

Effects of Oil and Gas Activities in the Arctic Ocean Environmental Impact Statement



July 2010

Newsletter #2

This is the second in a series of newsletters concerning the Effects of Oil and Gas Activities in the Arctic Ocean Environmental Impact Statement (EIS). It is being mailed to Federal, state, and local agencies; elected and appointed officials; Alaska Native groups; other interested organizations; and individual citizens to inform people about the EIS project. This and subsequent newsletters can be found on the project website at <http://www.nmfs.noaa.gov/pr/permits/eis/arctic.htm>

Project Update

The National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS) is preparing an Environmental Impact Statement (EIS). The project will analyze the impacts of issuing marine mammal Incidental Take Authorizations, under the Marine Mammal Protection Act (MMPA). NMFS is responsible for development of the EIS and issuing the permits. NMFS is serving as the lead agency for this EIS. The U.S. Bureau of Ocean Energy Management (BOE), formerly the Minerals Management Service, is serving as a cooperating agency along with the North Slope Borough (NSB). The U.S. Environmental Protection Agency (EPA) and the U.S. Fish and Wildlife Service (USFWS) were also invited to join the effort as cooperating agencies, but have declined.

This newsletter is intended to:

- Provide a summary of the scoping meetings.
- Describe the next steps of the EIS process.

Scoping is a formal process intended to reach out to all interested parties early in the development of an EIS to identify areas of concern associated with the proposed activity, as required by the National Environmental Policy Act (NEPA). The scoping process provides opportunities for people potentially affected by the project to express their views and concerns, and ensures that all substantive issues are fully addressed during the EIS process.

Public Scoping Summary

Public scoping meetings were held in the following locations:

Kotzebue – February 18, 2010

Point Hope – February 19, 2010

Point Lay – February 22, 2010

Wainwright – March 9, 2010

Barrow – March 10, 2010

Nuiqsut – March 11, 2010

Kaktovik – March 12, 2010

Anchorage – March 23, 2010

Scoping comments were received verbally and in writing through discussion, testimony, fax and electronic means. The scoping period began on February 8, 2010 and ended April 9, 2010. All comments received by April 9, 2010 have been reviewed and summarized. The planning team will use these comments to refine the proposed alternatives for the Draft EIS.

Issues Identified During Scoping

During the scoping period a total of 73 submissions were received, containing 721 substantive comments. From these submissions 178 Statements of Concern were developed to summarize scoping comments. The most common issues included: concerns regarding the NEPA process; impacts to marine mammals and habitats; risks of oil spills; protection of subsistence resources; availability of data to make decisions, research needs, monitoring requirements, and evaluation needs; and potential mitigation measures. Comments and concerns received were organized into five broad issue groups that included Effects, Available Information, Regulatory Compliance, Inupiat Culture, and General Comments. A more detailed summary is described within these five categories as follows:

Effects

Habitat – Issues and concerns expressed focused on the concepts that habitat may be affected by climate change/loss of sea ice and potential increases in human

activities. Concern was expressed that the Beaufort Sea is important habitat for bowhead whales.

Marine Mammal and other Wildlife Impacts – Several concerns were expressed indicating that oil and gas activities negatively impact marine species; even low levels of sound can be disruptive. Ocean acidification, increased vessel traffic, and the cumulative effects of projects also may pose threats to marine mammals.

Other comments stated that offshore exploration and production activities have not had adverse effects on marine mammal stocks, and research indicates that the health or reproductive fitness of populations has not been impacted.

National Energy Demand and Supply – Comments included the need for stable domestic energy supplies, the potential for undiscovered resource potential in the outer continental shelf, and the disproportionate impact to Inupiat people due to national energy demands.

Oil Spill Risks – Comments and concerns received regarding oil spill risks were divergent. Several concerns highlighted the risks of oil spills, need for spill plans, difficulty of cleaning up oil spills in Arctic waters; and the lack of resources in the Arctic for response to an oil spill.

Other comments indicated that technology and industry standards have prevented spills and that most spills have resulted from tankers, not pipelines.

Socioeconomic Impacts – Concerns focused on benefits to the state and nation from oil and gas development, the benefits to the oil and gas industry from predictability in permitting processes, and increases in the cost of

whaling activities due to oil and gas activities.

Subsistence Resource Protection – Comments and concerns regarding subsistence resource protection differed. One statement indicated that industrial activities would not likely impact subsistence in the Chukchi Sea, as proposed activities are far offshore. Other concerns focused on potential impacts to subsistence resources due to aircraft disturbance, increased vessel traffic, ice breaking, noise and cumulative impacts. Concerns were also expressed about contamination from drilling muds and potential contamination from spills. Risks identified to hunters also included increased travel time due to deflected animals from industry activities.

Water and Air Quality – Comments expressed regarding water and air quality issues focused on sources and levels of pollutants, potential for bioaccumulation, and lack of technology to eliminate contamination threats.

Available Information

Data – Numerous reports, studies, and sources of information recommended for review and incorporation into this EIS were received during the scoping process as, requested by NMFS in the Notice of Intent published in the Federal Register (February 8, 2010).

