

1 going to work?

151-18  
(Cont.)

2 Are budget cuts also the reason we  
3 haven't done new core samples for soil changes at all the  
4 critical river and stream crossings? Are we going to  
5 peer review Alyeska inspections of the bridges and  
6 culverts with an independent contractor, not in any way  
7 connected to the government or Alyeska?

151-19

8 We just don't have the time to give this  
9 report the energy it deserves in the next 20 days. If  
10 the Interior Department doesn't see this, I hope the  
11 courts will.

151-20

12 I would like to end the way I started  
13 this evening. The pipeline runs through some of the most  
14 wonderful real estate that exists anywhere in the world.  
15 Our rivers and wetlands are the most productive for  
16 animals, birds and fish. If oil were to destroy the  
17 Valdez or Copper River drainages, and it could, it would  
18 not only destroy the lives of many people but it would  
19 also destroy the faith that God put in us as human  
20 beings.

21 Thank you.

22 HEARING OFFICER GEARY: Thank you, Sir.

23 Dave Dengel.

00152

24 MR. DENGEL: Good evening. My name is  
25 Dave Dengel and I'm the city manager for the city of

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14

1 Valdez. I've had an opportunity to review the Draft EIS  
2 for the renewal of the TAPS Right of Way. And like Stan,  
3 I would like to request an extension as well. We haven't  
4 had the proper amount of time to do the thorough analysis  
5 of what is of interest to us. However, I would like to  
6 provide some comments.

7 The city of Valdez supports the proposed  
8 action to renew the Federal grant and State Right of Way  
9 lease for 30 years. The city council has adopted  
10 Resolution 02-56, which supports the renewal of the Right  
11 of Way for 30 years. Renewing the Right of Way grant for  
12 30 years will provide economic stability, predictability  
13 and future economic projections for not only the TAPS  
14 owners but also the state and the municipalities along  
15 the pipeline corridor. There's little doubt that the  
16 Trans-Alaska Pipeline system has brought economic  
17 benefits to the city of Valdez and its residents. The  
18 operations of the city of Valdez are very dependent on  
19 money collected from the property tax from Alyeska.  
20 Approximately 75 percent of the money collected from  
21 property tax in Valdez comes from oil property.

22 Having said this, the city does have some  
23 issues with the Draft EIS and the Proposed Action and  
24 Determination of the Commissioner of Natural Resources.  
25 With the exception of last year, the city has experienced

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15

1 a rapidly declining tax base. Between 1998 -- or 1988  
2 and 2001, the assessed valuation of oil property in  
3 Valdez has declined over 50 percent. However, the level  
4 of throughput during that same time frame has declined  
5 just over 30 percent.

6 During the scoping meeting that was held  
7 here last fall I asked that the environmental impact  
8 statement consider the social economic impacts of this  
9 rapid decline of property values on Valdez. After  
10 reviewing the draft, I don't see where this has been  
11 addressed. Volume 11, Section 4.3.19.3.5 social and  
12 local tax revenues discusses the very issues that Valdez  
13 is concerned about. The Draft EIS projects that the  
14 total state tax revenues from oil production will decline  
15 at an average rate of 5/10ths of a percent over the 30  
16 year renewal period. It further states that oil revenues  
17 are projected to decline at a fairly rapidly rate over  
18 this same renewal period. Valdez has seen this decline  
19 and we live with it every day. Table 4.3-13, which is  
20 found on Page 4.3.75 projects that the local property  
21 taxes generated by tax will decline by approximately 4.8  
22 percent annually. Today the TAPS -- the value of TAPS  
23 property within the city of Valdez is 658,944,010, using  
24 your projection of a 4.8 percent decline annually in  
25 2034, the value is projected to be \$150,645,778, that's a

152-2

152-3

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16

1 decline of 77 percent.

2           The report goes on to say that although  
3 TAPS throughput is declining, that TAPS revenues  
4 collected by the local municipalities are expected to  
5 grow at an average rate of .8 percent. This is based on  
6 the assumption that State transfers to local government  
7 are not being affected by the declining straight  
8 revenues. Basically what they're saying is that the  
9 State and the Federal government will transfer money into  
10 the municipalities along the pipeline corridors to make  
11 up for that decline. I'm not sure if you have a letter  
12 from the state of Alaska that says that they'll guarantee  
13 to do that but in the last five years, state revenue  
14 sharing to the city of Valdez has declined by 50 percent.  
15 In 1996, the city received approximately \$742,000 in  
16 state revenue sharing money. In 2001, Valdez received  
17 \$376,000. There's never been an increase in those five  
18 years.

19           Again, you're projecting that the city  
20 will lose 4.8 percent or there'll be a 4.8 percent  
21 decline in the oil property tax revenue and that the  
22 actual rate of non-oil property value will need to grow  
23 at 15 percent in 2004 to make up for that difference and  
24 in 2034 it will need to grow at a rate of 141 percent.

25           I'm a pretty optimistic person but I just

152-3  
(Cont.)

152-4

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17

1 don't see that happening in Valdez. Over the past few  
2 years, non oil property in Valdez has grown at  
3 approximately two percent per year and that's what we use  
4 in our projections in looking into future years for  
5 revenue for Valdez. I don't see it growing any faster.  
6 Like I said in 2004, based on your projections it needs  
7 to grow at 15 percent per year and by the year 2034 it  
8 needs to grow at 141 percent. That's what we call the  
9 Valdez Dilemma. Our population is staying fairly stable  
10 right now but our tax revenues are going down.

11 In your report you say that North Slope  
12 production has regularly constituted more than 15 percent  
13 of the country's domestic crude oil production. It all  
14 flows through Valdez. Valdez provides services that the  
15 TAPS owners and shippers use and need. We have different  
16 costs than other communities our size because of the  
17 industrial complex across the bay do not have. We are in  
18 everybody's radar screen, figuratively and literally.  
19 What other community our size has a police force trained  
20 in bomb disposal. The local hospital is a necessary part  
21 of the infrastructure, not only for the community and its  
22 residents but also for TAPS operations. The nearest  
23 hospital is 125 air miles away and 310 air road miles  
24 away. In addition to these specialized services, we also  
25 provide the normal things that cities do, such as

152-4  
(Cont.)

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18

1 libraries, parks and recreation and education. And all  
2 these things are the quality of life that makes Valdez  
3 what it is and Alyeska executives have told us that they  
4 have a hard time recruiting people to live and work in  
5 Valdez and that's why we need to continue providing the  
6 quality of life that we do.

7 As I mentioned before, during the scoping  
8 session that was held here last fall, I asked that the  
9 Draft EIS look at the economic impact of the devaluations  
10 of the pipeline and related properties and the impact  
11 that it has on the municipalities along the pipeline and,  
12 I don't believe that you've done that. On Page 4.3-82,  
13 it states with the availability of state funds for local  
14 expenditure programs together with moderate population  
15 and economic growth in the pipeline corridor region,  
16 impacts of the TAPS renewal on local public finances and  
17 public service employment in a region is therefore not  
18 expected to be significant. The reduction in oil  
19 property tax was addressed by the assumption that  
20 reductions in revenue would be made up somehow. The  
21 Draft EIS says the reduced local revenue would be made up  
22 by State and Federal transfers. Revenue from the State  
23 is declining and has been declining.

24 I believe that one option that needs to  
25 be considered by both the State and Federal government is

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152-6

152-7

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19

1 one of placing a floor on the value of the TAPS property  
2 for property tax considerations. Again, using your Draft  
3 EIS projections, the city will need to make up between 29  
4 million dollars annually, all the way to 425 million  
5 dollars annually in assessed valuations to make up for  
6 the projected decline.

152-7  
(Cont.)

7 The state of Alaska is not going to help  
8 Valdez with this because property taxes are a tariffable  
9 expense that reduces the value of the well head price,  
10 therefore, reducing the amount of money the State  
11 receives on its royalty oil and severance taxes. The  
12 State receives most of its money from royalty and  
13 severance taxes, not from property taxes. The Draft EIS  
14 is taking the easy way out in dealing with the social  
15 economic impact of the devaluation of TAPS property. The  
16 value of TAPS for property tax purposes needs to be  
17 addressed and it most definitely will have an impact on  
18 the finances of the city of Valdez.

152-8

19 Again, Alaska Statute 43.56 is exempted  
20 out the Phillips L&G facility from taxation by the State.  
21 The Kenai Borough assesses this property and it's  
22 assessed as any other commercial property in the borough  
23 down there. The city of Valdez is asking and has asked  
24 for a number of years for similar consideration. We  
25 request that the Environmental Impact Statement recommend

152-9

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20

1 and encourage the state of Alaska to establish a floor on  
2 the value of TAPS. This floor should not be lower than  
3 \$3 billion. It is the expressed desire that the value of  
4 TAPS not go below this number while there is still oil  
5 flowing through it.

152-9  
(Cont.)

6 Again, I'd like to request that there be  
7 an extension granted so that we can do a further analysis  
8 of what the impacts will be on the city's finances, not  
9 only in 2004 but out into 2034.

152-10

10 Thank you.

11 HEARING OFFICER GEARY: Thank you, sir.

12 Tom KuckerLz.

00153

13 MR. KUCKERTZ: Thank you. My name is Tom  
14 KuckerLz and I represent the Prince William Sound  
15 Regional Citizen's Advisory Council. We'll be adding  
16 some comments to the ones that we gave in Cordova on  
17 Friday.

18 We note that the DEIS is a sizeable  
19 document, consisting of 1,700 pages with many hundreds of  
20 literature citations. And right or wrong, the DEIS may  
21 become the last word in publicly available information on  
22 TAPS. The Prince William Sound Regional Citizen's  
23 Advisory Council is concerned about whether the DEIS is  
24 complete and without errors. One obvious error in the  
25 DEIS pertains to economic benefits of oil spill. A

153-1

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1 proper analysis of the economic data cited in Section 4.7  
2 should indicate that on the whole there are no economic  
3 benefits to an oil spill and if there are no economic  
4 benefits to be had, any damage to fishing and tourism  
5 cannot be offset by such benefits.

6 Additionally, the comments in the  
7 executive summary stating that the most significant  
8 impacts will be economic can be true only if catastrophic  
9 spills are avoided.

153-2

10 The time period for public comment period  
11 is too short. The 1,700 pages in the DEIS and hundreds  
12 of literature citations including many personal  
13 communications cannot be assembled, read and analyzed in  
14 the allotted 45 days. The lack of availability of  
15 supporting documents, especially the personal  
16 communications, itself imposes delays inconsistent with a  
17 45 day review period. Additionally, the time period  
18 chosen for citizen comment coincides with the peak times  
19 for tourism and fishing. Many interested citizens will  
20 be working their summertime businesses and will not have  
21 time to comment. RCAC as requested, via the Trustees for  
22 Alaska, that the comment period be extended by at least  
23 another 45 days.

153-3

24 Some issues were included from the scope  
25 summarily. The issues summarily included from the scope

153-4

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22

1 or the DEIS may have significant environmental impact.  
2 For example, the ownership model is important because  
3 owners control the use of resources devoted to minimizing  
4 environmental impact. Impacts of various ownership  
5 models should be examined. In particular, the current  
6 ownership model allows for owners committee to  
7 micromanage operations in a manner that could have  
8 significant environmental impact. Recently the owners  
9 directed that the maintenance budget be cut by 10 to 25  
10 percent without decreasing scope. Let me ask, how does  
11 one eliminate 10s of millions of dollars worth of  
12 maintenance without listing the scope and what is the  
13 environmental impact of this?

14                   Renewal conditions requiring that TAPS be  
15 operated and maintained in accord with the assumptions  
16 underlying the predictions of future impact are  
17 appropriate and very important. TAPS was new in 1978 and  
18 the policy of deferred maintenance likely had minimal  
19 environmental impact. Deferred maintenance on an aging  
20 system that was designed to have a life of 30 years has  
21 potentially much higher risk of significant and adverse  
22 impact. Any renewal of the grant and lease should  
23 include requirements for determining the present state of  
24 TAPS and a five year cycle verifying that it is being  
25 properly maintained. A complete and independent systems

153-4  
(Cont.)

153-5

153-6

153-7

153-8

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23

1 audit will accomplish this verification. Additionally,  
2 regulatory enforcement tools sufficient to enforce  
3 regulatory compliance must be given to the regulators.  
4 Citizen's oversight groups such as RCAC have had  
5 substantial impact in lessening adverse impact, both from  
6 operations and from potential catastrophes, even industry  
7 has acknowledged the helpfulness of RCAC on numerous  
8 occasions. For example, RCAC has exercised leadership in  
9 having vapor controls installed on Berths 4 and 5. In  
10 developing and installing an ice detection radar in  
11 Prince William Sound. And having a fleet of five very  
12 large tugs to assist tankers, both in normal operations  
13 and in emergency situations in helping develop realistic  
14 contingency plans for response to spill scenarios. And  
15 in the developing in and helping develop geographic  
16 response strategies for protection and cleanup to  
17 specific sensitive resources. Impact of citizen's  
18 oversight group should be included. In fact, impacts  
19 associated with citizen's oversight groups can be  
20 compared with the impact associated with the absence of  
21 such groups because the pipeline itself does not have a  
22 citizen's oversight group.

