

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF SPILL PREVENTION AND RESPONSE
INDUSTRY PREPAREDNESS PROGRAM

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November 30, 2011

OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN AMENDMENT APPROVAL

Mr. Joseph Robertson
Compliance and Ethics Director
Alyeska Pipeline Service Company
P. O. Box 196660
Anchorage, Alaska 99519-6660

Subject: **Trans Alaska Pipeline System (TAPS) Pipeline Oil Discharge Prevention and Contingency Plan (plan), ADEC Plan Number: 11-CP-4071, plan Renewal Application dated May 16, 2011, as revised.**

Dear Mr. Robertson:

The Alaska Department of Environmental Conservation (department) has completed its review of the May 16, 2011 application for approval of the following Oil Discharge Prevention and Contingency Plan (plan):

Trans Alaska Pipeline System (TAPS) Pipeline Oil Discharge Prevention and Contingency Plan, CP-35-1, Volume 1, Ed. 3, Rev. 0, dated May 16, 2011, consisting of Volume 1 - Regulatory Volume, Volume 2 - Scenarios, Volume 3- Tactics, and Volume 4 - Map Atlas; Edition 2, Revision 0 dated May 16, 2011, and RFAI responses dated September 16, 2011 and October 3, 2011

Supporting Documents: **Environmental Atlas of the Trans Alaska Pipeline System, EA-119, Second Edition, May 2002**

Oil Spill Response Exercise Program for the Trans Alaska Pipeline System, January 1, 2012 - December 31, 2016

Plan Holder: **Alyeska Pipeline Service Company
(APSC)**

Covered Facilities: **Pipeline and Pump Station operations for the
Trans Alaska Pipeline System from Pump
Station 1 to the boundary of the Valdez
Marine Terminal, including Pump Stations 1
- 12 and all Response and Maintenance
Bases.**

The Alaska Department of Environmental Conservation's review and approval of the APSC TAPS Pipeline plan is limited to authorities granted in Alaska Oil and Hazardous Substance Pollution Control statutes and regulations found in Alaska Statute Title 46, Chapters 3 & 4 (AS 46.03 & AS 46.04) and Alaska Administrative Code Title 18, Chapter 75 (18 AAC 75).

PLAN APPROVAL:

The department has determined that the referenced plan satisfies minimum planning standards and other requirements established under applicable statutes and regulations and can be approved with conditions. Therefore, the Trans Alaska Pipeline System, Pipeline Oil Discharge Prevention and Contingency Plan is hereby APPROVED WITH CONDITIONS. The approval of the plan is subject to the following terms and conditions:

TERMS AND CONDITIONS:

The department is attaching several conditions to this approval. Failure to comply with these conditions can result in immediate revocation of this plan. All of these conditions were discussed with the applicant during the pre-issuance conference held as per 18 AAC 75.459 on November 22, 2011.

Condition of Approval No. 1: Requirement to Conduct Annual Commodity Release Leak Detection Test.

Beginning in 2012, APSC must conduct an annual commodity leak detection test of the Transient Volume Balance (TVB) Leak Detection System. The department must be notified 45 days prior to the test taking place, and department representatives may witness the test if deemed necessary by the department. Additionally, once the test is completed, APSC must furnish a report to the department within 60 days of the completion of the test.

This condition is reasonable and necessary under AS 46.04.030(e) to ensure the leak detection system continues to comply with the requirements of 18 AAC 75.055(a)(1).

The basis for this condition is further discussed in Issue #2 of the attached Findings Document.

Condition of Approval No. 2: Requirement to update and maintain the containment site inventory.

(a) Prior to January 15, 2012 APSC will provide an amendment to the department that reflects an updated containment site inventory for every containment site listed in the plan.

(b) Thereafter, Alyeska must conduct an annual review prior to November 30th of each year to ensure that all of the containment site inventories are up to date. The findings of the review must be sent to the department prior to December 31st of each year. If changes are appropriate, they can be submitted in the form of a routine amendment.

This condition is reasonable and necessary to ensure the plan holder's compliance with 18 AAC 75.425(e)(3)(C).

The basis for this condition is discussed further in Issue #5 of the attached Findings Document

Condition of Approval No. 3: Requirement to provide the department with quarterly lessons-learned drill and exercise reports.

