

Board of Directors Report to our Stakeholders

From Walt Sonen, Representing the City of Seldovia



Pictured (back row from left) Walt Sonen, City of Seldovia; Exec. Director Mike Munger, Paul Shadura, Commercial Fishing; (second row from left) Board President John Williams, City of Kenai; Gary Fandrei, Aquaculture Associations; Bob Flint, Recreation; (third row from left) V. President Robert Peterkin II, Tourism; Deric Marcocelle, Environmental; Molly McCammon, Municipality of Anchorage; (front row) Rob Lindsey, City of Kodiak; Carla Stanley, City of Homer. Not pictured: Grace Merkes, Kenai Peninsula Borough; Kyle Crow, Kodiak Island Borough; and Michael Opheim, Alaska Natives.

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL

November 30/December 1, 2017 Board of Directors Meeting

Anchorage, Alaska

The CIRCAC Board of Directors met in Anchorage on November 30 and December 1, to wrap up what has been a busy and productive year. Among the guests and guest speakers were: Captain Sean MacKenzie, Lt. Jon Dale, and Lt. David Parker, US Coast Guard; Graham Wood (Ex Officio), Dan Allard and Shannon Miller, Alaska Department of Environmental Conservation (ADEC); Lori Nelson and Rich Novcaski, Hilcorp and Harvest Alaska; Bart Buessler, NOAA Coast Survey; Dick Prentki, Environmental Monitoring Committee; Tim Robertson, Nuka Research; Capt. John Schneider, Andeavor Maritime; Larry Burgess, BlueCrest Energy Alaska; CIRCAC Attorney Kristine Schmidt; and Ex Officio Directors Jason Walsh, State Pipeline Coordinator's Office; Jonathan Schick, Department of Natural Resources; and Heather Crowley, Bureau of Ocean Energy Management.

Presentations

The first day's agenda included presentations from Harvest Alaska, Nuka Research, Andeavor (formerly Tesoro Alaska), BlueCrest Energy and from CIRCAC's Director of Operations on CIRCAC's self-arrest study, all of which are posted [online](#) and summarized below. On Friday, the Board heard from Capt. Sean MacKenzie and Jason Walsh and received updates from the President, Executive Director and Staff.

Harvest Alaska Cross Inlet Pipeline Extension Project



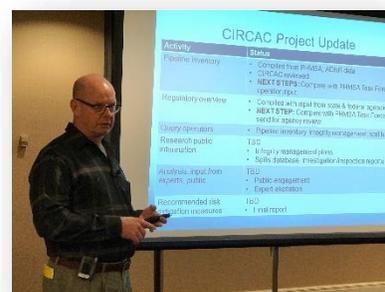
Rich Novcaski, Vice President of Harvest Alaska

Harvest Alaska Vice President, Rich Novcaski, provided a detailed update of the project to date. Converting the Cook Inlet Gas Gathering System (CIGGS) A line from gas to crude oil has been the biggest concern and he discussed what this conversion entails. He also expounded on the leak detection system and upgrades on all Alaska lines, the status of the regulatory review and schedule, and said the State Pipeline Office will hold a public hearing in Nikiski in February 2018. He explained that on the West Side of Cook Inlet, the pipeline will be assembled and welded together in mile-long sections and winched into place by offshore barge. At East

Forelands, eight miles of pipeline staging and work are planned for January 2018. Harvest Alaska anticipates the project will be complete in late summer or early fall 2018, with oil pumping by the fall. In 2019, Hilcorp will work to minimize the Drift River Terminal's inventory and clean the tanks with the intent to dismantle them; however, details are still being worked out along with plans to deal with soil remediation and contaminated soils that have already been stockpiled at the facility from past projects. Prompted by the Executive Director, Mr. Novcaski elaborated on repairs and what steps have been taken to beef up corrosion protection and subsea stability issues that are commonplace in Cook Inlet's dynamic environment.

Cook Inlet Pipeline Risk Assessment, Phase 1

Mr. Munger introduced **Tim Robertson of NUKA Research** and updated the board on project funding, including \$50000 from CIRCAC's PROPS Committee as well as grant opportunities which are being pursued. Mr. Robertson described the project's overall goals and scope, which does not include commercial gas lines, gas distribution or refined product lines. The overall risk assessment is being conducted through a Task Force, led by the Pipeline Hazards Management Safety Administration (PHMSA). CIRCAC is a member of the Task Force, along with the US Environmental Protection Agency, US Fish and Wildlife Service, US Coast Guard, National Marine Fisheries Service, and Alaska Departments of Fish and Game and Natural Resources. Although Phase 1 of the project was anticipated to be finished by December, Mr. Robertson said it was within 80-90% complete and will have to incorporate the new line under construction by Harvest Alaska, as well as PHMSA regulatory information. The new target date for completion is February 2018. Mr. Robertson



Tim Robertson, Nuka Research

suggested that the Council consider ways to keep the assessment and recommendations updated into the future.

