



“The mission of the Council is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet.”

Members

*Tourism
Organizations*

*Alaska Native
Groups*

*Environmental
Groups*

*Recreational
Groups*

*Aquaculture
Associations*

*Commercial
Fishing
Organizations*

City of Kodiak

City of Kenai

City of Seldovia

City of Homer

*Kodiak Island
Borough*

*Kenai Peninsula
Borough*

*Municipality
of Anchorage*

8 March 2018

Ms. Kelly Hammerle
Chief, National Oil and Gas Leasing Program
Development and Coordination Branch, Leasing Division
Office of Strategic Resources, Bureau of Ocean Energy Management (VAM-LD)
45600 Woodland Road, Sterling, VA 20166-9216

Submitted via Regulations.gov

RE: Comments on the 2019-2024 Draft Proposed National Oil and Gas Leasing Program

Dear Ms. Hammerle:

Thank you for this opportunity to submit comments on BOEM’s Draft Proposed Plan (DPP) for the 2019-2024 Outer Continental Leasing Program and Draft Programmatic Environmental Impact Statement (PEIS). This is the largest number of lease sales ever proposed for the National OCS Program’s 5-year lease schedule and, at this time, we are asking you to remove potential sales in the Kodiak, Shumagin, and Gulf of Alaska Planning Areas from the Proposed Plan. The attached comments outline our concerns that thorough and realistic evaluations of environmental risks for these Planning Areas could not be effectively completed within the next 5 years.

The comments are submitted on behalf of the Cook Inlet Regional Citizens Advisory Council (CIRCAC), a citizen's oversight council for oil industry operations in the Cook Inlet region established according to Section 5002 of the Oil Pollution Act of 1990 (OPA 90). CIRCAC represents 13 communities and organizations to promote environmentally safe marine transportation and oil facility operations in Cook Inlet.

Since our inception, the only lease sales BOEM or its predecessor agencies have offered within our area of concern have been in the Cook Inlet Planning Area. However, potential lease sales in the Kodiak and Shumagin Planning Areas represent a substantial new development. While significant offshore oil and gas exploration, production, and spill response infrastructure already exists within the state waters of the Cook Inlet Planning Area, development in the planning areas added by the DPP would bring significantly new risks to sensitive resources. Unlike the areas within state waters, these areas are void of the same offshore infrastructure. These areas are also subject to extreme wind and wave conditions for both operations and response to any incident or oil spill. These factors must be fully considered in the forthcoming analysis and deliberations.

In the last lease sale process for the Gulf of Alaska (including the Kodiak Planning Area), the President’s Council on Environmental Quality, when comparing the Gulf of Alaska to

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other national Planning Areas in the Atlantic and Gulf of Mexico, found that “The Gulf of Alaska is more prone to frequent and severe earthquakes, tsunamis, ice, and storms than in the Atlantic,” adding that, “oil and gas development in these hostile conditions increases the risk of environmental damage.” They concluded that, “Of the areas studied, the Council concludes that because of its tremendous ecological value as a habitat for many rare, endangered, and important species, the longer physical residence time of oil, and its hostile environment, the Gulf of Alaska appears most vulnerable to major environmental damage from OCS oil and gas development.”

Since then, we see no significant change in the potential hazards, environmental conditions, or resource and habitat sensitivities and believe that the 2019-2024 five-year plan should not include the Kodiak, Shumagin, or Gulf of Alaska Planning Areas. We will comment further on the Cook Inlet Planning Area through the lease sale processes.

Thank you for your consideration of the enclosed comments. Please do not hesitate to contact me at (907) 283-7222 or at munger@circac.org.

Sincerely,



Michael Munger
Executive Director

**CIRCAC Comments on 2019-2024 Draft Proposed National Oil and Gas Leasing Program
8 March 2018**

Thorough and public consideration of the potential socioeconomic and environmental impacts, mitigation measures, and alternatives is critical for any potential lease sale areas.

The 2019-2024 Draft Proposed National Oil and Gas Leasing Program (DPP) would significantly expand lease sales to include the Kodiak, Shumagin, or Gulf of Alaska Planning Areas as well as the Cook Inlet Planning Area. Conducting thorough and effective EIS will require significant staff time. As past five-year plans have included many fewer planning areas within the Alaska Region, and we are not aware of any significant increase in staff capacity, CIRCAC remains concerned about the adequacy of the most recent EIS conducted for the Cook Inlet Planning Area alone, and is even more concerned that BOEM does not have sufficient personnel available to meet the needs of the additional planning areas.

A thorough review requires sound data, sound methodology, and ample opportunity for public review and comment. All three of these will be challenging, particularly in the planning areas for which lease sales have not previously been offered and where significantly less historical information is available. We have little confidence that there would be significant improvements for a plan that multiplies the number of Planning Areas where lease sales would be offered in the next five years.

