

PUBLIC HEARING
FOR
DRAFT ENVIRONMENTAL IMPACT STATEMENT
MINERALS MANAGEMENT SERVICE
PROPOSED ARCTIC MULTI-SALE

Point Lay, Alaska

Taken February 24, 2009
Commencing at 7:25 p.m.

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Taken at
Kali School
Point Lay, Alaska

Reported by:
Mary A. Vavrik, RMR

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A-P-P-E-A-R-A-N-C-E-S

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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 MR. LOMAN: Good evening. To get
3 this meeting started on the right foot, Willard is
4 going to say a blessing for us. Willard.

5 (A blessing was offered by Willard
6 Neakok.)

7 MR. LOMAN: Thank you very much,
8 Willard. My name is Jeffery Loman. I'm the Deputy
9 Regional Director for Minerals Management Service in
10 Alaska.

11 MR. THOMAS NUKAPIGAK: Can you speak
12 up a little louder?

13 MR. LOMAN: Sure. Sorry. My name's
14 Jeffrey Loman. I'm the Deputy Regional Director of
15 Minerals Management Service in Alaska. And the
16 purpose of this meeting tonight, it's actually a
17 public hearing that we are required to conduct under
18 law in compliance with the National Environmental
19 Policy Act to take your comments on a draft
20 environmental impact statement for a proposed Arctic
21 multi-sale, two sales that are being proposed in the
22 Chukchi Sea, two sales that are being proposed in
23 the Beaufort Sea for offshore oil and gas leases.

24 Before we get started, I want to introduce
25 some folks that are with me from MMS Alaska and from

1 our headquarters offices in Washington, D.C. and
2 Herndon, Virginia. Keith.

3 MR. GORDON: Good evening. My name's
4 Keith Gordon. I'm the National Environmental Policy
5 Act coordinator for this draft environmental impact
6 statement.

7 MR. KUHNE: Good evening. My name is
8 Jamie Kuhne. I'm a presidential management fellow
9 from Minerals Management Service in Washington, D.C.

10 MS. HITE: Hi. My name is Keely
11 Hite. I'm an environmental protection specialist,
12 and I work in headquarters in Washington.

13 MR. BARROS: I'm Albert Barros. I'm
14 the community liaison for the Alaska Region.

15 MR. LOMAN: Thank you. Like I
16 mentioned, the National Environmental Policy Act
17 requires us to hold this hearing. About a year and
18 a half ago, we held scoping meetings in Point Lay
19 and other communities to hear what people had to say
20 with respect to the scope of issues that we needed
21 to address because the Department of Interior was
22 proposing to hold two sales in the Chukchi Sea, two
23 sales in the Beaufort Sea.

24 Just to give you a little bit of background
25 information about what has happened since then, in

1 February of last year, MMS held an oil and gas lease
2 sale in the Chukchi Sea, sale 193. As a result of
3 that sale, 465 leases were issued for a total of 2.7
4 billion dollars. That was a record sale for
5 Alaska's OCS and a very significant indication that
6 the oil and gas industry first believes that there
7 is reliable information indicating that there is a
8 substantial resource, oil and gas resource in the
9 Chukchi Sea, and that they are prepared to do what
10 it takes to find it through exploration activities
11 and, if they find it, develop that resource. Our
12 own experts at MMS Alaska have concluded that there
13 likely is a substantial amount of oil and gas. In
14 general the Chukchi Sea is gas prone.

15 The Administration, the last presidential
16 Administration had proposed under a five-year plan,
17 which ran from 2007 to 2012, to hold two additional
18 sales in the Chukchi Sea and two additional sales in
19 the Beaufort Sea.

20 The current Administration -- as you all
21 know, we have a new President, President Obama. We
22 have a new Secretary of Interior, Secretary
23 Salazar -- have decided to move ahead with that
24 plan. All other proposed plans and activities
25 are -- are being reviewed. But this project, the

1 Arctic multi-sale, as of today, is moving ahead.

2 We issued a draft environmental impact
3 statement. It's a 2,400-page document, and it
4 studied the proposed action. And just very briefly,
5 the proposed action is to hold two sales in this
6 area, all of this area here in the Beaufort Sea, and
7 two sales in this area [indicating] in the Chukchi
8 Sea.

9 MS. SOPHIE HENRY: The beluga and
10 whales and stuff?

11 MR. LOMAN: There are beluga whales
12 in the Chukchi Sea, yes, ma'am.

13 In addition to that proposed action to hold
14 those four oil and gas lease sales, we are required
15 by law to consider and analyze the no action
16 alternative. The no action alternative is to not
17 hold any sales in the Beaufort or Chukchi Sea. And
18 we have analyzed that in the draft EIS in great
19 detail. We are also required by law to identify a
20 reasonable range of alternatives.

21 The young lady that was just up here
22 looking at the map mentioned beluga whales, other
23 whales and other resources. And through the scoping
24 meetings that we held, we heard a lot of comments
25 about primarily the practice of whaling, which we

1 understand is a culturally self-defining, important
2 practice for all of the communities along the North
3 Slope. And we don't approach it as an experiment to
4 see what the industry will do to damage that
5 cultural practice and then figure out how to deal
6 with that.

7 Our approach is to regulate industry,
8 develop a range of alternatives and regulate
9 industry in their exploration activities, including
10 seismic exploration, exploratory drilling, and any
11 development that will take place in a way that would
12 not interfere with subsistence whaling or other
13 subsistence activities that are important to all of
14 the Native communities and other subsistence users
15 in the North Slope communities.

16 So we listened to literally hundreds of
17 comments at our meetings, in writing, during
18 scoping, and we developed a wide number of
19 alternatives, which are listed and analyzed
20 individually, in the Chukchi Sea.

