

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

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EFFECTS OF OIL AND GAS ACTIVITIES IN THE ARCTIC OCEAN
ENVIRONMENTAL IMPACT STATEMENT

PUBLIC SCOPING MEETING AND COMMENT PERIOD

ANCHORAGE, ALASKA

MARCH 23, 2010

APPEARANCES:

Michael Payne, National Marine Fishery Service

Jeffery Loman, Minerals Management Service

Kimberly Skrupky, Minerals Management Service

Joan Kluwe, URS

Sheyna Wisdom, URS

Amy Lewis, URS

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P R O C E E D I N G S

(On record)

MICHAEL PAYNE: My name is Michael Payne, we're going to get started now. I'm with the National Marine Fisheries Service, Office of Protected Resources, in Silver Spring, Maryland. And tonight we're here to convene and discuss the environmental impact statement that is being developed by both Mineral Management Service and the National Marine Fisheries Service on the effects of oil and gas activities in the Arctic, Chukchi and Beaufort. And the activities that are being considered in this EIS are both seismic and exploratory drilling.

We have a number of people that have been involved in this process for the past many years and I don't think I'm going to go through the entire list, although most of the people that are up there are here today. However, there are a few people I do want to acknowledge because this program is being developed and run out of headquarters in Silver Spring, Maryland, yet the entire activity is in Anchorage. So we have a staff from URS, a contracting firm that have become the right-hand extension of the National Marine Fisheries Service and MMS on this project. And so many of you are contacting them directly with questions and things like that and Jon Isaacs is somewhere, I don't know where he is. Joan Kluwe is sitting at the table, Sheyna Wisdom, I think is over there,

1 thank you, and Amy Lewis is sitting next to Sheyna. All of
2 these people will be working with us over the next year and a
3 half to complete this project and as such many of the comments
4 and questions that are coming from people from Anchorage are
5 actually going directly to them, rather than to us, which is
6 fine, we get it nonetheless.

7 We also have a few people from headquarters in the mix.
8 I just want to introduce -- Jim Bennett doesn't get up here
9 very much, he's in the front row, and Kim Skrupky, who also
10 works for Jim. And the rest of us, Jim Lecky and I are -- have
11 been fairly active in the last couple of days so you probably
12 know us, but the people that really make my life easier are
13 Jolie Harrison and Candace Nachman and Shane Guan (ph), who are
14 all somewhere in the back and they're the ones that actually
15 work on the development of most of the permits that people
16 apply for.

17 So tonight's meeting, having gone through the
18 introductions, tonight's meeting is going to focus on the
19 following topics, we're going to go through like this and as I
20 said a scoping meeting can take one of two forms, I can either
21 stand up here and -- well, I can stand up here and kind of give
22 a presentation, and then we can go through the comment period
23 afterwards or we can have a dialogue. If you have questions,
24 please ask them at the time that I'm there, I will try to
25 respond the best I can, but we will have time for formal

1 comment after -- about 30 minutes from now, after the
2 presentation is over.

3 Tonight's discussion, we'll talk about the scoping
4 process in general, we'll talk about the review of the proposed
5 action that's being considered under this EIS, the NEPA
6 process, many of you I know work for environmental
7 organizations are very familiar with the NEPA process. The
8 activities that we're considering under the EIS, over the past
9 many years this is not a new topic to Alaska or other places
10 and certainly not a new topic to some of the subsistence
11 communities that we've been going to for various public
12 meetings.

13 We'll talk about the issues and concerns that have come
14 up over the last decade or two and how we're addressing them in
15 this document so as not to reinvent the wheel. The next steps,
16 how the public can be involved and how we can really appreciate
17 your participation at this point in the process and then we'll
18 get on with the formal public comment period.

19 What we intend to do with this document is analyze the
20 environmental impacts of issuing incidental take authorizations
21 which I'll probably refer to as permits for most of the rest of
22 the night, pursuant to Section 101(A)(5)(a) of the Marine
23 Mammal Protection Act. Just so people understand completely
24 there are two steps kind of in -- that go forward with the
25 permitting process. The National Marine Fisheries Service does

1 not authorize the lease sales, that's Mineral Management
2 Service. However, for any company who plans on doing oil and
3 gas activity in the Arctic the likelihood of harassing or
4 taking under the MMPA a marine mammal is very high. Therefore,
5 the permits that we issue are the permits that allow that
6 harassment or those takes to occur, it's not the oil and gas
7 activity per se, but however, they couldn't do it without one
8 of our permits also. So that's one distinction. And what we
9 also do, we hope to do at the end of the process, is issue the
10 incidental take authorizations to oil and gas industry for the
11 taking of marine mammals as the activities go forward. And the
12 activities are basically for all federal and state waters of
13 coastal Alaska in the Arctic.

14 The purpose of NEPA and what we hope to do by this
15 process is to minimize impacts to the environment. It is the
16 key thing that both agencies want to accomplish as we go
17 forward and when I say the environment, I also include the
18 human environment which is a key component of this document in
19 Alaska. The human environment which includes the communities
20 of the Arctic North Slope and the people and their livelihood
21 are a key component of this document. We're looking at the
22 potential impacts by community and by region on these oil and
23 gas activities and how they might affect the environment in
24 that way. We also -- one of the other purposes is also to
25 assess the environmental impacts of the proposed action and

1 consider a set of alternatives. One of the things that I have
2 been stressing as we've gone from community to community is
3 that each of the communities have a part to play in the
4 development of these alternatives. The comments that we
5 receive, the comments that we get tonight will all be
6 considered after the -- this is the final scoping meeting, will
7 all be considered as we go forward and come up with a range of
8 alternatives. We've gone so far there have been one or two
9 communities that started talking about this is what I want,
10 this is what I want to see around this area. No one is
11 promising that we will consider the alternative that is being
12 developed as our proposed action, however, I have gone so far
13 as to say to the community of Nuiqsut, for example, if you can
14 develop an alternative complete with mitigation that will
15 satisfy your needs, allow oil and gas to go forward, and
16 minimize the impact to your -- to you so that you can continue
17 to subsist, we'll figure out a way to at least consider it and
18 the alternatives and analyze it's impacts. So I think that
19 particular community is considering an internal working group,
20 they're going to get back to us and we'll probably pay a visit
21 to them sometime later in the year.

22 Also the purpose of NEPA is it's a very public oriented
23 process. It is to solicit public comments. One of the reasons
24 that we are considering this EIS at this time instead of going
25 forward with a programmatic EA type document is because the EIS

1 allows for a public process. We don't have to do that under
2 NEPA to draft an EA, an environment assessment, excuse me.
3 However, like I said, this action is so community based, it's
4 so public oriented, it involves the livelihoods of many people
5 plus a large activity that's important to the nation that we
6 felt it was necessary to be on the EIS.

7 Now the proposed action, without going into a lot of
8 detail and without going into the alternatives, will allow the
9 industry the incidental, but not intentional, we're talking
10 about disturbance level harassment, not lethal take, not
11 serious injury, of small numbers of marine mammals within the
12 Chukchi and Beaufort Seas. However, before we issue these
13 permits it's important for everybody to know that both agencies
14 have to understand the consequences of this action. This is
15 one of the reasons why we have this meeting every year to
16 discuss the monitoring plans, the activities that are going to
17 go forward that particular season, and the possible
18 consequences. This is one of the few places where at least
19 this year, I've been able to actually listen to the
20 applications that we received and try to begin to understand
21 the consequences of issuing permits if that's what happens in
22 the end.

23 The two things that we consider, primarily the two
24 things that we consider under the MMPA are the effects on
25 migratory mammal species or stocks and the effects on the

1 communities that need these marine mammal stocks to subsist.
2 Now I've mentioned we have to understand the consequences of
3 the action before we issue a permit. There are three things
4 that are key to this, the taking, as we have described, will
5 have a negligible impact on the species or the stocks. The way
6 we've described negligible in the past is that it will not have
7 a negative impact on reproduction or survival. The other key
8 component here is that the taking will not have an unmitigable
9 adverse impact on the availability of species or stocks for
10 subsistence uses.

11 Now the first one of these two things up here is
12 actually easier in my mind for us to determine. We have in
13 large part for many species good abundance data, we have good
14 assessment data, we can actually determine, calculate the
15 probability of a impact that might effect reproduction or
16 survival. Some species are better than others, but we do have
17 better information.

18 However, the second point has been one that has been at
19 the key of what we're trying to do with this document, is try
20 to really understand at what point is there a threshold where a
21 certain level of activity is too much, for lack of a better
22 word. So far we don't think we've hit that, so far in the past
23 several years the level of seismic activity has been such that
24 there doesn't seem to be any obvious negative impact on
25 subsistence stocks. There have been a few disturbance events

1 that are pretty well publicized, but over all the process works
2 pretty well. It's very difficult to prevent all disturbance
3 events every year, something makes -- you make a mistake once
4 in a while, this is just the nature of humans. But so far we
5 don't think that the activities have probably gotten to a point
6 where we've hit that threshold. However, as seismic activities
7 increase, as oil companies enter the Arctic increase, and now
8 that we have several applications for exploratory drilling, we
9 have to ask the question at some point will there be a level
10 where too much -- where whatever's going on is too much and
11 whether we will not be able to make these kinds of findings
12 under the MMPA.

13 Finally, if and when we do issue an ITA all of them
14 have methods of taking, they state pretty specifically how the
15 taking would occur, all of them are mitigated to minimize
16 effects, there are monitoring requirements for every permit
17 that we issue, and there are also reporting requirements, and
18 these are all specified in the ITAs. So these are the -- are
19 what we look at before we issue permits, we really try to
20 understand to the best of our ability what is necessary to
21 mitigate the action to result in the minimum impact possible,
22 what are the impacts on the human environment, and what are the
23 impacts on the species of concern.

24 Now this is not the first time we've done this,
25 especially in the Arctic. We started a programmatic EIS in

1 2006 and the activities -- at that time we had a fairly small
2 staff, and I don't like to use that as an excuse, but basically
3 we were overcome by events. It was very difficult for the
4 staff at the time to keep up with the development of issuing
5 permits on a day to day basis and complete an EIS, this was
6 true both of MMS and NMFS. So we began to process but before
7 we completed it that particular Draft EIS that we completed
8 only focused on seismic. And so all of a sudden we were
9 focused with a situation where we were receiving not only
10 seismic applications but also drilling and the EIS that we were
11 working on was inadequate to cover both. So after last year's
12 Open Water meeting we got together and in the summer of 2009 we
13 decided that we were going to withdraw or stop working on the
14 EIS at the time and then in October we released a notice and
15 intent to begin this process over again and the scope of the
16 action will be expanded to not only include seismic, it'll be
17 expanded to include all exploratory activities in the Arctic
18 related to oil and gas development. So that is kind of where
19 we are right now.

20 In addition to the need because of the scope of
21 activity that is included, I mentioned earlier we want to make
22 this a very public process, we also -- and I don't want this to
23 sound like we have never considered the cumulative impact in
24 the development of our environmental assessments because we do,
25 but we realize that with an expanding scope of the action, the

1 cumulative impact might also increase. So in this particular
2 document and in the documents that we're using this year we are
3 taking a very hard look as is required under NEPA at the
4 cumulative impact of the activities. And I guess that's good
5 enough for that.

6 So what will the EIS include? I've kind of already
7 alluded to this, it will include all shallow hazard and site
8 clearance type activities, there was a distinction made at
9 today's meeting between this type of seismic activity and 2D or
10 3D but nonetheless it produces noise. We will look at 2D and
11 3D seismic, we've met with the industry once, we'll probably
12 have to do it again to try to get an idea of what level of
13 activity we're talking about over the next five years, if we
14 can do that, and it will include exploratory drilling. And we
15 already have a pretty good idea of who we think is going to
16 be -- would like to do exploratory drilling within the next
17 three years already.

18 These are the areas of concern, I don't think I need to
19 belabor this map, everybody is familiar with the two sites up
20 here. The seismic -- Statoil is considering in this area right
21 here, basically that -- it's not a rectangle, whatever that, I
22 think, a quadrangle, is the area of activity for the Chukchi
23 primarily and then the site over here, this is Diomedes, the
24 site over here is the area where a lot of the activity will
25 include in the Beaufort.

1 Our scoping meetings have included -- we've
2 participated in scoping meetings at most of the communities you
3 see. We started in Kotzebue and went all the way around the
4 horn, so we're wrapping it up tonight here in Anchorage to
5 include the people who are present for this particular meeting.

6 AUDIENCE MEMBER: I've got a question.

7 MICHAEL PAYNE: I'm sorry, go ahead.

8 AUDIENCE MEMBER: You said specifically that it would
9 include shallow hazard and site clearance in 2D and 3D seismic
10 exploratory drilling. Will the EIS also look at other
11 geophysical methods and remote sensing methods such as gravity,
12 magnetic, gravity radiometry, and electromagnetic?

13 MICHAEL PAYNE: I don't know and the reason I don't
14 know is because I -- it will look at whatever the industry
15 believes might be proposed in the next four to five years,
16 let's do it that way. We're not going to go out of our way to
17 think up ideas for them to play with and work on and develop,
18 but if there is a new technology and in the Arctic that seems
19 to happen every year, if there is a new technology that will
20 allow them to go in and do exploratory type activity we've
21 described and we know about it in advance, we'll try to include
22 it in this document, that's correct, but I don't know what
23 those are right now, okay?

24 As we continue on the assessment of the environmental
25 impact we're going to look at several different types of

1 resources and three broad categories, physical, biological, and
2 social. I'm going to spend a little bit of time talking about
3 each one of those right now and the type of activities that we
4 know we're going to consider. If people have other things that
5 we're missing, we would love to hear about it before we get
6 going much farther, so that's someplace where you could really
7 help. Also we would like to look -- we're going to be looking
8 at the types of impacts that might be expected from these
9 activities. There's direct and indirect, I've already
10 mentioned short and long term, and cumulative, so there are
11 kind of three broad categories again and we'll go through
12 those.

