Scoping Report Alaska Outer Continental Shelf (OCS) Region North Aleutian Basin Planning Area Oil and Gas Lease Sale 214 Environmental Impact Statement

1. INTRODUCTION.

The Minerals Management Service (MMS) has begun the process of preparing an environmental impact statement (EIS) pursuant to the National Environmental Policy Act (NEPA) to assess the potential impacts of proposed OCS oil and gas leasing, and potential subsequent exploration and development activities in the North Aleutian Basin Planning Area in the Bering Sea, off southwestern Alaska. The sale, referred to as proposed Sale 214, is tentatively scheduled for 2011.

Through the EIS scoping process, MMS receives information used to identify potential impacts, define alternatives, and determine mitigation measures to be analyzed in depth in the EIS. Scoping also identifies those issues, alternatives, and mitigation measures that may not necessitate analyses in the EIS.

The MMS began scoping for proposed Sale 214 with the publication of a Call for Information and Nominations and a Notice of Intent to Prepare an Environmental Impact Statement (Notice) in the *Federal Register* (*FR*) notice on April 8, 2008 (73 *FR* 19095). *Federal Register* Notice 19095 provided instructions for interested parties to submit written comments on the scope of the EIS by mail, email, or hand delivery, and stated that scoping meetings would be held in appropriate locations announced at a later date. The Notice also invited inquiries from other Federal, State, Tribal, and local agencies interested in becoming cooperating agencies with the MMS in the preparation of the EIS. In a second *Federal Register* notice published on August 13, 2008 (73 *FR* 47221), MMS extended the deadline for submission of initial written scoping comments to October 17, 2008, and provided dates and locations for public scoping meetings in August and September 2008.

2. NORTH ALEUTIAN BASIN LEASE SALE 214 SCOPING PROCESS.

The MMS conducted a scoping process from April 8 to October 17, 2008, to obtain input on the scope for this EIS. During that period, MMS encouraged the public and interested groups to provide information, raise issues, and express concerns and opinions on all aspects of proposed Sale 214. Approximately 245 persons participated in this process. All comments, regardless of how they were submitted, will receive equal consideration. The results of this process are documented in this scoping report. The purpose of this scoping report is to present a summary of the oral and written comments submitted to MMS during the public scoping period. This report does not (1) analyze or evaluate submitted comments; (2) present an exhaustive list of each verbatim comment received; or (3) present responses, conclusions, or decisions on scoping comments. The EIS will address and analyze the information obtained through the scoping process, and identify issues that may require further, detailed analysis.

The MMS conducted a total of 10 public scoping meetings between May and September 2008. In addition, MMS met with several stakeholder groups to gather information as part of the scoping process. This report summarizes the information MMS obtained during scoping. The MMS continues to gather additional information throughout the EIS process.

2.1. Cooperating Agency.

The U.S. Department of the Interior (USDOI) policy is to invite other State and Federal Agencies and Tribal, and local governments to become cooperating agencies in the preparation of an EIS. According to the Council of Environmental Quality (CEQ) regulations, qualified agencies and governments are those with "jurisdiction by law or special expertise."

The MMS invited qualifying agencies to become cooperating agencies for the EIS process via the Call for Information and Nominations and Notice of Intent to Prepare an Environmental Impact Statement in the *Federal Register* on April 8, 2008. One agency, the Aleutians East Borough (AEB), responded with the request to be a cooperating agency in the preparation of the EIS for Sale 214. The MMS and AEB established a Memorandum of Agreement for AEB to be a cooperating agency in accordance with CEQ regulations (40 CFR 1501.6) signed May 30, 2008.

The AEB developed a list of 11 potential mitigation measures for MMS consideration in the EIS process (See Section 3.1.1. Mitigation and Stipulations). The MMS and AEB continue to work together on a regular basis to develop and agree on a set of mitigation measures to include in the EIS, which may become some of the stipulations for proposed Sale 214. This cooperative work will continue parallel to and in conjunction with environmental impact assessment during preparation of the Draft EIS.

2.2. Scoping Events and Participants.

<u>Scoping Meetings</u>. The MMS, in cooperation with the AEB, conducted 10 public scoping meetings in Anchorage (May 13, 2008); Unalaska (May 15, 2008); Kodiak (June 3, 2008); King Salmon (August 18, 2008); Naknek (August 19, 2008); Dillingham (September 2, 2008); Sand Point (September 16, 2008); Nelson Lagoon (September 16, 2008); Cold Bay (September 16, 2008); and King Cove (September 17, 2008).

Each scoping meeting included two presentations, one by MMS and the other by the AEB, as the cooperating agency. Both presentations emphasized the importance of

public input on the resources, issues, alternatives, and mitigation measures to be included in the environmental analysis.

At each scoping meeting, MMS staff explained that MMS is mandated with the responsibility of administering portions of the OCS Lands Act, and that MMS manages the Nation's mineral resources on 1.76 billion acres of the OCS. Staff also emphasized that MMS oversight and regulatory framework ensures oil and gas production and drilling are done in a safe and environmentally responsible manner. The MMS presented an overview of the NEPA process and the MMS studies program, and explained the importance of public participation in the scoping process, the scoping meetings schedule, MMS mandates and mission, and the Sale 214 Proposal.

Information distributed at the meetings included a presentation on the NEPA process, including an overview on public participation in the scoping process, the MMS 5-year program, and a summary of scoping comments from previous public meetings. At each scoping meeting, MMS gathered comments on issues of concern, alternatives, mitigation measures, and other specific concerns. The MMS will continue to provide opportunities for future public input as requested by stakeholders or other entities.

The MMS displayed and distributed the following information on the NEPA process and proposed Sale 214 at the public meetings:

- A 25-page information packet containing information about the NEPA process and the proposed sale area.
- Compact discs containing information about the MMS OCS Five-Year Leasing Program, the *Proceedings of the North Aleutian Basin Information Status and Research Planning Meeting* (OCS Study MMS 2007-031, Argonne National Laboratory).
- The MMS Assessment of Undiscovered Oil and Gas As of 2006.
- Maps depicting the North Aleutian Basin (NAB) Sale 214 Planning Area.

<u>Information Meetings</u>. The MMS has held meetings with individual groups to exchange information about proposed Sale 214. During the scoping period, MMS met with the Bristol Bay Native Association (September 17, 2008), the Aleutian Pribilof Islands Association (September 23, 2008), the Alaska Crab Coalition (September 23, 2008), and the United Fishermen of Alaska (September 24, 2008). The MMS continues to meet with stakeholders and conduct government-to-government consultation as requested.

The Alaska Independent Fishermen's Marketing Association and other fishery stakeholder groups requested an additional scoping meeting during the November 2008 Pacific Marine Expo in Seattle, Washington after the formal scoping period closed on October 17, 2008. Although the formal scoping period had closed, MMS set up an exhibit booth at the Expo and participated in an information meeting on November 20, 2008, during one of the Expo sessions. In addition, MMS sent written notification to 15 commercial fishing and processing member organizations of the United Fishermen of Alaska (UFA), informing them that MMS planned to participate at the Pacific Marine Expo in Seattle. The MMS also offered to meet one-on-one with UFA member organizations to discuss proposed Sale 214 and the related NEPA process, and sent written notification to UFA member organizations residing both in the State of Alaska and the State of Washington. Comments and general information obtained at the Expo are included in this report.

Participants. A total of 245 commenters provided verbal and written scoping comments. A total of 137 persons attended the 10 scoping meetings, with 60 persons providing verbal comments. The MMS received 185 emails and letters commenting on Sale 214. Commenters mainly consisted of 20 environmental protection organizations; 37 commercial fishery member organizations; 37 Native Tribes in the region, including the 13 recognized Tribes of the Aleutian Chain and Pribilof Islands region of Alaska, and local and borough governments. Individual commenters consisted mostly of commercial fishers and subsistence users and also included other residents from communities in the three boroughs directly affected: Bristol Bay, Lake and Peninsula, and Aleutians East Boroughs.

