TONY KNOWLES, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

3001 PORCUPINE DRIVE
ANCHORAGE, ALASKA 99501-3192
PHONE: (907) 279-1433
FAX: (907) 276-7542

February 18, 1998

CONFIRMATION COPY
THIS IS THE ORIGINAL, FOR YOUR RECORDS, OF A FACSIMILE TRANSMISSION SENT TO YOU ON 2/18/98 Wendy Mar

Barbara Skelton
Ad Hoc State Review Report Subcomittee
Interstate Oil & Gas Compact Commission
PO Box 53127
Oklahoma City, OK 73152-3127

Dear ~~Ms. Skelton~~ Barbara:

Thank you for providing an additional opportunity to comment on the draft document "State Actions Based on State Review Process Recommendations." Additions and corrections are italicized on the following page.

Sincerely,

David W. Johnston, Chairman

cc: Christine Hansen

****

Alaska

Both the Alaska Oil and Gas Conservation Commission (AOGCC) and the Alaska Department of Natural Resources (ADNR) have adopted mission statements that describe their respective goals and responsibilities. The Alaska State Legislature transferred authority to administer the annular disposal program from the Alaska Department of Environmental *Conservation* (ADEC) to AOGCC on July 25, 1995. The AOGCC adopted annular disposal regulations, which became effective September 22, 1996. ADEC has centralized all E&P solid waste permits and oversight into one office for the entire state. AOGCC and *ADNR* each accept the other's site clearance determinations. ADEC has dedicated funds through user fees to help pay for its solid waste program. State agencies can now receive bond forfeitures. They can also request emergency funding from the state's Legislative Audit and Budget Committee. ADNR revamped its public notice procedures for oil and gas lease sales, using display advertisements and targeted mailings. *Any number of comments can trigger* ADNR public hearings, consistent with AOGCC and ADEC procedures. *Agency copying charges are consistent with statutory and regulatory requirements.* Disposal in reserve pits is no longer a normal disposal method; grind and inject technology has replaced the need for most reserve pits. Pit contents are analyzed prior to final closure if located on state lands and under the jurisdiction of ADNR. ADNR has adopted EPA guidelines for sampling and testing. ADEC is developing a database *to be utilized for data management* and to plan surveillance and compliance inspections. *The AOGCC has instituted an RBDMS (risk based data management system) to track activities within the state. The agencies have also established web pages to strengthen public outreach efforts.* State inspections in the Kenai Gas Field receive additional attention from AOGCC because of its proximity to urban areas. ADNR now has the authority to revoke, modify or suspend permits, and AOGCC has draft regulations to strengthen its authority along these lines.

TONY KNOWLES, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

3001 PORCUPINE DRIVE
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PHONE: (907) 279-1433
FAX: (907) 276-7542

February 4, 1998

Christine Hansen, Executive Director
Interstate Oil and Gas Compact Commission
900 N.E. 23rd Street
Oklahoma City, OK 73105

Dear Christine:

The Alaska Oil and Gas Conservation Commission ("AOGCC") would like to offer the following comments on the draft report, entitled "State Actions Based on State Review Process Recommendations."

Alaska's waste management practices are unparalleled anywhere in the world. Many problems, which persist elsewhere, simply aren't present in Alaska. IOGCC's report should focus on state strengths, not just weaknesses in E&P waste programs. It should then help promote those strengths in other states that have program deficiencies.

In Alaska, "grind and inject" is the preferred disposal method for E&P wastes Roadspreading and landfarming techniques are not utilized in Alaska. No reserve pits have been permitted since 1989. The elimination of reserve pits coupled with new developments in extended reach drilling has minimized the surface footprint generated by E&P activities. An estimated 10-15 reserve pits throughout the state are considered active and fall under a closure monitoring program instituted by the Alaska Department of Environmental Conservation. An aggressive reserve pit closeout program has already eliminated 105 of the estimated 534 inactive reserve pits in Alaska.

Notwithstanding Alaska's outstanding E&P program, the review team proceeded to make 107 recommendations. This is far more recommendations than for any other state, and distorts the real value of Alaska's program. Interestingly, a number of the recommendations are essentially praise for what Alaska has already accomplished and do not suggest change or improvement. Most of the other recommendations are insignificant or unnecessary; indeed, even the review team admitted that a number of them were outside the scope of the IOGCC guidelines. We encourage IOGCC to set the record straight for the final report by more completely describing Alaska's exemplary waste management program.

At a minimum, Table 2 should be removed or further broken down to include the number of recommendations considered significant, minor or unnecessary by the states, as well as recommendations outside the scope of IOGCC guidelines.

We also note that several states have established web pages to strengthen public outreach efforts. Alaska has done the same. We have also instituted an RBDMS ("risk based data management system") to track activities within the state.

Thank you for providing us the opportunity to comment on the draft report. We would be happy to provide information on our waste management programs to any interested parties.

Sincerely,

David W. Johnston
Chairman

cc. Jim Erb, Pennsylvania

TONY KNOWLES, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

3001 PORCUPINE DRIVE
ANCHORAGE, ALASKA 99501-3192
PHONE: (907) 279-1433
FAX: (907) 276-7542

July 16, 1997

Christine Hansen
Executive Director
Interstate Oil & Gas Compact Commission
PO Box 53127
Oklahoma City, OK 73152-3127

Dear Ms. Hansen:

The Interstate Oil & Gas Compact Commission ("IOGCC"), in cooperation with the U.S. Environmental Protection Agency ("EPA"), conducted a state-peer review of Alaska's oil and gas exploration and production waste management programs in July 1992. Agencies consulted were the Alaska Department of Natural Resources ("ADNR"), the Alaska Department of Environmental Conservation ("ADEC"), and the Alaska Oil & Gas Conservation Commission ("AOGCC"). IOGCC published its findings and recommendations in a report dated December 1992.

The IOGCC has asked Alaska to summarize its actions taken in response to the 1992 review. This letter constitutes Alaska's reply.

We are restricting our response only to those recommendations we believe are germane to Alaska's exploration and production waste management programs. In many cases, even the review team admitted their recommendations were outside the scope of its review. In other cases, the state agencies felt the recommendation was inconsequential or simply unnecessary. For example, the review team suggested expanded use of MOUs to coordinate agency action. We believe Alaska does an admirable job protecting its environmental and cultural resources. Each agency has clear statutory and regulatory authority, and coordination appears good between agencies. It may be that the review team did not recognize the importance of the Alaska Coastal Management Program ("ACMP") in coordinating agency action. Nor did they acknowledge the role of the Alaska Department of Law, which provides appropriate guidance where additional alignment becomes necessary.

Alaska is also fortunate in having operators that are committed to proper waste management practices. We note the review team also acknowledged the importance of responsible operators. They found that the industry-state relationship in Alaska was cooperative and proactive, with an open approach to problem solving.

Another distinguishing characteristic of Alaska's waste management program is that many practices common in other states are simply not allowed in Alaska. For example, surface discharge and roadspreading are prohibited, and reserve pits are being phased out. Today, for the most part, disposal of muds, cuttings and associated waste is done by grind and injection into an approved Class II disposal well.

For clarity purposes we have paraphrased and placed in italics those recommendations we believe appropriate to address. A brief discussion in response then follows.

- *Both AOGCC and ADNR should update their statutory authorizations to reflect their statement of goals and current responsibilities.* Both ADNR and AOGCC have adopted mission statements that describe their respective goals and responsibilities. Amendment to statutory authority should only be pursued when there is a compelling reason.

- *ADEC and AOGCC should consider formalizing coordination for annular disposal permit requirements, and consider unifying administration of the annular disposal and UIC programs under the AOGCC.* The Alaska state legislature transferred authority to administer the annular disposal program from ADEC to the AOGCC on July 25, 1995. The AOGCC adopted annular disposal regulations, which became effective September 22, 1996.

