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[EXTERNAL] ASRC Comments on the ANWR Leasing EIS

Janowski, Tyler <tjanowski@asrc.com>

Tue, Jun 19, 2018 at 8:50 PM

To: "blm_ak_coastalplain_EIS@blm.gov" <blm_ak_coastalplain_EIS@blm.gov>

Cc: "Hayes, Miriam (Nicole)" <mnhayes@blm.gov>, "Imm, Teresa" <timm@asrc.com>

To whom it may concern,

Attached are Arctic Slope Regional Corporation's comments on the Bureau of Land Management's (BLM) Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for an oil and gas leasing program in the 1002 Area of the Arctic National Wildlife Refuge (ANWR). ASRC is supportive of BLM conducting a thorough and robust review of potential impacts from leasing in the Coastal Plain of ANWR as required by the National Environmental Policy Act (NEPA). ASRC supports future leasing and resource development in the 1002 Area of ANWR that is conducted in an environmentally sensitive and culturally responsible manner and in consultation with local stakeholders, specifically the community of Kaktovik.

Please see the attached comments.

Thank you,

**Tyler Janowski on behalf of Teresa Imm**

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Email: TJanowski@ASRC.com**ASRC ANWR EIS Comments.FINAL.PDF**

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June 19, 2018

Bureau of Land Management
Attn: Coastal Plain Oil and Gas Leasing Program EIS
222 West 7th Ave., Stop #13
Anchorage, Alaska 99513

Submitted via post and blm_ak_coastalplain_EIS@blm.gov

SUBJ: Arctic National Wildlife Refuge Coastal Plain EIS Public Scoping Comments

To whom it may concern:

This letter provides comments from Arctic Slope Regional Corporation (ASRC) on the Bureau of Land Management's (BLM) Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for an oil and gas leasing program in the 1002 Area of the Arctic National Wildlife Refuge (ANWR). ASRC is supportive of BLM conducting a thorough and robust review of potential impacts from leasing in the Coastal Plain of ANWR as required by the National Environmental Policy Act (NEPA). ASRC supports future leasing and resource development in the 1002 Area of ANWR that is conducted in an environmentally sensitive and culturally responsible manner and in consultation with local stakeholders, specifically the community of Kaktovik.

ASRC submits these comments to assist BLM in their scoping efforts and to inform BLM's NEPA analysis. ASRC is currently engaged in Alaska Native Claims Settlement Act (ANCSA) Corporation Consultation with BLM on the ANWR EIS and considers these comments supplemental to our input during the consultation process.

I. Background

About ASRC

ASRC is an Alaska Native Regional Corporation created at the direction of Congress under the terms of ANCSA of 1971. ANCSA directs ASRC and other ANCSA corporations to use the North Slope's natural resources to benefit the Iñupiat people financially and culturally. Consistent with this legislation, ASRC is a for-profit business that is committed to providing sound returns to our shareholders and to preserving our Iñupiat way of life, culture, and traditions. ASRC has a shareholder base of approximately 13,000 Iñupiat and owns approximately five million acres of land on Alaska's North Slope. Of that total, ASRC owns approximately 92,000 acres of subsurface rights to the land that lies within the 1002 Area of ANWR. In the unique framework created by ANCSA and Alaska National Interest Lands Conservation Act (ANILCA), Congress expected that Alaska Native regional corporations, including ASRC, would be responsible for developing the

economic infrastructure, including management of abundant natural resources on and under the lands conveyed to them, to provide for the economic well-being of Alaska Natives. As such, ASRC and Kaktovik Iñupiat Corporation (KIC) are entitled to develop our lands and natural resources under ANCSA, the Alaska National Interest Lands Claims Act (ANILCA), and the 2017 Tax Act.

ASRC operates in the challenging Arctic environment on a daily basis; we are experts of this environment and uniquely qualified to comment on activities occurring in the Arctic. ASRC is committed both to increasing the economic and shareholder development opportunities within our region, and to preserving the Iñupiat culture and traditions that strengthen both our shareholders and ASRC—future leasing and responsible resource development within the 1002 Area falls within this framework. Since its inception, ASRC has built businesses to provide employment opportunities and dividends for our shareholders. At the same time, ASRC has integrated the preservation of the Iñupiat cultural and traditional practices into the ASRC business model. This balance is reflective of many of ASRC’s investments across the North Slope as we endeavor to secure a future in the economic opportunity in our region while maintaining our subsistence culture and way of life. To carry out its mission, ASRC and its subsidiaries are active participants in North Slope and Alaska OCS oil and gas exploration, development, and production. The oil and gas industry is the source of many jobs for ASRC’s Iñupiat shareholders and of many contracting opportunities for ASRC companies. This includes contracting work in oil field developments, regulatory permitting, engineering, pipeline design and maintenance, property leasing, and spill prevention and response. We maintain that development of Alaska’s resources can proceed safely, while protecting the Arctic environment and subsistence culture of its Alaska Native population—safe and responsible development has been occurring across the North Slope for over 40 years and can be accomplished in the 1002 Area.

About the 1002 Area of the Arctic National Wildlife Refuge

The 1002 Area is a 1.6 million acre portion of the approximate 19 million acre refuge. This small fraction of ANWR, sometimes referred to as the Coastal Plain or 1002 Area, is outside of the wilderness area of the refuge and was set aside during ANILCA due to its resource potential.¹ In 1987, the Department of Interior (DOI) determined that the 1002 Area of ANWR was “the most promising onshore oil and gas exploration area in the United States.”² This assessment was based on five years of baseline biological studies, surface geological studies, and two seasons of seismic exploration surveys. The conclusion of the 1987 report was a recommendation for leasing of the entire Coastal Plain.

The only community that lies within the 1002 Area and the entire Arctic National Wildlife Refuge is the Native village of Kaktovik. Kaktovik has a population of approximately 300 people, referred to as Kaktovikmiut. The majority of the residents are Iñupiat, shareholders of ASRC, and shareholders of Kaktovik Iñupiat Corporation (KIC). Subsistence is active and centric in the community through the harvesting bowhead whales, ice seals, polar bears, caribou, fox, fish, waterfowl, and other wildlife. ASRC, the NSB, and Voice of the Arctic Iñupiat (VOICE) have all

¹ See ANILCA Section 1002.

² Arctic National Wildlife Refuge, Alaska, Coastal Plain Resource Assessment. April 1987.

issued resolutions in support of opening the 1002 Area for oil and gas leasing; both the Native Village of Kaktovik and KIC signed on to the VOICE's resolution in support of opening ANWR³.