Commenters consisted of the following entities:

- 1. <u>Federal Agencies</u>. USDOI, Fish and Wildlife Service; Environmental Protection Agency; Marine Mammal Commission.
- 2. <u>State of Alaska</u>. Alaska Department of Natural Resources, Division of Coastal and Ocean Management; University of Alaska, Fairbanks; Southern Norton Sound Fish and Game Advisory Committee.
- 3. <u>Alaska Local Governments</u>. Aleutians East Borough, Bristol Bay Borough, Lake and Peninsula Borough, Sand Point School District, King Cove Mayoral Office, Cold Bay Mayoral Office, Sand Point Mayoral Office, City of Dillingham.
- 4. <u>Federally Recognized Tribes and Native Organizations</u>. Bristol Bay Native Association, Aleutians Pribilof Islands Association, Ugashig Traditional Village Council, Alaska Inter-Tribal Council, Yup'ik Nation of Kuskokwim River, Dillingham Tribe, Curyung Tribal Council, Nunamta Aulukestai; Kawerak, Inc.
- 5. <u>Non-Governmental Organizations</u>. National Wildlife Refuge Association, World Wildlife Fund, Alaska Marine Conservation Council, Audubon Society, Trustees for Alaska, Defenders of Wildlife, Pacific Environmen,; Alaska Center for the Environment, Alaska Wilderness League, Northern Alaska Environmental Center, Pacific Environment Seaflow, Sierra Club, The Center for Water Advocacy, The Wilderness Society, Center for Biological Diversity, Alaska Independent Fishermen's Marketing Association, Sportsman's Alliance for Alaska, Ocean Conservation Research, Alaska Crab Coalition, United Fishermen of Alaska, Alaska Scallop Association, Bristol Bay Coastal Resource Service Area, Wildlaw, Southwest Alaska Municipal Conference, Qayassiq Walrus Commission, Bristol Bay Marine Mammal Council, Yukon River Drainage Fisheries Association,

Alaska Longline Fishermen's Association, The Wild Salmon Center, Oceana and Ocean Conservancy, Ocean Conservation Research; Greenpeace.

- 6. Oil and Gas Industry. Shell Offshore, Inc., ConocoPhillips.
- 7. <u>Individuals</u> (not listed). This group primarily consisted of commercial and subsistence fishery stakeholders and residents and business persons of directly affected communities in the Sale 214 area.

3. RESULTS OF THE SCOPING PROCESS.

The MMS obtained comments through a variety of channels during the scoping process. In addition to comments submitted at the public scoping meetings, interested parties submitted written comments to MMS on the Sale 214 EIS via electronic mail (email delivery), U.S. mail delivery, and hand delivery. In addition to written comments received in response to the Notice, MMS examined comments received during the 2007-2012 5-year program process for relevance to Sale 214 in the NAB.

The following section is a compilation and summarization of comments MMS obtained during the scoping period. This scoping report does not include verbatim statements; however, MMS made every attempt to accurately capture the substance of the comments as they were stated. Issues are not presented in any particular order of importance. Commenters expressed a wide range of interests and opinions about proposed Sale 214 and about OCS activities in general. The range of comments in each issue category is illustrative of the varied and, perhaps, contradictory issues, concerns, and desired future conditions expressed by individuals, organizations, and public agencies. Some repetition and overlap between categories is unavoidable; however, MMS made an effort to keep redundancy to a minimum across the comment categories.

3.1. Comments Summary.

<u>Support and Opposition</u>. Three local governments expressed favor of proposed Sale 214 and see oil and gas development as an opportunity with conditional support: (1) Lake and Peninsula Borough; (2) Bristol Bay Borough; and (3) Aleutians East Borough. City governments in the area of the NAB are mixed in their favor of, or opposition to, the sale. Bristol Bay communities and some Native Tribal entities largely are opposed to the sale. The city governments of the AEB favor the sale with specific conditions, or mitigation measures. Most individual commenters oppose the sale, because they believe the risks outweigh the benefits. Those that largely favor a proposed oil and gas lease sale do so with conditions.

<u>Frequent Comments</u>. Most commenters emphasized the critical importance of resource protection in the NAB, namely commercial fisheries, human subsistence resources, and internationally important marine mammal and seabird populations and habitats. The following are comments frequently heard at most or all of the scoping meetings:

- Current information and critical scientific baseline data are insufficient to prepare an EIS or move ahead with an oil and gas lease sale in the NAB.
- The 35 studies identified in the 2006 North Aleutian Basin Information Status and Research Planning Meeting should be completed before allowing the sale to proceed. Additional studies are necessary to obtain more baseline data. Of the 35 priority studies identified, only two are under way and only six others are proposed for 2009. The MMS must begin, advance, and complete these baseline studies before preparing an EIS.
- In a region so heavily dependent on the marine ecosystem, the risks to the environment, economy, subsistence, and wildlife greatly outweigh the rush to develop nonrenewable oil and gas resources. Bristol Bay's renewable resources are too valuable to risk.
- Oil and gas development in the NAB would have direct, cumulative, and synergistic impacts that could cause irreparable harm to the fragile Bering Sea ecosystem. The MMS should therefore not proceed with proposed Sale 214.

<u>General Comments</u>. The following are general comments submitted in writing or heard at the scoping meetings:

- Sale 214 is being proposed in a region where there currently is no onshore or offshore oil and gas development. To identify all of the natural, cultural, and economic values that are at stake is an enormous and extremely important task and should not be rushed, skimmed over, or delayed until later in the process. At this time, MMS does not know enough about the NAB ecosystem to predict how oil and gas activities will affect the region and the species that depend on it. Before proceeding, MMS must gather sufficient information to understand the baseline conditions and be able to consider cumulative effects of oil and gas activities in the context of a rapidly changing climate. The sheer lack of scientific baseline data on wildlife, physical processes, subsistence values, and fisheries in the Bering Sea and NAB prevents MMS from conducting a proper EIS analysis.
- The MMS should address broader OCS issues (commenter did not specify which issues) that remain unresolved before proceeding with the EIS or other preparations for Lease Sale 214.
- The MMS failed to facilitate adequate scoping opportunities suggestion that MMS hold scoping meetings in coastal communities all along the northwest coastline of Alaska, including the Chukchi Sea, as well as Washington, D.C. and Seattle.
- A primary concern is that an oil and gas lease sale is unsuitable for use in Bering Sea and Bristol Bay waters because of severe climate conditions, uniqueness of the ecosystem, and lack of data.
- Oil and gas industry effects from onshore facilities, such as ports, roads, staging and support bases, production sites and pipelines, and activities (helicopters, barging, seismic) need to be addressed.
- Public health must be addressed and examined as a separate issue with significance criteria and should not be analyzed as an environmental justice concern.

- Industry needs to better educate local residents so they can make the best informed decisions.
- The MMS must include analysis of greenhouse gas emissions (commenters did not specify sources).
- If MMS proceeds with proposed Lease Sale 214, it must comply with the OCS Lands Act, the Endangered Species Act (ESA), the Marine Mammal Protection Act (MMPA), and NEPA.
- The MMS must analyze alternative energy options in the EIS.

3.1.1 Mitigation and Stipulations.

<u>Aleutians East Borough Mitigation Measures</u>. The AEB, as a cooperating agency with MMS in preparation of the EIS, gave presentations at each of the 10 scoping meetings in addition to the MMS presentation. The MMS and AEB continue to work toward agreement on a final list of the following mitigation measures for inclusion in the EIS process. The AEB supports Sale 214 and presented this list of recommended mitigation measures at each meeting.

1. Fisheries Protection. Lease-related use will be restricted to prevent conflicts with local commercial-, subsistence-, and sport-harvest activities. All OCS operations, both onshore and offshore, must be designed, sited and operated to ensure that:

(a) Adverse changes to the distribution or abundance of fish resources do not occur.

(b) Fish or shellfish catches are not adversely impacted by OCS activities.

(c) All exploration, construction, and operation activities will be coordinated with the fishing community to maximize communication, ensure public participation, and avoid conflicts.

(d) Ballast water treatment is required to remove or eliminate nonindigenous species.

(e) Fishermen are not displaced or precluded from access to fishing areas, unless they are adequately compensated for the displacement.

(f) Fishermen are not precluded from participating in designated fishing seasons, unless they are adequately compensated for the lost season(s).

(g) Fishermen will be compensated for damage to fishing equipment, vessels, gear, and decreased harvest value from OCS operations in a timely manner.

