

1 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

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EFFECTS OF OIL AND GAS ACTIVITIES IN THE ARCTIC OCEAN  
ENVIRONMENTAL IMPACT STATEMENT

PUBLIC SCOPING MEETING AND COMMENT PERIOD

POINT HOPE, ALASKA

FEBRUARY 19, 2010

APPEARANCES BY AGENCY STAFF AND CONSULTANTS:

- Michael Payne, National Marine Fisheries Service
- Jeffery Loman, Minerals Management Service
- Joan Kluwe, URS
- Sheyna Wisdom, URS

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## P R O C E E D I N G S

(On record)

(Presentation)

ESTHER NASHOOKPUK: My name is Esther Nashookpuk, and the question is if or when oil industry is coming, if you guys come out and go dig out there out in the ocean for mammals living in the water and humans living outside in the surface, and if there is an explosion during that time when you guys are drilling, I mean, will it explode the whole -- I mean, there's -- I hope I make some sense between -- say, like, if you guys -- I mean, excuse me, but what I'm getting at is that I see that in Southeast Alaska, you guys drill, make drill in the water, and then it didn't harm anything in it. I mean.....

MICHAEL PAYNE: In Southeast?

ESTHER NASHOOKPUK: Yes.

JOAN KLUWE: You mean in Cook Inlet?

ESTHER NASHOOKPUK: Yes.

MICHAEL PAYNE: Oh, oh, oh.

ESTHER NASHOOKPUK: I mean, there's no impact, is there or -- I mean, any actual.....

MICHAEL PAYNE: There hasn't -- so the question is whether or not there's been impact in Cook Inlet as a result of the oil wells. The oil wells have been there for quite a while. And so far there hasn't been any known impact. They've had a pretty good record. I think there have been a couple of

1 minor issues from time to time. It -- I don't think the oil  
2 activities in Cook Inlet have affected the belugas there;  
3 although we're looking at that more closely.

4 ESTHER NASHOOKPUK: So it would be the same out here?  
5 Would it be the same out here, the same.....

6 MICHAEL PAYNE: Well, if.....

7 JEFFERY LOMAN: I don't think that you can make a  
8 comparison between those projects that started in the early  
9 1960s and the kind of technology that will be brought, if there  
10 is production and development, in either the Chukchi or the  
11 Beaufort Sea. And we're -- this EIS, this analysis is only for  
12 the purposes of analyzing the effects of seismic exploration  
13 and exploratory drilling. There is no proposed development  
14 anywhere in the Arctic, in the OCS waters.

15 MICHAEL PAYNE: You had a comment?

16 CAROLINE CANNON: Yes, I do. As with her comment, Cook  
17 Inlet and our area, the Chukchi, are two different environment.

18 MICHAEL PAYNE: Sure.

19 CAROLINE CANNON: We know that for a fact. And we know  
20 that keeping up with the news that they're wondering why the  
21 population in the Cook Inlet on the belugas, particularly on  
22 the belugas, are depleting. And they're wondering why it's --  
23 why the numbers has gone down drastically. It's on the news,  
24 so whether we're talking about 1960 to current, we know that  
25 there's alarming -- they're trying to consider them endangered

1 because the population in that area has dropped dramatically.

2 MICHAEL PAYNE: That's right. That's absolutely right  
3 that they -- it's gone from what they believe to be over a  
4 thousand animals to about 300.

5 CAROLINE CANNON: Exactly.

6 MICHAEL PAYNE: But I don't think anybody -- and there  
7 have been a lot of studies on that. Although, there's still  
8 some uncertainty, I'll give you that. But I don't think  
9 anybody believes that what has gone on in Lower Cook Inlet in  
10 oil and gas has affected that decline. It's been going on at  
11 the same time as the decline, so we can't say for sure that it  
12 hasn't.

13 CAROLINE CANNON: Right.

14 MICHAEL PAYNE: But, again, those are production-type  
15 things that we don't even know if we'll ever get to a  
16 production in the Beaufort, to be honest -- or the Chukchi.  
17 But it's -- the belugas in Cook Inlet have declined for  
18 probably a number of reasons that we can't really quantify.  
19 All we can -- all I can say right now is that of all the  
20 reasons that we think might have happened, oil and gas isn't at  
21 the top of that list. It's not even really very close to the  
22 top. And the number is so low right now that it's really hard  
23 to predict whether they're going to -- how they're going to  
24 increase or whether they're going to continue to decrease.  
25 It's just gotten that low. Yeah.

1           KRISTI FRANKSON: So what are some of the other reasons  
2 on that list?

3           MICHAEL PAYNE: Well, the major decline -- and I've  
4 been corrected on this. I want to say it correctly. There was  
5 a commercial hunt. It wasn't a commercial hunt in the way that  
6 you think of it like fishing, but the belugas were hunted and  
7 they were sold. And they were overhunted. There is also some  
8 concern, even though they haven't demonstrated it -- some of  
9 the things they're looking at, let's put it that way,  
10 contamination due to stuff coming out of Anchorage. Now,  
11 we've -- in the nineties and around 2000, they did do a pretty  
12 good study of contaminants in the blubber and we didn't find  
13 anything. Actually, they were pretty clean. But that's going  
14 to be looked at again. It's been ten years from now. So  
15 there's that concern.