Under the 2017 Tax Act, BLM is required to administer an oil and gas leasing program in the 1002 Area similar to the oil and gas program managed in the National Petroleum Reserve Alaska (NPRA). Like the NPRA, the 1002 Area is within the highly sensitive and challenging Arctic environment. Through the close coordination with local Alaska Native stakeholders and industry, BLM can manage the diverse activities in ANWR that both protects this unique environment for future generations and provides the statutory and regulatory means for oil and gas exploration and development to occur at the benefit of the local people. ASRC encourages BLM to utilize the lessons learned from their co-management of NPRA to inform future activities in ANWR. BLM should work with local stakeholders like the North Slope Borough, ASRC, KIC, Native Village of Kaktovik, the City of Kaktovik, and residents of Kaktovik to inform Best Management Practices and Lease Stipulations for the 1002 Area. ASRC recognizes that the legacy of safe exploration and development on State, Federal, and Native-owned lands across the North Slope for over 40 years will inform the management of activities in ANWR.

Legacy of Development across the North Slope

Resource development in the 1002 Area is not a novel concept. Seismic exploration occurred across the 1002 Area in the 1980s and an exploration well has been drilled in the 1002 Area. The prolific resource discovered in the 1002 Area is in a region that has demonstrated environmental stewardship, cultural preservation and growth, and a vibrant oil and gas industry can and do co-exist—the precedent setting efforts by Alaska Natives, industry, and agencies to reduce the environmental footprint of development, promote technical advancements, and install mitigation measures to protect wildlife, subsistence, and the environment have changed the nature and scope of resource development on the North Slope and the world. Although the 1002 Area has been off limits to resource development activities since the 1980s, development has occurred adjacent to the Coastal Plain in both Alaska and in nearby Canada.

For over 40 years, ASRC, the North Slope Borough (NSB), and the local community have been working towards opening this opportunity. While great care and sensitivity must be taken in resource development activities on all of our lands, the decades-long efforts to hone environmentally and culturally responsible resource development in our region is an asset to future development in the 1002 Area. The nature of Arctic development (isolated location, harsh environmental conditions, absence of roads, and overall respect for the environmental and cultural activities) triggered seemingly light-years of technological advancements and an evolution of environmental mitigation which makes up today's development. The advancements in industry spurred by local people have made the type of low impact development necessary in the 1002 Area a reality and made development limited to a 2,000 acre surface footprint a possibility. Alaska Natives have worked tirelessly to shape development in our region and the same tools we have put in place in Prudhoe Bay, Alpine, Kuparuk, Point Thomson, and offshore will be incorporated into any future activity in the 1002 Area. ASRC emphasizes this long history to showcase not only the pivotal role Alaska Natives have played in setting the standards for

³ Available here: <https://mailchi.mp/602db9f34013/voice-passes-resolution-supporting-anwr-development>

responsible development in our region, but to stress that resource development activities in the 1002 Area will not occur haphazardly, but will be the outcome of decades of diligence to reduce the environmental footprint, preserve our Iñupiat culture, and to secure a benefit in local development for the local people.

II. ANCSA Corporation Consultation

In adherence to Executive Order 13715, Congressional mandate, *DOI Policy on Consultation with ANCSA Corporation* and *DOI Policy on Consultation with Indian Tribes*, DOI and its agencies are required to consult with ANCSA Corporations in a meaningful manner on any Departmental action that could have substantial direct effect or limit the ANCSA Corporations ability to participate in Departmental programs. This consultation is intended to create effective Federal decision-making and “to help ensure Federal action is achievable, comprehensive, long-lasting, and reflective of ANCSA input.”⁴ BLM has invited ASRC to consult on the Leasing EIS and we look forward to continuing to build a collaborative partnership throughout the ANWR NEPA process.

In addition, ASRC also recognizes that BLM has an independent and important obligation to consult with KIC and Native Village of Kaktovik (NVK) as the Village Corporation and tribal entity, respectively. ASRC encourages BLM to maintain this commitment and is available as a resource to facilitate meaningful consultation between BLM and these local entities. It is the residents of Kaktovik who live, hunt, and raise their families in the 1002 Area; it is the Kaktovikmiut whose allotments spread across the 1002 Area and whose ancestors are buried here. Comments from KIC, NVK, and the Kaktovikmiut should be highly valued by BLM and inform BLM’s decision-making.

III. Scoping Comments

To assist BLM in their scoping efforts, ASRC has identified the following areas to provide comments on. ASRC also elects to supplement these comments through consultation and through the public process. ASRC’s comments will address the following:

- A. Traditional Knowledge
- B. Potential Impacts from Leasing
- C. Impact Aid
- D. Health Assessment
- E. Local Access
- F. Native Allotments within ANWR and the 1002 Area
- G. Leasing: Size of Leases, Areas for Leasing, and Mitigation Measures
- H. NEPA Efficiencies

A. Traditional Knowledge

Throughout the development of the Leasing EIS, ASRC expects that BLM consider the history of Traditional Knowledge (TK), which is based on generations of observations of the environment, ecosystem, and the animals, which inhabit our lands to inform their analysis. Traditional

⁴ DOI Policy on Consultation with ANCSA Corporations. 2012.

Knowledge has sustained Arctic indigenous cultures for daily activities and during times of adversity for a millennia. When incorporated into Arctic oil and gas development projects and into the assessment of these projects, it can improve operating practices, safety procedures, and emergency and environmental response systems. In addition to the environmental data that has been collected over the decades, traditional knowledge should be a key source of information in assessing impacts and also supporting appropriate mitigation to minimize potential impacts to the environment and animals, especially those terrestrial animals and birds harvested for subsistence. This information is especially critical to understand our subsistence way of life and its co-existence with culturally responsible exploration and development. Traditional Knowledge has informed co-management practices and mitigation measures which have worked to improve the resource development industry in our region while ensuring that the subsistence lifestyle of the Iñupiat people continues to thrive. ASRC recommends that BLM solicit feedback from the KIC, Native Village of Kaktovik, local subsistence hunters, Voice of the Arctic Iñupiat, the North Slope Borough, and ASRC in order to incorporate Traditional Knowledge more fully into their NEPA analysis.

