



DEPARTMENT OF THE NAVY

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Aloha, Stakeholder,

This is the Navy's tenth and my third stakeholder letter to the community to share news from Navy Region Hawaii. This letter also coincides with completion of my first year of service as the Regional Commander. As I have shared with everyone I have met over the last year, my number one priority remains the warfighting readiness of our infrastructure and the force protection of that infrastructure. That most certainly includes the Red Hill Bulk Fuel Storage Facility.

Navy Leadership and Red Hill. I assure you Red Hill has the attention of our leaders both in Hawaii and in Washington, D.C. Commander, U.S. Pacific Fleet, Admiral Chris Aquilino, toured Red Hill shortly after his change of command in May, and then he personally led our Secretary of the Navy, the Honorable Richard Spencer, on a tour of the facility just last month. This is all in advance of Secretary Spencer providing testimony to the House Armed Services Committee in 2019 on the future funding of Red Hill upgrades. Leadership, on and off island, understands the national strategic importance of Red Hill and the absolute necessity of protecting public health by keeping our drinking water safe.

Red Hill Engagement. In addition to meeting with many neighborhood boards this year, we also hosted an open forum in March where we publicly presented the possible Red Hill upgrades for the first time. Both regulators, the Environmental Protection Agency (EPA) and Hawaii Department of Health (DOH), were in attendance as were other members of the public to include many from the Sierra Club. Open and professional dialogue is an important aspect of my command and this particularly applies to Red Hill. In March, I also toured several Hawaii State Legislators through Red Hill and provided testimony to two House Committees. I was very pleased that the Governor's office championed an additional engagement meeting on Red Hill to include both the Board of Water Supply and the Sierra Club. At all of these engagements, I took the opportunity to talk about not only the strategic importance of Red Hill but our commitment to ensure we never spill another drop of fuel. Most importantly, these engagements, like the one at the Governor's office, allow stakeholders the opportunity to speak with each other, not just to each other. That's the spirit of Aloha.

Our Approach to the Tank Upgrade Alternative (TUA) Decision. On May 21 of this year, the EPA and DOH approved our TUA report. In accordance with the Administrative Order on Consent, that required I brief both regulators within 60 days on our TUA selection and proposed way forward. On July 20, I had phone calls with both the EPA and DOH to discuss our proposal. As you would expect, our preferred TUA option and proposed way forward was coordinated with numerous senior military staffs to include U.S. Pacific Fleet, U.S. Indo-Pacific Command, Defense Logistics Agency (DLA), Navy Installations Command and the Navy Staff, and both the Secretary of the Navy and the Secretary of Defense staffs. As I opened with in this letter, Red Hill has the attention of our leaders both in Hawaii and Washington D.C.

My phone calls to the EPA and DOH were just the first step, though. This week actually began a series of face-to-face meetings in Hawaii amongst the Navy, the regulators, and many

other stakeholders such as the U.S. Geological Service and the Board of Water Supply. This series of meetings could take up to several months, but once complete, the Navy and DLA will have 60 days to submit a formal TUA recommendation report for regulatory agency approval.

The Proposed TUA Way Forward. At this time, the Navy and DLA will:

- Continue with sustainment/maintenance of the existing tanks in accordance with current procedures as the Navy's initial best available practicable technology (BAPT) decision submittal.
- Propose a pilot for regulatory approval of application of an interior epoxy coating to one tank to determine feasibility of this unproven coating method.
- Fund an upgrade to the leak detection system.

As part of this way forward, there are proactive actions being taken by Indo-Pacific Command, the Joint Chiefs of Staff, and the Institute for Defense Analyses to revalidate the fuel requirement and fuel logistics laydown in the Indo-Pacific Command Area of Responsibility under the new National Defense Strategy. The fuel requirement validation and logistics laydown analyses could certainly impact the long-term plan for Red Hill. Moving forward, these studies will help shape future, more informed BAPT decisions by stakeholders, recognizing that changes in fuel requirements may require exploration of other alternatives and should feed into the first five-year review of BAPT.

