

Appendix A: Summary of Comments and Responses on the Preliminary Best Interest Finding Issued April 19, 2007

OFFICE OF HABITAT MANAGEMENT AND PERMITTING (OHMP),¹ J. WINTERS, JUNE 12, 2007

Comment Summary: OHMP submits edits to the Preliminary Best Interest Finding.

DO&G Response: DO&G incorporated most of these changes into the Final Finding.

ALASKA ESKIMO WHALING COMMISSION, H. BROWER, CHAIRMAN, JULY 19, 2007

Comment Summary: That the preliminary best interest finding should include a section on the effects of vessel traffic on bowhead whales. That these effects occur not just from vessel traffic in support of offshore development, but from vessel traffic in support of onshore development as well.

DO&G Response: Information on the effects of vessel traffic on bowhead whales has been added to Chapter Five.

Comment Summary: That the preliminary best interest finding should include a mitigation measure requiring all vessels supporting oil and gas development to be equipped with GPS tracking equipment. That without tracking of such vessels, it is difficult to identify a vessel that is contributing to driving the whales offshore.

DO&G Response: Vessel tracking is the responsibility of the U.S. Coast Guard, which is in the process of developing a nationwide Automatic Identification System (AIS) with a focus on improving maritime security, marine and navigational safety, search and rescue, and environmental protection services. Users will have access to archived vessel movement data to investigate maritime incidents, analyze risks, and improve vessel traffic patterns. An AIS system along the entire coastline of the United States is expected to be fully implemented by 2014. The Division of Oil and Gas (DO&G) will consider the benefits of requiring AIS on oil industry support vessels when it becomes available in the Beaufort Sea.

NORTH SLOPE BOROUGH (NSB), E. ITTA, MAYOR, JULY 19, 2007

Comment Summary: That the best interest finding is the first phase of a multi-phased review. That phasing is poor public policy because with each successive step toward development it becomes more challenging for the state, NSB, and other authorities to raise concerns related to potential cumulative adverse effects. That phasing is inconsistent with the provisions of AS 38.05.035(g), which requires a best interest finding to consider and discuss the reasonably foreseeable cumulative effects of oil and gas exploration, development, production, and transportation on the sale area including effects to subsistence users, fish and wildlife habitat, populations and their uses, historic and cultural resources, and communities.

DO&G Response: Under AS 38.05.035(e)(1)(C), the DO&G is allowed to review projects as

¹ The Office of Habitat Management and Permitting (OHMP) of the Alaska Department of Natural Resources became the Division of Habitat, a part of the Alaska Department of Fish and Game (ADF&G), effective July 1, 2008, as a result of Executive Order 114.

“multiphased development.” Phased review recognizes that leasing of state land may result in future phases that cannot be predicted or planned with any certainty or specificity at the initial lease sale phase and future phases that will require public notice and the opportunity to comment before the next phase of the project may proceed. (See Chapter One).

***Comment Summary:** That significant events have occurred since the initial North Slope best interest finding was issued in 1998: NPR-A was opened for leasing, the Northstar field was developed and the Alpine fields were extended, aging pipelines have caused major spills, and global climate change is having profound effects on the North Slope.*

DO&G Response: The Northstar and Alpine fields are discussed in Chapter Two as is global climate change. Oil spills and pipeline corrosion issues are discussed in Chapter Six.

***Comment Summary:** The NSB requests consistency in mitigation measures across state and federal leases. The borough also requests that the state conduct a thorough analysis of its mitigation measures and BLM’s NPR-A mitigation measures and align all that can be aligned without sacrificing any protections. Further, the borough requests that the state adopt those mitigation measures that are the most stringent where alignment is not possible.*

DO&G Response: The DO&G is willing to consider alignment of state and federal mitigation measures but believes that the NSB, as the requesting agency, should conduct the analysis and present specific proposals to BLM and the division for consideration.

***Comment Summary:** That the current preliminary best interest finding does not include a sufficient discussion of reasonably foreseeable effects of the sale: subsistence, occupational change, cultural change, and fiscal effects at the community level. That impacts to subsistence may increase hunger and food insecurity.*

DO&G Response: Under AS 38.05.035(e), the Alaska Department of Natural Resources (ADNR) is required to discuss the reasonably foreseeable cumulative effects of oil and gas exploration, development, production, and transportation on the sale area, including effects on subsistence uses, fish and wildlife habitat and populations and their uses, and historic and cultural resources, the reasonably foreseeable fiscal effects of the lease sale and the subsequent activity on the state and affected municipalities and communities. This was done in Chapter Five. Additional information on fiscal effects at the community level has been added. ADNR believes the discussion is sufficient. The statement that impacts to subsistence may increase hunger and food insecurity is inconclusive. Impacts to subsistence can be minimized through the imposition of mitigation measures.

