

# STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION  
DIVISION OF SPILL PREVENTION AND RESPONSE  
INDUSTRY PREPAREDNESS PROGRAM  
Exploration Production & Refineries

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DATA BASE  
ENTERED

May 5, 2005

File No.: 305.30.4130 (BPXA Endicott/Badami)

Mr. Mike Bronson  
Crisis Management Coordinator  
BP Exploration (Alaska)  
P.O. Box 196612  
Anchorage, AK 99519-6612

SUBJECT: **Amendment to the BPXA Endicott Operations and Badami Development Area, North Slope, Alaska, Oil Discharge Prevention and Contingency Plan ("plan"), Plan Number 014-CP-4130.**

Dear Mr. Bronson:

The Alaska Department of Environmental Conservation (Department) has reviewed the application for amendment dated April 1, 2005 to the subject plan. We also met with you on April 26, 2005, to discuss the changes to the plan. This amendment was submitted in accordance with 18 AAC 75.415 and includes the necessary plan revisions and scenarios to reflect the changes to the plan. BPXA proposes a change to the Badami facility and crude oil transmission pipeline to re-start the facilities to bring them back into a full-operational condition from the current "warm shutdown" status.

On February 9, 2004, the Department approved the consolidation of the Badami Development Area plan into the Endicott Operations plan when Badami went into warm shutdown. According to BPXA's amendment application, all the response equipment and other prevention and response measures required of the original Badami plan will be put back in place as was required by that plan's approval. A slight increase in the response planning standard (RPS) for the well blowout scenario (increase of 100 barrels of oil per day for 15 days) and pipeline rupture scenario (adjusted RPS volume of 488 barrels from 464 barrels) have been included with all the appropriate calculations and demonstration of BPXA's capability to meet the RPS. A complete, detailed list of the changes to the plan are included in the April 1, 2005 cover letter and April 29, 2005 e-mails with attachments, which are incorporated into this amendment approval by reference.

This plan amendment includes the "Project Team Assumptions" of the original Badami plan approval. The original Badami Development Area plan was approved under the May 14, 1992 regulations, and this amendment was reviewed in accordance with those same regulations. This is consistent with the intent of the recent changes to the regulations adopted April 26,

2004. This intent is described in the "Response to Comments" document regarding the new regulations. In the *Implementation Schedule* section that discusses how plan amendments will be addressed, the Department states that "These regulations will become effective for submittals of new contingency plans and plan renewals after the effective date of the regulations. Amendments of existing approved contingency plans will not be required to meet the new regulations until contingency plan renewal." Therefore, approval of the amendment as submitted and revised on April 29, 2005 is consistent with the regulations it was originally approved under as a separate plan and supports the Department's determination that this amendment will not diminish BPXA's capability respond.

The Department has determined that the referenced plan amendment satisfies minimum planning standards and other requirements established under applicable statutes and regulations. The referenced plan amendment is hereby approved, effective May 5, 2005, so long as the terms and conditions of this approval, and the approvals issued February 9, 2004, and June 25, 2003, are met. As allowed by AS 46.04.030(3), the following Condition of Approval applies as well:

### **Leak Detection Testing**

BPXA must notify the Department's Exploration, Production and Refineries Section of the date when Badami comes back "on-line." BPXA must also notify the Department of the date that crude oil transmission pipeline operations start. Within 120 days of that date, a leak detection test via fluid draw-off of the Badami and Endicott pipelines must be performed. The Department is to be given 30 days notice of the date of the leak detection test so that arrangements for Department personnel to witness the test can be made.

*This condition is reasonable and necessary to assure the Department that the leak detection system meets the requirements of 18 AAC 75.055 for a 1% leak detection threshold of a crude oil transmission pipeline. The Badami system was tested in 2003, about two months prior to "warm shutdown". Due to the inactivity of the Badami pipeline since the last leak detection test, and the increased flow rate through the pipeline when operations resume, BPXA must test the leak detection systems. Since the Badami and Endicott pipelines are covered under the same plan, it is reasonable and necessary to test both to ensure that the systems meet the requirements.*

A certificate of approval that states the plan amendment has been approved by the Department is enclosed. This certificate adds the Badami crude oil transmission pipeline back into the plan and supersedes the previous certificate for the Endicott/Badami plan.

**APPEAL:** This is a final decision. Aggrieved persons with standing may appeal this decision to the Alaska Superior Court within 30 days as provided by the Alaska Rules of Appellate Procedure.

Mr. Mike Bronson  
BPXA Endicott/Badami

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May 5, 2005

Please contact me at (907) 269-7680 if you have any questions.

Sincerely,



Lydia Miner  
Section Manager

Enclosure: Certificate of Approval Number 03-CER-4553.1

cc without enclosure:

Bill Hutmacher, IP Program Manager  
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