- *ADEC should consider expanding the jurisdiction of the Pipeline Corridor Regional Office ("PCRO") to include E&P waste management activities in the Kenai and Cook Inlet areas.* ADEC has centralized all E&P solid waste permits and oversight into one office for the entire state.

- *AOGCC and ADNR should jointly develop a policy for coordinating site clearance determinations.* AOGCC and ADNR each accepts the other's site clearance determinations at this time.

- *The Alaska agencies should seek dedicated funding options.* Dedicated funds, for the most part, are not allowed under the Alaska Constitution. ADEC has dedicated funds through user fees to help pay for its solid waste program.

- *Bond forfeitures should be made available to the appropriate state agency for remediating a site should an operator fail to meet its E&P waste site closure obligations.* Program receipts are possible now. In addition, Alaska agencies can appeal to the state's Legislative Audit and Budget Committee for immediate consideration of emergency funding.

- *The agencies should develop a coordinated public notice process.* Public notice is dictated by statute; discretionary agency coordination is not always possible. For activities occurring in the Alaska coastal zone, which encompasses the vast majority of Alaska's oil and gas development, public notice is coordinated under the provisions of the Alaska Coastal Management Program. Also, ADNR has entirely revamped its public notice procedures for oil and gas lease sales, and now utilizes display advertisements and targeted mailings.

- *ADNR should adopt public participation provisions applicable to lease operations plans.* Public notice on lease operations approvals would, in part, be duplicative of the public notice procedures during the best interest finding and the ACMP consistency determination.

- *Each agency should evaluate its public notification procedures to determine whether the interested public is provided with adequate notice of the agency's intention to issue an E&P waste management permit.* Public notice outreach efforts are continually undergoing review in an attempt to reach the greatest number of people and still meet legal requirements. Note recent changes by ADNR as described above.

- *ADNR's Division of Lands procedures for determining whether a hearing will be held based upon the number of comments received should be made consistent with AOGCC and ADEC policies.* Any number of comments can trigger a public hearing by ADNR, which often holds hearing on its own volition without any request to do so from the public. This is consistent with AOGCC and ADEC.

- *Each agency should consider developing written guidelines to clarify the difference between informal meetings and public hearings, as well as to define when informal hearings may be held.* The Alaska Administrative Procedures Act provides clear guidelines concerning public hearings.

- *AOGCC, ADNR and ADEC should evaluate their procedures for providing agency records and charging costs to the public to determine whether the fees are consistent with 6 AAC 95.130.* Agency copying charges are consistent with statutory and regulatory requirements.

- *ADEC should review liner permeability requirements for specific wastes and develop guidelines based on scientific evidence, and should develop pit sizing regulations based on site specific conditions.* The use of reserve pits is no longer a normal disposal method in Alaska. For the most part, grind and inject technology has replaced the need for reserve pits.

- *ADEC and ADNR should develop area or statewide guidelines to serve as a basis for writing specific permits, allowing permit stipulations to address the geographic variability of specific locations.* To the extent of current policy development, standard lease terms, special land use designations and current regulations, the agencies are doing this.

- *ADEC regulations should include an analysis of pit contents for appropriate hydrocarbons. Additionally, ADEC and ADNR should consider formalizing their requirements for determining when waste analysis should be performed prior to closure.* Pit contents will be analyzed prior to final closure if located on state land and under the jurisdiction of ADNR.

- *ADNR should develop written guidelines for sampling and analysis of waste and that ADEC also develop written waste sampling and analysis in close coordination with ADNR.* ADNR uses guidelines developed by EPA for sampling and testing.

- *ADEC should re-evaluate the importance of data management and consider making it a priority so that hardcopy information can be computerized, as well as put to use in planning and scheduling surveillance and compliance inspections.* ADEC is developing such a database.

- *ADNR and ADEC should seek statutory authority to enter any regulated site where E&P waste management activities are conducted and where records relevant to program operation are kept.* Access to any site or facility by authorized state personnel has never been a problem in Alaska.

- *All agencies should develop plans that include inspection frequencies and priorities for E&P waste facilities in the Cook Inlet/Kenai areas.* State inspections are uniform statewide, except for the Kenai Gas Field, which receives additional attention from AOGCC because of its proximity to urban population.

- *The agencies should take enforcement action in all instances where it is appropriate and should seek the resources necessary to do so.* The state will initiate enforcement action when necessary and appropriate. Because of the responsible operators in Alaska, the state rarely has the need to take a "heavy-handed approach."

- *AOGCC and ADNR should seek explicit statutory authority to revoke, modify and suspend permits.* ADNR has this authority now. AOGCC has draft regulations that strengthen its authority along these lines.

- *The agencies should seek should explicit statutory authority to cause the forfeiture of bonds for E&P waste violations and develop procedures for doing so.* The authority already exists by lease stipulation or in common law.

- *ADEC should evaluate the need for additional survey work to determine the nature and extent of NORM contamination in Alaska and consider adopting regulations concerning the handling and disposal of NORM.* NORM levels and subsequent contamination risk are very low in Alaska. NORM is a Class II fluid and may be disposed in a UIC Class II well.

In summary, Alaska's E&P waste management programs are highly effective, with strong agency oversight and full industry cooperation. Alaska acted on the suggestions that we viewed relevant, such as transferring the annular disposal program from ADEC to AOGCC. For the most part, however, the team's recommendations offered only minor improvements to our waste management programs.

Thank you for allowing us the opportunity to comment on the 1992 review of E&P waste management programs in Alaska.

Sincerely,

David W. Johnston
Chairman, AOGCC

Michele Brown,
Commissioner, ADEC

John Shively,
Commissioner, ADNR

cc: Delaine Perkins, Interstate Oil & Gas Compact Commission
Vicki Sensat, Interstate Oil & Gas Compact Commission

Author: BFristoe@EnvirCon.Alaska (Fristoe, Brad) at CC2MHS1
Date: 1/27/98 6:02 PM
Priority: Normal
TO: Wendy Mahan at DOA-AOGCC
Subject: RE: reserve pits

A loaded question. There are two in the Kenai Penninsula. The slope has all the ones at the existing drill sites. Rather they are considered to be open could be debated. There has not been any approved disposal into any of them since obout 1987, yet they are not closed yet. Industry has closed some and has been working on various economical ways to do the rest. So the answer is 2.

The person that works on reserve pits is Paul McLarnon (269-7642) out of our Anchorage office. He may be able to answer other questions or provide more information.

Brad

From: 'Wendy Mahan@Admin.Alaska'
To: Fristoe, Brad
Subject: reserve pits
Date: Tuesday, January 27, 1998 4:16PM

I need some info on reserve pits. Could you steer me in the right direction? How many active pits in the state?

NSLOPE PITS - ALL INACTIVE -

CLOSED TO DATE -

LAST FEB. - W/ FAX TO ME BY BPX THIS AFTERNOON.

BPX & AA / SUBMITTED INFO TO LAURA OGARS OFFICE.

TONY KNOWLES, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

3001 PORCUPINE DRIVE
ANCHORAGE, ALASKA 99501-3192
PHONE: (907) 279-1433
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July 16, 1997

John Shively
Commissioner
Dept. of Natural Resources
400 Willoughby Ave
Juneau AK 99801-1724

Michele Brown
Commissioner
Dept. of Environmental Conservation
410 Willoughby Ave Ste 105
Juneau AK 99801-1795

Dear Commissioners Shively and Brown:

As you are aware, the IOGCC has requested that we respond to recommendations made in the 1992 joint EPA/IOGCC review of Alaska waste management programs. In anticipation of an upcoming CBS news story, the IOGCC has been gathering information on how states have responded to their respective reviews.