23 The DEIS places considerable reliance on  
24 data provided by Alyeska and the owners and citation of  
25 TAPS owners 2001(A). This is the Draft Environmental

153-8  
(Cont.)

153-9

153-10

153-11

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1 report provided by the owners and in citations of  
2 personal communications. Considerable amounts of data  
3 are taken from cited literature. Data from recent  
4 measurements appear to be used less frequently. Very  
5 little validation of data provided by the owners can be  
6 found in the DEIS. More recent literature has been  
7 overlooked. Studies funded by the oil industry seem to  
8 have been favored. Contradictory studies funded by  
9 others appear to have been overlooked. For example, NOAA  
10 and Auke Bay Laboratory Toxicity Studies indicate that  
11 North Slope crude oil is much more toxic than originally  
12 thought and that the toxicity is amplified by sunlight.  
13 Likewise, recent research funded by RCAC indicates that  
14 the dispersant now dedicated for use on an oil spill in  
15 Prince William Sound are likely to be ineffective and are  
16 much more toxic than originally thought.

17 The DEIS appears to be primarily  
18 concerned with designed basis operation, normal  
19 operations appear not to have been reasonably considered  
20 in assessing impact. For example, the Ballast Water  
21 Treatment Facility, which is a gravity separation of  
22 crude oil from ballast water are having problems with  
23 waxy solids that prevent timely removal of the waxy  
24 solids and recovered crude oil from the process. The  
25 waxy buildup is a recurring problem in the '90s tanks

153-11  
(Cont.)

153-12

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25

1 along with other scheduled maintenance has limited the  
2 operational capacity of the gravity separation process to  
3 less than 50 percent of its design. The impacts  
4 associated with the operation of processes away from  
5 their design basis need to be assessed.

153-12  
(Cont.)

6 Alyeska's historic business model is to  
7 make operational changes and to defer maintenance based  
8 on bottom-line priorities. The increased risk associated  
9 with deferred maintenance, including that of catastrophic  
10 failure due to corrosion needs to have its environmental  
11 impact considered frequent reorganizations, mainly less  
12 qualified personnel responsible for various operation,  
13 the increased risk associated with untrained and  
14 inexperienced personnel also needs assessment. For  
15 example, the reorganization now being implemented has  
16 combined the responsibility for operation of marine  
17 assets. This is the loading of tankers and operating the  
18 Ballast Water Treatment Facility under a single  
19 individual who previously had neither responsibility for  
20 nor detailed knowledge of the processes.

153-13

153-14

21 The connection between raw data and  
22 impact conclusion is not clear in many instances. For  
23 example, the DEIS reports a fleet of 26 tankers will  
24 reduce in size to eight to 10 tankers by 2020. Currently  
25 there are 25 tankers in the fleet including seven with

153-15

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1 double-hulls. Operation of eight to 10 tankers in 2020  
2 is predicted to result in a substantial reduction in the  
3 annual probabilities of accidents and spills. Is risk  
4 really reduced if a minimal number of tankers is  
5 attempting to carry one million barrels per day and the  
6 owners are resisting further investment in TAPS  
7 anticipating a shutdown in 2034.

153-15  
(Cont.)

8 Compliance with environmental regulations  
9 is cited as evidence of minimal impact. Environmental  
10 impact and regulatory compliance are not equivalent.  
11 Impact assessment needs additional metrics based on up to  
12 date science and technology. Special vigilance is needed  
13 when industry has assisted in developing the regulations  
14 and the exemptions thereto. For example, Alyeska NPDES  
15 permit for the Ballast Water Treatment Facility has upper  
16 discharge limits that can be met without much challenge.  
17 Well, Alyeska's Title IV, air quality permit application  
18 has been pending without action at the Alaska Department  
19 of Environmental of Conservation for five years. In the  
20 interim, Alyeska has been operating the Valdez Marine  
21 Terminal under a more liberal prevention of significant  
22 deterioration permit. At the suggestion of Alyeska and  
23 industry, the National Emission Standard is currently  
24 being proposed by EPA excludes emissions from Alaska  
25 North Slope crude oil and from the Ballast Water

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1 Treatment Facility. What the result is that a source  
2 emitting 25 tons per year of hazardous air pollutants is  
3 defined by EPA to be a major source. Yet the proposed  
4 rule exempts the source, the VMT, exceeding a threshold  
5 by a factor of five to 10. Even the DEIS contains data  
6 indicating that hazardous air pollutants exceed the major  
7 source threshold by a factor of five.

153-16  
(Cont.)

8 Citizens have had great difficulty in  
9 looking at the TAPS operational and maintenance processes  
10 because Alyeska claims that such information is  
11 proprietary to its business activities. JPO has related  
12 to RCAC its own difficulties in getting the information  
13 it needs to assess compliance with its regulations and  
14 the laws it is to administer. It's unclear how the  
15 environmental impact of a system as complex as TAPS can  
16 be properly assessed if complete information regarding  
17 operations and maintenance is withheld from those making  
18 the assessment. For example, it is acknowledged that the  
19 reliability center maintenance paradigm is appropriate to  
20 TAPS. We do not know if it's been applied in a  
21 systematic manner to all processes and subsystems and we  
22 do not know the status of action plans to implement the  
23 specific maintenance strategies identified for the  
24 systems to which the methodology has been applied.

153-17

25 Information that allows quantification,

153-18

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1 the audit of the present state of TAPS is needed to  
2 verify that the assumptions of the impact cited in the  
3 DEIS remain valid. It should be a condition of renewal  
4 that the information be made available to regulators and  
5 citizens alike

153-18  
(Cont.)

6 And I'll stop at that point and thank the  
7 hearing officer for allowing us to give our information.

8 HEARING OFFICER GEARY: Do you want to  
9 include that in the record?

10 MR. RUCKERTZ: I will.

11 HEARING OFFICER GEARY: I'll go ahead and  
12 attach this into the record as an exhibit at the end.  
13 Thank you, sir. Walter Parker. 00154

14 MR. PARKER: Good evening. I'm Walter  
15 Parker, board member, the Alaska Forum for Environmental  
16 Responsibility. This testimony is in addition to that  
17 which I delivered in Cordova on 26 July.

18 In that testimony I pointed out the need  
19 for the audit on the technical and engineering aspects of  
20 TAPS, a thorough going audit on the need for the  
21 citizen's review council. On the need to expand the  
22 comment period dramatically. After what I've heard so  
23 far, 180 days would seem to be a minimum rather than a  
24 maximum now.

154-1

154-2

25 Tonight, I want to focus on the human

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1 factors and pipeline and tanker operations and the need  
2 for strict training and evaluation regimes and oil  
3 transportation operations. One of the great failures  
4 during construction of the TAPS, where I was intimately  
5 involved, as you know, was the fact that most employees  
6 were given only one days orientation before being sent  
7 out on the pipeline. The initial hires to staff QA/QC  
8 were often new graduates of southern universities with  
9 little or no Arctic or sub-Arctic experience. Many  
10 entrusted with engineering oversight had little  
11 experience with permafrost and other Arctic problems and  
12 they were provided with little or no training in those  
13 areas thus there were several occurrences during  
14 construction of great errors in handling permafrost  
15 problems.

16 It was hoped and expected that after  
17 construction and a stable work force would ensure that  
18 there would be a relatively error free environment. This  
19 seems to be the assumption of the DEIS. Yet, as pointed  
20 out in AFER's reports by Richard Fineberg and early  
21 reports by others, Alyeska is far from operating in an  
22 error free environment. Failure to manage several  
23 restarts has resulted in many small oil spills, failure  
24 to respond to a bullet hole in the pipeline resulted in a  
25 35 hour spill that should have been closed in much less

154-3

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30

1 time. This is not particularly the fault of the Alyeska  
2 personnel in the field who have to do the work, it is the  
3 fault of the budgets which are provided by the owner  
4 companies to accomplish the task.

154-3  
(Cont.)

5 Alyeska and its owners were taken to task  
6 by the Alaska Oil Spill Commission, which I chaired for  
7 failure to maintain the response program that was in  
8 existence in 1977 when the pipeline and terminal opened  
9 and that was systematically cut back on and disbanded  
10 during the period from 1980 to 1989 when after the  
11 Chevron versus Hammond case was lost by the State due to  
12 incompetent representation. At least that's what the  
13 attorneys I hired at the Alaska Oil Spill Commission  
14 said.

154-4

15 Requirements placed in OPA90 and in State  
16 legislation plus the presence of the Regional Citizen's  
17 Advisory Council have ensured a much higher ability to  
18 respond to oil spills in Prince William Sound. But even  
19 there, the Supreme Court of Alaska upheld a citizen  
20 lawsuit finding that the State Department of  
21 Environmental Conservation did not properly implement the  
22 best available technology statute.

154-5

23 The reaction, as pointed out earlier of  
24 the State administration was to encourage the Alaska  
25 legislature to pass a bill authorizing a second rate

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1 technology standard which the legislature obliging did.  
2 Both the Federal Right of Way grant and the State Right  
3 of Way lease have a similar high quality standard for  
4 response equipment that has never been enforced. None of  
5 Alyeska's response equipment is designed to operate in  
6 our fast current rivers despite Minerals Management  
7 Service testing of skimmers in 1996 for the U.S. Coast  
8 Guard showing several effective high current skimmers.  
9 However, the pressures brought on response programs in  
10 the Sound have not been present on the pipeline. The  
11 DEIS makes no effort to explore the need for new  
12 technology or expand response team training in critical  
13 areas such as river crossings. There's no push to pick  
14 up on the host of different chemical responses that came  
15 forward during the Alaska Oil Spill Commission's  
16 hearings, indeed, even in Prince William Sound during  
17 that substantial part of the year when weather precludes  
18 mechanical recovery, why the backup systems are little  
19 different from what they were in 1989.

154-5  
(Cont.)

154-6

20 The tankers, with the addition of the two  
21 double-hulled millennium class tankers by Phillips to the  
22 Valdez fleet obscures the fact that there are 26 or so  
23 aging tankers still in use and only gradually replaced  
24 until 2015. Without doubt, the millenniums are the best  
25 oil tankers in operations anywhere as far as their

154-7

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1 technical capabilities are concerned. However, no ship  
2 is any better than the crew that operates it. We tried  
3 to take care of part of this in OPA90, a great deal  
4 remains to be done. The effort launched several years  
5 ago to introduce an evaluation of human factors as they  
6 effect risk in oil tanker operations was allowed the die  
7 at birth after an acrimonious hearing in Seattle. Ridge  
8 response training is a word of the addition but this is  
9 not expanded on in the DEIS nor any improvements to  
10 training programs scoped out or suggested. There is no  
11 pressure from industry or the state of Alaska to push  
12 forward the program suggested and prevention through  
13 people and the program begun by Vice-Commandant of the  
14 Coast Guard, James Card, several years ago. Jim Card was  
15 the one who initiated the double-hull, double-bottom  
16 argument in tankers and I and a number of my colleagues  
17 joined him and it took us 20 years to get them in OPA90  
18 and 30 years to get the first one launched. But that is  
19 a long story, a 30 year story.

154-8

20 In my days in air traffic control, 15  
21 percent of the personnel budget was spent on training and  
22 recertification. How much are the Alyeska and government  
23 budgets are spent on mitigating the risks of inadequate  
24 training?

154-9

25 The evaluation programs for the pipeline,

154-10

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1 both in operations and maintenance do not seem to match  
2 the risks which this operation presents to the Alaskan  
3 environment. If you look at the downstream river systems  
4 that are where the pipeline first impacts upon them.  
5 You're looking at almost 35 percent of Alaska's habitat,  
6 marine habitat, possibly more. I've done some  
7 measurements but have a lot to do still. And that at  
8 it's speak, also spent 15 percent of the budget on  
9 independent program evaluation, when it stopped doing  
10 that during the 1980s, Challenger resulted. There is no  
11 evidence of independent evaluation called for in the  
12 DEIS, the OPO provides oversight, not evaluation insofar  
13 as can be determined from the records.

154-10  
(Cont.)

14 In addition to the audit called for in  
15 Cordova the pipeline's physical status and audit is also  
16 needed of operation and training by a qualified  
17 independent source.

154-11

18 Thank you.

19 HEARING OFFICER GEARY: Thank you, sir.

20 John Cerutti.

00155

21 MR. CERUTTI: John Cerutti. I am a civil  
22 engineer licensed to practice in the state and my license  
23 number is B20.

24 As an individual I certainly can't review  
25 the DEIS but a great deal of what I've heard so far has

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1 merit. My question is why does Alyeska need to pay two  
2 and a half million dollars annually for another  
3 organization to be critical of the company? Why  
4 shouldn't those who desire such an oversight committee  
5 pay for it themselves. I have no problem of that  
6 arrangement.