APSC must provide to the department, on a quarterly basis, its lessons-learned reports for spill drills and exercises conducted in the prior quarter.

This condition is reasonable and necessary as a plan implementation/compliance condition (AS 46.04.030(e)(1)-(3)), and to ensure that response strategies are sufficient to meet the applicable response planning standards of 18 AAC 75.432 and .436.

Condition of Approval No. 4: Requirement to Provide Documentation of Training for APSC Response Action Contractor Training.

Prior to plan publication, the plan must be revised to document that all APSC Response Action Contractor required training is reported to APSC on a quarterly basis. This includes direct training for the courses identified in the plan's Oil Spill Contingency Planning (OSCP) Training Matrix as well as equivalent training provided by the contractors. APSC must also provide the

department with quarterly documentation that contractor response personnel are trained according to the schedule described in the plan.

This condition is reasonable and necessary to ensure the plan holder's compliance with 18 AAC 75.425(e)(3)(I) and 18 AAC 75.445(j) to meet the requirements for response personnel to be trained and kept current in strategies, tactics, and method for implementing the plan.

The basis for this condition is further discussed in Issue #3 in the attached Findings Document.

Condition of Approval No. 5: Requirement to notify the department of any change in relationship with primary response action contractors.

Because the plan relies on the use of response contractors for its implementation, APSC must immediately notify the department in writing of any change in the contractual relationship with any of the plan holder's primary response action contractors, and of any event including but not limited to any breach by either party to the response contract that may excuse a response contractor from performing, that indicates a response contractor may fail or refuse to perform, or that may otherwise affect the response, prevention, or preparedness capabilities described in the approved plan.

This condition is reasonable and necessary because there are certain risks associated with allowing a plan holder to rely in part or in total upon a response contractor instead of obtaining its own response capability. The risks arise, in part, because the certainty of the contractor's response is dependent upon the continuation of the legal relationship between the contractor and the plan holder. Given this risk, the department must be promptly informed of any change of the contractual relationship between the plan holder and the response contractor, and of any other event that may arguably excuse the response contractor from performing or that would otherwise affect the response, prevention, or preparedness capabilities described in the approved plan. The department may seek appropriate modifications to the plan or take other steps to ensure that the plan holder has continuous access to sufficient resources to protect the environment and to contain, cleanup, and mitigate potential oil spills. 18 AAC 75.425(e)(3)(H) and 18 AAC 75.445(i)

Condition of Approval No. 6: Requirement to add the North Slope Borough (NSB) as the Local On-Scene Coordinator for Oil Spills within the Borough.

Prior to plan publication, Alyeska must add language to Volume 1, Section 1.2.4 of the plan that includes the North Slope Borough as the Local On-Scene

Coordinator (LOSC) as part of the Incident Command Structure for coastal or inland spills as defined in the North Slope Subarea Contingency Plan within the NSB boundaries.

This condition is reasonable and necessary because the North Slope Subarea Contingency Plan recognizes the North Slope Borough as the LOSC for any large spill within the borough boundaries. Consequently as required by AS 46.04.200 and 210 and the National Contingency Plan, APSC's plan must reflect this incident command structure. For this reason, the department is requiring Alyeska to make these changes to Volume 1, Section 1.2.4 of the TAPS pipeline cplan.

PUBLICATION OF CONTINGENCY PLAN: The approved and edited TAPS Pipeline plan must be published within 60 days of this approval.

FINANCIAL RESPONSIBILITY: APSC must maintain proof of financial responsibility as per 18 AAC 75.240. APSC must notify the department prior to any change in their financial responsibility status. Failure to maintain financial responsibility or to notify the department of a change will result in enforcement by the department as allowed by 18 AAC 75.290.

ADJUDICATORY HEARING OR INFORMAL REVIEW:

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 – 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Spill Prevention and Response Division Director, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 15 days of the permit decision. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, Juneau, Alaska 99801, within 30 days of the permit decision. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have any questions, please contact Graham Wood at (907) 269-6494.

Sincerely,



Betty Schorr
Program Manager

enclosures: TAPS Pipeline Cplan Renewal Findings Document
ADEC Certificate of Approval for the TAPS Pipeline Oil Discharge
Prevention and Contingency Plan, Certificate Number 11CER-036,
Plan Number 11-CP-4071.

Electronic cc:

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