The NOAA Fisheries must complete a baseline fisheries assessment prior to commencement of OCS exploration. The NOAA Fisheries must review and approve all exploration and development activities under the leases issued in collaboration with local, State and Federal Agencies, and implement Federal monitoring programs to ensure these fish resource standards are met.

2. Transportation, Utility Corridors, and Infrastructure Siting. Transportation routes, utility corridors, and infrastructure must be carefully sited and constructed to allow for the free passage and movement of fish and wildlife, to avoid construction during critical migration periods for fish and wildlife. Pipelines should be buried wherever possible. The siting of facilities, other than docks, roads, utility or pipeline corridors, or terminal facilities, will be prohibited within 1/2 mile of the coast, barrier

islands, reefs and lagoons, fish-bearing waterbodies and 1,500 feet from all surface-water drinking sources.

3. Coastal Habitat Protection. Offshore operations must use the best available oil-spillprevention and -response technologies to prevent oil spills from adversely impacting coastal habitat and to rapidly respond to oil spills. Geographic response strategies must be used to protect environmentally and culturally sensitive sites.

4. Local Hire and Training. The OCS operators will be required to submit a local hire and training program prior to any exploration, production, or permitting activity. This program must provide a description of the operator's plans for partnering with local communities to recruit and hire local residents, local contractors, and local businesses, and a training program to prepare local residents to be qualified for oil and gas jobs for exploration and development activities within their region.

5. Air Pollution. Best available emission control technology will be required for all industrial sources of air pollution, including criteria air pollutants and hazardous air pollutants.

6. Water Pollution. A zero water pollution discharge will be required for all industrial operations.

7. Marine Mammals and Essential Habitat. All onshore and offshore facilities and OCS-support vessel and air craft routes must be carefully sited to avoid marine mammal and essential habitat impacts.

8. Social Systems. All onshore and offshore facilities must be carefully sited, designed and operated to avoid adverse social system disruptions and impacts. The OCS operators must:

(a) minimize impacts on residential areas, privately owned surface lands and native allotments;

(b) provide utilities and support services, and expand other community infrastructure and services as needed to support their OCS development and associated local population increases; and

(c) communicate with local residents, interested local community groups, and especially fishing organizations.

9. Good Neighbor Policy. All OCS operators, operating off the AEB coastline, should be required to adopt a Good Neighbor Policy that is appropriate for this region. TheAEB's Good Neighbor Policy requires OCS operators to work with the AEB to provide cost-effective fuel, power, transportation, medical services, emergency and other services to the local communities. The AEB's Good Neighbor Policy also required OCS operators to provide a compensation system to minimize disruptions to subsistence activities and provides resources to relocate subsistence hunters and fishermen to alternate areas or provide temporary supplies if a spill affects the taking of subsistence resources.

10. Cultural and Historic Site Protection. The OCS operators must protect all existing cultural and historic sites and notify the local government as soon as possible about the discovery of prehistoric, historic, and archaeological sites. The notification must describe what was discovered and how the area will be preserved. A final project report shall be submitted to the local government.

11. Seismic Design. All onshore and offshore facilities must be designed to the Seismic Zone IV, Uniform Building Code design standard for the Aleutian Chain.

3.1.2. Crude Oil Releases, Gas Explosions, and Fuel Spills.

The threat to biological resources and socioeconomic stability, both onshore and offshore, was repeated by many commenters at the 10 scoping meetings and in written submissions. Commenters also expressed concerns regarding spill risk and the ability to clean up spills in a region with severe, inclement weather and ocean conditions. Commenters stated the EIS should include analysis of the following:

- The risks associated with well control (blowout), fire, explosion, at-sea transfer of oil accidents, and maritime spills of oil or natural gas condensates.
- An oil-spill-trajectory analysis that specifically accounts for the fact that during much of the year, immediate response to a spill would not be feasible due to weather, ice, and lack of daylight.
- How potential lingering oil in the Bristol Bay salmon fishing district may affect individual salmon and the salmon fishery as a whole, including potential closures, and how this would affect the fishery economies.
- The direct impacts of oil and gas development in the NAB, including oil spills and noise pollution.
- Offshore oil and gas infrastructure that would be subject to accidents from severe environmental conditions, such as coastal erosion and the movement of sea ice.
- Coastal residents and fishermen do not have confidence in the ability of operators and the government to prevent, control, or respond to oil spills. Commenters expressed concerns about the inability to clean up an oil spill in the mostly severe weather conditions in the Bering Sea.
- A primary concern is the potential that a significant release of oil into the marine environment will impact the Bristol Bay region's fish and wildlife resources and the essential harvest of those resources.
- Residents are concerned about the risks associated with a gas-prone area and the potential for explosions, and how these explosions potentially could affect undersea life.
- The MMS must ensure that the risk of oil spills is minimized, that chronic leaks are contained, and there is no offshore discharge of drilling muds.
- The subsistence communities are concerned that, to date, no reliable method or technology has been proven effective at cleaning up spilled oil in rough, high-seas areas. The MMS must require operators developing oil in the Bering Sea to demonstrate they possess the capability and technology to deploy effective devices to clean up spilled oil.

- Residents are concerned about oil-spill risk; toxic releases; or accidental loss of drilling muds, solvents, or other toxic liquids and what happens to these substances when they are released, where they go, and how they affect the health of the Bristol Bay fisheries.
- Given the extreme environmental and severe weather conditions, the spill-risk estimate for a Bering Sea lease sale certainly must be higher.
- Migratory seabirds could be oiled in affected marine areas because of so many biologically sensitive areas near Sale 214, specifically the Izembek National Wildlife Refuge and other nearby wildlife refuges, preserves, and State game sanctuary.
- Local residents are concerned about heavy-fuel-oil spills, such as what occurred with the M/V *Selendang Ayu* accident in 2004. Heavy fuel oiled the shores of Unimak Island. The MMS must consider the oil-spill risks posed by vessels traveling through the Aleutians.
- The MMS must do a risk assessment of the hydrocarbon releases for several scenarios, including ice-filled waters, and a description of the possible long-term effects of these pollution events.

3.1.3. Sociocultural, Subsistence, and Socioeconomics.

Many commented that MMS should evaluate the socioeconomic effects and benefits of exploration and development of a Bering Sea oil and gas lease on the local coastal communities, boroughs, and the State of Alaska. Commenters in general stated the EIS should address and analyze the benefits of job creation, tax revenue from onshore facilities, electrical power generation from natural gas supplies, and potential Federal revenue sharing. Area residents emphasized that the EIS must address their concerns of the region's economic sector.

The local borough governments favor Sale 214 and see opportunity for economic stability with conditional support. Most commenters expressed concern about outmigration of residents from rural communities, because they can no longer afford to live there. They are concerned that many villages and communities will be abandoned and become ghost towns as residents leave for the urban areas in Alaska. Many believe that OCS activities will help stem outmigration of residents from the AEB, Bristol Bay Borough, and Lake and Peninsula Borough.

Commenters frequently stated the following concerns about proposed Sale 214:

- The MMS must realize the importance of all subsistence hunting to provide food, which is shared with outlying villages. Subsistence provides "cultural medicines" and spirituality that have been proven to help our community. To lose the ocean as a source of food would be catastrophic.
- Subsistence users expressed concern about seismic and development activity effects on Bering Sea fisheries, specifically salmon, halibut, crab, cod, pollock, and herring. They also are concerned about disturbance of fish-migration patterns.

- The EIS must analyze the effect that the sale could have on the ability to support a family, if the source of food is put in jeopardy. There is no other source of food for the community.
- The EIS must address health impacts and incorporate recommended mitigation measures, including dietary change; hunger, food insecurity, and malnutrition; airborne emissions; increased risk to subsistence users; infectious diseases from temporary worker/resident interaction; increase in drug use and trafficking from new access routes; social pathologies, etc.
- The EIS should analyze potential impacts of oil development to the sport hunting and fishing industry in Southwest Alaska, and specifically address impacts from potential oil spills.
- Increases in the human population of the region as a result of oil and gas activities could result in additional pressure on species targeted for hunting and fishing, resulting in reduced opportunities for sportsmen in the region.