16           The other thing is, and perhaps most significantly,  
17 it's the most difficult to explain, the population is so low  
18 right now that it isn't acting like a normal population. You  
19 can't -- 10 years ago when we looked at it, and the population  
20 should have been increasing in the last 10 years, and it hasn't  
21 been. And all it takes is one little event, one stranding of  
22 five or ten dead animals, and that wipes out the reproduction  
23 for two years.

24           So it's at such low levels it's really -- I had one  
25 person just a couple of weeks ago say it's really a toss of the

1 coin whether that population is going to increase or decrease  
2 on any given year, and we're just not seeing the changes. So  
3 it's a real tough one right now, in large part because it got  
4 so low before it actually -- before it -- where it is right  
5 now. So there was reasons for the real big declines, but in  
6 the last 10 years, it's been much more difficult to prevent.  
7 It's a tough one. It is tough, so -- yes, sir.

8 (Comments by Elijah Rock have been stricken by request  
9 from Mr. Rock)

10 CAROLINE CANNON: So is this a common number? You  
11 know, I mean, you're -- it looks like you're going to be in  
12 other villages, the surrounding villages, Point Lay,  
13 Wainwright, Barrow. And I see six public people here --  
14 actually seven people. Yeah. And this is a comfortable number  
15 to -- I guess, to get the comments from. Out of a population  
16 of seven, eight hundred people, I think this is very poor.

17 You know, there's people out there, as you indicated,  
18 there's basketball games. And we have to think of what's our  
19 priority. And I got grandkids that are going to play, but this  
20 is a priority for me. Apparently it's not for others. And I  
21 think this is just a poor turnout, and how -- as he indicated,  
22 consultation is one of the crucial things.

23 Back in November, you know, government Obama -- I mean,  
24 our President Obama had a national tribal gathering  
25 acknowledging us as citizens, and recognizing the tribes and

1 making a public comment that we were always somewhat put under  
2 the carpet. And he apologized, and he said he would give  
3 direct orders for them to work with us, because we somewhat  
4 have been under -- as I indicate, under the carpet, meaning low  
5 on funding, not enough funding, never been recognized, hardly  
6 been recognized, not taken seriously; that the doors would  
7 open. And I think this is a poor turnout, although I  
8 understand you're coming back, you're coming back, that time is  
9 of essence.

10 I'm hearing the activity is going to eventually occur,  
11 you know, within a year or whatever. I don't know what your  
12 date -- your target date is, but I know this is a process. As  
13 you indicate, this is your first meeting. Or did I hear your  
14 second meeting?

15 MICHAEL PAYNE: Second.

16 CAROLINE CANNON: Your second meeting, and I guess --  
17 I'm sort of uncomfortable with six people at a public meeting.

18 MICHAEL PAYNE: Well, I think you have a right to be.  
19 That's a good point. We were talking about this earlier, and I  
20 would have liked to have seen 100 people here tonight, but it  
21 just didn't work out tonight. And so as I said earlier, the  
22 only thing I can do is consider this a first step. We were  
23 talking earlier, and we said, look, we're going to have to come  
24 back to Point Hope. We're just going to have to come back. We  
25 don't know exactly when right now.

1           It's difficult to set these meetings up. Not just --  
2           just for a lot of reasons. But, no, six people out of a  
3           community of seven or eight hundred is a pretty small turnout.  
4           And so we're asking people to provide public comment, written  
5           as well, but if at any time, you know, you organize 100 people  
6           and they want us up here, we'll come back to talk about this.

7           It isn't like we want to try to just get this done  
8           with, put it under the carpet, and get it over with. I don't  
9           know what the outcome of this is going to be. We had questions  
10          earlier about the permits. I mean, the reason we're doing this  
11          is because the level of activity is increasing at a time when  
12          the Arctic is already under stress.

13          So the question more than at any other time is, is  
14          there a level that's too much. So I don't know what that  
15          outcome will look like. But we need the input from people that  
16          use this area much more than -- you can provide more  
17          information than I can on this topic. I'm just kind of up here  
18          as the messenger at the moment.

19          But I don't think it's our fault that we only have six  
20          people, but I understand why that happened. It just happened  
21          this time. We'll have to come back and do it again. And next  
22          time hopefully we'll have 100 people. And we'll see what that  
23          looks like. So we're not -- we'll be back. It's just a matter  
24          of when and how we can get here, and what's the best time for  
25          everybody in Point Hope. Yeah.