***Comment Summary:** That the preliminary best interest finding does not address public health effects such as diabetes, cancer, alcohol abuse, drug abuse, suicide, domestic violence, and injury rates.*

DO&G Response: Research suggests that social pathology and other health problems may be related to the rapid cultural changes that have occurred in rural Alaska. However, it is difficult to attribute these changes directly to oil and gas development as they also occur in many rural parts of Alaska not exposed to oil and gas development. Health impacts are discussed in Chapter Five.

***Comment Summary:** That road access to previously isolated communities results in illicit drug and alcohol trafficking. That the influx of oil personnel from outside the region could exacerbate racial tensions.*

DO&G Response: Lessees and their contractors are housed in work camps, not in local communities. Lessees and their contractors are prohibited from trafficking in illicit drugs and alcohol. ConocoPhillips checks all vehicles that use its roads and pass through its check points for drugs and alcohol. Under Mitigation Measure 7.c., a plan of operations application must include a training program for all lessee personnel including contractors and subcontractors. The program must be designed to help lessee personnel increase their sensitivity and understanding of community values, customs, and lifestyles in

areas where they will be operating.

Comment Summary: *That health problems related to air pollution associated with oil and gas development cause respiratory illness and cardiac disease.*

DO&G Response: An ambient Air Quality Monitoring Station has operated at Nuiqsut since 1999 as a State of Alaska permit condition for the Alpine field. Data collected indicate that air quality is in compliance with National Ambient Air Quality Standards (NAAQS) and Alaska Ambient Air Quality Standards (AAAQS). The effects of leasing and subsequent activity on air quality are discussed in Chapter Five.

Comment Summary: *The NSB suggests the following mitigation measures to mitigate potential health impacts:*

1. *Establish a "Health Advisory Board."(HAB).*
2. *Lessee-designed and funded subsistence studies.*
3. *Lessee-funded construction of community freezers.*
4. *Lessee-instituted hunter assistance program.*
5. *Lessee-funded diabetes program and interventions to improve local diet.*
6. *Industry-funded baseline health studies.*
7. *Lessee-contaminant monitoring.*
8. *Lessee-funded police and emergency service personnel.*
9. *Lessee-funded health screening.*
10. *Lessee-funded sustainable development plan.*
11. *Lessee-funded plan to mitigate the health impacts of a large oil spill.*

DO&G Response: The State of Alaska is currently developing a coordinated policy for addressing health impacts on large resource extraction projects.

In 2007, the NSB was awarded a \$1.67 million grant from NPR-A impact funds to perform a Health Impact Assessment. The goal of the assessment is to aid the borough in analyzing and understanding potential impacts of proposed development on the health of its communities and to design appropriate mitigation measures.

It is premature to develop and impose mitigation measures before the state's interagency process and the NSB's HIA have been completed. Mitigation measures are typically considered based on a "but for the project" criterion, i.e., there is a reasonable cause-effect relationship between the potential project activity and a subsequent effect (impact). ADNDR believes that consideration of mitigation measures should follow the borough's HIA, not precede it. The effects of leasing and subsequent activity on public health are discussed in Chapter Five.

Each year the DO&G issues a call for comments requesting substantial new information that has become available since the most recent finding for that sale area was written. This request is sent to agencies and individuals on the division's mailing list and posted on the division's web site. Based on information received, the division determines whether it is necessary to supplement the finding. By this mechanism, health impacts may be considered when the state and the NSB have completed their respective processes.

Comment Summary: *The NSB provides updated information on Dolly Varden, whitefish, snow geese, caribou and polar bears.*

DO&G Response: This information has been incorporated into the best interest finding.

BROOKS RANGE PETROLEUM CORPORATION, J. WINEGARNER, JULY 19, 2007

Comment Summary: That the citation that 40 hours of HAZWOPER training is required does not match the exemption cited in CFR 1910.120(e)(3)(iii) which requires a minimum of 24 hours of instruction.

DO&G Response: The best interest finding has been changed to a minimum of 24 hours of instruction.