a point of contention on several issues with industry and regulators for many years. Interpretation of law should allow for clear guidance aimed at both parties, those that enforce and those that comply. This one statement in regulation has given some at the department the impression that they have extra authority to require more than regulation states.
 - b. As an example, an ADEC plan reviewer required our Anchorage Terminal to submit tank construction plans for approval before construction could take place. In compliance with ADEC Regulation the company submitted written documentation 30 days in advance that construction would be commencing. This written documentation stated API standards would be followed, which is the requirement of the Department. The plan reviewer held that it was his authority to review and approve all construction plans before construction began. Due to “at the discretion of the department” criteria, the tank improvement project was held up for over a month. With Alaska’s short construction season this delay significantly hindered our ability to complete the project before the winter season. After gathering other ADEC regulators into the discussion, it was determined that ADEC did not have the authority to approve the construction plans, and that we had already complied with regulations by submitting the initial letter explaining that our tank improvement plans met API standards.
 - c. This is only one example of the disfunction that “at the discretion of the department” brings to clear regulatory guidance.



Marathon Petroleum Company LP

19100 Ridgewood Parkway
San Antonio, Texas 78259

3. Owner/Operator of ODPCP: evaluate regulatory verbiage to address combined facility ownership, so that a plan can have multiple owners and operators.
 - a. With 2020 business structure I would request the department look at Owner/Operator requirements for ODPCP to allow for multiple companies to be listed in a ODPCP. Currently, we have two plans for our Kenai facility operations. This facility is operated by one operations group, covered by one emergency response team, led by one leadership team, yet due to previous requirements from the department based on Ownership we were required to have two separate plans.
 - b. In review of this issue with new leadership we have a path forward to combine our plans this December, but I would still request a review of Owner/Operator requirements in regulation, and training on this issue for plan reviewers moving forward.

4. 30 Day COFR approval requirement for Spot Charter Applications:
 - a. The Spot Charter business is a fast-paced business model that requires a streamlined review and approval approach. The majority of the ODPCP work is done by the plan reviewer, and that requirement only asks for 5 working days for review spot charter (Tank Vessel) ODPCP approval. Our Company Scheduling timeline for Spot Charters is set based on the 30-day requirement for COFR approval.
 - b. First, we would like to say the ADEC Financial Responsibility Department has been "exceptional" to work with, and has been flexible on many occasions to assist with reduced timeline issues concerning product shipment. With this in mind we would ask the department to complete a review of the 30 COFR approval timeline requirement for Spot Charters managed by Companies with current COFR's on file. Currently, Andeavor sets a maximum cargo shipment of 499,999 bbls into Kenai or Anchorage on our Spot Charter and Time Charter voyages. We hold COFR's for all of our Time Charter Vessels year-round at this predetermined amount. Our company COFR amount is based on this 499,999 bbl amount, and we maintain approval throughout the year by a self-insurance options based on our 10k and 10q documentation provided to the department. With an active COFR (already approved), and an approved ODPCP allowing for spot charter coverage why does it take 30 days to approve the COFR coverage already in place?
 - c. Please look at the Spot Charter COFR process and 30-day approval requirement during your assessment.



Marathon Petroleum Company LP

19100 Ridgewood Parkway
San Antonio, Texas 78259

5. Drill Planning Guidance and Criteria

- a. During Scoping a significant number of industry and agency partners requested ADEC simply follow NPREP and HSEEP instead of trying to mesh both state and federal regulations. Streamlining the drill guidance would reduce confusion for industry and in-turn allow a better product to be produced for both the state and federal side.

6. ADEC Re-organization of 2016/2017

- a. Dysfunctional role out of program and management oversight. There was confusion from industry as to who was actually in “charge” of their plans (whether they were handled by region or a particular person).
- b. Training for new responsibilities was non-existent. It seemed like many state employees were thrust into new roles and were unclear of the exact rules and regulations that they had to manage. It felt like a lot of heat of the moment training with industry feeling the growing pains.
- c. The re-org meshed too many categories into one function and individuals with certain skill sets did not have expertise in what they were asked to do. It was our impression that there was limited training to support those changes of responsibility. There seemed to be a loss of subject matter experts (SME) due to the re-org.
- d. The re-org caused quite a few long-term employees (SME’s) to either retire or switch jobs. This was a great loss of knowledge since the new personnel didn’t have time to receive training from the outgoing employees.