21 There is an alternative -- Alternative No.
22 3, the dark shaded, dark blue shaded, long shaded
23 tracts which is called in the document the coastal
24 deferral, which extends even further than the
25 25-mile limit that the former Secretary of Interior

1 has excluded because it's important to migratory --
2 the migratory path of bowhead whale and subsistence
3 whaling activities. This deferral would exclude all
4 of this area [indicating].

5 Because we heard a lot of information about
6 the importance of resources, including threatened
7 and endangered species in Ledyard Bay, this area
8 [indicating] in the green would also be deferred and
9 not offered up for sale. Hanna Shoals is another
10 alternative in the Chukchi Sea that was analyzed
11 where this area [indicating] would be excluded from
12 these two sales that we are proposing in the Chukchi
13 Sea.

14 And then a deep water alternative,
15 Alternative No. 6, which is there primarily because
16 it's relatively unlikely that industry is interested
17 in it anyway, but we would defer from selling or
18 leasing in those tracts, as well. Which, if all of
19 these alternatives were adopted and the decision was
20 to go through -- was to go through and hold a lease
21 sale, that would only consist of the areas in white
22 in the Chukchi Sea.

23 Over on the Beaufort side, again, a number
24 of other alternatives were analyzed in this draft
25 environmental impact statement individually.

1 Kaktovik deferral area eliminates this [indicating];
2 a deep water deferral that literally eliminates
3 two-thirds of the entire sale area and deep water in
4 the Beaufort Sea; a Cross Island deferral analyzed
5 and considered in this draft environmental impact
6 statement because of the known importance of this
7 area to subsistence whaling that is staged out of
8 Cross Island; and a Barrow deferral; this area
9 [indicating] is an important area for whaling
10 activities, as well. So all of these alternatives
11 are analyzed in this document.

12 And we issued a draft that also includes a
13 health impact assessment, which is found in Appendix
14 J. This activity was done in cooperation under a
15 Memorandum of Agreement with the North Slope Borough
16 and their consultant, Dr. Aaron Wernham, who is a
17 family medical practitioner and is the only person
18 in the United States that has completed a health
19 impact assessment for any resource development
20 project ever anywhere for anything. He's literally
21 now, through his work with the North Slope Borough
22 and his work on the Red Dog Mine expansion project,
23 the only person in our country to be doing health
24 impact assessments for resource utilization
25 projects, and he's done more health impact

1 assessments than any one person or entity or
2 organization in the United States.

3 Health impact assessments have been used
4 internationally very heavily. In Western Europe,
5 for example, they do health impact assessments for
6 many, many activities. The mayor of London has
7 health impact assessments done for almost any kind
8 of activity that they are considering to undertake,
9 everything from activities involving park
10 construction to community health clinic locations,
11 transportation issues, et cetera. And --

12 MR. JULIUS REXFORD, SR.: Who does he
13 work for?

14 MR. LOMAN: Aaron Wernham is under
15 contract with the Alaska Native Tribal Health
16 Consortium and the North Slope Borough, and he has
17 done -- completed two HIAs for MMS projects. He's
18 completed an HIA for the northeast NPRA oil and gas
19 sale that BLM held. He's completed an HIA for the
20 Red Dog Mine expansion project. And now he has also
21 done an HIA for this proposed Arctic multi-sale.

22 So if you get a chance, I encourage you to
23 read Appendix J. We are working with Dr. Wernham
24 and other representatives of the North Slope Borough
25 to try to incorporate his work as a stand-alone

1 chapter that would fall under public health
2 assessment in the final document.

3 So that's a fairly brief explanation of
4 first what's gone on recently in the Chukchi Sea
5 with respect to MMS leasing, the status of this
6 proposed action. And any questions that I can
7 answer about any of this? Yes, sir.

8 MR. THOMAS NUKAPIGAK: Why is MMS
9 really interested in our ocean and putting leases on
10 our ocean where we, as Natives, subsist as a garden
11 for us?

12 MR. LOMAN: Because there is
13 substantial oil and gas resources that are believed
14 to be there.

15 MR. THOMAS NUKAPIGAK: Ever since the
16 price of oil went up, are you guys doing this?

17 MR. LOMAN: No. It doesn't
18 necessarily have to do with the price of oil. As
19 you know, the price of oil went up over \$140 a
20 barrel. The price of oil has since moved down now
21 to a stable -- what we think is a stable price that
22 we think is more in line with what the federal
23 agency that does a long-term analysis and makes
24 predictions of what the price of oil will be, and it
25 doesn't necessarily have to do with the price of

1 oil. However, if the price of oil fell to five
2 cents a barrel, then it would not be economically
3 viable to do anything in the Beaufort or the Chukchi
4 Sea.

5 MR. THOMAS NUKAPIGAK: I hope that
6 happens.

7 MS. SOPHIE HENRY: How come you guys
8 have to keep doing this? Is the world running out
9 of oil where you guys are already drilling? What's
10 going on? How come you guys have to keep doing
11 this? Why do you have to find another place?

12 MR. LOMAN: More places to drill for
13 oil? There is a tremendous demand for oil and gas
14 resources. The United States has in the Lower 48
15 hundreds of millions of people, and there is a huge
16 demand, greater per person than any other place in
17 the world. The Gulf of Mexico is a place where
18 MMS -- actually the lion's share of their work is
19 regulating a very substantial offshore oil and gas
20 industry. There are about 4,000 platforms,
21 development projects in the Gulf of Mexico.

22 And part of my organization, the Minerals
23 Management Service job, is to regulate those
24 activities, make sure that those activities are
25 conducted safely, that that oil is developed in an

1 expeditious and environmentally sound manner. And
2 that's -- that's what our -- that's why our agency
3 exists and that's what we do.