7 Mr. Chairman, I yield the remainder of my  
8 time to the next speaker.

9 HEARING OFFICER GEARY: Thank you, sir.  
10 Richard Fineberg. 00156

11 MR. FINEBERG: Good evening. Before you  
12 begin the clock, may I ask your leave for two procedural  
13 questions. I ought to have brought them up at the start,  
14 number 1, in view of the concern that has been expressed  
15 by some citizens about lack of notification, could you  
16 specify in the future, the newspaper and the publication  
17 dates? We have been misinformed in the area in trying to  
18 fill in the gap that you have not provided and it  
19 actually cuts both ways. Some of us believe there was no  
20 notification when there was some and what I believe to be  
21 the actual notification dates seems grossly inadequate  
22 but we don't have a clear record as the members of the  
23 public. So if you could, in the future, depart from the  
24 glittering generalities that characterize the DEIS and  
25 the State's Proposed Determination that would be great.

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1                   Number 2, could you please identify the  
2 parties who are receiving the testimony tonight? I  
3 believe you went through without giving their names  
4 unless I was just missing that walking in?

5                   HEARING OFFICER GEARY: No, I think you  
6 missed that, they were.

7                   MR. FINEBERG: Oh, okay.

8                   HEARING OFFICER GEARY: And to be quite  
9 clear, the party that is receiving the testimony tonight  
10 is the court reporter sitting next to me, that's why  
11 we're gathered here. Any of the members of the Joint  
12 Pipeline Office who might be present are here to also  
13 hear your testimony but the purpose of this hearing is to  
14 record and get a verbatim record of the comments made and  
15 so, quite frankly, my concern is that the court reporter  
16 get it all down and then be provided to the Joint  
17 Pipeline Office and others for them to review and answer  
18 the questions that you've brought up.

19                  MR. FINEBERG: That's a quite legitimate  
20 concern. My concern, as a member of the public, is to  
21 know who did or did not hear what I had to say.

22                  HEARING OFFICER GEARY: Sure. And I  
23 think your comments about the notification are well  
24 founded and we'll take that up at the next hearings.

25                  MR. FINEBERG: Thank you very much for

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1 your patience in that.

2 HEARING OFFICER GEARY: Sure.

3 MR. FINEBERG: I am Richard Fineberg from  
4 Ester and I am testifying tonight on behalf of the Alaska  
5 Forum for Environmental Responsibility. This statement  
6 supplements the testimony I presented at the public  
7 meeting in Cordova on Friday night, July the 26th.

8 I would like to subscribe to virtually  
9 all of the comments I have heard tonight, not all of them  
10 but almost all of them. I think they provide very good  
11 confirmation and ratification of issues raised in Cordova  
12 Friday night.

13 I stated Friday night that on reviewing  
14 the DEIS and the documents supporting the State's  
15 Proposed Determination, I was surprised and chagrined to  
16 realize how little the folks from Argonne and the  
17 preparers of the State document seemed to have heard of  
18 what we presented in the scoping meetings. In the end, I  
19 hope we will not gather 12 years from now as we did in  
20 1989 to find out what went wrong 12 years earlier.  
21 Tonight I wish to speak to two points.

22 First, I wish to submit for the record a  
23 copy of my recent report, the Emperor's New Rose, How Big  
24 Oil Gets Rich Gambling with Alaska's Environment. Many  
25 of the issues discussed in the report, as well as five of

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156-2

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1 the report's six recommendations, were presented formerly  
2 to this process during the scoping meetings in September  
3 and October of 2001. As I stated, I'm, therefore,  
4 disappointed that neither the State nor the Federal  
5 documents supporting a grant and lease renewal have  
6 addressed the substantive issues in that report or the  
7 recommendations that followed from the discussion of  
8 those issues.

156-2  
(Cont.)

9 The marked difference between the  
10 material contained in that report and the conclusions of  
11 the documents supported in grant and lease renewal is one  
12 of the reasons that the Alaska Forum has renewed its call  
13 for an audit of TAPS by a professional and independent  
14 body.

156-3

15 The second point I wish to discuss with  
16 you tonight is the magic bullet that is supposed to cure  
17 all problems on TAPS. A program called Reliability  
18 Center Maintenance (RCM). One of the most important of  
19 the assumptions in the various boilerplate statements  
20 supporting grant and lease renewal relates to the TAPS  
21 maintenance program and the RCM, which JFO intends to be  
22 the guide and the philosophy for future maintenance on  
23 TAPS. The conclusion to the DEIS executive summary  
24 states that continued operation of the pipeline should  
25 have minimal future environmental impacts based on the

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1 knowledge of the impacts over the last 25 years and the  
2 assumption that mitigation measures and upgrades to the  
3 monitoring systems used to identify potential problems  
4 and leaks. Vigilant oversight by the regulatory agencies  
5 and an aggressive maintenance program all will continue  
6 to be incorporated. Those are all assumptions. This  
7 view is echoed by the State Pipeline Coordinator's  
8 Reports, which says the TAPS facilities are routinely  
9 maintained and upgraded to ensure safe and efficient  
10 operation and to minimize the likelihood of releases.

156-4  
(Cont.)

11 As you have heard many of this before, so  
12 I will not give you the recitation, many of us believe  
13 that just ain't so. The importance of RCM to the  
14 maintenance process is evident in both the State and the  
15 Federal renewal documents. For example, the DEIS ends  
16 its introductory section on the history of the pipeline  
17 in these words. More recently the JPO has enhanced its  
18 efforts to ensure pipeline integrity and safety through  
19 an RCM program. The reliance on RCM by JPO is evident  
20 throughout both documents. I need to try to condense  
21 this because I do want to give you five reasons why I  
22 believe that the magic bullet is very liable to fail.

156-5

156-6

23 JPO notes that RCM has been used at the  
24 VMT since '97. Based on review of that record from afar,  
25 it appears that during this period both worker and

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1 citizen complaints, which were initially denied by  
2 Alyeska and JPO but later proven to be valid identified  
3 critical problems effecting the safety of operations long  
4 before the RCM process. That case, by the way, is laid  
5 out from the Valdez Marine Terminal in some detail in  
6 Pages 56 to 63 of my report.

156-7  
(Cont.)

7 Now, the five reasons it's liable to  
8 fail. There's been a constant dialogue between JPO and  
9 Alyeska, in which Alyeska seeks to simplify or streamline  
10 RCM. Most recently JPO reported that Alyeska will use a  
11 streamlined RCM process. But the RCM process according  
12 to its designers is a process on which you cannot cut  
13 corners. The process cannot be hurried. It is highly  
14 structured and depends on that structure. What is going  
15 on here.

156-8

16 Number 2. There is no historical or  
17 theoretical basis to assume that an industrial management  
18 process can prevail against the inexorable pressure of  
19 the TAPS owners discussed above and by others, not just  
20 because I deleted it from my remarks but others have  
21 raised the point, to cut costs. The creators of RCM  
22 specifically warn that the process will not work if it is  
23 conducted by outsiders because the operational users must  
24 buy in. As I indicated in the first point and it's clear  
25 from the JPO/MOAs, the written, the detailed reports,

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1 that this is a JPO process that Alyeska has not fully  
2 endorsed the same way the JPO has. And Alyeska  
3 specifically has agreed to use streamlined RCM

156-9  
(Cont.)

4 If I may, I would like to get the other  
5 two points on the record, if you will bear with me. I  
6 think as a stutterer, I really have to do that but I  
7 would be more concise if I were capable.

8 So JPO, as an outside entity is  
9 attempting to use the RCM program. I think I can't count  
10 my bullets very well, if that weren't -- if three strikes  
11 against RCM were not enough there is this point, the  
12 focus of RCM is physical assets but many of the critical  
13 management problems on TAPS, the chronic problems with  
14 restart, for example, are associated with operating  
15 procedures and human factors rather than equipment  
16 failure. These problems may fall beyond the scope and  
17 purpose of RCM.

156-10

18 I would like to join those who have noted  
19 the many substantive errors in the renewal documents. It  
20 would take much of the night to catalog them and I resent  
21 the fact that in 45 days we have to wade through the  
22 voluminous documents and cross-check those errors.

156-11

23 The forum has been concerned over the  
24 years with ensuring the safe operation, maintenance and  
25 management of the pipeline. I have not touched on many

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1 of the problems associated with the transporting of oil  
2 from the North Slope of which only some are documented in  
3 the report I will submit tonight.

4 I therefore join in the request of many  
5 concerned citizens for an extension of the document  
6 review period and an independent audit of the pipeline  
7 and the oversight of the pipeline as well as  
8 consideration of the six recommendations made in the June  
9 2002 report, most of which were summarily dismissed with  
10 no valid comments in my estimation by the DEIS and simply  
11 were not considered in the State's reports.

12 Thank you very much.

13 HEARING OFFICER GEARY: Okay, do you have  
14 the report to submit?

15 MR. FINEBERG: Yes, I do.

16 HEARING OFFICER GEARY: Did you also want  
17 to submit your comments?

18 MR. FINEBERG: I'm going to need to do  
19 some reediting of them.

20 HEARING OFFICER GEARY: That's fine. All  
21 right, I'm going to mark this as Exhibit No. 11, the  
22 Emperor's New Horse.

23 (Hearing Exhibit 11 marked)

24 HEARING OFFICER GEARY: Bob Henrichs. 00157

25 MR. HENRICHS: Good evening. Thank you

156-11  
(Cont.)

156-12

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1 for the opportunity to testify. My name is Bob Henrichs.  
2 I was born in Cordova and have lived there for the past  
3 59 years. I am presently the president of the Native  
4 Village of Eyak, a Federally-recognized tribe. Before I  
5 get into the review of the Environmental Impact  
6 Statement, as you know it's a fairly large document and  
7 our environmental and natural resource staff is going  
8 through it line by line and we will be getting comments  
9 to you as we go through it. This is in addition to the  
10 comments I made in Cordova last Friday.

11 But I want to speak on the Prince William  
12 Sound Regional Citizen's Advisory Council. It does not  
13 speak for the Native Village of Eyak. We are a  
14 Federally-recognized tribe with a government to  
15 government relationship with the United States and their  
16 agencies and the state of Alaska. We have no need nor a  
17 desire for RCAC to speak for us. RCAC was formed to beat  
18 the deadlines of OPA90, it was not formed under the OPA90  
19 guidelines. It is an alternative organization. We feel  
20 it should be decertified and a new organization should be  
21 formed following the strict guidelines of OPA90.

22 Now, I'll get into my comments on the  
23 Environmental Impact Statement. Section 3.25.1, Alaska  
24 Natives sociocultural systems describes indigenous  
25 sociocultural systems in much of the United States as a

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13

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157-2

1 distant memory and states that the main reason for the  
2 resilience of Alaska Native sociocultural systems is the  
3 late arrival of non-Natives in Alaska. We disagree with  
4 this characterization pointing to early contact between  
5 Russians and non-Natives and crediting the reason for the  
6 continuing existence of the Alaska Native culture to the  
7 persistence and strength of the people, not simply a lack  
8 of outside contact. This statement is typical of those  
9 made throughout the sociocultural system section that  
10 belittles and discredits tribes and their organized forms  
11 of government.

157-2  
(Cont.)

12 Section 3.2.25.1 states Alaska Natives  
13 sociocultural systems are intersected by TAPS. This is  
14 incorrect. Sociocultural systems include beliefs, ideas  
15 and behavioral patterns. They are not something physical  
16 that can be crossed. The TAPS crosses the traditional  
17 and customary use areas, homelands and territories of  
18 Federally-recognized tribes.

157-3

157-4

19 The Draft Environmental Impact Statement  
20 focuses on brief historical descriptions of tribes rather  
21 than current information on Federally-recognized tribal  
22 governments. This must be corrected. The Draft EIS must  
23 recognize Federally-recognized tribes, their sovereign  
24 status and their rights in the TAPS renewal.

157-5

25 We object to the use of the term evolved

157-6

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1 to describe an Alaska Native sociocultural systems. This  
2 is a curious choice of words to assign to matters  
3 pertaining to culture and implies a progression from  
4 simple to complex or specialized. All cultures are ever  
5 changing and may begin as a complex set of beliefs and  
6 change to become less so.

157-6  
(Cont.)

7 The Draft EIS examines the impact of TAPS  
8 on the state economy including the impacts on Alaska  
9 Native corporations and on subsistence activities. This  
10 must include impacts to Federally-recognized tribes.

157-7

11 Section 3.25.1.1 states that Alaska Natives groups  
12 include mobile vans of varying composition. This  
13 characterization is not accurate. Seasonal occupation of  
14 sites is more accurate. Tribes were not and are not

157-8

15 nomadic, which mobile vans implies. In additional  
16 seasonal sites commonly had more than 100 occupants not  
17 just simply smaller aggregations and nuclear families as  
18 the Draft EIS states. Sociocultural systems are

19 characterized as egalitarian. This is incorrect. Tribes  
20 chiefs, slaves, clans and wars. Tribes can include  
21 complex political systems. To characterize them as  
22 egalitarian is a gross oversimplification. There are no

157-9

23 sources cited for these characteristics except for the  
24 Handbook of North American Indians. This is inaccurate.

