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7	Tuesday, April 14, 2009
8	OFFSHORE RENEWABLE ENERGY MEETING
9	Dena'ina Convention Center
10	Tikhatnu Ballroom
11	Anchorage, Alaska
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21	Reported by: Lenny DiPaolo, RPR
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23	REPORTER'S NOTE: The court reporter had no control over
24	these proceedings, resulting in unidentified speakers and
25	phonetic spellings in the transcript.

1	PROCEEDINGS
2	MODERATOR: I'm the moderator for the
3	afternoon session, but before we get started this morning,
4	I've been asked to make a few administrative announcements
5	about the way the meeting is going to be conducted, so if I
6	could have your attention, I'd just like to go over a few
7	safety issues, some administrative stuff, and then we'll
8	get started.
9	First, restrooms are located out in the hall
10	on either side of the conference room. If there is an
11	emergency, there are exits, fire exits on either side of
12	the front hall. You go down the stairs, three flights, and
13	then the facility would want you to gather in the parking
14	lot between this building and the City Hall across the
15	street, because that's where they would try to make sure
16	that everybody had exited the building safely.
17	Okay. Now, what I want to do is just run
18	briefly through the agenda for the morning meeting, which
19	is hosted by the U.S. Secretary of the Interior, Ken
20	Salazar. There are two closely related but different
21	meetings that are going to take place here today.
22	In the morning session, Secretary Salazar
23	will present the findings of a report he commissioned
24	concerning resources on the Outer Continental Shelf and
25	data gaps that exist in that information.

1	He also asks that you provide your comments
2	on the report by using a comment card. That's the big card
3	that you received, if you asked for one when you
4	registered.
5	Secretary Salazar will take these cards that
6	are being collected and call on selected speakers to voice
7	their comments during the meeting. When you complete the
8	comment card, please pass it to the outside of the aisle,
9	hold your hand up and somebody from MMS will collect the
10	cards and give them to the Secretary's staff.
11	In the meeting that will commence after
12	lunch, we will move into a more structured public hearing
13	format in which we invite comments from the audience. If
14	you indicated your desire to speak in the afternoon
15	session, you should have been provided a speaker number
16	when you signed in.
17	In the afternoon session, speakers will be
18	called in order using time of registration, which amounts
19	to a low number, to come and make their comment. Now, in
20	addition to the speaker cards, we have a telephone call-in
21	line for people who are unable to get to Anchorage, and
22	those people will be interspersed with the people who
23	comment here in the room.
24	This morning, after opening remarks by
25	Secretary Salazar and a brief report given by Materials

1 Mineral Management Service and the U.S. Geological Service, 2 the Secretary will address question from the comment cards 3 submitted by the members of the audience, and he is hosting 4 today's meeting to hear your comments from public officials, to public interest organizations, advocacy 5 groups on the future of OCS resources. 6 7 In order to accommodate the maximum number 8 of persons wishing to speak during the morning session, if 9 your card is selected, each speaker will be limited to 10 three minutes, except for elected and tribal officials, who 11 will be limited to five minutes. 12 And for those of you in the morning or in 13 the afternoon, this is a speaker timer up here and you will 14 be able to see the light, which will indicate how long 15 you've talked. It will blink yellow when you have 30 16 seconds, and it will blink red when you have used up your 17 allotted time. 18 I would ask that when you come in the 19 morning session, if you would please come to the microphone 20 on my right, your left, down front, it's closest to where 21 the Secretary is, and this meeting in the morning is being 22 webcast over the Internet, and that is the only speaker

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here to the front.

that shows up on the webcast camera, so please come down

The afternoon session will seek public

1	comment on the MMS draft proposed five-year OCS oil and gas
2	leasing program announced January 16th, 2009, which is the
3	first of three proposals required for a five-year program.
4	Secretary Salazar has extended the public
5	comment period on the draft proposed five-year OCS oil and
6	gas leasing program until September 21st, 2009.
7	The afternoon session and the morning
8	session will be transcribed and comments will be considered
9	in MMS's analysis and decision making for the program.
LO	Persons who wish to speak in the afternoon,
L1	again, should have a speaker number. For instructions on
L2	how to submit written comments, which are also possible,
L3	you can go to the website www.mms.gov, and for those of you
L4	who are in the afternoon session, we will cover that again
L5	this afternoon.
L6	Okay. Everyone is in this room is here
L7	because you want to contribute in a meaningful discussion
L8	on the future of offshore energy development on the
L9	nation's Outer Continental Shelf. This development could
20	include traditional and renewable sources of energy.
21	If that is going to happen, it's important
22	that all of us be respectful of the rights of others in
23	attendance here today. Therefore, we have developed some
24	simple guidelines for conducting the meeting.
25	For all of you in attendance we ask that

1 you be respectful of those making statements and others 2 attending the hearing. Allow your fellow citizens to 3 present their views in an uninterrupted manner, treating 4 them the same as you would wish to be treated when you 5 speak. 6 Refrain from cheering, applauding, whistling 7 or making derogatory comments about views you either 8 support or propose. If you have a cell phone, please turn 9 it off or put it on vibrate. Any interviews with the media 10 should take place outside of this meeting room in the 11 central corridor. 12 Please avoid side conversations during the 13 meeting as this is a good-sized crowd and it would be 14 disruptive. Discuss the issues during the breaks, and 15 there will be one this morning. 16 And, finally, engage, learn, participate in 17 this important part of the decision-making process. If you 18 are a speaker, we ask that you be registered to speak with 19 either a comment card for the morning session or a speaker

when you come to the microphone, please

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state your name and your organization, if you are

representing one. State your issues, views and concerns as

concisely as possible. This is important so everyone who wishes to speak will have an equal chance to share their

card number for the afternoon session.

1	views.
2	And I'm aware that we ran out of speaker
3	number cards for the afternoon session. That is based on
4	three minutes a piece. It's the number of people we can
5	reasonably fit in. Not everybody may continue to want to
6	speak, and if we have additional time at the end of the
7	afternoon meeting, we'll ask people to continue making
8	comments, but we did not want to give you a speaker card
9	when we were unsure that you would get a chance to comment.
10	Again, you can submit written comments, and
11	we'll go over that again this afternoon. Finally, maintain
12	a civil and respectful behavior and speech towards all
13	hearing participants and agency staff.
14	Thank you for your attention and for your
15	constructive participation, the key to a successful
16	meeting.
17	The Secretary's meeting will begin shortly
18	when he arrives. Thank you.
19	(Pause)
20	MODERATOR: Excuse me. If I could have your
21	attention. There are a lot of attendees in the back of the
22	room who don't have a place to sit, and if you could all
23	squish to the middle, we're all friends here, so that would
24	free up a few empty seats so some of the people in the back
25	of the room could find a place to sit

1	So if you could move over towards the wall
2	or into the center, that would make it easier to seat some
3	of the additional people. Thank you.
4	(Pause)
5	SPEAKER: Ladies and gentlemen, it's my
6	pleasure to introduce the United States Secretary of
7	Interior, Ken Salazar.
8	SECRETARY SALAZAR: Good morning, Alaska.
9	Camai. (speaking in foreign language)
10	It's an honor to be here in Alaska today and
11	to be joined by so many wonderful people who care so very,
12	very much about this very wonderful state.
13	As I look out at the crowd that's here it is
14	very interesting, because just in looking at the faces who
15	are here, those out in the hallway, you know how much
16	people really do care about Alaska and how much they do
17	care about making sure that we take the right care of the
18	resources of this wonderful state.
19	Let me say that yesterday I came from
20	Colorado very early in the morning, and I was getting up
21	there at 2 o'clock in the morning, and I was thinking,
22	"Well, why am I going to Dillingham," because it was very
23	early in the morning, and I said, "Well, because I want to
24	go to Dillingham only because it's far off the beaten
25	path."

Т	And what ends up happening, I think, is in
2	the spaces like Alaska which are so big that it's very hard
3	for people from the Mainland to relate to the realities of
4	Alaska because of the sheer size.
5	When people think about 200 miles in my
6	state of Colorado or in Maryland or Delaware, it's nothing
7	in comparison to the great size of the State of Alaska.
8	And I come from a place that's about 300 miles south of
9	Denver. It's a place my family has been from now for five
10	generations for about 150 years.
11	And I remember growing up with that sinking
12	feeling that people only cared about Denver, Colorado and
13	the big city; they didn't much care about our little
14	village in the southern part of the state.
15	And so I thought that on my inaugural trip
16	to Alaska that's what I would is start out in Dillingham
17	and then here to Anchorage and have an opportunity to hear
18	from you on what it is that you want us to do with the OCS.
19	Let me say to Governor Palin, I appreciate
20	your leadership and I appreciate you being here with us
21	today. To Senator Mark Begich, your friendship and you
22	showing me around Dillingham, other areas yesterday.
23	And to Senator Lisa Murkowski, who is in a
24	cast, but I think will be joining us here in a half and
25	hour or so, she and I have been great friends on the energy

committee for many years.

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2 And Don Young is a legend in many ways in 3 Alaska, and I truly appreciate him and his lovely wife 4 being here as well. 5 Let me tell you what we are doing. A few 6 months ago I made the decision that it was important for us 7 to involve the people of all this country in getting them 8 to provide us comments and guidance on what we ought to do 9 with the Outer Continental Shelf. 10 The Outer Continental Shelf is a big area. 11 It's about 1.75 billion acres out in the OCS, and we are at 12 a point where we are having to make and will make some decisions that will move us forward as part of President 13 14 Obama's comprehensive energy plan. 15 President Obama asked me to take a look at the OCS, and he asked me to come to Alaska to get the input 16 17 of the people from this great state as we chart the future 18 of the ocs. 19 What I want to do in this meeting this 20 morning is to have an open and honest conversation with all 21 of you. I want to gather the input on our comprehensive 22 energy plan for the United States of America, and I want to 23 also make sure that you all understand how important Alaska 24 is to me as the Secretary of Interior. 25 When I look at the numbers, I was looking at

1 it on the trip up here, 52 percent of the land mass of 2 Alaska is managed by the Department of Interior. We have 3 more wildlife refuges in Alaska, more national parks and 4 more Native American issues probably than any other place 5 in the country, and, obviously, the great natural 6 resources, the oil and gas resources of this place are 7 immense. 8 I also recognize that the 2300 employees who 9 work in the Department of Interior every day on behalf of 10 the people of Alaska are very much a part of the good 11 economy here in Alaska because what happens is the tourism 12 that comes here to Alaska to visit the great parks and 13 great wildlife refuges comes here in part because of the 14 unique opportunities that you have to offer, so I'm proud 15 of the 2300 employees that we do have here in the State of 16 Alaska. 17 I want to make a quick comment about the 18 energy program of President Obama, as we move forward on 19 behalf of our nation. We are at a point where we have to 20 address the issues of energy and climate changes, a 21 signature issue of our time. 22 And one doesn't have to be a great student 23 of history to go back in the 1970s and to remember then 24 President Richard Nixon coining the term "energy independence," and one doesn't have to think much further 25

1 beyond that to remember Jimmy Carter standing before a 2 nation saying we have to tackle energy independence with the moral -- (indsicernible) 3 The 1980s came and the 1990s came and the 4 beginning of this century came, and America slept. In the 5 6 meantime, we have become more dependent on foreign sources 7 for oil, and it has compromised in many ways our national 8 security. It's compromised our environmental security and 9 economic opportunities here at home. 10 I think what is different now -- I think 11 what is different now in 2009 than what we saw in the 1970s 12 is that these imperatives will push us forward to realize 13 that we will get it done this time, that we will have a 14 comprehensive energy program that doesn't delay the very 15 real issue of the nation's national security. 16 It will address the economic opportunities 17 here in the United States of America, and it will also 18 address the issue of climate change. How do we get to that 19 imperative? We'll get to that imperative with lots of 20 different things. 21 It's not one solution. It's not just one 22 item or one idea that's going to be a pacifier for 23 everything, but we will do a lot with respect to 24 efficiency, and we can save a lot of energy that we 25 currently consume by energy savings.

1	60 percent of our energy, for example, in
2	most commercial buildings is actually energy that's lost,
3	so we know we can do a lot more with efficiency.
4	We know that we can do a lot more with
5	renewables, and so this report to MMS that USGS prepared
6	actually talks about renewable resources offshore,
7	including wind potential. Senator Begich yesterday was
8	telling me about some of the renewable energy initiatives
9	that the City of Anchorage has underway, including the wind
10	farm that's being stood up, as well as geothermal and other
11	kinds of renewable energy initiatives. And I heard in
12	Dillingham some of the efforts that were going on there as
13	well.
14	Thirdly, we need to move forward with a new
15	set of vast technologies that we in 2005 opened the door to
16	the possibility of nuclear energy for our country. We
17	still need to tackle some of the technical issues that come
18	with nuclear energy, and we also know and we have the
19	opportunity to move forward with hybrid, plug-in electric
20	cars and a whole host of other things that will help us
21	take advantage of the new technology.
22	And, finally, development. Development has
23	to be a part of a broad energy portfolio, and that means
24	that our traditional sources of fuel are sources that will
25	continue Coal is important for example and there is a

1 major effort underway to develop clean coal technologies 2 because we have such an abundance of coal. 3 Oil and gas are important. Obviously, the 4 contribution that Alaska makes to the oil and gas needs of the country are something that's very, very important, so 5 6 development will be part of our equation as we move forward 7 with this energy. 8 Let me say that Alaska has approximately 9 one-third of the U.S. OCS oil, that's here in Alaska, 10 one-third of it. It's one of the findings you'll find in 11 this report. 12 And as you go through the legal framework 13 under which I am here today relates to this blue book, 14 which essentially is the draft proposed Outer Continental 15 Shelf oil and gas leasing program from 2010 to 2015. 16 And in that book, if you actually want to 17 read the entire book, as I did on the plane several times, 18 you can open it up to a page that talks about all the different lease sales that are scheduled within that 19 20 five-year window. 21 And you'll find in there, page six, there 22 are nine lease sales that are proposed for the State of 23 Alaska and the OCS. They include the Chukchi Sea in 2010, 24 North Aleutian Basin in 2011, Cook Inlet in 2011, the 25 Chukchi Sea in 2012, the Beaufort Sea in 2013, the Chukchi

1 Sea again in 2014, and the North Aleutian Basin 2014, the 2 Beaufort Sea again 2015 and Cook Inlet in 2015. 3 The central question to all of you put here 4 today, the central question to the United States senators and to Congressman Young and Governor Palin is how do we 5 6 move forward with respect to this five-year plan, as they 7 call it here, a draft proposal of the Outer Continental 8 Shelf plan. 9 The next step in the process is to actually 10 come up with a draft plan, so what we're doing today is 11 gathering the input that's here. 12 What we will do for our program -- I want to 13 change it just a little bit because -- you were going to 14 speak, Bob, I'm going to have elected officials speak first, and then we'll turn back to the report that we will 15 16 hear from the experts from both of those agencies. 17 We're going to -- Governor Palin is going to 18 speak first, and then we'll turn it over to Senator 19 Murkowski and then Senator Begich and then Congressman Young. 20 21 Let me say this to all of you: The two 22 people that I know best in front of me at the podium here 23 are Senator Murkowski and Senator Begich. I have worked 24 with both of them extensively. I worked with Lisa Murkowski in the United

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- 1 States Senate on the Energy Committee and so many other
- 2 matters. I have a great admiration for your elected United
- 3 States senators, and the people of Alaska have every right
- 4 to be very proud of the service that they give you in our
- 5 nation's capitol.
- 6 And with that, I will start out with
- 7 Governor Sarah Palin. Governor?
- 8 GOVERNOR PALIN: Thank you so much, Mr.
- 9 Secretary. I appreciate you taking the trip here, and we
- 10 want to welcome you, camai. I'm happy that you have
- visited our neighboring community of Dillingham also
- 12 yesterday. Senators Murkowski and Begich and
- 13 Representative Young, and guests, we are very thankful for
- 14 this opportunity today.
- 15 We welcome you, Mr. Secretary, looking
- 16 forward to the next four years, as we look forward to
- 17 working together in many areas, including the reason that
- 18 brought you to Alaska today, the OCS five-year leasing
- 19 program.
- I want to start with a statement that you
- 21 made following your confirmation and that was, "A national
- 22 energy policy that includes conservation, expandable
- renewable resources and wise, responsible use of
- 24 conventional fuels such as coal, oil and natural gas will
- 25 create jobs here in America, protect our national security

1	by reducing America's dependence on foreign oil and
2	confront the impacts of global warming," and I concur with
3	that statement.
4	As you are well aware, implementing a
5	successful national energy strategy is tougher than
6	planning one. You have called President Obama's energy
7	imperative our moonshot for energy independence. The scale
8	of the challenge will require a strong and steady
9	commitment towards maximizing our national production of
10	energy, both petroleum-based and renewable, along with
11	enhanced conservation.
12	Even with enhanced conservation efforts, the
13	amount of new energy needed for America increases
14	dramatically as our population and our economy expands.
15	Environmental challenges from the existing fuel mix and
16	from the many renewable energy alternatives, coupled with
17	dependence on foreign oil and natural gas, means that there
18	is no way to achieve these goals in the next few decades
19	without a dramatic increase in domestic natural gas and a
20	strong effort to increase domestic oil production.
21	Keeping Alaska's OCS lease sale and
22	exploration and development programs on schedule,
23	especially in the Beaufort and Chukchi Seas, is critically
24	important to that effort.
25	In order to achieve these goals,

1 environmentally responsible energy production from the 2 Alaska OCS and the state and federal and Native onshore lands will be necessary. 3 Recent assessments by the Department of the 4 5 Interior show that within the U.S., Alaska is second only to the entire Gulf of Mexico in petroleum potential. 6 7 The worldclass potential of Arctic Alaska 8 was verified in the recently released CARA by the USGS, 9 which highlighted that Arctic Alaska was second only to 10 West Siberian Basin in total arctic petroleum potential. 11 CARA estimates that our mean technically 12 recoverable resources are approximately 30 billion barrels 13 of oil, 6 billion barrels of natural gas liquids, and 221 trillion cubic feet of conventional natural gas. 14 Now, of tremendous importance to the nation 15 is this little appreciated fact: Exploration for and 16 17 production of oil and gas from the Beaufort and Chukchi 18 basins is critical for maintaining both the viability and 19 the longevity of the Trans-Alaska Oil Pipeline, or TAPS, 20 and for the existing producing oilfields of the North 21 slope. 22 North Slope oil production is down today 23 from a third from its peak production, and this is not a 24 good situation for our country to be in. America needs 25 more energy flowing down that pipe.

1	At the peak, TAPS had transported over 2
2	million barrels a day down, or about 24 percent of the
3	nation's crude. Now it's down to about 740,000 barrels a
4	day, and that's only about 14 percent of the nation's
5	crude. But we have more of that energy resource to flow.
6	By some estimates, without new production
7	from the OCS, the TAPS pipeline will fall below its
8	carrying capacity in the next decade. Once that line shuts
9	down, it will mean the end of oil production from the North
10	Slope. Because of the long lead time between leasing and
11	actual production, it can be more than a decade from first
12	discovery to production.
13	Delaying the OCS program will lead to
14	premature shutdown of TAPS, thereby denying America access
15	to its needed, valuable, huge Arctic oil resource, and this
16	is not in the state's or the nation's interest.
17	Of equal importance are the steps Alaska has
18	taken to connect Lower 48 markets to Alaska's huge natural
19	gas potential. I'm moving forward with the Alaska Gas
20	Pipeline Project under the Alaska Gasline Inducement Act or
21	AGIA.
22	As we meet here today, field parties are
23	gathering geotechnical data, and the successful applicant
24	for the project, after an open competitive process, that's
25	TC Alaska they are preparing for a 2010 open season. The

1	state has committed \$500 million as Alaska's skin in the
2	game to make this long, sought-after project a reality.
3	AGIA's most significant elements are
4	critical to the nation as we require pipeline expansion and
5	open access opportunities and low pipeline tariffs to
6	provide the opportunity to build new and additional
7	produced gas and infrastructure to market economically.
8	The gas potential of the OCS will help to
9	backstop the economic viability and the longevity of this
10	desperately needed pipeline for Alaska and for America.
11	And critical to its success is access to the large gas
12	potential of the OCS. Getting our gas to market will not
13	only provide a preferred produced fuel, but it should also
14	lower energy and electricity costs in the Lower 48 states.
15	Some would have you delay exploration and
16	development in the federal offshore over concerns related
17	to climate change. Well, Alaska is living the changes that
18	you all observe in Washington. We live those.
19	The decreases in the extent of summer sea
20	ice and increased coastal erosion and melting permafrost
21	and decrease in glacier size, those are all very real to
22	us. Some believe that in order to mitigate these changes
23	it will require a global effort to decrease the release of
24	human-produced greenhouse gases into the atmosphere.
25	However, simply just waiting for low carbon emitting

1 removal capacity to be large enough will mean that it will 2 be too late to meet the mitigation goals for reducing CO2 3 that will be required under most critical climate change model. 4 Meeting these goals will require a dramatic 5 6 increase in preferred available fuel, including our clean 7 natural gas, that all have a very low carbon footprint and 8 can be used within an existing energy structure. These 9 available fuels are required to supply America's energy 10 needs during that transition to the green energy 11 alternatives. 12 In the meantime, our nation cannot afford to 13 wait for the capacity of renewable fuel sources to be large 14 enough to meet our growing energy demands. So in a very 15 real way delaying production in OCS will lead to less 16 available natural gas for America, meaning higher 17 greenhouse gas concentrations. 18 Furthermore, and this to me is very 19 exciting, Alaska's OCS has received little analysis of its 20 potential to provide renewable energy resources, such as 21 wind and tidal power. As we transition to green 22 alternatives we can't afford to foreclose those 23 opportunities in our OCS. Allowing exploration there helps 24 provide the analysis that we need on renewables coming from 25 the Arctic. It's very, very exciting to consider the

1	potential there, especially with the tides.
2	Now, protection of our animals. Some are
3	going to claim that responsible oil and gas development
4	isn't compatible with protection of species such as the
5	polar bear. However, the peer reviewed science conducted
6	by the USGS that supported the listing of the polar bear as
7	a threatened species identified the loss of sea ice, not
8	oil and gas development, as the reason. And it's ironic
9	that efforts to restrict the development of Alaska's energy
LO	resources would then have us dependent on the production of
L1	energy from less environmentally preferred fuels and
L2	locations.
L3	Stopping safe, responsible domestic energy
L4	production of preferred fuels does not solve the issues
L5	associated with global warming and threatened or endangered
L6	species, but really it can make it worse.
L7	Now it may not be very well understood in
L8	much of America that Alaska has decades of experience in
L9	safely developing our oil and gas. Over our history, the
20	technology in the industry has become sophisticated
21	allowing directional drilling from a signal surface
22	location for miles in different directions. And the
23	footprints now left by drilling itself, it shrunk from
24	around 65 acres back in 1978 to about nine acres now.
25	During this same time the feds and state

1 regulatory processes have matured, and we now subject our 2 oil and gas activities to an indepth analysis under NEPA 3 and very stringent permitting requirements and oversight. 4 My administration is committed to doing things right, environmentally safe and ethically, because 5 6 as Alaskans we love our land, we love our environment, and 7 we have every incentive to do things right and to ensure 8 that development is done right or we don't want that 9 development done at all. We love our pristine land, our 10 water, our air. 11 Very quickly let me touch on the 12 socioeconomic effects of OCS. Amazingly, Alaska is one of 13 the states that does not receive a portion of revenues generated in the OCS. While Alaskans strongly support 14 offshore development, recent polls show about 77 percent of 15 Alaskans do support OCS drilling, we also recognize the 16 17 impact to our state and local governments and institutions 18 and communities who are affected by OCS, so I strongly support changes to federal law to provide states and 19 20 coastal communities with a fair percentage of revenues 21 derived from OCS activity. 22 Now, this is all to me very exciting because 23 there are solutions here in Alaska to America's energy 24 challenges. Alaskan OCS would play a very significant role 25 in the nation's energy and economic future. We're the

1 head, not the tail. We can lead in a much needed U.S. 2 energy production program and quit being so reliant on 3 foreign sources of energy that come from unstable dangerous 4 regimes that don't necessarily like America. Alaska is key in all of this, and Alaska has 5 6 consistently supported OCS oil and gas. We do so 7 recognizing that there are certain areas that should be 8 exempted from leasing or have seasonal drilling 9 restrictions to protect whale migrations. 10 Now, we do so because we recognize the 11 significance OCS has on the nation's and the state's 12 security and our future, and we do so because we know oil 13 and gas development can happen appropriately and 14 responsibly, and we can protect the environment and our 15 animals and our people and we have proven that this can be 16 done. 17 In summary, the fact that OCS potential to 18 produce oil and gas is world class is supported by the best 19 peer reviewed scientific estimates with MMS and USGS. 20 Alaska's resources can and should be a major part of the 21 implementation of any critical energy plan for America, and 22 we have proven our resources can be developed safely. But Arctic exploration and development is a 23 24 slow and demanding process. Delays or major restrictions 25 in accessing our needed resources for environmentally

- 1 responsible development are not in the nation's or our
- 2 state's best interest.
- 3 So, again, Mr. Secretary, I thank you so
- 4 much for coming to Alaska. It's my belief that our
- 5 interests surrounding OCS are closely aligned, and it's my
- 6 hope that we can work together and be consulted as policy
- 7 issues are considered by your department.
- 8 Thank you so much and enjoy Alaska.
- 9 SECRETARY SALAZAR: Thank you very much,
- 10 Governor. And now we will hear from Senator Lisa
- 11 Murkowski. Lisa, welcome.
- 12 SENATOR MURKOWSKI: Thank you, Mr.
- 13 Secretary. It is indeed a pleasure to welcome you to
- 14 Alaska. I had hoped that I was going to be a little more
- 15 nimble on your first trip so I could visit with you and
- 16 tour aspects of our state that are so key to your job and
- 17 what you do for us at the Department of Interior, so I look
- 18 forward to your next visit later on in the summer, perhaps,
- 19 where we'll have more opportunity to show you this great
- 20 land.
- 21 But I want to extend --
- 22 SECRETARY SALAZAR: Can I interrupt you just
- for one second? For all your Alaska constituents who are
- 24 here, I'm here in Alaska frankly because both Lisa and Mark
- said to me that that they would not support me for

confirmation unless I came to Alaska, so I told them I 1 2 would come here to Alaska, so that's why I'm here in the 3 first 100 days of the administration, but I'll make you an 4 additional pledge, I'll be back here this summer again. 5 SENATOR MURKOWSKI: And to those of my 6 friends that are gathered with us this morning, I think 7 that's evidence of the type of individual that we have with 8 us as the Secretary of Interior. 9 Senator Salazar, as I first knew you, and 10 now Secretary Salazar, I think you have demonstrated that 11 there will be areas where we may have disagreements, there 12 may be areas where we part on policy, but I think my 13 relationship with you has demonstrated that you are a 14 person who will listen, you are a person who is anxious to 15 learn more about those things that perhaps you do not know firsthand, and I think here as our landlord in the State of 16 17 Alaska, the Department of Interior has a great deal of say, 18 a great deal of input as to what happens in our state. 19 So your visit here today, as you know, 20 within the first 100 days is exceptionally important, I 21 think, as you pursue your new position, but also for the 22 people here in Alaska. 23 It's my understanding that this is the first 24 time that the Department of Interior has held a hearing the size and scope of which we are about to embark this 25

1	morning.
2	You are here in a role as a listener. Too
3	often in our state we do not feel that we have the ear,
4	that we have the attention of those of us who are in
5	control of so much of what we do. We don't feel that
6	others outside listen to us here in the State of Alaska.
7	So your presence here this morning, your
8	staff, and the recognition that this is part of a listening
9	tour, an opportunity to hear from Alaskans firsthand, is
10	exceptionally significant.
11	I know in your visit to Dillingham yesterday
12	you had an opportunity to hear from individuals in the
13	Bristol Bay region. I think you learned there are some
14	very distinct opinions out there. You will learn this
15	morning that there are some very distinct opinions from
16	around the state.
17	The Governor laid out very clearly some of
18	the benefits that we certainly have here in the State of
19	Alaska, but for you to be hearing from us firsthand rather
20	than to have a select group of Alaskans travel the 3500
21	miles cross-country to give a five-minute presentation, I
22	think you can appreciate the value of you being here today.
23	So a long-winded way to say thank you for
24	listening, thank you for hearing Alaskans today. We're
25	here today to hear from Alaskans about the future of energy

1 development in the waters off of our coast, and I'm 2 confident that after this series of meetings that there 3 will be some general agreement that we want to see 4 development of our resources proceed, but proceed in a safe and in a timely manner. 5 6 As the Governor has outlined, the potential 7 for oil and gas production offshore is great. The Chukchi 8 Sea alone holds a potential of 15 billion barrels of oil, 9 77 trillion cubic feet of natural gas, but our waters also 10 hold rich opportunities for harnessing the wind, for 11 harnessing the tide and the waves. 12 I'm confident that we can tap all of our 13 resources for the benefit of our economy and our energy 14 security without harming our environment, without harming 15 our fisheries, without harming the land that is so 16 essential to us as Alaskans and to us as Americans. 17 Decreasing our dependence on foreign oil was 18 certainly a central tenant of President Obama's campaign, 19 and I say let Alaska help meet that worthy goal. Accomplishing our shared goals of 20 21 responsible development and greater energy independence 22 will require all of us working together cooperatively. 23 I hope, Secretary, that you will agree with 24 me that this is not a choice between producing energy and 25 protecting the environment. I am confident that we can and

- 1 we will do both.
- 2 My hope, my sense is that you have come
- 3 today, Secretary Salazar, to hear directly from the
- 4 stakeholders about what the new administration can do to
- 5 move forward in the fairest, most efficient and most
- 6 transparent way possible on the management of our offshore
- 7 resources.
- 8 The comments that you will hear today will
- 9 help determine how the OCS is managed for years to come. I
- 10 look forward to an honest and good faith discussion on how
- 11 we can best craft a balanced management plan for our waters
- 12 offshore.
- 13 With that, Mr. Secretary, thank you again
- 14 for your presence here today and your willingness to listen
- 15 to us as Alaskans. Thank you.
- 16 SECRETARY SALAZAR: Senator Begich, in order
- 17 of seniority, I was going to go with Don Young, but I think
- 18 there is a difference in the chambers. The lowest chamber
- 19 --
- 20 CONGRESSMAN YOUNG: Which one is the lower
- 21 chamber? That's what I want to know.
- 22 SECRETARY SALAZAR: I don't know. Senator
- 23 Begich.
- 24 SENATOR BEGICH: Secretary, you as a former
- 25 senator, I appreciate the selection of senators first. I

- 1 want to also thank you. Thank you for going to Dillingham,
- and especially thank you to our pilot who made sure you
- 3 saw, because of your help, and I'll just mention this,
- 4 Mount Redoubt.
- 5 It was an opportunity for you to see
- 6 firsthand what it looks like. Luckily, it was just
- 7 steaming a little bit, but a special thank you to your
- 8 department last week for the \$7 million, additional dollars
- 9 to do volcano monitoring. That is important to Alaska, so
- 10 thank you for recognizing that from your department and for
- 11 us to be able to see it firsthand on your way to
- 12 Dillingham.
- 13 Secretary Salazar and distinguished guests,
- and fellow Alaskans, thank you for the opportunity to
- participate in this important public meeting about energy
- development in Alaska offshore areas.
- 17 Mr. Secretary, a special thanks to you and
- 18 your team for visiting Alaska soon after your appointment
- 19 by President Obama. We take that as an excellent sign of
- your commitment to Alaskans, given the enormous
- 21 jurisdiction you and your department have over Alaska lives
- 22 and resources.
- For more than a quarter of a century, our
- 24 state has prided itself as America's energy storehouse. To
- 25 help fuel our nation's economy, we have produced 15 billion

1	barrels of oil from Prudhoe Bay, and another billion
2	barrels of oil and 7 trillion cubic feet of natural gas
3	from Cook Inlet, much of that from offshore.
4	Alaskans know how to develop and develop the
5	right way, and we are proud of the cutting-edge
6	technologies we have developed and employed to produce
7	energy for our state and our nation.
8	At the same time, Alaskans cherish this
9	spectacular country in which we live, some of which you got
LO	to see yesterday, Bristol Bay. We're strongly committed to
L1	protecting our wild lands and waters and fish and wildlife
L2	that thrive in them. Alaskan Native people living along
L3	our coast have been dependent on the fish, the marine
L4	mammals and the health of our marine ecosystem for
L5	thousands of years for the subsistence way of life.
L6	Mr. Secretary, the challenge in front of you
L7	and your department is maintaining the careful balance
L8	between the need to develop Alaska's energy resources,
L9	which can create jobs for Alaskans and energy for our
20	nation, while protecting Alaska's environment.
21	We thank you for understanding this
22	review for undertaking this review, for providing
23	expanded opportunity for Alaskans to commit comment and
24	for visiting our state to see it firsthand.
25	Certainly, everyone participating in this

1 meeting has strong opinions on the proposed OCS five-year 2 program. I do too. And it would be easy for me to tell 3 you what I think you should do. 4 In the spirit of cooperation you bring to this issue, I'll restrain myself for the moment, but I will 5 6 outline the principles I believe you should take into 7 account as you consider the future of the OCS program in 8 Alaska. 9 First, continued oil and gas development must be a key part of the nation's energy policy. I 10 11 applaud the Obama Administration for focus on renewable 12 energy resources and conservation, but oil and gas will 13 continue to supply the majority of this nation's energy for a long time. I believe most of it should come from secure, 14 reliable domestic sources, especially Alaska. 15 16 Second, dramatic climate change is underway 17 and is being felt in Alaska more than any other state. 18 Implications are enormous for how, when and where we 19 develop offshore. 20 The fish migration patterns, for new 21 maritime routes, for Alaska Native people who depend on 22 subsistence resources, these affects should be considered 23 in our long-term OCS policies. 24 Third, decisions must be based on sound

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science, not politics. The North Pacific Fisheries

- Management Council has already closed the Arctic waters to fishing, a decision I support pending further scientific
- 3 studies.
- 4 Continual research must be part of any
- 5 development program for the OCS to better understand and
- 6 protect the vital marine resources.
- 7 Fourth, local people must have a voice in
- 8 development in the OCS waters near their communities.
- 9 Bristol Bay is a home to the world's largest sockeye salmon
- 10 run. North Slope residents have carefully balanced the
- 11 relationship with whales and the other marine mammals in
- 12 the Arctic for thousand of years.
- 13 We must listen to the voices of these
- 14 residents as this five-year program is reviewed.
- 15 Fifth, a portion of the benefits of OCS
- 16 development should accrue to the states in whose waters it
- 17 occurs.
- 18 Frankly, Alaska has not received its fair
- 19 share of OCS revenue under the law passed by Congress in
- 20 2006 costing our residents \$900 million. I'm working to
- 21 change it so these funds can be used to help our coastal
- 22 communities prepare for new oil and gas development and
- 23 adopt new energy efficient technology.
- 24 Secretary Salazar, I don't envy your task
- ahead of you, but I stand ready to work with you and

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Alaskans to strike that careful balance for the people of 2 our state and our nation. Thank you. 3 SECRETARY SALAZAR: Congressman Don Young. CONGRESSMAN YOUNG: Thank you, Mr. 4 Secretary, and welcome. In Alaska, we're famous for many 5 6 things, Mount Redoubt and the Last Frontier and also dog 7 races. In this case, you had the -- remember this, the 8 tail is the last part that passes the finish line. Until 9 that happens, the race is not done. 10 But, unfortunately, everybody has seen the 11 rest of the dog, so there is not much more that I can say 12 other than the fact that my interest in this is jobs for 13 America, jobs that stay here, and employment and a sound 14 economy only through fossil fuels. 15 I will say, Mr. Secretary, you are, in fact, my 12th Secretary of Interior I've served. You play a 16 17 major role not only in offshore, but all other roles in 18 Alaska. You mentioned that in your opening statement. 19 My interest is in the Arctic primarily is 20 because of the international implications. The geologists 21 I worked with, I hope you check with your geologists now, 22 with the Chukchi Sea and the Beaufort Sea and those that 23 might oppose that, don't understand that China and Russia 24 are both staking claims to the North Pole and the areas of oil there, and it's international water. And in 25

1	international water, we have no say or no control over.
2	And I've had briefings with the Coast Guard,
3	they are deeply involved, and we're trying to make sure
4	their presence is felt all the way to the north.
5	We must understand that if we don't get
6	involved and understand what occurs as development doesn't
7	take place, and our presence is not felt, then
8	internationally we'll be left out, and I think that's a
9	disservice to this nation, a disservice to this state.
10	They don't really care, the other countries,
11	how they develop that oil, and they will develop it. They
12	have the opportunity, have the authority to do so. So I'm
13	suggesting that your role is to take and make sure the
14	leases do take place with proper precautions and we deal
15	with both other big countries involved and we have a joint
16	effort together so those natural resources that were
17	discussed by the previous speakers are protected and
18	provided for and the people are taken care of.
19	I cannot go much further than what's been
20	said by the Governor and the two senators. I can only
21	suggest you have a great responsibility. I'm sure you'll
22	address that responsibility. And my door, as a senior
23	member of this delegation, will always be open to the
24	Secretary, as has been for the last 12 Secretaries, and
25	thank you for being here.

1	SECRETARY SALAZAR: I'd like to have lunch
2	with you some day, so we'll set that up.
3	CONGRESSMAN YOUNG: If you buy, you got it.
4	SECRETARY SALAZAR: At this point, what I'd
5	like to do is to turn it over to Brenda and to Bob who have
6	done the yeoman's work in putting together the technical
7	report that assesses the potential of the Outer Continental
8	Shelf.
9	I asked them, now it's been about 60 days
10	ago, to put together a synthesis on everything that we knew
11	with respect to all aspects of energy, renewable energy as
12	well as oil and gas, and they worked very hard with the
13	administration and with the leadership of the USGS and the
14	MMS to deliver this report today. So I'm going to call on
15	Bob and then Brenda.
16	For the elected officials, you are very
17	welcome to continue to stay here, I have copies of this
18	report for you, but I know your schedules are very busy,
19	and if you have to leave that's fine. And what we'll do is
20	after they give their presentation, we will go ahead and
21	we'll start calling on other people. And we may be here
22	until 10 o'clock, 11 o'clock at night.
23	Finally, before I turn it over to Bob, if I
24	could have Don Young and Governor Sarah Palin and Senator
25	Mark Regich and Lisa Murkowski stand up these are your

1 people. 2 MR. LABELLE: I'm Bob Labelle from Minerals Management Service headquarters, and I'm delighted to be 3 4 this morning to address you all very briefly about the 5 report that the Secretary commissioned. 6 He mentioned MMS and U.S. Geological Survey 7 to do this report, I think it was 30 or 45 days, estimates 8 differ, but I'm really happy that Brenda Pierce from USGS 9 is here with me and we work so well together with both 10 bureaus on the report. 11 The first slide shows the examples -- we're 12 going to do this in three parts. I'm going to talk briefly 13 about renewable energy offshore, wind, wave to include tidal and ocean currents, and I'll turn it over to Brenda 14 15 who will go into the oil and gas offshore resources, and 16 I'll come back very briefly to talk about the environmental 17 challenges on developing either type of energy. 18 This is a beautiful slide of the country at 19 night, and we did put Alaska and Hawaii in there with some editing tricks. And you can see the use of electricity is 20 21 growing, and please note along the coast, the really bright 22 spots. In fact, it's estimated by some that about 78 23 percent of our total energy is used by areas along the 24 coastline.

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This is a demographic map of the country

1 showing, I believe, the red is more than a thousand people 2 per square mile. So you can see how it corresponds to 3 electricity use, and it also corresponds to offshore wind 4 speed. This is offshore wind speed data. The red 5 6 and dark blue are very good classes of wind, so-called wind 7 class six and seven. That's roughly between 18 to 25 miles 8 an hour of measured wind offshore. And you can see that 9 along the coastal areas near the demographic centers there 10 is quite a good resource of offshore wind. And, of course, 11 in the middle of the country, the great plains you see the 12 resource there as well. 13 I'd like to just take a moment here to talk about units of measurements. You'll often hear when 14 15 talking about renewable energy such terms as megawatts, 16 gigawatts, et cetera. In general, your household power, 17 your electric bill is measured in kilowatts. A megawatt is 18 merely 1000 kilowatts, and a gigawatt is 1000 megawatts. 19 So to put this in perspective, one gigawatt 20 of energy, the power produced from that is equal to -- the 21 power produced from that is equal to the output from about 22 three typical coal-fired electrical generating plants, 23 mid-sized plants. 24 Now, the average American home will use

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about 10,000 kilowatts per hour over the year, and so to

1 sort of think of this in terms of household power, one 2 gigawatt of wind power will supply between 225,000 to 3 300,000 average homes with power annually. 4 Getting back to the OCS, this is the regional offshore wind energy. This is by depth, and I 5 6 know you can't read the center box, but if you look at the 7 table in the bottom of the map, you see that along the 8 Atlantic and the Pacific coasts there are very good wind 9 energy resources offshore. 10 In the nearshore waters, 0 to 30 meters of 11 depth off the Atlantic there is about 253 gigawatts 12 estimated. And these numbers come from the Department of 13 Energy National Renewable Energy Lab, NREL, that's an 14 acronym that I certainly am familiar with. But anyways, they have given us a lot of 15 good information for this report, and we believe this 16 17 information is the most up to date, although I know that 18 they are working on upgrading and redoing their wind 19 estimates, and that report may come out later this year. 20 So along the East and West Coasts -- but 21 getting to Alaska, as has already been discussed here, 22 state of Alaska has probably the most outstanding wind, 23 wave and especially tidal resources in the whole country. 24 But because of low population density and physical and environmental challenges to develop these resources there 25

1 hasn't been much done yet in developing these resources. 2 This is the wind map, the wind class map 3 again, but for Alaska, and you see the deep blues, which is 4 class 7, and the reds which is class 6. Just outstanding wind resources in many areas of your coast here. 5 6 Now another renewable energy resource is 7 wave and tidal energy. And this is from the Electric Power 8 Research Institute, it's the offshore wave energy 9 resources, and, again, the Pacific coast in Alaska 10 especially has the most natural resource here in this 11 field. 12 I have another graph, or actually I have a 13 conversion here. The estimates for wave resource for 14 Alaska is about 1250 terawatt hours per year. In assuming 15 just 15 percent of that could be developed, in other words 16 the power that's developed from the raw energy, that would 17 result in about 59 gigawatts of power, which is enough to 18 power about 17-and-a-half million average U.S. homes. 19 But of course, the wave energy developers 20 face the same challenges, the harsh weather, somewhat 21 unproven technology, remote locations and limited demand fr 22 energy. 23 So that's a really brief run-through of some 24 of the renewable energy estimates in the report. I hope 25 you do check out the report. It's on line at www.doi.gov.