The following letter is a result of agency efforts to consolidate comments in a response to the IOGCC followup. We feel the state has a solid E&P waste management program that is evidenced in our response. I would like to thank Heather Stockard, Judd Peterson and Jim Haynes for their valuable assistance in this project.

Sincerely,

David W. Johnston
Chairman

Author: Dave Johnston at DOA-AOGCC
Date: 6/30/97 8:43 AM
Priority: Normal
TO: Wendy Mahan
Subject: Comments for CBS: RE: State Review
---------- Message Contents ----------

Wendy--Looks like we need to dust off your report. Lets discuss.
Dave.

---------- Forward Header ----------

Subject: Comments for CBS: RE: State Review
Author: Vicki.Sensat@oklaosf.state.ok.us (Vicki Sensat) at CC2MHS1
Date: 6/30/97 9:37 AM

Dave,

We sent out a memo several weeks ago requesting information that details how the States have responded to the recommendations brought forth in the State Review Process. We need your comments to finish up our report which will ultimately be presented to CBS concerning the telecast on the RCRA exemption and oilfield wastes which will air early this fall.

Your response is important so that we can show how serious states are about environmental issues and how important a part the RCRA exemption plays to the states and industry.

INCORPORATE DEC'S EARLIER COMMENTS - PER DWJ -

Thanks - Vicki Sensat.

Vicki Sensat, IOGCC, P.O. Box 53127, OKC, OK. 73152-3127

(405)525-3556 Ext. 112, Fax # (405)525-3592

vicki.sensat@oklaosf.state.ok.us

Post-it® Fax Note 7671	Date 7/7/97	# of pages ▶ 8
To JUDD PETERSON	From WENDY	
Co./Dept. ADEC	Co. AOGCC	
Phone #	Phone # 279-1433	
Fax # 269-7655	Fax #	

Author: RJPeters@EnvirCon.Alaska (Peterson, Judd) at CC2MHS1
Date: 7/9/97 5:10 PM
Priority: Normal
TO: Wendy Mahan at DOA-AOGCC
Subject: RE: <none>
---------- Message Contents ----------

Thanks Wendy, I reviewed the document, gave Heather a run down and we concur that it is well stated and correct. We propose no changes.

From: 'Wendy Mahan@Admin.Alaska'
To: Peterson, Judd
Subject: <none>
Date: Wednesday, July 09, 1997 12:26PM

<<File Attachment: IOGCC.DOC>>

Attached is a draft letter in response to the IOGCC request for information on Alaska's responses to the 1992 EPA/IOGCC recommendations. Please feel free to edit/delete/comment wherever you deem necessary. Thank you.

APPENDIX C

TABLE 1

SEQR DETERMINATIONS

Agency Action	Environmental Impact	Explanation
a. Standard oil, gas, stratigraphic and geothermal well drilling permits (no other permits involved).	not significant	Rules and regulations and conditions are adequate to protect the environment. The draft and final GEIS satisfy SEQR for these actions.
b. Oil and gas drilling permits in State Parklands.	may be significant	Site-specific conditions of State Parklands are not discussed in the draft or final GEIS. Further determination of significant environmental impacts is needed for State Parklands.
c. Oil and gas drilling permits in Agricultural Districts.	may be significant	Rules and regulations and conditions are adequate to protect the environment. For most oil and gas operations in Agricultural Districts which utilize less than 2½ acres the GEIS satisfies SEQR. If more than 2½ acres are disturbed, this is a Type I action under 6NYCRR Part 617 and an additional determination of significance is required.
d. Oil and gas drilling permits in the "Bass Island" fields.	not significant	Special conditions and regulations under Part 559 are adequate to protect the environment.
e. Oil and gas drilling permits for locations above aquifers.	not significant	Rules and regulations and special aquifer conditions employed by DEC have been developed specifically to protect the groundwater resources of the State.
f. Oil and gas drilling permits in close proximity (less than 1,000 feet) to municipal water supply wells.	always significant	A supplemental EIS is required dealing with the groundwater hydrology, potential impacts and mitigation measures.

Agency Action	Environmental Impact	Explanation
g. Oil and gas drilling permits in proximity (between 1,000 and 2,000 feet) to municipal water supply wells.	may be significant	A supplemental EIS may be required dealing with the groundwater hydrology, potential impacts and mitigation measures. A site-specific assessment and SEQR determination are required.
h. Oil and gas drilling permits when other DEC permits required.	may be significant	A site-specific SEQR assessment and determination are needed based on the environmental conditions requiring additional DEC permits.
i. Oil, gas, solution mining, stratigraphic, geothermal and gas storage well plugging permits.	Type II	By law all wells drilled must be plugged before abandonment. Proper well plugging is a beneficial action with the sole purpose of environmental protection, and constitutes a routine agency action.
j. New waterflood or tertiary recovery projects.	may be significant	For major new waterfloods and new tertiary recovery projects, a site specific environmental assessment and SEQR determination are required. A supplemental EIS may be required for new waterfloods to ensure integrity of the flood. Also, a supplemental EIS may be required for new tertiary recovery projects depending on the scope of operations and methods used.
k. New underground gas storage projects or major modifications.	may be significant	A site-specific environmental assessment and SEQR determination are required. May require a supplemental EIS depending on the scope of the project.
l. New solution mining projects or major modifications.	may be significant	A site-specific environmental assessment and SEQR determination are required. May require a supplemental EIS depending on the scope of the project.

STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES
Division of Oil and Gas - Director's Office
3601 C Street, Suite 1380, Anchorage, Alaska 99503
Phone 907-269-8784 Fax 907-562-3852

Fax transmittal

To: Wendy

Fax Number: 276-7542

From: Jim Haynes

Date & Time:

Number of Pages (including cover sheet): 8

Comments: Wendy -
See if this will work. If not I'll come over and get the spreadsheet
Jim

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Alaska Oil & Gas Cons. Commission
Anchorage

DNR RESPONSE TO IOGCC AUDIT RECOMMENDATIONS

I-3 - This statement is now contained in the Department's Mission Statement.

I-5 - This has been tried ~~and~~ by DNR rejected by the Legislature.

I-15 - The programs are coordinated and work well now.

NOTE - The statement on Page 16: *"DNR has access to one assistant attorney general."* is incorrect and should be removed in the next edition.

I-22 - Permits and approvals are circulated for review.

I-23 - This is under review at the present time.

I-24 - There now exists a joint office at Prudhoe Bay, and we will pursue more joint training.

I-26 - The mechanism for funding presents problems.

I-27 - The use of advisory committees is impacted by both time and money; DNR is not opposed to that use, however.

I-31 - We concur; this should be a legislative priority.

I-39 - That is necessary because of annual funding.

II-2 - ??? DNR's oil & gas lease contracts give the lessee conditional exploration & development rights that would be difficult and expensive to revoke.

II-6 - Good idea; we will consider a joint bonding requirement.

II-7 - Programs receipts are possible.

IV-1 - Public notice is dictated by statute; discretionary agency coordination is not always possible. Scheduling conflicts do not always make this feasible.

NOTE - There is an error at the bottom of Page 22: *"After approval by DNR, lease operation plans are forwarded to the legislature for final approval."* is not true. That sentence should be removed from future editions.

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APR 30 1997

Alaska Oil & Gas Cons. Commission
Anchorage

IV-2 - Public notice on lease operations approvals in part would be duplicative of the public notice procedures done during the best interest finding and the ACMP consistency determination. Cost is also a factor.

IV-3 - Public notice outreach efforts are continually undergoing review in an attempt to reach the greatest number of people and still meet our legal requirements.

IV-4 - The requirement for twenty comments is a "rule-of-thumb." Any number of comments can trigger a public hearing. In fact, most public hearings are held without any comments being received as the Department has recognized the interest in the activity under consideration and holds a hearing on its own volition.