4 But the Gulf of Mexico, even with the 4,000
5 platforms, even with all the onshore development in
6 Prudhoe Bay and other places in the Lower 48, still
7 don't come close to supplying the demand of the
8 United States population. That demand is met by
9 foreign sources from all over the world, especially
10 the Middle East. And it's well established that the
11 more dependent the United States is on foreign
12 sources, the less we are -- the less security -- the
13 least secure we are with respect to our freedoms.
14 And the -- that includes the price that we have to
15 pay.

16 MS. SOPHIE HENRY: So there is only
17 an option up here? You can't do it, like, by Russia
18 or --

19 MR. LOMAN: There are other options
20 to consider all over the world.

21 MS. SOPHIE HENRY: Just invade
22 everybody else's garden, but leave our waters alone.
23 I mean, like, we depend on all --

24 MR. LOMAN: One of the reasons that
25 we are here tonight is to take your comments,

1 comments like that. And one of the reasons that the
2 law requires us to consider the no action
3 alternative -- I guess, for your understanding, we
4 can call the no action alternative leave our garden
5 alone. That's been analyzed in this draft document.
6 And the law requires us to do it. And we're here
7 tonight to take testimony from anybody that wants to
8 tell us that.

9 I want to be up front with you. I'm not
10 here to talk anybody into anything. My job is to
11 listen to what you have to say, tell you honestly
12 about my agency, what we have proposed, the
13 environmental document that we have prepared, how we
14 feel the abilities of the oil and gas industry are
15 in -- with respect to risk, like oil spills, and
16 answer your questions honestly and fairly. But in
17 the end, our job is to inform a decisionmaker with
18 this environmental impact statement.

19 And they really do ask questions in the
20 bitter end before they make a decision to go ahead
21 with these lease sales. In 193 they asked the
22 question whether or not the people in the
23 communities of the North Slope Borough -- after the
24 Secretary of Interior had visited and after there
25 was some effort to answer people's concerns about

1 oil spill, the Assistant Secretary of Land and
2 Minerals wanted to know if people in the communities
3 felt that the industry was capable of cleaning up a
4 substantial oil spill in Arctic waters under worst
5 case conditions.

6 Well, the room gets very silent when they
7 ask those questions. And I had just been up here
8 and I had met with people in Point Lay and the other
9 communities, and I knew the answer was no, and I
10 told him no. And so then his next question was
11 whether or not the industry can clean up a
12 substantial oil spill in broken ice conditions. And
13 I said my money is on prevention. The technology
14 exists to prevent a substantial spill in the first
15 place, but cleaning up an oil spill on the worst
16 weather conditions out there is going to be a
17 struggle. No matter how much technology you have,
18 how many resources, what kind of equipment, and how
19 well trained your people are, they are not going to
20 do a very good job of cleaning up a substantial oil
21 spill on the worst weather day in the Arctic,
22 period. So we have to tell them honest answers in
23 the end. That's our job.

24 MR. JULIUS REXFORD, SR.: Julius
25 Rexford, Sr., for the record. Your deferral area in

1 the blue highlight, is that going to open up for
2 lease sale, or is that --

3 MR. WILLARD NEAKOK: That's up to us.

4 MR. LOMAN: If we chose Alternative
5 No. 3 -- and we can -- we can choose in the end --
6 the decisionmaker can choose to defer to take all of
7 these alternatives.

8 MR. JULIUS REXFORD, SR.: Half of
9 that is the feeding habitat for the endangered
10 species the Spectacled eider, feeding habitat, that
11 whole area from --

12 MR. LOMAN: All this [indicating]?

13 MR. JULIUS REXFORD, SR.: All the way
14 up.

15 MR. LOMAN: Alternative No. 3 and 4
16 are the alternative areas in the Chukchi Sea that
17 he's referring to, for the record.

18 MR. WILLARD NEAKOK: Willard Neakok,
19 for the record. You know, we have -- we have heard
20 even from Prudhoe Bay, and it's on land, that they
21 say they got the best technology to avoid an oil
22 spill. In these past few years, we start hearing
23 about oil spills, and they just recently had one,
24 what, three days ago. You know, that's -- they say
25 they have the technology. We say, yeah, yeah, okay.

1 But then, you know, look what's happening
2 now. You know, they can talk. They make the words
3 sound good, but then, you know, five years, ten
4 years down the line, or even as long as, what -- the
5 pipeline has been on there 30 years. We are having
6 oil spills left and right nowadays.

7 Shell Oil, ConocoPhillips, BP, Anadarko,
8 you know, they told us that, you know, even in the
9 North Slope Borough Assembly, North Slope Borough
10 planning department, they have come here. They
11 said, yeah, preventive. Now, you know, look what's
12 going on over there. And that's on land. What's
13 going to happen out here when it's on -- in our
14 ocean? You know, I'm -- I'm with that -- I'm with
15 the Alternative 1, you know, because what happens,
16 you know, on Prudhoe Bay, you know -- you know, they
17 can clean it up fairly well because it's on land.

18 They -- it's pretty hard to clean up on
19 broken ice. How are they going to get it out of the
20 ice, you know, if it does happen during the
21 wintertime? That oil is hot and it will go through
22 any cracks and crevices that the ice may have. It's
23 going to be -- you know, technology -- you know,
24 going to have to have some pretty smart people to
25 figure out how they can get it out of the ice and

1 seep into the water that -- because our water up
2 here, you know, every duck, geese, any marine
3 mammal, you know, depend on the minerals, you know,
4 for the food that is, you know, generated up here by
5 the currents.

6 You know, what's going to happen when that
7 oil gets on there? We are going to be seeing
8 another, you know, Prince William Sound up here.
9 And this is where all the migratory sea mammals, the
10 whales, the belugas, the Spectacled eiders, they all
11 come up this way.

