

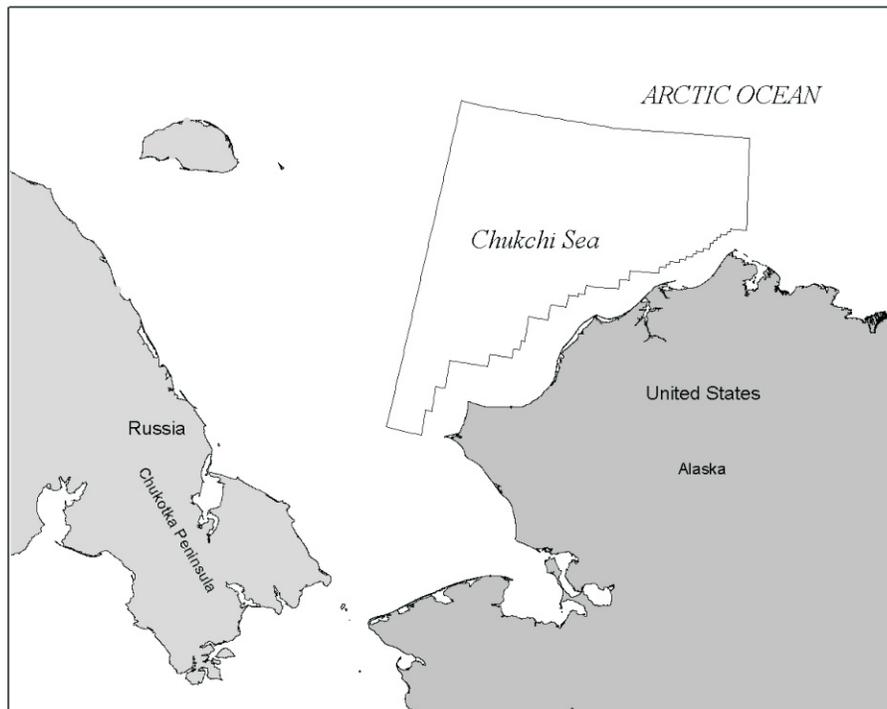


Chukchi Sea Planning Area

Oil and Gas Lease Sale 193 and Seismic Surveying Activities in the Chukchi Sea

Final Environmental
Impact Statement

Volume II
Section VII, Comments and Responses



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in the Chukchi Sea

Final Environmental
Impact Statement

Volume II
(Section VII, Comments and Responses)

Author
Minerals Management Service
Alaska OCS Region

Cooperating Agency
U.S. Department of Commerce,
National Oceanographic and Atmospheric Administration,
National marine Fisheries Service

SECTION VII

REVIEW AND ANALYSIS OF COMMENTS RECEIVED

VII. Review and Analysis of Comments Received

Response approach to comments

During the comment period, various governmental agencies, organizations, and individuals provided letters, e-mail messages, or oral testimonies. Tracking numbers were assigned to comments received. Specific comments were identified in numerical order, and responses to comments were placed at the end of each oral testimony, letter, or e-mail message where appropriate. We have not reproduced all the e-mail messages received as most of the e-mail messages were identical to or based on one of two different form messages posted on an environmental group's internet web site.

All of the hearing transcripts, comment letters, and e-mail letters were reviewed by a team of MMS specialists and considered in preparing responses. Comments required a response if they were substantive and suggested modifications to alternatives, including the proposed action; recommended new alternatives or mitigating measures; disagreed with analysis or methodologies; or related to the accuracy and/or completeness of the data or information. As noted previously, we received numerous comments that did not suggest changes to the EIS but offered opinion, a point of view, and/or a recommendation to the decisionmaker(s) to adopt specific alternative(s), specific mitigating measures, or take specific actions. These comments are included as part of the public record, and they are available to the decisionmaker(s) during the deliberation process for the proposed sale evaluated in this EIS.

**Document
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5-YEAR OCS OIL AND GAS
PROPOSED LEASING PROGRAM
FOR 2007-2012
Point Lay, Alaska

NORTH SLOPE BOROUGH PUBLIC HEARING/MEETING
for the Draft Environmental Impact Statement

Taken November 14, 2006

Commencing at 7:00 p.m.

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I-N-D-E-X

Minerals Management Service:

Cleveland Cowles, Regional Supervisor

James Bennett, Chief of Environmental Assessments

Albert Arros, Community Liaison

Michael Salyer, Wildlife Biologist, EIS Coordinator

Peter Johnson, Geophysicist, Resource Evaluation

Reported by Britney Chonka, CR

PUBLIC COMMENTS

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1 MS. ANNISKETT: Thank you, everybody, for
2 showing up. Our mayor is out of town. Being the
3 secretary, I'm going to open the meeting. We're
4 going to have Charlie Tuckfield do the invocation
5 and I'll turn the floor over to the MMS people.

6 (Prayer was said in Inupiaq.)

7 MR. COWLES: Well, thank you everybody for
8 coming tonight. My name is Cleve Cowles. And I'm
9 the MMS in Anchorage. And I'm the acting regional
10 supervisor for the leasing office there. And what
11 we would like to do tonight is talk to you a little
12 about some of the things that are -- three major
13 things that are happening in the Outer Continental
14 Shelf Oil and Gas Program, the Department of
15 Interior's program which MMS manages and implements.

16 And before I talk any further, I'd like to
17 introduce some of the people who are here with me
18 who can help as we go along. Here is Mr. Jim
19 Bennett from Washington D.C. He is the branch chief
20 for the environmental assessment branch in
21 Washington with MMS.

22 Mr. Mike Salyer, Mike. There's Mike. He's with
23 our office in Anchorage and involved with the
24 environmental assessment process and the EIS that is
25 out for review. Peter Johnson, where is Peter? Oh,

1 Peter's back there. Peter's a -- a -- with our
2 resource evaluation group, the folks who work with
3 the geology and estimating the amount of oil and gas
4 that may be available for exploration.

5 And Mr. Al Barros is just there -- this is Peter
6 with the -- and Al Barros is our community liaison.
7 And we have Britney Chonka, who is our
8 transcriptionist. And she will be keeping a record
9 of the -- of the things that we talk about and your
10 testimony tonight.

11 I guess one of the things that I'd like to
12 mention, and I'll probably mention again, is if you
13 would please sign in. And also as we move forward,
14 if we have conversation about these topics, if
15 you -- and you want to make a statement or question,
16 if you'd identify who you are for our -- our record
17 we would appreciate that very much.

18 Now, to get more into the specifics of what I
19 would recommend that -- or hope you could consider
20 for our evening, you saw our handout and it's got
21 quite a few pages in it, so if it's okay with you
22 what we thought we would do would be to talk about
23 it a little bit. Or I would talk for a few minutes,
24 and then if you had some questions about the things
25 I said, I could attempt to answer them.

1 And then Mr. Bennett will talk about part of it
2 For a few minutes, and if you had some questions at
3 that point. And then Mr. Salyer. And we would
4 break it up, probably take about a half hour for our
5 presentation. And then follow up later on with all
6 the comments or questions or testimony that you may
7 have for our recorder.

8 So would that be okay?

9 Yes, sir?

10 UNIDENTIFIED SPEAKER: You forgot one person,
11 our former mayor, Ahmaogak.

12 MR. COWLES: Oh, I'm sorry, George, I didn't
13 mean to --

14 Okay. On the handout, on the first page in the
15 first panel, it summarizes the, really the three
16 things that we're here to talk about. First, we
17 have a proposed five-year offshore oil and gas
18 program for the next five years, 2007 to 2012.

19 Secondly, there was an environmental -- a draft
20 environmental impact statement written that is open
21 for comment for that program. And that's mainly a
22 scheduling for potential lease sales in the future.
23 So there's the five-year program and an EIS
24 associated with it.

25 And then also we have a -- a draft EIS for lease

1 sale 193 in the Chukchi Sea which we've been working
2 on for, roughly, the past year. And there's things
3 in this handout that show facts, for example, on the
4 second panel on the first page, this map shows the
5 four areas off Alaska that are in the proposed
6 program, and for which we have a schedule of
7 potential lease sales.

8 And there is a map over there on the wall that
9 shows it a little bit better. And in the things
10 attached here we've also, in one of the federal
11 register notices, let's see, it's roughly the --
12 it's the ninth page for your own purpose in your
13 handout.

14 And let's talk about that, first of all, in
15 terms of just why we have these areas identified off
16 Alaska. It gets back to the Department of
17 Interior's need to manage our offshore gas resources
18 and best meet our nation's energy needs. And I am
19 sure many of you are aware the demand for energy
20 nationwide is increasing. Production is not meeting
21 that demand. And so this is one way our country can
22 attempt to meet the oil and gas needs of the
23 country.

24 And the Department then uses this process that
25 I'll be talking about to evaluate potential

1 schedules in places that that can be done through
2 the lease sale process.

3 Just a couple of quick things about these areas.
4 The Cook Inlet Region, which is the Southcentral
5 part of the map there, you're familiar with that, is
6 an area that MMS, over the years, has had lease
7 sales. And most recently the industry interest has
8 not been real high there. So this proposed program
9 includes the possibility of holding what they would
10 call special interest lease sales where we would,
11 MMS would go out, and say, announce that we were
12 considering a lease sale, as industry is interested.
13 If industry is not, then we would not pursue an EIS,
14 because there is not that strong interest.

15 So we would check, and I think we'll do that
16 periodically, and we probably don't think there's
17 going to be a lot of activity there. Then the next
18 one up north of the Alaska Peninsula, that's the
19 North Aleutian lease sale -- excuse me, proposed
20 sale area.

21 And when this draft program came out, it was
22 much larger. But subsequently, the governor of the
23 State of Alaska requested that the Department of the
24 Interior only include that part that was analyzed
25 previously under a previous lease sale, 92. So

1 that's why that area is now shown as -- as you see
2 there.

3 For the Chukchi Sea and the Beaufort, they are
4 similar, but actually there was a change in the
5 Chukchi Sea, and there's a buffer zone now along the
6 coast. And this relates to two things, one,
7 there -- there was no previous oil and gas interest
8 near shore; and, secondly, the State of Alaska did
9 not request that that area be included. And in the
10 past the Department and the State have coordinated
11 lease sales, for example, in the Beaufort Sea where
12 industry is interested close to shore.

13 So there's now, subsequent to the first draft
14 proposed program, the proposed program now shows
15 that buffer zone. And those are the reasons for it.
16 So that's pretty much what I had to say about this
17 first map.

18 And on the second page, just a quick summary of
19 the two main things we were talking about here. And
20 I'd like to get down to the chart at the bottom
21 here. I'll talk about that very briefly, then I
22 will be done. What you see here are the steps of
23 the whole process that the Department of the
24 Interior/MMS follow for these lease sales. And the
25 upper line is the line for the development of the

1 proposed program. And that's what we're talking
2 about in part tonight. And we are, as far as
3 proposed program's concerned, we are in this middle
4 block that says: Proposed program draft EIS. And
5 we're in the comment period right after that.

6 So these articles had come out, they were put
7 out for distribution in August and the comment
8 period has been going on. That whole process is
9 involved in the proposed program. When you get
10 through the -- you'll have a final and you'll have a
11 final program announcement, that can take two years
12 roughly. That's a -- that's a scheduling, that's
13 basically what that does, is it schedules these
14 areas and the possibilities for us then pursuing
15 lease sales in each area.

16 And if we go forward with a lease sale, for
17 example, in the Chukchi Sea, we would then follow
18 the green line. And that's the EIS sale process.
19 And I'll -- for the time being, just to not take a
20 lot of time, mention that that process, we have a
21 draft EIS, final EIS. And then a decision for a
22 lease sale, to hold a sale can take two to
23 two-and-a-half years. It's -- it's in that line.

24 And there may be a -- as we move along through
25 that process, it may be decided not to have a sale.

1 So again we use the schedules and we have decision
2 along the way. The important point on that is that
3 those two lines are under MMS', kind of, influence.
4 That's a process within the Department of the
5 Interior. But once there's a lease sale and the
6 industry has bid on tracts and been awarded tracts,
7 then it's up to industry when these next phases
8 occur, because they'll -- they'll get a lease. And
9 they have to decide when they will explore.

10 MS. ANNISKETT: We got elders that don't know
11 what you're talking about. You need to get a
12 translator.

13 MR. COWLES: Okay.

14 MS. ANNISKETT: You're mumbling on too fast.

15 MR. COWLES: I'm sorry.

16 Would you like me to start over? What I'm
17 saying, we have a long process. And all that could
18 take, through the exploration plan, up to
19 six-and-a-half years at the end there. And then if
20 oil and gas is discovered, depending on industry's
21 rate of progress, it could take eight-and-a-half to
22 12 years before you actually saw production.

23 See, you have an exploration phase, you
24 discover, maybe. If there's nothing there, people
25 are probably done, they go home. But if there is

1 something, there's another set of time, a block of
2 time that it takes to go into production. So this
3 whole process is quite long. It could take
4 eight-and-a-half to 12 years.

5 One other important point is as you see these
6 large areas shaded in blue, that's just what's up
7 for consideration right now. But as this process
8 proceeds, it gets more and more focused. So, for
9 example, in the last Beaufort sale, the company's
10 only -- they were awarded leases on about six
11 percent of what was offered under the lease sale,
12 because they don't want to explore any -- they'll
13 bid on tracts and they'll bid, maybe, on a number of
14 tracts and then within that, they'll decide: We'll
15 explore some of these, and in some sequence in time.

16 So it doesn't happen all at once. And that's a
17 process of focusing. And the important thing about
18 all of this is there are places all along the way
19 for us to get very valuable input from the villages
20 and folks who have this happening nearby.

21 So that's the important part. And we do value
22 that. And that's why we're here tonight, because we
23 want to hear your questions and your ideas and your
24 comments.

25 So I'm done for my part of this. Does anybody

1 have any questions about what I just went over?

2 MS. ANNISKETT: So your five-year plan starts,
3 what year do you start and what year do you plan to
4 end the five years?

5 MR. COWLES: I think that's what Mr. Bennett
6 will talk about.

7 MS. ANNISKETT: And are you going to be doing
8 this in just the summertime or in the wintertime, or
9 what?

10 MR. COWLES: Well, the program and these
11 processes, the government's always there and so
12 we're always working along, but most of the industry
13 activity to start with will probably be during
14 periods of time when it's safest for the environment
15 and for industry and for the communities. But that
16 will vary, depending on the location and the
17 company.

18 MS. ANNISKETT: So how many times a year, a
19 month do you plan on working out there?

20 MR. COWLES: I -- I can't answer that, because
21 it will -- it will vary. And if you're talking
22 about exploration and when industry will come,
23 that's something that they would have to decide
24 subsequent to whether or not they are -- they win
25 leases, whether they bid enough to get a lease.

1 And that's a -- those are the decisions that the
2 corporations, the industry companies must make. And
3 there are many things along the line here that they
4 have to take into consideration.

5 Okay. Jim?

6 MR. BENNETT: Thank you Cleve.

7 Again, my name is Jim Bennett. And I'm with
8 Washington headquarters office, Minerals Management
9 Service.

10 MR. TRACEY: Jim, I still have questions for --
11 I know Lily had a question directed towards you that
12 you might want to answer, but before you start your
13 presentation --

14 MR. BENNETT: I'd be happy to.

15 MS. ANNISKETT: Lily Anniskett.

16 MR. TRACEY: Bill Tracy, for the record.

17 I am curious about the buffer zone. I'd like to
18 know a little bit more about it, like is it the
19 entire North Slope Coast? If not, exactly what are
20 the boundaries of it? How deep is it? How far up
21 the ocean does it go?

22 MR. COWLES: In the background on your text on
23 page 50458 there is some information there that
24 summarizes that. And let's see if I can --

25 MR. JOHNSON: How do they find 50458?

1 MR. COWLES: Well, it's about the -- if you see
2 this map showing that -- the -- the Chukchi Sea, go
3 to the two pages beyond that and up in the
4 upper-left corner it says 50458, and then down at
5 this corner it says Alaska Region, and then this
6 text here. And it says for the Chukchi, and also
7 mentions North Aleutians, it says: In the Chukchi
8 Sea the proposed program removes from the leasing
9 consideration, a 25-mile buffer area along the
10 coast, as there is no existing oil and gas activity
11 in the area and the State has made no request to
12 include leasing closer to shore.

13 So it's described as a 25-mile buffer. You can
14 see, it runs from, roughly --

15 MR. SALYER: It's the black line right here,
16 this black line right here.

17 MR. TRACEY: Okay.

18 MR. BENNETT: And to answer your question, I
19 think it applies to the Chukchi Sea planning area
20 for the five year.

21 MR. TRACEY: And not up in just Beaufort Sea?

22 MR. BENNETT: Correct.

23 MR. TRACEY: Okay. I guess, secondly, this EIS,
24 if everybody knows, it's an environmental impact
25 statement.

1 MR. COWLES: That's correct, thank you.

2 MR. TRACEY: When do we get to look at it? And
3 how do we gain access?

4 MR. COWLES: The program EIS was sent out. And
5 we sent to all the -- the villages and the
6 libraries. And we also have it available through
7 the Internet. And I have some CD-ROMs that --
8 compact disks that have it. If you're interested, I
9 could provide you with one. So there are different
10 ways it can be accessed.

11 MR. BENNETT: It was sent out. If you want a
12 hard copy, we'll be happy to send you a hard copy.
13 It's on the web right now. And we have some CDs
14 available, as well.

15 MR. TRACEY: I think the CDs would be
16 appropriate.

17 MR. COWLES: Okay. One thing about that, you
18 know, when you look at these things, they're big
19 documents. And I just, for my own purposes, I
20 pulled the section out for Alaska. And I think the
21 Alaska portion is about 100 pages of this bigger
22 document. So it's -- it's, you know, digestible in
23 a few days.

24 So it's -- again, there's a piece of it, you can
25 you go right to and find it. It's accessible within

1 the document.

2 MR. TRACEY: Okay. Thank you.

3 MR. COWLES: Thank you.

4 MR. BENNETT: Any other questions for Cleve?

5 MS. HENRY: I do.

6 Are you planning on working with the elders --
7 Lupita Henry.

8 Are you planning on working with the elders in
9 our community as to what kind of environmental
10 impact this might have? Because they have records
11 of what was here, you know, what kind of animals and
12 where they migrate and whatnot.

13 MR. COWLES: There are different ways that --
14 and we would like to --

15 MS. HENRY: Because it would be better to do it
16 one-on-one with the elders, I think, to go through
17 this, so that you know where our animals are and
18 where they harvest that and where we go and, you
19 know, where they breed and whatnot.

20 MR. COWLES: I understand. And there are a
21 number of different ways we would like to do that,
22 and we'll attempt to do as best we can. For
23 example, meetings like this when we talk about later
24 on the Sale 193, if people would like to pass
25 information to us, we'll have it on the record.

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1 We also have an environmental studies program
2 that, from time to time we will come out and do
3 biological studies or sociocultural types of studies
4 where we will ask the people in the community to
5 give us information. And we will put that in with
6 the scientific work. And we'll have the scientists
7 come and ask for assistance and information for how
8 to best work around your community.

9 So there's a lot of different ways. And it just
10 depends on what stage of the process we're talking
11 about. So, for example, in this five-year program,
12 in this schedule, and there's about 7 to 9 possible
13 lease sales in those five years.

14 During each of those sales, there will be a
15 phase of the EIS process called scoping where we
16 will seek people's input, as we say, or information
17 about things we need to take into consideration.
18 And we certainly would hope that the elders would be
19 comfortable with helping there.

20 So it's -- there's a lot of different ways. And
21 as we move forward and you have ideas, we -- we
22 certainly would appreciate those suggestions and
23 we'll try to see how we can work things in.

24 MS. HENRY: Now I have another question. You
25 know, the last seismic activity that we just had

1 with Shell?

2 MR. COWLES: I know a little bit about it. I
3 know some about it.

4 MS. HENRY: You know some about it?

5 MR. COWLES: Yes.

6 MS. HENRY: I don't know if Shell had an
7 environmental impact statement released yet? Did
8 you guys have one released already?

9 MR. COWLES: Mr. Peter Johnson is with the group
10 that deals with the -- works with the seismic
11 exploration and how those permits, and so forth, are
12 managed. And so he might be able to answer your
13 question.

14 Peter?

15 MR. JOHNSON: To my knowledge, there was not an
16 environmental impact statement for this --

17 MS. HENRY: Because I was told they would
18 provide one, I believe, that somebody was going to
19 provide one to us. And I know Bill's asking the
20 same thing, because we haven't seen anything yet.

21 MR. COWLES: Minerals Management Service
22 published a programmatic environmental assessment,
23 that's out for public information.

24 MS. HENRY: Now, when you guys do your
25 newsletters, and I notice that you have our names

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1 back there, when you guys do these, you guys don't
2 send them out to us, you send them to our tribal
3 leaders. I would like to see it being sent to
4 everybody that's on that list. And if you're going
5 to be sending stuff out like that, for it to be sent
6 out, because I didn't see anything. And, you know,
7 I was looking, I wanted to see what kinds of impacts
8 were shown.

9 MR. COWLES: That list there, that's, we were
10 trying to keep a record of who came tonight. And if
11 you -- if there are other individuals who would like
12 us to put you on our mailing list -- why don't you
13 see me at a break or after the meeting and I will
14 get your name and address. That will be a separate
15 mailing list from our office.

16 MS. HENRY: And anybody here can get on that
17 mailing list?

18 MR. COWLES: We can put you on that mailing
19 list. And you will get an announcement for things,
20 like when studies come out. And then if you -- what
21 we do is we send out what we call a technical
22 announcement. And we send that out, it summarizes
23 what the study was about. I think they include the
24 EISes.

25 And then if you're interested, all you have to

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1 do is get back in touch with our office and then
2 they will send you the document.

3 MS. HENRY: That's why I was asking about the
4 elders, because they know and if you show the impact
5 statement, you know, and what is there, then they'll
6 know if it's been impacted.

7 MR. COWLES: Okay. Yeah.

8 MS. HENRY: That's something to put in
9 consideration.

10 MR. COWLES: We value that information highly.
11 And we try, as best we can, on our studies to bring
12 that into the project.

13 MR. BENNETT: The same with the EISes. We will
14 be happy to include anyone on the mailing list for
15 those. If they change over time and if they're
16 dated and they're -- they don't have anybody on
17 there that they should be, we'll be more than happy
18 to add those names to the list.

19 MS. HENRY: Okay. Thank you.

20 MR. COWLES: Okay.

21 MR. BENNETT: Cleve, I think you've got one
22 more.

23 MR. COWLES: Oh, yes, sir.

24 MR. NUKAPIGAK: Thomas Nukapigak, for the
25 record. Can you tell me, face-to-face, why, in our

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1 ocean, you want to put some sales on the Chukchi or
2 the Beaufort, since this ocean is our garden? You
3 got garden right outside your house. This ocean is
4 our garden, us, the Inupiat. Why our ocean? We eat
5 from it. Why you want to sell some lease on this
6 ocean?

7 MR. COWLES: I think the answer is, is that
8 because of the national needs and the laws of our
9 nation, we have to explore -- we have to go through
10 this process so that the many different uses of the
11 ocean and the Outer Continental Shelf can be
12 considered. It doesn't mean that we have to or that
13 we must. But we have a responsibility, as a
14 department, to go through this process to find out
15 whether we can do it in a way that is
16 environmentally safe and sound.

17 MR. NUKAPIGAK: Are you doing this because you
18 guys can't go to ANWR?

19 MR. COWLES: Well, MMS doesn't deal with this --

20 MR. BENNETT: This whole process is independent
21 of ANWR. We operate under the Outer Continental
22 Shelf Lands Act and we have a mandate for developing
23 these five-year programs, which is what I was going
24 to talk about. But it -- it has no relation to
25 ANWR, as far as what we have to do.

1 MR. COWLES: That whole thing is -- has other
2 decision-makers involved with it than MMS.

3 MR. KILLBEAR: Cleve?

4 MR. COWLES: Yes, sir?

5 MR. KILLBEAR: Are you with the State?

6 MR. COWLES: I'm with the Department of the
7 Interior, Anchorage.

8 MR. KILLBEAR: The way I understand it, it is
9 the State that plans the least. And I'm glad that
10 you guys have at least a 20 -- 25-mile buffer zone.

11 MR. COWLES: Ours is a federal buffer, but the
12 State has a program that goes from the shore out to
13 three miles. So, for example, with Beaufort Sea, I
14 know they've had lease sales there and they've had
15 some recently. I don't think they have in the
16 Chukchi.

17 I'm not that knowledgeable about the State's
18 history of sales. So what goes on from the
19 shoreline out to three miles is State waters and
20 that's the State of Alaska. And I think it's the
21 Department of Natural Resources that has that
22 program, oil and gas.

23 MR. KILLBEAR: Gordon Killbear.

24 MS. ANNISKETT: You have this grant from Point
25 Hope, Point Lay, Wainwright, Barrow is there any way

1 we can contact some of these residents here to find
2 out what their villages are saying?

3 MR. COWLES: These transcripts will --

4 MS. ANNISKETT: We might be all saying the same
5 thing.

6 MR. COWLES: These transcripts will eventually
7 be available to the public, that would be one way.
8 We're having our meetings -- there is a panel in
9 there, I can't remember what page it's on, it shows
10 the dates we will be at those other villages.

11 MR. BENNETT: The final environmental impact
12 statement for both the five-year programs and Sale
13 193 is going to address all of the comments that was
14 raised at all of the meetings.

15 It won't be --it won't have the transcripts
16 themselves in the document, but it will have
17 summaries of all the issues that have been brought
18 up and how we address them at the Environmental
19 Impact Statement.

20 MR. ITTA: Bill Itta from Barrow. I'm glad that
21 she was wanting to know what we felt like, I'm from
22 Barrow. About a year ago, last winter we had a
23 meeting, I think with the Minerals Management
24 Service about this before -- when this was started.

25 MR. COWLES: A scoping.

1 MR. ITTA: Yeah. There was an unanswered
2 question by the Minerals Management Service. We had
3 to ask that, you know, like during the production
4 stage down there, we had asked them who would be
5 responsible for a spill, a very large spill. And we
6 had asked them: Is it going to be the Minerals
7 Management Service themselves that are going to be
8 liable to give back what is lost? And from what we
9 heard, we were -- there's quite a number that --
10 what we heard from the Minerals Management Service
11 that it would be the contractors that would be
12 liable. Then who will be able to go out there and
13 clean up a possible oil spill that can happen? It's
14 been known to happen in the North Sea, and out there
15 in the oceans.

16 And we had to ask them another question that
17 wasn't answered, who would go out there and clean
18 up? And they brought out the Coast Guard. And
19 those are some of the questions that weren't
20 answered during the scoping meeting we had in
21 Barrow. And those were very serious questions that
22 weren't answered by the Minerals Management Service.
23 And also in the retrieval of oil that is still
24 not -- they're not capable of retrieving oil from
25 the ice. And those are the concerns that were made

001-004

1 by the residents of Barrow towards the end of the
2 meeting.

3 MR. COWLES: I understand. Those are a good
4 points and good questions. And some of those
5 questions still can be clarified. And -- and they
6 are -- there are ways that we will probably look at
7 to provide more information. For example, in the
8 Draft EIS, there is some information on the Chukchi
9 Sea EIS that summarizes what, for example, MMS
10 regulates.

11 We have a pollution prevention program which has
12 a number of different points in it that we require
13 of the companies to do, as best we can, make sure
14 that doesn't happen. And that's, I think, one of
15 the things about the MMS pollution prevention
16 program inspections that is important, in that we
17 try to make sure that the companies put together the
18 best program they can to avoid that.

19 And so we emphasize prevention. We have a
20 number different things, I'm not an expert on it,
21 but I do know that in our field operations section,
22 there are requirements that companies have to
23 fulfill before they work on the OCS. For example,
24 to go out and explore on a tract, they first have to
25 do things like a shallow hazards survey. They have

1 to make sure that they're not, for example shallow
2 gas deposits that may create problems.

3 They have to -- they have to have their site
4 design and their exploration and construction design
5 reviewed. They have to have a verification of their
6 project by a third party, not just MMS, by a third
7 party. I guess it's an engineering look at things
8 from an independent party.

9 They have to have safety planning and drilling
10 with their equipment. For example, on their well
11 control systems, they have to show that they can do
12 that and make it work. They have to have emergency
13 plans. And they have to do drills relating to those
14 emergency plans. For example, they have to have
15 emergency plans for oil spill. If there was a
16 spill, their crews would have to go out and show
17 they can deploy what equipment they will be using
18 for that.

19 They have to -- for things like hydrogen
20 sulfide, which is a dangerous gas, they have to have
21 an emergency plan for that. There's about five
22 different emergency plans they have to present and
23 review and exercise.

24 So there's a number of different things that --
25 and certainly most important is on-site inspections

1 when they are there. Our inspectors go out and make
2 sure they are complying with these things. For
3 example, on a platform they have to have what we
4 call redundant safety systems. So if one system has
5 a problem, there's another one that will take care
6 of it. They have to have backup systems for many of
7 these different processes that they do.

8 So there's a long list of things. I'm not, you
9 know, the best one to go through that. It's
10 actually in the Federal Regulations. It's in the
11 Code of Federal Regulations Chapter 30, I think it
12 is, Section 250. And that's there and companies
13 have to do it.

14 So that makes for a program that achieves as
15 much of a safety margin as we can. And it changes
16 over time as technologies over time improve and
17 change.

18 Is there anything else we could add on that
19 question?

20 MR. BENNETT: Just -- as you're raising that
21 point, the EIS, both EISs do address oil spill
22 cleanup and -- and liability. And we will ensure,
23 based on the comment that you've made tonight, that
24 that's as complete an explanation as it -- as it can
25 be in those documents.

1 MS. HENRY: I -- I had a question. I know Shell
2 has scientists, they're working on ice cleanup. How
3 come, if you're going to be putting up these leases,
4 why don't your environmentalists or geologists, or
5 whatever, if they come out, why don't you have
6 somebody doing that to clean up our ice? Because
7 ice is, you know, different than land, way
8 different.

9 MR. COWLES: Yeah. MMS right now, in its
10 research, it has a technology research program,
11 besides environmental studies. And we have a large
12 ice tank where they test with different types of
13 equipment and new designs. So we do manage this
14 facility. And that's one thing that we do, as far
15 as trying to learn more about things. It's an
16 experimental situation, but it helps the companies
17 later on as they put it to practice. So there are
18 those things that we do.

19 MS. HENRY: Are you going to be providing that
20 information out to the community as well?

21 MR. COWLES: As reports come out of our --

22 MR. BENNETT: As reports come out, there will
23 be. And as the status of information is available,
24 it will be included in the EISs.

25 MR. SALYER: Right. It will get incorporated

1 in, and the more technology --

2 MR. BENNETT: Let me clarify just a little
3 further. As Cleve is pointing out, these companies,
4 as they come in, they have to put together
5 exploration plans and they have to be approved. So
6 they're going to need to identify what their
7 capability is to clean up oil and ice. And it will
8 not be approved unless it's at some kind of
9 satisfactory level.

10 MS. HENRY: So, like he was saying in Barrow,
11 there's no way that MMS is claiming liability if we
12 do have an oil spill? Is that what -- my
13 understanding? Is it just the contractors that are
14 going to be liable for cleanup or, like he was
15 stating, is that --

16 MR. COWLES: My understanding is the first line
17 of responsibility would be the company that is doing
18 the exploration.

19 MS. HENRY: But the leases come from the
20 government. Like you're here, you're doing the
21 leases. You got part in this, why aren't you guys
22 liable as well?

23 MR. COWLES: There are other compensation
24 programs for damages and losses.

25 MS. HENRY: And our tribal government, through

001-005

1 the EIS statement coming out, can apply for these
2 grants?

3 MR. COWLES: I think you would have to show that
4 you, as an individual --

5 MS. HENRY: Not our tribal government? Our
6 tribal government can't?

001-005

7 MR. COWLES: I don't know. That's a good
8 question.

9 MR. BENNETT: You're -- you're asking a question
10 that's very involved in a number of different
11 programs. Not only the leasing program and the oil
12 spill contingency program, but also our Natural
13 Resource Comp -- Damage Compensation and --

14 MS. HENRY: Now it's a wide range.

15 MR. BENNETT: And there's a lot of complexities
16 to where the liability rests. And it would depend
17 very much on the individual circumstances as well.
18 So it's very hard for us to give you a specific
19 answer to that.

20 MS. HENRY: I was just asking, you know, why --
21 why won't you guys be liable if you guys are putting
22 up the leases? I don't see where --

001-005

23 MR. BENNETT: I don't know where exactly the
24 liability rests.

25 MS. HENRY: Because you're putting up these

1 leases for these companies to come in. Like Thomas
2 said, our garden is our -- you know, our ocean is
3 our garden. And this is all we have up here. We
4 don't have grocery stores that we could just go in
5 and buy beef. I mean, we do, but it's limited,
6 because of our mailing system and where we live. We
7 really depend on this. This is really going to be
8 something that's going to really hurt our community.
9 And not only ours, the other communities around.
10 That's why we're so into this, because it's
11 something that is going to really affect us, really.

12 MR. COWLES: Thank you. These are good points.
13 We're -- we're aware of it. And it is -- there are
14 a lot of different federal laws that apply. And
15 that it -- it is something that has to be sorted
16 through.

17 And I -- I am not going to be able to handle it
18 tonight. But those are good points. And we will
19 take that into consideration.

20 MS. TRACEY: Marie Tracey, for the record. I
21 notice that Billy Itta's question was not answered
22 on the, if there's a spill out in the ocean, who
23 would clean up? Would you ask for help from the
24 village? And can the Point Lay Village have a
25 staging area for cleanup?

001-006

1 MR. BENNETT: I -- I can't answer that
2 specifically in this forum. But the -- the lessees
3 are responsible for having an appropriate oil spill
4 cleanup and contingency plan in place. What it
5 includes could be any number of -- any number of
6 measures, including that, possibly.

7 MS. TRACEY: Okay. I guess you can understand
8 our concern for oil drilling in our ocean, that it
9 will affect us.

10 MR. BENNETT: Absolutely. Absolutely.

11 MS. TRACEY: And were you guys involved in that
12 Teshepuk Lake area that you guys want to drill
13 there, too?

14 MR. BENNETT: No.

15 MS. TRACEY: No. Okay.

16 MR. BENNETT: Again, we're a federal agency, the
17 Minerals Management Service, part of the US
18 Department of the Interior. And our program is the
19 Outer Continental Shelf Program, as Cleve was
20 saying, from three miles offshore out.

21 Other than that, it's other -- it's other
22 programs and other agencies that deal with near
23 shore areas and onshore areas.

24 MR. COWLES: Jim, do you have anything else?

25 MR. KILLBEAR: I guess what everyone's trying to

1 say is we don't want a another Exxon oil spill to
2 happen here. There's still people down in Cordova
3 and Tatitlek, they have haven't seen a dime from all
4 that disaster that they had. Those people, they're
5 probably on food stamps. And that, that's what
6 we've been trying to tell the U.S. government for
7 years, is that if you don't want to put us on food
8 stamps, let us do our own subsistence hunting,
9 provide for our own families.

10 And the way it sounds to me, you got this
11 department and that department, it -- it's handed
12 from one department over to another and then who is
13 going to do the cleanup? Probably nobody. It's too
14 much. Because that ice when -- when it starts to
15 move, it breaks anything in its way. Because you
16 only see ten percent of it on top of the surface.
17 And then 90 percent is underneath.

18 And those safety valves that you put on those
19 wellheads under the sea, are they going to work?
20 They probably get sheared off, too. So, I guess
21 that's what we're all trying to do, is trying to see
22 if you're going to -- if you're going to take care
23 of our food, our beluga, our whales. You're right
24 in the migration path out there where you're going
25 to be doing your exploration.

001-007

1 Just like the summer, we had an exploration for,
2 for coal. I kept telling that helicopter pilot
3 don't fly over that area, I said go straight out,
4 straight to the mine. I guess they must not have a
5 GPS on that chopper. But anyway, caribou didn't
6 come. That takes care of my dinner. Lots of the
7 people here didn't get any caribou because of that
8 noise. And, you know, what they told me said: Oh,
9 there's no caribou out there. That's right, there's
10 no caribou out there. They migrate here. As long
11 as you keep bothering their migration path, they
12 aren't going to come. I said caribou migrate.

13 Just go straight out to the coal mine where
14 you're supposed to go. That's the same as the seas,
15 where you're going to be. We got to try and make
16 sure that our -- our food, our beef that we've been
17 getting for thousands of years here, that we
18 maintain our way -- way of life.

19 You got your cattle. You got the buffalo taken
20 care of for the Indians. Now, hopefully you'll
21 listen to us and you take care of our dinner plate
22 up there. Thank you.

23 MR. BENNETT: Could you give your name again?

24 MR. KILLBEAR: Gordon Killbear.

25 MR. BENNETT: Thank you.

1 MR. COWLES: A few minutes ago there was some
2 comments that there are all these different
3 departments. And in the Department of the Interior,
4 the directors for the different bureaus in Anchorage
5 are working closely together to attempt to
6 consolidate the departments' abilities to deal with
7 these things. And I think you'll see in the future
8 that there will be better mechanisms for some of
9 these things that you brought up. But it all takes
10 time.

11 MR. KILLBEAR: We've seen broken treaties. We
12 had U.S. Air Force talking to the IRA Tribal
13 government here, saying we're going to give this
14 land back to you when we're done with it. Well,
15 they're done with it. They give it To BLM. And BLM
16 gives it to whoever, and not back to the IRA Tribal
17 government here.

18 The North Slope Borough was not in existence and
19 the Cully Corporation was not in existence when
20 these talks were made. And now that that -- that
21 hasn't been honored at all. When that land should
22 have been given back to -- to the tribe of Cully --
23 Cully people here. So that -- stuff like that, BLM,
24 they're not going to give it back to -- they got to
25 follow their -- the way they do business. BLM is

1 going to give it to North Slope Borough, and on down
2 the line, which -- which they have already started,
3 without giving any piece of it to the IRA Tribal
4 Government. Thank you.

5 MR. COWLES: Thank you.

6 MR. NUKAPIGAK: Thomas Nukapigak.

7 Looking at your draft proposal for your year
8 2007 to 2012, looking at the Chukchi Sea 193, 212,
9 221, how many acres or how many -- how much of this
10 lease are you guys going to be selling, or --

11 MR. BENNETT: I think we have some numbers on
12 that, but maybe we could -- would it be helpful to
13 work through the five-year program and then talk
14 specifically about Sale 193? And we can answer that
15 exact question.

16 MR. SALYER: I'll definitely be able to answer
17 that.

18 MR. COWLES: Maybe some of that, Mr. Bennett can
19 finish up with here on some of those schedules.

20 MR. BENNETT: The five-year program that will
21 lead into the specific sale, Chukchi Sea Sale 193,
22 we can provide some exact numbers for you on that.
23 Okay.

24 On the five year, just so we have a little bit
25 of context for this, we are required under the

1 federal law under the Outer Continental Shelf Lands
2 Act to put a plan together for every five years for
3 lease of oil and gas on the Outer Continental Shelf,
4 three miles offshore out to the extent of the
5 exclusive economic zone.

6 If you look in on page 3, your first slide
7 there, what we are doing in this five-year program,
8 this is the seventh program now that we have done
9 under this law, dating back to the late 1970s.

10 What we are doing is identifying those areas
11 that have potential for oil and gas leasing. And
12 only those areas that are part of the five-year
13 program will be considered further. Any area that
14 is identified as part of the five-year program is
15 subject to a specific lease sale EIS, which we're
16 going to talk about in a few minutes with regards to
17 Sale 193.

18 So for an area to be considered further for
19 leasing, it has to be in the five-year program. And
20 being in the five-year program does not necessarily
21 mean that leasing will occur.

22 On your next slide, it talks about comments on
23 the program and the draft EIS for the five-year, and
24 the -- the deadlines are coming up next week,
25 Wednesday before Thanksgiving. We can accept

1 written comments, comments submitted by the web or
2 the testimony that you're providing tonight, which
3 is why we're here for these hearings, both for the
4 five-year draft EIS and Sale 193 draft EIS.

5 The five-year program is nationwide. It
6 includes eleven sales in the Gulf of the Mexico, one
7 sale in the Atlantic and nine sales in Alaska,
8 including three up here in the Chukchi.

9 On page 4 there's a list of all of the sales
10 that will occur under the proposed program as it
11 stands right now. And we have, in developing the
12 draft EIS on the five-year program, we have scoping
13 meetings up here, down in Anchorage, out in the
14 Aleutians. We've had 19 public hearings. The four
15 that we're having this week, or three now, because
16 we weren't able to get to Wainwright last evening,
17 are -- are -- we'll complete the set of 19 public
18 hearings where we want your input on what we cover
19 in the drafts EIS, and whether or not it
20 sufficiently addresses environmental concerns.

21 With that, that gives you the context. You have
22 a five-year program and you have individual lease
23 sales. We're asking for your comments both on the
24 draft EIS for the five-year program and on Sale 193.

25 And with that, I am going hand it over to Mike

1 Salyer, who can talk to you about specifically Sale
2 193, which is the first sale in the Chukchi Sea.
3 And maybe you can start with the figure on total
4 acreage. Do we have that?

5 MR. SALYER: Yeah. Total acreage for the entire
6 planning area for the Chukchi Sea Sale 193 is this
7 green area right here. That's a lot of area.
8 That's about 34 million acres. That's a big area
9 right there. But that's the planning area. The
10 green line denotes that.

11 So that answers your question, I believe, sir,
12 for the size of the area. And that brings us to
13 Lease Sale 193. And where we are on this process,
14 that's -- I know it can be confusing, but Mr. Cowles
15 was talking about earlier, this brings us to one of
16 the specific lease sales from the five-year program,
17 that was from the 2002 to 2007 program, which brings
18 to Lease Sale 193. So on this chart right here,
19 we're sort of in that part of the process on Lease
20 Sale 193.

21 So what we did was we held scoping meetings that
22 Mr. Itta brought up in March -- excuse me, September
23 of 2005. I wasn't there quite yet, but we took
24 everyone's input in the different villages at that
25 time. And we used that information to incorporate

1 into the environment impact statement to develop our
2 alternatives, our possible alternatives which ended
3 up being deferrals, which we will talk about in just
4 a moment.

5 A little background on this slide, Lease Sale
6 193 is a special interest sale. And all that that
7 means is that at about three years ago there was a
8 call, if there was any interest in industry in the
9 Chukchi Sea, and there was none. None -- no
10 interest was in the Chukchi Sea up until last year.
11 And whenever that interest became known, it was at
12 that point in time we determined there needed to be
13 an environmental impact statement, we needed to
14 scope and go through the Natural Environmental
15 Policy Act information, the NEPA information, to put
16 out an environmental impact statement on that lease
17 sale.

18 At that point in time, September of '05, put out
19 notice of intent to prepare the environmental impact
20 statement. And area ID was announced in January of
21 2006. That area ID is the area on the map that's
22 marked out in green.

23 So that's a little background how that went. So
24 that brings us to the proposed action, which I
25 believe Tom was talking about, and wanted to know

1 if -- it encompasses a total 6,155 blocks, whole or
2 partial blocks. You can see the individual blocks
3 on the map, if you walk up to it. I apologize it's
4 too small to see from here. But it encompasses
5 roughly a total of 34 million areas for the entire
6 project ID area.

7 Now this area excludes the spring lead system
8 the Polynya. And that's why you see that buffer
9 zone drawn in there on the map. This is
10 incorporating waters anywhere from depth 95 to 262
11 feet. And we're looking at a possible mean
12 recoverable oil could be anywhere up to 12 billion
13 barrels.

14 We also have, I'll just walk over here, we're
15 going to go ahead and go into the different
16 deferrals. We have -- this is again a result of the
17 scoping process that took place. We consolidated
18 the information that everybody provided in that
19 scoping meeting to develop these alternatives.

20 Corridor 1 is one of the alternatives. It
21 occurs the farthest out. It's roughly 60 miles off
22 of the coast line. And it jogs in certain areas
23 because of different resources that were of a
24 concern. And what that did, that was derived from
25 multiple subsistence areas that everybody was

1 concerned over for the walrus hunting, as well as
2 there was some eider, fishing and some critical
3 habitat down here. And there was also some interest
4 in the Barrow Canyon area where there were folks
5 that were concerned about the impact to that.

6 So what we do, rather than having individual
7 deferral areas, we put them together and we came up
8 with this large deferral area which would meet those
9 needs.

10 The second alternative which was corridor 2
11 deferral, this would be this lighter blue line right
12 here. And that was developed at the time from the
13 National Marine Fisheries Service biological
14 opinion. So that was the information that we had at
15 that time to come up with that alternative. All
16 right. So that was the other deferral possibility.

17 Now, these are the alternatives that were
18 outlined in the environmental impact statement for
19 the Sale 193, which is out for comment right now for
20 the draft environmental impact statement. Now, the
21 comments for the draft environmental impact
22 statement are going to be due December 19th. And
23 that's when that comment period will end. So
24 remember that date, December 19th.

25 MR. BENNETT: Mike, let me just add something.

1 We realize that this is very confusing because we
2 have so many different documents and things going
3 on. The five-year document, the national program,
4 the draft EIS on the national program comment period
5 closes at Thanksgiving basically. The comment
6 period that Mike is talking about is the comment
7 specifically on Lease Sale 193. And the date again
8 was?

9 MR. SALYER: December 19th. So you have two
10 environmental impact statements, essentially, is
11 what Jim's saying. There's the one for the
12 five-year and one for Lease Sale 193 specifically.
13 That's the comment period that's December 19th. The
14 one for the five-year is, it was the 24th.

15 MR. BENNETT: Thanksgiving, before Thanksgiving.
16 23rd, I think.

17 MR. SALYER: So real briefly, with Lease Sale
18 193 we filed -- we're going to be hoping to file a
19 final environmental impact statement sometime in the
20 spring of '07. Depending on what takes place
21 between now and then. At that point in time we'll
22 start with the governor's Section 19 consultation
23 and the coastal zone consistency determination.

24 The notice of sale is intended to hold the sale
25 in October of 2007, if everything goes well.

1 So that's sort of summarizes Lease Sale 193, the
2 specific environmental impact statement for that
3 lease sale particularly. And that's a little
4 different than the five-year environmental impact
5 statement. I know it's confusing.

6 But at this time if you have any questions
7 concerning Lease Sale 193, please feel free to ask.

8 MR. TRACEY: Bill Tracy, for the record.

9 What specifically sparked the interest to have
10 this 193 Lease Sale, the special sale? You said for
11 the longest time from 2002, there was no interest
12 and all of a sudden --

13 MR. SALYER: The companies were interested. The
14 background information that went into that, I am not
15 sure what it was. They just became interested in
16 that. Now, where they drew their information from,
17 I would assume from some different information they
18 have, whether it's from geology, I don't know.

19 MR. TRACEY: You wouldn't know if it was because
20 all of a sudden barrels of oil were worth \$70?

21 MR. SALYER: Could be.

22 MS. TRACEY: Or Iraq.

23 MR. SALYER: It could be numerous, numerous. I
24 mean, there were two special interest sales that
25 came out. One was the Cook Inlet, one was the

1 Chukchi Sea.

2 Yes, sir, Mr. Itta.

3 MR. ITTA: I don't know whether it's a question
4 or a comment. When they struck oil over there in
5 Prudhoe Bay, I think one of the biggest mistakes
6 that were ever made on lease sales by the United
7 States Government was allowing different countries
8 to buy leases for its interior. You know, like all
9 the monies that are derived from the people over
10 here, all over the Slope on their land, how the
11 lease that was made to the British Petroleum, like
12 they make \$6 billion a year from our land. And the
13 Minerals Management Service, you have a sub service
14 there, right?

15 MR. BENNETT: I'm --

16 MR. ITTA: I mean BLM, I'm sorry.

17 MR. JOHNSON: Actually, it's the State has
18 Prudhoe Bay.

19 MR. ITTA: I think handling the lease sales,
20 whoever handles them back then when they discovered
21 oil, that was one of the biggest mistakes this
22 country ever made, to sell leases to out -- other
23 companies that are not within, you know, the United
24 States. And I'm glad Shell, you know, is an
25 American company and -- I don't know who all is

1 going to be bidding out there, but it would be good
2 to, you know, think of what happened over there in
3 Prudhoe Bay, all the money that is being derived
4 from -- they say Prudhoe Bay is good for another 50
5 years, and that's too bad. A lot of it goes out,
6 out from the state, out from the people who are
7 affected by, you know, the oil. And I just wanted
8 to point that out. I believe some people know that
9 it was a big mistake for BP to you know, be a part
10 of all the monies that go to the Cook Inlet. I just
11 wanted to point that out. And I hope that doesn't
12 happen, like in the name of profit. You said if
13 you're not going to be liable and have the
14 contractors come in, they make the money. It will
15 be in the name of profit that our way of life might
16 be lost.

17 MR. SALYER: Thank you. Anyone else have any
18 questions on Lease Sale 193?

19 MR. COWLES: We've been going for about an hour
20 now. And I would think we might want to take a
21 break sometime, but if there are any elders or
22 parents with children who would like to ask a
23 question or make a statement before then, we
24 would -- that would be -- this would be a good time.
25 And if you needed to, as parents, get back to your

1 families tonight, we want you to have an early
2 chance to speak.

3 What I think would be another thing we could do
4 is take a break and then come back. And if you
5 would like to make specific testimony on any of
6 these things, you could then have it recorded and
7 just, either read your testimony or speak so that we
8 could take it down and pass it along to people who
9 will address it and consider it in our various items
10 that we're talking about tonight.

11 So how about ten minutes between now and, say
12 8:25 or so.

13 (Thereupon, a brief recess was taken, after
14 which the following proceedings were had:)

15 MR. COWLES: Okay. So each of these is a
16 separate process. Why we have three different
17 things. One relates mainly to schedules and places,
18 that's part of the program. When that was designed,
19 there was a draft EIS that looked at some different
20 alternatives as to whether a surface area will be
21 included or taken out. That's more of kind of an
22 environmental technical document. If you're
23 interested in schedules to comment on the proposed
24 program and you're interested in evaluation of
25 options and the basis for that, you could comment on

1 the EIS. And then the Chukchi Sea Lease Sale is a
2 separate thing that was started. And that draft
3 comments EIS statement is very detailed, relates
4 very specifically to the Chukchi Sea, it's not as
5 broad as the other two. So if you want to comment
6 on that, because that's really close to home, that's
7 another basis.

8 You could comment on all three, you can comment
9 on any one of them. And as we proceed, if you'd
10 like to testify and have it recorded, we would
11 appreciate you saying which one of the three you're
12 talking about. But if you want to talk about all of
13 them at once, that's fine. We will consider that
14 comment in relation to all three of them.

15 So if we can help separate things fine, if not,
16 we will pass that information to each of these three
17 processes of addressing and considering your
18 comments. So I know it's a lot all at one time and
19 it's -- but we're here to help, you know, kind of
20 understand it.

21 MS. ANISKETT: It's so confusing.

22 MR. COWLES: Anyway, three different things,
23 program, five-year program, an EIS related to it,
24 draft EIS related to it and then this lease sale,
25 which is what Mike Salyer just talked about.

1 So -- and the other thing, of course, if you
2 would like to speak further, we would appreciate it
3 if you identify yourself so our transcript can be
4 complete. And other thing, if you're interested in
5 getting on our mailing list for things like our
6 study reports or mail-outs for different documents,
7 if you want to sign your name here before you leave,
8 certainly be glad to do that.

9 So I thought we'd go for a while. We don't have
10 to stay any later than you folks would want to stay
11 to make your comment and give you a chance for that.

12 Yes, sir?

13 MR. KILLBEAR: Gordon Killbear. I guess what
14 we're, mainly what we're concerned about is our
15 wildlife and our sea life, our way of life here.
16 Who is going to be responsible for any disaster?
17 Who is going to take care of our -- make sure that
18 we're able to go out subsistence hunting? Is there
19 going to be assurances that we'll be able to go
20 someplace else to get our food and who is going to
21 pay for that cost? Are you? Or how many different
22 departments were you talking about? And if I know
23 the government, they'll shove it from one department
24 to another and nothing gets done.

25 MR. COWLES: There are some things you can say

1 that we'll have as part of the, what we call
2 mitigating measures or stipulations that address
3 that and urge the companies to work closely with the
4 villages.

5 And, Mike, maybe, would you be able to mention
6 some of the mitigating measures that are in the
7 draft EIS that deal with subsistence, such as the
8 Conflict Avoidance Agreements?

9 MR. SALYER: Sure. There's a Conflict Avoidance
10 Agreement to make sure that they're in the different
11 meetings, that they're conferring with the
12 individuals and the elders in the different
13 villages. There's certain stipulations that are --
14 I'm sorry. There's certain stipulations involved
15 that deal with pre-booming, making sure we have the
16 equipment in stages in certain areas, or I should
17 say the oil companies, there's certain companies of
18 the lease sale that they have to meet those
19 requirements that we were talking about earlier.

20 There are various stipulations dealing with the
21 subsistence hunting to make sure that's able to
22 continue. So through that process is how that gets
23 heard and how that gets presented to the
24 decision-makers and how it goes forward.

25 So I hope that helps a little. There's seven

1 different stipulations. I don't have them all
2 memorized in my head right now, but they pertain to
3 the biological resources and different ways things
4 are getting done. And they use that as a mechanism
5 to try to, as best we can, ensure some of that gets
6 dealt with.

7 MR. KILLBEAR: Well, there is one disaster that
8 happened here some years ago with the Kotzebue
9 beluga. They don't hunt beluga anymore because
10 their beluga perished over -- over in Siberia. They
11 got frozen in and all the beluga pods that used to
12 go to Kotzebue Sound, they're all gone. And we got
13 a different pod that comes here, but during the
14 spring whaling season, there are belugas that go
15 over into Canadian area, which the Point Hoppers get
16 and that the Canadian Eskimos get their beluga from.

17 And we're lucky to have our beluga to be of
18 healthy numbers right now. And if any oil spill or
19 anything like that happens, maybe they wouldn't
20 be -- maybe we wouldn't be able to eat them. If
21 they get -- they get infected with oils and
22 minerals, or whatever, that comes out of the ground,
23 mercury and lead and stuff like that. Thank you.

24 MS. TRACEY: Marie Tracy for the record. I
25 think what we feel is that it's like a terrorist

1 waiting to happen against our way of life, you know.
2 Anyway, but it's like no matter how many meetings we
3 have and any kind of testimony that we give,
4 these -- the sale leases and the drilling and
5 everything will happen anyway. But then at the same
6 time, you know, as our village, we would like to try
7 and get along with whoever is going to be out there.
8 And we would like to know everything that's going
9 on, you know.