25 Throughout this section, Alaska Native groups and

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1 villages are referred to repeatedly. Federally-  
2 recognized tribes are conspicuously absent. This appears  
3 to be a deliberate attempt to diminish their importance  
4 and undermine their authority.

157-10  
(Cont.)

5 Section 3.25.1.1.1 on Chugach/Alutiiq  
6 states there is an absence of detailed information on the  
7 traditional Chugach sociocultural system. This is  
8 completely inaccurate. An entire Alutiiq museum exists  
9 in Kodiak that is devoted to an examination of the  
10 Alutiiq culture. Chugach Alaska Corporation also  
11 operates the Chugach Heritage Foundation that has devoted  
12 years to studying Chugach Alutiiq prehistory and  
13 inventorying cultural resources in Prince William Sound  
14 and other areas. This section also incorrectly refers to  
15 Chenega and Tatitlek as modern communities. These are  
16 Federally-recognized tribes governed by elected tribal  
17 councils. The section also states that the Chugach  
18 Alaska Corporation was formed to accommodate interests of  
19 the Chugach people. This is an incorrect  
20 characterization of why the corporations were formed.  
21 Corporations were formed as part of the settlement of  
22 land claims, not as a solution to all interests of Alaska  
23 Native people or tribes.

157-11

157-12

157-13

24 Table 3.25-2 is incorrect in stating that  
25 there 286 Natives in Cordova, most probably Chugach. The

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1 Native Village of Eyak has over 500 tribal members who  
2 trace their ancestry to numerous clans and/or tribes  
3 including Tlingit-Haida, Tsimshian, Aleut, Alutiiq,  
4 Athabascan, Eyak, Chugach Eskimo, Yup'ik, Sugpiat and  
5 Inupiat. The table also incorrectly states that there  
6 are only five Eyak remaining in 1985. The Native Village  
7 of Eyak tribal members who are Eyak descendants currently  
8 number over 100 according to respected elders. To state  
9 that Eyak were largely incorporated into Tlingit is  
10 incorrect. Further, we object to the use of the terms  
11 never more than, never greater than and declining to  
12 fewer than throughout the table. This appears to be an  
13 attempt to minimize the numbers of indigenous people so  
14 that the impact of TAPS can be minimized as well.

157-14  
(Cont.)

157-15

157-16

15 Thank you for your time.

16 HEARING OFFICER GEARY: Thank you. Thank  
17 you for your comments. I'll add these as Exhibit 12. 00158

18 (Hearing Exhibit 12 marked)

19 HEARING OFFICER GEARY: Donald Kompkoff.

20 MR. KOMPKOFF: Howdy. My name is Donald  
21 Pete Kompkoff, Sr., and I was born and raised in Chenega,  
22 Alaska. And during the period March 24 Exxon Oil Spill,  
23 the first thought that came into my mind, oh, no, and the  
24 -- what came to my mind was if there was some way we had  
25 deflection booms on each major point and this would help

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17

1 the oil deflect out to the ocean and it could deal with  
2 that out there, out in the sea instead of on the beaches  
3 and on the rocks in the Sound. Also by putting small oil  
4 barges in Chenega and Tatitlek for quick responses in oil  
5 recovery as the TCC in Valdez are already trained for oil  
6 spill responses and on land and sea and rivers. And also  
7 double-hulled tankers would be great. If they could put  
8 a boom system to protect the oil boats during the winter  
9 during rough water across the oil spill because I worked  
10 over there and it gets pretty rough for those boats that  
11 are putting the boom around the tankers. Some of the  
12 ERVs churn waters to help the boom system to protect the  
13 small boats in the Valdez Marine Terminal.

14 That's all. Thank you.

15 HEARING OFFICER GEARY: Thank you, sir.  
16 I'll add those to the record as Exhibit 13.

17 (Hearing Exhibit 13 marked)

18 HEARING OFFICER GEARY: All right, at  
19 this time we're going to go ahead and take a 10 minute  
20 break. If there's anyone else who wishes to speak,  
21 please sign up at the outside table and when we commence  
22 we'll start again. We're in recess for 10 minutes.

23 (Off record)

24 (On record)

25 HEARING OFFICER GEARY: All right, I'm

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(Cont.)

1 going to call the hearing back to order. During the  
2 break I was provided copies of the comments from Walter  
3 Parker and from Stan Stephens and so I've attached Mr.  
4 Parker's comments as Exhibit 14 and Mr. Stephens'  
5 comments as Exhibit 15.

6 (Hearing Exhibits 14 and 15 marked)

7 HEARING OFFICER GBARY: I have no other  
8 speakers signed up to make presentation at this hearing.  
9 Is there anyone else who is prepared to make a  
10 presentation?

11 Hearing none, I will adjourn the meeting  
12 to be reconvened in Glennallen at 7:00 p.m., tomorrow  
13 night. This meeting is adjourned.

14 (ADJOURNMENT)

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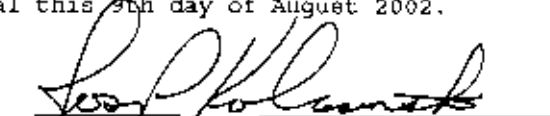
THAT the foregoing Bureau of TAPS Renewal DEIS Hearing was electronically recorded on the 30th day of July 2002, in Valdez, Alaska;

That this hearing was recorded electronically and thereafter transcribed under my direction and reduced to print;

That the foregoing is a full, complete, and true record of said testimony.

I further certify that I am not a relative, nor employee, nor attorney, nor of counsel of any of the parties to the foregoing matter, nor in any way interested in the outcome of the matter therein named.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 30th day of August 2002.

  
\_\_\_\_\_  
Joseph P. Kolasinski  
Notary Public in and for Alaska  
My Commission Expires: 04/17/04



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## Responses for Document 00151

- 00151-001:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.
- 00151-002:** The reader is referred to Section 2.5 of the FEIS, "Alternatives and Issues Considered but Eliminated from Detailed Analysis."
- 00151-003:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.
- 00151-004:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.
- 00151-005:** The TAPAA and the Federal Grant of Right-of-Way provide the BLM with all of the authority it needs to oversee operation of the TAPS and to impose strict and enforceable requirements upon APSC to comply with necessary operational procedures. The JPO and APSC have entered into memoranda of agreement committing APSC to using reliability centered maintenance (RCM) protocols to form the basis of its maintenance decision-making and establishing expectations from its use. See Section 4.1.1.7 for additional discussions on RCM.
- 00151-006:** Shortly after the Exxon Valdez oil spill, a National Transportation Safety Board report (NTSB, 1990) stated that had the Exxon Valdez been fitted with a double hull, "the risks of oil spills owing to collision or grounding would have been significantly reduced." The amount of oil outflow assuming a double-hull for the Exxon Valdez would be highly speculative and is not estimated.
- Numerous improvements have been made that will reduce the likelihood of a major marine transportation accident and/or the expected outflow given such an accident. These measures fall into two main classes:
- (1) Improvements in spill prevention and response capability for Prince William Sound (PWS) made by APSC, including the creation of the Ship Escort Response Vessel System (SERVS).
- (2) Phase-in of double-hull tankers under OPA 90.
- OPA 90 established a schedule for closing U.S. ports to single-hull tankers. By 2015 at the latest, all tankers calling at the Valdez Marine Terminal will have double hulls. In fact, according to projections made by the U.S. General Accounting Office (GAO, 1999) the last of the present tanker fleet will be phased out in 2013. Thus, for at least 20 years of the 30-year ROW renewal period (2014 to 2034), the ANS tanker fleet will consist exclusively of double-hull tankers.
- 00151-007:** Reliability-centered maintenance (RCM) would not be applicable to issues requiring vapor control on tractor tugs. Nevertheless, the processes by which such requirements were imposed remains in place. Pipeline corrosion control has been aggressively managed, albeit more through the regulatory and stipulation process than through RCM. Problems like terminal corrosion may very well be a good candidate for RCM analysis, although replacing power vapor pipe with stainless steel pipe and refining fire water and ballast water lines have addressed some immediate problems.

**00151-008:** The operating record, including effluent monitoring conducted by APSC in accordance with its NPDES permit, shows that discharges from the BWTF have been within the limits established in the NPDES permit. The effluent limits are discussed in Section 3.16.4 and in Section C-5. Impacts to the marine ecosystem resulting from such discharges are discussed in Section 4.3.8.1. The discharge limitations contained in the NPDES permit were established by the permitting authority (EPA) and were believed to be sufficiently protective of public health and the environment. Those limits are subject to change, based on all available evidence of impact. The NPDES permit renewal process provides a mechanism for EPA and state authorities to review available information to determine if changes to the effluent limitations are necessary to reduce impacts on the public health and the PWS marine ecosystem.

With respect to "deferred maintenance, all major TAPS components, including the BWTF, are subject to evaluation under the Reliability-Centered Maintenance (RCM) program. That program evaluates the consequence of failure of any given TAPS subsystem and directs the development of preventative maintenance activities sufficient to preclude such failures when the consequence of failure would lead to adverse environmental or public health impacts.

While we recognize that the PWS RCAC has recommended that NPDES permit levels for the BWTF be reduced, the EIS correctly identifies that BWTF discharges are below current NPDES permit limits and that concentrations of total PAHs in sediments are below the sediment quality guidelines for marine sediments. The methods used by Feder and Shaw (2000) to detect total PAH concentrations in sediment were sufficiently sensitive to allow comparison to the sediment quality guidelines. This does not mean that there is not some accumulation of PAHs in sediments surrounding the BWTF diffuser near the VMT, just that those levels do not exceed the current sediment quality guidelines for protecting aquatic organisms. PAH accumulation was detected in mussels used to monitor water quality in Port Valdez as part of a PWS RCAC-sponsored monitoring program (Salazar et al. 2002). In that study, it was found that all measured concentrations of PAHs in water and estimated on the basis of bioaccumulation in mussel tissues indicated that the concentrations of PAHs in Port Valdez waters are in the low parts-per-trillion range, well below the levels that have been associated with adverse effects in herring and salmon embryos (Salazar et al. 2002). In addition, Salazar et al. (2002) did not detect reductions in overall growth of caged mussels that could be attributed to PAH burdens. Instead of stating that BWTF effluent is unlikely to impair sediment quality, Section 4.3.16.1 the EIS was revised to state that sediment concentrations of PAHs in sediments and water due to BWTF operations are not expected to change substantially as a result of the recent monitoring efforts. (See Section 4.9 of the FEIS for the references cited here).

**00151-009:** Under the Federal Grant, APSC is responsible for maintaining and operating TAPS safely and in a manner that is sufficiently protective of public safety and the environment. (See Grant Stipulation 1.21.1.) Except for contingency planning where Alaska regulations specifically call for an evaluation of the adequacy of resources (equipment as well as personnel) by regulatory authorities, APSC alone has the responsibility for developing appropriate management practices and operating procedures and committing adequate resources to successfully implement those systems. However, in its oversight capacity, the JPO does have the opportunity to evaluate the adequacy of APSC's operating practices and does consider resource commitments (both equipment and personnel, including levels of training) as part of the root cause analyses it performs for all identified operational deficiencies. The JPO also has authority to require APSC to develop and submit for JPO approval, a corrective action plan that may also include implementing resources. It is inappropriate for the JPO to direct the application of specific types and amounts of resources for TAPS operations. APSC retains the sole responsibility for committing sufficient and appropriate resources to meet its obligations under the Federal Grant and its stipulations.

The JPO and APSC have entered into memoranda of agreement committing APSC to using RCM as the basis for APSC's maintenance decision-making and establishing expectations from its use. See Section 4.1.1.7 for additional discussions on RCM.