B. Potential Impacts from Leasing

In their NEPA analysis, BLM should evaluate all potential impacts from oil and gas leasing in the 1002 Area, particularly impacts that may affect the subsistence, cultural and environmental resources, caribou, polar bear, and the economy. While the North Slope region has been the home of a booming oil and gas industry for over 40 years, for millennia before oil was discovered at Prudhoe Bay, the Arctic was home to the Iñupiat people. The vibrant oil and gas industry in our region is maintained and successful alongside our robust Iñupiat culture; the continued success of the local industry is dependent on our thriving culture.

Subsistence

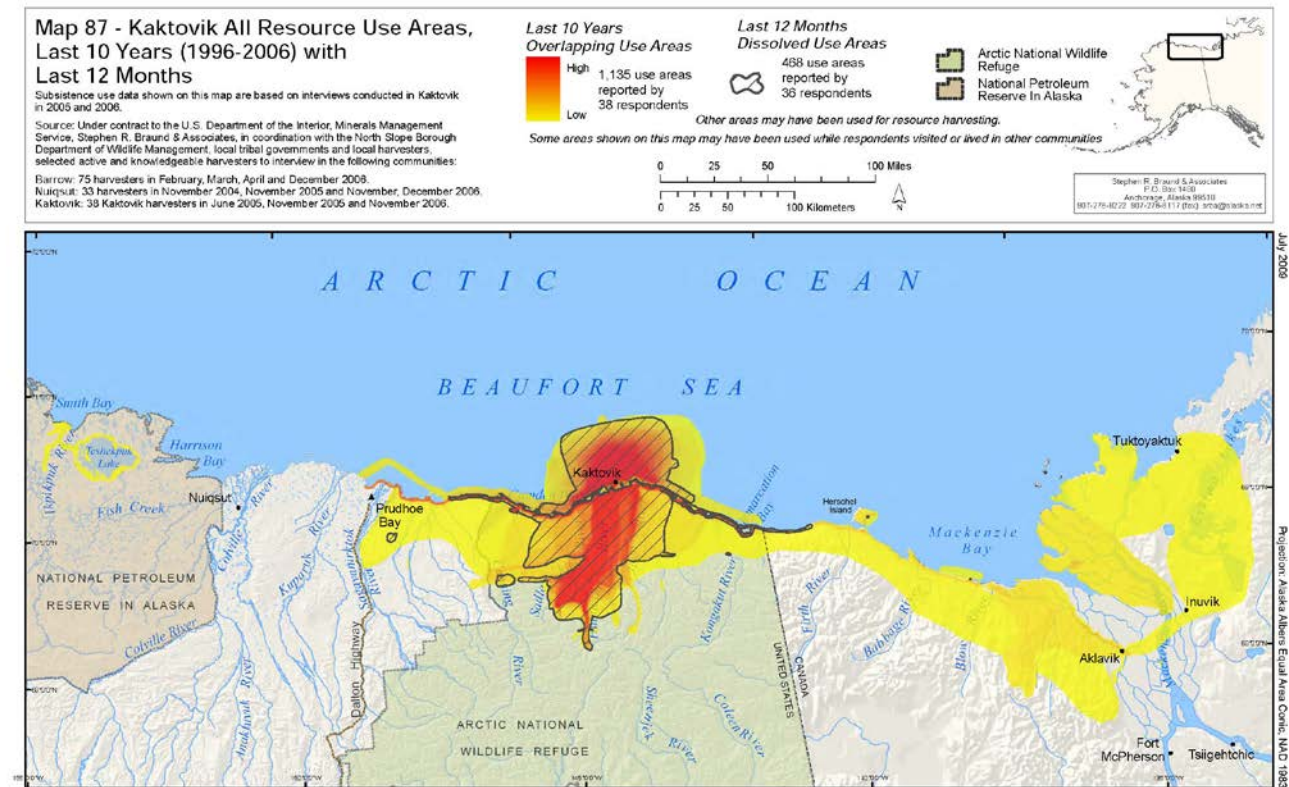
BLM should carefully examine how leasing may potentially effect the subsistence way of life of the Kaktovikmiut and on their traditional subsistence use areas. Through consultation with local subsistence users, BLM can make informed decisions regarding leasing and identify subsistence use areas well in advance of prospective leasing. Within the community, the primary source of subsistence resources harvested by household are Bowhead whale, Arctic cisco, Arctic char, caribou, and geese.⁵ As a coastal community, the Kaktovikmiut rely heavily on marine mammals such as the Bowhead whale and ice seals for sustenance⁶. Although subsistence hunting occurs year-round in Kaktovik, subsistence is most active in the months of July, August, and September⁷—generally centered on whaling and migratory patterns of fish and wildlife. Though offshore resources may not be directly impacted by prospective leasing, BLM should take care to assess all potential impacts and listen closely to the local Kaktovik hunters on important subsistence use areas and valuable subsistence resources.

⁵ Social Indicators in Coastal Alaska: Arctic Communities. OCS Study BOEM 2017-035. Braud, Stephen. May 2017. Page 111 – 115.

⁶ Effects of Oil and Gas Activities in the Arctic Ocean, Final Environmental Impact Statement. National Marine Fisheries Service. October 2016. Page 4-209.

⁷ Social Indicators in Coastal Alaska: Arctic Communities. OCS Study BOEM 2017-035. Braud, Stephen. May 2017. Page 140

Figure 1: Subsistence Use Areas in Kaktovik, April 2010.⁸



The above figure indicates subsistence use areas surrounding Kaktovik from 1996-2006, BLM should build on the available data to inform their analysis of subsistence practices in Kaktovik. Other possible sources for subsistence usage in and around Kaktovik include the 2014 NSB Comprehensive Development Plan for Kaktovik, the 2015 FWS ANWR Comprehensive Conservation Plan, and through consultation with local subsistence hunters. ASRC also recommends that BLM narrow their NEPA analysis when possible and consider the direct impact to subsistence from leasing activities and subsequent post-leasing activities. ASRC understands that subsequent NEPA reviews will assess potential impacts from development activities and other activities after a lease sale occurs. In ASRC's experience the immediate post-lease activities are generally exclusive to the winter season. BLM should consult with local subsistence hunter on the seasonality of subsistence activities in and around Kaktovik and ways these activities may be impacted by leasing. BLM should also work with local subsistence hunters to identify subsistence use corridors and setbacks, if any, are necessary at this stage of leasing. Outside of the 1002 Area, operators have successfully working to reduce and avoid impacts by employing subsistence advisers, participating in subsistence advisory panels, and working with local hunters directly to identify valuable subsistence use areas. BLM should incorporate these measures into future leasing activities.