3.1.3.1 Sociocultural and Subsistence.

Commenters stated the EIS should include analysis of the following:

- Offshore drilling has a major serious impact on the local coastal communities.
- Subsistence hunting has been around for many generations and people still rely on it year-round. It brings the people in the communities together.
- The threat of negative impacts from oil and gas activity causes stress and anxiety with regards to subsistence hunting among the people.
- Public assistance is not a substitute for the Native traditional way of life, as it is not enough with the excessive high costs of food and fuel in rural, coastal communities.
- The sociocultural importance of subsistence resources to the coastal communities; it is more than just food, it is a unifying, bonding, and spiritual tradition.
- The MMS must make a focused effort to solicit and gather all relevant local knowledge and must do so on terms and within a timeframe acceptable to local people. The EIS should describe actions taken to identify minority and low-income populations, and determine effects from alternatives on these populations, and present opportunities for the communities to have input into the NEPA process.
- The effects of activities on organisms in the food chain that support subsistence species are important. What is the baseline for these organisms? Monitoring is very important.
- Subsistence fishing occurs in the lagoons and uses set nets along the coast.
- Subsistence significance threshold does not recognize displacement of hunters as a significant effect.
- Several species harvested for subsistence may be affected in varying degrees by offshore oil and gas and other activities.

3.1.3.2 Socioeconomics.

Commenters stated the EIS should include analysis of the following:

- The local opposition to offshore oil and gas exploration and production in the NAB, so a balanced, environmental, and economic decision can be made.
- A full socioeconomic impact study must be done to show the cause and effect to local fishermen, communities, and business in the Bristol Bay region. The following should be considered in the study: The Bristol Bay salmon fishery has experienced its worst economic downturn in the history of the Bristol Bay salmon fishery, with prices going from \$2.40/lb to a low of \$0.40/lb of sockeye. With the high cost of fuel, insurance, and inflation, fishermen are getting 1960 salmon prices currently in the Bristol Bay salmon fishery.
- High fuel costs are accelerating the rate of outmigration from rural communities, which is the number one socioeconomic problem in Alaska right now. Local communities need cheaper fuel from the nearby oil and gas leases.
- Coastal communities depend on the natural resources of the NAB, and residents are concerned whether taxes and revenue will go to the individual boroughs and communities, or just to the State of Alaska and the oil companies.
- Local governments do not have the existing infrastructure and are not prepared to support new oil and gas activity. The AEB will need help from the State and Federal governments to finance upgrades and build new supporting infrastructure to accommodate oil and gas development.
- Local communities want access to locally produced energy from Sale 214.
- The financial benefits to local communities, boroughs, and the State.
- Economic impact of royalty subsidies that may be provided by leases.
- A socioeconomic study of land use in ports like Dutch Harbor as oil companies take up limited property sales and leases, thereby forcing scallop fishermen out and land rents up.
- Scallop studies: (1) Little is known about the scallop biomass in the Bering Sea, as it is unsurveyed. Scallop fishermen are concerned that with no good biomass estimates before, during, or after oil and gas operations, that we will have no good scientific method of determining any impacts to the scallop resource as a result of these operations. (2) Recommend that MMS conduct a study of spawning and larval release timing for scallops, including the length of time scallop larvae is in the water column. This information is critical to assess oil-spill risks to this sensitive lifestage of scallops. (3) Do a hatchery study of scallops. Perhaps a hatchery could augment the scallop beds, with juvenile scallops grown in hatcheries beyond the larval stage.

3.1.4. Commercial Fisheries.

Most individual commenters at the scoping meetings consisted of commercial and subsistence fishermen. In addition, MMS received comments from several fishery stakeholder organizations. Most commercial fishery organizations oppose the sale. Commenters stated the EIS should include analysis of:

- The 5.6 million-acre block proposed Sale 214 area overlaps vital marine habitat for salmon. Sockeye salmon use the area targeted for development for a number of key periods during their lifecycle, including smolt migration, juvenile feeding grounds, and adult return migration.
- Bristol Bay has the largest wild salmon run in the world and the greatest diversity of fish species in Alaska. 50% of fisheries landed in the U.S. come from the Bering Sea, and this year the fishery value was more than \$100 million. The NAB overlaps with vital habitat and fishing grounds for salmon, red king crab, herring, halibut, pollock, and cod.
- Potential effects of oil and gas exploration and development activity on fish stocks that live and transit through the proposed sale area en route to the tributaries throughout the Bering Sea, including the Arctic and Yukon-Kuskokwim regions.
- Compensation displacement for commercial fishermen in Bristol Bay's large, productive, and valuable commercial fishery in the EIS analysis.
- Fishermen want conflicts minimized between oil and gas and commercial fishing activities, mainly the siting, timing, and methods used for exploration and development.
- The southeastern Bering Sea, containing the Sale 214 area, is one of the most productive areas of the world's oceans. This region supports the world's largest single-species pollock fishery, and fishermen want it protected.
- Strongly support restoring protection for Bristol Bay from offshore oil and gas drilling. The risks from offshore drilling to the salmon fishery and the families and livelihoods it supports are simply too great.
- Seismic surveys present a danger to salmon and potentially could alter salmon migration routes and can have lethal and sublethal impacts on small fish in the vicinity of the airguns.
- Seismic activity effects on crab in the Bering Sea.
- Effects of discharge of drilling muds and cuttings that have been shown to degrade and alter zooplankton communities, a key food source for salmon; And sublethal effects on salmon and other benthic fishery species, especially those that have sensitive lifestages in and around the area proposed for leasing.
- Identify any data gaps that exist when it comes to the full potential range of impacts to sockeye salmon and their prey.
- Potential impacts on the ability to market fish from the region. Much of this value is dependent on the perception that fish are harvested in a near-pristine region.
- Impacts to all commercial fisheries resources at all lifestages of salmon, with a specific focus on sensitive lifestages such as nursery grounds, and juvenile rearing and spawning habitat that could be affected by OCS activities.
- Impacts of oil and gas infrastructure both onshore and offshore, including platforms, wells, pipelines, and roads on salmon and other commercial fishery resources, and on the commercial fishing industry itself. Include a specific analysis of the likely reduction of fishing area and the volume, value, and composition of species harvested in that area.

- How salmon and other commercial fishery resources could be affected in coastal habitats were contaminated by an oil spill or other pollution event that resulted in a short- to long-term degradation of that nearshore habitat.
- With zero benefit for fishermen and the potential for devastating impacts to the Bristol Bay fishing industry, most fishing organizations strongly oppose offshore leasing in Bristol Bay.
- The MMS should continue study research in the nearshore waters of Bristol Bay to identify spatial and seasonal location of larval and juvenile fish and crab larvae steeling areas, including identification of sensitive habitat for king and tanner crab. This should be done with the development of GIS-based maps as part of oil-spill-risk analysis. Recommend this study can be extended for at least 2-4 years, and that it include the study of not only Bristol Bay red king crab, but Bering Sea tanner and snow crab in the proposed lease sale area.

3.1.5. Climate Change.

Numerous commenters were concerned with the uncertainty associated with climate change. Commenters stated the EIS should include analysis of the following:

- The impacts of global climate change, both as a baseline condition against which Sale 214 will occur, and as a result of greenhouse gas emissions from exploration and development of any leases and the combustion of recovered oil and gas.
- A rigorous analysis of the global warming trend and its potentially significant effects.
- Subsistence hunters have found that ice-based walruses and seals are increasingly more difficult to access and harvest, and believe populations to be declining due to loss of sea ice.
- High-impact, severe storms have been occurring at a greater frequency in the Bering Sea, and coastal erosion is increasing. Implications for design, protections, and operation of industrial facilities are significant and deserve comprehensive treatment in the EIS.

3.1.6. Terrestrial and Marine Mammals, Aquatic Habitat, and Threatened and Endangered Species,

<u>Biologically Sensitive Areas</u>. Commenters stated that the Aleutians region is home to natural resources found nowhere else in the world, and few areas in the world match its marine productivity. A vast diversity of species inhabit the Aleutian Island chain. Much of the North Aleutian region is considered biologically sensitive and encompasses six wildlife refuges: (1) Alaska Peninsula National Wildlife Refuge; (2) Alaska Maritime National Wildlife Refuge; (3) Izembek National Wildlife Refuge; (4) Becharof National Wildlife Refuge (5) Togiak National Wildlife Refuge; and (6) Izembek State Refuge.