1           KRISTI FRANKSON: I'd like to suggest to the -- I work  
2           in the teleconference center, and we have public use computers  
3           there. A lot of people go in and do research and read about  
4           things, and it's very -- I mean, people have traditional  
5           knowledge here, yes, but the ones that want to know what you're  
6           doing have to go to the Web site and look it up. And when you  
7           go there, there's so much there. It's like drowning, you know.  
8           You don't really know where to look, which link do I go to,  
9           what's the most important information that I can use to prepare  
10          myself to ask an intelligent question that will give me an  
11          answer that satisfies me.

12           I think if you're going to communicate with the Native  
13          Village of Point Hope, or even if you communicate with the  
14          teleconference center, the North Slope Teleconference Center,  
15          give us some links before you come into the community that will  
16          help us prepare so that we can be a part of the conversation in  
17          more ways than just only using traditional knowledge, and to  
18          understand more about this process.

19           Because I think that's another reason why nobody shows  
20          up is it's just overwhelming, and they think -- they don't have  
21          a lot of background information to understand what's happening.  
22          They feel like, you know, everything is just so complicated and  
23          confusing. So many different governmental agencies. Like, I  
24          thought we were going to talk about incidental take of polar  
25          bears and walruses.

1           MICHAEL PAYNE: Well, actually -- thank you for your  
2 comment. And actually, we want to make sure we get your name,  
3 because I think maybe we can use you as a link to get -- help  
4 get the information out.

5           But actually we've -- this whole process is about  
6 incidental take. But I kind of -- I didn't say it in that way  
7 because that's almost as confusing as anything I can say up  
8 here. But basically the process of issuing that permit that we  
9 talked about allows something like oil and gas to come in here  
10 and disturb bowheads. That disturbance is the incidental take.

11           And so in many ways it's easier to talk about issuing a  
12 permit that allows disturbance of animals when, in government  
13 talk, what I would be saying is we're issuing -- authorizing  
14 permits that would allow for incidental take of marine mammals.  
15 But "take" is kind of a funny word. And in this case it really  
16 means disturbing animals.

17           KRISTI FRANKSON: Harassment is disturbance.

18           MICHAEL PAYNE: Harassment is, yes. It's a good form  
19 of disturbance.

20           CAROLINE CANNON: A common word that works.

21           MICHAEL PAYNE: Okay. But thank you for your comment.

22           (Comments by Elijah Rock have been stricken by request  
23 from Mr. Rock)

24           JEFFERY LOMAN: I've got to chime in here. There is no  
25 legal reason, and there is no practical reason for any

1 government agency to first consult on a  
2 government-to-government basis with tribes and then hold public  
3 meetings. The only reason I can think of is so that the tribal  
4 government can make a position and then influence their  
5 membership.

6 But this meeting is a public meeting. The meeting that  
7 we wanted to hold today, and the first meeting associated with  
8 this process, the very first meeting, was with the tribal  
9 leader of the Native Village of Kotzebue. And it just happened  
10 to be that way. But there is no legal requirement, and there  
11 is no practical requirement for government-to-government  
12 consultation to occur before public scoping meetings occur.

13 CAROLINE CANNON: But out of respect that's what should  
14 take place. Out of respect.

15 MICHAEL PAYNE: I was going to ask a question.

16 CAROLINE CANNON: And I -- my name is Caroline Cannon,  
17 I'm the president of the tribe. And I would like to put that  
18 on record: out of respect.

19 MICHAEL PAYNE: Okay.

20 CAROLINE CANNON: Coming to our community. It involves  
21 our way of lifestyle, and I think it's courtesy, for one thing.  
22 As you can see, there's six people here out of 700 to 800  
23 population. That's a poor outcome. And if you're going to  
24 make a decision on the outcome of this meeting, or this public  
25 meeting, you know, it does -- it's not realistic to me. That's

1 not a common practice. Especially if it's going to have a big  
2 impact in our area.

3 MICHAEL PAYNE: I was going to ask you a question based  
4 on his comment, actually, and probably to you. When we have an  
5 opportunity to meet with the tribal government, what do you  
6 do? Do you actually contact the community then after that?  
7 How -- I'm interested in his comment that he doesn't want to  
8 talk until he hears something from the tribal government. Will  
9 you then contact the community after we -- after our meeting?  
10 How does that work?

11 CAROLINE CANNON: What is the process that we normally  
12 go through is anything that has -- that will -- has an impact,  
13 or a decision that has a vital impact within the community,  
14 we're asking that you give a 30-day notice, give us the written  
15 materials so we can, like anybody else -- as she indicate, the  
16 link sites, whatever, informational, gets to us so we can  
17 review. And then we ask the questions.

18 But we have different departments within the tribe.  
19 Whether it be wildlife, whether it be social services, it  
20 varies. But, no, there's no way of going out to the community.  
21 We don't have a newsletter. We don't have another meeting, but  
22 we could be at this meeting just so we could prepare. Like  
23 maybe tonight. You know, there's only six people here. And  
24 we're sort of -- give me an idea of what kind of questions to  
25 put on the table, to lay down on the table.