10 MS. HENRY: Lupita Henry, for the record.

11 On the studies that you guys do for
12 environmental, I think with your scientists, I think
13 you need to be publishing that and putting that out
14 in written form. Because the community, I think,
15 needs to know what we have out there, where they go.
16 Like you said you fronted the beluga committee, you
17 know, when Robert came out and they searched out our
18 belugas and where they go and where they migrate, I
19 think you need to publishing that in written form
20 instead of just putting it on e-mail, because a lot
21 of people in this community don't have computers at
22 home. We do have internet access through grants,
23 but it's limited.

24 MR. COWLES: Right. Over the years every
25 village has said that. We try, every time we do a

1 study, to, through our program, let people in the
2 villages know about these reports. And so by
3 getting on this mailing list, as these documents
4 come available, you'll find out about them. And
5 hopefully that will get the -- they are published.
6 And on our website, if you have access to it, as a
7 report comes in, we actually put it up on the
8 website so you can read it there.

9 The problem with that is you have to have paper
10 at home if you want to print it. So don't be the
11 least bit hesitant to ask us to send you the copy.
12 We get a number of copies in our office and we will
13 send them out first come, first serve as the supply
14 lasts.

15 So we sent out this announcement. And sometimes
16 all of our copies of a particular report are sent
17 out. Sometimes we have leftovers, so -- another
18 source of information, which you can go to, we have
19 a cooperative agreement with the University of
20 Alaska at Fairbanks. And I believe this Beluga
21 Project was through that program. And they have a
22 site, and they do some of the reports. And they may
23 have copies there, too. So that's what we call the
24 Coastal Marine Institute.

25 MS. HENRY: Do you usually go through the

1 University of Fairbanks for your studies?

2 MR. COWLES: It's a portion of our program. We
3 have -- and it's going to end in a while, but we
4 enter into an agreement for a five-year period where
5 they can suggest certain research that we might
6 fund, but the requirement is, is that for every
7 federal dollar that our program pays, the university
8 has to find a nonfederal matching dollar. So it's
9 one of these leveraging, we call leveraging where
10 you get a bigger bang for your bucks. So there's
11 some research the university can do that way and
12 there's other things that they can't do, because
13 either they don't have that particular expertise or
14 they can't find the matching dollar. And so then we
15 may explore competitive approaches to engaging
16 research.

17 So you can learn about that from our studies
18 plan, which I can send you a copy of, if you would
19 like, and let me know.

20 Yes?

21 MS. ANNISKETT: My name is Lily Anniskett, I've
22 lived here all my life. And we had so many oil
23 company meetings, I don't know who I testified on.
24 But I've lived here all my life, this whole area
25 between Barrow, all the way down to Kotzebue, Point

1 Hope, this is all our hunting area. Even if this is
2 not our area, we would backup Kaktovik, so we feel
3 like we're always battling the oil companies. And I
4 wish that you guys would listen to us seriously.

5 MR. COWLES: Thank you. And we are here to
6 listen seriously.

7 And I think that I would add that when
8 Mr. Salyer mentioned some of these conflict
9 avoidance stipulations we have, these are excellent
10 ways to work with the companies. And I am sure that
11 there's a point where your suggestions will be very
12 important to the companies in working directly with
13 them.

14 And so I know that coming to these meetings for
15 many years at times seems like it's, you know, not
16 doing much, but it is. And --

17 MS. ANNISKETT: We'll always come to these
18 meetings. There's a lot of people concerned about
19 this. We will always come to your meetings.

20 MR. COWLES: Thank you. And we're very, very
21 appreciative to have people who have lived in this
22 area for these years to come and give us this input.

23 Mr. Itta?

24 MR. ITTA: Yeah, Bill Itta.

25 When she had asked how we felt about this, you

1 know, this course of action that the Mineral
2 Management Service is doing, I would suggest, this
3 is a suggestion that should be followed, you know,
4 looked at on her behalf, on behalf of the people
5 suggest that you get a panel for the -- instead of
6 the subsistence on the land, get a panel from each
7 village that has to do with the ocean of how -- get
8 a panel and meet with them instead of trying to
9 locate people through mail, get a point of contact,
10 the panel member, and see what kind of a decision
11 each village makes and how they feel and how,
12 what -- what they think needs to be done instead of
13 village by village and getting individual addresses.
14 And get a, you know, panel member from each village
15 for this huge project that you're going to be doing.
16 It's huge.

17 It could be very drastic to the little kids when
18 they grow up. And on her behalf, her question of
19 how we felt about the -- what I felt that, there was
20 one question that was also unanswered to the Mineral
21 Management Service, they had some kind of an
22 engineer. We had asked them, the mayor was over
23 there, the people from Barrow, the Wildlife
24 Department, the -- the City, we had -- we bluntly
25 asked them seriously, is there approved technology

1 to recover oil? And they said they couldn't answer
2 it. They said no, that's what -- another question
3 came up, who would be liable, that was another
4 question that was -- still wasn't answered.

5 And I don't think it will be answered. And I
6 hope, you know, people like, you know, the
7 Wilderness Society maybe, if nothing is done, on
8 behalf of the people who are affected, maybe that
9 would be a different way to go, other than a meeting
10 with Mineral Management Service, how we can stop
11 something that can happen really drastic, like --
12 like he said, you know, it's impossible to recover
13 oil. Thank you.

14 MS. ANNISKETT: Lilly Anniskett, I went down to
15 the Exxon meeting at Texas and Anaktuvuk person from
16 all the villages, that person asked an Exxon person:
17 What happens if you spill oil? Oh, we'll never do
18 that. That would never happen in a million years.

19 Boy, I bet you all of us in, from all of the
20 villages were laughing, because they said that it
21 wouldn't happen in a million years. See, it
22 backfired. He came up with a question that that was
23 a big concern and he thought it was a big joke of a
24 question. And now it's a big joke from us to them.

25 MR. COWLES: Well, we don't think it's a joke.

1 Ms. ANNISKETT: Well, it is to me, because they
2 weren't listening. They couldn't even see it.

3 MR. COWLES: Okay.

4 MR. TRACEY: Bill Tracey.

5 I've lived here most of my life. Maybe I should
6 say the best part of my life. Been on planning
7 commissions, worked for the Borough, a father, a
8 grandfather, you name it. I have a vested interest
9 here, as well as everybody else here. I want to
10 talk about effects, not just offshore effects, but
11 cumulative effects. Now I really now know how the
12 people of Nuiqsut feel, because they're surrounded
13 by industry, pipelines, anywhere they go, they run
14 into signs of progress, if that's what you want to
15 call it.

16 We have coal in one direction, zinc and iron
17 ores in another direction, methane gases over here.
18 We're extracting gravels from rivers. We're
19 surrounded by in South NPR-A. And then all our
20 brothers and sisters up north with NPR-A, the oils
21 coming out of the ground there, the caribou
22 migrations being changed, whale migrations being
23 changed just from seismic survey, it's proven that
24 migration patterns have changed.

25 Okay. A lot of people are mentioning oil spills

1 here as the one disaster to be concerned about. But
2 I think there's a lot of minor ones that, as I said,
3 as a cumulative effect, if you put it all together,
4 we might have to move. So we're not going to move.
5 We live here. This is where we're going to stay.
6 We're going to deal with all this going on. I don't
7 know what mitigation is involved. There's several
8 programs that are being worked into the EIS and the
9 whole program. But we're going to have, say,
10 populations explosions here, we're going to have all
11 kinds of vessels using our coast. These are things
12 that the Borough can't really help us with. And we
13 can't help ourselves with.

14 So, you know, how do we write in some sort of
15 mitigation that would help us with population
16 explosions, sicknesses, just general things that are
17 going to affect our everyday life?

18 MR. COWLES: You know, I can't answer that
19 question in its entirety. But I think by taking
20 part in these kind of meetings and the kind of
21 things that we've talked about, like this conflict
22 avoidance thing, it will make for better
23 communications for people to work together as we go
24 on through and get, move into the these different
25 kinds of things.

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1 And without your involvement, we won't really
2 have the final picture as to what we need to do.
3 And I can think of one thing that we've proposed
4 from our end, at the Minerals Management Service,
5 that we think is a worthwhile idea, but we don't
6 even know whether it will make difference. And
7 that's a study that we've proposed for this fiscal
8 year, between now and June, that we will --
9 actually, now and September that we're going to try
10 to take some steps forward with. It's what we're
11 calling a -- trying to think of the name some of
12 them, the titles are long, but it deals with
13 creating a human activities database. We already
14 did it to a certain extent related to previous oil
15 and gas activity in the Arctic.

16 We had that project. And it ran for a few
17 years. And we got some information, but it was
18 incomplete. But we've heard your concerns about the
19 fact that there's these -- this other type of
20 transportation going on in the ocean, other vessels
21 and transportation, cruise ships, and so forth.
22 More than just oil and gas.

23 And we, as part of our EISs, have to address
24 this concept of cumulative effects. And one way to
25 do that is to start documenting what we know. MMS

1 can help get information on oil and gas, because
2 that's what we're involved with. But there's other
3 information out there that we don't collect, it's
4 beyond our mission, but other people have it.

5 So what we want to do with our database is to
6 create a place where if other parties want to put in
7 information into it, it will be there. And we'll
8 let folks know that it's there and encourage them to
9 add to it. And that would be about the best we can
10 do, because we don't -- we can't require some of
11 this information, but we can go to other agencies or
12 the State or local communities and say, listen, this
13 database is out there. It's sitting there. We've
14 spent some money to put it there. And we've worked
15 on it for a few years and we have some feel for how
16 it can be structured and efficiently managed. And
17 if you want to contribute to it, here's what we
18 would need to you do.

19 So that's one of our ideas. And we're going to
20 try to pursue that a little bit this year to help
21 our analysts get a better handle on the cumulative
22 information that may be going on, say, in the Arctic
23 in the Chukchi and Beaufort sea.

24 All I can say is by trying that we create a
25 seed. And it will either grow or it will, you know,

1 it may not serve the public needs. But we've got to
2 try. So that's one of our projects. And as time
3 goes on, there may be other projects like that that
4 folks like you will suggest to us. And we can, if
5 they fit in with our program and our mission, we can
6 see if we can get more out of it than just our
7 mission. But we will need other people to add some
8 energy to it. So it's an idea.

9 UNIDENTIFIED SPEAKER: Socioeconomic reporting,
10 database collection.

11 MR. COWLES: Right. That's basically what this
12 is. There's other things that we've done in the
13 Beaufort, which I see later on will be a possibility
14 but it's going to be past my time. But in the
15 Beaufort, you know, the development's gone on. We
16 got North Star out there and there's a prospect
17 delivery. One of the ideas that we thought was part
18 of a -- to monitor after development. We have a
19 mandate in our program to do monitoring if, in the
20 event of development. We say it's a mandate, it's
21 our mission to do that, so that we can see if
22 there's changes in the marine environment in the
23 area around oil and gas leasing.

24 So up in the Beaufort, whaling goes on at Cross
25 Island. That's right there next to all this stuff

1 going on. So we thought as one of our projects it
2 would be very helpful if we could get the Nuiqsut
3 whalers to help us keep track of information of what
4 they do over time.

5 And so we've had a person who has gone out
6 there. And they've been very gracious and they
7 allowed a scientist that's been funded by us to be
8 with them on that island during the whaling season.
9 And that person kind of keeps track of how many
10 crews there are, and where they go and where they
11 hunt, how many trips they take, and so forth.

12 And we would, ideally, like to see if the
13 whalers, if they want to whale, but they don't want
14 to deal with a bunch of numbers, but if they wanted
15 to do that, we think that information would be fine,
16 if they would just do that and do that over the
17 years.

18 And that's the kind of information over time
19 then a regional director such as the regional
20 director from Minerals Management Service, he can
21 look at it and say: I've got this monitoring
22 information, I've getting it for ten years, and
23 here's a change. And I talked to people in the
24 community and they think this is the reason for that
25 change. Then when you have that kind of solid

1 information, you've got a basis for further
2 decision-making.

3 So those are some of our ideas, our long-term
4 ideas, they're things we are doing in the Beaufort.
5 It will be many years before you might need
6 something like that in this part of the ocean, but
7 those are future possibilities. And they don't
8 answer everything, but they are a start.

9 MR. NUKAPIGAK: Thomas Nukapigak, for the
10 record.

11 With this 34 million acres you're talking about,
12 I want to know where and the exact location -- I'm
13 reading from the back, says 15 to 200 miles
14 offshore. And you talk about the 25-mile buffer
15 zone and with reading, 15 miles. Where about is
16 this --

17 MR. COWLES: You may be talking about the --
18 let's see.

19 MR. NUKAPIGAK: The Chukchi Sea planning area
20 and the 15 to 200 mile offshore, the 25-mile buffer
21 zone.

22 MR. COWLES: That's our press release on the
23 Chukchi Draft EIS. Mike can answer that.

24 MR. SALYER: Here's what he's talking about.
25 This is the original project area ID, the green

1 line. And there's a couple places where it dips in.
2 That's the original project ID right there, okay,
3 for the Chukchi Sea and Lease Sale 193.

4 We also have alternatives we're looking at which
5 has the deferrals, which are these other lines here.
6 Now, it's not our decision, in this room, what it's
7 going to be, but we present the information you give
8 us and the Environmental Impact Statement and
9 incorporate it into the analysis, and that goes on
10 to the decision-makers to make the decision.

11 But in that particular press release, when it's
12 talking about the 15 miles on out, you can see where
13 this green line comes close to this right here.
14 That would be that 15, you know from 15 on out.
15 That's what that's in reference to. Does that help?

16 MS. HENRY: So the outer line of that is 25?

17 MR. SALYER: This right here is roughly 60 miles
18 from this line. This is, you know, I guess you
19 could say roughly 30 -- 25. We have had different
20 resources we were trying to capture, is the reason
21 we have the referrals. You know, and that all went
22 into shaping how they took shape. That's from the
23 scoping meetings we had on the Chukchi Sea last
24 year, taking that information. So those are out
25 there. This is the whole project ID area in the

1 green. That's the proposed action. And then
2 there's the alternatives, which are these deferrals.

3 MR. COWLES: I think another part of the answer
4 might be, Mike, maybe you could clarify, but this
5 Chukchi Sea 193 started under the 2000 -- previous.

6 MR. SALYER: 2002 to 2007 five-years, which a
7 five-year program, like he's talking about the new
8 five-year program.

9 MR. COWLES: The 25-mile buffer, what you see on
10 the blue map is related to the new program.

11 MR. BENNETT: The point is that there are
12 several different deferral alternatives out there
13 based on different criteria. And when you look at
14 them and when you evaluate them, you should
15 provide -- we encourage you to provide your feedback
16 as to which one should be adopted and why. So we
17 can provide that information up the line to the
18 decision-makers.

19 MS. HENRY: My name is Lupita Henry, for the
20 record.

21 Now, these deferral lines, did you take into
22 account the beluga migration pattern when you did
23 these deferral lines? Was that part of it?

24 MR. SALYER: Yeah, that was part of it from the
25 scoping. Whatever you all indicated in the scoping,

1 and I wasn't there, but I have the notes, that was
2 part of it.

3 MS. HENRY: Okay. Because my understanding was
4 that when they had the -- when they did the testing
5 where they migrate to, I heard that they went all
6 the way up towards Barrow, way more towards the
7 North Pole way up. And when they were coming back
8 down, they went out and around and went down. So
9 they were actually further out when they were
10 migrating down, back down.

11 Now, did you guys take that part in, when they
12 were migrating down, that's further.

13 MR. BENNETT: Isn't that in the 60-mile deferral
14 that you --

15 MR. SALYER: Well, what she's talking about -- I
16 mean, it fluctuates. And it changes from year to
17 year. There you're getting into some of the
18 information as well as the ecology and biology of
19 the whale. So --

20 MS. ANNISKETT: The beluga.

21 MR. SALYER: The beluga specifically.

22 And the walrus, that's the reason this took
23 shape, that it did, because of the four different
24 areas identified for the walrus. There was four
25 circles, you know, radius areas we were setting

1 aside. But what you're talking about is in terms of
2 where the belugas may be migrating from.

3 I think that's, you know, trying to take that
4 information, eventually you would just be covering
5 the whole area, if there's a lot that goes -- they
6 go a long way in their migration.

7 MR. BENNETT: So that 60-mile deferral basically
8 incorporates a lot of different environmentally
9 sensitive resources, including the beluga and the
10 walrus.

11 MR. SALYER: It was considered, definitely, for
12 the subsistence hunting. If they're up here, higher
13 near the Pole, they migrate up here --

14 MS. HENRY: I mean when they go up there, they
15 stay up for so many weeks, and when they are coming
16 back down, they go further out in our ocean when
17 they migrate down.

18 MR. SALYER: Right. That was all considered in
19 the impact statement.

20 MS. HENRY: Okay.

21 MR. KILLBEAR: The beluga, when they come up
22 here, they go all over. After they come up and go
23 past Barrow and then they start spreading up all
24 over. I have the e-mail on my computer on the
25 beluga that was tagged, the five beluga that was

1 tagged, there was some that had gone, that had gone
2 way up here. And then there was some here. Then
3 they followed that -- where it gets deeper here, the
4 canyon and over by Wrangell Island and around here.
5 But they do come back mostly right between Barrow
6 and Point Lay.

7 MR. SALYER: Yes, sir.

8 Well, the canyon was -- the reason the canyon
9 came up was specifically because of the beluga
10 whale. And that was also one of the referrals that
11 was identified in the scoping meeting back in
12 September of last year. So that's another reason it
13 went a little higher up up here, to make sure we
14 encompassed the canyon area. That was part of the
15 project ID area for that reason.

16 MS. HENRY: Lupita Henry. I got another
17 question.

18 Now, when Shell does their -- when they come up
19 and, you know, do their exploration and do the
20 seismic activity, how do we now that they are within
21 their regulations as to where they are supposed to
22 be? Do you guys have tags for the boats or a paging
23 system for that, or do you just go by their word?

24 MR. SALYER: I'll have to defer that to our
25 gentleman handling the seismic.

1 MR. JOHNSON: Yeah, there was -- this summer
2 when they were doing the seismic testing, I think
3 daily they were sending reports in of their
4 location, the ship log, as to where they were
5 located. And I wasn't the one who it was sent to,
6 so I don't have you know day-to-day information.
7 But I think it was at least a couple times they were
8 shut down, because they were getting too close to an
9 area where they had to -- it was out of the
10 permitted area. So they had to shut down, wait
11 until they got back into the right area where they
12 could start shooting again.

13 So, yeah, we do keep very detailed monitoring of
14 where the ships are when they are doing the surveys
15 for the seismic.

16 MS. HENRY: So if they gave you false
17 information, then you wouldn't know, basically.

18 MR. JOHNSON: My understanding is, and maybe
19 someone else can correct me --

20 MS. HENRY: I'm not trying to say anybody would
21 lie, but I'm just saying, because, you know, we have
22 all these resources out here. I want to get a good
23 idea of, you know, how you guys are making sure that
24 these regulations are being fulfilled.

25 MR. JOHNSON: Yeah. My understanding is that

1 the seismic ships had whale observers on board. And
2 I believe they were mostly local Inupiat observers
3 on board. And we -- were you out there?

4 MR. STALKER: I was part of the operation as a
5 -- my name is Jack Stalker. And each one of those
6 vessels has a marine animal observer that goes with
7 the ship wherever they go. And when they -- they
8 have a rotating schedule, so there's always somebody
9 there all the time. And because they don't feel the
10 oil companies can just give us approximate
11 locations, so that we can tell them, hey, yeah,
12 there's a vessel over here, support vessel. And I
13 had the (inaudible) in the search and rescue
14 building. And we just got done with the operation.
15 As a matter of fact, yesterday was my last day. And
16 we have some communications now and just, you know,
17 we got a lot of good things (inaudible).

18 MR. JOHNSON: I think the bottom line is that we
19 are keeping very close tabs on where these folks
20 are. And they do have a GPS tracking, so they --
21 that log is recorded and sent back to our offices,
22 if not daily -- if not constantly, then at least
23 daily. I am not sure exactly the interval that that
24 comes back to, but we are keeping close tabs.

25 MR. AHMAOGAK: Maybe I can end some of the

1 questioning that is taking place regarding Shell.
2 Shell was out there doing exploratory seismic work.
3 And seismic work was required under a federal permit
4 through the National Marine Fisheries. And there is
5 regulations that we had to adhere to and the
6 locations that we have to be reporting. We have GPS
7 locations, exact locations that were required and
8 mandated to log. We got Inupiat observers that are
9 on board these ships, Inupiat communicators here in
10 Point Lay. And all of our plans of exploration and
11 seismic shocks are all controlled on a really,
12 highly regulatory regime. And we report every
13 couple moments of our activities, logbooks.

14 We went as far as our federal permit from the
15 National Marine Fishery Service offers to protect
16 fisheries, when we see walruses, when we see seals,
17 when we see ugruk, when we beluga, when we see
18 bowhead whales, as well, these are all logged during
19 the time. And any of the seismic activity that
20 takes place, when the Inupiat observer sees a ugruk
21 or a seal near the vicinity, that observer has the
22 authority to stop all operations and not shoot
23 within the vicinity of the marine mammal. That's
24 why we have marine mammal observers on these boats.
25 And all of the operators were required, under a

1 federal permit, to have these Inupiat observers on
2 the ships and including communication centers in
3 Point Hope, Point lay, Wainwright, Barrow, Deadhorse
4 and also in Kaktovik.

5 And these were all set -- we had one here, I
6 believe, at the search and rescue building here.
7 And then we had one in Point Hope, which was the
8 fire station. And then we had one in Barrow, which
9 was at the volunteer search and rescue building.
10 And one in Deadhorse. The one in Kaktovik was at
11 the Native Village of Kaktovik Building. So this
12 was some of our plans that we submitted to the MMS
13 and National Marine Fisheries. And we received our
14 permits and followed regulations. And now we're
15 getting ready to file our report for our federal
16 permits that we received to do and conduct the
17 seismic. We're required to monitor the marine
18 mammals that we observe from the effects of the
19 seismic operations that we did.

20 So that is, again, another regulatory regime
21 that we have to report to. And we're getting ready
22 to do our end of the season report for the seismic
23 operation.

24 Now, these seismic operations that were done
25 this summer were out in this area. Keep in mind,

1 this area is not sold, but the operators can come in
2 here and decide to shoot seismic to see what tracts
3 that they would be interested in. And that's mainly
4 the permission under the regulatory regime and the
5 permits that we file for. And that's where Shell's
6 operation stopped for '07, but they have no planned
7 activities to do any, conduct any activities. We
8 wanted to be able to get the information to see if
9 there's possible oil that is out there. And in case
10 if they open up this area for oil and gas lease
11 sales, then we want to be in a position to bid.
12 That's mainly it, that's as far as that goes.

13 MS. ANNISKETT: Is that in five years, or what?

14 MR. AHMAOGAK: Whenever the federal government,
15 like what they're proposing to you is they do -- if
16 they do open it up for oil and gas.

17 MR. KILLBEAR: Eight to 12 years, like he said.

18 MR. AHMAOGAK: Eight to 12 years, whatever the
19 time frame is after all the public hearing process
20 and this is done.

21 MR. COWLES: Thank you, Mayor.

22 MS. ANNISKETT: Mayor?

23 He ain't no mayor.

24 MR. AHMAOGAK: I'm retired now.

25 MR. KILLBEAR: I guess that answers our

1 questions.

2 MR. COWLES: And I appreciate the
3 clarifications.

4 MS. HENRY: Thank you, George.

5 MR. COWLES: Well, thank you very much. And we
6 appreciate your comments. And we look forward to
7 any others you might make for these three things,
8 the proposed program, the EIS for it and this
9 Chukchi Sea EIS. And the dates are in that handout.

10 If you have any other questions, let me know
11 afterwards.

12 MR. KILLBEAR: Are we going to hear anything
13 from National Marine Fisheries?

14 MS. TRACEY: Marie Tracey for the record. Like
15 Shell, George, and with what they were doing, we
16 like this interaction that they have with our
17 villages, that they come in and they hire people
18 from our villages to, you know, to work with them.
19 And this is kind of interaction that we would like
20 with these -- the future people that work for
21 these -- these other oil companies that come in.
22 You know, we would like to interact with them and
23 get information from them that, you know, we would
24 like to know what's going on.

25 MR. COWLES: Okay. Thank you.

1 Thomas?

2 MR. NUKAPIGAK: When is your next trip back to
3 Point Lay?

4 MR. COWLES: This will be our last trip on the
5 proposed program. So if that proposed program is
6 implemented the way its draft is, there is a
7 proposal, and it may not happen, it's still up for,
8 you know, finalization for another Chukchi Sea lease
9 sale in 2010. So sometime prior to that, say a year
10 or two, couple years before, we would have scoping
11 again. So what you want to watch is what happens
12 with Sale 193 and what leases might be issued there
13 and what additional process would take place after
14 that. And there would probably be other
15 opportunities or meetings relative to exploration
16 plans. But again, that's all very uncertain.

17 Yes, sir?

18 MR. STALKER: For the record, my name is Jack
19 Stalker again. We have hand-held radios that were
20 issued this summer. And they help the
21 communications (inaudible). Now I'm looking forward
22 this time. I hope they issue us GPS and (inaudible)
23 they were off (inaudible) this summer. And I sure
24 appreciate it, because, you know, you need that for
25 saving lives and need the communications.

1 Thank you.

2 MR. TRACEY: Bill Tracey, I just wanted to
3 include, traditional knowledge goes a long way. And
4 in this room alone, you're going to get an awful lot
5 of history on belugas, walrus, geese, ducks, fish,
6 you name it. But at the same time, I'm not sure if
7 you have tapped into a wealth of information that
8 the North Slope Borough has obtained from Point Lay.
9 We've allowed biologists to go on our beluga hunts
10 every year now for the last 20 years.

11 MR. COWLES: I know.

12 MR. TRACEY: All that is documented scientific
13 information, as far as beluga patterns, seals,
14 walrus. So I am hoping that if that didn't come out
15 during the scoping meetings, it's coming out now and
16 that's included in your EIS and all that.

17 MR. COWLES: We had a project some years ago
18 that we started to try to collect the traditional
19 knowledge in one place and we're awaiting the
20 completion of that project. So -- and a lot of
21 information we understood would be available through
22 the North Slope Borough and sources there. So thank
23 you. Yes, we're trying to keep tabs on it.

24 And we appreciate the information that's come
25 in. I have to say in my regular role as involved

1 with the environmental studies that we're very aware
2 of the assistance that the village has given.
3 Different studies over the years, not only that
4 beluga study, but I remember, oh, ten years ago, we
5 had a project Ksegaluk Lagoon. And we had
6 scientists that came and asked for your assistance.
7 And thank you very much for all that help over the
8 years.

9 MR. NUKAPIGAK: One more thing. I see you got a
10 meeting in Point Hope tomorrow. Can one of -- do
11 you have an extra seat on that flight?

12 MR. COWLES: I don't know. I'm not sure what
13 the flight will be.

14 MR. NUKAPIGAK: I want the output of that
15 meeting.

16 MR. COWLES: How would somebody obtain that? Do
17 you know, Jim, if there's a transcript from Point
18 Hope?

19 MR. BENNETT: If you send in a request, we can
20 provide. It's a matter of public record, the
21 transcript, so we can provide that to you. But we'd
22 have a to have specific request as to exactly what
23 it is you're asking.

24 MR. COWLES: Mr. Bennett's e-mail is on one of
25 these transparencies, these panels, it's on page 8.

1 MR. BENNETT: I have a couple of cards, if
2 anyone wants.

3 MR. TRACEY: What time of day are you leaving
4 tomorrow?

5 MR. COWLES: 11:00.

6 MR. TRACEY: If somebody has another question or
7 comment for you before 11:00, where can we find you?

8 MR. COWLES: We are over in the camp. If you
9 want to drop it off with me, I'm in room 10.

10 MR. BENNETT: You still have -- you can mail
11 things. You can send something via the web. You
12 can get on the web. There's a mechanism to send a
13 comment in directly.

14 MS. ANNISKETT: I'd like to thank everyone that
15 made an effort to come. I know there's a lot of
16 council members missing, but I sure appreciate
17 everyone showing up. Thank you very much.

18 (Whereupon, the hearing was concluded.)

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REPORTER'S CERTIFICATE

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I, Britney E. Chonka, Court Reporter, hereby
certify:

That I am a Court Reporter for Alaska Stenotype
Reporters and Notary Public in and for the State of
Alaska at large. I certify Hereby that the forgoing
transcript is a true and correct transcript of said
proceedings taken before me at the time and place stated
in the caption therein.

I further certify that I am not of counsel to
either of the parties hereto or otherwise interested in
said cause.

In witness whereof, I hereunto set my hand and
affix my official seal this 12th day of December, 2006.

BRITNEY E. CHONKA, REPORTER

Notary Public - State of Alaska

MMS Responses to Point Lay Comments

Point Lay 001-001

Since 1995, MMS has incorporated Traditional Ecological Knowledge (TEK) into its EIS analysis process by including Inupiat observations into the text of the EIS analyses. Indigenous speakers are cited in text and in the bibliography. In addition to other available published TEK sources, TEK has been solicited from Inupiat sources that included past and more recent testimony from community meetings conducted for MMS lease-sale hearings. Indigenous public comment in the form of 25 years of MMS lease-sale hearings in the Alaskan Arctic has been posted on the Alaska OCS Region website at <http://www.mms.gov/alaska/ref/PublicHearingsArctic/PublicHearings.htm>.

The MMS considers TEK in lease-sale and project planning, in determining deferral areas, in EIS analyses, in the formulation of new mitigation measures, in the drafting of new scientific studies, and in decisionmaking. The MMS has also posted on its Alaska OCS Region website a discussion entitled “Traditional Knowledge and How MMS Uses it in the Decision Process” at http://www.mms.gov/alaska/native/tradknow/tk_mms2.htm.

A TEK-specific subsistence report, *Passing on the Knowledge: Mapping Human Ecology in Wainwright, Alaska* (Kassam and Wainwright Traditional Council, 2001) was used in the subsistence-harvest pattern analysis the Chukchi Lease Sale 193 draft EIS. The MMS’s ongoing study *Subsistence Mapping at Nuiqsut, Kaktovik, Barrow, and Wainwright: Past and Present Comparison* will incorporate local TEK and map geographic patterns of subsistence use near these communities. The MMS will use this comparative time-series information to assess cumulative sociocultural impacts in the Chukchi and Beaufort seas regions.

The proposed Deferral Alternative III, Corridor I for Chukchi Lease Sale 193, was developed in direct response to TEK and more recent comments by bowhead whale subsistence hunters to protect important bowhead whale habitat used for migration, feeding, nursing of calves, and breeding.

We agree that traditional and local knowledge is a rich source for new information in the Chukchi Seas region slated for leasing activity and it is our policy to use research, exchanges with local governments and tribal organizations, and public meetings such as this to continue to update what we know.

Point Lay 001-002

The MMS appreciates the comment. You may request a copy of the draft EIS by either writing Minerals Management Service, Alaska OCS Region, 3801 Centerpoint Drive, Suite 500, Anchorage, Alaska 99503-5823, or calling (907) 334-5200 or toll free at 1-800-764-2627. The draft EIS may also be viewed on the MMS webpage at <http://www.mms.gov/alaska>.

Point Lay 001-003

The MMS recognizes the importance of subsistence. Its importance is analyzed in the EIS and addressed through rulemaking, lease stipulations, and mitigations. The OCS is used by many groups and individuals, but it belongs to all citizens of the United States. Under the OCS Lands Act, MMS manages oil- and gas-related activities in these offshore areas to balance all the interests, including local, State, national, commercial, traditional, scientific, military, and others. The goal is to provide opportunities to explore for and develop the oil and gas resources of these Federal areas while not damaging the environment and avoiding conflicts between users whenever possible.

Point Lay 001-004

Responsibility for oil-spill response and cleanup operations and costs rests with the company or responsible party (RP) that is conducting the operations. One of the main purposes of the Oil Pollution Act of 1990

(OPA 90), enacted following the *Exxon Valdez* spill, was to firmly establish the responsibilities and liabilities for companies conducting oil exploration, development, or production activities. The OPA 90 placed a number of requirements on these companies to be met before their operations can commence. Companies are required to establish pollution-prevention programs to eliminate or reduce the potential for oil spills and develop oil-spill-response plans (OSRP's) that address how a spill will be brought under control and cleaned up.

The company first and foremost is responsible for cleaning up a spill. They must provide the equipment and personnel necessary to respond to their worst-case discharge. Part of their OSRP requirements is to provide contractual evidence that they have sufficient spill-response assets to respond to their worst-case discharge. For most if not all operators, this is done through the use of Oil Spill Removal Organizations like Alaska Clean Seas (ACS). The ACS was formed by the North Slope oil companies to purchase and maintain spill-response equipment and provide training for personnel to meet this obligation. Should for any reason it be determined that a RP's response is inadequate, the Federal On-Scene Coordinator, a U.S. Coast Guard (USCG) representative for offshore spills, may take over the response and commit Federal assets to help clean up the spill.

Companies also are required to post Oil Spill Financial Responsibility documents with the MMS to ensure funds are available to fund oil-spill response and cleanup activities. If the company's funds are insufficient to cover the response, the Oil Spill Liability Trust Fund (OSTLF) becomes available to continue spill-response and -cleanup activities. The OSTLF is a \$2.7 billion fund that is available to the USCG and the Environmental Protection Agency for oil removal, to states for cleanup costs, to Federal, State, and Indian tribe trustees for payments to conduct natural resource damage assessments and restorations; and for payment of claims for uncompensated removal costs and damages.

Point Lay 001-005

See the response to comment **Point Lay 001-004**.

Point Lay 001-006

Oil-spill cleanup would be the responsibility of the company responsible for the spill. Use of village members for oil-spill cleanup would be up to the company conducting the spill response. For current Prudhoe Bay operations, ACS has implemented Village Response Teams in Barrow and Nuiqsut to train and use village residents for response operations. Establishment of similar teams would have to be discussed with the company operating in the area.

Staging equipment for oil-spill response also is up to the company, and that decision would be based on where a company intends to drill. If a company were to drill in close proximity to Point Lay, it may make sense for them to position spill equipment there so they can get it rapidly deployed to sites that are very environmentally sensitive or have special significance to the village.

Point Lay 001-007

Per MMS regulations at 30 CFR 250.801(e)(1), A Subsurface Safety Valve (SSSV) shall be installed at a depth of 100 feet or more below the seafloor within 2 days after production is established. When warranted by conditions such as permafrost, unstable bottom conditions, hydrate formation, or paraffins, an alternate setting depth of the SSSV may be approved by the MMS.

For operations in the Arctic, we would require that the SSSV be installed below the permafrost. If ice were to cut or damage the flowline, this valve would automatically close shutting off flow from the well.

As stated in MMS regulation 30 CFR 250.451(h), if an operator wants to use a subsea blowout prevention (BOP) system in an ice-scour area, the BOP stack must be installed in a glory hole. The glory hole must be deep enough to ensure that the top of the stack is below the deepest probable ice-scour depth.

Point Lay 001-008

Community-level effects are examined in the Sociocultural Systems, Section IV.C.1(m)(4)(a) and include population immigration or outmigration and public services, such as public safety. In the analysis, the greatest effects occur at Wainwright, the community nearest the shore base in the hypothetical scenario. Because the enclaves tend to be self-sufficient, they create little demand for government services and infrastructure. Where demand is created for these services, costs usually are recouped through a fee-for-service or some other arrangement negotiated by the developer and the affected government that provides the service, in this case the North Slope Borough. The shore base is expected to create little inflow or outflow of population in the nearby community, and community services appear sufficient to handle what little may occur. Section IV.C.1.m(5)(b) and (c) discuss a range of mitigation measures available to address some of the concerns.

See Section IV.C.1.p(4), Standard, Potential, and Ongoing Studies and Mitigation Initiatives, for a summary of mitigation that applies to the subsistence resources and the sociocultural environment. See Section V.C.16.b, Mitigation Initiatives Related to Environmental Justice Cumulative Impacts, for a summary of mitigation that applies to environmental justice issues and concerns.

**Document
002**

1
2 5-YEAR OCS OIL AND GAS
3 PROPOSED LEASING PROGRAM
4 FOR 2007-2012
5 Point Hope, Alaska
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10 NORTH SLOPE BOROUGH PUBLIC HEARING/MEETING
11 for the Draft Environmental Impact Statement

12 Taken November 15, 2006

13 Commencing at 7:00 p.m.

14 Volume I - Pages 1 - 74
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I-N-D-E-X

Minerals Management Service:

Cleveland Cowles, Regional Supervisor

James Bennett, Chief of Environmental Assessments

Albert Arros, Community Liaison

Michael Salyer, Wildlife Biologist, EIS Coordinator

Peter Johnson, Geophysicist, Resource Evaluation

Reported by Britney Chonka, CR

PUBLIC COMMENTS

Page 3

1 MR. COWLES: Well, thank you for coming
2 everybody. My name is Cleve Cowles with Minerals
3 Management Service. And Dorcas will be our
4 translator tonight, if you would like to have that
5 service. I'm with the Minerals Management Service,
6 and we're here for a public hearing and meeting, as
7 shown on this handout you have. But before we get
8 started we're --

9 MR. BENNETT: Cleve --

10 MR. COWLES: -- very honored to have Ely give a
11 blessing and appreciate that very much.

12 (Prayer was said in Inupiaq.)

13 MR. COWLES: Thank you.

14 Okay. Again, my name is Cleve Cowles. And I am
15 the acting regional supervisor for the Minerals
16 Management Service, Alaska office for -- I supervise
17 the office of Leasing and Environments. So I'm with
18 the Anchorage office.

19 And as I mentioned, the purpose of our meeting
20 is, on this first slide we're talking tonight about
21 aspects of the next five-year OCS oil and gas
22 proposed leasing program and also a draft EIS for
23 Sale 193.

24 I'd like to just ask a couple of things. We
25 have, there's a sign-in sheet, if you would please

1 sign in, particularly if you're going to make a
2 statement about these items that are on our purpose.
3 And we also have some people with us tonight who
4 will help in discussing these matters. And I would
5 like to introduce them.

6 To my left is Mr. Jim Bennett from our
7 Washington office. Mr. Bennett is the branch chief
8 for the Branch of Environmental Assessments. Mr.
9 Michael Salyer, sitting here is an EIS coordinator
10 in our office in Anchorage. Mr. Peter Johnson is
11 with our resource evaluation section office in our
12 Anchorage organization. And they are the group that
13 do the estimates of hydrocarbons that are on the
14 federal Outer Continental Shelf. Mr. Al Barros,
15 sitting at the back table there with the handouts,
16 is our community liaison specialist. And Britney
17 Chonka here is our transcriptionist, she will be
18 taking a record of your statements about these
19 matters.

20 And, in relation to that, we appreciate very
21 much if, when you do have a statement, you would
22 identify yourself for the record. What I thought we
23 would do tonight is to, very briefly, go through
24 this handout to give you kind of an overview of what
25 we are going to do.

1 Does anybody need that translated to this point,
2 and then I can start? Okay. Looks like we're okay
3 so far.

4 On the front page, page 1, the second panel,
5 there is a map, and it's similar to this map here.
6 And that shows you the areas that are in the
7 proposed five-year program for 2007-2012, that we
8 are seeking testimony on, or comment, depending on
9 your -- how you might want to do that. And these
10 have been formulated as a result of previous
11 information and analyses that we have done within
12 the Minerals Management Service, Department of the
13 Interior. And they are part of a national program
14 that plans a process for providing opportunity to
15 the oil and gas industry to lease, potentially,
16 explore and -- and if they were to discover oil and
17 gas, to develop.

18 But these are just large areas for which we are
19 setting or -- or proposing a schedule for future
20 lease sales between 2007 and 2012. So it is not
21 decided yet. It is, however, open for discussions
22 and -- and commentary.

23 And that's summarized on the second page as to
24 what we are receiving public comments for on the
25 top. Because in addition to the five-year program,

1 which has a schedule out for comment and a
2 environmental document, or draft EIS for those two
3 things, we also have a EIS, a draft EIS for a lease
4 sale that has been scheduled for the Chukchi Sea.
5 So there's these things on our agenda tonight and
6 these are our main purposes.

7 Now, there's three different things. And they
8 actually are part of this process, on the second
9 panel on page 2 of the handout. And I would just
10 like to talk about that briefly. What this is is
11 a -- a summary of the key steps for how MMS goes
12 through and how the Department of the Interior
13 approaches these questions about how best to provide
14 energy for the nation.

15 And, as you know, the demand for fuel is
16 increasing. Production is not keeping up. So the
17 Department of the Interior has goals under the laws
18 to have a process like this to find out and see
19 where industry might get an opportunity to explore
20 and go through the variety of environmental reviews
21 that this summarizes.

22 So the first line, the yellow line, is the
23 process for the five-year program. And we are, at
24 this point in time, in the third, middle block that
25 says Proposed Program and Draft EIS. And then just

1 past that, it says there's a comment period. And
2 that is the stage for the five-year program in this
3 schedule.

4 And that will eventually move to a secretarial
5 decision in, I think, roughly July of 2007.

6 MR. BENNETT: Or May.

7 MR. COWLES: Now, if this schedule is adopted,
8 as shown here, where there are lease sales proposed
9 to be held in those blue zones on that map, then we
10 would go down to this next row, which is a
11 sale-by-sale process. And that is a process of
12 focusing.

13 MR. TIMETHY: Excuse me.

14 MR. COWLES: Yes, sir?

15 MR. TIMETHY: You jumped to the middle where
16 there's a 45-day area, there was 60-day period. It
17 jumped to the 90, so we must be on the third part
18 right now?

19 MR. COWLES: I just -- I'm trying to give you a
20 sense for how the Department of the Interior of
21 Minerals Management Service provides a number of
22 different places for reviews and opportunities to
23 comment. So again, I will talk about all these
24 things as we get down on this chart. So I wanted to
25 explain, for the five-year program, we're on this

1 first row in the comment period, right after the
2 third block.

3 Now, if we proceed --

4 MR. TIMETHY: The 45-day and the 60-day period
5 already passed, right?

6 MR. BENNETT: Yes, they are already past. The
7 process began for the solicitation of comments from
8 August of 2005. And we put a draft proposed program
9 together. And then issued it and distributed it in
10 February of 2006. The draft EIS and the proposed
11 program, which is on the street now is what we're
12 looking for comments for.

13 MR. TIMETHY: So after this meeting will be
14 another 90-day comment?

15 MR. BENNETT: We're in the 90-day comment period
16 now. And it's going to be closing next week.

17 MR. COWLES: And we'll talk about those
18 specifics a little later. I just wanted you to
19 realize that these are processes and procedures that
20 we must follow according to different rules and
21 regulations that are within the National
22 Environmental Policy Act or the OCS Lands Act, for
23 example.

24 Then as we a talk about these things in more
25 detail, we can give you some more of the information

1 on dates. And before I forget, for the safety --

2 MR. TIMETHY: Jakie Timethy.

3 MR. COWLES: Thank you.

4 Anyway, and then if an oil company bids on a
5 lease and is awarded a lease, they might explore and
6 then they go through the next line. And if they
7 find oil and gas, then they have to go through more
8 reviews for a development plan. And this whole
9 process takes quite a while and has a lot of
10 opportunity for us to get ideas, suggestions,
11 comments from the public, and communities, all the
12 organizations, the tribes, subsistence groups.
13 Everybody that's interested in this gets a chance to
14 say what they think all through this before the
15 decisions are made. And this may take 10, 12 years.

16 MR. TIMETHY: Sir, Jakie Timethy again. But
17 with the democrats being voted in, do you think this
18 is -- they might not let it pass or --

19 MR. COWLES: This process will -- won't change
20 depending on the party that's in the executive
21 branch. These are -- this is how the Department of
22 the Interior does this. There has to be changes in
23 the laws for -- and right now, this is a way things
24 are being done.

25 MR. TIMETHY: Governor Hammond, like -- Governor

1 Murkowski, like, in trial for (inaudible) -- it's
2 all over the news, trying to open up --

3 MR. COWLES: There are places where the Governor
4 of the states can make comments in here, yes, sir.

5 MS. ROCK: Excuse me, wasn't that the time that
6 you had the meeting and you came here and you talked
7 about that and we did all those -- put questions and
8 answers on it. I think that's the meeting, you
9 missed it. Maybe if you hadn't missed it, you
10 wouldn't be asking these questions, because they
11 have been here before. And I have interpreted for
12 them before.

13 (Interpreter interpreting.)

14 MR. COWLES: Thank you. One point, couple
15 points that are important about this, then I'll get
16 done with this. The first portion, which -- the
17 first two rows are under the government's influence,
18 as far as schedules. And we try to follow along
19 with the schedule, the time allowed for each step.

20 However, once a lease sale is held and then
21 leases are awarded to a company that would bid and
22 have -- be the highest bidder. It's then up to them
23 to decide when they might want to submit an
24 exploration plan. That's their business decision.

25 So that's why I said this may take a range of

1 time, because we don't know how long it would take a
2 company to -- to put forth an exploration plan.

3 The second thing is that this goes from large
4 areas to small areas. Usually we have these areas,
5 that you see here in the Beaufort Sea recently, for
6 example, when we had a lease sale a couple of years
7 ago, only about six percent of that Beaufort area
8 shown there was actually bid -- was awarded for
9 leases.

10 So even though you see these large areas, the
11 company's are more interested in smaller portions of
12 it. So we don't have, usually, that large an area
13 that is awarded as leases. And so then the
14 companies will pick within what they've bid on and
15 it will even be a smaller amount that they actually
16 will explore.

17 So --

18 MR. E. KINGIT: Excuse me, do you have a map of
19 other -- do these -- the lease part already? You
20 know, we know that there's already some red marks
21 that have already been leased a few years back.

22 MR. COWLES: There is in this -- there is in
23 here. And Mr. Bennett will talk a little bit more
24 about the five-year program and then Mr. Salyer will
25 talk about that map that you just asked about. So,

1 if that's okay, we can move through this.

2 MR. SALYER: What's your name, sir?

3 MR. E. KINGIT: Earl Kingit.

4 MS. ROCK: Earl Kingit.

5 MR. COWLES: Mr. Bennett will now talk a little
6 bit more about the schedule for the proposed
7 program.

8 (Interpreter interpreting.)

9 MR. BENNETT: Thank you.

10 MS. ROCK: Oh, excuse me.

11 (Interpreter interpreting.)

12 MR. BENNETT: Thank you. Again, my name is Jim
13 Bennett. I'm with the Minerals Management Service
14 of the U.S. Department of the Interior. We're a
15 federal agency. I'm out of our headquarters office
16 in Washington. I just want to take just a couple of
17 brief moments to talk to you about the five-year
18 plan.

19 As Cleve pointed out, we're talking now about
20 two things, basically, the five-year plan for Outer
21 Continental Shelf and Lease Sale 193, which is
22 specifically in the Chukchi Sea.

23 The five-year plan for, which an EIS is
24 currently on the street for your review, identifies
25 those areas which we will consider further for

1 leasing over the next five-year period, 2007 to
2 2012. Only those areas that are included in this
3 five-year plan will be candidates for a sale over
4 that five-year period. And any area that is
5 included in the five-year plan is subject to a
6 detailed environmental review for that specific
7 lease sale, which is what Lease Sale 193, the EIS
8 for lease Sale 193 addresses.

9 And finally, the inclusion of an area in the
10 five-year plan does not guarantee that there will be
11 a lease sale. It just means that that area will
12 receive further consideration.

13 The proposed five-year program is a national
14 program. It includes eleven sales in the Gulf of
15 Mexico, one sale in the Atlantic and nine sales in
16 Alaska, including the Beaufort Sea, Chukchi Sea,
17 North Aleutian Basin and Cook Inlet.

18 The first sale in the Chukchi Sea, Sale 193,
19 which Mike is going to talk about, is scheduled for
20 2007, late 2007. The EIS that has been prepared on
21 the five-year plan is out for review right now. We
22 want your comments on it, whether it fully addresses
23 the anticipated impacts that may result from the
24 national program that we're dealing with.

25 Comments -- the comment period closes on

1 Wednesday the 24th, the day before Thanksgiving next
2 week. We can receive comments either in written
3 form, via the web at MMS.gov or the testimony that
4 you provide tonight.

5 MR. E. KINGIT: What about flyers?

6 MR. BENNETT: I'm sorry?

7 MR. E. KINGIT: Flyers.

8 MR. BENNETT: You mean like comment cards?

9 Do we have any of those, Albert?

10 MR. BARROS: No.

11 MR. E. KINGIT: We're going to -- the flyers, is
12 it okay to give flyers out?

13 MR. BENNETT: Yeah, if you want -- if you
14 want -- we don't have comment cards, per se. But if
15 you want to just write a comment on a piece of paper
16 and give it to us, we'll be happy to receive it.
17 We'll be happy to do so.

18 MR. E. KINGIT: Okay.

19 MR. BENNETT: Okay.

20 MR. NASHOOKPUK: So this meeting is documented.
21 This lady that's taking it?

22 MR. BENNETT: That's a good point. Everything
23 that's said tonight goes on the record. And
24 anything you say, the comments on either of the
25 draft EISs or on the program will be addressed in

1 that process.

2 MR. NASHOOKPUK: Can we get a copy of, whatever
3 she's writing on there?

4 MR. BENNETT: Well, you wouldn't want a copy of
5 that. It wouldn't make much sense. But we'll get
6 you a copy of a transcript that's created and we'll
7 be happy to provide that upon request.

8 On page 4, slide one, identifies a list of sales
9 that I just talked about. And the process that
10 we've been -- that we've been involved in for the
11 five-year, in addition to, approximately, 20 scoping
12 meetings, we're also in the process of conducting 19
13 public hearings, one of which is this hearing
14 tonight.

15 And we've had four hearings this week up on the
16 North Slope, or actually three because we were not
17 able to get to Wainwright on Monday. But we are
18 here tonight and we have a hearing in Barrow
19 tomorrow. We had a couple of hearings over in
20 Beaufort and Nuiqsut and Kaktovik last week.

21 The schedule right now is for us to prepare a
22 final EIS for publication and in spring 2007,
23 probably April. And a decision will be made by the
24 director, by the Secretary of the Interior on what
25 sales will continue on in this process. And -- and

1 that would be, I think in May and in July, the new
2 program will take effect. So that's the five-year
3 program and then -- yes, sir?

4 MR. NASHOOKPUK: Could you give us definite date
5 before for the Secretary of Interior?

6 MR. BENNETT: We don't have the definite date
7 right now. We know that it's going to occur.

8 MR. NASHOOKPUK: But you do have a deadline,
9 though.

10 MR. BENNETT: I'm sorry?

11 MR. NASHOOKPUK: What is your deadline --

12 MR. BENNETT: Oh, our deadline.

13 MR. NASHOOKPUK: -- for the Secretary?

14 MR. BENNETT: We don't have a deadline in the
15 sense that -- we have a target to get a program in
16 place by July of 2007, that would require an action
17 by the secretary in May of 2007.

18 MR. NASHOOKPUK: What is the deadline for the
19 comments?

20 MR. BENNETT: Deadline for the comments on the
21 draft EIS is November 24th, Wednesday, November
22 24th.

23 MS. KINNEEVEAUK: But didn't we ask for an
24 extension?

25 MR. BENNETT: We have a request for an extension

1 but we have to evaluate that and determine whether
2 or not we're going to be able to grant it.

3 I encourage you to get your comments to us even
4 if they're not exactly on Wednesday, get them in by
5 mail Wednesday, and we'll receive them, or send them
6 by the web, that would be very helpful.

7 Yeah, that's it for me on the schedule. I'm
8 going to turn it over to Mike.

9 MR. G. KINGIT: On your EIS, on the comments on
10 EIS, we're going to comment on what you -- that big
11 thick book what you gave us, especially in the
12 ordinance hazard. There is no such thing as
13 ordinance hazard within your book, it says, but we
14 all know when you open up this area, our neighbors
15 from Russia had spill out, some contaminants in the
16 Arctic. But I was surprised to see they were in
17 your ordinance hazards, there is no such thing as
18 contaminants in OCS.

19 MR. BENNETT: Okay. Well -- we'll --

20 MR. G. KINGIT: Some of the comments (inaudible)
21 some of the comments, we like to fix things within
22 the book.

23 MR. BENNETT: That's exactly the kind of
24 comments that we need to have. If we don't have the
25 appropriate information and you provide it to us, we

1 can research it and make sure it's what -- what is
2 appropriate.

3 MR. G. KINGIT: It's kind of embarrassing,
4 because we all know, back in them days, you know how
5 much the Russians spill over there --

6 MR. BENNETT: Okay.

7 MR. G. KINGIT: -- in the Arctic Region
8 (inaudible). I was kind of surprised.

9 MR. BENNETT: If you have specific information
10 to provide, we'd be happy to work with that.

11 MR. G. KINGIT: Thank you.

12 MR. BENNETT: Thank you.

13 MR. E. KINGIT: Earl Kingit, for the record. We
14 just have a hearing in 2002 and we have another
15 hearing in 2005 with MMS. Our comments are still
16 recognizable and our elders, afterwards, that were
17 here during our comment period. You should have
18 records of all the activities that we want, and more
19 important, the environmental issues under your
20 five-year plan, you know. You shouldn't -- you just
21 come here and we only got how many days before the
22 deadline of the comments?

23 MR. BENNETT: Well, we --

24 MR. E. KINGIT: Majority of our people haven't
25 even seen a copy (inaudible). And our tribal office

1 (inaudible) places (inaudible) they just sent them
2 out a couple weeks ago. Why is that? You know,
3 this is very serious issue. (Inaudible)

4 MR. BENNETT: We sent the documents out at
5 the end of August.

6 MR. E. KINGIT: (Inaudible) the Russian.

7 MS. KINNEEVEAUK: That -- I only got the, excuse
8 me, a copy of that EIS, the draft EIS in October.
9 And what he's saying is we need an extension.
10 That's why we requested one in our Native Village
11 meeting. The copy you sent us, it's very hard for
12 our council members to look at it. It's this thick.
13 And then, you know, I -- it's impossible for my
14 office to make copies for everybody. Not everybody
15 has access to the Internet where you can go over it.