<u>Seabirds</u>. The North Aleutian region also includes two preserves, four critical habitat areas, one fisheries reserve, and one State game sanctuary that are adjacent to the proposed sale area. There is significant bird habitat and flyways for migratory birds, e.g.,

the Steller's eider, seabirds, and the emperor goose. Commenters stated the EIS should include analysis of the following:

- Consider the potential impacts of oil spill or natural gas releases on Izembek National Wildlife Refuge, including projected impacts on wildlife during the different seasons.
- Seabirds, especially the various species of eiders and designated critical habitat.
- Consider alternatives that defer designated critical habitat to wildlife and subsistence use of those species.
- Include evidence in the EIS that small birds are particularly vulnerable to small oil spills as mortality is related more to a spill contacting sensitive habitat areas than the size of the spill.
- Platforms, towers, and other elevated structures are extremely hazardous to birds and could result in significant mortality.
- Increased air traffic is a major concern for the region's bird populations, which could result in displacement from key hunting areas.

3.1.6.1. Terrestrial and Marine Mammals.

Commenters stated the following concerns about terrestrial and marine mammals:

Terrestrial Mammals

- Of particular concern is the potential for onshore pipelines and other infrastructure associated with offshore Bering Sea development to impact subsistence use of wildlife such as moose, caribou, and bears.
- Land adjacent to the sale area is home to land mammals including caribou, brown bear, arctic fox, and muskox, which must all be protected.

Marine Mammals

- Protection of marine ecosystem species, including North Pacific right whale habitat protection, fin, grey, and humpback whales, Steller sea lion, seals, sea otters, and walrus.
- Many marine mammals use the NAB planning area for important life processes, including minke, gray, killer, and beaked whales; porpoises; dolphins; and a variety of seals feed, rest, breed and rear their young within the NAB sale area.
- Other species mentioned included fin, blue, and humpback whales, walrus, seals, and other marine mammals.
- Wildlife used for subsistence includes walruses and seals.
- Disturbance and the effects of oil releases to the Pacific walrus is a major concern.
- Cumulative effects to beluga and bowhead whales in their migration to and from the Bering Sea include noise, oil spills, climate change, commercial fishing, and overhunting.
- Fewer walrus are being harvested because of retreating ice, making a difficult situation.

- When analyzing effects, look at the food web. Ocean wildlife feeds on clams, fish, and krill.
- Direct and indirect loss and degradation of habitat from noise, facilities, or pollution to coastal bear, moose, and caribou on land.
- The Marine Mammal Commission published a recent report in July 2008, *Underwater Sound and the Marine Mammal Acoustic Environment*, that MMS should consider.
- The Yup'ik Eskimo traditional walrus hunting site in Round Island is affected by trawl fleet noise, disturbing the walrus to haul out elsewhere. Trawl fishing for yellowfin sole disturbs the walrus feeding habitats, mainly the clam beds in the Walrus State Game Sanctuary area, including Togiak Bay, Kulukak Bay, from Cape Newenham to North Aleutian Basin. We do not want oil and gas activities occurring within a 25-mile walrus-protection zone. Walrus forage between 30 and 55 miles off shore, and have been observed feeding on clam beds 30 miles offshore from Port Heiden.

3.1.6.2. Aquatic Habitat.

Commenters stated the EIS should include analysis of the following:

- A thorough assessment of potential impacts to the area's aquatic resources.
- Fish, such as salmon, halibut, cod, and other species, must be protected.
- Invasive species that are transported to Bristol Bay by ballast water.
- The effects of onshore infrastructure, including the impacts of winter water withdrawal, on fish and their food web.
- The effects of a potential oil spill on salmon and snow crab, and the effects this could have on commercial fishing for these species that occurs outside the Sale 214 area.

3.1.6.3. Threatened and Endangered Species.

Most commenters stated concerns about impacts to one or more of the 16 threatened and endangered species in the NAB, and stated all threatened and endangered species and their habitats must be protected. Many commenters expressed concern about impacts resulting from industrial activity and noise to the North Pacific right whales. A portion of proposed Sale 214 is within right whale critical habitat. Commenters expressed concern for protection of other species and their designated habitat, some mentioned earlier in the report under marine mammals: fin and humpback whales, the Steller sea lion, northern sea otters, and the Pacific walrus, which has been recently petitioned for listing. Other species mentioned include the bearded, ringed, spotted, and ribbon seals as needing protection, because they have been proposed for listing. Commenters also expressed concerns about impacts to seabirds, specifically spectacled and Steller's eiders and shorttailed albatross.

3.1.7. Air and Water Quality.

Commenters expressed concern about contamination of sediments, the water column, and the food chain that may be associated with offshore oil and gas development. Commenters stated the EIS should include analysis of the following:

- A thorough assessment of potential impacts to the area's air resources.
- The existing physical, chemical, and biological characteristics of the Bering Sea. Data from relevant sampling and other research and monitoring efforts should be included as part of the affected environment. Discussion should identify the amount and quality of the available resource information, including data gaps and needs.
- Oil-spill risk or accidental loss of drilling muds, solvents, or other toxic liquids: What happens to the quality of the water when they are released? Where do the toxic liquids go? How do they affect the health of the subsistence species of those who eat them? Our concern on this is that there is no proven technology to clean up toxins in high seas and inclement weather conditions.
- Ensuring that the risk of oil spills is minimized, chronic leaks are contained, and there is no offshore discharge of drilling muds.

3.1.8. Physical Oceanography.

Commenters offered much perspective about the physical oceanographic regime, including the effects of winds and currents on circulation and sea ice within the Bering Sea. Commenters stated the EIS should include analysis of the following:

- The NAB presents considerable challenges to oil and gas operations, which MMS should consider in the EIS analysis. The basin includes areas of shallow waters, moderate and seasonally variable currents, cold winters, and occasional sea ice. The Sale 214 area is known for its severe storms and sea-surface conditions, which will pose a significant hazard for oil and gas infrastructure, including drilling platforms, vessels, and pipelines.
- The Aleutian Islands region has considerable seismic activity that will require planning and preventative measures to ensure the oil and gas infrastructure will withstand the expected seismic activity.
- The EIS must contain a comprehensive description of the physical environment for anticipating risk factors, designing infrastructure, projecting the fate of spilled oil, and developing spill-prevention and -response measures.
- We lack information on currents and movement of sea ice for the Bering Sea; current studies are needed on this prior to leasing.
- The severe weather patterns and the recent unpredictability of ice movement is a very important environmental factor when considering development in the NAB. The Bering Sea presents severe weather conditions, moving sea ice, strong currents, and high seas that could have potential negative impacts on oil and gas infrastructure.
- Strong currents and ice buildup make it impossible to cap a well and clean up an oil spill.

• The potential for unpredictable geologic tectonic movement of the sea floor in the NAB. This is known as the most active geologic area on the planet and comprises a portion of the ring of fire, so seismic and volcanic activity could pose a problem to oil and gas development.

3.1.9. Oil and Gas Exploration, Development, and Transport.

Commenters stated the EIS should include analysis of the following:

- The nature of the Proposed Action, including the methods to be used to explore for, exploit, and transport oil and gas from the affected environment, and supporting activities, e.g., oil and gas infrastructure construction activities, support vessels, vessels to transport supplies and crews, and helicopter support.
- The NAB area is remote and sparsely populated, with few sizeable harbors and minimal maritime infrastructure. Infrastructure would need to be greatly expanded to support oil and gas development activity.
- Potential hazards to operation and worker safety, due to the limited infrastructure and the harsh climate conditions in the Bering Sea that challenge all mariners, including those transporting oil and gas workers, equipment, and construction materials.
- Coastal residents prefer overland pipelines in place of marine tanker transport. Include scenarios for onshore pipeline transportation.
- Harsh weather conditions in the Bering Sea, with high winds and large sea ice that potentially could impact offshore platforms and undersea pipelines to shore.
- Oil and gas equipment operating on the seafloor and resulting sound effects on bottom-dwelling, benthic organisms and marine mammals.
- Disposal of drilling muds and cuttings are a major concern to commercial fishermen and subsistence fishermen.
- Oil and gas vessels from the NAB, fishing vessels and commercial ships all will transit through Unimak Pass, which has swift tidal currents and often must be navigated under poor visibility from fog and severe, inclement weather.
- The engineering aspects of horizontal directional drilling: What happens to the shafts created by the drills? Do they re-fill with water that potentially can become contaminated and infiltrate ground water and the ocean floor itself? The shafts are not re-filled with gravel or sediments and, therefore, may become the coal mines of our era, and make the seafloor unstable.
- The effects associated with initial exploratory activities such as geophysical surveys conducted with airgun arrays.
- Offshore and onshore processing and transfer of oil and natural gas, construction of associated pipelines and natural gas liquefaction "train" facilities, which may be located in adjacent or distant OCS planning areas other than the NAB.
- All anticipated impacts of offshore oil storage and transfer facilities, tankering and barging of any produced oil, and environmental impacts associated with construction and operation of liquefied natural gas receiving terminals elsewhere in Alaska, on the Canadian, or U.S. west coast, or elsewhere on the Pacific Rim.