12 You know, I just don't want to see our
13 future kids, you know, eating -- you know, have
14 effect on their hunting. You know, I want them to
15 see -- you know, I teach my kids how to hunt. And I
16 hope that they will also teach their children's
17 children how to hunt. But, you know, if we have oil
18 spill out there, you know, might be 10, 15, 20 years
19 down the road but, you know -- in development stage,
20 but you know, that area, you know, especially on
21 Chukchi Sea side, you know, all the animals migrate
22 from -- down from the Bering Sea.

23 I just don't want -- I just don't like the
24 idea of any alternatives other than one, from my own
25 personal view.

1 MR. LOMAN: Thank you very much.

2 MS. SOPHIE HENRY: Also if you guys
3 sell all that white area, you don't find what you
4 are looking for, you are going to start getting
5 closer and closer to land and start scaring
6 everything away and our kids will have nothing. We
7 have to always worry about that. That's why we
8 always say no, no, no, don't do it because you are
9 going to ruin the tradition that we have. My kids
10 won't be able to see it. I want my kids to be able
11 to go hunting the way we are. And you doing that,
12 you are -- if you don't find what you want, you are
13 going to take everything from us.

14 MR. THOMAS NUKAPIGAK: MMS should
15 not continue to lease any areas in the Arctic,
16 period. I mean, I like that Alternative 1, also.
17 It could really affect us and my children's
18 children. Also what Mr. Neakok was saying. And I
19 do want to see my children's children hunt on -- in
20 these areas where you guys have planned to lease.

21 MR. WILLARD NEAKOK: Willard Neakok
22 again, for the record. You know, even especially if
23 they do develop, if it somehow, you know, goes
24 through, you know, despite our, you know, opposition
25 today, you know, if it does happen to go through,

1 you know, we are going to be having ships start
2 coming up, you know, big tankers like the Exxon
3 Valdez. You know, the big tankers that will be
4 going through the -- you know, going through our
5 ocean, that's going to disrupt also the migration
6 because of the sound that the -- these big ships
7 generate, the drilling that will be constantly going
8 on 24/7. You know, sound travels a lot further
9 than -- than it does on land.

10 And also, you know, the possibility of
11 the -- of the Northwest Passage opening up for more
12 shipping lanes, the demand on oil provided if they
13 do or, you know, if they are able to, you know,
14 discover any oil or gas in our area. That's --
15 that's going to, you know, disrupt our migration for
16 the, you know, whales, belugas. You know, we just
17 started whaling here just last year. And we don't
18 want to -- we don't want to go any further than
19 where we have to go now just to go whaling. You
20 know, we just revived our whaling capabilities. And
21 I just don't want to see that go away, lose our
22 animals.

23 MR. LOMAN: Did Point Lay take a
24 whale last year?

25 MR. WILLARD NEAKOK: No.

1 MR. JULIUS REXFORD, SR.: No. The
2 weather conditions hampered our efforts.

3 MS. MARIE TRACEY: I'm Marie Tracey,
4 for the record. And I feel like I have been raising
5 my hand over and over. I feel like I'm in D.C.
6 trying to get Obama's attention so I can say
7 something. And I hope that we are not going to be
8 ignored because we are voicing our opinions on --
9 because we live here and we were raised here. And I
10 was born across there in the old village on the sand
11 spit.

12 But the ocean truly is our garden, you
13 know, our Garden of Eden for our food right now. We
14 depend more and more on our mammals for food. I
15 feel that where is your -- where are you going to be
16 drilling? Can you show me, pinpoint? I mean, you
17 are going to buy --

18 MR. LOMAN: I can show you in general
19 where the leases are in sale 193. And Shell and
20 ConocoPhillips, we expect them to submit a number of
21 exploration plans that we will have to do another
22 environmental analysis for, and that will involve in
23 general this area right here [indicating].

24 MS. MARIE TRACEY: And how many miles
25 from shore is that?

1 MR. LOMAN: I think the closest lease
2 tract is about 70 miles from shore.

3 MS. MARIE TRACEY: Okay. And I
4 wanted to talk about Exxon because I know everywhere
5 you go, Exxon will be brought up.

6 MR. LOMAN: The Exxon Valdez spill?

7 MS. MARIE TRACEY: Yeah, that one.

8 MR. LOMAN: It is. It's brought up
9 everywhere we go.

10 MS. MARIE TRACEY: I don't think it's
11 been completely cleaned up.

12 MR. LOMAN: It hasn't. I have been
13 there. I have seen oil there. Right.

14 MS. MARIE TRACEY: And the people
15 around that area that fish and depend on their
16 subsistence, they are doing very poorly and not
17 being helped, you know, to -- their potential of
18 when they were going fishing and everything, they
19 wind up poor. And I feel like we are going to wind
20 up that way.

21 And you know, with the international waters
22 out there, I feel like because of the shortage of
23 oil and gas, that we are going to start going to war
24 up here. You got to see the whole picture. These
25 other countries are going to come around and say,

1 hey, this is my tract and I'm going to fight for it.
2 And we are going to wind up right in the middle of
3 everything. That's scary.

4 Look at Iraq. And how many people did we
5 lose? And yet we are very proud of our military,
6 you know. But to start losing more people because
7 of what's going on, and then at the same time losing
8 our subsistence way of life.

9 I don't see how a fuel cleanup would be
10 successful if there were any drilling out in the
11 ocean. Like Senator Murkowski was saying to drill
12 in the -- ANWR, to drill from outside of ANWR into
13 ANWR below the surface, I kind of thought that was
14 kind of a good idea, better than going into the
15 refuge to drill. And stay off our ocean. Leave our
16 ocean alone.