16 MR. BENNETT: Okay.

17 MS. KINNEEVEAUK: So that's why they're -- they
18 are making these comments. You need an extension.

19 MR. BENNETT: We'll -- we'll -- we'll take the
20 request back, and we'll see what we can work out.

21 MS. ROCK: Dorcas Rock, for the record.

22 If I remember right, I think the meeting started
23 with the MMS in 2001, 2002, probably missed on -- or
24 a year, or whatever, last year, 2005, 2006, two
25 times this year. Last year we had a meeting. And

002-001

1 if I remember right, most of the people I see here
2 were not here.

3 Now, if you were here and we were concerned
4 about that and we have mentioned it, they were
5 talking about the sale, the past -- maybe less than
6 ten years ago. And I've -- the reason why I know is
7 I always had to interpret.

8 (Interpreter interpreting).

9 MS. ROCK: I interpreted what you were saying.

10 MR. E. KINGIT: Earl Kingit, for the record.
11 You know, thank you, Dorcas, for interpreting that
12 pretty good. But, you know, there might be a few
13 people here, all right, but we do have over 50
14 strong that opposing our -- the MMS lease sale. And
15 we were stronger in 2002 when our elders took the
16 fight and you guys listened. So thank you, Dorcas.

17 MS. ROCK: One more, I forgot. I'm sorry.

18 (Interpreter interpreting).

19 MR. G. KINGIT: I still got one more. You know,
20 like -- like about your EIS, we just got our EIS two
21 weeks ago. And that's a big, big book to read. And
22 that's the reason why they wanted an extension. I
23 have not yet presented it to my council because it's
24 so darn thick. But some of the things we see in
25 that EIS, what I go through just a little bit,

1 there's some things we'd like to say about, because
2 we like to comment on your EIS, too. That's why she
3 asked for extension.

4 MR. BENNETT: Okay.

5 MR. G. KINGIT: My name is George Kingit.
6 I'm Native Village of Point Hope.

7 MS. ROCK: (Speaking in Inupiaq.)

8 MR. SALYER: Okay. My name's Mike Salyer. I'm
9 a wildlife biologist, and I function as an
10 environmental impact statement coordinator for the
11 Minerals Management Service and the U.S. Department
12 of the Interior. And what we've been talking about
13 up until now is the program environmental impact
14 statement.

15 And these gentlemen have discussed a little bit
16 about how, within that program, we have specific
17 lease sales that we also conduct environmental
18 impact statements on. And that brings us to Lease
19 Sale 193 Chukchi Sea Environmental Impact Statement.
20 And that you can find over on page 5 in your
21 handouts beginning with the slides that I'm just
22 going to talk about briefly.

23 Corresponding with these slides, we also have
24 the map on the left-hand -- my left-hand side over
25 here, where it shows the lease sale area. We began

1 scoping for this process, we discussed it a little
2 bit, September of 2005 where the villages --
3 everybody went to the different communities and
4 spoke with folks and tried to get everyone's input.

5 During that time, we took that input and we used
6 that to develop our alternatives that also get
7 analyzed along with the proposed action. Now, the
8 proposed action for Lease Sale 193, you can see in
9 the map in your handout, as well as this map over
10 here, would be the area that's outlined in green, in
11 bold green. And this map occurs in your package, as
12 well, back in the back. Okay. That's the Chukchi
13 Sea Lease Sale area for 193, that this environmental
14 impact statement that's out there right now is on.
15 That was the analysis.

16 Now, the comment period for the draft
17 environmental impact statement, the comment -- the
18 deadline for those comments are -- is December 19th,
19 okay. December 19th for the environmental impact
20 statement for Lease Sale 193.

21 As a result of the scoping process that we had,
22 we took those comments and that's where we came up
23 with the deferrals. You can see the different
24 colors. You can see them a little better in your
25 packet. We have two deferral areas as alternatives.

1 Now, those aren't our decisions, but we're going to
2 take the information that you've given us so that we
3 can present that to the decision-makers in that
4 document so that they will choose a plan.

5 And the first one -- the corridor 1, we call it
6 in the document, that's out there in the
7 environmental impact statement, is the largest area.
8 And it occurs nearly 60 miles out from the coast.
9 And that's the, sort of the purple area that you see
10 on that map. It's also in your packet. Okay.

11 And then we have another corridor, you really
12 can't see too well on this map, you can see it's
13 kind of got lines through it. And it's in blue.
14 And that's alternative, that's corridor 2. And that
15 was a result of some information at the time that we
16 had in coordination with National Marine Fisheries
17 Service. And then, like I said, the proposed action
18 is the entire project ID area, which is the area in
19 green.

20 So at this time, that's where we want to open up
21 for any comments, we would like you guys to respond.
22 Clearly it's been made known that there's some
23 communication breakdown and we certainly want to
24 work on communicating better so that you're able to
25 get the information you need to comment. So that's

1 Lease Sale 193, Environmental Impact Statement.

2 MR. G. KINGIT: In other words, you gave them
3 more from 33 -- 33 to 40 something?

4 MR. BENNETT: I'm sorry, sir?

5 MR. G. KINGIT: You gained more since the last
6 time in 2000? 2002 to 2007? You'll gain more --
7 more land on the lease sale.

8 MR. SALYER: In the program area Jim was talking
9 about, it goes further up. The environmental impact
10 statement I'm referring to is just the green ID area
11 was done, the analysis. So for that next go-around
12 in the Chukchi, clearly there will have to be more
13 analysis done on that one when it comes to that
14 point in the process.

15 MR. FRANKSON: Are you open for comments now?

16 MR. SALYER: Yes, sir.

17 MR. FRANKSON: My name is Ernie Frankson. And
18 I'm a whaling captain here in Point Hope, member of
19 one of the two oldest family clans in the history of
20 North America. And the comment I would like to
21 give, and the information following up the comment,
22 is that I do not want to see oil drilling offshore.
23 And I'll tell you why. Because anywhere in -- in
24 that lease area that you drill, and if one of those
25 wells happens to break and some of the oil spills

002-002

1 out, there's no way you can go to that piece of ice
2 where all the ice flows up -- or all the oil flows
3 up, and it's carried to who knows to where, if a oil
4 spill happens.

5 And the reason I say that is because we have
6 seen what the oil spill in Anchorage has done. And
7 it hasn't been cleaned up. And there's no ice
8 there. And not only that, the people that worked
9 for cleaning up the place that worked there,
10 cleaning up the oil are now dying of cancer from
11 exposure from cleaning up the oil. There's -- some
12 are dying of cancer.

13 So we know what kind of things to expect in the
14 event that you have to clean up oil up here. And as
15 far as I'm concerned, there is no such plan for
16 cleaning oil in the arctic because of the ice. The
17 ice will migrate, as you know, recedes about 500
18 miles north of here, the polar cap recedes. And all
19 of that -- all that oil is going to remain under
20 that ice and it's going to be disbursed.

21 And then environmental hazards you have from
22 that are tremendous, judging from what we have seen
23 in Valdez oil spill, because this area here is --
24 feeds roughly one-fourth of the world in fish.
25 One-quarter of the world's fish that people eat

002-002

1 comes through here. Where the Arctic Ocean pours
2 out at the Atlantic and where it pours out into the
3 Pacific, one-quarter of the world's fish. And this
4 is the area that I feel that will have the greatest
5 impact, should a -- should a disaster occur.

002-002

6 And because you are here for the comments, I
7 would like for you to consider that there is no
8 drilling offshore for these leases, but drill
9 diagonally from land. You can drill and sell these
10 areas that you can reach from land by drilling
11 diagonally. That's the only safest thing I can say.

12 Because you're sitting here in Point hope, the
13 oldest continuously occupied settlement in North
14 America known today and what you do here, and if you
15 don't consider what we have to say, you become a
16 party as Department of the Interior and also Marine
17 Mammal Services, you have become a party to a
18 destruction of an oldest, oldest continuously known
19 people. You're looking at them. You're sitting
20 here at the oldest place in North America.

21 What risk is that, then? All the problems that
22 comes from oil when it is spilled from the cleanup,
23 they're all devastating. Exxon already showed us.
24 People are dying of cancer. They can't clean it.
25 It will never be the same again. And because

002-003

1 offshore drilling has been opposed by the elders
2 when I was living in Barrow and they wanted to know
3 why they're go offshore. Because someone gave them
4 consent to go offshore. The consent was already
5 given.

6 But the point is that you're taking comments and
7 I want to go on record as a whaling captain and as a
8 member of the oldest known community in North
9 America that's still occupied by saying I oppose any
10 offshore drilling, because of the impact of seismic
11 studies has on animals.

12 And recently, right off of Australia, a whale
13 was dead where the oil companies were doing seismic
14 work. So these are some of the effects that -- that
15 you are having to deal with. And I would like to
16 put those on record, because seismic study kills
17 animals. Because oil that's been spilled kills
18 animals and because the oil that was cleaned --
19 being cleaned up also kills the people that cleans
20 it up.

21 And here I have never seen a plan where there's
22 a plan to take oil away from the ocean. How are you
23 going to do that? That entire ocean is covered with
24 ice. And oil will seep right up to the top, it will
25 be carried and released. And the destruction,

002-004

1 they -- destruction everywhere.

2 Because of those reasons, because of the
3 one-quarter of the world's fish that you eat every
4 day when you go into restaurants or you're at home
5 having a sandwich, comes from here. These are some
6 of the things that I would like to see, no offshore
7 drilling, no pads offshore. If there is any
8 drilling, it should be diagonally done from the
9 shore.

10 And so that -- I just wanted to comment that, I
11 just want to know if you were open for our comment.

12 MR. SALYER: Thank you for your comment, sir.
13 Appreciate that.

14 Yes, sir?

15 MR. E. KINGIT: You have any wildlife out there
16 where you have the lease sale, any animals?

17 MR. SALYER: Yes.

18 MR. E. KINGIT: I am concerned about the -- Earl
19 Kingit, for the record.

20 I'm concerned about the walruses, the beluga,
21 all that.

22 MR. SALYER: Yes, sir.

23 MR. E. KINGIT: Once you apply oil out there,
24 how you going to take it out and where is it in a
25 map, or where are your staging areas, where are your

002-005

002-005

1 cleaning areas? We want to -- we would like to see
2 that. We asked for that in 2002 and 2005 to MMS.
3 And while you're in the wildlife thing, too, you
4 know, I love wildlife, too, because I depend on
5 wildlife and I'm glad you're a wildlife man, too.

6 Under the Department of the Interior's
7 direction, she's got trust responsibility to
8 endangered species, animals, we all know that. Got
9 trust responsibility. And the one that really will
10 be affected is the bowhead whale. Like what our, my
11 nephew over here said, we are the oldest and active
12 community in the Arctic.

13 Where does the Secretary of Interior stand on
14 the endangered species animals? Pretty quick the
15 polar bears will be listed on the endangered species
16 list. We heard in record that there's only 1500
17 left. We are concerned. We already got some
18 seismic operation going on right now. Those poor
19 animals out there in the ocean that we depend on,
20 are they going to come back? Are they going to
21 really show up next year, like we always expected
22 them for 20,000 years? We are concerned.

002-006

23 Department of the Interior, you all work for the
24 tribes of Point Hope. Work for them. The
25 Department of the Interior have a responsibility to

1 the tribe. So there's very few of us out here. So
2 I went out and picked up some flyers in which I'll
3 read, there's over 50 of them, we had such a short
4 time to collect more, but this flyer, reads: Dear
5 Mr. Gall, it concerns me that noise and pollution
6 from oil activity and Beaufort and Chukchi Sea
7 planning area of the Arctic OCS will harm water,
8 land, whales and other wildlife. Well, both
9 wildlife, that are very important. That are
10 important to sustain our culture.

11 People in the Prince William Sound which Ernie
12 commented on, were told they would not be a big
13 spill and there was -- the oil industry could clean
14 it up and it still hasn't been cleaned up. There
15 was a long-lasting harm to water, land and
16 subsistence food from Exxon spill. There were
17 long-lasting emotional trauma to individuals and
18 just to the communities of Exxon spill, cleanup and
19 litigation. Yet none of these long-lasting harms
20 are recognized or addressed in the draft of EIS.

21 Once again, yet, none of these long-lasting
22 harms are recognized and addressed in the draft EIS
23 for the five-year plan. Chukchi Sea Sale 193, other
24 lease sale we do not want (inaudible) to our ocean
25 and culture. I oppose oil and gas leasing in the

1 Beaufort and Chukchi Sea and we remove these areas
2 from your plan. Thank you. We're 50 strong here,
3 over 50. Thank you.

4 MR. SALYER: Thank you.

5 Yes, sir.

6 MR. SCHAEFER: For the record, my name is Jack
7 Schaefer. I am the grandson of Jimmy Killagook
8 (phonetic). My Inupiaq name is (in Inupiaq). My
9 grandfather caught 23 whales in his lifetime and
10 that is quite a few. And I was raised by my
11 grandparents and we had to eat. We were all poor,
12 all of us. You were considered rich if you had a
13 box of Sailor Boy crackers and tea and coffee and
14 sugar and canned milk. You were considered rich
15 during the time that he was alive.

16 Now things have changed a little bit from
17 Prudhoe Bay and we have infrastructure here, add a
18 bunch of jobs and they're going through a whole
19 bunch of cuts. And we do now have a very high
20 unemployment rate. And we are bound to eat our food
21 in the ocean and on the land because we have no
22 money.

23 As they have said, we are the oldest continued
24 people inhabiting here. We had a federally
25 recognized tribe, the Native Village of Point Hope.

1 It has a government-to-government relationship with
2 the United States government. And we've always been
3 very patriotic to the United States government. The
4 United States government has listened to us because
5 of what we believe. And we have been diplomatic
6 with them, indicating our concerns and we have been
7 listened to.

8 Things have changed during the Bush
9 Administration and dealing with the desires to catch
10 up and fill the pockets that have been empty as a
11 result of the scams that have taken place by major,
12 big companies who have stolen and lost their retired
13 benefits for the citizens of the United States in
14 the Lower 48, which considered -- a considerable
15 economic impact to them. As a massive type of rush
16 to try to save those people and prevent a revolution
17 from occurring, they created this energy crisis.

18 Now that administration has been changed as a
19 result of the control of congress and senate from
20 republicans to democrat, you can see on the face of
21 Bush that things have changed. He can no longer try
22 to push and create this scare tactic that there is a
23 very shortage of oil. OPEC has agreed that it will
24 not increase production in order to maintain and
25 lower the price of fuel.

1 They are the ones that control the supply of
2 oil, all these countries. By creating this illusion
3 of an oil shortage, that was how they were able to
4 get their way in pushing for all these things to
5 occur in a very quick time. That has changed.

6 Even the reports from credible people have
7 extended the oil existence for more than 120 years.
8 There is no oil crisis. It has been a thing to
9 recover for those citizens who have lost their money
10 from major oil companies that have misspent their
11 retirement funds, like Enron, for example.

12 Now that they have recovered from that and
13 things have changed and a loss of our citizens that
14 have had to go to war to try to protect this thing
15 have been overwhelming. And now we're seeing these
16 changes.

17 In regards to the environmental impact
18 statement, on October 23 and 24, there was a meeting
19 in Anchorage that involved the North Slope Borough,
20 the Alaska Eskimo Whaling Commission, the oil
21 companies, the federal government in relation to the
22 Chukchi Sea and what was going on. Tribes were not
23 invited to attend.

24 And so they were not able -- we were not able to
25 see what the reports have been given in relation to

1 the monitoring, nor have we been given any
2 information in regards to the seismic activities
3 that took place over a ten-year period, which was
4 referred to as 2D seismic activities. Now they're
5 doing a 3D seismic activities.

6 And all this time we had thought that the
7 impacts on those animals, ocean animals were from
8 the Red Dog Mine in 1989 when it reached a peak near
9 the end of that seismic activity. Just recently we
10 found out that the seismic activity had occurred and
11 so we were able to put pieces together and be able
12 to understand why there were gray whales and animals
13 washing up on the beach during that time period.
14 All this time we thought it was from Red Dog Mine.

15 To this day, despite the millions of dollars
16 that was spent and given to the North Slope Borough
17 Wildlife Management Department, we do not have any
18 documentation in regards to the results of those
19 impacts. For what reason, is very unclear. But
20 I'll say this, because that information has not been
21 provided to us, we are not able to adequately voice
22 and provide evidence to you about the impacts of oil
23 and gas activities, because it's been withheld from
24 us.

25 During that meeting in Anchorage on the 23, 24,

1 25, the oil companies had requested that NOAA
2 comply, along with what the Mineral Management
3 Service had already committed to, in preventing the
4 monitoring data to be none FOIA-ble, Freedom Of
5 Information Act requestible. We can't ask for that
6 information under the Freedom of Information Act
7 request, which is something that we have a right to
8 know.

9 How can we respond to an environmental impact
10 statement and respond to oil and gas activities when
11 we don't have access to that information? And we
12 are considered as uncredible people in reference to
13 what we're saying in dealing with the animals that
14 we have noticed because we are grassroots, we are a
15 small community. We don't have that college degree.
16 We don't have a salary that labeled us as a monitor
17 or a wildlife biologist to prove those impacts that
18 we have seen and that have been withheld. And so we
19 are unable to provide a clear response as to the
20 impacts.

21 And the industry is using that to their
22 advantage, as the United States has done before in
23 the past, in regards to the problem with the nuclear
24 legacy. You don't have any information, you don't
25 have any evidence, let's study it. Let's gather

002-007

1 this information. During that time we'll go ahead
2 and do this development. By the time you get that
3 information, there may or may not be a disaster.
4 And it might be too late.

5 And then having the government respond: We'll
6 try to accommodate you on this, so that no Tom, Dick
7 and Harry can be able to have access to that
8 information, using the excuse they might find out
9 where the location of those ships are. So what? We
10 don't -- what do we care about where the ships are?
11 What kind of excuse is that? We're trying to gather
12 information in relation to impacts on animals, not
13 just whales.

14 We have been told that the tribe cannot deal
15 with the government because there's an arrangement
16 with the Alaska Eskimo Whaling Commission, which is
17 only responsible for whales, not for seal, not for
18 fish, not for ducks, not for ugruks, not for marine
19 mammals. They are only responsible for whales.

20 And that has precluded us from having this
21 government-to-government relationship. And we have
22 been forced to go to court as a tribe to fight for
23 our people to ensure and to gather that information
24 and to provide it to you as an accurate response and
25 to show the truth about the impacts. Without that

1 information, it's very difficult for us to provide
2 that information as we seen in regards to the
3 seismic environmental assessment, which had a
4 finding of no significant impacts, because the oil
5 company said there's no data out there, even though
6 there were millions of dollars that were spent by
7 the North Slope -- through the North Slope Borough
8 for wildlife studies.

9 And so it's very difficult for us to provide you
10 with evidence. And we don't know how long it will
11 take us to gather that information through a
12 discovery process as we continue through the
13 litigation stages on the different stages of oil and
14 gas development. We just started on this, just on
15 the seismic, we're going to be getting into other
16 things as time goes on. These seismic things and
17 these agreements with the Whaling Commission is on a
18 seasonal basis every year.

19 So it makes it very difficult for us to get our
20 ruling by a federal judge in time. By the time a
21 judge re-rules on it, the seismic period will be
22 over. At two percent per year, that's how much they
23 will be covering, it will be a lot of years for them
24 to complete it. It took them ten years to cover
25 from the Canadian border all the way to Point Hope.

1 And we didn't even know it happened. We didn't even
2 know that there were five wells that were drilled
3 off of Cape Lisburne. They didn't have very many
4 public hearings, because we always said no.

5 Last time we made our strong comment in regards
6 to the Chukchi Sea Lease Sale was in 1995 in
7 Anchorage, referring to a code that we had passed,
8 which is the Offenses Against the Peace and Security
9 of the Inupiat of Point Hope, which is international
10 code. And that stalled and had stopped it for a
11 while. And then here you are again, back.

12 You do a five-year lease period and then you do
13 another five-year lease period. The oil companies
14 don't want to provide the monitoring data until the
15 next lease period. We've gone through two lease
16 periods over a ten-year period in a very short time.
17 The 2002 to 2007, and the 2007 to 2012, two lease
18 periods, bang, one right after another.

19 And we haven't received that data yet. There is
20 no communication between the oil companies. We have
21 not received any information in dealing with the
22 monitoring and the impacts. The monitoring
23 requirements said that you can only look at one side
24 of the book, not on the other. One oil company
25 wants to eliminate the monitoring all together,

1 wants to increase the decibel levels, wants to
2 eliminate the buffer zone because they say it costs
3 too much and it's a danger to their personnel to
4 fly.

5 And now they're going to use drones to do that.
6 Completely 180-degree turn from the Conflict
7 Avoidance Agreements that were signed that had these
8 mitigation measures, that company want to wipe them
9 out. And that's why we went to court. The judge
10 made a ruling today saying that it is moot, we'll
11 throw it out. By the time I make a decision here,
12 the seismic activities for this season will be over,
13 after my decision will be made, after they're done.

14 So what's the use? That is what has been
15 published today to the world. And it gives the
16 impression that we have lost our fight. We have
17 been in court for some time, several times since the
18 early 80s when we fought for the ocean, for title in
19 determining the boundary of Alaska. Had some lousy
20 attorneys. Lost those cases. Had cases that were
21 decided on and not published and not provided to,
22 from the Ninth Circuit court in San Francisco. And
23 then had our regional tribe doors closed as a result
24 of those expenses that were paid out of the pocket
25 of that tribe.

1 They closed the door. You misspent your money.
2 They didn't have any money to go to court. They had
3 to get it from somewhere. And now we're stuck with
4 a nonprofit law firm that does its own thing at its
5 own discretion and has not helped us in regards to
6 our concerns for endangered species. Specifically,
7 the right whale has not been included. It's an
8 endangered species. The Internet says that they
9 only go as far as Nome. They go all the way up
10 here.

11 The same things goes for the killer whale. We
12 don't eat them, but we respect them. There are
13 tribes in Alaska that really respect the killer
14 whale. They travel from Southeast Alaska, go all
15 the way up here and turn around and go back. But on
16 the Internet they say there isn't any. And we are
17 not credible. What we see with our eyes is not the
18 same was on paper and we can't prove that unless we
19 have photography. But that is something that we are
20 trying to tell you. There are only 550 killer
21 whales. If that isn't an endangered species, I
22 don't know what is.

23 You know, that -- these -- there's a discussion
24 about federal law, the Endangered Species Act, the
25 habitat, but the information is being controlled.

1 And we are unable to prove what is -- what is the
2 truth. And it might be too late for us to get it.

3 I am just hoping, as a government-to-government
4 relationship, that there will be people that will
5 blow the whistle, that there will be people that
6 will pass on the message and correct some of these
7 inadequacies and the lack of this
8 government-to-government thing. Because the tribe
9 is considerably handicapped because there's this
10 agreement and arrangement between the Minerals
11 Management Service and a nongoverning organization
12 that does not perform governmental functions and has
13 a semi-authorization to do that, but has veered away
14 from it's mission in protecting the whale.

15 MR. COWLES: Sir --

16 MR. SCHAEFER: This a comment I'm making. The
17 comment period was open by this -- the previous
18 person.

19 MR. COWLES: Might I suggest we take a break and
20 you could resume? I think the other thing I'm a
21 little concerned about is I'd like to make sure the
22 elders and parents who might need to go home would
23 have a chance --

24 MR. SCHAEFER: I'm almost done.

25 MR. COWLES: Okay. Thank you.

1 MR. SCHAEFER: I am almost done.

2 And by interrupting, you had disrupted my
3 thought. I might have to start over. Have you ever
4 thought of that.

5 This government-to-government relationship has
6 to stay within the tribe and the federal government.
7 We have a constitution. We have a
8 government-to-government relationship. We have not
9 benefited whatsoever. There has been an arrangement
10 in Canada where they will receive 85 percent of the
11 royalties from oil and gas development from the same
12 companies. And what do we have? Nothing. We are
13 highly unemployed. We survive on the animals. If
14 we lose the animals, we are gone, we are wiped out.
15 And the views of outsiders and others, it may be
16 considered classified as an ethnic cleansing. As
17 was stated by our whaling captain, we are the
18 oldest, continually occupied people in North America
19 here. By having information that's not Freedom of
20 Information Act obtainable has been a very big blow
21 to our tribe and our community to prove that there
22 are impacts.

23 There is no contingency plan. There is no
24 cleanup plan. There is no way to clean up an oil
25 spill up here. There is no infrastructure for

1 transportation of that, aside from tankers. And how
2 is that going to be done? And how is the
3 maintenance going to be done with that?

4 We have been opposing oil and gas development
5 for a very long time because there has been no
6 answers in dealing with how you clean up a mess and
7 the long-term affects of oil and gas pollution from
8 an accident or disaster.

9 And hopefully, with the extension of time, we
10 will be able to gather some of that information so
11 that we could prove that there are impacts. They're
12 saying there's no impacts from seismic activities.
13 There is some information in relation to that, it's
14 hard to have access to it.

15 The International Whaling Commission had
16 indicated they are concerned about seismic
17 activities, but didn't go beyond that point, saying
18 that they need further study. The oil and gas
19 activities offshore is far too soon. There are
20 other massive oil and gas deposits in Canada and the
21 Lower 48 that can continue to hold us aside from
22 those other countries.

23 We are the Last Frontier. We are the sanctuary
24 for animals and fish up here. There's very little
25 traffic up here. You can't imagine how relieved

1 those killer whales feel when they come up here with
2 all the openness and peacefulness. You know,
3 one-third of our fisheries is from up here and
4 passes through here, and that's not ever talked
5 about. The only people that had recognized that was
6 the U.S. Department of Defense in dealing with their
7 cleanup of the DEW Line sites. That's what forced
8 them to clean up the DEW Line sites, was because of
9 the impact on fisheries because of the PCBs that
10 were leaching into the ocean from those DEW Line
11 sites.

12 I strongly urge that you extend time. I
13 strongly urge that there is bonafide
14 government-to-government relationship with the
15 tribe, not with a nongoverning organization. A
16 nongoverning organization is not a tribe, it's not a
17 government.

18 MS. KINNEEVEAUK: And not only that, there's
19 communication issues. My name is Emma Kinneveauk,
20 for the record. I'm the EPA manager.

21 Like Jack had mentioned, there's communication
22 issues. And it's bad. I tried calling up north
23 about the EIS I received on October 23, and I
24 received a e-mail later on that afternoon about
25 these meetings they're having down in Anchorage.

1 And the lady I talked to at EAWC (phonetic) she got
2 upset with my questions. I told her we have a right
3 to know. We're being impacted directly. And she
4 just asked me, what does EPA Department have to say
5 about all this? I said we want to know. And she
6 hung up on me. That, to me, is uncalled for. And
7 if we can't communicate, we're not going to find out
8 what's important for us to hear to give you an
9 effective comments.

10 I want to know, and I want to see that Conflict
11 Avoidance Agreement made with the industry and AEWC.
12 I have a right to know. I'm being impacted
13 directly. My way of life -- everybody's way of life
14 around here, we all live off the land, we all live
15 off the ocean. We live -- we catch whales, you
16 know, ugruk, everything from the ocean.

17 And that was -- that was such a big
18 miscommunication. And that's uncalled for. And I'm
19 not going to work with anybody that has that feeling
20 against us. We are the tribe, like he said. You
21 guys need to have a government-to-government. We're
22 a federally recognized tribe.

23 And I appreciate you guys coming out here to get
24 comments and everything, but I agree with most of
25 the comments that were made. A lot's happened way

1 too fast.

2 And we just found out about what happened on the
3 other side of Cape Lisburne, or whatever. We didn't
4 even know about those seismic testing. I've never
5 heard of that and I've lived here most of my life.

6 MR. COWLES: Thank you very much. I appreciate
7 all of these comments that are being made for the
8 record. And I think we would like to take a break
9 so that the people can go to the bathroom, have some
10 coffee. And then we will resume in ten minutes.
11 Thank you.

12 (Thereupon, a brief recess was taken, after
13 which the following proceedings were had:)

14 MR. COWLES: Thank you once again for coming.
15 I'd like to resume the matters about the Outer
16 Continental Shelf Oil and Gas Program, proposed
17 program, Sale 193. Because it is getting late and I
18 know there are some people who have not had a chance
19 to speak who would like to and I want everybody to
20 have an opportunity and feel welcome to speak. I'd
21 like to ask you to, perhaps, try to limit your
22 testimony to maybe five minutes so that everybody
23 gets a chance. And then when we seem to have gone
24 through all those who would like to present, then
25 for those who would like to add a few things

1 compared to what they may have said previously, we
2 can certainly provide that opportunity.

3 The other thing at this time, because we do have
4 three things on the subject matter, the five-year
5 program, the DEIS of the five-year program and Sale
6 193, if you would be so kind as to mention not only
7 your name, but what you are presenting a testimony
8 on, that would be helpful to us. Otherwise we will
9 take your comment and consider it in relation to all
10 of the items we have brought to your attention
11 tonight.

12 So if there is anybody else who would like to
13 make testimony relative to these matters --

14 MR. SCHAEFER: Can I finish what I was saying
15 before we went on break? This is Jack Schaefer, for
16 the record, Vice President of the Native Village in
17 Point Hope.

18 In regards to the seismic activities that were
19 done during the ten-year period ending 1989, the
20 tribe was inactive, the State of Alaska and
21 congressmen and the senators had indicated that
22 there were no tribes in Alaska, the Native Village
23 of Point Hope was in limbo. They had not funding,
24 they had no contract with the BRA (phonetic). They
25 were inactive tribal government until NOAA said to

1 the AFN, we recognize federal tribes in Alaska.

2 Then we were able to get a contract and to have
3 a government-to-government relationship revised,
4 before then. After Alaska Native Claims Settlement
5 Act was passed, the regional corporation's nonprofit
6 took over the tribal actions as the nonprofit to
7 Alaska Native Claims Settlement Act. The tribes had
8 to fight for their recognition and to be recognized
9 by the federal government to perform services for
10 its people. And it took that long for that to
11 occur.

12 In the meantime, these things had occurred and
13 so the tribe was left out and were unable to make
14 comments. And this is before the executive orders
15 that were issued on the government-to-government
16 relationships that were issued by Clinton. I can't
17 remember the other one, Carter? No? There was a
18 few executive orders. We had a long, long struggle
19 to regain recognition because of our responsibility
20 to our people and to have this
21 government-to-government relationship that exists
22 and still exists today.

23 The United States has a responsibility to help
24 our people in Alaska for self-governments for the
25 United Nations Charter in 1946 and '48 under the

1 Contract of Free Association under the United
2 Nations on pacific policy. Alaska and Hawaii were
3 included in that. United States was responsible for
4 the indigenous peoples to become their own nation.
5 Instead they had military come up here and vote to
6 become a state and circumvented that process,
7 although that responsibility still exists today.

8 And so that was one of the reasons why we would
9 fought so hard to revive ourselves because of our
10 fears. In the meantime, the Inupiat community went
11 to court and had their doors shut because they had
12 no money to pay for their legal costs. And we are
13 in that boat right now. We're using a nonprofit law
14 firm, because we have no money. And it's a hard
15 struggle to try to protect our renewable resources
16 as a government.

17 And we don't have the resources to apply for
18 grants to do the biology studies and stuff like
19 that. We're still kind of young. And -- and -- and
20 being eligible and we've been circumvented and
21 precluded from applying for those, because the
22 municipalities, nonprofits and other entities have
23 been eligible for them.

24 The National Science Foundation only provides
25 grants to institutions and you municipalities.

1 Tribes are not eligible for National Science
2 Foundation funding. And so we have been prevented
3 from being able to participate and to train our
4 people to do this, to make it easier for you to make
5 clear decisions.

6 Instead there are those that have been delegated
7 to do this in our place. And we have given full
8 faith and credit to them. So we credit the North
9 Slope Borough for not providing that information and
10 withholding it. We don't know if they are
11 accountable for their work, you know.

12 There's so much information that's gathered.
13 This is a large area that we're covering, from
14 Canada all the way to Point Hope, Chukchi Sea and
15 the five-year plan. The animals go from here all
16 the way to Canada and back. We all eat the same
17 food. And so it's hard for us to provide you with
18 this adequate information because of those things
19 that have prevented it and the barriers that have
20 been created, and that we're just now starting to
21 overcome.

22 And to hear that we don't have representation
23 and that the Minerals Management Service only has
24 this arrangement with the nonprofit, nongoverning
25 organization, which is kind of strange. And that's

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1 a question that I have; is that true?

2 MR. COWLES: Sir, I don't know the answer to
3 that question exactly. I do know that the
4 Department of the Interior, particularly the
5 agencies in Anchorage, are trying to work together
6 to better address some of the matters and types of
7 things that you're talking about, in terms of how
8 our department can provide capacities to other
9 organizations to respond to the many requests we
10 make for information. And those sorts of
11 discussions within the Department of the Interior
12 agencies are underway. And I don't know much more
13 than that. But I think you will be hearing more
14 from the Department along those lines at some time.

15 Are there any other comments? Yes, sir?

16 MR. E. KINGIT: Earl Kingit, for the record.
17 I'd be requesting for a 45-day extension for the
18 comment period. The main reason I'm calling for 45
19 day comment period is because that October 23, 24
20 meeting you had with AWC and the North Slope Borough
21 Wildlife Department without the tribe, without the
22 main people that will be impacted. It is sad that
23 MMS is planning an organization that almost heard a
24 few years back.

25 When IWC says we are not going to hunt bowhead

1 whales anymore, who is the people that were
2 representing us? Alaska small whaling commission.
3 I have seen my people sad when they announce that we
4 might -- won't be able to hunt whales. I could see
5 my people sad when the oil companies can do the
6 seismic operation and do some exploration and the
7 ocean (inaudible) the bowhead whales.

8 It is sad to hear that the oil companies are
9 giving money to Alaska Eskimo Whaling Commission and
10 Point Hope Whale Association. For what? Are they
11 going to be bought out, or what? We are not aware
12 of what's going on at the community with the AWC,
13 like our EPA director said.

14 And when you shut down our vice president during
15 his comments, is very rude. Put that on record.
16 The Secretary of Interior ought to take a good
17 thought about that, the time you had stopped our
18 vice president of our tribe during his comment
19 period.

20 But I request on behalf of the bowhead whale,
21 the walrus, the belugas, the shrimps, the crabs and
22 all these species I named, the (inaudible). We have
23 our man here from the wildlife. He knows all the
24 activities that's going on in the wildlife or the
25 ocean. On behalf of those animals and behalf of the

1 20,000-year-old community, I request for a 45
2 recommendation -- extension. Thank you.

3 MR. COWLES: Thank you.

4 MS. FRANKSON HENRY: For the record, my name is
5 Aggie Frankson Henry, and I am a tribal member of
6 the Native Village of Point Hope. And I am a direct
7 descendant of my people. I've lived here all of my
8 life. I am a United States citizen. I am Inupiat
9 mother, a daughter, a sister, a friend. I'm a
10 hunter. I'm whaler. I'm a sewer. I'm a provider.
11 I would like to see this passed onto my -- my future
12 generation. I would like to see my grandchildren go
13 out whaling. I would like to see my children go out
14 hunting and gathering food for their families.

15 Like it says: In God we trust. That's what I
16 put my trust in, in God. Because he provides for me
17 from the ocean, from the land and from the sea. And
18 with the Minerals Management Service, the Chukchi
19 Sea Planning Area Oil and Gas Lease Sale 193 and
20 seismic surveying activities in the Chukchi Sea, to
21 the Secretary of Interior, I oppose this matter,
22 because it will affect us spiritually, mentally and
23 physically.

24 A lot of our elders and our community members
25 are hurting from cancer. Up today I wonder why

1 it's -- it's been in our community. We were
2 affected from the atomic bomb that was going to be
3 placed at Project Chariot. With our voice, we
4 stopped that activity. And with our voice today, I
5 oppose this project -- I mean gas -- oil and gas
6 Lease Sale 193.

7 I take pride in what I do as an Inupiat. My
8 Inupiaq name is (in Inupiaq). And these names were
9 given to me by my parents. I respect my culture. I
10 respect my elders. I respect my community. And God
11 has provided for us, the nutrition we need to
12 nourish our body, which is from the animals we use
13 as harvest to feed our community.

14 We not only feed our community, we feed our
15 neighbors. We have two clans, (given in Inupiaq).
16 Those are the only two clans I know of that exist
17 here in the North Slope Borough.

18 I respect our government. I represent our
19 people. We are a voice for today. And I pray that
20 the Secretary of Interior will hear our voice to
21 keep our heritage alive, to keep our culture alive
22 for subsistence, that will be a very big impact from
23 what I am hearing with -- with our landscape.

24 We live here in Alaska. Alaska is a very cold
25 place. We have permafrost. We are a rich culture.

1 And I hope that Minerals Management Services will
2 hear us today. And I hope that the Secretary of
3 Interior will come back again, like he did a few
4 years ago and was here for us. Not very many
5 Secretaries of Interiors come to Point Hope, but he
6 did before. And I thank him, that he will hear us
7 today as a voice.

8 Our Mayor, George Ahmaogak, is here with us
9 today, and I thank him for coming in to Point Hope.
10 He knows what impact it has for us. And we do need
11 to hear from you regarding these testimonies.
12 We oppose offshore drilling along the Chukchi Sea,
13 because as a child and as an adult, I've always
14 respected the ocean. I tell my children, never to
15 put their feet in the ocean, because that is where
16 our -- or throw any trash in the ocean, or anything,
17 to harm our ocean, to respect the animals, respect
18 our nature. And I hope my children and their
19 children will continue to live this lifestyle that
20 we've inherited as Inupiat. Thank you.

21 MR. COWLES: Thank you.

22 MR. SCHAEFER: I have a comment. My name is
23 Jack Schaefer, Vice President of Native Village of
24 Point Hope.

25 Apparently our understanding is that the

1 Conflict Avoidance Agreements are seasonal. With
2 that, we request that the next agreements be with
3 tribes. The existing agreements, seasonal
4 agreements, the explanation we were given was that
5 they wanted one agreement between the Alaska Eskimo
6 Whaling Commission and the oil companies and the
7 government. One agreement, for convenient purposes
8 so that they won't have to deal with five agreements
9 with each whaling community, each whaling
10 federally-recognized tribe to have one agreement.
11 And that was -- we were told that's why it was done
12 that way, one agreement.

13 Later on we found out that there are five
14 agreements for those very same communities, which
15 goes against the reasoning and the response in the
16 one agreement arrangement that we were told in the
17 last meeting that we had with ConocoPhillips and
18 Shell. There was no federal representation at that
19 time, but that was what we were told.

20 Later on we found out there were five
21 agreements. That goes against the one agreement
22 that was specified. So I request the next series of
23 agreements be done with federally-recognized tribes
24 and this not only deals with whales, it deals with
25 marine mammals and fish, our renewable resources.

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1 We can't afford to have irreparable damages.

2 And we can see that there will be irreparable
3 damages if there is an accident. So that is a
4 formal request. Because there is no accountability,
5 no reporting, as stated by our EPA officer.
6 Nothing.

7 We are a government. We don't have to -- we
8 don't have to go to a nongoverning organization and
9 to beg for information. They are supposed to honor
10 us and respect and respond to our requests. They
11 have not done that. And it's very hard to conceive
12 that this arrangement is done under the auspices of
13 the bowhead whale and taking that as the sole source
14 of food for us when there are all these other
15 animals that we depend on. It's illusionary. And
16 it shouldn't be that way.

17 There's a government-to-government
18 responsibility, not a government to a nongovernment
19 organization. Thank you.

20 MR. COWLES: Thank you.

21 MR. ATTUNGANE: (Speaking in Inupiaq).

22 MS. ROCK: His name is Ely Attungane. He
23 mentioned that he lived here in Point Hope all his
24 life and he's Eskimo and Inupiat, and we were like
25 flowers.

1 UNIDENTIFIED SPEAKER: Could you have her talk a
2 little bit louder, we're recording it. Could you
3 read it a little bit louder? We can understand him
4 but we need to hear --

5 MS. ROCK: They're recording it.

6 UNIDENTIFIED SPEAKER: She's recording it.
7 I can't understand you.

8 MS. ROCK: Okay.

9 Ely Attungane just mentioned that he lived here
10 in Point Hope all his life. And then that he's
11 Eskimo, like all the rest of us and we are like
12 flowers. And then like flowers we don't like to be
13 hurt. And our land, we have to keep our land clean.
14 And our animals are like having roads, that if --
15 we're like a flower. And then you -- we take care
16 of them, as we do like our land, our ocean.

17 And then here in Point Hope, that's how we
18 should be, that we should have no way to hurt our
19 land or the water. Because the sea is where all the
20 animals come. And that we have to take care of
21 them. And we don't want it to spoil or anything.

22 I hope I got it all right. That's what he
23 mentioned about being like flowers. That's how we
24 should treat our land and our people and our
25 animals.

1 MR. COWLES: Thank you.

2 MS. ROCK: That's Ely Attungane's testimony.

3 MR. COWLES: Yes, ma'am?

4 MS. SAGE: Daisy Sage, for the record.

5 I just -- this is all new to me, but I just
6 wanted to put in my two cents. I -- I really oppose
7 this oil drilling here. I hunt whales with my
8 sister's family. And I just wanted to let you all
9 know that I oppose to it, too.

10 And, you know, everybody asking for an
11 extension. I really would recommend that -- that
12 you put an extension, because it's -- it's just too
13 close. I mean, we need -- we need more time.
14 That's all I wanted to say. Thank you.

15 MR. OOMITTUK: For the record, Steve Oomittuk.
16 I would like to oppose the Lease Sale of 193. Like
17 everybody said, you know, we -- we lived here all
18 our lives, you know. We hunt the whale, everything
19 in the ocean, you know. That's the migrating route
20 of all the animals. You take those animals away
21 from us, that's our identity. That's who we are.

22 You know, without those animals, you know, what
23 are we going to do, you know? From the fish, to the
24 whale to the seal, walrus, beluga, everything that
25 goes through that current that's right out there,

1 right in the area.

2 The animals are our identity. It makes us who
3 we are. That's what we've always been all our
4 lives. If that goes away, we go away. You know,
5 we're nothing without the animals. It's what keeps
6 us going and it's what keeps us alive. Our dances,
7 our songs, our tradition's are all around the
8 animals.

9 Like they said, we are the oldest continuing
10 inhabitants in North America. We are an endangered
11 species also, along with the animals. The animals
12 go, we go with them. We don't -- we want to see our
13 kids -- our grandkids, their grandkids do the same
14 things we're doing.

15 We still hunt the whale. We still do all our
16 ceremonial songs and dances. We celebrate the born
17 of the ice. We do all these traditions. We are
18 Tikigaqmut people. We are still peak of the land,
19 sea and sky. We don't want to lose that.

20 We oppose the Lease Sale 193. We don't want
21 nothing to happen, you know. There's, like they
22 say, there's other places to look for oil or gas on
23 land, you know. We don't want to disturb that area.

24 MR. COWLES: Thank you.

25 MR. BRYANT: My name is Tony Bryant. I have a

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1 question. If 100 percent of the people in this room
2 were to say, yes, go ahead with this plan, what
3 would the outcome be? The plan would be going
4 ahead, or would there be a power-that-be up there in
5 DC, or somewhere saying, no, there's no plan?

6 We're all saying here as, from what I see, that
7 we all oppose it. And will the plan go forward with
8 or without our approval? Is this a seeking approval
9 here, or what -- what's -- that's a big question I
10 have. And it's a question we've been dancing with
11 all night, but can we get to that point right there?

12 MR. COWLES: I think the way I would answer your
13 question is that when we talked about these
14 processes of bringing all the information from many
15 different sources together, that will be taken into
16 consideration. And the Secretary of the Interior
17 makes these decisions in these cases. So I cannot
18 speculate on what the secretary would do.

19 MR. BRYANT: So our words aren't blow into the
20 wind, then?

21 MR. COWLES: No. They are not. We very much
22 appreciate your testimony and your words.

23 MS. KINNEEVEAUK: Emma Kinneeveauk, for the
24 record. You guys mentioned having meetings for
25 these -- Dorcas mentioned 2001, 2005, 2002,

1 whatever. This is a very small percentage of our
2 village, very small, not even close to ten percent
3 of everybody in town. You need to publicize your
4 meetings better. You're not getting a very good
5 outcome here.

6 I did not see not even one public notice about
7 your guys' meeting here. The reason why you have
8 such a small group here, it's not publicized well.
9 And I have worked, I've worked with public -- public
10 events where we had numerous outcomes, because it
11 was well publicized, you got the mail system, you've
12 got all the public areas to post up a sign. Use
13 them. Let people know so they could come in and
14 bring their other comments.

15 We're not the only people that oppose this. You
16 ask just about every household, they oppose it as
17 well, because our way of life is too important to us
18 before we think of money. At least that's how I
19 feel. There's no price you could pay for seeing my
20 grandparents catch and harvest how many whales. I
21 would never ask for no dollar amount to trade that
22 in. So you need to publicize your meetings better.

23 If you want to hear, if you want to hear the
24 true comments from the community, you've got to
25 include everybody. This is a small percentage. I'm

1 even stunned we have less than ten percent here and
2 I am even more stunned I didn't see not one public
3 notice.

4 MR. COWLES: There are some. But thank you for
5 that suggestion.

6 MS. ROCK: Excuse me. I do have a question.
7 I'd like to ask you who you contact before you go to
8 the meetings? I mean, like, if you're going to go
9 to Point Hope, who is your contact person? Who are
10 the ones that you ask? Those are the people that
11 should be posting up the meetings. Who did you -- I
12 want to know who?

13 MR. COWLES: Mr. Barros could probably address
14 that question.

15 MS. ROCK: Pardon?

16 MR. COWLES: Al Barros, our community liaison.

17 MS. ROCK: No. Who do you contact in Point Hope
18 about having the meeting?

19 MR. COWLES: He knows.

20 MR. BARROS: Yeah, I worked with the secretaries
21 here to get the information out, to send out flyers.
22 They couldn't open the flyer, I found out today.
23 They changed programs. They couldn't get it open.
24 I sent flyers out to -- to the Native Village and
25 then also, we send it to the AWC, and there are

1 announcements in the Sounder for two weeks in a row
2 about the meetings. And then we asked for them to
3 be broadcast on the CB today, or the VHS.

4 MS. ROCK: So you got ahold of the City of Point
5 Hope, the IRA.

6 The person to contact at IRA is the executive
7 director --

8 MS. KINNEEVEAUK: I know. I asked them.

9 They said city was going to --

10 MS. ROCK: -- they're supposed to post the
11 meeting, not just them. That's how I feel about it.
12 If it's like that, then City should have posted it
13 and notified everybody, the Native Village of Point
14 Hope executive director --

15 MS. KINNEEVEAUK: If they asked us to, we would
16 have.

17 MS. ROCK: Should have put up notices, then you
18 would have known.

19 I am just saying that because that's how strong
20 I feel about this, too. Dorcas Rock, for the
21 record.

22 I'm opposed to this lease and so forth because
23 of our hunting tradition. I'm a whaling captain's
24 wife. And we are either berry picking or we're out
25 hunting or my children, my grandchildren, everybody,

1 practically everybody I know here have been out
2 hunting, all the women. I see lot of women go down,
3 they go fishing, everything. And I am opposed to
4 that.

5 And I know that you have posted signs or
6 informed them about the meetings. So I'm not going
7 to blame you guys for, you know, not letting us
8 know, because I remember that -- that we had
9 mentioned that, I think, back in 2001, 2002, get a
10 hold of the Native Village of Point Hope, get a hold
11 of the, you know, the City of -- the mayor.

12 So I know that it's not somebody's fault that's
13 doing that, and I know you guys posted it. And then
14 if it does, then whoever is in charge of that should
15 have informed them on the radio and so forth about
16 that. And that's how it should be. Like the
17 Secretary of the Interior, he's powerful, well we're
18 powerful too, because we're Inupiat and we have our
19 voice heard.

20 I'm not trying to put anybody down. I am just
21 saying that. And I really appreciate you guys
22 coming here. And I hope a lot of you make the
23 comments that you should do. Because it's the
24 Secretary of the Interior that's -- that does sale
25 lease, not them. They're only here working. They

1 are only trying to help us. Thank you.

2 MS. KINNEEVEAUK: And if you guys notify us,
3 we're willing to help. It's just, you know, I
4 thought you guys had it covered. That's all I'm
5 saying from my end of the deal. We thought you guys
6 had that covered.

7 MR. COWLES: Thank you. Thank you.

8 It's 9:30, would you like to take another break?
9 Are there any other comments?

10 MS. KINNEEVEAUK: With all these requests for
11 extensions, are you guys going to come back?

12 MR. COWLES: We will consider that request.

13 MS. KINNEEVEAUK: Because that's -- that's,
14 again, we've heard it time and time again -- my name
15 is Emma Kinneeveauk, for the record. We've heard it
16 all evening, this is really -- we need -- we need
17 more time. And I got your guys' EIS, like a
18 mentioned earlier, on October 23rd, the same day I
19 found out about the meetings down in Anchorage. And
20 the same day I tried to call AWC for the Conflict
21 Avoidance Agreement, and that was too short of a
22 notice.

23 And by then I was just starting to familiarize
24 myself with the other EIS, the wrong one you sent
25 before.

1 MR. COWLES: We will -- we will consider that.
2 You are not the only individual that it took a while
3 to get to. So thank you for bringing that to our
4 attention.

5 MS. KINNEEVEAUK: You're welcome.

6 MR. COWLES: Well, if there are no other
7 comments --

8 Yes, ma'am?

9 MS. MILLER: My name is Pam Miller. I'm from
10 Fairbanks from the Northern Alaska Environmental
11 Center. I'm here to listen to the comments. And
12 there wasn't a hearing in Fairbanks. And since I
13 couldn't get to Anchorage, I came to the closest
14 community. And I'm pleased to be here.

15 This is the first meeting about the five-year
16 plan in this community. I believe the earlier
17 hearing was on the Chukchi Sea sale. It's all
18 complicated. The procedural steps in this are very
19 confusing. And I think the maps, especially about
20 what area you are planning to lease in the Chukchi
21 Sea is very confusing.

22 And I wish to request that the Chukchi Sea area
23 be excluded from the upcoming five-year plan. In
24 looking at the environmental impact statement for
25 the five-year plan, there's very little information

1 on the impact of climate change, both nationally as
2 part of our policy, as well as in the Alaska section
3 in Lease Sale 193 EIS, there's very little
4 information about climate change, the combination of
5 affects to the wildlife, to the communities along
6 the coast, to the changes in the environment and how
7 oil and gas development impacts would add to the
8 impacts that are already going on because of climate
9 change.

10 And to open up a huge new frontier area, to
11 creates a new source of greenhouse gas omissions
12 doesn't make sense in terms of our national energy
13 policy. I think we, in terms of the national energy
14 policy, can get far more oil -- or far more energy,
15 cleaner, quicker more safely through energy
16 efficiency, a few miles per gallon in our cars and
17 through renewable energy.

18 And it used to be that the MMS would say: We
19 can't consider renewable energy, this is only about
20 oil. But Congress gave MMS the responsibility for
21 renewable energy in the offshore. And there's not
22 one word in either of these documents about the
23 potential for renewable energy offshore.

24 Probably MMS will say: Well, our regulations
25 for that aren't done yet. Well, I say wait. Let's

1 wait and see until those regulations are done, and
2 we can look at all our national energy policy,
3 renewables and oil and gas at the same time.

4 There's no need, other than to meet the needs of
5 an oil company or two, for this lease sale to go
6 forward in this five-year plan. The MMS is relying
7 on wildlife data that's quite old, for the most
8 part. Back in the early -- late 1970s there was a
9 whole lot of studies and a whole ocean that were --
10 that looked at wildlife and the environment
11 together. None of that's being done out in the
12 Chukchi Sea recently.

13 And this is a huge program, it's complicated.
14 And people deserve to understand more about the
15 risks to the wildlife that they depend on from
16 climate change alone. And the document indicates:
17 Well, we don't have the capability of assessing the
18 combination. Well, then why add to the risk to the
19 wildlife?

20 I'll speak just a couple more minutes on the
21 whole five-year plan, because there's a protected
22 ocean in Alaska today, it's Bristol Bay. After the
23 Exxon Valdez oil spill, the governor came out, the
24 people came out and said: Why are we risking our
25 nation's biggest fisheries with the oil lease sale?

1 And the leases were sold, but they bought them back.
2 The federal government, the American people bought
3 those leases back, said we want to protect this
4 area.

5 President George Herbert Walker Bush made it a
6 protected area, moratoria area, by executive order.
7 Our current president extended that order until
8 2012. But they're saying we're going to study it
9 anyway and maybe the president will lift that order
10 because of our Governor Murkowski, who got 18
11 percent of the vote in the primary. I don't think
12 his recommendation to lease Bristol Bay is credible.

13 And I think we're pushing too far too fast in
14 Alaska. The risks of the combination of the
15 cumulative effect of leasing the whole, almost the
16 whole NPR-A already, how does that interact with the
17 ocean? The barges that are coming through there,
18 the increased shipping?

19 And I just want to make those comments now. And
20 I'll be taking a harder look and presenting some
21 comments in writing. But thank you for this
22 opportunity to comment.

23 MR. COWLES: Thank you.

24 MS. ROCK: So you're saying this is the first
25 sale lease of the Chukchi Sea?

002-011

1 MS. MILLER: It's the first lease sale in over
2 ten years. There were leases that were done right
3 before Exxon Valdez, I think it was about 1988.

4 MS. ROCK: It says right here: Two sales have
5 been held in the Chukchi Sea planning area.

6 MS. MILLER: Right. And then they had another
7 one in the early 1990s. And, but there hasn't been
8 one since then. And there wasn't industry
9 interests --

10 MS. ROCK: And that's what you've been fighting
11 all this time, Pam. You've been fighting it.

12 MS. MILLER: Right. And it's been successful.
13 And some of the interior secretaries have listened
14 to communities and to the recommendation of the
15 governor and sales have been dropped.

16 MR. COWLES: Thank you for your comments. Are
17 there any others?

18 Yes, sir.

19 MR. KOONOOK: For the record, my name is Henry
20 Koonook. I'm a hunter, I'm a whaler. And I also
21 strongly oppose the sale of 193 Chukchi Sea. I feel
22 that if the oil companies start coming in, start
23 setting up oil rigs out in the ocean, on the land,
24 on the beach, wherever they may be, it's going to
25 have a deepest effect on the migration routes of the

1 animals that we hunt.

2 We depend on the whale. We depend on the
3 beluga, we depend on the walrus, the ugruks and the
4 seals. In order to get the beluga whale, the
5 bowhead whale, there's a long process of work that's
6 involved, starts out with the seal hunt that we can
7 have rope, fuel for the stoves, skin for clothing,
8 mukluks, the ulu which, provides the (inaudible) the
9 skins that come in the fats and also food. This is
10 a lot of hard work for us but we live and love doing
11 it today. We've done it for thousands of years. I
12 would like to see my nephews continue this work, our
13 lifestyle. I would like to see my nephew's children
14 continue this lifestyle. I strongly oppose this.
15 Thank you.