And I'm going to turn it over now to Brenda to talk about

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- 2 the oil and gas resources. 3 MS. PIERCE: You'll see up on the graph, the areas of MMS planning areas. So MMS has the whole United 4 States, the whole Outer Continental Shelf for the planning 5 6 areas. And you'll see down in the lower left-hand corner 7 Alaska has quite a number of planning areas. 8 You'll look at this graph, and I don't want 9 to mix up my left and right. On the left-hand corner is 10 oil, and on the right-hand graph is gas. And so this is the regional planning areas 11 12 of MMS broken out by Alaska on the left hand, on each oil 13 and gas, then the Atlantic, then the Gulf of Mexico and the 14 Pacific. And you'll see by far most of the resources 15 undiscovered technically recoverable resources in both areas are in the Gulf of Mexico. 16
- the other officials. So there is tremendous resource potential here in Alaska, and that's partly why we're all here.
 I want to take a minute to talk about terminology, because terminology is important. So this

resource potential, as we all know and you've heard from

graph has what we call technically recoverable undiscovered

But you'll see that Alaska has tremendous

25 resources on the right hand graph, next is economically

1 recoverable resources, then the far graph of reserves and 2 current production. 3 What are technically recoverable resources? 4 They are those resources that have yet to be discovered, they are not in currently producing areas, they are not in 5 6 currently producing fields, so they are undiscovered. They 7 are technically recoverable, though they are estimated to 8 be technically recovered in today's technology and industry 9 practice. They may or may not be developed. They may or 10 may not be economical. 11 So the far right-hand graph is what MMS 12 estimates on the whole OCS is what's technically recoverable for oil. 13 14 The next graph to the left, so the second to the right, is what amount of that technically recovered 15 resource is economically recoverable at a range of prices. 16 17 And this is at the mid range, because as we all have 18 experienced they are very volatile, these prices, so they 19 give a range of cost curves and say this is at the mid 20 range, how much of that technically recoverable is 21 economically recoverable. 22 And then the second, the 15.43 numbers are 23 those resources that are actually considered reserves, and 24 reserves are that portion of the resource that is actually in currently producing fields and is in production, so it's 25

1 a much smaller subset. So it's economic today to what's 2 being produced. And then the far left-hand corner is what 3 the U.S. produces in any one year, and so last year we 4 produced 1.85 billion barrels of oil. And this is the same 5 6 graph, but on natural gas. We took the whole Outer 7 Continental Shelf, which is technically recoverable, 8 undiscovered resources, MMS estimates at almost 420 trillion cubic feet. 9 10 Again, a smaller subset of that is 11 economically recoverable at mid price range. And a much 12 smaller subset of that is currently economically 13 recoverable and currently being produced in fields now. And that's the reserves number at 60 trillion cubic feet, 14 and the U.S. produced last year about 20 trillion cubic 15 16 feet of natural gas. 17 So then if we turn to Alaska itself, as the 18 Secretary mentioned, he read all those planning areas that 19 up for potential lease sales in the proposed five-year 20 plan, and there are many areas, but we know the Arctic is 21 an area of current lease sales. 22 So what we're going to focus on right now is 23 the North Aleutian Basin planning area. We want comments 24 on everything, but we know this is of great interest to a lot of people, so this is the focus of the presentation in

1 terms of time. 2 So this is a picture of the North Aleutian 3 planning area, and the proposed lease sale is in the pink area up there on the left-hand corner. And you can see 4 where the North Aleutian Basin planning area is in the box 5 in the lower right-hand corner is Alaska itself. With all 6 7 of the planning areas in the red box is the North Aleutian, 8 to put it in perspective. 9 This is a graphic of all of the data that 10 MMS has available to actually do resource estimates, 11 because a lot of people think, "Well, how do you do that if 12 it's undiscovered?" 13 Well, there are data here. There is one 14 hole, the red dot, so that is a hole. It actually drills 15 into the subsurface where we actually have brought a core sample, actual subsurface data, and all the grey lines on 16 17 the graphic are actually seismic data. That's a way for us 18 to image the subsurface so we can interpret what's there, what type of rocks, if they have oil or gas potential. 19 20 So there is quite a bit of subsurface data 21 there which MMS uses to actually do their estimates at one 22 of the gas reserves. So if we look at what is estimated for the 23 24 North Aleutian Basin, it's important to remember that oil

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gas estimates are just that, they are estimates, so we

- 1 actually give a range of numbers.
- 2 So for oil -- and the range is on the bottom
- 3 here. Sorry it got cut off. I'm not sure what happened
- 4 with the PowerPoint versus the screen.
- 5 But the range of oil goes from .02 billion
- 6 barrels of oil. There is a very high chance there is a
- 7 small amount of oil, but there is a lower probability that
- 8 there is 2.5 billion barrels of oil.
- 9 So what we have here is the average amount,
- 10 and that's a little less than .8 billion barrels of oil.
- 11 This is a much more gas prone area than oil prone in the
- 12 estimates that we have currently, and so the range for gas
- 13 resources is .4 trillion cubic feet, and there is less
- 14 probability there is as much as 24 trillion cubic feet, so
- 15 potentially significant gas resources.
- 16 And then an average estimate of about 9
- 17 trillion cubic feet. And, again, on each graph, lower and
- 18 currently economic recoverable resources.
- 19 The Secretary also asked us to identify the
- 20 data gaps in each of the areas, and we did do that. So
- 21 it's important to know that the seismic area that you saw
- on the graphic a couple of graphs ago were acquired between
- 23 1975 and 1988, so they are somewhat dated.
- 24 And if there were to be new development in
- the area, new seismic related, would probably be needed by

1 the groups that would do that, but prior to acquisition of 2 any seismic data, the National Environmental Policy Act and 3 other environmental analyses would be required. 4 And we can't emphasize this enough. I mean, 5 there are very strict rules, environmental considerations 6 are great, and so I want turn this back over to Bob because 7 the environmental aspects are important and we don't want 8 to underestimate or give them short --9 MR. LABELLE: Thank you, Brenda. A full 10 third of this report is devoted to looking at environmental 11 and environmentally sensitive areas and resources. And of 12 course the Department of Interior as well as the other 13 agencies stewardship is an overriding consideration in 14 where we're trying to balance helping to meet the nation's 15 energy needs and also protecting the environment, and as 16 well as allowing multiple use of the sea and seabed. 17 We need to say a word about climate change. 18 It's already been mentioned here prominently, and the 19 report certainly acknowledges that the challenge of climate 20 change is certainly substantial with regard to at least in 21 terms of mitigation of the effects, three different 22 aspects. 23 And what this chart, what this graph is 24 trying to show is that there are potential effects on 25 living resources and habitat, also potential effects for

1 renewable sources of energy on wind and wave frequency, 2 duration, persistence, and also potential effects on any 3 structures that might be stationed out there whether they 4 are developing oil and gas or renewable energy, increases in storms and wave heights, et cetera. 5 6 So there is a three-fold challenge at least 7 in terms of trying to mitigate the challenge of climate 8 change. 9 And in summary on the environmental 10 resources, certainly the report recognizes the world class 11 fishery resources here, the very important issue of the 12 multiple use of the sea and the seabed. The cultural 13 aspects of subsistence fishing in these areas is so 14 important to the local folks of Alaska. 15 And the risk of oil spills is paramount in many people's minds in terms of activities offshore. There 16 17 has been a good record of oil spills being mitigated and 18 prevented in offshore federal waters over the years, but 19 the risk of spills is, whether it comes from a tanker or 20 imported oil or from offshore production in federal waters, 21 sometimes it doesn't make much of a difference to people in 22 terms of oil in the water, it's something that no one wants 23 to see. 24 In terms of noise in the sea, there are

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potential effects on especially marine mammals and fish

1 with regard to noise from seismic activities. There hasn't 2 been any demonstrated impacts from seismic activities as of 3 yet, but there has been ongoing research and it's an issue 4 that is prominently mentioned and being studied with regard 5 to things like Navy sonar and other times and places. 6 But we have a discussion in the report on 7 that, and what the next step should be to try to learn more 8 about these potential effects. And finally the lack of 9 existing onshore infrastructure. 10 These environmental reviews were done with 11 both renewable energy development in mind and offshore oil 12 and gas, and for both you need onshore infrastructure in 13 many places to bring them in successfully. 14 So that's another challenge in how to do 15 that and the best way to prevent environmental degradation up in Alaska is another challenge. And there is many more 16 17 in the report. I do encourage you to look at it and in 18 terms of saving time that's all I'm going to address right 19 now, but thank you very much. 20 SECRETARY SALAZAR: Bob and Brenda, and the 21 number of people from both USGS and MMS worked very hard on 22 the report, so I would like all the Department of Interior 23 employees who are here to stand up. Give them all a round 24 of applause.

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I'd introduce them all, but we would be here

- 1 all day, so I want to introduce some people. David Hayes
- 2 is deputy secretary designee for the Department of
- 3 Interior. And Kim Elton, where are you? You see that good
- 4 looking guy with more hair than I have, he is the
- 5 president's and my representative on Alaskan issues in
- 6 Washington, D.C., so, Kim, thank you. And he was of great
- 7 service here in Alaska before moving on to Washington, but
- 8 we will have an office here in Anchorage so we will have
- 9 people here as well that will directly be representing the
- 10 secretary. So thank you all.
- 11 We are at a point -- it's about 10 o'clock
- and what I think we will do is have a few other people
- speak, get us to about 10:15, then we will take about a
- 14 15-minute break.
- 15 And then what I want to do is I want to call
- on people who want to speak and want to give us a comment.
- 17 So each of you should have received a card like this that
- 18 has information related to who you are and what kind of
- 19 comment you want to make on the OCS and the future of the
- 20 ocs.
- 21 So if you can fill those out, collect them,
- and what we'll do is call on you randomly and have you come
- 23 up and give us your comments. So that's what we'll do
- 24 after the break, but before we get to the break, there are
- 25 some other speakers I want to call.

1	Edward Itta, I met you earlier, you are up
2	next, so if you want to maybe go up to the mic here, and
3	then we'll go ahead and let's go with you Mr. Itta. And
4	then Stanley Mack as well. Why don't you guys just stand
5	up over there. Mr. Itta, go to that microphone, and then
6	Stan we'll take you.
7	You were with me in Dillingham, you followed
8	me all the way to Anchorage. And then after you we'll do
9	Julie Kitka, so go ahead.
10	SPEAKER: I'm going to be asking Edward
11	Pollock to pleas come up and stand by me.
12	Good morning. My name is Edward Itta
13	representing the Inupiat Eskimos of the North Slope. I'm
14	the mayor of the North Slope Borough. It's my honor and
15	pleasure to be here, Mr. Secretary, and we welcome you.
16	I'm a whaler and a hunter, as so many of our
17	residents are on the North Slope, my fellow Inupiats. The
18	Municipality, the North Slope Borough has been serving the
19	people who have lived along the Arctic coast for millennia
20	and survived on the marine mammals that we harvest, both
21	from the Chukchi and the Beaufort Sea.
22	Mr. Secretary, like all Alaskans, the people
23	of the North Slope depend on the economic engine of oil and
24	gas development. We acknowledge that freely. We have
25	supported onshore oil and gas oil production for well

- over 30 years now, mainly in Prudhoe Bay, and we have
- 2 partnered with industry and the State of Alaska in the
- 3 effort to open ANWR time and again, but, Mr. Secretary,
- 4 offshore is a different matter.
- 5 You have said that you want to, and I quote,
- 6 "strike the right balance," and I commend you for it, Mr.
- 7 Secretary, but the risk and the rewards do not balance each
- 8 other offshore. That's because oil spill response is
- 9 virtually impossible in Arctic waters.
- 10 I oppose OCS development because of this
- imbalance, and if it does go forward, I ask that agencies
- 12 and industry fess up to the extreme risk and acknowledge
- those extreme risks and commit to the toughest possible
- 14 precautions to balance these risks. This has not been done
- 15 so far.
- 16 The Minerals Management Service has rolled
- 17 back previous protections without any scientific
- 18 justification, and has done such a weak job of managing
- 19 risk with effective protections that we finally had to take
- 20 them to court.
- 21 For me, that was the last resort. I don't
- 22 believe in litigation as the answer, but I have to protect
- 23 our way of life, Mr. Secretary. You represent a new
- 24 administration, and I hope you will require agencies to
- 25 base decisions on science and not on wishful thinking. The

- 1 Bureau of Land Management took the right approach for the
- 2 latest lease sales in the NPRA.
- I think MMS stands to learn from BLM. They
- 4 looked at the science and listened to our concerns, and
- 5 then they increased the deferral area around --
- 6 (indiscernible) -- Lake.
- 7 We need a larger deferral area offshore
- 8 around the bowhead migration route. We also need baseline
- 9 science, and I do not use this as a code word. We also
- 10 need baseline science that shows the status of areas before
- 11 activity gets underway; otherwise, how else are we going to
- 12 measure impacts over time.
- As a nation, we need to insist on the best
- 14 available technologies and world class protections. We can
- do it, we're in the United States of America. We lead the
- 16 world in these areas. If zero volume discharge is required
- in the Norwegian Arctic, then we should be just as
- 18 ambitious in the Arctic ocean.
- 19 By the same token, if the Norwegians are
- 20 willing to pour a little oil in the water to test the
- 21 effectiveness of their oil spill clean up technologies,
- 22 maybe we should allow our industries to give real world
- 23 demonstrations in broken ice.
- Do we want to know if we are really ready
- 25 for a spill or not in Arctic waters? I believe it's time

- 1 we find out.
- 2 Mr. Secretary, Alaskans have a great deal of
- faith in the oil industry. We've worked with them, we've
- 4 benefitted from them for years and years. For that faith,
- 5 in exchange I believe we should expect the highest
- 6 standards of caution and protection.
- 7 I have beside me a young man from the North
- 8 Slope Borough. He's in high school. He's a member of our
- 9 mayor's youth advisory council. He's also a hunter and an
- 10 up and coming whaler. That's what it will take if young
- 11 people like Edward Pollock will be able to continue the way
- of life that defines who we are as Inupiat Eskimo.
- 13 Edward recently wrote a letter, and I have
- 14 it here, and I'm going to ask him to give it to you. He
- asked me to give it to you, but I'll have him give it to
- 16 you.
- 17 In this letter, as a representative of the
- 18 mayor's youth advisory council, they were so concerned when
- 19 they found out you were coming up, Mr. Secretary, they took
- 20 the opportunity to write essays about what their concerns
- 21 are. And I think Edward very eloquently articulates in his
- 22 letter to you his concerns.
- The highlight to me was his statement, and I
- quote, "We catch our bowhead whale and watch as seals pop
- 25 their heads above the surface. It is a speechless view, as

- 1 you are caught in the moment of awe."
- 2 Mr. Secretary, I think that's a darn good
- description, and I think all Alaskans can agree that we owe
- 4 it to Edward and to future generations to preserve that
- 5 speechless view.
- 6 Mr. Secretary, again, I thank you, and my
- 7 closing comment is that it's going to take a lot more
- 8 commitment than we have seen so far.
- 9 Thank you again for the opportunity, Mr.
- 10 Secretary.
- 11 SECRETARY SALAZAR: Thank you, mayor, and
- 12 thank you, Edward. No matter where you go, it does not
- 13 matter whether you're on the mainland other here in Alaska
- or up on the North Slope, it is the young people that
- inspire us all. So let's give Edward a round of applause
- 16 for caring.
- 17 All right, I'm going to call Stanley Mack
- 18 and then Julie Kitka and then State Senator McGuire and
- 19 State Representative Millett, and just because of timing,
- 20 I'm going to ask you if you would keep your comments down
- 21 to three minutes or less, and then we'll get to the break.
- 22 So go ahead, Stan.
- 23 SPEAKER: Good morning, Mr. Secretary.
- 24 Thanks. Can you hear me? Thank you for this opportunity
- and thank you for coming to Alaska.

1	My name is Stanley Mack and I'm the											
2	Aleutian's East Borough mayor. I've been a commercial											
3	fisherman all my life. The Aleutian's East Borough is											
4	referred to as the AEB and the local Alaskan government											
5	nearest to lease sale 214 in the North Aleutian Basin.											
6	One of our borough's communities, Nelson											
7	Lagoon, is approximately 30 miles from the proposed lease											
8	sale. The AEB has cooperating agency status for the											
9	proposed EIS processes and looks forward to continuing to											
10	partnering with Department of Interior.											
11	I also serve on your department's OCS											
12	advisory committee as an alternate. The Aleutian's East											
13	Borough stretches from over 300 miles along the eastern											
14	side of the Aleutian Islands and consists of communities in											
15	Sand Point, Nelson Lagoon, King Cove, Falls Pass, Colby and											
16	Akutan as a total of 2600 residents.											
17	All of these communities are dependent on											
18	subsistence and commercial fishing. They can only be											
19	accessed by plane or boat, and are situated in the most											
20	rugged and remote terrain in the United States.											
21	The 2000 census recorded an unemployment											
22	rate of 33 percent in our borough with a poverty rate											
23	higher than the national average.											
24	We are almost entirely dependent on											
25	commercial fishing. Our fisheries are healthy from a											

1	sustainable standpoint, but the economic but											
2	economically it's a difficult situation. In the late '80s											
3	and early '90s, the price of sockeye salmon was well over											
4	\$2 a pound, and now we're hovering around 60 cents a pound.											
5	Fuel prices are nearly five times what they											
6	were then. Our fishermen are barely hanging on. Sadly,											
7	we're losing many of our residents. The population of											
8	school-aged children are plummeting. These changes,											
9	changing economic circumstances have forced the borough to											
10	examine our economic opportunities and to be creative in											
11	seeking them out.											
12	Our proposed measures to mitigate the											
13	potential effects on oil and gas development have evolved											
14	over a 25-year period. The borough has been investigating											
15	the impacts on oil and gas development on fishing											
16	communities since the 1980s. Borough officials have											
17	traveled to the Shetland Islands (ph) to discuss the											
18	impacts of OCS development on people there.											
19	I've recently visited Norway and experienced											
20	the Norwegians and how they developed their relationship											
21	with fish and oil and gas development, both commercial and											
22	subsistence. The Norway fishermen continues to make a											
23	living locally, local economies have improved because of											
24	their relationship between oil and gas and fishing.											
25	Comments in the media have also made it											

1 sound like the sale is opposed by Bristol Bay as if the 2 region is a unified body that speaks with one voice. This 3 is not the case, Mr. Secretary. In fact, the Bristol Bay 4 Borough and the Lake Peninsula Borough and the Aleutian East Borough have all passed resolutions supporting 5 6 including the North Aleutian Basin into the five-year OCS 7 development plan with proper mitigation, of course. 8 The Bristol Bay Native Corporation and the 9 Aleut Corporation representing many Aleut Natives from the 10 proposed sale area are also in favor of moving the OCS 11 development process forward, again, with protective 12 stipulations. 13 SECRETARY SALAZAR: Let me -- three minutes 14 is probably up about three minutes ago. Let me just say 15 your main point is with respect to the --16 SPEAKER: We believe we should allow the MMS 17 to --18 SECRETARY SALAZAR: To move forward and include this in the five-year plan, 2010 and 2015, and your 19 20 point of view as mayor and other communities --21 SPEAKER: Along there and through that, and 22 we think that moving with the MMS to complete the EIS

23

24

25

process.

me the entire comments in Dillingham yesterday and once

SECRETARY SALAZAR: I appreciate you giving

- 1 again here in Anchorage today. Thank you for being so
- 2 involved.
- 3 Julie Kitka, you were here earlier. Julie
- 4 Kitka? Okay. How about State Senator Lesil McGuire,
- 5 Senator McGuire.
- 6 SPEAKER: Good morning, Secretary Salazar.
- 7 Thank you so much for coming to Alaska. Personally, we
- 8 look forward to seeing you this summer, as you promised
- 9 earlier, and appreciate seeing you in person.
- 10 My name is Lesil McGuire. I'm a state
- 11 senator. I'm a life-long Alaskan. I have served nine
- 12 years in state government. I'm currently serving as the
- 13 chairwoman to the energy committee in the senate, and I
- 14 come here today on behalf of Alaskans, but on behalf more
- specifically of my colleagues in the state senate, part of
- 16 a bipartisan coalition.
- 17 It's made up of democrats and republicans in
- 18 the state senate. I have a co-chairman in the resources
- 19 committee, and we have worked on a resolution that I would
- 20 like to leave with you.
- 21 Just briefly, a few points I would like to
- 22 make. In our committee, we've spent a lot of time talking
- about renewable energy and the promise that we think it
- 24 brings, not only to our nation, to our environment, but to
- 25 the State of Alaska.

1	we have some production tax credit
2	legislation and other things that we think will really be
3	an important part and compliment the federal efforts that
4	you have, but with that, we still believe that fossil fuel
5	development responsibly in our state is a very important
6	part of our future, and I ask you humbly to consider the
7	voices not only of myself and my colleagues but of those
8	Alaskans that you hear today.
9	We often feel very powerless when it comes
10	to dealing with the federal government and the policies
11	that you implement so we hope that you continue to hear ou
12	words.
13	We want to urge you to recall that Alaska
14	has been a huge part of America's energy independence with
15	the Trans-Alaska Pipeline, and we hope to continue to be i
16	the future.
17	With Alaska's North Slope and Cook Inlet
18	regions, the ability to develop our offshore resources is
19	imperative to the future of our state. A recent northern
20	economics report projects that 35,000 jobs will be created
21	in Alaska over the next 50 years if we're allowed to
22	development that Outer Continental Shelf. These jobs
23	represent a combined payroll of 72 billion dollars to
24	Alaska workers, a payroll that will be providing for our
25	Alaska family for many decades to come.

Τ.	As you heard earlier the Governor referenced										
2	the fact that the Trans-Alaska Pipeline is now down to										
3	about 725,000 barrels of oil a day down from 2.1 billion at										
4	one point, so we're at that critical impasse now where we										
5	believe that our future is on the line.										
6	Direct revenue from the state, from OCS										
7	development in that same period is estimated at 5.8 billion										
8	dollars in revenue, which would fund essential state										
9	services allowing us to continue to support ourselves here										
10	in Alaska, services like public safety, education and										
11	health.										
12	And while these numbers are profoundly										
13	important to the State of Alaska and its people, we know										
14	that you understand that Alaska's Outer Continental Shelf										
15	plays an equally important role in a much larger picture of										
16	the United States' energy independence.										
17	The need for U.S. energy independence is										
18	vital. Our heavy dependence on foreign oil, more										
19	specifically on the five OPEC nations, is a liability to										
20	our national security and to our economic well-being.we										
21	also believe it's a detriment to our way of life, our										
22	sustainability.										
23	SECRETARY SALAZAR: Can I ask you a										
24	question, and I would appreciate getting the entire										
25	testimony you have in writing and we'll put it in as part										

1	of the record.										
2	When you look at all the proposed lease sale										
3	areas, the nine lease sales that I went through at the										
4	beginning of the presentation, would it be the position										
5	then of the senate natural resource and energy committee										
6	that all those areas should be moved forward in the way										
7	they were proposed by MMS?										
8	SPEAKER: I will let you know if you were to										
9	take a vote on the committee the majority vote would be										
10	yes, but I will tell you that there are members of our										
11	senate, specifically in the North Slope Borough, who do										
12	have concerns about whale migration patterns, as you heard										
13	from Mayor Itta, so I'd like to let you know there are										
14	members made up in our 20-member senate who have expressed										
15	those concerns and hope we can find a way to develop oil										
16	offshore in those areas, but continue to respect the whale										
17	migration patterns.										
18	In Bristol Bay it does become more complex.										
19	The members there have been supportive of offshore										
20	drilling, but I do know that they continue to press for										
21	efforts to preserve the salmon populations out there and										
22	know that there is a real balance that needs to be struck.										
23	So I would say what you heard in Dillingham										
24	is representative of the dialogue of what we have in the										
25	halls of the senate.										

1	SECRETARY SALAZAR: I really appreciate your											
2	comments, Senator. Thank you very much for being here and											
3	I thank you for your service.											
4	State Representative Charisse Millett.											
5	SPEAKER: Thank you. I appreciate you											
6	coming to Alaska. It says a lot about the Department of											
7	Interior taking the time out to see our great state and to											
8	understand and learn more about the issues that we face as											
9	Alaskans.											
10	My name is Charisse Millett and I'm a											
11	freshman legislator from the State House in District 30.											
12	I represent a part of Anchorage; however,											
13	I'm a life-long Alaskan, Inupiat Eskimo and a public											
14	commercial fisherman in Bristol Bay. I am proud to be here											
15	and proud that you're here.											
16	I co-chair the energy committee with											
17	Representative Bryce Edgmon, who is a representative from											
18	Bristol Bay, and our task this session has been to travel											
19	around the state much like you're doing traveling around											
20	the country and find out what innovation and what things											
21	are happening as far as resource development and renewable											
22	energies in our state.											
23	We are energy anemic in our rural Alaska											
24	cities and villages and towns, and it is one thing that we											
25	focused on as an energy committee to find a solution for											

1	We have been overwhelmed at the stewardship											
2	that we see when we go out to the villages and to various											
3	communities and their innovation and their protection of											
4	the land and ocean and rivers, and I think that that's a											
5	message that I bring to you as an Alaskan and House of											
6	Representatives is that we are concerned about the											
7	environment, we are one of the users of the environment, we											
8	subsist, we fish, we hunt and we all appreciate keeping											
9	that environment healthy and safe.											
10	I come here as a representative of the house											
11	to bring you three resolutions. One is we're asking you											
12	please, don't close down OCS, do some studies, talk to											
13	people, do what you're doing, and continue on the path.											
14	OCS offers jobs, offers economic stability											
15	for the State of Alaska and to the federal government. If											
16	you want to talk about economic stimulus package, just look											
17	to Alaska. We have a wealth of resources that we can											
18	develop, that can help jobs and our economy.											
19	The other two resolutions that I'm bringing											
20	to you are, one, asking you please don't shut down ANWR to											
21	development. I think that's one of the things that we have											
22	been fighting for for the last 30 years and we'll continue											
23	to fight.											
24	The house passed a resolution also asking											
25	VOLUTO OPEN ANWR so hand in hand those two messages from											

Τ.	the House of Representatives, Reeping ANWR Open, not										
2	shutting it down to future exploration, and not closing the										
3	door to OCS development is my message to you today.										
4	I appreciate your staff being here. I										
5	appreciate you coming to public hearings. It takes a lot										
6	of time and investment on your part and your										
7	administration's part to hear what we have to say, so I										
8	thank you.										
9	SECRETARY SALAZAR: It's about 10:30 and										
10	we're going to take a little break. Who is collecting										
11	cards? See all these people in the back collecting cards?										
12	If you have one of those cards that has a comment or a										
13	question, go ahead and give it to me and then I will call										
14	on you randomly to see how many we get through in the next										
15	hour-and-a-half. It's 10:30, so we'll reconvene here at										
16	10:45.										
17	(Break)										
18	SECRETARY SALAZAR: All right, if people										
19	could come back in, we'll continue our meeting here in										
20	Anchorage, Alaska. Let me say as people are coming in from										
21	the hallway, I know there are people on the web cam up in										
22	North Slope, a number of different places, and Barrow and										
23	others.										
24	Though you are not here physically, you are										
25	here in spirit, and we know that there are many people who										

- 1 have traveled here to Anchorage over very long distances,
- 2 and I want to say a personal thank you for all of you for
- 3 having done that.

- 4 Now what I have up here are probably 400 or
- 5 500 cards, and we divided them up into five categories,
- 6 private citizen, Native, fishery, industry, conservation,
- 7 and local government. So I'll read the top four on each
- 8 one, and then ask the fifth person to get up to the
- 9 microphone and make a comment.
- 10 So we'll start out with private citizen.
- 11 The first comment is from Phillip Sunomarchy (ph), and he
- 12 says, "I'd just like to weigh in in support of allowing
- 13 offshore development of oil and gas resources in Alaskan
- 14 waters. Thanks for the public venue in which our voices
- 15 may be heard."
- 16 Next, Mark Hemerick. Mark says, "I favor
- 17 responsible offshore development."
- Thomas Welch from Anchorage says, "As a
- 19 long-time resident, 25 years in Alaska and a professional
- 20 of the oil and gas exploration business in this state for
- 21 that one-quarter century, I strongly support responsible
- 22 exploration and development of the oil and gas resources
- 23 present in our Outer Continental Shelf.
- I share the great concern for the
- 25 environment and rich wildlife resources of the OCS, and I'm

Τ	sure development can occur in harmony with the natural											
2	habitat. I would like to see the public process associated											
3	with exploration and development of OCS streamlined and											
4	integrated to allow all stakeholders to (indicernible)											
5	early and throughout the process to avoid litigation											
6	later in the process."											
7	And Laura Maketta from Wasilla says, "My											
8	name is Laura Maketta. I'm an Alaskan. My children are											
9	born and raised here. I support OCS. The economic											
10	benefits are undeniable for Alaska and for our entire U.S.											
11	economy, and it continues on with the providing for our											
12	family and for our love for Alaska that every person in											
13	this room shares."											
14	And then the fifth card is from Arthur											
15	Stevens. Arthur, are you here? You lucky guy. I got you,											
16	you're the fifth person so you get to come up and speak											
17	into the microphone.											
18	While he's coming, I'm going to go to the											
19	other fifth person, so the next is Scott Sammons.											
20	Scott, are you here? Scott, if you're here,											
21	line up over here and we'll just go from there, so Arthur.											
22	SPEAKER: Just like to say thank you.											
23	Everybody hear me okay? Just like to say that I'm for the											
24	offshore development.											
25	I'm not a professional speaker, but in the											

1	United	States	where	we	have	the	most	res	ponsibl	e	resource

- development, one of the most responsible resource
- 3 developments on the planet and we can't seem to get that
- 4 done here, basically, what we're going to do is we're going
- 5 to ship that resource development to other countries that
- 6 don't have the responsible regulations and oversight.
- 7 So if it promotes jobs here and promotes
- 8 economic development here in the United States, and I am
- 9 for responsible resource development. I speak for most
- 10 people that I know. I'd say 98 percent of the people that
- I know are for it, and we all are, I should say, we're
- 12 environmentally conscious, and we want this put in a good
- 13 way.
- 14 So I think I have many friends that work up
- on the Slope, and they say they do a very good job up on
- 16 the Slope. And that's all I have to say. Thank you.
- 17 SECRETARY SALAZAR: Thank you very much,
- 18 Arthur. Scott, are you Scott?
- 19 SPEAKER: I'm Mark. I didn't know what the
- 20 cue was. Welcome, Mr. Secretary to Alaska. Thank you for
- 21 this opportunity to make a few comments.
- 22 In the interest of moving things along, I
- 23 think I'll cut right to my executive summary, which give
- 24 you a little context. I'm a resident of Old Nuigsut. I've
- 25 lived on the coast of the Beaufort Sea for over 50 years,

1	and give you a little bit of observation from someone who
2	sat on the beach and watched all this oil and gas
3	development grow up around him.
4	Obviously, oil and gas has produced great
5	benefits for Alaska and also for the nation. In Washington
6	you're talking about bank bailouts, the bankruptcies of the
7	automotive industry. Think of America's oil and gas
8	industry strong and vibrant and a world leader, and I think
9	that's worth preserving and enhancing.
10	In government you often look around at the
11	things you need to fix, sometimes around the things that
12	are working well, and I put a little bit of investment
13	there, and that's oil and gas in Alaska today.
14	Now, OCS specifically I support it. Why? I
15	believe it's the environmentally preferable place to
16	produce oil and gas. Most of the adverse impact that you
17	see in Alaska from oil and gas comes from the projection of
18	infrastructure and population into previously pristine
19	areas.
20	If you go offshore, you remove the
21	pipelines, the dust, the population, and the tertiary
22	impact of people following in the wake of oil and gas. You
23	eliminate that, you take it offshore.
24	And when you're done with the oil and gas
25	production, you pick up the platform and you leave and you

1	leave the tundra and the land intact. So contrary to what
2	you're hearing here, offshore is not the riskiest place to
3	go, it's the environmentally preferable place to go,
4	especially the Chukchi and Beaufort.
5	Thank you, Mr. Secretary.
6	SECRETARY SALAZAR: Thank you very much. I
7	have so many cards I have to make sure I don't have any
8	that are stuck here. Doreen. We're going to a group
9	called Native Americans, so Doreen Lampe. Doreen, are you
10	here?
11	Let me go five cards down. One, two, three,
12	four, five. And Marilyn Salvage. Marilyn, if you'll come
13	up here. And while Doreen gets ready to make her comments,
14	let me go through these four cards in between.
15	Willard from Point Lay says, "Opposition to
16	offshore development and exploration. I'm opposed."
17	Lattee Old says, "Our people" and she is
18	from Barrow. "Our people have been living off the land
19	since time in memorium and our elders are the ones who know
20	more about our land, which is what will be affected more
21	than anything, which in turn affects us people and has for
22	some time now since Prudhoe Bay opened up.
23	Our elders have testified showing what's

happened and how sick our people have gotten. This issue

should be looked into, otherwise, not only our food, but

24

1	our people will be extinct."
2	Adalene Alexander from Fort Yukon says, "No
3	drilling, respect Native people, land and animals always."
4	And Darryl Kingik from Point Hope says,
5	"Protect the Chukchi Sea from any seismic exploration. We
6	call the Chukchi our garden that provides food on our table
7	for thousands of years."
8	Go ahead, Doreen.
9	MS. LAMPE: I'm Doreen Lampe. I'm the
10	president of the Inupiat Community of the Arctic Slope, and
11	thank you for inviting us to your office in Washington,
12	D.C. and thank you for responding to our written invitation
13	to come to Barrow as we are the majority stakeholders of
14	the offshore leases in the Beaufort and Chukchi Sea.
15	I have an ICAS resolution here from 2009.
16	It's a resolution supporting a moritorium on oil and gas
17	leasing, exploration and development activities in the
18	Arctic Continental Shelf of the Alaska's Beaufort and
19	Chukchi Seas.
20	In summary, I've attended many meetings, and
21	the seismic exploration has now been proven to detour
22	whales as presented to us at the Northern Canadian U.S. Oil
23	and Gas Forum. The whale did detour during seismic
24	exploration activities in the Arctic Ocean.
25	This alone shows a need to devise a

1	mechanism to communicate with subsistence hunters during
2	all phases of seismic exploration and activities. The lack
3	of oil spill cleanup methods, for example, in the Prince
4	William Sound Exxon Valdez oil spill shows there is no
5	proven oil spill cleanup mechanisms in Alaska.
6	The lack of follow-up by state, federal or
7	industrial assistance to impacted communities demonstrates
8	the need for a timeout to impacted communities. They are
9	not getting any assistance.
10	The fishing has been bad for the last 20
11	years. There has been a decline in the Beluga whale and
12	the killer whale in that affected area.
13	Number two, global climate change has
14	affected my region in the Arctic Slope as more species
15	become listed as endangered or threatened species. There
16	is a need for more government-to-government consultation
17	with our tribes in the Arctic Slope.
18	Listing such as the stellar and spectacle
19	arctic ducks are impacting our hunting.
20	SECRETARY SALAZAR: Doreen, can I ask you a
21	question?
22	SPEAKER: This cannot affect my three
23	minutes then.
24	SECRETARY SALAZAR: Do you think your

three minutes were up three minutes ago. You're so nice

25

1	you can keep going, but I have to ask you a question.
2	From the community of Barrow, which you are
3	from, is there a different point of view with respect to
4	the Chukchi and the Beaufort proposed lease sales, or do
5	you look at them the same?
6	MS. LAMPE: There is a big difference in the
7	Beaufort Sea. They are more accessible. In the Chukchi
8	Sea, they are less accessible.
9	And we've always wondered how they plan to
10	transport those resources in this Chukchi Sea to the
11	outside market. And you can clearly see the Beaufort Sea
12	practices and exercises to connect to the Trans-Alaska
13	Pipeline, which currently they are doing.
14	But in the Chukchi Sea, we have no idea.
15	There have been no comprehensive oil and gas plans by
16	industry to show us how they safely plan to market that oil
17	and gas resource to the rest of the world.
18	SECRETARY SALAZAR: I appreciate that
19	comment. So since you're so good on your feet, tell me
20	what the rest of your presentation is.
21	MS. LAMPE: Thank you, Mr. Secretary.
22	Number two, global climate change has affected my region,
23	and as more species become listed as endangered or
24	threatened, there is a need for more

government-to-government consultations with our tribes on

1	the Arctic Slope. Listings such as the stellar and
2	spectacle arctic ducks alone shows a need for offshore
3	Arctic ocean habitats designated to protect these
4	endangered species.
5	Number three, please discontinue the use of
6	the cancer-causing chemicals used to clean the mud cuttings
7	to drill oil in the Outer Continental Shelf, Beaufort Sea,
8	and reduce the allowable amount of discharge allowed by EPA
9	in the ocean. Our fellows are divided by four countries,
10	Russia, Alaska, Canada and Greenland, who also thrive on
11	the resources within the Arctic Ocean.
12	Number four, ICAS solution 2008 are
13	requesting a moratorium on oil and gas development in the
14	Arctic Ocean. There is a greater need for deferred sale
15	areas to include the migratory path of the bowhead whale in
16	the Beaufort Sea proposed lease sale area and to maintain
17	the deferred lease sale area in the Chukchi Sea for more
18	than one year.
19	When presented to us by MMS staff, the
20	recommendation was that the deferred area in Chukchi Sea
21	would be removed after one year.
22	And thank you for considering my comments
23	today.

24 SECRETARY SALAZAR: Thank you very much.

25 Marilyn Salvage. Marilyn is from Fairbanks.

1	MS. SALVAGE: I was born and raised in Ft.
2	Yukon, Alaska, and I'm Chairman from the (indiscernible)
3	tribe in the Yukon Flats, and I live in Fairbanks and I
4	live in Ft. Yukon in the summer for fishing, and I have
5	home up there.
6	But my family has been subsisting off the
7	land for 20,000 years off this porcupine caribou herd that
8	migrates 3,000 miles up to ANWR for the sacred birthing
9	grounds for their young.
LO	And I'm a little bit nervous, but, anyway, I
l1	traveled a long ways with my brother to speak here to
L2	convey to you that this offshore drilling is going to hurt
L3	the life-style of my people and of my grandchildren and the
L4	unborn. They have no voice here, and if I'm not here
L5	speaking for them, who is?
L6	And you can see this picture here with the
L7	porcupine caribou herd offshore in the ocean. They need
L8	the water. And they go there for insect relief every year.
L9	They depend on the ocean to just like all of us, we
20	depend on the water.
21	We need water to live. It's essential to
22	life, and if you contaminate the ocean and the water, how
23	are we going to live?
24	Native people have been living in Alaska for
5	thousands of years and our children need to survive and

- 1 who is speaking for them, but their parents and
- 2 grandparents?
- 3 Please understand that our Inupiat people
- 4 are our sisters and brothers and they have been helping us
- 5 keep our animals safe and it's natural to us to keep our
- 6 land and animals safe and chemical free. We don't want to
- 7 die. Thank you.
- 8 SECRETARY SALAZAR: Thank you very much,
- 9 Marilyn. I'll mix it up a little bit and we'll go over to
- 10 some industry comments.
- 11 So this being absolutely fair, I'm not
- 12 calling on anybody, taking one from the middle. So the
- 13 first speaker, James Gilbert from Anchorage.
- James, are you here? James Gilbert? He
- 15 must have gone back to the oilfield.
- Anyway, he says, "My company provides jobs
- 17 for Alaskans in the oil and gas sector. We provide energy
- independence for the U.S. We support OCS development.
- 19 We're a 39-year company in Alaska employing over 500
- 20 people."
- 21 Joseph Hanson. Joseph, are you here? He
- 22 says basically, "I am an apprentice who knows Alaska's
- 23 economy is based on the oil. If not oil, who would have
- come to this state? Not only could OCS help our economy,
- 25 but the U.S. as well."

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1	All right. Pat Falen, are you Pat Falen
2	from Anchorage who is with Local 341. So while Pat makes
3	his way here, let me just randomly pick out a couple more
4	comments here.
5	Richard Glenn, Arctic Slope Regional
6	Corporation, no particular comment there.
7	Christina Dennis. Christina says, "I live
8	in Alaska and this is what the foundation of Alaska is made
9	of, oil. We take care of the Earth to the best of our
10	abilities as construction workers and I know we deserve to
11	make a living and take care of our families."
12	SPEAKER: Good morning and welcome to
13	Anchorage. Thank you for the opportunity to testify today
14	on this issue of national importance that has the potential
15	to impact thousands of working Alaskans.
16	As someone who lives and works in Alaska and
17	represents the interests of Alaska's working families, I
18	would like to express my strong support for expanding
19	offshore leases of off the coast of Alaska.
20	Since 1980, the U.S. energy consumption has
21	increased by 30 percent, which domestic energy supply has
22	only increased by 15 percent. Imports compromise roughly
23	58 percent of our domestic energy use.
24	The U.S. must produce more of the energy it
25	consumes, and with today's technology, this development can

1	be conducted in an environmentally safe manner without
2	compromising the unique environment found in Alaska's
3	Arctic.
4	Increased domestic oil and gas development
5	in Alaska will have a significant impact by stimulating
6	economic growth through the creation of good-paying jobs,
7	providing a significant tax source for local communities
8	and supporting Alaska businesses.
9	According to the study conducted by Northern
10	Economics, OCS development could generate an additional
11	35,000 jobs in Alaska that would be substantial for the
12	next 50 years. These jobs would include high-paying,
13	long-term positions as well as many seasonal positions.
14	Such jobs would result in a total payroll of
15	72 billion dollars for the next 50 years, money that would
16	support the Alaska economy and its working families.
17	In these difficult economic times, it is
18	important to note the revenues from 2008 U.S. oil and gas
19	production contributed more than 23 billion to the U.S.
20	treasury, which was second only to federal income tax
21	payments.
22	It is therefore critically important that
23	the federal government hold a lease sale next year in this
24	promising basin. And thank you for the opportunity.
25	SECRETARY SALAZAR: Thank you very much.

1	SPEAKER: Good morning.
2	SECRETARY SALAZAR: Your name?
3	MR. GLENN: I'm Richard Glenn, Mr.
4	Secretary. I live and work in Barrow, Alaska. I work for
5	Arctic Slope Regional Corporation where I'm the vice
6	president of lands and natural resources.
7	And on behalf of our 10,000 Inupiat Eskimo
8	shareholders, I want to welcome you. The Native people of
9	Alaska have always enjoyed a special relationship with the
10	Secretary of the Interior, the office.
11	And the way this meeting is progressing and
12	your visit has started, it looks like it's going to
13	continue and we're hopeful. Thank you.
14	But you're here to learn about the issues
15	related to OCS, exploration and development, and this is an
16	issue that's testing the fiber of each of our communities,
17	especially those of us that live in the coastal communities
18	along Alaska's north coast, and you're witness to the range
19	of issues on these comments, as you heard these comments
20	this morning.
21	I'm trained as a geologist. I'm also a
22	subsistence whaler, co-captain in my extended family's
23	whaling crew, and I know our North Slope economy is
24	dependent upon a resource, developing a healthy,
25	sustainable resource development industry.