Background on the Proposed TUA Way Forward. The Red Hill fuel tanks were superbly designed and constructed to ensure long-service life. A Tank Tightness Test for each tank is conducted annually in accordance with federal and state regulations utilizing the Mass Technology Corporation's Mass Technology Precision Mass Measurement System. Since we started tank tightness testing in 2008, the tanks have never failed. Further, in 2016 the EPA used industry subject matter experts to conduct a baseline evaluation of the systems, management practices, and inspection and safety procedures, at Red Hill with respect to 10 industry and federal standards, including those of the American Petroleum Institute, the American Society for Nondestructive Testing, the American Society of Civil Engineers, the American Society of Mechanical Engineers, the American Society for Testing and Materials, and the National Fire Protection Association. The evaluation team found that the systems, inspection technologies/methods, safety procedures, and management practices in place at Red Hill meet or exceed best practices for petroleum terminals and bulk fuel storage facilities. Moreover, new equipment and technology continue to increase inspection fidelity.

Red Hill's ground water protection plan additionally provides a multi-pronged approach to safeguarding Hawaii's aquifer and drinking water. Specifically,

- Soil Vapor Testing. Samples are collected monthly beneath all tanks and analyzed in the field for volatile organic compound concentrations using a photo-ionization detector.
- Quarterly Groundwater Sampling. Samples are drawn from monitoring wells located inside and outside the Red Hill lower access tunnel.
- Water Interface Testing. Oil/water interface measurements are taken monthly at four monitoring wells; the water level at each well is gauged and measured for the presence of light non-aqueous phase liquids using an interface meter.

Red Hill's upgraded control system also far exceeds industry standards. The control room is staffed 24/7 by thoroughly trained and qualified professionals and includes state-of-the-art control and surveillance systems. Each tank's online fuel inventory accounting system continuously measures tank level fidelity down to 1/16 of an inch. A new and even more precise system is scheduled for installation in 2019.

The bottom line is that Red Hill has one of the most advanced leak detection systems, comprehensive monitoring networks, a robust emergency response plan, and well trained operators—all to ensure safe drinking water. The same drinking water my family and I drink continues to be safe and in compliance with all federal and state standards.

Lastly, it is remarkably important to remember that the 2014 fuel release is the only reportable fuel release to the environment from Red Hill since establishment of underground storage tank regulations in 1988 – 30 years ago. Further, the 2014 release from Tank Five was solely the result of human error, and not indicative of failing tanks. The Navy has worked with EPA and DOH under the Administrative Order on Consent to improve our procedures and add more controls to limit the potential for future human error.

Red Hill and Hawaii. In addition to providing fuel for our Navy and Air Force, Red Hill also provides fuel to other services and agencies, including the U.S. Coast Guard and Hawaii National Guard. Red Hill fuel was particularly vital in recent months to support relief efforts on Kauai after the April floods and on the Big Island in response to Kilauea's volcanic eruption, as well as supporting the Navy's Pacific Partnership mission across the central and southeast Pacific.

As always, if you would like more technical information about our progress, please contact my Red Hill Program Director/Project Coordinator, Mark Manfredi, at (808) 473-4148. Mark and his team can provide detailed technical briefings to interested groups, including neighborhood boards. I also invite everyone to visit our Red Hill website at www.cnic.navy.mil/redhill to see the dialogue – along with water quality information, photos, video, and copies of previous stakeholder letters and press releases. We will continue to keep the community informed of the facts and progress at Red Hill.

We remain committed to protecting our environment and drinking water while at the same time maintaining Red Hill as part of our critical infrastructure, both in the event of conflict and in vital support to all of our islands and humanitarian missions.

Very Respectfully,



B. P. FORT
Rear Admiral, U. S. Navy