We realize that throughout the scoping period threats to subsistence hunting have garnered much attention, even from subsistence users outside of the 1002 Area. ASRC is intimately aware of the social and cultural importance of subsistence and does not regard any potential impacts lightly as

⁸ Subsistence Mapping of Nuiqsut, Kaktovik, and Barrow. MMS OCS Study Number 2009-003. April 2010.

it is ASRC's shareholders who are the hunters that will be impacted. However, ASRC is also aware of the abundant data and traditional knowledge which is used to minimize impacts. Our Iñupiat culture depends upon a healthy ecosystem and the subsistence resources it provides. Yet, at the same time our communities depend on current and prospective oil and gas development for a sustained North Slope economy. We do not view these as mutually exclusive activities; rather, both as critical to sustain our communities and shareholders. The working collaboration between subsistence hunters and industry is an integral piece to successful operations and a successful hunt.

While some raise concerns over “cultural genocide”, ASRC and the Iñupiat people have been living with an active resource development industry in our region for decades and our culture is robust and thriving. In fact, industry helps support subsistence and the continuation of our Iñupiat culture through many mitigation measures and social programs—many of these programs were designed by our elders who had the foresight to recognize the benefit of co-existence and the potential of all of our resources to help sustain our people, whether they be the massive oil and gas potential in our lands and waters, the abundant animals and wildlife we rely on for sustenance, or the unique Arctic environment. With Traditional Knowledge, consultation with local hunters, and the use of relevant data, BLM can ascertain important subsistence resources, areas, and seasonality of subsistence activities which should be considered with respect to leasing.

Cultural & Environmental Resources

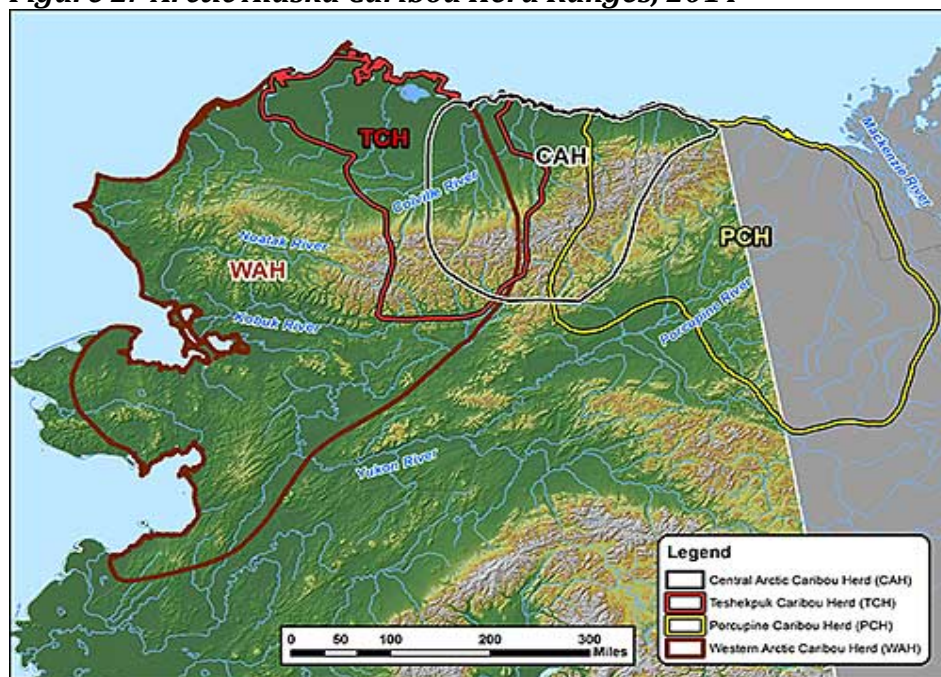
As part of their analysis, BLM should work with the Kaktovikmiut to identify important cultural and environmental resources in the 1002 Area. BLM should note important cultural resources and subsistence corridors and determine through consultation with the community which areas may be inappropriate for leasing or require set-backs—ASRC is supportive of this engagement and the Kaktovikmiut's role in determining these areas. Particularly, in the Leasing EIS, BLM must address avoidance of important cultural resources, cabins, Native Allotments, and other traditional use areas. BLM should also identify rivers, streams, and throughways in the 1002 Area which are important for the community and may require setbacks in order to preserve the environmental integrity and cultural significance of these areas. ASRC looks forward to BLM's analysis on potential impacts from leasing on these resources and is available as a resource to facilitate BLM's analysis of these topics and BLM's engagement with the Kaktovikmiut. As BLM works to analyze impacts to the cultural and environmental resources from leasing, ASRC also recommends that BLM consider the positive impacts from leasing activities such as improved access for the local peoples for subsistence and transportation and the potential economic growth in the region which leasing activities may stimulate. ASRC has heard from the community that these are important countervailing impacts of leasing to the community. ASRC expects that in the course of BLM's analysis, BLM will consider the full suite of impacts expected from leasing activities on cultural and environmental resources, and other impacts identified by BLM.

Caribou

Caribou inhabit the 1002 Area and are an important subsistence resource for the Iñupiat people and our Gwich'in neighbors in both Canada and Alaska; potential impacts of leasing on caribou should be closely considered by BLM in their Leasing EIS. Both the Porcupine Caribou Herd (PCH)

and the Central Arctic Caribou Herd (CAH) utilize the 1002 Area and are harvested by Alaska Natives (See Figure 2). The Porcupine Caribou Herd have been known to calve in the 1002 Area of ANWR and throughout the Arctic Coastal Plain across northern Canada; the PCH are versatile in their calving and migration patterns across Northern Alaska and Northwest Canada. The Alaska Department of Fish and Game (ADFG) collects data on the calving patterns of the PCH which should be included in BLM's analysis. In 2018, this data showed that calving for the PCH did not occur in the 1002 Area and in previous years calving in the 1002 Area has been infrequent. The Central Arctic Caribou Herd calve in Prudhoe Bay and migrate across the 1002 Area, ANWR, and south to be harvested by the Gwich'in; the Central Arctic Herd is a major source of subsistence hunting for both the Kaktovikmiut and the Alaskan Gwich'in. Both the CAH and PCH populations are stable and thriving. A recent July 2017 survey estimates the PCH at 218,000 animals⁹, a record high since population monitoring first began in the 1970s by the ADFG¹⁰. The CAH population is also thriving and although it is slightly declining, it is considered stable. Generally, caribou populations are known for dramatic changes. Once a herd becomes too large for its habitat, the herd will decline.¹¹ The CAH reached its peak population in 2010 at approximately 70,000 animals, and biologists estimate that the PCH will soon reach its peak population.