1	This is what builds our schools and
2	firehouses and our health clinics. It's what allowed for
3	an increase in the quality of life for the people in our
4	region.
5	And so if our position appears conflicted,
6	we're appropriately conflicted, because we value the
7	environment and we depend on the resources. So as someone
8	who has some experience in these areas, someone who lives
9	and hunts in these waters, I believe that drilling
10	exploration of places like the Chukchi Sea can be done in a
11	way that's safe and respects the water.
12	I'm familiar with the technology, and it's
13	far away enough from our subsistence communities that it
14	should have little impact on our coastal hunting
15	activities.
16	That means that places where you see Chukchi
17	Sea leases already in existence, they should continue. For
18	me, arguing whether you're for or against OCS development
19	is like whether you're arguing for or against gravity.
20	Our position has been to take a step back
21	and to say, "If it's going to happen, it should happen on
22	our terms to the greatest degree possible," and that's been
23	the position of our people and our leadership at Arctic
24	Slope Regional Corporation.
25	We believe that our terms can be

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1 accommodated to the greatest degree possible with a 2 four-pronged approach, and I won't bother you with the details of this approach, but it involves greater 3 4 alignment. 5 It means where we carry too much of the 6 downside, the negative potential impacts of OCS, maybe it 7 can be mitigated by also creating upside. And we believe 8 that industry and the government and our regional 9 corporations and other people committed to sustainable 10 communities can work together to find ways to balance this 11 disproportionate sharing of risk. 12 And so we're willing to tax ourselves to 13 commit our own resources to this effort, and if the 14 explorers, the developers and the federal government is committed to sustainable communities, then they should be 15 16 willing to join us in this effort. So I look forward to a 17 continuing discussion on that. 18 SECRETARY SALAZAR: Thank you very much and 19 I appreciate your comment. 20 MR. GLENN: You have the rest of them in 21 text. I hate to be rude, but I can't leave the microphone 22 without talking about the potential withdrawal of the 4-D 23 Rule of the polar bear. 24 Withdrawal of this rule would take away our seat at the table for a discussion that's important for 25

1	this important action. We live in what could become
2	critical habitat, and so we employ you not to remove the
3	rule and look for ways to keep the Inupiat people present
4	at the table when you discuss the fate of things like the
5	polar bear. Thank you.
6	SECRETARY SALAZAR: Thank you very much.
7	Read some cards from fishery people. Fred Pike. Fred, are
8	you here, Fred? Come on up.
9	While Fred is coming up, I will read a
10	couple of other ones. United fishermen of Alaska, Mark
11	Hune says he's with commercial fisheries and did not have a
12	comment.
13	Next is J.P. Ford from Anchorage and he is
14	with the Fishing Association of Bristol Bay Drift Projects.
15	Norman Anderson, a commercial fisherman. Alan Parks, Alan
16	says, "I oppose drilling for oil and gas in Bristol Bay.
17	As a Prince William Sound Exxon Valdez spill veteran, I
18	strongly believe that there are problems with oil and gas.'
19	So anyway, Fred.
20	SECRETARY SALAZAR: Are you Alan
21	SPEAKER: No, I'm Mark.
22	SECRETARY SALAZAR: Fred, and then Mark.
23	SPEAKER: Mr. Secretary, good morning.
24	Bristol Bay has sustained commercial fishing. First of
25	all let me say that I'm the vice president of the Alaska

T	Searood Fisherman's Marketing Association, and we represent
2	commercial fishermen in Bristol Bay.
3	Commercial fishing in Bristol Bay has been
4	sustainable for 125 years. The tourism and sport fishing
5	industry people from around the world make Bristol Bay
6	their destination each year, thousands of them.
7	And most importantly, the people of western
8	Alaska use the fisheries, and not only the fish, but the
9	animals in the marine waters as their subsistence way of
10	life-style. They have been doing this for over 3,000
11	years.
12	Naknek is where I'm from, and Naknek is
13	situated in the northeast corner of Bristol Bay, the
14	confluence of the Naknek River and the Kvichak River. We
15	have Pebble Mine to the north and the offshore oil leases
16	to the south. And we ask
17	SECRETARY SALAZAR: So your position would
18	be that we ought not to allow oil and gas development in
19	Bristol Bay?
20	SPEAKER: We ask that you be very careful in
21	the decisions that you make and that you take into
22	consideration all of these things that the other issues
23	that I have placed before you when you make those
24	decisions.
25	SECRETARY SALAZAR: Thank you very much for

1	your comments. Next.
2	SPEAKER: Welcome to Alaska, Secretary
3	Salazar. My name is Mark Vincel and I'm the executive
4	director of United Fisherman of Alaska. United Fishermen
5	of Alaska is an umbrella association representing 37
6	different commercial fishing operations or organizations
7	operating in the coastal waters and exclusive economic zone
8	off Alaska.
9	All together our representatives harvest
10	more than half of the seafood harvested in the United
11	States. The value and importance of Alaska's sustainable
12	fisheries as nutrition to the United States and world
13	markets is mirrored in the importance of these fisheries to
14	Alaska's coastal communities and the economy of the entire
15	state and beyond with Alaska fishermen haling from nearly
16	every U.S. state.
17	I believe last year West Virginia lost the
18	fisherman that they had had, but we have people from every
19	state that come here and fish.
20	Our industry depends on energy, and we also
21	are severely at risk of utter destruction from mishaps that
22	may occur in the energy industry. We ask that you
23	recognize on an industry-to-industry basis sustainable
24	fisheries should not have to take a second seat in the
25	regulatory processes, and these processes must ensure that

1	energy development does not jeopardize sustamable rood
2	production and the fisheries' income and the State of
3	Alaska's communities.
4	With this in mind, our comments are focused
5	on the North Aleutian Basin due to its unmatched developed
6	fishery resource, but also applies to the relationship we
7	seek
8	SECRETARY SALAZAR: Could you do me a favor,
9	Mark, and summarize it? If you could just summarize what
10	your point is with respect to the North Aleutian.
11	SPEAKER: We call for industry-to-industry
12	recognition. We call for the authorization and creation of
13	regional citizens advisory committees following the lease
14	sales, not to wait for production.
15	We oppose any new seismic activity, but if
16	such seismic activity is required, it should be restricted
17	to one round and the information shared by all lease
18	holders.
19	Call for zero discharges from drilling
20	installations. We call for gas and oil spill response and
21	mitigation plans to be developed in concert with a regional
22	citizens advisory council.
23	We call for establishment of an adequate
24	fisheries disaster fund to provide compensation the fishing
25	industry and coastal communities in the event of a

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1	disruption of fisheries.
2	We do not we cannot afford to wait 20
3	years for what is not even relief in what we found in the
4	Exxon Valdez situation.
5	SECRETARY SALAZAR: Thank you, Mark,
6	appreciate your comments and we'll take the rest of them.
7	SPEAKER: Welcome to Alaska. I also brought
8	you a book for you, Sustaining Alaska Fisheries, 50 years
9	of Statehood, and also an economic study of the seafood
10	industry in Alaska.
11	SECRETARY SALAZAR: Thank you very much,
12	Mark. We'll take those, and thank you very much. Next.
13	SPEAKER: I'm Norman Anderson, and I'm proud
14	to say this is the third opportunity I've gotten to speak
15	to you in a month-and-a-half.
16	I'd like to first of all thank Eklutna
17	Natives who allow me on their lands from the elders of the
18	Bristol Bay region. I'm a third generation commercial
19	fisherman and member of federally-recognized tribe of
20	Naknek.
21	When I visited your office in D.C., I
22	presented to you resolutions from 129 federally-recognized
23	tribes. That's half the tribes of the State of Alaska.
24	Through long-term use and occupancy, we have
25	participated offshore 80 miles for generations. By the

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- 1 time the first Europeans stepped foot on the east coast,
- 2 we've been existing in the Bristol Bay region for
- 3 generations and generations.
- 4 And I'll make my comments very brief because
- 5 the truth can be spoken in few words. We have depended
- 6 upon the rich ecosystem of the Bristol Bay region. Our
- 7 take will never be noticed because of the fact that we only
- 8 take what we need.
- 9 Our life-style was developed and turned into
- 10 terms so it could be monitored and that is subsistence
- 11 because of the very, very careful take of what we need to
- 12 exist.
- 13 And, again, I'll keep this brief because I
- 14 know there is other people that wish to speak, but just
- again, as I offered to you in Dillingham, the
- 16 federally-recognized tribes of the State of Alaska are here
- 17 to help you because we have a unique
- 18 government-to-government relationship.
- 19 Any help that you need, we're here to help
- 20 you with that. And I have written and I'll offer you -- so
- 21 thank you very much, and, again, welcome to Alaska.
- 22 SECRETARY SALAZAR: Thank you very much, Mr.
- 23 Anderson. Good to see you again.
- 24 SPEAKER: Hello, my name is Alan Parks, and
- I want to thank you for giving me the opportunity to speak

- 1 to you today. I live in Homer, Alaska, and our town slogan 2 is "Where the land ends and the sea begins," and you should 3 come to Homer for a visit. It's really a great place. 4 5 I've been fishing Alaska since 1975. I've 6 been operating vessels, owned and separate vessels since 7 1979. 8 SECRETARY SALAZAR: You don't look that old. 9 SPEAKER: I'm 51. 10 SECRETARY SALAZAR: It's a fountain of youth 11 in Alaska. 12 SPEAKER: It's good fish, that's what it is, 13 good fish, a lot of sockeye, good fish. 14 My story about and position on offshore oil 15 and gas leasing in Bristol Bay is it really needs to be deferred. We need to take that off the table. 16 17 I say that because on March 24th, 1989, over 18 20 years ago, I was in the Homer Harbor preparing a boat to go herring fishing in Prince William Sound. A fellow came 19 20 by the boat and said, "You might as well as stop working on 21 that because you're not going herring fishing," and I said, "What do you mean?" He said, "Well, there is a tanker up 22
- And I go, "Well, they will take care of it.

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on the rocks."

25 They will clean it up. They will get that off the rocks.

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1 They will get that oil out of Prince William Sound." 2 I have not been herring fishing in Prince 3 William Sound since then. It's not only affected my way of life and my economy, it's affected how I think about the 4 5 respectfulness of the ocean by the oil industry, and I will 6 just leave it at that. 7 We need to think about that in terms of how 8 we develop Bristol Bay with oil and gas. It is not an 9 appropriate place, period. We cannot let what happened in 10 Prince William Sound happen anywhere else in America or any 11 other place in the world. 12 We have got to withdraw that from the lease 13 sale, period. And, really, come to Homer and eat some fish. Thank you. 14 15 SECRETARY SALAZAR: Thank you. I have to 16 give local governments a chance. Local governments. We 17 already heard from Edward, from Chairman Itta earlier. 18 George Edwardson from Barrow. George Edwardson, George, come on up. 19 20 And I'm going to just try to go one -- just 21 so you don't think I'm cheating. Sharon Boyette from 22 Anchorage. Sharon, are you here? Sharon, come on up. And 23 Robert Noblin. 24 SPEAKER: Good morning and welcome to

Alaska. My name is George Edwardson. I was born in

Barrow, Alaska. I'm 62 years old.
I've spent most of my time hunting in the
ocean, and education is I'm a mining and petroleum
technician. I'm a certified gas field operator, and I'm a
geologist on top of that, and have used in practice what I
did in my education.
I was one of the first non-white 798
pipelineers when the pipeline was built. I was a platform
operator in the Cook Inlet for Pan-America Petroleum. Put
up pretty close to one-third of the drilling wells ARCO has
in Prudhoe Bay when it began.
So I understand the industry. I'm the vice
president of Inupiat community of the Arctic Slope. And
the people that authorize me to speak and go in the
direction on that are people that are 60 years and older
starting from Unalakleet all the way to the northwest
territories.
We put our elders together, and I was lucky
enough to, you know, question them so they could answer me
in the way I had two questions, teach me ice. When they
did, when they passed the third ice age, they said, "That's
enough ice."
And my second question was, "Tell me what

tell me because I'm your grandchild." This was back in

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North Slope?

1	1977. And they answered me, and they told me people in the
2	Arctic, our food starts from where fresh water touches salt
3	water. And from there, they told me not to touch that and
4	fight it if I can, and that's what I've been doing the last
5	32 years of my life, over half of my life, even though I
6	was educated to do the development.
7	The United States has to make a baseline in
8	the Arctic before they can do any development. A baseline
9	was not made in Prudhoe Bay, and Prudhoe Bay fisheries are
LO	dead and gone now. And we can't afford to have this done
L1	in the Chukchi Sea and the Beaufort Sea.
L2	In the Chukchi Sea that's a nursery for the
L3	salmon stock that America catches in the Bristol Bay. We
L4	run into schools of fish that are over 18 miles long,
L5	eight, nine miles wide, and when you step out of your boat
L6	you will not sink nine miles out in the ocean. That's how
L7	thick the fisheries are, and this is a nursery of the
L8	salmon stock.
L9	And the fishermen of this state better stand
20	up with us and help us protect this.
21	SECRETARY SALAZAR: George, your point is no
22	drilling, no exploration, not even seismic activity in the

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Alaska is basically a one-trick pony. It only gets its

MR. EDWARDSON: Exactly. The State of

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1 money from oil when we have the world's largest copper 2 fields, the world's largest led, zinc fields. We haven't 3 touched our other non-renewable resources. These I found 4 as a geologist. 5 SECRETARY SALAZAR: Thank you, George, for 6 your comments. Rebecca from Anchorage. 7 SPEAKER: No, Sharon Boyette from the 8 Aleutians East Borough. I'm the administrator of the 9 borough, and I was just thinking as I was waiting here I 10 would rather have won the split the pot, but this feels 11 pretty good, too, so thank you. Nobody in this room, nobody in this building 12 13 has a bigger stake in what happens in the North Aleutian 14 Basin than the fishing families in the Aleutians East 15 Borough. 16 So our borough, just so everyone knows, is 17 the third most productive fishing area in the state. We have a lot at risk here. 18 19 So what do the residents of the Aleutians 20 East Borough want? I'll tell you what they want, they want 21 it all. They want to have a successful, thriving 22 commercial fisheries. They want to have good subsistence 23 resources. And they want to have jobs in the future for 24 their kids.

They want their children to have options for

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1	jobs in the oil and gas industry or to let them go
2	commercial fishing.
3	So if I could use Mayor Mack as an example,
4	he's fished his whole life, but he has grandchildren that
5	he knows probably are not going to be able to make a living
6	fishing. They need some other options, and we're hoping
7	that through our cooperating agency status with MMS, that
8	we can get the protections that we need for our fisheries
9	and at the same time move oil and gas development forward
10	in the North Aleutian Basin. Thank you.
11	SECRETARY SALAZAR: Thank you very much for
12	your comments.
13	SPEAKER: My name is Thomas Napageak,
14	Junior. I'm a subsistence whaler. I've been a whaling
15	captain for four years. I'm also the vice mayor of the
16	City of Nuiqsut and I am also the Native tribal council
17	vice president.
18	I'm here to say that I'm opposed to offshore
19	drilling on behalf of the City of Nuiqsut and the tribal
20	Native council. And as a whaling captain, I've been
21	impacted from offshore development in the past since I've
22	been a whaler.
23	And I actually have seen effects from
24	offshore development divert our whales and our seals. I've

seen seismic activity kill seals. It's a known fact and

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1	I've seen it. It's the truth.
2	And the fact about drilling
3	(indiscernible) bowhead whales to their migration, and
4	that's their feeding grounds. They feed there for about
5	two weeks when they are migrating west.
6	So I'm against offshore drilling as a
7	whaling captain, and that's all I have to say.
8	SECRETARY SALAZAR: Thank you very much.
9	SPEAKER: Good morning, Secretary Salazar.
10	My name is Rebecca Noblin. I don't represent a local
11	government, but you did call my name. I represent the
12	Center for the Biological Diversity. I'm a staff attorney
13	and I live in Anchorage, Alaska.
14	Secretary Salazar, we're in the midst of an
15	emergency. The Greenland ice sheet is melting, sea levels
16	are rising, weather is becoming more unpredictable, the
17	permafrost is disappearing, the Arctic Sea ice is melting,
18	the Arctic is warming at twice the rate of the rest of the
19	world.
20	In some parts of Alaska winter and spring
21	temperatures have increased by as much as 48 degrees
22	Celsius over the last 40 years with additional increases of
23	7 degrees or more predicted for this century.
24	This warming is leading to drastic melting

of Arctic sea ice. In 2007, the Arctic summer sea ice

1	reached its lowest level in recorded history. Scientists
2	calculated that it was approximately 50 percent lower than
3	the average sea ice minimums in the 1950s to 1970s.
4	This drastic melting has led some scientists
5	to predict that the Arctic will be ice free in the summer
6	of 2013. Rapid melting of the Arctic sea ice spells
7	disaster for Alaska's ice-dependent species, including
8	threatened polar bears.
9	Polar bears depend on sea ice for travel,
10	hunting, denning and raising their young. As sea ice
11	declines, the polar bear populations in both the Chukchi
12	and Beaufort Seas will also decline. Gruesome images of
13	drowned and starved polar bears are becoming more and more
14	common.
15	The U.S. geological survey predicts that
16	two-thirds of the world's polar bears and all of America's
17	polar bears will be committed to extinction by 2050.
18	Pacific walruses and
19	SECRETARY SALAZAR: If I may, I know what's
20	happening with respect to climate changes.
21	SPEAKER: I'm glad you do.
22	SECRETARY SALAZAR: So your point then in
23	terms of the offshore drilling program?
24	SPEAKER: Given that the Arctic is in peril,
25	we ask for drastic change in our energy policy. I ask you

1	to step away from whole-hearty offshore oil development in
2	the Arctic and Bristol Bay.
3	I urge you to permanently protect these
4	special places and lead this country to the energy future.
5	Finally, I ask you to rescind the Bush
6	Administration's illegal endangered species act regulations
7	that forced federal agencies to turn a blind eye to the
8	dyer effects (indiscernible) like the polar bear.
9	And if I may, I have a petition here with
10	52,000 signatures asking you to rescind the Bush
11	Administration's illegal endangered species act regulation.
12	SECRETARY SALAZAR: 52,000, that's a lot of
13	signatures. I'm going to call on a couple other people.
14	Wendy Lesko with the Alaska Railroad.
15	Wendy, going once, going twice, gone. Okay.
16	Greg Kessler, are you here? Greg Kessler?
17	Come on Greg. Greg is from Anchorage, transportation
18	industry.
19	SPEAKER: Thank you, Mr. Secretary. I'm
20	Greg Kessler with the Alaska Totem Ocean Trailer Express.
21	Totem strongly supports Outer Continental Shelf leasing and
22	development.
23	As one of the primary companies providing
24	cargo transportation to and from Alaska, a strong U.S.
25	economy and a strong Alaska economy is vital to our company

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1	and our 150-plus employees and our customers and		
2	contractors here in Alaska and in the Continental U.S.		
3	Domestic oil and gas development has a		
4	positive impact on the U.S. economy and the federal		
5	treasury because it creates jobs, reduces U.S. reliance on		
6	imports and generates federal revenue.		
7	OCS development would create tens of		
8	thousands of good-paying jobs nationwide and thousands in		
9	Alaska. It would dramatically boost domestic and oil and		
10	gas production, displace oil imports on which we now depend		
11	on for nearly two-thirds of our consumption, and extend the		
12	life of the Trans-Alaska Pipeline.		
13	The MMS, the agency responsible for oil and		
14	gas leasing in the U.S. offshore, believes that the Chukchi		
15	Sea off Alaska's north coast is the most promising		
16	undeveloped offshore oil and gas basin in the entire		
17	country.		
18	OCS gas may be a key component in the		
19	economic feasibility and sustainability of the natural gas		
20	pipeline from the Alaska to the Lower 48. This is one of		
21	President Obama's top five green energy priorities.		
22	OCS development can occur in a responsible		
23	and environmentally sound manner under a strong regulatory		
24	system and mitigation measure to avoid conflict and other		
25	resource and subsistence users.		

1	OCS developments in Cook Inlet, the Gulf of		
2	Mexico and North Sea have an outstanding safety and		
3	environmental record and have shown that fishing and		
4	offshore oil and gas development ask coexist successfully.		
5	Over the next 20 years, the U.S. demand for		
6	energy is expected to grow at an annual rate of 1.4		
7	percent, despite a continuing emphasis on conservation and		
8	expandable renewable sources of energy.		
9	Petroleum products are projected to account		
10	for 65 percent of domestic energy consumption in 2025.		
11	America needs this oil and gas to regain the balance		
12	between our domestic energy production and our energy		
13	consumption.		
14	Development in Alaska's OCS will be a key		
15	component to filling the nation's future energy needs.		
16	Totem strongly supports OCS oil and gas development and		
17	leasing.		
18	The decision made today will have		
19	implications for jobs, economy, American security and the		
20	future of our state and nation.		
21	Thank you, Mr. Secretary.		
22	SECRETARY SALAZAR: We're getting close to		
23	the end of the hour, and there are still lots of people who		
24	want to comment.		
25	We will be resuming this comment session at		

1	1 0 Clock. And who will be moderating it here: boll, come	
2	up here, the guy that's going to take over.	
3	Don will be back here to continue this	
4	session. Don, does 1 o'clock work for you?	
5	SPEAKER: Yes, sir.	
6	SECRETARY SALAZAR: So 1 o'clock. And	
7	Brenda and Bob will be here to take questions and comments	
8	that you might have.	
9	I have to get on a plane to go do a similar	
10	kind of meeting in San Francisco, so we're heading south.	
11	But let me conclude by making a few comments	
12	and we'll take a break.	
13	First, I understand the passion that I feel	
14	in this room today. I understand it from the point of view	
15	of the people who have subsisted in the fishing industry	
16	for time in memorium and the importance of wanting to	
17	maintain that way of life.	
18	I understand also the sense that I received	
19	from many of the people who are here that say we need to	
20	have economic development, that we need to have jobs and	
21	oil and gas can be a part of those job opportunities.	
22	I also hear the voices of many of you who	
23	have spoken today about the same kinds of values and	
24	policies that drive Barack Obama and that drive me and I	
25	hear loud and clear the importance of us developing	

	resources so that we can become energy independent.		
2	I heard from some saying we can develop		
3	renewable energy, and another saying, we also can do oil		
4	and gas development, and there is others that say we ought		
5	not to do any development, not on the OCS.		
6	So I hear what you're telling us about this		
7	issue. It is a fundamentally very important issue. It's		
8	something that I will take very seriously and the president		
9	and I will work on and recognize the importance of Alaska		
10	in our country.		
11	And I appreciate the time that you have		
12	given us today to discuss these matters.		
13	I want to just say we will move forward in a		
14	way that addresses, I think, the three imperatives that we		
15	talked about at the beginning, and that is we need to		
16	address the issue of climate change because it's here and		
17	it's now.		
18	We need to make sure that we move forward		
19	and address the national security issue which has		
20	confounded and confronted this country for a very long		
21	time. And we also need to figure out ways of creating good		
22	jobs here in America, and so those will be some of the		
23	guiding things that will move us forward as we craft a new		
24	five-year plan for the OCS.		
25	Finally, let me say you have a beautiful		

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1 state, you have a wonderful state. For me, I come from a 2 place which I know there was a person here earlier from the 3 valley, which I said earlier was 300 miles south of Denver, but it's a also a very sacred and a very special place, 4 5 because although our mountains may not be as tall as Mt. 6 McKinley, our valley is surrounded by peaks that are all 7 14,000 feet high and the valley floor itself is about 8,000 8 feet above sea level, so it's very cold there. 9 We have Januarys and Februarys where it gets 10 down to 30 below almost every day, which I know is not 11 really cold here in Alaska, but it is on the mainland, but 12 it's also a very important and sacred place. 13 The mountains to the east of our farm. I 14 cherish those places. The rivers are named the Rio Grande. 15 And my grandfather was named after those mountains, St. 16 John the Baptist. We have been in that place for a very 17 long time. It's not frankly as long as many of you have 18 been here in Alaska and been in your place since time in 19 memorium, but as standards for the mainland go for 20 non-Native Americans, my family has been farming the lands 21 of the Rio Grande River for over 400 years, so I recognize 22 the importance of the issues and the passion which you all 23 speak about. 24 I want to again thank Governor Palin and

Senator Begich and Senator Murkowski and Congressman Young

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1	for being here. And want to thank each of you for taking		
2	off half a day to be here with us, and, again, this		
3	opportunity for you to comment will continue on into for		
4	as long as you want. One of our last meetings I think it		
5	went to about 8 o'clock at night, so there will be an		
6	opportunity for all of you to provide us some comment.		
7	We will be back in Alaska again. Thank you		
8	very much.		
9	MR. AURAND: Before we get started, the		
10	format for this meeting is a little bit different than it		
11	was for the Secretary this morning. We've given out quite		
12	a few speaker cards, and in order to make this work we need		
13	to all work together or we'll never have time to get		
14	everybody in.		
15	So if I could have the slide presentation,		
16	please. So this is a review, for those who were here this		
17	morning, but I want to run through briefly the meeting		
18	ground rules.		
19	First of all, we all have goals that brought		
20	us here today. Everybody, I think, is excited about and		
21	hopes to contribute to the development of a comprehensive		
22	offshore energy plan that includes both the development of		
23	traditional and renewable sources of energy. If we're		
24	going to do that, we all have to be respectful of the		

rights of the others who are in the room.

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mind.

1	So we've developed some simple quidelines		
	So we've developed some simple guidelines		
2	that we will enforce to try to make sure the meeting goes		
3	as we plan.		
4	If you are in attendance and not speaking,		
5	you should be respectful of those who are making statements		
6	and the others around you. Allow your fellow citizens to		
7	present their views in an uninterrupted manner. Refrain		
8	from cheering, applauding, whistling or making derogatory		
9	remarks about views that you may either agree with or		
10	oppose.		
11	If you have a cell phone, and actually I may		
12	fall into this category, too, now is the time to turn it		
13	off. Yes, I do fall into that category. Excuse me for		
14	just a second.		
15	Okay, mine is off. Hope you took the		
16	opportunity to do that, too. Moving right along. Try to		
17	avoid conversations in the room. The acoustics in here are		
18	pretty good, which means you can hear us, but it pretty		
19	much means everybody else can be hearing you, too. So if		
20	you have a conversation, wait until the break.		
21	Okay, I think as you Laura, what are you		
22	trying to tell me? This. We didn't change the seal?		
23	We're still part of the Department of Interior.		
24	SPEAKER: A point of inquiry, if you don't		

1	MR. AURAND: Would you mind if I might
2	finish the presentation first, please?
3	SPEAKER: I'd be honored.
4	MR. AURAND: We hope you engage and listen
5	to the others and learn and be part of this initiative to
6	try to develop a comprehensive energy policy.
7	If you are a speaker, we would ask that you
8	be registered to speak. I've had some people come up and
9	ask. We call you by number. There are six letters in each
10	numbered group. So when we get started, I will call up
11	group one, and if everybody who took a group one number is
12	here, six people will come up to the front. If you are
13	able, we would like to have you come to the front
14	microphones, it's easier for people in the back, and, if
15	not, we'll take a cordless mic to you. But we prefer that
16	you come up here.
17	When you do speak, Laura, the woman who was
18	holding up the signs this morning, our Vanna White
19	imitator, will go around and pick up your speaker card from
20	you. This is not some nefarious plot. It's hard for the
21	court reporter to understand names when spoken. If we get
22	your speaker number and keep them in order, we can
23	translate your name when we do the transcript.
24	So she will walk over to you and ask you for
25	your sneaker card. So having done that those of you who

Т.	can come to this microphone will make her job easier.	
2	If you didn't sign up yet to get a	
3	registration card, we have given out all the numbers we	
4	have, which should take us through the period. If we	
5	manage to get to the end of the list, we will take	
6	comments, additional comments from the audience, but we did	
7	not want to give out more speaker cards than we could	
8	reasonably assume we would be able to accommodate.	
9	Okay, moving on. When you come up to speak,	
10	give your name and if you are representing an organization,	
11	please state what that organization is. You don't have to	
12	represent an organization, but if you are, please indicate	
13	so. State your issues, your views, your concerns as	
14	concisely as possible.	
15	We will limit each speaker to three minutes.	
16	If you are an elected or tribal official, and those were	
17	all this morning, you would have had five.	
18	Now, when you come up from that, or that	
19	microphone, you'll be able to see the speaker timer on the	
20	table in front of Mr. Goll. I will be up here for seven	
21	hours, so what I will do is when the first group of	
22	speakers comes up, I will sit down and you'll just come	
23	forward to the microphone in order.	
24	If I stand up and try to make eye contact	
25	with you, that means you have 30 seconds. If I start to	

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1 interrupt you, that means you have gone to your three 2 minutes, and at that time I will ask you to try to 3 summarize your comments. I apologize in advance for anyone 4 that I may speak over, but we have to do this if we're 5 going to have a reasonable chance to hear from everyone. 6 That's the only way we're going to get through all those 7 cards. 8 Please be civil and respectful towards 9 everyone who is participating or speaking, and especially 10 towards the MMS staff. This is an outstanding opportunity 11 for all of you to make your views heard. There have been 12 no decisions made. We want to hear from everybody, but to 13 do that we have to maintain order. 14 Now, this is the third one of these that we 15 have done, and it takes a long time to get through all the 16 comments. If you choose to submit written comments, which 17 is perfectly okay, you can give them -- if you have them 18 with you, you can give them to a DOI employee or to Dr. 19 Piltz, who is where, he's over there in the corner right 20 now, but if you hand them to a DOI employee they will make 21 sure they get into the record. 22 Alternatively you can go to the Internet at 23 the address that's shown up there, www.doi.gov, which is 24 the Department's home page. If you look at the bottom of

that page, there is a link that says "more information

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1	about the report and hearings." If you click on that link,
2	it will take you to a website that will explain how to
3	submit comments. Otherwise, you can go straight to the
4	link by typing www.doi.gov/ocs. This is also written on
5	the signs in the lobby.
6	So those are the ground rules. I want to
7	thank you for the participation and what we heard this
8	morning, it was a fantastic meeting and I'm sure it will be
9	just as productive this afternoon.
10	I was reminded that we have something
11	different at this meeting than we've had at the others. We
12	have a telephone call-in line for remote areas, and when I
13	call up a group of six, we will add two telephone call-in
14	people to each group, and they are being taken in order
15	that they called into the phone as well. So we'll have six
16	people here and two people who are calling in remotely.
17	So those are the ground rules. And now I
18	want to go ahead and just introduce in a moment, sir. I
19	want to go ahead and introduce the panel and myself.
20	My name, as you heard this morning, is Don
21	Aurand. I was hired to be the facilitator for the meeting.
22	I'm very hopeful that it's an easy job. It has been so
23	far, but I'm sure it will be here, too.
24	The way this is going to work is when your

group is called you will come to the microphone, and it

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1-C. You just come up in a group of six and we'll take you one at a time and you will address your comments to the

doesn't matter which order, you don't have to be 1-A, 1-B,

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4 panel, who are our MMS employees. They will not be

5 responding to your comments. They are here to listen and

6 to take notes and to mark down the things that they think

7 are important in their deliberations about the plan.

8 The sole exception to that would be if

9 something came up that was a simple yes/no answer, someone

10 might choose to do it, but this is not a dialogue the way

it was this morning. So you'll read your statement, they

make notes, and then the next speaker will speak.

13 So on my immediate left is Mr. John Goll,

14 who is the regional director for MMS in the Alaska region.

15 And then you guys switched places on me. Harold Syms, who

16 is the chief of the Resources Evaluation Division in

17 headquarters in Herndon, Virginia, and Renee Orr, who is

18 the chief of the Leasing Division in headquarters at MMS in

19 Herndon, Virginia.

20 So if I could have anyone who has a number

21 1, 1-A through F. We'll take the three gentlemen on this

22 side first, and then we'll come over to that side.

23 SPEAKER: Point of inquiry. I stand to be

24 recognized.

25 MR. AURAND: This is not that kind of

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- 1 meeting. The rules are that you will speak when your
- 2 number is called.
- 3 SPEAKER: I'm not asking to speak. I'm
- 4 asking for a point of inquiry. It's a simple Robert's
- 5 Rule.
- 6 MR. AURAND: Can you do that without asking
- 7 me a question.
- 8 SPEAKER: I didn't expect it to be so
- 9 complex. I would like to make a point of inquiry. You
- 10 need to recognize me in order to make that point of
- inquiry. These are simple Robert's Rules.
- 12 I'd like to ask if I might, we seem to be
- hung up here, would we be able to sit at the table, because
- 14 everywhere we go we have to stand. We have to read our
- 15 papers. I'd simply like to ask the courtesy to be able to
- 16 have an option to sit down, like a decent person from one
- 17 person to another, to switch back and forth --
- 18 MR. AURAND: If you want, we'll give you a
- 19 cordless microphone, but we're not using the table at this
- 20 time. Okay, sir.
- 21 SPEAKER: Thank you, sir, my name is Steve
- 22 Morrell (ph). I'm the executive director of the Alaska
- 23 Miners Association and I'm testifying on behalf of the
- 24 association.
- 25 The Alaska Miners Association was founded in

1	1939, and represents all aspects of the mining industry,
2	including prospectors, geologists, engineers, small family
3	mines and major mining companies.
4	We urge that the OCS of Alaska and elsewhere
5	in the United States be opened to oil and gas exploration
6	development as soon as possible. The needs of the oil and
7	gas in these areas is for our economy, for our political
8	security, for our military security, and to maintain
9	existing jobs and create new jobs for our citizens. These
10	goals can be met by developing our domestic energy sources,
11	including the OCS.
12	The mining industry is dependent on a stable
13	supply of energy. Mining requires large amounts of energy.
14	Much of that energy must come in the form of diesel fuel.
15	Mobile equipment for both surface and underground mines
16	depends on diesel powered loaders, trucks, dozers,
17	excavators in all manners (indiscernible).
18	In 2008 we were painfully reminded of these
19	facts when fuel prices rose to all-time highs. The United
20	States today is effectively a political hostage to the
21	countries in the Middle East that are often not our
22	friends. When we buy oil from these areas, we become
23	dependent on these countries and compromise our ability to
24	defend our friends, including Israel.
25	Oil and gas development in Alaska has been

1	proven to be environmentally safe. Oil and gas operations
2	on Alaska's North Slope are the finest in the world and
3	they continue to improve.
4	Oil offshore platforms in Cook Inlet have
5	operated for many decades, and these, too, have an
6	excellent environmental performance record. We urge that
7	the OCS of Alaska and the Lower 48 states be open for
8	development of oil and gas and that this be done in a
9	legally defensible way and at the earliest possible time.
10	Thank you very much.
11	SPEAKER: Thank you for the opportunity.
12	It's good to see Mr. Goll and Mr. Syms and familiar faces
13	here. And Renee Orr's name is so familiar to all of us who
14	look at the MMS website that I'm sure you could be elected
15	president next time.
16	I'm Dave Harbor (ph), and I would have told
17	the Secretary were I to have spoken this morning, but I'm
18	an ex-patriot Coloradoan, and I've been up here over 35
19	years. I'm a retired regulatory commissioner, and I serve
20	as a volunteer on the Consumer Energy Alliance board of
21	advisors, and we support the appropriately aggressive oil
22	and gas five-year leasing plan.
23	Since Alaska is the most prospective of all
24	the OCS areas, we do urge you to work with industry to
25	solve the concerns that our massive energy resources might

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1	be monetized and used for the benefit of consumers.
2	I'm going to offer some informal comments,
3	and therefore I'm going to cut it short and turn in my
4	prepared comments if I may. And look through this through
5	the eyes of consumers, through people who live in their
6	homes.
7	I believe that these people want what the
8	Secretary wants, which is his three priorities of economic
9	security, national security, and environmental security,
10	that's an appropriate lens, but looking through with the
11	eyes of consumers.
12	I would have pointed out to the Secretary
13	this morning that this is our statehood year, our 50th
14	anniversary. Secretary Salazar is the 50th Secretary of
15	Interior presiding over the federal common property in this
16	state and in all 50 states. And he himself pointed out
17	this morning that he and you who share that command have
18	control over more than 50 percent of the state of Alaska.
19	It's therefore appropriate for me to leave
20	with you pins that show the state of Alaska superimposed on
21	the United States of America, demonstrating that if we cut
22	Alaska in half, Texas would be the third largest state and
23	would almost in its entirety be regulated by government, by
24	the Department of Interior.

Alaska should share, and one of the

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1	questions	that	you	ask	in	the	plan	has	to	do	with	revenue

2 sharing, and Alaska should share in the revenue just as all

- 3 other adjacent states should. To not share in the bonuses
- 4 and royalty schemes would be to deny these states a share
- of the expense that they have to pay to support OCS
- 6 activity.
- 7 Sometimes I think we're here discussing OCS
- 8 and we're really discussing the survival of a nation, and
- 9 that's what this discussion amounts to. Hydrocarbon fuels
- our military, our travel to work, enables us to have
- 11 delivered to Alaska everything in this room. I know we
- don't want to stop OCS development, and I would have asked
- 13 the Secretary this morning to do what his three priorities
- 14 call for: Deal with the economic security, the national
- 15 security, the environmental security, and urge him that the
- 16 three are not mutually exclusive. Thank you very much for
- 17 the opportunity.
- 18 MR. AURAND: Next gentleman over here,
- 19 please.
- 20 SPEAKER: Good afternoon, panel, welcome to
- 21 Alaska. My name is Dave Thompson, and I'm the executive
- 22 director of the Alaska Trucking Association.
- 23 The Alaska Trucking Association is an Alaska
- trade association comprised of nearly 200 members, 200
- 25 member companies of all the diverse trucking operations in

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T	Alaska. Trucks move hearly 33,000 tons of freight each
2	business day in Alaska. Like the rest of the United
3	States, many communities depend exclusively on trucking to
4	supply the essential goods that they use in their daily
5	lives, and, as in the Lower 48, trucking is the backbone of
6	the economy of Alaska.
7	In order to move the U.S. economy as well as
8	the Alaskan economy, the U.S. trucking industry consumes
9	over 39 billion gallons of diesel fuel annually. For most
10	trucking companies, the cost of fuel has caught and
11	surpassed labor as their largest expense. Alaska has
12	firsthand experience with high fuel prices, some of the
13	highest prices in America.
14	In the absence of viable alternative fuel
15	sources, diesel fuel will continue to be the prime fuel
16	source for on-road trucking in the foreseeable future. The
17	American and the Alaska trucking industry are the backbone
18	of our economies, and with that in mind the federal
19	government needs to ensure that the trucking industry has
20	access to adequate supplies of high quality fuel at
21	reasonable prices so that the trucking companies can
22	continue to deliver essential goods to America and to
23	Alaska.
24	I'm here today showing strong support of
25	developing more domestic oil and natural gas resources by

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1	greatly enlarging the areas offered for sale in the OCS
2	leasing program for 2010 through 2015.
3	If recent events have taught us anything,
4	it's that our nation and Alaska wants to develop energy
5	supplies right here in America, right here in our own
6	backyards. MMS estimates the undiscovered federal OCS
7	resources to be about 18 billion barrels of oil, and 77
8	trillion cubic feet of natural gas.
9	I'm not an oil and gas expert, but if memory
10	serves me, the maximum output the Alaska Pipeline
11	throughput from Prudhoe Bay was about 25 percent of
12	domestic U.S. production. The current OCS plan in its
13	mission is to support future economic growth and to help
14	reduce our independence on imports. The five-year plan is
15	needed and the MMS should expand U.S. oil with a high
16	priority. Alaska plays well into the new five-year plan as
17	well as there are huge offshore prospects that may very
18	well help America begin to make progress towards energy
19	independence. Thank you very much.
20	MR. AURAND: If we can, go over to the other
21	side of the room.
22	SPEAKER: My name is Paul Laird (ph). I'm
23	general manager of the Alaska Support Industry Alliance.
24	The alliance is a non-profit trade association representing
25	nearly 500 member organizations with more than 35,000

_	Araska emproyees that provide goods and services to
2	Alaska's oil, gas, and mining industries, and whose
3	livelihoods depend on a healthy oil and gas industry and
4	investment climate in Alaska.
5	We support oil and gas leasing and
6	development of OCS Anchorage. And with me today I have
7	messages from 378 of our members and supporters who endorse
8	our position on OCS development. That's 378 Alaskans.
9	We support leasing because particularly in
LO	these times of widespread unemployment and depressed
l1	business activity we need more good paying jobs and
L2	business opportunities, not fewer. We support it because
L3	with the U.S. exporting tens of billions of dollars every
L4	month in order to import oil and gas, we need to produce
L5	more of our own energy, not less. We support it because
L6	the federal and state and local government deficits
L7	skyrocketed.
L8	We need more and new sources of revenues to
L9	balance government budgets, not less revenues or a greater
20	tax burden on existing revenue sources. We support it
21	because companies like ConocoPhillips and Shell that have
22	shown the greatest interest in finding new sources of oil
23	and gas on Alaska's Outer Continental Shelf have proven
24	track records of developing oil and gas resources without
25	compromising the environment both onshore and offshore.

1	America and Alaska's OCS hold the key to
2	jobs, jobs in places like Alaska where hundreds of oilfield
3	workers and professionals have been laid off the last few
4	months. It holds the key to economic growth, revenues, and
5	energy security. We need access to them now, not five
6	years from now, and not some day. Thank you.
7	SPEAKER: Good afternoon, my name is Eric
8	Brower. I'm a whaling captain from Barrow, Barrow, Alaska,
9	and chairman of the Alaska Whaling Commission, representing
10	coastal villages on the Arctic coast from the Bering Strait
11	region to the Canadian border.
12	We're subsistence hunters who feed our
13	families and villages from the ocean. We've done this for
14	thousands of years and continue to do so today. Under
15	federal law our subsistence hunting is the only take of
16	marine mammals subject to MMPA's moratorium on marine
17	mammal takes. Offshore oil and gas activities are subject
18	to MMPA moratorium. Federal law allows small takes of
19	authorizations to be granted to offshore operators only in
20	cases where the operation doesn't interfere with our
21	subsistence hunting. The mandate is to protect our
22	available resources in our culture activities relating to
23	hunting of the bowhead whale. Part of this mandate is to
24	make sure that offshore drilling does not harm our
25	resources or our ability to hunt them.

1	When offshore oil and gas activities first
2	started to interfere with our hunting in the early 1980s,
3	we began working with offshore operators to develop
4	mitigation measures. We started an adaptive management
5	strategy. Each year we looked at which mitigation measures
6	worked and which did not. Then we refined the mitigation
7	measures for the following year. These mitigation measures
8	are set forth in the AEWC's open water season conflict
9	avoidance agreement, the SCAA, which we have developed
10	working with operators over the past 23 years.
11	Under the CAA thousand of track miles of
12	seismic has been shot. The first offshore oil production
13	was in federal waters in the Arctic had been developed.
14	Numerous nearshore sites have been developed as well. It
15	makes the offshore exploration and development process more
16	efficient and more predictable for everyone if we could
17	work with the Department of Interior and the Mineral
18	Management Services to incorporate these mitigation
19	measures and the CAA process into the MMS permitting
20	process.
21	It would be more efficient than waiting
22	until the permits are issued than trying to forge a
23	compromise to change their minds after the fact.
24	Unfortunately, in Alaska we are not able to cooperatively
25	work with MMS. The agency works in close cooperation with

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1	oi l	and	gas	operators.	It is	responsible	for	the	village.

- 2 It's misleading the public about scientific research
- 3 efforts when it only plays lip service to the environmental
- 4 and eco impacts while actively seeking to hide those
- 5 impacts from the public.
- 6 MR. AURAND: Can I ask you to summarize,
- 7 sir?
- 8 SPEAKER: According to MMS, people can go
- 9 four years without major food resources and yet suffer most
- 10 significant nutrition resource defects. This is part of
- 11 the MMS finding on no significant impact from offshore
- drilling in the Arctic. For mitigation measures you have
- 13 the environmental impact statement, it forces us to return
- 14 to the adaptive management strategy that we used more than
- 15 20 years ago to begin to developing the CAA. This will not
- 16 work. It will only lead to conflict and lawsuits.
- 17 The Department of Interior needs new
- 18 leadership here in Alaska. They need new approaches for
- 19 offshore development in the Arctic. Offshore development
- 20 has environmental impacts and they need to work with
- 21 operators in effected communities to address those impacts,
- 22 not try to hide them from decision makers.
- 23 The second thing the Department of Interior
- 24 needs to do is to suspended further leasing to give
- communities an opportunity, working with local coastal

1 communities, to develop comprehensive management plans for 2 the Arctic that protects all interests and all uses in the 3 Arctic ocean. With the suspension period, the agency also needs to review its leasing terms. 4 5 MR. AURAND: Sir, I'm sorry to do this, but 6 I really need you to summarize. We'll be happy to take the 7 full --8 SPEAKER: I'll turn in my written comments 9 and leave it at that. 10 MR. AURAND: Okay, were you in group 1? 11 SPEAKER: Yes. 12 MR. AURAND: I'm sorry. I didn't see you 13 back there. SPEAKER: Sorry, I was sitting down and you 14 15 lost sight of me. My name is Jeff Foley. I'm a geologist 16 with Calista Native Corporation. Matthew Nickoli, our 17 president and CEO, was here this morning to present these 18 comments, but he was not called upon, so with your 19 permission, I'd like to present the comments for him. 20 Calista Corporation is one of 13 Native 21 corporations created following passage of the Alaska Native Claims Settlement Act in 1971. Calista represents 13,000 22 23 shareholders of predominantly Yupik lineage and a proud contingent of Chupik and Athabaskan heritage. 24

Villages in the Calista region are located

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1	throughout the Yukon/Kuskokwim Delta and along the Bering
2	Sea coast in western Alaska. Life in the region has
3	transitioned from an exclusively subsistence lifestyle to a
4	reliance upon modern technology and goods with strong,
5	proud ties to the traditional cultural values of
6	self-sufficiency and community welfare.
7	Those seeking higher education have to leave
8	the region, and, because of a lack of career opportunities
9	within the region, are challenged to bring benefits of
10	modern society back to the villages.
11	Going to a lack of surface-based
12	infrastructure in the region, transportation relies on
13	natural waterways, aviation, and snowmachine travel in the
14	winter. Electrical energy and fuel costs are three to five
15	times what they are in the railbelt of Alaska and the Lower
16	48 states, and unemployment is extremely high.
17	Wind-powered generation is a good fit for some of the
18	villages, but they will remain primarily dependent on
19	petroleum based fuels for the foreseeable future.
20	With the exception of a mostly collapsed
21	commercial salmon fishing industry, there is little to no
22	economic development.
23	35 years ago, shortly after the ANCSA Native
24	corporations were formed, there was local resistance to

petroleum exploration and development of nearshore and

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1 onshore environments at the mouth of the Yukon River. 2 Since then Native corporations have evolved and matured, 3 their shareholders and decendents are contributing and 4 leading roles in government and industry across Alaska, 5 around the country, and internationally. 6 Meanwhile, the petroleum industry has 7 effectively demonstrated that it can perform safely in the 8 Arctic and sub-Arctic Alaska and in an offshore environment 9 around the world. The regulatory and scientific 10 communities have risen to the challenge of responsibly 11 overseeing offshore oil and gas development with the 12 primary goal of ensuring protection of vital wildlife and 13 modern resources. 14 Today, parents, children, Native corporation shareholders and leaders in the Calista region desire 15 16 opportunities to participate in the global economy while 17 preserving their cultural identity. Responsible 18 development of petroleum resources in the OCS of Alaska as proposed in the draft five-year program and offshore 19 20 leasing by the MMS and the OCS will provide that 21 opportunity. Thank you. 22 MR. AURAND: Thank you. Okay, at this point, we're going to take the first two callers from the 23 24 call-in line. I'm not quite sure how this is going to 25 work, so I just started talking to the air, but if you can

Т	near me, state your name and your organization, it you re
2	representing one, before you speak. Thank you. The
3	operator on the line is controlling this. There is not
4	going to be anybody here. Okay, is this
5	SPEAKER: Thank you, at this time
6	MR. AURAND: There some aspects of the job
7	that are easier than others. Do we have a caller?
8	SPEAKER: First call comes from Kelly. Your
9	line is open.
10	SPEAKER: Hello, I'm from Homer, Alaska on
11	call-in and to weigh in on this important issue. I'm a
12	commercial salmon fisherman in Bristol Bay, and the lease
13	sale, we all need oil and gas, but the lease sale needs to
14	be off the table because of the remoteness of the area and
15	the inability to clean up, and thank you.
16	MR. AURAND: Okay, if we can have the second
17	caller, please.
18	SPEAKER: Hello, can you hear me?
19	MR. AURAND: Yes.
20	SPEAKER: I'll pick up the hand set. This
21	is Steve Dim (ph). I'm living in Healy, Alaska, resident
22	of Healy, Alaska, and I'm representing myself in these
23	comments. I'm a third-generation Alaskan and my
24	grandchildren are fifth generation Alaskans. I've seen
25	quite a few booms and busts, including Prudhoe Bay and the

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1	development of the pipeline.
2	I think I have to say that oil has been the
3	longest and most sustained economic growth and stability
4	Alaska has seen since my family has been in the state, in
5	any event. And I think OCS is very important on both a
6	national and a local level for sustaining that growth for
7	Alaska and the nation into the future.
8	The U.S. has a goal, and it's been stated by
9	many of the energy independents and some of the comments
10	you heard, and to do that one of the things we're going to
11	have to do is realize that we're going to have to be
12	looking at about 20 percent more energy required by 2030.
13	The 25 by 25 goal of meeting part of that, 25 percent of
14	that with renewables is a lawful goal and it may even be
15	achievable; however, that will only cover little more than
16	the growth during that time period and will have little
17	effect on our overall growth on energy independence.
18	The production of U.S. oil, especially
19	offshore where most of our unexplored areas are, are
20	essential to our energy independence. Alaskan's untapped
21	resources must be a part of reaching those goals. There
22	will be risk. No solution to our energy independence is
23	without risk, including renewables, and Alaskans are use to
24	risk and diversity.
25	My grandfather, when he started a fox farm

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1 on the Noatak River outside of Kotzebue did not do it 2 without risk, so we're not strangers to the idea of risks, and we've met that challenge in Alaska. And we have one of 3 the best records for development anywhere in the world. 4 5 Our very statehood was based on the premise that Alaska 6 would be able to develop its resources to support itself 7 going into the future. 8 So in summary, I guess I would say that the 9 U.S. needs new oil development to achieve energy independence and we need it to bridge the gap to get to our 10 11 renewable goals. Alaska is ready, willing, and able with 12 its OCS resources and its onshore resources to support that 13 goal without sacrificing the natural resources that we 14 treasure a whole lot more than the rest of the country. 15 Thank you. 16 MR. AURAND: Okay. 17 SPEAKER: Good afternoon, for the record, I'm Sean Doctorman (ph) representing the Crewman's 18 Association based in Kodiak, Alaska. We're representing 19 20 fishermen, their families, and coastal communities. And 21 with over a thousand members from the North Pacific Fisheries and the West Coast of the United States, we are 22 23 adamantly opposed to any type of oil/gas drilling 24 exploration or leasing in the OCS or the Bering Sea or

Bristol Bay or off any of our coastlines in Alaska.