13 In terms of physical oceanography there's a couple of
14 key things, I'm going to start at the bottom here. Noise is
15 obviously an issue that this document will focus on. A large
16 part of the meeting that we've discussed today focuses on the
17 effects of acoustics or noise in the marine environment and on
18 the marine resources. However, it's not the only thing, this
19 is a NEPA type document, we will be assessing the environmental
20 impacts and the baseline information we'll consider a lot of
21 other issues. Air quality and climate are two that are --
22 well, climate, air quality and water quality are two that come
23 up all of the time and they came up in every one of the
24 meetings that we've had so far on the North Slope. We meet
25 with EPA actually Thursday and EPA releases -- is the agency

1 responsible for air quality standards, we're meeting with them
2 to figure out how they can participate in this process and so
3 that the information that they have relative to their standards
4 can be incorporated in our document, at least in the baseline
5 information.

6 Climate is one that is very difficult. The Arctic is a
7 changing environment, the warming effect on -- and its effect
8 on sea ice is a global issue, not just an issue for this
9 particular document. We will address it but it's not really --
10 it's almost beyond -- well, we will address it, I'll just leave
11 it there. It's such a huge issue it could overwhelm any
12 document you try to do if you allow it. The other things that
13 we will look at have to do with physical oceanography, sea ice
14 and the effect of global change. Water quality is certainly an
15 issue that is of concern and we heard it in all of the
16 communities that have a drilling activity proposed nearby, and
17 then sediments and the effects of drilling on sediments and the
18 effect of other activity on sediments. These are some of the
19 key physical components that we will be looking at in this
20 document and there will be others but these are the ones I
21 mention right now.

22 Impacts on the biological. Obviously marine mammals is
23 of importance to us under the MMPA, that is the key thing.
24 However, there's baseline information now being gathered by
25 several research programs on sea birds, there's a lot of

1 historical data on sea birds from other projects that will be
2 included. Fish have become almost equal to marine mammals in
3 terms of their importance to this document. The effects of
4 noise on marine fishes and the effects of those activities on
5 marine fishes as prey of higher trophic levels are very key so
6 we will definitely be looking at those. Also the benthic is
7 very -- it kind so goes -- and somebody keeps asking the
8 question about the food chain. Well, the effects of benthic on
9 and the effects of sedimentation on the benthic or the
10 activities on the benthic and how that works up the food chain
11 to effect walrus or something like that is key. So basically
12 to the extent that we can, we will be looking at the food chain
13 throughout this process.

14 Threatened endangered species, we always look at them,
15 it's nothing new. However, there are two species, two marine
16 mammal species up here that are not under the jurisdiction of
17 the National Marine Fisheries Service; however, polar bears are
18 threatened. Endangered polar bears are listed under the ESA
19 and walrus is a key species that is not under our jurisdiction,
20 but we will be working with Fish and Wildlife Service to make
21 sure that any permits that we issue won't have an adverse
22 impact on another agency species. So, you know, it's a large
23 area and there's a lot of key species up here that we will have
24 to consider. There's also a couple of endangered sea birds, so
25 it's not a trivial task.

1 Finally, the one that really is a priority to me and of
2 high interest has to do with the impacts on socio-cultural,
3 these are the human impacts. We've already mentioned the
4 coastal communities have a lot at risk, in their opinions it is
5 their livelihood that's at risk. Subsistence uses, the top two
6 things, we've gone around these two things are very key to the
7 development of this document and analyzing the impacts of oil
8 and gas development on coastal communities and on a subsistence
9 way of life is key to the assessment that we will be doing in
10 this document. There are several historic and cultural sites
11 along the coastline that have been brought up, the Inupiat way
12 of life goes hand in hand with subsistence. Human health is an
13 issue that we've run into in several places, we will be doing a
14 health impact analysis as part of the document, I don't know
15 whether it will be built into the EIS or a stand alone
16 document, but it is something that we will consider.

17 Transportation has become an interesting issue. As you
18 go east along the North Slope what I expected to hear was that
19 seismic was the key problem or something like that, or the
20 vessels associated with seismic. As we went farther east,
21 however, the coastal barging, the shipping of materials along
22 the coast from community to community or from west dock at
23 Prudhoe Bay to other facilities that are part of the Prudhoe
24 Bay activity seem to have as much an impact on coastal whaling
25 as the larger vessels. So this is kind of beyond the scope of

1 what we were looking at but at the same time it is an impact
2 that we need to consider. So I don't know exactly how we're
3 going to address that but it was almost more of an issue in
4 three of the communities than any other thing. There's more
5 and more vessel traffic up here every year, there are a couple
6 of places that were actually complaining about the number of
7 sailboats in the Arctic, this blew me over, I -- what the hell
8 are they doing up there, I don't know. But anyway, sailboats,
9 cruise ships from Europe that come over the top are all of
10 issue.

11 Finally, the idea of environmental justice is key, we
12 don't want anything that we do, we don't want anything that we
13 propose to affect one community more so than another or
14 adversely in a disproportionate manner. So we don't want to do
15 something -- we don't want to recommend mitigation in Barrow
16 that will have an adverse impact on Nuiqsut or something like
17 that.

18 Now input from the scoping process. The levels of
19 activity are kind of what we're hoping to look at under the
20 cumulative impact. Marilyn, do you have a question, I'm sorry,
21 Raychelle?

22 RAYCHELLE DANIEL: Yeah, going back to the last slide
23 you were looking at the effect of socio-cultural, I was
24 wondering if you would also be looking at areas outside of the
25 Arctic area that depend on the (indiscernible) mammal species

1 that travel to and in the Arctic?

2 MICHAEL PAYNE: Areas outside, outside the U.S.?

3 RAYCHELLE DANIEL: No, as far as Bristol Bay and the
4 North Bering Sea where walrus are also important, subsistence
5 items.

6 MICHAEL PAYNE: Not at this time. We hadn't considered
7 that as part of the scope, however, you know, if you make it
8 part of your comments, we can include it but I think the area
9 of concern, the baseline area, probably would have stopped
10 someplace around Kotzebue in our original plan.

11 Okay. These are -- the level of activities, and by
12 this I don't mean just these activities, I mean, how many is
13 too many? We're going to try to do several alternatives or
14 look -- the alternatives we'll consider are range of the number
15 of type of activities for each of these things. Like how many
16 seismic vessels can you have in one basin at one time before
17 you have an environmental impact that's no longer negligible,
18 that no longer has an unmitigable adverse impact on.....

19 (Whispered conversation)

20 MICHAEL PAYNE: Okay. Please say your name for the
21 record, that was Raychelle before, for those who.....

22 RAYCHELLE DANIEL: Raychelle Daniel.

23 MICHAEL PAYNE: Raychelle Daniel. And so if you have a
24 comment just please say your name for the record, thank you.

25 Likewise, how many exploratory drilling activities, it

1 was -- I don't know if you were all here this morning but Shell
2 made a point of the fact that they've scaled back their number
3 of drilling to no more than one vessel so they don't have
4 duplicate drilling, both on the Beaufort and the Chukchi at the
5 same time. That was a big deal and at some point in time there
6 may be a request by more than one company other than just Shell
7 for example to have a drill ship out there as well, so how many
8 drill ships in the Chukchi are enough? And so these are very
9 difficult questions. As you have an expanding industry, as you
10 have an expanding need for oil and gas energy, it's going to be
11 tough to put those kind of limits, but at the same time we,
12 under the statute, can't authorize permits that have an effect
13 on what I've talked about before, something greater than
14 negligible, and those are very difficult determinations that we
15 try to make.

16 Shallow hazardous site clearance and anticipated
17 support activities. There have been more -- I don't know if
18 people have been keeping track but there have been almost more
19 questions about how many support vessels go hand in hand with
20 the drill ship or go hand in hand with seismic in this meeting
21 than any other question and that's obviously becoming a key
22 element to coastal impacts as you go along the north coast.

23 Mitigation, we always -- yes.

24 MIKE LEVINE: Mike Levine from Oceana. I have a
25 question about the developmental alternatives and is the way

1 that you're thinking about it to figure out how much activity
2 could be allowed and then where we are and the temporal as
3 being (indiscernible) restrictions on that or are you thinking
4 about a speed of activities and then how and where you might
5 have them?

6 MICHAEL PAYNE: Honestly we haven't got that far, we --
7 part of the reason that we're doing this process right here is
8 to -- once we get all the comments in and we take a look at
9 them, we'll use the comments that we get to try to develop that
10 range of alternatives, so I don't know yet.

11 MIKE LEVINE: I've just got a related question which is
12 is it your view that -- I don't know the answer to this
13 question, but is it your view that the standards, the
14 negligible or unmitigable adverse impact standard is the same
15 as the significant -- significantly effecting the environment
16 standard under NEPA?

17 MICHAEL PAYNE: No.

18 MIKE LEVINE: Okay.

19 MICHAEL PAYNE: No, not at all. They're -- it's as
20 different as jeopardy and negligible, I mean, different
21 statutes, different standards, but we have to make the
22 determination under both statutes, so you go through several
23 processes to get there.

24 Mitigation. We already do a lot of this already, this
25 is not new to -- we've been mitigating our permits ever since

1 -- to try to minimize effects, it's just part of what we do.
2 We have exclusion zones based on received levels of sounds, the
3 whole 180, 190, there are shut down zones, however, there have
4 been some discussions about whether or not we should have areas
5 set aside or exclusion zones because of the importance of those
6 areas to marine mammals. Are there areas that should just
7 simply be off limits? Either highly important feeding areas,
8 to a lesser extent, migratory corridors where you don't want to
9 block animals from getting to a feeding area, that type of
10 activity, so we will be looking at that.

11 Exclusion zones, based on the presence and timing of
12 subsistence. One of the more interesting ideas that came out
13 of the discussions that we've had so far was there's kind of a
14 25 mile an hour -- oh, my God, I'm tired, I'm sorry. There's
15 kind of a 25 nautical mile per hour, nautical mile buffer
16 around the Chukchi where very little activity occurs and no
17 seismic or no drilling. People on the eastern side want that
18 same kind of buffer. They don't know if it's 25 miles, but,
19 for example, Cross Island has a lot of activity because of its
20 location going to and from Prudhoe, either inside the islands
21 or outside and they would like, at least during the whaling
22 season, why don't they have a buffer, that was one of the
23 things that came out of the discussions there which is actually
24 something worth considering in the development of an
25 alternative. So this whole idea about exclusion zones for

1 different activities is one that we will consider, especially
2 if people give us an idea to work with.

3 And then time area closures for biological and
4 subsistence reasons. We do that, there are closures, I mean,
5 they can't go -- there's certain activities that can't have it
6 in the Chukchi, you know, before July and there's certain
7 activities that won't happen in the Beaufort after late August.
8 So these are things we consider. As we go forward there are
9 other ideas that have been presented that we'll also consider.

10 Now, this is a laundry list, I'll tell you in advance,
11 we have -- one thing that URS has been very good at with us,
12 that we don't have time to do ourselves, there have been a
13 number of documents on this topic or topics like it. There
14 have been several EISEs for the past several decades that were
15 drafted by MMS on lease sale activities, on multi-sale
16 activities. All the issues that you're going to see here have
17 been presented at one time or another. We also have a long
18 record of concerns and issues that have been brought forth as a
19 result of the development of Northstar, so this isn't something
20 that we're beginning from scratch. One of the most common
21 issues that we have received and that we continue to hear is
22 the protection of subsistence resources and the culture and the
23 way of life, this is paramount.

24 One of the more interesting things that I didn't know
25 is that when we went to Kaktovik, I didn't realize a community

1 was there and then the Arctic National Wildlife Refuge was
2 built around it with restrictions on what they can do on the
3 Refuge right in their back yard, even though they own the land.
4 So they're kind of hemmed in on the north and the south so
5 it's -- as development occurs for one reason or another or as
6 we try to protect areas in Alaska, it definitely has an impact
7 on those people that have used the land for many, many years.

8 Everybody's concerned about the disturbance to marine
9 mammals and their migration patterns and areas of importance.
10 There's more and more an increasing concern on the impact to
11 marine fish reproduction and the growth and development of
12 different fish species in the Arctic. We already know that oil
13 and gas activities may have an impact on marine mammals,
14 especially noise and that is certainly nothing new. We will be
15 taking a look at impacts to threatened enlisted species. More
16 than -- what we are trying to do in this document perhaps more
17 so than any other document that we have developed and again,
18 this is an area where URS is key because they've been doing
19 this for so long, we're trying to go through the background,
20 the literature, the information, the records from previous
21 public meetings, the comments that we received from the Native
22 villages, the tribal governments, the different communities, on
23 how to incorporate traditional knowledge into this document.
24 If there was a way to do it, I would write this document using
25 nothing but traditional knowledge. We can't do that but we can

1 use both and so far and I think it's been demonstrated in this
2 meeting that we've had this year, traditional knowledge and
3 scientific methodology, the more tradition that we're familiar
4 with, often support each other very closely, one way or the
5 other. And so there's no reason that we can't incorporate both
6 into the process and we're trying to do that very hard. We'll
7 probably have a few bumps along the road but hopefully we'll
8 come out with a product that is better in this regard than
9 we've ever developed and that's what we're striving to do.

10 And the other comment that we received everywhere, the
11 communities and many people in this room, the communities are
12 inundated with meetings, they're inundated with large
13 documents, we develop a thousand-page EIS, we give it to them
14 and ask them to comment on it in two weeks. Nobody can do
15 that, I don't even do that and that's my job. So it's -- what
16 we're going to -- we're going to try to give people enough lead
17 time so that if they can take the time to read the document and
18 comment, we'll allow that to happen. Now I don't know if that
19 means a 60-day comment period, a 90-day. Part of the reason
20 that there is this problem with communication in this regard is
21 that we can mail out a document or a CD and it might not get to
22 its destination for two weeks on the North Slope, so that's a
23 big issue. So we're going to try to ensure that people have
24 the time to comment because we really want them to take a look
25 at this, it's very important to everybody.

