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Beaufort plan approved

BSEE gives OK to Shell's oil spill response contingency plan for Beaufort Sea

Alan Bailey

In another step toward opening the gate to Shell's long planned Alaska Arctic drilling program, the U.S. Department of the Interior's Bureau of Safety and Environmental Enforcement, or BSEE, has approved Shell's oil spill response plan for the company's planned exploratory drilling in the Beaufort Sea.

"We have conducted an exhaustive review of Shell's response plan for the Beaufort Sea," said BSEE Director James Watson on March 28 when announcing the response plan approval. "Our focus moving forward will be to hold Shell accountable and to follow-up with exercises, reviews and inspections to ensure that all personnel and equipment are positioned and ready."

In February the agency approved a similar spill response plan for Shell's planned exploration drilling in the Chukchi Sea. The company wants to drill up to two wells in the Beaufort Sea and up to three wells in the Chukchi Sea during this year's summer and fall Arctic open water season.

Shell is assembling a large spill response fleet, to support its drilling operations, including on-site oil spill response vessels and a new well capping and containment system for emergency use.

Plan upgrades

BSEE says that Shell's latest Beaufort Sea response plan includes major upgrades to previous plans, including a three-fold increase in the size of the worst case spill scenario that the plan must accommodate; the extension over a longer timeframe of the oil trajectory mapping of a worst case scenario; the identification of equipment for dispersant application and in-situ burning; and a more detailed logistical plan for obtaining out-of-region spill response equipment.

"Approval of Shell's Beaufort Sea Oil Spill Response Plan (OSRP), on the heels of the recent approval of our Chukchi Sea oil spill response plan, is another major milestone achieved," Shell spokesman Curtis Smith told Petroleum News in a March 28 email. "It further reinforces that Shell's approach to Arctic exploration is aligned with the high standards the Department of Interior expects from an offshore leader and adds to our confidence that drilling will finally commence in the shallow waters off Alaska this summer.

Political support

Members of Alaska's Congressional delegation expressed their support for Shell's plans.

"Today's approval by Interior marks one of the last major hurdles that Shell must overcome to explore for oil in Alaska's northern waters this summer," said Sen. Lisa Murkowski. "This is good news for Alaska and the nation, which needs the energy, jobs and economic activity, responsible exploration and, ultimately, production will bring ... As the commandant of the U.S. Coast Guard has testified, the homework is done and we are ready and waiting to move forward with safe and responsible exploration of our huge energy resources."

"As we continue to push the White House to develop Alaska's vast energy potential, approval of this oil spill response plan affirms that we are moving in the right direction toward opening the Arctic and helping to achieve America's national and economic security while creating thousands of much-needed jobs," said Sen. Mark Begich

Opposition

But the company faces vehement opposition to its drilling plans from environmental organizations and some Native groups who are concerned about the risk of marine pollution from an oil spill, and who say the too little is known about the Arctic offshore environment to risk the potential impacts of offshore drilling. Oral arguments in an appeal in the U.S. Court of Appeals for the 9th Circuit against the Bureau of Ocean Energy Management's approval of Shell's Beaufort Sea exploration plan are scheduled for May 15.

Those opposed to Arctic offshore drilling say that the oil industry has not demonstrated the feasibility of cleaning up an oil spill in Arctic conditions using available equipment, and that Arctic response plans have more to do with theory than with practice.

"It's deeply disappointing that President Obama is choosing to ignore the enormous risks of opening the Arctic Ocean to oil drilling," said Miyoko Sakashita, oceans director at the Center for Biological Diversity. "All signs point to environmental disaster if an oil spill were to occur in the harsh Arctic waters — it's just absurd that Shell's unproven response plan got the green light."

"There is no viable way to clean up an oil spill in the extreme conditions of America's Arctic Ocean, yet the Obama administration continues to give the green light to Shell Oil's plans for drilling this summer," said Cindy Shogan, executive director of the Alaska Wilderness League. "The Arctic Ocean is prone to hurricane-force storms, 20-foot swells, sea ice up to 25 feet thick, subzero temperatures and months-long darkness. What's more, the Arctic has extremely limited infrastructure."

Pre-emptive action

Shell maintains that its contingency arrangements are adequate to deal with any well control issue that might arise. And, as a pre-emptive action against possible last-minute litigation against the approval of its Chukchi Sea spill response plan, the company has asked the federal District Court in Alaska to verify that BSEE had properly approved the Chukchi Sea plan.

"We maintain that the unprecedented amount of time, technology and resources we have dedicated to preparing for an extremely unlikely worst-case scenario makes Shell's oil spill response plan second to none in the world," Smith said in his March 28 email. "That plan includes the assembly of a 24/7 on-site, near shore and onshore Arctic-class oil spill response fleet, collaboration with the U.S. Coast Guard and a newly engineered Arctic capping system."

Shell is waiting on the outcome of an appeal in the Environmental Appeals Board against the Environmental Protection Agency air quality permit for the Kulluk, the floating drilling platform that the company plans to use in the Beaufort Sea. And before it can commence drilling the company still needs to obtain well-specific drilling permits from BSEE and approvals from the appropriate government agencies for the unintended disturbance of marine mammals.