



Members

Tourism
Organizations

Alaska Native
Groups

Environmental
Groups

Recreational
Groups

Aquaculture
Associations

Commercial
Fishing
Organizations

City of Kodiak

City of Kenai

City of Seldovia

City of Homer

Kodiak Island
Borough

Kenai Peninsula
Borough

Municipality
of Anchorage

"The mission of the Council is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet."

Docket Management System

U.S. Department of Interior

Submitted electronically via Federal eRulemaking Portal

RE: Oil and Gas and Sulfur Operations in the Outer Continental Shelf--Blowout Preventer Systems and Well Control Revisions, Proposed Rule [Docket ID: BSEE-2018-0002; 189E1700D2 ET1SF0000.PSB000 EEEE500000] RIN 1014-AA39

July 10, 2018

To Whom It May Concern:

Cook Inlet Regional Citizens Advisory Council (CIRCAC) submits this letter regarding the Proposed Rule entitled "Oil and Gas and Sulfur Operations in the Outer Continental Shelf--Blowout Preventer Systems and Well Control Revisions," developed by the Bureau of Safety and Environmental Enforcement (BSEE).

CIRCAC Mission

CIRCAC is a non-profit corporation organized exclusively for the oversight, monitoring, assessing and evaluation of oil spill prevention, safety and response plans, terminal and oil tanker operations, and environmental impacts of oil tanker and oil terminal operations in Cook Inlet under the provisions of Section 5002 of the Oil Pollution Act of 1990 (OPA90). Our mission is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet. CIRCAC consists of 13 members from Cook Inlet communities, as well as Alaska Native groups, commercial fishing and aquaculture, tourism, recreational and environmental interest groups that have a significant stake in the environment and resources at risk from oil production and transportation in the region.

Our OPA90 mandate to oversee, monitor, assess, and evaluate crude oil operations within Cook Inlet includes a strong emphasis on safety. It is with environmental and operational safety in mind that we have reviewed the proposed regulatory changes.

As noted in previous comments, CIRCAC supports clarity and consistency in regulatory requirements. We generally support the incorporation by reference of the American Petroleum Institute (API) standards and agree with most of the changes proposed in the docket. This letter includes a few recommendations and points on which we believe additional clarification is warranted.

1. Section 250.428(d) – BSEE proposes changing the language to allow operators to seek preapproval for remedial cementing actions rather than requiring a professional engineer (PE) approval at the time. CIRCAC opposes this change as the preapproval can only be hypothetical at best since the problem to be remedied would not be known at the time of approval.

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2. Section 250.518 – 250.619, and 250.1703- CIRCAC support clarification of this section relating to the policy of requiring a higher standard of construction and certification of mechanical barriers that are designed for permanent downhole installation. However, without specific direction we are concerned that there will be confusion in the use of mechanical barriers designed for other operations during well completion or workovers. The identification of the proper barriers used should be stated in the well control plan to eliminate any potential confusion.
3. Section 250.730(a) – BSEE proposes removing the phrase “excluding casing shear” from language describing requirements for the Blowout Preventer System (BOP) to be capable of closing and sealing a wellbore. The justification for this change indicates that the language is not necessary since the requirements refer to the entire BOP system. However, CIRCAC is concerned that the justification also refers to the fact that BSEE “expects operators to ensure ram closure time and sealing integrity before exceeding those operational and mechanical limits.” Any “expectations” should be clearly defined or “required” in regulation. BSEE should confirm all relevant specifications through their permitting process, inspection program, and performance testing requirements. API Standard 53 and API Spec 16D include details about the accumulator system that enable BSEE to confirm, not expect.
4. Section 250.730(c) – BSEE proposes to revise the failure reporting requirements. CIRCAC applauds the effort to capture, analyze, and use failure data to identify trends and inform inspections and testing. However, the changes proposed for this section do not clearly define a reportable “failure” and also extend the timeline excessively. The current regulations state that a failure analysis to determine the cause of a failure must be conducted within 120 days; the proposed language would mean that the analysis would not have to *begin* until 120 days after the failure, and not have to be *completed* until another 120 days past that. CIRCAC opposes this change as 8 months is far too long after a failure to identify its cause, thus pushing any necessary corrective action out even farther.
5. Section 250.731(a)(5) – BSEE proposes to change a reference to achieving an “effective seal of each ram BOP” to “close each ram BOP.” CIRCAC notes that there is a difference between sealing and closing in this context and does not find the explanation and reference to API Standard 53 to adequately clarify the intent. Please clarify how this change will affect both sealing and closing, as appropriate to a particular operation.
6. Section 250.731(b) – This section refers to the use of “newer shearing blades” which can center pipe, thus justifying the removal of requirements to verify that testing is performed on the outermost edges of the shearing blades of the shear ram positioning mechanism. This assumes that these newer blades, which are not clearly defined, are used universally. BSEE should be clear about the newer shearing blades that can center pipe as a being a baseline requirement and give a specific time frame for operators to comply. Related to this:
 - Section 250.733(b)(1) proposes to extend the compliance deadline to April 29, 2021 for dual shear ram requirements for surface BOPs – which seems to contradict the above assumption that newer shears are used throughout. The justification for this deadline extension is to align it with the subsea BOP stack

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compliance deadline. CIRCAC suggests that instead it would be preferable for both subsea and surface BOPs to comply by April 2019 – the current deadline for surface BOPs.

- Section 250.734(a)(16) again implies an assumption that the most current equipment is universally used. Unless the regulations stipulate a specific standard in detail or by reference, there is no guarantee that operators will use it even if BSEE's experience indicates that most do. CIRCAC is particularly mindful of the potential for new development in Alaska and the possibility that older equipment may be used unless BSEE specifies a minimum design basis capability for shear rams, along with a clear date for compliance as discussed above.
7. Section 250.731(b)(2) – CIRCAC also opposes the proposed replacement of a 30-minute hold time for a verification pressure test with a 5-minute hold. We understand that a 30-minute test is an established practice per various standards organizations and see no reason for the change.
 8. Section 250.733(a)(3)(iii) – BSEE proposes to allow sharing of bottles among emergency and secondary control system functions to secure a wellbore. Please reference the API Spec 16D standard related to controls systems and clarify whether sharing bottles would be a sufficiently redundant system to allow for emergency use.
 9. Section 250.737(d)(2-3) – BSEE proposes to remove a requirement to submit BOP system test results to BSEE when BSEE personnel have been unable to witness the test directly. CIRCAC requests clarification on the frequency with which BSEE is expected to witness tests and how the test results are used in conjunction with historic data. The intent of tests should be to identify and mitigate any issues, not just to be able to go back to test results after a problem occurs.
 10. Section 250.737(d)(12)(iv) – BSEE proposes that operators should not be required to indicate the discharge pressure of the subsea accumulator during an entire BOP test. The pressure test should show the deadman closing and then closed with a sustained pressure after closing. By only recording starting and stopping pressure, the effectiveness of the closing cannot be determined. CIRCAC disagrees with the proposed change.

Thank you for considering these comments. Please contact me at 907-283-7222 if you have any questions.

Sincerely,



Mike Munger
Executive Director