CIRCAC Tanker Self-Arrest Study



CIRCAC Director of Operations Steve "Vinnie" Catalano

CIRCAC Director of Operations, Steve "Vinnie" Catalano

explained that CIRCAC's PROPS Committee launched a study on the feasibility of successful crude oil tank vessel self-arrest (in the event of loss of propulsion) in Lower Cook Inlet. The Cook Inlet Navigation Risk Assessment contained a study that self-arrest was not a viable risk reduction option, findings which were challenged by experienced Cook Inlet pilots who have successfully self-arrested vessels in Cook Inlet and routinely employ "the art of anchoring" to help control vessel movement while mooring. Based on focus

group recommendations, thirty-four simulations were designed and conducted at the AVTEC Marine Training Center in Seward. Among the statements of agreement is that self-arrest is a viable mitigation procedure with capable and properly trained pilots; however, other mariners should be properly trained to ensure a successful outcome. The PROPS Committee recommended that the Cook Inlet Navigation Risk Assessment be updated to reflect the study and to further recommend that local pilots should participate in self-arrest training.

Andeavor Simulator Training

Mr. Munger summarized how CIRCAC engaged Andeavor about the Vessel Self-Arrest study's findings and how Andeavor took that opportunity to incorporate AVTEC training and CIRCAC's findings into training their fleet. **Captain John Schneider** reported that the Andeavor Foundation has donated \$95000 to AVTEC to upgrade software and plans to donate another \$95000 in 2018. Mr. Munger indicated CIRCAC's intentions to incorporate simulator training as a best practice through CIRCAC's membership on the Harbor Safety Committee. He praised Andeavor for its forward thinking.



Captain John Schneider, Andeavor

BlueCrest Energy Alaska -Larry Burgess, Alaska Manager,

presented an update on their Cosmopolitan operations near Anchor Point and spoke candidly about challenges, set-backs, and successes with new wells. He said that right now, offshore drilling is off the table and would only be considered to a gas cap which, at the moment, is not economic due to state policy. BlueCrest is currently trying to ascertain why their new well, H14, is not performing to expected production rates. Their plan forward is to drill another well in 2018 the success of which will



Vice President Robert Peterkin II (left) and President John Williams

dictate next steps. Mr. Munger commended Mr. Burgess for the forthright nature of his presentation to the Board.

Public and Ex Officio Comments

Capt. Sean MacKenzie, Captain of the Port of Alaska, commended CIRCAC for the organization's level of effort and commitment, and projects that have significantly helped Cook Inlet and surrounding areas. He praised the AVTEC simulator training and credited CIRCAC for being the genesis and major contributor to the success of the Cook Inlet Navigational Risk Assessment which recommended the Harbor Safety Committee and self-arrest study as risk reduction measures. He complimented both CIRCAC and Andeavor for the well-executed drill exercise in Nikiski in November. At Mr. Munger's request, the Captain provided his impressions of AVTEC's simulator as a state of the art, top notch simulation. He said Andeavor's commitment to making this training an annual event and a standard operating procedure is huge; but it is a quantum leap forward in preparedness. He also referenced the winter ice guidelines meeting.

Jason Walsh, DNR State Pipeline Coordinator, shared information on the status of Harvest's applications for the subsea pipeline, and the PHMSA Pipeline Task Force. He said the lack of information about Cook Inlet pipelines has to do with when and how they were put in prior to 1975 law. He noted that because Hilcorp/Harvest is converting the CIGGS line from gas to oil they have to receive DNR authorization; DNR will conduct a preliminary review before the lines go into operation.

Related Activities—Dispersants Use Plan for Alaska

Sue Saupe, CIRCAC Director of Science and Research, provided an update on the status of proposed avoidance areas in the preauthorized zone of the Dispersant Use Plan for Alaska. Prior to its revision published in January 2016, this plan had not been updated since 1989. A two-year window in which to incorporate avoidance areas in the plan closes in January 2018. Ms. Saupe described the process for public outreach, CIRCAC's comments and presentation to a technical committee of the Alaska Regional Response Team (ARRT), and the recommendations of that team to the ARRT based on all public comments. She described what happens after a spill, the short window of time to make decisions to use or not use dispersants, and the tradeoffs of those decisions to various ecosystem components. The final decision on Avoidance Areas in the Preauthorized Zone will be published by the ARRT in January 2018.