1 So that almost brings us up to where we are now.
2 Tonight and throughout the process we're requesting information
3 on anything that you think is relevant. However, the marine
4 mammal use -- the use of habitat up here, marine mammal
5 behavior as it relates to oil and gas activity or previous
6 studies in oil and gas activity that may direct us in the
7 developmental of alternatives, information on the availability
8 of species and studies or traditional knowledge that have
9 indicated that that availability may be compromised by certain
10 activities at certain levels, we're certainly looking for that
11 type of activity.

12 Every year that I come back here the Arctic technology
13 is developing, it could be that in five year -- we heard a
14 presentation today and I don't know how it will go, but we
15 heard one where they're thinking about doing seismic under ice.
16 It's very likely that in the next decade they won't be using
17 seismic to get at oil and gas, there will be some other
18 technology and this may be old news. But new Arctic ecosystem
19 science is something that as part of our baseline we try to
20 keep current and so if there's something that we really need to
21 know about we would appreciate it.

22 And then the bottom one I'm going to skip to, the
23 recommendations for monitoring and mitigation, I'm sure we're
24 going to get that from a lot of people, so I'm not worried
25 about that one. But we have been doing this for a while, but

1 every year we try to get better. The goal under the MMPA and
2 our goal within this document is to allow both activities to go
3 forward. We're not trying to compromise the development of oil
4 and gas as its needed and our energy policy is important,
5 however, we're trying to do it responsibly so we don't
6 compromise the environment in the process, and so that's kind
7 of where our position is and we're hoping we can do that.

8 What are the next steps? Well, tonight we're here,
9 after we receive the comments that we're going to get tonight,
10 we will incorporate them with the comments that we've already
11 received and the comment period is -- lasts until April 9th for
12 those of you who are keeping track. It's in -- there's a
13 document here, a newsletter on the table, if you haven't picked
14 one up you should grab it, it has all this information in it
15 and it's a good piece of information on where we are. We're
16 going to issue a scoping report, after we receive the comments
17 we'll compile the comments, try to -- I don't know that we'll
18 have responses during the development of the scoping report but
19 we'll put in one place the comments that we received, and as we
20 move forward we'll develop a web site that will actually
21 keep -- people can go to and keep track of this process
22 throughout the entire thing. After we receive all comments and
23 develop the alternatives based on those comments, we'll start
24 the drafting process.

25 Now this is a long process. We're beginning it now, we

1 hope to be done by the 2011 season, so that we can use the EIS
2 for the basis of our permits that we issue that year and --
3 however, sometimes things take longer than others but it --
4 this process will not be done this year, just so everybody's
5 clear. This year we will be issuing our permits, assuming that
6 we issue them, under environmental assessment and IHAs as we
7 have in the past. So this, what we're talking about here is at
8 least a year away. These are the locations -- I'm sorry, go
9 ahead. Just -- yeah, there you go.

10 DAVID DIXON: My name's David Dixon, I'm with the
11 Alaska Wilderness League. You just mentioned IHAs.

12 MICHAEL PAYNE: Yeah.

13 DAVID DIXON: And the EISes on the ITA process. Can
14 you.....

15 MICHAEL PAYNE: Did I miss -- did I do that.....

16 DAVID DIXON: No, I -- I'm just asking you for a quick,
17 you know, any explanation of the difference.

18 MICHAEL PAYNE: Oh okay.

19 DAVID DIXON: Or how they relate to each other.

20 MICHAEL PAYNE: Well, under NEPA, an EA basically is a
21 document that can find a finding of no significant impact, I
22 mean, that's kind of the key, final statement of an
23 environmental assessment. An incidental harassment
24 authorization is an authorization under 101.85 of the MMPA,
25 it's a permit that allows an activity for one year. It doesn't

1 allow lethal take, it doesn't allow serious injury, but we do
2 authorize -- for discreet projects. So in the -- historically
3 and this year we will be issuing to the oil companies IHAs,
4 incidental harassment authorizations, for the activities that
5 they're doing this year. There's another process which is
6 longer term that we're considering but I actually didn't talk
7 about it tonight because it's kind of tangential to this NEPA
8 process.

9 But there's another process that allows us to do a
10 regulatory process, we'll develop regs with all the mitigation,
11 all the monitoring, all the requirements in the regulations and
12 those regulations are in place for five years, so then we don't
13 have to go back through this public process every year. The
14 other thing about IHAs it is a public process, LOAs doesn't
15 have to be, so it's kind of the difference between the length
16 of time that we issue a permit and how long we can issue them
17 for without going back to a public process. Yeah.

18 DAVID DIXON: So without digressing too much, the
19 regulatory process you're talking about would only have public
20 comment, public input, every five years as opposed to.....

21 MICHAEL PAYNE: No no, no no, I'm sorry, that's why I
22 didn't want to get into it because I'm very poor to explain
23 this. No, the regulatory process that we're talking about, the
24 regulations are developed, we issue a letter of authorization
25 under those regulations, but that's an annual process and there

1 is annual input. So if something changes, for example, in the
2 baseline, if the industry changes their mind and we have to go
3 back through another process to issue these things, those all
4 are considered on an annual process. The regulatory process
5 and the issuance of the LOAs are very good for things that
6 really don't change much. Northstar has been operating under a
7 five-year regulation and an LOA for the past 10 years. Two
8 different processes but it doesn't change, the activity is the
9 same every year, the impacts can be predicted. If you have a
10 changing baseline it's much more difficult to issue regulations
11 and LOAs that are static for five years, so even if we did
12 issue the regulations, we would go through a process every year
13 where we would review and make sure that those are -- they
14 haven't changed, the baseline hasn't changed such that we have
15 to redo the regulations. Does that help a little bit?

16 This year, none of that's in play. This year we're
17 issuing one year permit under environmental assessments,
18 largely due to the duration of the impact, the potential
19 impact, and the short lived nature of it. So we're not certain
20 if we're going to do the regulatory process yet, it's something
21 that we're going to consider as we develop the EIS, but that's
22 several years away too. Yes.

23 DAVID DIXON: So that would be something you'd consider
24 under your alternatives.....

25 MICHAEL PAYNE: The EIS will look at the -- yes, the

1 EIS will consider this as an alternative, as one of the
2 different alternatives that we look at. Do we continue to do
3 this process as we have in the past on an annual basis, there's
4 a certain amount of unpredictability about that, uncertainty
5 from year to year, or do we try to establish a longer time
6 frame where regulations are in place, where people can kind of
7 predict what's going to happen, add a little bit more
8 certainty, and we start issuing these permits under LOAs rather
9 than IHAs, that will be an alternative that we will consider.
10 Yes.

11 DAVID DIXON: Can I ask one more question?

12 MICHAEL PAYNE: Sure.

13 DAVID DIXON: And it has to do with changing baselines
14 perhaps and I should have asked it when you were on physical
15 impacts and you mentioned climate.

16 MICHAEL PAYNE: Yeah.

17 DAVID DIXON: And accumulative impacts, will this -- is
18 it your intention that this EIS in analyzing the impacts of
19 various activities associated with seismic and exploratory
20 drilling, take into account the impacts of those activities in
21 combination or in conjunction with the impacts that the
22 ecosystem's already suffering or is a big climate change?

23 MICHAEL PAYNE: Actually I could use some help here.
24 The Arc -- we do have a NOAA policy. Maybe I'll get -- can I
25 get back to you on that one?

1 DAVID DIXON: Sure.

2 MICHAEL PAYNE: Because there -- we have a NOAA policy,
3 as to how to address the changing environment in the Arctic.
4 Generally when we look at cumulative impacts it's the addition
5 of this impact on the baseline, it isn't -- you know, it isn't
6 a first come in and you get to a point where you just stop all
7 activity, it's kind of does this particular activity have an
8 incremental increase in effects such that you end up in a
9 condition where you can't do a negligible impact determination,
10 for example. The changing baseline in the Arctic is
11 interesting because the effects of global warming on sea ice
12 melt for example really has little to do with this activity as
13 near as anybody can tell. This activity has -- that's been in
14 play for a while. So whether or not this activity has an
15 incremental impact on that is what I actually need help with,
16 so I'd have to get back to you, but it's a good question.
17 Yeah.

18 CHRIS KRENZ: Chris Krenz with Oceana. I just wanted
19 to follow up on that comment. I think and I may not have
20 gotten the gist of it correctly but I think the concern was the
21 potential for synergistic effects between -- on the marine
22 life. So for example if you have loss of sea ice and then you
23 also have seismic activities affecting a species such as
24 walrus, is there a synergistic, not just an additive effect
25 that when those two in combination really put something in

1 peril versus just an additive effect looking at those two
2 things separately and adding them on?

3 MICHAEL PAYNE: That's a good point and yeah,
4 synergist -- I kind of consider them together. And I -- I
5 don't think I want to get into a discussion right now but we
6 will take your point. I mean, it -- yeah, I'll just leave it
7 at that for right now. Synergism to me and cumulative is -- go
8 hand and hand, okay? Oh yeah, sorry.

9 JEFF CHILDS: Just briefly, Jeff Childs, Anchorage,
10 Alaska. Among your steps up there I don't recall seeing when
11 written comments are due.

12 MICHAEL PAYNE: Hang on, well, I'll tell you April 9th,
13 but -- hang on.

14 JEFF CHILDS: Okay, great.

15 MICHAEL PAYNE: So the drafting I'm asking -- we're
16 hoping to get done sometime end of this year or early next
17 year, we'll offer an extended comment period, we'll take a look
18 at that and, you know, we're hoping to get the final EIS done
19 like I say in time to use it for the development of permits in
20 the future but we'll take one step at a time here. This is
21 where we have been, these are the scoping meetings as described
22 under NEPA, there's a very good chance and a very high
23 likelihood that we'll be going back to some of these
24 communities before we complete certainly the final EIS, I don't
25 know about the draft, but certainly the final. So that's kind

1 of what we've done and where we are tonight.

2 Now I see there's a number of comments right now, what
3 we're going to do the rest of the meeting tonight, and I'll be
4 up here if people have comments, but we will go through a
5 formal oral comment period, this isn't a question, asking
6 thing. What we will ask people to do at that point if you have
7 a comment, and I think we have quite a few, we have a list at
8 the registration, we're going to take a break here in a minute
9 or two and people can come up, I would like people to come up
10 and actually use one of these microphones, however, so that
11 they can pick you up in the recorder. Introduce yourself,
12 spell your name, that would actually help, and then provide
13 your comment.

14 Now I think we have 20 some people and I'm totally
15 against cutting people off, so I won't do it but all I'm going
16 to ask you in advance is be concise with your comment. If you
17 have a comment that rambles, for lack of a better word and I
18 apologize for that word, but rambling's a good descriptive
19 word, we might try to get -- have you get a little bit more
20 concise before you're complete. I think there's a potential we
21 could be here until midnight. Now -- and that's okay, I'll be
22 here until midnight if you like. But anyway so we're going to
23 take a break for about five minutes, we'll get ourselves set
24 up, if you have comments, come forward, Joan or I will have
25 people come up as you signed in, and if you don't want to have

1 a public comment tonight but you want to provide written
2 comments, or for that matter, you can do both, you can
3 either -- you can do it tonight and written. They're due April
4 9th, 2010 or due in a month. You can e-mail, fax or get them
5 to me directly at that address and we'll make sure that they're
6 part of the record. Also if you want to follow this process as
7 we go and I think most people do, we're going to set up a web
8 site that we try to keep current, it will not only have where
9 we are in the process, but any documents that are relevant to
10 the development of the EIS, any new information, new
11 technology, anything we can think of that people might be
12 interested in as it relates to oil and gas development and the
13 completion of this document we'll try to have on that web site.
14 So I don't know if there are any more questions before we
15 actually get into the formal process. Yes.

16 WILLIAM KELLY: My name is William G. Kelly, Jr., I'm
17 with the Center for Regulatory Effectiveness. I was saving up
18 a few questions, Mike, until you finished. First of all, with
19 regard to subsistence, the key term there is availability and
20 I'm wondering if NOAA has ever attempted to define or interpret
21 that term?

22 MICHAEL PAYNE: We have not tried to -- we've actually
23 struggled with this term.

24 WILLIAM KELLY: Let me give a little context. For
25 example, I'm a -- I do a lot of fly fishing for trout in salt

1 water and whatever and it's like, you know, the fish are always
2 available but sometimes, you know, conditions make it they just
3 won't cooperate. You have to -- if it's the weather or if you
4 employ different techniques or you have to work harder,
5 sometimes you just come up empty, but that doesn't really have
6 anything to do with availability. So I just wanted to add
7 that.

8 MICHAEL PAYNE: Okay. So like I say, we've struggled
9 with this term, we've actually gone and actually requested help
10 with this and in the development of studies or something like
11 that where we can actually maybe come up with a way to know at
12 what point, this kind of goes back to that threshold discussion
13 I had, at what point are you really impacting the availability
14 of these species or at what point is the activity such that a
15 community may be completely impacted because the animals move
16 around it and they move far enough off shore, for example, that
17 the hunters can't get to them. We have not considered,
18 although it is an issue we take seriously the individual
19 incidence that sometimes happen. For example, a year ago --
20 this came up yesterday in discussions, I think it was a year
21 ago, there was one community where a vessel not related to oil
22 and gas activity but a vessel came through, disrupted a beluga
23 harvest, that was a disruption, however, actually if you talk
24 to the hunters, the way it worked out, the next day the animals
25 were more aggravated and they got them.