16 MR. COWLES: Thank you, sir.

17 Well, if there are no other comments, we could
18 consider the meeting -- yes, sir?

19 MR. HENRY, JR.: My name is Jack Henry. And I
20 oppose oil and gas lease Sale 193, because I will be
21 a hunter. Thank you.

22 MR. COWLES: Thank you.

23 MS. KINNEEVEAUK: Emma Kinneeveauk, for the
24 record. I am very grateful you guys are here to
25 hear our comments. Don't get me wrong, I feel

1 strongly about our way of life, but I appreciate you
2 guys taking the time to come in and gather our
3 comments on how we feel about certain issues. And
4 clearly we all oppose. And I hope that you guys
5 plan on coming back again.

6 MR. COWLES: Thank you. We have been very
7 pleased to come and have felt privileged to spend
8 this time with you.

9 MS. KINNEEVEAUK: Thank you.

10 MR. COWLES: Thank you. If there are no other
11 comments, then I would recommend we call it a night
12 and adjourn the meeting. Thank you.

13 (Whereupon, the public hearing was
14 concluded.)

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REPORTER'S CERTIFICATE

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I, Britney E. Chonka, Court Reporter, hereby
certify:

That I am a Court Reporter for Alaska Stenotype
Reporters and Notary Public in and for the State of
Alaska at large. I certify Hereby that the forgoing
transcript is a true and correct transcript of said
proceedings taken before me at the time and place stated
in the caption therein.

I further certify that I am not of counsel to
either of the parties hereto or otherwise interested in
said cause.

In witness whereof, I hereunto set my hand and
affix my official seal this 12th day of December, 2006.

BRITNEY E. CHONKA, REPORTER

Notary Public - State of Alaska

MMS Responses to Point Hope Comments

Point Hope 002-001

The MMS has and will accept comments outside of the official 60-day comment period for the Sale 193 EIS. However, comments received outside the official 60-day comment period may not receive responses or be addressed in the final EIS due to the tight lease-sale schedule. Late comments will be considered by MMS and USDOJ decisionmakers. An official extension of the comment period for Lease Sale 193 has not been granted.

Point Hope 002-002

The MMS acknowledges that such health information on *Exxon Valdez* oil-spill-cleanup workers might be a valuable asset to human health research in Alaska, but we are unaware of any reports of elevated cancer rates for *Exxon Valdez* oil-spill workers or any research on this topic ever having been performed.

Point Hope 002-003

For environmental analysis purposes under the National Environmental Policy Act, there is a distinct difference between risk of an impact occurring and the consequences of that impact. The MMS acknowledges that serious and potentially significant consequences could result from an oil spill. That is why MMS takes managing the risk of spills—minimizing the chance that a spill would occur—very seriously. The MMS regulations, engineering review, inspections, and required mitigation are all intended to reduce the risk of a spill occurring and resulting in impacts. Required spill response and spill-response drills are intended to minimize the consequences if a spill were to occur.

See also response to comment **Point Hope 002-002**.

Point Hope 002-004

Before any offshore drilling is allowed, the company must provide and have approved an OSRP. The plan must provide means for cleaning up a worst-case discharge from a facility using both mechanical and nonmechanical methods. Mechanical methods involve using skimmers to physically pump the oil from the ocean's surface. Mechanical means are the preferred method of cleanup for open water and limited ice coverage. The other method used for cleaning up oil, especially in broken-ice coverage, is in situ burning (ISB). This involves corralling the oil into thick pools using either containment booms or the ice edge and lighting it on fire. ISB has the potential to remove upwards of 90% of the oil from the ocean surface and leaves a tarry mat that can be scooped up and disposed of at a proper waste facility.

In instances where spilled oil has been located but cannot be immediately accessed, buoys can be deployed and the oil can be tracked until recovery is possible. Methods like ground penetrating radar are proving very effective in locating oil under solid ice. Once the oil is located, the spill responders can drill holes through the ice and deploy skimmers to remove the oil or conduct an ISB. Ice in that instance helps in recovery, because it limits the oil's ability to spread and concentrates the oil into thick pools.

Point Hope 002-005

Staging areas for oil-spill-response equipment and response operations would be determined after a company decides where they propose to conduct their activities. As part of the OSRP, the company is required to conduct a trajectory analysis of where a hypothetical oil spill would go. From that analysis, the company would decide where they would need to stage their response equipment. In areas where there are especially sensitive environments or important areas, the company would most likely pre-stage equipment near that area so it can be rapidly deployed well in advance of the oil's arrival and limit impact. The MMS

coordinates closely with State and Federal wildlife agencies to ensure that proper attention is given to those areas.

Point Hope 002-006

The Secretary's stance on the status of the polar bear was made clear on Dec. 27, 2006, when he proposed that they be listed as "threatened" under the Endangered Species Act (ESA). The USDO, Fish and Wildlife Service (FWS) will spend the next year reviewing all the available evidence to determine whether the polar bear will indeed be listed and receive protection under the ESA. In the interim, MMS will continue to gather additional information on this issue and work closely with FWS to ensure that activities conducted under MMS auspices will not adversely impact polar bears.

Point Hope 002-007

The draft EIS was sent to the Native Village of Point Lay, PO Box 101, Point Lay, Alaska, 99759 and the Cully Corporation, General Delivery, Point Lay, Alaska, 99759. The draft EIS also was made available on the MMS webpage at <http://www.mms.gov/alaska>.

Point Hope 002-008

Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, requires Federal Agencies to consult with tribal governments on Federal matters that significantly or uniquely affect their communities. In January 2001, a USDO Alaska Regional Government-to-Government policy was signed by all the USDO Alaska Regional Directors, including MMS.

Since 1999, all MMS public meetings have been conducted under the auspices of Environmental Justice. The EJ-related concerns are taken back to MMS management and incorporated into environmental study planning and design, environmental impact evaluation, and development of mitigating measures.

The Inupiat People of the North Slope and the Northwest Arctic boroughs have made MMS aware of the potential burden of participating in too many planning and public meetings. Therefore, MMS has taken measures to more carefully plan the number and timing of meetings with regional tribal groups and local governments.

On September 14, 2005, MMS published a notice in the *Federal Register* requesting information for proposed Chukchi Sea Lease Sale 193 and providing a Notice of Intent to prepare an EIS for the proposed sale. The *Federal Register* notice stated that:

...the EIS analysis will focus on the potential environmental effects of the sale, exploration, development and production in the areas selected to be considered for leasing. This NOI also serves to announce the initiation of the scoping process for this EIS. Throughout the scoping process, Federal, State, Tribal, and local governments and other interested parties aid MMS in determining the significant issues, potential alternatives, mitigating measures and alternatives to be analyzed in the EIS and the possible need for additional information.... Scoping is intended to solicit input on the scope of the EIS—specifically the issues, alternatives, and mitigation measures....

Many of these issues were discussed in government-to-government consultation with the Inupiat Community of the Arctic Slope (ICAS) and tribal governments in Barrow, Wainwright, Point Lay, and Point Hope in a North Slope-wide teleconference on March 9, 2006, and the tribal governments of Barrow on February 2, 2006 and March 6, 2006; Wainwright on March 9, 2006; Point Lay on January 30, 2006; and Point Hope on January 23, 2006. Open public community meetings in Barrow with the North Slope Borough (with translation available where requested) were held on December 13, 2004, February 1, 2006, and March 6, 2006; with the North Slope Borough Planning and Wildlife Management Departments on February 2, 2006; in Wainwright on March 9, 2006; Point Lay on January 30, 2006; and Point Hope on

January 23, 2006. Outreach and information meetings with nongovernment organizations, including the Alaska Eskimo Whaling Commission (AEWC) occurred on December 13, 2004 and March 6, 2006; ICAS on February 2, 2006; the Alaska Beluga Whale Committee on December 6, 2005; and the Alaska Eskimo Walrus Commission on February 3, 2006. Each meeting included an overview of the activities planned in the area, information on the environmental review for each activity, and identified further opportunities for public participation in the EIS scoping and planning processes. Follow-up NEPA-related training was offered to the communities of Point Lay and Point Hope.

During public meetings and government-to-government meetings, MMS personnel discussed past lease sales, proposed Sales 202 and 193, and other OCS activities including the 5-year draft proposed program process and schedule, the Programmatic Environmental Assessment of potential seismic survey activity in the summer of 2006 in the Beaufort Sea and Chukchi seas, and the potential continuation of that activity in 2007. Inupiat translation was provided where needed. These presentations highlighted our desire to receive input on the resources, issues, alternatives, and mitigation measures to be included in the environmental analysis. We emphasized that the EIS is an information document that discloses the potential effects of the Proposed Action and alternatives, including potential mitigation measures to the decisionmakers, and that no decision regarding the Proposed Action had been made.

A summary list of concerns expressed at the government-to-government and Environmental Justice meetings is provided in Section III.B.6, Environmental Justice.

Point Hope 002-009

The MMS is aware of only two Conflict Avoidance Agreements (CAA's), one for Chukchi Sea activities and another for the Beaufort Sea, produced by interested parties for the 2006 open-water seismic-survey season. Because the AEWC, as the legal co-manager recognized by the National Marine Fisheries Service (NMFS), has traditionally negotiated CAA's for the Beaufort Sea whaling communities and their Whaling Captains Associations, NMFS and MMS assumed the AEWC would take a similar role in Chukchi Sea negotiations. This in no way implies that tribes cannot be part of the CAA process or participate in the annual open-water meetings where these agreements are normally formalized. The tribes need to coordinate with the AEWC and NMFS and request to participate in these meetings that normally occur in late April.

Additionally, MMS agrees that such agreements should be extended to include other co-managed resources such as beluga whales, seals, walrus, and polar bears. Stipulations 4 and 5 include language that acknowledges and encourages the involvement of the Alaska Beluga Whale Committee (ABWC), the newly recognized Ice Seal Committee (ISC), the Eskimo Walrus Commission (EWC), and the Nanuuq Commission (NC). Many of the co-management organizations are tribally-authorized Alaskan Native organizations.

Point Hope 002-010

The final decision whether to hold a lease sale is made by the Secretary of Interior.

Point Hope 002-011

Cumulative effects associated with the leasing of the National Petroleum Reserve-Alaska (NPR-A) and the interaction of NPR-A-related activities with the ocean environment is addressed and analyzed by significant resource throughout Section V of the EIS. An example can be found in Section V.C.10, Vegetation and Wetlands, which considers the onshore activities associated with offshore and onshore oil and gas production.

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5-YEAR OCS OIL AND GAS
PROPOSED LEASING PROGRAM
FOR 2007-2012
Barrow, Alaska

**Document
003**

NORTH SLOPE BOROUGH PUBLIC HEARING/MEETING
for the Draft Environmental Impact Statement
Taken November 16, 2006
Commencing at 7:00 p.m.
Volume I - Pages 1 - 127

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I-N-D-E-X

Minerals Management Service:

Cleveland Cowles, Regional Supervisor

James Bennett, Chief of Environmental Assessments

Albert Arros, Community Liaison

Michael Salyer, Wildlife Biologist, EIS Coordinator

Peter Johnson, Geophysicist, Resource Evaluation

Reported by Britney Chonka, CR

PUBLIC COMMENTS

Page 3

1 MR. COWLES: Well, good evening everyone, and
2 thank you for coming. My name is Cleve Cowles. And
3 I'm with the Minerals Management Service office in
4 Anchorage, the Department of the Interior Bureau,
5 your federal agency. And tonight we have a meeting.
6 On your handout on the title of the meeting, it's
7 about the new five-year OCS oil and gas proposed
8 leasing program, 2007, 2012. And the proposed Lease
9 Sale 193 in the Chukchi Sea.

10 Before we start the meeting, Lillian has been so
11 gracious as to offer to do a blessing. So, Lillian,
12 if you could lead us in a blessing tonight. Thank
13 you very much.

14 (Prayer was said in Inupiaq)

15 MR. COWLES: Thank you very much.

16 Again, as our purpose for our meeting is here on
17 the first panel, I would like to introduce to you
18 some people who are with us tonight to help on the,
19 explaining some of the material in the handout.

20 To my left here is Mr. Jim Bennett, he is from
21 the Minerals Management Service, Washington office.
22 He is the chief of the Branch of Environmental
23 Assessment.

24 Mr. Mike Salyer is with the Anchorage office
25 MMS. He works in the environmental section and is

1 the EIS coordinator for the Chukchi Sea lease sale.

2 Mr. Peter Johnson is with the resource
3 evaluation section office in Anchorage. His office
4 is involved with estimating the oil and gas
5 resources that may be available on the outer
6 continental shelf.

7 Mr. Al Barros in the back of the room is our
8 community liaison specialist. And I'm sure he would
9 want me to say that if you haven't signed in, please
10 do. There's handouts there. And we, again,
11 appreciate you coming.

12 We also have Britney Chonka, who is here to
13 serve as a transcriptionist to keep an accurate
14 record of the discussions and your testimony, your
15 comments, as we move forward.

16 Since we have several things to discuss, what we
17 thought -- and we certainly appreciate your
18 thoughts -- as we best would -- that we could go
19 over briefly, probably take 20 minutes to 25 minutes
20 or so -- oh, Arnold Brower.

21 Before I forget, we also have a translator. So
22 if you can't follow all the things I say, and you
23 would like a translation, Arnold Brower Jr. will
24 help us with translation tonight. And sorry I
25 forgot to mention that.

1 So am I okay up to this point?

2 MR. BROWER, JR.: Let me tell these folks about
3 what you just said.

4 (Interpreter translating.)

5 MR. COWLES: Also, I would like to give a
6 special thanks to Mrs. Maggie Ahmaogak, who is the
7 executive director of AWC. And I thought I saw
8 George here a little while ago. Oh. Okay.
9 Former mayor. So thank you for coming.

10 Is there anything else that I might introduce?
11 Arnold?

12 MR. BROWER, JR.: Yeah, George Edwardson, Aiken,
13 Gordon Brower, (inaudible).

14 If I didn't call your name, it's because it's on
15 purpose.

16 MR. COWLES. Okay. Well, thank you.

17 MS. ROCK: Elijah and Dorcas Rock here from
18 Point Hope.

19 MR. COWLES: I met Dorcas last night. Thank you
20 again for coming.

21 Okay. As we -- I'm going to talk for a couple
22 minutes and then Mr. Bennett and Mr. Salyer will
23 help me. And I am going to cover three of the first
24 panels in your handout fairly quickly here.

25 The first part of our program is about the

1 upcoming 2007 to 2012 five-year program. And the
2 program areas that are being considered for Alaska,
3 as a proposed program are shown in blue on that
4 first map and also over here. And they are Cook
5 Inlet in the Southcentral, North Aleutian Basin,
6 Chukchi Sea and Beaufort Sea areas.

7 And on the second panel, second page, the first
8 panel, again, what we're seeking here are comments
9 on this five-year OCS program and Sale 193, which,
10 Mike Salyer will talk about after Mr. Bennett has
11 talked about the five-year program.

12 On the bottom of the second page is a bar chart.
13 And we put this first so that you get a feel for the
14 big picture how the MMS, Department of the Interior
15 process for evaluating and proposing lease sales
16 works.

17 And the first place, to start on in explaining
18 this thing is that it's a nationwide program. And
19 because energy demand, the demand for energy in the
20 United States is increasing and our production,
21 domestic production is not keeping pace, the
22 Department of the Interior has the mission to
23 consider the resources on the federal Outer
24 Continental Shelf for providing opportunity to our
25 industry to explore and develop, if oil and gas is

1 found.

2 And so this whole chart shows how we move
3 through a process of deciding things like this
4 proposed program and more refined discussion or
5 analysis of potential lease sales and how we also
6 get public input and comment and suggestions for how
7 to do it and bring in as much involvement as
8 possible so that we have the best information that
9 we can bring in to make this process work well.
10 And, Arnold, should I break for you?

11 MR. BROWER, JR.: Thank you very much.

12 (Interpreter translating.)

13 MR. COWLES: Thank you.

14 Briefly on this process, there are schedules or
15 time steps that we work through and attempt to
16 follow a schedule, particularly for the first two
17 rows. The first row is the proposed program, which
18 is part of what we're talking about tonight. The
19 second row is the process that is followed under the
20 National Environmental Policy Act to do an
21 environmental impact statement related to -- and the
22 decision, related to a particular lease sale, such
23 as Sale 193.

24 The first row takes about two years and the
25 second row is two, two-and-a-half years of

1 government process and involvement, your involvement
2 to provide comments. And there may be parts along
3 the way where the Department of the Interior will
4 decide to maybe take a breather. So just because
5 the steps are there doesn't mean we always complete.

6 That's the part that the Department of the
7 Interior and MMS have some control over, as far as
8 timing. But after there is a lease sale, the last
9 block of the second row, then industry is awarded a
10 lease, if they have a bid. And it's up to them when
11 to start the next row. Because they have a business
12 decision as to whether or not they will explore any
13 particular lease.

14 And it's up to them, they have a period of time
15 in their lease that they submit a plan. And when
16 they do, we then will go through another review
17 process to help evaluate this and get more and more
18 focused on some of the issues and the decisions.
19 And so that third row can take from six months to a
20 year.

21 Then if there is commercially viable oil and gas
22 or oil or gas discovered, industry might come back
23 with a development plan. And that, again, is
24 another period of time that will transpire. The
25 whole thing, to get to production, can't say for

1 sure how long it takes. It could take anywhere from
2 eight-and-a-half, ten-and-a-half, twelve-and-a-half
3 years, probably, because of all the input phases and
4 all the analyses and environmental reviews. So it
5 takes a long time.

6 And the other thing about it is, is that, even
7 though you have these large program areas, it's
8 pretty likely that the amount of OCS that is
9 explored for development will be less than that.

10 It will, for example, the last Beaufort sale a
11 couple years ago, I think we talked about 195, was
12 roughly six percent of the area offered was leased
13 by the industry. And then some fraction of that
14 will probably be explored. Of course, if there is a
15 discovery, then industry might want to explore more.

16 But anyway, I think that was what I wanted to
17 explain about our process. And now Mr. Bennett will
18 talk more about the five-year program and where we
19 are in that process.

20 MR. BENNETT: Thanks, Cleve.

21 (Interpreter translating).

22 MR. COWLES: Yes, sir?

23 MR. OLEMAUN: This is a five-year plan, and
24 they're saying leasing encouraging development,
25 five-year plan up to development or five-year plan

1 with just exploration?

2 MR. COWLES: Times I was talking about in this
3 chart run through the point where you would start to
4 see oil and gas production, if there were
5 discoveries.

6 MR. OLEMAUN: Okay. Within the five years?

7 MR. COWLES: No. With -- the five-year program
8 will -- it has some lease sales in it, which Jim
9 will talk about.

10 And then if leases are issued later on in that
11 five-year program, then the activities could go past
12 that five years.

13 MR. EDWARDSON: Excuse me, I got a question
14 there. Okay. When you talk about -- right now
15 we're talking about just what you're proposing to
16 do. Exploration hasn't started. This is just a
17 beginning talk?

18 MR. COWLES: For the new five-year program 2007,
19 2012.

20 MR. EDWARDSON: Then why are the industry out
21 there doing seismic already? When you do seismic,
22 oil development process has started. It's not in
23 the talking stage. They're out there with more than
24 the one ship doing the seismic.
25 Seismic is a first step into production.

1 MR. COWLES: The work that they're doing, I
2 believe, is actually in relation to the Chukchi Sea
3 Sale 193, which was started under our previous
4 five-year program. And their processes are a little
5 bit different in terms of the permitting for
6 geophysical than the lease sale process, which is
7 what we're talking about in this proposed program.
8 I agree, it's associated with that, but again, the
9 second part of our presentation on -- on the Chukchi
10 Sea sale, I think, is what that activity is related
11 to.

12 So what we want to talk about tonight was
13 2007-2012 and Sale 193.

14 MR. EDWARDSON: But you understand what I was
15 saying that it has started?

16 MR. BENNETT: They're collecting information in
17 anticipation.

18 MS. AHMAOGAK: I think. I tend to want to
19 elaborate on his question that's what AWC has had
20 some concerns for Point Lay, I mean Point Lay,
21 Wainwright and Point Hope came out with that very
22 question that George Edwardson just raised, why the
23 industry was given permits before a lease sale had
24 happened.

25 And some of the -- a lot of unknowns because MMS

1 did not have the adequate monitoring studies that we
2 had wanted to have some questions answered and a lot
3 of unknowns being out there. And now seismic
4 operation and activities, and that's overwhelming,
5 three ships going at each other out there. And --
6 and here we're, have AEWC for our villages that are
7 in that area trying to iron out a lot of problems.
8 And I'm sure that MMS has always tried to come up
9 with answers that are never satisfactory for a lot
10 of us. And I don't think I like the idea of MMS not
11 adequately answering our people's questions when
12 asked by them.

13 MR. COWLES: Okay. Again, we will attempt to
14 answer the questions as best we can. Mr. Johnson is
15 the part of our group that deals with the
16 geophysical exploration.

17 So perhaps could you expand on what I said,
18 Peter.

19 (Interpreter translating.)

20 MR. JOHNSON: Yes. My understanding is that
21 seismic testing can be independent of a lease sale.
22 In other words, it's not tied directly to a specific
23 lease sale all the time. In the Beaufort there has
24 been a lot of seismic testing in the past that was
25 done prior to lease sales, surveys they would then

1 sell to other companies later on. So, I don't think
2 we're in the same specific time frame that you see
3 in the lease sale.

4 MR. EDWARDSON: On that comment that you made --
5 my name's George Edwardson again. On that comment
6 you made, if they found something then it would be,
7 but if they didn't find anything at all, the ocean
8 was dry of oil, would your comment be true?

9 MR. JOHNSON: Yeah, I guess I don't imply that
10 it's not related to leasing. Obviously it is
11 related to leasing, but it's not necessarily related
12 to a specific lease sale or even a specific
13 five-year plan. So yeah, obviously they're looking
14 for oil by doing seismic testing. And they would do
15 that -- I -- I guess you could say they would do
16 that when they have some anticipation that that land
17 might be leasable in the future.

18 MR. BROWER III: Thomas Brower, resident of
19 Barrow. Would it be appropriate for -- to prior to
20 this five-year program that's coming up previous
21 from your program, 2002-2007, if all information
22 that's gathered by MMS that is being researched out
23 there on marine mammals, migratory birds and all
24 this, would that be information that is missing
25 prior to this new five-year program that's coming

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1 up? Because there are, at least, from the last
2 meeting I attended in Anchorage, there were at least
3 40-plus contractors doing research through MMS, data
4 on our sea mammals, migratory birds and all that.

5 If that data were there, you would see probably
6 what the impact would be on our marine mammals. And
7 the proper comments could be done for this new lease
8 five-year program. That should be one of the
9 questions, why is this, all the research (inaudible)
10 for contractors that are doing the work for MMS not
11 being supplied to the public, but only for people
12 that are just asking for it?

13 MR. BENNETT: Jim Bennett, Minerals Management
14 Service. All of the information is collected,
15 scientific information is, or should be, used in the
16 environmental impact statements that we're putting
17 together or have put together for the five-year and
18 for Sale 193. So, I'm not exactly sure what
19 specific data you're referring to, but we -- we try
20 to use the best information in preparation of the
21 environmental impact statements.

22 MR. BROWER III: (Inaudible) receive comment
23 from the public (inaudible) that research be
24 collected and the public should be aware of it and
25 (inaudible) migratory birds, marine sea mammals,

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1 bowhead whales, walrus and all of this. (Inaudible)

2 MS. AHMAOGAK: Maggie Ahmaogak. He's alluding
3 to that MMS has a lot of federally funded studies
4 doing a lot of gathering and stuff. And for
5 gathering something like this to have a public
6 hearing on an EIS on a lease sale program, where is
7 all the information? We are blindly trying to
8 provide comments from the local residents that don't
9 have access to this data who can be making some
10 contributions that would be meaningful for MMS to
11 think of.

12 MR. COWLES: I think, Maggie, that Mr. Bennett
13 can address that relative to the five-year program
14 and how this information, how they will consider
15 your comments in relation to the five-year program.
16 And Mr. Salyer will talk about the Chukchi Sea and
17 the information that's related to that.

18 And the one thing about the five-year program
19 analysis and information is it's mainly a scheduling
20 thing. And the information that's analyzed there is
21 per their scheduling. And an EIS process for a
22 particular lease sale, such as Chukchi Sea 193,
23 brings a -- a different type of analysis relative to
24 the effects on the very local environment. And Mr.
25 Salyer will explain that.

003-002

1 But again, I think that what we're seeking here
2 is comments such as yours to help us improve this
3 analysis, because these are documents that are
4 subject to change, of further addressing of
5 comments. So thank you very much for pointing that
6 out.

7 (Interpreter translating.)

8 MR. BENNETT: Thank you. Where this information
9 comes together is in the preparation of the
10 environmental impact statement. And what we are
11 talking about and what we're seeking comment on
12 tonight is on two environmental impact statements.
13 One on the five-year program and one on the lease,
14 specific Lease Sale 193 in the Chukchi Sea.

15 And to just give you a little context for the
16 five-year program, under the Outer Continental Shelf
17 Lands Act, our agency is charged with putting
18 together a five-year program, in this case, the
19 years 2007 to 2012, for leasing offshore on the
20 Outer Continental Shelf. And the five-year plan is
21 to identify those areas which merit further
22 consideration for oil and gas leasing.

23 So for a sale to occur in -- on the Outer
24 Continental Shelf in the next five-year period, it
25 must be part of this five-year program. And only

1 those areas that are included in the program are
2 candidates for a sale.

3 The inclusion of an area in the five-year
4 program does not necessarily mean that leasing will
5 occur in that area. It means that that area will be
6 subject to a more fully -- a fuller and more focused
7 environmental analysis on a lease sale basis. And
8 that's what the EIS for Sale 193 addresses.

9 The EIS for -- for the five-year program, and I
10 saw a copy -- somebody has it right there. It's
11 pretty voluminous, but it -- we distributed it in
12 August. It's available on the Web. And we're
13 seeking comments. And the comment period closes
14 Wednesday of next week on the 22nd, I believe.

15 And the program is national. It has eleven
16 sales in the Gulf of the Mexico, one sale in the
17 Atlantic and nine sales in Alaska, including three
18 in the Chukchi Sea.

19 Comments that you can provide can be written,
20 they can be provided via the Web or included in the
21 testimony you provide tonight, which we'll keep a
22 complete record of and address in the final EIS.

23 On page 4 of your handout, the first slide shows
24 you a list of the sales that are currently proposed
25 in the five-year program. We held scoping meetings

1 in -- in the spring for -- to identify the issues
2 that we need to address in this five-year document.
3 And we have conducted -- this is the last one
4 tonight, of the 19 that were originally scheduled.
5 We didn't make it to Wainwright earlier in the week,
6 but we had 19 public hearings nationwide to collect
7 comments and testimony from everybody on the -- what
8 is contained in those documents.

9 The schedule that you have on the second panel
10 there identifies the -- these last -- the -- the
11 meetings we've had this past week. And all of the
12 comments that you provide, either via the Web or
13 written or in testimony tonight, will be addressed
14 in the preparation of the final EIS for the
15 five-year program.

16 And with that, I'm going turn it over to Mike
17 Salyer to address specifically the EIS that's being
18 prepared for Sale 193 in the Chukchi Sea.

19 (Interpreter translating.)

20 MR. SALYER: Thank you.

21 Again, my name is Mike Salyer. I work for
22 Minerals Management Service Department of the
23 Interior. I was hired as a wildlife biologist and
24 environmental impact statement coordinator.

25 And to pick up where Mr. Bennett left off. On

1 this flow chart within the five-year program we have
2 the individual lease sales. And for those we
3 conduct environmental impact statements as well.
4 And that would be the green portion of that flow
5 chart, which is where we're talking from now.

6 And that brings us to Lease Sale 193.

7 THE INTERPRETER: Could you make sure you say
8 the page --

9 MR. SALYER: Yes. I was just referencing back
10 to page 2, that flow chart that Mr. Cowles was
11 discussing earlier for a point of reference, the
12 individual lease sales for planning specific sale
13 would be that green flow chart. And that's sort of
14 the schedule for an environmental impact statement
15 for individual lease sale, in this case Lease Sale
16 193, chukchi Sea.

17 Now I am going to skip over to page 5 to several
18 slides concerning Lease Sale 193. The companies
19 were solicited a few years ago, I believe, March
20 '03. And you see some dates there. And I won't go
21 through all of those. And there really wasn't a lot
22 of interest at that time in the Chukchi Sea. In
23 February '05 there was some more interest that was
24 indicated from industry. So at that point in time,
25 a decision was made that we needed to conduct an

1 environmental impact statement for the Chukchi Sea
2 and identify the planning area.

3 A notice of intent was prepared for -- to
4 indicate we're doing an EIS in September of '05.
5 And in January of 2006, we identified planning ID
6 area. And that's what this map is over here. And
7 for this environmental impact statement -- and
8 there's a copy of this map in the back of your
9 packet -- it covers the green outlined area as the
10 project ID area, or the program area for the Chukchi
11 Sea Lease Sale 193. That would be the proposed
12 action.

13 Now, September of '05 we began the scoping
14 process and we came into the villages. And we came
15 to the communities. And what we did there is we,
16 you know, had the scoping meetings to get everyone's
17 input. And that's part of the process, that we
18 could hear everybody's concerns and -- and get the
19 information.

20 And what we do with that information in this
21 process is that we use that information in order to
22 develop our alternatives for the Chukchi Sea Lease
23 Sale 193. And that's what this map is here. We
24 have the purple area, which was an alternative in
25 the environmental impact statement that's out for

1 comment now on the draft. And it's Corridor 1.
2 It's roughly -- the outer edge of that, it's 60
3 miles out from the coast. And that all sort of
4 resulted --

5 MS. AHMAOGAK: How many miles?

6 MR. SALYER: Roughly 60 miles out.

7 MS. AHMAOGAK: 60.

8 MR. SALYER: 60, yes, ma'am.

9 That was sort of the result of that scoping
10 process that we had gone through. And that's one of
11 the deferrals that's in there for analysis and
12 alternatives.

13 Now, ultimately, it's not our decision. It will
14 be in the Secretary's hands to make the decision.
15 But we did the analysis on these different deferrals
16 and proposed action.

17 That -- the entire project there, program area,
18 is 34 million acres. And deferral 1 takes out about
19 9 million of those acres. And also the Polynya is
20 out, as you can see. That is also not included and
21 it's not included in the proposed project either.
22 So you can see that that's out.

23 Then we have a little bit smaller corridor 2,
24 which is also one of the alternatives as a deferral.
25 And it takes out not quite as much as that other

1 one, but, yet, it takes out roughly three and
2 three-quarter million acres. And you can see that
3 in the environmental impact statement.

4 The draft is out now. And the deadline on
5 comment on that is December 19th. Okay. December
6 19th for the draft comment period.

7 And mainly that's what we wanted to go over so
8 that we could discuss and take everyone's comment.
9 And at this time I would -- I'll be glad to clarify
10 anything you have, or we can begin talking about
11 having the public hearing comments as well.

12 So does anyone have any questions on that?

13 MS. AHMAOGAK: I have a question --

14 (Interpreter translating.)

15 MS. AHMAOGAK: I have a question. Maggie
16 Ahmaogak, AEWC. Regarding the Chukchi Sea side, the
17 193, when we did the scoping meetings, we -- AEWC
18 followed MMS to Wainwright and Point Hope.

19 At that time we -- the whaling captains
20 identified some -- deferral areas.

21 MR. SALYER: Yes, ma'am.

22 MS. AHMAOGAK: Where is that deferral? I don't
23 want to see any alternatives.

24 MR. SALYER: Okay. The deferrals were, we had
25 specific walrus deferral areas, which covered a

1 circle roughly this size here. There was another
2 one near Wainwright, there was one near Point Lay
3 and there was one near Point Hope. And then there
4 was also the Barrow Canyon deferral. And then there
5 was some Eider critical habitat deferrals.

6 And rather than have these little -- the
7 individual deferrals, we made sure we were able to
8 encompass all of them in that large deferral.

9 MS. AHMAOGAK: I'm trying to make a point here.

10 MR. SALYER: Yes, ma'am.

11 MS. AHMAOGAK: At the time I think MMS took the
12 map. And they were -- Albert, you guys were
13 supposed to make me a copy, everybody signed off.
14 And these areas were definitely requested, that they
15 would not leave them up as alternatives for the
16 Interior to take out.

17 You see what I'm saying, is that when -- once
18 those areas are properly defined by the whaling
19 captains, that's what we did with Kaktovik and
20 Barrow, these areas were already identified by those
21 whaling captains in those respective villages.

22 Now, I do not see anything, as such, that looks
23 like a deferral.

24 MR. SALYER: Okay. Maybe I am not being clear.
25 I apologize.

1 MS. AHMAOGAK: Yes, that's why I wanted it to be
2 made clear.

3 MR. SALYER: Yes, ma'am.

4 And -- and what we did is, in order to do what
5 you're saying, okay, that -- that's why we had these
6 deferrals here, because it -- it --

7 MS. AHMAOGAK: But you identified them as
8 alternatives, options.

9 MR. SALYER: They're deferrals. You don't want
10 them to be -- I -- I mean you want those -- I
11 apologize. I'm trying to understand.

12 MR. BENNETT: You would like to see those as the
13 proposed action for the --

14 MS. AHMAOGAK: You people are very different
15 from the people I traveled with to the scoping
16 meetings. There was Fred King, John Goll, Albert
17 Barros. And a lot of the whaling captains took the
18 map off the wall and signed off and made a deferral
19 area.

20 And I gave that map up hoping that they were
21 going give me a copy. And I have not seen it yet.
22 But I do not see anything marked up that would
23 identify those areas of deferral that they wanted.
24 We do not want another Cross Island happening.
25 No -- no deferrals happening for these villages.

1 MR. SUYDAN: Can I try, maybe, to explain a
2 little bit?

3 MS. AHMAOGAK: Okay.

4 MR. SUYDAN: My name is Robert Suydan. I'm with
5 the North Slope Borough. I think what Maggie is
6 asking, is that those deferral areas are outside of
7 the planning area, just like the Polynya zone is
8 outside of the planning area. Is it the -- the
9 whaling captain said: We don't even want that to be
10 considered for leasing. It should be outside of the
11 planning area and we don't see it.

12 MS. AHMAOGAK: That's correct.

13 MR. SALYER: Okay.

14 MR. G. BROWER: I wanted to add a little bit.
15 It looks like you're trying to explain that that
16 purple section there is, you decided to make a large
17 area out of it as the deferral as an option. But I
18 think you made it to the point where whoever is
19 going to make the decision, that's going to be
20 totally unacceptable, because that's too big. And
21 it's not -- and getting what the villages asked for
22 that was identified, all mixed up into one big thing
23 that may not even be acceptable.

24 MR. SALYER: Okay.

25 (Interpreter translating.)

003-003

1 MS. AHMAOGAK: Maggie Ahmaogak, AEWC. I like
2 the way that Gordon Brower came up with it. And
3 that's exactly what AWC would like to prevent from
4 happening. If I don't -- if we do not see the
5 requested areas that were specified -- specified by
6 the whaling captains from those villages, and if you
7 see that alternatives that you made out in that
8 purple, that is not what we call -- or what was
9 specified by the whaling captains as the deferral.

10 I am very scared and very concerned about the
11 way this is laid out.

12 MR. COWLES: Thank you for that very important
13 comment. And Mr. Salyer and our office will take
14 that back and consider it as part of our preparation
15 of the final EIS. That's a very important point.
16 We appreciate you clarifying that so that we can
17 address it.

18 MS. WILLIAMS: I'm Vera Williams. I'm just a
19 resident, but I work in all kinds of stuff in our
20 community. Whatever Ms. Ahmaogak stated about AWC
21 deferrals, if you're going to define on there, can
22 you color code it in a different color so we can
23 know exactly what whaling captains requested, so
24 that it would be color coded different within
25 whatever you're trying to do. Because the way it

003-004

003-005

1 is, it seems like it wasn't really considered. But
2 if you color code it and make it obviously known
3 that that whaling captains comments were taken
4 seriously, I would like to see it in a different
5 color and stating that is what the whaling captains
6 wanted.

003-005

7 MR. EDWARDSON: Excuse me, you say you're with
8 the animals, you're the animal biologist for MMS?

9 MR. SALYER: I'm the EIS coordinator. My
10 background is a wildlife biologist.

11 MR. EDWARDSON: Okay. Great.

12 You don't have to follow the Marine Mammal
13 Protection Act when you look at the maps you're
14 showing us. You don't have to follow the Migratory
15 Bird Treaties or the Endangered Species Act, because
16 if you did, you know, this area would not be
17 touched, if that was the case.

18 So as a marine biologist, you can ignore such
19 laws as Endangered Species Act, Migratory Bird
20 treaties and the Marine Mammal Protection Act. That
21 is what I'm hearing you and seeing what you have put
22 up, is MMS is exempt from these laws?

003-006

23 MR. SALYER: No, sir. We are in consultation
24 with the different agencies you're referring to.

25 MR. EDWARDSON: Then why is it our commission,

003-006

003-006

1 our whaling commission and the people up here have
2 to identify to you these animals' paths, and if we
3 don't mention it, then you waive the regulations
4 that protect these animals?

5 MR. SALYER: They're definitely not waived. We
6 have pretty serious consultation. And we try to
7 work with one another to the process to come to some
8 agreement with everybody at different stages of the
9 process included here.

10 MR. BROWER: I worked in the North Slope Borough
11 planning for many years and have made comments year
12 after year concerning migration of whales, calving,
13 feeding, endangered species, you know, in the event
14 something happens and catastrophic release of oil
15 happens. Why has MMS ignored all those comments for
16 years and years and keep continue to go when we make
17 comments, they're inconsistent with coastal
18 management policies and municipal code policies on
19 migration, and all of these things, you still push
20 on like we don't exist.

006-037

21 Are we still going to say something to you
22 that's just going to be chucked to the back side
23 somewhere where nobody's going to pay attention to
24 it? That's the kind of feeling I get every time we
25 make these comments and you come back and repeat

1 ourselves over and over. I think we're doing this
2 until we die, going until we deplete the Eskimos.

3 MR. SALYER: Thank you.

4 MR. BROWER III: I have a question.

5 MR. SALYER: Yes, sir?

6 MR. BROWER III: I was reading the, the draft
7 EIS came out here recently, when I was going through
8 there, and I was going through another previous
9 document that just put together on the EIS on the
10 western and central (inaudible). And one of them
11 talks about (inaudible) that is deterred by offshore
12 exploration, but yet the draft EIS doesn't say
13 anything about the probability of (inaudible)
14 environmental offshore drilling that (inaudible) the
15 pristine environment fish, marine mammal migratory
16 birds. Doesn't say nothing about what the property
17 or mitigation will be with incidental (inaudible)
18 exploratory drilling. It doesn't state not one
19 thing the previous year document from 2005 why
20 independent research, and there were a lot of
21 comments made when there was a draft EIS done for
22 western and central Gulf Mexico.

23 These were comments prepared by experts but yet
24 (inaudible) no found EIS in those areas, so. Why is
25 that? (Inaudible) this draft EIS or this new sale

003-007

1 lease and probability on the five-year plan if
2 anything happens when they say (inaudible) these
3 offshore activities.

4 MR. SALYER: Okay. Thank you.

5 MR. SUYDAN: Cleve -- again, my name's Robert
6 Suydan. All the public hearings I've always been to
7 before have been really structured and there's an
8 opportunity for everybody to give comments and very
9 formally. Are we going to do that tonight?

10 MR. COWLES: Yes. Yes.

11 What we wanted to do, since we presented in
12 consideration of the fact that we are back again.
13 And we have three different items, basically, that
14 we're talking about tonight. We felt that by giving
15 this presentation, we would give an overview of the
16 scope of what we're talking about tonight. And then
17 provide a chance for you to seek clarification, for
18 example, with Mr. Salyer and what he just went over
19 or Mr. Bennett or myself.

20 So we want to do that, but we also do want you
21 to feel that we will later or right now, if you
22 wish, provide opportunity for formal testimony.

23 So one of the ways that we would appreciate your
24 consideration tonight for that purpose would be if
25 you're going to provide a comment or testimony on

1 any of these items would be to let us know which
2 item it is and that will help us to provide response
3 and to bring it under consideration.

4 And if that doesn't -- if your comment is more
5 general, then we will use that comment in
6 consideration of all of the items that we have on
7 our agenda tonight.

8 So --

9 MR. BENNETT: You might want to just note that
10 we are recording all of the comments that have been
11 going now. They are being recorded, whether it's
12 presented as formal testimony or not. And they will
13 be dealt with as comments on the EISes.

14 MR. SALYER: Before we go into the hearing, I
15 can clarify real briefly on the heavy metals issue,
16 it was addressed in Draft 193 in the water quality
17 section. So it might not -- I think your comment's
18 a very valid comment, and perhaps it wasn't
19 addressed to the degree of which you would like to
20 see it addressed.

21 Speaking to the Gulf of the Mexico, I know one
22 of the challenges we come up with in putting the
23 information in the environmental impact statement is
24 there isn't a lot of data in some of the disciplines
25 to draw from. So we recognize there should be some

1 more study in that area. And that's another
2 process.

3 In the Gulf -- I'm from down there. And there's
4 just a multitude of information that's readily
5 available. And I know they get really detailed on
6 the heavy metals in the Gulf of Mexico.

7 Our folks working on it in the Chukchi Sea, they
8 went to the information that they could find and
9 tried to extract what they could and conduct the
10 analysis. I am trying to clarify a little bit for
11 your sake, sir.

12 MR. BROWER III: I would just like to see that
13 on the, properly on this next round on the comments
14 on -- before the final EIS comes out to see at least
15 how it's going to be addressed to the direct chain
16 from the microscopic to marine mammals.

17 MR. SALYER: Okay. Thank you.

18 MS. WILLIAMS: Vera Williams, for the record --
19 (Interpreter translating.)

20 MS. WILLIAMS: Vera Williams, for the record.
21 On page 4 your proposed OCS lease sale '04 and '05
22 is listed for West -- for the Gulf Mexico, was there
23 any damages during all these hurricanes we had last
24 year? How bad of a structure -- did any of those
25 structures have, comparing -- because we have to

003-008

003-009

1 compare our storms to something.

2 I know we have ice that comes when Mother
3 Nature's magnitude of strength, I'm just wondering
4 how bad were the -- the -- whatever the oilfield in
5 the ocean, the Gulf of Mexico, was there any oil
6 spills? Because we don't hear about them in the
7 news. And I am just curious to see if there was any
8 damage during such storms with the hurricanes down
9 there.

10 MR. BENNETT: Very good question. The
11 information that we collected to date on that is,
12 yes, there was a lot of structural damage offshore.
13 But all of the offshore operations were evacuated
14 before the storms, Katrina and Rita, hit. And
15 although there was quite a bit of structural damage
16 offshore, there were no oil spills and there was no
17 loss of life.

18 There was a significant oil spill, but it was
19 from storage facilities up in Mississippi River, not
20 from the Outer Continental Shelf.

21 MS. WILLIAMS: I was just curious, because I
22 don't hear about such things and I have been meaning
23 to ask.

24 (Interpreter translating.)

25 MR. BROWER: I wanted to make a quick comment,

003-009

1 and it had to do with some time ago for a moratoria
2 on areas. You could -- you could see that there was
3 areas with a moratoria on leasing in parts of the
4 United States and some parts of it, I think, near
5 Bristol Bay, and areas were -- where there is other
6 types of activities, I think, to be protected.

7 And I think I had wrote a letter concerning that
8 there should be a similar type moratoria in the
9 Arctic, because of -- for one thing, there's a very
10 dramatic ice regime up here the -- in the endangered
11 species that inhabit up here, polar bears. And you
12 see that in the newspaper and the Discovery Channel
13 from time to time about the polar bears suffering
14 because of ice depletion and stuff like that,
15 habitat loss, and lots of new data surrounding
16 whales, they're calving, they calve on the way and
17 they feed and do all this. Why do you proceed and
18 seem to ignore things like that when there's, you
19 know, when there's request and seems like they're
20 logical enough to make reasonable decisions like
21 that when you provide information?

22 MR. COWLES: On the moratoria, we have not
23 ignored moratoria. There have been two types of
24 moratoria on OCS areas nationwide. Congressional
25 moratoria and executive.

003-010

1 In Alaska there's one area for which there have
2 been both types. And this is the North Aleutian
3 Basin area. And I don't have the dates right off
4 the top of my head, but recently, the congressional
5 moratoria was lifted for that planning area, but
6 there is still a presidential moratoria.

7 MR. BENNETT: Withdrawal.

8 MR. COWLES: Withdrawal. Okay.

9 And that has to be addressed before the
10 secretary of interior would include that in his
11 final program. So we have it out for discussion and
12 comment in our proposed program, but the -- as far
13 as I know, the presidential moratorium remains in
14 place.

15 MR. BROWER: Just one follow-up to that, and I
16 think I kind of didn't say this part of it, is I was
17 involved in a, I think in 2000 or 2001 joint
18 evaluation on the North Star spill response plans
19 when North Star was going through. And that joint
20 evaluation had seen so much inadequacies on oil
21 spill response tactics, capabilities with mechanical
22 barges, special barges to be out there.

23 And we had whaling captains on the barges. And
24 I was on one particular barge with one whaling
25 captain where the captain of the boat was in fear,

1 he was in fear because we were being enveloped by
2 ice all around us. He was afraid he would not be
3 able to get out of this and had to abandon the
4 drill.

5 That's what you're talking about, there is no,
6 to date, no technology involved in having an
7 effective cleanup on these kinds of things, yet you
8 go forward. That should be told directly to the
9 president of the United States.

10 MR. COWLES: Thank you for that comment. MMS
11 has a pollution prevention program that encompasses
12 more than oil spill response. They are a very
13 fundamental reviews that are part of our regulations
14 of industry, should it get to the stage of
15 submitting a development and production plan or an
16 exploration plan.

17 There are a lot of regulations and requirements
18 on the companies in terms of how they design their
19 programs to minimize risk so that we don't get to
20 the oil spill response stage.

21 A couple of aspects of these many different
22 regulations, for example, include review of the
23 engineering design, third-party verifications of the
24 plans and the rigs that have been, perhaps,
25 constructed for a particular activity. There are

1 requirements for a redundant well control systems,
2 there's emergency plans for a number of different
3 types of events in order to make sure that the
4 industry is prepared for a variety of possible
5 emergencies, including shallow gas possibilities,
6 hydrogen sulfide. There's several different
7 emergency plans that are required.

8 There's shallow hazard surveys before a company
9 goes into a -- a site to explore. And even,
10 perhaps, most importantly, we have on-site
11 inspections during operations to make sure that the
12 various safety systems are in place and the
13 procedures are being done in accordance with these
14 regulations.

15 So there's a whole host of requirements that MMS
16 enforces. I'm not an expert in that area, but I
17 just want to mention that the thrust is to minimize
18 the chance that there would be a spill.

19 MR. BROWER: I would just like to say one
20 comment about your comment about minimizing the
21 risk. You all know what happened 1912 with Titanic.
22 They said God, himself, can't sink this ship, and
23 it's at the bottom of the sea. You can't put
24 everything on prevention. You have to put something
25 towards a capability to pick up oil, should it go

1 into the Arctic environment. They have to be a
2 mechanical means to cleanup the Arctic environment
3 for those whales.

4 MR. BENNETT: Thank you for that comment. I
5 think that we've been going for roughly an hour.
6 And I would suggest that we take about a ten-minute
7 break and come back and continue, either for
8 clarifications or for testimony.

9 There's been a request for a podium.

10 MR. COWLES: We would set up a place for people
11 to make their formal presentation, there's a podium
12 that somebody has requested.

13 MR. EDWARDSON: I've got a little one. I wanted
14 to ask the biologist 1987, there was an
15 international conference on birds of the world -- I
16 mean the fish of the world under the Bering Sea.
17 And in there they identified the world's fisheries
18 as three segments. One segment was the Pacific Rim,
19 which the people, population growing so big, had
20 fished it out.

21 The second portion was the New England Banks all
22 the way over to Canada, the Northern Europe and the
23 people there have fished that out. Now the final
24 and last fisheries left on this planet is, you know,
25 the Bering Sea fisheries.

1 When the salmon leaves the fresh water rivers
2 where they're hatched, they disappear. And where
3 they go, their nursery is that -- the whole area
4 where you're proposing to do your drilling with.
5 That's where the salmon goes.

6 Now, if you have one accident there, you have
7 wiped out the world's fishery. That's going to be
8 on your heads. One accident, you destroy the
9 left -- last of the world's fisheries. I just
10 wanted to point that out to you.

11 MS. ROSA: Cheryl Rosa, Department of Wildlife
12 Management. Many of us in the north have watched in
13 horror, essentially, as more and more information
14 about BP's negligent maintenance of the on-land
15 Pipeline that's been basically revealed.

16 Does the MMS have any say in who they sell to,
17 these leases to? And do you look at an
18 environmental record? I mean, is there any type, do
19 you guys have any type of say in this? Because
20 offshore, it strikes me that they can't take care of
21 their onshore stuff, offshore is going to be a
22 hundred times worse.

23 MR. BENNETT: Lessees have to demonstrate that
24 they have the capability to operate withing the
25 parameters of environmental safety, as we define it

003-038

1 for them.

2 MS. AHMAOGAK: Before permitting?

3 MR. BENNETT: Before permitting, yes.

4 MS. AHMAOGAK: Why do you let them -- why do you
5 permit when they don't have it before --

6 MR. BENNETT: I can't speak to the onshore
7 situation. I'm not familiar with that with regard
8 to BP. It's not on our regulations.

9 MS. ROSA: I just want to register my personal
10 concern with the lack of ability to maintain and to
11 be able to see what is under water. I'm incredibly
12 disappointed with what I've been hearing for the
13 on-land and I know that this doesn't have much to do
14 with you guys, but it is a large concern for me.

15 MR. COWLES: Thank you. Well, why don't we take
16 a little break. It's 8:30. According to my watch.
17 So ten minutes.

18 (Thereupon, a brief recess was taken, after
19 which the following proceedings were had:)

20 MR. COWLES: We would like to open this meeting
21 now for testimony or other testimony about these
22 matters. And Maggie Ahmaogak has come forward.
23 Thank you. Maggie.

24 MS. AHMAOGAK: Okay. My name is Maggie Ahmaogak
25 I'm the executive director to the Alaska Eskimo

1 Whaling Commission for the record.

2 And my testimony is on behalf of the Alaska
3 Eskimo Whaling Commission for the hearing of the
4 United States Minerals Management on the draft
5 environmental impact statement for the Outer
6 Continental Shelf oil and gas leasing program 2007
7 to 2012.

8 Good evening. I'm the executive director of the
9 Alaska Eskimo Whaling Commission and am testifying
10 today on behalf of the AEWC. I will speak on the
11 following three very important points. I raised
12 these issues before the MMS in my testimony last
13 spring when I followed MMS to the scoping meetings
14 in the whole North Slope.

15 First, the level of activity MMS is planning to
16 permit up here will overwhelm us. This is too much
17 activity going on at one time. There is no way to
18 mitigate for multiple seismic operations, except to
19 shut them down until the bowhead hunt is over. And
20 there is no way at all to mitigate for multiple
21 drilling operations with icebreakers. Do you have a
22 plan for this, and where is this plan?

23 Second, MMS must start right now to address
24 long-term cumulative impacts from the activities up
25 here. We have been demanding this of MMS for many

003-011

003-012

1 years and now we must insist.

2 And finally, we will not tolerate your continued
3 use of the significance thresholds that you have in
4 this document, especially when it comes to food for
5 our people and protection of our culture.

003-013

6 On the level of the activity, we have many
7 affidavits from our whaling captains testifying to
8 the damage to their hunting from the high levels of
9 activity during the 1980s and early 1990s. Just as
10 happened then, we will not be able to have
11 successful hunts. This happened in 1980. There was
12 no success. Whales will be lost and our hunters
13 will be put at serious risk.

14 During that time, hunters lost equipment and
15 boats and some almost lost their lives because they
16 had to travel so far out in the ocean. This kind of
17 situation is also likely to lead to increases in our
18 struck and lost. If that happens, the IWC could
19 reduce our bowhead quota because of the reduced
20 efficiency in our hunt.

21 You have put in a 25-mile deferral area for the
22 Chukchi coast, and we are glad to see this. It
23 should help to spare our Chukchi villages, some of
24 the more serious impacts that our Beaufort Sea
25 villages have suffered.

003-014

1 But where are the protections for our Beaufort
2 Sea villages? Where is the deferral area for Cross
3 Island that we have been asking for years? How do
4 you plan to manage upstream impacts to the bowheads
5 when they migrate in the fall?

6 In your EIS you repeat over and over that
7 consultation and mitigation will take care of
8 everything later. How well do you mitigate the
9 impacts from those activities? We live here. We
10 depend on our subsistence resources being available
11 to us. You cannot ignore these facts.

12 When you plan your lease sales and your permits,
13 you have to account for our reliance on the
14 availability of our subsistence resources and make
15 your plans accordingly. We can only take our
16 subsistence resources when they migrate past our
17 villages. If your activities drive them away, there
18 is no second chance for us to -- for an entire year.

19 One of the most important planning tools that
20 you have, MMS, is the exclusion areas around our
21 villages from leasing under your five-year plan. We
22 showed you back in November of 2001 the areas that
23 we needed protected from the industrial activities
24 Nuiqsut identified 94 blocks, Kaktovik identified
25 173 blocks, Barrow identified 588 blocks. That

1 should have been deferred from Lease Sale 186 and
2 subsequent sales.

3 The deferral areas identified by the communities
4 are the areas that must be left free from industrial
5 noise during the fall bowhead migration and
6 subsistence hunts if the communities are to have an
7 opportunity for a safe and successful hunt to meet
8 their subsistence need for bowhead whales.

9 We have requested that for the 2007, 2012
10 five-year plan the deferral areas we first requested
11 in November of 2001 be established as exclusions
12 from this new program area. I can't even find a
13 discussion of this in your draft EIS. Is this how
14 little our concerns and our communities mean to your
15 agency?

16 Now, turning to cumulative effects. For this
17 five-year plan, MMS, we have asked you to coordinate
18 development activities with BLM, the State of Alaska
19 and to work with us to manage cumulative impacts
20 from all of the onshore and offshore activities
21 happening at the same time. Again, there is no
22 mention of this in your draft EIS.