1	Many of our members fish in either the
2	Bering Sea crab fisheries, halibut, or in inland Bristol
3	Bay salmon or herring fisheries.
4	We bring millions of dollars to the table to
5	Alaska and to West Coast economies. The waterways that we
6	speak of today are the breadbasket of Alaskan fisheries.
7	In them lie the broodstock for king crab, opilio and tanner
8	crab. Many stocks of fish live in the sea bottom, such as
9	yellowfin sole, cod and pollack where they would like to do
10	exploration. Many stocks of fish, such as salmon and
11	herring, migrate through the Bristol Bay area and spawn in
12	the rivers and estuaries. Large populations of marine
13	mammals live here also, such as walrus, sea lions and seals
14	and the whales that pass through.
15	And the endangered right whale transit
16	Bristol Bay, and many think that this may be their breeding
17	ground. And birds from around the world flock to Bristol
18	Bay in the spring and the fall to reproduce, and we think
19	there would be much too high of a price to pay if there was
20	even a small accident of dumping of any unrefined petroleum
21	resource here.
22	Therefore, we thoughtfully ask for this idea
23	of any exploration to be stopped here in any of the coasts
24	of the state of Alaska. I'm personally a Bristol Bay
25	permit holder, fished there for 20 years. Fished king crab

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1	and tanner crab in the Bering Sea for 23 years, and fished
2	halibut out there also, so personally I'm opposed to any of
3	this. And I thank you for the time that you've allowed us
4	to speak here.
5	MR. AURAND: Thank you for all the call-ins.
6	At this point in time I want to just ask the six people who
7	came up before, are you all able to see the little just
8	yell out if you were able to see it and hear the little
9	beep that happens when you hit your three minutes.
10	Is that working for everybody? Nobody is
11	saying no. So can I have everybody who has a 2, 2-A
12	through F. And once again, we'll take people on this side
13	first, and then we'll come over there. Go ahead, sir.
14	SPEAKER: Good afternoon, my name is John
15	Zager. I'm the general manager for Alaska for Chevron
16	North American Exploration and Production Company. Our
17	company is the third largest producer of oil and gas in the
18	United States.
19	We are very active in developing new onshore
20	and OCS production to help meet America's energy needs.
21	Stabilizing and strengthening our economy is a top
22	priority, and expanding offshore access is represented by
23	the proposed MMS 2010/2015 OCS plan to play an important
24	role in our recovery.

Every barrel of oil and cubic foot of gas

Т	produced under this plan offsets the purchase of the same
2	amount from overseas, which increases employment, our
3	energy security, and improves our balance. Our country's
4	energy future is not a choice between oil and gas and
5	alternative energy.
6	Independent studies have demonstrated that
7	we need to develop all forms of energy. In the same way,
8	the OCS leasing is not a choice between OCS development and
9	the environment, we need development and environmental
10	protection.
11	The oil and gas industry has proven it has
12	the technical capability and operating procedures in place
13	to minimize environmental impact, and we continue to
14	improve new technologies continually.
15	The MMS five-year plan and subsequent
16	leasing programs have multiple environmental review steps
17	which are robust and address the effects of exploration and
18	production activities on human, marine, and coastal
19	environments.
20	If OCS development is not implemented, this
21	oil and natural gas will be produced by somebody somewhere
22	else in the world but not under the stringent environmental
23	controls that are present to us in the U.S. We have
24	specific recommendations about the five-year plan.
25	MMS should hold the current September 21st,

1	2009 deadline on comments, and then move forward quickly to
2	develop and publish the final plan. The plan should
3	identify high priority and newly available areas for
4	leasing in the early years of plan implementation.
5	MMS should pursue leasing of four moratorium
6	areas and prioritize a phased approach. Given limited and
7	government and industry resources, not all areas can be
8	leased and explored at once, but should be prioritized
9	based on known potential for successful development.
10	Chevron has provided written comments with specifics during
11	the prior phase of this, and we'll update those
12	recommendations in our next written submittal. Thank you
13	for the opportunity.
14	SPEAKER: Good afternoon. My name is Geoff
15	Haddock (ph), and I'm the Alaska exploration manager for
16	ConocoPhillips. I appreciate the opportunity to come speak
17	before the Department of Interior and MMS this afternoon.
18	ConocoPhillips favors developing all forms
19	of energy, conventional, renewable and alternative.
20	However, even with aggressive alternative energy research
21	and development, most sources estimate that fossil fuels
22	will represent more than 80 percent of the world's total
23	energy supply even by 2030.
24	In addition, the United States currently
25	produces only 42 percent of the oil it uses each day. So

the	majority	of	our	oil	must	be	imported,	leaving	us	

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- 2 vulnerable to supply disruptions. Given its background,
- 3 ConocoPhillips strongly encourages the MMS to continue to
- 4 promote leasing, exploration and development in the
- 5 nation's OCS waters.
- 6 The MMS embraces the Chukchi Sea as one of
- 7 the most promising areas for offshore oil and gas
- 8 exploration in the United States, second only to the Gulf
- 9 of Mexico. The MMS decision to lease in the Chukchi Sea
- 10 was not arrived at quickly. It was made after extensive
- 11 environmental analysis and public comment period over six
- 12 years.

- 13 ConocoPhillips strongly believes that the
- 14 MMS took a hard look required by the National Environmental
- 15 Policy Act prior to holding OCS Sale 193 in the Chukchi Sea
- 16 last year. ConocoPhillips sees great potential in the
- 17 Chukchi Sea as evidenced by our investment of 506 million
- dollars on 98 OCS leases. Our company has also invested
- 19 tens of millions of dollars working with universities,
- 20 research institutions, and local stakeholders on a
- 21 multi-year program collecting biological, oceanographic and
- 22 air quality data in the Chukchi Sea. We are taking a
- 23 measured and responsible approach in preparing for our
- 24 initial exploration well in the Chukchi Sea, which is now
- 25 planned for summer of 2011.

1	As the largest owner of state and federal
2	leases in Alaska, a major owner in the three largest oil
3	fields on the North Slope, and an operator in the Cook
4	Inlet, ConocoPhillips has decades of safe and
5	environmentally responsible operating experience in Arctic
6	conditions.
7	ConocoPhillips is also 50 percent owner in
8	Denali, the Alaska gas pipeline, which is working to
9	advance a natural gas pipeline from Alaska to the Lower 48.
10	And we own a 28 percent share of TAPS, the Trans-Alaska
11	Pipeline System.
12	Alaska's North Slope production continues to
13	decline, with TAPS currently flowing at a third of pipeline
14	capacity. Persistent onshore exploration on the North
15	Slope has not resulted in oil discovery sufficient to
16	extend the decline of supply. The Arctic OCS waters,
17	particularly the Chukchi Sea, has the potential to
18	significantly extend the life of TAPS and provide a source
19	of natural gas that could help fill the proposed large
20	diameter natural gas pipeline from the North Slope.
21	If exploration efforts are successful, new
22	OCS resources would play a vital role in increasing
23	America's independence on foreign oil, while assuring a
24	safe supply of oil and natural gas during the critical
25	periods while America balances fossil fuel energy use with

1	other types of energy.
2	ConocoPhillips is an industry leader in
3	pushing for alternative energy while also addressing
4	climate change. Since early 2007 we have been a member in
5	and an active participant in the U.S. climate action
6	partnership and passed legislation to fight global warming
7	and seek the federal
8	MR. AURAND: Can you wrap it up?
9	SPEAKER: Yes, sir. In closing,
10	ConocoPhillips supports ongoing leasing in Alaska's OCS,
11	and we are committed to explore the Chukchi Sea responsibly
12	with respect for the environment and in a manner which also
13	respects the subsistence way of life and residents of the
14	North Slope. Thank you very much.
15	SPEAKER: Thank you, my name is Jim Ayers,
16	Alaska resident, lived here for a little over 30 years.
17	I'm a former deputy commissioner of the Department of Fish
18	& Game. I worked as chief of staff for Governor Tony
19	Knowles for seven years, and I was the executive director
20	of the Exxon Valdez Oil Spill Trustee Council as we
21	developed a restoration plan.
22	I had some remarks, which I will submit to
23	you in writing, but I've been thinking about this morning's
24	meeting and I offer the following.
25	Most of the speakers, including Governor

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1 Palin, Senator Mark Begich and Lisa Murkowski, talked about 2 the incredible -- they talked about the fisheries, the marine mammals. There are birds from all seven continents 3 found in and around the Arctic waters, and in particular 4 5 peoples of the Arctic and their relationship and their way 6 of life with the Arctic ocean. 7 Almost all, including Governor Palin, 8 referred to the effects of global climate change. And I 9 wanted to say how much I personally appreciate that all of 10 our elected officials now understand the severity of the 11 problem and that it is most immediate and profound in the 12 Arctic oceans. 13 There are those who are promoting moving 14 forward for rapid industrialization of the Arctic because of economic benefits and efficiencies. And while that 15 16 might be the responsibility of the MMS and the Department 17 of Commerce, that is not the responsibility of the Secretary of Interior, who has the responsibility to 18 19 balance the social and environmental justice with the push 20 for economic efficiencies. 21 There is a comment by the Governor and 22 others about the importance of having a comprehensive 23 energy plan. I would add conservation. Many of them, 24 including the Governor, talked about conservation. We need 25 a comprehensive energy and conservation plan for the

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1	Arctic.	We need,	as	she	and	others	said,	to	identify	the

- 2 important energy areas and the important ecological areas
- 3 and provide for the demonstrated protection and response
- 4 capability. We have neither. We have never seen a
- demonstrated capability to protect the environment from an
- 6 oil spill in Arctic conditions. It would be irresponsible
- 7 to move forward.
- 8 And in closing I would say for the Secretary
- 9 that, in fact, the question is that of prudence, which is
- 10 thinking with understanding about the nature of the
- 11 question, and the nature of the question is going to be
- found in understanding the science of what's happening in
- 13 the Arctic system and to the people's way of life in the
- 14 event of hydrocarbons in that marine environment.
- 15 So I want to thank you for taking the time,
- and I urge the Secretary to fulfill his responsibility, not
- 17 as a position of commerce, but that of stewardship. Thank
- 18 you very much for your time.
- 19 SPEAKER: Good afternoon, my name is Deborah
- 20 Williams. I'm president of Alaska Conservation Solutions.
- 21 I'm also the former special assistant to the Secretary of
- 22 Interior in the Clinton Administration under Secretary
- 23 Babbit. So I've had a lot of exposure to the issues that
- 24 are in front of you today.
- 25 You are, of course, at ground zero for

1 global warming. You are on the front line. There is no 2 state, no marine system that is more affected by global 3 warming and ocean (indiscernible) than Alaska and the Arctic Ocean. 4 5 I want to thank the Secretary, the 6 Administration and all the men and women of the Department 7 of Interior for everything you have done since the election 8 to promote renewable energy, energy efficiency, and also to 9 address global warming, and I'm here today to make four 10 quick points. 11 First of all, to emphasize that because we 12 are at ground zero, we are the front line of global 13 warming. What you do in the Arctic Ocean and the Bering 14 Sea matters more than any time it ever has in the past. You have cultures and species of animals at tremendous 15 16 stress, and so we need to be more cautious, more 17 precautionary, more thoughtful than we've ever been before. 18 But here is the good news: The OCS has a 19 very vital role to play in our jobs and economics in 20 community wellness future, and that is, of course, with 21 renewable energy. 22 We saw this morning the vast potential that 23 Alaska has -- and this is the third point I would like to 24 make -- those are not stranded resources when we look 25 forward. What I first and foremost urge the Secretary,

_	this Admithistration, and the tremendously tarented men and
2	women of the Department of Interior, including the
3	tremendously talented men and women of MMS and USGS, is to
4	embark on the following, exciting inquiry. And that is:
5	How can we use these resources off Alaska's coast, our
6	wind, our wave, our tidal, and, first of all, transport
7	that renewable energy to communities as efficiently as
8	possible so that Yakutat, for example, could run entirely
9	on renewable energy.
LO	And for those that are even more stranded,
L1	how can we turn that renewable energy and use our water
L2	resources into hydrogen and become the leading hydrogen
L3	exporting state in the world, clean hydrogen, hydrogen made
L4	out of water. So if we use your tremendous resources, your
L5	talent, your ingenuity, joining with Department of Energy
L6	and others, we can look at the brightest possible future of
L7	using the OCS to address global warming, to address jobs in
L8	energy, and to address the brightest future imaginable.
L9	That is the challenge that I urge Secretary
20	Salazar to take and the men and women of the Department of
21	Interior to take. Thank you very much.
22	SPEAKER: Good afternoon, my name is Wendy
23	Lindsey (ph) and I'm the assistant vice-president of
24	corporate affairs for the Alaska Railroad Corporation. I'm
5	testifying in support of offshore oil and gas development

1	in Alaska, and specifically in support of the draft
2	proposed five-year OCS program for 2010 through 2015.
3	Established in 1914, the Alaska Railroad is
4	a regional railroad stretching about 500 miles from
5	tidewater in Seward and Whittier to Fairbanks in Alaska's
6	interior. We employ about 715 year round employees, and
7	approximately 70 percent of our revenues come from hauling
8	freight. My company supports OCS oil and gas development
9	opportunities in Alaska because our state's economy is
LO	largely dependent upon resource development.
L1	Likewise, the Alaska Railroad's fiscal
L2	health is tied to resource development. About 10 percent
L3	of our business portfolio includes the transportation of
L4	heavy equipment, pipe, and other oilfield supplies for the
L5	state's oil and gas industry.
L6	Furthermore, moving fuel from the Flint
L7	Hills Refinery south to Anchorage represents over 20
L8	percent of our overall revenue, and Flint Hills is
L9	dependent on Alaska oil production transported through the
20	pipeline for its feedstock.
21	The railroad also serves as an economic
22	engine for local and state commerce providing
23	transportation services, well paying jobs, railroad and
24	non-railroad alike. A study conducted by the University of
25	Alaska's research arm found that for every 1 million

1	increase in railroad operation spending, 14 new jobs are
2	created; for a million increase in capital spending, that
3	creates 13 jobs. And I say this because we do create a lot
4	of jobs, and our jobs are very dependent on freight we
5	haul, but tough economic times have hit Alaska specifically
6	on business.
7	During the past year-and-a-half in response
8	to a decrease in business, the Alaska Railroad has
9	downsized over 100 positions, implemented a hiring freeze,
10	and frozen pay. Our state and our nation must support
11	opportunities to create and sustain American jobs. The OCS
12	offers that kind of opportunity. Opening this area to
13	development would dramatically increase Alaska oil and gas
14	production. It would create tens and thousands of new jobs
15	and would generate hundred of millions of dollars in
16	federal, state, and local government revenue.
17	To again quote the University of Alaska in a
18	recent study it conducted, OCS production could provide an
19	annual average of 35,000 jobs for 50 years and 72 billion
20	in new payroll. Access to OCS has the potential to
21	increase throughput in the Trans-Alaska Oil Pipeline which
22	is currently operating at only one-third capacity.
23	OCS development may also be a key building
24	block in support for the proposed natural gas pipeline from
25	the North Slope to the Lower 48 because addition gas

Т	reserves beyond those arready discovered are needed to make
2	the project economically feasible. Should the gas in the
3	pipeline be constructed, the Alaska Railroad would see a
4	tremendous boost in the short-term revenue from the project
5	due to movement of construction-related materials.
6	We would also see long-term benefits from
7	the opportunity to support ongoing maintenance and
8	operations of the line. Alaska industries and businesses
9	have proven time and again that we can safely and
10	responsibly develop all our state's abundant resources
11	simultaneously while protecting our wonderful environment.
12	We ask that you give us a chance to continue extending that
13	track record out into the OCS. Thank you.
14	MR. AURAND: Have we got a phone call in?
15	If we could have group 3, 3-A through F. We'll get you a
16	microphone, sir.
17	SPEAKER: Thank you very much for this
18	opportunity to testify. My name is Tom Lokash (ph), I
19	reside in Anchorage and have long utilized the commercial
20	and subsistence marine resources in Southcentral Alaska,
21	and I've endeavored to understand the applicable oil spill
22	law and I've researched oil spill technology ever since the
23	Exxon spill. And the resources I've used have been
24	devastated by the Exxon Valdez oil spill.
25	Now I have prepared text that I provided

1	with attachments that I provided to the Secretary this
2	morning, Senator Elton was last seen with them, and they
3	reference and incorporate a compact disc that I provided to
4	Kristie Boll (ph) of the Anchorage MMS office, and I hope
5	you will look at that.
6	And I was going to go through the defects in
7	the MMS leasing policies and oversight and research and
8	development and suggest my basic concept for development of
9	renewable resources, wind, concurrent co-generation of
10	wind, wave, and tidal or ocean current power off Cape
11	Hatteras in the Oregon coast and Cape (indiscernible) in
12	Alaska. I have to dispense from that given the testimony
13	from Chevron here previously. And I beg that you folks
14	really take a close look on how the industry has gotten
15	over its head and runs away abandoning its oil-laden
16	facilities because they failed to properly plan and produce
17	the alleged environmental safe operation of its facilities.
18	Right now, Chevron with Pacific Energy
19	operate the Drift River oil terminal and the pipeline to
20	Trading Bay. In 1990 their facilities were flooded. They
21	knew that they were in an extremely hazardous area. They
22	tried to engineer a dike that was designed for floods and
23	not the hydraulics of lahars, and they didn't enclose their
24	entire facility, and they knew it, building a safe haven,
25	where they knew their other facilities would be washed out.

1	They knew they couldn't operate their oil
2	spill contingency plan along the rivers that were subject
3	to lahars. They only put their pipe deeper at two river
4	crossings that were scoured out when the entire Redoubt
5	area habitat was subject to scouring and lahars and the
6	braided streams. So what you have is an industry getting
7	in over its head and then running away like scared little
8	girls when they realized they couldn't cope with the
9	circumstances and the apple they had bit off.
10	And off the record and entirely without any
11	serious (indiscernible) whatsoever, for all of those DOI
12	personnel that have granted oil lobbyists unprecedented
13	access, I might petition them to consider that
14	environmental investigators produce safe signs, are willing
15	to cuddle after access, and will call the next day.
16	Thank you. Here is the first three pages,
17	I'll give you a card as well.
18	SPEAKER: Thank you for coming to Alaska.
19	We appreciate your taking the time to hear us speak. My
20	name is Elise Wolf, and I'm from Homer, Alaska, that's five
21	hours south on the Kenai Peninsula, and we border the Cook
22	Inlet.
23	My family has been here since 1964 and I
24	come from a community that's almost entirely dependent on
25	our pristine water and land and fishing and tourism. We

Т	believe that there should be no leasing in the Chukchi Sea,
2	portions of the Beaufort, Bristol Bay, or the lower Cook
3	Inlet. The reasons for this is for is because what's
4	been happening in the Cook Inlet for the last 40 years.
5	The Cook Inlet is often used as an example
6	of responsible oil development in the Alaska's OCS. We
7	I and many others would like to disagree with this and
8	suggest that there has not been enough studies in the Cook
9	Inlet, toxicology studies, sedimentation, to in fact
LO	support such a statement. Few toxicity studies have been
L1	performed in the Cook Inlet to prove low or no impact.
L2	Cook Inlet is the only coastal water body in
L3	the nation where industry legally dumps billions of gallons
L4	of toxic waste into a fishery each year. A 2003 EPA study
L5	of subsistence foods found a host of the same toxics
L6	discharged by industry. Groups must continually sue to
L7	protect fish, water, and water quality. We have dangerous
L8	oil terminal docks, radical navigational safety challenges,
L9	single hulled tankers, and a terminal at the base of a
20	spewing volcano.
21	Cook Inlet fishing and tourism industries
22	and our communities have endured continuous disregard and
23	impacts. Thousand of citizens in '07 opposed leasing in
24	the lower Cook Inlet and we were ignored. Cook Inlet
25	remains ill-equipped to prevent or respond to a

1	catastrophic spill as evidenced in the Drift River incident
2	currently.
3	Regarding the EISs of the current five-year
4	plans, a positing of scientific data and information does
5	not mean no or reduced impacts, yet MMS continues to use
6	Alaska's data as proof of lower impacts. No development
7	should occur where there is no effective way to deal with
8	oil spills, and per the MMS and industry, sea ice prevents
9	oil spill cleanup, and mitigation and monitoring plans that
LO	have little chance of effective implementation are not true
L1	forms of mitigation. Plans are not actions.
L2	Finally, I would suggest that MMS conduct
L3	toxicology studies in the Cook Inlet, including sediments,
L4	nesting marine life, substrates, and water to prove
L5	actually that we have 40 years of responsible oil
L6	development. And finally to listen to the comments by Cook
L7	Inlet Keeper and Kachemak Bay Conservation Society.
L8	And finally, my parting comments are, we are
L9	charting a new course to an energy future. Is it ethical
20	to pursue highly risky development in irreplaceable regions
21	and waters, and is it ethical to impose further stressors
22	on animals and people already under extreme pressure of
23	climate change. Thank you.
24	SPEAKER: Offshore development is critical
25	to Alaska citizens. The U.S. and our energy

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1	independence my name is James Gilbert. I have lived in
2	Alaska for 33 years and I've worked for Udelhoven Oilfield
3	System Services. We are an oil and gas support company
4	with over 500 employees. We do work in the private,
5	industrial, and commercial sectors all over Alaska and the
6	world. We have offices in Houston, Texas, Anchorage,
7	Nikiski. We're an Alaska-based company and have been here
8	since 1970.
9	North Slope oil production plays a critical
10	role in providing domestic oil, accounting for roughly one
11	out of every eight barrels produced in the U.S.
12	Since peaking in the late '80s, North Slope
13	production has declined by more than two-thirds, and it
14	could reach the minimum throughput threshold for the
15	Trans-Alaska Pipeline in the next 15 years without
16	significant new discoveries in development.
17	If we're going to expand our domestic
18	production in federal offshore waters, we need access to
19	new areas that have not been available for oil and gas
20	development. Federal offshore waters hold the greatest
21	potential for finding new energy resources and bringing
22	them to market in the next five to ten years.
23	Domestic oil and gas development has a
24	positive impact on the U.S. economy and on the federal

treasury because it creates jobs, reduces U.S. reliance on

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1	imports, and generates federal revenue. Reducing reliance
2	on imports has to be the number one priority followed
3	closely by our record of protecting the environment.
4	I would urge all who can to visit the North
5	Slope fields and see that after 30 years of production you
6	will not see a better operated field anywhere in the world.
7	The caribou population alone has almost
8	tripled since field start-up in 1977. Polar bears den all
9	over the Slope. And recently an ice road was abandoned
10	after a polar bear emerged from its den close by, further
11	proof of the attention that we pay to all the wildlife.
12	Thank you for the opportunity to speak to you on this vital
13	issue. It is of great importance to all of us.
14	SPEAKER: Good afternoon, thank you for the
15	opportunity to speak. My name is Maynard Tapp. I'm part
16	owner of a small company of consultants. We provide jobs
17	to Alaskans, over 80 Alaskans. We've been in business here
18	for about 25 years working in the oil and gas industry.
19	But I'm more importantly concerned about the future of
20	Alaska's economy and the future of our nation's security.
21	I strongly urge the Administration to allow
22	development of the Outer Continental Shelf here in Alaska
23	and throughout our nation. Secretary Salazar and Secretary
24	Chui (ph) need to build a 25 to 50 to a hundred year energy
25	plan and describe how we will ultimately transform

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1	fossil-based economy to alternative forms of energy. The
2	OCS is a foundation element in that transition.
3	The existing oil and gas producers are
4	energy companies that will take our great nation into the
5	future. It is in their best interest and in Alaska's best
6	interest. An uninterrupted supply of energy from North
7	America's supply is the cheapest way to accomplish the
8	goals of energy independence. Restricting sources only
9	raises the cost of those that can least afford it.
10	The United States is in a very vulnerable
11	position related to world energy consumption. Where and
12	what is our energy policy? Even if we began producing
13	tomorrow at the OCS, it will take us years or approval
14	tomorrow to begin, it would take us years to develop that
15	resource. Technological development of energy sources such
16	as fuel cell technology, natural gas new technologies,
17	wind, wave, and solar technologies are decades away from
18	meeting our growing national energy needs.
19	The United States will lead the development
20	in these sources of energy; however, it cannot happen
21	overnight. Research and development of the U.S.
22	government, U.S. government certification permits,
23	engineering, it will all take time. 70 percent of our
24	surveys show that Alaska 70 percent of Alaskans surveyed
25	showed support developing this offshore resource.

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1	Remember, oil and gas companies are made of
2	Alaskan people who care about the environment and the
3	cultural conservation. I'm getting close to the end here.
4	In summary, we need this development to
5	build the uninterrupted supply of energy resources for
6	security of our state and nation. Our partners in this
7	transition are our neighbors, and company's employees in
8	the oil and gas producers, no one can do this better than
9	they can. I strongly support the OCS development. Thank
10	you.
11	MR. AURAND: Is there anyone who had a 1 or
12	a 2 or a 3 who was not present when I called the numbers
13	the first time? I've been given the names of three elected
14	officials, and I'm going to apologize, but I'm going to
15	turn around and get under the light where I can read this
16	piece of paper. But Shirley Marquardt, Bessie Quanna (ph).
17	Are you Shirley?
18	SPEAKER: I'm Shirley.
19	MR. AURAND: I don't have to repeat your
20	name, I'm sure I didn't pronounce it right.
21	SPEAKER: Nobody does.
22	MR. AURAND: And Dan O'Hare. Apparently
23	I've been asked to do the same thing for you somebody just
24	did for me. You have to talk into the mic or people can't
25	hear you. Okay, go ahead.

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1	SPEAKER: Thank you very much. Thank you
2	for the opportunity. My name is Shirley Marquardt, I'm the
3	mayor of the City of Unalaska, the port of Dutch Harbor.
4	And like many other municipalities here in the state of
5	Alaska, the City of Unalaska and the port of Dutch Harbor
6	is a firm supporter of the responsible development of our
7	natural resources in order to provide a strong economy for
8	our communities and for the state.
9	As the number one fishing port in the United
10	States that exists in a national wildlife range, we know
11	firsthand that a solid balance between a healthy marine
12	environment and robust economy is not only possible but
13	sustainable, and encourages communities to prosper and
14	thrive.
15	We're cautiously optimistic that oil and gas
16	exploration and production can occur without negatively
17	affecting the healthy and bountiful fisheries resources of
18	the Bering Sea region, and that's very important to us who
19	live in the Aleutian region. We encourage new exploration
20	for oil and gas and the responsible development of natural
21	resources in Alaska. The possibilities for new employment
22	in southwest Alaska are directly related to future resource
23	extraction, and our young adults and students can look
24	forward to opportunities in so many different fields as a
25	direct result of the responsible development of them.

1	OCS exploration can and should be
2	accomplished in the most responsible and respectful way
3	possible, and the United States should make it a priority
4	to reduce our dependence on foreign suppliers of energy
5	resources who do not have the same core beliefs. We don't
6	want these fuels from sources that extract with a heavy
7	hand with little respect for the human and natural
8	environments which they negatively impact.
9	We know that in our lifetime fossil fuels
10	will continue to be the foundation of the world's ability
11	to ship cargo, to provide our transportation and energy for
12	our families, our communities, our state, and our nation.
13	And we want to develop our resources
14	responsibly rather than leave it to countries with much
15	less stringent environmental regulations. We have the
16	opportunity to shape the direction of energy policy that
17	best reflects our nation's desire to both protect the
18	environment and reduce our energy dependence on fuel from a
19	world that too often does not have our best interests at
20	heart.
21	We need to move forward letting American
22	ingenuity and an innovative workforce once again prevail by
23	taking a leadership role in the responsible resource
24	development of the Outer Continental Shelf. Thank you for
25	your time.

1	SPEAKER: Hello. Thank you for the time for
2	letting me be here. Tikigaq Corporation would like to
3	inform you of its recent board decision to support Shell
4	Outer Continental Shelf exploration and development
5	provided certain discussion points are met with mutual
6	enthusiasm. One is any land-based operation is located in
7	a neutral geographical location.
8	Two, we support Arctic Slope Energy Services
9	contracting mechanism as to allow all the villages to have
10	equal business opportunities.
11	Three, negotiated North Slope Borough
12	taxation.
13	Four, open dialogue on equity involvement
14	and investments.
15	We believe that development on the OCS is
16	inevitable and we strongly believe that responsible
17	companies take into account our heritage, subsistence way
18	of life, our children, educational and future employment
19	needs. And our stewardship of the environment will be the
20	kind of corporation we can stand firmly behind.
21	At this point, Shell has demonstrated they
22	understand and embrace the values of Tikigaq and its
23	subsidiaries. Furthermore Tikigaq Corporation supports the
24	creation of the new five-year plan by the U.S. MMS program.
25	We appreciate your investment not only in our region, but

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- 1 in the entire state of Alaska to look forward to seeing it
- 2 be successful. Thank you.
- 3 SPEAKER: As Tikigag Corporation, we
- 4 represent the best interests of the Point Hope
- 5 shareholders, which is on the northwest coastal range, and
- on that we have worked closely with Shell, and they have
- 7 shown the utmost professionalism, openness and
- 8 transparency, and we feel only this would be the same in
- 9 the future for us and our shareholders.
- 10 Our core values are cooperation, respect,
- sharing of knowledge, accountability and integrity and the
- sharing of hunting traditions and job knowledge in the
- 13 future. Shell has demonstrated their willingness to work
- 14 with us and their openness in involving that. Thank you,
- 15 Tikigaq Corporation.
- 16 SPEAKER: Thank you very much for the
- 17 opportunity that the Secretary of Interior would let us be
- able to speak a few words to you. My name is Dan O'Hare.
- 19 I'm the mayor of the Bristol Bay Borough, the first borough
- of the state of Alaska, and the sockeye capital of the
- 21 world.
- 22 We harvested 29 million fish last year in
- 23 Bristol Bay and we'll harvest 25 million this year plus.
- Now we name and number everything in our Aleutian shelf.
- 25 We know all about that area. We've lived it, we studied

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1	it, there has been science research going on, and we, a
2	number of years ago when I inherited the plan, we put a
3	corridor from Mulder over to Elbow of A (ph). Can you
4	imagine trying to get a new corridor this day and age on
5	federal land? It would be impossible. It's there.
6	And 85 percent of everything that comes into
7	Bristol Bay goes across the Bristol Bay Borough delta, so
8	we're very supportive, and our assembly has passed a
9	resolution supporting the offshore drilling.
10	Now when we, the biologists, and even the
11	federal government believe or not, has done a fairly good
12	job of taking care of the resource out there. And there is
13	wells drilled out there, it will be it's about 25 miles
14	offshore, and it was just looking at sediment at that
15	particular time. So I'm just telling you what is there.
16	Now I think the critical part is here, the
17	second point I think is what's really, really critical.
18	There is a community over on the Pacific side that did not
19	get their supply of oil. They are paying \$750 to have a
20	drum of gas flown into that community. They don't have
21	(indiscernible). They are paying \$1175 for a drum of
22	heating oil, they don't have wood to burn, (indiscernible),
23	and they don't have jobs.
24	If we had an OCS program in Bristol Bay
25	and my son, in June he will train 80 people who is going to

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- the Slope (indiscernible), those 80 people will come back 1 2 to Southwest Alaska and live in the villages (indiscernible). So I think it's really important that you 3 take into consideration what the need is here. 4 5 I guess maybe my closing point would be that 6 community of Igiugig is paying 93 cents a kilowatt hour. 7 Did you hear that? 93 cents a kilowatt hour. And they 8 don't have any commerce. Schools, local government, maybe 9 airport. So, you know, I think it's very, very critical 10 for our schools and community to survive that we have this 11 program. We need to have seal oil, fish oil, and offshore 12 oil, thank you. 13 MS. WILLIAMS: Kimberly Williams, and I'm 14 the third chief of the Curyung Tribal Council, which is the Native village of Dillingham. On behalf of the 2,373 15 16 tribal members of the federally recognized tribe in 17 Dillingham, we offer this testimony on behalf of our review of the North Aleutian Basin. 18 19 We adopted our resolution 2009-04 urging 20 President Obama, the Governor of Alaska, and the Alaska
- The tribe adopted this resolution even with current fuel prices in Dillingham at record highs of \$6.19

Continental Shelf leasing plan as scheduled.

congressional delegation to support permanent removal of

the Bristol Bay and the North Aleutian Basin from MMS Outer

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into Bristol Bay.

1	a gallon for number 1 heating oil, and \$6.32 for gasoline
2	on top of a 6 percent fuel sales tax. We do so because
3	over the last 120 years families in Bristol Bay have a
4	proud history of commercial fisheries that has sustained
5	our families.
6	My father has just reached 70 years of age
7	and continues to commercial fish along with my oldest son,
8	and I hope this summer he will take out my two youngest
9	boys to learn the hard value and the hard work of
10	commercial fishing.
11	We've seen a rebound in our commercial
12	fishery. Our wild Alaska salmon is known worldwide and is
13	like none other in the world. Even in the Lower 48 states,
14	which I've traveled around, I asked restaurants when they
15	have wild Alaska salmon on their menu, I ask them where is
16	it from. They say "Alaska." I'm like, "Where in Alaska?
17	I happen to live in Alaska." Most likely it's farmed
18	salmon. So, you know, we care about our salmon.
19	To me, you know, we only need to watch the
20	local news about the continued corrosive nature of oil in
21	the pipes on the North Slope. You see spills and that's
22	what we're really worried about. This past winter in
23	Dillingham we've seen some pretty strong winds because of

those Aleutian lows that come out of the Aleutians and up

1	Around my home, we've had five mature trees
2	fall during these massive wind storms. For the first time
3	in many years in February our children were in lock-down at
4	school because of winter whiteout conditions that caused
5	our roads to close for the safety of our residents. Couple
6	this with 21 foot tides and we almost had flooding in the
7	wintertime in Dillingham. Is that climate change?
8	Probably.
9	As a current advisory committee member on
10	the North Pacific Research Board I've attended meetings
11	with many scientists who knowingly admit that they do not
12	have data on their research interests in the Bering Sea
13	because of these winter conditions.
14	Our tribe participated in these focused
15	scoping meetings in Dillingham, even submitted our name to
16	be a cooperating agency. We still have yet to hear back
17	from MMS regarding that status.
18	We want transparency with MMS staff. This
19	past winter when we when you guys were out there, it was
20	very apparent that industry had a very strong influence on
21	your staff. We want to change that and we look forward to
22	the Obama Administration to curb that.
23	I thank you for allowing me to comment
24	before I catch my plane, and we are hopeful that you will
25	hear our voices and remove Lease Sale 214 from the MMS

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1	schedule.
2	MR. AURAND: We have a couple more people
3	who are either tribal or elected officials and left over
4	from this morning, so we're going to try to get them in and
5	then we're going to take a 15 minute break. So if I could,
6	Mr. Mike Williams.
7	SPEAKER: Well, it's good to be left over.
8	Thank you. My name is Mike Williams. I'm the current
9	chairman of the Alaska Inter-Tribal Council, and I really
10	appreciate the Secretary's visit up here on behalf of
11	Alaska's tribes, and we have 229 federally-recognized
12	tribes in Alaska.
13	We have been dealing with issues that affect
14	our lives daily with our tribes for the last 30 years that
15	I've been involved with our tribal governments. And our
16	current position on Outer Continental Shelf, Beaufort and
17	Chukchi and Bristol Bay and other areas have been not to
18	support it at this time, and we would like to have more
19	input and consultation with each of the affected tribes in
20	Alaska.
21	In the rivers, even in the rivers inland, we
22	are affected by these developments, or proposed
23	developments, and our thoughts are since we survive out of
24	the salmon species and other species in the rivers and we
25	depend on the water, and we concur with the president of

1	ICAS's stories of land use testimony, as well as Norman
2	Anderson's testimony this morning as tribal officials.
3	So I just wanted to say that we have been
4	discussing the importance of the subsistence way of life
5	that has sustained us for many, many years and for
6	thousands of years here in Alaska. And I really have had
7	the training from our elders on how they sustain themselves
8	in light of the changes that our people are going through
9	and our tribes, and I just really feel that there needs to
10	be more resources done to really make sure that we are not
11	put at risk at all if development is going to occur
12	anywhere inland or out in the seas or the ocean.
13	The sea, the ocean is our breadbasket. Also
14	the lands are our breadbasket in Alaska. And we just I
15	just really feel in ANWR in 1002 we had to consider a
16	subsistence way of life over the development, so I would
17	like to also consider that.
18	So thank you very much for allowing me to
19	testify briefly. But, again, we need to put more research
20	and more support and discussion before any of the
21	development takes place in Alaska. Thank you.
22	MR. AURAND: Okay, the last speaker before
23	the break will be Willard Neakok.
24	SPEAKER: Thank you for letting me speak. I
25	come from also a federally recognized community, which is

1	on the northwest coast in a small village called Point Lay,
2	and I wear other different hats, but this is as a concerned
3	citizen about opposing offshore development.
4	Because our ocean out there is very unique,
5	we have a lot of animals that migrate from the south,
6	whales, Beluga whales, walrus and also migratory birds,
7	caribou that come through land. But if we do develop,
8	worst case scenario that we do have an oil spill, you know,
9	this will mean any animals that migrate you know,
10	because we'll be killing off the krill, we'll be killing
11	off the micro small animals that the fish eat on.
12	Because if we lose that, then we lose everything from
13	Beaufort Sea down to the Bering Sea. It's going to be
14	affecting our way of life, our culture, our tradition, our
15	heritage, we will lose all that.
16	We subsist up the ocean, we subsidize the
17	food we get. Our store prices, they are sky high. We
18	subsidize the Native food to subsist off of. And I know
19	that if we do lose our animals that we harvest off the
20	ocean, is the federal government willing to pay over
21	\$100,000 a year for every family to I'd sure hate to see
22	our area turn into another Prince William Sound. And they
23	still haven't recovered. And all the animals that we have
24	up there, where are we going to get our food?
25	We have jobs, but the price of food, the

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1 price of fuel, they are a lot more higher than the Lower 2 48, even down here in Anchorage. I hope that we do oppose or have it turned down, because it's messing with our way 3 4 of life, our culture, our heritage. Because we live there, 5 and when the oil companies are gone, we'll still be there, 6 but hopefully we'll still have our ocean to live off of. 7 Because we love our land, we respect our 8 elders, what they have taught us to do, how to preserve 9 life. And, you know, we subsist off of our Beluga whales, 10 we harvest them every year. And we just got into the AWC, 11 Alaska Whaling, and hopefully we'll be able to continue 12 when my grandchildren grow up, and their grandchildren, to 13 enjoy the life that I have enjoyed all these years. So I 14 hope that our voice will be heard in the opposition to 15 development and/or exploration. Thank you. 16 MR. AURAND: It's 25 minutes of 3. We're 17 going to try to limit the break to ten minutes, so if you 18 can come back at a quarter to 3 we'll pick up with cards numbered 4. 19 20 (Break) 21 MR. AURAND: We had one telephone commenter, 22 and we're going to take that one, and then we're going to 23 move on into the numbered 4. So if we can have the telephone call-in. 24 25 SPEAKER: Judy Brakel. Thank you. We are

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_	tarking am I on now: Herro:
2	MR. AURAND: Yes, you are on.
3	SPEAKER: I'm on, is that right? Can you
4	hear me?
5	MR. AURAND: Yes, we can hear you.
6	SPEAKER: Thank you. Yes, here we are
7	discussing I'm talking about the North Aleutian Basin,
8	the proposal we're discussing sorry, I just had to run
9	upstairs.
LO	The drilling in one of the most rich areas
L1	of the world, the area of the south Bering Sea is
L2	astonishing. Marine mammals, of course, sea birds, and
L3	over 40 percent of U.S. domestic fish are caught in this
L4	area.
L5	It's in the path these areas are in the
L6	path of migration of the largest salmon fishery in the
L7	world, which is Bristol Bay, and it's next to Card Alley
L8	(ph) and king crab, halibut and salmon nursery, and the
L9	pollack fishery, which is the largest groundfishery in the
20	world occurs there.
21	Just talking about salmon, in the early
22	1900s Bristol Bay was the largest salmon fishery in the
23	world, and it still is. Meanwhile, wild salmon fisheries
24	elsewhere in the U.S. have crashed. Consequently, Alaska
25	produces 96 percent of total commercial landings of salmon.