IV-5 - So noted. It should be pointed out that only 1% of Alaska is privately-owned. The adjacent landowner is usually the government who is issuing the permit in the first place. Land ownership patterns are unique in Alaska.

IV-6 - The definition of what constitutes a public hearing is found in the Administrative Procedures Act.

IV-8 - DNR procedures are consistent with statutory and regulatory requirements.

IV-10 - The use of advisory groups is limited by staff size and budget constraints.

V-5 - We concur.

VI-3 - We concur.

VI-4 - We concur.

VI-5 - We concur.

VI-11 - To the extent of our current policy development, standard lease terms, special land use designations and current regulations, the Department of Natural Resources is doing this.

VI-22 - Pit contents will be analyzed prior to final closure if located on state land and under the jurisdiction of DNR.

VI-24 - DNR uses guidelines developed by EPA for sampling and testing.

VII-2 - We concur.

IX-3 - Access to any site or facility has not been a problem.

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Alaska Oil & Gas Cons. Commiss
Anchorage

IX-4 - We concur.

IX-8 - We concur.

IX-9 - We concur.

IX-10 - Budget levels are set by the legislature.

X-1 - We concur.

X-2 - We concur.

X-6 - The Division of Land has this authority now.

X-8 - DNR has attempted to gain this authority, but the proposal did not pass the legislature.

x-14 - The authority exists by stipulation or in common law.

Post-it™ brand fax transmittal memo 7671	# of pages ▸
To Bill Van Dyke	From R. Smith
Co.	Co.
Dept.	Phone #
Fax #	Fax #

To: Bill VanDyke

From: Rick Smith

The following are my comments regarding the IOGCC Audit recommendations beginning with Section III Siting:

III.2 - Concur

III.3 - Concur

1

III.4 - no comment

III.5 - no comment

IV. 1 - public notice is dictated by statute therfore discretionary agency coordination is not possible

NOTE THAT THERE IS A SIGNIFICANT ERROR AT THE BOTTOM OF PAGE 33 THAT STATES THE [illegible] PERMITS ARE SENT TO THE LEGISLATURE FOR APPROVAL. THIS STATEMENT IS NOT TRUE?

IV.2 - so noted. Public notice on lease operations permits would be duplicative of the public notice done during the consideration of the oil and gas leases themselves.

IV.3 - our public notice outreach efforts are continually undergoing review to attempt to reach the greatist number of people and still meet the legal requirements of notice. This effort will continue.

IV.4 - while 20 comments is a "rule of thumb", any number of comments can trigger a public hearing. In fact, most public hearings are held without any comments being received as the Department has recognized the interest in the activity under consideration and holds a hearing on its own volition.

IV.5 - so noted. It should be pointed out the only 1% of Alaska is privately owned so the adjacent landowner is usually the government who is issuing the permit in the first place. The land ownership patterns are unique in this state.

IV.6 - the definitions of what constitutes a public hearing is found in the Admistrative Procedures Act.

IV.7 - no comment

IV.8 - DNR is consistent with statutory and regulatory requirements.

IV.9 - concur (DOG - this would have to be done by you).

IV.10 - we will consider this suggestion as limited by staff and

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Alaska Oil & Gas Cons. Commiss.
Anchorage

budget.

IV.11 - no comment

V.2 - no comment

V.3 - no comment

V.5 - concur

VI.2 - no comment

VI.3 - concur

VI.4 - concur

VI.5 - concur

VI.6 - no comment

VI.7 - no comment

VI.9 - no comment

VI.10 - no comment

VI.11 - to the extent of our current policy development, standard lease terms, special land use designations and current regulations, the Department of Natural Resources is doing this.

VI.12 - no comment

VI.13- no comment

VI.14 - no comment

VI. 17 - no comment

VI.18 - no comment

VI.19 - no comment

VI.22 - pit contents will always be analyzed prior to final closure if located on state land and under the jurisdiction of DNR.

VI.24 - DNR uses the guidelines developed by EPA for sampling and testing.

VI.26 - no comment

VII.1 - no comment

VII.2 - no comment

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Alaska Oil & Gas Cons. Commiss.
Anchorage

VIII.1 - no comment

VII.2 - MOST STRONGLY CONCUR WITH THIS RECOMMENDATION

VII.4 - no comment

VIII.5 - no comment

IX.1 - no comment

IX.2 - no comment

IX.3 - access to any site or facility has not been a problem to date.

IX.4 - concur

iX.5 - no comment

IX.6 - no comment

IX.7 - no comment

IX.8 - to the extent that it is possible, the DOL concurs.

IX.9 - concur (DOG???)

IX.10 - concur. However, budget levels are set by the legislature.

IX.11 - no comment

X.1 - concur. The DOL within external limits does this now.

X.2 - concur

X.3 - no comment

X.4 - At this time, such a statutory change would not pass the legislature.

X.5 - no comment

X.4 - At this time, such a statutory change would fail in the legislature.

X.5 - no comment

X.6 - the Division of Land already has this authority by law

X.7 - no comment

X.8 - DNR has attempted to gain this authority in the past but the proposal did not pass the legislature

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APR 30 1997

Alaska Oil & Gas Cons. Commission
Anchorage

X.9 - no comment

X.10 - no comment

X.11 - no comment

X.12 - no comment

X.13 - no comment

X.14 - the authority exists by stipulation or in common law.

X.15 - concur

XI.1 - no comment

XI.2 - no comment

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APR 30 1997
Alaska Oil & Gas Cons. Commiss.
Anchorage

INTERSTATE OIL AND GAS COMPACT COMMISSION

P.O. Box 53127, Oklahoma City, OK 73152-3127 • 900 N.E. 23rd Street, Oklahoma City, OK 73105
Phone: 405/525-3556 • Fax: 405/525-3592 • E-Mail: iogcc@oklaosf.state.ok.us
World Wide Web http://www.iogcc.oklaosf.state.ok.us

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Second Vice Chairman: James W. Carter, Utah
Executive Director: Johnston Hansen

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Okland	
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FILE	IOGCC-ADM
	well/permit/unit/field/etc

MEMORANDUM

RECEIVED
APR 17 1997
Alaska Oil & Gas Cons. Commission
Anchorage

DATE: April 11, 1997

TO: IOGCC Official Representatives
State Oil and Gas Directors

FROM: DeLaine Perkins, IOGCC Associate Director

RE: CBS News Story

CBS is preparing an hour-long investigative news program, planned to air in July. The primary subject is an Exxon commercial waste disposal facility in Louisiana; however, the full scope of the story will be much broader, focusing on state regulation of petroleum E&P waste and other issues they see as pertinent.

Two CBS news producers have contacted me to gather information. Their requests thus far have focused on the State Review process, the industry's RCRA "exemption" and EPA's Toxic Release Inventory expansion proposal. They also requested production and waste statistics and the number of commercial waste disposal sites in each state.

IOGCC headquarters has responded with a substantial amount of information concerning the State Review process and the recent five-state study on TRI-type reporting requirements. We stressed that the states have excellent programs to regulate E&P waste, and that the State Review process helps ensure these programs meet the highest national standards. We also suggested an interview with IOGCC Chairman Gov. Frank Keating to discuss state regulatory authority.

To supplement this, I am gathering information on how states have responded to the recommendations contained in the review team reports. My goal is to verify persuasively the value of the State Review program and the strength of state E&P waste management programs. Your assistance in this effort would be invaluable. It would be very beneficial if your staff could create a spreadsheet/list of the changes your state has implemented in response to State Review recommendations or through participation of state personnel in another review. A sample, taken from the New York State Review, is enclosed.

While the CBS program should not be perceived as a major issue at this time, it is possible the program's content may cause viewers to draw conclusions that don't accurately reflect the strength of state regulatory programs or the relationship of the agencies with the E&P industry. I wanted to make you aware of the program in advance for this reason.