3.110. Regulation and Monitoring.

As previously stated, MMS is mandated with the responsibility of administering portions of the OCS Lands Act. The MMS oversight and regulatory framework ensures that production and drilling are done in a safe and environmentally responsible manner, including before and after lease issuance, to verify compliance with Federal regulations and statutes. Commenters stated the following, relative to regulation and monitoring for compliance:

- The EIS should include an analysis that assesses State and Federal regulators' abilities to effectively monitor offshore production and onshore facilities. The analysis should be based on pertinent historical data that are available and have not been analyzed for trends and relationships.
- The MMS should conduct a study that includes regression analyses of Federal Agency funding, staffing, and workload trends during the most recent 5-year OCS plan life, and over as many earlier 5-year plans as possible.
- The MMS should include a parallel analysis in the EIS to quantify permit violations by type, numbers of variances, and modifications and amendments to permits. This analyses will provide a solid, quantifiable and visual picture of what could be expected during oil and gas operations in the NAB.

3.1.11. Cumulative Effects.

Commenters identified a number of naturally occurring conditions, other energy or construction projects, and human activities temporally and spatially proximate to potential OCS oil and gas development in the Bering Sea that should be considered in the cumulative effects analysis. Several commenters stated the EIS should include a thorough analysis of the relationship between increasing and geographically expanding onshore and offshore energy activities. Others stated that the individual and cumulative risks associated with the proposed sale and the measures to prevent, minimize, mitigate, or otherwise respond to those risks should be analyzed in the EIS.

3.1.11.1. Cumulative Effects: Other Human Activities to Include in Analysis.

Commenters stated the EIS should include analysis of the following:

- Cumulative effects that take into account other activities in the area including fishing, commercial shipping, and military operations.
- Commercial shipping: cumulative analysis should include anticipated vessel traffic between the Bering Sea and the Pacific Ocean, especially through Unimak Pass at the eastern end of the Aleutian Islands. More than 4,500 large commercial vessels travel through Unimak Pass on an annual basis. This traffic is anticipated to increase between Asia and North America, travel to and from the Chukchi and Beaufort seas, and the Aleutian Islands. Refer to the *Risk of Vessel Accidents and Spills in the Aleutian Islands, Designing a Comprehensive Risk Assessment*, a report completed by the Transportation Research Board for the National Research Council in July 2008.

- Effects due to Arctic warming, including near-term potential for a northern sea route, thawing of permafrost, shifts in plant and animal species abundance and distribution, increased incidence of severity of ocean storms and coastal erosion, loss of ice cellars to thawing and need for more frequent hunts, and shorter tundra-travel openings and other technological challenges.
- Impacts from Pebble Mine operations.
- The potential cumulative impacts of oil and gas development on sport hunting and fishing in the context of other industrial development proposed for the region, most notably the proposed Pebble Mine and its associated power, transportation, and labor infrastructure.
- Mitigation to ensure that ballast water treatment is a requirement to remove or eliminate nonindigenous species in the ocean in Balboa Bay, the Shumagin Islands, and the north and south side of the Alaska Peninsula.
- The potential cumulative impacts that may occur from offshore oil and gas leasing activities in the Chukchi Sea.
- Fully evaluate and analyze cumulative impacts associated with proposed future project elements at Nelson Lagoon, Herendeen Bay, and Balboa Bay.
- After the formal scoping period ended, the USDOI, Bureau of Land Management announced a plan to open 1 million acres near some well-known salmon stream fisheries in the Bristol Bay area for mineral exploration and oil and gas leasing. The Kvichak and Nushagak river drainages are the nearest affected stream areas.

3.1.11.2. Cumulative: Socioeconomic and Sociocultural.

Commenters stated the EIS should include analysis of the following:

- The MMS should undertake a rigorous cumulative effects analysis incorporating new significance criteria for subsistence, sociocultural, and other resources that affect the coastal communities.
- Consider the impacts of the development of industry support hubs and staging areas at Nelson Lagoon, Sand Point, and elsewhere along the coast.
- Subsistence activity is affected by high fuel costs and restrictions on access by air to hunting camps and potential restrictions for national security. Examine impact assistance and infrastructure improvements to lower cost and increase access.
- Include an oil-spill-trajectory analysis that could have a ripple of negative effects from Bristol Bay down through the west coast, affecting fishermen and economies where they reside.
- Cumulative effects should consist of analyses of human activities associated with fishing, commercial shipping, and military operations.

3.1.11.3. Cumulative: Commercial Fishing.

Commenters stated the EIS should include analysis of the following:

• Thoroughly account for and consider the potential effects of the proposed lease sale to west coast fishermen in Washington, California, and Oregon, and the impacts to their communities and economies. Without consideration of such information, the decision-making process will be highly flawed and incomplete.

The Bristol Bay sockeye salmon fishery includes nearly 3,000 permit holders and is important economically not only for Alaska, but to the states of Washington, California, and Oregon. One-thousand of these permit holders reside in Washington, California, and Oregon. About 1,100 Washington residents alone hold permits for other Bering Sea fisheries such as cod, Pollock, and crab.

- Clearly identify planned methods and available resources to inform and engage west coast fisherman as the NEPA process continues.
- New studies must be completed to properly analyze potential impacts of offshore drilling activities on fisheries that affect the economies of Washington, Oregon, and California, in addition to Alaska. All studies should be completed prior to any final decisions being made about whether to proceed with the sale.
- Include information that exists regarding the economic and social connections between Bristol Bay and Bering Sea fisheries and the U.S. west coast, identify information gaps, and identify procedures and available resources, including specific timelines for filling those data gaps, and completing a robust assessment.
- Potential cumulative impacts to Bristol Bay salmon from climate change and from the proposed open-pit gold and copper mine (Pebble Mine) at the regions' headwaters.
- The cumulative impacts of seismic surveys on sockeye salmon over the entire potential lifespan of the oil and gas lease operation.
- Potential impacts of drilling activities to fishing operations, including gear loss; fishing grounds loss; and competition for supplies, fuel, dock space, and housing.
- Explicitly acknowledge all data gaps related to commercial fishery resources that may lead to an incomplete analysis of potential impacts to such resources and all data gaps that could preclude effective mitigation. The EIS should explain how MMS intends to fill these data gaps in a timely manner and, if they aren't filled, how it will use the precautionary principle when it comes to potential unknown impacts on fishery resources.
- How the lease-related use will not alter or adversely change the distribution or abundance of the fish resources on the north and south side of the Alaska Peninsula and Shumagin Islands.
- The MMS decisions could have profound effects on salmon and salmondependent communities throughout the Yukon River watershed. While we continue to oppose Sale 214 in the NAB, given the threat to vital salmon and commercial and subsistence fisheries, we urge MMS to address impacts to Western Alaska salmon stocks, including Yukon River salmon, from routine drilling operations as well as oil spills in Bristol Bay.
- Cumulative impacts on Western Alaska stocks from this action in combination with proposed and existing development onshore, as well as impacts from salmon bycatch in the Bering Sea pollock fishery.

3.1.11.4. Cumulative: Climate Change and Global Warming.

Commenters stated the EIS should include analysis of the following:

• Global warming and the potential for cumulative and long-standing impacts of leasing to natural and human systems in the NAB.

