



STATE DEPARTMENT OF TRANSPORTATION  
HARBORS DIVISION  
79 South Nimitz Highway • Honolulu, HI 96813



## KALAELOA HARBOR FUEL PIER DEVELOPMENT PLAN

### Notes from Planning Workshop #1

July 18, 2013

The meeting was opened up by Carter Luke and Randy Grune of Department of Transportation, Harbors Division (DOT-H), and Jeff Overton of Group 70. Jeff presented the powerpoint presentation on existing conditions and known issues. The presentation is posted on the following website: <http://kalaeloaharbor2040.com>. Meeting participants were given the opportunity towards the end of the presentation to comment and ask questions.

Below are the various topics covered and comments made by attendees. DOT-H and Group 70 comments and/or responses where included are *italicized*.

#### Goals

##### Address Berth Conflicts

- Why build pipelines at Pier 3 and 4 when there are already fuel-related uses at Piers 5-7?

*The fuel pier will be able to double berthing capacity for the harbor, and relieve congestion at Piers 5 & 6 due to competition for berthing with dry bulk uses (the fuel pier does not require similar yard space needed for dry bulk). This area is further away from residents and closer to current fuel lines.*

- Does construction of this dedicated fuel pier mean that Piers 5 and 6 will be abandoned?

*No. Even though Piers 3 and 4 would be a preferred berth, Piers 5 and 6 would still be available. Priorities of fuel vs. cargo are based on the current infrastructure, and we are open to suggestions.*

- It will be very expensive to build this pipeline. Is this cheaper than to make bulk landings at piers 3 & 4 to free up berthing space?

*There is not sufficient landside area at 3&4 for laying down cargo, although there is some space at neighboring Pier 1. To expand cargo space past pier 3 & 4, nearby industrial park lots would have to be condemned.*

- Will harbor traffic increase to Kalaeloa from Honolulu Harbor?

*We don't expect it to, as Honolulu is primarily a container terminal, and DOT-H is building another 80 acres in Honolulu to accommodate growth in container traffic. There may be an increase of bulk cargo at Kalaeloa, however.*

##### Be Flexible for All Fuel Types

- Pier 1 is currently used for propane but has periodic surge conditions that affect operations seasonally for approximately three months out of the year. Is propane access to Piers 3 and 4 an option? Piers 5 & 6 were being evaluated for alternative locations.

*The development plan will take into consideration various fuel type options, including propane, LNG and potential land-based safety zones.*

- Will this pier be able to handle the full suite of fuels?

*This is currently under investigation. We are planning for the next 25 years, but it is difficult to predict what will happen with the current volatility of the world market. The basic infrastructure will be flexible to handle many fuel types, but some types will require on-site storage or safety zones which would have to be developed and/or permitted by the users as they respond to market demand.*

#### Address New Pipelines

- Is the intent to tie into the existing pipelines? If so, then the pipeline capacity has not doubled, only the moorings. May be able to load two additional vessels, but not necessarily the same fuels.

*Users would need to install appropriate piping for their specific needs. A consortium for pipelines is being considered. Depending on the future of the refineries, there may be more imported refined product. We will need to evaluate those scenarios with a wide range of options.*

- This could potentially cause a problem. When you have different lines and different products, how do you look at scheduling? Different vessels, fuels, storage, and use will have to be studied.

*Scheduling will be managed by harbor operations as they see fit to best utilize the harbor facilities in the most efficient manner. Sufficient piping would need to be developed by the users for their particular needs and to alleviate conflicts as necessary.*

- Does the project limit the number of pipelines?

*Not at this time. Above ground piping is more flexible to accommodate additional piping as racks can be added. If below ground piping is desired, this may be an issue due to limited space, and will be considered as part of the planning process.*

- Will there be individual company lines or a consortium?

*DOT-H is currently reviewing the pros and cons of a consortium to manage the pipelines.*

#### Consider Safety and Security

- Pre-staged boom equipment will save everyone time and effort in day to day activity. It is important to think through the design with consideration to response, maintenance, and vessel water access. In responding to oil spills, may want to consider a 3-stage containment boom for the fuel berth, similar to Piers 5 and 6.

*First response and in water boom systems will be considered and incorporated into the planning alternatives.*

- Locating spill response at Pier 8 could be a possibility, but the current location puts us in front of spill instead of chasing it. We also have an 800ft boom, which would be nice to have in an area that is accessible.

#### Relocate Existing Tenants

- A new tenant location should allow for lay space, cleaning tugs, and dry dock.

*Preliminary thoughts on locations include Piers 8 and 9.*

- Does tenant relocation trigger an EIS for master plan?

