November 22, 2006

Mr. James F. Bennett, Chief, Branch of Environmental Assessment
Minerals Management Service
381 Elden St.
Herndon, VA 20170

Re: Comments on the Draft Environmental Impact Statement for the Proposed 5-Year OCS Oil and Gas Leasing Program, 2007-2012

Dear Mr. Bennett,

The Alaska Marine Conservation Council (AMCC) is a community-based organization dedicated to protecting the integrity of Alaska's marine ecosystems. Please accept these comments on behalf of our nearly 1,000 members – who include commercial and sport fishermen, subsistence harvesters, and coastal residents throughout Alaska. These individuals and their families are culturally and economically dependent on a healthy marine and coastal environment. A number of them make their living from fishing in the Bristol Bay region.

AMCC submits these comments in addition to oral and written comments provided at the public hearing on the 5-Year Proposed Program DEIS held September 28, 2006 in Anchorage, Alaska. AMCC is also submitting joint comments with the World Wildlife Fund on the Proposed 5-Year OCS Leasing Program. AMCC has also submitted comments on the Proposed Program during the Call for Information (CFI) and on the Draft Proposed Program (DPP).

These comments on the Draft Environmental Impact Statement (DEIS) are being submitted online through the Public Connect website and also by mail. We request that a copy of the Final Environmental Impact Statement for the 5-Year OCS Leasing Program and accompanying decision documents be mailed to:

Alaska Marine Conservation Council
P.O. Box 101145
Anchorage, AK 99510

Thank you for this opportunity to comment.

Sincerely,

Eric Siy
AMCC, Executive Director

Kelly Harrell
AMCC, Friends of Bristol Bay Project Director

❖ Introduction & Summary

As detailed in our accompanying comments on the 5-Year Proposed Program, AMCC strongly urges MMS to remove the North Aleutian Basin (NAB) Planning Area from the Proposed Program and to respect the presidential withdrawal. As such, we support Alternative 2 of the DEIS- exclude the North Aleutian Basin.

The Bering Sea subregion is home to Alaska's and the nation's most important wild, commercial fisheries. The area targeted for leasing (Lease Sale 92 area) overlaps fishing grounds and habitat for pollock, Pacific cod, and flatfish (Bering Sea/Aleutian Islands groundfish), Pacific halibut, Bristol Bay sockeye, Area M salmon, herring, red king crab, and Tanner crab (see attached maps). The region has been appropriately referred to as our nation's "fish basket" due to the large, productive, and economically important fisheries that take place on the broad Bering Sea continental shelf.

Our comments on the Proposed Program focus largely on the failure of MMS to properly address the requirements of OCSLA Section 18 as they relate to the fisheries of the Bering Sea subregion. These comments on the DEIS highlight many of the same types of concerns, but do so in relation to the guiding legislation for the DEIS, the National Environmental Policy Act (NEPA).

Under the National Environmental Policy Act (NEPA), the purpose of an EIS is to "provide a full and fair discussion of significant environmental impacts and shall inform decision makers and the public of the reasonable alternatives which would avoid or minimize adverse impacts or enhance the quality of the human environment"(40 CFR § 1502.1). An EIS must consider both direct and indirect effects on the affected environment (40 CFR §1508.8). As is discussed in our comments, the DEIS is inadequate in meeting these basic requirements of NEPA. The DEIS lacks a "full and fair" discussion of impacts, especially as they relate to the fisheries of the Bering Sea subregion.

We base this assertion of inadequacy of the DEIS to include a "full and fair discussion" on the following points:

- The summary of findings does not discuss commercial fisheries of the Bering Sea subregion to any extent;
- The "Affected Environment" section for the Bering Sea subregion provides no substantive discussion of commercial fisheries;
- Alternative 2- Exclude the North Aleutian Basin does not discuss any foregone impacts to commercial fisheries;
- There is no discussion of the impacts to fisheries marketing from OCS activities in the North Aleutian Basin in the DEIS;
- There is no discussion of impacts to coastal communities and fishing families who depend upon the health of the Bering Sea's marine resources in the DEIS;
- The DEIS understates the consequences of oil spills to fisheries;
- The DEIS understates the potential impacts to fisheries from seismic surveys;
- The Cumulative Case does not appropriately analyze the increased oil spill risk in the North Aleutian Basin from OCS activities;
- The DEIS lacks internal consistency in relation to stated potential impacts and findings; and

- The DEIS does reflect expertise on fisheries, even though fisheries are a dominant feature of the region and economy.