1. ***Inadequate data.*** BOEM has funded extensive studies in parts of Alaska that have been the focus of recent actual or potential lease sales, such as Cook Inlet and the Beaufort and Chukchi Sea Planning Areas. In Cook Inlet, this effort has resulted in the publication of DEIS and EIS where the data was compiled, integrated, interpreted, and used for Oil Spill Risk Analyses (OSRA). However, even in Cook Inlet, CIRCAC has noted in the past that although numerous prior EIS have been prepared, the most recent Draft Environmental Impact Statement for Cook Inlet Lease Sale 244 [FR Doc. 2016-16847] still had gaps and misrepresentation of existing data even as new data were supposed to be incorporated.

Without dedicating ample resources and time, we have little confidence that BOEM could adequately conduct thorough EISs and OSRAs for the much larger and less-well understood Kodiak, Shumagin, and Gulf of Alaska Planning Areas proposed in the DPP for 2019-2024. There are many uncertainties regarding the potential impacts in this area, and it would be unacceptable for an EIS to simply assume that it is the same as Cook Inlet or other Alaskan waters. Please see comment #2, below for further discussion of these areas.

2. ***Review of methodology.*** It is extremely important that BOEM provide *all* information necessary to evaluate the documents that they produce during lease sale processes. The public and all potentially affected stakeholders must be able to critically evaluate the data and any assumptions and methodology used to assess environmental risk. Public review of a DEIS is the critical period where meaningful public input takes place before the publication of a final document. When the information on which BOEM is basing their analyses is not publicly available, that

process breaks down. A recent example happened with the Oil Spill Risk Assessment (OSRA) for the most recent Cook Inlet lease sale, where it relied on numerical analyses and modeling provided in two papers. CIRCAC had concerns that the “annual probabilities” for oil spills initiated at a given location and ending up at a particular Environmental Resource seem overly weighted towards areas adjacent to the spill. Unfortunately, the literature sources referenced for two key inputs to the Cook Inlet OSRA (the circulation model and the method by which the percent chance of an oil-ERA interaction was tabulated) had not yet been published. At the time, they were referenced as Ji, Johnson and Smith, 2016. *in prep* and Danielson S. *et al.* 2016. *In press*. As the information contained within these documents was the basis for much of the OSRA for Cook Inlet, they should have been made publically available in the docket as Supporting Documents during the public comment period. This type of omission is not acceptable.

3. **Timing of public review.** While one cannot expect an agency to anticipate all possible obstacles to participation by stakeholders in a public review process, the timing of the salmon fishing season in Alaska is a well-known and widely accepted factor in the ability of those engaged in commercial, recreational, subsistence, and personal use fisheries to develop comments or participate in meetings. BOEM issued a public notice for comments on the Draft Environmental Impact Statement for Cook Inlet Lease Sale 244 [FR Doc. 2016-16847] from mid-July to September 6, 2016. These months are the height of the salmon fishing season in the area, so the timing of the comment period essentially excluded the stakeholders who know the most about the Cook Inlet environment because of the time they spend fishing, researching, or managing its habitats and resources. CIRCAC and several others requested extensions to the comment period, but with no result. Public comment opportunities must at the very least be *accessible* to affected stakeholders, which this process was not. Any reviews of a forthcoming EIS must include both ample time and consideration of season.

Lease sales in the Kodiak, Shumagin, and Gulf of Alaska Planning Areas should be excluded from the DPP because of the sensitivity of the area, risk of seismic activity, and the impact of conditions in the area on the timing or effectiveness of any response.

We recommend that the Kodiak, Shumagin, and Gulf of Alaska Planning Areas be removed from consideration in the 2019-2024 Outer Continental Leasing Program. The 2019–2024 Draft Proposed Program Lease Sale Schedule lists least sales in all three of these Planning Areas in 2023. Though significant research is conducted for *some* resources (e.g., commercial groundfish) in these areas and various ecosystem studies have or are being conducted in certain areas (e.g., following the Exxon Valdez Oil Spill and currently during the Gulf Watch Alaska Program), current data are not comprehensive enough to fully understand the potential impacts of oil and gas activity across these planning areas.

The Kodiak, Shumagin, and Gulf of Alaska Planning Areas include highly sensitivity areas, with enormous importance to commercial fisheries (e.g. Albatross, Portlock, Snakehead banks, etc...), marine mammals, and bird colonies in the Alaska Maritime Refuge. If lease sales for these areas

do proceed, the EIS must include full consideration of the potential impacts to sensitive resources and socioeconomic resources associated with pollution from normal operations, noise generated during exploration as well as production (including vessel and aircraft activity), and the potential for oil spills. It should also consider the impact of distance and conditions on a response and identify the frequency with which conditions would be expected to preclude the deployment and operation of response activities at the scene.