1 JACK SCHAEFER: Was there notice made?

2 MICHAEL PAYNE: Yes.

3 JEFFERY LOMAN: Yes, there was.

4 MICHAEL PAYNE: I think I'm going to.....

5 JACK SCHAEFER: Are you ready for comments?

6 MICHAEL PAYNE: Pardon me?

7 JACK SCHAEFER: Are you ready for comments?

8 MICHAEL PAYNE: Yes.

9 JACK SCHAEFER: Are you done with your presentation?

10 MICHAEL PAYNE: Yeah, we did do that. Yes, thank you.

11 SHEYNA WISDOM: There's a recorder up here if you would  
12 like to record it.

13 JACK SCHAEFER: Oh, there is a recorder. Good.

14 SHEYNA WISDOM: If you sit over there, it will be more  
15 easily recorded.

16 JACK SCHAEFER: Okay. Am I quiet?

17 CAROLINE CANNON: They didn't ask me to go over there,  
18 so I was.....

19 JACK SCHAEFER: Oh, okay. I'll go halfway. Those  
20 microphones scare me.

21 COURT REPORTER: If you could state your name for us,  
22 please.

23 JACK SCHAEFER: My name is Jack Schaefer. I'm the  
24 former president of the Native Village of Point Hope. Been  
25 involved with the council for some time. It's an elected

1 position, the Native Village Point Hope, on their council. I'm  
2 also a representative from the Inupiat Community of the Arctic  
3 Slope, a federally recognized tribe that is responsible for the  
4 region of the Arctic Slope.

5 And understanding that this is a scoping meeting, and  
6 also understanding the changes that are being considered, if  
7 there are any changes that are taking place in dealing with the  
8 term "scoping" and the process of communications in dealing  
9 with oil and gas with the public, federally fairly recognized  
10 tribes and municipalities, what you have, that participate in  
11 this, I am very thankful that you are recording this. That  
12 hasn't been done in the past in regards to scoping.

13 Interpretation of the scoping, it was considerably  
14 different during the Bush administration for which the response  
15 that we were given by government personnel was that we don't  
16 have to take this and report it in its word for word; it's up  
17 to us what we say in regards to what is said by these  
18 communities. And I didn't expect that this would be recorded,  
19 and so you caught me not prepared enough.

20 But our past experience in regards to what has taken  
21 place seems to us as a fast-track process, which skipped some  
22 areas in regards to the National Environmental Policy Act,  
23 NEPA, in regards to concerns dealing with safety and the  
24 environment. In the past it was not really followed through by  
25 the letter of the law, per se, in procedures, and there has

1       been a lot of controversy that has come from it that has been  
2       provided to the public through the newspapers.

3               And things were left out in dealing with environmental  
4       studies, concerns that were expressed by scientists that were  
5       employed by our federal government, and information that they  
6       have expressed had been removed from their concerns by their  
7       supervisors, and having been told on by the press. And so it's  
8       public knowledge now. Although very few have heard of this,  
9       but that is what is taking place.

10              And apparently the Obama administration has changed the  
11       process. With that said and looking at the Federal Register  
12       indicating that, you know, we're starting over again -- is that  
13       right?

14              MICHAEL PAYNE: Yes.

15              JACK SCHAEFER: Under this NEPA process? And so it's  
16       difficult for us to restate what we have said in the past,  
17       although we would really appreciate it if that stuff that had  
18       already taken place up to date be, you know, included and  
19       considered. ICAS, the Inupiaq Community of the Arctic Slope,  
20       and the Native Village would really appreciate receiving  
21       information in regards to the findings and what corrections  
22       that are being made, or adjustments being made in dealing with  
23       information that has been provided for MMS and other agencies  
24       in regards to making their decisions.

25              Because of this, it's become, you know, hard for us to

1 express ourselves because, you know, we don't know what you  
2 know. And so there are environmental concerns that we have  
3 expressed, that have been expressed by federal employees. I  
4 haven't heard whether or not they have been terminated or if  
5 nothing has been done to them.

6 There was an apology made to them because of their  
7 professional integrity was at risk. I, for one, would not feel  
8 comfortable at all having a degree and being forced to come out  
9 with reports to the public that are not accurate and against  
10 what your findings are. So I do feel for those employees,  
11 those scientists that have come up with those concerns.

12 And that's pretty much what we are only able to see.  
13 We do not know what -- how much accuracy is in regards to  
14 technical reports that have been written since 1975 and before  
15 then in regards to offshore oil and gas for the Chukchi and the  
16 Beaufort. There are very few that have been seen provided by  
17 the Mineral Management Service. Some were about six technical  
18 reports for the Chukchi, North Slope basin on the south side.

