



**UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration**

National Marine Fisheries Service

P.O. Box 21668

Juneau, Alaska 99802-1668

June 18, 2003

Randall F. Smith
Director Office of Water
U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Anchorage, Alaska 99513

RE: NPDES permit number AK-002324-8
Valdez Marine Terminal

Attn: Mike Lidgard

Dear Mr. Smith:

This letter is in response to the proposed re-issuance of the National Pollutant Discharge Elimination System (NPDES) permit for the Alyeska Pipeline Service Company to discharge pollutants in association with the Alyeska marine terminal located near Jackson Point, Alaska. The National Marine Fisheries Service (NMFS), has reviewed the above referenced draft permit and Fact Sheet. We offer the following comments in consideration of section 7 of the Endangered Species Act (ESA), the Marine Mammal Protection Act (MMPA), the Fish and Wildlife Coordination Act (FWCA) and the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).

Project Description

The Alyeska marine terminal in Valdez, Alaska is located at the southern terminus of the Trans Alaska Pipeline System. The major discharges from this facility include ballast water from tankers, bilge water, and other operational wastes associated with oil storage and transport, and also sanitary wastes.

The facility is located near Jackson Point in Port Valdez, a subarctic fjord. Two outfalls are associated with this facility. Sanitary wastes from the terminal are handled through a small extended aeration biological treatment plant and discharged through an outfall (designated Outfall 002) to a water depth of approximately 12 meters in Port Valdez. Treated ballast water and other operational wastes from the terminal are discharged from the ballast water treatment plant, through a 200 foot long, 48 inch diameter diffuser connected to the end of a 1100 foot long outfall pipe (designated Outfall 001). The diffuser lies along a slope, and the shallow end is located at a water depth of approximately 62 meters; the offshore end is at a depth of approximately 82 meters.

The ballast water treatment (BWT) plant accomplishes two purposes, oil recovery and wastewater treatment. The treatment process consists of gravity separation, dissolved air flotation, biological treatment and on/off air strippers. Crude oil recovered from the ballast water



is ultimately mixed with the pipeline oil supply and loaded onto tanker ships. On a volume basis, tanker discharges account for approximately 90 percent of BWT discharges. The remaining wastewaters are generated by the Terminal operations.

Resources of NMFS Concern including Essential Fish Habitat (EFH)

Port Valdez supports a great diversity and abundance of wildlife including marine mammals and important commercial and recreational species of fish. Marine mammal species in Port Valdez include several species of smaller whales, porpoises, and seals. However, harbor seals are more frequently observed near the project area. Steller Sea Lions also frequent the nearshore waters of Port Valdez, and are listed as endangered under the Endangered Species Act..

Port Valdez contains EFH for the following federally managed species; pink, chum, sockeye, chinook and coho salmon; arrowtooth flounder, flathead sole, pacific cod, rock sole, sablefish, sculpins, walleye pollock, and yellowfin sole. Other important commercial and recreational species including Pacific herring Pacific halibut, dungeness crab, Tanner crab, king crab, spot shrimp, and coonstripe shrimp are known to inhabit the waters of Port Valdez near the Alyeska marine terminal.

Comments

Discharge Composition

The Fact Sheet identifies the composition of the pollutants from the two wastewater streams associated with the Alyeska marine terminal. Under Outfall 001 Polyaromatic hydrocarbons (PAH) should be added to the list, because they are subsequently identified and provisions for monitoring are incorporated into the draft permit.

Other Studies

The following study should be recognized and considered by the Environmental Protection Agency (EPA) as part of the information available for background on Environmental Monitoring:

Salazar, M.H., Short, J.W., Salazar, S. M., and Payne, J.R. 2001. Final Report, 2001 Port Valdez Monitoring, Contract No. 633.01.1 Prince William Sound Regional Citizens' Advisory Council, P. O. Box 3089, Valdez, Alaska 99689

Technology-Based Evaluation

The Fact Sheet states:

“Section 301(b)(2) and (3) of the Act (Clean Water Act) require further technology-based controls on effluents. After March 31, 1989, all permits are required by section 301(b)(2) and (3) of the Act to contain effluent limitations for all categories and classes of point

sources which: (1) control toxic pollutants and nonconventional pollutants through the use of best available technology economically achievable (BAT) and (2) represent best conventional pollutant control technology (BCT) for conventional pollutants. In no case may BAT or BCT be less stringent than BPT (Best Practicable Technology).”

The document further states:

“In many cases BPT, BAT, and BCT limitations are based on effluent guidelines developed by EPA for specific industries. The Alyeska marine terminal can be considered to be an industrial type classified as shore reception facilities. EPA has not developed nationwide effluent limitation guidelines for discharges from ballast water treatment facilities in this industrial category. Where EPA has not yet developed guidelines for a particular industry or pollutant, permits must be established using Best Professional Judgement (BPJ) procedures”.

The Alyeska Marine Terminal is an existing discharger which was first issued an NPDES permit on December 30, 1974. Twenty-eight years of various monitoring studies are associated with this particular BWT Facility. Are national effluent limitation guidelines forthcoming?

Conservation Recommendations

1. Consider cumulative impacts of the discharges as well as other discharges into Port Valdez, and assure that the permittee is using state-of-the-art technology for collecting monitoring data for analyses.

Rationale - The Fact Sheet states that the “The BWT and sanitary wastes from the Alyeska marine terminal are only a subset of many potential human influences to the environmental quality of Port Valdez.” A recent study completed by Salazar et al.¹ tested three newer methodologies as alternative monitoring tools for assessing the fate and effects of petroleum hydrocarbons associated with the BWT facility effluent in Port Valdez. Direct chemical analysis of water samples showed that petroleum hydrocarbons associated with the ballast water treatment effluent were found outside of the mixing zone. This information must be considered when permits for other facilities are issued or

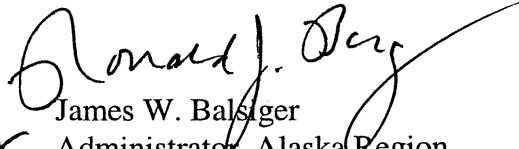
¹Salazar, M.H., Short, J.W., Salazar, S. M., and Payne, J.R. 2001. Final Report, 2001 Port Valdez Monitoring, Contract No. 633.01.1 Prince William Sound Regional Citizens' Advisory Council, P. O. Box 3089, Valdez, Alaska 99689

renewed.

Conclusion

If you have questions concerning EFH please contact Mr. Larry Peltz at (907) 271-5006. Questions regarding endangered species issues should be addressed to Mr. Brad Smith at the same number.

Sincerely,


For James W. Balsiger
Administrator, Alaska Region

cc: ADGC, ADFG, ADEC, Corps, JPO - Anchorage
USFWS, - Fairbanks