These issues are discussed in Part 1 of our comments. Part 2 deals with other issues within the DEIS that need to be addressed in order to provide a "full and fair" discussion.

The issues discussed in Part 2 include:

- The mischaracterization of oil spill risk from OCS operations;
- The assumption of "zero discharge" for OCS development and production wastes in Alaskan waters;
- The inadequacy of the DEIS in analyzing subsistence impacts in the identified transportation corridor for North Aleutian Basin OCS activities; and
- The inadequacy of discussion of impacts to endangered species and the Pacific walrus.

Based on these points, we believe major changes are needed for the Final EIS to meet the requirements of NEPA. Proposed OCS activities in the North Aleutian Basin could have significant impacts to a region currently free from any type of major industrial activities. The importance of this area to fish, fishing, and the livelihoods dependent upon the living marine resources of Bristol Bay and the southeast Bering Sea needs to be more appropriately discussed in the Draft EIS. This area is unique amongst the entire United States OCS due to the reliance of people and communities on the health of the aquatic resources here. The Final EIS should more adequately reflect this interdependency and the potential for OCS activities to disrupt this unique relationship between humans and ecosystems.

❖ Part 1: DEIS Inadequacies in Providing a "Full and Fair" Discussion of Bering Sea Subregion Fisheries

- The Summary of Findings Does Not Discuss Commercial Fisheries of The Bering Sea Subregion to Any Extent

As stated above and in the DEIS itself, "One objective of the EIS is to convey to decision makers and the public the relative extent of potential impacts" (iii). The summary of findings section of the DEIS is extremely important in meeting these purposes and objectives of an EIS. This small section is the only portion of the DEIS that most decision makers and members of the public will be exposed to. Furthermore, the DEIS states that the "Summary" section discusses "issues of primary concern and the most extensive potential impacts" (iii). One could infer from this statement that an issue not included in the summary of findings was not a primary concern.

However, **there is a huge concern related to the Proposed Program that is not included at all in this summary- the commercial fisheries that could be affected by OCS development in the North Aleutian Basin.** The Outer Continental Shelf Lands Act (OCSLA) recognizes very prominently that OCS activities have the ability to impact fisheries. Section 3(2) of OCSLA states that the act shall not be construed in a manner that shall affect the right to fish (43 U.S.C. 1332). Section 18 of OCSLA requires MMS and the Secretary to consider other activities that could be affected by OCS

development- one of them being "other uses of the sea…including fisheries" (43 U.S.C. 1344).

The Proposed 5–Year Program includes contingent lease sales for the North Aleutian Basin in 2010 and 2012. The commercial fisheries of the region are the backbone of Alaska's fisheries economy and provide more than half of the total U.S. domestic fish catch (NMFS, 2004). Despite this fact, **the summary of findings mentions only Bristol Bay recreational fisheries and does not address commercial fisheries in Bristol Bay and the southeast Bering Sea to any extent (v).** The absence of a discussion of potential impacts to commercial fisheries in the DEIS' overall findings is of great concern. Based upon the objectives of an EIS described above, the summary of findings for this DEIS would lead a reader/decision maker to believe that this is not an "issue of primary concern." We believe MMS' failure here to discuss commercial fisheries of the Bering Sea subregion in the summary of findings and consider it a major issue of concern sets the stage for the rest of the DEIS, which as a whole, fails to appropriately consider the major impacts OCS activities in the North Aleutian Basin could have on world-class fisheries.

The scope of commercial fishing activities within the NAB Planning Area and the overlap of fishing grounds and fish habitat with the planning area is extreme (see maps). In addition to subsistence resources and other ecosystem components, impacts to commercial fisheries is arguably one of *the most major issues of concern* for OCS operations in the NAB Planning Area and potential impacts to these important fisheries could be significant. As such, **the summary of findings should describe the potential for OCS operations to impact commercial fishing in the Bristol Bay/southeast Bering Sea region.** The Final EIS will fail to meet its objectives of conveying major issues of concern to decision makers if it does not discuss impacts to commercial fisheries from OCS operations in its summary of findings and provide a more thorough analysis of potential impacts.