*The Fuel Pier EIS will generally discuss reasonably foreseeable tenant relocation(s), however, the tenant(s) will be responsible to comply with Chapter 343 individually and provide details of their specific improvements and operations.*

## Opportunities

### Evaluate Fuel Pier Design Alternatives

- The design should take into consideration berthing scenarios for Piers 3, 4, and 5a. It is important to avoid conflicts while providing maximum utilization. What is accessibility to P5a if a 750' ship is located at Pier 4? The key to 5a and 5 is where will the hatches and manifolds be placed? It should also be recognized that when pilots charter a ship within a class, it could be a variety of sizes.

*Berthing conflicts with Pier 5A will be considered as part of the planning process. Specific information from users will need to be considered. Phasing construction of Pier 3 first will alleviate these concerns initially.*

- What is the full length of the pier?

*Approximately 1200' – 1400'*

- So may be able to fit both a 720' and 400' ship.

*Yes, we can put the larger ship first at Pier 3 then 4, freeing up 5a.*

- But we still wouldn't be able to fit a 750'. Would have to go to Pier 5.

*At present the pier design alternatives will handle up to a 750 foot panamax tanker (although current harbor draft would require it to be only partially loaded).*

- Will the ferry pier where the tugs are have to be relocated? What are we looking at for relocating the tugs?

*Pier 8 might be a possible area for layberth if it was expanded. Could double or even triple breast here. The fuel pier can be phased so that Pier 3 is built first, leaving the finger pier available for as long as possible.*

- Is it possible to put in a 2 point - 4 point mooring at the north quadrant of the harbor basin that is currently undeveloped, towards the golf course side? This may provide a layberth for small vessels, and a floating catwalk could also be provided if need be. May need a 4 point mooring because of the wind.

*A lay berth mooring area is being considered as part of the Master Plan.*

- Will there be bunkers at the fuel pier? Currently only done by barge.

*This is dependent on users demand and supplier's ability to supply, and the type of bunkers available.*

- Is the fuel pipeline system above or below ground? The less expensive system may be best.

*Both above and below ground pipeline infrastructure designs are being considered as part of the planning process. Safety issues for each will need to be considered. Because it is a fuel pier only, it could be partially above ground, and below ground for Stevedores forklift crossing.*

- When determining dolphins and mooring points, need to take into consideration ship sizes and berthing techniques.

*The fuel pier will be flexible to accommodate a range of vessel and berthing techniques wherever possible.*

- If we expand the entrance, then Pier 3 is sticking out there. Would this need to be shortened?

*USACE is investigating widening the entry channel to facilitate navigation, but this would not affect the Pier 3 jetty.*

- Where do you put things while you are dredging and building?

*There will be some operational service disturbance, although the USACE tries to minimize disruption and work around the harbor schedule.*

#### Consider Vapor Control Systems

- Will the Fuel Pier need vapor control?

*This may be a requirement of Department of Health.*

### **Constraints**

#### New Dredging Requirements

*The federal line is a concern for dredging of the Fuel Pier. If construction of the pier is pushed past this line, federal regulations will apply.*

#### Neighbor Island Capacity

- The Neighbor Islands have storage limits, and fuel is a priority.

*Several of the commercial harbors throughout the state are undergoing planning improvements as a result of the Governor's "New Day Initiatives" which may increase storage on neighboring islands. Demand for fuel on neighboring islands is being considered as part of the KBPH planning process.*

#### Funding

- Who will pay for the Fuel Pier?

*A bond sale may be used to fund the Fuel Pier. DOT-H is looking to those that will use the pier (the fuel industry) to pay for the new pipelines. At this point, it is important to look at what we want in the Fuel Pier, and then determine financing later. We may have to push the pricing down to the user (i.e. per barrel charge/pipeline toll) – it depends on how we can finance the bond.*

***Those Present:***

AES – J. Holden  
Aloha Gas – J. Lovan  
Amergent Techs – W. Anonsen, R. Beauchamp, F. Whipple  
Chevron – H. Maxie, K. Jacobsen  
Clean Islands Council– K. Beasley, J. Jacobi  
DOT Harbor Division – D. Ancheta, S. Dale, R. Grune, C. Luke, A. Murakami, D. Watase, D. Yogi  
FACTS Global Energy – I. Nasser, S. Wee  
Group 70 – B. Natale, J. Overton  
Hawaii Gas – T. Young, J. Strickler, R. DeGarmo, J. Vient  
Hawaii Pilots – T. Heberle  
Healy Tibbitts Builders, Inc. – D. Masumoto  
HECO – C. Barnes, J. Arakaki  
Kirby Offshore – D. Naungayan, R. Brown  
Mid Pac Petroleum – R. Whang  
PENCO/AMC – D. Carter  
Petrospect – D. Harrington  
Sause Bros., Inc. – D. Won  
Tesoro – R. Rivas, C. De Almeida, G. Merchant  
Transmarine – K. Kinerney  
USCG – C. Petersen