

Alaska Oil and Gas Association



121 W. Fireweed Lane, Suite 207
Anchorage, Alaska 99503-2035
Phone: (907) 272-1481 Fax: (907) 279-8114
Patrick Bergt, Regulatory and Legal Affairs Manager

February 25, 2021

Via Email – dec.cpr@alaska.gov

Mr. Seth Robinson
Alaska Department of Environmental Conservation
610 University Ave
Fairbanks, AK 99709

Re: Proposed Changes to Oil Pollution Prevention Requirements in ADEC Regulations

Mr. Robinson:

This letter provides the comments of the Alaska Oil and Gas Association (AOGA) in response to the Alaska Department of Environmental Conservation's (ADEC) proposed changes to oil pollution prevention standards, dated January 26, 2021. In short, AOGA supports, generally, the proposed changes to 18 AAC 75.065 and 18 AAC 75.066 which serve to update references to and incorporate current industry standards for the installation, operation, and maintenance of aboveground oil storage tanks. Nonetheless, AOGA has concerns with some specific aspects of the proposed changes and addresses them herein.

AOGA is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans. AOGA's membership includes 13 companies representing the industry in Alaska that have state and federal interests, both onshore and offshore. AOGA's members have a well-established history of prudent and environmentally responsible oil and gas exploration, development, and production in Alaska.¹

AOGA appreciates ADEC's recognition of the need for consistent and universal standards for aboveground oil storage tanks. To that end, AOGA supports ADEC's proposed changes seeking to amend existing code references to be consistent with current editions and/or versions. As you know, API standards are developed under API's American National Standards Institute accredited process, ensuring that the API standards are recognized not only for their technical

¹ By submitting this letter, AOGA does not intend to limit the ability of its individual member companies to submit separate comments or present their own views on the topic discussed in this letter.

rigor but also their third-part accreditation which facilitates acceptance by state, federal, and international regulators.

AOGA agrees with ADEC's proposed changes to update code references and, to ensure clear and understandable regulations, encourages ADEC to refer to the most current editions and/or versions in effect at the time these proposed changes are made effective. AOGA recommends ADEC update references within the regulation more frequently, to reduce compliance uncertainty when standards become outdated. At least five (5) referenced industry standards proposed for change are already outdated. AOGA recommends ADEC use the following:

1. API 653 *Tank Inspection, Repair, Alteration, and Reconstruction*, Fifth Edition, November 2014, Addendum 1, April 2018 and Addendum 2, May 2020.
2. API 12 R1, re-titled, *Installation, Operation, Maintenance, Inspection, and Repair of Tanks in Production Service*, API 12R1, Sixth Edition, March 2020.
3. API RP 652, *Linings of Aboveground Petroleum Storage Tank Bottoms*, Fifth Edition, May 2020.
4. API 650, *Specifications for Field Welded Tanks for Storage of Production Liquids*, 13th Edition, March 2020, Errata 1, January 2021.
5. API 12F, *Specification for Shop Welded Tanks for Storage of Production Liquids*, 13th Edition, January 2019.

The revised API 653 is an improvement on the previous version and incorporates industry knowledge on design, materials, fabrication, and inspection techniques. API 653 represents nearly 15 years of practical and technological advancements over current Alaska regulations and enhances the safety of industry operations. One of the most significant improvements is the inclusion of Table 6.1, the Tank Safeguard Table, which incentivizes owners to install release prevention barriers, cathodic protection, corrosion allowance, and internal linings resulting in a decreased likelihood of a release from storage tanks. The implementation of the new guidance will help limit conflict between most current industry practices and outdated regulation references.

The regulation prescribes specific industry standards for tank design, construction, and installation (e.g., API 650) and current requirements authorize use of alternative standards approved by ADEC². ADEC does not include the provision for use of alternative standards in the proposed changes, for new tanks placed in service after the effective date of the regulations. This omission is problematic to AOGA members who require alternative tank standards to safely operate facilities. AOGA members have successfully utilized this provision in the past. AOGA recommends ADEC include a provision to allow use of alternative standards for tank design, construction, and installation.

² See 18 AAC 75.065(i)(1)(B) and 18 AAC 75.066(b)(2).

AOGA supports the effort to improve and update the regulation and thanks ADEC for seeking input on the changes. If you have any questions or concerns, or if you would like to discuss this further, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Bergt', with a stylized flourish at the end.

Patrick Bergt
Regulatory and Legal Affairs Manager