19 Studies. Half of those studies were done by an  
20 accounting firm by the name of Pete, Marwick, and Mitchell  
21 Group, an accounting firm. The information that they had  
22 provided in these technical reports which were inferred as  
23 Environmental Impact Statements had a lot of information left  
24 out in regards to Point Hope. But the other villages had  
25 technical information in there in regards to subsistence, and

1 it was really surprising to see that.

2 We don't have copies of the -- all of the Environmental  
3 Impact Statements, and so I've been only able to rely on what  
4 was provided by the Minerals Management Service recently. And  
5 they published a 30-year report on offshore oil and gas with an  
6 attachment of something like 250 technical reports, most of  
7 them involving Beaufort Sea and the Cook Inlet area.

8 I would have felt comfortable if they had been more  
9 thorough with their attachments in regards to the Environmental  
10 Impact Statements. And I haven't seen them. I would like to  
11 see them. I don't know about the Native Village of Point Hope,  
12 but I assume that they would, too. And because that is so much  
13 information, it's hard to come up with a position right now as  
14 to the accuracy of that information, both for the Beaufort and  
15 for the Chukchi and the Hope Basin for which we're only talking  
16 about Chukchi and the Beaufort, right?

17 Some of the studies we have noticed, that we've done  
18 ourselves based on observation, and that hasn't really been  
19 accepted or followed through on, per se, as what is referred to  
20 as technical -- I mean, traditional knowledge.

21 We had stated in the past over the past couple years  
22 that there were concerns about walruses moving because of noise  
23 due to seismic activities, running from Eastern Alaska over  
24 straight to Russia when seismic work was started off of  
25 Kaktovik. Two or three years in a row that occurred. It got

1 the attention of the Russians. They came here a week or so ago  
2 to express their concerns about that and the overcrowding of  
3 the beach on that side, on the Russian end.

4 We were unable to fill our ice cellars, you know, with  
5 walrus, the amount we usually do on a yearly basis. Our tomcod  
6 have been very few for the past two years, three years. They  
7 just finally came back this year, but not very much. They're  
8 small fish out in the ocean that seal like. We don't really  
9 know what that came from. We assume it's seismic work. We  
10 were never told how much effects seismic has from government  
11 personnel or from the industry with fish. Very little is  
12 available on the Internet.

13 Australia lost 60 percent to 80 percent of their cod.  
14 I mean -- yeah, their cod and pollock, commercial fishing  
15 harvests, in 1989 when they were doing seismic work there.  
16 That is the only information that we have or even stated as  
17 something that we can refer to.

18 I don't know if seismic work is taking place further  
19 south than here. But that is something that is to worry about  
20 in regards to subsistence and commercial fishing. I really  
21 feel that, you know, those should be seriously considered, and,  
22 you know, put in this Environmental Impact Statement. I'm not  
23 sure if it's there. I never really looked at the Environmental  
24 Impact Statement for this Chukchi Sea lease sale 193. But  
25 based on what I've heard, I feel that, you know, we need to

1 address these things that have been left out in the past during  
2 this last cycle which led to the reissuance of this  
3 Environmental Impact Statement.

4 I really strongly urge the federal government to hire  
5 our businesses here, our village corporations to do baseline  
6 work that is acceptable to our elders and our subsistence  
7 traditional knowledge holders, which are elders. Because we  
8 don't know what's in those other technical reports, we don't  
9 feel that there's a baseline that has been established. We  
10 feel that the seismic work has reduced and altered the animals,  
11 as I indicated earlier. And by not having a baseline or not  
12 being told that there's a baseline and proven to that, we feel  
13 that that is needed under the Endangered Species Act.

14 And so the Native Village and the Inupiat Community of  
15 the Arctic Slope has filed a lawsuit as a matter of federal law  
16 and now we are addressing it. And so I expect that we would  
17 start all over and do it right this time without having any  
18 shortcuts. And I hope the Obama administration and his  
19 delegates work and look with an open mind in coming up with  
20 solutions as time goes on as we address these steps that we are  
21 going to go through without shortcuts.

22 We all have stated that there is no clear technology to  
23 clean up an oil spill with a lot of ice present, stationary and  
24 nonstationary ice. I have not seen any technology on the  
25 removal of those ice or the monitoring of oil under the ice

1 through whatever technology, whether it be X-ray or whatever  
2 technology that there may be.

3 I attended a gathering in Anchorage two years ago when  
4 representation of Canada was expressing their concerns and what  
5 they knew in dealing with oil and gas spilled in ice and how  
6 they were going to clean it and what they had available. And  
7 so they said, with the United States sitting there without  
8 objecting because they share information as brothers would, we  
9 will wait until that ice melts. The ice that is multi-year  
10 ice, they call it, that's been there for more than one year, 20  
11 years, 40 years, that move around, we'll wait until that melt,  
12 too, before we clean the oil under that piece of ice, whether  
13 that ice is a mile square or larger. T3, I don't remember how  
14 big that is, that's been used for more than half a century.