- 00151-010:** JPO work plans have coupled “trust” with verification. The JPO’s findings, notices, orders, and regulatory actions are tools used to enforce corrective actions. Under the Federal Grant, APSC is responsible for maintaining and operating TAPS safely and in a manner that is sufficiently protective of public safety and the environment. (See Grant Stipulation 1.21.1.) Except for contingency planning where Alaska regulations specifically call for an evaluation of the adequacy of resources (equipment as well as personnel) by regulatory authorities, APSC alone has the responsibility for developing appropriate management practices and operating procedures and committing adequate resources to successfully implement those systems. However, in its oversight capacity, the JPO does have the opportunity to evaluate the adequacy of APSC’s operating practices and does consider resource commitments (both equipment and personnel, including levels of training) as part of the root cause analyses it performs for all identified operational deficiencies. The JPO also has authority to require APSC to develop and submit for JPO approval, a corrective action plan that may also include implementing resources. It is inappropriate for the JPO to direct the application of specific types and amounts of resources for TAPS operations. APSC retains the sole responsibility for committing sufficient and appropriate resources to meet its obligations under the Federal Grant and its stipulations.
- 00151-011:** JPO work plans have coupled “trust” with verification. The JPO’s findings, notices, orders, and regulatory actions are tools used to enforce corrective actions. Under the Federal Grant, APSC is responsible for maintaining and operating TAPS safely and in a manner that is sufficiently protective of public safety and the environment. (See Grant Stipulation 1.21.1.) Except for contingency planning where Alaska regulations specifically call for an evaluation of the adequacy of resources (equipment as well as personnel) by regulatory authorities, APSC alone has the responsibility for developing appropriate management practices and operating procedures and committing adequate resources to successfully implement those systems. However, in its oversight capacity, the JPO does have the opportunity to evaluate the adequacy of APSC’s operating practices and does consider resource commitments (both equipment and personnel, including levels of training) as part of the root cause analyses it performs for all identified operational deficiencies. The JPO also has authority to require APSC to develop and submit for JPO approval, a corrective action plan that may also include implementing resources. It is inappropriate for the JPO to direct the application of specific types and amounts of resources for TAPS operations. APSC retains the sole responsibility for committing sufficient and appropriate resources to meet its obligations under the Federal Grant and its stipulations.
- 00151-012:** Thank you for your comment.
- 00151-013:** RCM indeed required implementation and proper execution. Towards this end, the JPO and APSC have entered into a series of memoranda of agreement to clarify expectations/requirements. See Section 4.1.1.7 for additional discussions on RCM.
- 00151-014:** The reader is referred to Section 2.5 of the FEIS, “Alternatives and Issues Considered but Eliminated from Detailed Analysis.”
- 00151-015:** The regulation of BP activities on the North Slope is separate and apart from TAPS operations at Pump 1. The impact of BP activities on the North Slope is discussed in the cumulative section of the DEIS.
- 00151-016:** The fiber optic system is currently used for used for noncritical voice and data communications. Reliability issues (potentially to include those mentioned in the comment) will have be resolved before the system is allowed to be used for critical communications. If the system were to be used for critical communications, it would be included in RCM and potential modes of failure identified and addressed (e.g., repaired, replaced, or backup provided).



**00151-017:** The Unlikely Spills portion of Section 4.4.4.5.4 notes that response times could differ from the assumptions and that these differences could result in larger areas being impacted by the spills. Additional text has been added to Section 4.4.4.5.4 to clarify that if the assumptions are not met, that the impacts from the spill would be significant and affect a much larger area.

Assuming the wind direction does not change before the response, is conservative. Since the oil travels in only one direction during the response time it covers a larger distance and subsequently oils a larger portion of the shore line. As discussed in Section 4.4.4.10, a sensitivity of the calculation to wind direction was evaluated.

Additional information about the fate and effects of aqueous phase oil has been added to the discussion of impacts from spilled oil in Section 4.4.4.10. The discussion in Section 4.4.4.10.2 of the effects of the EVOS on fish resources has been expanded and includes additional citations.

Section 4.4.4.5.4 notes that it is assumed that the spill occurs in non-extreme weather conditions, and that if conditions were different, larger areas could potentially be impacted.

**00151-018:** RCM does not preclude deferred maintenance. The potential for failure would have to be a consideration after reviewing design safety factors and load projections. The RCM analysis is designed to provide quantified information about the suitability of TAPS' current operating conditions to that of the original design.

With respect to suspension bridges, JPO requested that the Tanana River Bridge be inspected in 2000, according to the five-year inspection requirement to determine its condition. The Tanana River Pipeline Bridge was inspected by APSC project F066 in 2001, which resolved this compliance deficiency (<http://www.corecom.net/JPO/Pubs/CMPs/CMP11/Ch3.pdf>). Health and safety and repair and maintenance activity inspections were conducted at the Tanana Bridge during the weeks of 6/30/01 to 7/17/01 (<http://www.corecom.net/JPO/Pubs/01Weekly/07-17-01.html>). During the week of 7/25/02, the JPO released an engineering report on Stipulation 3.6.1.2, "Culverts and Bridges," in which APSC is considered to be in compliance with the Grant and Lease, as long as adequate maintenance is applied to keep the suspension bridges in this condition (<http://www.corecom.net/JPO/Pubs/02Weekly/7-25-02.htm>).

**00151-019:** The BLM and member agencies of the JPO use an adaptive management approach to evaluate the effectiveness of stipulations and regulatory oversight. Ongoing monitoring programs, as identified in the 12 Comprehensive Monitoring Reports published since 1996, provide BLM and JPO with the necessary information to evaluate the effectiveness of stipulations in the Grant and Lease.

The reader is referred to Section 4.1.1 (JPO oversight) and specifically to Sections 4.1.1.2 (Adaptive Nature of the Grant in Compliance Monitoring), 4.1.1.3 (Risk-based Compliance Monitoring), 4.1.1.4 (JPO Comprehensive Monitoring Program), and 4.1.1.8 (Coordinated Planning and Response to Abnormal Incidents) for more information on the role of adaptive management as a JPO business practice.

**00151-020:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.

## Responses for Document 00152

**00152-001:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.

**00152-002:** Tax revenues from North Slope production and TAPS have provided considerable financial benefits to local governments throughout Alaska. In addition to the royalties and severance taxes paid to the state for oil production, a share of which is distributed to local governments throughout the state, a number of local governments are able to collect property taxes on oil company property located within their jurisdictions. A large proportion of revenues collected by local governments in the North Slope Borough and the City of Valdez come from oil sources, meaning that these communities have become highly dependent on these revenues.

The taxable base is shrinking as the TAPS facilities are depreciated in Valdez and elsewhere. The ability to predict further depreciation for the life of the project is also critical for local government planning. Falling state tax revenues from declining North Slope production would also potentially limit state support for local government programs.

While it is becoming clear that even with TAPS renewal, new sources of revenue in addition to likely cutbacks in expenditures will be necessary in the near future at both the state and local level. The nature and timing of any changes that might be made to the structure of government finances in Alaska are unclear at this time. Because of this uncertainty, the EIS assumed that existing levels of revenue and expenditure growth would be maintained throughout the renewal period, and that the evaluation of decisions made by the state and local governments to change the way tax revenues are raised to support existing expenditure programs, including changes in property tax rates and the size of transfers between state and local governments, was considered to be beyond the scope of the analysis.

Specifically, proposed changes in assessment rates for property taxes suggested by the commentor, that might be made to maintain adequate levels of local government service provision in the City of Valdez, would be the result of negotiation between the City of Valdez and the State of Alaska, the outcome of which is unknown at this time.

**00152-003:** Text has been added to the EIS in Sections 4.3.19.1.2 and 4.6.2.19.1 providing additional information on the assumptions used for the analysis of state and local government finances.

**00152-004:** Text has been added to the EIS in Sections 4.3.19.1.2 and 4.6.2.19.1 providing additional information on the assumptions used for the analysis of state and local government finances.

**00152-005:** Tax revenues from North Slope production and TAPS have provided considerable financial benefits to local governments throughout Alaska. In addition to the royalties and severance taxes paid to the state for oil production, a share of which is distributed to local governments throughout the state, a number of local governments are able to collect property taxes on oil company property located within their jurisdictions. A large proportion of revenues collected by local governments in the North Slope Borough and the City of Valdez come from oil sources, meaning that these communities have become highly dependent on these revenues.

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Specifically, proposed changes in assessment rates for property taxes suggested by the commentor, that might be made to maintain adequate levels of local government service provision in the City of Valdez, would be the result of negotiation between the City of Valdez and the State of Alaska, the outcome of which is unknown at this time.

**00152-006:** Text has been added to the EIS in Sections 4.3.19.1.2 and 4.6.2.19.1 providing additional information on the assumptions used for the analysis of state and local government finances.

**00152-007:** Tax revenues from North Slope production and TAPS have provided considerable financial benefits to local governments throughout Alaska. In addition to the royalties and severance taxes paid to the state for oil production, a share of which is distributed to local governments throughout the state, a number of local governments are able to collect property taxes on oil company property located within their jurisdictions. A large proportion of revenues collected by local governments in the North Slope Borough and the City of Valdez come from oil sources, meaning that these communities have become highly dependent on these revenues.

The taxable base is shrinking as the TAPS facilities are depreciated in Valdez and elsewhere. The ability to predict further depreciation for the life of the project is also critical for local government planning. Falling state tax revenues from declining North Slope production would also potentially limit state support for local government programs.

While it is becoming clear that even with TAPS renewal, new sources of revenue in addition to likely cutbacks in expenditures will be necessary in the near future at both the state and local level. The nature and timing of any changes that might be made to the structure of government finances in Alaska are unclear at this time. Because of this uncertainty, the EIS assumed that existing levels of revenue and expenditure growth would be maintained throughout the renewal period, and that the evaluation of decisions made by the state and local governments to change the way tax revenues are raised to support existing expenditure programs, including changes in property tax rates and the size of transfers between state and local governments, was considered to be beyond the scope of the analysis.

Specifically, proposed changes in assessment rates for property taxes suggested by the comment, that might be made to maintain adequate levels of local government service provision in the City of Valdez, would be the result of negotiation between the City and the State of Alaska, the outcome of which is unknown at this time.

**00152-008:** Text has been added to the EIS in Sections 4.3.19.1.2 and 4.6.2.19.1 providing additional information on the assumptions used for the analysis of state and local government finances.

**00152-009:** Tax revenues from North Slope production and TAPS have provided considerable financial benefits to local governments throughout Alaska. In addition to the royalties and severance taxes paid to the state for oil production, a share of which is distributed to local governments throughout the state, a number of local governments are able to collect property taxes on oil company property located within their jurisdictions. A large proportion of revenues collected by local governments in the North Slope Borough and the City of Valdez come from oil sources, meaning that these communities have become highly dependent on these revenues.

The taxable base is shrinking as the TAPS facilities are depreciated in Valdez and elsewhere. The ability to predict further depreciation for the life of the project is also critical for local government planning. Falling state tax revenues from declining North Slope production would also potentially limit state support for local government programs.

While it is becoming clear that even with TAPS renewal, new sources of revenue in addition to likely cutbacks in expenditures will be necessary in the near future at both the state and local level. The nature and timing of any changes that might be made to the structure of government finances in Alaska are unclear at this time. Because of this uncertainty, the EIS assumed that existing levels of revenue and expenditure growth would be maintained throughout the renewal period, and that the evaluation of decisions made by the state and local governments to change the way tax revenues are raised to support existing expenditure programs, including changes in property tax rates and the size of transfers between state and local governments, was considered to be beyond the scope of the analysis.

Specifically, proposed changes in assessment rates for property taxes suggested by the comment, that might be made to maintain adequate levels of local government service provision in the City of Valdez, would be the result of negotiation between the City and the State of Alaska, the outcome of which is unknown at this time.

**00152-010:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.

## Responses for Document 00153

- 00153-001:** While it is clear that the costs of the spill measured in terms of losses to the recreation, tourism and fishing industries have been significant, these have been outweighed by the large cash flows associated with spending by the large number of cleanup workers involved, producing additional employment and income impacts in the local area and in the state as a whole (see Section 4.7.8.3). There were also additional offsetting economic benefits from compensation claims as it is likely that a portion of the cash from compensation payments has been spent in local communities directly affected by the spill and in the state as whole. The long-term effects of the spill on the environment in Prince William Sound have yet to be fully established and the potential costs of compensatory claims for additional environmental damages may still significantly increase the overall monetary cost of the spill.
- The spill response capability in Prince William Sound developed after the Exxon Valdez accident means that it is unlikely that a spill of the same magnitude would occur again, and that the local and state expenditures/impacts associated with spill response and clean-up activities for any spill would be as significant. The possibility of compensatory claims following any long-term damage to the environment resulting from a spill, however, may still increase the monetary cost of even a relatively small spill, although there may be offsetting economic benefits depending on the extent to which cash from compensation payments is spent inside the state.
- Text has been added to the EIS providing additional sources of information on the impact of the Exxon Valdez oil spill on economies, fisheries resources and tourism in the Prince William Sound area.
- 00153-002:** In addition to the economic analysis presented in the EIS, Section 4.4 presents an extensive analysis of potential spills, including several worst case scenarios of oil spills.
- 00153-003:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.
- 00153-004:** Comments received during scoping are aggregated into a record of public scoping and are used to frame the issues and the analyses in the DEIS. All scoping comments were considered in preparing the DEIS. Scoping comments are not listed and identified individually or responded to in the DEIS. Comments received on the quality of the analysis in the DEIS are addressed specifically in the FEIS and may result in text changes in the FEIS as well.
- 00153-005:** The performance of these companies (through their agent, Alyeska Pipeline Service Company) in operating and maintaining TAPS was considered in the analysis.
- 00153-006:** The impact of the cuts depends on the specific items to be cut. The Federal Grant and authorizing legislation (TAPAA) provide unprecedented authority to BLM in the assuring protection of human health and the environment. With this authority, the BLM and JPO can ensure that the appropriate level of maintenance is performed.
- 00153-007:** Thank you for your comment.
- 00153-008:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.

