



EPA OKs use of Shell Oil drill ship

By Dan Joling
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ANCHORAGE, Alaska (AP) — Royal Dutch Shell PLC has received permission to operate its drill ship in the Chukchi Sea under a temporary revision to its air permit, clearing another hurdle in its quest to drill exploratory oil wells in the Arctic Ocean this year.

A spokesman for the Environmental Protection Agency told The Associated Press on Friday that it will issue a one-year air permit compliance order for Shell's activities off Alaska's northwest coast.

"The order sets interim air pollution emissions limits for the company's activities, and ensures that Shell's operations will meet congressionally mandated air quality standards under the Clean Air Act until the agency completes a full review of Shell's application to revise the permit," spokesman David Bloomgren said.

The decision is more good news for Shell, which on Thursday received permission to begin preliminary excavation work on Chukchi wells while it awaits certification of its oil spill response barge, as long as it does not dig into petroleum zones.

"It's an essential piece for us getting to work in the Chukchi," Shell Alaska spokesman Curtis Smith said of the compliance order.

The company applied for the temporary measure after determining the air standards could not be attained on its drill ship, the Noble Discoverer, using the best current control technology, Smith said. Shell has said the vessel's generator engines tested "slightly above" permit levels for ammonia and nitrous oxide. Seeking the compliance order set in motion a review for changes to the permit for 2013.

Bloomgren said in an email response to questions that EPA expects the Discoverer's overall emissions for this drilling season to be lower under the compliance order than the original permit allowed.

The compliance order will expire in one year, Bloomgren said, and does not waive Shell's permit requirements or any air quality standards.

"Any proposed revisions to the permit will be subject to full public review and comment," he said.

The overall air permit is the subject of a lawsuit by environmental groups that bitterly oppose proposed drilling in Arctic Ocean waters of the Chukchi and Beaufort seas. They claim oil companies have not demonstrated the ability to clean up a crude oil spill in waters clogged

with floating ice. They also say a fragile environment teeming with endangered or threatened whales, polar bears, walrus and ice seals, and already hammered by climate warming, will be further damaged by noise and traffic.

Leah Donahey, western Arctic and ocean program director for the Alaska Wilderness League, called the EPA's decision disappointing.

"We really think that issuing this waiver, allowing Shell to not meet the pollution limits that were required under the permits, gives Shell the right to move forward. We think that's the wrong direction. They should make Shell stick to the clear air regulation that they put in their initial permit," Donahey said.

"So much for holding Shell's feet to the fire," said Rebecca Noblin, an attorney for the Center for Biological Diversity, referring to Interior Secretary Ken Salazar's promise on Arctic offshore development. "The Obama administration is bending over backward to give Shell what it wants."