1	Alaska also produces most of the halibut in the United
2	States. The area, the leasing area is a nursery area for
3	halibut that also migrate in from the Gulf of Alaska.
4	Consequently I live in Southeast Alaska
5	and fishermen here are concerned about and opposed to oil
6	drilling in the Bering in the southeast Bering Sea. The
7	estimate is of oil and gas from the North Aleutian Basin
8	is, over a period of 25 to 40 years, is estimated to total
9	7.7 billion, but the annual value of fisheries in the
LO	Bering Sea is 2 billion dollars. Seems short-sided to risk
L1	that short-term I mean, that long-term year-by-year
L2	wealth. The seafood industry employs more workers than any
L3	other industry sector in Alaska as one of the few ways of
L4	making a living on the coast of the Bering Sea. It's of
L5	great importance in subsistence foods, which I'm glad
L6	people spoke up for a little bit earlier today.
L7	MR. AURAND: Can you summarize, please?
L8	SPEAKER: Well, I would like to say that we
L9	have not yet seen an oil spill cleanup in Alaska that was
20	effective. First, the Exxon oil spill, in spite of all the
21	assurances, was not contained, and the cleanup was not
22	successful.
23	Almost two decades later studies show that
24	this oil is still harming marine life. And in 2004 the
25	Selendang Ayu was wrecked on the north side of the eastern

Aleutians, gradually broke up and spilled its fuel and it's

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very much.

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- 2 slicking cargo, and due to the weather the 340,000 gallon 3 oil spill could not be prevented and was not cleaned up, and the broadly ineffective attempts to clean up anything 4 5 were delayed for several weeks by the weather. 6 Characteristic of most cold water marine 7 organisms, they have the characteristics that causes oil to 8 be especially attracted to them. Their bodies store a 9 substantial amount of lipids. Oil spilled in the water is 10 attracted to other oils, including those lipids, and this 11 occurs even if they are a tiny marine organism, and the oil 12 bioaccumulates in larger creatures that feed to them. 13 MR. AURAND: Ma'am, I'll need to you summarize your comment. 14
- 17 MR. AURAND: Thank you. If we could have 18 the 4-A through F. I've been asked to, if you all line up

SPEAKER: I'll end right there. Thank you

- on that side, I'll probably switch back and forth a little
- 20 bit so we balance out during, so I'll let you know which
- one. But we'll start over here with you, sir.
- 22 SPEAKER: Thank you, panel. I recognize
- this is a long day for you and I know you have a long day
- 24 ahead of you, and it's been a long day for everyone here
- 25 that will continue to try be heard. And as you can tell

1	Alaskans have strong opinions, so I appreciate you hearing
2	mine.
3	My name is Mark Hiland (ph), I'm a life-long
4	Alaskan. My wife and I own and operate a small business
5	called Beacon Occupational Health and Safety Services.
6	Beacon provides medical, safety, and training services, and
7	our clientele embraces Alaska's remote industries, as well
8	as federal, state, and municipal governments. This
9	includes many of the contractors, producers and explorers
10	that encompass the oil and gas industry in Alaska.
11	I support the draft five-year program for
12	2010 and 2015, and encourage the MMS to provide new oil and
13	gas leasing programs in the future. I support responsible
14	offshore development and have seen firsthand the great
15	lengths producers and explorers in our state go to to
16	ensure there is no harm to our environment.
17	The technological advances in drilling and
18	the science that has been conducted over the previous years
19	reassure us that development can occur again off the waters
20	of Alaska and it can be done responsibly to the benefit of
21	Alaska and our nation. It is time for our nation to take
22	responsibility of our energy needs and in turn be
23	responsible for the manner in which it is developed. This
24	project has the opportunity to bring thousands of new jobs
25	in Alaska and create billions of dollars in revenue for

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- 1 federal, state, and local governments.
- I know alternative energy is the buzz phrase

- 3 today, and I'm all for them; however, the reality is fossil
- 4 fuels are critical to meeting our energy needs and will
- 5 continue to be for years to come. Alaska needs to be
- 6 included in the comprehensive energy plan. Alaska deserves
- 7 the opportunity and security offshore development brings to
- 8 the state. Thanks for your time and have a great day.
- 9 MR. AURAND: We'll take one more on this
- 10 side and then go over there.
- 11 SPEAKER: Good afternoon, my name is Max
- 12 Easley (ph). I'm the senior vice president for BP
- 13 Exploration Alaska. I was also born and raised in this
- 14 great state. I'd like to thank Secretary Salazar and the
- 15 MMS for the opportunity to speak today.
- 16 As part of my portfolio, I'm responsible for
- 17 BP's Alaskan offshore facilities. This includes the North
- 18 Star, as people will recognize is the only current offshore
- 19 production on the North Slope. BP supports the MMS
- 20 proposed five-year leasing program for 2010 to 2015. The
- 21 country is clearly going to need this energy. But BP also
- 22 supports all the above energy policy. This means a diverse
- 23 portfolio of energy sources, including oil and gas,
- 24 renewable alternatives, and the efficient use of all
- 25 energy. We believe it's an "and", not an "or".

1	But these are challenging times. Our
2	nation's ability to maintain its leadership position in the
3	world will depend on energy supplies from all sources. BP
4	supports the Administration's view that energy security is
5	inseparable from national security. So literally we must
6	produce more energy of all kinds and import less.
7	BP is the largest producer of oil and gas in
8	the United States. We're the largest investor of energy of
9	all sorts, oil and gas, biofuels, wind and solar. BP is
LO	committed to alternatives, but the fact is it may be many
l1	years before we can make a significant contribution to the
L2	U.S. energy mix.
L3	It's our strong belief that the greatest
L4	potential source for new domestic energy is the oil and
L5	natural gas that lies off our shores in OCS. BP has been
L6	in Alaska for 50 years. We have proven that offshore areas
L7	can be lease explored and developed to the highest
L8	environmental and operational standards in the world even
L9	in sensitive environments.
20	We have proven it can be done in a way that
21	respects and benefits local communities. BP's Endicott
22	field is the first continuously producing offshore field in
23	the Arctic when it was brought into service in 1987, that's
2/	where I started my career. In 2001 RP began production at

North Star. North Star was the first inland Arctic

producing from the federal ocs

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2	producing from the rederat ocs.
3	Last year we announced the go-ahead for
4	Liberty development, the first offshore project in Alaska
5	fully located in federal waters. Costing over a billion
6	dollars, Liberty will set standards for Arctic oilfield
7	development and industry technology. We'll drill ultra
8	long-range wells from Endicott to reach reservoirs six to
9	eight miles away. These success stories show that the
10	technology we have is the key to unlocking the resource
11	potential of the OCS. They show you can have a safe
12	operation for the least possible environmental footprint.
13	And finally they show that companies,

offshore oil production island. It's the only Arctic field

18 Thank you very much.

SPEAKER: Good afternoon. First off, I want to thank you for making the opportunity for the public's voice to be heard in a venue such as this. My name is Phil Sumari (ph), I'm not here representing a company or an organization or special interest group. I'm here representing my family. I'm married, have two daughters, 25 and 14. Excuse me.

government, and local communities can build mutual

understanding and work together. We have common goals,

energy diversity, energy security. This is time for the

country to unlock the enormous energy potential of the OCS.

1	I've lived in Alaska since 2001, at which
2	time I went back to college realizing an engineering degree
3	applicable to the oil and gas sector to provide
4	opportunities for me to support my family while living in
5	an ideal location, which is Alaska.
6	I've wanted to live in Alaska since the
7	'70s, and it's the oil and gas sector that has allowed me
8	to realize my dream. I would like to weigh in in support
9	of the offshore oil and gas development in the Outer
10	Continental Shelf and the Chukchi Sea and Alaska waters in
11	general.
12	My support for industry growth is not about
13	my daughters getting jobs in Alaska. Like many before, I
14	expect my kids to go on to greener pastures. It's about
15	providing viable employment opportunities to others who
16	want to realize the same great Alaskan dream that I'm
17	currently experiencing, whether it's a long-haul truck
18	driver, instrument tech, oilfield operator, or a multitude
19	of engineers. These offshore projects expand the
20	possibilities for those seeking employment in this great
21	state of Alaska. Additional benefits are that jobs in
22	Alaska mean jobs for people in the United States. Those
23	that move up here to work open up more opportunities for
24	those in the Lower 48.
25	I may work in the oil and gas sector, but

- 1 I'm also an avid outdoorsman. That's why I'm here in
- 2 Alaska. I feel like these offshore opportunities can and
- 3 will be developed in an environmentally responsible manner.
- 4 And I wouldn't be here today if I didn't believe and
- 5 support these developments if I didn't truly believe that
- 6 that was the case.
- 7 Again, I want to thank you for presenting
- 8 opportunity for us in Alaska, in the United States, to
- 9 publically express our opinions on this issue. Have a
- 10 great day and I hope you enjoy the rest of your time here
- 11 in Alaska.
- MR. AURAND: You're next.
- 13 SPEAKER: Thank you. My name is Caleb
- 14 Makowi (ph). I live in Kotzebue, Alaska. Everybody seemed
- to have been mentioning how old and how long they have
- 16 lived in Alaska. I'm 67 years old, and raised on St.
- 17 Lawrence Island in the northern Bering Sea. I have 23
- 18 grandchildren -- 24, excuse me, 24 grandchildren and two
- 19 great-grandchildren, so their future is very important for
- 20 me and that the environment that they are going to live in
- 21 is protected.
- 22 I'm a marine mammal hunter. I hunt seals.
- Our family depends on seals for making seal oil and also
- for the food, and I deeply care about the environment. I
- 25 deeply care about our culture and how it's going to be

1	affected in the future.
2	One seal, one walrus, one whale may not mean
3	a lot if you're impacted by industry activities, but for us
4	we're dependent on them. It is immensely, immensely
5	important.
6	The price of gas in Kotzebue is \$7.51 a
7	gallon. Milk is \$8.99 a gallon. A pound of cheap
8	hamburger, and I mean cheap hamburger is 4.99. And I
9	mention these because of how important it is for us to live
10	off the land. We can't afford the prices that are in the
11	grocery stores. But the fish, the seals, the birds, the
12	caribou are what we mostly live on and they are very
13	important for us.
14	Climate change is the buzz word that's been
15	discussed already, but each spring and summer, millions of
16	birds, hundreds of seals and walruses, thousands of whales
17	migrate through the Arctic Ocean. They go up there not to
18	get away from California, they go up there to feed, to
19	nurture their young, and mostly to get away or get
20	because it's safe, they go there where it's safe.
21	And we also have MMS, I think they have made
22	an effort to try to study the resources, but we know there
23	is a lot of data. And researchers that they have hired,
24	anthropologists and sociologists that study our culture
25	have been failing. They can't capture the spiritual

1	importance of these animals to us, and, therefore, I
2	strongly believe that oil and gas development should not
3	occur until and unless the government, the Department of
4	the Interior, the oil and gas industry can prove, like we
5	have to prove our subsistence, that they can prove that
6	they will not explore any oil in the Arctic Ocean until
7	they have the ability to clean it up. Thank you very much.
8	SPEAKER: My name is Wayne Hall. I live in
9	Anchorage and I've only been in Alaska for 31 years. As a
10	nation, we seem to always be saying I'm sorry. We seem
11	to be saying that we need independence on oil, and I agree
12	with that, we should. But from here the direction usually
13	goes downhill as the oil industry and its partners are
14	dismissive, but until we can do that we need to keep
15	drilling for more and more oil.
16	Just one more score, they say, a little
17	taste to help get us on the road to energy rehabilitation.
18	History shows this approach does not work. We're no closer
19	to kicking our oil habit than we were 20 years ago,
20	continuing to feed our own habit by opening increasing
21	risky and wildlife sensitive OCS areas only reduces the
22	incentive and our motivation to finally get it done. This
23	is especially true with respect to conservation
24	alternatives and reducing waste.
25	Now if this hearing was before the Interior

- 1 Department of the previous Administration, well, there
- 2 wouldn't be a hearing, but even if there was it would be a
- 3 foregone conclusion.
- 4 But thankfully it's a new Administration
- 5 now, and we wanted to have a chance to make some progress
- to actually kick our oil habit, reform our energy policy,
- 7 and protect our environment.
- 8 For the record, I oppose opening any new
- 9 offshore areas to oil and gas leasing and related
- 10 activities in Alaska or elsewhere. And thank you very much
- 11 for this opportunity.
- 12 SPEAKER: Good afternoon, I'm Roger Jenkins,
- 13 I'm tired, and retired. We're trying at this time in our
- 14 history to build a bridge from petroleum to windmills.
- There are ways to do this. It won't happen quickly. I
- 16 just hope it isn't a bridge to nowhere.
- 17 I strongly support OCS development because
- 18 without oil the state is going to have a large problem and
- 19 the country is going to have a large problem. We need OCS
- 20 Alaska because the Beaufort and Chukchi Sea may refill the
- 21 pipeline, and without that pipeline being refueled, it's
- 22 going to go away, it gets destroyed.
- 23 Gas, potential gas in the North Aleutian
- 24 Basin could fuel the energy for all Southwestern Alaska.
- 25 Kindly, leave those polar bears alone. They seem to do all

- 1 right by themselves. They have grown from 5,000 animals 50
- 2 years ago to well over 20,000. All I know, the Arctic
- 3 Ocean is not covered by ice, but I can't think of a
- 4 refrigerator that's going to refreeze that sucker. So help
- 5 America and let the people and the resources of this state
- 6 do it.
- 7 Now few will remember what Roger Jenkins
- 8 said here this afternoon, but when the price of oil returns
- 9 to \$4 a gallon, somebody is going to ask what happened in
- 10 Alaska, or what happened. So I'm asking your boss and MMS
- 11 to try to alleviate that problem, give us a chance to find
- out if there really is oil and gas off our shores.
- MR. AURAND: Okay, we have one more elected
- 14 official, Ralph Anderson.
- 15 SPEAKER: Thank you. Actually, I'm not an
- 16 elected official, but John Goll appointed me to the elected
- 17 officials line. I didn't get a number.
- 18 MR. AURAND: Well, I guess he elected you
- 19 then.
- 20 SPEAKER: My name is Ralph Anderson, I'm the
- 21 chief executive officer for Bristol Bay Native Association
- 22 in Dillingham. We're happy to see the Secretary and
- 23 Senator Begich out there yesterday.
- 24 BBNA is a non-profit tribal consortium, one
- of the 31 federally recognized tribes. The BBNA board is

1	made up of tribal presidents or their appointees. Our
2	region is about the size of the state of Ohio with a
3	permanent resident population of about 6,000, and that's
4	about 70 percent Alaska Native.
5	Our region is rich with fish, game,
6	waterfowl, marine mammals and plants. Our traditional use
7	of these resources is very much part of our eyes and our
8	heritage, and even more so now that the price for
9	everything has gone through the roof.
10	BBNA has opposed allowing gas leasing in
11	Bristol Bay waters since it was first proposed more than 20
12	years ago. Some of you may remember that a lease sale was
13	held there back in the '80s. We were saved with a
14	congressional moratorium, which was followed by a
15	Presidential moratorium, and as a result those moratoriums,
16	the leases were bought back. Bruce Babbit was then the
17	Secretary of Interior and he was the person that
18	implemented the buy-back program.
19	Each year since the moratorium was lifted
20	and the North Aleutian Basin reappeared in the leasing
21	schedule, my board of directors has firmly opposed the
22	lease sale through resolutions. We firmly believe that the
23	risk imposed by offshore drilling and offshore oil and gas
24	development for existing fisheries, base economy, and our
25	subsistence life-style and resources are simply too great.

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Τ.	it's the zist century. We should be looking
2	to renewable resources and tourism for the economic future,
3	rather than a relatively short-term boom based on
4	extracting resources.
5	And I think this pretty much is a shame. I
6	feel kind of ashamed that we have allowed our leaders to
7	equate resource extraction to economic development. The
8	history of oil and gas development in Alaska shows a
9	disappointing absence of the assessment and the
10	documentation of cumulative impacts on our people, our
11	communities, our economies and cultures over time. The
12	focus has always been on cumulative environmental impacts.
13	EIS documents typically address cumulative
14	social and economic impacts, they are simply a paragraph or
15	two that are inconclusive at best. They don't answer key
16	questions, such as what will or can be expected or what
17	impacts can be expected on our families, our communities,
18	our societies and our culture over time. Our families,
19	relatives, friends and villagers seem to be leaving our
20	region to live somewhere else, if so how many. How much of
21	a population increase can we expect? What will the impacts
22	be on our schools, hospitals, health clinics, public safety
23	services and community infrastructures? What impacts can
24	we expect from higher paying jobs? Can we expect higher
25	crime rates? What is the value of the loss of our culture

Τ	and tradition?
2	We firmly believe that the risk imposed by
3	the offshore oil and gas development will have a very
4	devastating effect on us. We have hydro on our our
5	culture and people, we have hydro, geothermal, wind, tidal
6	and other renewable resources, possibilities in our region
7	In fact, several utility companies in our region are now
8	working on developing hydro and geothermal possibilities
9	and wind power generation.
10	We have seen the slow and sudden erosion of
11	our Native villages, our cultures, our traditions and our
12	way of life over the years. Now we're struggling to keep
13	our traditions alive because they define who we are. Many
14	of us have lost our languages, our Native language. Many
15	of us have lost our traditional subsistence cultures and
16	practices.
17	The one thing that we have in common
18	throughout Alaska in the Native community is subsistence,
19	and that's what we're struggling to hang on to, and we ask
20	the Secretary to please remove the North Aleutian Basin
21	from the lease sale schedule. Thank you.
22	MR. AURAND: Thank you. If we can have 5-A
23	through F. We'll go ahead and start to my right, sir.
24	SPEAKER: Good afternoon, my name is Carl
25	Portman, Deputy Director of the Resource Development

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1	Council. RDC is a statewide membership-funded organization
2	founded in 1975.
3	Our membership is comprised of individuals
4	and companies from Alaska's oil and gas, mining, timber,
5	tourism, and fishing industries, as well as Native
6	corporations, local communities, organized labor and
7	industry support firms.
8	RDC's purpose is to link these diverse
9	interests together to encourage a strong diversified
10	private sector in Alaska and expand the state's economic
11	base through responsible development of our natural
12	resources.
13	RDC and many Alaskans share President
14	Obama's view that America needs to conserve more and put
15	new emphasis on renewable energy. By doing so, we can
16	ultimately break our reliance on foreign oil.
17	Yet, while we conserve more and move toward
18	renewable energy, we still need to pursue new oil and gas
19	production. In fact, it will take decades before
20	renewables become a dominant energy source.
21	Even with the Obama Administration's goal to
22	decrease our dependence on oil, fossil fuels will still
23	account for two-thirds of our energy consumption in 2025.
24	Where will that oil come from to meet
25	demand? The OCS is the most logical choice given its

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1 immense potential. If not the OCS, then where? For every 2 barrel of oil we refuse to develop domestically, our nation 3 will have little choice but to import from other people 4 overseas where weaker environmental regulations and 5 emission standards often apply. 6 I would like to express disappointment and concern regarding a letter from 67 members of Congress to 7 8 President Obama urging him to develop a so-called Arctic 9 conservation and energy plan. The recommendation set forth 10 in the letter would suspend virtually all new oil and gas 11 exploration both onshore and offshore in Alaska's Arctic. 12 This would be devastating to Alaska and devastating to future domestic production. 13 14 The letter and its recommendations were advanced under the false premise that industrial activity 15 16 in the region is ill-planned and not based on sound 17 science. We strongly disagree. In our view the 18 recommendations are an excuse to prevent new exploration 19 and development until sometime in the distant future, if 20 ever. 21 Energy development in the Arctic is subject 22 to indepth analysis by federal law, a stringent permitting 23 process, and oversight by federal and state agencies. In 24 every instance development is preceded by extensive 25 studies.

1	The North Slope and the offshore is now
2	perhaps the most studied energy basin in America. RDC
3	supports offshore exploration because it is confident
4	exploration can occur safely. Offshore development has an
5	outstanding safety record in Alaska and elsewhere. We
6	believe the industry and government working together has
7	the ability to protect subsistence resources. Advances in
8	technology have dramatically reduced industry's footprint
9	giving us an additional measure of confidence.
10	Any energy plan for the nation should
11	include Alaska's OCS given its potential for immense
12	recoverable resources and enormous economic benefits to the
13	state and the nation.
14	In concluding, RDC supports the draft
15	proposed five-year program 2010 to 2015 and encourages the
16	MMS to provide for seamless transition to new oil and gas
17	lease programs in the future that will expand access to the
18	nation's OCS, thank you.
19	SPEAKER: My name is Michael Line (ph), I
20	live in Juneau, Alaska, and I would like to thank you
21	gentleman and belated thanks to the Secretary for this
22	opportunity to present testimony before the Department of
23	Interior.
24	This gathering we're at is really about the
25	Department's responsibility, its responsibility to manage

1 the resources that are owned by the public, and to manage 2 them for the public's good. Specifically we've heard before that the Department of Interior is the landlord for 3 4 52 percent of Alaska. Of the 1.7 billion acres in the 5 Outer Continental Shelf, hundreds of millions of those 6 acres are in Alaska. We've heard testimony here today, and 7 8 hopefully you'll hear more, about the importance of those 9 areas for culture, for subsistence, for fishing. We've 10 also heard that there are important for regulating the 11 world's climate, and you will hear and have heard by the 12 threats of climate change of the people who live in the 13 Arctic and who depend on these resources have been watching as the Arctic Ocean, the Chukchi and the Beaufort have 14 changed. Western science has caught up and we've been 15 16 documenting dramatic reductions in sea ice and other 17 changes due to climate change. 18 I request that you listen very carefully to 19 those testimonies here and in other places. I've been 20 involved n these issues for nearly a decade. And in that 21 time I've learned that I basically don't know all the 22 things I have to learn. So I was heartened to hear that

the Secretary was going to be back again in June to begin

another tour and hopefully go to communities, Barrow, to

Nuigsut, to Kaktovic, to other places, to listen to people

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1	there and talk about the importance of this issue, talk
2	about what they are observing, and to have an active voice
3	in the decisions that are made.
4	The responsibilities that the Department has
5	bodes to the people in the region and elsewhere are
6	significant, and it's our hope that this Secretary will not
7	repeat the mistakes of the past. As you know we're here
8	talking about a new proposed five-year plan, when the
9	existing five-year plan is subject to challenge in federal
10	court, when there are challenges to lease sales in the
11	Chukchi and Beaufort Seas, when there was a successful
12	challenge to an exploration plan proposed by Shell.
13	I think we all agree that single-minded
14	focus that neither single-mind focus on oil development
15	or litigation is the best way to make decisions. We
16	request that you think very carefully about the decisions
17	that were made in the past, about all the issues that are
18	raised both here in these court challenges and by all the
19	people. These hearings are a good beginning. We hope that
20	you'll make your decisions based on sound science and input
21	from local communities and from the people most affected.
22	I'd also like to point out briefly two
23	pieces of current events. The first is on the front page
24	of the Anchorage Daily News, there is a story about a oil
25	services worker who lost his hard hat. Three years later

1 was found off the cost of California. Gives you some idea

- of the interrelatedness when you travel to California for
- 3 your next hearing the day after tomorrow. All of these
- 4 issues are related.
- 5 Also you'll discover that on Friday there
- 6 was a blowout of 20,000 barrels onshore in Canada. We ask
- 7 you to think carefully as you hear about how safe oil and
- 8 gas development is, thank you.
- 9 SPEAKER: I'm in support of exploration and
- 10 development of the Alaska OCS. I was born in Barrow,
- 11 Alaska and raised in the state. I'm shareholder of the
- 12 Arctic Slope Regional Corporation and Inupia Corporation.
- 13 My education and employment are tangible proof of oil and
- 14 gas development in Alaska and the positive benefits of
- 15 developing energy in the United States while protecting
- 16 environmental values we all hold dear.
- 17 As a graduate from the new Barrow High
- 18 School in 1985, a school built primarily from the North
- 19 Slope Borough revenues generated by taxes on the oil and
- 20 gas industry. I went on to attend Wellesley College and
- 21 Harvard Business School. I received financial assistance
- from the Bureau of Indian Affairs and the Arctic Education
- 23 Foundation, which has received significant contributions
- 24 from oil and gas companies. I worked for ASRC for seven
- 25 years.

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1	After business school I worked for Exxon
2	Mobile Corporation for nearly a decade in Anchorage and
3	Houston. A year ago I began working for Shell here in
4	Anchorage.
5	I share this background with you because I
6	believe it gives me a unique perspective about oil and gas
7	development in Alaska, particularly in the Outer
8	Continental Shelf. Residents of the North Slope are
9	natural conservationists as they maintain cultural
10	traditions through subsistence whaling, hunting, and
11	fishing.
12	Almost everyone in my family are members of
13	different whaling crews. This makes residents of the North
14	Slope the most experienced and knowledgeable stewards of
15	their land. As due diligence, the Department of Interior
16	needs to hear the people that live and rely upon that
17	(indiscernible) and water for its food.
18	ASRC believes in being part of the process
19	to ensure that satisfactory resolutions are jointly created
20	to the issues they raise through dialogue. ASRC is a
21	socioeconomic entity charged with protecting the
22	subsistence way of life for its shareholders while
23	providing them economic freedoms. These shareholders do
24	not want to repeat history and become wards of the
25	government.

1	The Department of Interior has a duty and
2	similar charge as it is responsible for the administration
3	of mineral exploitation and development of the OCS while
4	protecting the environment and conservation of federal
5	lands. This is a dual mandate, not mutually exclusive
6	goals. One cannot be favored over the other. It is a
7	balance achieved through analysis and consultation of all
8	stakeholders. It should be a decision made on the basis of
9	facts and insightful understanding of the impact of the
10	livelihood and the future of those residents directly
11	impacted by exploration and development of hydrocarbons.
12	As a qualified and responsible bidder of
13	more than 2 billion dollars of leases in Alaska, Shell
14	endeavors to communicate and consult and cooperate with
15	residents of Alaska, particularly with North Slope
16	residents. Shell's goals is similar to those of local
17	residents and the Department of Interior. We desire an
18	opportunity to prove on that.
19	SPEAKER: Thank you, my name is Matthew
20	Foniani (ph), I'm president of Work Save. I'm responsible
21	for more than 23 employees whose jobs and livelihoods are
22	dependent on a healthy environment to be safe and sound in
23	the oil and gas industry.
24	I'm sure you're aware the Alaska North Slope
25	oil production plays a critical role in providing the

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Τ	United States with oil, and some day soon we nope natural
2	gas.
3	For America to become energy independent one
4	would hope we would look to our own natural resources
5	before we relied on foreign sources of oil. It is no
6	secret that the North Slope has been in decline since its
7	production peak in the late '80s. With MMS estimates, 27
8	billion barrels of oil and 132 trillion cubic feet of
9	natural gas at the Alaska Outer Continental Shelf must be
10	developed.
11	I for one would hope that the federal
12	government would be responsible and find a path forward to
13	take advantage of these known energy resources and let's
14	put them to work for America.
15	Alaska continues to play a vital role in
16	America's energy solution. When Alaska works, America
17	works. It is critical that Alaska and the U.S. continues
18	to have a viable role in the resource industry. This is
19	essential to generating thousands of new high paying jobs
20	that would last for decades and strengthen the U.S. and
21	Alaskan economies. In Alaska, jobs created by a healthy
22	oil and gas industry provides for the backbone of our
23	Alaskan economy.
24	My employees, families, are church members,
25	have children in our schools, purchase goods and services

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1	from the local economy, as well as provide volunteer and
2	their hard earned dollars to charities that, in essence,
3	make up the chemistry for a strong, viable economy.
4	The federal government has a key role to
5	play in providing access to these energy rich national OCS
6	areas, the jobs and jobs through resource development.
7	Alaska's OCS represents a known path of oil
8	and gas development. Alaskans know that you can have
9	responsible gas exploration and development in an
LO	environmentally sensitive manner and with safety as the
L1	highest priority.
L2	I want to thank you for the time. I do
L3	support the draft proposed OCS lease program for 2010 and
L4	2015, and let's put Alaskans and America to work, and
L5	remember that when Alaska works, America works.
L6	MR. AURAND: Okay, if I could have 6-A
L7	through F.
L8	SPEAKER: My name is Sam Maloney, and I'm a
L9	junior at South Anchorage High School. In addition, I
20	attend King Career Center, KCC, vocational and technology
21	learning center. I've lived in Alaska my whole life and I
22	love it. I'm currently taking natural resource management
23	at KCC, and my future classes will include construction
24	management and welding.
25	My career ambition is to work at Alaska's

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1	North Slope in the oil and gas industry. This industry is
2	high paying with excellent benefits and rotation which
3	allows a lot of time off. This type of job would allow me
4	to spend quality outdoor time fishing, hunting, golfing and
5	snowmachining and snowboarding.
6	I'm concerned about future oil and gas
7	opportunities. When my mom and dad came up here 20 years
8	ago, the Alyeska Pipeline had about three times as much oil
9	going through it as it does today. If production goes down
10	that fast over the next 20 years, will the pipeline still
11	operate? Will Alaskans, including me, have any jobs? What
12	about our state treasury without oil money?
13	The state of Alaska, local municipalities,
14	and multiple oil and gas companies are investing a lot of
15	money in Alaska's future work force. I truly appreciate
16	the learning opportunities at KCC, and plan on attending
17	UAA after I finish high school. Let's get going on safe
18	development of OCS. Alaskans and Americans can develop
19	resources better than anywhere else. We need jobs, and the
20	state and federal government can tax the money. Thanks for
21	coming to Alaska, Secretary Salazar. Your friendly folks
22	up here, we welcome your visits. Thank you.
23	SPEAKER: Thanks for being here and

24

25

listening. My name is Robert E. Atkinson, and I represent

all the marine life in the Alaska OCS that can't be here to

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1	talk for themselves, and I was so I'm hoping for an
2	additional 15 seconds tacked on to my testimony for all
3	them.
4	I've only been in Alaska for 36 years, but
5	I've spent 14 of those years working on Alaska oil rigs and
6	exploration rigs. I've seen up close and personal how it
7	works and doesn't work. I'm not anti development and I'm
8	not making an emotional plea, I'm for rational decisions.
9	From my observations oil and gas production
10	in the Alaska OCS is not a rational decision. During my
11	time working on the offshore oil rigs we generally operated
12	with little impact to the local environment; however, I
13	personally witnessed two well blowouts on production
14	platforms right here in the Cook Inlet about 50 miles from
15	this room.
16	In May of 1985 the Grayling platform was
17	disabled by a major blowout. In December of 1987 the
18	Steelhead platform blew out and burned offshore in Cook
19	Inlet. Both of these blowouts were attributed to human
20	error. I also walked the beach of Prince William Sound
21	after the Exxon Valdez spill, and we all remember how well
22	that turned out.
23	A noteworthy blowout occurred in 1979 in the
24	Gulf of Mexico. It took nine months before it could be
25	brought under control. In the end, it released 13 times

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Τ	the amount of crude oil that the Exxon valuez spilled.
2	The estimated release was 147 million
3	gallons. The oil slick covered 5500 square miles. The
4	simple fact is that equipment breaks and people make
5	mistakes. Nobody wants oil spills, but you might ask any
6	of the oil companies testifying before you here if they car
7	guarantee you zero oil well blowouts or no major crude oil
8	spills over the lifetime of the proposed lease areas.
9	The plain fact is they can't guarantee it.
10	You know it and we know and they know it. Why do you think
11	they spend so much time and money telling us how they can
12	clean up a spill. They know it might very well happen.
13	I've seasonally fished for salmon and
14	herring in Bristol Bay for 21 years, and I've actually
15	spent six years of my life working and living on the water.
16	I'm also one of the few people in this room that actually
17	worked on drill rigs in the Bering Sea and the Gulf of
18	Alaska during the late '70s. I've traversed the area of
19	Bristol Bay and Bering Sea offshore lease sale at least 30
20	times. I know for a fact it's full of whales, and you know
21	all the rest.
22	There is literally millions of sea birds out
23	there. Their plentiful numbers do not indicated the super
24	abundance of life can take a few hits from oil spills or
25	blowouts, but rather a super concentration of life in an

1	area that's critical to their survival. The whole world
2	needs oil and fish. Oil and gas are just not the renewable
3	resources we need from offshore Alaska waters.
4	Mr. Secretary, I'm asking that you take the
5	risky pieces off the table and put your dependable
6	fisheries and wildlife management ahead of oil and gas
7	development.
8	About one sentence left. All the oil
9	industry what's happened on the ocean is just too
10	painful to ignore. I encourage you to personally visit all
11	the offshore areas with your local Interior Department
12	representatives before making any decisions to move ahead.
13	Take it from one man who has worked offshore in both
14	industries, our marine life can't take any more accidents
15	in any of the Alaskan waters. Thanks for your time.
16	SPEAKER: I'm Sharon Boyette. I'm the
17	administrator of the Aleutians East Borough, and I
18	testified earlier this morning saying that the Aleutians
19	East Borough is at ground zero for oil and gas development
20	in the North Aleutian Basin. Nobody has more at risk than
21	the fishing families out there do.
22	I also made the point that our fisheries is
23	the third most productive area of the state, and we're not
24	going to do anything that would provide excessive risk to
25	that. I further made the point that the Aleutians East

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1	Borough residents are strongly in support of responsible
2	oil and gas development, and not only I guess I want to
3	continue by saying not only are we in support, but we're
4	also sitting at the table, we're not standing back and
5	saying, please give us another pipeline and we won't waste
6	this one.
7	We're going to the table as a cooperating
8	agency with MMS and working on the protections that we
9	think we need for our fisheries and our environment. And
10	we appreciate that opportunity that MMS has provided to us.
11	We are pushing MMS, we think, to go above
12	and beyond sort of standard operating procedures. We're
13	asking not for just good enough, but the best you've got
14	and for their most creative thinking, and I think we're
15	getting that.
16	We'll continue to stay at the table with MMS
17	throughout the coming year, and at the end of the day and
18	at the end of the year we'll look at the draft EIS in a
19	community meeting, we'll go to the Lake and Peninsula
20	Borough and the Bristol Bay Borough and say to all of the
21	community leaders out there, "Okay, here is the draft EIS,
22	here is what we got, and here is maybe what we didn't get,'
23	and we'll reassess and come back and address MMS again
24	then. Thank you.

SPEAKER: Good afternoon, my name is Janine

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1	St. John. I'm vice president with Lynden Logistics, and
2	that's one of the Lynden family of transportation
3	logistics.
4	Lynden is a multi-modal transportation
5	company providing critical transportation links that bring
6	essential goods and services to Alaska and transporting
7	Alaska products, including fish, to world markets.
8	Lynden has been in business for over 100
9	years. We have extensive experience operating tugs,
10	barges, Hovercrafts, Hercules aircraft, trucks and
11	providing ocean forwarding services in Alaska, the Lower
12	48, and internationally. These operations have been
13	successfully and safely carried out within Alaska for more
14	than 50 years. We have a vested interest in protecting the
15	Alaska environment and protecting the Alaska economy and
16	promoting safe and prudent transportation operations in
17	Alaska.
18	Lynden has been a long-standing provider to
19	the oil and gas industry as well as a large user of
20	petroleum products, as you can imagine. OCS production in
21	Alaska will provide many benefits, including hundreds of
22	new jobs in urban and rural areas, additional income to the
23	state and local governments, new local sources of fuel and
24	energy and improved search and rescue operations.
25	We've seen just a glimmer of the potential

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1 of the benefits to Alaska for OCS activity from the recent 2 but unfortunately limited re-entry into the Beaufort and 3 Chukchi exploration activities. 4 On behalf of Lynden, its 2200 employees, 900 5 Alaskan employees and their families, we support MMS 6 maintaining regular lease sales in the Beaufort and Chukchi Seas as well as portions of the North Aleutian Basin. Oil 7 8 and gas production can move forward in these areas in an 9 environmentally sensitive and responsible manner through a strong regulatory regime, state-of-the-art oil spill 10 11 response, seasonal operating restrictions as needed, and 12 mitigation measures to avoid conflicts with other resource 13 users. 14 Thank you very much for your patience. 15 Thank you for coming to Alaska, and we truly appreciate the 16 opportunity given by MMS taking public testimony here in 17 Alaska, it's great. Thank you very much. 18 SPEAKER: My name is Judy Patrick. I'm a 19 resident of Wasilla, Alaska. I'm a professional commercial 20 photographer and graphic design firm owner with offices in 21 Anchorage. 22 I want to express my strong support for offshore exploration and development in Alaska and 23 24 elsewhere. Without question, our country and our state 25 need more supplies of oil and gas for the future. Even

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1	optimistic assumptions about renewable energy sources
2	indicate that in 20 years renewables will provide less than
3	10 percent of our overall energy needs, so quite simply we
4	need more supply.
5	The benefits of offshore drilling to this
6	state and our nation are clear: Reliable and affordable
7	energies that our economy and communities need, jobs
8	created here in Alaska and elsewhere in the U.S., good jobs
9	at high wages in a technologically advanced industry,
10	revenues and fees for the federal, state and local
11	governments, environmental oversight and regulation and the
12	ability to hold those who develop and explore to high
13	standards, and finally, reduced dependence on foreign
14	energy sources.
15	To me, the threshold question is we must
16	have oil and gas to meet our long-term needs in this
17	country, so where do we get it? Do we develop here at
18	home, or do we rely more on those same nations who supply
19	much of our energy now, like Venezuela, Nigeria, and Saudi
20	Arabia. Those three are among the top five suppliers of
21	oil to the United States now, and I can't believe there is
22	a thinking person in this hall today who believes that
23	increasing our dependence on energy from those nations is a
24	good long-term plan for our country.
25	In the same way, do we develop here at home

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1	where we have strong environmental standards and oversight,
2	which, while never perfect, are certainly among the best in
3	the world; or do we encourage more development overseas
4	where strict environmental standards and regulatory
5	oversight are at best lackluster, and at worst
6	non-existent.
7	Today we will hear from some outspoken
8	opponents of offshore drilling in Alaska and the Lower 48.
9	I would suggest that their position is hypocritical. They
10	object to exploration and drilling here to protect the
11	environment, and all their opposition will do is force
12	development to where there is less oversight and less
13	protection for the land and water. They object to drilling
14	here and they only force increased U.S. reliance on oversee
15	suppliers, which puts our long economic security in the
16	hands of South American dictators and oil sheiks.
17	Just saying no to offshore drilling does not
18	constitute a plan for the future. We need a solid, well
19	thought out, realistic energy plan for this country, and
20	offshore exploration and development must be an integral
21	part of that solution.
22	MR. AURAND: We have one additional tribal
23	representative, Mr. Frank are you a 6?
24	SPEAKER: Yes.
25	MR. AURAND: Mr. LaGusik (ph), you can come

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1	down and speak next after he finishes.
2	SPEAKER: Good afternoon, I want to thank
3	you for giving me the privilege to speak on behalf of our
4	village corporation. My name is Anthony Edwardsen. I'm
5	CEO of the Ukpeagvik Inupiaq Corporation, also a member of
6	the Alaska Eskimo Whaling Commission, and members of the
7	Barrow Whaling Captains Association.
8	UIC was created under the Alaska Natives
9	Claims Settlement Act in '72 to serve the social and
10	economic interests of Inupiat people from the community of
11	Barrow, Alaska, the northern most community in the United
12	States. I want to clarify that UIC is a village
13	corporation of Barrow, one of the eight villages in the
14	Arctic Slope region.
15	UIC's currently active in supporting oil and
16	gas industries in Alaska. Our family of companies employ
17	1400 people worldwide, with 750 of these employees in
18	Alaska. UIC provides scientific support, engineering,
19	construction, logistics, marine transportation services,
20	regulatory consulting and complying with oil and gas
21	industries. Our member enrollment, approximately 2500
22	shareholders, hold numerous regards for Arctic Ocean as we
23	understand the value of our people of economic
24	opportunities provided by oil and gas development. We seek

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a valid responsibility of exploration and development with

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т	our customary and traditional subsistence way or fire.
2	One example of balancing the sea can be
3	found in successful bowhead whale hunts conducted by the
4	village of the North Slope during the past several seasons
5	These hunts occurred in some of the same areas in which
6	Shell and other operators have conducted seismic and site
7	clearance survey work. Both the Beaufort and Chukchi
8	villages were able to meet their quotas for whaling without
9	conflict. Opportunities for communication between whaling
LO	crews and industries are made possible by the use of marine
L1	mammal observers, on-board industry vessels and by the
L2	operations of communications and consultant centers in the
L3	villages. These communication strategies result in
L4	successful hunt as well as success for the industry to
L5	gather data that is critical to exploration drilling.
L6	UIC supports oil and gas development both
L7	onshore and offshore. In light of this, I want to share a
L8	recent policy statement from the board of directors of UIC
L9	In our interaction with the oil and gas industry, we will
20	leverage our position with the Ukpeagvik Corporation family
21	of companies, its shareholders, and the community. We
22	acknowledge availability of exploration and development by
23	oil and gas industries. We will support exploration and
24	development activities as long as they are done in as
25	long as they are done in that short way.