**00153-009:** The TAPAA and the Federal Grant of right-of-way provide BLM with all the authority it needs to oversee operation of the TAPS and to impose strict and enforceable requirements upon APSC to comply with necessary operational procedures.

**00153-010:** The reader is referred to Section 2.5 of the FEIS, "Alternatives and Issues Considered, but Eliminated from Detailed Analysis."

**00153-011:** The BLM in the preparation of the EIS did not favor one point of view over another or evaluate certain published literature over other published literature. The studies cited by RCAC in this comment have been incorporated in the FEIS where appropriate. Additional information about the fate and potential effects of aqueous phase oil has been added to the discussion of impacts from spilled oil in Section 4.4.4.10.

**00153-012:** The Grant/Lease holds APSC responsible for maintaining normal operating conditions throughout the Grant period. The design basis for TAPS has undergone review and approval, as have any subsequent changes to the design basis. Thus, the normal operating condition of TAPS is a legitimate reference point from which to identify and evaluate environmental impacts. However, the substantial operating record of TAPS provides a unique opportunity to reflect on the environmental impacts that have resulted from past occasions of off-normal conditions, including wholesale failures that have resulted in releases of oil to the environment. These off-normal conditions and their subsequent environmental impacts were incorporated into the assessment of environmental impacts, as were the design basis changes and additional controls that were established to preclude future impacts to the environment from off-normal conditions.

Not all off-normal conditions will automatically lead to adverse consequences. The condition you offer is one such example. There is no evidence that the alleged problems with waxy solids in the BWTF 90s tanks have resulted in off-normal effluent discharges from the BWTF, which have had an impact on the environment or public health and safety. The Alyeska Annual Data Report for June 2000-May 2001, filed with the EPA and ADEC pursuant to Part III.B.6 of NPDES Permit No. AD-002324-8, shows the effluent from the BWTF did not exceed the specific limits established in the permit. Since the effluent limits in the permit are established by the EPA, and certified by the ADEC, at levels expected to prevent adverse effects on receiving waters, it is reasonable to conclude that when these effluent limits are met, there is no significant adverse effects to existing water quality of Port Valdez from BWTF effluent discharges, regardless of certain less than optimal plant operations. Other sections of the EIS deal with the impact of contaminants from all sources on the physical marine environment.

The JPO has required APSC to adopt a reliability-centered maintenance (RCM) posture in order to better evaluate all TAPS components for the consequences of their failures. The RCM evaluation process allows attention and resources to be focused on those off-normal conditions that do lead to adverse consequences.

**00153-013:** The operation and maintenance history of TAPS was reviewed as part of the analysis. The spill analysis considered the potential for catastrophic failure due to a variety of causes, including those initiated by human factors and equipment failures. However, given the level of attention paid to controlling corrosion, the likelihood of catastrophic failure due solely to corrosion was considered to not be a credible spill scenario. See Section 4.1.2.3 for a discussion of corrosion control systems. See Section 4.1.3.2 for a discussion of the routine surveillance activities, especially instrument pig runs, to detect pipeline corrosion. Section 4.4 provides an analysis of credible spill scenarios.

- 00153-014:** Under the Federal Grant, APSC has the continuing obligation to operate TAPS safely and in a manner protective of public safety and the environment. Alaska regulations require APSC to develop and submit for review contingency plans for dealing with accidental releases of crude oil or other hazardous materials. Alaska regulations are prescriptive, detailing what must be included in contingency plans. Resource commitments (of both equipment and trained personnel) must be addressed in the Contingency Plans. All contingency plans are subject to review and approval by various regulatory bodies and the approval process provides for public input. Contingency plans notwithstanding, APSC is solely responsible for developing appropriate operating procedures and making resource commitments that are sufficient for their execution. Under its Comprehensive Monitoring Program, JPO maintains oversight of APSC operations. When deficiencies are identified, JPO's oversight involves root cause analysis that can potentially address resources. APSC is directed to develop and submit for JPO's approval corrective action plans which may address the resources necessary for completion of the corrective actions or preclusion of reoccurrence of the deficiencies noted.
- 00153-015:** The EIS reported a total of 26 tankers, which is composed of 10 tankers operated by the Alaska Tanker Company, LLC; 8 tankers operated by Polar Tankers, Inc.; 6 tankers operated by SeaRiver Maritime, Inc.; and 2 tankers operated by Seabulk International, Inc. The list of tankers was based on data provided by the APSC and confirmed using information collected by the British Columbia Oil Spill Task Force Prevention Project (available at <http://www.ecy.wa.gov/programs/spills/prevention/bap/TAPS%20Trade%20Tanker%20Report.htm>).
- The estimate of 8 to 10 tankers by 2020 is based on a reduced TAPS throughput of 0.72 million barrels per day, lower than the current value of about 1 million barrels per day. As such, the annual number of tanker calls at the VMT is estimated to decrease from a value of 496 (of which 38% are double-hull tankers) to 283 tanker calls in 2020 (of which 100% are double-hull tankers). The decreased number of tanker calls coupled with the increasing use of double-hull tankers can be expected to decrease the risk of a major oil spill in the Prince William Sound.
- 00153-016:** The Ballast Water Treatment Facility (BWTF) permit and regulatory effluent and emission levels were established (through a process that included public participation) to prevent adverse effects on the environment. Therefore, it is reasonable to conclude that compliance with environmental regulations and BWTF permit conditions ensures there is no adverse effects to existing environmental quality. That is not to say there are no discharges or emissions of contaminants and no resulting impacts to environmental media. The EIS does address the short-term and long-term impacts of discharges and emissions from TAPS operations on the environment and public health.
- 00153-017:** The BLM and the member agencies of JPO had full access to all information related to TAPS operations during the preparation of the DEIS and FEIS. With a very few exceptions, federal records within the JPO are available for public review.
- 00153-018:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.

## Responses for Document 00154

- 00154-001:** The reader is referred to Section 2.5 of the FEIS, "Alternatives and Issues Considered but Eliminated from Detailed Analysis."
- 00154-002:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.
- 00154-003:** Prior to a planned maintenance shutdown in 2002 (to replace RGV 39), the JPO required APSC to perform a formal evaluation and drill of all of its shut-down and start-up procedures to ensure they were correct and appropriate. APSC has also modified pump station piping to enhance the cold restart capability. TAPS spill history was considered in the EIS. See the spill analysis in Section 4.4.
- The text box in Section 4.1.1.8 provides a synopsis of the MP 400 bullet hole incident. Details of the spill and the response are provided. Changes to the pipeline's spill contingency plan that are being made as a result of lessons learned are also discussed.
- 00154-004:** Thank you for your comment.
- 00154-005:** It is true that in response to the Alaska Supreme Court ruling, the Alaska Legislature enacted Senate Bill 343, which explicitly approves the existing ADEC regulations, as described above, for making the determination whether the best available technology is included in oil spill prevention and response contingency plans. The Bill was signed into law on April 17, 2002 (amending AS 46.04.030(e)). In Senate Bill 343, the Alaska Legislature found that the ADEC 1997 regulations met the legislature's intent with respect to application of best available technology through reliance on proven, appropriate, and reliable technology meeting the response planning standards in AS 46.04.030(k) and the use of performance standards set in regulation or other specific criteria for determining best available technology. It specifically amended the prior statute to read that the ADEC may find that any technology meeting the response planning standards in AS 46.04.030(k) or a prevention performance standard established under AS 46.04.070 is the best available technology. In addition, under the new statute, the ADEC may maintain a list of those technologies that are considered the best available. The ADEC is setting up a series of public meetings to solicit suggestions for new equipment or systems. Promising new technologies will be reviewed by ADEC contractors. At that point, the list of new technologies selected as best available will be used for guidance when the ADEC reviews oil spill prevention and response contingency plans.



**00154-006:** The oil spill planning and prevention effort in the JPO is a large-scale, multi-agency endeavor. Each participating agency (Alaska Department of Environmental Conservation, Environmental Protection Agency, BLM, and the Alaska Department of Natural Resources) has a particular focus, but these are all considered collectively in the JPO TAPS oil spill response and planning group. This inter-agency group generally meets monthly with APSC and maintains a continuous monitoring program on TAPS oil spill planning and related issues. The group also coordinates with the Office of Pipeline Safety, which reviews the Pipeline Oil Spill Contingency Plan.

The emphasis of all agencies is on the prevention of spills. This is accomplished through a combination of: 1) oversight of spill contingency planning (including 64 exercises on TAPS annually) and, 2) through JPO's comprehensive TAPS operations oversight, monitor issues which could contribute to a spill in the future. In the event of a spill, however, JPO has a number of highly-trained individuals who are fully prepared to respond quickly and effectively.

The TAPS Oil Discharge Prevention and Contingency Plan for the pipeline (C-Plan), prepared by APSC (2001g—see Section 3.30 of the FEIS for the reference), provides for significant resources, including equipment, trained personnel, and effective organization, to respond if oil does spill from the pipeline, including at river crossings.

The C-Plan is updated periodically and lessons learned from actual occurrences as well as from regular exercises conducted along the pipeline are incorporated into the C-Plan. In addition, the C-Plan is reviewed annually by BLM, every three years by ADEC, and every five years by DOT. EPA also reviews the plan as it applies to pump stations. As part of this process, APSC and the federal and state agencies with oversight responsibilities for TAPS make sure that the appropriate emergency response equipment and personnel are made available along the TAPS.

Response crews and equipment for initial deployment are stationed at Pump Station 9, Glennallen, Pump Station 12, and Valdez. The entire region crossed by the pipeline has been characterized with respect to the potential flow of spilled oil. Appropriate containment tactics are described in the C-Plan with site-specific descriptions for each identified containment site. For example, the Region 5 plan, which contains all contingency areas that could affect the Copper River, lists 12 contingency areas and 38 segment areas. Each of these 38 segment areas lists priority control actions and specific containment instructions. Each regional plan includes tables detailing materials and equipment available for oil spill response at all stations and containment sites.

The reader is also referred to the text box in Section 4.4.4.3 where spill planning, response, and mitigation for the Copper River Drainage are discussed.

**00154-007:** Section 4115 of the Oil Pollution Act of 1990 (33 CFR 157.10d) imposes certain requirements on tankers calling at U.S. ports and specifies which vessels are permitted to use U.S. ports by year, size of vessel, hull design (single hulls, double bottoms, or double sides), and age of vessel. By the year 2015, all tankers calling on U.S. ports must have double hulls (double bottoms and sides). The U.S. Maritime Administration published a schedule, which indicates that the last of the present fleet serving the VMT will be phased out by the end of the year 2013 and the fleet will consist exclusively of double-hulled tankers beginning in year 2014.

**00154-008:** Tanker operations are under the regulatory purview of the U.S. Coast Guard and the U.S. Department of Transportation. While tanker operations are considered in the analysis of environmental impacts in the EIS, training for tanker crews is outside the scope of the document.

**00154-009:** Training of employees is critical to successful safe operation of the TAPS, and it is an integral part of employee development at JPO and APSC.

The BLM and member agencies of the JPO use an adaptive management approach to evaluate the effectiveness of stipulations and regulatory oversight. Ongoing monitoring programs, as identified in the 12 Comprehensive Monitoring Reports published since 1996, provide BLM and JPO with the necessary information to evaluate the effectiveness of stipulations in the Grant and Lease.

The reader is referred to Section 4.1.1 (JPO oversight) and specifically to Sections 4.1.1.2 (Adaptive Nature of the Grant in Compliance Monitoring), 4.1.1.3 (Risk-based Compliance Monitoring), 4.1.1.4 (JPO Comprehensive Monitoring Program), and 4.1.1.8 (Coordinated Planning and Response to Abnormal Incidents) for more information on the role of adaptive management as a JPO business practice.

**00154-010:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.

**00154-011:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.

## Responses for Document 00155

**00155-001:** The reader is referred to Section 2.5 of the FEIS, "Alternatives and Issues Considered but Eliminated from Detailed Analysis."