- **The DEIS Does Not Adequately Describe the Commercial Fisheries of the Bering Sea Subregion in the "Affected Environment" Section**

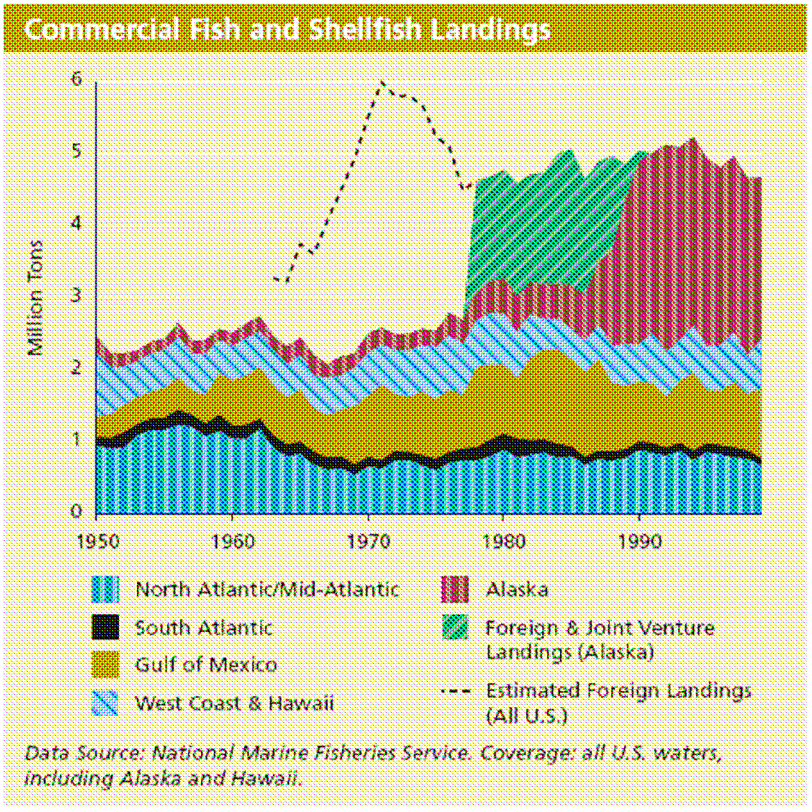
The "Affected Environment" section of the DEIS is intended to provide a description of the resources that could be affected by the proposed action to the reader/decision maker.

The DEIS cannot provide an adequate analysis of impacts if it does not sufficiently describe the resources that could be affected. We believe this is the case for Bering Sea subregion commercial fisheries- that they are not adequately described in the "Affected Environment" section. The only description provided in the DEIS "Affected Environment" section for commercial fisheries is a list of Fisheries Management Plans (FMPs) in place for the region (III-192,3). This does little to describe the lucrative and important fisheries of Bristol Bay and the southeast Bering Sea that could be affected by OCS activities.

Dutch Harbor/Unalaska has led the nation in fisheries landings for a number of years and is generally considered the nation's top fishing port. Much of the catch that puts Dutch Harbor at the top comes from within the North Aleutian Basin Planning Area. The vast majority of species harvested in the eastern Bering Sea also depend on habitat within Bristol Bay. The FEIS should note that the North Aleutian Basin Planning Area overlaps with fishing grounds and habitat for: Bering Sea/Aleutian Islands groundfish,

Pacific halibut, Tanner crab, red king crab, herring, Bristol Bay salmon, and Area M salmon. The FEIS should provide a more detailed description of the global, national, regional, and statewide importance of these fisheries.

Because the DEIS provides more of a description for Gulf of Mexico fisheries in the "Affected Environment" section, we believe it should also do so for the Bering Sea subregion. The DEIS mentions species harvested and values for Gulf of Mexico fisheries, however the document makes a false statement about the importance of the region's fisheries that should be corrected (II-192,3). In the Gulf of Mexico "Affected Environment" section for commercial fisheries is a statement which reads: "The Gulf of Mexico leads all other U.S. regions in fishery production" The section continues, "In 2002, commercial fishery landings for the Gulf of Mexico…exceeded 782,000 metric tons (t), worth over $704 million" (III-64).