17 What else? We are really afraid of the
18 unknown of what might happen up here. And we are
19 afraid for our children and our grandchildren and
20 their kids for their future. What will it be like
21 for them? Look. We are already having global
22 warming. When I was a kid, the ocean out there was
23 solid ice. Now look at it. You come in and you see
24 open ocean out there, right? Yep. Something needs
25 to be done about that.

1 And anything else? Thanks for listening.

2 MR. LOMAN: Thank you, ma'am, very
3 much.

4 MR. BILL TRACEY, SR.: Bill Tracey,
5 Sr. I've lived here now about 36 years. I left
6 Connecticut for a whole lot of reasons. I left
7 right after high school. Just didn't agree with me,
8 some of the lifestyles. And from up here at this
9 vantage point, I kind of got a clear head as to what
10 those lifestyles were that I didn't want to be part
11 of. And I think as a nation I'm appalled at how
12 much waste there is of natural resources. A lot of
13 this stuff is going to be burned up and never be
14 available again, except the waste products. And we
15 are getting sick and dying and killing with these
16 waste products.

17 So, yeah, I'm a consumer of hydrocarbon
18 fuel and gas. I try to limit myself how much I'm
19 really using. Do I really need to use it? I have a
20 truck that's parked 99 percent of the time. Why I
21 even have the truck, I don't know. That's beside
22 the point. It's an American truck, too.

23 But other things I see being up here for
24 that amount of time is that it's not just one lease
25 sale that is really bothering me or bothering us.

1 There is lease sales in the ocean. There is --
2 there is drilling exploration on the land. There is
3 coal mining exploration. There is gold mining.
4 There is studies. There is bird studies, mammal
5 studies, wind studies. Collectively you put all
6 this together, and we are as busy as New York City.

7 I mean, we have got people, companies,
8 everybody up here doing their own thing. And a lot
9 of them try to do it in a fast three or four months
10 during the summer. And we have got -- last summer
11 we had studies on the loon. We had studies on the
12 beluga. We had studies on the walrus, on the seals.
13 Now they are talking about coming up and studying
14 the fish.

15 A lot of this base study material could
16 have been done over the years, but it's all being
17 done right now. A lot of it is being financed by
18 some of the oil companies that are interested in
19 buying some of this -- or leasing some of this
20 property out there in the ocean. I don't know where
21 it's all going to stop or where it's all going to,
22 but it is snowballing now and it's all happening at
23 once.

24 And now Mother Nature throws in her two
25 cents, and we have -- I don't want to call it global

1 warming. I'm not sure that's really what it is.
2 But it's a global weather change of some sort.
3 Whether that's a natural cycle that happens every so
4 often -- I know polar caps change and ice ages
5 change, come and go. Is that what's happening now?
6 I don't know. There is not enough recorded history
7 that any of us really know that.

8 How much can we take as a human race? How
9 much can the earth take as a single planet? I don't
10 know that, either. But that's --

11 The only idea I'm trying to bring out right
12 now is that collectively all this stuff is on us
13 right now. I don't know that the people in the
14 Lower 48 know that or even care about that. They
15 don't know how fragile it is. We are losing real
16 estate every day with the rising oceans. And then,
17 of course, we are getting the less snowfall now, so
18 we don't have the creeks running like they used to,
19 so we don't have the fish going where they used to
20 be able to get to. Just so much is happening right
21 now.

22 And it -- if we are going to have to deal
23 with -- what Willard was saying with the ship
24 traffic now, and that will include air traffic. And
25 I'm not sure why Alternative 3 is broken in front of

1 Wainwright and Peard Bay. Is that going to be a
2 shipping lane? Is that why it's broken?

3 So it's just a lot of things happening, and
4 we are right in the middle here.

5 And I appreciate you folks coming up here
6 and listening to us. And I'm glad Washington is
7 here. And please listen to us well everywhere you
8 go. I'm sure you are. We have got real concerns.
9 And yes, we are oil burners ourselves, but we ration
10 it. We are respectful of this planet, of each
11 other. And we would like to pass the word to those
12 down in the Lower 48; they need to consider that,
13 too. Don't burn so much fuel. Lower that
14 thermostat a little bit. Take the bus.

15 And just before I finish, we are very
16 interested in solar and wind energies. But yet
17 where are they? We don't have them here. I'd like
18 to see some of the government agencies come up here
19 and push that. We will go for it. I think we have
20 got some trace interests in it now, and we have got
21 some studies coming up. That's where we should be
22 putting a lot of our energies and our monies.

23 Thank you.

24 MR. LOMAN: Thank you very much. I
25 know there was a hand, but I don't remember whose it

1 was.

2 MR. BILL TRACEY, SR.: Just that one
3 question about that in front of Wainwright and Peard
4 Bay, why that alternative.

5 MR. LOMAN: Neither Keith and I know.
6 But we will find out. Can you put a note so we can
7 let these folks know? And we will let you know,
8 sir, if you give us your e-mail or your address.

9 MR. BILL TRACEY, SR.: You got it.

10 MR. LOMAN: And then if you will
11 share that with the community, we appreciate it.

12 MS. MARIE TRACEY: Maybe you can --
13 those of you that are from D.C., maybe you can give
14 a message to President Obama. Way up here in the
15 Arctic in our Native Village of Point Lay, we are
16 really interested in their wind generation. When we
17 hear them in the news, you know, they want to start
18 up a good environmental usage of wind generation,
19 and boy, we are windy up here. So that would
20 probably help with our -- the cost of energy. And
21 the way we deliver fuel here, sometimes it takes
22 over a month from the barge out there because we
23 have some -- we have a shallow lagoon, and that
24 takes a lot of time to try to get fuel here. That's
25 one of our big problems that we have.