Reports from the Executive Committee, Executive Director, and Programs and Projects Highlights

Executive Committee—Board President John Williams reported that the Executive Committee met twice since the September meeting and reviewed the 2017 financial documents, proposed policy amendments (adopted), the proposed 2018 operating and program budgets (adopted), a legal matter which was considered in Executive Session, and the 2018 meeting schedule. Mr. Williams expressed appreciation to the Prince William Sound RCAC for hosting Science Night and the Volunteer Reception and Dinner and requested a letter of thanks be sent. CIRCAC was among five well-received and informative presentations at Science Night.

2018 Council Meeting calendar: Friday, April 6 Regular and Annual Meeting (Kenai), Friday, September 7 (Kodiak), Thursday, November 29 and Friday, November 30 (Anchorage)

Executive Director's Report

Mr. Munger provided CIRCAC's year-end review. Among the highlights:

- Progress on the Cook Inlet Pipeline Infrastructure Assessment;
- CIRCAC's support for the Cross-Inlet Pipeline and decommissioning of Drift River Oil Terminal;
- New members to the Tourism Stakeholder Seat, including the Homer, Soldotna, Kodiak and Kenai Chambers of Commerce that now join the Alaska State Chamber and Kenai Peninsula Tourism Marketing Council;
- Progress of the Harbor Safety Committee, the approved Harbor Safety Plan and the US Coast Guard's plans to shift the ice guidelines to the Committee while retaining signatory authority;

Mr. Munger also highlighted the great strides CIRCAC continues to make in environmental monitoring, scientific research and comments. CIRCAC is also working to complete data analysis for Alaska Peninsula ShoreZone aerial and shore station surveys and compiling twenty years of contaminant and oceanographic data for integration in online data and other portals.



CIRCAC Executive Director Mike Munger and Prince William Sound's Executive Director Donna Schantz enjoying Science Night

Programs and Projects Highlights

EMC—staff also noted Andeavor's commitment to the drill exercise. Prior to the drill, Andeavor requested that their

Environmental Team be provided an overview of Cook Inlet's complex oceanography and habitats and receive training on how to access ShoreZone habitat data and imagery and other data layers on the Cook Inlet Response Tool (CIRT), the on-line data portal developed by CIRCAC and the Alaska Ocean Observing System. The subsequent incorporation of this information and on-line data tools into the actual drill scenario proved the value of CIRCAC's efforts to provide easier access to and integration of disparate data sets for better oil spill planning and response. Staff also reported on efforts to compile CIRCAC historical and recent data on Cook Inlet's oceanography and background contaminant levels to provide them for on-line access and visualization. The earlier presentation by Ms. Saupe on Alaska's Dispersants Use Plan elicited many questions, and staff offered to brief Board members further on the subject.

Protocol Control and PROPS—Staff updated the Board on comments concerning contingency plans reviewed since September (all of which are posted [online](#)) and elaborated on its participation in Andeavor's drill planning and development and how CIRCAC's staff was integrated throughout the Incident Command System, which included providing recommendations and concerns to the Unified Command (Executive Director), Environmental Unit (Director of Science and Research), Joint Information Center (Director of Public Outreach), and Truth/Control Unit (Director of Operations).

Public Outreach—in November, CIRCAC exhibited at the Pacific Marine Expo in Seattle which reported more than 14,000 visitors and participants. The event is the largest of its kind on the West Coast and opportunities for public exposure to Alaskans and Alaska groups were considerable. CIRCAC will next participate in the Alaska Marine Science Symposium, Kodiak ComFish Expo, Kenai Fair, and Industry Appreciation Day.

Administration—CIRCAC will begin our recertification process soon. We are continuing to actively recruit new tourism organizations for membership, and to promote our 2018 Scholarship Program to students in environmental sciences and maritime studies, beginning in January. The next seats up for election are the Commercial Fishing Group and Aquaculture Associations representatives; the Cities of Homer, Kenai, and Kodiak are due to expire, as well.



The CIRCAC Board of Directors next meets in Kenai on April 6, 2018 for its Regular and Annual meetings. For more information, call 907-283-7222 or visit www.circac.org.



Cook Inlet Regional Citizens Advisory Council
Representing citizens in promoting environmentally safe marine
transportation and oil facility operations in Cook Inlet.

www.circac.org