23 In 2003, the National Research Council said that
24 the mitigation of cumulative impacts must rest on a
25 coordinated and comprehensive research plan that

1 incorporates traditional knowledge and independent
2 peer review. Without this coordination, MMS is
3 violating its legal responsibility for analyzing and
4 addressing the cumulative environmental impacts
5 caused by its offshore leases and permits.

6 Not only that, but the Department of the
7 Interior's own internal regulations require MMS and
8 BLM to integrate their analysis of environmental
9 impacts from North Slope oil and gas development.
10 You are required to do this, MMS, and you'll need to
11 make this integrated analysis public. And then you
12 need to work with the AEWC and the North Slope
13 Borough to come up with a way to manage the impacts
14 to our marine, coastal and human environments.

15 And the impacts are here. We now have 40 to 50
16 kilometer area around Prudhoe Bay that has been
17 abandoned by seals and where no bowheads are seen.
18 We want to know why this is there and how you are
19 going to keep this same kind of impact from
20 happening around offshore production sites.

21 And finally, significance thresholds. In spite
22 of our objection MMS, you continue to state that you
23 do not consider adverse impacts to subsistence uses
24 to be significant unless one or more important
25 subsistence resources become unavailable,

003-015

1 undesirable for use or available only in greatly
2 reduced numbers for a period of one to two years.

3 What you are saying here is that we should be
4 able to go without food or experience severe food
5 shortages for up to two years before you would
6 consider the situation to be significant. MMS also
7 does not consider adverse impacts to our social and
8 cultural practices to be significant unless there is
9 a chronic disruption of our culture for a period of
10 two to five years with a tendency toward the
11 displacement of existing social patterns.

12 People would starve and our community would have
13 fallen apart by the time you, MMS, declares there is
14 a chronic disruption of our culture for a period of
15 two to five years. And still, this will not be
16 significant. What is your justification for this?
17 Who has given you the authority to make these kind
18 of judgment calls? This could mean life and death
19 for our people, who depend on subsistence food for a
20 living.

21 Congress has not given you this authority, the
22 standard Congress has set for the activities you
23 permit is no unmitigable adverse impact to the
24 availability of our subsistence resources. With
25 your plan to allow activities that would make our

003-016

1 food resources unavailable one to two years, it is
2 clear that MMS does not consider itself bound by
3 this federal law.

4 We have tried to work with your agency in good
5 faith for many years now. But we still are not
6 being listened to. So maybe it's time I went to
7 Washington DC and talked to your bosses. And maybe,
8 just maybe Congress will listen. Thank you.

9 (Interpreter translating.)

10 MR. COWLES: Thank you, sir.

11 MR. OLEMAUN: We must have the same thoughts,
12 because Maggie just mentioned what I was going to --
13 what I have here, but I do want to present it to
14 you. My name is George Olemaun. I'm with the North
15 Slope Borough, I'm the CAO. I represent the mayor,
16 Edward Itta.

17 We are not welcome for coming again and again
18 and again. But we'll still be here, don't forget
19 that. But for most -- and I hope to see you again,
20 too, Mr. Bennett. Well, could you tell us who
21 your -- what your -- I mean, what -- who you -- are
22 you the boss of the people that come here? Are you
23 the one that --

24 MR. BENNETT: No. I'm with the Minerals
25 Management Service in Washington. I'm the chief of

1 the Branch of Environmental Assessment. Cleve is
2 the regional offices, I think --

3 MR. COWLES: I'm the acting regional supervisor
4 for the Office of Leasing Environment in Anchorage
5 and Mr. Salyer and --

6 MR. OLEMAUN: Yeah, and I just wanted to clarify
7 what his position was. And I understand this is
8 your first time here; is that correct?

9 MR. BENNETT: No, this is my second trip to
10 Barrow. I was here a couple years ago for an IT --

11 MR. OLEMAUN: Well, so many of you all look the
12 same now.

13 MR. BENNETT: Appreciate being here.

14 MR. OLEMAUN: For more than 30 years North Slope
15 Borough leaders have taken a consistent stand in
16 opposition to offshore leasing exploration and
17 development. That opposition has been based
18 primarily on two factors, that the noise associated
19 with industrial operations can deflect migrating
20 bowhead whales and other important subsistence
21 resources beyond the range of safe harvest by local
22 at hunters. And two, because of a lack of
23 demonstrated capability to respond -- to respond to
24 and clean up a significant oil spill in Arctic
25 marine environment.

1 I'm going to make a few brief comments here
2 tonight but will submit detailed written comments on
3 both the EIS, draft EIS 2007, 2012 OCS leasing and
4 the draft EIS for Chukchi Sea Lease Sale 193.

5 The proposal for three Chukchi Sea lease sales,
6 is an overly-aggressive schedule, it's an
7 overly-aggressive schedule, given the remoteness of
8 the planning area, lack of comprehensible biological
9 and other key resource and environmental data and
10 absence of inactive leases.

11 A three-sale within a five-year leasing program
12 would not allow for the adequate acquisition and
13 analysis of relevant scientific information. In the
14 leasing of our waters, we support the exclusion of
15 key subsistence information from leasing. MMS
16 maintains that consideration of area deferrals is
17 appropriately left to the review of individual lease
18 sales and should not be undertaken within the
19 five-year program.

20 Several exclusions are considered in the draft
21 EIS including a 25-mile costal buffer in the Chukchi
22 Sea, identified as Alternative 5, and ultimately
23 adopted into the proposed program. The distinction
24 between such inclusions and area deferrals is lost
25 on us. If an area is accepted as preserving of

1 heightened protection, it is best to apply that
2 protection as early in the planning process and as
3 much certainty as possible.

4 It is unclear how the proposed 25-mile Chukchi
5 costal buffer compares to the exclusion of
6 near-shore tracts, the Chukchi Polynya and the
7 tracts near Barrow under the current five-year
8 program. We will support adoption of whichever area
9 is larger.

10 We also believe the areas of the Beaufort Sea
11 are equally deserving of heightened protection at
12 the five-year program stage the same factors that
13 justify excluding a coastal buffer zone in Chukchi
14 Sea apply in the Beaufort Sea as well. Comparable
15 exclusion zones should be adopted. At an absolute
16 minimum, areas that have been repeatedly deferred
17 from off-sea Beaufort Sea sales from more than a
18 decade -- for more than a decade certainly can be
19 excluded now without controversy.

20 The area encompassing the Barrow Spring Lead,
21 that's the open water system in the Eastern Beaufort
22 Sea, have long been recognized by MMS as critical
23 subsistence use areas and areas of high biological
24 sensitivity.

25 In addition, the area north and east of Cross

1 Island are the recognized as being critical to the
2 subsistence whaling success of the community of
3 Nuiqsut and should be excluded from leasing as well.

4 The discussion of oil spill risk and effects is
5 inadequate -- it is inadequate. MMS wrongly mixes
6 conclusions that the likelihood of major spills is
7 low and that impacts would there be minimal. The
8 facts are that the major oil spills are predicted to
9 occur in each Arctic planning area and that major
10 spills would produce significant effects to
11 subsistence and could produce population level
12 equals -- effects to vulnerable species.

13 MMS often describes the effects of large spill
14 simply as being greater or longer term than small
15 spills. Instead the EIS must be specific in
16 describing the impacts of large spills. DEIS does
17 not comply with an EPA requirement that a discussion
18 of mitigation measures be included in analyses. MMS
19 repeatedly concludes in a variety of contexts,
20 however, that such measures will reduce impacts to
21 acceptable levels. MMS cannot have it both ways.

22 Mitigation measures must be identified and
23 discussed in sufficient detail to allow for a
24 assessment of their usefulness.

25 Section 18 A 1 of the OCS Lands Act provides

1 that in addition to examining oil and gas resources,
2 the Secretary is required to consider the value of
3 other OCS resources and the potential impact that
4 OCS oil and gas activities could have on these
5 resources on the marine coastal and human
6 environments.

7 MMS has never done an adequate job of
8 identifying the full range of impacts on our local
9 Inupiat people that have already occurred or are
10 foreseeable in the future as a result of OCS leasing
11 and activities.

12 A draft EIS does not acknowledge that the
13 cultural and subsistence activities of Alaska
14 Natives could be affected by both routine
15 development activities and oil spills and that
16 Alaska Natives may be disproportionately affected by
17 OCS activities because of our reliance on
18 subsistence resources and harvest practices.

19 It just seems that nothing has been done with
20 this information. It certainly has not been the
21 basis for a decision to halt leasing in our Arctic
22 planning areas on -- thereby curtail ongoing impacts
23 or reduce the threat of future ones.

24 MMS should commit to the adoption of Health
25 Impact Assessment as the state-of-the-art

1 methodology for developing information in all future
2 sale-specific environmental documents regarding how
3 the OCS leasing program may affect the health of
4 people. HIA will assist MMS in satisfying NEPA, CEQ
5 and other state statutory and regulatory
6 requirements to comprehensively analyze the effects
7 of its actions on our North Slope residents and
8 others affected by OCS leasing and operation.

9 HRA has been enthusiastically endorsed by the
10 Federal Centers for Disease Control and Prevention
11 and the World Health Organization. The Borough is
12 eager to collaborate with MMS in applying the HIA
13 process with the future MMS planning efforts.

14 MMS has used inappropriate significance
15 thresholds for subsistence and sociocultural system
16 effects. It is irrational and simply insulting to
17 maintain the loss of one or more major food
18 resources not significant unless the disruption
19 occurs for one year or more. We join the AWC in
20 asking the criteria be revised to more accurately
21 reflect the experiences of the people who would be
22 affected.

23 A cumulative effects analysis presented in the
24 DEIS is inadequate. As noted earlier, MMS has not
25 met its obligation to fully assess potential impacts

003-017

003-018

003-018

1 to human health. MMS has also not offered any real
2 description or analysis of a host of ongoing and
3 reasonably unforeseeable actions and conditions to
4 that will occur during the suggested 40-year life
5 span of program activities.

6 These include upper-end scenarios for oil and
7 gas development of the South, Southeast and
8 Northwest NPR-A planning areas, including specifics
9 to restrict overall footprints, roads, pipelines,
10 port and coastal staging facilities and marine
11 transport.

12 Of particular concern are a potential for
13 expanding onshore development or stimulate offshore
14 development [as spoken]. The potential for offshore
15 operations in support of onshore development to
16 impact marine resources and harvests, the potential
17 for onshore pipelines and other infrastructure
18 associated with offshore development to impact
19 onshore resources, particularly the Teshekpuk
20 Caribou Herd and Western Caribou Herd. [as spoken]

21 Construction and operation of an Alaska gas
22 pipeline and the expansion of the Delong Mountain
23 Portsite or Red Dog Mine, coal and mineral
24 development within and outside the NPR-A, increasing
25 onshore and offshore industrialization and

1 commercialization of the Eastern Russian Arctic,
2 increasing oil and gas development in the Canadian
3 Arctic, long-term multiple offshore open water and
4 winter seismic operations.

5 With respect to the proposed Chukchi Sea Sale
6 193, the Borough position has not changed since we
7 submitted scoping comments last year. We still have
8 much to learn about the biology and processes of the
9 Beaufort Sea. We know far less about the Chukchi
10 Sea. We must make responsible decisions with our --
11 regarding leasing until significantly more baseline
12 data is obtained in the region. Thank you.

13 And I do have a copy for you.

14 (Interpreter translating.)

15 MR. G. BROWER: My name's Gordon Brower, for the
16 record. I just like to state a little bit about
17 myself. I've been in my dad's whaling crew since I
18 was a little kid. I've taken turn many times for
19 many years as co-captain with my younger brother and
20 my older brothers.

21 And I've also had the privilege to serve on the
22 Federal Subsistence Advisory Council representing
23 Barrow and also had a good privilege to -- over the
24 planning department for quite a while and making
25 comments for the administrator of the director of

1 planning on lease sales, such as these.

2 Now, that's just a little bit of my background.
3 And I'd like to make a few comments. Some of the
4 things that -- that have interested me and bothered
5 me over time. Some of them deal with coastal impact
6 assistance programs, grants that we're often
7 fighting for, and how it's allocated by the State.
8 There needs to be some reformulation of how those
9 monies are distributed with targeting the real
10 impact zone. We have a real hard time fighting for
11 these funds from the State.

12 And I see that in today, the State of Alaska,
13 having altered the Coastal Management Program,
14 limiting the -- the scope to the three-mile boundary
15 and your -- seems to be up to 100 miles offshore,
16 seems to me that doesn't impact the State.

17 And I would like to say that -- that these kinds
18 of impacts are for the indigenous people. They have
19 a claim to that water out there. The regional
20 government here, the ICAS, needs to be involved
21 heavily in coastal impact assistance, because that
22 is not State water. State water stops at three
23 miles. They need to be reformulating these things
24 for the impacted tribal organizations.

25 Currently there's villages that don't have

1 infrastructure for, should you -- should you strike
2 oil out there, there are no boat docks capable of
3 handling larger ships and coming ashore. Those kind
4 of funding should go to the regional tribal
5 organizations from OCS.

6 And another thing, I was -- I had the privilege
7 of being a staff member to the ICC for the elders
8 conference in July for the planning partner with
9 staff. And Arnold Brower Senior had introduced a
10 resolution to the elders, which was passed
11 unanimously by Greenland, by Russia, by Canada, that
12 in -- had statements to the effect that each
13 neighboring country should not engage in oil
14 proliferation of the Arctic Ocean until there is
15 proven technology to clean up oil so that the
16 neighboring countries wouldn't be affected by oil
17 pollution in the Arctic. I think some of that has
18 consequences to ICC to what you're doing out here.

19 I've made a few little notes. This is my --
20 these are my notes. I don't have -- I was just in a
21 hurry and found out, so I wrote on a little
22 three-by-three sticky thing here. So these are my
23 notes here, I go off of.

24 UNIDENTIFIED SPEAKER: Are you going to turn
25 that in?

1 MR. G. BROWER: I might turn it in.

2 MR. COWLES: Please do.

3 MR. G. BROWER: But I don't know, if I turn that
4 in, I think that it'll get lost, it will just go out
5 that way. Maybe I better save them for myself.

6 Anyway, United States and other countries who
7 the oil -- who the oil industry sells the oil to
8 will receive low prices, namingly, probably Lower
9 48. I think I have heard that a lot of the oil from
10 the North Slope gets sold to Japan, to other
11 countries that -- the United States have friends.
12 And I think that's not right. You know, that's --
13 should be for domestic oil supply. And I think
14 that's, something has to be written into the lease,
15 that this oil should be used for the country.

16 And they all receive lower prices, but not the
17 Arctic. In 2006 the fuel prices in Barrow, which is
18 the lowest cost in all of the villages in the North
19 Slope was \$4.55 a gallon, the last time I went to
20 the pump, a gallon of fuel. I've heard many times
21 in other villages of \$6 a gallon.

22 I got to turn the page.

23 We have provided new compelling evidence that
24 the risk of an oil spill is increasing and the risk
25 should not be taken lightly. The people of the

1 Arctic will not receive meaningful benefits with the
2 selling of the Arctic Ocean. I am saying that I
3 don't think North Slope Borough would be receiving
4 anything in terms of taxation, property taxes. You
5 need to look at this situation, and I think our
6 regional IRA, such as ICAS needs to be looking at
7 this. And that should be a taxable place for the
8 IRA.

9 What do you do with our comments, as I stated
10 before, when we have commented before on baby
11 whales, endangered species, risk of oil spills and
12 the lack of options for cleaning the Arctic
13 environment, if and when industry spills? I'm
14 saying "if" and now it's "when."

15 I've been -- like I said, I've been involved in
16 the offshore trials for North Star. Right now North
17 Star is pumping 80,000 barrels per day with a system
18 that doesn't work for offshore cleanup, should it
19 spill in broken ice. I've -- I was on board those
20 boats, those captains trying to do a mock drill to
21 pick up oil in that environment were scared for
22 their lives. That -- that -- that drill was stopped
23 short.

24 If North Star suddenly had a problem, such as
25 what happened to GC 2, what do we do then? You

1 know, 200,000 gallons on the ground and somebody had
2 to smell it in order to see it. No mechanical
3 technology picked it up, except the nose of an
4 individual person. That's the technology you're --
5 you have and what the industry is lacking or
6 unwilling to go to best available technologies, an
7 individual by smell found the -- that leak. I think
8 that's totally unacceptable.

9 Under the land of the Eskimo is oil and gas, yet
10 we have to import our fuels. Home heating, motor
11 gas, all imported, back to the Arctic and we get a
12 double cost added in the villages, three and four
13 times the cost. How do you guys fix that, when
14 we're the ones that have the oil right underneath of
15 us? Seems to me our gas prices should be \$.99 a
16 gallon.

17 This is a shameful situation. The government
18 has taken the Eskimos' lands away and have raped the
19 Eskimos from oil and gas and minerals, which are
20 rightful -- which are rightful owners of the
21 Inupiats aboriginal people.

22 Wherever you go in the Arctic, on land or sea,
23 the Eskimos were here first. 1971, the Eskimos did
24 not want the land claims. We were forced into the
25 deal and had to deal with it. ICA is the regional

1 IRA to -- need to tax the OCS. The Eskimos live off
2 of the ocean. I think our aboriginal title should
3 be 80 miles offshore everywhere.

4 And reclaim our rights, 90 percent of the
5 villages are hurting for jobs. I often like to
6 state these things because I deal with onshore
7 impacts and development. There's constant
8 displacement. There's constant movement westerly,
9 and it's going to reach Barrow very soon.

10 And North Slope Borough is the only one, the
11 only agency leading this mitigation effort. The
12 State and others have ignored it for many years,
13 like we don't exist. The North Slope Borough is the
14 only one who has started a mitigation program to
15 offset the cost of displacing subsistence resources,
16 to offset the cost of going out further to hunt
17 elsewhere. So that cost would not be added onto
18 everyday normal life of people trying to subsist off
19 the land.

20 It is a subsistence economy using modern tools
21 to survive. We use the fuels that are made far away
22 in far away lands from oil produced over our lands.
23 I don't think we can move forward like that anymore.
24 It's -- it's -- I think it's just totally wrong.

25 I think we're probably the minority of the

1 minority of the minority. If you believe the -- the
2 black man is a minority and they have 20 million
3 people. What are the Eskimos?

4 MMS, you have no -- I'd like to say this, you
5 know, clearly, MMS, you have no backbone to even
6 stand up to industry. When our whales are
7 threatened, this is alluding to Conoco's lawsuit on
8 this 120 decibel situation for offshore seismic.
9 How we can trust you -- how can we trust you to keep
10 a log of what -- what the heck we say, when we have
11 introduced mitigation through the Marine Mammals and
12 through those programmatic EAs on the seismic and
13 then go and look -- and not even really say too much
14 about this lawsuit surrounding seismic when it comes
15 to protecting baby whales?

16 Record my words. Let me see them. Let me see
17 them said in your report, in your EIS, as I have
18 said them. I would really like to see that. Seems
19 to me, in the EIS, a lot of the meaningful comments,
20 they don't get on there, either they don't apply to
21 Lease Sale 193 or -- or your 2007 to 2012. I'm
22 saying these comments for both of them, for 2007 to
23 2012, because they're going to be the same thing.
24 You're going to just keep doing it and keep doing
25 it.

003-019

1 For many years, the North Slope Borough talked
2 about pipeline corrosion. Only when the pipes go to
3 hell did anyone do anything about it. The North
4 Slope Borough saw this at least ten years before the
5 large spill on the lands in the Arctic. We had made
6 repeated statements to the State of Alaska and to
7 others concerning corrosion of pipelines, aging
8 infrastructure. And yet, they just let it go until
9 a big hole happens and the pipeline is leaking at
10 every -- every turn. Is that what we're going to be
11 expecting to see off -- out there?

12 MMS, I state to you that industry nor MMS has
13 the technology to clean up oil in the Arctic marine
14 environment. Should industry have a blowout or
15 spill in the Arctic Ocean, what are we going to do
16 then? I mean, I endorse wholeheartedly what AEWC
17 has said concerning IWC efficiency rates. But what
18 if the spill happens? Maybe the only means of
19 protecting the whale at that point would be IWC to
20 discontinue the quota all together, as the only
21 means to protect the whales in a chronic polluted
22 environment.

23 I hear industry saying they have plans to drill
24 for 2007, 2008. I say prove you can clean up a mess
25 first, before you sell it all, industry should be

1 and MMS should be heading it, to prove they have
2 technology to clean up a mess. Right now it doesn't
3 exist. I -- I like to repeat this over and over,
4 because I was involved in offshore trials with real
5 equipment in a contingency plan approved by the
6 State of Alaska. And to drill them and to test
7 them. And they have been failures to that end.

8 The Arctic ice regimes are dynamic and the
9 change to -- global climate change that's going on,
10 I think, you know, those are things that a lot of
11 people are putting a lot of words into. Something
12 that may be cyclical, that may just be revolving,
13 and I've heard about it before, that it may be
14 something cyclical.

15 Don't you dare depend on global warming for any
16 part of dealing with known ice dynamics in the
17 Arctic. Our culture, our animals, we depend on all
18 of this. We depend on them. Our culture depends on
19 them.

20 If it takes the Inupiat to partner with a
21 wildlife conservationist, I am very -- sometimes
22 very happy. What happened in the northeast planning
23 area, the northeast corner? Where the wildlife
24 conservationists of all people take lead in saying
25 that that area should not be leased, inadequate

1 analysis had taken place. We should be the people,
2 the North Slope Borough should be the people taking
3 the industry and MMS to court. I think the wildlife
4 conservationists, you know, they have my heart. And
5 I think the people of the Arctic should be friends
6 with those people. We need to embrace them.

7 There is a long-standing disregard that MMS has
8 to the comments of the Arctic people of the North
9 Slope Borough. The North Slope Borough has
10 commented over many years concerning inconsistency
11 of the proposed leases over time. And we have a
12 stack of them in our offices, saying this project is
13 inconsistent, this is inconsistent. We provide new
14 information. What do you do with them? You don't
15 do nothing with them. We say it's more than
16 migration, there's baby whales being born, there's
17 mother whales with calves in them, what does the
18 seismic do to the mother whale with the fetus inside
19 them, to the baby whales, to the feeding areas? All
20 of these things are being ignored.

21 And I think -- lastly, I think it seems we
22 repeat ourselves so often, that maybe MMS is waiting
23 for all of us to die off, so we can't say
24 anything -- so we won't repeat ourselves, until
25 everybody dies off, so there's no more voice.

1 Thank you.

2 MR. COWLES: Thank you.

3 We've gone another hour. And I -- I would
4 propose a break after Mr. Brower summarizes. And I
5 also would encourage that if there are any elders or
6 parents who need to get home with their families
7 after the break, if you would feel like, again,
8 coming forwards, please do. And then we will
9 continue. So --

10 (Interpreter translating.)

11 MR. COWLES: Again, I'd recommend we take
12 another break, because we've gone another hour. And
13 if there would be any elders or parents who need to
14 get home, we'll hopefully start with your testimony.

15 (Thereupon, a brief recess was taken, after
16 which the following proceedings were had:)

17 MR. BENNETT: If we could get started again,
18 again. Cleve asked if there's folks that have a
19 need to get home early, if they have testimony and
20 would like to do so now is the time to step forward.
21 Not seeing anyone specific, we'll start over.

22 If you could make sure and state your name and
23 affiliation, please.

24 MR. AIKEN: Thank you. I have a pretty lengthy
25 prepared comment. I'll try to make it as short as

1 possible, but it's pretty hard to make these kinds
2 of comments short, especially when it deals with
3 offshore. My comments are only a part of what needs
4 to be said, though. There's so much to be said that
5 there's not enough time to say everything you need
6 to say.

7 But, for the record, my name is Johnny Aiken.
8 I'm the director of the North Slope Borough Planning
9 Department. I would like to welcome you, MMS staff,
10 to Barrow and especially Jim, Jim Bennett from MMS
11 headquarters in Virginia. I heard you're a good man
12 and you -- you listen.

13 MR. BENNETT: Thank you.

14 MR. AIKEN: It's always important for us and
15 highly educational for decision-makers to visit us
16 here in our Inupiat homeland. Thank you for coming,
17 Mr. Bennett, and thank you for the opportunity to
18 comment on these very important matters.

19 Also I want to thank the Borough residents that
20 have taken their personal time today to come and
21 speak with us about the very important topics of
22 this offshore oil and gas five-year leasing program
23 and Chukchi Sale 193. Many of us have been
24 testifying at meetings like this for many years.
25 And, to be honest, it's not clear to us that MMS has

1 adjusted its actions at all in response to our
2 comments. It should be an indication to you of how
3 strongly we feel about these issues, that we just
4 keep coming and testifying.

5 MMS knows that the NSB, the North Slope Borough,
6 adamantly opposes offshore development in the
7 Beaufort Sea and especially the Chukchi Sea. We are
8 still learning much about the Beaufort Sea, even
9 after years of study at great expense. Far less is
10 known about the Chukchi Sea.

11 The Beaufort Sea presents great challenges with
12 respect to both routine industry operations and oil
13 spill response. The Chukchi Sea presents far
14 greater challenges. There's no justification for
15 even considering renewed leasing in the Chukchi Sea
16 until significant baseline data is gathered and
17 until there is a demonstrated oil spill response
18 capability first developed for the Beaufort Sea.

19 The North Slope Borough is opposed to offshore
20 development because we believe that the risk of an
21 offshore oil spill to the Inupiat subsistence way of
22 life is simply too great to be tolerated. And
23 because the noise associated with the industry
24 operations can change the distribution of marine
25 wildlife and our critical subsistence harvests.

1 For years our comments on both oil spill
2 contingency plans and offshore leasing -- offshore
3 leasing exploration and development proposals have
4 described the potentially severe environmental
5 consequences of an offshore oil spill and the lack
6 of resources and technical capability to stop,
7 recover and clean up an oil spill in our challenging
8 offshore environment.

9 Recently I was at an Alaska Eskimo Whaling
10 Commission meeting in Anchorage listening to an oil
11 company representative who was presenting a proposal
12 for offshore drilling in the Mikkelsen Bay area,
13 somewhere out there. The oil company representative
14 said they would prove to MMS that it will have the
15 capability to clean up an oil spill in the Arctic
16 waters before they develop this area. This was
17 pretty interesting to me. We would really like to
18 see this proof if -- if the oil company produces it.
19 If it's there, we would like to see it.

20 The North Star ice-breaking barge spill response
21 systems, as Gordon alluded to earlier, was presented
22 to the North Slope Borough as a state-of-the-art
23 technology when the North Star offshore project was
24 approved by MMS and other agencies. Yet the North
25 Star offshore oil spill response system failed badly

1 in demonstrations that didn't even come close to the
2 severity of Arctic conditions that we commonly
3 experience.

4 A joint federal and state report was issued in
5 2001 that confirmed that neither BP nor any of its
6 contractors had an effective oil response system in
7 place to respond to an oil spill in broken ice
8 conditions at North Star.

9 We are still waiting for the best available
10 technology to be implemented at North Star. This
11 best technology was promised to us when the North
12 Star offshore development project was approved by
13 federal and state agencies.

14 Now the draft EIS talks about a new North Star
15 system involving smaller tugboats and other vessels
16 as a great advancement in spill response capability
17 that has been proven. It's been tested and proven.
18 It hasn't been tested and proven.

19 We know for a fact that no oil -- major oil
20 spill anywhere is fully cleaned up without
21 significant environmental impact, even in places
22 that are not ice-infested or dark, cold and remote
23 like the Beaufort and Chukchi Seas.

24 Development in the offshore environment should
25 not be conducted until there is proven oil spill

1 response system for the Arctic. We will not support
2 development of offshore -- offshore resources on the
3 promise that a system will be developed. This time
4 we will require proof first.

5 In other areas of the United States and Canada,
6 offshore oil exploration and development moratoria
7 have been implemented in recognition of the
8 sensitivity and vulnerability of their environments
9 and competing uses in the intolerable risks posed by
10 marine oil spills. We do not understand why there
11 are not offshore development moratoria for the
12 Beaufort and Chukchi Sea.

13 our resources and critical subsistence uses are
14 as important and sensitive as the resources and uses
15 in the areas now closed to leasing and our region
16 certainly presents challenges to effective oil spill
17 response far greater than anywhere else in the
18 country.

19 It hardly seems fair, for years our comments and
20 concerns over the risk of oil spills have been --
21 have gone ignored. This year, however, with an oil
22 spill on the tundra, the state and federal agencies
23 are finally taking note of our long-standing
24 concerns. And that's GC-2.

25 It's very unfortunate that the largest oil spill

1 to ever occur on the North Slope had to occur before
2 our concerns about oil spill prevention, detection
3 and response were taken seriously.

4 The North Slope Borough would like to work
5 cooperatively with the state and federal agencies to
6 look at ways to improve oil spill prevention for
7 onshore oil developments first, before industry is
8 encouraged to development in the more challenging
9 offshore environment. The North Slope Borough will
10 continue to oppose development of new offshore oil
11 development.

12 Today I ask MMS to explain the oil spill
13 prevention response measures that they have in place
14 for offshore exploration and development and how
15 those oil spill prevention and response measures
16 will ensure that no oil spill -- no oil is spilled
17 into our seas, and fully and rapidly cleaned up, if
18 it does. I want to know what actual tests have been
19 performed or planned to demonstrate prevention and
20 response systems.

21 It is the North Slope Borough's duty to serve as
22 a trustee for the environment and protect the --
23 prevent future way of life for the people of the
24 North Slope who rely on resources in this
25 environment for their survival.

003-020

1 We must not allow unreasonable risks to our
2 subsistence way of life and we appeal to MMS to
3 support North Slope residents on this important
4 issue. At a minimum, MMS must adopt the standard
5 for subsistence impact employed by the National
6 Marine Fisheries Service and abandon the weak
7 standard now used in lease stipulation 5, that says
8 only that exploration and development and production
9 operations shall be conducted in a manner that
10 prevents unreasonable conflicts between the oil and
11 gas industry and subsistence activities including,
12 but not limited to, bowhead whale subsistence
13 hunting.

14 MMS should not consider any conflicts with
15 subsistence reasonable. I challenge any of the MMS
16 staff here to -- here to visit any of our families
17 in their homes and especially the elders that shared
18 their traditional subsistence food we eat every day
19 and explain where the line is between reasonable and
20 unreasonable conflicts.

21 The standards used in NMFS in the regulations
22 allowing the incidental take of marine mammals
23 requires that there be no unmitigable adverse impact
24 to subsistence. MMS must adopt the stronger
25 standard and apply it in all lease sales.

1 Related to this issue are the different
2 significance thresholds that MMS uses in its
3 environmental reviews for determining how to
4 describe the expected levels of impacts to different
5 resources and uses. MMS has decided that an impact
6 to subsistence harvest patterns is only significant
7 if one or more important resources would become
8 unavailable, undesirable for use or available only
9 in greatly reduced numbers for a period of one to
10 two years. That -- that one there is pretty unfair.
11 And Maggie talked about it.

12 The threshold for significant impact to
13 sociocultural systems is chronic disruption that
14 occurs for a period of two to five years with a
15 tendency toward the displacement of existing social
16 patterns. Use of these standards is insulting and
17 shows a clear lack of understanding of our
18 traditional cultural and nutritional needs.

19 We are willing to work with MMS to establish
20 criteria that more accurately reflects the way we
21 live and the seriousness of impacts that can occur
22 if leasing in our waters continues. MMS must also
23 meet its statutory and regulatory obligations to
24 assess the full range of impacts of its activities
25 on human health. We are ready to work with you to

1 undertake this essential assessment.

2 We also request that the federal government
3 follow up on a concern I just received from one of
4 the AEWC commission members from Nuiqsut, Archie
5 Ahkiviana, who has testified that he has observed
6 fish and seals disappearing from the area along the
7 North Star Pipeline route.

8 This concludes my comments. And I ask that you
9 listen to our comments and respond to them. And we
10 really would like to see them in the environmental
11 impact statement. Thank you for your time.

12 THE INTERPRETER: I'll try to summarize Johnny's
13 comments, his comments on Sale 193.

14 (Interpreting translating.)

15 MR. COWLES: Thank you.

16 Ma'am, have you been waiting to testify?

17 Before the next testimonies, could I just see a
18 hand of how many people are planning to testify, get
19 a sense of -- okay. As this is complete, if you'd
20 like to move forward, let's just go from your right
21 to the left side of the room and -- and use that as
22 a order. Unless there's somebody that has to
23 absolutely move quickly.

24 Okay. Thank you.

25 MS. WILLIAMS: Hi, I'm Vera Williams.

003-021

1 THE INTERPRETER: Let me do this, I suspect my
2 translations, if it mirrors something that has
3 already been said, you know, I could just allow,
4 unless it's something completely different and I
5 won't, try not to -- I'll just comment briefly on
6 each comment.

7 MR. COWLES: Thank you, Arnold.

8 Arnold has said that what he will do is he will
9 only translate for the new items that haven't been
10 covered previously, if that's all right with the
11 people here. Okay. Thank you.

12 MS. WILLIAMS: My name is Vera Williams. I'm a
13 resident of Barrow, Alaska. I'm a mother. I have
14 five children. I have kids going to college, kids
15 in high school. And I have even a grandchild.
16 And -- and MMS, I wrote -- I want to -- I'm going
17 to -- I wrote these notes. It's going to go in a
18 circle, in my little notes here. I wasn't like
19 Gordon with all the sticky notes, but I'll just say
20 what I want to say.

21 MMS and EPA plans, stipulations, and knowing
22 plans when you perform, conduct your business with
23 MMS, I know you should be thinking about people,
24 their safety, the ocean's safety. And there is
25 stipulations that are incorporated into whatever

1 documents. And I want to just talk about EPA
2 things, the booms that they use for cleanup, you
3 know, we -- it's really risking the Inupiats.

4 There's ice flows that are all around.
5 Sometimes we have no ice flows, but when the ice
6 flows comes and there's a spill, and with the
7 currents that are out there in the ocean, they just
8 don't go in one direction, but they go in different
9 directions. And if you have ice coming in this
10 direction, this direction and there's a boom, you're
11 going to have problems with trying to collect oil
12 for a cleanup.

13 Talking about the risks there is, securing
14 funding for disaster assistance, such as bonding for
15 the oil companies that you're going to issue these
16 lease sales to. I mean, I know that everything
17 won't happen overnight but these are things that I'd
18 like you to think about.

19 We are very particular people. We have picky
20 food. We have different diets, very different diets
21 than the Lower 48. And years ago I testified and
22 this -- through the grapevine, I was told that on
23 this particular section that I'm going to address
24 about our disaster assistance for food to replace
25 our food. I was told that we'd get like ten pounds

1 of beef. And ten pounds of beef won't even satisfy
2 me for a day or two, having the size of a family of
3 seven. And, you know, even a hundred pounds, a
4 thousand pounds, my hunger is still going to be
5 there because I'm going to want to crave my food
6 that I eat out from the ocean, out from the land
7 that we have in the Arctic. Those are things
8 that -- that are in me that I want other people to
9 hear. My hunger for my foods, how you are -- how
10 are you going to protect me? I mean, I'm one person
11 here. There's a lot of people out there that are
12 not here. I am just one voice that you are hearing.

13 The ocean has waves and currents, two different
14 ones, directions, so the oil spill will spread
15 vastly with lots of layers of currents. And if such
16 thing happens, you're not -- it won't just affect
17 Barrow area on Lease Sale 193, if you're going to
18 have that, you're going to affect Russia, Canada,
19 Greenland. The currents are going, they're flowing.
20 So that's the magnitude of the disaster that's going
21 to happen, if it does happen.

22 Oil sticks. It's sticky, sticky oil, just like
23 seal oil, whale oil. We know the dangers of oil if
24 it hits our beach. We love to walk the beach. Can
25 you imagine me walking the beach with oil sticking

1 on the bottom of my feet as I walk the beach I love
2 to walk?

3 You know, the dangers well, we'll have to live
4 here where the disaster will land. Our beach zones,
5 our ocean being contaminated. Earlier talked about
6 fuel, fuel prices. The other day I was in a meeting
7 that was with a lot of villagers from our North
8 Slope region. One of the villages on Anaktuvuk Pass
9 said that their gas was over 6 to \$7 a gallon. And
10 he stated, really seriously he just stated we're
11 walking. We can't afford the oil. We can't afford
12 the gas to put in our vehicles. We don't have money
13 such to put it into our vehicles. That was just the
14 other day.

15 Prudhoe Bay, the oil spill this spring under the
16 snow just creeping, who or how can you, MMS, protect
17 me, an Inupiat? Yikes, this is daring, a task, the
18 ocean, think about the ocean, the animals. The
19 ocean has animals and they are sea mammals, and
20 that's what you protect.

21 Today on TV channel a statement was just
22 goofingly just stated today and it just said, I was
23 just flipping the channels and I stopped and the guy
24 said polar bears are dying, period. He just stated
25 that to another person, just conversing, he just

1 said: Polar bears are dying. And, you know, that's
2 the Lower 48 and we are here today. And people are
3 talking about the Arctic. It's not a joke. Climate
4 is changing. Everything is changing.

5 Subsidizing the field, can MMS tell the
6 President, the President of the United States to use
7 his presidential powers to see our concerns? U.S.
8 blamed for contaminants, Canada, Greenland, Russian
9 waters. This can have a very vast effect if such a
10 oil spill was to happen. Can you hear me? The
11 taste that I would taste of our -- our food if it
12 was to change, the ache, the aches we are to bear as
13 Natives living here. I'm saying this because in the
14 future, they will not know what we've been through,
15 if it's not written. The consequences of the
16 disaster, MMS does protect polar bears, but you
17 don't protect me.

18 Make and prove to me you will address these
19 concerns. Can I request a copy of my past comments?
20 That were stated years ago when my uncle was alive?
21 Are they written? Can you prove to me you do review
22 and write our comments? Do you print comments from
23 the Lower 48, like the Gulf of Mexico? Does MMS
24 treat us equally? I don't know. That's a question
25 I'm asking you to prove to me.

003-022

003-023

1 Hundreds of miles out there, how are, or is the
2 oil to travel out the routes, the aftermath in the
3 years to come, devastation is coming just by even a
4 thought of oil going back and forth. Is it going to
5 be with submarines or is it going to be with big
6 drill rigs coming pumping right from the ocean way
7 out there 200 miles? Is it going to affect our way
8 of life, our hunting? Is all our food going to run
9 away because of all this noise, the routes? We
10 don't see big ships here, but the routes that
11 they're going to take.

12 I'm looking to the future for you to think about
13 how are you going to take all that oil away, hundred
14 miles from here? I don't want to think, but who is
15 to speak for the many that are not here? So gather
16 my concerns and use them to fix your EIS forms.
17 Thank you. And I'd like to see one day my name
18 written somewhere that I had commented. To me, that
19 will prove to me you do hear people, but I haven't
20 seen any documents that has people's names with
21 their written comments.

22 And what do you do with them? Do you read them
23 first and then just set them aside and then go on
24 with your project? How do you hear our concerns?
25 And how do you analyze them? What do you

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1 prioritize? What is your priority? Are we your
2 priority or is your project more of a priority when
3 you put them into a scale of measuring the magnitude
4 of things to happen? Thank you.

5 MR. COWLES: Thank you.

6 (Interpreter translating)

7 MR. N. OLEMAUN JR: Drowned a whale couple days
8 ago in Southeast, they were tracking and whales
9 could only stay under water 15 to 30 minutes. They
10 had to track them more than 30 minutes to drown the
11 whale. And we don't know what happened when the
12 seismic testing was done here in Barrow in front,
13 from Chukchi Sea to Beaufort sea. Oh, my name's
14 Nathaniel Olemaun Junior. I'm a whaling captain.
15 And mayor of City of Barrow.

16 When they did the seismic testing this summer,
17 there was 27 ships, barges, icebreakers, out from
18 Chukchi Sea to Kaktovik. And we testify in the past
19 about the ice condition, that two icebreakers
20 supposed to help them with their seismic testing,
21 keeping the ice away, but when the ice came in in
22 force, we had nine ships in front of Barrow that
23 took shelter. Two of them were icebreakers that's
24 supposed to protect the seismic ship, continue with
25 your jobs out there. To have a trailing off

1 Beaufort is very dangerous. We talk of evil, ice
2 climbing over land, they -- they even testified to
3 it killing a family over a thousand years ago. And
4 the beach wasn't where it was right now, it was
5 probably two miles out. It came ashore to the bluff
6 two miles and killed a family.

7 Our testimonies you do not take like you
8 demonstrated to what the AEWEC executive director
9 said. I was one of the captains that identified
10 feeding area outside of Barrow where our whaling is
11 held. It's not up there. What's up there is what
12 you put.

13 Like from your October 18th for immediate
14 release, news release. Today is November 16th. At
15 City of Barrow we just received these couple days
16 ago. That's -- gave us 25 days of your deadline to
17 have a testimony by November 19th and the other one
18 November 22nd, EIS to be received by November 14th.
19 When the first deadline appeared, we just received
20 notice that you had sent out the EIS. Only thing
21 this does is remind us that you're going to have a
22 hearing tonight right now.

23 It gives us five days before your next deadline
24 on the 19th and 8 days before our deadline for
25 comments and we don't even have your thick EIS book

1 that you release. Supposed to come to a municipal
2 government. That's how enclosed you are from
3 public.

4 Since I don't have anything prepared, I'll use
5 your October 18th press release, but I like to say
6 MMS come up here for public hearing and don't
7 seriously take our input into their plans nor their
8 future plans as stated earlier. MMS decides to
9 proceed with the area-wide sale because of broad
10 interest from the oil industry in the area, that's
11 your marching order. And you want to come here and
12 listen to us? We gave you past testimony. It don't
13 appear in your presentation. But we're not going to
14 stop there.

15 And it indicates Secretary of Interior select
16 final alternative. We gave you alternative, but you
17 gave it to somebody in White House to sell it,
18 alternative to tell you guys, well, we made a buffer
19 zone on the other side of the sale and just a small
20 one on this side. That's not the alternative we
21 gave you. As whaling captains, we know better. And
22 we don't go drown whales doing research. We don't
23 tell the seismic people, oh, you could kill one
24 whale under incidental.

25 I just came off a hearing because the last whale

1 I got fall under the category of IWC's recollection
2 and AWC has to enforce it. I might have been fined
3 up to 50,000. Lost my whaling right, not only
4 myself but my crew up to five years.

5 You don't give that stipulation to the seismic
6 people or when you put a sale out. If you kill a
7 whale or a walrus, polar bear that's an endangered
8 species, you will be fined. No, you don't do that.
9 You give them incidental license. How many times
10 they going use that?

11 And you give them stipulations to consider
12 before the sale with the input from many interested
13 people. We gave you input. We're more than
14 interested. Beaufort Sea is our garden, we keep
15 saying that. We have rights to hunt for the
16 endangered species because it's our culture, it's
17 our tradition. Even though you state that, you
18 didn't take it into consideration.

19 And you say these stipulations are to protect
20 the resources, including Steller Eiders and minimize
21 interference with subsistence whaling and our
22 subsistence activities. Minimize, that means that
23 the lease sale holder, the seismic people have more
24 rights than we do. You're not going to protect us.
25 You're going to tell them minimize hurting, but you

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1 have a right to have one unintentional killing of
2 any endangered species. Is that minimizing? I
3 don't know.

4 You remove deferrals for critical habitat and to
5 protect subsistence hunting areas from potential
6 impact of development. You never have moved
7 deferrals we suggested. Only thing you did was send
8 out 27 ships, even icebreakers from Canada. Is that
9 minimizing? And here as a municipality, we weren't
10 told they were going to use the airport and send up
11 supply ships to land in our municipal reserve.

12 We talk about the noise issues, chopper, two
13 choppers, maybe three, making four trips every day,
14 that's 12 trips. And the supply ship landing with
15 no permission in the municipal reserve right in
16 front of Barrow. We removed the boat ramp they were
17 using. We told them that's for subsistence boat use
18 only. It's not for landing for supplies. They
19 laughed at us until they found out we were serious
20 and they couldn't land. Then they had to come to
21 the municipality, to City of Barrow and negotiate.

22 They think the permit you guys give them gave
23 them a right to interfere with the local
24 municipality, the local subsistence hunters. Their
25 rights are taken away. Here's your permit. That's

1 exactly what you are doing.

2 And here we testify, we fight. We are -- we
3 have to follow IWC ruling, like I have just stated
4 earlier, I almost lost my right to be a whaling
5 captain or my crew to be whalers anymore. You guys
6 don't have any rules to follow. You make up your
7 own rules and put it in your press release and your
8 EIS and giving us deadline.

9 I don't know of any subsistence hunter that has
10 a deadline when he goes out to hunt. We don't know
11 of any deadlines. But I am getting sick and tired
12 of late communications, short time notice. I don't
13 even have a prepared statement other than what you
14 have given me to use against you. You release it to
15 benefit yourself, but it can't be used against you
16 because we know it's not, it's infringing on our
17 rights as Inupiat and under ICC, which has a
18 relationship with United Nations.

19 You can't even try to have a lease sale in
20 Northwest Passage because you're going to have
21 nations against you, Canada, Greenland, Denmark,
22 Finland, Norway, whoever proclaim they own Northwest
23 Passage, but you do it here in front of us from
24 Kaktovik all the way down to Point Hope where we're
25 trying to continue living our subsistence way of

1 life.

2 Our employment is very poor. It's always been
3 very poor. That don't stop us from doing
4 subsistence hunting, because with no job you have to
5 live off land and like the ducking, they tried to
6 make our community stop hunting ducks in summertime
7 because it was after the closage of duck season in
8 Southern Alaska or Lower 48. So the whole village
9 went out duck hunting and tried to convince the
10 police officer to be arrested. Too bad we can't
11 pull up the whales and demonstrate and say, here,
12 take me, but we already have a law on that.

13 We go by quota system. We go by whatever rules
14 they tell us to follow. And we negotiate to make it
15 work up here. That's what you need to do, negotiate
16 with us to make it work together. Thank you.

17 MR. COWLES: Thank you.

18 (Interpreter translating.)

19 MR. EDWARDSON: My name is George Edwardson.
20 And I live here in Barrow. Lived here all my life.
21 And I don't represent anybody, just me and my
22 family.

23 And when you look at this community or the eight
24 North Slope communities, 84 out of every 100 is my
25 relative in the North Slope. Three out of every

1 four around the NANA region, that's my family.
2 Education-wise, I'm a geologist, got a degree in
3 mining and petroleum technology. You tell me a
4 resource, I can go find it, develop it, finance it,
5 take it out. That's my education. I'm also
6 probably the only certified gas field operator in
7 Alaska. These are my educations in your system.

8 To start off with, we're looking at the Arctic
9 Ocean. And when you look at the Arctic Ocean in the
10 eyes of the world, it's classified as a historical
11 sea. That's the definition the world gives my ocean
12 I feed myself off of.

13 And under that definition, I'm the only one that
14 live here that can make rules and what can happen in
15 that ocean. The United States says they take care
16 of us, therefore they can talk about, you know, what
17 they want to do in the Arctic Ocean. This is
18 written in international law. These are rules you
19 have to follow.

20 And you hear our big fear about oil spills.
21 Okay. Let's take a look at that oil, that crude
22 oil. When you put it in the water, about 80 percent
23 of it goes into solution, you know, the gasolines,
24 methanes, the lighter ends of the crude oil goes
25 into solution. And when we talk about cleaning it

1 up, or you talk about cleaning it up, you're only
2 taking off what you could take -- see from the top,
3 even though you do not have the capability of
4 cleaning it.

5 1968 I worked for Pan American Petroleum. I was
6 in charge of the first cleanup boat that ever came
7 to the state of Alaska. I had to change it so it
8 could stay afloat in our ocean, in our waters. That
9 technology that was used in 1968, we're in 2006, it
10 has not changed. The ability to clean it up, what I
11 modified in 1968, it has not changed today. It's
12 over 40 years later. And you don't even have any
13 way of cleaning. I mean, these are plain facts.

14 And then you look at the ocean where you're
15 proposing to drill, over in the Chukchi side. Do
16 you know where the first oil spill is going to land
17 on land? No, you don't. But the older people can
18 tell me. They already showed me. All the wood that
19 comes washing in the ocean from Siberia, down the
20 western side of Alaska, eastern side of Siberia, all
21 the way down to Japan, they hit -- they start at the
22 point, 11 miles up and continues going back to the
23 west. So you have a major spill, this town will be
24 polluted. You can't clean it, because you don't
25 have the capability.

1 And from as far as I can see, United States has
2 not gone to the United Nations to ask permission if
3 they could go out there.

4 You listen us people that live here in the
5 Arctic. This is our home, always have been our
6 home. We watched your first boat come over, you
7 know, with what's his name, Columbus. We were
8 already here living off our ocean. We looked at the
9 wood, we could tell you where that piece of wood
10 came from.

11 Now, you go to the coast and look at those big
12 driftwoods, rotten on the outside because they've
13 been sitting there for over 100 years. If you cut
14 them open, the sap in that tree will start flowing.
15 That is protected because of the cold. You can make
16 a big pollution in the warmer waters where the
17 lighter ends of the crude oil can vaporize and leave
18 the ocean. Up here in the Arctic Ocean you can't,
19 it won't vaporize. Water temperatures from 24 to 29
20 degrees, it stays there year round. So whatever
21 pollutants you put in my ocean will stay in
22 solution. And that's a real killer. That's a
23 killer of our low end of our food chain. Ten to 15
24 years later, then it's going to hit me because the
25 animals will disappear. These are plain facts of

1 life, okay.

2 You went to your schools, you graduated. I went
3 to the same schools, I graduated with a B-plus
4 average, so I know where you're -- what your
5 education is. I know what level it is, because I
6 went there. And when you look at the ocean,
7 especially the Chukchi side, when the salmon is
8 hatched in any river, it doesn't matter if it's in
9 Alaska or Canada, when that salmon hits the ocean,
10 the so-called free world, your world, does not know
11 where that salmon go. I do, because when we're
12 hunting, sometimes we detour up to ten miles around
13 that school of fish, juvenile salmons that we can't
14 take our boat through. We know that.

15 And, as I mentioned earlier, you can break the
16 world's fisheries into three sections, the great
17 new -- over between the Eastern United States,
18 Canada and over on the European side, that fishery
19 is gone. It's been fished out. That's one-third of
20 the world's fishery. The other third of the world's
21 fishery is the Pacific Rim, population got so big,
22 they're running out of fish.

23 Now you are in the last third of the world's
24 fisheries. You destroy that fishery, then the world
25 has no more fish to eat. And you're going to take

1 the responsibility, because you are authorizing them
2 to go drill out there. And it's no if or -- it's no
3 accident about having a spill. You guaranteed us
4 two-and-a-half spills in the 50-years plus of your
5 development. Two major spills, and that solution
6 with the crude oil in it goes around, every ten
7 years it comes back to me in the rotation. And it
8 doesn't leave.

9 And then the other half, two-and-a-half spills,
10 you're going to kill everything that's in the ocean,
11 without a doubt. Because the lighter ends of the
12 crude oil cannot vaporize and disappear like they do
13 in the tropics. You can't -- you -- replace, you
14 know the food I need, I need the animals up here
15 because my body does not have a capability of making
16 the fat that allows me to live here. So I have to
17 borrow that fat from the animals that are here so I
18 can stay. Without it, I have to migrate south. And
19 you see the world you put us in?

20 (Interpreter translating.)

21 MR. COWLES: By my last show of hands, I think
22 we have a couple more people. If you show your
23 hands again, I can get a rough estimate.

24 Maybe we should take a break, then because it's
25 been another hour, it's a little bit after 11:00,

1 so --

2 MR. SUYDAN: Why don't we keep going.

3 MR. COWLES: Okay.

4 Yes, sir.

5 MR. TUKLE: For the record, my name is Frederick
6 Tukle Senior. What I wanted to talk about tonight
7 on the level of activity, (indiscernable). But I
8 wanted to elaborate a little bit on the statement
9 right here. We have many affidavits from our
10 whaling captains testifying to the damage to their
11 hunting from the high levels of activity during the
12 1980s and early 1990s. Just as happened then, we
13 will not be able to have successful hunts. Whales
14 will be lost and our hunters will be put at serious
15 risk. During that time hunters lost equipment and
16 boats and some almost lost their lives because they
17 had to travel so far out to the ocean.

18 This statement right here, when Maggie
19 elaborated on the Nuiqsut whalers, I'm one of those
20 Nuiqsut whalers that was whaling during that time at
21 Cross Islands. And then -- that there was three
22 whaling captains that time, that -- that -- we were
23 out there in 1989.

24 We first became aware that seismic operations
25 were being done in Canada. How we came to find that

1 out was we started seeing different kinds of ducks
2 and geese that we never seen before around the Cross
3 Island area. And then this was where we Nuiqsut
4 whalers became aware in 1989 that the birds were
5 already being affected from the seismic operations
6 and in the Canada area.

7 The sequence of events that I'm about to talk
8 about may not have happened in the order that
9 they -- that that I'm going to talk about. Right
10 about that time we ran into the seismic ship that
11 was actually conducting these seismic activities in
12 the Flaxman Islands area near Camden Bay.

13 And for a several-week period just while we were
14 whaling, we could not -- for the record, I was
15 whaling with Thomas Napageak, the past AWC
16 commissioner, Patrick Tukle and also Captain Donald
17 Tukle. And one of my first experiences was, with
18 this seismic ship was when we ran into -- we
19 actually ran into the ship while it was conducting
20 these explosions. And that was when we realized,
21 for this reason for a three-week period we wasn't
22 even able to spot -- I think we spotted one whale in
23 a three-week period.

24 I witnessed some things that happened that you
25 guys need to be aware about. And then one of these

1 incidents was when -- I'm going to talk about -- I'm
2 going to be alluding to the behavior of the whales.
3 And then my first contact I ever had with a whale
4 after we ran into the ship and this was near Narwhal
5 Island, I had witnessed a whale that was very
6 agitated. I come to realize these -- the whales
7 that we were running into were very angry. And when
8 Thomas Napageak engaged this whale right in front of
9 me about, say, from this wall to where Ben Hopson,
10 our past mayor's desk is, the whale had attacked his
11 boat right in front of us. And then what, we
12 couldn't understand why these whales were very
13 agitated and angry.