## Responses for Document 00156

- 00156-001:** Comments received during scoping are aggregated into a record of public scoping and are used to frame the issues and the analyses in the DEIS. Scoping comments are not listed and identified individually or responded to in the DEIS. Many of the peer-reviewed source documents cited in the subject report are used and referenced in the DEIS.
- 00156-002:** Comments received during scoping are aggregated into a record of public scoping and are used to frame the issues and the analyses in the DEIS. Scoping comments are not listed and identified individually or responded to in the DEIS. Many of the peer-reviewed source documents cited in the subject report are used and referenced in the DEIS.
- 00156-003:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.
- 00156-004:** Thank you for your comment.
- 00156-005:** For clarification, the entire paragraph from which the referenced sentence was extracted is provided below. The purpose of this paragraph was to provide the reader with background information related to TAPS.
- The TAPS facilities are routinely maintained and upgraded to ensure safe and efficient operation and minimize the likelihood of releases. In addition to visual inspections, use is made of “pigs” which are launched into the pipeline at Pump Stations 1 and 4 and carried along with the flow of oil. Pigs are mechanical devices that can be used to clean accumulated wax from interior pipe walls, to survey interior pipe diameter, to detect corrosion on the inside or outside walls of the pipe, and to measure pipe movement. If necessary, repairs can be made to the pipeline to correct problems. The largest repair to date was the replacement of 8.5 miles of corroded pipeline at Antigun Pass in 1991.
- 00156-006:** JPO and APSC have entered into Memoranda of Agreement committing APSC to using Reliability Centered Maintenance (RCM) protocols to support maintenance decisions and clarifying expectations on the use of RCM. JPO has taken appropriate steps to ensure RCM is properly applied. See Section 4.1.1.7 for additional discussions.
- 00156-007:** JPO and APSC have entered into Memoranda of Agreement committing APSC to using Reliability Centered Maintenance (RCM) protocols to support maintenance decisions and clarifying expectations on the use of RCM. JPO has taken appropriate steps to ensure RCM is properly applied. See Section 4.1.1.7 for additional discussions.
- 00156-008:** JPO and APSC have entered into Memoranda of Agreement committing APSC to using Reliability Centered Maintenance (RCM) protocols to support maintenance decisions and clarifying expectations on the use of RCM. JPO has taken appropriate steps to ensure RCM is properly applied. See Section 4.1.1.7 for additional discussions.
- 00156-009:** JPO and APSC have entered into Memoranda of Agreement committing APSC to using Reliability Centered Maintenance (RCM) protocols to support maintenance decisions and clarifying expectations on the use of RCM. JPO has taken appropriate steps to ensure RCM is properly applied. See Section 4.1.1.7 for additional discussions.

- 00156-010:** JPO and APSC have entered into Memoranda of Agreement committing APSC to using Reliability Centered Maintenance (RCM) protocols to support maintenance decisions and clarifying expectations on the use of RCM. JPO has taken appropriate steps to ensure RCM is properly applied. See Section 4.1.1.7 for additional discussions.
- 00156-011:** Although 45 days is understandably a short time to review a document of this size, the time period is consistent with the Council on Environmental Quality regulations for implementing the National Environmental Policy Act regarding the review of draft environmental impact statements. Significant effort was made to advise people of the schedule and duration of the review well in advance (one year). The DEIS was published on schedule and many substantive comments on the content of the DEIS, including yours, were received during the 45-day period.
- 00156-012:** The reader is referred to Section 2.5 of the FEIS, in which audits are addressed under Alternatives and Issues Considered but Eliminated from Detailed Analysis.

## Responses for Document 00157

- 00157-001:** The reader is referred to Section 2.5 of the FEIS, "Alternatives and Issues Considered but Eliminated from Detailed Analysis."
- 00157-002:** Section 3.25.1 has been revised to provide a wider range of factors that have led to the continuity of Alaska Native sociocultural systems.
- 00157-003:** No statement in the EIS is intended to belittle or discredit Alaska Natives, their cultures, or their governments. Sections 3.25.1.1 and 3.25.1.2 has been reworded to describe modern Tribal governments in greater detail, and to remove any wording that might lead to the above misunderstanding.
- 00157-004:** The text to which the comment refers has been changed.
- 00157-005:** Section 3.25 has been expanded to discuss federally recognized tribes and their role in current sociocultural systems of Alaska Natives.
- 00157-006:** The term "evolve" is used in the DEIS in the sense of "change over time." It does not necessarily imply a progression from simple to complex.
- 00157-007:** The evaluation of likely economic impacts due to the TAPS are included under local government revenues and expenditures, as discussed in Section 4.3.19.5.4. Additional text has been added to note this, and to account for not discussing these government units separately from other local government entities. In addition, impacts to federally recognized Tribes were considered in combination with other minority populations under environmental justice (e.g., Sections 3.29, 4.3.25).
- 00157-008:** The EIS characterizes some Alaska Native groups as semi-nomadic bands and notes that some aggregated seasonally. This is another way of saying that they have a residence pattern that includes the regular seasonal occupation of chosen sites to exploit specific localized resources. The EIS does not use the term "nomadic." There is no negative connotation to the term "semi-nomadic."
- 00157-009:** The EIS describes an egalitarian tendency among "most" Alaska Native sociocultural systems, in particular, pointing to these systems around the time of Euro-American contact. This does not imply that all systems are or were egalitarian. Moreover, the EIS does not equate "egalitarian" with "simple" or "primitive." In egalitarian societies, status is achieved rather than ascribed at birth. Table 3.25-2 describes a number of complex egalitarian-ranked societies, with partially-inherited leadership as well as hierarchical clan structures, which the comment appears to have overlooked. The Handbook of North American Indians of course presents overviews of Native peoples based on hundreds of references; in addition, a number of other references were consulted in developing the synthesis of Native peoples in Section 3.25.1.
- 00157-010:** The discussion in Section 3.25 has been revised and now includes discussions of federally recognized tribes. There was no attempt to diminish the importance or undermine the authority of these institutions.
- 00157-011:** Section 3.25.1.1.7 has been revised to discuss the Chugach Alutiiq in greater detail. Changes between the period of early documentation in the mid-19th century and pre-contact times nonetheless indicate substantial differences between these two periods.

- 00157-012:** The term “modern” as used here means “as they exist today” as opposed to “as they were previously.” In this sense, “modern” communities can have elected tribal councils.
- Section 3.25.1.1.7 has been revised to acknowledge the presence of federally recognized Tribes at Chenega Bay and Tatitlek.
- 00157-013:** There is no inherent inconsistency in describing federally recognized Tribes as “modern communities” if they are such. The EIS does not imply that the formation of Chugach Natives, Inc., solved all Alaska Native issues in the area. To avoid further misunderstanding, Section 3.25.1.2 has been reworded to clarify the role of Alaska Native corporations.
- 00157-014:** None of the tables in DEIS Section 3.25 includes the referenced figure for Natives in Cordova. Table 3.25-2 in the FEIS has been modified to note the multiple sociocultural and ethnic affiliations of Cordova (and the Native Village of Eyak).
- 00157-015:** Table 3.25-2 has been revised to take into account the perspective of the Tribal government of the Eyak Native Village. The discussion of the Eyak vis a vis the Tlingit is based on the work of anthropologists earlier this century whose work generally is considered both meticulous and accurate, and who had access to Eyak Elders whose experiences stretched well into the 19th century.
- 00157-016:** Because Alaska Natives tend to follow a pattern of seasonal occupation to efficiently harvest resources at various locations it is difficult to make accurate population counts at a particular location. The qualifiers used in this table reflect this reality. They are in no way intended to minimize the importance of indigenous peoples or their cultures. Quite the contrary, the potential for localized negative consequences to have devastating effects on a sociocultural system would be greater if the population were smaller. A larger population would be better able to absorb the impact.

## Responses for Document 00158

**00158-001:** Since the Exxon Valdez Oil Spill in 1989 and the enactment of the Oil Pollution Act in 1990, significant improvements have been made in the procedures, staffing, and the equipment needed to prevent and respond to potential oil spills from tankers in the Prince William Sound. Among the improvements made are the following: (1) APSC's Ship Escort/Response Vessel System was established in July 1989 to help tankers navigate through the PWS and to respond to potential oil spills, (2) new procedures were established and regulations put in place by the United States Coast Guard to better control the tanker traffic in the PWS, (3) the PWS Regional Citizens' Advisory Council was created to help plan for and oversee the oil spill prevention and response operations, (4) the amount of equipment and personnel available for oil spill prevention and response was increased, (5) more stringent training and personnel monitoring programs were established, (6) government oversight was increased, and (7) the spill prevention and response budget was increased dramatically. The currently available oil spill response capabilities and plans for the PWS are summarized in Section 4.1.4 of the EIS and are provided in detail in the Prince William Sound Oil Discharge Prevention and Response Plan (Prince William Sound Tanker Plan Holders 1999).





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**TAPS RENEWAL DEIS**  
**PUBLIC HEARING**

Glennallen, Alaska

July 31, 2002

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1 Trans-Alaska Pipeline system.

2 In addition to myself, State and Federal  
3 representatives from the Joint Pipeline Office are here  
4 to listen to your comments. I'll let them introduce  
5 themselves.

6 MR. REIMER: I'm Gary Reimer from Bureau  
7 of Land Management, Joint Pipeline Office. And thank you  
8 all for coming.

9 MR. PASADA: I'm Henry Pasada, BLM  
10 director, I've been here about three weeks now.

11 MR. KERRIGAN: John Kerrigan, State  
12 Pipeline Director for Department of Natural Resources.

13 HEARING OFFICER GEARY: Notice of  
14 availability of the Draft Environmental Impact Statement  
15 on the TAPS Right of Way Renewal appeared in the Federal  
16 Register on July 2nd [sic], 2002 in Volume 67, Number 129  
17 at Page 44832. In addition, in early June the TAPS  
18 Renewal EIS website posted the public hearing dates and  
19 locations. An electronics news release was sent to more  
20 than 430 subscribers throughout Alaska and the nation  
21 announcing the information. On June 24th, 2002, the TAPS  
22 Renewal EIS newsletter was mailed to more than 400  
23 subscribers announcing the public hearings, dates and  
24 locations. On July 3rd, 2002 the Draft Environmental  
25 Statement was published, were mailed out 100 hardcopies

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1 of the DEIS to agencies and organizations and included  
2 city mayors and affected Alaska Native Tribes. On July  
3 5th, the Federal Register noticed the DEIS availability  
4 and public hearing, locations and times. On July 5th,  
5 2002, the Anchorage Daily News, the Fairbanks Daily News  
6 Miner and the Juneau Empire displayed ads for the DEIS  
7 availability and public hearings. Public notices for the  
8 DNR Commissioner's Proposed Statement of Reasons and  
9 Written Determination were posted in the Anchorage Daily  
10 News on July 3rd and July 10th, 2002, the Fairbanks Daily  
11 News Miner on July 5th, 2002 and the Juneau Empire on  
12 July 5th, 2002. On July 5th, 2002 a four page  
13 comprehensive news release was sent to all newspapers in  
14 Alaska, including the Cordova Times, the Valdez Vanguard,  
15 the Arctic Sounder, the Anchorage Daily News, the  
16 Fairbanks Daily News Miner. On July 10th, 2002, the  
17 Valdez Vanguard and the Valdez Star half-page display ad  
18 appeared with the hearing schedule. On July 10th, 2002  
19 the Valdez Vanguard published public notices for the DNR  
20 Commissioner's Proposed Statement of Reasons and Written  
21 Determination. On July 11th, 2002 the Cordova Times and  
22 the Arctic Sounder published a half-page ad with the  
23 hearing schedule. On July 11th, 2002 the Cordova Times  
24 and the Arctic Sounder published the DNR Commissioner's  
25 Proposed Statement of Reasons and Written Determination.

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1 On July 12th, 2002, the Delta Wind published a half-page  
2 ad with the hearing schedule. On July 24th, 2002 the  
3 Valdez Vanguard published a half-page display ad  
4 reminding the public about the hearing. And on July  
5 25th, 2002 the Cordova Times, the Valdez Vanguard, the  
6 Copper Valley Weekly published a half-page display ad  
7 reminding the public about the hearing. In addition,  
8 notices about the hearing were sent to individuals and  
9 organizations that have requested to be kept informed  
10 about this project. If you would like to be on that list  
11 and to receive information about this project, you can  
12 sign up at the back table.

13 Both oral and written comments will be  
14 taken tonight. In addition, comments can be submitted to  
15 the ELM by mail, fax, telephone, the internet or hand-  
16 delivered to the Joint Pipeline Office in Anchorage. The  
17 State will accept additional written comments sent by  
18 fax, mail or e-mail. We will accept additional comments  
19 received or postmarked by August 20th, 2002, which is the  
20 closing date of the public comment period for the Draft  
21 Environmental Impact Statement and the Commissioner's  
22 Proposed Determination. Information for providing  
23 additional comments is on the registration at the back of  
24 the room. All oral and written comments received by the  
25 end of the public comment period will be treated equally

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1 and will be analyzed and considered in the preparation of  
2 the Final Environmental Impact Statement and the  
3 Commissioner's Final Determination. In addition, both  
4 the Final Environmental Impact Statement and the  
5 Commissioner's Final Determination will contain written  
6 responses to the comments received to the draft  
7 documents.

8 In order to ensure a complete and  
9 accurate record of the hearing, it's necessary that only  
10 one person speak at a time. It's also requested that  
11 everyone remain as quiet as possible while the hearing is  
12 in process.