1 So that didn't preclude the availability of the harvest
2 to them, but it did ruin their day for lack of a better word,
3 and it costs a lot of money to do these hunts and they aren't
4 cheap, so we try to minimize that type thing, but I don't think
5 we would say that the availability was precluded because of
6 that one incident. However, this is kind of a slippery slope.

7 WILLIAM KELLY: So there is no document anywhere that
8 attempts to interpret or.....

9 MICHAEL PAYNE: Not to my knowledge. If somebody knows
10 of one, they can correct me. But this is -- to be honest, the
11 question of availability has always been an issue because of
12 deflection but we've never really had it as an issue because
13 until recently there hasn't been really enough activity that
14 people were of -- it's becoming more and more of an issue now,
15 let's put it that way, as the Arctic becomes more of a target
16 area, yeah.

17 WILLIAM KELLY: Okay. My second question is, doesn't
18 MMS also have to authorize exploration activities of oil and
19 gas under the Arctic Outer Continental Shelf Act?

20 MICHAEL PAYNE: Yeah, but I'll -- if somebody from MMS
21 wants to respond to that directly, I'll let you.

22 AUDIENCE MEMBER: Yes.

23 MICHAEL PAYNE: Yeah, okay, yes, I could have said
24 that.

25 WILLIAM KELLY: And then my last question at least for

1 now is the Marine Mammal Protection Act as I recall authorizes
2 issuance by NOAA of ITAs for up to five years.

3 MICHAEL PAYNE: Those are -- yeah okay, kind of.

4 WILLIAM KELLY: Has anybody -- is there any indication
5 that anybody ever -- has anybody ever made that sort of an
6 application or do you anticipate they might?

7 MICHAEL PAYNE: For oil and gas?

8 WILLIAM KELLY: Yes.

9 MICHAEL PAYNE: Northstar.

10 WILLIAM KELLY: They did?

11 MICHAEL PAYNE: They did and we have another one right
12 now. They have applied for a regulatory process, they would
13 like us to redo their regulations, to review it, and issue
14 their permits for the next five years under LOAs and those
15 regulations. I think that's the only company that has done it
16 in regards to oil and gas.

17 WILLIAM KELLY: When you say regulatory process, are
18 you talking about a NOAA CFR type regulatory process.....

19 MICHAEL PAYNE: That's right, we go out.....

20 WILLIAM KELLY:and a permit?

21 MICHAEL PAYNE: We go out with a proposed rule making,
22 a final rule making, and after that is completed we issue the
23 LOAs under those regulations.

24 WILLIAM KELLY: Is that necessary under the MMPA?

25 MICHAEL PAYNE: Yes, to do that and it's also a longer

1 process. There's some advantages to it but because it is
2 regulatory we can issue IHAs and -- well, the statute actually
3 gives us four months. Because of the NEPA compliance and ESA
4 compliance, it often takes us six months to nine to do an IHA
5 now, but the regulatory process under the issuance of LOAs is
6 often a 12 to 18 month process, it's a little longer because of
7 the regulatory process. So there's several opportunities for
8 public comment under that process, you got a proposed rule and
9 then the LOAs. So yeah, and it has happened. Northstar has
10 submitted a request for that. And it works very well for
11 Northstar.

12 WILLIAM KELLY: So that's pending?

13 MICHAEL PAYNE: We've received the application, we
14 haven't published a notice of receipt, I don't think.

15 AUDIENCE MEMBER: Yes, we have.

16 MICHAEL PAYNE: Oh we have? Okay, yes so it's pending,
17 yeah. And they submitted the application well in advance of
18 their current permit expiring, so we hope to get that one
19 completed. Okay? Thank you. Yeah, Brandon. Do you want to
20 come up here?

21 BRANDON SUFFLE: Brandon Suffle. I'll ask this as a
22 question instead of making a comment, but it kind of relates to
23 this accumulative issue and the question is and you touched on
24 transportation. And will in the EIS process the issues with
25 transportation look forward to predicted changes in shipping in

1 the Arctic as a function of changes in the ice coverage?

2 MICHAEL PAYNE: Maybe. I don't know. The reason I
3 hesitated -- I'm not trying to be smart, I don't know how fast
4 that will occur. I mean, there will be a life span on this
5 document. We had another question of why don't you consider
6 production under this document? If production becomes an issue
7 in the next three to five years, I mean, right now we don't
8 know for sure, if production becomes an issue we'll have to
9 amend this document, amend the EIS, and then look at it that
10 way. If shipping becomes a huge issue over the next five years
11 and I guess right now we look to things in the foreseeable
12 future, if you look farther out, everybody's concerned about
13 shipping, but right now it's not an issue that I actually see
14 happening in the next five years to where it becomes an impact
15 on what we're doing here. So it will be part of the -- I guess
16 I don't know how to describe this. It will be part of the
17 document and we'll certainly look at what the projections are,
18 however, I don't think it's going to be part of the document
19 that receives a lot of attention relative to mitigating for
20 example.

21 BRANDON SUFFLE: And I guess just the comment I was
22 going to make was just to be aware of a document called the
23 Arctic Marine Shipping Assessment that a lot of people here
24 were involved in. Some of the predictions of that may bring it
25 into this five year.....

1 MICHAEL PAYNE: What does it say? I'm guessing you
2 know what it says.

3 BRANDON SUFFLE: Well, it says that there's a period of
4 time that almost certainly.....

5 MICHAEL PAYNE: Do you know what that is?

6 BRANDON SUFFLE: Well, it dep -- the next -- within the
7 next five years it's certainly possible that some of these
8 reinforced container ships will start going up and over.

9 MICHAEL PAYNE: Okay. All right, well, thank you for
10 that and.....

11 BRANDON SUFFLE: Well, just -- the potential impacts on
12 the acoustic environment and the ability to tease out these
13 synergistic effects with seismic will probably be.....

14 MICHAEL PAYNE: Difficult, yeah.

15 BRANDON SUFFLE: Difficult to deal with.

16 MICHAEL PAYNE: Yeah. The only time this has come up
17 in the discussions so far is in the -- more in the discussion
18 of buffers, you know, how far do you keep things away, even
19 though the noise may go within the buffer, the physical
20 transport may be farther away. So thank you and we'll look for
21 the document. Thank you.

22 Okay. If there are no other questions right now what
23 we'll do is take a minute, if people would like to stay for the
24 comments, I think we'll be here for a while, you're welcome to
25 stay, and for those of you who plan on commenting I guess in

1 one minute we'll start -- please get your comments ready, and
2 we'll start the list, come up to the front table and we'll go
3 from there. Thank you very much for coming tonight, taking
4 your time, I know it's been a long day for a lot of us and
5 we'll get going here in a second.

6 (Off record)

7 (On record)

8 MIKE LEVINE: My name is Mike Levine, L-e-v-i-n-e and
9 I'm Pacific Senior Counsel for Oceana based in Juneau, Alaska.
10 I am an attorney and I will try to be as brief as that training
11 allows me. I'll just start by thanking you, both thanking the
12 agency for holding these hearings and conducting this review
13 and thank you personally, Mike, for the presentation and for
14 spending the time after what's been a long at least two days
15 here discussing these issues. We very much appreciate the
16 restarting of this process and the efforts to include community
17 involvement and includes us and all the other stakeholders
18 here, so thank you for all of that.

19 We would like to reiterate comments that we have made
20 both to NOAA and other agencies about the need for a broad
21 review of these issues. There are greatly expanding industrial
22 activities in the Arctic. We've talked about some of the oil
23 and gas activities that have been happening over the last few
24 years are going to continue and continue into the future, both
25 from seismic activities, exploration drilling, and the other

1 kinds of activities happening pursuant to G&G permits,
2 (inaudible) surveys and the other kinds of shallow hazard
3 things we've talked about that you mentioned. There's also
4 shipping coming that we just talked about and there are other
5 impacts from seismic activities and other oil and gas
6 activities in other parts of the world, Canadian, Russian
7 waters, and we hope that you will consider those impacts and
8 also to build on something that Raychelle mentioned. There are
9 impacts to these marine mammals probably occurring in other
10 parts of the United States, these same stocks travel not just
11 in the Chukchi and Beaufort, so we hope that you will consider
12 the impacts to the species from other places. Dr. Krenz, when
13 he testifies will touch on some of the ramifications that these
14 activities may be having on the stocks of marine mammals and
15 other impacts to the environment.

16 The import of all of what I'm saying has come out some
17 during these Open Water meetings over the last couple of days.
18 The increase in activities, both related to noise and air and
19 water discharges, create the need to look holistically at the
20 ocean rather than thinking about individual permits, but to
21 look broadly at what's happening in the marine ecosystem in the
22 Chukchi and Beaufort Seas. To think about how is it that we
23 can best protect the environment opportunities for the
24 subsistence way of life and specifically the marine mammals and
25 fish that we've talked about here.

1 So when you're looking to develop alternatives and this
2 goes back to the question I asked about are you looking at a
3 level of impact that's allowed or activities and how you
4 mitigate them, we ask that you look broadly at all of the
5 effects rather than focusing specifically on potential
6 mitigation measures first and think about how is it that we're
7 protecting stocks and protecting the ocean.

8 Relatedly and this is something that's come up now a
9 couple of times about MMS being the agency that authorizes
10 leasing exploration activities and NOAA being the agency that
11 issues IHAs or -- those kinds of impacts should be reviewed
12 cross federal agencies. And it has been our position and
13 continues to be that we should be looking at impacts to the
14 Arctic Ocean, not on an agency by agency and permit by permit
15 or industry by industry level but with a comprehensive plan, a
16 plan that moves us forward towards energy and conservation and
17 we hope that NOAA will be an advocate for such a comprehensive
18 review.

19 And I would -- I'd like to conclude I suppose by
20 building on the question I asked during your presentation to
21 say that once the agency has acknowledged that an EIS is
22 necessary, that significant effects to the environment is
23 likely, it's not appropriate to move forward and issue IHAs or
24 other permits on the basis of EA's that the agency should be --
25 should not be issuing those permits until it's conducted a full

1 EIS. And relatedly, once a programmatic EIS is complete and we
2 very much support programmatic look at these activities, but
3 that programmatic look should not take the place of sites
4 specific analyses. It is certainly possible if not likely that
5 individual activities, depending on the mitigation measures
6 that are put in place, could have significant impacts to the
7 environment and that an EIS still might be warranted for some
8 of these individual activities. Oh, I mis-spoke, that wasn't
9 my concluding point.

10 I have one other thing and that is to encourage you to
11 the extent that you're able to rely on the expertise that's
12 been developed in region, in the Chukchi and Beaufort Seas and
13 protected resources and we know there are some very capable
14 scientists here in Alaska with a lot of expertise, that we
15 encourage you to work as closely as you can with them. And so
16 again, thank you very much, and we very much appreciate your
17 time here and this opportunity to comment.

18 MICHAEL PAYNE: Thank you. Next speaker is David
19 Dixon.

20 DAVID DIXON: Yes. I'm David Dixon with the Alaska
21 Wilderness League out of Washington, D.C. I'm going to be --
22 I'm not an attorney so I can be briefer. I will -- want to
23 express our deep appreciation for NOAA's reopening this or re-
24 initiating this programmatic EIS and just express our concern
25 about one concern that we have. And that is that prior to

1 completing this programmatic comprehen -- or programmatic EIS,
2 that you are -- indicated you are intending to go ahead and
3 issue permits for activities, particularly the Shell
4 exploration plan in the Arctic Ocean for this open water season
5 and with that, I'll leave it at that. Thank you.

6 MICHAEL PAYNE: Thank you. Chris Krenz.

7 CHRIS KRENZ: For the record my name is Chris Krenz,
8 K-r-e-n-z, I am the Arctic Project Manager for Oceana. Oceana
9 is an international non-profit ocean conservation organization
10 dedicated to protect the world's oceans. I too would like to
11 iterate my thanks to NMFS and MMS for moving forward with this
12 scoping. We think this is very important, this programmatic
13 environmental impact statement, for our study and we strongly
14 support it. Sitting here in the Open Water meetings the last
15 couple of days it's very clear there's a lot of different
16 proposed activities that are being considered for this year.
17 It is probably not timely to consider what the cumulative
18 impacts of those activities are but potentially late. There's
19 a number of different things that are likely going on where
20 there's a potential and the need for that holistic look. We've
21 also seen through this week -- you know, the Arctic is
22 certainly a very special place, a number of different people
23 living in the region and with their subsistence way of life,
24 it's unique in the U.S., in many ways, and the marine life is
25 something that brings on wonder to people of the Arctic and it

1 is also important across the nation and around the world for
2 its effects on migratory animals as well as the effects it has
3 in helping regulate the climate, for example.

4 It's also a place that's changing very rapidly as
5 you've mentioned. In addition to climate change and lots of
6 sea ice, we think it's also important to highlight that ocean
7 acidification is likely to come to this region very quickly and
8 encourage you to think about that as you're addressing the
9 impacts as well. And we're here in large part because
10 industrial activities are increasing at a rapid rate in the
11 region and we'd like to thank NMFS as we have done before for
12 thinking about fisheries management in a holistic manner, in a
13 proactive manner, a precautionary manner, and a science based
14 manner.

15 To really say let's put the brakes on now and close
16 this region until we really know enough to make sure that when
17 we do go into this region we do it sustainably and make sure
18 that we won't harm the health of the ecosystem. And that
19 holistic approach is something that we strongly support and
20 would encourage you to consider as you move forward in this
21 process as well as in the process of the Ocean Quality Task
22 Force in this scoping and would appreciate you thinking how
23 this works alongside those other processes such as the
24 potential for Arctic priority objective coming out of the Ocean
25 Quality Task Force.