15 In the areas where there is no ice, in the open water,  
16 we'll burn it. We have some chemical that we can put on there,  
17 but it's not very good because it makes a real thin thing that  
18 you can sweep up and collect. So it's difficult on a large  
19 scale to try to -- and that was what they had said.

20 The State of Alaska, to my knowledge, has not approved  
21 any oil spill contingency plan. I was looking for that in a  
22 previous Environmental Impact Statement and was unable to find  
23 it because that section was blank and reserved. One line, one  
24 word, "reserved" in brackets. And that was three years ago,  
25 just based on my memory.

1           We -- you know, I wondered about that, we wondered  
2           about that. We express our concerns in dealing with the  
3           technology. What can you do? And all of this other  
4           information come along with it in order to avoid that very  
5           point. Until that technology is there, you know, to clean up,  
6           I guess our imagination hasn't really had enough funding to  
7           come up with a boat that has some monstrous robotic arms and  
8           ways to clean up oil in ice.

9           We have been very fortunate that those five wells up  
10          there have not had problems when they were being drilled in  
11          1989. I've only seen one set of photographs that were  
12          published by National Geographic back then. Apparently there  
13          hasn't been any accidents, according to Minerals Management  
14          Service personnel recently regarding those five wells up there.  
15          But at the same time hearing about an accident that took place  
16          off of Australia where a blowout had occurred with the very  
17          same type of boat and drilling rig, and it took a month to plug  
18          that hole. I don't recall how big the oil spill was. Twelve  
19          miles by a mile, or something of that effect.

20          So it's very difficult for us to, you know, accept  
21          development. But we would really appreciate and do request  
22          that we do establish a baseline and go through this process the  
23          right way where there can be no arguments made in court.  
24          Because that has cost us a lot of money that would have been  
25          used for other purposes. When I say us, I don't mean our

1     tribe. I mean those people that try to protect, and they are  
2     referred to as environmentalists. They have other issues that  
3     they have to deal with that are of real concern, too, to help  
4     other people. I mean, it's hard to imagine not being able to  
5     have fish on Friday.

6             So I just hope that we -- are we going to have a  
7     opportunity to comment on the Environmental Impact Statement?  
8     Will there be able to be additions and corrections made? And  
9     what is your opinion in regards to that concern that I just  
10    expressed? And, you know, can we trust you this time?

11            MICHAEL PAYNE: You missed a lot of the presentation.

12            JACK SCHAEFER: Yeah, sorry, I had to do something.

13            MICHAEL PAYNE: That's all right. But we will -- we  
14    went through the schedule. You will definitely have another  
15    time to comment. One of the question -- one of the comments  
16    that came out of the back of the room was that because of  
17    certain circumstances, we were unable to meet with the tribe,  
18    and this is not a very large turnout for a public meeting. And  
19    we've already established that we're going to be coming back to  
20    Point Hope. It would be ideal if we could arrange it when we  
21    would have more people, when the draft is available. Which is  
22    going to be a while away yet. You certainly will have time to  
23    comment, and we'll probably be back during the comment period.

24            So the process -- you mentioned that the process needs  
25    to be done right. We're trying to do everything we can to

1 improve the process that we've already began, and we're going  
2 to do everything that we can to make sure that the public  
3 comment and the process is done correctly.

4 I don't know the outcome of this process yet in terms  
5 of what the final action will be. That right there may sound  
6 like it's not much of a statement, but generally when I get  
7 involved in NEPA projects, I have a pretty good idea of the  
8 outcome before I start. I don't know exactly what path it will  
9 take and what the final outcome will look like with all the  
10 details, but I'm not sure what the outcome of this process will  
11 be.

12 So it's going to be a very interesting dialogue between  
13 the people in the North Slope area, the federal agencies, and  
14 the oil and gas industry over the next several years. So I can  
15 promise you -- you're going to have another time to comment,  
16 yes. I can definitely promise you that.

17 So I -- if you -- I don't want to cut you off, but I  
18 do -- I know people are concerned about leaving, and people may  
19 want to comment. If you have other comments, we would welcome  
20 a written comment, or just hang on to them and we'll be back.  
21 Whatever you would prefer. But I just want to see if any other  
22 people have a comment right now, too, as well.

23 JACK SCHAEFER: Aside from that, I'm aware of eight  
24 companies that are -- have shown interest. I don't know how  
25 that's going to be reflected in regards to the Environmental

1 Impact Statement and how many permits are going to be issued,  
2 but the perception of our people here and the public around  
3 here is only looking at one or two companies. And we don't  
4 know which way these companies are going to go, and we do  
5 expect that, you know, we'll follow their procedures. And we  
6 do really urge that, you know, a baseline be established, that  
7 studies be done so that we can feel at least a little bit, you  
8 know, comfortable.