13 At this time I'd request that all persons  
14 either turn off your cell phones or switch them to a  
15 vibrate only mode. If you wish to speak, please sign in  
16 at the registration table. Speakers will be called in  
17 the order in which they're registered. In the event that  
18 a speaker is not present when their name is called, we'll  
19 proceed and that person's name will be called again  
20 later. In order to give everyone who wishes to speak an  
21 opportunity to do so we have limited the time for each  
22 speaker to 10 minutes. This box light will help you know  
23 when your time is nearly up. The light will turn green  
24 as you begin your comments, it will turn yellow when you  
25 have one minute remaining and will turn red when your

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1 time is up.

2 A court reporter is here and will record  
3 the oral comments and prepare a verbatim transcript. If  
4 you have an extra written copy of your comments, please  
5 provide it to me for any clarification that may be  
6 necessary at a later date. In any event, your remarks  
7 will be recorded as you state them. If you wish to  
8 supplement your oral comments with additional written  
9 material, please provide that material and it will be  
10 marked as an exhibit and made a part of this hearing.

11 All right, are there any questions  
12 regarding the hearing process tonight?

13 All right, the first person that I have  
14 registered to speak tonight is Tom Kuckertz. 00159

15 MR. KUCKERTZ: Hi. My name is Tom  
16 Kuckertz and I represent the Prince William Sound  
17 Regional Citizen's Advisory Council. And I again thank  
18 the Hearing Officer for allowing us this opportunity to  
19 speak. I'd like to just make a few comments.

20 We note that the DEIS is a sizeable  
21 document with 1,700 pages with many hundreds of  
22 literature citations. We have a concern that the comment  
23 period is too short. Our council position is to ask for  
24 another 45 days to evaluate the DEIS. We note that the  
25 JFO has issued a press release indicating that the

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1 comment period will not be extended. I believe John  
2 Devens will speak to that proforma approach to citizen  
3 comment. However, I'm, you know, feeling a little bit  
4 like the warden in Cool Hand Luke so memorably lamented  
5 his failure to communicate.

159-1  
(Cont.)

6                   Nevertheless, we would like to talk about  
7 some issues that we haven't talked about before. And one  
8 of the issues that we alluded to was the quality of  
9 literature cited. And in review, you know, a lot of  
10 recent literature has been overlooked. Studies funded by  
11 the oil industry seem to have been favored and  
12 contradictory studies funded by others appear to have  
13 been overlooked. And so we actually happen to have some  
14 quality literature with us which we intend to leave with  
15 you so that you'll be able to look at these things.

159-2

16                   RCAC is pleased to note in the DEIS that  
17 research by Jeff Short has been cited. However, we note  
18 that his work associated with the possible sources of  
19 hydrocarbons in Prince William Sound from other than  
20 Alaska North Slope crude was cited. RCAC believes that  
21 some of Dr. Short's other research regarding the  
22 lingering effects of the Exxon Valdez Oil Spill might be  
23 of interest when changes to the DEIS are considered.  
24 Indeed, there are other sources of hydrocarbons from  
25 coal, seeps at Katalla and other geological features.

159-3

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1       However, we believe that the discussion of the other  
2       sources of hydrocarbons discussion is incomplete and  
3       misleading. For example, these sources are located in  
4       deep water and in general are not bio available. If one  
5       were to examine the inter-tidal zone of the beaches oiled  
6       by the Exxon Valdez, considerable quantities of  
7       hydrocarbons will be found. These hydrocarbons will show  
8       high levels of bio availability and the hydrocarbons will  
9       bear the unmistakable signature of Alaska North Slope  
10      crude oil. Considerable recent research on this subject  
11      is available from Jeff Short and others. A more detailed  
12      discussion supported by recent literature citations of  
13      the lingering effects of the Exxon Valdez Oil Spill for  
14      the cumulative effects discussion in the DEIS is  
15      necessary if there is to be any reasonable claim that the  
16      cumulative impact that the Exxon Valdez Spill has been  
17      addressed.

159-3  
(Cont.)

18                       And you know, we'll leave you with a  
19      bibliography, but in this bibliography there are six  
20      papers, for example, implicating the Exxon Valdez Oil  
21      Spill and long-term damage to sea otters and ducks.  
22      There are two papers listed that talk about the long-term  
23      effects of the Exxon Valdez Oil Spill on pink salmon.  
24      Two papers about oil persistence in Prince William Sound.  
25      Two papers, in general, why oil is bad for fish. And a

159-4

159-5

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1 single reference on why the Exxon Valdez and government  
2 sponsored studies of the same oil spill arrive at such  
3 different conclusions. And so we'll have that  
4 bibliography here and we'll present that to you.

159-5  
(Cont.)

5 Now, what I'd like to do is look at some  
6 issues associated with air and water quality that I don't  
7 think have been addressed in the DEIS. And basically  
8 let's take a look at what the issues of concern are to  
9 us. For example, there's more than a hundred tons per  
10 year of hazardous air pollutants emitted at the Valdez  
11 Marine Terminal. More than a thousand tons per year of  
12 volatile organic compounds are emitted. And basically we  
13 have no real numbers on these things, so we want to know  
14 what the real numbers are. We want to know what the  
15 impact of the emissions are and even given the numbers in  
16 the DEIS, we exceed some of the EPA criteria. The DEIS  
17 references old literature in this area which was  
18 controversial in its day and today might not be relevant  
19 because of changes in operations.

159-6

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159-8

20 What is the cumulative impact of these?  
21 What is the future impact? We don't believe the DEIS  
22 addressed these questions. There is some literature  
23 worth considering. We're going to actually leave copies  
24 of the papers with you plus we also have them on this CD-  
25 rom. The Valdez Marine Terminal Air Quality Oversight

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1 Project, Phase I by Environmental Solutions, May 2002.  
2 The Valdez Marine Terminal Air Quality Issues, which was  
3 done by Prince William Sound RCAC and Environmental  
4 Solutions. It's a powerpoint presentation that sums up  
5 the issues very quickly. And then comments on the  
6 proposed rule for National Emission Standards for  
7 hazardous air pollutants, organic liquid distribution.  
8 And we submitted that to the EPA on May 27th, 2002. We  
9 believe that these will cover a lot of the air quality  
10 issues and provide you some additional literature with  
11 which to research this. Additionally, we have a letter  
12 to EPA and from Alyeska just to show that we're balanced  
13 regarding each others contributions to this National  
14 Emissions Standards. And so we have that.

15 In addition now I'd like to talk about  
16 the water quality issues. Again, it's the same  
17 questions. What are the issues of concern to Prince  
18 William Sound RCAC? Well, for one, the BWTF is putting  
19 out 10 millions a gallon or more per day of treated  
20 ballast water. This hydrocarbon content of this water is  
21 two to eight parts per million and this is equivalent of  
22 one barrel or more of oil discharged into Prince William  
23 Sound. And we're getting conflicting analysis that this  
24 is the most hazardous stuff known to man and/or in some  
25 cases from Alyeska that this might be new kind of fish

159-11  
(Cont.)

159-12

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1 food. So there's a wide range of opinion on how harmful  
2 this stuff is. And so we think the Environmental Impact  
3 Statement ought to address 30 years of this type of  
4 discharge and what this type of discharge will do for us  
5 in the next 30 years.

159-12  
(Cont.)

6           Recent research shows port-wide spread at  
7 low levels of hydrocarbons with the distinctive signature  
8 of Alaska North Slope crude, we want to know, you know,  
9 what the real numbers are because it's not being  
10 measured. We have submitted appropriate reports to EPA  
11 and DEC and they're actually considering as part of the  
12 NPDES permit and mixing zone permit renewal to include  
13 increased monitoring reports. They want to know what is  
14 in the fluid. And so we want to know what the impact of  
15 the discharge from the BWTF. And, you know, the actual  
16 impact now and we want to know what the future impact is.  
17 We believe that the DEIS should address this.

159-13

159-14

18           Some literature worth considering. The  
19 Final Report, 2001 report of the Port Valdez Water  
20 Monitoring Contract which was done by Mike Salazar and  
21 others. And this is actually a very large report, has  
22 lots of raw data in it. These are the real measurements  
23 that we have made and it cites appropriate literature.  
24 And let me just talk about some of the folks that did  
25 this. This was prepared by Mike Salazar, Ph.D., Jeffrey

159-15

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1 Short, Ph.D., working for Auke Bay Laboratory, Jim Payne,  
2 Environmental Consultant Ph.D., so we're not talking  
3 about some stuff that was made up in, you know, our  
4 backyard down there in Valdez, you know, these are real  
5 measurements, real analysis.

159-15  
(Cont.)

6 And we'll talk about the evaluation of  
7 mixing zone, NPDES permit and this is the report that we  
8 gave to DEC and the EPA regarding, you know, what  
9 additional things should be monitored, what can be done  
10 to improve your lessening the amount of hydrocarbons in  
11 the discharge. So we're interested in that.

159-16

12 I'll just leave that with you now. I  
13 don't have many other comments. But I would like to  
14 leave this literature and all the papers with you. There  
15 are some presentations in here and I believe that they  
16 highlight our issues and we could go on for hours if we  
17 were to go all the way through it. But I believe that we  
18 would like to get this information into the record.

19 HEARING OFFICER GEARY: Do you also want  
20 to put your comments in as well?

21 MR. KUCKERTZ: Those are in draft form  
22 right now and we'll get them to you probably by  
23 Anchorage.

24 HEARING OFFICER GEARY: All right. I'm  
25 going to mark the CD-rom as Exhibit 16, that's the next

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1 in line.

2 MR. KUCKERTZ: And I also put my business  
3 card in there.

4 HEARING OFFICER GEARY: Okay, for  
5 whatever reason the rom is not readable.

6 MR. KUCKERTZ: We can provide you with a  
7 new one.

8 HEARING OFFICER GEARY: Thank you.

9 MR. KUCKERTZ: Thank you.

10 HEARING OFFICER GEARY: All right, so  
11 Exhibit 16 is the CD-rom.

12 MR. KUCKERTZ: That's the bibliography.

13 HEARING OFFICER GEARY: This is the  
14 bibliography?

15 MR. KUCKERTZ: Yes, it is.

16 HEARING OFFICER GEARY: All right. The  
17 bibliography will be Exhibit 17, three page document.  
18 The packet of information entitled Environment Solutions,  
19 Valdez Marine Terminal Air Quality Oversight Project,  
20 Phase I will be marked as Exhibit 18.

21 MR. KUCKERTZ: And there's a presentation  
22 and some other literature with that.

23 HEARING OFFICER GEARY: All right. News  
24 Release.

25 MR. KUCKERTZ: You guys already know

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L4

1 about that.

2 HEARING OFFICER GEARY: All right, do you  
3 still want to put it in?

4 MR. KUCKERTZ: I believe it's probably  
5 already part of the record.

6 HEARING OFFICER GEARY: I can add it if  
7 you'd like or I can let you collect it back up.

8 MR. KUCKERTZ: I'll collect it.

9 HEARING OFFICER GEARY: All right.

10 MR. KUCKERTZ: That will not be helpful.

11 HEARING OFFICER GEARY: All right. And  
12 then finally, this should be considered as a packet?

13 MR. KUCKERTZ: Well, this is a  
14 presentation, a paper on the NPDES permit and then Port  
15 Valdez Water Quality Study.

16 HEARING OFFICER GEARY: So there are two  
17 different.....

18 MR. KUCKERTZ: There are three things  
19 there.

20 HEARING OFFICER GEARY: Okay. Then, I  
21 will mark the powerpoint presentation as Exhibit 19.  
22 First page in acceptance of the Payne Environmental  
23 Report on NPDES Permit Renewal Applications. Exhibit 20  
24 is the Prince William Sound Regional Citizen's Advisory  
25 Council Evaluation of Mixing Zone and NPDES Permit

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1 Renewal Applications for BWTF at the Alaska Marine  
2 Terminal, that's Exhibit 20. And finally, Exhibit 21 is  
3 a Final Report of a the 2001 Port of Valdez Monitoring  
4 submitted to John Devens, Executive Director by Michael  
5 Salazar.

6 (Hearing Exhibits 16 through 21 marked)

7 HEARING OFFICER GEARY: Thank you, Mr.  
8 Kuckertz. 00160

9 MR. KUCKERTZ: Thank you.

10 HEARING OFFICER GEARY: Stan Stephens.

11 MR. STEPHENS: Well, I'm here again  
12 representing AFER, Alaska Forum for Environmental  
13 Responsibility. This is my third testimony on the DEIS.  
14 I previously testified in Cordova and Valdez.

15 Many of us feel that this DEIS, the  
16 decisions are already made and rubber-stamped and that  
17 the process that we're going through is one that is  
18 required by law and that's why we're doing it. And I  
19 think if it were otherwise, it wouldn't have hurt to have  
20 more than 45 days for testimony because you would have  
21 wanted to hear everything the citizens of Alaska had to  
22 say. But it's very obvious that you don't. And I'm not  
23 too sure where this is going to go but in my testimony  
24 today, like I have at all the hearings, I want to say  
25 again, that we just don't have enough time to go through

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