14 But another incident that I want to point out is
15 I'm glad some people testified regarding my uncle
16 Archie Ahkiviana. When we realized we couldn't spot
17 any whales, we went direct north that, during one of
18 these hunts and we finally spotted a whale 31 miles
19 direct north of Cross Island. I started
20 witnessing -- I stared realizing that we were
21 encountering whales that were very angry. And how I
22 got to know this was these -- as we began to engage
23 these whales, that they were quickly turning on us
24 and trying to get us. And then -- and then this
25 happened every single time we encountered these

1 bowhead whales.

2 Archie Ahkiviana, at that time, caught his first
3 whale 30 miles direct north of Cross Island. And as
4 we were towing the whale back to Cross Island that
5 time, I would say this was in very close to -- might
6 be 1990. As we were towing the whale, we knew we
7 were in dangerous waters. We were going direct
8 north to where our elders always tell us not to go.

9 And so anyways, while we were towing this whale
10 18 miles north of Cross Island, we got caught in
11 50-mile-an-hour winds. We seen this wind coming
12 from the west direction. And then when this wind
13 hit us, automatic -- our tow line -- that -- that we
14 were using snapped. This was when the Patrick Tukle
15 boat from the wind when we had -- we were forced to
16 stop. And all the boats that had stopped that they
17 were blown back from these winds. And then that was
18 when I witnessed the first mayday call of our Tukle
19 boat.

20 There were three boats that time that took in
21 water. One was Archie Ahkiviana boat, another one
22 was the Frank Long boat and other was the Patrick
23 Tukle boat. It was the Tukle boat that was last.

24 When we realized that we were not able to save
25 this whale, we abandoned it. I can't tell you how

1 much that hurt to be helpless like that. We
2 suddenly realized our lives were in danger, we had
3 to -- we had to quickly go save my uncles and then
4 my relatives and get -- we were lucky to have saved
5 them that time.

6 As time went by during this whaling period my
7 captain, my whaling captain, Donald Tukle, died in a
8 whaling accident. I realized Nuiqsut whalers were
9 becoming desperate, absolutely desperate, so we
10 could be able to bring food home to our families.
11 Almost like you guys going out there and hunting
12 with your families.

13 The other thing I kind of want to bring out to
14 you guys is when I listen to my whaling captain give
15 a mayday call that he was going down, what led up to
16 this accident I realize was his desperation to catch
17 a whale. It happened at about 1:30 in the
18 afternoon, very close to this late 19 -- not exactly
19 sure what year it was. But to be able to listen to
20 your captain, and on a mayday call that we have gone
21 down. I realize all of this is related to the
22 seismic activities that's being conducted. He was
23 transporting supplies from the west dock area and
24 his boat, in the process, was shattered on --
25 underneath of the boat going, traveling through thin

1 ice to, traveling from west dock to Cross Island.

2 When the oil companies and North Slope Borough
3 search and rescue responded, the chopper that was
4 used, the North Slope Borough chopper that was used
5 to attempt a rescue that time, the blades were too
6 big. And as they went down to try to retrieve my
7 captain and my shipmates, that wind from the blades
8 kept blowing them away. And they wasn't able to
9 pull them out.

10 Then the Era chopper at that time responded,
11 because it was a smaller chopper, that they were
12 able to rescue two of the -- two of my -- my
13 shipmates, one Robert Lagpy (phonetic) Senior and
14 one Roger Anakuva (phonetic) of Nuiqsut.

15 I realized after a while that -- that these
16 boats that are staged in the Prudhoe Bay area, there
17 was an attempt to use these oil response boats to
18 rescue him. And then through this -- this thin ice
19 that that was formed, there was not able to launch
20 these boats that are supposed to be used for oil
21 response.

22 I testified on this one time before. These are
23 the same boats that are there today. I have to
24 wonder if these boats were not able to save my
25 captain, what makes you think that these boats are

1 going to be able to respond to a major oil spill?

2 This activity drove us to be desperate. And
3 then I realized what I am looking at was whales
4 ready to hurt us the moment we engaged them. But
5 I'll tell you how my captain was actually rescued.
6 One of these pilots in this chopper, he -- when they
7 were able to finally reach my captain, he attempted
8 to pull him into the chopper. And my whaling
9 captain is telling him: Pull. Pull with everything
10 you got. But he wasn't able to hold him. As they
11 were going up in the air, he fell. And they went
12 down again and they had to tie a rope around him.
13 And then they had to tie this same rope to that
14 little landing deal these choppers have. And that's
15 how they took him to land.

16 When I think about this, and I'm looking at you
17 guys sitting here, telling these Barrow people that
18 that -- that the impact will be minimum, I -- I
19 think I could honestly call you a liar. You're
20 lying to my people. And -- and I -- I first time
21 became aware of this meeting happening, and then I
22 knew to come here and share with you little bit of
23 what I got to see that time.

24 I, too, have watched Nuiqsut residents, elders
25 testified over a 20-year period until they died,

1 until we are -- we are sitting there burying them,
2 giving testimonies to meetings like this. I often
3 talk to Barrow leaders and tell them that you guys
4 are going to continue to keep coming this way, the
5 same way you did Nuiqsut residents. And when they
6 die trying to protect our lives, and then you're
7 sitting here and I'm seeing the exact same thing
8 happening that happened with us in Nuiqsut.

9 I'm very angry that you guys are sitting here.
10 And I consider you a direct threat to my elders, to
11 our children, to everything that we live for. And I
12 don't appreciate some of the comments you've made
13 and then how you guys quickly get around to what
14 we're trying to do. When I think about this, I have
15 to think about human rights issues. And in my eyes,
16 this has become a human rights issue.

17 The fact that you're sitting here, I consider
18 you a grave threat, even as I'm making my comments
19 to the people of Barrow, to the Eskimos, to
20 everybody Eskimo that lives here, when I think of
21 what if you were in my shoes and you go out hunting
22 with me, with your family and come back and have to
23 bury them, it's almost as though I'm going to my
24 storehouse out there, to my garden for -- and I'll
25 give you an example of what I am living right now.

1 Right now I am not working. Right now I am totally
2 dependent on Inupiat Eskimo food.

3 And I -- and I got to look at this for a while
4 since that time and when I listen to my elders
5 saying, I'm hungry, I wish I had Eskimo food, and I
6 watch some of them get skinny in Nuiqsut. When I
7 look at some of these documentaries of starving
8 people around the world and they have this certain
9 look in their eyes, and they are dying, I couldn't
10 see the difference between who my elders are,
11 hungry, and looking in the eyes of these starving
12 people, like people in Africa.

13 I am glad to have shared with you guys a little
14 bit of my life. I -- I think I'm speaking a little
15 bit as Inupiat Eskimo and as Nuiqsut whaler and in
16 the last few years had the opportunity to whale in
17 Barrow. You can't tell me you're going to minimize
18 these effects. I will not accept that.

19 And in closing, I just would like to say I stand
20 by every testimony that everyone stood right here
21 and I stand by them, and I carry these experiences
22 of the seismic operations.

23 One last thing I am very concerned about is
24 these (inaudible) that are -- that are starting to
25 accumulate across the -- the oceans from here to

1 Canada -- during this time of my whaling in Nuiqsut
2 I got to watch the -- the flare by Endicott. We
3 were transporting our whale meat and our -- the
4 muktuk, the whale blubber to Endicott. It was
5 during this time the water was like glass. There
6 was absolutely no wind. We got within a three
7 mile -- from starting three miles out of Endicott,
8 we start seeing these blue dots of gas. So we
9 marked it on our GPS. And then when we got to a
10 two-mile period, we noticed these drops of gas were
11 something like that.

12 And when we got to within one mile of Endicott,
13 the whole entire area within a one-mile radius was
14 covered with gas, directly from this flare pit.

15 I have to wonder how far you guys are going to
16 go. And I do consider your sitting here a grave
17 threat to my Barrow people. That's all I have to
18 say.

19 MR. COWLES: Thank you, sir.

20 MR. SHEARD: My name is Whit Sheard and I live
21 in Palmer, Alaska.

22 I'll wait until you guys are done.

23 All right. I work for Pacific Environment, a
24 nongovernmental organization. We work a lot in the
25 Russian Far East. As I said, I live in Palmer. I'm

1 the Alaska program director. And I'd like to
2 comment on the proposed program, the proposed
3 program EIS and the Chukchi lease sale EIS.

4 You know, sitting here and listening to folks
5 talking, I kind of wonder how you can come and say
6 that you've got, you know, an EIS that looks at
7 alternatives to a proposed program. It's obviously
8 a done deal. Every single alternative offered in
9 this environmental impact statement assumes they'll
10 be leasing in the Chukchi and Beaufort Sea.

11 It's very disturbing to me. It's -- coming in
12 here and saying we're, you know, zoning most of the
13 Arctic Ocean for oil and gas development, and if you
14 want whale deferrals, well, you need to come in and
15 pick those little areas out of this, basically,
16 uniform zoning. I think that's insulting.

17 I think the program, the proposed program, in
18 many ways, is shortsighted. I have a hard time
19 believing that it's the policy of the United States
20 to go to a place most impacted by global warming, by
21 greenhouse gas emissions and our use of fossil fuels
22 to extract more fossil fuels in order to perpetuate
23 that cycle. It's ironic, but it's not funny.

24 In terms of environmental justice, the Alaska
25 portion of this program is off the charts in terms

1 of disproportionate impact to minority communities.
2 I was flipping through the EIS and I saw that the
3 Alaska region has maybe three to ten percent of the
4 oil that the Gulf of the Mexico region has. And, to
5 me, I don't know why there was no attempt in this
6 program to figure out how we can reduce our
7 consumption by three to ten percent or replace it
8 with alternative means of energy that are available
9 and avoid all of the impacts to subsistence cultures
10 altogether.

11 I think that you looked to countries, like
12 Norway, who have been dealing with this for a little
13 while. I think some of the engineers get excited
14 that there's technology out there that can be used
15 in these cold-water climates. I think we've heard
16 from folks in the community and from scientists that
17 we can't clean up spills in broken ice conditions,
18 yet the program says there will be, I think three
19 major spills, two-and-a-half, three major spills
20 across the Beaufort and Chukchi.

21 So we're going to have spills and we can't clean
22 them up. I think we're a little -- getting a little
23 ahead of ourselves. And I had the good fortune,
24 someone called me earlier this year and asked if I
25 could go to Norway and meet with some of the folks

1 at their pollution prevention agency. And we sat
2 down and they showed us their new program for
3 development in the Barents Sea. And it was a
4 comprehensive zoning program.

5 It had areas for fisheries that were off limits
6 to oil and gas development because of the impacts of
7 seismic and the impacts of the pollution. If we
8 were going to do that, you know, in Alaska, that
9 would be pretty much right where the North Aleutian
10 Basin sale is planned. That's cod alley. That's
11 the heart of the fisheries right there. You can
12 pretty much follow the life cycle of the red king
13 crab right through that area. It makes no sense to
14 me.

15 And I can't see going ahead with anything like
16 this without having taken a comprehensive look at
17 zoning and put biologically important places off
18 limits, putting cultural and subsistence areas off
19 limits. You don't plan for all oil gas development
20 based on where industry interest is and turn around
21 and ask people to comment on whether that conflicts
22 with what they want to do. You bring everybody to
23 be table beforehand.

24 That being said, you know, the environmental
25 impact statement itself is supposed to look at a

1 wide range of alternatives. As I said, every single
2 alternative includes the Beaufort and Chukchi.
3 There's one alternative that would defer the small
4 buffer there on the coastline. And I suppose that's
5 to be applauded, but to me a real plan would look at
6 alternative areas in producing that oil and gas from
7 different places.

8 You know, in terms of environmental justice, it
9 seems to me like the majority populations along the
10 East and West Coast have the political power to keep
11 this development and its pollution off their shores,
12 and that the folks up here are not afforded that
13 same level of respect or that same level of power.

14 Been coming to a lot of these meetings over the
15 last couple years and folks have been saying the
16 same thing: Too much, too soon, too fast. And,
17 quite frankly, I don't see it slowing down. And
18 that's probably why, you know, we're here at this
19 meeting commenting on three different things.

20 The conclusions in the EIS are startling in some
21 spots. And I guess I should praise you at some
22 point for having been honest occasionally. And I'd
23 like to read a couple of the quotes from the
24 environmental impact statement.

25 In terms of subsistence, the document says:

1 Significant cumulative effects on subsistence
2 resources are possible and likely. It also says
3 that during the 2007 to 2012 leasing program, the
4 cumulative impact of one or more important
5 subsistence resources becoming unavailable,
6 undesirable for use or greatly reduced numbers for a
7 periods of one or two years for one or more Alaskan
8 coastal community is very likely. Somebody's going
9 to use lose their subsistence rights for at least
10 one or two years.

11 Number 3: Oil spill events could have moderate
12 to major cumulative effects for this region.

13 Well, we've heard that over and over again.

14 Number 4: Because of rapid and long-term
15 impacts from climate change on long-standing
16 traditional hunting and gathering practices that
17 promote health and cultural identity,
18 subsistence-based communities could experience
19 significant cultural stresses, in addition to major
20 impacts on population, employment and local
21 infrastructure.

22 If present rates of climate change continue,
23 rapid and long-term impacts on subsistence
24 resources, subsistence harvest practices and the
25 traditional diet could be expected.

1 So what I'm hearing is that there's going to be
2 an exponential impact on subsistence, not only is
3 there going to go direct impact from pollution, but
4 as the stresses from climate changes in this region
5 continue, it's going to have a profound effect,
6 increasing that level of impact.

7 And, you know, after making all those
8 statements, you come to the last paragraph of that
9 section of the EIS, which is on subsistence resource
10 impacts, which has listed those five significant
11 impacts and says all of these are major impacts.
12 And then the final conclusion is that the effects of
13 OCS activities on subsistence, quote, could vary
14 greatly, but are expected to be small.

15 I don't understand the connection between
16 finding again and again that there's going to be
17 spills, that they can't be cleaned up, that
18 subsistence is going to be impacted, some
19 communities are going to lose their rights, and
20 these are small impacts.

21 And I think what it really comes down to for me
22 is in terms of environmental justice, in terms of
23 treating folks up here with respect for their
24 traditional use and access and with the same rights
25 as, you know, the rest of the country, MMS says, you

003-029

003-030

1 know, there are going to be, in subsistence-based
2 indigenous communities, we expect them to experience
3 disproportionate, highly adverse environmental
4 health effects.

5 And my question is, when you go back to DC
6 can -- can you take the message back there that this
7 is a small percent of the resources available to us
8 in terms of fossil fuel development, yet the impacts
9 are nearly catastrophic for cultures and communities
10 here if what happens is what you're saying is going
11 to happen, until you get to the final conclusion
12 when, somehow, you determine that it's not going to
13 happen.

14 So my comments are: Go back to the drawing
15 board on this plan. Figure out, if you substituted
16 the California Coast for the Alaska Coast, how many
17 resources would we lose? An environment impact
18 statement, you're supposed to be able to look at
19 different alternatives and look at the tradeoffs.
20 Now, if you look at the impacts to California, you
21 can list a bunch of economic impacts and things like
22 that, but it would show that basically that what
23 you're doing with your program is, you're deciding
24 specifically to go somewhere where the impacts will
25 occur on a minority population and they will be

1 substantial and they will be disproportionate.

2 Without any kind of analysis like that, you
3 can't really expect the decision-maker or the public
4 to learn of all the environmental tradeoffs as well
5 as the social tradeoffs.

6 So, you know, look at a program that takes the
7 Arctic out of there. Look at a program that takes
8 Bristol Bay out of there. Tell me if those
9 resources can be replaced or taken somewhere else
10 and tell me if the impacts on these communities can
11 be avoided altogether, because without that
12 analysis, the document is basically just a blueprint
13 for, you know, spin the wheel which subsistence
14 community is going to lose.

15 So in comments on Sale 193 obviously, I think
16 the cart is before the horse. Obviously maybe
17 that's why the Chukchi is included in every single
18 alternative offered to the Secretary, is because
19 we're already going forward and getting ready to
20 lease areas in there. I don't think you can do that
21 under the National Environmental Policy Act and I
22 don't think opening the Arctic offshore areas which,
23 you know, in the Chukchi there's no active leases.
24 This is a major undertaking. And I think the,
25 undertaken too lightly.

1 Thank you.

2 MR. COWLES: Thank you.

3 MR. SUYDAN: Good evening, my name is Robert
4 Suydan. I'm a wildlife biologist with the North
5 Slope Borough Department of Wildlife Management.
6 I've lived in Barrow for, going on 17 years and
7 spent a couple years up here before that. And I'd
8 like to thank MMS for being here to listen people.

9 And, as many people have said tonight, that, you
10 know, we feel like we say these things over and over
11 and over again and they don't get heard. And I'm
12 not optimistic that this situation will be
13 different, but hopefully if people keep saying it
14 often enough, that MMS will actually hear and
15 respond to the concerns that the people are
16 expressing.

17 Personally, I'm in favor of the no-action
18 alternative. I don't think MMS should open up the
19 Chukchi or the Beaufort Sea any more than they
20 already have to oil and gas. And I feel that way
21 for a couple of different reasons. One, as many
22 people have said, that industry and agencies don't
23 have the ability to clean up oil that's spilled in
24 the Arctic Ocean. It's not possible to do. Another
25 important consideration is there are huge data gaps.

003-031

1 There are huge unknowns in the Chukchi Sea,
2 especially, but also the Beaufort, on simple things
3 like what's the basic distribution and abundance and
4 habitat use of the resources that are out there that
5 are important, not only for the nation, but
6 important for the subsistence users?

7 We don't have that basic information. And that
8 basic information is incredibly important for making
9 reasonable assessments of what the impacts might be
10 from oil and gas activities on the offshore areas,
11 but also coming up with reasonable mitigation
12 measures. So that's why I am in support of the
13 no-action alternative.

14 However, I know that that's not realistic. The
15 administration and Washington DC wants oil and gas
16 development to go ahead, to go ahead very quickly
17 and without regard, in my opinion, to many of the
18 environmental aspects of development.

19 So -- so knowing that the no-action alternative
20 is not really an option, it's not realistic, I think
21 that there needs to be huge areas in the Chukchi and
22 Beaufort Sea that need to be withdrawn from the
23 leasing. These areas include deferral areas around
24 Kaktovik, around the Barter Island, Kaktovik, around
25 Cross Island for the Nuiqsut whalers, around Barrow

1 and around each of the villages on the Chukchi Sea
2 coast for all of their subsistence activities that
3 go on.

4 The Secretary has proposed a 25-mile withdrawal
5 or deferral zone. I am not sure what the right term
6 is. But the Secretary has proposed this zone to not
7 be leased. And I think that's a step in the right
8 direction, but it's not enough. You know, the
9 biological opinion that came out 15 or 20 years ago
10 suggested it be more like 30 or 40 miles in order to
11 protect bowhead whales. And perhaps going out 60
12 miles is actually even better to protect those
13 resources. Let oil development, if it's going to
14 happen, go out there. You know, try to balance
15 these important subsistence resources with
16 development.

17 Jim, I want to thank you for coming up here.
18 And earlier you made a statement that the most
19 current and the best science was used to develop the
20 draft EIS for the five-year plan. And I don't want
21 to be insulting, but I also need to be honest, and
22 say that the draft EIS for the five-year program has
23 some major problems. Because you said that the best
24 science should be used, but, unfortunately, that's
25 not what has happened.

1 The specifics -- we'll provide many specifics to
2 MMS in writing about some of those problems. But,
3 essentially, the draft EIS is incomplete and
4 inadequate. Some of the most important studies that
5 have been done in the last 10 or 15 years are
6 completely missing from the EIS. And some of those
7 studies are actually ones that MMS has even funded.
8 And I just don't understand why that has occurred,
9 because MMS has used some of those studies and used
10 some those references in previous EISes or in
11 previous EAs. So there's some major -- major gaps,
12 major inadequacies.

13 Some of the specifics, Western Geophysical and
14 BP did studies on the effects of seismic on bowheads
15 whales. And all of that information is not in this
16 EIS. Also BP has done a tremendous job of
17 monitoring impacts from North Star production island
18 and the noise that they're producing and deflecting
19 bowhead whales. That information isn't in this
20 drafts EIS.

21 Somebody mentioned polar bears earlier, polar
22 bears drowning. Again, a study that MMS did, and
23 that information I haven't been able to find in the
24 EIS. I'm not sure if it's there.

25 The critical habitat for spectacled Eiders in

003-032

1 the Chukchi Sea is mislabeled, is misidentified as a
2 wintering area. The birds don't winter anywhere
3 near that spot. In the marine mammal section for
4 the Arctic subregion, belugas were left out for some
5 reason. Gray whales were left out for some reason.
6 Huge data gaps that just -- I just can't fathom.

7 There are statements made in the EIS that are
8 made without supportive data. One such statement is
9 sounds effects on whales, industrial sounds, are
10 only short-term. There are no data to say
11 whether -- what the duration of the effects from
12 sound on whales are at all, that repeatedly there
13 are statements made in there without supportive
14 data.

15 References aren't provided, or often the
16 references refer back to a previous EIS or previous
17 EA. And to me that shows that MMS is under intense
18 pressure to get this stuff out quickly and doesn't
19 have a time to do an adequate job in developing an
20 EIS. And my guess is that's because there's a lot
21 of pressure from Back East to make sure that these
22 things get out quickly.

23 But it means -- by getting out quickly it means
24 they are not done thoroughly or adequately. It
25 means that the decision-makers, the Secretary, the

003-032

003-033

1 decision-makers and the public can't adequately
2 assess what the impacts might be and can't
3 adequately make comments or make decisions about
4 what should happen in the Chukchi and Beaufort Sea.
5 This is a flaw that really needs to be corrected in
6 this draft EIS, that the -- the specific and the
7 original scientific studies that have occurred to
8 assess impacts need to be referenced and so that
9 people can go back to the original documents and not
10 go back to previous EISes.

11 Finally, the comm -- the cumulative case is also
12 lacking or the assessments of the cumulative case.
13 Many people have talked about it tonight. And just
14 to sum -- some specific examples of how it's lacking
15 is that many of the activities, the human activities
16 that are occurring in the Beaufort and Chukchi
17 weren't even listed as being part of the cumulative
18 case. Oil and gas activity in Canada wasn't
19 included.

20 The seismic work -- the seismic work that
21 occurred in 2006 and that's proposed for 2007 wasn't
22 included. The increasing scientific activity to
23 assess climate changes in the Arctic, that wasn't
24 included. The coal mine that is likely to be
25 developed down near Ledyard Bay, down near Cape

003-034

003-034

1 Lisburne wasn't included either. International
2 shipping seemed to have been missed as well. All of
3 these things are ongoing or very foreseeable as to
4 be human activities here in the Arctic.

5 So, in summarizing my feeling about the draft
6 EIS is that it is inadequate, it's flawed and it's
7 not suitable for making realistic decisions, you
8 know, whether it's by the Secretary or whether it's
9 for the public to make comments to MMS, that the --
10 it really needs to be reworked.

11 Last spring the mayor of the North Slope Borough
12 Mayor Edward Itta, at an open water meeting said the
13 activity that's going out in the Chukchi Sea and the
14 Beaufort Sea is happening, it's too much, it's too
15 soon, it's too fast. And as another example of
16 that, as we're standing here tonight, we have two
17 EISes, the five-year EIS, Lease Sale 193, we have
18 the five-year program, these are big documents.
19 They're not easy to -- to review.

20 You guys just came back from Point Hope and
21 Point Lay and have been to other villages. I'm sure
22 those people didn't even have copies of the EISes.
23 It's like, how can a small community review all of
24 these documents that you're producing? And these
25 are just some of them, there's going to be another

1 EIS that you haven't mentioned tonight that will be
2 out sometime probably in January or February or
3 March to permit seismic work in the Chukchi or the
4 Beaufort for 2007. So there's yet another document
5 that's going to be big that we're going to have to
6 review as well.

7 We'll also have to review the monitoring plans
8 for each of the companies that are going to be doing
9 work out there. You're basically overwhelming us.
10 Okay? It's not fair to the people up here. There
11 aren't enough people. There's not enough time to
12 review all the things that you're putting out. And
13 then when you throw on BLM and what they are doing
14 onshore or what the State might be doing onshore,
15 near shore, it's just overwhelming.

16 So my suggestions to MMS is that we need to slow
17 down. This is probably to the federal government,
18 to the administration, we need to slow down. Too
19 much is happening too quickly. And we need to slow
20 down because we need to fill the huge data gaps. We
21 need to understand what's happening in the Chukchi
22 Sea for the wildlife resources, you know, the
23 resources that the people up here depend on. We
24 need to understand what the possession impacts are
25 going to be and we need to understand how the

1 habitat's used and how we can mitigate the impacts
2 if we're going to go forward and develop this area.
3 Okay? We need fill those data gaps.

4 We also, the government needs to require that
5 the companies figure out how to clean up spilled oil
6 out here, you know. A ship could dump oil
7 accidentally, you know, or exploratory well.
8 There's lots of ways that oil could be spilled and
9 companies need to be able to clean it up.

10 Until those things happen, MMS needs to limit
11 the amount of activity that's going on out there.
12 Again, I would prefer that there was no oil and gas
13 activity, but knowing that that's not realistic, we
14 need to limit the amount of activity so that we
15 don't have these profound effects that we may never
16 be able to recover from. And not just effects to
17 whales or the birds, but especially effects to the
18 people. We're talking about a unique culture up
19 here that is threatened with all of this activity.
20 And to lose that would just be horrible. I mean
21 there's -- the words -- I can't come up with words
22 that are strong enough for the loss that that would
23 give.

24 So again, I guess in closing, I just plead that
25 you actually listen to people this time. You know,

1 people come -- we go to lots of public meetings and
2 public hearings and we give lots of testimony, but
3 you need to listen to people.

4 I was at a workshop just a couple weeks ago on
5 Chukchi monitoring. And about a hundred people in
6 the room trying to give MMS some recommendations on
7 what needs -- what study needs to occur in the
8 Chukchi Sea. And as I looked around the room, I
9 noticed I was the only person in the room from the
10 Chukchi Sea planning area or from adjacent to it.
11 Where were the people from the North Slope? Where
12 were the people -- why weren't people from the North
13 Slope brought down to help provide guidance and help
14 tell MMS what were the important things to look at
15 and to study?

16 And so I ask you again, please listen to the
17 people up here. It's incredibly important for lots
18 and lots of different reasons. So thanks again for
19 being here tonight. And again, I hope you do -- do
20 listens. Thanks.

21 MR. COWLES: Thank you, Robert.

22 MR. GEORGE: Good evening. I'll be brief. I
23 think you've heard a lot of good comments and it's
24 really interesting information. And I don't have a
25 whole lot to add, frankly, I think it's been

003-035

1 emphasized that this is a calving area -- I'm losing
2 my voice -- that, I think that was mentioned the
3 bowheads do calve along the coast. And probably a
4 major portion of the calving does take place within
5 the -- within the proposed lease area.

6 And the other thing I'm not sure was mentioned
7 that the migratory route is constricted here, so if
8 there's an accident that occurs, for instance, along
9 the Chukchi coast, you have the potential to
10 intercept a large portion of the bowhead population.

11 Then we heard another -- I want to, if I could,
12 get something clarified from this -- this document.
13 And in it is a section on marine, relative marine
14 productivity. And in it the Beaufort Chukchi ranked
15 last of the eight -- or the seven areas that are
16 being considered for leasing. And this is in terms
17 of fixed carbon per unit area per year.

18 And my -- I have -- my concern is that to
19 someone who doesn't really understand the biology of
20 the area, they would look at this and say, well,
21 nothing happens here, we go ahead and lease it
22 without any environmental consequences. So my first
23 question is how is this table used? And then I have
24 a comment about how the calculations were done. But
25 how is this table used to -- to make decisions

003-036

1 about oil and gas --

2 MR. BENNETT: This information is required as
3 part of up the OCS Lands Act and is provided to the
4 Secretary in making his decision and the
5 recommendation that we provide to him.

6 MR. GEORGE: Okay. And how is the information
7 used? Is it used in the sense that I've just
8 suggested, that an area that ranks low in primary
9 productivity would, therefore, be an area that you
10 might be more likely to lease because it's less
11 productive?

12 MR. BENNETT: How -- that's one factor in -- in
13 how the Secretary arrives at his decision. I can't
14 answer your question with regard to specifically how
15 that particular set of information is used.

16 MR. GEORGE: Okay. Well, I've looked into this
17 some. And I think we will submit comments and I
18 won't go into this, but we will provide an analysis
19 that we've done looking at the Arctic seas. And I
20 think what you'll find is that comparing what's
21 going on oceanographically with the Arctic oceans or
22 seas, with temperate oceans, is probably like
23 comparing apples and oranges.

24 One, the Arctic seas are highly seasonable --
25 highly seasonal, rather, and protect -- production

003-036

1 is actually on -- on a scale equal to some of the
2 more highly productive temperate oceans, but on a
3 shorter time period. So if you did consider using
4 the units that are used here the fixed carbon per
5 cubic meter, if they are extrapolated out to an
6 entire year, they would, you know, they would
7 actually be rated quite high.

8 And the other thing that's unique here is
9 that -- is that this area here in the Bering Strait
10 is one of the most biologically productive areas in
11 the world apparently in terms of fixed carbon. And
12 this is all affected up the coast. So it
13 complicates the, the map. In other words, down here
14 there's -- this hugely productive region, which does
15 rank high in that table, and it gets -- it gets
16 transported north. And here it -- the recent work
17 that's been done by the NSF group, it looks like
18 there's a -- there's an eddy here and a lot of that
19 production is then, like the thousands that are
20 transported north eddy out and they're available for
21 feeding and that's why the highest densities in the
22 MMS surveys for bowheads occur in here.

23 Anyway, and I'm going into a lot of detail, but
24 it -- it just makes it very difficult to interpret
25 that table. And I hope that that table's not being

1 used to say, well, you know, this is a nonproductive
2 area and therefore would not be an area that there
3 would be large consequences if, in fact, it was
4 leased.

5 So thanks for your time. Thanks for coming up.
6 And you've heard a lot tonight. I think I'll end my
7 comments there. Thank you.

8 MR. BENNETT: Can I just -- just to the last two
9 speakers, we would appreciate a specific comment
10 that you had mentioned that you think we need to
11 address and a specifically with regard to the marine
12 productivity calculation, we would very much
13 appreciate your thoughts on.

14 MR. GEORGE: Yeah, I'll send it. By the way, my
15 name is Craig George.

16 MR. COWLES: Anybody else that would like to
17 comment? Okay.

18 I would like to express our thanks to all of
19 you. We know the special effort that you take to
20 come and present these ideas and comments and
21 thoughts as time has progressed over the years. And
22 it's been to our benefit. And we think this is very
23 important to these documents and the decisions that
24 MMS and the Department of the Interior make. So
25 thank you once again for comments.

(Whereupon, the hearing was concluded.)

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1 REPORTER'S CERTIFICATE

2

3

4 I, Britney E. Chonka, Court Reporter, hereby
5 certify:

6 That I am a Court Reporter for Alaska Stenotype
7 Reporters and Notary Public in and for the State of
8 Alaska at large. I certify Hereby that the forgoing
9 transcript is a true and correct transcript of said
10 proceedings taken before me at the time and place stated
11 in the caption therein.

12 I further certify that I am not of counsel to
13 either of the parties hereto or otherwise interested in
14 said cause.

15 In witness whereof, I hereunto set my hand and
16 affix my official seal this 12th day of December, 2006.

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BRITNEY E. CHONKA, REPORTER

21

Notary Public - State of Alaska

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MMS Responses to Barrow Comments

Barrow 003-001

Our analysis of potential impacts to marine mammals and birds is based on the best available science at the time the NEPA documents are written. New research is initiated all the time and generally takes considerable time to complete. As the results of new research become available, these results will be incorporated into our analyses.

Barrow 003-002

See the response to comment **Barrow 003-001**.

Barrow 003-003

The Corridor I (Alternative III) deferral was the result of scoping meetings held on the North Slope in January and February 2006. Information from the scoping meetings was coupled with information on threatened and endangered species, and the outcome was the Corridor I (Alternative III) deferral. Corridor I was developed to address concerns related to bowhead whale subsistence hunting, subsistence walrus hunting, Steller's eider critical habitat, and Barrow Canyon.

Barrow 003-004

See the response to comment **Barrow 003-003**.

Barrow 003-005

The MMS will try to contrast the colors defining the deferrals more effectively in the final EIS.

Barrow 003-006

The Endangered Species Act (ESA) of 1973, as amended, establishes protection and conservation of threatened and endangered species and the ecosystems on which they depend. The ESA is administered by FWS and NMFS. Section 7 of the Act governs interagency cooperation and consultation. The MMS formally consults with NMFS and FWS to ensure that activities on the OCS under MMS jurisdiction do not jeopardize the continued existence of a threatened or endangered species and/or result in adverse modification or destruction of their critical habitat.

The Alaska Region, working with FWS, issues protocols to eliminate or minimize impacts associated with oil- and gas-leasing activities. Often times these protocols are adopted as stipulations on individual lease sales.

Congress enacted the Marine Mammal Protection Act (MMPA) in 1972 (16 U.S.C. 1361-1407). The MMPA prohibits (with some exceptions): (1) "Taking" of marine mammals in U.S. waters and by any person under U.S. jurisdiction on the high seas and (2) Importing marine mammals and marine mammal products into the U.S.

The MMS coordinates with NMFS and FWS to ensure that MMS and offshore operators comply with the MMPA, and to identify mitigation and monitoring requirements for permits or approvals for activities like seismic surveys and platform removals. Often, misunderstanding of terminology such as "taking" can be confusing. A good source to better understand MMPA terminology and the process by which MMS coordinates with NMFS and FWS can be found at <http://www.mms.gov/eppd/compliance/mmpa/responsibility.htm>.

Barrow 003-007

The MMS agrees that there is not as much scientific data for the Alaska Outer Continental Shelf (OCS) relating to oil and gas activities as there is for the Gulf of Mexico OCS. The Gulf of Mexico has a longer and more dynamic history of oil and gas exploration, development, and operations activities when compared to the Alaska OCS; and, correspondingly, more information has been generated in the Gulf of Mexico on the environmental effects of oil and gas activities. The MMS has used all available scientific information to define the existing environment and assess possible impacts to the environment and local populations resulting from oil and gas operations within the Chukchi Sea area. The MMS continues to monitor and analyze the effects of existing activities on the North Slope for use in future assessments and decisionmaking. The comment has been sent to our Environmental Studies Section to help MMS to assess, plan, and monitor any oil and gas development operations in the future.

Barrow 003-008

See the response to comment **Barrow 003-007**. The MMS has used all available scientific information to define the existing environment and in assessing possible impacts to the environment and local populations resulting from oil and gas operations within the Chukchi Sea area. The comment has been sent to our Studies section to help the MMS to assess, plan, and monitor any oil and gas development operations in the future.

Barrow 003-009

Yes, there were oil spills as a result of hurricanes Katrina and Rita from OCS platforms. There were 124 reported spills from OCS operations, accounting for approximately 17,652 barrels of oil. These were two of the most destructive storms in U.S. history and industry preparations for them must be seen as a success. The majority of the spills were small in size and none was directly attributable to releases from wells, because the subsurface safety valves that MMS requires operated correctly when the wells were ordered shut in ahead of the storm. The spills were primarily from oil stored at the facilities or from oil remaining in damaged pipeline segments.

Barrow 003-010

The Congress, through the OCS Lands Act, directs the Department of the Interior to consider all OCS areas that are not under Congressional Moratoria as potential for leasing. The Congress has not excluded the Arctic planning areas from leasing though moratoria at this time. The Department of the Interior and MMS consider all comments from stakeholders in developing each 5-Year leasing program. Decisions on which planning areas are included in the 5-Year leasing plans are based on a balance of our mandates under the OCS Lands Act, comments from the coastal States and other stakeholders, and environmental considerations.

Barrow 003-011

Section II.B.4 outlines the plan for mitigating multiple seismic-survey activities, including the use of icebreakers. Mitigation measures for potential impacts to subsistence whaling from exploration-drilling activities are similar to mitigation for seismic surveys, including periods minimizing or halting vessel traffic, monitoring the bowhead migration, and coordinating with the subsistence-whaling community. The plan includes monitoring. Mitigation measures will be adjusted should new data warrant.

Barrow 003-012

See the response to comment **Point Lay 001-008** on ways to mitigate for everyday life changes.

The MMS acknowledges cumulative sociocultural impacts on the North Slope and that Inupiat culture has undergone significant change. The influx of money (from wage employment) has added many benefits and

raised the standard of living, but these influences also have given rise to an array of social problems, including increased alcoholism. The processes that give rise to these problems are many, varied, and complex, and go well beyond the direct and indirect effects of the cumulative impacting factors that result from onshore and offshore petroleum development.

Any realistic analysis of cumulative effects on the North Slope needs to consider both onshore and offshore effects. The most obvious cumulative effects have occurred and continue to occur onshore as oil and gas activities expand outward from Prudhoe Bay/Deadhorse. Most of the stress factors mentioned by local stakeholders can normally be associated with onshore impacts.

Limited monitoring data prevent quantitative assessment of cumulative subsistence-resource damage; resource displacement; changes in hunter access to resources; increased competition; contamination levels in subsistence resources; harvest reductions; or increased effort, risk, and cost to hunters. Limited data also limit our assessment of the effectiveness of mitigation measures. Any monitoring regime would incorporate traditional Inupiat knowledge of subsistence resources and practices. Development already has caused increased regulation of subsistence hunting, reduced access to hunting and fishing areas, altered habitat, and intensified competition from nonsubsistence hunters for fish and wildlife (Haynes and Pedersen, 1989; Pedersen et al., 2000). The MMS acknowledges that these trends constitute a reason for monitoring subsistence resources and harvests.

Many other events have combined with the area's oil development to bring rapid social change to the area including ANCSA and ANILCA legislation, the formation of the NSB, the AEWC, and other local and regional institutions. It is important to note the difficulty in disaggregating the cumulative effects of oil development in the region from these other relatively recent processes of extreme local social change.

The MMS agrees that mitigation both on and offshore play an important role in preventing significant impacts to subsistence resources, sociocultural systems, and environmental justice, and that they should be monitored and enforced. Through such processes as inspections, MMS does monitor and enforce the mitigations over which it has statutory authority

Barrow 003-013

The EIS defines "significant" effects on subsistence-harvest patterns as: One or more important subsistence resources would become unavailable, undesirable for use, or available only in greatly reduced numbers for a period of 1-2 years. The analyses for Sales 186, 195, 202, and 193 use the lower threshold of 1 year and interpret this to mean unavailable, undesirable for use, or available only in greatly reduced numbers for one harvest season.

In evaluating the potential adverse effects from OCS activities, we look at the magnitude and duration of disruption. We use the five categories shown below, ranging from very low to very high, with "significant" effects equated to conditions described in the high category definition:

- Very Low – Subsistence resources could be periodically affected with no apparent effects on subsistence harvests.
- Low - Subsistence resources would be affected for a period of 1 year, but no resource would be unavailable, undesirable for use or greatly reduced in number.
- Moderate - One or more important subsistence resource would become unavailable, undesirable for use, or available only in greatly reduced numbers for a period not exceeding 1 year.
- High - One or more important subsistence resource would become unavailable, undesirable for use, or available only in greatly reduce numbers for a period of 1-2 years.
- Very High - One or more important subsistence resource would become unavailable, undesirable for use, or available only in greatly reduced numbers for a period of 2 or more years.

For subsistence resources, as the categories move from very low to very high, the time frame of disruption increases (from periodic to 2 or more years), but the magnitude of the effect stays relatively constant (one

or more important subsistence resource would become unavailable, undesirable, or available only in greatly reduced numbers). The categories have some overlap but have enough differences to allow the analyst to accurately describe the myriad potential effects in a single category.

In reporting the conclusion of our analysis of the potential adverse effects from OCS activities, we shift from this five-category scale to a single standard to provide a clear boundary that when crossed, signals significant effects. In part, the high category was selected to maintain continuity between our assessment of subsistence and sociocultural effects and the Environmental Justice significance threshold of disproportionately high adverse effects embedded in our assessment of human health and environmental effects of a proposed action on low income, minority populations under Executive Order 12898.

These thresholds were developed over time and reflect many years of comments and refinements to establish a reasonable threshold definition. We define the thresholds to be flexible so they can be applied to diverse resources of the different Alaska OCS Region planning areas. We carefully and rigorously apply these criteria to circumstances within each planning area.

The threshold for subsistence-harvest effects reflects what we have learned regarding the importance of subsistence resources. Using the threshold, a significant effect occurs if a single important resource becomes unavailable or undesirable for use or available only in greatly reduced numbers for 1 year. Please note that the use of “or” instead of “and” means that any one of the three conditions individually will result in a significant effect. This approach results in a fairly broad threshold. For example, the significance threshold would be met if OCS oil and gas activities resulted in one important resource becoming undesirable for use for a period of 1 year, regardless of how available the resource was. In the Beaufort Sea multiple-sale EIS (USDOI, MMS, 2003a), the analyses for Sales 186, 195, and 202 all used the lower threshold of 1 year (not 1-2 years) and interpreted this to mean unavailable, undesirable for use, or available only in greatly reduced numbers for one harvest season.

The absence of a significant effect does not equate to “no effect.” As shown in the five-category scale, and in the numerous analyses that we have undertaken, effects from activities can be adverse and noticeable before they reach the significance threshold. Furthermore, in the cumulative effects analysis, we analyze the combined effects of projected activities with other actions, because we know that effects that individually do not reach our significance threshold can exceed that significance threshold when considered collectively.

In May 2006, MMS Regional Director John Goll sent a letter addressing this concern to the AEW and the Mayor of the North Slope Borough. The letter’s intent was to explain and clarify our derivation and use of effects threshold levels for subsistence-harvest patterns and sociocultural systems. The letter explained how MMS evaluates subsistence and sociocultural impacts in our NEPA documents, how “significant” levels of impacts are determined for these resource categories, our understanding of AEW, NSB, and local community concerns with regard to significant impacts, and an invitation to the AEW and the NSB to assist us in making our significance threshold levels more “appropriate and more accurate.”

As the letter concluded, we look forward to your assistance in providing “Any literature, peer reviewed documents or other authoritative information that can help validate and substantiate the standards you suggest would be useful in our further evaluation of these thresholds.”

The MMS waits your response on this matter and looks forward to continuing this critical information exchange with you.

Barrow 003-014

The Secretary of the Interior has directed MMS to identify deferral alternatives at the individual lease-sale level and not at the 5-year program level. As a result, deferrals associated with the Beaufort Sea will be identified through consultation and coordination during the Arctic Multiple-Sale EIS process to begin in spring 2009.

Barrow 003-015

The MMS is unaware of any research findings that have shown that “a 40 to 50 kilometer area around Prudhoe Bay has been abandoned by seals.” In fact, peer-reviewed research has found the contrary. For example, as stated in the draft EIS at page IV-222:

Moulton et al. (2005) reported that during spring surveys, there was no evidence that construction, drilling, and production activities at BPXA’s Northstar oil development affected local ringed seal distribution and abundance. Drilling and production sounds from Northstar likely were audible to ringed seals, at least intermittently, out to ~1.5 km in water and ~5km in air (Blackwell, Greene, and Richardson, 2004). These results suggest that any negative effects on seals from individual developments are likely to be minor and very localized. Likewise, Richardson and Williams (2004) concluded that there was little effect from the low-to-moderate level, low-frequency industrial sounds emanating from the Northstar facility on ringed seals during the open-water period, and that the overall effects of the construction and operation of the facility were minor, short term, and localized, with no consequences to the seal populations as a whole.

Barrow 003-016

See the response to comment **Barrow 003-013** on significance thresholds.

Barrow 003-017

Regarding assessing impacts to human health, since the fall of 2006, MMS has pursued such an effort in cooperation with the Tribes, the NSB, and the Alaska Inter-Tribal Council. This has led to substantial additions to the sociocultural and environmental justice analyses for the 2007-2012 5-Year final EIS and the Chukchi Sea Sale 193 final EIS. The MMS is in the process of planning future efforts to address these issues. We will continue to update future environmental documents to address these issues.

See also the response to comment **Barrow 003-013** on significance thresholds.

Barrow 003-018

The MMS believes it has done a credible cumulative effects analysis on subsistence-harvest patterns, sociocultural systems, and environmental justice. In these discussions the long-term impacts of additional roads, pipelines, ports, the enlargement of the DeLong port site, and oil activities in the Russian and Canadian Arctic are discussed as they relate to impacts on subsistence resources, sociocultural systems, and environmental justice. See Sections V.C.12, IV.C.13, and IV.C.16, respectively, of the Sale 193 draft EIS.

See also the response to comment **Barrow 003-017** concerning the improvement of the analytical discussion on human health impacts in the Chukchi Sea Sale 193 final EIS.

Barrow 003-019

The EIS discusses scientific information related to the 120-dB monitoring zone in Section IV.C.1.f(1) and Appendix D. In Section II.B.5.c, the EIS specifically acknowledges that this issue is pending court decision.

Barrow 003-020

Part of MMS oil-spill-response plan requirements is that the operators test all aspects of their plan. They must conduct equipment deployment and operation exercises, tabletop drills to simulate management response to a spill, and notifications drills to ensure releases are properly reported to authorities. The

company is also required at a minimum to annually train response personnel to conduct spill-response operations, whether they actually deploy and operate equipment or provide response support as part of the incident management team. The MMS also will conduct both announced and unannounced drills to test an operator's readiness to respond to a release.

The MMS requires that all operations be done safely using the best available and safest technology. During the exploration, development, production, and transportation of oil and gas or sulphur, the lessee shall take measures to prevent unauthorized discharge of pollutants into the offshore waters. The lessee shall not create conditions that will pose unreasonable risk to public health, life, property, aquatic life, wildlife, recreation, navigation, commercial fishing, or other uses of the ocean.

All hydrocarbon-handling equipment for testing and production such as separators, tanks, and treaters shall be designed, installed, and operated to prevent pollution. Maintenance or repairs which are necessary to prevent pollution of offshore waters shall be undertaken immediately. Curbs, gutters, drip pans, and drains shall be installed in deck areas in a manner necessary to collect all contaminants not authorized for discharge. Oil drainage shall be piped to a properly designed, operated, and maintained sump system which will automatically maintain the oil at a level sufficient to prevent discharge of oil into offshore waters. All gravity drains shall be equipped with a water trap or other means to prevent gas in the sump system from escaping through the drains. Sump piles shall not be used as processing devices to treat or skim liquids but may be used to collect treated-produced water, treated-produced sand, or liquids from drip pans and deck drains and as a final trap for hydrocarbon liquids in the event of equipment upsets. Improperly designed, operated, or maintained sump piles which do not prevent the discharge of oil into offshore waters shall be replaced or repaired. On artificial islands, all vessels containing hydrocarbons shall be placed inside an impervious berm or otherwise protected to contain spills. Drainage shall be directed away from the drilling rig to a sump. Drains and sumps shall be constructed to prevent seepage.

The lessee is required to design, install, maintain, test, and use the BOP system and system components to ensure well control. The working-pressure rating of each BOP component must exceed maximum anticipated surface pressures. The BOP system includes the BOP stack and associated BOP systems and equipment.

All downhole tubing installations open to hydrocarbon-bearing zones shall be equipped with subsurface safety devices that will shut off the flow from the well in the event of an emergency. These devices may consist of a surface-controlled subsurface safety valve (SSSV), a subsurface-controlled SSSV, an injection valve, a tubing plug, or a tubing/annular subsurface safety device, and any associated safety valve lock or landing nipple.

The lessee must protect all platform production facilities with a basic and ancillary surface safety system designed, analyzed, installed, tested, and maintained in operating condition in accordance with American Petroleum Institute (API) Recommended Practice (RP) 14C. The safety-system devices shall be successfully inspected and tested by the lessee at the interval specified below or more frequently if operating conditions warrant. Testing must be in accordance with API RP 14C.

The lessee must design, fabricate, install, use, maintain, inspect, and assess all platforms and related structures on the OCS to ensure their structural integrity for the safe conduct of drilling, workover, and production operations. The lessee must consider the specific environmental conditions at the platform location.

The MMS has inspector and engineering staff to review the lessee's plans, make onsite inspections, and review pollution prevention activities.

Barrow 003-021

The MMS acknowledges this concern and will continue to develop appropriate mitigation and monitoring for OCS activities.

Barrow 003-022

In the event that a large oil spill occurred and contaminated essential whaling areas, major additive significant effects could occur when impacts from contamination of the shoreline, tainting concerns, cleanup disturbance, and disruption of subsistence practices are factored together. For a discussion of this issue as it relates to subsistence resources and practices, see Section IV.C.1.1(3), Effectiveness of Mitigation Measures. There is a discussion of transboundary oil spills in this same section at IV.C.1.1(3)(d).

Barrow 003-023

The MMS takes the comments seriously and appreciates stakeholder input. See the response to comment **Barrow 003-010**.

Barrow 003-024

For a discussion of MMS's use of TEK comments, see the response to comment **Point Lay 001-001** on working with elders.

For a discussion on oil-spill and cumulative impacts see the responses to comments Barrow 003-012 on cumulative impacts to villages and **Barrow 003-022** on transboundary oil spills.

Barrow 003-025

The MMS takes the comments seriously and appreciates stakeholder input. See the response to comment **Barrow 003-010**.

Barrow 003-026

The MMS is a bureau of the U.S. Department of the Interior. In the Alaska Region, our mission is to manage the mineral resources of the OCS in an environmentally sound and safe manner.

Under this mandate, the Alaska Region must find a way to provide the opportunity to explore for petroleum and still preserve the environment and the lifestyle of the people living adjacent to its coast.

Barrow 003-027

Industry receives Incidental Take Authorizations from the NMFS and the FWS. These authorizations are for the harassment of marine mammals and are issued if the resource agency concludes the activity would have small effects to the resource and availability of the resource to meet subsistence needs. These authorizations do not allow or authorize lethal takings. A lethal taking of a marine mammal would be subject to enforcement action by the appropriate resource agency.

Barrow 003-028

“Take” is statutorily defined as “harass, hunt, capture, or kill, or attempt to harass, hunt, capture or kill any marine mammal.” The 1994 amendments to the MMPA define harass as any act of pursuit, torment, or annoyance that has the potential to:

- Injure a marine mammal or marine mammal stock the wild (Level A); or
- Disturb a marine mammal or marine mammal stock in the wild by disrupting behavioral patterns (for example, migration breathing, nursing, breeding, feeding, or sheltering) (Level B).

Section 101(a)(5)(A) of the MMPA and the implementing regulations at 50 CFR 216.105 allow U.S. citizens to petition the NMFS or FWS to develop regulations authorizing a limited unintentional or accidental taking of small numbers of marine mammals, provided that the activity would have a negligible impact to marine mammals. The Act also requires monitoring and reporting of take to verify a negligible impact. Specific regulations are based upon the best available information and after notice and opportunity for public review. Under these regulations, operators conducting industry related activities may request a site-specific Letter of Authorization (LOA) to allow the conditional taking of marine mammals for not more than five consecutive years.

In the absence of a LOA, operators are liable for any takes which may occur. The FWS encourages applicants to apply for a LOA for activities with a potential for taking in order to fully comply with the MMPA. If terms and conditions of the LOA are not being complied with, the LOA may be revoked. If the number authorized in the LOA is exceeded or lethal takes associated with activities occur, the FWS would reassess the impacts to the marine mammal population(s) and reconsider the appropriateness of authorizations for taking under section 101(a)(5)(A) of the MMPA. Civil penalties may be assessed for violations of the regulations or permits.

Except for activities that have the potential to result in serious injury or mortality, NMFS or FWS also may issue Incidental Harassment Authorizations (IHA). An IHA applies to activities that may result in only the incidental harassment of a small number of marine mammals. All IHA's must undergo a 30-day public review period. They are valid for up to one year and may be renewed for an additional year.

Barrow 003-029

No section related to subsistence, sociocultural systems, and environmental justice characterizes the potential effect as "small." Consequences from a development scenario that includes a large oil spill and cumulative impacts from noise, disturbance, and climate change would result in significant impacts. The impacts contributed solely from the proposed Sale 193 action are expected to be more localized and short term and not reach significant levels except in the case of a large oil spill or noise and disturbance impacts that cannot be successfully mitigated by conflict avoidance agreements.

Barrow 003-030

The analysis makes clear that impacts from oil spills on subsistence or local communities would not be "small." The draft EIS states that should a large oil spill occur, impacts would be significant and long term.

See also the response to comment **Barrow 003-029**.

Barrow 003-031

The MMS has used the best available science for the Lease Sale 193 analyses to support the decision making process as outlined in the Council of Environmental Quality regulations (CEQ 1502.22). Where applicable, the EIS acknowledges the uncertainties associated with significant resources occurring in the frontier environment. Information used in conducting various analyses are listed in the bibliography contained in Section VI.

Barrow 003-032

This comment appears to refer to a parenthetical descriptor made in the Affected Environment Section of the draft EIS for the 5-Year Plan, not the draft EIS for Lease Sale 193. The figures in the draft EIS for the 5-year Plan are correctly labeled as eider critical habitat, but there was an error in that draft EIS when it described the critical habitat in the Chukchi Sea as wintering habitat.

Barrow 003-033

We believe that the commenter is referring to the 2007-2012 5-Year Program EIS here. Both beluga and gray whales are included in the marine mammals analysis in the Lease Sale 193 EIS.

Barrow 003-034

We refer the North Slope Borough reviewer to the introductory sections of Section V, Cumulative Effects of the EIS, which describes the scope of the Cumulative Impacts Analyses. Oil and gas activity associated with other countries is addressed at a programmatic level within the 5-Year Program EIS. Impacts associated with seismic activity were analyzed within Section IV as part of the proposed action and the Section V cumulative analysis when applicable for specific resources identified.

For purposes of the cumulative impacts analyses associated with Lease Sale 193, any scientific activity associated with assessing climate changes in the Arctic is assumed to not have any deleterious impacts on existing arctic resources and was not considered within the scope of this analyses. While the MMS recognizes these activities occur, the Lease Sale 193 analyses assume that these activities would be regulated by the appropriate agency or institution to avoid and minimize impacts.

The MMS recognizes that Northwest Alaska has extensive bodies of ore that might be developed if world metal prices were favorable and extensive coal deposits could someday be mined economically. The MMS information indicates that no firm plans to develop any new mines for ore or coal, although those resources generally are considered in long-term regional planning for Northwest Alaska (U.S. Army Corps of Engineers, 2005). As a result, any long-term plans for the development of coal mines within the geographic vicinity of the Chukchi Sea are considered outside the scope of cumulative impacts for Lease Sale 193.

