

## ARCTIC: Enviros urge Interior to expand probe of Shell's drilling program

Margaret Kriz Hobson, E&E reporter Tuesday, January 29, 2013

A coalition of 13 environmental groups is calling on the Interior Department to greatly expand its investigation of Royal Dutch Shell PLC's Arctic drilling program and to open its ongoing inquiry up to the public.

In a letter to Tommy Beaudreau, acting assistant secretary for land and minerals management, the groups asked regulators to lengthen the 60-day assessment that Interior announced early this month after Shell's drillship Kulluk ran aground in the Gulf of Alaska (Energy-Wire, Jan. 9).

The U.S. Coast Guard is conducting a separate probe, this one a formal marine casualty investigation into the cause of the accident and possibility of equipment failure or personnel problems.

The environmentalists -- which include the Alaska Wilderness League, the Center for Biological Diversity and Defenders of Wildlife -- said Interior should join forces with the Coast Guard and other agencies to take a hard look at Shell's entire drilling program, including "transportation, logistics and drilling components."

They want Interior to consider whether the company and federal agencies could have

successfully responded if the drillship went aground in the Arctic Ocean, where Shell has been seeking to drill for oil.

The groups recommended that the department evaluate "how, when and if the number of responders to the Kulluk grounding could be mobilized to the Arctic for one or more weeks, and assess whether this level of response is credibly addressed in Shell's Oil Spill Response Plans for the Arctic Ocean."

The letter also called on Interior to hold a public hearing on the investigation in Anchorage.

The Kulluk was one of two drillships that Shell used this summer to begin preliminary drilling in the Arctic.

The rig ran aground on New Year's Eve after breaking free from tugboats leading it to Seattle for maintenance. The incident occurred as high waves and high winds whipped through the Gulf of Alaska and one of the rig's tow vessels lost power.

After languishing on the rocky shores of Sitkalidak Island for a week, the drillship was successfully towed to Kiliuda Bay, where it is undergoing a damage assessment.

Oil industry officials and the Coast Guard have remained tight-lipped about the condition of the rig, other than to say it is not leaking oil and it will remain in the Alaskan harbor until the end of the local crab fishing season.

The Kulluk grounding incident was one of a series of mishaps and regulatory problems that Shell encountered during the last year.

Technical difficulties prevented Shell from drilling into the oil-bearing zones of its leases in the Beaufort and Chukchi seas.

More recently, U.S. EPA cited Shell for multiple Clean Air Act violations for both the Kulluk and Noble Discoverer drillships and their supporting vessels (Greenwire, Jan. 11).

If the Kulluk is seriously damaged, the company may not be able to drill for oil this summer in the American Arctic. Shell's federal permits require two drilling rigs to be available in the region as a safeguard, should it be necessary to drill a relief well in the case of a blowout.

After the Kulluk accident, environmentalists called on the Obama administration to impose a moratorium on all Arctic drilling, arguing that Shell's 2012 drilling season was riddled with mishaps and regulatory problems that could result in serious environmental damage (Greenwire, Jan. 3).

Since then, former Obama administration advisers Carol Browner and John Podesta also have been backing an Arctic drilling freeze. Both are now officials with the Center for American Progress.