Alaska Dispatch News

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Home > Shell has no business asking for fewer requirements in Arctic drilling

Kim Elton October 9, 2014

A story by the Houston Chronicle, recently reprinted in Alaska Dispatch News, reports Royal Dutch Shell lobbyists want White House Office of Management and Budget political appointees to ease proposed drilling safety regulations in the Arctic Ocean. This despite the multinational's pratfall-ridden attempts to sink a few exploratory wells in 2012.

For the record, as a senior adviser to the Department of the Interior secretary, I supported the department's "slow ahead" approach to drilling in the Arctic Ocean's Chukchi and Beaufort seas. I believed multi-level safety requirements (including a relief drilling rig and a robust stash of spill recovery gear Shell officials now apparently don't want to be bothered with) supported a cautious "yes." I also fell for Shell's promise that their drill fleet was ready to tackle the Arctic.

I was wrong. Shell's self-described "vaunted" Arctic Ocean armada wasn't ready. Their 2012 dive into the Arctic Ocean was a spectacular belly flop:

- A Coast Guard inspection of the Noble Discoverer, Shell's 47-year-old lead drilling ship, found 23 "deficiencies" (including problems with the engine) just days before it sailed for the Arctic.
- The Noble Discoverer nearly beached when it dragged anchor in a calm Aleutian port en route to the Arctic.
- Shell's required spill response barge initially flunked minimum seaworthiness tests.
- Shell's spill containment dome was "crushed like a beer can" in placid Puget Sound sea trials, never making it to the Arctic.
- The Noble Discoverer punched its first drill bit into the floor of the Arctic Ocean in mid-September; the next day it retreated from a huge ice floe.
- The Noble Discoverer suffered an explosion and fire leaving the Arctic.
- The Noble Discoverer was detained by the Coast Guard in Seward for major safety, propulsion and pollution "discrepancies." (CBS reported that when Coast Guard criminal investigators arrived, the crew had been provided with lawyers and declined to be interviewed.)

- Shell's second and relief drilling rig, the Kulluk, had 19 deficiencies in electrical and maintenance systems when it arrived back in Dutch Harbor from the Arctic.
- Shell incurred more than \$1 million in fines for air quality violations.

Even more troubling than Shell's major flotilla problem, is Shell's spectacular failure of good judgment. Company managers ordered the Kulluk towed south through the winterstorm-lashed Gulf of Alaska before the 2013 new year — partly to avoid Alaska taxes. After that decision, the tug master issued a prescient warning: "I believe the length of tow, at this time of the year, in this location, with our current routing, guarantees an asskicking."

The tug master was right. The tow broke in a fierce storm. Eighteen crew members were helicoptered to safety and more than 600 emergency responders tried to save the Kulluk before it was fatally maimed on a rocky Alaska beach. Shell bean counters lost a \$300 million rig just to save a few million in taxes.

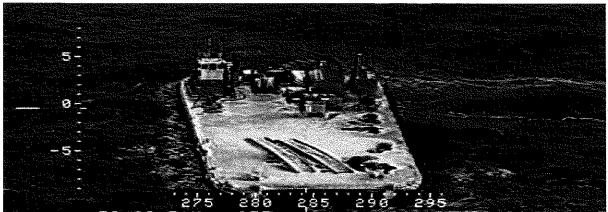
Now Shell wants a do-over without some pesky spill regs. But the brutal Arctic and sub-Arctic doesn't reward interlopers who have bad judgment/bad preparation/bad equipment. Neither should White House political appointees. Shell, by its actions in 2012 and its new efforts to avoid reasonable safety regs, is proving this multinational is unworthy of the Arctic.

After a 15-year career in the Alaska Legislature, **Kim Elton** served four years as senior adviser on Alaska affairs to former Interior Secretary Ken Salazar. He represented the secretary's office in the Gulf of Mexico during the BP spill and was a federal trustee on the Exxon Valdez Oil Spill Trustee Council.

The views expressed here are the writer's own and are not necessarily endorsed by Alaska Dispatch News, which welcomes a broad range of viewpoints. To submit a piece for consideration, email <u>commentary(at)alaskadi</u> [2]spatch.com. [2]

Drifting NTCL barge will likely spend winter in Beaufort Sea ice

Oct 27, 2014, CBC News



A barge owned by the Northern Transportation Company Ltd. is adrift in the Beaufort Sea. It's increasingly likely that the barge will spend the winter trapped in ice. (Submitted by U.S. Coast Guard)

It's becoming increasingly likely that a barge adrift in the Beaufort Sea will remain there as the area becomes covered in sea ice.

The 40-metre barge was heading to Tuktoyaktuk, N.W.T., when it broke away in Canadian waters during a storm last Monday.

The barge was returning to Tuktoyaktuk after delivering supplies to a remote site along the Canadian coastline. It is unloaded, although it is carrying 3,500 litres of light diesel in fuel tanks.

The U.S. Coast Guard says the barge's owner, the Northern Transportation Company Ltd., has made attempts to rescue the vessel, but the company can't find any available tugboats.

Most in the region are taken out of service during the winter season.

"There's no other maritime traffic up in that region for ships or any other vessels," says Commander Shawn Decker with the U.S. Coast Guard, "so our response options became very limited due to the lack of available resources."

Decker says there's no way around the geography of the area.

"Therefore this barge is going to become stuck in the ice and we will track it."

The Coast Guard says NTCL is assuring them that the vessel won't be compromised if it spends the winter locked in ice.

A Coast Guard plane will drop a GPS tracker on the vessel so its whereabouts will be known at all times.

 $On line: \underline{http://www.cbc.ca/news/canada/north/drifting-ntcl-barge-will-likely-spend-winter-in-beaufort-sea-ice-1.2814582$