Figure 2: Arctic Alaska Caribou Herd Ranges, 2014¹²



⁹ Press Release, "Porcupine Caribou Herd Grows to Record High Numbers." Alaska Department of Fish and Game. January 2 2018. Available at:

http://www.adfg.alaska.gov/index.cfm?adfg=pressreleases.pr&release=2018_01_02

¹⁰ Memorandum, Porcupine Caribou Herd Calving and post-calving Surveys, June 2016. Alaska Department of Fish and Game.

¹¹ Porcupine Caribou News. Alaska Department of Fish and Game. Summer 2017. Available at:

http://www.adfg.alaska.gov/static/home/library/pdfs/wildlife/porcupine_caribou_news/porcupine_caribou_news_summer_2017.pdf

¹² Alaska Fish & Wildlife News. *Four North Slope Caribou Herds Counted, Behind the Numbers: How Are the Caribou.* Alaska Department of Fish and Game. August 2014. Available at:

http://www.adfg.alaska.gov/index.cfm?adfg=wildlifenews.view_article&articles_id=678

Despite concerns over the decimation of the caribou population from resource development, both the CAH and PCH have seen population increases alongside active resource development for decades. As mentioned above, the CAH calves in Prudhoe Bay, one of the most active onshore oil fields in North America and the PCH migrate through Canada's oil rich Mackenzie River Basin and Eagle Plain Basin. Both the PCH and CAH also experience a degree of "mixing"¹³, in other words, it is possible and likely that members of the PCH may calve and migrate through Prudhoe Bay with the CAH and vice versa. Despite the presence of oil and gas infrastructure and development, the populations of both herds have continued to increase unimpeded from the surrounding activity. ASRC credits this negligible impact from resource development on the carefully designed mitigation measures by Alaska Natives, industry, and the NSB, which are incorporated into resource development in our region. Through the use of science and Traditional Knowledge, thoughtful mitigation measures like a minimum height of seven feet for pipelines, road slopes designed for caribou crossing, positioning of roads, and pipeline-road setbacks are all ways Alaska Natives have successfully mitigated impacts to migrating caribou and ensured resource development is not a barrier to our subsistence way of life. The success of how these mitigation measures have addressed potential impacts to the CAH should provide BLM with a good analogue with respect to the PCH, which also has thrived in the face of development in nearby Canada. Since development of Prudhoe Bay began in the 1970s, the CAH has seen consistent increases in population levels indicating the small impact resource development has had on the calving grounds of the CAH.

During their NEPA process, BLM should analyze potential impacts to the CAH and PCH thoroughly, as well as the mitigation measures and design features that have successfully minimized disruptions to caribou and how similar measures may be appropriate in future development of the 1002 Area.

Polar Bear

Polar bears are common throughout the 1002 Area, particularly in the area surrounding Kaktovik; BLM should assess any impacts to polar bears from proposed leasing activities, especially impacts to denning polar bears. The population of polar bears within the 1002 Area is the Southern Beaufort Sea (SBS) polar bears; under the Marine Mammal Protection Act (MMPA) this stock of polar bears is considered depleted and is listed as threatened under the Endangered Species Act (ESA). The decline in population may be attributed to loss of sea ice due to climate change. The SBS stock spends the majority of the year near the coast, moving further offshore in the summer to the pack ice.¹⁴ The SBS stock have a large range from Point Hope to south of Banks Island and east of the Ballie Islands, Canada¹⁵; polar bears occur at low densities across their range. The 1002 Area is abundant in potential denning habitat. BLM should work closely with FWS to review the historical denning data in the 1002 Area and the most recent data on possible den location and

¹³ Available at:

http://www.adfg.alaska.gov/static/home/library/pdfs/wildlife/porcupine_caribou_news/porcupine_caribou_news_summer_2017.pdf

¹⁴ The Use of Sea Ice Habitat by Female Polar Bears in the Beaufort Sea. OCS Study, U.S. Geological Survey, Alaska Science Center, Anchorage, AK. 2004.

¹⁵ Alaska Marine Mammal Stock Assessments. National Oceanic and Atmospheric Administration, National Marine Fisheries Service. 2017.

patterns of polar bears; FWS recently conducted a FLIR survey in February 2018 over the 1002 Area, BLM should include the results of that survey in their analysis. Critical habitat for polar bears was originally designated in 2010¹⁶ which covers the majority of the 1002 Area, BLM should also assess how potential leasing activities can occur with minimal disruption to the Critical Habitat set aside for polar bears—similar measures that have been applied in nearby developments also in the Critical Habitat may be appropriate. In their analysis, BLM should utilize both historical and current data to understand how polar bears use the 1002 Area in order to determine potential impacts.

ASRC notes that through the robust mitigation measures established by the NSB, FWS, and BLM, impacts to polar bears have been negligible from resource development activities for decades. The mitigation measures that are incorporated into each project appear to be working successfully to minimize and altogether avoid disruptions to polar bears. Some of these mitigation measures include annual or pre-project FLIR surveys to identify dens, buffers placed around maternal den sites, and robust wildlife and polar bear interaction plans which include protocols on eliminating waste efficiently so as to not attract polar bears, employment of Iñupiat observers to identify polar bears and polar bear habitat early, and other procedures to ensure the safety of personnel and wildlife. ASRC encourages BLM to assess the existing mitigation and avoidance measures that are utilized in developments across the North Slope and consider how these may be applied to future activities in ANWR.

Although polar bears are not a major source of subsistence by the community of Kaktovik, subsistence hunting of polar bear occurs year-round along the coastline, though not as common in June, July, and August.¹⁷ BLM should evaluate how potential leasing activities may impact subsistence hunting of polar bears and ways these impacts have been successfully minimized in other areas. By coordinating with FWS, BLM can identify potential impacts and the history of mitigation measures which have been incorporated into FWS Incidental Take Regulations (ITRs) for the Beaufort Sea.¹⁸ The mitigation measures included in these ITRs have successfully minimized impacts to polar bears from resource development activities onshore and offshore, spanning Point Thomson to Alpine to Northstar. Due to the requirement for leasing under the 2017 Tax Act, FWS should update their Beaufort Sea ITRs to include future oil and gas leasing activities in the 1002 Area. ASRC feels the ITRs could be successfully applied in the 1002 Area and work to reduce impacts to polar bears as a result of leasing activities.