There currently is not adequate evidence to suggest that a viable or heavily traveled northern route for commercial, military, scientific, and tourist vessels will be a reality in the reasonably foreseeable future. There has been speculation that if a warming trend were to continue, a Northwest Passage or Northern Sea Route would be open for 2-3 months in summer and early fall (Brigham and Lawson, 2002). In the meantime, while this route is attractively shorter, many things need to be addressed; for example, insurance costs, double-hull requirements, unpredictability of polar weather, and sovereignty issues. As these issues are addressed, factors such as water pollution, noise, and disturbance will be addressed with appropriate mitigating measures. To date, the only commercial vessel that has successfully used the Northwest Passage was the specifically strengthened U.S. tanker, the *Manhattan* in 1969 with the aid of American and Canadian icebreakers.

Barrow 003-035

The "Chukchi Offshore Monitoring in Drilling Area Chukchi Sea" planning workshop, November 1-3, 2006, was a small workshop designed for approximately 50 attendees to help initiate design of one MMS monitoring project. Invitations were sent to over 150 scientists and stakeholders, including local and regional governments, tribes, native associations, oil industry, and environmental groups on the Alaska OCS Regional mailing list. All local native stakeholders, tribes, governments, subsistence organizations, and native corporations on the MMS Regional mailing list were invited. In addition to Alaska OCS Regional Mailing list, invitations went by email to approximately 50-name-requested scientists. Over a hundred scientists and stakeholders attended with 77 registering. Representatives from NSB and AEWC were invited to attend the workshop. Several of the invited representatives attended the NMFS Open-water Meeting the week before (October 24-26, 2006) or the Alaska Federation of Natives Convention (October 23-28, 2006) and elected not remain in Anchorage or return to Anchorage for another meeting. The commenter – Robert Suydam of the North Slope Borough Department of Wildlife Management – was one of the invited representatives and attendees. George Ahmaogak, Sr. participated in the Subsistence Working Group as a North Slope whaler. A detailed summary of study area subsistence concerns raised in

MMS North Slope scoping was presented at start of the Subsistence Working Group session, in addition to the scoping summary presented on the first day of the workshop.

Barrow 003-037

See the response to comment **Barrow 003-010**.

Barrow 003-038

The MMS conducts inspections of OCS facilities to verify that the operator is conducting operations in accordance with the OCS Lands Act, the regulations, lease, right-of-way and any approved plans or other applicable laws and regulations (30 CFR 250.130). In the event the operator's performance is not acceptable the MMS has the authority to revoke the designation of operator of that company for the facility or facilities affected (30 CFR 250.135). Also, the Secretary of Interior has the ability to cancel a lease in the event that continued activity would probably cause harm or damage to life, property, any mineral deposits, or the marine, coastal or human environment (30 CFR 250.1810).

**Document
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PROPOSED LEASE SALE 193 CHUKCHI SEA

DRAFT EIS HEARING

WAINWRIGHT

Taken December 7, 2006
Commencing at 7:20 p.m.

Volume I - Pages 1 - 57, inclusive

Taken at
Robert James Community Center
Wainwright, Alaska

Reported by:
Mary A. Vavrik, RMR

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A-P-P-E-A-R-A-N-C-E-S

For Minerals Management Service:

Fred R. King
Hearing Officer

Peter Johnson
Geophysicist
Mike Salyer
EIS Coordinator

Albert Barros
Community Liaison

Taken by:

Mary A. Vavrik, RMR

BE IT KNOWN that the aforementioned proceedings were taken at the time and place duly noted on the title page, before Mary A. Vavrik, Registered Merit Reporter and Notary Public within and for the State of Alaska.

1 P-R-O-C-E-E-D-I-N-G-S

2 HEARING OFFICER: My name is Fred King,
3 and I'll be the hearing officer for this meeting. I'm
4 with the Minerals Management Service, and we are out of
5 Anchorage, Alaska. With me is Mike Salyer, who is the EIS
6 coordinator for this project. And I also have Peter
7 Johnson, who is with our Resource Evaluation Unit, and
8 Albert Barros, who is our community liaison person, that's
9 the four of us with MMS. We also have -- because this is
10 a hearing, we have Mary Vavrik, who is a court reporter,
11 and she is taking verbatim testimony as people give it.

12 Before we start this meeting, if it's okay with
13 everybody, we would like to ask George to give a blessing.

14 (George Agnasagga gives a blessing.)

15 HEARING OFFICER: I would also like to
16 apologize to the community. We tried to get in here a
17 couple of weeks ago and got weathered out, so we have
18 rescheduled this meeting. And we are sorry we couldn't
19 make the first meeting, but weather got the best of us.

20 We are prepared to go through a quick briefing on
21 Sale 193, but this is -- we're here to hear your
22 testimony. So if you would like us to -- if you would
23 like Mike to give about a ten-minute briefing based on the
24 information that you have got, he will be glad to do it,
25 or we can go to testimony.

1 If there aren't too many objections, I'll go ahead
2 and ask Mike to do a quick briefing, and if there are a
3 few questions, clarifications, you can go ahead and ask
4 them as he's going through. And then as soon as he's
5 done, what I'd like to do is if you would like to testify,
6 if you would please come up here and sit at the seat, that
7 way our court reporter can pick you up on the mike. And
8 we would also ask you to give your name and spell it so we
9 get it right. So if you will go ahead, Mike.

10 MR. SALYER: Good evening. I'd like to
11 start out, really appreciate you all having us in the
12 village this evening. And if you picked up a little
13 packet, real briefly it's just some general information on
14 Lease Sale 193, environmental impact statement. The
15 environmental impact statement right now is in its draft
16 form, and it's out for comment. The comment period on
17 draft -- the draft EIS is December 26th. And you will see
18 that in the slide presentation.

19 On the first page, you see these green boxes, a
20 little flow chart here. That's simply outlining the
21 environmental impact statement process for NEPA for this
22 lease sale, for Minerals Management Service. And we are
23 sort of at that date. October 2006 is where we mailed out
24 the EIS, and that kind of shows you the comment period and
25 the times associated with the process. We are expecting

1 that the lease sale will -- if everything gets approved
2 and decisions get made, if it was going to go forward, it
3 would be in November of 2007. Of course, that's up to the
4 Secretary of Interior.

5 But tonight we are here just to present some brief
6 information and mainly to hear what your comments are on
7 the environmental impact statement.

8 So on the next page it simply has a little chart of
9 the different meetings, when they were held in the
10 villages, some background information just explaining how
11 it's a special interest sale. And that really gets us to
12 the proposed action that the environmental impact
13 statement covers. And as you can see, we have a couple
14 maps up here. And the prepared action is the program area
15 which occurs in the bold green area of the Chukchi Sea.
16 And you also have this map attached in your packet, in the
17 back area of the packet here.

18 Now, I want you to notice that there is a 15- to
19 25-mile area that is excluded from this right from the
20 beginning, okay, taking care of some of the lead system
21 issues. And it's just the green line. That's the program
22 area. And toward the end of last year, there were some
23 scoping meetings held in the village. Some of you all may
24 have attended those. And we try to take the information
25 we obtained from everyone and incorporate that into the

1 environmental impact statement.

2 And as a result of those scoping meetings, we were
3 able to create some deferrals as alternatives. And we are
4 just going to look at those real briefly. On the second
5 page you have the proposed action sort of broken down.
6 There is a lot of numbers. It's mainly just pertaining to
7 that green outlined area. It's roughly 34 million acres,
8 and it excludes the spring lead system.

9 On the bottom slide it shows some of the biggest
10 concerns that were raised in the scoping process that we
11 have tried to address in that document. That's what we
12 want to hear from you all tonight on whether you all think
13 we have addressed those or not.

14 Turning the page, it has a brief description you will
15 see entitled Lease Sale 193 deferrals. Those are our
16 alternatives. We have the whole program area as one
17 alternative. We have alternatives twos and no action
18 alternative, alternative three, which is Corridor I
19 deferral. That's the largest. That's encompassed in this
20 purple or lavender area that's a deferral alternative.

21 Now, the fourth alternative is simply all of Corridor
22 II. It encompasses a little west area. It's in the blue
23 hatch marks. I apologize, it's hard to see on the map
24 but, again, it's in the map in your packet. That's what
25 we did the analysis on in the environmental impact

1 statement.

2 Again, the last couple slides are just a brief
3 overview of the process and the different dates that are
4 milestones. And again, where we are at right now is in a
5 comment period that's going to last till December 26 on
6 the draft. And then we'll put together a final
7 environmental impact statement. There will be another
8 chance to comment from there.

9 That's a brief overview of Lease Sale 193 EIS. And
10 at that point we can answer questions or go to hearing.

11 HEARING OFFICER: One more thing. Would
12 you explain what the second map is?

13 MR. SALYER: Sure. The second map here is
14 sort of a historical map, if you will, of past lease sales
15 that have occurred in Chukchi. At present there are no
16 leases out there, but over the past roughly 15 years, this
17 map depicts past leases and past wells that were drilled
18 and that were capped. So that's what this is showing here
19 within the outlined program area in the green. Okay.

20 HEARING OFFICER: One of the reasons we
21 brought that is people quite often say where do you think
22 there is going to be leasing or where is the oil industry
23 interested. This is where they were interested before.
24 There was a lot of things that they bought that they
25 didn't drill wells or anything on, so its probably our

1 best guesstimate at this point indication of maybe where
2 companies are interested. So that's why that's included.

3 MR. SALYER: Very good.

4 HEARING OFFICER: Are there any other
5 questions we can respond to before we take testimony?

6 Okay. If not, I think we would like to -- we will be
7 quiet for a bit and ask anybody who would like to come up
8 and give us comments to -- again, if you would come up and
9 sit here and give us your name and spell it so we get your
10 name correctly.

11 While people are formulating their comments, I would
12 also like to thank the Native village who has agreed to
13 give some door prizes. I'll acknowledge them, and I
14 assume we will be drawing for those door prizes later. We
15 won't draw for them early. I'm afraid I'd lose my crowd
16 here.

17 MR. GEORGE AGNASAGGA: Hi. My name is
18 George Agnasagga, A-G-N-A-S-A-G-G-A. I was looking at the
19 two maps. The first one is the relinquished area. And
20 you will notice on all the relinquished area they are
21 further out into the ocean. And if you look to the newer
22 map, you will notice that the corridors that we are
23 talking about now is much closer to shore. Is there a
24 reason behind that or --

25 HEARING OFFICER: Yes. The corridors that

1 we are identifying there are areas for the Secretary to
2 consider eliminating from the sale. So our EIS said this
3 would be the benefits and the protection that would be
4 added if you deferred or took those areas out of the sale.

5 MR. SALYER: To not explore.

6 HEARING OFFICER: So we would not issue
7 any leases or offer that for leases if the Secretary took
8 those out. And the reason we are looking at them is when
9 we came here in scoping, these were what we heard from the
10 communities. If you were to go forward with the lease
11 sale, you need to go further offshore, so you need to take
12 these areas out of the sale. So that's not looking at
13 where the sale would be offered, but those would be areas
14 that have been suggested should be removed from the sale.

15 MR. GEORGE AGNASAGGA: Okay. That's what
16 I understood several months ago when we had a meeting, and
17 that's why I had a question on the corridor. Thank you.

18 HEARING OFFICER: That's fine.

19 MR. SALYER: That's a good question.

20 HEARING OFFICER: Just to follow up, we
21 have two different degrees of how much area gets deferred.
22 And that's why there is two of them there. And then
23 again, there is always -- the other option that's analyzed
24 in the EIS is a no sale option or do nothing. So there is
25 those two deferrals and a do nothing and the proposal, so

1 there is four options available to the Secretary. And
2 when I say the Secretary, this is the Secretary of
3 Interior, Secretary Kempthorne.

4 MR. BILLY NASHOALOOK, SR.: I'd rather ask
5 questions from over there. I think there will be a lot of
6 people that would want to ask but afraid to come up here.

7 I'm Billy Nashoalook. I live here all my life. And
8 one question that I had and one story that was told that I
9 witnessed for myself back in -- when was Western
10 Geophysical? A long time ago.

11 MR. JACK PANIK: '69.

12 MR. BILLY NASHOALOOK: When they were
13 doing seismic testing on that, but they went offshore the
14 first part of April. I was out caribou hunting and we
15 went as far as Icy Cape, and we had a trap line go
16 straight out in the ocean. And we were afraid to follow
17 it because they did have snowmachines running over the
18 lines. We never tried to follow it. And following
19 whaling season, I guess they were blasting right through
20 the ice. That was in early part of April. We did not
21 sight not one whale all spring. There was not one whale
22 caught, not one whale sighted. I was out there whaling
23 with them. We went paddling as far as 30 miles out.
24 There was not a -- we didn't see no sign of any kind of
25 whale, except for one walrus. That's the only thing I saw

1 that far. And looking at this map on the deferral
2 corridor this area is about 20 miles out, you said?

3 HEARING OFFICER: About 25 miles.

4 MR. NASHOALOOK: And we do go out 30 to 35
5 miles sometimes, and that's right on the migrating area of
6 our whales that come from Point Hope and go straight to
7 this point. So that's why I say it's best to -- unless if
8 you guys know what -- how you are going to -- unless you
9 know what -- how you are going to take care of any oil
10 spills or any kind of mess any time during the -- and may
11 I ask when will the drilling take place?

12 HEARING OFFICER: It's not 100 percent
13 guaranteed, but because of the water depths we are facing
14 here, I think exploration drilling would probably have to
15 occur during the open water season, but one of our
16 requirements is they have to meet with the communities, an
17 oil company if they get it, and they have to agree to a
18 conflict avoidance agreement when they can operate and
19 what they can do and everything so they aren't disturbing
20 the whale hunt.

21 MR. NASHOALOOK: The reason I ask was we
22 have been hearing from Nuiqsut that has had to go farther
23 and farther out to catch their whales now because of the
24 oil drilling out in the Beaufort. So that's what we are
25 afraid is going to be happening. We will probably have to

1 go about as far as 100 miles out is what we need. In the
2 fall, that's when we -- no more whaling for fall whaling
3 because they don't even -- we can sight some about 30, 40
4 miles out if we are lucky coming back, but most of the
5 time they are out right through the -- way past that.
6 They go straight out to -- what's that island across --

7 HEARING OFFICER: Wrangell?

8 MR. NASHOALOOK: Wrangell Island? Yeah.
9 Fall whales go straight across, not around here. And if
10 they get blocked off, where are they going if you are
11 going to do summer whaling. And that noise do carry a
12 long way in the water. Thank you.

13 MR. SALYER: Thank you, sir.

14 HEARING OFFICER: Would more of you be
15 willing to talk if you talk from your seats? But I still
16 need you to give us your names and stuff so we can get
17 them, and talk loudly enough so that Mary can record what
18 you are saying. But if you would rather just talk from
19 the audience, that's fine. We just need to make sure we
20 get your name.

21 MR. TERRY TAGAROOK: Good evening. I'm
22 Terry Tagarook, a resident of Wainwright. Maybe you could
23 give us a bit of the seismic activity that was done this
24 past summer.

25 HEARING OFFICER: You want to take a few

1 minutes?

2 MR. JOHNSON: Okay. This summer there
3 were three companies that worked in Chukchi Sea and in the
4 Beaufort Sea collecting seismic data. Two of them were
5 collecting 3-D seismic data and one was, I believe,
6 collecting 2-D data. I'm not positive of that. The
7 companies were Shell Oil, ConocoPhillips and GXT. GXT is
8 a Canadian company. I can't tell you exactly where they
9 collected. I don't know personally, and it's also
10 proprietary. And it's proprietary because these companies
11 are competing against each other, so they don't want to
12 let the other companies know where they are collecting the
13 data.

14 But they were out during the open-water period. I
15 believe GXT completed the seismic testing in early
16 November. The others had completed it before that. And
17 most of the testing was done in the Chukchi Sea because
18 the Beaufort Sea had too much ice. They couldn't get the
19 boats over to the Chukchi Sea.

20 And in the process there is a number of stipulations
21 that they had to follow. There are very specific areas
22 where they had to stay out of. They also had to have an
23 Inupiat observer on board to look for marine mammals,
24 whales in particular, but also seals and walrus and other
25 marine mammals. And if they came upon the marine mammals,

1 they would have to shut down their operations, and then --
2 or ramp them up slowly as -- if a marine mammal was a
3 certain distance from the boat.

4 And the distance was determined by the loudness of
5 the noise that was created by the seismic air vents. If
6 the whales were further away, then -- a certain decibel
7 level that they would hear, then it was considered they
8 could go ahead with the -- with their seismic shoot. If
9 the noise was too loud, the whales were too close, then
10 they were forced to shut down until the whales moved off,
11 and seals and other marine mammals.

12 You have other questions about that or -- do I have
13 them covered or --

14 MR. TAGALOOK: Thank you. And I would
15 also like to ask, on the map on the left, when they did
16 the exploration, were there any findings of oil in those
17 areas?

18 MR. JOHNSON: There was -- there was
19 findings of possibly gas more than oil, but some oil. In
20 this area here, there is -- all these colored blocks were
21 blocks that were leased in two lease sales in the late
22 1980s, early 1990s. I can't remember exactly which year
23 now. Out of these areas -- and most of the blocks were
24 purchased by Shell Oil or leased by Shell Oil. And Shell
25 drilled these four wells in these areas, and then I

1 believe another company -- I can't remember which one.

2 HEARING OFFICER: I thought it was ARCO.

3 MR. JOHNSON: Okay. I think ARCO drilled
4 this well later on. The highest probability prospect was
5 this one they call Burger, which is, I guess, off of Icy
6 Cape. And I have to give you a very approximate idea of
7 how far offshore that is. Some 30 -- it's about 60 miles
8 offshore or so. There is also some -- some shows in this
9 area here, but I know Dimond itself, this one over here,
10 was not as productive. So this is the area that was
11 leased. And yes, there is very -- some good probability
12 of some oil and gas in the -- in the Burger area.

13 HEARING OFFICER: Back when Burger was
14 drilled, that was when the oil prices crashed and stuff,
15 and so it wasn't economic then. Whether or not it would
16 be economic now -- and if I remember right, MMS considers
17 the Burger prospect as having -- I want to say it's well
18 in excess of 10 trillion cube feet of gas, a very large
19 gas field. But again, without a market or anything to it,
20 it's unknown whether companies will bid on it because they
21 have only got a ten-year lease term -- whether or not they
22 would bid on it because they would have to do something
23 and develop it within that primary term to be able to
24 produce it.

25 So it's unknown whether anybody would come in and bid

1 on a gas field right now with the price -- with the
2 situation in gas and the fact there is not a ready way to
3 get it to market.

4 MR. TAGALOOK: While we are on the subject
5 of where they were drilling, could you explain to the
6 people if these were capped and how they were capped?

004-001

7 MR. JOHNSON: Yes. All wells -- and I
8 don't have the technology in my mind exactly how they do
9 it, but all the wells are abandoned and they are capped.
10 And I do know what they will do is they will pump a lot of
11 mud down in those wells, and that would keep any kind of
12 pressure that's underground from coming up. Any of the
13 oil, if they had any oil that was at risk of coming up,
14 they would have that well capped with the mud. And then
15 they also put a large amount of cement in the ground, and
16 that keeps that sealed. I believe they also put a metal
17 cap on top, but I'm not absolutely positive of that. I'd
18 have to find out more about that.

19 HEARING OFFICER: I believe they have to
20 cut out and do all of that a certain depth below sea
21 level.

22 MR. JOHNSON: Yeah. There is nothing
23 exposed above the sea floor at any of these locations.
24 Any of these are cut -- the top of those wells are cut at
25 the sea floor.

1 MR. TAGALOOK: Thank you. And I also have
2 another question. Would the oil companies be willing to
3 do some studies on the ocean floor where the crabs and the
4 other -- other ones that crawl on the bottom of the ocean,
5 on the ocean floor?

004-002

6 HEARING OFFICER: I'm probably not in a
7 position to tell you what the oil companies would be
8 willing or wouldn't be willing to do. If MMS saw a need,
9 an information need or something and we didn't have the
10 information and something we could tell them you have to
11 go collect it because we don't have it. Normally that
12 type of information is something that MMS, if there is a
13 need for it to be collected, would probably try to do.
14 We, however, are restricted by budget constraints, so
15 whether or not we would spend money, for example, doing
16 that versus maybe doing more bowhead research or walrus
17 research or something gets into a priority problem. It's
18 not something I would say wouldn't be done, but I don't
19 know how high a priority that would be or how soon it
20 would get done.

21 MR. TAGALOOK: What are the chances of
22 doing oil development out there in the ocean if they found
23 considerable amount of oil?

004-003

24 HEARING OFFICER: Okay. If they found
25 considerable amount of oil, there is a step phrased

1 process they have to go through. First we would have to
2 make the decision to proceed with oil leasing. And the
3 companies would come in and they bid, and they bid against
4 each other. And whoever is the high bidder, then MMS also
5 goes in and evaluates it and we determine if the
6 government and the people are getting fair market value.
7 If the bid is not high enough, we reject it.

8 If a company gets a bid, then they have the ability
9 to move forward, but they have to come to us for an
10 exploration. They have to come in and say this is how we
11 want to explore it. And then we come in and write another
12 NEPA document and come back out to the communities and
13 figure out the best way for them to go about exploring it
14 and make sure that it's safe. And the company would then
15 be -- probably take one, two or three summers to drill
16 wells. And if they found something maybe the first
17 summer, they might have to come back consecutive summers
18 to get enough holes in a structure to determine that it's
19 economic.

20 At the point they determine it's economic, then they
21 could come back in and provide a development plan, which
22 again goes back through another review where we come back
23 to the communities, we look at the additional information.
24 We have a lot more information at that point because we
25 know where they developed oil. We know where they want to

1 run a route, how to get it out, when to get it out, what
2 they are doing, when they are planning on doing it. And
3 that way we can meet with the communities and work with
4 the communities to determine the best way to minimize
5 impacts should we permit it to go forward.

6 MR. TAGALOOK: If the oil companies are
7 not going to do any studies on the ocean floor where the
8 clams, crabs that the seals, sea mammals depend on, the
9 walruses depend on the clams, maybe MMS could do some
10 studies.

11 HEARING OFFICER: That's why I'm saying it
12 may be MMS that needs to do the studies versus the others.
13 The only thing I want to be cautious about there is
14 sometimes we have to look at what's the most important
15 thing to spend money on with our limited budget, but it's
16 certainly something we will take notes on and take back
17 and consider and see. The other thing we had is
18 earlier -- I guess it was the end of November. We had a
19 meeting to where we brought in scientists from the North
20 Slope Borough, scientists from other agencies, from
21 universities and stuff that had done work up here, and we
22 had a meeting and we asked them to help us determine the
23 types of studies that needed to be done and put them in a
24 priority ranking.

25 And I cannot tell you the outcomes of that yet, but

1 that's what we are working on would be -- and I'm sure we
2 got more studies than we have funding to do it, but it was
3 to get them going so we could go back and start collecting
4 information and get the most important information first.
5 But we now have kind of a list that we are going to start
6 working from to keep getting better and better
7 information.

8 Another thing is if they were to develop this, my
9 best estimate would be it's going to be two to five years
10 before you see a company out there exploring and drilling.
11 They are going to be two to three years exploring,
12 drilling wells and stuff before they find something. It's
13 going to take them a couple of years after that to get
14 ready for development, go through the planning, and you
15 are probably least 10 to 12 years away before you would
16 actually see anything near production out there at the
17 earliest.

18 And if you look at over in the Beaufort Sea,
19 Northstar, which is in the state and part federal, that's
20 the first offshore development that's happened there. And
21 there is potential for Liberty. And both of those are on
22 leases that had been issued -- Northstar was probably a
23 lease that's been around for 20 years. And Liberty has
24 been around for about ten years. So it takes a long time
25 for companies to put everything together, put their plans

1 right, come in and go through the processes and drill it.
2 It's not like we lease today and tomorrow they are out
3 there trying to put a production platform in.

4 MR. TAGALOOK: Those two companies that
5 you just mentioned, what are the activities and did it
6 affect the marine mammals?

004-004

7 HEARING OFFICER: Okay. It's actually BP
8 who is in charge of both of those, and they have been
9 required to go out there and do monitoring, and there is a
10 whole bunch of monitoring. Plus MMS has done a bunch of
11 monitoring both before they started to put the development
12 in and then after things have been going on. And they
13 have been required to do a whole bunch of acoustic
14 monitoring, see how far sound travels from the island,
15 trying to determine if whales are being deflected or not
16 deflected. And to the best of my knowledge, we haven't
17 seen any significant big changes in what's happening. But
18 we continue to monitor that.

19 We have not seen any -- I think as far as the sea
20 bottom and what happened from construction and stuff like
21 that, we did not see a lot of change in the -- except
22 where the actual island was, we haven't seen changes in
23 the environment around the island.

24 MR. TAGALOOK: If -- if the oil companies
25 were successful in finding oil, would they put a structure

1 out there in the ocean?

2 HEARING OFFICER: Most likely they would
3 have to put one structure out there. They can use what
4 they call subsea completions where you would maybe, rather
5 than have a whole bunch of little islands, which would be
6 very expensive and stuff, they would probably have one and
7 then they would go out and dig a hole in the ocean floor
8 and put everything down below that so it's lower. But I
9 can't see any way that the oil companies could develop
10 this without having some type of structure out in the
11 ocean.

12 MR. TAGALOOK: So whoever wins will have
13 to tell MMS what they are going to do to get to the oil?

14 HEARING OFFICER: It's not only MMS, but
15 it would be -- we would be coming back to the communities
16 with this is their plans. And we also require them to go
17 through -- with the regulations we require them to go
18 through a whole bunch of engineering stuff to show that
19 they have got these studies and this is what they know
20 about the environment, the ice movement, the waves and
21 everything else, and that they have engineered this
22 structure to be capable of withstanding all of those
23 things. If it's not safe, we aren't going to authorize
24 it. So we try to go through a number of different
25 processes to make sure that what's going out there is both

1 engineering and environmentally safe and sound to the best
2 that we can do it.

3 So it's not they come in with a plan, we
4 automatically say go do it. There is quite a review
5 process, and there can be change and modifications. And
6 you know, part of it -- this is where communities get in
7 when they are allowed to work, when they are not allowed
8 to work, where this route goes. There is probably going
9 to have to be some type of a base for them to work from;
10 where is that located at. Communities, the North Slope
11 people can have some say in where those things happen.

12 MR. TAGALOOK: All I can say is I'm more
13 concerned about the sea mammals that we depend on. And in
14 the environment, the sea floor is where the food chain is.
15 And I'm hoping that the oil companies will take it into
16 consideration to be careful and do what's best for our
17 people up here on the Slope.

18 HEARING OFFICER: Okay. What I will do is
19 when I get back, I will talk to our studies people and see
20 what I can find out, and I will try to send you an e-mail
21 or a letter stating what came out of the meetings we had
22 and what studies, if any are being planned for the sea
23 floor; and if there aren't any, I'll see if I can find out
24 why they came to that conclusion. But I will get back to
25 you.

1 MR. TAGALOOK: Do you have any newsletters
2 of your activities with your meetings?

3 HEARING OFFICER: Actually, the meetings
4 that we hold for, like, this sale and stuff, when we put
5 out the final EIS, all those are in there, but as far as a
6 newsletter on the studies, we put out an annual study
7 plan. And there will probably be reports on this. And I
8 will try to make sure that both of those come to the
9 community.

10 We have a web page. I don't know that -- you can go
11 there and look for information. Our web page is mms.gov.
12 And we have information and stuff on there. I'll bring up
13 the subject to see if they want to consider putting out a
14 newsletter, if it would be useful. The other thing I
15 would say is if the community feels like they need us to
16 come in more often -- there is a good and bad in MMS
17 coming in more often, you know. People get tired of
18 seeing us and stuff, but if we need to come up and meet
19 with the communities and keep you apprised of what's going
20 on, that's something we need to do.

21 We would probably appreciate feedback from the
22 communities because communities get overloaded with
23 government people and industry and everybody else coming
24 in and demanding your time and demanding meetings. And we
25 hear that quite a bit.

1 MR. TAGALOOK: And having grown up in
2 Wainwright, we were taught by our elders to show respect
3 to our land and our sea. And I'm hoping that you pass
4 this onto the oil companies. Respect our ocean if you are
5 going to be doing any development out there.

6 HEARING OFFICER: Okay. And one other
7 thing, again, that -- one of the things we require is the
8 companies, if they are going to do anything, either
9 exploration or development or anything else, they have to
10 come and meet with the communities, explain what they are
11 doing, give a chance for you folks to get involved. And
12 they have to -- for example, we require a conflict
13 avoidance agreement so that for exploration and things
14 like that they are not coming in and interfering with
15 your -- with your whale hunt and your other subsistence
16 activities.

17 So we are requiring them to come and communicate, and
18 then MMS also has a responsibility to come and communicate
19 with you, too. I'm not saying it's all the oil companies
20 have to do it. We have some responsibility there, too.

21 MR. TAGALOOK: And I think I've got
22 nothing else to say, but I'm sure there is some people
23 that will voice their concerns. Thank you.

24 MR. SALYER: Thank you, sir. Thank you.

25 MR. GEORGE AGNASAGGA: Looking at this

1 map, we followed the trail of the whales that were tagged
2 from Barrow straight out to Wrangell Islands. Took a
3 B-line. And with the elders that we have been talking to
4 these past few years about whales coming in from Point
5 Hope area to Cape Lisburne, they would make a straight
6 B-line from the Cape Lisburne area straight toward Icy
7 Cape and into Wainwright. Now, if you make a separate
8 line between Icy Cape and Cape Lisburne, you will see some
9 of this black line will be too far into the land, but what
10 I would like to see is this line over here on this corner
11 here to be further out so that you would have a B-line
12 from Cape Lisburne to Icy Cape. That would not disturb
13 the whales' migration during the springtime.

14 HEARING OFFICER: Let me explain the black
15 line to you.

16 MR. GEORGE AGNASAGGA: I think I know what
17 it is.

18 HEARING OFFICER: We started this -- every
19 five years MMS has to develop a five-year program. And
20 this sale that we are working on is started under the
21 current 2002 to 2007 program. And the green line that
22 goes there was the program area decided, which would be
23 the maximum area we could lease. So that's there, and we
24 started this process. In July of this coming year, that
25 program will end. The sale hasn't happened. So the sale

1 will actually occur in the next five-year program. The
2 Secretary of Interior in his proposed program said I'm
3 going to defer everything 25 miles and out from being
4 considered in the next five-year plan.

5 Right now if he makes that decision, which we expect
6 he will, the area that will be offered will be either the
7 black line or the green line, which either is furthest
8 from shore.

9 MR. GEORGE AGNASAGGA: That would be the
10 green line over here.

11 HEARING OFFICER: So it would be the green
12 line there. In other places it would be the black line.
13 Okay? Now, that's his proposed program. I can't say 100
14 percent that it's going to happen, but I have never seen a
15 Secretary make a proposed program, take an area out and
16 then put it back in.

17 MR. GEORGE AGNASAGGA: It depends who the
18 Secretary is, too.

19 HEARING OFFICER: But secretaries haven't
20 come it me, and I don't always tell them what they have to
21 do. But that's what the black line is. I would expect,
22 at a minimum if this goes forward, that the black line
23 will be the new boundary where it's further from shore.
24 Otherwise, it will be the green area.

25 MR. GEORGE AGNASAGGA: Okay. Thank you.

1 HEARING OFFICER: Thank you. You are
2 dealing with government, and we are able to make
3 everything complicated.

4 MR. TAGALOOK: It's me again, Terry
5 Tagalook. And just one question. What would it take to
6 stop future oil leases out in the Chukchi Sea?

004-005

7 HEARING OFFICER: It would take a decision
8 by the Secretary or by Congress. The Secretary definitely
9 has the power to not approve this sale, to not approve any
10 future sales. Congress also at different times has
11 created moratoriums, which is taking areas off. Right
12 now, as part of the President's energy program and
13 everything else, this has come down more or less a
14 directive from the federal government through our agencies
15 that we should encourage and try to offer more lands for
16 oil development stuff. But the President would be the
17 other person who could stop it.

18 But those are probably the three levels. It's going
19 to be either Congress, the Secretary, or the President who
20 could stop this. And that's the other thing. That's why
21 we're here. And what happens with these meetings, if
22 people are against it, we take your testimony; when we
23 summarize it, these are things that we tell the Secretary,
24 when we were out, this is what we heard.

25 MR. TAGALOOK: Thank you.

1 HEARING OFFICER: And in fact, I think the
2 last one I was here in scoping, one of the things we got
3 is we got a map, and a lot of people signed on the back of
4 the map they were against it. And that's part of the
5 record and that's part of what we identified to the
6 Secretary. And I will acknowledge we have been here
7 before. We have heard that you are against oil and gas
8 leasing, and we understand why. We present that. And we
9 make sure they know that that's what we heard.

10 MS. MARGARET AHMAOGAK: I'm Margaret
11 Ahmaogak. I usually don't say anything, but I'm a mother
12 and a grandmother. I definitely am against this oil lease
13 sale in the Chukchi. You can drill anywhere else but in
14 our ocean. Thank you.

15 HEARING OFFICER: Thank you.

16 MR. TAGALOOK: Just on the humorous side,
17 you can go drill by my house.

18 HEARING OFFICER: I might get in trouble
19 because I don't have the authority.

20 MR. TAGALOOK: I'll give you permission.

21 HEARING OFFICER: Do I have to split it if
22 I find the oil?

23 MR. TAGALOOK: Well, if you find gas, just
24 hook me up.

25 HEARING OFFICER: Yes. Gas would be nice

1 here, wouldn't it?

2 MR. TAGALOOK: Yeah. With the oil prices
3 going up, we need gas.

4 MR. JACK PANIK: My name is Jack Panik.
5 I'm a whaling captain, and commissioner for Alaska Eskimo
6 Whaling Commission. And if -- if the drilling was
7 supposed to start out there, will MMS be involved out
8 there watching them or what?

004-006

9 HEARING OFFICER: Yes. What happens is if
10 a company comes in and presents us with an exploration
11 plan, we go through the process of community involvement.
12 And then at the point that there are supposed to be
13 drilling, there are a number of things. Number one is we
14 will inspect the vessel or whatever they are going to be
15 using for drilling before it comes on site to make sure
16 it's worthy and adequate and everything else. And then
17 during the drilling process, we have an inspector on board
18 the whole time that it's drilling.

19 Now, there are some cases where in the Beaufort, for
20 example, they brought the rig, put it on site and then
21 gone into like cold storage. And if it's not drilling or
22 doing anything, we wouldn't have an inspector on site.
23 But when it is drilling, we try to have an inspector on
24 site all the time it's doing exploration drilling.

25 MR. JACK PANIK: What about Native

004-007

1 observers?

2 HEARING OFFICER: At this point it's -- we
3 haven't required those. That doesn't mean that as we are
4 developing it and with AEWG involvement, conflict
5 avoidance, all those other things that are going to be
6 part, if there is a need for a Native observer or a desire
7 for one, that may be something that could be accommodated.
8 You mean for seismic.

9 Now, for seismic, we do have Native observers on the
10 seismic, but you're talking drilling.

11 MR. JACK PANIK: Drilling, yes.

12 HEARING OFFICER: In the past there has
13 not been, to the best of my knowledge, a requirement for a
14 full-time Native person there doing observations. That
15 doesn't say that would be off the table, but it isn't a
16 requirement right now.

17 MR. JACK PANIK: So if there is drilling
18 going on, will it be in the open water all year round
19 or --

20 HEARING OFFICER: My guess -- and this is
21 my guess from what I know. Exploration drilling, I would
22 say, over the next ten years would most likely have to
23 occur during the open water and be negotiated with the
24 local communities so that it would occur when it wouldn't
25 interfere with subsistence or minimize the effects to

004-008

1 subsistence. I don't see any way that they could put a
2 rig together and go out there and do it over the ice.

3 And my understanding of the ice and everything out
4 there, they probably can't drill from the ice like they
5 have some places in the Beaufort. So I don't see any way
6 it would be anything other than a vessel during open water
7 or near open water. They may have to get something out
8 there and get some ice breakers or something after the
9 whaling has stopped to extend it or complete it or
10 something, but I don't see any way it would be anything
11 but open water.

12 That's -- that's the best information I have. I
13 can't say that's 100 percent, but I can't see any way they
14 could operate any other way. That's part of why I'm
15 saying it would probably take multiple years because they
16 are probably going to get one well, two wells at the most
17 from a rig during the season, and so it's going to take
18 them a while to do their exploration.

19 MR. JOHNSON: Maybe I can add one thing,
20 that there is really two phases to going from a discovery
21 to development. And the first part is exploration where
22 they can put a rig out there that's a temporary rig that
23 will only be there for a short period of time, enough time
24 to drill the well, and then they'll move it off someplace
25 else. And the companies like to use those rigs to drill

1 several wells because it's cheaper for them to move one
2 around than to bring a rig up every other year.

3 Once they've made a discovery, then they have to go
4 to decision as to whether to actually develop that
5 discovery. And that would be a much longer process in
6 which you would have to have much more permanent fixtures
7 out there that would last many years while they would have
8 these -- doing the drilling for the discovery.

9 So there is exploration and development --
10 exploration drilling and then there is developmental
11 drilling, and there is different things. Right now
12 development drilling would be a long, long way into the
13 future if they ever find something that's worth
14 developing.

15 MR. PANIK: All right. Thank you.

16 MR. GEORGE AGNASAGGA: I have a question.
17 I would recommend that there if there is a way we can have
18 the oil companies -- prevent the oil companies to coming
19 out in our ocean to test drilling, the daily activities
20 around that wintering area of the whales where they stay
21 for the winters out by St. Lawrence Island. Any
22 activities around there, it might be useful to try going
23 down there to test to see if there is, you know -- or get
24 them used to the north. This is when they migrate.

25 HEARING OFFICER: To the best of my

1 knowledge, I'm getting way out here. The only thing I
2 know that would be is if there was anything around
3 Sakhalin or stuff. But I don't know of any -- MMS has no
4 plans, at least in the next five-year, to have areas
5 further down -- at least where my perception is is where
6 the bowhead overwinters -- that's not being offered for
7 lease, or oil companies could not go down there and at
8 least do any exploration activities or something. This
9 would be a concept, I guess, that would be something that
10 would be considered, but I know from meetings I have been
11 to with the AEWG and stuff that they have been concerned
12 about some proposed tests and different things to where
13 noise and stuff would be scaring the bowhead whale or
14 anything else. It would be something that might be
15 possible, but it would definitely take a lot of
16 consideration, community involvement, and AEWG involvement
17 to make sure it was worth proceeding. Probably the other
18 one who'd have to buy off on it would be the National
19 Marine Fisheries Service because it's an endangered
20 species. So whatever you do around the bowhead whale has
21 to go through their review and have their blessing.

22 I'd like to remind everybody if you would help my
23 court reporter out and, again, she doesn't keep track of
24 everybody's name. So even if you are testifying again,
25 I'd appreciate it if you would mention your name.

1 MR. JOHN HOPSON: John Hopson.

2 HEARING OFFICER: How are you, John?

3 MR. JOHN HOPSON: Good. The beluga has --
4 they are tagged. We have tagged belugas that tell us
5 where they go and when they are at that spot. The bowhead
6 whales, recently we have those on there now. You can look
7 it up on the Internet. I think it's wildlife.org, or
8 something. Are you using that information to base your
9 decisions on what happens out there, as well as the walrus
10 commissions and enough commissions activities?

11 MR. SALYER: I was going to say, the
12 latest information is probably not in there because the
13 document was already in preparation when it was
14 distributed. The new information we need to get in there
15 now. You understand what I'm saying? I have to see the
16 time frames of the data. If it was within the last, say,
17 three or four months, it's probably not in there. Okay.
18 So if it's newer information, then we need to go get that
19 now and add it in there. And that's what we want to hear,
20 that kind of information.

21 MR. JOHN HOPSON: Start typing.

22 MR. SALYER: Yeah, I agree.

23 HEARING OFFICER: John, one of the things,
24 I guess, is the purpose of these hearings is if people
25 know of information that's not in there that we should be

004-009

1 doing; that's hopefully what we are hearing both from
2 people like yourself and other scientists if they know
3 information or if they have misinterpreted information
4 that's there.

5 MR. JOHN HOPSON: Also, you said you meet
6 with AEWC. Do you also meet with the walrus commission,
7 the Nanook Commission, the Beluga Whale Commission?

004-010

8 HEARING OFFICER: I know we have met with
9 them. At least we may have gone to them and made annual
10 presentations.

11 MR. JOHN HOPSON: I think that ought to be
12 posted up a little more because their information is being
13 updated monthly. That's something that's going to help us
14 protect our animals, their information that they have. To
15 do it annually, you are going to leave out a piece that
16 would be so important to us.

17 HEARING OFFICER: Okay. Let me rephrase,
18 make sure -- we meet with them. I know we make
19 presentations and stuff. If they have data and stuff,
20 hopefully they will also coordinate with that. We will
21 make notes and make sure we are coordinating to get their
22 time.

23 MR. SALYER: Yes, absolutely.

24 MR. JOHN HOPSON: Have you guys received
25 information from the subsistence representatives or

004-011

1 observers that were out on the ships this past summer?

004-011

2 HEARING OFFICER: We have that
3 information, yes.

4 MR. JOHN HOPSON: And is that being used
5 to our benefit or your benefit to go ahead and lease these
6 places out?

004-012

7 HEARING OFFICER: I think it was
8 considered -- my understanding of the amount of marine
9 mammals and the sightings and stuff of what was there was
10 probably less than what was expected. And that's my
11 understanding, that there wasn't a lot of sightings and
12 stuff that was useful that provided a lot of new
13 information, but I know it was available and it was
14 available to us. I think there was a daily log that was
15 similar to what came into the communities to where our
16 scientists could go look and see what they sighted. And I
17 think the annual reports from the seismic efforts are
18 supposed to be coming out soon.

19 MR. JOHN HOBSON: What about human life?
20 We understand there was a couple of deaths in the month of
21 September, August or September. There was quite a few
22 people who got sick, quite a few people who got injured.
23 Now, with what you guys are -- in your stipulations,
24 how -- how will that affect them? Are you making your
25 stipulations more strict so that this doesn't happen

1 again?

2 HEARING OFFICER: I'm sorry, John, but I
3 don't know the circumstances you are speaking to. I was
4 unaware of any injuries that occurred during seismic
5 operations.

6 MR. JOHNSON: I haven't heard of any,
7 either.

8 MR. JOHN HOBSON: Well, there was.

9 MR. JOHN HOPSON: You have the information
10 somewhere that we can --

11 MR. JOHN HOBSON: Shell Oil has them,
12 Conoco or BP; whoever was out there; Western Geco. It was
13 on the news quite a few times, people dying from diving,
14 people getting sick out there.

15 HEARING OFFICER: Let me back up there.
16 What you are talking about was a Navy ship over in the
17 Beaufort.

18 MR. JOHN HOBSON: I don't know who it was,
19 but that was on the news.

20 HEARING OFFICER: It was actually a U.S.
21 Navy ship over in the Beaufort.

22 MR. JOHN HOPSON: And they said it was oil
23 related on the news.

24 HEARING OFFICER: No, it wasn't oil
25 related. They were doing scientific surveys, and they

1 actually put down some divers, but that was the U.S.
2 Navy -- actually, I think it was U.S. Coast Guard. Let me
3 correct myself. It was the U.S. Coast Guard, and they put
4 down some divers. And it had nothing to do with oil and
5 gas or any of the oil companies. And they put down some
6 divers. But it was not anything permitted by the MMS. It
7 had nothing to do with oil and gas operations. They were
8 actually out on a scientific exploration and doing a whole
9 bunch of different research, but it was not oil and gas
10 related.

11 So I know what you are talking about there, but it
12 was not related to any of the seismic permitted operations
13 that we have. So now I'm talking about the same instance.

14 MR. JOHN HOBSON: The last one, back in
15 October we had to haul food out from here to a ship. And
16 it was from Western Geco. I knew of that instance because
17 I got paid to do it. I got paid to go out there and haul
18 their food for them from our store. They were a
19 single-hull ship that would not come into our inlet when
20 the waters were rough because they were afraid of tearing
21 up their boat. What would ice do to that boat? They are
22 hauling -- they are storing diesel to run their engines.
23 And if ice cuts open their hull, there goes an oil spill.

24 Can you make -- is it possible to make these ships
25 double hull for that safety of the animals in the ocean?

004-013

004-013

1 Can you put that in your stipulation to have double-hull
2 ships out there? We have a lot of ice, and you know that
3 for a fact.

4 HEARING OFFICER: I guess and my
5 understanding is it's possible. I think the way we look
6 at those regulations is that we expect the companies to
7 get out of there if they are doing seismic when we are
8 talking seismic ships. When they're out there doing
9 seismic, they need to get their seismic ships out
10 before --

11 MR. JOHN HOBSON: These are also supply
12 ships that head out there and help these seismic ships.
13 They having going to go out there where the ice is. I
14 don't want you guys to play stupid with me today. Okay.
15 I just want to make sure that we are protected.

16 MR. JOHNSON: Let me make one comment.
17 I'm not an engineer, so I don't have all the technology on
18 shipping. We have heard about double-hulled tankers, and
19 my understanding is a single-hull tanker, you have a plate
20 of steel, and directly inside that plate of steel was the
21 oil that was stored in that tanker. A double-hulled
22 tanker, you'd have that plate of steel, a space, another
23 plate of steel with the oil in it. With a ship, what you
24 have is the plate of steel is the hull of the ship, and
25 then you would have a fuel tank inside that hull of a

1 ship.

2 So it's not necessarily the case that if a ship hits
3 ice, it gets a hole in it, that any oil is going to -- any
4 diesel fuel is going to spill. On the other hand, if any
5 ship sinks, then it is a possibility, whether it's got a
6 double hull or a single hull or whatever; it could get --

7 MR. JOHN HOBSON: And just a life safety
8 and health issue, as well as maintaining our marine
9 wildlife out there, keeping it clean. We have more ice
10 than anywhere else in the world, and the activities is
11 just growing.

12 MR. JOHNSON: I could find out for you
13 what the stipulations are and the type of boat that they
14 are required to have. I think those stipulations are
15 there. And that would tell us whether they are required
16 to have reinforced hulls, for example, to prevent
17 damages.

18 HEARING OFFICER: I'm unaware of any
19 requirement for a reinforced hull.

20 MR. JOHN HOBSON: It's something to think
21 about for the safety of everybody. And these guys wanted
22 food, but we couldn't get it to them for three days
23 because of weather. I couldn't get my little 22-foot out
24 there, and he couldn't bring his 75-foot in because he was
25 afraid of running aground in his single hull is what he

1 said. And, you know, it's for the safety of everybody,
2 the marine mammals and people's lives. He said if he had
3 a double hull, it would reassure him he would be able to
4 come in, whether he hits ground or not.

5 HEARING OFFICER: Okay.

6 MR. GEORGE AGNASAGGA: After sitting with
7 the answers that you gave between the black line and green
8 line -- we are talking about Sale 193, right?

9 HEARING OFFICER: Yes.

10 MR. GEORGE AGNASAGGA: You look at this
11 map, you will see that the black is Sale 193. And
12 that's -- that's the line that shows it going into the
13 cove near Cape Beaufort and the Point Lay area. And what
14 I'm talking about is that the whales will make a B-line
15 from Cape Lisburne to 11 miles out at Icy Cape. If they
16 do that, then this -- if there is drilling activity going
17 on just beyond the black line, then the whales would have
18 to find another route.

19 HEARING OFFICER: Okay. There will not
20 be any leasing shoreward of this green line, regardless of
21 the black line.

22 MR. GEORGE AGNASAGGA: We are talking
23 about the --

24 HEARING OFFICER: Then what the Secretary
25 did with the next five-year decision, which would happen

1 before this sale, if he decides this ought to be the
2 boundary, that means these areas here would fall out.
3 This area would not be added because we have not studied
4 it under an environmental impact statement. So we would
5 not add in this area here. It would stay here and go like
6 that. So this area here would not be added back into this
7 sale, regardless of what decision is made.

8 The Secretary may make the decision to defer this
9 out, or he could choose one of these deferrals, as well.
10 But there would not be any leasing in here in Sale 193
11 because we haven't studied it under our NEPA analysis, so
12 we couldn't add it back in. We can delete areas out, but
13 we can't add areas that are outside of where we have
14 studied.

15 MR. GEORGE AGNASAGGA: I will think about
16 it because I've got a brother that sees some people out
17 from this area here. And you will look at that on -- you
18 will see these two here.

19 HEARING OFFICER: These were leased
20 previously, but they couldn't be leased now. We couldn't
21 offer that area.

22 MR. GEORGE AGNASAGGA: This was about 15
23 years ago, 10, 15 years ago. He had to chase them away
24 with a shovel. And these people came in helicopters. But
25 he was able to chase them away. That's how we feel about

1 our area. It's part of us. That's our garden.

2 HEARING OFFICER: Okay. Thank you.

3 MR. TAGALOOK: In the first place when
4 they first came in for the oil lease sale hearing, we were
5 opposed to that.

6 HEARING OFFICER: Right.

7 MR. TAGALOOK: And we will definitely be
8 opposed to oil development out in the ocean because we
9 depend on our ocean for our subsistence lifestyle and for
10 the marine mammals that are living out there in the ocean.
11 Thank you.

12 HEARING OFFICER: Thank you.

13 MR. JOHN HOBSON: What's your plans after
14 you leave Wainwright? When are you coming back?

15 HEARING OFFICER: At this point we don't
16 have any plans on when we would be back as part of this
17 process, but we would come back whenever the -- if the
18 community wanted us to if they need more information.
19 This is the -- we come out for scoping. We come out for
20 the hearings. Those are two times that we definitely come
21 out. And if communities want us out more often, we can
22 come more often; but there is not another planned trip
23 back out before this sale would be held unless we got a
24 request from the community.

25 MR. JOHN HOBSON: What's the deadline?

1 What are we looking at?

2 HEARING OFFICER: December 26th is the
3 deadline for the comments.

4 MR. SALYER: On the draft.

5 HEARING OFFICER: On the draft EIS.

6 MR. PANIK: And nothing will be going on
7 after that draft is done and after you receive --

8 HEARING OFFICER: After we receive the
9 draft -- or after we receive the comments, then what we do
10 is we go through the comments and look what's there, and
11 we respond to the comments that are saying you didn't use
12 this information, you didn't have that information, you
13 did something wrong. So we go in and look at each of
14 those comments, respond to them, change the analysis where
15 necessary, add analysis, et cetera, and then in the spring
16 we will publish a final EIS.

17 When that comes out, there is another opportunity for
18 people to comment. We send a -- we start the consistency
19 determination process with the State that has to be
20 consistent with coastal zone laws, and we put that. And
21 then we are also required by law to go through and send a
22 letter to the governor, and the governor gets to respond
23 to us to tell us what -- and in this case what the new
24 governor would think of the sale, what things she might
25 want to add, or whatever. And then the Secretary looks at

1 her comments and makes a final decision on whether to
2 proceed with the sale or not. And that decision would
3 occur probably in the October time frame.

4 So there are a number of these processes that go on.
5 And I believe the State comes back through the North Slope
6 Borough for the community. And then you are able to get
7 involved with the consistency determination review and
8 comments and stuff on that. So there are a number of
9 different processes that are ongoing. But the final
10 decision on whether to proceed or not would not occur
11 until probably October, and that's after all of the
12 information that's been gathered and the final EIS has
13 been made available.

14 MR. JOHN HOBSON: So we are looking at
15 possibly this coming summer you would probably be back.

16 HEARING OFFICER: We would not come back
17 unless the community wanted us to. But I'm assuming that
18 MMS would be willing to come back if the community wanted
19 us to come and talk.

20 MR. JOHN HOBSON: As for myself, I do want
21 you guys back here. And just give everybody else a chance
22 that's not here to comment. I know you posted notices. I
23 know this has been ongoing, but there are other
24 commitments going on right now. So given the fact that
25 you can come back, we might get more people here later on.

1 HEARING OFFICER: Okay.

2 MR. TAGALOOK: It's me again, Terry
3 Tagalook. I'm just wondering if prior to the lease sale,
4 do the oil companies go to the State or the federal?
5 Where do they go to?

6 HEARING OFFICER: Prior to the lease
7 sale --

8 MR. TAGALOOK: If the Secretary of
9 Interior open the lease sale.

10 HEARING OFFICER: If the Secretary decides
11 to conduct the lease sale, to go forward with it, what
12 happens is companies have to come in, and each of those
13 little squares on there is a block, and what they have to
14 do is they have to submit a bid. There is a minimum bid.
15 There is a whole bunch of financial requirements they have
16 to meet. And then they put bids in on them. And at a
17 public sale MMS opens the bids up and reads them and we
18 decide -- we look at who the high bidder is, and after
19 that process we go through and determine if that bid is
20 adequate.

21 But it's a public lease sale to where anybody,
22 companies or individuals, can go in and bid on those
23 leases, but it's -- I think it's like \$25 an acre minimum
24 bid. So it's fairly hefty money. And all the monies
25 that's received from these lease sales goes to the federal

1 treasury, the same as, like, your taxes. It does not come
2 back to the agency. It goes to the federal treasury.

3 MR. TAGALOOK: Why not give some of that
4 money to the villages that are going to be impacted?

004-014

5 HEARING OFFICER: This is a question that
6 we get quite a bit, and I'll give you a short answer and
7 I'll give you a long answer. The short answer is
8 Congress -- because this is money that goes into the
9 federal treasury, only Congress can appropriate funds.
10 It's not up to my agency or the Secretary of Interior to
11 say we think a percent of this money ought to go to the
12 community.

13 As part of the Energy Bill -- and I think it's 2004.
14 Can you help me there, Albert? They set aside what they
15 called community impact assistance program to where I
16 think it was \$250,000,000 over a five-year period is to
17 come back to communities wherever there is OCS
18 development. And some of that will come to the State of
19 Alaska. Some of that will come to the North Slope Borough
20 and communities.

21 The downside of it is that is based on where the
22 federal government is collecting royalties and leases.
23 And if you look at the OCS program, most of the money
24 collected by us is in the Gulf of Mexico. The Gulf of
25 Mexico produces about 25 percent of the oil used in the

1 U.S. and about 30 percent of the gas. So the majority of
2 money that will go back to the states and local
3 communities is going down there because they are the ones
4 that have generated most of the money.

5 Now, if this program keeps funded by Congress and
6 keeps along and if there is development here, there is
7 potential for more money to come to the communities; but
8 again, it's up to Congress to keep that going and keep
9 adding it to us. But in this case, it would be Congress
10 that you would have to keep pushing to keep giving money
11 to it. I think MMS is supported. We need to get money to
12 offset local communities, but we do not have the authority
13 to appropriate funds.