- The expected physical, biological/ecological, and human-related effects of climate change.
- Global warming, greenhouse gas emissions, and climate change impacts from onshore and offshore oil and gas in the Arctic, including the Chukchi and Beaufort seas, in addition to the Bering Sea.
- The effect of climate change, including observations that animal movement is changing. This affects subsistence. The EIS must identify trends in the wildlife resource numbers, health, and distribution associated with warming.
- The loss of coastal lands through erosion is an important occurrence that should be documented and compared with any incremental projected effects from leasing and development.
- Fewer walrus are being harvested because of retreating ice, making a difficult situation.
- The direct, indirect, and cumulative impacts on endangered and threatened species threatened by climate change.
- The MMS should follow a precautionary approach in a warming world, and conduct an impacts analysis of the contribution to global warming from proposed Sale 214.

3.1.12. Alternatives Identified During Scoping.

The CEQ regulations for implementing NEPA (40 CFR 1502.14) address alternatives, including the Proposed Action. Agencies must "rigorously explore and objectively evaluate all reasonable alternatives and for alternatives which were eliminated from detailed study, briefly discuss the reasons for their having been eliminated."

According the Interior Department Manual for Implementing NEPA (516 DM 4), the range of alternatives is:

...all reasonable alternatives that will be rigorously explored and objectively evaluated as well as other alternatives that are eliminated from detailed study after providing reasons for their elimination. Reasonable alternatives are those alternatives that are technically and economically practical or feasible and that meet the purpose and need of the proposed action.

Consistent with the stated purpose of past lease sales in the Alaska OCS Region, the purpose of this Federal action is to offer for lease areas on the Bering Sea OCS that might contain economically recoverable oil and gas resources. The need for the action arises from the scheduling of lease sales in the nationwide Final Outer Continental Shelf Oil and Gas Leasing Program 2007-2012. This 5-year program and subsequent actions to implement the program are the means by which the Secretary of the Interior oversees the OCS oil and gas program, balancing orderly resource development with protection of the human, biological, and human environment, as required by the OCS Lands Act, as amended.

3.1.12.1. Internal Scoping.

The information gathered from scoping meetings, submitted written comments, and other venues after the formal scoping period ended will assist MMS's internal scoping process to identify and refine impact assessments, mitigation measures, and EIS alternatives.

During the public scoping process conducted for the proposed Sale 214 EIS, commenters suggested alternatives related to potential oil and gas exploration and development activity in the NAB. As part of the internal scoping process, MMS will consider all of the suggested alternatives. The alternatives that are considered but not analyzed in detail will be addressed in the EIS, as well as the reasons for any alternatives not fully analyzed in detail.

3.1.12.2. External Scoping.

3.1.12.2.1. Cancel or Rescind the Sale: No-Action Alternative. This alternative was recommended by the majority of commenters. At almost all of the public meetings, MMS received suggestions to encourage drilling for oil and gas on land first and exhaust the availability of land-based oil and gas reserves before allowing pursuit of offshore exploration, development, and production of offshore oil and gas reserves. Many suggested that Sale 214 be completely removed from the current 5-year leasing program, and not to include it in the next 5-year plan. Many expressed the view that oil and gas activity will harm the substantial and lucrative commercial fisheries in Bristol Bay, including the NAB, and they emphasized that fishing is a renewable resource that must be protected.

3.1.12.2.2. Defer the Sale. Some commenters suggested this alternative, which is to eliminate some, but not all, blocks from Sale 214. Elimination of blocks from Sale 214 would not mean these blocks would be eliminated from future sales, just that they would not be included in Sale 214.

3.1.12.2.3. Delay the Sale. A substantial number of those who commented in opposition to the proposed action advocated for delaying the sale to complete the 35 studies identified in the 2006 *North Aleutian Basin Information Status and Research Planning Meeting*. Many commenters stated there are no baseline data or enough information to move forward with the EIS and make an informed decision.

3.1.12.2.4. Directional Drilling Alternative. At several meetings, requests were made that only those locations that could be directionally drilled from onshore be included in the lease sale.

3.1.12.1.1. Defer the blocks from Sale 214 that Include Critical Designated Right Whale Habitat. This alternative was suggested by some commenters during and after the formal scoping period ended. This would exclude those blocks of the lease sale that are designated as critical habitat for the Pacific right whale.

4. INCLUDING SCOPING INFORMATION IN THE EIS.

The information gathered during scoping provides direction for the preparation of the EIS through the identification of issues and concerns. The information collected has helped MMS identify the alternatives, mitigating measures, resource topics, and issues to be evaluated in the EIS.

4.1. Government-to-Government Meetings.

When MMS conducted scoping meetings for the 2007-2012 Five-Year Program EIS in Unalaska, tribal members suggested Government-to-Government consultation for proposed future oil and gas leasing activity in the region. On April 30, 2008, MMS sent a specific inquiry to the Qawalangin Tribe of Unalaska to see if the tribe desired a Government-to-Government meeting to explain what MMS is proposing and obtain relevant comments from the tribe. To date, no request pursuant to the MMS inquiry for Government-to-Government consultation from the Qawalangin Tribe of Unalaska has been received.

Additionally, on August 19, 2008, MMS sent an invitation to more than 30 federally recognized tribes in Alaska to inform them that MMS had extended the formal scoping period to October 17, 2008, and that MMS was available to conduct Government-to-Government consultation if tribes felt it would be beneficial. No Government-to-Government meetings with the federally recognized tribes have been requested pursuant to this MMS notification to date. However, tribal representatives did attend some of the public scoping meetings.

The MMS attended the Bristol Bay Native Association Board meeting September 17, 2008, in Dillingham to inform Tribal leaders about the Proposed Action and environmental analysis MMS intends to conduct. The MMS representatives also notified Tribal leaders about the opportunity to discuss opportunities for Government-to-Government consultation.

Additionally, MMS managers and staff also met with the representatives of the Aleutian Pribilof Islands Association (A/PIA). During this meeting, an exchange of information about proposed Sale 214 took place and an invitation to hold Government-to-Government consultation with A/PIA member tribes was conveyed. While the A/PIA is not a federally recognized tribe, MMS recognized the opportunity the A/PIA organization could provide as the state-chartered nonprofit corporation for 13 member tribes in the NAB region.

4.2. Environmental Justice.

As mentioned earlier in this report under Section 2.2. Scoping Events and Participants, MMS held public scoping meetings in 10 of the most directly affected communities to invite and involve all-income-level residents during the scoping process for Sale 214, namely Unalaska, Kodiak, King Salmon, Naknek, Dillingham, Sand Point, Nelson

Lagoon, Cold Bay, and King Cove, Alaska. The MMS also held a meeting in Anchorage on May 13, 2008. The MMS provided meeting notices within the community and to local media outlets, including newspapers and radio. The AEB, as the cooperating agency in the EIS, also distributed notices of the meetings, and notified local radio stations and newspaper outlets to inform residents about the scoping meetings.

Commenters stated the EIS should include analysis of the following:

- The environmental justice implications of Sale 214, including disproportionate impacts on Alaskan Native populations throughout Western and Interior Alaska.
- The Sale 214 impacts would place a disproportionately high burden on directly affected East Aleutian communities because of the central importance of Native dependence on onshore and offshore natural resources, especially for subsistence.

4.3. Stipulations and Mitigation.

The EIS will analyze mitigation measures for applicability and effectiveness. Analysis of the stipulations and mitigation performed during internal scoping has identified instances where content and applicability of the stipulations and mitigation may need to be adjusted during the EIS process to reflect unique circumstances in the Bering Sea. As a result of analyses, some of the past stipulations and mitigation may not remain the same. Any such changes will be addressed in the EIS.

<u>Aleutians East Borough Mitigation Measures</u>. As stated previously in this scoping report under Section 3.1.1 Mitigation and Stipulations, the AEB as a cooperative agency in the preparation of the EIS, presented a list of eleven mitigation measures for consideration in the EIS process. The MMS and AEB continue to work toward agreement on a final list of mitigation measures for inclusion in the EIS. The AEB also presented their list of mitigation measures at each scoping meeting.

<u>Suggested Mitigation During Scoping</u>. Commenters stated that adequate stipulations be added to an oil and gas lease to mitigate any potential adverse social and environmental effects. Commenters stated the EIS should include analysis of the following:

- Examine the operations in other similar offshore subarctic environments, such as the North Sea and Norwegian oil and gas exploration and development activities that co-exist with commercial fishing operations, to identify the more efficient and cost-effective measures and stipulations. Any mitigation measures should be directed towards the minimization of impacts to identifiable resources from drilling operations.
- The MMS would do well to implement in the Bering Sea and North Aleutian Basin all lease stipulations and Information to Lessees that are in place for leases in the Beaufort and Chukchi seas, as well as establish deferral areas around the community of Nelson Lagoon.
- Stipulations or mitigation in the form of seasonal windows in which there are restrictions placed on oil and gas activities must be implemented to protect and preserve commercial and subsistence fisheries and subsistence hunting.