1 The main point I would like to emphasize tonight is
2 that we really encourage you to take a holistic approach to
3 this EIS and look at the different types of cumulative impacts
4 you might have. There's clearly multiple activities occurring
5 each year in the Arctic, it's not just occurring in one year,
6 it's happening every year, and those activities, an individual
7 activity may have more than one source of impacts to marine
8 wildlife and subsistence opportunities and there's multiple
9 opportunities for marine life as we heard today with Lori
10 Quakenbush's, is that the right name, presentation that
11 individual animals may be receiving multiple stresses or
12 stressors in a given year in multiple places, and so we would
13 like you to consider that as well. As was also alluded to in
14 questions by David Dixon, this is a changing ocean and consider
15 how those cumulative impacts from a changing ocean that's
16 changing rapidly may interact with oil and gas activities and
17 then as it's also been stated there's other activities
18 occurring in the north as well as increasing shipping potential
19 for increased fishing to occur as well.

20 One thing we'd like to highlight that we're working on
21 that we hope will inform this process is that we, along with a
22 number of other organizations, are working to identify
23 important ecological areas in the region, and so we hope to
24 have this as work progresses to help inform your process as
25 well as to where some of those areas that may require

1 additional protections might need. Thank you.

2 MICHAEL PAYNE: Thank you. William Kelly.

3 WILLIAM KELLY: Good evening, my name is William G.
4 Kelly, it's K-e-l-l-y, Junior. And I'm general counsel and
5 western representative for the Center for Regulatory
6 Effectiveness which is headquartered in Washington, D.C. The
7 center will be filing quite detailed written comments by April
8 9th and what I'd like to do tonight is summarize about four or
9 five of those principle points we believe we'll be taking those
10 comments. And I've prepared a written statement of what I
11 intend to cover tonight and made some copies available on the
12 table over here and also gave them to the -- to Mike and the
13 consultants, but I'm sure I'll be either deviating from or
14 paraphrasing or embellishing those a little bit.

15 First point is that especially given the delays that
16 have occurred in this EIS process so far, we've had a PEA and
17 then a draft that was withdrawn, and now we're apparently
18 starting over. We believe it's very important for this process
19 to be completed expeditiously and that's in view of both the
20 CEQ guidelines and the Arctic Continental Shelf Plans Act
21 calling for expeditious action. And particularly with regard
22 to the CEQ regulations there's a specific section avoiding and
23 minimizing delay and in there it -- there's a section on
24 setting time limits for the EIS process. And that's Section
25 1501.8 and it says that the agencies are encouraged to set time

1 limits for the process and then if an applicant shall request
2 that they set time limits, the agency shall do so, and I don't
3 think that's been done yet. But it also says a member of the
4 public can request that the agency set time limits and the
5 agency may do so and we're hereby requesting that the agency
6 actually set time limits for the various stages of the process
7 in completing the process and that it be an expeditious
8 process.

9 The second point which might be considered related to
10 that first one, maybe at some point, is that it seems quite
11 unusual to be proceeding with the process of withdrawing a
12 draft and then announcing preparation of a new draft. The CEQ
13 regulations really only provide for preparation of a
14 supplemental or revised Draft EIS when there is -- when there
15 are new circumstances or a change in the proposed action. And
16 going back and looking at the matter historically to see
17 whether this has been done before it appears that, you know,
18 really it's only been done before where the agency has decided
19 not to proceed at all with the proposed action, where there's
20 been a far more substantial lapse in time since the Draft EIS,
21 causing it to become quite stale. A new, a supplemental EIS
22 rather than a brand new Draft EIS, that supplemental Draft EIS
23 or revised Draft EIS rather than a brand new one could be
24 issued as a separate document describing the changes that have
25 been made and the new information that is supporting those

1 changes and leaving the previous draft intact.

2 The next point is that the -- we believe the Minerals
3 Management Service should be restored to a position of a joint
4 lead agency in this process. We were surprised to see that MMS
5 had apparently, it seemed, been demoted in some way from the
6 previous process. In the PEA they were the lead agency and MMS
7 was the cooperating agency. In the last draft MMS and NOAA
8 were joint lead agencies, now all of a sudden again it's MMS in
9 the lead and -- excuse me, NOAA in the lead and MMS as the
10 cooperating agency. They seem to be on a very slippery slope
11 here.

12 MMS has to also issue, authorize these exploratory
13 activities and they have special expertise in a lot of the
14 technical aspects of what will be going on particularly with
15 regard to acoustics and particularly with regard to issues of
16 practicality and feasibility and safety. And they also have a
17 responsibility under the Arctic Continental Shelf Lands Act for
18 taking into consideration and analyzing environmental impacts.

19 Next point, we -- the notice of intent for a new draft
20 says that a new draft is issued due to new information. It
21 gives examples of new scientific studies and new anticipated
22 levels of activity, but it gives absolutely no details
23 regarding this new information. And we believe it would be
24 extremely helpful if NOAA and MMS were to issue a federal
25 register notice of data availability that specifies what new

1 information it is and what intelligence concerning anticipated
2 levels of activity it was that were felt to justify this. And
3 the reason is if there's a lot of new scientific information,
4 it seems unreasonable given the comment periods on Draft EISEs
5 to expect the stakeholders to really have a complete
6 opportunity to evaluate that information without having some
7 prior notice of it. And just simply in the issues of
8 transparency and collaboration under this administration's open
9 government directive we feel that this is necessitated, so we
10 request such a notice.

11 And fourth is a point that apparently nobody has
12 brought up before and that's the peer review requirements of
13 the guidance issued under the Information Quality Act. That
14 guidance that was issued in 2005 and which is legally binding
15 under 44 USC 3506(A)(1)(b) where it says that an agency then
16 shall be responsible for complying with policies issued by OMB
17 under the Act, that peer review guidance has specific
18 provisions that require independent external peer review of
19 both influential scientific information and highly influential
20 scientific assessments. We think there's no doubt that this
21 Draft EIS would be considered a highly influential scientific
22 assessment. The people responsible for Information Quality Act
23 compliance at NOAA have already put up a peer review plan for a
24 document under development for acoustic criteria for marine
25 mammals and that plan which is clearly outdated and will have

1 to be revised is a plan for what appears to be a very generic
2 document that would be broader than this one. So we see no
3 problem with conducting the necessary peer review under the IQA
4 on this Draft EIS and having that feed into the more generic
5 criteria document which will then be peer reviewed.

6 And by the way, the OMB peer review requirements
7 contain quite specific requirements for public participation in
8 the peer review process that go beyond what is contemplated now
9 apparently for this NEPA process so those need to be addressed.
10 We believe that a plan for the peer review of the Draft EIS
11 should be developed as soon as possible and posted on the peer
12 review agenda for NOAA, along with the specifics of the plan.

13 And finally, just very briefly, we believe that the
14 EIS, because it's intended to be a tool for the regulatory
15 decision-makers should very clearly state the applicable
16 regulatory standards. And the EIS should not be conducted on
17 matters apart from the applicable regulatory standards that get
18 into speculation and possibly policy biases. Thank you for the
19 opportunity to comment and if you have any questions I'd be
20 pleased to try to address them.

21 MICHAEL PAYNE: Thank you. I don't have any questions
22 right now, but I do remember our conversation now. Those were
23 a lot of things to think about and the only question I would
24 have is how do you get in your position and still be able to
25 live in Driggs, I think that's enviable, so but we will look

1 forward to the rest of your comments.

2 WILLIAM KELLY: The secret was in the term western
3 representative.

4 MICHAEL PAYNE: Okay.

5 WILLIAM KELLY: And the internet. Thank you.

6 MICHAEL PAYNE: Thank you very much, those were
7 excellent comments.

8 JEFFERY LOMAN: I just have one question.

9 (Background comments)

10 JEFFERY LOMAN: Jeffrey Loman, L-o-m-a-n, MMS Alaska.
11 Is it your organization's overall goal for this environmental
12 impact statement to come to completion expeditiously?

13 WILLIAM KELLY: Yes.

14 JEFFERY LOMAN: Okay.

15 WILLIAM KELLY: And there's certainly a lot of room for
16 interpretation of what that means, but it should be set out we
17 think in a formal sort of way.

18 MICHAEL PAYNE: We may have to get back to you on that
19 but thank you. Okay. The next couple of speakers, Jeff Childs
20 is next, then Carl Portman from the Resource Development
21 Council, Marilyn Crockett, AOGA, and then Robert Suidan.

22 JEFF CHILDS: Jeff Childs, I'm a marine wildlife
23 ecologist and I live in Alaska, Anchorage, and I'm proud to say
24 I'm an Alaskan now. So I guess to begin with I'm going to give
25 you a little bit of back -- my background because I think it

1 demonstrates my expertise in some areas that are relevant to
2 some issues that I would like analyzed in the EIS that I
3 haven't seen listed here. First of all, I'm a former Navy
4 submariner, Navy diver, commercial diver where I worked in the
5 Gulf of Mexico on one of the offshore oil and gas structures,
6 shipping vessels. I'm a research diver and have been a NOAA
7 working diver. I hold undergraduate and graduate degrees from
8 Texas A&M University in wildlife and fishery sciences. And
9 have done extensive research both in a variety of offshore
10 environments as well as at offshore oil and gas platforms and
11 off of a variety of the support vessels. Jim Kendall who is in
12 the audience can attest to my background as well as you may
13 know Steve Gittings who is with the sanctuary program at NOAA,
14 who knows quite a bit about my background.

15 I've authored a number of peer reviewed and regular
16 literature and as part of that work I've lived offshore on a
17 number of offshore oil and gas platforms for weeks. Jumped
18 over to research vessels, spent several weeks on research
19 vessels, gone back over to platforms to the point where I've
20 spent entire summers and falls, part of the spring, part of the
21 winter, offshore working back and forth between these platforms
22 of opportunity so to speak. And I've spent extensive time
23 under water on these platforms and support vessels.

24 And so -- and then with respect to Alaska and this
25 being the Arctic I would note that four out of the eight years

1 that I've lived here I have spent those four years -- spent
2 four field seasons working on the BWASP and Cormier projects
3 and performing aerial surveys in the Chukchi and Beaufort Seas.
4 For MMS I was the Arctic fish expert and expert on invasive
5 species here and then I also supplemented work on marine
6 mammals. So given that kind of background I'd like you to --
7 and I was pleased to see that you guys are going to look at
8 marine fishes, I'm not going to address marine mammals because
9 I expect you'll certainly spend a fair amount of time focusing
10 on them.

11 As you noted, marine fishes are an important element to
12 the ecosystem in the Arctic and marine environments in general.
13 And so with that given what I often see in these types of
14 analyses you see analyses that are directed at specie specific
15 marine mammals or maybe some of the more specific birds or
16 commercially valuable fish species or perhaps even forage
17 fishes. And I would encourage you to do your analyses on that
18 but I would also encourage you to take -- follow along the
19 guidance that was issued earlier by CQ on bio-diversity and do
20 some bio-diversity analyses. We don't see those very often,
21 these type of analyses done by MMS or -- I don't recall seeing
22 any by NMFS up here. And I mention that because the American
23 Fisheries Society has come out to look for certain
24 characteristics that make marine fishes vulnerable, their
25 populations vulnerable, to over-exploitation or some kind of

1 decline, population decline.

2 And here in Alaska based upon the research that I did
3 on Arctic fishes, we find that there are quite a number of
4 species that we have very little information on. And when I
5 say that I'm talking about we may have one to a handful of
6 specimens that have been collected in the Chukchi or the
7 Beaufort Sea. Now when you consider that we spend a great deal
8 of time and money looking at bowhead whales or we're moving
9 into a period now where we're looking extensively at polar
10 bears and walrus, and rightfully so because these are important
11 subsistence species, they're important to the culture, cultural
12 heritage, the people of the North Slope, but we tend to miss
13 species that are rare.

14 And so I would encourage you to do a comprehensive
15 analysis on how these activities and in the future as you move
16 to production activities, look at how these activities might
17 impact rare fish populations up here. There are some that
18 are -- there are several species that are endemic and they are
19 found nowhere else and they've only been found in one or two
20 locations, so you have to ask the question, if we allow the
21 impact factor to occur in this area where this one or two
22 specimens have been found, what are the implications here for
23 the population, if there is such -- if it can be measured. And
24 then furthermore, what is the implications to the diversity of
25 the region and to the ecological patterns and processes that

1 occur? So, enough about rare fishes. And I'll provide you
2 with some of the references from the American Fisheries Society
3 and comments, okay?

4 The other item that I think can be a serious issue is
5 that of introducing non-indigenous aquatic species to Alaska
6 that become invasive. So based upon the scenario that we have
7 right now, this is actually what occurs. MMS goes through,
8 they do their evaluation, they issue their permits and the
9 industries bring their vessels up, all these seismic vessels
10 and support vessels basically have to come from outside Alaska
11 waters, outside even federal waters of Alaska. And based upon
12 the evidence that I was presented at least while I was at MMS
13 we have vessels coming from West Africa, we have vessels coming
14 from Asia, there was potential for a vessel to come from
15 Norway. And so these vessels come to Alaska and one of the
16 first things they do is they dock in Southwest Alaska and they
17 refurbish their supplies and they can be there for a couple of
18 weeks doing crew change overs and testing equipment, and so
19 forth. And then they move up into the Chukchi or Beaufort,
20 wherever they're going to be operating and carry out their
21 exercises and they may have a need to go back to another port
22 of call. There's potential for them to come into Cook Inlet
23 but my understanding is these vessels so far are coming into
24 ports in Southwest Alaska or Kodiak.