14 MR. TAGALOOK: Well, if the federal
15 government can fund space exploration, and it funded
16 billions and billions of dollars for exploration, why not
17 do it up here, too.

18 HEARING OFFICER: I don't disagree with
19 you, but again, Congress is the one who has to handle
20 that. The executive side, which is the Presidential side,
21 cannot make those determinations. The President submits a
22 budget, but Congress is the one who passes it, and they
23 are the only ones that can appropriate funds. So I share
24 some of your frustration.

25 MR. JOHN HOBSON: Do you guys have a

1 stipulation in there to request for a mitigation fund from
2 the industry to the impacted villages?

3 HEARING OFFICER: No.

4 MR. JOHN HOBSON: Can that be put in there
5 so that they are dictated to go do this mitigation
6 program?

7 HEARING OFFICER: I -- I can't give you
8 the direct answer on that. That has come up before, and I
9 think there are some legal issues with how that's crafted.
10 I think what happened with Northstar, the North Slope
11 Borough was involved, and as part of their process at
12 Northstar, BP put such a fund together. And it was
13 handled through that process. It was not handled through
14 a lease stipulation. I know there are certain things that
15 we can't require. And I can't tell you -- it would
16 probably be how that was crafted and developed as to
17 whether or not it would be legal. I don't know. But I
18 think they are hard to come by.

19 MR. BARROS: That was handled under what
20 BP called their good neighbor policy. And so if things
21 occur, you may want to check with the North Slope Borough
22 on the good neighbor policy with BP, find out a little
23 more background information on that because that was
24 between the North Slope Borough and BP. The MMS was not
25 involved in that. As Fred says, we cannot require --

1 legally we cannot require that.

2 MR. JOHN HOBSON: I just want to say for
3 the record I'm disappointed that we have to go through
4 this process. I oppose offshore activities to the
5 fullest. I want to fight this to the extent that I
6 possibly can, and I'll continue to do it for as long as I
7 live. It's for the protection of the food we eat, the
8 life we live, and the survival of our people that are --
9 that live out here in the middle of nowhere. The only
10 time we get noticed is when we are on the news about
11 something dramatic like an oil spill or an accident. But
12 that doesn't mean we should give up on fighting this. We
13 got to fight this to the fullest. Offshore is not the
14 answer to -- to our problems. We have lived long enough
15 to know that, and we will keep doing so. Thank you.

16 HEARING OFFICER: Thank you.

17 MR. SALYER: Thank you.

18 MR. JOHN HOBSON: But I also want to thank
19 you guys for coming. It gives us the opportunity to give
20 you guys crap, but it's crap that is well needed to be
21 said to put us on the map and noticed. Thank you.

22 HEARING OFFICER: You are welcome. I
23 would like to thank the community for having us come.

24 MR. JOHN HOBSON: And I'll keep inviting
25 you guys to keep coming over because that's what we need.

1 It's a healthy way of doing things. The only problem is
2 every time a meeting like this happens is we say the same
3 thing over and over, but everything goes on without --
4 without our input. We don't get a word in. You say and
5 you will tell me we do, but it's happening.

6 HEARING OFFICER: Okay. I'll -- the only
7 thing I disagree with what you said is we relay your
8 input. We do give input. I do not think the results that
9 are occurring after that input are the results you would
10 like. But I guarantee you they are being informed that
11 the communities here are against it and what you are
12 saying. At this point I would agree with you, I have not
13 seen the decisionmakers change their mind based on that
14 input. I'll acknowledge that for you.

15 MR. JOHN HOBSON: Thank you.

16 HEARING OFFICER: And we will keep coming.
17 As long as this is here and the community wants us back,
18 we will come back.

19 MR. PANIK: And tell that Secretary to
20 take time off and come up here.

21 HEARING OFFICER: Okay. He was on the
22 North Slope this summer right after he took his job, but I
23 don't think he came to Wainwright.

24 MR. JOHN HOBSON: I promise we won't be
25 Dick Cheney. He won't get shot. Dick Cheney ain't here.

1 We may be republicans, but we are smarter than that.

2 MR. BILLY NASHOALOOK: As long as our
3 comments don't go in the trash, that's all right.

4 HEARING OFFICER: They do not.

5 MR. GEORGE AGNASAGGA: One last comment.
6 You know there is whale all over the world. We have whale
7 here only a few miles from Wainwright. Still we are
8 paying the highest price in gasoline and diesel than
9 everybody else. We can get it cheaper from Mexico.

10 MR. JOHN HOBSON: That's a big problem,
11 huh? Why is that, anyways? A lot of the oil and gas
12 comes from up here, yet in America we pay the highest
13 prices for gas and oil, literally.

14 HEARING OFFICER: Yep.

15 MR. JOHN HOBSON: It comes from our own
16 backyard. It's ridiculous. It's an embarrassment to the
17 country itself. You make your -- you make your people who
18 live on top of oil pay the most. It's -- it's -- it's
19 sick, you know. I would be ashamed to be a leader in the
20 federal government with that kind of mentality going on.
21 I would be ashamed to be sitting where you are sitting
22 because of that. That's wrong.

23 HEARING OFFICER: I understand what you
24 are saying, but from that point the federal government
25 does not control the price of gasoline or the price of

004-015

1 oil.

2 MR. JOHN HOBSON: Well, it can if it does
3 its policies right.

4 HEARING OFFICER: If -- maybe what we need
5 to do is run you for higher office and get you in behind
6 Senator Stevens and stuff so you can change stuff.

7 MR. JOHN HOBSON: At the rate we are
8 going, I'd rather shoot myself, you know, because it's an
9 embarrassment. That's how bad it is, literally, in
10 America. We produce a lot of oil for you people and you
11 benefitted -- you benefit from it like crazy. And what do
12 we do? Suffer. And no federal assistance on that part,
13 you know.

14 HEARING OFFICER: Yep.

15 MR. JOHN HOBSON: It's literally an
16 embarrassment.

17 HEARING OFFICER: I can't explain it all
18 because I know that Canada exports oil to the U.S., and
19 yet they pay a higher price than we do.

20 MR. JOHN HOBSON: That's Canada's problem.
21 They are a different country.

22 HEARING OFFICER: There is a lot of
23 different things going on, and that's one point that I
24 can't control. And it's not within the Department of
25 Interior's decision making. I'm sorry. Or I would

1 guarantee you there would be lower prices around here.

2 MR. JOHN HOBSON: Maybe we ought to do the
3 duck-in like they did back then. We just go to Prudhoe
4 and stop everything and say until we get what we want, you
5 ain't getting any more oil from us. Maybe that's the
6 thing that people need to do, get all together and stop
7 development up there until we get what we want. We can do
8 it. We have the power to say no. That's our right. It's
9 something we ought to think about. Just go shut that
10 whole place down, see what the federal government will do.
11 Maybe they will start giving us money left and right. Who
12 knows?

13 MR. TAGALOOK: One final comment I'd like
14 to make is I think it's the oil companies that are making
15 the profits, and if you can help us, federal government
16 should stop oil companies from going out in our oceans.
17 That's all we ask.

18 HEARING OFFICER: Okay. Thank you. Are
19 there other comments? Anybody else like to make a
20 comment? Okay. I would, on behalf of MMS, like to thank
21 everyone for coming. I'd like to remind you that the
22 comment period for this draft EIS ends on December 26th.
23 There is still opportunity if you would like to put in
24 written comments or you may go onto our web page if you
25 have a computer and you can enter them directly into our

1 MMS government web page. I think that's on the handout.
2 And we will take your suggestion there and we will pass it
3 on and see what we can do about coming back later this
4 summer. And okay. There is a comment.

5 MR. GEORGE AGNASAGGA: When you go back,
6 do you go to the government planning department? Do you
7 attend their meetings and have comments?

8 HEARING OFFICER: We receive comments and
9 stuff from the departments, and actually I think we can
10 get them both from the department, and also normally the
11 North Slope Borough themselves will make comments.

12 MR. GEORGE AGNASAGGA: You do receive
13 public comments from them?

14 HEARING OFFICER: Yes. And in fact, I
15 believe -- I'll take this back. We have received comments
16 from the North Slope Borough on the Beaufort Sea sale. We
17 haven't received any from here. But I'm very sure North
18 Slope Borough will comment on this. They always comment
19 on it. And sometimes the departments both within the
20 State of Alaska and within the North Slope Borough will
21 send us their own individual comments. Okay.

22 The village has offered some door prizes, and I am
23 going to turn it over to them to help award the prizes.
24 And I thank them very much for offering the door prizes.

25 (Proceedings adjourned at 8:52 p.m.)

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REPORTER'S CERTIFICATE

I, MARY A. VAVRIK, RMR, Notary Public in and for the State of Alaska do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that the proceedings were reported stenographically by me and later transcribed under my direction by computer transcription; that the foregoing is a true record of the proceedings taken at that time; and that I am not a party to nor have I any interest in the outcome of the action herein contained.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal this _____ day of _____ 2006.

MARY A. VAVRIK,
Registered Merit Reporter
Notary Public for Alaska

My Commission Expires: November 5, 2008

MMS Responses to Wainwright Comments

Wainwright 004-001

As stated by 30 CFR 250.1715 (a)(8), a well with casing must have a cement surface plug at least 150 feet (ft) long set in the smallest casing that extends to the mud line (seafloor) with the top of the plug no more than 150 ft below the mud line. As stated by 30 CFR 250.1714, the purpose of the plug is to (a) provide downhole isolation of hydrocarbon and sulphur zones; (b) protect freshwater aquifers; and (c) prevent migration of formation fluids within the wellbore or to the seafloor. As stated by 30 CFR 250.1716(a), all wellheads and casings must be removed to at least 15 ft below the mud line (seafloor).

Wainwright 004-002

During the lease-sale environmental review process, MMS identifies information gaps and assesses what and if additional studies may be necessary. The MMS may conduct and support studies prior to or during the individual lease-sale process. Following a lease sale, if MMS believes that a specific project proposed by industry could have adverse effects, MMS can require industry to conduct site surveys and monitoring to identify the presence and abundance of biological resources and to mitigate potential effects.

Wainwright 004-003

Oil exploration is an uncertain business. In mature areas such as the Gulf of Mexico, there is a high rate of success for exploration leading to development (>50%). In frontier areas such as Alaska, there is a low success rate (<10%). This means that exploration drilling could result in expensive dry holes or discoveries that are too small or too difficult to develop. If a large discovery is made, there are many regulatory steps that must be followed before development could occur, regardless of the amount of oil discovered. More studies, more local involvement, more evaluation of mitigation, and compromises will be made before development occurs. If a considerable amount of oil is found (billions of barrels), it is more likely that compromises will be reached and some development will occur. If smaller amounts of oil are found (perhaps only 1 discovery), it is less likely than commercial development will occur. Considering all of the factors, the chance that commercial development will happen as a result of holding one lease sale in the Chukchi Sea OCS probably is <10%. If several lease sales are held and many discoveries are made, the chance for commercial development may increase to 50%. No one can give solid predictions on these estimates, because there are too many variables.

Wainwright 004-004

Liberty has not been constructed yet, and so has not had any impacts on marine mammals.

MMS is unaware of any research findings that have shown any impact from Northstar to polar bears, walrus, belugas, or seals. For example, as stated in the draft EIS at page IV-222:

Moulton et al. (2005) reported that during spring surveys, there was no evidence that construction, drilling, and production activities at BPXA's Northstar oil development affected local ringed seal distribution and abundance. Drilling and production sounds from Northstar likely were audible to ringed seals, at least intermittently, out to ~1.5 km in water and ~5km in air (Blackwell, Greene, and Richardson, 2004). These results suggest that any negative effects on seals from individual developments are likely to be minor and very localized. Likewise, Richardson and Williams (2004) concluded that there was little effect from the low-to-moderate level, low-frequency industrial sounds emanating from the Northstar facility on ringed seals during the open-water period, and that the overall effects of the construction and operation of the facility were minor, short term, and localized, with no consequences to the seal populations as a whole.

Wainwright 004-005

The OCS Lands Act of 1953 (67 Stat. 462), as amended (43 U.S.C. 1331 et seq. (1988)) would have to be amended to exclude the Chukchi Sea, or new legislation written into law, which would stop oil and gas exploration and development in the Chukchi Sea.

Wainwright 004-006

The MMS will have an inspector present during most drilling operations. Whether a full-time presence would be needed would depend on the level of activities. If two drilling operations are being conducted at the same time, the inspector would rotate between the sites.

Wainwright 004-007

The MMS stipulations and required mitigation and conflict avoidance measures under IHA requirements as defined by NMFS and FWS that directly impact subsistence activities are followed in locations where the subsistence hunt is affected. The IHA requirements obligate operators to demonstrate no unmitigable adverse impacts on subsistence practices. Conflict avoidance agreements (CAA's) between permittees, the AEWC, and village Whaling Captains' Associations work toward avoiding unreasonable conflicts and disturbances to hunters and bowhead whales. Such conflict avoidance agreements would follow protocols similar to those reached annually between permittees and the AEWC for the subsistence bowhead hunt and address industry seismic and drilling activities under provisions of the MMPA. With the use of the CAA methodology, subsistence-whale hunters generally have been successful in their annual whale harvest. A CAA generally includes prohibitions on conducting oil-industry activities during the bowhead whale-hunting season, dispute resolution, and emergency assistance to whalers at sea. Implementation of this CAA ensures that there will no unmitigable adverse impacts on the subsistence uses of marine mammals by these residents.

For seismic surveying, NMFS- and FWS-sanctioned observers, including local Alaskan Natives, are onboard survey vessels. These observers stop seismic operations when they observe marine mammals within the safety radius designated by the NMFS. The MMS urges the Wainwright Whaling Captains' Association to ask the AEWC and other marine mammal co-management organizations participating in CAA negotiations to ask for Native observers on drilling vessels.

Wainwright 004-008

The answers given at the meeting are generally correct. There will not be any drilling in the winter over ice because the ice moves. Exploration wells and seismic operations will occur in the summer open-water season. If large discoveries are developed, it is likely that one or more permanent platforms will be installed. Development wells could be drilled off these fixed platforms during the winter, but drilling probably will be stopped during broken-ice conditions in spring and fall. If subsea wells are used instead of installing more platforms, these wells will be drilled by drill ships in the summer months.

Wainwright 004-009

The latest published information on the NSB's beluga tagging project was included in the draft EIS.

Wainwright 004-010

The text has been modified to reduce the scope of the statement and remove the redundancy.

Wainwright 004-011

Marine mammal observations are conducted under the auspices of MMPA authorizations issued by the NMFS and the FWS. This information is submitted to and disseminated by these agencies.

Wainwright 004-012

See the response to comment **Wainwright 004-011**.

Wainwright 004-013

The MMS does not have jurisdiction over the hull types of vessels used in conducting ancillary or seismic survey activities. The Coast Guard certifies vessels for use in U.S. waters.

Wainwright 004-014

Consideration of revenue sharing is an issue that is usually not considered in an EIS for the reasons stated in Section II.B.5.b, Issues Considered but not Analyzed. Revenue sharing is further discussed in Section IV.C.1.p(4), Standard, Potential, and Ongoing Studies and Mitigation Initiatives.

Wainwright 004-015

It is true that a lot of oil comes from the North Slope. However, crude oil needs to be refined into other products such as gasoline, diesel, and other fuels. The price for fuel includes the crude oil price and all of the steps needed to transport and refine the crude oil and deliver the fuel to markets. For small, remote markets (villages on the North Slope) the costs will be higher than for big cities close to refineries and oil terminals (Texas). State and Federal taxes also add to the price of fuel. In some countries, taxes are low and refining costs are subsidized by the government (Indonesia). In other countries, taxes are high and there are high costs for transportation (Japan). The U.S. is in the middle of the range of fuel costs compared to all countries in the world, although some parts of the U.S. have much higher fuel costs than others. This is mostly due to market factors, not where the oil is actually produced.

**Document
005**

5-YEAR OCS OIL AND GAS
PROPOSED LEASING PROGRAM
FOR 2007-2012
Anchorage, Alaska

NORTH SLOPE BOROUGH PUBLIC HEARING/MEETING
for the Draft Environmental Impact Statement

Taken December 6, 2006

Commencing at 7:00 p.m.

Volume I - Pages 1 - 38

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I-N-D-E-X

Minerals Management Service:

Fred King, Chief of Leasing

Deborah Cranswick

Michael Salyer, Wildlife Biologist, EIS Coordinator

Reported by Britney Chonka, CR

PUBLIC COMMENTS

Page 3

1 MR. KING: If we can get everybody to come sit
2 down, my clock on the back of the wall says it's
3 time to start.

4 My name is Fred king. I'm with the Minerals
5 Management Service. I'm chief of leasing
6 activities. And I'm going to be the hearing officer
7 today. Sitting up here with me as part of the
8 panel, I've got Mike Salyer and Debbie Cranswick.
9 And we'll be conducting the hearing.

10 I also have Britney Chonka, who is going to be
11 taking the minutes, or actually transcript of the
12 testimony that's given here today. If you have
13 written testimony, please bring it up and give it to
14 her. And then also when you start to testify, and
15 I'll have people come here and sit, if would you
16 please say your name and spell it, that way we'll
17 make sure we get it into the record correctly.

18 I'd like to cover just a few administrative
19 things, just in case something goes wrong, but if,
20 while you're here, you should -- there should be any
21 type of an emergency, earthquake, fire, anything
22 like that, please go out the door, head to your left
23 and exit. Go out the same way you came in. If, for
24 some reason, that's blocked, you can also go out
25 this door here and out to the south.

1 If you need to use the rest room or anything
2 while you're here, there are rest rooms located
3 right on the other side of this wall here. We would
4 appreciate it if you would stay on the first floor.

5 And right now, we're hoping that the meeting
6 will, we anticipate being here from 7:00 to 9:00,
7 based on the crowd. I'd like to limit testimony to
8 no more than ten minutes.

9 Are there any questions or anything before I
10 start and go any further?

11 Just, as a little bit of background, we have a
12 couple of maps up on the wall. This EIS, just for
13 people's -- so you know a little bit about what
14 we're talking about, we are actually looking at four
15 alternatives, I believe, in this EIS. There is the
16 Polar proposal, which is basically leasing the
17 program area. There is also a no-action
18 alternative, which means no sale, which we're
19 required to look at by NEPA, and then we have two
20 alternatives, there is a Corridor I, which I believe
21 is based on 60 miles.

22 MR. SALYER: Yes.

23 MR. KING: And then the second alternative is
24 based on 25, about 25 miles, so those are the two
25 alternatives that we're looking at here and we also

1 offer a suite of mitigation.

2 To start with, looks like I've got four people
3 who would like to testify. And, Elise --

4 MS. WOLF: Elise.

5 MR. KING: Elise, would you like to come
6 forward?

7 MS. WOLF: Sure.

8 MR. KING: If you would sit over here, which is
9 nearest the --

10 MS. WOLF: The exit so I can run? All right.

11 MR. KING: One other thing, if you're
12 testifying, if you represent a group, I'd appreciate
13 it if you testify. If you're here as an individual,
14 you don't need to go any further. If you're
15 representing an organization or a group, please
16 state the group.

17 MS. WOLF: You caught me off guard, I guess I
18 should --

19 You should start with somebody else, because I
20 was expecting you to explain some things first, so I
21 shut my computer off.

22 MR. KING: Okay. Bruce St. Pierre, would you
23 like to come and testify?

24 MR. ST. PIERRE: Sure.

25 Good evening. My name's Bruce St. Pierre, S-t

1 period P-I-E-R-R-E. I'm a 38-year resident in the
2 state of Alaska. Currently employed with
3 ConocoPhillips as an environmental coordinator
4 working in the exploration of land department. And
5 I am giving comments for, representing
6 ConocoPhillips Alaska.

7 ConocoPhillips has a strong and long-standing
8 interest in Exploration Alaska, including the
9 Chukchi Sea area, Outer Continental Shelf. We're
10 the largest oil and gas producer. And we have a
11 proven track record of high quality environmental
12 performance on the Alaska North Slope.

13 As the largest owner of state and federal leases
14 in Alaska and a major owner in the three largest
15 fields, Prudhoe Bay, Kuparuk and Alpine,
16 ConocoPhillips is a long-standing and active
17 participant in oil and gas exploration and
18 development activities in the state.

19 Among our production and other activities that
20 we have in place on the North Slope, this past
21 summer we conducted a seismic exploration program in
22 the Chukchi Sea and we intend to conduct additional
23 seismic activities in federal waters in the Chukchi
24 Sea area into this summer coming up. We will be
25 submitting full-blown comments on this draft

1 environmental impact statement for this Lease Sale
2 193 in writing by the comment deadline.

3 Our general comments are as follows: Again,
4 we're a strong supporter of oil and gas leasing in
5 Alaska and especially in the OCS areas. We are
6 particularly interested in Chukchi and the Lease
7 Sale 193 that's coming up that's being commented on
8 tonight.

9 We also appreciate and would like to continually
10 see consistent and reliable scheduling in the
11 occurrence of lease sales. And we believe that's
12 crucial to allow companies sufficient assurance to
13 justify the significant investment that's required
14 to be prepared for those lease sales.

15 ConocoPhillips encourages MMS to authorize
16 pre-leasing activities for seismic in 2007. And to
17 proceed after that with the Lease Sale 193 in the
18 Chukchi.

19 We encourage MMS to continue leasing and to
20 continue to promote exploration, development and
21 production of oil and gas in the Alaska and federal
22 offshores.

23 The opportunity in the Alaskan OCS, specifically
24 in the areas of Beaufort and the Chukchi Seas, is
25 very attractive for the industry and for

1 ConocoPhillips. Those areas are considered frontier
2 and areas that are of extreme interest to us.

3 ConocoPhillips commends the Minerals Management
4 Service pursuing an area-wide EIS and planning
5 process as well as a thought-out analysis within
6 that process of potential environmental impacts.

7 Subject to a few important concerns, we do
8 believe that the DEIS that's being discussed today
9 provides a convincing analysis in support of both
10 the Lease Sale 193 and pre-lease seismic exploration
11 activities in the Chukchi for 2007.

12 ConocoPhillips does oppose alternative 2, which
13 is the no-sale alternative, as well as opposition to
14 alternatives 3 and 4, which would impose lease
15 exclusions zones larger than the current Polynyal
16 spring lead system. These alternatives would
17 exclude larger areas from leasing, resulting in lost
18 opportunity to discover commercial areas and
19 reserves calculated by MMS to range between 15 and
20 35 percent in comparison to the alternative 1.

21 Geophysical surveys that use seismic rec --
22 reflection are essential. They are done as state of
23 the art. They are a component of oil and gas
24 exploration in the OCS. Geophysical data are used
25 by both industry and MMS to make informed, economic

1 and regulatory decisions regarding the potential
2 accumulations of oil and gas.

3 As one of the earliest components of the lengthy
4 and costly process leading from leasing of lands to
5 the exploration to the next phase, which is
6 development and then on to production of hydrocarbon
7 resources, seismic surveys are both critical to the
8 OCS resource development and in the marine
9 environment, any low activity -- impact activity
10 with no detectable long-term effects. It's a
11 critical part of the process.

12 ConocoPhillips asks MMS to take notice of its
13 findings as strong evidence and strong support for
14 both the absence of significant adverse
15 environmental impacts from seismic activities and
16 for authorizing seismic activities throughout the
17 Chukchi OCS and Lease Sale 193.

18 In conclusion, ConocoPhillips strongly supports
19 Lease Sale 193 and the NEPA process, the draft
20 environmental impact statement that is being done to
21 that end. We also support pre-leasing seismic
22 activities subject to reasonable mitigation
23 measures.

24 Conoco believes that the OCS can and will be
25 developed responsibly with respect for the

1 environment and in a manner that also respects the
2 way of life of the residents of the North Slope of
3 Alaska. Thank you.

4 MR. KING: Thank you.

5 Do you have any questions?

6 MR. SALYER: No.

7 MS. CRANSWICK: No.

8 MR. KING: Thank you.

9 One thing I would like to mention to everybody
10 is we had some discrepancies in our notices on when
11 the comments were due. The official word now for
12 the comments is going to be December 26th. So
13 there's a little bit more time. That way anybody
14 who is real bored at Christmas will have something
15 to do. Okay.

16 Elise, are you ready?

17 MS. WOLF: All right. I represent the Alaska
18 Oceans Program and a group called Alaska Watch.

19 First of all, I have a couple of questions. One
20 is about the buffer zone. You have indicated in the
21 summary of the EIS that there is a 15-mile buffer
22 zone, which, in the text of the EIS doesn't exist.
23 You refer to the five-year plan alternatives, but
24 then in the EIS, you do not refer to the 15-mile
25 buffer zone.

1 MR. KING: Let me try it, then you can -- go
2 head, then I'll jump in if I think you're wrong.

3 MR. SALYER: There's good chance.

4 It's a 15- to 25-mile. It's one -- you know,
5 whenever it was laid out on the map.

6 MS. WOLF: 15- to 50-mile buffer is what you
7 have in the summary.

8 MR. SALYER: Polynya are the buffer zone. I
9 believe it's 15 is in the northwest corner, but it
10 doesn't track perfectly with that.

11 MS. WOLF: But your proposed plan has no buffer
12 zone.

13 MR. SALYER: Yes, it does. That is the buffer
14 zone for the proposed plan.

15 MR. KING: Just real quick, what happens is in
16 the five-year program, this program was decided in
17 2002 to 2006. The Secretary made a decision that
18 just the program area with that buffer zone would be
19 offered. So we don't consider anything outside of
20 the area that was in the program area for 2002,
21 which included elimination of the buffer zone from
22 leasing.

23 MS. WOLF: Say that again, please.

24 MR. KING: Okay. The five-year program, okay,
25 deleted the buffer zone from consideration in

1 leasing in the current five-year program.

2 MS. WOLF: Right.

3 MR. KING: So that is not considered and is not
4 available for consideration for further analysis or
5 leasing during this five-year program.

6 MS. WOLF: That buffer zone is not considered?

7 MR. KING: Right. As well as, for example, area
8 to the north, which is part of the planning area,
9 it's outside of the area being considered and in the
10 program area for the five-year program.

11 MS. WOLF: Then why do we have two alternatives
12 with buffer zones?

13 MR. KING: They came up as we did scoping, when
14 we went out to the communities.

15 MS. WOLF: But you're saying those are already
16 integrated into the plan to some degrees?

17 MR. KING: There's some. These would add more.
18 So that's part of what we look at in the EIS, is
19 what do we hear in scoping and what alternatives
20 should we evaluate to see what the benefits and
21 risks are of those.

22 MS. WOLF: Okay. So let me start at the top.

23 I could stand here for two days, but I don't
24 think you want me to, so -- the EIS does not provide
25 sufficient discussion of the national parks, three

005-001

1 wildlife refuges, two reserves and the one monument,
2 four of those which border, abut the coastline of
3 the Chukchi Sea. And I think they should.

005-001

4 There's five species of salmon, as well, that
5 come up into these areas. So in terms of tourism
6 and fisheries, I think the EIS should evaluate the
7 impact on those. The Northwest region of Alaska is
8 increasingly becoming a site for both guided and
9 other types of people looking to explore those
10 regions.

11 They also do -- they also do beluga whale and
12 other types of whale tourism off the coast of
13 Canada. And this is being discussed as a potential
14 economic industry that could be developed off of
15 Alaska's coast.

16 You have in your marine habitat discussions -- I
17 went to the Chukchi Sea monitoring science meetings
18 in November. And there was virtual consensus by the
19 agencies' representatives there at the marine mammal
20 group that there's significant lack of baseline
21 data. So my question would be how -- if we do not
22 have enough baseline data to monitor impacts, how we
23 could possibly have enough baseline data to have an
24 environmental impact statement?

005-002

25 And so I would conclude that we don't have

1 enough baseline data to even begin to do an
2 environmental impact statement, much less a
3 mitigation plan. But I'll talk about the mitigation
4 plan in a minute.

5 The bowhead whale in terms of impacts, the EIS
6 fails to discuss their roughened areas on their skin
7 that allow oil to penetrate the epidermal surface
8 and their eye sockets, which also allow oil to
9 penetrate the epidermal surface and gain access,
10 which is almost redundant, because if they're in
11 that much oil, their baleen's going to be saturated.
12 But those are current science studies that are not
13 integrated into the EIS.

005-003

14 The EIS concludes that there's going to be
15 limited to no or small impacts. And yet they cite a
16 40-percent oil spill estimation. And to me,
17 unlikely means, in terms of percentages, 40 percent
18 doesn't equate logically to the term "unlikely"
19 doesn't equate logically to a 40 percent statistic.

005-004

20 I would equate "unlikely" to maybe under 10
21 percent. 40 percent is almost half, that's -- on
22 averages, that's -- that's "likely" at least, not
23 "unlikely."

24 So I have a real issue with the EIS continued
25 use, rhetorical use of "unlikely," "small,"

1 "minimal," to refer to or make conclusions about
2 discussions -- impact discussions that would
3 logically conclude higher impacts than those
4 references -- or those terms referenced. "Minimal"
5 does not mean that there's going to be 50 percent of
6 a chance. "Minimal" means there's going to be not
7 much of a chance. And I think we could definitely,
8 either if you're going to use terminology, then
9 perhaps what we need is a definition of terms at the
10 beginning of your EIS, so that the public
11 understands that what you think is unlikely is, to
12 them in the logical common knowledge, the use of
13 these terms, you know, used differently in common
14 knowledge.

15 I don't think the seals and the walrus and the
16 polar bear are discussed enough in this EIS.
17 There's the ribbon seal, there's 193 or 198 left out
18 there. They're so wild that people can walk up to
19 them. I think you have -- this is the most, you
20 admit to or acknowledge that the Chukchi Sea is
21 pristine, relatively pristine, but the only
22 industrial activity you can cite is commercial
23 whaling from 100 years ago or 80 years ago.

24 And I think what we have here is a huge public
25 interest issue that is being shoved into the

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1 holidays and completely set aside for Alaskans to
2 make a decision on, even though this is a national
3 issue, we have national parks, monuments, wildlife
4 refuges and preserves on them, and yet there is
5 virtually no public comment period for the nation.

6 And even though we've had a, supposedly a year
7 to deal with this, and you might argue maybe longer
8 with the previous five-year plan, there's -- MMS has
9 perform virtually no public education outside of
10 Alaska. And even in Alaska I find a lot of problem
11 with the public education attempt to get what is
12 really a national decision here.

13 This is our wildest ocean resource, hands down.
14 The Chukchi Sea is the wildest Alaska re -- ocean
15 resource we have. It is a wilderness area. And it
16 could be qualified or set aside as a wilderness
17 area. It could be called Yellowstone. And yet what
18 we're doing here is shoving it into: Hey, between
19 eating turkey and opening presents, by the way, make
20 a decision on one of the biggest decisions, as a
21 country, we're being asked to make. I think this is
22 completely unfair to the public. And I think it's
23 highly misrepresentative and misleading to the
24 public.

25 Just the language, I have a background in

1 rhetoric, so I mean, I could take this thing apart
2 and write a dissertation on the problems with the
3 minimization, the language that minimizes impacts in
4 conclusions. It's not so much that your EIS and the
5 main document or discussion performs somewhat of an
6 adequate job, although I would never admit it was an
7 adequate job, because I think it could be a lot
8 better. And I think you're missing a lot of
9 science, perhaps Conoco could contribute some more
10 to that.

11 But anyway, the EIS, the summary, we could
12 conclude that the Secretary of the Interior, in his
13 decision on this issue, is not going to read 600
14 pages. That's going to be true for five-year plan,
15 800 pages in that case. Right? So what we have
16 here is in your summary, this enormous linguistic
17 manipulation of fact that is pretty improper. And
18 if I were to use harsher terms, I'd say negligent.

19 The coastal communities that are going to be
20 impacted, and this is one of the most negligent, to
21 use my more harsher term, that the EIS fails to
22 discuss, is, one, you do not have anywhere near
23 enough psychological studies in this. And I did my
24 master's thesis on the psychological impacts on
25 Native communities in Alaska from oil development.

1 So I could provide you some citations, if you need
2 those. But you do not have anywhere near, you
3 minimize the psychological impacts to such a degree
4 that it's absolutely overwhelming.

5 If you rip out -- if you put infrastructure and
6 the cultural changes that will come from people all
7 over the States, coming in to work in these
8 villages, the infrastructure changes, the chance of
9 losing beluga migration routes, which will cut off
10 subsistence, caribou changes from onshore siting of
11 infrastructure, beluga changes in routes, seal and
12 walrus, you eliminate subsistence which is a
13 possibility with your 40-percent large impact -- oil
14 spill impact. You are going to devastate these
15 people.

16 Chenega Bay is an excellent example. We can
17 look at Chenega Bay village, and we know where
18 Chenega Bay is, correct? Okay. It was surrounded
19 by the Exxon Valdez oil spill. Who is living there
20 now? That should be in this. If you want to look
21 at the impact of what oil spills do on a Native
22 village, then you should go to Chenega Bay. First
23 you have to come to Anchorage to interview the
24 people, because they don't live there any more. The
25 only ones that are living there now are the most

1 elders, the elders that just cannot leave because
2 they're so emotionally attached to their homes.

3 You are -- this EIS is just atrocious on this
4 point. And I'm hoping -- I am sure that the North
5 Slope Borough will attend those more than I am going
6 to right now.

7 The true cost of cleanup on -- in terms of oil
8 spill is not addressed. There is no infrastructure
9 for a boat with cleanup equipment to even park
10 itself along the Chukchi Sea coast to address a
11 spill. And this is going to happen even in
12 exploration. We are going to have oil spill risks
13 even in exploration. So where is the deep ports,
14 where are the ports that all these boats that are
15 going to respond to this spill?

16 We talk about a suite of mitigation, I'm still
17 waiting to read that part.

18 MR. KING: Can I get you to wrap up in a couple
19 minutes.

20 MS. WOLF: Yeah. Okay.

21 I want to talk about mitigation. I'm going talk
22 about economics.

23 The economic analysis in this EIS completely
24 ignores what the true cost of the taxpayer is going
25 to be. First of all, public agencies, federal and

1 state agencies are going to pay for all the baseline
2 data. There might be an opportunity to for some
3 industry, but in order for this data to be public
4 knowledge, we have to provide baseline data.

5 That's going to -- the costs of which is
6 staggering. That economic cost needs to be taken --
7 I mean, it's just like a business. You can't
8 estimate your income, just by your gross profits.
9 You have to have a net number. And your net number,
10 you don't give a net number, you give a gross number
11 of how much money these leases would make. And no
12 discussion of how much it would cost to oversight
13 them.

14 And I think we can see that the burden of the
15 State of Alaska at least, in oversighting the
16 industry was evident -- particularly evident with
17 the corrosion issue. I mean BP, of course they're
18 not going to do monitoring. Who needs to monitor
19 it? The State of Alaska. What did they decide to
20 do? Not fund it.

21 So there's a big issue. You're assuming that
22 the costs of this monitoring is going to be happily
23 absorbed by the State of Alaska and the federal
24 government. And those numbers need to be
25 determined, and they need to be taken off the top.

1 And I think once we do a true economic analysis, it
2 won't be -- look so rosy.

3 In addition to which, and this is part of the
4 mitigation, the industry requirement in the EIS is
5 that all they have to do is cap the wells and leave
6 the pipelines and infrastructure where they sit.
7 And it's a public, quote/unquote public
8 responsibility for us to pay for the removal of
9 their stuff? Where is the cost analysis of that?
10 How many billions of dollars is that going to cost?
11 That should come straight off the top.

12 And that is also a mitigation impact that is
13 just completely overwritten, just: By the way we're
14 going to leave all these pipelines with all the oil
15 in it and all the other stuff and the rust and
16 whatever else at the bottom of your ocean wilderness
17 of the Chukchi Sea. That's a big problem. I don't
18 think that's right.

19 Inadequate discussion of climate impact, there
20 were citations of baby walrus floating, abandoned to
21 starve or drown two years ago when the scientists
22 were up there. We're not even -- we need baseline
23 data that integrates climate changes that are going
24 on right now. And Alaska is a hot spot for that.

25 My conclusion with this whole thing is it's an

1 improvident plan. And what I mean by that is we are
2 ramrodding this thing through without adequate
3 studies or sufficient thought or sufficient impact
4 from the nation on an issue that is truly a national
5 issue. So, thank you.

6 MR. KING: Okay. Thank you.

7 Next is Whit.

8 MR. SHEARD: Thank you. My name is Whit Sheard.
9 And I work with Pacific Environment; we're a
10 non-government organization that undertakes
11 conservation work around the Pacific Rim, including
12 China, the Russian Far East, Japan, United States.
13 I'm the Alaska program director.

14 I have a couple of comments I'd like to make.
15 First, by way of background, I -- a couple of you
16 know I was up at the Barrow meetings. And I just
17 wanted to remind folks here that at the Barrow
18 meetings, which lasted about five hours and covered
19 a few topics, including this Lease Sale, I didn't
20 hear one public comment in support of this plan.

21 And I think that's very important, because, as
22 Elise pointed out, there is not a lot of community
23 support for this, whatsoever. And in my opinion,
24 and I think in the opinion of a lot of folks up
25 there, who I don't speak for, the agency is failing

1 to achieve environmental justice.

2 And what that means is the agency is going
3 forward with the plan that deprives citizens of due
4 process by forcing disproportionate impacts upon
5 these communities, which are minority, rural, off
6 the road system and oftentimes low income, and that
7 are also dependent upon subsistence.

8 The reason this is important is because, if you
9 put it into context, really I think what we're
10 seeing here is that you have a region of the
11 country, the Arctic, that is most feeling the
12 impacts of global warming, which is a direct result
13 of our fossil fuel development and use.

14 The citizens, as well as the ecology of the
15 Arctic region are feeling these impacts at an
16 accelerated rate more so than the rest of the
17 nation. The fact is that the rest of the country,
18 except for the Gulf of Mexico, is under a moratorium
19 on offshore development because they have the
20 political wherewithal and connections to keep this
21 development off their shores.

22 The Arctic is really a marginal development
23 area. And I say that because we have no proven
24 technology to clean up oil spills in broken ice.
25 That's a fact, yet when you look at the development

1 scenario, there is, I think a 33 to 51 percent
2 chance of a large spill, a 40 percent chance of a
3 large spill. For analysis in the five-year program
4 they assume one large spill and something like 15 to
5 30 or 40 medium and small spills. These spills will
6 not be cleaned up unless we're very lucky. And the
7 policy of being very lucky didn't hold very well
8 when you look at what happened with the pipeline up
9 at Prudhoe Bay and aging infrastructure, which is
10 something that will be occurring at sub-sea
11 platforms and sub-sea pipelines in the Arctic. And
12 I think that's very important.

13 In terms of environmental justice, we've heard
14 over and over again from these communities from the
15 mayor of the Borough, from the wildlife division of
16 the Borough, and the Whaling Commission that this is
17 all too much too soon, too fast. It's being forced
18 upon these communities at a rate that does not allow
19 for adequate public involvement, adequate public
20 analysis, and adequate public discourse.

21 I think this document reflects that. I think it
22 tears off a five-year plan document that is
23 inadequate, I think they're being forced through.
24 And I think the analysis is deficient in many ways.

25 One of the major deficiencies is in quantifying

1 scientific uncertainty. And, as you're aware, under
2 the National Environmental Policy Act, it's the
3 agency's responsibility to do the best job possible
4 of characterizing the amount of science and amount
5 of baseline data we have on this issue.

6 The responsibility doesn't stop there. At that
7 point you are supposed to look to other areas or
8 regions of similar conditions and look at what the
9 science there says. And I think if you look over at
10 the Barents Sea and certain other places in the
11 Arctic, you see government agencies and communities
12 trying to develop much more comprehensive plans
13 than what we have here. What we have here is
14 basically a zone in the Arctic for oil and gas
15 development. That's the Beaufort and the Chukchi.

16 If you look at the Barents Sea and what the
17 Norwegians are doing right now, they have an
18 integrated management plan, which takes into account
19 ecological areas which takes into account birds,
20 fish, whales and takes into account oil development
21 and fisheries. It's not the cart before the horse
22 approach that we're doing here.

23 I think if you look at what the U.S. Commission
24 on Ocean Policy and the Pew Ocean Commission said,
25 they said what you need in the oceans is

1 comprehensive zoning. This is not comprehensive
2 zoning. This is taking the Arctic, which is feeling
3 the impacts of our fossil fuel addiction and zoning
4 it almost exclusively for oil development. That's
5 simply the wrong approach. And we're probably only
6 taking that approach because we're pushing this way
7 too fast.

8 Going back to the communities for a second. We
9 heard in Barrow, and I have heard in meetings that
10 there are impacts to whales, to subsistence
11 resources that the agency is not taking into
12 consideration. During the open water meetings,
13 there was a lot of discussion about subsistence.
14 And ultimately there was cobbled together these
15 agreements that would allow folks to go ahead and do
16 seismic this last summer. It didn't go very well,
17 in my opinion and in the opinions of some of the
18 communities despite the fact that most of the
19 acoustics scientists said that the 120 decibel level
20 was where you had to monitor out to, to avoid
21 impacts to bowhead whales and aggregations of
22 whales, cow/calf pairs, Conoco went ahead and sued
23 on that because it was too much for them.

24 Our experience with Shell has been similar on
25 Sakhalin Island, they have not followed the advice

1 of scientists they had made promises to communities
2 that they don't follow through on and they've
3 impacted the environment and compromised the
4 environment in an unacceptable manner that has
5 serious deleterious impacts on communities and on
6 subsistence resources.

7 The subsistence resources analysis in the
8 five-year program in this document is exceptionally
9 poor. I am as confused as Elise was, how you can
10 say that one of these six communities along the
11 Chukchi coast will very likely lose their
12 subsistence resources for one to two years and this
13 is not a substantial impact. The five-year program
14 goes through a list over and over again of saying
15 these are major impacts, there will be
16 disproportionate impacts to communities and it does
17 the same thing. It reaches a conclusion that
18 ultimately does not match the level of analysis.

19 Furthermore, in terms of scientific uncertainty,
20 the agency has another responsibility, which is to
21 take their scientists and other scientists and ask
22 them to draw a conclusion in the absence of the
23 science that's there. I think if you talked to
24 North Slope Borough scientists, they will say there
25 is some science on the impacts of seismic and

1 development on whales and it shows that there's
2 deflections within the migration.

3 But even ignoring that, local and traditional
4 knowledge, which was pretty well documented at that
5 Barrow meeting, says that the impacts to whales go
6 far and above what are in these documents. And I
7 think that needs to be noted. And I think the
8 communities would especially appreciate hearing a
9 response from the agency to their concerns that
10 traditional knowledge is not being factored in and
11 that the agency is drawing conclusions that bear no
12 relation to the analysis whatsoever. And also to
13 the fact that this is too much too soon, too fast.

14 So I encourage the agency to go back to the
15 drawing board on this EIS, seriously look at the
16 impacts. Seriously talk to these communities. Look
17 at that time what the Norwegians are doing in the
18 Barents Sea with an integrated management plan,
19 think more holistically In terms of zoning the
20 Arctic and come up with a plan that does not cause
21 disproportionate impacts on these communities to
22 meet our nation's perceived energy needs.

23 Think I we can, as a nation, craft a much better
24 energy policy that does not force us to go destroy
25 subsistence resources of communities that have

1 existed for a millennium.

2 Thank you.

3 MR. KING: Thank you.

4 Any questions?

5 Next I have Chris.

6 MR. KRENZ: Good even, my name is Chris Krenz.

7 And I am here representing Oceana. Oceana is an
8 international ocean conservation organization. It's
9 a nonprofit organization. And we have an office in
10 Juneau. I work in that office in Juneau and I am
11 the North Pacific project manager.

12 We oppose development in the Chukchi Sea of oil
13 and gas. The Chukchi Sea is very pristine area, as
14 has been pointed out previously tonight. It has
15 amazing abundance and uniqueness in its animal
16 diversity that occurs there. You have whales that
17 use a variety of habitat within the Chukchi Sea,
18 from bowhead whales to gray whales, using a lot of
19 the bottom habitat. You also have walrus that rely
20 heavily on bottom habitat areas. You have sea birds
21 and sea ducks. Some of those sea ducks go down and
22 they also rely on that bottom habitat area.

23 A lot of these animals are very sensitive to
24 impacts from oil and gas development. For example,
25 in an oil spill, a fraction of that oil is likely to

1 end up on the bottom where filter feeders will
2 consume that oil and it will get biomagnified up in
3 the food chain through the numerous animals that
4 consume resources on the bottom. And I think that
5 they need to take that into account.

6 Those are not the only animals that are
7 obviously going to be potentially impacted by oil
8 and gas development. But I think it's also
9 important, as others have done before tonight, to
10 point out that communities are likely to be very
11 impact -- largely impacted in the development of oil
12 and gas in the Chukchi Sea, these communities
13 obviously rely on those resources that are in a
14 pristine state in the Chukchi. And they don't just
15 rely on them for their recreational activities.
16 They rely on them for both their culture and their
17 food.

18 I think the Chukchi Sea is a place where we
19 don't know a lot as scientists. As western
20 scientists, we don't know a lot. However, there's
21 been people there that have lived for a millennium,
22 as Whit pointed out. Those people have accumulated
23 a vast amount of knowledge, have a lot of
24 traditional knowledge and wisdom.

25 If the Minerals Management Service would like to

1 make its decision on the best available information,
2 they need to, and must incorporate that information
3 that is at a level that is much higher than what
4 western science has within the region.

5 There's going to be impacts of development in
6 oil and gas and exploration and putting in
7 infrastructure and certainly during the lifetime of
8 extracting those resources. We already are seeing
9 debates about the impacts on bowhead whales of
10 seismic explorations. Putting in infrastructure is
11 not only going to impact the Chukchi Sea, it will
12 impact much of the -- much area on the North Slope
13 Borough through pipelines out to Prudhoe Bay
14 impacting numerous types of wildlife in those areas.

15 Oil spills obviously are something that strike a
16 chord when one talks about oil spills in Alaska to
17 the U.S. public, everyone thinks of the Exxon Valdez
18 oil spill and the impact that that oil spill had on
19 numerous animals. We still haven't seen full
20 recovery of that.

21 And that's only going to be compounded by the
22 fact that the Chukchi Sea has ice on it most of the
23 year. And we don't know how to clean up oil in
24 broken ice conditions, or if oil is underneath the
25 ice. We have no way to even imagine how we would

1 clean that up. We believe that there are going to
2 be very many adverse impacts to the development of
3 the Chukchi Sea. Thank you.

4 MR. KING: Thank you.

5 I believe John's up next.

6 MR. WARRENCHUK: Hello --

7 MR. KING: Would you state your name and spell
8 it for the court reporter, please.

9 MR. WARRENCHUK: Sure. My name is John
10 Warrenchuk, W-A-R-R-E-N-C-H-U-K. I'm here as an
11 Alaska resident and a concerned scientist.

12 The Chukchi and Beaufort Sea, really our last
13 pristine Arctic wilderness, our last pristine
14 wilderness in the U.S., really. Here we are
15 debating whether or not to open it for oil
16 exploration. The Chukchi, even though this is a
17 voluminous document, there's a lot that science
18 still doesn't know.

19 The Northern Right Whale, which is the most
20 endangered cetacean marine mammal species in the
21 world. There's 300 left, I think. We don't know
22 where their calving and breeding areas are yet.
23 It's possible that they do use portions of the
24 Chukchi Sea to breed and to feed. With only 100 --
25 300 animals left, there's a lot we don't know. I

1 don't know if Northern Right Whale is discussed in
2 here very much at all.

3 You know, consideration of this project in the
4 Arctic marine environment, particularly with all the
5 endangered species and Arctic wildlife, which are
6 really under risk of extinction because of -- well,
7 because of global warming brought on by -- well,
8 our -- the negative effects of our oil-driven
9 economies. This is a double-whammy for these
10 animals. We shouldn't proceed. I support
11 alternative -- the status quo alternative, which is
12 no lease sale. And I want to see this, this last
13 pristine wilderness in the U.S. remain pristine.
14 Thank you.

15 MR. KING: Okay.

16 Thank you.

17 Okay. Next we have Bubba.

18 MR. COOK: Thank you for the opportunity to come
19 and speak with you today.

20 MR. KING: Could you state your name and spell
21 it for the court reporter.

22 MR. COOK: Absolutely. My name is Bubba Cook,
23 B-U-B-B-A C-O-O-K. And I represent the World
24 Wildlife Fund. World Wildlife Fund is an
25 international conservation association with 1.2

1 members in the U.S. And thousands more worldwide.

2 And I'm here -- I'm not going to spend a whole
3 lot of your time, but I am going to address the EIS
4 itself.

5 We're interested in the issue because the Nature
6 Conservancy and World Wildlife Fund led a
7 biodiversity assessment in 1999 where 60 scientists
8 from the U.S. and Russia agreed that the area should
9 be considered of the highest priority for
10 conservation.

11 And with respect to the EIS, I have a little bit
12 of experience with EIS development, as well as
13 review. While with the Trustees for Alaska, I
14 reviewed a similar lease sale for the proposal for
15 the Beaufort Sea. And as a member of another
16 federal agency, I had a considerable amount of
17 experience writing, drafting these documents.

18 I can say from reading this document I
19 understand how it is when you're under a time
20 crunch, but looking at this document, it appears
21 there's a lot of cut and paste. I have seen it in
22 other places, I've done it myself. Doesn't mean
23 that it's right. You need to spend more time
24 addressing the analytical issues in this document,
25 more time fleshing out the individual arguments,

1 particularly with respect to the subsistence
2 argument.

3 I don't know that any of you would appreciate
4 someone coming in and throwing a bunch of oil into
5 your refrigerator or cabinet and telling you that it
6 wasn't a significant impact, because that's what
7 you'd be ultimately doing with the Native groups in
8 these areas. And they would tell you that directly.

9 They depend on the subsistence resources. If
10 you tell them that they can't go out and get them
11 because of oil contamination, they're going to be
12 upset, obviously.

13 And I think it's very important to consider also
14 obligations under Executive Order 13175, which are
15 obligations to consult with the tribes in the
16 regulatory process, especially when it's something
17 that directly affects the tribes as this will. And
18 I don't think it's addressed in the EIS.

19 An additional concern is with the cumulative
20 impacts. It appears that this is more of a
21 threshold assessment as opposed to a serious
22 in-depth review of the issues, particularly from a
23 cumulative-impacts perspective. When you're
24 considering these issues, you need to consider them
25 in the context of everything that's occurring. That

1 includes whether it's climate change, fisheries
2 impacts, mining impacts that are onshore, any
3 terrestrial or oceanic impacts that may be occurring
4 from other areas.

5 I think that, unless this additional effort
6 isn't made to further flesh out these issues, it
7 probably wouldn't pass the hard-look test required
8 by NEPA.

9 With that, I want to state on behalf of World
10 Wildlife Fund that we support the no-action
11 alternative. The resources in this area that
12 include polar bears, which are undergoing the 90-day
13 scrutiny for ESA listing and gray whales and beluga
14 whales and the other marine resources that both
15 Natives depend on and the ecosystem depends on, the
16 jeopardy is too great to continue with the sale at
17 this time.

18 MR. KING: Okay. Thank you.

19 Is there -- according to what I have got, that's
20 everybody who signed up to testify. Is there
21 anybody else who would like to testify? If so, you
22 don't have to sign up, you can just come up.

23 Okay. I think what I'd like to do is go ahead
24 and go into temporary adjournment, we'll see if
25 anybody comes up the next half-hour or so, we'll

1 hang around in case somebody shows up who wants to
2 testify. If you want to hang around with us, you're
3 welcome to. Otherwise, thanks for coming out. Be
4 careful going home.

5 (Whereupon, the public hearing was
6 adjourned.)

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REPORTER'S CERTIFICATE

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I, Britney E. Chonka, Court Reporter, hereby
certify:

That I am a Court Reporter for Alaska Stenotype
Reporters and Notary Public in and for the State of
Alaska at large. I certify Hereby that the forgoing
transcript is a true and correct transcript of said
proceedings taken before me at the time and place stated
in the caption therein.

I further certify that I am not of counsel to
either of the parties hereto or otherwise interested in
said cause.

In witness whereof, I hereunto set my hand and
affix my official seal this 23rd day of December, 2006.

BRITNEY E. CHONKA, REPORTER

Notary Public - State of Alaska

MMS Responses to Anchorage Comments

Anchorage 005-001

The MMS addressed places of concern, including national parks, wildlife refuges, reserves, and national monuments, within the 2002-2007 5-Year Program EIS. The Wrangell World Heritage Site is covered in the Sale 193 EIS. Appendix A on the oil-spill-risk analyses determined that the chance of impacts associated with oil contacting this special area was <1%. See Tables A2-15 through A2-18. As a result of the analyses conducted in the 2002-2007 5-Year Program EIS, MMS concluded that there would be little to no effect on the intrinsic value of these places of concern. The MMS believes that the 5-Year Program EIS document adequately analyzes the issue at the appropriate stage of the OCS program. We decided not to consider this issue for further analyses, because the Sale 193 EIS “tiers” or “flows from” the 5-Year Program EIS.

Anchorage 005-002

The MMS has used the best available science for the Lease Sale 193 analyses to support the decisionmaking process as outlined in the Council of Environmental Quality regulations (CEQ 1502.22). Where applicable, the EIS acknowledges the uncertainties associated with significant resources occurring in the frontier environment. Information used in conducting various analyses is listed in the bibliography for this EIS.

Anchorage 005-003

Section IV.C.1.f(1)(g)3) of the EIS discusses of the potential effects of an oil spill on bowhead whales. Section IV.C.1.f(1)(g)3b), in particular, discussed the effects of direct contact with skin and eyes. Further, Section IV.C.1.f(1)(g)3c), Ingestion of Spilled Oil, includes a discussion of baleen fouling from spilled oil.

Anchorage 005-004

The assumptions for the analysis of oil spills assume one large spill occurs and a distribution of smaller spills. The oil-spill-occurrence estimate is provided for the decisionmaker to consider. The oil-spill-occurrence estimate is a Poisson distribution based on the mean number of spills. For the Proposed Action, there is approximately a 60% chance of no spills occurring over the 27-year production life of the proposed action. There is approximately a 31% chance of one spill, an 8% chance of two spills, and a 1% chance of three spills over the life of the Proposed Action. The chance of zero spills is greater than the chance of one, two, and three spills added together (chance of one or more large spills). The text has been revised to state the percentages associated with the chance of one or more large oil spills occurring over the life of the project. See also the response to comment **AEWC 007-001**.