- Industry needs to better educate people in the affected communities to make informed decisions.
- Require demonstration of the capability to clean up an oil spill in broken-ice conditions.
- Mitigation measures to protect commercial and subsistence fisheries, which is the mainstay of the region's economy.

4.4. Resource Categories to be Examined in the EIS.

The EIS will include description and analysis of the potential effects of the Proposed Action and cumulative activities to the physical, biological, and human environment. Commenters expressed concern about potential impacts from proposed Sale 214 to biologically sensitive resource areas such as State and Federal wildlife sanctuaries and refuges. Potential effects to commercial fishery species, such as snow crab and salmon will be addressed and analyzed in the EIS. Commenters expressed concerns about impacts to the following categories, which will be included in the EIS for detailed analysis:

- **Physical Environment:** Water quality and air quality, as well as descriptions of quaternary geology, climate and meteorology, oceanography, and sea ice in support of the analysis.
- **Biological Environment:** Lower trophic-level organisms, fishes, essential fish habitat, endangered and threatened species, marine and coastal birds, marine mammals, terrestrial mammals, and vegetation and wetlands.
- **Social Systems:** Economy, subsistence harvest, sociocultural and socioeconomic systems, archaeological resources, the coastal management program, and environmental justice.

5. COOPERATING AGENCIES.

As previously stated under Section 2.1. Cooperating Agency, USDOI policy is to invite other State and Federal Agencies and Tribal and local governments to become cooperating agencies in the preparation of an EIS. According to the CEQ regulations, qualified agencies and governments are those with "jurisdiction by law or special expertise." The MMS invited qualifying agencies to become cooperating agencies for the EIS process via the Call for Information and Nominations and Notice of Intent to Prepare an Environmental Impact Statement in the *Federal Register* on April 8, 2008.

<u>Aleutians East Borough - Cooperating Agency.</u> As stated under Section 2.1. Cooperating Agency, the AEB requested to be a cooperating agency with MMS in the preparation of the EIS for Sale 214. The MMS agreed that AEB met the qualifications to be a cooperating agency, and both agencies signed a Memorandum of Agreement in accordance with CEQregulations (40 CFR 1501.6) on May 30, 2008.

The AEB participated in all 10 MMS scoping meetings and provided meeting information to all AEB communities: Sand Point, Nelson Lagoon, Cold Bay, and King

Cove. The AEB provided meeting notices to all communities and to local media outlets, including newspapers and radio, and helped arrange logistics for the AEB meetings.

In addition to MMS, the AEB made formal presentations explaining their perspective at all ten scoping meetings and explained these key points:

- The AEB discussed their cooperating agency role in the preparation of the EIS, and their support of oil and gas development in the NAB, contingent on their list of specific mitigation measures and proposed lease stipulations.
- The AEB supports oil and gas development in the area with specific stipulations for protection of commercial and subsistence fisheries, and other resources.
- The AEB mayor and administrator attended a conference in Norway to observe how commercial fishing and oil and gas development co-exist.
- Approximately 32% of the AEB population is unemployed.
- Nearly 22% of the Borough's population lives below the poverty level.
- Outmigration from all Borough communities is a constant problem.
- During the last 35 years, the Borough communities of Unga, Belkofski, Squaw Harbor, and Sanak have become ghost towns. More will follow unless a new economy is introduced and cost of living and fuel prices decrease.
- Since the late 1990s, the fishing-dependent economy has fallen on hard times. Factors include: competition from foreign fisheries, growth of farm-raised salmon, an increase in fishing restrictions, falling prices of salmon, and skyrocketing costs of fuel.
- The Aleutians East, the Bristol Bay, and the Lake and Peninsula Boroughs support oil and gas exploration and development in the NAB with stipulations.
- The Bristol Bay Native Corporation, the Aleut Corporation, and other village entities are also in favor of the Federal offshore lease sale.
- Benefits of the lease sale include: energy resources for the Nation—natural gas is the target resource, and the NAB could hold up to 23.278 trillion cubic feet of natural gas and 2.5 billion barrels of oil; taxes, jobs, Native Corporation contracting, and possible equity participation; local source of fuel and energy; revenue sharing under consideration by U.S. Congress; and enhanced search, rescue, and spill response.

National Marine Fisheries Service (NMFS). On April 30, 2008, MMS received a response from NMFS stating that staffing and resource limitations precluded the agency from serving as a full cooperating agency. However, NMFS will serve as a cooperating agency solely with respect to the MMPA permitting authorities administered by the NMFS headquarters Office of Protected Resources.

<u>Fish and Wildlife Service (FWS)</u>. On October 1, 2008, the MMS received a response from FWS stating that, due to a lack of staff resources, FWS did not elect formal cooperating agency status for preparation of the EIS. However, FWS stated the agency anticipates a substantial level of involvement in the development and review of the EIS, which has yet to be decided. <u>Marine Mammal Commission (MMC)</u>. In a letter received July 7, 2008, the MMC expressed the desire to actively participate in the NEPA review process and on completion of the draft EIS. The MMS traveled to the MMC office in Bethesda, Maryland in August 2008 for a followup discussion on MMC's involvement in the NAB EIS. The MMC will not be a cooperating agency, but will serve in an advisory capacity.

6. CONSULTATION.

<u>U.S. National Marine Fisheries Service (NMFS)</u>. On July 21, 2008, MMS initiated consultation and requested concurrence from NMFS for eight endangered marine mammal species. The MMS received a response from NMFS September 9, 2008, stating that several species of threatened or endangered salmonids are known to exist in the Bering Sea and recommended that MMS consider these species in addition to the marine mammal species for analysis.

<u>Fish and Wildlife Service</u>. On October 25, 2007, MMS requested concurrence from FWS for threatened, endangered, and candidate species in accordance with Section 7 of the Endangered Species Act. The MMS received concurrence from the FWS December 17, 2007, for federally listed or proposed species and/or designated critical habitat under FWS jurisdiction. The MMS plans to do through biological evaluations for the Steller's eider and northern sea otter as they occur in high densities in many locations in the NAB.

7. OPPORTUNITIES FOR FURTHER PUBLIC INVOLVEMENT.

Although the formal scoping period for Sale 214 ended October 17, 2008, information gathering is an ongoing process throughout the EIS process. During the public scoping meetings in the communities, MMS pointed out that input about issues, alternatives, mitigation, and information would be welcomed throughout development of the EIS. Similarly, MMS recognizes that Government-to-Government exchanges are part of the ongoing relationship with Tribes. The exchanges are not limited to input on a particular proposed action, the EIS, or subject to deadlines for input published in the Call for Information and Nominations and Notice of Intent to Prepare an Environmental Impact Statement in the *Federal Register* on April 8, 2008.

<u>Followup Scoping Information Meetings and Events</u>. Although the formal public scoping process concluded on October 17, 2008, MMS continues to gather and consider new information throughout the preparation of the EIS. The MMS met with commercial fishery stakeholder groups in Seattle, Washington during the 2008 Pacific Marine Expo in Seattle, and staffed an information booth at the Expo November 20-22, 2008. The MMS staff were available to explain the MMS mission, the NEPA process, and the proposed oil and gas lease sale in the NAB. In addition to the comments received during the formal scoping period, all relevant information MMS received at the Expo will be considered by us in development of the EIS.

The MMS also participated in a panel discussion and information exchange concerning Sale 214 during the 2008 Pacific Marine Expo. The MMS notified fishery stakeholder organizations in Alaska and Washington to inform them that MMS would be participating at the Pacific Marine Expo and would be available to meet and discuss proposed oil and gas Lease Sale 214.

Additional opportunities for public involvement will be provided during the preparation of the EIS. The next public comment period will commence with publication of the draft EIS, tentatively scheduled for winter 2010. The MMS appreciates public and interested stakeholder participation and comments during the scoping process and welcomes continued involvement in the next stage of the EIS process.