25 As you know these are very -- Southwest Alaska,

1 Aleutian Basin, Bristol Bay, Kodiak, these are important
2 fishery grounds for Alaskans and so what we don't know is what
3 is on the hulls of these vessels. Now this is where my
4 background comes into play here. I've spent a large amount of
5 time under vessels and I have cleaned the hulls of a variety of
6 different vessels, including vessels that the industry has used
7 in the Gulf of Mexico, and when you start talking about
8 drilling rigs or drilling ships, they also are fouled with bio-
9 organisms. And so we have a situation where we may be
10 introducing non-indigenous species from, as I mentioned,
11 someplace like the Scandinavian countries or elsewhere in the
12 world, Sockland Island (ph) is another possibility, bring them
13 into Bristol Bay or Kodiak, these vessels sit at port, they
14 bump up and down against camels, pier pilings and so forth,
15 other vessels, the fouling organisms which can range from a
16 whole suite of invertebrates to a number of fish species and
17 any of these could be carrying pathogens of one sort or
18 another. And there's a potential for them to establish a
19 population.

20 Now the simple introduction of the non-indigenous
21 species to a different ecosystem like the Gulf of Alaska or the
22 Bering Sea, Eastern Bering Sea, doesn't mean that it's going to
23 automatically be a bad thing. But we don't -- honestly I don't
24 think the oil and gas industry or NMFS or MMS wants to be
25 responsible for introducing a non-invasive species that becomes

1 -- excuse me, a non-indigenous species that becomes invasive
2 and invasive means harming the ecosystem in one sort or
3 another. So I would encourage you to look at the literature,
4 there's some very good literature from Norway that provides
5 risk assessments on introducing bio-fouling organisms from say
6 temperate marine environments into sub-arctic temperates which
7 would be the Bering Sea or the Gulf of Alaska as well as
8 information on introducing them to Arctic marine ecosystems.

9 And the Coast Guard has acknowledged. Any vessel
10 whether it is a drilling rig, a drilling ship, some type of
11 support vessel, recreational, it doesn't matter, it can become
12 fouled with non-indigenous species and transport them to
13 another location. So please do a comprehensive analysis on
14 that. And there's some very simple mitigation by the way,
15 simply one, if a vessel is coming to Alaska from outside,
16 require them to have their hull cleaned and provide some video
17 documentation that it was cleaned before coming to Alaska, and
18 then secondly ask them to wash their gear that they use
19 overboard in another marine ecosystem before they put it into
20 waters here in Alaska. Thank you.

21 MICHAEL PAYNE: Thank you very much. Carl Portman.

22 CARL PORTMAN: Good evening, my name is Carl Portman,
23 Deputy Director of the Resource Development Council. RDC
24 appreciates the opportunity to present testimony on the
25 preparation of the EIS. RDC is a statewide business

1 association comprised of individuals and companies from
2 Alaska's oil and gas money, forest products, tourism, and
3 fishing industries. RDC's membership includes Alaska Native
4 Corporations, local governments, organized labor and industry
5 support firms. Our purpose is to encourage a strong
6 diversified private sector in Alaska and expand the state's
7 economic base through the responsible development of our
8 natural resources.

9 As the National Marine Fisheries Service prepared the
10 EIS, RDC encourages that it performs the Ellis objective review
11 of science and peer reviewed literature, including industry
12 funded research on the effects of oil and gas operations in the
13 marine environment and on marine mammals. The EIS should avoid
14 speculating on potential effects and should base potential
15 impacts on documented incidents for technical reports. The EIS
16 should acknowledge the evidence and peered review literature
17 which indicates that seismic has not affected the health or
18 reproductive fitness in marine mammal populations. Studies
19 today have been consistent in their conclusions on this topic.

20 With regard to cumulative impact analysis while RDC
21 understands that such analysis is an important component of the
22 NEPA process, the agency should exercise restraint in limiting
23 the number of ITAs. Not only are marine mammals thoroughly
24 protected under existing laws and mitigation measures, industry
25 operations in the Alaska Arctic have had no impact, negative

1 impact, on polar bears and other marine mammals.

2 Overly restrictive measures and severe limitations on
3 ITAs would discourage industry investment, future exploration,
4 and production of energy resources in the Arctic, with no added
5 benefits to marine mammals. RDC is confident oil and gas
6 production from the Chukchi and Beaufort Seas can move forward
7 in an environmentally sensitive and responsible manner through
8 strong regulatory regime, seasonal operating restrictions as
9 needed, and reasonable mitigation measures to avoid conflicts
10 with other resource users. RDC's comments on this scoping
11 process are partly framed in the following context. First,
12 demand for energy in the U.S., and abroad will continue to
13 grow. The U.S. Energy Information Administration forecasts
14 that by 2025 demand for oil will increase 39 percent and demand
15 for natural gas will rise by 34 percent. The EIA also
16 estimates that oil and natural gas will account for nearly two-
17 thirds of the energy consumed in 2025. Second, if oil and gas
18 resources are not developed and produced domestically they will
19 be imported from abroad increasing our reliance on foreign
20 sources. America should instead chose to develop its own
21 domestic oil and gas resources. OCS production will help grow
22 and sustain our economy, create jobs, and generate local, state
23 and federal revenues, all while protecting the environment.

24 Moreover, new natural gas production from the Beaufort
25 and Chukchi Seas would enhance the economic viability of the

1 proposed natural gas pipeline from Alaska to the Lower 48.
2 Third, the Lower 48 and Alaska have vast oil and gas resources
3 on the Outer Continental Shelf that can and should play a major
4 role in meeting future needs and offer -- and offsetting
5 production declines from mature basins. Fourth, the new
6 offshore development and environmental -- new offshore
7 development and environmental protection are not mutually
8 exclusive. OCS development has enough standing, safety and
9 environmental records spanning decades. Development has co-
10 existed with other industries, including fishing in the North
11 Sea, the Gulf of Mexico and Cook Inlet. With regard to the
12 Alaska OCS, exploration is not new, approximately 30 wells have
13 been drilled in the Beaufort Sea and 5 in the Chukchi Sea and
14 since 2005 the federal government has collected over three
15 billion dollars in leases in these waters.

16 In concluding, RDC will offer more extensive comments
17 in writing before the April deadline. Our members in the oil
18 and gas industry have a track record of responsible development
19 and protection of marine mammals. Our members are committed to
20 maintaining this track record while providing additional
21 domestic energy, jobs and economic activity for America. Thank
22 you for the opportunity to comment tonight.

23 MICHAEL PAYNE: Thank you. Marilyn Crockett.

24 MARILYN CROCKETT: Good evening, my name's Marilyn
25 Crockett, I am the Executive Director of the Alaska Oil and Gas

1 Association, I have a business card for the court reporters for
2 spelling of names and addresses and so on. Thanks for the
3 opportunity to testify this evening. The Alaska Oil and Gas
4 Association or otherwise known as AOGA, A-O-G-A, is a trade
5 association for the oil and gas industry here in Alaska and
6 combined we represent the majority of companies doing
7 exploration development, transportation, and refining marketing
8 activities here in the state. We will be submitting very
9 detailed comments for the record by the April 9th deadline so I
10 will keep my comments this evening very brief.

11 The development of this EIS is an important first step
12 and will produce a comprehensive analysis that will provide the
13 support for the oil and gas exploration critically needed to
14 address the nation's energy needs. The Alaska OCS is estimated
15 to contain one-third of the nation's offshore resources and
16 development of these resources is needed -- development of
17 these needed resources requires careful execution and long lead
18 times. For the Chukchi Sea alone it's estimated it will take
19 20 years from the time that that leased area is placed in the
20 five year leasing program by MMS to the point of production.
21 Twenty years.

22 And it's important to point out as Carl mentioned just
23 a minute ago that OCS development and OCS drilling in Alaska is
24 not new. Since the 1970s and into the 1980s there have been 30
25 wells drilled in the Beaufort Sea and five wells drilled in the

1 Chukchi Sea. And along the way and in recent years industry
2 and government has spent hundreds of millions of dollars on
3 scientific studies. MMS alone has spent more than 600 million
4 dollars or one billion dollars when you adjust it for inflation
5 on offshore oil and gas studies with more than 300 million
6 dollars spent on the Alaska OCS alone. We will be submitting a
7 number of the copies -- a number of these studies as part of
8 our formal submittal by the April 9th deadline.

9 Further, industry continues to spend and invest
10 hundreds of millions of dollars in advancing technologies
11 related to drilling and well spill prevention and response and
12 these dollars have paid off. There has never been a blow out
13 that resulted in spilled oil in Alaska's OCS. As the industry
14 prepares for new drilling activities offshore of Alaska, their
15 projects are accompanied by world class oil spill contingency
16 plans and their operations will be accompanied by dedicated
17 fleets of vessels and equipment supporting these operations and
18 standing ready to respond.

19 On the issue of ITA regulations, for the industry here
20 in Alaska, that's not new for us. We have been operating under
21 Fish and Wildlife Service regulations since the early 1990s for
22 polar bear and walrus and we view these as being a very
23 critical component to our business and the operations that we
24 conduct. It's important to recognize that since these
25 regulations were put into place, not one lethal take of a polar

1 bear has occurred. That's very significant and demonstrates
2 clearly that these regulations do work, they provide a
3 framework within which the industry conducts its operations,
4 and the monitoring research that's done in conjunction with
5 these regulations, frankly provides a great deal of the
6 information that the scientific community and agencies in the
7 industry knows about polar bears today. So we view them to be
8 very important and we appreciate the efforts of the National
9 Marine Fisheries Service in developing this in the early
10 stages, this EIS for this next phase.

11 And then finally I'd like to thank you for the
12 extensive outreach that the agency has conducted on the public
13 scoping meetings for this EIS. That's very important.
14 Companies spend a lot of time in villages and talking with
15 folks, hundreds of meetings and as Mr. Payne pointed out to the
16 sometimes ad nauseam to the concern of some of the Native
17 community, but we view that outreach being very important in
18 helping folks understand what our business is like and in
19 listening to their concerns so that we can incorporate and
20 adjust our projects accordingly.

21 So thank you very much for the extensive public
22 outreach you've done and for the opportunity to testify this
23 evening.

24 MICHAEL PAYNE: Thank you, Marilyn. After Robert
25 concludes his comments, the next people, just so you have an

1 idea, Bruce St. Pierre of ConocoPhillips, Andrew Hartsig, Ocean
2 Conservancy, and John Hopson, Junior. Robert.

3 ROBERT SUIDAN: Thank you, Mike. My name is Robert
4 Suidan, the last name is spelled S-u-i-d-a-n. I'm a senior
5 wildlife biologist with the North Slope Borough, although
6 tonight my comments are my own, they aren't the Borough's
7 comments. I've lived and worked in Barrow for almost 20 years
8 now and have been exposed to offshore and onshore oil and gas
9 activities most of that time.

10 Before I go any farther, Mike, I would like to thank
11 you personally, I'd like to thank your agency and your team for
12 the efforts that you've made to carry on with what Marilyn
13 said, the efforts that you've made to go to the villages and
14 talk to people. I know from personal experience that it's not
15 necessarily easy to travel to rural Alaska and spend lots of
16 time there, but I also know that it's very worthwhile and I'm
17 sure that you have gained tremendously and anyway I would just
18 like to thank you and I know that kind of personally, being
19 away from home for a long period of time can be a struggle
20 sometimes, so thanks. Thanks tonight for the opportunity to
21 talk as well.

22 As we all know the Arctic is changing and it's changing
23 quite rapidly. In particular the sea ice is receding in the
24 summertime, the quality of the ice is changing, there's less
25 multi-year ice than there used to be, and there's new species

1 showing up. Humpback whales, fin whales are two examples, two
2 large examples of how changes are occurring. And no doubt
3 there are many other changes occurring in the Arctic as well
4 that we're just not aware of because we haven't been looking
5 very carefully.

6 Along with the change in sea ice it's providing an
7 opportunity for increased human activity. We've seen a large
8 increase in oil and gas interests in the Arctic and that's in
9 part due to retreating sea ice but, of course, it's also due to
10 increasing prices of oil. There's also increasing mining in
11 parts of the Arctic, perhaps in the Alaskan Arctic there will
12 be increases there as well. Earlier tonight Brandon mentioned
13 commercial shipping, I don't think it is on the distant
14 horizon, I think that it's actually relatively near. This last
15 summer there were two ships that transitted at the Russian
16 Arctic unescorted by an icebreaker and so it's happening on the
17 Russian side, the northern sea route, and it very easily could
18 happen here off of Alaska as well. Commercial fishing is also
19 an opportunity that is looming. Mike, I think, mentioned
20 earlier tonight, Mike Levine, that NOAA has made a very
21 progressive decision about commercial fishing in the Arctic and
22 waiting to make sure that decisions are based on science and
23 information.

24 So we know from science, we know from traditional
25 knowledge, our own experiences, and common sense that as human

1 activity occurs in areas, it impacts the environment and that's
2 not necessarily a bad thing, but it does, we change the
3 environment, we've got a knack at it (ph). And in the Arctic
4 we know that human activities can impact marine mammals which
5 are vital to the communities in the Arctic along the Beaufort
6 and Chukchi Sea. And those impacts come from a couple of
7 different primary -- primarily a couple of different ways.
8 During exploration for oil and gas or commercial shipping or
9 other things that sound can deflect marine mammals or
10 potentially cause declines in reproduction or survival because
11 animals may miss feeding opportunities or may have to expend
12 greater energy or cows and calves may be separated from one
13 another.

14 Another potential impact is from spilled oil that, you
15 know, spilling oil and ice covered waters or in rough seas, it
16 is incredibly difficult to clean up, if not impossible to clean
17 up. And so allowing oil and gas activities to go forward
18 without the prudent capability of being able to clean up when
19 mistakes are made is something that's important. Other
20 potential impacts can be related to discharge or as Jeff Childs
21 mentioned earlier, invasive species can be an issue.

22 So as we think about these impacts and -- you know,
23 Mike in your presentation earlier, I was thinking about the
24 definition of negligible impact or the components of a marine
25 mammal that's related to negligible impact and in particular

1 reproduction and survival. And I'm not sure -- and I think
2 that those are really positive things to focus on but I'm not
3 sure that we actually have the data in hand to be able to tell
4 if there had been impacts, even major impacts, let alone
5 negligible ones. So I think that in this EIS process it's
6 probably worthwhile to better evaluate what we know about
7 reproduction and survival of marine mammals and what kind of
8 changes we can actually detect, you know, for what little we do
9 know.