1	Protection and preservation number one
2	bullet is protection and preservation of Inupiat culture
3	and subsistence life-style, economic benefit for our
4	community, employment to our shareholders and their family,
5	contract opportunities to our companies.
6	UIC shares the interest of the North Slope
7	Borough as a coastal district governing body to create a
8	strong and growth industrial sector in Alaska Arctic. We
9	strive to develop long-term, meaningful employment
10	opportunities to our shareholders and their decedents.
11	MR. AURAND: Can I get you to summarize,
12	please?
13	SPEAKER: What's that?
14	MR. AURAND: Your time was up some time ago.
15	Can I get you to summarize, please?
16	SPEAKER: All right. Thank you.
17	SPEAKER: Thank you, very much for giving me
18	this opportunity to speak. On behalf of my Native village,
19	first of all I would like to introduce myself. My name is
20	Frank LaGusik (ph), and I'm from Bristol Bay, from
21	Kaktovic, Alaska. And I'm not using one cap, I'm using a
22	lot of caps in my region. I'm the tribal council
23	vice-president and chairman on the Walrus Commission and
24	the executive board of directors on the (indiscernible),
25	and the chairman of the walrus commission (indiscernible),

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1	and the board of director on the Bering Sea Fisherman
2	Association, and also the executive board of director on
3	the Bristol Bay Native Association, and vice chairman on
4	the Bristol Bay Marine Mammal Council, and vice chairman on
5	the Togiak Advisory Board on Fish & Game.
6	I would like to tell you, the decision
7	makers, that I've been fishing all my life and subsist
8	also. And this is a hard decision that you guys are going
9	to make in between our subsistence way of life and jobs.
10	And these two points here that were that you hear today
11	from the outside, outsiders, the white people and the
12	Alaska Native people of Alaska, we're different and we eat
13	different food. And we don't eat the same food, and you
14	can't eat my food, but I can eat your food and my food.
15	But it doesn't make me when I eat white man's food, it
16	doesn't make me satisfied. Staying here a few days, it
17	makes me hungry for my Native food, and it's really hard
18	for us Native people.
19	So if the oil on the North Aleutian Basin
20	happens to come through, it will destroy the resources that
21	migrate year after year, our renewable resources through
22	there, like salmon, birds, marine mammals, to our area.
23	And they come through there in springtime and in summer,

and we live off of that. And our way of life, Native

foods, the money can't substitute our food, and we can't

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1	eat oil and gas.
2	And a lot of my Native people are jobless in
3	small villages, and they depend on welfare assistance, and
4	federal government and State of Alaska. Their money is not
5	growing, it's going down. If the oil drill happens to go
6	through there and destroy our salmon that migrate through
7	there that provides in summertime and let us live
8	throughout the winter from 20- to 50,000 income, it will
9	never come down and we'll start depending on the welfare
LO	system.
L1	And if the federal and state ran out of
L2	money, how are we going to live? And if our salmon species
L3	are destroyed, how are we going to live? I'm telling you,
L4	the decision makers, please don't make the cleanest state
L5	in the United States dirty and polluted. Thank you.
L6	MR. AURAND: 7. Okay, 7-A through F. Let's
L7	start on the left this time.
L8	SPEAKER: Hi, good afternoon, I'm known as
L9	Okwak (ph), my Inupiaq name. I'm Inupiaq from Tikigaq.
20	I've come to for the record, Native village of Point
21	Hope and the City of Point Hope have pending lawsuits
22	against Shell Oil and the majority of Point Hope is opposed
23	to offshore development.

societies, a society with clans and rituals that are

Tikigaq is one of the oldest whale hunting

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1	followed from season to season.			
2	The importance of our festivities revolve			
3	around the whale and with oil and mining industries inside			
4	our doors already threatening our cultural and religious			
5	practices with the contamination that will flow through our			
6	ocean waters and land.			
7	One elder friend has said that my community			
8	is too old school, traditionally and culturally. His			
9	opinion is that we need to be modernizing with new and			
10	improved hunting equipment, boats to hunt with.			
11	Modern technology is not a bad thing and we			
12	embrace the conveniences with open arms, with traditional			
13	and cultural practices. When it comes to hunting and			
14	religious ceremonial practices, are the heart of who we are			
15	as Inupiat. That is the practices are the heart of			
16	excuse me, that is the structure of our people, and how we			
17	have survived for thousands of years in this cold, harsh			
18	climate.			
19	Food & Drug Administration has always had			
20	stringent rules about meat products sold for consumption.			
21	Now, we would like to see the same consideration put into			
22	the quality of your meat put into our meat we eat. Take			
23	this into consideration and keep our oceans and lands clean			
24	from contaminants.			
25	We have continually fought to retain our			

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1	cultural and religious ceremonies from state, federal, and
2	private sectors for several decades. I'm now a second
3	generation Inupiat battling to keep our food source that
4	comes from the ocean and lands healthy and to ensure that
5	our rights as Inupiat are protected for my grandchildren,
6	their rights to be Inupiat by ensuring their food source is
7	healthy to eat, and that they have the same rights as I did
8	in practicing of our whale hunt that brings forth our rich
9	cultural and religious practices after the whale hunt.
LO	For every season we have rituals we
L1	celebrate that are practiced to ensure our success in the
L2	following whale hunting season for the next year. These
L3	rituals are our religious practices. The threat of
L4	offshore oil industry exploration and drilling threaten our
L5	religious ceremonies by a great possibility of an offshore
L6	oil spill, which there is no absolute guarantee of an oil
L7	spill cleanup under ocean ice during the winter when our
L8	oceans are covered for miles and miles of frozen ice.
L9	Now tell me where are my rights for
20	traditional religious practices? Is a freedom of religion
21	still part of our constitution for me, my children and
22	grandchildren?
23	I remind you again of the Exxon Valdez oil
24	spill 20 years ago this year. The remnants of crude oil
25	still covers the beaches. Tell me again how safe offshore

- oil cleanup is. 20 years later their beaches are still
- 2 covered with the nightmare they wake up day after day with,
- 3 the hopelessness of no ability to hunt and fish. This I
- 4 fear will happen again, but to us in the oceans we hunt
- 5 year round that provides and sustains us.
- 6 My heart is heavy with the burden of many
- 7 battles and many, many heartbreaks. As for the Exxon
- 8 Valdez oil spill, my heart goes to them. The tears of
- 9 sorrow for their ocean and animals is the trail of many
- 10 sorrows. Please take heed to our call for opposition. Our
- 11 oceans are the substance of our life and provides for our
- 12 food. The light of our light is our traditional food,
- 13 thank you.
- 14 SPEAKER: Good afternoon, my name is Keith
- 15 Silver, life long Alaskan. It is vital that the United
- 16 States continue along the path to develop the potential oil
- 17 and gas fields in the Outer Continental Shelf. To lock up
- 18 the nation's most prolific, unexplored offshore basins in
- 19 North America is unconscionable.
- 20 The Outer Continental Shelf is a valuable
- 21 future source of the U.S. energy supply. Your own MMS
- 22 conservative estimates are that there are over 53 billion
- 23 barrels of oil and 288 trillion, trillion cubic feet of
- 24 natural gas potentially in place. The responsible
- 25 development of America's offshore energy resources would

1	help supply future U.S. energy demand. The current fields			
2	are maturing and experiencing declining levels in			
3	production.			
4	The energy plan for the nation must include			
5	the Outer Continental Shelf, which accounts for the			
6	majority of the nation's technically recoverable resources.			
7	Given long lead times in development, which often exceed			
8	ten years, MMS needs to proceed with key lease sales.			
9	The demand for energy is and will continue			
10	to rise. Renewable energy sources will not significantly			
11	reduce our reliance on foreign sources of oil in the near			
12	or mid term and their construction is unlikely.			
13	In fact, organizations in at least two			
14	states, Massachusetts and California, have moved to block			
15	efforts to place renewable energy plants, wind and solar			
16	respectively, in their states. To quote California			
17	Governor Schwarzeneggar, if we can't put solar power plants			
18	in the Mohave desert, I don't know where the hell we can			
19	put it.			
20	For the health of our economy and national			

25 indigenous people in the North Slope in northwestern

important both economically and culturally to the

security we must utilize both conventional and

unconventional energy sources. Locally I would urge that

the MMS recognize that subsistence whaling is vitally

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1 Alaska. Seasonal restrictions on active whaling waters are 2 required to avoid potential conflicts. 3 Lastly, reform the revenue sharing from OCS 4 to allocate a portion of offshore royalty revenues to those 5 states who seek to develop offshore resources. Mandate 6 those states share with local communities to address local 7 impacts. I thank you for your time. 8 SPEAKER: Good afternoon. My name is Pete 9 Slaben (ph), I'm general manager of Shell of Alaska. I've worked offshore for 29 years supervising the developments 10 11 and production operations throughout the world. There have 12 been a large number of issues today that have been 13 addressed and I wanted to address a few of these larger 14 issues. 15 We need to state that we have indeed 16 operated in many of the offshore areas in Alaska over the 17 last 20, 25 years. Specifically, the industry has drilled 18 some 30 wells in the Beaufort Sea, five wells in the 19 Chukchi, and almost a dozen wells in the southwest of 20 Alaska. The greatest compliment any oil company can have 21 is that people will tell us that they didn't know we were 22 there, and that truly is the mark that we're trying to hit. 23 There has also been a large amount of study 24 and science devoted to biology and marine mammals in these 25 areas. Specifically I would draw attention to the fact

1	that the government has spent some 300 million dollars in			
2	studies in the Beaufort and Chukchi areas that supported			
3	the lease sales.			
4	Shell alone over the last three years has			
5	spent some 50 million dollars in trying to get a better			
6	understanding of marine mammals' migration and the biology			
7	in general in preparation for exploration, drilling, and			
8	further developments.			
9	We've not drilled in the last three years,			
10	but they have been three productive years, and we would			
11	like to think that the seismic we're seeing encourages us			
12	even further on the prospectivity in this area. But what			
13	actually enthuses us even more is over these last three			
14	years we believe we've had a seismic program that has			
15	allowed a substantially good subsistence harvest as well.			
16	Oil and gas in the U.S. has had an			
17	extraordinary record, and I will draw attention to a couple $% \left(1\right) =\left\{ 1\right\} =\left\{ 1\right\}$			
18	statistics. Over the last 30 years there has not been a			
19	major platform incident that led to a significant pollution $ \\$			
20	event. We have drilled some 30 excuse me, some 13,000			
21	exploration wells in the North America area without an			
22	event of more than 200 barrels of loss, and this goes back			
23	some 50 years.			
24	We brought with us at Shell an outstanding			
25	oil spill response plan that will be up and running the			

1 moment we put a drill bit on the ground. And that's very, 2 very different than anywhere else in the world and really 3 setting a trend that's not seen elsewhere. Truly, the oil 4 spill response plan that we have brought to Alaska is 5 extraordinary and the most advanced in the world. 6 Finally, the largest part of what we have 7 done over the last three years is listen to the people and 8 listen to some of the concerns they have. We recognize 9 that these are valid concerns. In recognition of these valid concerns, we have halved our program over that time. 10 11 and that has meant the removal of a drilling rig. We are 12 now in the process of trimming down our seismic operations 13 over the last three years in answer and to address some of the concerns the communities along the areas have. I thank 14 15 you very much for your time today. 16 MR. AURAND: Was that all the number 7s? 17 Okay, we have another tribal representative, Tom Oglisik, 18 is that correct, close enough? 19 SPEAKER: Good afternoon, Tom Oglisik, I'm 20 the planning director for the Northwest Arctic Borough 21 municipal government. Thank you for this time to address 22 you. I've submitted some written comments already to the 23 table, but I wanted a chance to speak on behalf of our 24 Mayor Sacorik (ph). We'd like to echo the concerns that

Mayor Itta expressed this morning, our sister borough that

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1	we work very closely with.			
2	We're based in Kotzebue, and our people, our			
3	residents of the borough, have a unique and close			
4	relationship to the oceans, the Chukchi Sea being the area			
5	that's affected by your decisions.			
6	As you heard from Pete Slaben (ph) already,			
7	there is existing lease sales in the Chukchi that have			
8	already been awarded and have made record sales of 2.6			
9	billion to the MMS. Our position, or our borough assembly			
10	opposes offshore development for various number of reasons,			
11	one of them being inequitable revenue sharing of the OCS.			
12	And there was a resolution also submitted that talks about			
13	addressing that.			
14	But I would encourage this panel to deny			
15	future lease sales, their existing lease sales in the OCS			
16	that are in the Arctic, and those need to be studied very			
17	closely. As Shell spoke about the consultations with our			
18	communities are very important. We appreciate some of the			
19	Alaska MMS people coming to Kotzebue just a few weeks ago			
20	to talk about things, but the engagement of our communities			
21	of dealing with the oil spill in the Arctic is not			
22	addressed, it is not over with. It needs to be fully			

understood. Our communities need to be engaged.

need to be strengthened in order to respond. As our mayor

Our borough search and rescue organizations

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- 1 always says, we're the first residents of the Arctic, we'll
- 2 continue to be here after any exploration, and we're going
- 3 to be the ones stuck with any environmental problems or
- 4 things afterwards. We're not going anywhere. This is our
- 5 home.
- 6 So as you look at the Arctic, I think it's
- 7 very important to look at the permanent inhabitants, not
- 8 the people that have moved up here 10 years ago or 20 years
- 9 ago, but who have always been here. And the knowledge and
- 10 information that we bring forward has that multiple
- 11 generations of experience, and that type of science really
- 12 needs to be listened to. So with that, I'll say Tugra
- 13 Otti-ga. Thank you.
- 14 MR. AURAND: It's five minutes after 4. The
- 15 schedule calls for us to go until 6 o'clock and break for
- dinner, so what we'll do is take ten minutes until 4:15,
- and then we'll come back and we'll go to 6 o'clock, thank
- 18 you.
- 19 (Break)
- 20 MR. AURAND: We missed one person who had a
- 7 in the last group, so we'll start there.
- 22 SPEAKER: I want to thank Secretary Salazar
- and MMS for the opportunity to testify today. My name is
- 24 Marilyn Himan (ph), and I'm speaking on behalf of Pew
- 25 Charitable Trust. I'm the director of the new Pew

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1	environmental group's new U.S. Arctic program, and I'm	
2	really glad that the Secretary and Senator Begich were able	
3	to fly to Dillingham and staff to hear firsthand from the	
4	people who live there.	
5	Although there were many people here today,	
6	I really hope that the Secretary is able to return and meet	
7	with people who live in the Arctic Ocean and meet have	
8	government-to-government meetings with the	
9	federally-recognized tribes.	
10	I've lived and worked in Alaska almost 20	
11	years, including serving as Secretary Babbit's special	
12	assistant for Alaska and special assistant to Governor	
13	Knowles. I know firsthand of the importance of the oil	
14	industry to the health of Alaska's economy and the vital	
15	role Alaska plays in meeting the nation's energy needs.	
16	Pew Charitable Trust is not opposed to all	
17	oil and gas leasing in the OCS, but what is being proposed	
18	now in Bristol Bay and in the Chukchi and Beaufort Seas is	
19	unprecedented in both scale and size and space.	
20	In the last eight years alone leasing has	
21	increased by six to eight fold, from 9.4 million acres to	
22	measured somewhere between 60 and 80 million acres. The	
23	plan you are reviewing today enacted in the 11th hour of	

the Bush Administration proposes leasing in 130 million

acres over the five-year period in the most dangerous,

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т	extreme, and at-risk praces on Earth.	
2	This is an unfathomable acceleration of	
3	leasing and a major departure from previous five-year	
4	programs. Proposed drilling in Bristol Bay makes little	
5	sense given that we've already purchased those leases back	
6	using taxpayer's dollars. And clearly the value of Bristol	
7	Bay renewable resources far outweigh the risks proposed by	
8	the short-term economic value of the non-renewable oil and	
9	gas resources there.	
10	The pace and scale of the leasing program is	
11	of concern because some of you've heard all this today	
12	many times, so I apologize so little is known about and	
13	understood about the Arctic marine ecosystem. The Arctic	
14	is warming at twice the rate of the rest of the planet and	
15	the sea ice is melting at an alarming rate. Some	
16	scientists predict the Arctic will be free in the summer of	
17	ice in 30 years. The Arctic Ocean and Bering Sea	
18	experiences the most extreme and severe weather conditions	
19	on Earth. The technology to clean up oil spills does not	
20	exist, and ice-dependent species are already in stress.	
21	Equally of concern is this multi-sale EIS	
22	proposed in the Arctic. It's too big and expansive of an	
23	area to be covered under one EIS. Thank you very much.	
24	MR. AURAND: We have one additional tribal	
25	representative, Mr. Arthur Lake.	

1	SPEAKER: Welcome, my name is Arthur Lake,
2	I'm the tribal administrator for the Native village of
3	Kwigillingok, a federally-recognized tribal government in
4	Kwigillingok, Alaska. I'm also the executive director of
5	the Bering Sea Elders Advisory Group. 32 member tribes,
6	from Whales in the Norton Sound area to Platinum in the
7	Kuskokwim area, 32 tribes, and they are very concerned
8	about the Aleutian Basin oil lease sale, the Chukchi and
9	the Beaufort.
LO	The effects of those developments will not
L1	be just in that area, it will affect everything else, our
L2	birds, our seals, the duck, the spotted, the harbor, the
L3	ring seal, the whales, the walrus, the halibut, the
L4	yellowfin sole, the pollack, they all go through that area
L5	and they migrate through the Bering Sea.
L6	Our people have lived and survived for
L7	thousands of years. We have developed no dangerous
L8	chemicals or compounds, and we have ensured that the
L9	resources are made available for our children and their
20	grandchildren.
21	And you go around in our area and you will
22	not find a trace of human existence almost. These were
23	done because of our ancestors way of dealing with these
24	things. You honor the spirit of the animals and resources
25	so that they may continue to provide you with those things

1	We are very concerned that our people have
2	not been visited, if you will. You make public hearings
3	here in Anchorage, the largest city in Alaska, you go to
4	the hub communities like Bethel, Barrow and Nome, but you
5	don't go to Kwigillingok, or you don't go to Kotlik or
6	Nuiqsut in those areas that are impacted by the
7	developments that are ongoing or proposed, and you don't
8	get to hear our people and their concern about how their
9	way of life is going to be impacted.
10	Our way is not the way of economics, it's to
11	survive. And we have been placed here by our creator with
12	the resources necessary to do just that. And the resources
13	that we depend on cannot, will not, do not know how to cope
14	with the contaminants and the pollutants that are caused by
15	industrialized development.
16	The government must consult with the tribes.
17	It has a duty and obligation to do so, but it has not done
18	so. The Minerals Management Service is not exempt from
19	tribal consultation responsibilities. It is a federal
20	policy that if it's going to affect the people that are
21	involved in it, then they must be involved in the process,
22	not late in the game, but early on from the very beginning,
23	and you don't get to hear that, you haven't yet. You
24	haven't gone out there to listen to the people that live
25	out there. The tribes and their governments need to be

1 (indiscernible) to look at how their lives and their

2 cultures are impacted.

- 3 Subsistence is not about killing and eating.
- 4 In our language there is no such word as subsistence.
- 5 There is no such word. There is so much more for one to
- 6 take one fish, all the teaching that goes with that, to
- 7 teach how these are preserved, how they are caught, how
- 8 they are handled, not for economic purposes, but to share
- 9 with those that can't do that, the elders, the widowers,
- 10 those that cannot help themselves.
- 11 So we believe, in closing, the government
- must consult with the tribal governments out there, their
- 13 people, and you don't do that here in Anchorage. At great
- 14 expense we come in here to do these things. The government
- 15 must go out there to listen to the hopes and the dreams and
- 16 the opinions of the people that are actually affected by
- 17 the activities that are being proposed today. Thank you
- 18 very much.
- 19 MR. AURAND: Thank you. If we can have 8-A
- 20 through F.
- 21 SPEAKER: Hi, my name is Doris Hugo, my
- 22 Inupiag name is Kuti (ph). I was born and raised in Barrow
- 23 and in a small village Anaktuvuk Pass. I grew up a
- subsistence life-style, harvesting caribou and whales,
- 25 geese, fish, picking berries.

1	And I also am a person that had gone away to
2	college here at the University of Alaska-Anchorage, and it
3	was my goal to work in the oil and gas industry to bridge
4	the gap between industry and local stakeholders. So I take
5	my job very seriously.
6	And I currently work for Shell Exploration.
7	My job title is stakeholder relations planner. I travel
8	with a large group of technical experts in drilling,
9	development, marine mammal protection, seismic and issues
10	resolution, and while we're out there we're consulting with
11	local people, local leadership, local organizations. And
12	any time we've been invited to go and visit with local
13	communities to consult, we've been there. And I take it
14	very personally because I want both the industry and my
15	Native people and our stakeholders to work cooperatively to
16	find middle ground to work together for safe offshore
17	exploration and development.
18	I too, when I first heard about offshore
19	exploration and development in the Outer Continental Shelf,
20	was very torn and I had a lot of personal conflicts. I
21	felt like I had to choose between being an Eskimo Inupiaq
22	and choose between having a future and having a good job.
23	But after learning about the technologies and spending a
24	lot of time with different industry people and my local
25	stakeholders, I feel that I'm in the middle, it's not so

black and white, I'm in a gray zone, and I support safe

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2	offshore exploration and development.
3	And I challenge other people, all
4	stakeholders here in Anchorage, in the villages, to go and
5	learn about these technologies, and make their own
6	decision. I'm not here to convince anyone otherwise, but I
7	challenge you to go out and learn about the technologies
8	before you make your decision. Thank you.
9	MR. AURAND: We have somebody from this
10	side.
11	SPEAKER: Good afternoon, my name is Mary
12	Quinn, I'm the president of NMS, and so it not be confused
13	with MMS, that's NANA Management Services, which is one of
14	the ten largest employers in the state of Alaska, and I'm
15	here today to represent NMS and to support that oil and gas
16	leasing be made available on Alaska's Outer Continental
17	Shelf and that you include such leasing in your five-year
18	plan covering the period 2010 through 2015.
19	Here in Alaska NMS employs more than 2,500

25 North Slope as well as other oil, gas, and mineral

people, and the majority of those jobs are based on

services which support oil and gas exploration and

food service, maintenance and housekeeping, and also

development. Our employees operate the camps, including

provide security for the oil producing areas of Alaska's

1	producing areas in the state.
2	Our annual payroll supports an estimated
3	5,000 family members who depend on these paychecks, and not
4	only for their day-to-day living, but also on our
5	healthcare benefits for their access to medical care.
6	Fully one quarter of NMS's employees are Alaska Native, and
7	half of those, about 13 percent, are NANA shareholders from
8	the Northwest Arctic region whose coastal boundary is the
9	Chukchi Sea.
10	A big part of the mission of NMS and the
11	reason the company was created by NANA 30 years ago is to
12	create job opportunities for NANA shareholders.
13	Opportunities for employment in the Arctic are extremely
14	limited. Oil and gas production on the Outer Continental
15	Shelf of the Beaufort and Chukchi Seas represent one of the
16	few opportunities for expanding employment in a significant
17	way.
18	The lease sales open the door not only to
19	much needed new supplies of domestic energy for the United
20	States, but to jobs that pay a good wage, that build
21	professional skills, and provide the flexibility to
22	continue a traditional and subsistence life-style.
23	As a former research scientist and engineer
24	myself, as well as a leader of a company which has
25	supported oil producers in Alaska for more than three

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decades, it is my belief that Alaska's offshore waters can
be explored and the oil and gas resources produced without
harming the environment. The hearings today have been
beneficial hopefully to all of you, but also to those of us
in the audience hearing so many different points of view.
The benefits of developing oil and gas on
the Outer Continental Shelf seem overwhelming in terms of
domestic energy supply, jobs, and economic development in
Alaska.
If there were no risk, the decision would be
a no-brainer. The only issue it seems to me before you is
determining the real versus the perceived risk of drilling
offshore, and looking to determine that risk at the real
track record of offshore drilling and the real capabilities
of the technologies that have been developed to mitigate
those risks. Thank you for the opportunity to speak today.
SPEAKER: Thank you for the opportunity
today. My name is Kim Wright-Meyer (ph), I'm a life-long
Alaska, a Sugpiak Native of Kodiak Island, and a member of
the Sunaq Tribe. My family has a long history of
leadership roles in Kodiak and the Alaska Native
communities. I also work for an Alaska corporation serving
as the chief of staff for Alyeska Pipeline Service Company.
Over the past 30 years Alyeska has safely
transported over 15 million barrels of crude oil from the

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1	North Slope of Alaska through the Trans-Alaska Pipeline.
2	The 800 mile pipeline has been, and we hope will continue
3	to be, the critical link to our country's energy
4	infrastructure. However, the future of TAPS is far from
5	certain as a result of lower throughput from the existing
6	fields in the North Slope; therefore, encouraging plans
7	that may lead to the development of additional hydrocarbon
8	resources from offshore of the North Slope are critical
9	importance to our company and, in turn, to the markets the
10	North Slope serves.
11	We urge the Department of Interior to move
12	forward and finalize the new five-year plan as
13	expeditiously as possible. The draft proposed program is a
14	result of extensive public input and scientific and
15	regulatory analysis. We hope the agency will build upon
16	this work and issue a final program in 2010 that will best
17	meet the energy needs of the nation in accordance with the
18	OCS plan, that in the meantime, we encourage the Department
19	and the MMS to expeditiously carry out the remaining lease
20	sales identified in the 2007 and (indiscernible) programs
21	and towards process permits and other applications for
22	companies that have invested millions of dollars for the
23	chance to explore new energy reserves.
24	We're particularly concerned about the
25	impact of delay on activities on the North Slope and

Т	improve the bepartment to ensure that the Beautort and the
2	Chukchi sales scheduled for 2010 go forward, and the
3	permits and authorizations that have been held up for years
4	in the region be processed in a more timely manner.
5	The ongoing success of TAPS and its role in
6	the nation's energy infrastructure is directly tied to
7	healthy levels of Alaska crude oil production. At its
8	peak, the pipeline was used to transport 2.1 million
9	barrels of oil, or 24 percent of the nation's crude oil
10	production. Today, that number has dropped to 740,000
11	barrels. It is still 14 percent of the nation's
12	production. These lower throughput levels create serious
13	challenges for the long-term operation of TAPS. Lower
14	throughput means lower crude temperatures and lower
15	velocities, potentially requiring large amounts of new
16	investments of heaters as well as increases in the
17	infrastructure of maintenance pigging and other activities
18	to ensure continued safe operations of the system. The
19	challenging hydraulic profile in TAPS has already triggered
20	the replacement of our main line pumps so that lower
21	throughputs can be transported.
22	As production from existing fields and
23	pipeline throughput continue to decline, our challenges
24	will continue to multiply. We have already dedicated
25	significant attention, resources, and investment to dealing

1	with these issues, and are committed to continuing to
2	invest in resources needed to ensure the integrity of the
3	system.
4	In conclusion, for these reasons, Alyeska
5	enthusiastically supports concluding regular oil and gas
6	lease sales in the Beaufort and Chukchi Seas as part of the
7	new five-year leasing program, and moving forward with
8	scheduled sales in those areas during the current programs.
9	The procedures of the MMS in implementing
10	the OCS Land Act provide for complete environmental and
11	public reviews of areas to be leased and will allow these
12	areas to be developed in an environmentally responsible
13	manner. We further urge that the MMS and other federal
14	agencies receive these resources required to process
15	permits and other applications from lease holders in a
16	timely manner.
17	We believe these actions will allow the
18	crude oil stored on the federal OCS to be delivered to
19	American people throughout the existing infrastructure of
20	TAPS. Thank you.
21	SPEAKER: My name is Bernard Denowitz (ph).
22	I've worked on Beaufort Sea products since the late 1970s
23	and Chukchi Sea projects since the early 1990s. Currently
24	I'm the operations manager for Umiak, a subsidiary of UIC,
25	a Barrow village corporation.

1	Barrow is the largest village on the North
2	Slope. We currently have 2500 shareholders. Those
3	shareholders will be impacted by development of the OCS and
4	the Arctic. I'm here today before you to show support for
5	the responsible development of the Alaskan OCS. I believe
6	that the OCS can be developed in an environmentally
7	responsible manner. I believe that technology exists and
8	can be successfully designed, constructed and operate
9	facilities relating to the OCS. As new or advanced
LO	technology is required, I'm convinced that it will be
l1	developed as necessary, similar to that of the TAPS
L2	pipeline in the late '60s and early '70s.
L3	Development of the OCS will provide
L4	long-term, meaningful employment to the village residents
L5	while allowing them to maintain their subsistence
L6	life-style. I believe that development of the OCS can be
L7	done in a manner that minimizes any significant negative
L8	impacts to the adjacent Native communities and their
L9	residents.
20	I believe that the OCS development can bring
21	desperately needed revenue into the villages. The
22	development of the OCS will strengthen the economies of the
23	villages, help stop the outflow of residents into urban
24	Alaska due to lack of employment opportunities in the
25	villages. Throughout the day numerous people have

1	referenced the economic analysis of the future offshore oi
2	and gas development in Beaufort Sea, Chukchi Sea and
3	northern Aleutian Basin by Northern Economics. There is a
4	just a couple points I'd like to make.
5	It states in that publication that the OCS
6	development will have an average of 35,000 jobs over the
7	next 50 years, payroll of 72 billion dollars, and very
8	important for the shareholders of UIC and other
9	shareholders of the North Slope, there will be long-term
10	opportunities and also short-term opportunities. These
11	include marine mammal positions, camp support, spill
12	prevention, logistics, et cetera.
13	On a daily basis one of my largest
14	challenges I'm faced with is finding employment
15	opportunities for UIC and other village corporation
16	shareholders. Responsible development of the Alaska OCS
17	will help ensure a long-term, meaningful employment for
18	generations of Alaska Native. I believe that as important
19	as any OCS development take into consideration the
20	continuation of the daily culture and life-style. A
21	balance of community, responsible development, and the
22	customary traditional subsistence life must be maintained.
23	In the past four years I've worked on Arctic
24	OCS projects. I've repeatedly seen the concern and
25	sensitivity over the Native culture the oil industry has

1	demonstrated. They have consistently tried to minimize
2	impacts to the Native culture that supports a subsistence
3	way of life. This is best illustrated by the bowhead whale
4	hunts conducted by villages of the North Slope during the
5	past several seasons. These hunts occurred in some of the
6	same areas in which operators have conducted site surveys.
7	In closing, I would like to state that for
8	those OCS projects to move forward parties on both sides of
9	the fence will need to come together, have meaningful
LO	communications and trust and develop respect for each
L1	other. Responsible development of the OCS is important to
L2	the future of the United States and Alaska and the
L3	communities and people located adjacent to the OCS. Thank
L4	you very much.
L5	SPEAKER: Can you go over the green light
L6	with me. And I would like to register a protest for the
L7	record that we can't sit down, and I would like to see the
L8	speakers to the left so we can see their faces because it
L9	goes to content of character and intention.
20	MR. AURAND: The green light will stay on
21	until you have 30 seconds, then it will flash yellow, and
22	when the buzzer and the red light comes on your three
23	minutes are up.
24	SPEAKER: I'm going to set my own timer, I'm
25	learning how to be a crammed-down talker so in one minute

1	it will tell me where I'm at and hopefully give me some
2	insight.
3	My name is Paul D. Kendall (ph). I have no
4	conflict of interest. I don't go to being the essence of
5	Alaska, I go to being the essence of what America used to
6	be. It used to be of individual freedoms, ladies and
7	gentlemen. We were supposed to be a more free people, a
8	family of harmony, community and harmony, and somewhere we
9	got distracted and disconnected in pursuit of money. And I
10	suggest to many of those testimonies today that if you want
11	some money and jobs you should go to the Federal Reserve or
12	the AIG, because there they just print money at will. Why
13	would you want to labor all day?
14	And it goes to making the case that many of
15	the foundations today have their fallacies. They have no
16	concrete foundations, they are illusionary. Life is about
17	moment to moment struggle, ladies and gentlemen, and when
18	you forget that, you forget that what life is all about,
19	and holding a loved one, holding family, being able to
20	laugh and to live and to enjoy all the life around us.
21	In moments like this where I have to motor
22	mouth and cryptic talk and cram down as opposed to
23	reasonable and opening and challenging dialogues that make
24	(indiscernible), it's hard for me to determine what the

priorities should be.

1	So I've been trying to contemplate how you
2	move a message of what's important. And it seems to me
3	that what's happened here is Alaska has been diverted from
4	its true intent. That intent was to partnership with its
5	hydroelectric capacities. The Inlet out here has the
6	capacity to reach energy and instream, renowned world
7	instream research in electricity generation to be able to
8	convert our many homes in Anchorage to all electric, and
9	when you do that you reach a whole new society.
10	Alaska should have been 25 years ahead of
11	every other continent on the planet, and what that breaches
12	is a new free will, and it also breaches a unity with every
13	living creature on the planet. Let me tell you what that
14	final mechanism is. We now realize it's not just to own
15	land, not just to own a dwelling, the final missing piece
16	is harmony with the energy. And in that we should realize
17	that every living creature on the planet requires hydrogen,
18	every plant on the planet requires hydrogen. Your ocean is
19	a complex hydrogen compound with (indiscernible). Your
20	hydrocarbon is dead without the hydrogen. Your body is a
21	fuel cell that generates electricity to the hydrogen.
22	And in closing, let me read you a complex
23	paragraph so that you can see that we are also
24	intellectual, should you have those within your realm.
25	Due to our long and self-indulgent denial of

1	this energy ownership and development war which is now
2	currently going on, events are now beginning to have or
3	show potentially large magnitudes of unprecedented or never
4	before experienced impacts.
5	Final paragraph. These impacts are of
6	potentially unknown consequences of fabric-like
7	interactions are now showing a possibility of increase in
8	accelerated cascading sequences with outcomes of even
9	greater unknown impacts due to even more potential multiple
10	accumulations and intersections of these impacts.
11	In other words, gentlemen, we don't have the
12	slightest idea of what the hell is coming next. They are
13	combing the cultures, monies, values, race, creeds,
14	environment. It is time to come home to back to a
15	residential unit. And I will call on my people to refuse
16	to pay any further electrical, water or gasoline bills that
17	are associated with your drilling. It is time for a
18	revolution. If you cannot begin this revolution with
19	energy, people will have to begin it (indiscernible). And
20	I regret that I have to take such a harsh position. And
21	thank you for the opportunity.
22	MR. AURAND: 9-A through F.
23	SPEAKER: My name is Peter Mansy (ph). I
24	represent 50 employees at a steel company here in town. 20
25	to 30 percent of my business is oilfield. To continue in

business in Alaska, I have to have them as part of my mix.

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2	I'm pro OCS at this point. I don't see
3	what you're just doing a leasing thing, we're 10 to 15
4	years out before production would happen. I don't want to
5	browbeat the point, you've heard all these really
6	heart-rendering scenarios of pro or con.
7	I think the biggest thing is I get tired of
8	hearing about the Exxon Valdez. That was human error.
9	That wasn't the oil company doing that, that was a, quote,
10	unquote, drunken sailor, and so I have a problem with the
11	heart rendering part of this.
12	If you read your logo, it's offshore
13	minerals and minerals management stewardship. This should
14	be a straightforward you're leasing land, and the 30
15	agencies that an oil company has to go through to actually
16	get a license to drill and produce is who handles the part
17	past this. Thank you for your time.
18	MR. AURAND: Have we got somebody over here,
19	two over here, go ahead.
20	SPEAKER: Don, Jeff, Renee, good afternoon,
21	I'm Paul Stang (ph), a consultant in Anchorage and I'm
22	speaking as a resident of Alaska. I'd like to tell you why
23	I support environmentally sound OCS energy development in
24	the Alaska planning areas.
25	First, regarding oil spills, about 60

- 1 percent of the oil that gets into the marine environment
- 2 comes from natural seeps. Another 34 percent is from urban
- 3 run-off, shipping, power boats, and other chronic spills.
- 4 That 34 percent is equal to nearly 11 million gallons of
- oil. That's equivalent to an Exxon Valdez spill every
- 6 eight months. Together that totals 94 percent. By
- 7 contrast, however, OCS oil and gas development counts for
- 8 about 2 percent of oil in the environment.
- 9 Regarding science information, while OCS
- 10 areas were under moratorium, Congress funded no new MMS
- 11 science studies. New studies were only funded in areas
- 12 open for leasing and exploration. Fortunately, in Alaska,
- 13 studies continued. In today's dollars, MMS has completed
- 14 approximately 1 billion dollars of environmental studies.
- 15 That's plenty of information to start leasing and
- 16 exploration. Nevertheless, Secretary Salazar should urge
- 17 Congress to continue to fund a rigorous studies program in
- 18 Alaska.
- 19 Regarding meeting the nation's demand for
- 20 energy, we each need to do better at reducing our carbon
- 21 footprint, and the nation should spend a bundle on
- 22 alternative energy R and D, but even if we do, the U.S.
- 23 will continue our high dependence of oil and gas for the
- 24 foreseeable future.
- We now import about 60 percent of our oil.

1 W	e can	either	import	more	or	develop	more.	Α	probl	em	is
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- that when we import oil, we are effectively exporting the
- 3 environmental impacts associated with development of that
- 4 oil. In the process, we are also exporting jobs and a huge
- 5 amount of national income, and we're undermining our
- 6 balance of payments and maintaining a substantial threat to
- 7 the national security that cost us dearly in terms of both
- 8 dollars and lives.
- 9 It's time to solve our global energy and
- 10 environmental issues. The U.S. should rigorously pursue
- all sources of energy in an environmentally prudent manner.
- 12 Let's use the extra time that Secretary Salazar has
- 13 provided by putting aside the steady extreme of rhetoric
- 14 and litigation that cripples government and instead work
- together constructively to devise a program that helps
- solve the nation's energy crisis. We can protect the
- 17 oceans of Alaska and say yes to oil and gas. Thank you
- 18 very much.
- 19 SPEAKER: Thank you for letting me testify
- 20 today. This is Jim Duffield (ph). I've been in Alaska for
- 21 eight years, came from West Virginia. My wife and her
- family have been in Alaska for over 18,000 years. They
- 23 come from the Northwest Arctic Borough. I'm also an
- 24 employee of NANA Development Corporation and I derive my
- 25 living by sustainable natural resource development. I'm

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1	also custodial shareholder in NANA Regional Corporation.
2	I have extended family throughout the
3	Northwest Arctic region and also in West Virginia where
4	they derive most of their income from the chemical
5	industry, which works from oil and gas substrates.
6	Today I'd like to I've been here
7	listening all day long. There have been more than 185
8	people testify. Of those I've counted 25 opposed, truly
9	opposed to OCS development. Of those, nine were only
10	concerned and opposed to Bristol Bay OCS development.
11	Most people have talked about much stiffer
12	regulations, and we agree that we all want to do it safely,
13	we agree with that. I want to also say that, number one, I
14	support the draft proposed plan for 2010 to 2015.
15	Number two, we would like the federal
16	government to stop the ESA, the endangered species abuse
17	and using the Endangered Species Act as an abusive way
18	rather than to protect species who are truly in danger. It
19	is used to stop development and to stop development in
20	areas where the animals are not endangered. Polar bears
21	are at their highest levels in recorded history. Beluga
22	whales are doing just fine.
23	Number three, platforms, it's well

documented, have been -- oil and gas platforms have been

well documented to create reefs and new ecosystems in areas

1	of the ocean.
2	Number four, I echo support for all the
3	positive comments here today.
4	Number five, the scientific facts from 1997,
5	global temperature has actually declined, and this year
6	it's noted scientifically that sea ice has increased back
7	to levels not seen since 1977. Listen to all the science,
8	not just the political science, and discount all the
9	others.
10	Number eight, share revenues with the states
11	and the local boroughs. And I thank you today for letting
12	me testify.
13	SPEAKER: My name is Vern Wilson and I'm a
14	proud Bristol Bay commercial, sports and subsistence
15	fisherman, and I come here to present this petition that I
16	worked so hard on with my colleagues, and it's 750 Bristol
17	Bay fishermen throughout the whole region, that they all
18	signed the petition to tell our leaders like you to protect
19	our fisheries. It's America's largest fisheries. And let
20	me tell you that this is a historical thing that has been
21	here for thousands of years, my people especially.
22	My grandpa got on the ship in the 1920s and
23	he came all the way to America for a better life because
24	that's our national history. People from all over the
25	world have come to our country to find livelihood. He came

1	to Bristol Bay because there is a rich fishery, and his
2	fisheries back in Finland were decimated. Here in Bristol
3	Bay he met my grandma, whose people have been here for
4	thousands of years subsisting off the land, and I'm proud
5	to say that we still have among the strongest fisheries
6	because our people took care of it. Our country has taken
7	care of it until this question has been put on us.
8	And so I'm here to say that Bristol Bay, our
9	people, our culture, and our livelihoods are being put at
10	risk, not only because of offshore drilling, but because of
11	this proposed Pebble Mine. And it has me, as a member of
12	the younger generation, really concerned for our future.
13	You know, look at how long this fishery has been here, for
14	thousands of years.
15	I ask you leaders to make the right decision
16	here. We know I've been gone to college and I have
17	studied environmental issues. That's my salmon fishing
18	helped pay for me to get an environmental studies degree.
19	And what I have learned is that seismic
20	testing, offshore oil pollutants, and even the Minimal
21	Management Service yourselves said you postulate 13 spills
22	in Bristol Bay, including up to one large spill in our
23	region, and that is very concerning to us because we don't
24	know how to clean up an oil spill in icy conditions.
25	And so, you know, that saying with great

Т	power comes great responsibility, you have a responsibility
2	not only for my Native peoples but for younger generations
3	to not only protect our fisheries, protect our livelihoods,
4	but you have a responsibility to wean ourselves off of this
5	dependence on oil, and you have the responsibility to
6	listen to the 750 fishermen of Bristol Bay. You have a
7	responsibility to listen to the people, the 50 community
8	organizations and tribes that have passed resolutions and
9	expressed their opposition to this short-term lease that
10	would last only 25 to 40 years, and would garner only about
11	7.7 billion dollars versus our 50 million dollars I mean
12	our 2.2 billion dollar per year fisheries. So please take
13	that into account. Thank you.
14	SPEAKER: Good afternoon. My name is Lynn
15	Johnson and I'm the president of Dowl & Bach Corporation,
16	which is a 34-year-old manufacturing company headquartered
17	here in Anchorage. We build instrumentation systems, well
18	head control panels, cam injection systems and UL control
19	panels. We're 100 percent Alaskan, and we have 27
20	employees that ski, hike, bike, climb mountains and fish,
21	and I might add that each and every one of them is going to
22	be paying their fair share of federal income taxes tomorrow
23	on their 1040s.
24	I'm in full support of the oil and gas

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25

leasing of the OCS region. I for one, and I'm sure many

1	people in this room, lived through the oil embargo of the
2	1970s. We need to increase our energy independence, not
3	decrease it. We also need to curtail spending, sending
4	large amounts of dollars overseas to countries not
5	necessarily friendly to the interests of America.
6	Companies such as BP, ConocoPhillips and
7	Shell have proven in other geographic areas of the world
8	that offshore OCS oil and gas can be safely produced in an
9	environmental friendly manner both onshore and offshore.
LO	The Norwegian Sea is a prime example of this.
L1	We need to enhance the possibilities for a
L2	natural gas pipeline and extend the Trans-Alaska Oil
L3	Pipeline's life. Once the day the TAPS pipeline stops
L4	pumping oil, the economy of Alaska will stop.
L5	As a board member and chairman of several
L6	non-profit 501(c)(3)s, much of the funding for Alaska's
L7	non-profit originates in some aspect of the oil and gas
L8	industry. Also, and I'm not sure it would apply to this,
L9	but OCS revenue, ask any Alaskan if they enjoy receiving
20	the PFD. Does that originate from tourism dollars? OCS

MR. AURAND: Any other 9s? Can I have 10-A

leasing in Alaska is the answer, yes. Thank you.

through F. Okay, we'll start over here.

21

24 SPEAKER: My name is Reid Christensen (ph)

25 testifying as a citizen of Alaska. I appreciate the

T	opportunity and your time visiting us here today.
2	As has already been mentioned, we've had
3	lots of testimony, and I would just like to echo the
4	sentiments of those that are for the OCS development in
5	providing jobs and resources for our economy.
6	My wife and four children enjoy a high
7	standard of living here in Alaska, like all of us do, and I
8	think sometimes it's easy to take that for granted. Even
9	meeting here today, we have this nice new facility, the
LO	lights, the air conditioning. You know, how did we get
L1	here? We traveled here in our cars or flew up here in
L2	planes.
L3	I think sometimes the standard of living
L4	that we enjoy it's easy to take for granted and it's easy
L5	to forget where this electricity comes from. When we all
L6	go home at night we flip the switch and we expect the
L7	lights to come on, and, fortunately, for most Americans,
L8	they do, but it's almost a catch 22.
L9	It's easy to forget where this electricity
20	comes from and how we get it and how reliant we are for it.
21	It's important, like has already been mentioned, to keep
22	renewing our energy resources, and it takes a lot of time.
23	And so I would also respectfully submit that we need to
24	keep the ball moving before we get into an emergency and
25	it's a big panic.

1	we've also heard a little bit today about
2	climate change and the impacts of climate change to our
3	state and to our area, specifically Alaska. And, well,
4	that's a whole other separate debate, the climate change,
5	what is the cause and what are the solutions. I was
6	thinking as I was hearing the testimony today that our
7	culture and heritage and tradition are good things, and
8	they are also something that can and should evolve over
9	time.
10	Our cultures change as we face events in our
11	lives, either events that we have instigated by choice or
12	have been put upon us. For example, I was thinking about
13	the climate change. What if all the doomsday climate
14	scenarios were true, for argument sake, and the whales
15	stopped coming north. I don't think all the villages and
16	the people would disappear or vanish. We would adapt. We
17	are adaptable as human beings, and we can and do overcome
18	challenges in our lives, and I think we can responsibly
19	develop oil and gas energy resources while at the same time
20	respecting the environment. Thank you.
21	SPEAKER: I'd like to thank you for coming
22	to Alaska and hearing our voices. My name is Dan
23	Strickland (ph). I've been in Alaska for 40 years and
24	fished for nearly 30 of those years. My wife and I raised
25	our four boys here, so this is my home.

1	The oil industry often points to Cook Inlet
2	and Norway as regions where fisheries and oil development
3	have co-existed with few detrimental effects, yet a little
4	research into these areas reveals troubling findings.
5	Norweigian fishermen are currently embroiled
6	in a period of confrontation with the oil industry over the
7	effects from seismic testing and claiming their fisheries
8	harvests are down 33 percent. Atlantic pollack catches
9	have dropped from 800 tons in 2006 and 2007 to 83 tons in
10	2008 for a 90 percent reduction. Fishermen attribute this
11	to seismic activity.
12	Fishermen there are threatening to apply
13	civil disobedience in petroleum installations in the Bering
14	Sea. There have been actual squirmishes between seismic
15	vessels and fishing boats vying for the same grounds.
16	Apparently, the oil companies have been paying some
17	fishermen large sums of money to leave the grounds in a
18	desperate attempt to defuse the situation. If this is a
19	marriage of oil and fish, it's a rotten one.
20	Cook Inlet has its own troubles. The United
21	Cook Inlet Drift Association joined in a 2007 lawsuit over
22	EPA's tripling of the amount of toxic heavy metals they
23	would allow to be discharged by industry. The technology
24	exists to eliminate these discharges, but it's less
25	expensive to pump them into the Inlet.

1	The oil company is using the common resource
2	as its own convenient dumping ground. Cook Inlet is
3	renowned for its fierce tides and scouring glacial silt,
4	while the effects fouling water here are documented are
5	arguably criminal.
6	The North Aleutian Basin has a different and
7	heightened sensitivity. It's home to habitats identified
8	essential for red king crab, pollock, various flatfish and
9	salmon in their larval, juvenile and adult life stages.
10	It's the nursery ground for the entire North
11	Pacific halibut biomass. It is this special fragility
12	which originally caused the area to be withdrawn by
13	congress from OCS sales and later protected further by
14	Presidential exemption.
15	What is under discussion today is entrusting
16	our nation's most productive fisheries region, one critical
17	for an entire ecosystem supporting incredibly rich marine
18	life, four national wildlife refuges, and a many thousand
19	year old subsistence cultural heritage to an oil company
20	posting run away profits in an absolutely dismal
21	environmental not to mention human rights record.
22	Plain economics are in favor of
23	(indiscernible) from oil and gas development. Who could do
24	their diligence, examine the record, and give a go ahead to
25	such a partnership.