If you have any questions or concerns, please feel free to contact me at 405/525-3556, ext. 106, or by e-mail delaine.perkins@oklaosf.state.ok.us.

MEMBER STATES Alabama • Alaska • Arizona • Arkansas • California • Colorado • Illinois • Indiana • Kansas • Kentucky • Louisiana • Maryland • Michigan Mississippi • Montana • Nebraska • Nevada • New Mexico • New York • North Dakota • Ohio • Oklahoma • Pennsylvania • South Dakota • Texas • Utah • Virginia West Virginia • Wyoming **ASSOCIATES** Georgia • Idaho • Missouri • North Carolina • Oregon • South Carolina • Washington **INTERNATIONAL AFFILIATE** Alberta

MEMORANDUM

State of Alaska

Department of Environmental Conservation
Office of the Commissioner

Johnston	
Marshburn	
Grandall	
Fleckenstein	
Hartz	
Mahan	
McMains	
Okland	
Wondzell	
FILE well/permit/unit/field/et	

TO: David W. Johnston, Chairman
Oil & Gas Conservation Commission

DATE: April 3, 1997

FILE NO: H:\HOME\CMILLER\MCS-CTS\MCS97.56

PHONE NO: 465-5065

FROM: Michele Brown, Commissioner

SUBJECT: IOGCC E&P Waste Review

I have mixed feelings about the value of a follow-up review by the Interstate Oil and Gas Compact Commission (IOGCC) on Alaska's management of exploration and production (E&P) wastes, especially in light of the Legislature's proposal to eliminate the solid waste program. On one hand, the state should get credit for improved practices, if we have made substantial progress in this area. On the other hand, the initial report recommendations may be so insignificant that a followup review would not be useful.

I agree that, before inviting this followup review, it would make sense to review the original report and evaluate the state's progress toward meeting the recommendations. Let's proceed with an interagency group to review this issue and recommend whether to seek the followup visit. By the time this group develops their recommendation, we will have a better sense of the magnitude of budget cuts and the impact on our agencies.

DEC's representative will be Judd Peterson, who handles industrial waste issues in our Anchorage office. He is familiar with the IOGCC report, and can be reached at 269-7622.

cc: John Shively, Commissioner, Department of Natural Resources
Jim Haynes, DNR
Janice Adair, Director, Environmental Health/ADEC
Heather Stockard, Solid Waste Program Manager, EH/ADEC
Laura Ogar, Solid Waste Program, EH/ADEC
Judd Peterson, Solid Waste Program, EH/ADEC

RECEIVED
APR 09 1997
Alaska Oil & Gas Cons. Commission
Anchorage

Memorandum State of Alaska

Oil and Gas Conservation Commission

To: John Shively, Commissioner
Depart. of Natural Resources

Michele Brown, Commissioner
Depart. of Environmental Conservation

Date: March 10, 1997

Telephone: 279-1433
Fax number: 276-7542

From: David W. Johnston
Chairman

Subject: IOGCC E&P Waste Review

The Interstate Oil and Gas Compact Commission contacted me to request if Alaska is interested in a follow-up review of its exploration and production waste management program. IOGCC reviewed Alaska's program in 1992 as part of a national effort to identify strengths and recommend improvements to state E&P programs. The follow-up review would examine how effective Alaska has been at adopting the recommendations of the review team.

The Alaska review team consisted of William Bryson, Kansas Corporation Commission, James Erb, Pennsylvania Department of Environmental Resources, Michael Stettner, California Department of Conservation, Janie Nelson, Wyoming Oil and Gas Conservation Commission, Patti Saunders, Alaska Center for the Environment and Robert Libchak, ARCO Alaska, Inc. State participants included staff from DNR (Jim Haynes et al), DEC (Glenn Miller, Heather Stockard et al) and AOGCC.

I recommend that the original DEC, DNR and AOGCC participants meet to discuss each department's progress and then make a joint recommendation as to the desirability of a follow-up review. If this is agreeable, please have your staff member contact me directly.

cc. Glenn Miller, DEC
Heather Stockard, DEC
Jim Haynes, DNR

PHONE MEMO

TO DJ
DATE 2/26
TIME NOON AM PM
FROM Vicki Sensat
AREA CODE
NO. Ans SVS
OF IOGCC
EXT. 405525 3556

MESSAGE
follow up State review x112
for AK

SIGNED Steve

PHONED ✓ CALL BACK ☐ RETURNED CALL ☐ WANTS TO SEE YOU ☐ WILL CALL AGAIN ☐ WAS IN ☐ URGENT ☐

MEMORANDUM

STATE OF ALASKA

Department of Environmental Conservation
Division of Environmental Health
Solid Waste Program

To: Heather Stockard
Program Manager

From: Judd Peterson
Industrial Waste Specialist

Date: June 20, 1996

Telephone: 269-7622

Subject: IOGCC/EPA State Review of Oil & Gas Exploration & Production Waste Management Regulatory Programs

I have competed reading the 1992 IOGCC Alaska State Review of Oil and Gas Exploration & Production Waste Management Regulatory Programs report. In a one sentence summary, the report starts out with a well presented introduction saying there are no serious problems, then follows that with 70 pages of recommendations for improvements to correct problems.

OVERVIEW

Many of the "problems" deal with procedures of how agencies process paperwork and coordinate between each other and the public. Because the day to day work of agency staff is conducted by people simply doing their jobs, the review team did not know how that work was done. As a result, they made numerous recommendations that everyday staff work should be codified into regulations, guidelines, MOAs, standards, policies, procedures manuals, response plans, periodic reviews etc., etc... Since E&P solid waste management was not really a problem, many of the recommendations deal with non-E&P waste issues (spill response, enforcement of cleanups, hazardous waste issues, etc). Many of the recommendations call for substantial statutory changes which, at a program level, we have no control. These include such things as authority to assess administrative penalties, issue administrative orders, permit revocation for violations and more.

We are doing many of the things that the report suggested. These include:

1)The injection program was transferred to AGOCC

2) We are (still) working on a data base

3) We have centralized oversight and permitting into one office for all E&P solid waste permits anywhere in the state.

4) We now have dedicated funds through user fees to help pay for the program.

RECOMMENDATIONS

I do not recommend that we participate in a voluntary follow-up review. It would tie up a lot of staff time that would otherwise be dedicated to management of E&P on the ground solid waste issues. That would not be consistent with the recommendations of the first report which recommends that ADEC have staff dedicated to only day to day E&P industry management.

ADDITIONAL DETAILS

In the introduction, it is stated that the ultimate purpose of the study was to identify strengths and recommend improvements for the state's E&P waste regulatory programs. It explains that Alaska products 25 percent of the nations oil production from 1600 wells. The introduction recognizes that the industry only has a few major operators and these operators have a cooperative, proactive and open problem solving relationship with the regulatory agencies. It explains that E&P waste management practices changed considerably in the five years preceding the study. The industry now grind and injects the majority of the E&P waste and the placement of above ground reserve pits is no longer the normal disposal method. The introduction explains that permanent above-grade reserve pits, tundra discharges and road spreading of pit liquids has not been authorized on the North Slope site 1988. Basically the introduction says there are no major problems with how things are running and the problems identified in the past have been solved.

From there the study quickly loses focus on the big picture and makes findings and recommendations concerning tiny details of regulatory oversight. There is a even a recommendation that agencies reconsider the amount of money charged for Xerox copies.

The recommendations basically lose sight of the fact that it is common knowledge that the North Slope is the largest oil field in North America, everybody know it's there, it is operating on state oil leases, with state approval and the public expects that oil development industrial type activity is taking place. The report expresses great concern about the public being aware and comment on every waste disposal permit that is being issued for any reason. It suggests due to the lack of newspaper delivery in remote locations, that the agencies should use radio announcements to make sure the public gets notice of every permit. This typifies the lost of focus of the report. The team did not recognize if an area is so remote not to receive newspapers, it won't have a radio station either and they can't seriously believe that the general public wants to hear radio announcements for every permit to be issued to the largest oil field in North America.