Economic Impacts

ASRC recommends that BLM fully weigh the direct and indirect economic impacts expected from leasing and resource development in the 1002 Area to the region, state, and national economy. Continued development of North Slope resources is critical to the economic stability of the North Slope; Alaska Native Corporations (ANCs), the NSB, and the State of Alaska all rely on resource

¹⁶ Designation of Critical Habitat for the Polar Bear (*Ursus maritimus*) in the United States, 75 FR 76086. December 2010.

¹⁷ Effects of Oil and Gas Activities in the Arctic Ocean, Supplemental Environmental Impact Statement. National Marine Fisheries Service. 2016.

¹⁸ Beaufort Sea Incidental Take Regulations, 81 FR 52276. August 2016.

development to sustain our economies. A thorough analysis of the diverse economic benefits from resource development and oil and gas leasing is prudent to include in BLM's assessment of impacts and ASRC looks forward to this being evaluated in depth.

First, BLM should evaluate the various direct benefit to Alaska Native Corporations of leasing and resource development in the 1002 Area. As land owners in the 1002 Area, Alaska Natives may benefit directly from development on our lands from adjacent lease owners through access, facility sharing, development on Native-owned lands to access Federal minerals, and contracting opportunities from leasing activities. Revenue to ANCs in turn provides direct benefit to the well-being of the local people and the monetary tools to support our way of life, including our subsistence culture. Beyond revenue, ANCs provide many of the support services to industry and through leasing in the 1002 Area the Native Village Corporation can work to build its capacity to meet the inevitable demand of support services exploration and development may require in the 1002 Area. This capacity building will create local jobs for Alaska Natives and residents of Kaktovik which contributes to the sustainable local economy. In turn, the higher-paying resource development jobs typically translate into more and better equipment for subsistence and more funds for fuel.¹⁹ Similar to development in other areas across our region, the presence of resource development has many economic benefits to local Alaska Natives, the local village corporation, and the regional Alaska Native Corporation which span from individual job opportunities, contracting for Native corporations, and opportunities for land owners. BLM should consider the potential direct and indirect economic benefits to Native landowners and local residents as a result of leasing activities and future development, these benefits are squarely aligned with the very design of Alaska Native Corporations and our right to economic self-determination.

Secondly, ASRC expects BLM to fully assess the benefit to the broader NSB as a result of development. For instance, over 90% of the NSB's operating budget is derived from royalties and taxation of North Slope production and throughput into the Trans-Alaskan Pipeline System (TAPS); the NSB budget is in direct correlation with continued resource development in our region. The presence of the oil and gas industry in our region is the economic base responsible for improvements to our cities and towns from third world conditions to modern day towns. Our community has been empowered by oil and gas development; it is the only viable industry within our region and the 1002 Area capable of sustaining our communities. While the hypothetical impacts to the eco-tourism and recreation industry have become topics of discussion and centric to advocacy campaigns regarding development in the 1002 Area, ASRC notes that the majority of eco-tourism and recreational companies that utilize the 1002 Area and the larger ANWR are not Native-owned or even based in ANWR. Much of the economic benefits from tourism and recreational activities do not stay in the region and the community of Kaktovik sees little to no benefit in terms of jobs or economic stimulation at the local level. Whereas, as a product of resource development activities in our region, the NSB is able to provide all of the essential services to the local communities, including: K-12 education, health clinics, sewage, refuse, fire department, wildlife protection, research, police services, search and rescue, emergency response services, and other community necessities. These modern day amenities should not be dismissed. In a simple comparison of local communities outside of the NSB which do not benefit from a

¹⁹ Subsistence Sharing Networks and Cooperation: Kaktovik, Wainwright, and Venetie, Alaska. OCS Study BOEM 2015-023. June 2016. Page 241-242.

regional municipal government structured to derive a benefit from local resource development, the differences are striking and speak to the widespread positive economic benefits to the region from responsible resource development.²⁰ With a NSB budget of nearly \$400 million, leasing in the 1002 Area and future development indicates a promising future for the NSB that will benefit future generations to come.

Lastly, in an environment of low oil prices, critically low throughput in TAPS, and a decline in onshore production, leasing and development in the 1002 Area is a step in the right direction for the local and State economy. Continued production and throughput into TAPS generates the means for the NSB to provide the services which are essential to NSB residents' quality of life and social welfare. The State of Alaska is currently experiencing a budget deficit of \$4 billion; this current economic climate has reverberated across the State. BLM should fully consider the importance of timely and responsible leasing and resource development of the 1002 Area given the current economic environment in Alaska; a sluggish process has very real economic impacts to the State, ASRC, and our shareholders. ASRC expects that BLM will fully consider the broad and multi-faceted positive economic impacts to local communities, Alaska Natives, the region, and the State which would result from leasing in the 1002 Area and continued development on the North Slope.

C. Impact Aid

BLM and DOI should look for ways impact aid can be incorporated into future leasing in the 1002 Area. Impact aid was included in previous versions of, but was not included in the 2017 Tax Act. While impact aid was included in previous forms of legislative action to open ANWR for leasing (the 1995 Senate Bill, 2005 Senate Bill, and 2017 Senate Bill 49), it was not included in the 2017 Tax Act with the understanding that future legislation would address impact aid for the community of Kaktovik. ASRC supports recommendations by VOICE based off of community engagements that impact aid be allocated through the Secretary of Interior to directly impacted municipality (NSB) and village (Kaktovik). A local coordination office should be managed by the Mayor of the City of Kaktovik, in coordination with NVK and the NSB to manage impact aid funding and work with DOI directly on the use of the funds. Possible sources of impact aid identified by previous legislative efforts may be appropriate and include: funding for monitoring leasing activities and associated impacts; establishment of a local coordination office; mitigation planning for environmental, social, cultural, recreational, and subsistence values; developing, carrying out, and maintaining mitigation projects and programs that provide new or expanded public facilities and services to address local needs; and to compensate local residents on impacts incurred from leasing activities. DOI should find funding for impact aid either through revenue from leasing or another mechanism until another source is identified through legislative measures. ASRC feels it is DOI's responsibility to create an impact aid mechanism prior to leasing and work with the community of Kaktovik directly on how funding should be allocated to achieve the greatest effect.