Research, Monitoring, Evaluation Needs – Concerns and comments received regarding research, monitoring, and evaluation needs were diverse. Some comments expressed the need for additional research and monitoring, while others stated that sufficient data exists to support proposed activities. Concerns were expressed that the environmental baseline is changing and that

industry authorizations should be delayed until additional research can be conducted.



Mike Payne (NMFS) presents the project to residents of Kaktovik.

Regulatory Compliance and Coordination and Compatibility:

Coordination and Compatibility (NEPA Process and Analysis) – The majority of concerns and comments received during the scoping period focused on compliance with laws, statutes, and regulations; agency processes and interagency coordination, the scope and NEPA process of this EIS, and permitting requirements.

Mitigation Measures – A diversity of mitigation measures were suggested including use of technology, activity restrictions/caps, area restrictions, ballast/hull cleaning requirements, designation of shipping lanes, speed restrictions, activity restrictions during periods of low visibility/increment weather that inhibits marine mammal observations, and others. Suggestions included monitoring the effectiveness of existing mitigation measures, and the use of local residents for monitoring activities. Other statements indicate that existing measures are sufficient to mitigate impacts from proposed oil and gas activities, and that arbitrary restrictions could impair industry's ability for exploration of leases.

Inupiat Culture

Inupiat Culture and Way of Life – Diverse concerns were received during scoping regarding impacts to Inupiat Culture and Way of Life. While one statement indicated that a benefit from industrial noise could cause whales to move closer to shore for easier subsistence access, other statements expressed concern for potential impacts to subsistence communities and activities, including human health impacts and potential for impacts to subsistence foods. Other concerns are that communities are not compensated for impacts related to oil and gas activities, and a compromise is needed between protection of subsistence resources and providing local jobs.

Use of Traditional Knowledge – Concerns were expressed regarding the importance of incorporating Traditional Knowledge in the planning process and encouraged use of Traditional Knowledge regarding climate change, ecological processes, and resource presence and use on the North Slope that has been gathered over the last few decades. There was also concern that information provided by communities is not incorporated or considered valid.

General Comments

General comments received but determined not to be substantive in the context of this NEPA process were reviewed and noted as acknowledged but no action was taken to develop specific statements of concern.

The complete record of comments and comment summaries can be found at the project website:

<http://www.nmfs.noaa.gov/pr/permits/eis/arctic.htm>

Government-to-Government Scoping Summary

Government-to-government consultation is a separate process that occurs in addition to scoping, and involves consultation with affected federally-recognized tribal governments. Many issues raised during government-to-government consultations included concerns regarding Alaska Native topics such as protection of subsistence resources, and social and economic impacts to the North Slope coastal communities and environment.

NMFS met with many tribal governments during the scoping process. Several government representatives submitted scoping comments that addressed a variety of concerns. For example, the Native Village of Kotzebue outlined six major topics. Questions were raised concerning potential increased industrial activity that could occur as a result of the proposed seismic and exploratory drilling activities.

Next Steps

The EIS is now in Step 3 of the NEPA process (see chart on the next page).

The analysis of the alternatives in authorizing incidental take of marine mammals under the MMPA will ensure that a range of alternatives is analyzed as well as the potential impacts of each alternative. After the preliminary analysis, NMFS will select a Preferred Alternative (Step 4). Once the Draft EIS is complete (Step 5), the document will be released to the public for a review period of 45 days. During the review period, NMFS will conduct Tribal Consultation and public hearings to accept comments on the Draft EIS (Step 6). Public testimony, written comments and electronic comments will be accepted during the review period.

Step

Steps in the NEPA Process

- 1** **Federal Notice of Intent (NOI) to Prepare an Environmental Impact Statement (EIS)**
February 8, 2010
- 2** **Scoping**
Scoping period: February 8 to April 9, 2010
Public Scoping Meetings: February 18 to March 23, 2010
Scoping Report: Estimated May 2010
- 3** **Analysis of Alternatives**
- 4** **NMFS Selects Preferred Alternative**
- 5** **Issue Draft EIS**
Estimated release: mid-December 2010
Available for 45-day public review, through early February 2011
- 6** **Public Hearing on Draft EIS**
Estimated: January 2011
- 7** **Public Comment Review and Synthesis**
Comment Analysis Report Available, Estimated: March 2011
- 8** **Respond to Comments/Prepare Final EIS**
Estimated: June 2011
- 9** **Issue Final EIS**
Estimated: late June 2011
Available for minimum 30-day public review
- 10** **Record of Decision**
Public statements of agency decisions
Estimated: July 2011

Stay Involved

Visit the project website for on-going project information:

<http://www.nmfs.noaa.gov/pr/permits/eis/arctic.htm>

Information about prior steps in the process is also available on the project website. For example, the presentation for the scoping meetings and the first newsletter are available for reference.

We encourage you to take an active part in the Effects of Oil & Gas Activities in the Arctic Ocean EIS. The purpose of this newsletter is to keep you informed and allow you every opportunity to voice your opinion regarding this important project. If you have any questions, comments, or requests for more information please contact:

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