1 MR. LOMAN: Would you support
2 offshore wind generation?

3 MS. MARIE TRACEY: This is the first
4 time I hear of offshore wind generation.

5 MR. LOMAN: It's actually --
6 actually, the countries that have the most wind
7 generation, some of them have their -- the
8 generation offshore. You know, they do these
9 studies to see where the wind is steadiest and
10 strongest at certain levels, and sometimes it ends
11 up being offshore.

12 I know when I flew into Amsterdam, there
13 are a number of huge wind generation windmills out
14 in the ocean off the coast of the Netherlands. So
15 I've seen them. They are impressive. And then, of
16 course, you know, by putting them offshore, they are
17 not impacting anything that is going on on land.
18 You have got plenty of room on land.

19 MS. MARIE TRACEY: Yeah.

20 MR. LOMAN: Some places don't. Yes,
21 sir.

22 MR. JULIUS REXFORD, SR.: You see
23 that tower over there? That's a wind monitoring
24 tower, and it's been there three years now. And we
25 have been considered to -- to install wind

1 generators in our community. Just the funding. And
2 I believe the North Slope Borough is looking into,
3 you know, purchasing a wind generation tower. So I
4 recently received the types of wind generators. I
5 was mailed the wind generator types that I need to
6 look through and see which -- which ones would be
7 adequate for our village. So it's just funding.
8 And you know, we just need the funding source.
9 That's it. And the borough is looking into a grant
10 to get this wind generation going down here.

11 MR. LOMAN: Thank you. Any other
12 comments?

13 MR. JULIUS REXFORD, SR.: One more?

14 MR. LOMAN: Sure.

15 MR. JULIUS REXFORD, SR.: I'm against
16 all offshore drilling or exploration.

17 MS. MARIE TRACEY: A whaling captain.

18 MR. LOMAN: In the Arctic Ocean,
19 right?

20 MR. JULIUS REXFORD, SR.: In the
21 Arctic, either Beaufort, Chukchi, Bering. Anywhere.

22 MS. MARIE TRACEY: That's where our
23 mammals travel.

24 MR. LOMAN: You are not against it in
25 California, for example?

1 MR. THOMAS NUKAPIGAK: It depends.

2 MR. JULIUS REXFORD, SR.: It depends.

3 I can't speak for California.

4 MR. LOMAN: All right. Fair enough.

5 I'm sorry.

6 MR. ANTHONY NEAKOK: Do they do any
7 bowhead whaling out in California?

8 MR. LOMAN: They do whale watching in
9 California. It's a tourist industry.

10 MR. ANTHONY NEAKOK: Somebody should
11 go for that.

12 MR. LOMAN: Well, you know, some of
13 the whales that they watch migrate from the Arctic,
14 so there is an extension.

15 MR. JULIUS REXFORD, SR.: Are you
16 guys going to be in Anchorage for that whaling
17 meeting? Are you doing any --

18 MR. LOMAN: The open water meeting?

19 MR. JULIUS REXFORD, SR.: With Alaska
20 Eskimo Whaling Commission.

21 MR. LOMAN: In March?

22 MR. JULIUS REXFORD, SR.: Yes, in
23 March.

24 MR. LOMAN: Yes. We are going to
25 have representatives there, yes, sir.

1 MR. JULIUS REXFORD, SR.: Me and
2 Thomas is going to be in that meeting, Thomas
3 Nukapigak and I.

4 MR. TORSTEN MAYRBERGER: My name is
5 Torsten Mayrberger. The exploration, the future
6 possible exploration is gas driven, is that correct?

7 MR. LOMAN: They believe the Chukchi
8 is gas prone. Gas prone. And everybody, I think,
9 knows about the proposed natural gas pipeline, the
10 one that the State has been -- and federal
11 government has been working on but has not been
12 built. It is believed that the -- without the
13 natural gas from the offshore component, the
14 pipeline may not be a viable project. At a minimum,
15 the economic analysis shows that without the
16 offshore component of natural gas, that proposed
17 pipeline -- pipeline's life would be very limited,
18 as is the life of TAPS. TAPS has a lifeline -- life
19 expectancy. It's in decline now, less than half of
20 its volume. And without the offshore component,
21 TAPS will end sooner than later.

22 I'm sorry. Go ahead.

23 MR. TORSTEN MAYRBERGER: I'm just
24 wondering if the people understand the difference
25 between oil driven -- or the liquid petroleum as

1 opposed to the gas petroleum. And also since the
2 large finds in the Gulf of Mexico and off Brazil,
3 the need for the market for North Slope gas is not
4 as hot as it was when prices were high. So the
5 development of these areas may be quite a while in
6 the future, is that correct?

7 MR. LOMAN: That's -- I've read that,
8 yes. Well, if there aren't any other comments, I
9 sure --

10 MR. THOMAS NUKAPIGAK: Has there been
11 any studies on the ice? I mean, with MMS.

12 MR. LOMAN: Studies on ice?

13 MR. THOMAS NUKAPIGAK: Yeah.

14 MR. LOMAN: On-ice seismic? On-ice
15 cleanups?

16 MR. THOMAS NUKAPIGAK: Just the study
17 on the pressure ridges and -- the pressure ridges.

18 MR. LOMAN: The pressure ridges of
19 ice?

20 MR. THOMAS NUKAPIGAK: Yes.

21 MR. LOMAN: There -- there is a --
22 there has -- I've seen a study -- I haven't read
23 it -- that studies a number of attributes that ice
24 has. Pressure ridges may be one of them. Ice
25 behavior.

1 It's important, of course, when you are
2 talking about bringing a drill ship in or
3 development -- or an actual oil rig for development,
4 you have got to be able to manage that ice. And so
5 for that purpose, there have been studies that have
6 studied the attributes of ice, the behavior and the
7 physical attributes of ice, yes, sir.

