

Minutes of Multi-Stakeholder Meeting in Tokyo

Date/Time: April 14, 2004 18:30 – 21:00

Venue: Conference Room, Tokyo Chamber of Commerce and Industry Bldg.

Attendees: See attached list

Objectives:

- 1) Explanation on current status of Sakhalin II project and Japanese involvement
- 2) Explanation and discussion on Oil spill trajectory modeling in Aniva bay

Summary of Discussion

1) Explanation of current status of Sakhalin-II project and Japanese involvement

SEIC made brief explanation of project update and Japanese involvement.

Question from the audience

Which organization certified ISO14001 for Vityaz complex?

SEIC: Lloyd's

2) Explanation and discussion on Oil spill trajectory modeling in Aniva Bay

SEIC made presentation on Oil spill trajectory modeling in Aniva bay and adjacent waters.

Questions and comments from the audience:

- a) Basis of 21,000 tons of spill?
- b) Did SE make any comparison with accidents of Exxon Valdez and Nakhodka?
- c) Conditions of calculation? Data of wind/current etc?
- d) Type (Deadweight) of tankers?
- e) Oil spill protection?
- f) In-situ burning? In-situ burning may be better in consideration of environment impact.
- g) Such risk assessments are very important for emergency response preparedness. Will SE present modeling study to RF government?
- h) Did SE carry out simulation in icy waters?
- i) In case of Nakhodka incident 770,000 volunteers worked on response (cleaning). For this incident started study. In Japan there is no ministry on agency responsible for shoreline response. Japan Coast Guard does not make response plan based on potential shoreline impact.

It is necessary to carry out oil spill risk assessment to study how government, branch offices of Hokkaido government, fishermen and citizens can cooperate in oil spill response.

In case of Exxon Valdez incident there have been organized oil spill response councils in Cook Inlet and Price Williams with participation of oil industry, municipalities, fishermen, residents and NGO etc.

In Japan there are 2 similar councils for Arakawa river restoration and Kushiro wetland restoration.

We suggest SE to organize similar council for Sakhalin-II project.

SEIC answers and response:

- a) "21,000 tons" is recommendation by International Petroleum Industry Environment Conservation Association (IPIECA). It assumes collision of tanker with other vessel and two wing tanks (biggest tanks) with volume of 10,500 tons ruptured.
- b) Exxon Valdez case is different from our case. "21,000 tons" has been set after Exxon Valdez incident.
SE has a record of 35-year oil spill incidents among which large spill is very rare and medium cases are 2,000-3,000 tons per spill.
- c) DVNIGMI has weather and oceanology data from 1937 and they have their own data archives from Russia Hydromet service and internationally verified archives.
DVNIGMI is recognized by international companies. They made similar calculations for Exxon and BP.
- d) As explained at TLU specifications, maximum size of tanker has 1 million barrels capacity. Currently 600,000 – 700,00 barrel tankers are transporting Vityaz crude oil. AFRAMAX about 100,000 dwt.
- e) Oil spill prevention is the first priority issue.
Based on modeling SE will carry out oil spill response planning, including logistics, resources and training.
- f) There are several issues to be addressed about in-situ burning, such as safety of vessel crew etc.
- g) SE needs to include oil spill scenario in OSRP and present to RF and Sakhalin regional regulatory authorities for approval. Phase-1 OSRP was approved in 1999 before commencement of production and has already been updated last year.
- h) SE used NOAA and Japanese regular ice charts (maps) with concentration in tenth to consider limitations for oil spreading due to ice presence and considered impact by wind and current.
- i) It is a good suggestion to set up joint council, but Exxon Valdez case and our case are quite different because of oil production location (SE case – production in Russia, not in Japan). So it will be difficult to set up such a council for our case.

Anyway we would be interested for you to send us your study results.

List of Attendees

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| Rissho University | GOTO Shintaro | Professor |
| ClassNK (Nippon Kaiji Kyokai) | SAKAMOTO Yasuzo | Consultant, Marine and Industrial Service Dept. |
| | TAKANO Hirofumi | Principal Supervisor, Manager, Hull Dept. |
| | SHIBAKO Hiroshi | Senior Supervisor, Business Dept. |
| | YOSHIOKA Koichi | Consultant, Chief, Marine and Industrial Service Dept. |
| SEIC | POKRASHENKO Sergey | Environmental specialist, HSE |
| | SIMONOVA Svetlana | Environmental specialist, HSE |
| | SHEARD Rachele | Project EA Manager, EA |
| | NARUSE Masami | Head of EA strategy - Asia-Pacific Region, EA |