10 So as NMFS and MMS or other agencies that are
11 cooperating in the EIS, as you develop different alternatives,
12 there are some things that will need to probably be commented
13 throughout the alternatives and one of those important things
14 that I deal with regularly is monitoring. And I apologize that
15 some of the things I'll say here you've heard me say many times
16 in the past and I'm sorry for the redundancy but getting it on
17 the record, I think, is important. But one of those issues is
18 related to bowhead whales and their sensitivity to industrial
19 sounds.

20 Many of the industry studies as Marilyn Crockett has
21 mentioned and encouraged folks to use, has shown that bowheads
22 are very sensitive to low levels of sound, often down to a
23 level of 120 decibels or perhaps even lower. And so MMS should
24 or NMFS and MMS should really consider requiring monitoring
25 programs that can look out as far as possible and perhaps down

1 to those low levels.

2 Also the approaches that are used for monitoring need
3 to be carefully considered. That marine mammal observers on
4 vessels have great limitations. That weather or fog or
5 darkness or ice on the ocean make it really difficult for
6 observers to see marine mammals, even near the ship, let alone
7 at farther distances from the ship.

8 Aerial surveys have their limitations as well, that
9 they're limited by other rough seas, or low ceilings, but they
10 provide a useful -- they provide useful data on distribution
11 and abundance of marine mammals. Acoustic monitoring also
12 provides some unique ways of monitoring, we can listen for
13 marine mammals, but of course, not all marine mammals call. So
14 ultimately monitoring will need to be a combination of
15 approaches that are merged, that are integrated in positive
16 ways.

17 And then, of course, the monitoring needs to be done in
18 such a way that we can understand cumulative impacts. That the
19 amount of activity that I have seen in the 20 years that I've
20 been in the Arctic has changed, it's increased tremendously.
21 And so there are many stressors that are out there, there are
22 stressors in Russia, there are stressors in Canada, and of
23 course, there are stressors in Alaska, and all of those things
24 combine to have an impact on marine mammals. We don't know
25 how, perhaps they're synergistic, perhaps they're antagonistic,

1 perhaps they're additive, we don't know but we need to
2 understand what those impacts are.

3 Most of the NEPA documents that I've seen in the past
4 when they evaluate cumulative impacts they do so in a very
5 qualitative way, it's almost a listing of what the different
6 impacts are, and that's not really sufficient. I think
7 agencies really need to figure out how to qualitative or
8 quantitatively understand impacts and how they all relate to
9 one another and influence different resources and in particular
10 marine mammals.

11 So as NMFS works on alternatives I would like to
12 suggest a couple of things. Mike, you mentioned in your
13 presentation that limiting activity may be an appropriate way
14 to go. You also mentioned that the PEA that was passed in 2000
15 and approved in 2006, finalized in 2006, that it evaluated the
16 potential for eight operations in the Chukchi and Beaufort,
17 four in each, and at that point the PEA had some really
18 important mitigation measures that went along with that broad
19 amount of activity. And those mitigation measures made me feel
20 comfortable with the finding that -- with MMS's finding, that
21 the PEA would result in a ponzi, that there would not be
22 significant impacts but that was because of important
23 mitigation measures. So if you're going to, if NMFS is going
24 to evaluate the same level activity in this coming EIS, that it
25 needs to have similar kinds of mitigation measures in there in

1 order to protect the resources that are unique to the Arctic,
2 but that also people depend on.

3 I also want to put in a plug for the Conflict Avoidance
4 Agreement that the Alaska Eskimo Whaling Commission and the oil
5 companies have jointly worked together and agreed to a private
6 agreement to make sure that there aren't impacts of oil and gas
7 activities on subsistence, hunts of bowheads. Those kind of
8 agreements need to be expanded to other species of marine
9 mammals as well. In particular belugas, perhaps to walrus,
10 perhaps to ice seals as well.

11 Considering time and area closures is important. We
12 know there are areas that are being used by belugas, bowheads,
13 or other resources for migration, we know some areas are being
14 used for molting or reproduction and those biological
15 activities for those species need to be protected so that
16 reproduction and survival are not impacted or they're only
17 negligible impacts.

18 Over the last few years we've talked a lot about the
19 limitations of data and the data gaps that exist. Marilyn is
20 absolutely right, that a ton of money has been spent by the
21 federal government and by oil companies to help us with
22 baseline information. Unfortunately things have changed so
23 much in the last 5 or 10 years that a lot of the baseline data
24 that was collected 20 years ago we don't know if they mean
25 much, they can be much different, in other words, if we did the

1 same studies now the results might be much, much different.
2 Also it's a big area out there. And so even though we've got a
3 lot data and we've got a place to start, we don't have -- I
4 contend that we don't have enough information to make
5 reasonable decisions about what impacts might be or mitigating
6 them. And so as I mentioned earlier, humpback and fin whales
7 are now making an appearance in the Arctic, however, porpoises
8 are becoming commonly seen, killer whales are being commonly
9 seen, narwhals are being seen off of Alaska, all of those --
10 the appearance of all of these species show that there are
11 changes going on and so we need to understand what those
12 changes are.

13 Jeff mentioned limitations in marine fish and in
14 particular salmon are changing in the Arctic, that the catches
15 and subsistence nets in Barrow and other places seem to be
16 increasing, more species of salmon are showing up and the
17 numbers are increasing as well. So as NMFS proceeds I request
18 that the government use caution in decisions that they make,
19 that the biological resources, the social resources, the
20 cultural resources, the people that live there, they're -- the
21 people are strong, in many cases the animals are strong, but if
22 impacts are dramatic and major, they may not be changeable.
23 The oil will be there, it's not going anyplace, so let's use
24 caution and make sure that we've got the best information and
25 we make the best decisions so that the impacts that are there

1 are going to be limited and that eventually when the oil
2 resources need to be developed, when they are developed, we can
3 do so in a way that the impacts will be minimal and oil can be
4 cleaned up, and yeah, just use caution there.

5 So again, thank you very much Mike for the opportunity
6 tonight and again thanks for spending a lot of time in the
7 villages and talking to folks, appreciate it.

8 MICHAEL PAYNE: Thank you, Robert. Again, Bruce will
9 go next and then Andrew Hartsig and then John Hopson, Junior.

10 BRUCE ST. PIERRE: Good evening. Thank you very much.
11 Bruce St. Pierre with ConocoPhillips Alaska, last name is
12 spelled S-t. P-i-e-r-r-e and I'm involved with managing our
13 regulatory permits for exploration here in Alaska.

14 I'd like to start off by just announcing that we do
15 support this multi-year type EIS and really do, you know,
16 applaud the -- NMFS for getting out into the communities and
17 doing this scoping session, I think it's important that the
18 federal government when they're doing these documents get out
19 and visit some of the communities. ConocoPhillips has been in
20 Alaska for quite some time, going back a number of years and we
21 have a lot of operations on the North Slope with Prudhoe Bay
22 and Kuparuk and the Alpine field, so we've been involved in a
23 lot of the ongoing oil and gas production up here for a number
24 of years.

25 Recently, four years back, 2006, we became interested

1 in the offshore and purchased some leases in the Chukchi area
2 and have since been doing some seismic work, we've been doing
3 studies, baseline work, and a lot of stakeholder engagement as
4 we progress our process towards the desire to drill an
5 exploration well in 2012. I will say that the -- coming
6 together with a lot of different folks here just what's been
7 happening in the last couple of days and happens every year at
8 the Open Water meetings, it's always really helpful in
9 companies planning their work. So one of the strong points I
10 think of having an EIS that spans a number of years and looking
11 out to the future is that it brings some predictability to plan
12 our business, and any business entity likes to have that
13 capability to put together a plan that we can stick to. So I
14 would emphasize one key point which is timing and commitment
15 that NMFS has to getting through this EIS and delivering it so
16 that we can, you know, work through the issues but also have
17 some predictability of when that's going to be completed.

18 Other suggestions we have is it's a great idea I think
19 that occurred about consolidating and promulgating ranks that
20 we can do IHAs or incidental take under a set of regulations
21 that gives us the ability to do letters of authorization,
22 similar to what U.S. Fish and Wildlife Service does, that's a
23 positive process. I would als -- the second comment I would
24 make is that the 120 decibel range issue is very important.
25 Robert mentioned it in his talk and we've been a company that's

1 always come out to say that it needs to be researched
2 thoroughly, it needs to be founded on good science, and not
3 just on strictly precautionary needs. So I encourage NMFS in
4 their evaluation of this EIS to really look at that and what is
5 the correct level of harassment for marine mammals.

6 Thirdly, as you do the EIS I would encourage you to
7 really take a historical look at subsistence activities on the
8 North Slope, where they occur, when they occur, using
9 traditional knowledge as a good advocacy to figure out when
10 these different communities actually go out and do their
11 subsistence hunting because in our efforts to get out there as
12 a company we want to avoid conflict, we want to know that what
13 we're doing is not conflicting with the subsistence activity
14 and that drives toward your guy's goal of accountability.

15 Finally, the other comment I wanted to make is when you
16 do an accumulative impact analysis you need to categorize the
17 -- not only oil and gas activities that occur, but also the
18 other activities that occur. You've heard about shipping but
19 there's a lot of year by year activity for re-supply and
20 barging that goes on that doesn't fall a lot of times into the
21 oil and gas category, but yet there are effects from that that
22 a lot of times gets tagged back onto industry and as far as oil
23 and gas operations. So I think there needs to be a clearer,
24 maybe a categorization or a labeling of all these different
25 things going on as it's being analyzed for impacts on the

1 environment.

2 So that's kind of the summary of my comments, I thank
3 you guys again for getting out in the communities, I thank you
4 for giving us the opportunity to come and comment.
5 ConocoPhillips will be putting in written comments by the April
6 9th deadline, thank you.

7 MICHAEL PAYNE: Thank you Bruce. Andrew.

8 ANDREW HARTSIG: My name is Andrew Hartsig with Ocean
9 Conservancy, the last name is spelled H-a-r-t-s-i-g. I wanted
10 to also thank you for the opportunity to provide scoping
11 comments and thank you for your presentation at the beginning.
12 I was especially glad to hear that you put an emphasis on
13 traditional knowledge and on cumulative impacts, I think that's
14 extremely important.

15 I think everything that I was going to say has probably
16 already been said by the folks from Oceana and Alaska
17 Wilderness League and most recently by Robert. So I'll just
18 very quickly echo their comments that the Arctic Ocean is
19 special, it's facing a wide variety of threats right now, most
20 predominately rapid climate change, ocean acidification and
21 then the, you know, the industrial development that we've all
22 been talking about over the past couple of days. And on top of
23 that we know relatively little about Arctic ecosystems and a
24 lot of the science that we do have, as Robert said, is probably
25 out of date given the rapid pace of change. So we do need new

1 up to date comprehensive information in order to plan for the
2 future and to make rational decisions and to monitor our
3 impacts. And so for all of those reasons Ocean Conservancy is
4 very glad that you've recognized the need to prepare a broad
5 analysis of the impacts of both seismic and exploration
6 drilling in Arctic waters.

7 I think that a programmatic EIS is really necessary to
8 address the cumulative impacts of all of these activities in
9 the Arctic Ocean and to make informed decisions and really
10 provide adequate protection for the affected resources. I want
11 to encourage NMFS to coordinate the PEIS process with executive
12 branch efforts to protect the Arctic, including the efforts
13 that flow from the National Ocean Policy Task Force and the
14 National Ocean Council if and when that comes together. And
15 then lastly I want to point out that it seems inconsistent to
16 approve Shell's proposed drilling operations in the Beaufort
17 and Chukchi Seas this coming summer or other similar
18 applications at the same time that you've recognized the need
19 to do this kind of programmatic broad look at impacts in the
20 Arctic. Thanks again.

21 MICHAEL PAYNE: Thank you. Is John Hopson still here,
22 I saw him leave a second ago, I don't know if he came back.
23 Can you just check the corridor. While we're waiting, John is
24 the last person who signed up for public comment, is there
25 anybody else who has since changed their mind?

1 MARILYN HEIMAN: We changed our minds. We're sitting
2 here, we might as well speak.

3 MICHAEL PAYNE: Okay. Marilyn and Raychelle if you
4 would introduce yourself please.

5 MARILYN HEIMAN: Sure.

6 MICHAEL PAYNE: Oh, wait a minute. Marilyn, I have to
7 take John first, he's right behind you.

8 JOHN HOPSON: No go ahead, she's ready.

9 MICHAEL PAYNE: Okay, thank you. Go ahead.

10 MARILYN HEIMAN: I might fall asleep if I don't go now
11 so. My name's Marilyn.....

12 (Background comment)

13 MARILYN HEIMAN: My name's Marilyn Heiman, I am the
14 Director of the U.S. Arctic Program for the Pew Environment
15 Group and my last name is spelled H-e-i-m-a-n. And I lived in
16 Alaska for 20 years, I live in Seattle now, but lived and
17 worked here and I'm very familiar with how important oil and
18 gas is to Alaska's economy. And so I want to be very clear
19 that Pew in the Arctic program have a position that we do not
20 oppose oil drilling in the Arctic, in the Arctic Ocean, and we
21 just want to make sure that as it is discussed and when we
22 discuss when, where, and if drilling should go forth, then it
23 should be precautionary and science based, and have the full
24 involvement of people who live in the region. And Mike I think
25 you've done a great job just starting out showing that you're

1 going to be listening to people in the region.