8 MR. THOMAS NUKAPIGAK: The reason
9 why I brought that out, back in 1930s up there in
10 Barrow, they had about how many houses way up above
11 the bluff, sod houses. And pressure ridges from the
12 ice, the ocean, came up about 2- or 300 feet in the
13 air and smashed all the houses of sod. And what
14 will happen if that ever occurred to an oil rig?
15 There goes the oil spill. And I don't want to see
16 that.

17 MR. LOMAN: We -- we were told about
18 that incident or that occurrence in -- that you just
19 mentioned during scoping. Like I said earlier, I'm
20 not here to talk anybody into anything, but I do
21 know from discussions with the oil industry
22 representatives and from my own reading on the
23 subject that the capability exists to manage ice in
24 general. Some 200-foot-long piece of ice that has
25 the ability to go up a ridge and smash houses is

1 certainly a daunting task. And I don't think that I
2 would go as far as saying that anybody has that
3 capability. So --

4 MR. THOMAS NUKAPIGAK: Yet you want
5 to lease these areas where pressure ridges can occur
6 like this.

7 MR. LOMAN: It's being proposed.

8 MR. THOMAS NUKAPIGAK: I mean, you as
9 MMS are going to do the leasing to these oil
10 companies. And for that to happen, it's pretty
11 scary.

12 MR. LOMAN: Has industry been here
13 and talked -- because you -- it gets into the
14 prevention equipment technology. Have they
15 explained how an oil production platform operates
16 when it experiences a catastrophic event like the
17 hurricanes in the Gulf where the platforms were
18 literally damaged? Or for example, during the first
19 Gulf War, there were special warfare units that had
20 to take out oil platforms where Iraqi Army artillery
21 were firing surface-to-air rockets. Those platforms
22 were destroyed completely, yet there was no oil
23 spill. And the reason for that -- my simple
24 explanation of it is they have a very heavy,
25 hundreds of thousands of pounds plug that plugs that

1 and prevents the spill. But that's a poor
2 explanation.

3 And I know Shell and ConocoPhillips and
4 some of the other industry reps have gone to
5 communities and explained how that equipment works.
6 And I encourage you to -- to attend one of their
7 events and -- or have them explain that in detail.
8 Have their engineers explain it, and that might give
9 you some idea of what their capabilities are.

10 MS. JOANNE NEAKOK: JoAnne Neakok,
11 for the record. I work for the corporation, but I
12 feel I have a -- I have a voice to say that, you
13 know, even if we have these alternatives, like that
14 are put out here on maps, is there -- is there a way
15 why it's been put alternatives or -- I mean, I'm
16 just questioning why they put in alternatives. Do
17 we not have any alternatives even if, you know, we
18 give our testimonies to voice out saying that we,
19 you know, do not agree with these leases?

20 It sounds like to me that, even if these
21 are alternatives, it sounds like we wouldn't have
22 any -- any alternatives you have any choice to --
23 even if we have a voice to say, you know, hear me
24 out, we really don't like this idea. But, you know,
25 I wish there would have been more care from our

1 community to come and voice out their -- you know,
2 express out their answers to this negative fact that
3 we all, you know, carry around, even if we have
4 heard it, you know, over and over.

5 And I feel like, you know -- I feel for the
6 people in Valdez. We have heard about it. And you
7 hear that, you know, if we do have this lease
8 happen, you know, it's going to really hurt our
9 lifestyle and our culture.

10 MR. LOMAN: Well, it's the law. The
11 National Environmental Policy Act requires that
12 agencies consider the no action alternative. And if
13 you are opposed to offshore leasing, the no action
14 alternative is the alternative that fits best with
15 your position. However, it's not a democracy. So
16 everyone, every citizen, every visitor, every worker
17 of the North Slope Borough can come to the meetings
18 that we hold and they could all say I think the risk
19 is too great, I want Alternative No. 1, the no
20 action alternative.

21 The decisionmaker, the Secretary of
22 Interior, can still move ahead under the law and do
23 it anyway. Of course, the President, because we are
24 part of the Administration, can stop it. Congress
25 can pass laws and stop it. Congress passed the

1 Outer Continental Lands Act that governs most of
2 what my agency does, OCSLA, Outer Continental Shelf
3 Lands Act.

4 And the National Environmental Policy Act
5 is what requires us to prepare this environmental
6 impact statement. But the Outer Continental Shelf
7 Lands Act requires our agency to develop these
8 resources in an expeditious and environmentally
9 sound and safe manner. That's our charge. And the
10 National Environmental Policy Act requires us to
11 hold this hearing so that your voice is heard.

12 And in the end, all I can say is we will
13 make sure that an honest, straightforward answer is
14 given to the decisionmaker with regard to the people
15 in the communities closest to the activities that
16 are being proposed. And it's my opinion, based on
17 now well over a dozen meetings in the North Slope
18 Borough, that the people that have attended those
19 meetings are opposed to offshore oil and gas
20 development.

21 MS. JOANNE NEAKOK: And for
22 Alternative 1.

23 MR. LOMAN: Alternative 1, yes,
24 ma'am.

25 MR. LOMAN: Any other comments?

1 Well, I'd like to thank you for coming. Thank you
2 for your thoughtful and helpful comments. We
3 appreciate it. And we will get back in touch with
4 you with respect to the answer for this -- what
5 appears to be a gate in -- a break in that
6 Alternative No. 3, the coastal deferral for the
7 Chukchi Sea.

8 MR. WILLARD NEAKOK: I also am with
9 Julius' comment earlier that, you know, I'm also in
10 support with any other villages that might be
11 opposing any alternatives because they also probably
12 will bring up their concerns that they have as we
13 have done here tonight. I'm sure there will be a
14 lot of opposition on the drilling. Even also on the
15 Beaufort Sea side, too, because I know Nuiqsut and
16 Kaktovik, you know, they have a lot of opposition on
17 any -- anything that goes on there because, you
18 know, they are -- Nuiqsut, they are covered by three
19 sides, and the ocean is their last hopeful -- at
20 least having someplace to enjoy themselves because
21 they have to go, like, 30, 40 miles away just to
22 hunt.