²⁰ Subsistence Sharing Networks and Cooperation: Kaktovik, Wainwright, and Venetie, Alaska. OCS Study BOEM 2015-023. June 2016. Page 38.

D. Health Assessment

Parallel to BLM's scoping process, BLM should conduct a baseline community health assessment for the community of Kaktovik. BLM should review the Health Impact Assessment conducted for the Point Thomson project and data from the NSB Health Assessment²¹ and supplement it with updated information as necessary. A baseline health assessment for the community of Kaktovik is essential prior to leasing and can help inform both the BLM and industry's future activity in the area. As well as provide a metric to carefully monitor the overall health of the community throughout leasing and resource development.

E. Local Access

Since the topic of opening ANWR began to revive in Congress, ASRC has been working diligently with VOICE and the local community to identify and raise the concerns of the community of Kaktovik. Throughout the legislative process, ASRC has attended several community meetings in Kaktovik on prospective leasing and the details of the legislation. In the course of these community engagements, the residents of Kaktovik have continuously voiced concerns regarding pressing access issues which have confined the community since ANWR was first established by the federal government—long after the Kaktovikmiut were here. Although ASRC is supportive of leasing in the 1002 Area, we feel it is ironic that local access issues remain unaddressed when BLM is proposing to open the area for leasing and access to industry. The residents of Kaktovik should have greater access to the 1002 Area than any other stakeholder, industry, or agency. There are several access issues the Kaktovikmiut have raised that BLM can address through their scoping process and/or through their management of the 1002 Area, such as: Year-Round Access for the Kaktovikmiut, Roads and Local Infrastructure Development, and Local Energy Development.

Year-Round Access for the Kaktovikmiut

Since ANWR was designated, the Kaktovikmiut have been limited in their access to their Native allotments, traditional subsistence areas, campsites, and generally throughout the Coastal Plain and greater ANWR. Residents of Kaktovik are restricted to traverse the 1002 Area only in the winter time and cannot utilize All-Terrain Vehicles (ATVs) to access their allotments within or outside of the 1002 Area. These limitations are culturally insensitive and go against the nomadic lifestyle of the Kaktovikmiut. ASRC recommends that BLM work to peel back these layers of restrictions on the Kaktovikmiut and allow for access in the 1002 Area year-round, and by ATV. Outside of the 1002 Area, BLM should work with FWS on ways Alaska Native access to their Native Allotments and traditional use areas can be improved. ASRC is available as a resource to the BLM and FWS on this issue, we are in strong support of increased access for the Kaktovikmiut across ANWR as our people have been doing before ANWR was even designated, or FWS or BLM took ownership of this region.

Roads and Local Infrastructure Development

²¹ Baseline Community Health Analysis Report. North Slope Borough Department of Health and Social Services, July 2012.

BLM should include in their scoping effort and management of the 1002 Area a possible Right-of-Way for a road from Kaktovik to Prudhoe Bay. Road connectivity is a ripe topic across the North Slope with the State of Alaska pursuing the Arctic Strategic Transportation and Resources (ASTAR) project, a road from Kaktovik to Prudhoe Bay was also identified in the NSB Kaktovik Comprehensive Plan as a potential opportunity for the community of Kaktovik to enhance local access²². Road connectivity would be a major benefit for the community of Kaktovik and offset many local costs, including the cost of development in the 1002 Area. BLM should consider how their management of the 1002 Area could include road access for the community of Kaktovik and work with the State of Alaska on how the ASTAR project may provide a good model.

Local Energy Development

In the course of their scoping and NEPA effort, BLM should look for ways in which future leasing and subsequent activities could benefit the local community of Kaktovik directly. Specifically, BLM should include language in their EIS and Record of Decision which allows for local energy development as an outcome of prospective leasing and development. In Barrow, the discovery of natural gas resource near the community led to natural gas being available and affordable to its residents, despite being uneconomical for industry to pursue. If a similar instance occurs in the 1002 Area, that a lease holder discovers a resource near the community of Kaktovik it determines is uneconomical, ASRC recommends that BLM include language that encourages lease holders to work with the NSB on ways the community may directly benefit from access to that resource.

F. Native Allotments with ANWR and the 1002 Area

The residents of Kaktovik have vocally raised issues regarding their Native Allotments and previous decisions on Native Allotments which are concerning to the community. Alongside their leasing program, BLM should review any “closed” and “pending” allotments in the 1002 Area and work with the residents of Kaktovik on how these allotments may have been overlooked in the past. Issues regarding Alaska Native access and ownership within the 1002 Area should be the highest priority to BLM before BLM authorizes leasing and industry access to the 1002 Area. ASRC is available to the BLM as a resource to assist in this and other local issues mentioned above.

G. Leasing: Size of Leases, Areas for Leasing, and Mitigation Measures.

BLM should work with the local community of Kaktovik in identifying appropriate sizes and areas for leasing in the 1002 Area. ASRC is also committed to engaging the community on what leasing in the 1002 Area would look like and communicating the community’s concerns to BLM through the public process and our ANCSA Consultation. In general, ASRC is supportive of the NPRA Best Management Practices and Required Operating Procedures utilized to mitigate and manage leasing in the NPRA; where appropriate, BLM should work with the local community, NSB, and ASRC on how similar measures can be refined and applied to leasing activities in the 1002 Area. Given the unique environment and landscape in the 1002 Area compared to the NPRA, ASRC encourages BLM to utilize adaptive management practices to design mitigation measures specific

²² Kaktovik Comprehensive Development Plan. North Slope Borough. December 2014. http://www.north-slope.org/assets/images/uploads/Kaktovik_December_Final_Draft.pdf

to the 1002 Area. Of these potential mitigation measures, ASRC supports pipeline heights of a minimum of seven feet and appropriate setbacks for cultural resources, allotments, subsistence use areas, cabins, campsites, and rivers and streams. ASRC expects BLM to work diligently and meaningfully with the local community to identify mitigation measures and adaptive management practices in advance of leasing.