It is recommended that the DEC set up a detailed tracking system by which companies are required to log and report each individual truck load of drilling cuttings that are hauled between

the rigs and grind and injection facilities. No suggestion is given as to why this is important information to know.

In addition, there are pages and pages of discussion on non E&P waste management issues. Such things as spill response reporting requirements, spill clean up procedures, bonding for spills and hazardous waste issues are discussed in detail as being problems. However, none of these things are part of the E&P solid waste management program. None of these wastes are RCRA exempt drilling wastes.

There was great concern addressed over the placement and engineering design of permanent reserve pits and the lack of a definition for the term "impermeable" in state regulation. This was a key issue even though it was recognized that permanent reserve pits are no loner being constructed on the North Slope and, for the most part, nowhere in the state.

Analyses of IOGCC Alaska State Review Recommendations - December 1992

Recommendations	IOGCC Recommendation	Authority and/or Environmental Impact	Agency Action
I.General			
I.2	AOGCC's statutory authorization should be updated to reflect its current responsibilities and include a complete statement of goals.		
I.3	DNR should consider 1) adopting language similar to AS ss46.03.010(a) in Alaska Statutes Title 3; 2) Including in Title 38 a statement referencing and adopting AS ss 46.03.010(a) 3) Including other language in Title 38 that meets the intent of IOGCC guide		This statement is now contained in the Department's Mission Statement
I.4	DNR draft written policy establishing hierarchy of waste management options should be finalized and implemented		
I.5	DNR is encouraged to continue pursuing a statutory amendment to administratively evict tenants or trespassers from state lands		This has been tried by DNR and rejected by the legislature
I.6	DNR is encouraged to establish a process, or use an existing process, that ensures a balance is struck between environmental protection and economic interests (IOGCC guidance 3.1.e, 3.2 and 5.1.a)		
I.9	AOGCC and DEC should consider unifying administration of the annular disposal and UIC programs under AOGCC using a MOU or other such delegation. (IOGCC Guidance 3.1.e)		DEC working on MOU for annular disposal?
I.10	DEC should define the categories of waste source reduction and ensure that the industry, public and agency staff are familiar with those terms and applicability to E&P waste. (IOGCC Guidance 3.1.c and 5.1.e.)		
I.11	DEC should prohibit, by regulation, the mixing of hazardous wastes with other wastes. (IOGCC Guidance 2.6, 5.1.b and 5.1.e)		
I.12	DEC should take steps to ensure that all staff are made aware of and understand the agency's goals through training and by incorporating goals into program objectives. (IOGCC Guidance 3.2)		
I.13	Agencies unwritten policies, discouraging the use of certain waste management practices, should be converted to statutory or regulatory provisions in order to promote certainty, consistency and enforceability. (IOGCC Guidance 3.1)		
I.15	A MOU formalizing the relationship between AOGCC and DNR should be finalized. (IOGCC Guidance 4.4)		The programs are coordinated and work well now

I.18	DEC should consider extending the jurisdiction of and expanding the resources of the PCRO to include E&P waste management activities in the Kenai and Cook Inlet areas. (IOGCC Guidance 4.3)		
I.20	DEC's access to legal support and other necessary resources should be expanded to allow it to take enforcement action for all appropriate cases. (IOGCC Guidance 4.3.1.2.)		
1.22	Alaskan agencies should expand the use of MOU's to coordinate program authorities (e.g., AOGCC and DEC concerning regulation of UIC wells and annular disposal, and pit closure, over which more than one agency exercises jurisdiction. (IOGCC Guidance 4.4)		Permits and approvals are circulated for review
I.23	AOGCC and DNR should jointly develop a policy for coordinating site clearance determinations, including specifying major and minor items. (IOGCC Guidance 4.4)		AOGCC and DNR each accept the others site clearance determinations. This is under review at the present time.
I.24	The review team recommends instituting a formal cross-training program to enhance inspectors' knowledge of other agencies' programs, thereby increasing their effectiveness. (IOGCC Guidance 4.4)		There now exists a joint office at Prudhoe Bay, and we will pursue more joint training
I.25	DEC staff at all levels should be made aware of the requirements of other programs in order to enhance coordination. (IOGCC Guidance 4.3.1.4.)		
I.26	The review team recommends that the state continue to support the PCO. (IOGCC Guidance 4.4)		The mechanism for funding presents problems
I.27	The review team encourages AOGCC, DNR and DEC to expand further the use of well balanced advisory committees to enhance communication among government, the public, and industry. (IOGCC guidance 3.1.e.)		The use of advisory committees is impacted by both time and money; The agencies are not opposed to their use, however
I.28	AS ss44.46.030, calling for the establishment of an environmental advisory board to make recommendations to DEC, should be implemented. (IOGCC Guidance 4.2.2.3.)		
I.30	DEC should rewrite the job specifications so that college degrees must be in geology, engineering, hydrology, earth science, environmental science, or a related field. (IOGCC Guidance 4.3.1.3.)		
I.31	The agencies should track costs associated with the E&P waste program to enhance the persuasiveness of their budget requests. Further, the agencies should seek dedicated funding options. (IOGCC Guidance 4.3.2.)		We concur; this should be a legislative priority
I.32	The review team suggests the state explore the possibilities for creating an expanded and more stable funding base for agencies with E&P waste management authority. (IOGCC Guidance 4.3.2.)		

I.33	DEC should consider dedicating personnel exclusively to the E&P waste program in the Kenai/Cook Inlet area, in order to increase expertise, coordination and effectiveness. (IOGCC Guidance 4.3.1)	
I.34	DEC should increase PCRO's inspection staffing levels to ensure that E&P waste management program goals are met. (IOGCC Guidance 4.3.1.1.)	
I.36	DEC should give adequate funding for data management a high priority in its budget planning process. (IOGCC Guidance 4.3.1.1.)	
I.37	The agencies are encouraged to continue their efforts to conserve scarce resources by sharing among agencies or using other appropriate methods. (IOGCC Guidance 4.4.)	
I.38	Adequate travel budgets must be made available to ensure the goals and objectives of the E&P waste management programs are accomplished. (IOGCC Guidance 4.3.2.)	
I.39	All three agencies should develop a comprehensive process for program planning, review, evaluation and development with a focus on long-range planning, i.e., greater than one year. (IOGCC Guidance 4.3.1.1.)	That is necessary because of annual funding
II. Permitting		
II.2	AOGCC and DNR should build a review mechanism into their programs to assure that permitted activities and bond amounts are evaluated as necessary on a frequency not exceeding five years. (IOGCC Guidance 4.1.1 and 4.2.3.)	DNR's oil & gas lease contract gives the lessee conditional exploration and development rights that would be difficult and expensive to revoke
II.3	DEC should establish guidelines for use by the regional offices to assure consistency in their permitting activities. Guidelines should address permit review times and factors to be considered in reviewing or returning permit applications. (IOGCC 4.1.1.)	
II.4	Both AOGCC and DNR should establish a schedule for the periodic review of the amount of assurance required to determine if it is adequate. (IOGCC Guidance 4.2.3.)	
II.5	DEC should implement a financial assurance program to provide resources to the state to close or remediate a site should an operator fail to meet its obligations under the law. (IOGCC Guidance 4.2.3.)	
II.6	AOGCC, DNR and DEC should develop a coordination mechanism in order to avoid unnecessary duplication and simplify the financial assurance requirements of the state. (IOGCC Guidance 4.2.3 and4.4.)	Good idea; we will consider a joint bonding requirement
II.7	Bond forfeitures should be made available to the appropriate state agency for remediating a site should an operator fail to meet its E&P waste site closure obligations. (IOGCC Guidance 4.2.3.)	Programs receipts are possible