9 We like to keep the raw data. And again, use our  
10 companies to do this. And, you know, we all are hurting for  
11 jobs, and we need to do this right. If it comes to the  
12 conclusion that, you know, we can't do it, then we shouldn't do  
13 it. And, you know, we'll see where things go. You know, if  
14 things have calmed down, the East Coast hasn't panicked that  
15 much, the price of gas is \$2.60 a gallon, demand is not really  
16 there, and states are beginning to bend, they're offering their  
17 discounts in order to offset the desire of the industry, when  
18 the industry does its thing, it looks at costs, and so costs of  
19 offshore apparently are cheaper than onshore.

20 Until that technology is there, you know, we feel that  
21 you should be onshore first before you go offshore, and that  
22 the industry should honor that.

23 We all made sacrifices in history during the  
24 Depression, and it shouldn't be any different because they were  
25 our forefathers. We got to honor what they've done. And we

1 got to know, you know, we can do things, even though it would  
2 be hard. So.....

3 MICHAEL PAYNE: If I could, I would just like to.....

4 JACK SCHAEFER: I'm done.

5 MICHAEL PAYNE: Okay. I would like to thank you.

6 JACK SCHAEFER: Thank you.

7 MICHAEL PAYNE: We've got a hand raised in the back.

8 Thank you very much. Yes.

9 CAROLINE CANNON: It's always hard to speak after  
10 Mr. Schaefer, but I just want to point out -- I didn't get your  
11 name. I'm sorry. But, Mr. Payne, I'm thinking you're --  
12 you're Payne?

13 MICHAEL PAYNE: Yeah.

14 CAROLINE CANNON: I just want to thank you for coming  
15 and doing this new process. But I also would like to make a  
16 point, and I'm assuming the recorder can hear me. My name is  
17 Caroline Cannon. I've been -- I just want to acknowledge the  
18 first whaling captain that allowed me to go out there in the  
19 ice when I was nine years old, and that was Lori Kignak, my  
20 papa. So he started at a very young age. And at that time it  
21 was a common process to see dog teams coming and going.

22 And, you know, I just want to make a point that whales  
23 are very sensitive. I read that the take is to -- the term  
24 "take" under Minerals Management means to harass, hunt,  
25 capture, kill, or collect, or attempt to harass, hunt, capture,

1 kill, or collect.

2 So I just would like to make a point that they're very  
3 sensitive. We had no way of communication back in the day when  
4 I was at that age. So I've been out in the ice since. I've  
5 always been part of the process. My mother kept me down there  
6 12 hours a day, and I'm just glad that my parents were very  
7 traditional whaling captains, successful whaling captains. She  
8 made sure -- sometimes I was out there -- if we harvest one, I  
9 have to be out there 72 hours, until everything was cleared up  
10 and put away and whatever.

11 So I commend them. They've been gone for a while, but  
12 I just want to say that growing up, like I indicated, we did  
13 not have communication. So they utilized a paddle to indicate  
14 there's whales passing by. So we know that traditional  
15 knowledge is very critical. We know that we have our own  
16 scientific people that knows the ocean.

17 In a sense, I feel that it's blessed that we -- the  
18 East Coast felt the cold harsh winter that we are adapted to.  
19 We live in this area. Within the last few years, as we know  
20 that -- the world, that the weather has been changing  
21 dramatically. They close down their businesses. We watch it  
22 on CNN. It would be nice if they ever came to our community  
23 when we have those harsh weather impacts. No. Do they  
24 recognize us? No.

25 When we have the erosion, the storms that occur in our

1 communities -- Kivalina, for instance. We've been asking the  
2 federal government to recognize us because we live in this  
3 environment on an annual basis. Every year it occurs. So it's  
4 a blessing in disguise when the -- on the national level to see  
5 some want to live in the environment that we live. They close  
6 down the cities. They close down the services. But we  
7 continue to live. And it's so unpredictable, the movement of  
8 the ice, the condition.

9 I just shared not too long ago about the time -- and my  
10 mother and my father always taught me: even on the calmest day,  
11 Caroline, be ready, be ready to pack up the gear. And I didn't  
12 know what it -- what she meant by that. But lo and behold, on  
13 the very calmest day, the ice open up. The choppers had to  
14 come in from Barrow to rescue us. We had about 12 crews out  
15 there. We had children that were -- we were training our  
16 children, too, that were out there.

17 So there is tradition. It's critical that we utilize  
18 traditional knowledge. On the very calmest day. I'm going to  
19 repeat that. We have to rush and pack up, get the boat, and  
20 take off. The whole village was at the shore over here trying  
21 to help rescue. So I want to say regardless of scientific  
22 studies, technology, Mother Nature does her thing unexpectedly.

23 And I just want to thank you for coming this evening,  
24 and I'm going to stress, out of courtesy, consultation should  
25 be part of the process. Even if you indicate it's -- there's

1 no law that indicates that, Executive Order 13-175 indicates we  
2 should have tribal consultation. We are a tribe, we've been  
3 here since time immemorial. We still practice our traditional  
4 ways. Our community has two (uses Inupiaq word), two (uses  
5 Inupiaq word) that still practice today.