H. NEPA Efficiencies

ASRC supports BLM conducting their due diligence in the evaluation of leasing in the 1002 Area and their careful consideration throughout the NEPA process. ASRC fully expects BLM to take seriously the regulatory obligations embedded in the scoping process as found in 40 CFR 1501.6-1501.8 and 43 CFR 46.225-46.240, including determining the scope of the project; the selection of appropriate cooperating agencies; consideration of significant issues, concerns, and potential impacts; adherence to the required consultations; development of time limits for the NEPA process; evaluation of alternatives; and identification and elimination of information which is not relevant or has already been analyzed by previous reviews. With respect to their scoping effort, ASRC encourages BLM to utilize a narrowed approach required under NEPA.²³ BLM should articulate the scope of their NEPA review which includes leasing activities and provide information about potential subsequent NEPA reviews BLM estimates may be required. In their NEPA analysis, ASRC recommends that BLM tier whenever possible from the NPRA Integrated Activity Plan EIS, the 1978 ANWR EIS, the Point Thomson EIS, and FWS's Comprehensive Conservation Plan for ANWR.

IV. Environmental Justice

ASRC understands better than most the importance of cultivating a healthy ecosystem in the Arctic and is aligned with BLM's mandate to oversee safe and responsible resource development in the 1002 Area; BLM should endeavor to articulate that these are not diverging priorities but an integral piece to balance in the Arctic. The Iñupiat people have existed, and even flourished, in one of the harshest climates in the world for generations. We understand the balance needed to sustain our way of life and our communities; this priority is currently dependent on successful and safe oil and gas developments. As stewards of our abundant resources, we recommend that BLM create a realistic and appropriate regulatory environment with clear environmental benefits in order to promote balanced resource development. A sluggish and inefficient process does not benefit the Iñupiat people or our ever changing climate.

Climate Change

The Iñupiat people of the North Slope are experiencing many of the impacts of a changing climate prior to and more intense than others; however, the Iñupiat people are not victims of climate change. Rather, we are an adaptive people who rely on our resources: a healthy ecosystem to subsist from; a vibrant environment to maintain our communities; and the prosperous oil and gas reservoirs to provide the means for our continued existence. We do not view resource development as an impediment to our climate change adaptation efforts; on the contrary, a stable

²³ See Secretarial Order 3355, September 2017.

North Slope economy and the preservation of future opportunity is the only means for the North Slope communities to prepare and adapt to climate change impacts. The Iñupiat people have worked diligently to put in place mechanisms where we can tap into the massive resource potential of our lands to provide for future generations and address impacts. Climate change may not have been at the forefront of our elder's minds when Prudhoe Bay was discovered but nonetheless their work then to secure a financial piece of local resource development is what is helping our people of today proactively address climate change impacts. Current and prospective Arctic leasing and development projects provide the source of revenue and resources which are allocated to directly benefit the local people, increase climate change preparedness, and proactively address climate change impacts. ASRC expects that BLM will include in their analysis an assessment of potential climate change impacts from leasing and development, in this analysis BLM should also consider the countervailing impacts that oil and gas leasing and development have on climate change at the local level. Across the North Slope, this translates into funding for scientific research, community infrastructure and other activities which aid the local climate change needs and priorities.

Humans Rights

ASRC agrees with the extremely vocal eNGO and foreign government advocacy that leasing in ANWR is a human rights issue; however, we do not feel leasing and responsible resource development in the 1002 Area will decimate our people or region. On the contrary, ASRC recognizes that preservation of our way of life is intrinsically linked to safe, environmentally responsible, culturally sensitive, and successful resource development. The human rights which should be centric to this conversation are the indigenous rights to economic self-determination and the social, political, and economic welfare of the Iñupiat people, whom have thrived with the support of resource development in our region. Continued resource development provide continued stability to our local and regional economy which in turn contribute to preservation of our subsistence culture, technological advancements, scientific research, and infrastructure. ASRC remains committed to preserving the opportunity in our region because it directly translates into the sustainability of the Iñupiat people and our culture. We are confident that BLM will likewise consider the interwoven connection between these necessities as it relates to continued resource development on the North Slope.

V. Conclusion

ASRC is supportive of BLM's NEPA process, leasing, and responsible resource development in the 1002 Area of ANWR. As BLM begins their management of the 1002 Area of ANWR, BLM should endeavor to manage the 1002 Area of ANWR in a way that is considerate of the indigenous peoples there and to address longstanding concerns of the people of Kaktovik. In summary, ASRC recommends that BLM consider the following in their NEPA analysis of leasing in the 1002 Area:

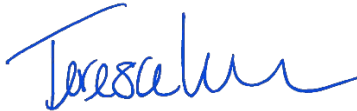
- The legacy of development across the North Slope which includes responsible environmental mitigation, co-existence with subsistence, and an evaluation of technological advancements that will be carried into future leasing activities in the 1002 Area;

- Potential impacts to the subsistence way of life of the Kaktovikmiut, including subsistence resources, use areas, and seasonality of activity;
- Both positive and negative impacts to cultural and environmental resources from prospective leasing activities in the 1002 Area;
- Impacts to the CAH and PCH from leasing activities in the 1002 Area, specifically how existing mitigation measures have protected important calving grounds in Prudhoe Bay and how these measures may be applied to the PCH;
- Effects on polar bear, including subsistence hunting, denning polar bear, critical habitat, and current data on polar bear's use of the 1002 Area;
- The widespread and multi-faceted economic impacts from leasing and responsible resource development which reverberate across the local, regional, State, and National levels;
- Ways impact aid for the community of Kaktovik can be addressed through BLM's current process and incorporated into leasing;
- A robust baseline health assessment for the community of Kaktovik;
- Consult with the local community to identify local access concerns and how these may be addressed in BLM current process or through other mechanisms as necessary;
- Perform a close analysis of all proposed, current, and closed Native Allotments within the 1002 Area and ANWR in consultation with the residents of Kaktovik to insure indigenous rights are being upheld and respected;
- Tailor BLM's NEPA analysis to include only the activities proposed in the Notice of Intent, provide information about possible future NEPA reviews, and tier from existing NEPA analysis wherever appropriate; and
- Closely consider the vast Environmental Justice impacts from leasing in the 1002 Area, such as climate change and human rights.

ASRC looks forward to fully engaging with BLM throughout the EIS process and continuing a dialogue with BLM on these issues and impacts.

Thank you in advance for your consideration of our comments.

Sincerely,



Teresa Imm
Executive VP, Regional & Resource Development

CC: Steve Wackowski, Special Advisor to Secretary of Interior on Alaska Affairs
Senator Lisa Murkowski
Senator Dan Sullivan
Congressman Don Young
President, Kaktovik Iñupiat Corporation
Mayor Brower, North Slope Borough
Voice of the Arctic Iñupiat