III.Siting			
III.2	DEC should, in cooperation with other agencies, develop a formal mechanism to provide risk assessment judgments for the siting of E&P waste management facilities.	Not part of IOGCC guidance	DNR-concur
III.3	DEC should develop numerical restriction on drilling location designs that have a scientific basis.	Not part of IOGCC guidance	DNR-concur
III.4	DEC should address the need for prohibitions based on land or contour criteria and potential risk. (IOGCC Guidance 5.1.c and 5.3.3.)		
III.5	DEC should expand its siting criteria. DEC should enter into Memoranda of Agreement with governmental entities whose own operations may be affected by siting approvals. (IOGCC Guidance 4.4.)		
IV. Public Participation			
IV.1	The agencies should develop a coordinated public notice process. (IOGCC Guidance 4.2.2.1.)		Public notice is dictated by statute; discretionary agency coordination is not always possible. Scheduling conflicts do not always make this feasible
IV.2	DNR should adopt public participation provisions applicable to lease operations plans. (IOGCC Guidance 4.2.2.)		Public notice on lease operations approvals would, in part, be duplicative of the public notice procedures done during the best interest finding and the ACMP consistency determination. Cost is also a factor.
IV.3	Each agency should evaluate its public notification procedures to determine whether the interested public is provided with adequate notice of the agency's intention to issue an E&P waste management permit, including consideration of using radio.	Not part of IOGCC guidance	Public notice outreach efforts are continually undergoing review in an attempt to reach the greatest number of people and still meet our legal requirements - DNR
IV.4	DNR Division of Lands procedures for determining whether a hearing will be held based upon the number of comments received should be made consistent with AOGCC and DEC procedures and policies. (IOGCC Guidance 4.2.2.1.)		The requirement for twenty comments is a "rule of thumb." Any number of comments can trigger a public hearing. Most public hearings are held without any comments being received as the Department hold a hearing on its own volition
IV.5	Additional requirements for commercial or centralized facilities should be adopted to provide public notice for landowners who are adjacent to a proposed E&P waste site. (IOGCC Guidance 4.2.2.1.)		It should be pointed out that the only 1% of Alaska is privately owned. The adjacent landowner is usually the government who is issuing the permit in the first place. Land ownership patterns are unique in Alaska

IV.6	Each agency should consider developing written guidelines to clarify the difference between informal meetings and public hearings, as well as to define when informal hearings may be used. (IOGCC Guidance 4.2.2.1.)		The definition of what constitutes a public hearing is found in the Administrative Procedures Act
IV.7	DEC should develop an agency-wide policy to allow interested parties to be added to its mailing list. (IOGCC Guidance 4.2.2.2.)		
IV.8	AOGCC, DNR and DEC should evaluate their procedures for providing agency records and charging costs to the public to determine whether the fees are consistent with 6 AAC 95.130.	Not part of IOGCC guidance	Agency procedures are consistent with statutory and regulatory requirements
IV.9	AOGCC and DNR should adopt procedures that would automatically extend operator record retention periods while any unresolved enforcement action regarding the regulated activity is pending. (IOGCC Guidance 4.2.2.1.)		DNR-concur
IV.10	All agencies should develop a policy establishing procedures for creating and participating in advisory groups. (IOGCC Guidance 4.2.2.3.)		The use of advisory groups is limited by staff size and budget constraints
IV.11	DEC should adopt formal procedures for responding to citizen complaints about E&P wastes. (IOGCC Guidance 4.1.2.1.c.)		
V. Contingency Planning			
V.2	The review team encourages the SERC to finalize the interim response plan for the state as soon as possible. (IOGCC Guidance 4.2.1.)		
V.3	DEC should conclude its inspection and risk analysis for facilities containing less than 5,000 barrels of crude or less that 10,000 barrels of non-crude oil. Apolicy should be developed requiring contingency planning for at risk facilities. (IOGCC 4.2.1)		
V.5	The agencies should jointly develop uniform, consistent spill notification requirements, including reporting times and quantities. The agencies are encouraged to finalize the one-call reporting procedures. (IOGCC Guidance 4.2.1.)		DNR-we concur
VI. Technical Criteria			
VI.2	DEC is encouraged to develop minimum standards, policies and guidelines for pit construction to aid reviewers and applicants. (IOGCC Guidance 5.3.4.)		
VI.3	The review team recommends removing option VII, unlined and non-freezeback as a method of pit containment. (IOGCC Guidance 5.1.a and 5.3.4.e.)		DNR-we concur

VI.4	DEC should review liner permeability requirements for specific wastes and develop guidelines based on scientific evidence. (IOGCC Guidance 5.3.4e and 3.3)		DNR-we concur
VI.5	The review team recommends that a consistent definition of "impervious" be developed. (IOGCC Guidance 3.1.c and 5.3.4.e.)		DNR-we concur
VI.6	DEC should consider making provisions for adopting current EPA guidance document revisions. Copies of referenced documents should be made available at all regional offices for public review. (IOGCC Guidance 5.1)		
VI.7	The review team recommends that DEC develop pit sizing regulations based on site-specific conditions. (IOGCC Guidance 5.3.4.a.)		
VI.9	DEC should seek explicit statutory authority to issue permits for experimental waste management technologies and develop guidelines for the review and issuance of such permits. (IOGCC Guidance 6.2.)		
VI.10	DEC should adopt regulations to require effective exclusionary devices for wildlife as appropriate. (IOGCC Guidance 5.3.4.f.)		
VI.11	DEC and DNR should develop area or statewide guidelines to serve as a basis for writing specific permits, thus allowing permit stipulations to address geographic variability of specific locations. (IOGCC Guidance 5.1)		To the extent of our current policy development, standard lease terms, special land use designations and current regulations, the Department of Natural Resources is doing this
VI.12	DEC should clarify how 18 AAC 60.310 applies to monitoring requirements for E&P waste. (IOGCC Guidance 3.1)		
VI.13	DEC should require appropriate waste analysis of pit contents prior to disposal. (IOGCC Guidance 5.1.f and 5.3.5.a.)		
VI.14	DEC should adopt guidelines for the frequency of groundwater monitoring with consideration for site specific conditions. (IOGCC Guidance 5.3.2.c.)		
VI.17	DEC should consider amending the regulations to apply the remedial action trigger for new pits to grandfathered pits. (IOGCC Guidance 3.3)		
VI.18	DEC should amend existing regulations to address the short term nature of emergency pits. Such regulations should include permitting procedures, construction and operating requirements, notification procedures, and closure requirements. (IOGCC 5.3.5k)		
VI.19	DEC should amend existing regulations or guidelines to ensure that multiple use pits are appropriately authorized and operated. (IOGCC Guidance 5.1.a, 5.3.5.a, and 5.3.5.k)		