1	Few can stand up to the economic might of
2	the oil companies. We as Alaskans and fishermen must rely
3	on our government to listen to the people and protect us,
4	our lands and our waters. The world needs a new direction
5	in terms of energy resources. America can either be a
6	leader or reluctant follower. Obama has given us hope that
7	we can effect change. Please confirm this hope and remove
8	Area 214 from the pending lease sale in (indiscernible),
9	and ultimately give permanent protection to the rich waters
10	of the Bristol Bay and Bering Sea.
11	SPEAKER: Good afternoon, my name is Steve
12	Post, I'm vice president of North Star Terminal and
13	Stevedore Company. I've lived in Alaska for 15 years and
14	proud to call Alaska home.
15	On behalf of North Star Terminal and
16	Stevedore Company and North Star Equipment Services, I
17	would like to express our support for the lease sales for
18	offshore drilling on Alaska's Outer Continental Shelf.
19	Time is of the essence. It will take ten years from the
20	time the permit is issued at least until oil is flowing
21	down the TAPS pipeline. Speaking of the TAPS pipeline, the
22	current rate of decline will threaten the very existence if
23	we don't get more oil into the pipeline soon.
24	With regard to the environment, there is no
25	other place in the world that oil exploration and

1	production is done with more sensitivity than Alaska. Any
2	true local activist that does not support Alaska's
3	exploration and production offshore or onshore is
4	uninformed or has a personal agenda that goes against the
5	global environment to the greater good of the people.
6	As a direct supplier in Shell's Outer
7	Continental Shelf program I've seen the tremendous amount
8	of time and money they have invested in training our
9	operators to be safe, to be environmentally conscious, and
10	to respect all people involved. And what a shame it would
11	be to lose that investment in our people.
12	As an Alaskan we need to access the Outer
13	Continental Shelf program and support energy needs of our
14	country, the needs of our state, and most importantly the
15	needs of my family. We are a resource development state.
16	We do not have any opportunities for employment other than
17	resource development. Without jobs like the OCS can
18	provide, we are in danger of Alaskans becoming endangered
19	species.
20	Finally, there has been enough science and
21	experience gained in exploring the Arctic OCS for oil and
22	gas production over the last umpteen years to fill this
23	room with volumes of books. Let's get behind the program
24	and let's get going, thank you.
25	SPEAKER: My name is Lori Beckwar (ph), and

1	I'm a fifth generation Alaskan. I'm here representing my
2	family, and my family is fishers and prospectors, and we
3	know about the natural resources that are so abundant in
4	Alaska. And echoing the prior speaker, I wanted to show my
5	support for the five-year oil and gas leasing program 2010
6	to 2015. Thank you very much.
7	MR. AURAND: Number 11-A through F.
8	SPEAKER: Thank you. My name is John Hopson
9	and I'm the chairman of Olgoonik Corporation, the village
10	corporation of Wainwright, Alaska.
11	Our community looks out on the Chukchi Sea
12	and is the closest North Slope village to the majority of
13	the Chukchi lease sales. For generations theses waters
14	have supported a subsistence life-style that is very
15	important to us, yet as a successful Alaskan Native
16	corporation with several subsidiaries involved in
17	government contracting, we also are keenly aware of the
18	value of economic development.
19	While our business growth has been steady
20	and the majority of the work on these contracts has been
21	outside of Alaska, for that reason we see oil operations in
22	the Chukchi as one of the most important opportunities we
23	have for developing a sustainable local economy. We
24	believe this to be the case based on the estimated amount

of oil and gas that can be produced from Alaska's offshore

1 waters in our area. Some 27 billion barrels of oil and

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2	more than 130 trillion cubic feet of gas. The economic
3	impacts resulting from such development could mean added
4	life for the Trans-Alaska Pipeline. It would also bring
5	important new transportation and communication
6	infrastructure to the region.
7	Equally important is the fact that
8	developing these resources could reduce the nation's
9	growing dependence on imported oil. As a for-profit
10	organization, the goal of Olgoonik Corporation is to
11	maximize business relationships that provide economic and
12	employment opportunities for our shareholders and their
13	families. We are actively working with the oil industry
14	not only to meet the goal, this goal, but also to build a
15	financially strong future for the village of Wainwright.
16	Thank you.
17	SPEAKER: Thanks for this opportunity to
18	comment. My name is Andrew Hartsig (ph), and I represent
19	the Ocean Conservancy, a national non-profit dedicated to
20	protecting the health of our ocean.
21	Ocean Conservancy is opposed to expanded oil
22	and gas development and exploration off Alaska's Outer
23	Continental Shelf at this time. There is a lack of
24	fundamental scientific knowledge about Arctic ecosystems.
25	In fact, the Arctic Ocean is one of the most poorly

1	understood environments on the planet. This is especially
2	true now when warming is having profound effects on Arctic
3	ecosystems, most obvious of which is the rapidly retreating
4	sea ice. Increased carbon dioxide in the atmosphere is
5	also causing ocean waters to become more acidic, which
6	could have catastrophic consequences for marine life.
7	Expanded oil and gas activity in the Arctic would only
8	compound the distresses.
9	Indeed, as MMS has recognized, there is no
10	proven way to clean up oil spills in broken ice conditions,
11	leaving aside oil spills, oil and gas activity, noise and
12	water and air pollution to the Arctic environment. Instead
13	of rushing ahead with risky oil and gas development in the
14	Arctic we should first spend some time gathering
15	information so that we can make rational science-based
16	decisions on whether to move forward.
17	SPEAKER: Hello, my name is Wade Sheer (ph),
18	I'm the Alaska program director for Pacific Environment.
19	We're a small non-profit organization that works with
20	remote communities in Alaska, China, and Russia,
21	communities who are largely trying to protect their
22	subsistence areas and their traditional way of life in the
23	face of massive development.
24	I'm an attorney by training, I also have an

25

advanced degree in natural resource management and spent

1	the last four years in a lot of public meetings with
2	Minerals Management Service out in the communities in
3	Dillingham, Barrow and other places, and I've been pretty
4	amazed at what I've seen in terms of folks talking about
5	these plans.
6	First and foremost, I went out and just
7	listened for about the first year of my job to see what
8	these communities were thinking. And subsistence user
9	after subsistence user, traditional tribal council after
10	traditional tribal council, and commercial fisherman after
11	commercial fisherman said that this plan is ridiculous and
12	that this puts their livelihoods, their traditional way of
13	life, and their families and communities at risk. At
14	meeting after meeting they were politely listened to and
15	then ignored by the Minerals Management Service.
16	Secretary Salazar has indicated that he
17	wants to undertake a balanced approach, and I would suggest
18	that a balanced approach would have to take into account
19	the last eight years of aggressive expansion and planning
20	and counter that.
21	A balanced approach to me means going back
22	and listening to these communities who have been ignored,
23	it means undertaking the scientific studies that have not
24	been undertaken, gathering baseline data, and really
25	evaluate whether or not going into frontier areas with

risky management plans with no management plans and
risky development plans is really appropriate both for the
nation and for the communities that have been here for time
in memorial.
Department of Interior is responsible for
managing our public resources, the citizens of America as
well, as the resources of traditional tribes. And I feel
that in the past eight years has been violated repeatedly,
and that at the moment all that we really are able to do is
litigate, and that's very sad. The fact that we have to
litigate to try to protect traditional cultures and to
protect species from going extinct really means that
something is broke in the system, and I would suggest that
what's broken is that in the last eight years it was the
unilateral view.
The management plan for the Arctic Ocean
right now is open for drilling, available for leasing.
This is not a correct management plan. This is not a
multiple use management plan. This is not ecosystem-based
management. And, in fact, it's a management plan that will
cause more greenhouse gas emissions and will set us even
further down the path towards impacting these communities
who are already suffering from climate change.
In terms of the rational planning process,

multiple use zoning, I don't know anywhere else in the

Т	country where you'd be allowed to just say drilling open,
2	no protections.
3	In short, we're looking at enormous
4	environmental justice violations and dereliction of duty to
5	protect our public resources, and those communities who sit
6	here again and again and get told they will be protected
7	and then see no protection put in place.
8	I would suggest Secretary Salazar has a very
9	large challenge put in front of him, but in addressing
10	climate change, addressing the concerns of communities, and
11	addressing the energy needs for the country, we can come up
12	with a rational plan, we can diversify our portfolio and we
13	can show the respect for these folks that has not been
14	shown for the past eight years. Thank you.
15	SPEAKER: Hello, my name is David Dickson,
16	I'm the director of the Western Arctic and Oceans programs
17	for the Alaska Wilderness League. The league is a
18	non-profit organization with more than 20,000 members and
19	supporters nationwide. Our mission is to lead the effort
20	to preserve Alaska's wildness by engaging citizens, sharing
21	resources, collaborating with other organizations,
22	educating the public, and providing a constant voice for
23	wild Alaska in our nation's capitol.
24	On February 10th, when Secretary Salazar
25	announced his new comprehensive offshore energy plan, he

Т	said the Obama Administration was taking a new approach,
2	one that was based on sound science and one that would be
3	in the public interest. This is a welcome change.
4	With all due respect to MMS personnel and
5	dedicated federal officials, over the last eight years we
6	have seen a push for massive environmentally risky
7	expansion of oil and gas development in the federal waters
8	of the Beaufort and Chukchi Seas. These are resources that
9	belong to all Americans.
10	We recommend a more precautionary approach
11	to development in the Arctic, specifically we recommend a
12	suspension of all offshore oil and gas activities in the
13	Arctic Ocean until such time as the Administration develops
14	a comprehensive conservation and energy plan for the
15	Arctic. One that will determine if, when, where, and how
16	development is allowed to proceed, and proceed in a manner
17	that does not pose a threat to the marine environment or
18	coastal environments and that does not pose a threat to the
19	subsistence cultures of the Alaska Native peoples of the
20	North Slope.
21	This plan must be based on sound science.
22	To date, activities have not been. We recommend to begin
23	that process a scientific data gap or an analysis of the
24	scientific data gaps be conducted by an independent entity
25	such as the National Research Council, and using that

1	information to inform a comprehensive scientific assessment
2	of the environment of the Chukchi and Beaufort Seas, and
3	that will form the foundation for a plan.
4	This plan, comprehensive plan must also be
5	informed by all stakeholders, especially Alaska Native
6	communities and their traditional knowledge. We also
7	recommend withdrawing all leasing activities in Bristol Bay
8	and recommend that the United States engage in
9	international efforts to form an international framework
10	for cooperative management of the Arctic beginning with
11	ratification of the law of the sea. Thank you.
12	SPEAKER: Good evening, and thanks to
13	everybody who sticks around to give their opinion. I'm
14	Vicky Clark. I'm the legal director at Trustees for
15	Alaska, which is a non-profit environmental law firm that's
16	been around for about 35 years and represents Native
17	villages, conservation groups, individuals and fishermen.
18	In Alaska everything is bigger, which means
19	we have vast resources, both land and water based, and
20	these resources are amazing and part of healthy ecosystems.
21	Many claim that these resources can be
22	developed in an environmentally sensitive manner with
23	minimal impacts, but actions speak louder than words. We
24	haven't been very good at the minimal impact part because
25	regulations can have huge loopholes and the scientific

1	basis for decisions is lacking.									
2	For example, in Cook Inlet, effluent									
3	limitation guidelines allow produced water discharges									
4	directly into Cook Inlet, which, under the current Clean									
5	Water Act permit, are projected to grow to nearly 10									
6	million gallons a day, and there is no limit on that									
7	amount. These discharges are prohibited everywhere else in									
8	the United States.									
9	On science in Cook Inlet, the Cook Inlet									
10	beluga whale has been listed as endangered, and yet there									
11	are few studies to determine why the population is in such									
12	decline, only speculation that it was not related to									
13	industrial development and pollution.									
14	The Drift River oil terminal has been in the									
15	news lately because it sits at the base of our erupting									
16	volcano, Mount Redoubt, and until last week had 6 million									
17	gallons of oil in the storage tank there. That is over									
18	half the volume of oil spilled by the Exxon Valdez, and all									
19	of this was going on during the week of the 20 anniversary									
20	of that spill. The majority of news around the Drift River									
21	terminal is about the potential loss of jobs, not about the									
22	environment at stake and the jobs dependent on that									
23	environment that were also at stake.									
24	And this is even more disturbing because it									

was all avoidable. Oil could have been removed from the

- 1 facility well before the eruptions occurred, and even
- 2 earlier a better decision on where to site that facility
- 3 could have been made. This problems exist in spades in the
- 4 areas Alaska's projected for leasing on the OCS. We don't
- 5 know what the ultimate policy regarding discharges from oil
- and gas facilities will be, but we know that from a March
- 7 2009 MMS briefing paper that MMS and EPA do not have a no
- 8 discharge policy.
- 9 We also know that the science on every issue
- 10 related to offshore oil and gas development in Alaska is
- 11 severely lacking. We can do better, but only if we have
- the necessary information available and protective policies
- in place. What did the stockbrokers tell us? Past results
- 14 are not indicative of future performance. We have to be
- 15 careful. Thank you.
- MR. AURAND: 12-A through F.
- 17 SPEAKER: Thank you for the opportunity to
- 18 speak today. My name is Mary Ellen Omen (ph), I resided in
- 19 Anchorage for the last ten years. I'm here as a member of
- 20 the National Resources Defense Council. And actually all
- of my talking points have been actually made by Mayor Itta
- 22 and Wilson and others, so I won't reiterate those, but I
- 23 would like to underscore the concern over the fact that
- there is currently no way to adequately respond to oil
- 25 spills in the Arctic Ocean, especially in frozen ice

т	conditions. Federal agencies say there is a 33 to 33
2	percent chance for a large Arctic Ocean spill. You have to
3	remember that the record of the North Slope is not a good
4	one with regard to oil spills. There are over 300 oil
5	spills every year on the North Slope. So that's a big
6	concern.
7	So NRDC would like to see a timeout and has
8	these recommendations. Cancel the upcoming lease sale in
9	the North Aleutian Basin; cancel the multi-lease sale EIS
10	for additional sales in the Beaufort and Chukchi Seas; stop
11	ongoing offshore oil activities in Alaska's Arctic pending
12	implementation of a comprehensive plan that requires a
13	science-based precautionary approach to all oil and gas
14	activities in the region; develop a comprehensive
15	conservation and energy plan for the Arctic based on a
16	scientific assessment of the health, biodiversity, and
17	functioning of the ecosystem, and then provide a transition
18	for reliance on oil to renewable energy sources and
19	conservation. Thank you.
20	SPEAKER: Thank you very much. My name is
21	George Pletnikoff (ph). I'm the Alaska oceans campaigner
22	for Green Peace. I didn't quite read your opening
23	statement on your PowerPoint or I read it, but I don't
24	know if I read it correctly.
25	But the opening statement on that PowerPoint

Τ	at the beginning of the meeting said something to the
2	effect that you are here to find successful ways or methods
3	for OCS development, or something like that. You were
4	talking about how to behave at meetings.
5	I want to say that I'm not here to find
6	successful ways for OCS development. I think they are not
7	healthy for our environment. I'm a little bit disappointed
8	with my brothers and sisters who testified this afternoon
9	who seem to think that the safe development and extraction
LO	of the oil from our waters and our land is good for the
l1	environment.
L2	The problem is that we're digging up this
L3	oil and we're burning it. It's burning of the oil that's
L4	causing the problem. We may be able to explore it safely
L5	and to dig it up safely, but the carbon dioxide emissions
L6	are causing the problems that we're facing here in Alaska.
L7	The world's oceans, and especially the
L8	Bering Sea, which is my home, I was born and raised in the
L9	Pribilof Islands about 800 miles west of here, are already
20	experiencing severe stress. We need to release that level
21	of stress in order to give Mother Nature a chance to heal
22	the ocean, not to ignore what could be the death of that
23	ecosystem.
24	The Bering Sea is a fraction of what it once
25	was. The marine mammals and birds and now its billion

1	dollar	а	vear	fisherv	is	falling	tο	а	level	Faunal	tο	once
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- 2 healthy land food-producing areas that are turning into
- 3 deserts.
- 4 Green Peace asks that you cancel or suspend
- 5 the OCS development not only in the Bristol Bay but in the
- 6 Chukchi and Beaufort Seas, and we also ask that Mr. Salazar
- 7 rescinds President Bush's regulations by the 9th of May and
- 8 to take oil and gas drilling in federal waters off of the
- 9 table for good. Thank you very much.
- 10 SPEAKER: Hi, my name is Trish Rolph (ph)
- 11 and I'm the Alaska field manager for Sierra Club. I'm also
- 12 a long time Alaskan, and I've lived and worked here in lots
- of different fields. I speak here today on behalf of 1.3
- 14 million Sierra Club members and supporters, and that
- includes over 2,000 Alaskans.
- You've heard from many people today in this
- 17 room calling for more drilling. They will tell you that
- 18 this is an oil and gas state and we need this for economic
- 19 reasons. But we are much more than just an oil and gas
- 20 state. And it's time that we start looking beyond oil, and
- 21 so I'm hoping that after years of the Bush Administration
- 22 aggressively pushing a massive expansion of offshore oil
- 23 drilling without some sound science, that the new
- 24 Administration will take the time to slow down and fully
- 25 consider the immense risk to Alaska.

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1	The Chukchi and Beaufort Seas, American's
2	Arctic Ocean, together with the north Bering Sea make up
3	one of the most abundant marine ecosystems in the world.
4	This region is the life blood of Alaska Native coastal
5	communities whose residents have relied on the seas for
6	cultural and nutritional subsistence for thousands of
7	years.
8	The Bering Sea and Arctic ecosystems are
9	under stress from climate change. Scientists have
10	demonstrated that warming temperatures have already had
11	significant and unprecedented effects on these regions.
12	Any further stress, such as offshore oil and gas activity,
13	will (indiscernible) these stresses and to the integrity
14	and resilience of the ecosystem.
15	In light of this, any drilling here should
16	be approached with extreme caution. The current
17	Administration has made clear that science should be the
18	base of coastal policy and we couldn't agree more. The
19	agency just released a report detailing all the different
20	resources on the Outer Continental Shelf that would support
21	continually identified and emphasized large information
22	(indiscernible) as to the effects of oil and gas drilling.
23	As part of any new five-year plan there
24	should be a comprehensive study by the National Academy of
25	Sciences to assist current environmental baseline

information and impacts of leasing exploration and

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2	development on the ocean ecosystems and coastal
3	communities. No new leasing or drilling should occur until
4	the study is complete.
5	Finally I'd just like to say we're calling
6	on the Administration today to impose a time out on all
7	commercial activity in the Arctic Ocean and the North
8	Aleutian Basin while critical information is gathered and a
9	multi-agency plan is developed based on sound science.
LO	This would include halting all further
L 1	activities under the current leases in the Chukchi and
L2	Beaufort Sea as well as canceling proposed lease sales in
L3	the Chukchi, Beaufort Seas and the North Aleutian Basin.
L4	By all accounts the new Administration is heading in the
L5	right direction by considering alternative energy like
L6	offshore wind, wave, and tidal energy and we hope to see
17	that direction continue. Thank you so much.

19 sorry.

MR. AURAND: We're up to number 13 now. I'm

SPEAKER: Good evening, my name is Howard

- 21 Buzz Otis. I'm from North Pole, Alaska, and it's a small
- 21 Bull delbi I iii iroiii iloreii rore, musika, ana re s a siiiarr
- 22 community 14 miles east of Fairbanks, and I would like to
- thank the Department of Interior, Mineral Management
- 24 Service for being here today and listening to all of us.
- 25 And I would also like to invite you up to the Interior of

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	Araska before the comment period is over.
2	I arrived in Alaska January 1975 for two to
3	three months. Quickly mesmerized by Alaska's beauty,
4	rugged terrain, its wonderful people and abundant
5	opportunity, three months became 30 years and counting.
6	Starting out as a laborer on the Trans-Alaska Pipeline I
7	found the fabric of Alaska's North Slope fascinating. In
8	June of 1976, I founded Landscaping Earthworks business in
9	Fairbanks and served as the company's president until I
10	sold out to my partners in December of 2007.
11	I helped build the company from a sole
12	proprietorship to a major civil construction company
13	feeding over 200 families. I've served on the Fairbanks
14	North Star Borough Assembly as an elected official, served
15	as chairman of Fairbanks Economic Development Corporation,
16	chairman of the Fairbanks Chamber of Commerce, and
17	currently helping the City of North Pole build an economic
18	development corporation. I commercial fished for halibut
19	and sablefish in Prince William Sound prior to and after
20	the oil spill.
21	What has all this experience taught me?
22	It's taught me that a proper balance in development of
23	ourselves, development of a culture, development of an
24	industry is crucial to its success. I consider myself a
25	pro-development environmentalist. Alaska is my family's

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1	home. We live here, we spend our money here, we fish here,
2	we hunt here, we boat here, we ski, hike and recreate and
3	sport fish here. We live on Kodiak Island blacktail deer,
4	Prince William Sound halibut and salmon and shrimp and
5	Yukon River king salmon. I love Alaska and have great
6	friendship and compassion for Alaska's Natives.
7	What these wonderful experiences have taught
8	me is the balance to development is the key. I believe the
9	oil industry understands that and can develop the OCS
10	safely. My company has built an ice road along the coast
11	from the Sag River towards Prudhoe, and during that time I
12	became very well aware that any drop of oil was
13	unacceptable to the industry, and all efforts were required
14	to not only mitigate those drops, but we cleaned the ice if
15	any drops of oil hit the ice.
16	I believe the industry can safely develop
17	the Beaufort and Chukchi Seas and, again, I appreciate you
18	being here. Thank you for the opportunity to comment.
19	MR. AURAND: We're up to 13.
20	SPEAKER: I still have 12. My name is
21	Christina Dennis. I'm an apprentice with the Laborers, one
22	of over 77 percent of the Alaskans who support OCS
23	development. I've been told that nationwide 61 percent of
24	Americans support new offshore oil and gas development.
25	As I complete my apprenticeship. I want the

1 opportunity to support my family by working the oil and gas

- 2 industry, development of both conventional and renewable
- 3 energy resources offshore. Alaska is vital to our state
- 4 and the nation's economy. Offshore oil and gas development
- 5 has the potential to sustain Alaska's economy for
- 6 generations, sharply increase Alaska's oil and gas
- 7 production, and create tens of thousands of new jobs and
- 8 generate hundreds of billions of dollars in federal, state,
- 9 and local government revenues.
- 10 Your decision will have a real consequence
- 11 to the families working in America like me. I urge you to
- 12 elect -- I urge you to let us go to work bringing the
- 13 nation the domestic oil and gas it needs now. So thanks a
- 14 lot you guys.
- 15 MR. AURAND: Okay, before I misspeak again,
- do we have anymore 12s? All right, 13-A through F this
- 17 time. I'm going to try to figure out how many there are
- 18 before I start. Let's start on the left this time.
- 19 SPEAKER: Good afternoon. Thanks, first of
- 20 all, very much for hanging in there and listening to us
- 21 all, we appreciate that very much.
- 22 My name is Bob Poe. As a long-time Alaskan,
- 23 I've served four of the Alaska Governors, three of them
- democrats, in a variety of cabinet and subcabinet rules,
- 25 including commissioner of administration, which housed the

1	Alaska Oil and Gas Conservation Commission. I ran half the
2	Department of Transportation, half the Department of
3	Environmental Conservation, and I also am currently a
4	democratic candidate for Governor in Alaska.
5	Alaska is approaching an economic cliff.
6	Our pipeline is just half full and draining quickly. If we
7	started gas pipeline construction today, gas production on
8	the North Slope is at least a decade away. Bristol Bay's
9	economy has risen and fallen on the price of a red salmon
10	with no economic diversification to help smooth those
11	impacts, and North Slope villages are dependent on the
12	revenues provided by a weakened onshore oil and gas
13	industry, and the uncertainty of offshore oil and gas isn't
14	helping this economic picture very much at all.
15	Now, Alaska's economy stands on a
16	three-legged stool. One-third of our economy depends on
17	oil and gas; another third depends on federal spending; and
18	the last third is everything else you can think of,
19	fishing, tourism, air cargo, mining, whatever you think of,
20	that's in that last third. 90 percent of state revenues
21	depend on oil and gas.
22	So from the beginning, resource development
23	for Alaska was envisioned as our economic future. Alaskans
24	are generally pro development. Even our state constitution
25	is pro development. But Alaska is also pro conservation.

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- 1 One third of all the U.S. state park land in the country is 2 in Alaska. More than 60 percent of federal land is in
- Alaska, 140 million acres, are for set aside for
- 4 conservation. Alaskans live here because this is a
- 5 wondrous place and we do support conservation. We feel
- 6 we've made our contribution to that. We also need
- responsible development. 7
- 8 Resource development, including offshore oil
- 9 and gas, is not simply a Native versus non-Native issue.
- 10 As you've seen, Native people are on both sides. It's not
- 11 simply a rural or urban position, you've seen that both
- 12 sides would benefit. And it's not just a republican or
- 13 democrat issue, because in Alaska we both generally are pro
- 14 development.

- 15 We just celebrated our 50th birthday for the
- 16 state. We've come along way, but our future still depends
- 17 on oil and gas development. So offshore oil and gas should
- 18 play a key role in our state and in the future, and it
- 19 should play a key role in your energy plan.
- 20 I want to say at a time when we're bailing
- 21 out AIG and bailing out General Motors and so forth, here
- 22 we have an economic opportunity where companies are
- 23 investing in Alaska. So we deserve that opportunity to
- 24 invest here in our state. And so I ask you to support our
- 25 future development in oil and gas, offshore oil and gas,

- 1 and failure to do that really will have a big impact on our
- 2 economy. It could imperil our economy for decades if we
- don't keep this development moving ahead. Thank you very
- 4 much.
- 5 SPEAKER: Hello, my name is Nancy Hilstrand,
- 6 and we have a corporation called Pioneer Alaska Fisheries.
- 7 We've been an Alaska corporation for 46 years and have
- 8 fished and processed fish and raised fish and protected
- 9 habitat and do anything we can to try to make sure that the
- 10 fish are sustainable.
- 11 In Alaska we have very cold water, and
- 12 because of that cold water everything grows slow. So we
- did live through the oil spill and I listened to a lot of
- 14 the people that speak here, and a lot of them did not see
- the effects of the oil spill. And it was pretty darn
- 16 horrendous. And the people that they speak of that are
- 17 outside that might be for oil and gas drilling did not see
- 18 the oil spill.
- 19 So we, in my company, we hire 87 people. We
- ask that there is a moratorium on all offshore drilling,
- 21 oil and gas -- oil and fish do not -- they simply do not
- 22 mix, and oil and wildlife do not mix. And we believe in a
- 23 subsistence life-style. We believe that that's very
- 24 important for the people here in Alaska, and unless you've
- 25 done it you don't understand that also. So there is a

Τ	Spiit in	the cultures	going on, no	ot only	with jus	st, again,
2	the rural	communities,	but people	that li	ke to f	ish and put

- 3 up their own fish. So it's just extremely important that
- 4 we start to realize the incredible blessing that we have up
- 5 here.
- 6 We have world class fisheries, and to put
- 7 those in jeopardy and to know that we cannot take the oil
- 8 out of the water. Oil spills, when they happen, you cannot
- 9 get them out of the water, not when you have 25-foot tides
- 10 and winds that blow up to 100-knot winds and ice and
- 11 everything else.
- I live in a remote bay and we have the oil
- response comes in there every year, and they came in the
- 14 year before last and they set out their booms and
- 15 everything looked great until it just picked up wind just
- 16 like that and it flattened the booms and blew all the boats
- out of there. So there was about 30 boats that saw that
- 18 happen.
- 19 I just think that it's really important that
- 20 we start doing more conservative measures. My home is
- 21 completely off grid. We've had solar power for the last 27
- 22 years. It works just fine up here in Alaska. I have 12
- 23 solar panels on my business. It does not run my
- refrigeration, but it runs all the phones, all the lights,
- 25 and I just think that we need to make a new world. We need

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1	a new culture here on Earth, and we cannot keep adding CO2
2	to our atmosphere and to be using this oil that is causing
3	us so much trouble. There are other ways, and we need to
4	start to pursue them as soon as possible right now. Thank
5	you very much.
6	SPEAKER: Good afternoon. My name is Earl
7	Kingik (ph), I'm Native Alaskan, I'm a whaler and harvester
8	of all species of the marine mammals.
9	I would like to have a moment of silence for
10	the animals that couldn't be here to testify to the Mineral
11	Management Service. Who I'm talking about is the bowhead
12	whale and other species of walrus, the beluga, and all
13	different species of fishes and all different species of
14	(indiscernible). Let's have a moment of silence for those
15	animals that couldn't be here to testify.
16	Thank you, good afternoon Jeffrey, good
17	afternoon Albert, we've been meeting in my community for
18	many years. I've been attending Minerals Management
19	Service meetings in my community for over 20 years. My
20	father had fought very hard to try to keep Mineral
21	Management Services from opening up our oceans. Because
22	the world is our garden that provides food to our table.
23	The ocean is our way of life that keeps our unity and our
24	cultural way of life together.
25	We ought to remember what happened to the

1	Exxon Valdez oil spill. You heard some people say it's a
2	human error. When Uncle Ted was the senator and the
3	pipeline was being built, we all remember his good word,
4	"not one drop will be spilled."
5	When the pipeline was being built, we heard
6	from our planning commissioners at the North Slope Borough
7	saying until the oil spill, the computer (indiscernible)
8	oil spill is, how many oil spills did we have at the North
9	Slope as of today? How many thousands of gallons have been
10	spilled? It's going out to our ocean. It's very precious
11	us to us in which we call our garden that provides food to
12	our table. We don't want another Exxon Valdez oil spill.
13	We should all take a walk where the oil spill happened. We
14	should take a look, and there is still oil out there.
15	It's not human error. It's the government
16	that didn't do their job. Mineral Management Services got
17	a (indiscernible) my tribe got a (indiscernible), and we
18	know what it is.
19	So thank you very much for giving me the
20	time to speak my on behalf of the animals I love the
21	most, and I would like to call timeout on Chukchi, Beaufort
22	and Bristol Bay. I want President Obama to put a
23	moratorium on the Chukchi, Beaufort and Bristol Bay.
24	We all know, we heard Shell Oil say they

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spent 50 million dollars on research of marine mammals. My

1	people never spent a penny to study the animals. We were
2	there and (indiscernible) our ancestors, our grandfathers,
3	our fathers and our uncles. Thank you very much.
4	SPEAKER: I'm Lloyd Montgomery. I'm 60
5	years old, and I thought this morning what can I say that
6	can make a difference? Am I wasting my time coming all the
7	way in here to share with you that I shared with back in
8	D.C. in 2006, 2008 my testimonies.
9	I've been a number of times at testimonies
10	in Anchorage here and all the times that I testified it was
11	all edited. They never, ever brought out one word that I
12	ever said. But I'd like to thank you, Jerry Loman,
13	Cleveland Cowles and also Renee for coming to Alaska. And
14	it's not cheap to come to Alaska, because you're going to
15	stay in a hotel and get a good meal and perhaps do a little
16	sight-seeing and then you'll be back from where you're
17	from.
18	Well, I thought who is this Ken fella that
19	was supposed to be here, the Secretary of the Interior. I

21 Ken, throughout his life, was a 35-year-old farmer. Him

did a little research on the Internet. Come to find out

22 and his wife had a business, Dairy Queen and different

23 things. Has a degree in law in water rights, a very

24 impressive man.

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Obama went and chose him for a reason,

- 1 because he's a just man. And I would also like to share
- with you that if Ken was here and was working on this farm,
- 3 if there was one ingredient missing from Mother Nature that
- 4 would not produce the potato seed that he had
- 5 (indiscernible) through the whole year to produce such a
- 6 wonderful product, if there was one thing missing it would
- 7 be a disaster.
- 8 In Prince William Sound, we have a little
- 9 problem, the Sound is dead. It is dead to this day.
- 10 Before the Exxon Valdez, when I would be fishing for the
- 11 last 52 years going back and forth in Prince William Sound,
- 12 you get to know your surroundings, and the surroundings
- that you see when you're leaving the harbor to go, you have
- 14 the birds that meet you, the whales.
- 15 And also too I'd like to say that just the
- last comment was the reopener of the hundred million
- 17 dollars, I talked to Ross Moore last night, and he said
- 18 there is no accountability for it, and I proceeded to say,
- 19 "Well, where is it?" It's a reopener that (indiscernible)
- 20 for un -- it is what you call uncertainty circumstances.
- 21 And the circumstances that are proven when the
- 22 (indiscernible) settlement went out, the whales didn't come
- 23 back, the herring have not been coming back, and if there
- is a possibility that you folks can look into that, see
- 25 where it's at and what's going to be done with it, and if

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1	there is a possibility I'd like to see something done with
2	it.
3	Along the pipeline there is a very, very
4	vulnerable area called the Copper River. That pipeline is
5	going to break along the Copper River and it's going to be
6	a disaster to the most beautiful place on this Earth that
7	produces the most wonderful king salmon and red salmon.
8	And if there is a possibility I'd like to have that looked
9	at, if there is a possibility of the 92 million dollars
10	that Exxon is holding back, as well as an Exxon exhibit
11	back in D.C. before and after 1984 Exxon exhibit, and also
12	through the herring restoration, and Renee, I have a
13	question for you.
14	MR. AURAND: Could I get you to summarize?
15	SPEAKER: Just a brief moment to back up
16	what I had to say. I'd like to share with you an
17	autographed DVD to show and prove what I've said, an
18	autographed DVD, I'd like to share with you, and it's the
19	only copy I've got. Would you like to I'd like to share
20	with you and would you look at it and give it some
21	consideration?
22	MS. ORR: Submit it to the record.
23	MR. AURAND: If you could hand it to Dr.
24	Piltz, he's collecting all the material.
25	SPEAKER: Thank you for the time for me to

be up here and share that with you. And I hope you get the

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2	chance to look at that, Renee, with everybody else. Thank
3	you.
4	SPEAKER: I thank you for the opportunity to
5	testify. My name is Eric Graphy (ph). I'm a staff
6	attorney with Earth Justice. I'm testifying on behalf of
7	Earth Justice and myself. We welcome Secretary Salazar's
8	decision to take a fresh look at what to do on the Outer
9	Continental Shelf. My comments are going to focus on the
LO	Arctic.
L1	The Arctic Seas, the Bering, the Chukchi and
L2	the Beaufort are undergoing rapid shifts due to climate
L3	change, as we all know, and there are huge scientific gaps
L4	in information from these regions. In addition to the
L5	tremendous pressures from climate change, these areas are
L6	also threatened by proposals for oil and gas development,
L7	including proposals from the previous Administration for
L8	new lease sales.
L9	We recommended that Secretary Salazar halt

these lease sale proposals, remove the Arctic Ocean and
Bristol Bay from any future five-year plan until further
critical baseline data about the region, its wildlife, and
the effects of climate change can be developed and
analyzed, and until a comprehensive energy plan is

25 developed for the Arctic that protects its wildlife and

Τ	people. Absent such data and a comprehensive approach,
2	more oil and gas leasing in the Arctic Sea is simply too
3	much, too fast, too soon.
4	In particular, the Secretary should cancel
5	the Bush Administration's proposal to lease over 70 million
6	acres in an area larger than the size of Colorado with the
7	Arctic Ocean to the oil and gas industry. In its waning
8	days, the Administration put out for comment a draft
9	environmental impact statement describing those leases. As
LO	Earth Justice and many others have detailed in written
L1	comments, which we submitted to MMS on March 30th, the
L2	document does not meet the requirements of NEPA. And it's
L3	not just us that that says this, it's other federal
L4	agencies have expressed deep concerns about the lack of
L5	information in that document, including NMFS and the EPA.
L6	Most strikingly, however, the document just
L7	shows why it's a terrible idea to go forward with oil and
L8	gas activities in the Arctic Ocean at the present time.
L9	There are information gaps, as I mentioned, and as many
20	people have mentioned, that are tremendous.
21	Again, NMFS has commented on these
22	information gaps. The time to obtain this information is
23	now, before we open those areas for oil and gas leasing and
24	commit this public resource to oil and gas extraction.
25	Again, NMFS agrees. They have stated that the ability to

1	prescribe specific mitigation measures for exploration and
2	development is lacking due to data gaps, and they recommend
3	that MMS collect this data now. Second I'll wrap it up.
4	So we urge the Minerals Management Service
5	and the Department of Interior to take seriously what's at
6	the center of your logo there, which is stewardship of
7	vital ocean resources, which are important to people and
8	wildlife. Thank you for your time.
9	SPEAKER: I'll try to get us right out of
10	here at six. I'm Matt Milton, born and raised in
11	Anchorage, and graduated from West High School down the
12	street. I left, went out to New Hampshire to pursue a
13	college degree, and since I got my master's off to the
14	(indiscernible).
15	Right now, I'm an operations manager for
16	American Marine Corporation, (indiscernible) underwater
17	diving salvage, spill prevention and response. And I'm
18	here today to show my support for OCS. I believe that as
19	my father came to Alaska in the '70s, I plan on being able
20	to stay here for the rest of my life. And if we're able to
21	go out there and safely and responsibly pull out these
22	natural resources, I can see a very good future for myself
23	and my children, my grandchildren, and in that meantime
24	still working on these renewable energies because we can't
25	do it right now. Hopefully, some day in the future we will

1 be able to get to that point, and I don't want to take too

- 2 much of your time. Thanks.
- 3 MR. AURAND: The agenda calls for a break
- 4 from 6 to 7. I would remind you if you want to, instead of
- oral comments, remember that there are addresses where you
- 6 can get instructions on how to submit written comments or
- 7 make a submission of comments online. You can find those
- 8 at www.doi.gov. Look at the bottom of the page and you'll
- 9 see a link.
- 10 So with that, we'll resume testimony at 7
- 11 p.m. Thank you.
- 12 (Break)
- 13 MR. AURAND: If we can come back together,
- 14 we'll get started here. Could somebody from MMS look out
- and see if there is anybody in the hall and, if there is,
- tell them we're starting.
- 17 Well, thank you all for your perseverance.
- 18 We were up to number 14. We were up to number 14, so if
- 19 there is anybody 14-A through F. Everybody ready? Okay.
- 20 Go ahead.
- 21 SPEAKER: Thank you. So I've changed this
- 22 three times. I went from good morning to good afternoon,
- 23 now I'm on good evening.
- Thank you for the opportunity to speak. I'm
- 25 Dr. Natalie Dawson. I'm a staff scientist for the Center

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1	of Biological Diversity based here in Anchorage.
2	For the last eight years, I've been a
3	biologist working for federal agencies. I've had the
4	blessed opportunity to spend most of my time in Alaska
5	living in rain gear on some form of boat and/or walking
6	across the tundra, counting small things like
7	(indiscernible) that most people don't notice when they
8	walk across most places here in Alaska.
9	(Indiscernible) two of my idols in the
10	history of biology used to say that you never wanted to
11	dumb down anything to the point of an acronym, so I'm not
12	going to say "OCS," I'm going to call it the Outer
13	Continental Shelf.
14	The Outer Continental Shelf is one of the
15	richest marine environments in the northern oceans, a place
16	where deepsea shallow waters meet forming these amazing
17	undersea canons and crevasses, which are breeding grounds
18	for photosynthetic organisms that form the basis of the
19	marine food chain.
20	The entire marine ecosystems of the
21	Beaufort, Bering and Chukchi Seas depend upon these
22	organisms for food. The consequences of offshore oil and
23	gas exploration will not only disrupt mammal
24	(indiscernible) movement across the (indiscernible)

-- the larger animals that we tend to think of when we

1	think of adverse effects, but they will also cause harm to
2	the ocean garden that provides food for all species on
3	multiple levels across all the northern oceans.
4	The damage that will be incurred from just a
5	slight oil spill and I say will because it has been done
6	on the Outer Continental Shelf in other countries where
7	there is exploration in such areas in these waters, this
8	damage could irreversibly reduce the productivity of these
9	marine (indiscernible) putting species from the
10	(indiscernible) at risk of extinction.
11	The valley of this region does not lie in
12	short-term ability to (indiscernible) society's need
13	for further growth and development, but rather most
14	(indiscernible) ecological resources represented by 5500
15	species of animals and over 700 species of plants, and
16	those are just the ones we know about.
17	Five years ago we discovered a new species
18	of shrew on the North Slope. I urger Secretary Salazar to
19	(indiscernible) that he illustrates in his home
20	state of Colorado in the (indiscernible) use those
21	principles here in Alaska.
22	I urge him to block attempts to pursue
23	offshore oil and gas development, instead permanently
24	protect these special places and lead this country towards
25	a clean energy future.

Т	I'm going to go anead and list the species
2	that we know use the Out Continental Shelf
3	(indiscernible).
4	MR. AURAND: Okay. I'm sorry.
5	SPEAKER: I get energetic after dinner.
6	MR. AURAND: Are there any other people who
7	have number 14? Number 15A through F
8	SPEAKER: I know it's 11 o'clock your time.
9	Do I need to make an inflammatory statement to wake you up?
LO	MR. AURAND: No.
l1	SPEAKER: My name is Terry Hefferly. I'm
L2	here representing (indiscernible) which translated
L3	from Yupik means caretakers of our lands, a group of eight
L4	village corporations in Bristol Bay.
L5	I'm here to recommend that we seek permanent
L6	protection for Bristol Bay from oil and gas drilling. And
L7	I intend to leave you with a question tonight, and that's:
L8	Why risk so much for so little?
L9	My understanding is that MMS estimates
20	seven-and-a-half billion dollars worth of revenues from the
21	economically recoverable petroleum products in that sale.
22	That's over a 25-year period. The area in
23	question, southeast Bering Sea produces 40 percent of the
24	nation's seafood. On an annual basis, that works out to
25	about conservatively 2.2 billion dollars a year for all

1	time.	The	risk	is	great.