1. ***Sensitive Areas.*** The Kodiak, Shumagin, and Gulf of Alaska Planning Area include wide expanses of the relatively shallow (<200m) continental shelf and encompass known areas of high primary and secondary productivity, Essential Fish habitat, Habitat Areas of Particular Concern, and Endangered and Protected species habitats. The continental shelf in the western Gulf of Alaska within the three planning areas has a series of alternating troughs and relatively shallow banks. These areas are known to be extremely productive seasonally due to nutrient upwelling and mixing through the troughs into the upper photic zone. Subsequent high phytoplankton production supports secondary production (zooplankton) that is available to higher trophic levels. Some of the highest productivity occurs over banks such as the Albatross and Portlock Banks, east and northeast of Kodiak, and as such are a major preferred North Pacific summer feeding areas of humpback whales.

The relatively shallow waters mean that much of the pelagic organic matter also reaches the benthos making these banks exceptionally rich commercial fishing grounds. In general, the high productivity of continental shelf waters and the subsequent supply of organic matter to the benthos in the western Gulf of Alaska supports commercial fishing industries such as Pollock, halibut, sablefish, and Pacific cod, as well as shellfish such as king and bairdi tanner crab. Little is known about the rates of carbon supply to the benthos or the potential for spilled oil to interact with suspended particles, providing a mechanism for oil to be deposited on the bottom (especially on the shallow banks).

In these areas, a surface oil slick or naturally or chemically-dispersed oil plume could potentially impact a significant portion of the phytoplankton standing stock and ultimately be adsorbed or absorbed by phytoplankton; adsorbed, absorbed, or ingested by zooplankton and higher trophic levels; or incorporated as marine-oil-snow and transported to the deeper water column or benthos where it can be sequestered or impact benthic-feeding species.

Another issue is the potential for marine snow due to Gulf of Alaska conditions in the event of an oil spill. A large body of research on Marine Oil Snow Sedimentation and Flocculent Accumulation (MOSSFA) following the Deep Water Horizon oil spill is showing that dispersed oil was transported from the surface (not just from dispersed oil at the sub-surface blow-out location) to the benthic environment. Researchers documented bioaccumulation of hydrocarbons into the benthic food web and assert that the long residence times of the MOSSFA-oil on the seafloor could result in prolonged exposure by benthic organisms and economically important fish. The processes studied in the Gulf of Mexico are not unlike those that occur along Alaska's

continental shelf, however there is little information on the extent that untreated or treated surface (or subsurface) oil slicks would interact with the various suspended silt and clay plumes that are abundant throughout coastal Gulf of Alaska and even less information about the profusion and seasonality of marine snow. The potential for enhanced production of marine snow by spilled oil is unknown in Alaska, but the highly productive areas in the Kodiak, Shumagin, and Gulf of Alaska Planning Areas raise concerns that, seasonally, interaction between MOSSFA and spilled oil in these areas could potentially provide a mechanism to transport significant oil from the water column to the benthic environment.

2. ***Seismic Hazards.*** The Kodiak, Shumagin, and Gulf of Alaska Planning Areas include zones of active faulting where the northwestward-moving Pacific plate is being subducted beneath the Aleutian Islands arc, encompassing the entire continental slope. This subduction zone is within the Pacific “ring of fire” and is one of the most seismically active areas on earth.

The January 2018 earthquake off Kodiak at the base of the continental slope highlights the potential for seismic activity to impact oil and gas operations (“7.9 Quake in Gulf of Alaska Spurs Tsunami Alerts, Evacuations,” Anchorage Daily News, January 23, 2018). Hundreds of earthquakes occur in the area each year, and while many are fairly small, earthquakes along these subduction zones can cause damage to oil infrastructure from horizontal or vertical earth movement; submarine landslides; slumping or liquefaction; and, in the event of significant continental crust upthrust or mass sediment movement, tsunamis.

3. ***Logistical limitations.*** The Gulf of Alaska has a record of severe weather, especially in winter when the major storm tract from the Aleutian Low moves northeast over Kodiak. The resulting extremely high winds, waves, and superstructure icing pose hazards to any oil industry activity that may result from lease sales in the Planning Areas. Transporting and deploying response personnel and equipment in the event of an oil spill would be severely challenged by these weather conditions, as well as the distances that need to be travelled (especially in the Shumagin and parts of the Gulf of Alaska Planning Areas).

Based on the Deep Water Horizon experience and failures of tests to respond to or contain deep well blow-outs, we have concerns about exploration and production activities potentially taking place in sensitive areas where any response would be challenged by distance and, likely, weather conditions. For an example of the latter, one need look no farther than the recent headlines, “Bad Weather Blocks Cleanup of Oil Spill in Fragile Waters near Kodiak,” (Anchorage Daily News, February 28, 2018) where 45-60 knot winds and 8-12 foot seas prevented responders from even reaching a slick of Heavy Fuel Oil spilled from an on-shore facility and only 75 miles from a USCG base in Kodiak.