2 Despite all the research that has been done and there's
3 been a lot talked about in the last couple of days, and I know
4 there's a lot has been done by the companies and by MMS and by
5 USGS and Fish and Wildlife Service and Fish and Game, but we
6 still believe that there are many gaps. And that there should
7 be an independent gap analysis done on the research that is
8 needed in the Arctic. We want to thank you very much for
9 conducting this hearing and taking this comprehensive approach
10 on incidental take of marine mammals. I tried to explain to my
11 13 year old step-daughter exactly what this meeting was about,
12 which was an interesting process. Incidental take is a nice
13 word to use for what we're talking about today.

14 I just want to say there's three areas we want to see
15 included and we'll submit more comments, but there are three
16 things we'd like to see included in your review and in the EIS
17 process. One is the identification of important ecological
18 areas which Chris already had mentioned from Oceana. Two is
19 the impacts of oil spills and three you already said and we
20 thank you for incorporating traditional knowledge as much as
21 possible in this process. Do you have anything you'd like to
22 add?

23 RAYCHELLE DANIEL: And Raychelle Daniel,
24 R-a-y-c-h-e-l-l-e and I also work with the PEW Environment
25 Group and we are also supportive of the comments that Robert

1 made about cumulative impacts and studying those a little
2 better and including those in the PEIS.

3 MICHAEL PAYNE: Thank both of you and I know that
4 you've already provided to me comments on your gap analysis and
5 I hope you do that as part of the formal process here as well.
6 Thank you. John, you might be the last one, save the best for
7 last.

8 JOHN HOPSON: I might or I will be?

9 MICHAEL PAYNE: I don't know yet.

10 JOHN HOPSON: Well, my name is John Hopson, H-o-p-s-o-
11 n, Junior. I'm from the village of Wainwright, probably the
12 most recognized impacted community for the Chukchi Sea oil and
13 gas exploration plan.

14 Yesterday I went to Applebee's and I really enjoyed the
15 steak that I had. The day before we went to the Golden Corral
16 and enjoyed the meat loaf and the chicken they had there. By a
17 show of hands here how many people has actually eaten at those
18 two places, you know? And I've been to numerous other
19 restaurants here. But that's what America enjoys, you know?
20 What about what I enjoy? I enjoy hunting, I hunt and kill
21 bowhead whales to feed my community. I hunt and kill polar
22 bears for my community. I hunt and kill seals for my community
23 and my family. Caribou, the eider ducks, the geese. I'm an
24 avid hunter, I made a testimony about the fact that my family's
25 a 60 to 80 percent eater of natural foods within our community,

1 within the Wainwright area.

2 I come from a community of 600 people and the village
3 name is Wainwright, the Eskimo name for that is Lonik (ph). We
4 believe in sitting at the table with the oil and gas industry
5 and the federal government and mitigating issues that may be at
6 hand. We believe that we shouldn't be going to court to
7 resolve issues like we have today. Inupiat community of the
8 Arctic Slope, I-C-A-S or ICAS, three names of one company,
9 which you may know of have put on lawsuits on our behalf. A-E-
10 W-C, Alaska Eskimo Whaling Commission is another committee that
11 I'm a part of as a whaling captain that feeds my family and my
12 people, have put on lawsuits on our behalf. N-S-B, North Slope
13 Borough, is another entity that has done lawsuits in the past.
14 I don't think they've done one this year yet, but they've done
15 a lawsuit against oil and gas on our behalf. Red Oil as
16 everybody knows of and all these other companies that have been
17 a part of this lawsuit process have put on lawsuits on my
18 behalf, yet none of their entity executives, nor their
19 membership, nor their councils, nor their board membership, has
20 ever come to my community and consulted with me before that has
21 been done.

22 Wainwright in the majority has provided us the
23 opportunity to sit down with oil and gas and the federal
24 agencies to create an opportunity for mitigation issues. There
25 are many other organizations that do not hunt what I hunt

1 within the Wainwright region, but yet they're willing to speak
2 on my behalf. If I go off and I go create lawsuits against
3 killing chicken and cows and pigs, nobody would like that.
4 America would not like that. But that's what's happening to
5 me. Wainwright wants to create an opportunity to grow and
6 expand like the City of Anchorage, like the City of Las Vegas,
7 like the City of Los Angeles, like the City of Seattle, Dallas,
8 you name it, they've created opportunities and programs to help
9 their community. Yet these little groups that represent only a
10 handful of people are willing to stop the exploration of oil
11 and gas because they want to save the Arctic.

12 Well, come to my home town and let's go save the Arctic
13 because I can show you how. I can, traditional knowledge.
14 I've never gone through college to study ice effect. I've
15 never gone to college to study weather effect. I've never gone
16 to college to study biology yet you won't listen to me. But if
17 I get a lawyer and we go to court then I'm this big shot guy
18 who wants to be listened to. That's what's happening today in
19 our region and I don't like that.

20 Let me go get a lawyer tomorrow and go fight against
21 killing chickens and collecting eggs from chickens so you won't
22 have eggs. Let me go get a lawyer to stop the killing of cows.
23 Is it humane or not? Let's go find out. That's what you're
24 doing to my lifestyle. My lifestyle is providing for my family
25 and my community and I've done that for generations. If we did

1 not believe that -- if I thought today what I am saying today
2 was wrong, I wouldn't be here, I would be on everybody else's
3 side saying no oil and gas. Today for the first time I've
4 heard of this company called -- I've got the agenda for the
5 Open Water meeting, so IOM, I-O-M Geophysical Corporation, 2010
6 operations and monitoring plans for the Beaufort Sea seismic
7 survey and ice breaking activities. You want to save the
8 Arctic, let's stop them from breaking the ice. If you get two
9 pieces of ice and one is yeah big you get the same size one and
10 you cut it in half and throw it away, the other half has stayed
11 on the table here, which one is going to die out first? The
12 smaller one. The larger one will not die off but it will
13 continue to grow when the weather gets colder and it'll create
14 a multi-year ice. You see?

15 So we offer open water activity like the industry has
16 proposed and we accept that. Ice breaking in an emergency
17 basis is very well accepted in our community. I would not want
18 to hurt one human life because of this, so we allow that, we
19 accept that, we don't challenge it, and that's the big
20 difference between one company and another. I'm a whaler, I'm
21 a whaling captain, I taught my son to catch two belugas last
22 summer, my son shot and killed two belugas and fed his
23 community, he's only 12. He shot and killed his first four
24 walrus and fed many families from that. I would not destroy
25 that if I believed it was the end of the world, I could not do

1 that. I get to feed the people. I get to have the joy of
2 making you and you and you and you smile when I give you
3 something for free. You come to my community during a whaling
4 festival, no matter what color your skin is, no matter where
5 you come from, no matter what language you speak, you will get
6 the same share I will get, even though you didn't help me kill
7 that animal and bring it home, you will get that same share
8 that I get. I would not be on this case if I thought I was
9 destroying that.

10 We believe that the program that you're putting
11 through, the laws that are put in place, are sufficient. If we
12 didn't, you would have 50 people from my community here,
13 including myself, opposing that. You would have 50 people in
14 Wainwright, when you went up to Wainwright last week or two
15 weeks ago, you would have 50 people or more opposing what
16 you're doing. You didn't have that, it's on record. We need
17 development and exploration of oil and gas to protect our
18 country, it's not just my need, it's not just his need, it's
19 all of your needs and the rest of the country that we need
20 this. We're not doing this because we're selfish. Our Inupiat
21 people have never been selfish, we've fed people for free, we
22 fed communities for free, we're never selfish, we're not doing
23 this because we are. We're doing this because it's the right
24 thing to do.

25 Mr. Suidan talked about some of the changes that he

1 saw. He mentioned the killer whale as a new item on the table.
2 I was just talking to Mr. George over here that I told him my
3 grandparents have seen killer whales for years in our area.
4 When they go out on a walrus hunt and the walrus decide to go
5 attack on them, the Inupiat people ask for help from the ocean
6 and the killer whales came and pushed the walrus away and my
7 grandparents went home and their crew members. It's true. You
8 can go talk to any elder on the North Slope, that is true.
9 These things happen. These things are finally coming up
10 because traditional knowledge is finally being addressed.
11 We've known these things for years and years and years. But we
12 didn't go to school, we didn't go to college, that's why nobody
13 addresses our issues. Today they are very well becoming
14 accepted and we need all the help that we can get. But I
15 believe that the processes that you have in place, the laws and
16 regulations that you have in place, are sufficient to do
17 exploration of oil and gas in the Arctic sufficient and safely.
18 I honestly believe that. If I didn't I'd be up here telling
19 you no, that's not true.

20 Shell and Conoco can tell you five years ago I was the
21 most vocal person against oil and gas, and it's documented. I
22 would be the most vocal person against oil and gas. With the
23 knowledge and the education that I've gotten from the federal
24 agencies and the oil companies, that position has turned. We
25 didn't know what their plans were or how to interpret them, we

1 didn't know what this and that meant. Today we do. And we
2 believe working together is the right way to go.

3 These regional organizations that have put out lawsuits
4 against MMS to stop oil and gas is the wrong way to go. We
5 need to sit down at a table like we have these past couple of
6 days and work out these issues. Not in court. You're going to
7 have one man, one judge, one so called judge, dictate what you
8 should and shouldn't do. That's the wrong way to go. We
9 should have many heads creating a plan to mitigate any issues
10 that we have between the oil and gas, between the federal
11 government, and the people most at risk, that's the process
12 that needs to be taken.

13 I just want to thank you for this opportunity tonight
14 and the audience, I wish the people that spoke against oil and
15 gas were here but they left early, to hear what I have to say.
16 If you want to talk about oil and gas and impacts in my area,
17 come to my home town, don't do it here in Anchorage, come to my
18 home town, let's talk. We're willing to, our doors are open.
19 We've never said no to anybody who's willing to talk to us at
20 the table. You will not have known or heard of any no answer.
21 If any organization or any person on earth has anything against
22 oil and gas and impacts in my ocean which I hunt and I plan on
23 teaching my sons and their sons to hunt as well like I've
24 learned from my father and my grandfathers, come to my home
25 town, I'm willing to talk. MMS took up the step and came to

1 Wainwright, Shell and Conoco have come up to Wainwright. Stag
2 Oil has come up to Wainwright and talked. But nobody else.
3 The North Slope Borough, Inupiat Community of the Arctic Slope,
4 a federally recognized tribe, has never come to Wainwright.
5 Alaska Eskimo Whaling Commission, which I am a part of, have
6 never come to Wainwright and asked for my opinion, they've
7 never come to us. They just do things on their own which is
8 wrong. We need to take a step back and see what's the right
9 thing to do.

10 Should I go to court with a lawyer and stop all the cow
11 hunts, the pig hunts, the chicken kills and their egg taking,
12 which everybody loves doing, every single American will eat
13 except those vegetarians? But that's true, right? Should I
14 stop you from taking tomato and potato and corn because you're
15 killing them the wrong way or I might impact your land? Let's
16 take a step back and think about things. What you're doing and
17 what you're saying is impacting me and my son and my potential
18 grandchildren as you have potentially affected my father and my
19 grandfather, and that's harmful and hurtful to me.

20 We're not doing this because we're selfish. We -- I as
21 a whaling captain today, as of today, and my wife just called
22 me and told me what she bought today, we have spent a little
23 over \$16,000 just to get ready for this spring's whale hunt. I
24 might get a whale, I might not, and if I do, this is given to
25 the community and everybody else who comes to my community for

1 free. You pay nothing but an airfare to my community. I will
2 give it to you for free. When I come to Anchorage I got to
3 have beef, I got to have chicken, but I have to pay for it,
4 nobody's giving it to me for free. This is not done selfishly,
5 we're doing this for the betterment of our people of our state,
6 and the rest of the nation of America. Anybody in America is
7 welcome to come to my community and I invite them when we have
8 this festival and you get it for free. All you pay for is an
9 airfare. I come here and I pay for an airfare, I got to pay
10 for a hotel, I got to pay for a restaurant, food, I'm hungry, I
11 got to go eat, so I got to go pay another 30 bucks for just one
12 dinner and that's what I have to worry about. You come to my
13 community, you will never have to think about that. We are not
14 doing this selfishly. This is for the betterment of our
15 nation. Thank you.

16 MICHAEL PAYNE: Thank you, John. Is there anybody else
17 who is interested in commenting? Okay. First, I would like to
18 thank everybody for participating tonight and taking the time
19 and sticking it out. I would also like to say that National
20 Marine Fisheries Service and myself, largely because I think I
21 was the one standing up there, is taking a lot of credit for a
22 lot of activity to both NOAA and MMS and people who have worked
23 with us have done over the past couple of months. So on
24 everybody's behalf I will thank you for your kind words, thank
25 you for your public comments, and please submit written

1 comments, and we look forward to the process continuing, I hope
2 it's better. Thank you.

3 (Off record)

4 (END OF PROCEEDINGS)

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA)
2) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
5 State of Alaska, residing at Fairbanks, Alaska, and court
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing National Oceanic and
8 Atmospheric Administration: Effects of Oil and Gas Activities
9 in the Arctic Ocean, Environmental Impact Statement Scoping
10 Meeting was taken before Sharon Wilcos on the 23rd day of
11 March, 2010, at Anchorage, Alaska;

12 That this hearing, as heretofore annexed, is a true and
13 correct transcription of the testimony of participants, taken
14 by Sharon Wilcox electronically and thereafter transcribed by
15 Sharon Wilcox;

16 That the hearing has been retained by me for the
17 purpose of filing the same with URS, 550 East 34th Avenue,
18 Suite 100, Anchorage, Alaska 99503, as required by URS.

19 That I am not a relative or employee or attorney or
20 counsel of any of the parties, nor am I financially interested
21 in this action.

22 IN WITNESS WHEREOF, I have hereunto set my hand and
23 affixed my seal this 13th day of April, 2010.

24 _____
25 Elizabeth D'Amour
Notary Public in and for Alaska
My commission expires: 12/28/10

26 S E A L