VI.22	DEC's regulations should include analysis of pit contents for appropriate hydrocarbons. DEC and DNR should consider formalizing their requirements for determining when waste analysis should be performed prior to closure. (IOGCC 5.3.6.c and 5.1.f.)	Pit ontents will be analyzed prior to final closure if located on state land and under the jurisdiction of DNR
VI.24	DNR should develop written guidelines for sampling and analysis of waste. DEC should also develop guidelines for waste sampling and analysis in close coordination with DNR. (IOGCC Guidance 5.3.6.c and d.)	DNR uses guidelines developed by EPA for sampling and testing
VI.26	DEC and AOGCC should consider formalizing coordination for annular disposal permit requirements, or expanding AOGCC authority for developing an annular disposal program. (IOGCC Guidance 4.4)	Annular Disposal authority transferred from DEC to AOGCC, AOGCC adopted regulations that became effective 9/22/96
VII. Waste Tracking		
VII.1	DEC should develop a waste e hauler certification program that includes, among other things, emphasis on proper recordkeeping, the need to deliver the waste to the designated facility and emergency response and notification procedures. (IOGCC 4.2.4)	
VII.2	DEC should develop a waste tracking program or a comparable alternative method for the tracking of transportation of E&P wastes from well sites to commercial or centralized disposal facilities. (IOGCC Guidance 4.2.5 and 5.7.2.3.)	DNR-we concur
VIII. Data Management		
VIII.1	DEC should continue centralization of files to ensure appropriate staff have easy access to pertinent information. (IOGCC Guidance 4.2.7.)	
VIII.2	DEC should use the mainframe to enhance data management and sharing of information between agencies. (IOGCC Guidance 4.2.7.)	DNR-most strongly concur with this recommendation
VIII.4	DEC should re-evaluate the importance of data management and consider making it a priority within DEC so that hardcopy information can be computerized. (IOGCC Guidance 4.2.7.)	
VIII.5	DEC should consider expanding the system to include detailed permitting, enforcement, monitoring and reporting records, and "tickler" capabilities. (IOGCC Guidance 4.2.7.)	
IX. Inspection, Surveillance, Compliance Evaluation		
IX.1	DEC's planned database could greatly enhance tracking the agency's surveillance and compliance efforts and should be completed and put to use by staff in scheduling inspections and by managers in planning activities. (IOGCC Guidance 4.2.7.)	

IX.2	DEC should establish an inspection policy, define its concerns and interests in E&P waste issues, set a strategy to meet agency goals, and establish priorities for its activities. (IOGCC Guidance 4.1.2.)		
IX.3	Both DNR and DEC should seek statutory authority to enter any regulated site where E&P waste management activities are being conducted and where records relevant to program operation are kept. (IOGCC Guidance 4.1.2.1.b. and d.)		Access to any site or facility has not been a problem
IX.4	To aid in the identification of wastes and to improve compliance and remediation efforts, all of the agencies should have made available to them the services of a qualified lab. (IOGCC Guidance 4.1.2.1.b.(1), 4.3.1, and 5.1.f.)		DNR-we concur
IX.5	DEC lab should be adequately staffed so that it can be used for waste characterization and compliance evaluation. (IOGCC Guidance 4.3.1.3.)		
IX.6	A DEC lab certification program should be finalized. (IOGCC Guidance 4.1.2.1.e.)		
IX.7	Written guidelines for field inspectors should be developed and adopted by DEC. (IOGCC Guidance 4.1.2.1.b.)		
IX.8	AOGCC, DEC and DNR should pursue formal agreements coordinating inspection and training efforts as a cost saving to the agencies and to ensure that no regulatory gap exists. (IOGCC Guidance 4.4 and 4.3.1.4.)		Tot hte extent that it is possible, DNR concurs
IX.9	All of the agencies should develop plans which include inspection frequencies and priorities for E&P waste facilities in the Cook Inlet/Kenai area. (IOGCC Guidance 4.1.2.1.b.(2).)		AOGCC-Inspections are uniform statewide, except Kenai Gas Field, which receives additional attention. DNR-we concur
IX.10	Inspection programs should be funded at levels sufficient to accomplish the compliance and enforcement goals and objectives of the statutes. (IOGCC Guidance 4.1.2.1.b.(2).)		Budget levels are set by the legislature
IX.11	DEC should adopt procedures for response to citizen complaints submitted by the public about alleged violations.		
X. Enforcement			
X.1	The agencies should take enforcement action in all instances where it is appropriate and should seek to obtain the resources necessary to do so. (IOGCC Guidance 4.1.3.)		DNR concurs; the DOL within external limits does this now
X.2	The review team recommends that DEC inspection reports be completed and made available in a timely manner to both industry and the public. (IOGCC Guidance 4.2.2.1.)		DNR-we concur

X.3	As a general practice, DEC should use notices of violation as the first step in resolving both major and minor violations when enforcement is necessary. Both DNR and AOGCC are also encouraged to make appropriate use of NOV's. (IOGCC Guidance 4.1.3.1.a.)		
X.4	DNR should seek statutory authority specifically granting the power to issue administrative orders. (IOGCC Guidance 4.1.3.1.e.)		At this time, such a statutory change would fail in the legislature
X.5	DEC's statutory powers (AS ss46.03.020) should be modified to include specific language authorizing the agency to "issue orders and take such other appropriate action to further the purposes of Title 46."		
	A section should be added to Article 8 of AS Title 46 further delineating DEC's power to issue orders both to restrain illegal activity and to order corrective action. (IOGCC Guidance 4.1.3.1.b and e.)		
X.6 (mislabeled as a second X.4)	DEC and DNR should seek adoption of provision that allows adversely affected persons to seek injunction against violators of pertinent Alaska Statutes if the agencies fail to bring suit within 10 days after a request to do so. (IOGCC 4.1.3.3.)		At this time, such a statutory change would fail in the legislature
X.7 (mislabeled X.5)	AOGCC and DEC's programs would be improved by making the authority to undertake corrective action explicit. (IOGCC Guidance 4.1.3.1.c.)		
X.8 (mislabeled X.6)	AOGCC and DNR should seek explicit statutory authority authorizing the agencies to revoke, modify and suspend permits. (IOGCC Guidance 4.1.3.1.f.)		The Division of Lands has this authority now
X.9 (mislabeled X.7)	Inconsistency between AS ss46.03.120 and 18 AAC ss60.240 should be corrected. DEC should be given clear authority to revoke, modify or suspend permits for failure to pay and assessed penalty and violation of applicable laws... (IOGCC 4.1.3.1.f)		
X.10 (mislabeled X.8)	AOGCC, DEC and DNR should seek explicit statutory authority to assess administrative penalties. (IOGCC Guidance 4.1.3.1.g)		DNR has attempted to gain this authority, but the proposal did not pass the legislature
X.11 (mislabeled X.9)	AOGCC should finalize UIC penalty guidelines. Additionally, AOGCC should develop penalty guidelines for the rest of the program. (IOGCC Guidance 4.1.3.2.)	Beyond the scope of IOGCC Guidance document	
X.12 (mislabeled X.10)	To be consistent with AS ss46.03.760(f), which establishes penalties for hazardous waste violations, deterrence should be added to the factors considered for all violations of Title 46. (IOGCC Guidance 4.1.3.2)		

X.13 (mislabeled X.11)	DEC should use the listed factors to develop guidelines for assessing penalties using a penalty matrix or set of formulas or multipliers, similar to the scheme laid out for oil spills. In addition, compliance history should be considered. (IOGCC 4.1.3.2)		
X.14 (mislabeled X.12)	DEC should consider including penalties for past E&P violations in consent orders whenever appropriate.	Outside the scope of IOGCC Guidance document	
X.15 (mislabeled X.13)	AOGCC and DEC should make use of civil penalties whenever appropriate (IOGCC Guidance 4.1.3.1.g)		
X.16 (mislabeled X.14)	The agencies should seek explicit statutory authority to cause the forfeiture of bonds for E&P waste violations and develop procedures for doing so. (IOGCC Guidance 4.1.3.1.h)		The authority exists by stipulation or in common law
X.17 (mislabeled X.15)	DNR and DEC should be granted authority to prohibit production or transportation of crude oil or natural gas from a well or pool that is in violation of regulations or orders		DNR concurs
XI. Naturally Occurring Radioactive Materials			
XI.1	DEC should evaluate the need for additional survey work to determine the nature and extent of NORM contamination in Alaska; if determined appropriate, DEC should proceed with the survey in an expeditious manner. (IOGCC 6.1)		
XI.2	DEC should establish and implement a schedule for expeditious promulgation of NORM regulations, as appropriate, including remediation and provisions concerning the transfer of NORM-contaminated real or personal property.	Beyond the scope of the IOGCC Guidance document	

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