6 And I would acknowledge my friend, my aana,  
7 Kristi Frankson. She's been in the village probably 30 years.  
8 She's part of our community member that practice the whale.  
9 She does the boat sewing. She harvests. She does a lot of  
10 things that I don't. She have a lot of knowledge because she  
11 shows an interest. She loves this community.

12 And when I speak up today, I'm speaking up as a  
13 grandmother of 24. I just recently lost my daughter who had 10  
14 children. I am their voice. I want my grandchildren to have  
15 that same opportunity as I did. I want them to be able to go  
16 down to the ice, to be part of that process. To be proud of  
17 who they are. I know that our animals are sensitive. We have  
18 our ways, the unwritten law, unwritten tradition and knowledge  
19 that has not been processed or printed.

20 So again, I want to stress that I feel real  
21 uncomfortable that we only have -- like, the numbers are going  
22 down. I indicated seven or eight earlier, now we're down to  
23 six. But the basketball is taking place this evening. And  
24 like I indicated, my grandsons -- my grandson will be playing.  
25 I probably missed his game. But I think it's critical that we

1 be heard, and I just want to thank our elders that are here,  
2 Tillie is always at a public meeting. Dorcus, I want to thank  
3 her for coming.

4 And I just -- I seen you guys in Kotzebue yesterday, in  
5 fact. And I know that you said you had an opportunity to visit  
6 Native Village of the IRA of Kotzebue. I know NOAA had funded  
7 some -- the research that they did ugruks and the seals. It's  
8 on the Web. Their migration round, their calving areas. And  
9 this is critical knowledge or data that we need. We've been  
10 saying this. There are sensitive areas around the calendar  
11 year. It's one thing that the industry say they will not  
12 disturb. But we have some data that indicates the calving  
13 grounds around the coast, it'll definitely have an impact.

14 I've seen that data and the research that IRA of  
15 Kotzebue conducted with the seals and the ugruks. We've  
16 noticed some differences on the color of the oguluk (ph),  
17 meaning the blubber of the ugruk. It used to be real pink,  
18 now -- a reddish pink. Today it's like brownish, brownish  
19 color. There's something that is not -- we can recognize that  
20 when you -- when you are part of this process on a year-to-year  
21 basis. So we're noticing that there's some changes in our --  
22 like he indicated the uugaqs (ph), tomcods, and that patterns  
23 have changed.

24 I've said enough, and again, thank you for coming. And  
25 we're expecting to have another meeting. I don't know how we

1       could attract more people. It bothers me that we have only a  
2       few people. And it's bothering me right now that we don't  
3       have -- I know Elijah and Dorcus are whaling captains, retired  
4       whaling captains, but there's more out there. We have people  
5       that are -- this community consists of probably 15 whaling  
6       crews.

7                It bothers me when I don't see a whaling captain in  
8       here in the public meeting to make their public comments. It  
9       bothers me when I don't see children, I don't see elders. But  
10      I think that for the people that do come and speak, I just want  
11      to thank them from the bottom of my heart. Good night, and  
12      thank you.

13             MICHAEL PAYNE: Thank you very much. And with that, I  
14      think.....

15             JACK SCHAEFER: Whaling season, you won't get anyone  
16      here.

17             MICHAEL PAYNE: I know. I know that. We know that,  
18      so.....

19             JACK SCHAEFER: I just wanted to say that.

20             MICHAEL PAYNE: But I wanted to thank everybody for  
21      coming. We'll take your comments seriously. We will see you  
22      again. And hopefully next time we will have a better crowd,  
23      including whaling captains. So thank you very much, and have a  
24      good night. And until we meet again, thank you.

25             (Off record)

(END OF PROCEEDINGS)

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA )  
2 ) ss.

3 STATE OF ALASKA )

4 I, Crystal D. Scotti, Notary Public in and for the  
5 State of Alaska, residing at Fairbanks, Alaska, and court  
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing National Oceanic and  
8 Atmospheric Administration: Effects of Oil and Gas Activities  
9 in the Arctic Ocean, Environmental Impact Statement Scoping  
10 Meeting was taken before me on the 19th day of February, 2010,  
11 at Point Hope, Alaska;

12 That this hearing, as heretofore annexed, is a true and  
13 correct transcription of the testimony of participants, taken  
14 by me electronically and thereafter transcribed by me;

15 That the hearing has been retained by me for the  
16 purpose of filing the same with URS, 560 East 34th Avenue,  
17 Suite 100, Anchorage, Alaska 99503, as required by URS.

18 That I am not a relative or employee or attorney or  
19 counsel of any of the parties, nor am I financially interested  
20 in this action.

21 IN WITNESS WHEREOF, I have hereunto set my hand and  
22 affixed my seal this 13th day of April, 2010.

23 \_\_\_\_\_  
24 Crystal D. Scotti  
25 Notary Public in and for Alaska  
My commission expires: 09/15/2010

26 S E A L