23 MR. LOMAN: We held a hearing in
24 Nuiqsut a couple weeks ago. You are correct.

25 MR. WILLARD NEAKOK: It was just

1 like, you know, just like lease sales are taking
2 away their last real enjoyment of being Inupiat,
3 being an Eskimo, to enjoy the things that we have
4 enjoyed, our ancestors have enjoyed. You know,
5 I'm -- you know, I grew up in Anchorage, and seeing
6 those oil rigs down in Cook Inlet, you know, I would
7 go down to -- down to the dock and go watch the
8 belugas go by, you know, almost daily every summer.
9 And nowadays with all those oil platforms down
10 there, now they are even considering the beluga
11 population down there in Cook Inlet to be
12 endangered. And I don't want that to happen up
13 here.

14 Those oil platforms have been down in that
15 area for, you know, a long time, longer than -- they
16 have been there now -- you know, the belugas, their
17 pods are depleting. I just don't want to see that
18 happen up here because we have good -- good sizable
19 stocks here, and I want -- you know, I want them to
20 continue to be a healthy stock.

21 You know, maybe back in the '40s, '50s when
22 they put the oil rigs there in Cook Inlet they
23 didn't think about what's going to happen to the
24 migration of certain animals. They were just
25 looking for dollar signs down in the oil.

1 I know that we are having a demand for
2 hydrocarbons but, you know, do it on land first
3 before we have to go out to the ocean. And
4 hopefully the technology will be there for our
5 future kids to understand to where, okay, I think
6 this will be a safe way to drill or alternative way
7 of directional drilling. The directional drilling
8 they can go out quite a ways, too. But I can see
9 drill rigs out at Icy Cape or down south Cape
10 Lisburne area.

11 But you know, I just -- you know, any other
12 village, you know, opposes any sea sales, you know,
13 I'd like to join them on the record, too.

14 MR. LOMAN: Thank you.

15 MS. MARIE TRACEY: Marie Tracey, for
16 the record. You know, Point Lay has a lagoon. I
17 believe it's the biggest lagoon in the world. It's
18 100 miles long. And it's like a sanctuary for our
19 animals and mammals that travel back and forth. We
20 have got a lot of nesting areas out there. And the
21 beluga do come into our lagoon, seals, walruses,
22 too. It's just an abundance of wildlife. And I
23 would hate to see that waste away because one of
24 the -- if we have a big fuel spill up here, because
25 I don't think -- once it's polluted, it will never

1 get back to what it is now.

2 I know that Prince William Sound has not
3 recovered, and I don't think it will ever recover to
4 its full potential like it was before the fuel spill
5 down there.

6 I'm against any drilling, even over there
7 at the Beaufort Sea. I know how Kaktovik is against
8 any kind of drilling over there. And they are
9 always voicing their opinion about trying to protect
10 our lagoon, our 100-mile lagoon. And I will support
11 any village out there that is against any kind of
12 drilling in our ocean because I believe that would
13 hinder our way of life.

14 And thank you all for coming up here to
15 listen to us. And I'm glad we have nice weather for
16 you.

17 MR. LOMAN: I'm glad of that, too.
18 Thank you.

19 MR. BILL TRACEY, SR.: My final
20 statement, I guess. It's -- you know, you have
21 heard us tonight. And it's almost -- if not
22 complete majority rule here, that Alternate No. 1 is
23 the preferred alternative. But we are so few. We
24 are so few voices. And we don't get to make the
25 final decision. So if the lease sale comes to be --

1 I appreciate a lot of these deferrals that you have
2 because it shows that you have listened. You have
3 been here before. You have got some people working
4 with you that pretty much understand the subsistence
5 lifestyle up here, the migration of mammals, and it
6 shows on your map.

7 I guess if it's a go, they are going to
8 drill up here -- I know drilling for gas is the -- a
9 lot different than it is for oil. It's not so messy
10 if it leaks out. But could we possibly put buffers
11 on some of these alternates? Like three and four,
12 they are sizable. But if you can put a buffer
13 around them and make them just a little bit bigger,
14 if that's all we can get, then I guess if we have to
15 settle for something, we would like to settle for a
16 little more protection.

17 MR. LOMAN: I understand. Thank you.
18 Well, thank you very much. We appreciate it, and we
19 look forward to moving ahead with this project.
20 Tomorrow we go to Point Hope where we will hold our
21 last public hearing.

22 The deadline for submitting comments has
23 been extended pursuant to a request from Mayor Itta
24 to March 30th. It's a substantially large document,
25 2,400 pages. And those who are really going to

1 scrutinize it wanted the time to do that and make
2 the written comments.

3 Albert has the addresses, both mail and
4 e-mail addresses, and a form that you can use to
5 submit comments if you want to submit comments in
6 writing. A lot of times people take that form with
7 them in case they remember something at 3:00 in the
8 morning tomorrow or later. You can jot it down,
9 throw it in the mail or e-mail us written comments.
10 We will take them on this project all the way up
11 until the end of March or the end of March 30th.

12 MR. ALBERT BARROS: I'll leave the
13 forms with Thomas so they will be available in the
14 community after we leave. I'll leave them with
15 Thomas.

16 MR. LOMAN: Good idea. Thank you.
17 Thank you all for coming. Appreciate it very much.
18 And have a good night.

19 (Proceedings adjourned at 8:19 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
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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
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day of _____ 2009.

MARY A. VAVRIK,
Registered Merit Reporter
Notary Public for Alaska

My Commission Expires: November 5, 2012

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