- 2 Your own people say that there is a 100
- 3 percent chance that there will be one major oil spill and
- 4 several minor oil spills during the development in the
- 5 production stage of that project.
- 6 What's at stake? Well, when MMS called for
- 7 scoping comments, federal agencies making scoping comments
- 8 on the five-year plan said that Bristol Bay needs to be
- 9 taken off the table, that there wasn't enough information
- on the resource, on the environment or the ability to drill
- 11 safely in that environment.
- 12 "There was not enough data to conduct a
- 13 credible NEPA process," were the words of the National
- 14 Marine Fisheries Service. You convened a large group of
- 15 scientists to address the issue of necessary science and to
- 16 assess issues of oceanic and atmospheric conditions, ice,
- 17 storms, currents, winds, those kinds of things.
- 18 No place on Earth is the industry developing
- oil in an area where 60-ton chunks of ice are getting
- 20 tossed around like ice cubes in a glass.
- I can see I'm not talking nearly fast
- 22 enough. There are highly sensitive and very, very valuable
- 23 resources at stake in this area, commercial fisheries,
- there is a halibut nursery in the area, there is a red king
- 25 crab exclusionary where the fishermen have said, "We're not

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1	going to fish there."
2	They have declared the area east of the sale
3	area off limits for pollock and red king crab. All of our
4	salmon migrate through that area.
5	Looks as though I'm running out of time.
6	I'll submit my written comments. I know everybody else is
7	anxious to get out of here too.
8	SPEAKER: I am Richard Fineberg. I am an
9	independent economic and environmental analyst, independent
LO	environmental analyst from Esther.
L1	I have observed Alaska oil and gas
L2	development for more than three decades as a reporter, a
L3	consultant and a bureaucrat.
L4	I want to describe briefly a chart and a new
L5	approach or a slightly different approach to economics from
L6	what MMS does.
L7	Between 2009 and 2030, I calculate that MMS
L8	expects Alaska OCS oil explorers and developers to find and
L9	produce approximately 4.62 billion barrels of oil, at an
20	average price of \$110. These are not the numbers you have
21	in report. They are arrived at differently going to 2030.
22	U.S. EIA data, the Energy Information
23	Administration, shows that during the last five years
24	conservation has reduced the U.S. petroleum import
25	requirement for the same 2009 to 2030 period by 41.9

1	billion barrels.
2	Thus conservation has already demonstrated
3	the capacity to deliver more than nine barrels of oil for
4	every one barrel of oil that development of the OCS of
5	this state might produce between now and 2030.
6	I will cut short the details, but I've done
7	the reports on it and the data are all footnoted. These
8	are straight numbers. The effort to place any speculative
9	long-term estimates of the Alaska OCS petroleum potential
LO	in directional contacts for public policy deliberations
L1	reveals fundamental questions about the drilling oriented
L2	energy programs.
L3	When it's widely recognized we need to
L4	direct scarce capital resources to various priorities,
L5	including the infrastructure renewal, education and
L6	healthcare as well, as well as energy, does it make sense
L7	to direct the limited capital resources to the boom and
L8	bust cycle, or would it make more sense to continue on the
L9	conservation path?
20	Again, the details are in the reports I wil
21	be submitting. Thank you.
22	MR. AURAND: Thank you. There has been a
23	few of you who came in. Are there any more 14s or 15s?
24	Okay.
25	SPEAKER: My name is Carol Holly. I'm an

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1	attorney by training and I work for Pacific Environment
2	here in Alaska. I've worked with Native communities in
3	Alaska since about 2001.
4	First and foremost, we oppose offshore oil
5	and gas development in the Outer Continental Shelf. There
6	are four main reasons. One, and foremost is the bitter
7	irony between developing offshore oil and gas development,
8	which is the very industry that has promoted the greenhouse
9	gases in our atmosphere which now allows for increased
10	offshore oil and gas development in the Arctic.
11	Two, inadequate baseline scientific data of
12	the impacts of oil and gas development in the Beaufort and
13	Chukchi Sea and Bristol Bay. That needs to be developed
14	and expanded prior to any oil and gas development being
15	permitted.
16	Three, the inadequate amount of consultation
17	with tribal governments. People have not been listened to,
18	they feel like they have not been listened to. There is
19	government-to-government consultation that needs to take
20	place.
21	And I forgot my final point. Sorry, we'll
22	rest with that, three main points. We oppose offshore oil
23	and gas development. Thank you.
24	MR. AURAND: Okay, 16-A through F?
25	SPEAKER: Thank you for coming to Alaska to

listen to our idea. My name is Dominic Lee. I was born in

Hong Kong, educated in United States and China. I land in

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- 3 Anchorage in 1962. 4 I received four engineering degrees, three 5 of them at graduate level. I'm a licensed professional 6 engineer for 35 years in 11 states. I'm a scientist and 7 also a very good engineer. I am also a CEO of Little 8 Susitna Joint Venture of Canada. 9 I come here to talk about the renewable energy. In 1963, one month before President Kennedy got 10 11 shot and assassinated, he commissioned, accepted an order 12 to build a tidal power project which produced 550 megawatts 13 electricity. And he compared this project as a national 14 treasure because of a tidal project. It's renewable, it's clean, there is no CO2, no fuel requirements. 15
- So after I get inspired by Kennedy, I

 studied the Cook Inlet, especially Turnagain Arm, which has
 the fourth highest tidal possibility on Earth, 26 feet
 difference. And with that I went to -- (indiscernible) -energy of Canada.
- We made a proposal and submitted it to a
 Singapore investment firm, which they committed 2.8 billion
 dollars of money for us to use to build this project.

 But one of the requirements is we have to

25 have a feasibility study done by the government. So I went

> to talk to the state, all the senators and representatives, about the money.

3 And I just wonder if the Department of

4 Interior or federal government can fund 10 million to the

5 Alaska Energy Authority so we can have the study and have

6 this project built, which would generate 1200 megawatt

7 electricity at 6 cents a kilowatt hour, which we can use it

8 in Alaska very badly and benefit the whole state from Homer

9 to Fairbanks. Thank you very much.

10 SPEAKER: Hello. My name is Pam Miller.

11 I'm pleased to speak here today. I'm speaking on behalf of

12 the Northern Alaska Environmental Center. We're a

13 homegrown Alaska-based conservation group.

14 And we believe, like the last speaker, that

15 Alaska's future is in renewable energy. There are hundreds

of projects waiting for funds in communities throughout the

17 state that will do far more to make a sustainable Alaska

18 and launch us into the energy of the future than what we're

19 talking about today, which has been discussed for many

20 decades with one very small oilfield at Northstar on the

21 North Slope , with a lot of impacts that occur at the

leasing stage that divide communities, that are a very real

23 impact according to the National Academy of Sciences in

their cumulative impacts assessment.

I will cut to the chase and then go back to

1	a couple issues as I have time. We urge that immediately
2	there be a Bristol Bay moratorium, and in the Arctic to
3	conduct a timeout of all new lease sales as well as
4	existing activities under the existing leases because of
5	the flawed and inadequate analysis that was done up to this
6	point in time.
7	There was a real rush job. We don't have
8	the information we need in light of climate change. We
9	need to implement a broad ecosystem level baseline and
10	monitoring program outside the purview of MMS to achieve
11	this.
12	We also believe that a comprehensive climate
13	energy conservation plan for America's ocean should be done
14	as we do this timeout. We're not saying we just know
15	that right now it's way too risky. We can't clean up oil
16	spills and the wildlife is changing so fast that it's
17	impossible to monitor what those changes are.
18	We need to address the risks to the coastal
19	lands at that interface of the ocean and the land. There
20	are sensitive environments where the wildlife uses both the
21	ocean, dens on land, like the polar bears in the Arctic
22	Refuge, like birds in (indiscernible) lake, like
23	birds in the Alaska Maritime National Wildlife Refuge.
24	I will give information about the toxic
25	filth and dumping, but in conclusion, one issue that MMS

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1	has not addressed that no one has brought up to today is
2	the fact that there are brand new regulations about royalty
3	relief that are free oil to the oil companies.
4	We don't know how much. MMS hasn't
5	projected how much. It could be a very open-ended equation
6	because there is no price thresholds, and we might be in
7	the same situation as they got in in the Gulf of Mexico.
8	So all this discussion of what might happen
9	to oil royalties in Alaska may be for moot because of this
10	major provision that needs a hard look taken because it's
11	up to the discretion of agency officials with proprietary
12	information that the public will never be able to see, so I
13	appreciate this opportunity to comment.
14	We are in Fairbanks, we're going to be in
15	Fairbanks, and MMS has never come to Fairbanks, so I
16	appreciate this opportunity to comment. Thank you.
17	MR. AURAND: Are there any other 14, 15 or
18	16s? 17-A through F.
19	SPEAKER: Hi. My name is Greg
20	(indiscernible) and I'm testifying as a citizen today.
21	First, the Minerals Management Service is the second
22	largest revenue generator after the IRS, funds 90 percent
23	of the lands and water conservation fund, which is used to
24	acquire and develop park and recreation land, and they fund

100 percent of the National Historic Preservation Fund.

1	Thanks to many new technologies and
2	oversight, there has never been a significant oil spill
3	from an exploration or appraisal while in the U.S. OCS, and
4	that's over 14,000 wells have been drilled since 1954.
5	The National Academy of Science reports that
6	about 1 percent of the oil released in the water of North
7	America comes from oil and gas offshore production.
8	Subsistence cultures can and should be preserved while
9	developing oil and gas as evidenced by the increase in the
10	Beaufort/Chukchi Sea bowhead whale population from 3,000
11	when seismic drilling exploration started in the late 1970s
12	to 10,500 whales and successful whale harvests occurring
13	today.
14	Commercial and recreational fishing and oil
15	and gas production have co-existed for over 44 years in the
16	Cook Inlet of Alaska as well as Norway, the Gulf of Mexico,
17	eastern Canada, Scotland and other countries.
18	The oil and gas industry approves other
19	safety for ocean users as evidenced by the many fishermen
20	who have been rescued in the Gulf of Mexico, Norway and
21	other countries by oil and gas platform personnel.
22	(Indiscernible) also serves as refueling
23	stations for Coast Guard helicopters. I submit for the
24	record a document prepared by the oil industry, fishing
25	industry, state and federal regulators in the mid 1980s

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1	titled Fishing Offshore Oil Development.
2	This answers 60 questions and concerns
3	regarding OCS development, all the questions are being
4	asked again today. About the only thing that's changed
5	since this document was prepared is 25 years of exceptional
6	environmental performance by the OCS oil and gas industry.
7	We cannot expect the areas in the U.S.
8	currently available for leasing to continue to deliver
9	greater and greater amounts of oil and gas needed to bridge
10	our transition to renewable transport fuels.
11	Over 70,000 wells have been drilled in the
12	Gulf of Mexico and the Lower 48 onshore basins have similar
13	drilling densities, while only 30 wells have been drilled
14	in the Beaufort Sea, five in the Chukchi Sea, and one in
15	the North Aleutian Basin.
16	These Alaska basins have significant
17	potential. Only growth from commercial oil and gas exist
18	in these basins; however, the U.S. taxpayer and the
19	citizens of Alaska will benefit even if no oil and gas is
20	found by millions or billions of dollars.
21	I close with a question to the DOI to ask if
22	they have any documentation of damage to fisheries,
23	subsistence harvests or seafood quality from OCS oil and
24	gas development in the U.S. or any developed country.
25	I say if not, let's move forward with Alaska

Т	ocs development. Thank you.
2	SPEAKER: Good evening. First, I'd just
3	like to thank the Secretary and the entire department for
4	coming all the way up to Alaska to take public comment on
5	this very important issue.
6	My name is Jim Wilson. I'm here
7	representing the American Chemistry Council. Members of
8	the American Chemistry Council are the leading companies
9	engaged in chemistry to making innovative products and
10	services. There are over 500 billion chemistry products
11	that flow through the American economy each year.
12	Over 96 percent of manufactured plastics,
13	rubbers, synthetic textiles and components are directly
14	touched by the chemistry industry, and it supports 847,000
15	jobs nationwide.
16	America's chemical industry is the largest
17	energy consumer in the manufacturing sector, uses natural
18	gas both to heat and power facilities as the
19	(indiscernible) and industrial products every day.
20	Many of these products are more energy
21	efficient such as plastic parts for vehicles
22	(indiscernible) building insulation. Given the
23	chemistry industry's reliability on natural gas, this
24	industry needs access to affordable and reliable domestic
25	sources of natural gas.

1	Chemical makers and other manufacturers
2	cannot (indiscernible) in the global marketplace.
3	(Indiscernible) is hiring cost and/or not readily
4	available. Consequently, America's energy needs require
5	expanded access of domestic sources of gas.
6	The Chemistry Council urges exploration on
7	the Outer Continental Shelf. Specifically here in Alaska,
8	the Outer Continental Shelf has the potential to sustain
9	the state's economy for generations.
10	Exploration and development in Alaska's
11	Outer Continental Shelf can create tens of thousands of new
12	jobs and generate hundreds of billions of dollars in the
13	federal, state and local revenue. That's according to a
14	recent study by the University of Alaska.
15	Outer Continental Shelf production might
16	provide up to an average annual of 35,000 jobs over 50
17	years and 72 billion in new payroll.
18	So increasing supply of these energy
19	resources is critical, so too is greater emphasis on energy
20	efficiency efforts. The American Chemistry Council is an
21	advocate for balanced energy policies that include
22	efficiency, conservation, diversity and renewables.
23	(Indiscernible) nuclear heat and power
24	and, of course, expanded domestic energy supply. The
25	comprehensive energy policy includes further Outer

1	Continental Shelf exploration promises to improve our
2	industry's ability to compete globally and maintain
3	America's job base while at the same time improving energy
4	efficiency and reducing greenhouse gas emissions.
5	On behalf of the American Chemistry Council,
6	the member companies and its employees, thank you tonight.
7	MR. AURAND: Are there any 14, 15, 16 or
8	17s? 18-A through F?.
9	SPEAKER: Good evening. I want to thank you
10	for staying this long, but my name is Mark Monroe. I live
11	in Homer. My family and I fish in Bristol Bay and have
12	done so for 20 years. I think that Bristol Bay lease is a
13	bad idea and I hope you do not go forward with it.
14	I was in Prince William Sound during the oil
15	spill and I saw what happened when oil and fisheries meet
16	in a contentious way and fisheries always lose. It seems
17	like there is no comparison.
18	That's pretty much all I wanted to say. And
19	I experienced the devastation that happened in Prince
20	William Sound, I saw it firsthand, and I just hope you keep
21	Bristol Bay as it is and leave it alone for now. Thank

25 please.

you.

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through F. We've got two and one. Start over here,

MR. AURAND: These are 18s now? 18-A

1	SPEAKER: My name is Rosemary Ahtuangaruak.
2	I live in Nuiqsut. I'm a mother of five kids, 24 and
3	youngest is 14. I've got four grandkids.
4	I started this process of commenting at our
5	local community meetings because I developed concerns. As
6	a community health aide in our village, I moved there in
7	1986. There was only one person in the whole village that
8	used an inhaler to help them breathe.
9	As I continued working in our village, these
10	things started to change. People were developing sounds
11	that were different, that were abnormal and I didn't hear
12	generally on a regular workday.
13	As I continued to work, I decided to further
14	my education. I completed the health and training. I went
15	to the University of Washington to become a physician's
16	assistant. I brought that education back to our village.
17	I used that education to help the people of our village. I
18	was taught a standard of care to give to our people.
19	The standard of care that I was taught is
20	very expensive. It's very expensive, especially living in
21	rural Alaska. The costs that we face living in rural
22	Alaska are extreme. You add on the cost of trying to
23	travel, to have to leave your family and your job to take
24	your members to go to the clinic, to go to the hospital, to
25	go to Anchorage for further care. These are all put upon

1	us.
2	Even with all of these things, I still
3	participated in our local community meetings. These
4	problems grew to where I was having to stay up all night to
5	help people breathe. On nights when there many natural gas
6	flares occurring, you could see them from our village.
7	When the development was 60 miles away we didn't have too
8	many problems. As development got closer, more people were
9	having trouble.
10	When it got to the point where I couldn't
11	sleep anymore, I had to work all night helping people
12	breathe, I had to go to the clinic the next day because I
13	still got people with appointments. I didn't have enough
14	equipment to help people breathe. I didn't have enough
15	nebulizers. I didn't have enough nebulizer tubings. I
16	didn't have enough medications.
17	I had to fight through this process because
18	the doctors that come to work in Alaska come and go. One
19	summer I worked with 150 different doctors. This is the
20	system that's trying to assess our human health impact
21	assessment that is now a part of this EIS process.
22	What kind of assessment are we going to get?
23	We don't have the people putting data in these databases to
24	accumulate the numbers of people that are having problems
25	with illnesses and difficulty breathing. You can't get

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1	diagnosed with asthma because you've got to go elsewhere to				
2					
	get your care. Then you have to see another doctor that				
3	comes from somewhere else that leaves, and you still have				
4	to see someone else.				
5	And this is the care system that's going to				
6	be looking at our human health impact assessment. We've				
7	got some serious problems, difficulty in breathing in every				
8	household.				
9	I've got grandkids now with asthma. I pray				
10	to God I don't have to watch them end up on ventilators				
11	like other kids in our village went through. 20 kids ended				
12	up with respiratory distress, ten of them on ventilators.				
13	This is a real bad problem. This is going on and it's				
14	increasing. There is more people how many more people				
15	have to go through these problems before we get the help to				
16	address them?				
17	Air quality emissions are exempted on a				
18	routine basis in this state. Water discharges are exempted				
19	in this state. When is it going to stop? When do we have				
20	enough people breathing hard to not be able to come and				
21	travel to comment at these meetings?				
22	I drove for a thousand miles to get here to				
23	be able to participate as a local community member who sees				
24	the flares, who sees the devastation that's happened to our				
25	subsistence life-style, who sees the social disruption in				

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1	our local community meetings, the tearing apart of our
2	family members, the breaking down and the disruptions of
3	our lives because we're fighting over the issues that are
4	taught to us as important as subsistence users and fighting
5	the same issues in our local community meetings.
6	My kids ask me, "Why do you have to fight so
7	much, Mom? Why do you have to fight?" You tell me that,
8	why are we not protected with air quality standards that
9	were designed to protect human health? Why do we have to
10	be the guinea pigs given up in the process to allow
11	offshore development?
12	Now you are affecting our food with the
13	ocean that feeds our whole village for the whole year.
14	Nobody is going to give us any help when you take them
15	away. We've already seen that. Impacts have occurred with
16	multiple species, multiple years. Still we face these
17	impacts. It has to stop. It cannot continue.
18	We have human lives that are facing these
19	issues and we want to breathe. You have spill response
20	times with spill technology, and yet you spend 33 million
21	dollars on spill response for fireproof booms. We live in
22	this area, we have children, we're not going to take them
23	out of the village when you burn that with the spill.
24	What are we doing with these kids living in
25	harms way?

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1	MR. AURAND: Ma'am, if I could ask you to					
2	summarize, please.					
3	SPEAKER: We have people in our villages,					
4	our communities who are now facing these issues. They are					
5	real. They are affecting our lives and affecting our					
6	ability to work in our communities as well as work with					
7	these issues.					
8	Our community is now considered an abrasive					
9	community because this process has failed us in so many					
10	ways. This process has got to improve and you can't wait					
11	and let people continue to be hurt in the process.					
12	We cannot give up our rights to get our					
13	traditional food and feed our families the foods that our					
14	elders have given us in exchange for other people's need					
15	for energy. Thank you for allowing me this time.					
16	SPEAKER: Hi. My name is Ann Gore. I'm a					
17	resident of Anchorage. I've lived here for seven years,					
18	and I'm just speaking as a private citizen.					
19	I am in favor of imposing a timeout on all					
20	potentially disruptive commercial activity in the Arctic					
21	Ocean and other conservation priority areas while critical					
22	information is gathered and a multi-agency plan is					
23	developed based on the best scientific information.					
24	This would include halting all further					
25	activities under current lease in the Chukchi and Beaufort					

1	Seas as well as canceling the proposed lease sales in the
2	Chukchi and Beaufort Seas and the Northern Aleutian Basin.
3	I think that you've heard today throughout
4	the course of the day and this evening a lot of the points
5	that support this position, so I won't go into those
6	details. Thank you very much.
7	SPEAKER: I'm presenting these comments on
8	behalf of Resisting Environmental Disruption on Indigenous
9	Lands. I'm Faith Campbell. (Indiscernible) many
10	nations of every nation within the State of Alaska.
11	We are a movement that are challenging the
12	fossil fuel and mining industry and demanding our rights to
13	a safe and healthy environment conducive to subsistence.
14	When the Secretary was coming to Alaska, he
15	said part of his mission was to build a clean renewable
16	economy as well as restore the honor and integrity of
17	nation-to-nation relations with Alaska Natives. This is
18	something we strongly support.
19	There needs to be the highest standards of
20	ethics and the input and outcomes of these
21	government-to-government meetings needs to be weighed in
22	the decision making of your department and all agencies
23	within the department. So far we have not seen this done
24	very well in this process.
25	I want to give a quick history. The

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1	discovery of oil at Prudhoe Bay established an alignment of
2	the oil companies and (indiscernible) combined
3	interest. This alliance evoked an urgency to settle a lot
4	of things in Alaska.
5	In 1971, the Alaska Native Claims Settlement
6	Act was created and passed. This conveyed our ancestral
7	lands to corporations instead of existing tribal
8	governments, and what has happened is it has changed the
9	dynamics of how Alaska Natives relate to the land, but also
10	how we relate to one another.
11	State promoted economic development
12	interests are aligned with these Native corporations that
13	pursue lands and marine ecosystems for economic gain
14	despite adamant opposition of tribes. And we have heard
15	that today. The corporations have come forward speaking up
16	for development. Realize these are business entities.
17	They do not have the responsibility that tribes have to
18	look out for the health and well-being of the people.
19	We strongly support protection of
20	subsistence rights and resources within the Beaufort Sea,
21	Chukchi Sea, Bristol Bay and Cook Inlet and any other
22	offshore areas that are critical to Alaska Native
23	subsistence. We're very concerned. We oppose OCS
24	development in all these areas.

We call for an immediate suspension and

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1	rejection of the new five-year plan as well. One thing			
2	we've heard today is that this can be done safely. There			
3	is no safe way to develop these resources.			
4	Does anybody remember the bullet hole in the			
5	Trans-Alaska Pipeline or what about the Prudhoe Bay			
6	shutdown and Exxon Valdez oil spill? All of these are			
7	prime examples of what can go wrong in the Outer			
8	Continental Shelf, and Alaska Native people should not bear			
9	the brunt of high consumption energy needs of Americans.			
10	The current energy policy of the U.S. must			
11	respect and uphold the self determination and subsistence			
12	rights of Alaska Natives and protect the lands and waters			
13	we depend on.			
14	We support a transition to clean renewable			
15	energy and less dependence on destructive fossil fuels.			
16	Thank you.			
17	MR. AURAND: Are you an 18?			
18	SPEAKER: Good evening. My name is John			
19	Sturgeon. I'm here tonight as director of the Alaska			
20	Forest Association and I'm representing that organization			
21	today.			
22	The Alaska Forest Association is an industry			
23	organization made up of loggers, road builders, and support			
24	industries.			

I'd like to thank you folks for being here

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1	tonight. It takes a lot of stamina to last this long.				
2	About four hours ago, I would have been running out the				
3	door pulling my hair out, so I commend you for staying this				
4	long, and it appears you're paying attention and listening				
5	to the folks and that's very much appreciated.				
6	First of all, the Alaska Forest Association				
7	supports OCS development. We have about a thousand				
8	members, including our support, 2,000 people that actually				
9	work in the timber industry in Alaska. I just have two				
10	points.				
11	Eventually, America will have to make a				
12	transition to the use of more renewable energy, but				
13	realistically that will take decades. In the interim, we				
14	must continue to rely on fossil fuels. Access to OCS				
15	resources will make that transition much more feasible.				
16	Even under the most optimistic projections,				
17	petroleum products and natural gas are project to account				
18	for almost 65 percent of the domestic energy consumption by				
19	2025 require the continued development of domestic oil and				
20	gas resources.				
21	The timber industry in the '90s, there was a				
22	big environmental movement and the timber harvest of the				
23	Pacific northwest and other places crashed drastically.				
24	The demand for timber in the United States, worldwide did				
25	not change. We're just not cutting in America and wood				

1	came from other places.
2	And I will tell you I've seen places where
3	they have cut that wood. I've been to Russia, China,
4	Indonesia and watched how they developed the resources in
5	those countries, and the United States is light years ahead
6	from an environmental perspective.
7	So I guess my point is that we're going to
8	have to develop domestic oil resources and what I would say
9	is that do it right, do it here.
10	The other thing I would point out is that
11	over the last 40 years in the timber industry I've seen a
12	lot of new science come to our industry. The way we did
13	things 40 years ago and the way we do them now are light
14	years apart.
15	We protect salmon streams. We do a very
16	good job of protecting the environment because we've
17	learned we have new science, and that same parallel can be
18	with the oil industry, because I know that they have
19	learned a lot about how to develop oil and they are doing a
20	very good job, and I think that same parallel would apply.
21	I would also say that we have 300 billion
22	people in the United States. 2 million people are added
23	each year, and those people are going to continue to use
24	energy. And if we were to reduce the supply of oil for a
25	week or two weeks or a month, I think we would see the 71

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family.

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1 or 77 percent of the Alaskans that support oil industry 2 and the 61 percent would probably jump up to like 95 3 percent in about a month if we cut off the oil spigot. 4 Thank you very much for allowing me to 5 testify and thanks for coming to Alaska. MR. AURAND: Before we move on, we have a 6 7 caller on the line that wanted to make a comment. 8 SPEAKER: Hi, Paul Barns. Thank you for the 9 I work in Bristol Bay -- (indiscernible). opportunity. 10 MR. AURAND: Sir, can you talk a little 11 slower, please? It's hard to understand you over the 12 phone. 13 SPEAKER: I'm trying to get in what I can. The area I'm talking about for development embodies king 14 15 crab, pollock, cod, halibut, other species as well. The 16 Alaska -- (indiscernible) 17 MR. AURAND: We're up to number 19, 19-A 18 through F. 19 SPEAKER: Thank you for being here. I'm a 36-year-old resident, life-long resident of Barrow, Alaska. 20 21 I'm also the independent community Arctic slope tribal 22 council secretary, in addition to Native village of Barrow

25 My dad is a whaling captain. My mother, his

tribal council secretary, but today I am representing my

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1	wife, who looks over that entire whaling crew, which
2	consists of my brothers, my uncles, my husband, their
3	grandkids, and then our entire extended family of whaling,
4	of whalers.
5	With patience, we have learned how to deal
6	with meetings like MMS coming into our town, our hometowns,
7	but within to give a short way of bringing how we live
8	for one year to harvest 22 whales to feed 9,000 Inupiats in
9	the entire community of Barrow that existed, an existing
LO	extending family members who cannot live at home because of
l1	health problems.
L2	With patience, we start hunting our seals in
L3	June through July with many hours of sewing for this year
L4	alone, this beginning January 26th, all the way until March
L5	28th, sewing 17 whaling boats in Barrow alone, which took
L6	150 seals, bearded seals, all the many hours that the women
L7	work and prepare them and the many hours and days it takes
L8	to prepare our food for our dietary needs.
L9	It also takes another month in August to
20	harvest the caribou that we need. From my father's boat
21	this year that we sewed, it took eight women, it took 12
22	caribou, it took one month worth of hours to sew 250 feet
23	of braided sinew.

from work to leave home with a boat to go subsistence

In addition to that, it took the time off

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Т	nunting for the caribou in order to work on the boat.
2	I just want to let you know that I really
3	extremely oppose any offshore development in the Arctic
4	because I want you to learn the patience that we've had as
5	Inupiats. Have patience yourself and study, study more and
6	listen to our community and come home to where we really
7	are.
8	I had to come to Barrow I had to come to
9	Anchorage to be here, and I'm taking time off of work to
LO	let you know how I'm speaking for the younger generation.
L1	So thank you, have patience, and learn from our people.
L2	MR. AURAND: Are there any other 19s? 20-A
L3	through F?
L4	SPEAKER: I'm Doug Morris, group director
L5	for (indiscernible) for the American Petroleum
L6	Institute, which represents nearly 400 companies involved
L7	in all aspects of the oil and gas industry. We welcome
L8	this opportunity to present the industry's views on the
L9	proposed five-year plan.
20	We recognize that securing America's energy
21	future requires the development of all forms of domestic
22	energy. We need a major focus on increasing energy
23	efficiency and the development of sources of energy such as
24	wind, solar and biofuels.
25	However, oil and gas will continue to be the

1	life blood of the nation's economy for decades to come and
2	will continue to play a key role in keeping our
3	transportation systems running and providing thousands of
4	consumers products that we use daily ranging from cell
5	phones and laptops to golf balls.
6	Oil and gas production from the OCS plays a
7	key role in supplying our nation's energy needs.
8	(Indiscernible) comes from the central Gulf of Mexico.
9	As demonstrated by the disruption caused by the hurricane
10	several years ago, it's important that we diversify our
11	sources of production and develop the large resources that
12	are beneath the rest of the OCS.
13	For the first time in many years, the
14	Secretary of Interior has the opportunity to increase its
15	stability and security of domestic oil and gas resources by
16	opening up these areas. He should do so by moving quickly
17	forward with a draft proposed five-year plan.
18	These resources can be developed without
19	harm to the environment. The industry's excellent
20	environmental record is described in detail in the draft
21	proposed plan. New technology and scientific innovations
22	have played a key role in this record.
23	As a result of new innovations, we're
24	finding more oil with fewer wells and in more remote
25	locations. We're now producing gas from wells that are

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1	located in more than 9,000 feet of water and we're now able
2	to drill with great precision and hit production targets
3	that are less than six feet across. We're now able to
4	reach out horizontally at great distances and tap into
5	fields located more than seven miles away.
6	In summary, the U.S. oil and gas industry
7	has an outstanding environmental record. It has clearly
8	demonstrated that development can coexist with clean oceans
9	and clean coasts. America cannot wait. We need to move
10	forward with the five-year plan that includes all areas of
11	the OCS for oil and gas development. Thank you.
12	MR. AURAND: Okay. That's every number that
13	we gave out. How many people who weren't able to get a
14	number this morning wish to speak? One, two, three, four,
15	five.
16	What we'll do is take you one at a time
17	six, okay. We'll take you one at a time starting with the
18	person in the front. Did you all register? Try to state
19	your name as clearly as you can for the court reporter
20	since we don't have a number, and you want to come down to
21	the front over here and line up. We'll just take you one
22	at a time.
23	SPEAKER: Thank you very much. My name is

Barbara Weekly and I live in Anchorage. As these hearings

are being held people from the -- (indiscernible) -- island

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1	in (indiscernible) are being relocated to New Zealand
2	as the pacific rises.
3	I keep hearing politicians and oil
4	executives beating the same drum and telling us how we need
5	more oil now. For the past several years, the only time I
6	have heard the word concern come out of a politician's
7	mouth was during one of the presidential debates when
8	President Obama used it.
9	Because of Alaskan politicians in Washington
10	who have acted as though money they have acquired for
11	Alaska came out of their own purse, Alaskans have grown to
12	believe that they are the chosen ones without any
13	consideration for the rest of the country, and now the
14	world.
15	This whole scenario is a replay of what
16	happened in the early '70s. Instead of consuming less and
17	having more energy efficient vehicles and houses, our
18	greediness and short-sidedness took us in the opposite
19	direction where many people lived beyond their means and
20	expect the responsible ones to bail them out.
21	Oil lease sales sold by the state in
22	Kachemak Bay in 1973 were purchased back by Governor Jay
23	Hammond. The New York Times on July 5th, 1975 wrote,
24	"Alaska Governor chooses fish over oil in Kachemak Bay
25	find." Statesmen, or other states people have been pretty

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1	scares in Alaska since the time of Governor Hammond.
2	As sophisticated as we think we are in
3	Alaska, it is obvious that we still need parental guidance
4	After all it took the feds to ferret out at least ten of
5	our corrupt politicians, all of whom would have had this
6	state bankrupt by now and still borrowing and still bowing
7	to Jim Bowls when he orders send the legislature home now.
8	(Indiscernible) the oceans and ice melt
9	on the polar caps, the Arctic National Wildlife Refuge
10	needs to be protected now more than ever if we want to save
11	our northern marine mammals. It is the only undisturbed
12	northern coast of the state, and the Canadians have already
13	set aside protected areas which butt up to the refuge on
14	the Canadian side.
15	Secretary Salazar, I urge you to give
16	protection to Alaska's greatest renewable resource, the
17	Bristol Bay salmon fishery and not go forward with the oil
18	lease sales of the Beaufort and Chukchi Seas. Thank you
19	for holding these hearings.
20	Alaska didn't even participate in the light
21	out a couple of weeks ago, the international lights out
22	program to show awareness. Thank you.
23	SPEAKER: Good evening, my name is Gerard
24	Tharkus. I reside here in Anchorage, Alaska. Thank you
25	for the opportunity to address you this evening.

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1	I support the draft OCS development proposal
2	for 2010, 2015 very strongly. This is an opportunity for
3	our posterity. In past generations, we have always planned
4	for the benefit of our posterity to give them every
5	opportunity that's available to them to enhance their
6	lives.
7	We depend on cheap energy to do that.
8	Conservation is fine in an emergency situation. It's not a
9	plan for growth. It's not a plan for our posterity. It's
10	a plan to rob them of the opportunities that we all in this
11	room have been afforded and benefitted from past
12	generations.
13	What we need to do is to look back only to
14	the spring of 2008. If you remember, we had the drill here
15	drill now campaign where we said we want to develop
16	resources here in the United States. Look what the impact
17	was to the world price of oil. Oil dropped, energy became
18	more affordable, and what was the complaint before that?
19	People were realizing that they depend on
20	affordable energy for transportation of goods, services,
21	for heating their homes, for going to and from work, for
22	leisure and for pleasure. People need to focus on that and
23	remember. It was not even one year ago.
24	So I ask you for the benefit of our

posterity and for ourselves, we need cheap, dependable

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1	energy, clean energy on demand. The thing that I would ask
2	also is that everyone proposes alternative energy as the
3	great solution to our energy needs.
4	So no one has really given me anything as
5	far as cost figures. Yeah, in the space station they
6	generate electricity from hydrogen cells. It costs \$78 a
7	kilowatt. We can do just about anything we want. We are
8	used to 10, 15 cent per kilowatt energy here. So we need
9	to have costs entered into this solution.
10	We need people need to know. Treat us
11	like adults, tell us what this costs instead of the emotion
12	and fear-driven results that we always get. On alternative
13	energy what we need to consider is no one has done an
14	environmental impact statement to tell us what would happen
15	with the wind generators or the current generators.
16	The things that you need to understand is
17	when you put those out there, the huge footprint, there is
18	structures, foundations, noise from currents. It will
19	impact the migration of whales, fish, currents. It will
20	affect the weather patterns on the coast. There is a lot
21	that needs to be done. We don't have any IS that addresses
22	that.
23	Why don't we do a pilot project with full
24	transparencies of cost? Let's have the Department of

Interior walk through and prepare their own EIS, make it

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1	public, bring the costs forward to us and let's see if
2	alternative energy as proposed in this morning's PowerPoint
3	is even feasible. Thank you very much.
4	MR. AURAND: I believe we have a couple
5	people over on this side. Do we have anybody on this side?
6	No. Okay, next person.
7	SPEAKER: My name is Pete Stokes, and I
8	appreciate everybody staying around so late to hear my
9	comments. I was raised in Alaska and grew up down in Homer
10	and Iliamna area. I graduated from Ninilchik High School
11	and went to University of Alaska Fairbanks and got an
12	engineering degree, and I've worked in the oil and gas
13	industry for the last 30-plus years.
14	And I live and work among people in the
15	state that have benefitted from a robust oil and gas
16	industry in Alaska. The state benefits by having low
17	taxes, Permanent Fund dividends to benefit all the people
18	in the state.
19	The people in the rest of the United States
20	benefit from having Alaska oil come in and not have to go
21	out and take on foreign debt to import oil.
22	The fields in the North Slope of Alaska are
23	on a pretty steady decline, anywhere from 6 to 8 percent a
24	year. Additional exploration and development is going to

be required to keep the pipeline in operation. There is

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1	estimates that when the pipeline rate reaches $150,000\ \mathrm{or}$ so
2	barrels a day, it won't be economic to run anymore and it
3	will be shut down, and that will basically eliminate the
4	oil and gas industry in Alaska.
5	Additional development could help to sustain
6	this, could also help discover additional gas for the gas
7	pipeline, the 40 billion dollar gas pipeline that is being
8	designed and in the process of being certified by the FERC.
9	I support OCS development in both the North
LO	Slope, in the Beaufort and Chukchi Seas as well as in the
L1	North Aleutian Basin. I think oil and gas and fisheries
L2	can coexist.
L3	The technology has come a long way. It
L4	hasn't been oil and gas development that have caused oil
L5	spills. It's been tanker issues and those have been
L6	addressed and have worked very well in the last few years.
L7	So once again, I thank you for coming and
L8	taking my testimony and good evening.
L9	MR. AURAND: Thank you.
20	SPEAKER: Hello. My name is Michael Tomoff.
21	I'm from Prince William Sound. At this point in time
22	(indiscernible). I understand that OPEC nations were
23	formed in order to regulate the price of oil because when
24	they found oil over there too much oil flooded the markets
25	so they had to go to the OPEC nations.

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1	I'm for OCS development. I'm for
2	development of ANWR and for NPRA. I'm for developing our
3	own OPEC nations for Central America, South America, U.S.,
4	Alaska, North Pacific Rim, any other country that wants to
5	join our OPEC nations.
6	We have to pay a price for fuel that's
7	dictated to us by people who hate us from somebody on the
8	other side of the planet. That's not right. I say we form
9	our own OPEC nations, open ANWR, OCS, let's develop.
10	People who refer to us as infidels who want us dead ought
11	not to be able to tell us what we have to pay for fuel.
12	Thank you.
13	MR. AURAND: Ma'am, did you want to make a
14	comment?
15	SPEAKER: Hi, my name is Lottee. I work
16	with the community from Barrow. I just started the other
17	day, so OCS is totally new to me. And I just want to say
18	how hurt I am to see how even our corporations can go
19	against our tribal governments.
20	And I only worked for a tribal government
21	for a couple of days and I have seen how hard they work and
22	I heard many stories. And I know from growing up in the
23	'80s when they were up there talking about some other
24	stuff, to see what the elders are talking about and how

their ancestors -- I think everybody answered questions

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1	today, and you see from the very few elders who are alive
2	right now, you still see them fighting for the answers that
3	they couldn't get in the '80s.
4	And it just hurts to see that even our
5	Native corporations are for they have lost their heart.
6	They have lost who they are as a person, without trying to
7	work with the tribal governments to see if, you know, if
8	our land is protected, if our kids will be able to go out
9	hunting, if our kids will be able to go out catching our
10	whales.
11	And I'm 32 years old and I'm from Barrow and
12	I have a 16-year-old child and I'm stuck in the middle of
13	deciding whether I want our culture or city life. And I've
14	got a 16-year-old son who is not involved in our culture,
15	so I really want to strive right now in learning about this
16	OCS to make sure our lands are protected and that our
17	people are protected and that our kids will be able to do
18	whatever they decide to do.
19	And, hopefully, our values are instilled in
20	them to where they won't lose our lands, they won't lose
21	who they are because we've been who we are for since time
22	in memorium, like stated this afternoon, and we can't lose
23	who we are because if you go out to the villages you don't
24	see too many elders anymore.

And I wonder if there is studies that have

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1	been done to see why these elders are dying from, you know,
2	different kinds of cancers. There is all kinds of cancers
3	up there that a lot of elders have died from and has
4	anything been done about it? Have you guys, has anybody
5	studied to see why there is so many people dying up there?
6	I'm nervous, and I don't know what else to
7	say. Thank you.
8	MR. AURAND: Back over to this side.
9	SPEAKER: Hi, good evening. Thank you for
10	the opportunity to comment. I provide comments in support
11	of
12	MR. AURAND: Give your name for the record.
13	SPEAKER: I will. My name is Marley Anna.
14	I'm a private citizen and I'm a life-long Alaska Native. I
15	now live in Anchorage. I was born in Nome. I want to make
16	a couple quick points that I don't believe that stopping
17	development is going to be the answer to all the issues
18	presented today, and I think that responsible development
19	along with communication with Native groups and Native
20	leaders is vital to the success of this program.
21	Thank you again for coming to Alaska.
22	SPEAKER: Hello, my name is Jason Bruney.
23	I've heard a lot of testimony. I've been here all day, and
24	this issue is not it's a very polarizing issue, but the
25	issues do not have to be mutually exclusive.

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1	We've heard today Republicans and Democrats
2	commenting in support of development in the OCS. We've
3	heard union and non-union folks, seen miners, timber folks,
4	fishermen, Alaskans all in support of resource development.
5	I'm married to an Alaskan Native. I have a
6	Native Alaskan son. He's going to be living in Alaska for
7	the rest of his life, I can guarantee that, and I think
8	we're very fortunate in Alaska is that a healthy economy
9	allows for us to make the environmental decisions that we
10	need to make to maintain those life-styles, to maintain the
11	beautiful environment that we have here in Alaska.
12	It is imperative that we continue the
13	opportunities in the OCS in the 2010, 2015 proposed
14	five-year program. The OCS will be imperative to get the
15	additional 15 trillion cubic feet that are needed to bring
16	our gas line to fruition, without those 15 trillion cubic
17	feet projects on economic.
18	We also have the Trans-Alaska Pipeline
19	systems that's at one-third of capacity. This is an
20	existing infrastructure. The environmental footprint is
21	already there. We can be shipping another 1.4 million
22	barrels a day and not have any more environmental footprint
23	as far as building the infrastructure to ship it down.
24	That won't always be the case. Remember,
25	for every barrel of oil that we don't develop here in

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1	America, be it onshore or offshore in the OCS, we will
2	continue to get that from foreign countries that don't have
3	the same care for the environment that we have here in the
4	United States, that frankly don't like us in the United
5	States.
6	No one cares more for their environment than
7	Alaskans, and our track record is extremely strong. The
8	development in Alaska will be overseen by the strongest
9	regulatory regime in the world and will continue to allow
10	other users such as subsistence hunters, fishermen and
11	others to coexist in an environmentally sensitive and
12	responsible manner.
13	When necessary, seasonal operating
14	restrictions and mitigation measures to avoid conflicts
15	will be employed, because that's how we do it in Alaska, we
16	do it right.
17	I'd like to thank you guys for the
18	opportunity to testify today, and I'd like to end on this
19	note: The board of the Bristol Bay Native Corporation
20	several years ago passed a resolution in support of OCS
21	development.
22	It hasn't been said on the record today, but
23	they understand that it can be done right and that their
24	economy depends on it, that their people's livelihoods and

their way of life and to try to keep the people in their

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1	communities depends on that into the future.	
2	Thank you again for the opportunity.	
3	MR. AURAND: Is there anyone who has not had	
4	an opportunity to make a statement that wishes to do so?	
5	SPEAKER: I thank you so much. I've been	
6	here since 7 a.m. It's not lost on me how long you've been	
7	here and I really appreciate it.	
8	My name is Deanna Crockett. I was born and	
9	raised in Alaska. My mom has worked in the oil industry	
10	for my entire lifetime and my dad has worked in the	
11	transportation industry, which is obviously very dependent	
12	on the oil industry in Alaska, and it's because of their	
13	jobs I was able to go to college. It was because of the	
14	Permanent Fund Dividend that was invested in the UAA	
15	college savings plan which completely paid for my college	
16	tuition.	
17	And now my first couple years working that I	
18	don't have student loans to be paying off right now, and I	
19	think that's something that I was greatly rewarded over	
20	many of my friends that are still paying off and they will	
21	be paying off for many, many years.	
22	In my growing up with my parents in the	
23	industry we were always taught why, why industry is able to	
24	the geology, why we were able to become a state because	
25	of our resources, why we were able to everything that	

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20 years later.

1	the environment holds for us and what provides for us and	
2	in doing so you have to completely care for it.	
3	We've been recycling since we were kids. We	
4	have utmost care for the environment, and I think there is	
5	a lot of people in the oil and gas industry and every other	
6	industry in Alaska, that everybody feels that way and	
7	because we are Alaskans we care for it, we go out and hike	
8	and fish and camp and we all feel that we have to protect	
9	this absolutely awesome place that we live and in doing so	
10	have economic opportunities too.	
11	And supporting this new OCS plan, we would	
12	still feel the same way going forward. And I appreciate	
13	the opportunity to comment. Thank you.	
14	MR. AURAND: Okay, there was one more, I	
15	believe, one more person.	
16	SPEAKER: Hi. My name is Amy Holmage and I	
17	have lived in Alaska over half my life. I'm a teacher, a	
18	mother and a citizen of the planet. And 20 years ago, I	
19	would not have come to this talk tonight because I was busy	
20	doing other things.	
21	I strongly oppose any offshore drilling in	
22	Alaska. 20 years ago I was working as an animal rescuer or	
23	the Exxon Valdez oil spill. This is oil from the spill	
24	right here, okay. There is still oil on beaches out there	

1	I did some reading 20 years later to find
2	out some more things about this spill, and it really seemed
3	to me as if there wasn't much of a plan to clean up the oil
4	if it spilled.
5	It sounds like we've got double hulled
6	tankers now, we've got pilot cars that are trying to pull
7	the tankers as they go through. That may be eliminated
8	soon and that's kind of scary. I don't believe that we are
9	going to be really responsible drilling oil offshore in
10	Alaska.
11	We could go out into Prince William Sound
12	and see what was out there. Up north and offshore is a
13	very remote place, and I don't think there is going to be a
14	lot of watchdogs out there watching what's going on.
15	I'm very emotional about this because of my
16	experience working on the oil spill. After the oil is
17	removed I don't believe people will stick around and clean
18	up the damages of what's left.
19	This is your chance to do something right
20	and just not work from your pocketbook. Do something for
21	the planet, and if everyone is just worried about dollars,
22	then who is going to be around to worry about what's left.
23	Thank you for letting me talk. I'm sorry I
24	didn't have a very organized speech but I just knew this
25	was doing on all day and T needed to come and say T am

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1	opposed. I'm a human being that lives here in this state,
2	and I am opposed. Thank you.
3	MR. AURAND: Is there anyone else who did
4	not have an opportunity to speak and wishes to do so? If
5	not, I applaud your perseverance. Thank you for coming.
6	You were a good crowd. I appreciate your comments.
7	This session is closed.
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