

Cook Inlet General Permit Information Sheet

The U.S. Environmental Protection Agency (EPA) is preparing to reissue the general National Pollutant Discharge Elimination System (NPDES) permit for Oil and Gas Exploration, Development, and Production Facilities in Cook Inlet, Alaska. The attached schedule outlines EPA's timeline for the reissuance of this permit.

What is a NPDES permit?

The NPDES program is the primary permitting system under the federal Clean Water Act, which governs all discharges to the nation's surface water. Under the NPDES program, no point source may discharge pollutants into waters of the United States except as authorized by a NPDES permit. In Alaska, EPA is the permitting authority and issues the NPDES permits.

What is a general permit?

Unlike an individual permit that has limitations and conditions specific to one site, a **general permit** covers multiple facilities that have similar discharges. After the general permit has been issued, facilities that wish to be covered under the general permit submit a Notice of Intent (NOI) to EPA for coverage under the general permit. The EPA may then either notify the facility that it is covered by the general permit, or require the facility to apply for an individual permit. Attached is a flow chart summarizing the general permitting process.

What is currently covered under the general permit?

There is an existing general permit that covers certain specified discharges from oil and gas exploration facilities, and existing development and production facilities in Cook Inlet. The facilities currently covered under this permit include:

Permit Number	<u>Operator</u>	Facility Name
AKG285001	Unocal	Granite Point Production Facility
AKG285002	Unocal	Trading Bay Treatment Facility
AKG285003	Cross Timbers	East Foreland Treatment Facility
AKG285004	Unocal	Platform Anna
AKG258005	Unocal	Platform Baker
AKG285006	Unocal	Platform Bruce
AKG285007	Unocal	Platform Dillon
AKG285008	Unocal	Platform King Salmon
AKG285009	Unocal	Platform Dolly Varden
AKG285010	Marathon	Platform Spark
AKG285011	Phillips	Platform Tyonek
AKG285012	Cross Timbers	Platform A
AKG285013	Cross Timbers	Platform C
AKG285014	Marathon	Platform Spurr
AKG285015	Unocal	Platform Granite Point
AKG285016	Unocal	Platform Grayling
AKG285017	Unocal	Platform Monopod
AKG285019	Unocal	Platform Steelhead

The authorized discharges in the existing permit include drilling fluid and drilling cutting (discharge 001), deck drainage (discharge 002), sanitary wastes (discharge 003), domestic wastes (discharge 004), desalination unit wastes (discharge 005), blowout preventer fluid (discharge 006), boiler blowdown (discharge 007), fire control system test water (discharge 008), noncontact cooling water (discharge 009), uncontaminated ballast water (discharge 010), bilge water (discharge 011), excess cement slurry (discharge 012), mud, cuttings, cement at seafloor (discharge 013), and test fluids (discharge 014).

It should be noted that while the permit covers these discharges, not every facility discharges all of these waste streams.

What will be covered under the proposed reissued general permit?

The reissued general permit will cover the existing area and facilities. EPA is proposing to expand the area of coverage under the existing general permit to include potential oil and gas operations from lease sales identified by the Minerals Management Services (MMS) and the State of Alaska. Additionally, "new sources" are being considered for coverage under the general permit.

What is a "new source"?

In regard to the oil and gas extraction industry, a new source is a development or production facility that has not been permitted previously. Exploration facilities are considered "new discharges" but are not new sources. Only new sources are subject to the National Environmental Policy Act (NEPA). Development, production and exploration facilities are further explained below:

A development facility is any fixed or mobile structure that is engaged in the drilling of productive wells.

A production facility is any fixed or mobile structure that is either engaged in well completion or used for active recovery of hydrocarbons from producing formations.

An exploration facility is any fixed or mobile structure that is engaged in the drilling of wells to determine the nature of potential hydrocarbon reservoirs.

What is NEPA?

The National Environmental Policy Act (NEPA) of 1969 requires an environmental review of major federal actions that have the potential to significantly affect the quality of the environment. The purpose of NEPA is to ensure that environmental considerations are incorporated into Federal decision-making. The two primary objectives of NEPA are: (1) Agencies must have available and fully consider detailed information regarding environmental effects at the time a decision is made; and (2) Agencies must make the same information available to interested and/or affected persons, agencies and organizations before decisions are made and before actions are taken.

What type of environmental review will EPA conduct for the Cook Inlet general permit?

NEPA provides a systematic process to determine when an environmental assessment (EA) or an environmental impact statement (EIS) is appropriate, or when the action is categorically excluded from documentation and public scrutiny altogether. Attached is a flow chart summarizing the guidelines for determining the appropriate level of NEPA documentation.

The EA analysis and documentation procedures were created by regulation to assist agencies in determining whether impacts caused by a proposed action might be significant. The EA analysis either concludes in a finding of no significant impact (FONSI) or concludes that impacts may be significant and an environmental impact statement (EIS) is warranted.

A FONSI requires a 30-day public review of the FONSI and EA prior to EPA making its final determination whether to prepare an environmental impact statement (EIS) and before the action (reissuance of the general permit to include new sources) may begin. The public review would occur at the same time as the public review period for the draft general NPDES permit.

What happens if an EIS is required for the new sources under this general permit?

The EIS process would take longer than EPA's proposed schedule for the reissuance of the general permit. Therefore, if the EA concludes that an EIS is required, new sources would not be considered for coverage under the reissued general permit. EPA would continue work through the NEPA process for new source coverage under the general permit that may result in a modification of the general permit at a later time. Another option is new source facilities could apply for an individual NPDES permit and undergo the NEPA process for their individual action.

When is the Public Comment Period?

The public comment period is currently scheduled to run for 60 days from *August 2, 2004* to *October 1, 2004*. EPA is also planning on conducting two or three public meetings/hearings in the Cook Inlet Area during the comment period.

Contacts

NEPA	Hanh Gold	(800) 424-4EPA ext. 0171
Technical/Permit Process	Scott Wilson	(907) 271-5083 (after March 1)
	Kristine Koch	(800) 424-4EPA ext. 6705
General Information	Dianne Soderlund	(907) 271-3425
	Greg Kellogg	(907) 271-6328
Tribal Issues	Jennifer Curtis	(907) 271-6324