Source: Heinz Center, http://www.heinzctr.org/ecosystems/pdf

It is simply not true that the Gulf of Mexico leads the U.S. in fishery production- this is a position held by Alaska, whose annual fisheries harvest and value is much larger than figures listed above in the DEIS. Additionally, it is not clear what the source MMS cites in reference to the above numbers and statement. The DEIS cites (NMFS, 2002) but does not specify whether 2002 a, b, or c (III-64).

Alaska's groundfish fishery[1] is one of the most lucrative fisheries in the United States and surpasses the value of Gulf of Mexico landings and harvest value. With a total catch of 2.2 million metric tons and an ex-vessel value of $608 million in 2003, it represents an important segment of the U.S. fishing industry (NMFS, 2004). This fishery accounted for **51% of the weight of total U.S. domestic landings** in 2003. The value of the 2003 catch after primary processing was approximately **$1.5 billion**. The groundfish fisheries accounted for the largest share (54%) of the ex-vessel value of all commercial fisheries off Alaska in 2003 (*ibid.)*. **More than 90%** of the total groundfish catch in Alaska comes from the **Bering Sea/Aleutian**

[1] The Alaska groundfish fishery includes the following species: walleye pollock (*Theragra chalcogramma),* Pacific cod (*Gadus macrocephalus*), yellowfin sole (*Pleuronectes asper*), rock sole (*Pleuronectes bilineatus*), arrowtooth flounder (*Atheresthes stomias*), sablefish (*Anoplopoma fimbria*), rockfish (*Sebastes* and *Sebastolobus spp.*), and Atka mackerel (*Pleurogrammus monopterygius*). The fishery does not include pacific halibut, which is managed separately from these species of groundfish.

Islands groundfish fishery. The two species that dominate this fishery are walleye pollock and Pacific cod. A large percentage of the Pacific cod and pollock catch comes from within the North Aleutian Basin planning area (see AMCC's CFI comments).

The sockeye salmon fishery in Bristol Bay is the largest salmon fishery in the world and runs last year were amongst the highest ever recorded (ADF&G, 2006b). Bristol Bay red king crab is Alaska's most economically valuable harvested shellfish species. More information on the region's fisheries are provided in AMCC's CFI comments.

The FEIS should provide a more appropriate description of the geographic distribution of commercial fisheries that take place within or surrounding the NAB Planning Area and Lease Sale 92 area. The FEIS should also describe the economic importance of these fisheries which are vital to the Alaska's and the United States' domestic commercial fishing industry as a whole.

- **"Alternative 2- Exclude North Aleutian Basin" Fails to Provide an Appropriate Comparison of Impacts**

"Alternative 2' Exclude North Aleutian Basin" does not describe any foregone impacts to commercial fisheries from not leasing the region for offshore oil and gas development (IV-317,18). We believe this is a major problem in the DEIS that should be corrected in the FEIS. By not mentioning any foregone impacts under this Alternative, the DEIS is essentially stating that fisheries of the Bering Sea subregion will be affected to the same extent with OCS leasing as they would without. Given the scope and economic importance of the region's fisheries as described above, there would be at the very least some significant impacts to the fishing industry here. Furthermore, as mentioned above, under NEPA the purpose of an EIS is to "provide a full and fair discussion of significant environmental impacts and shall inform decision makers and the public of the reasonable alternatives which would avoid or minimize adverse impacts or enhance the quality of the human environment"(40 CFR § 1502.1). By not mentioning that Alternative 2 would minimize or altogether eliminate potential impacts to commercial fisheries, the DEIS does not meet these stated purposes.

OCS leasing and development would undeniably result in some loss of access to fishing grounds due to the emplacement of platforms, wells, and other offshore infrastructure that fishing vessels would have to avoid. Gear damage and losses have a high likelihood of occurring from OCS development in the region. Time and resources are required to develop conflict avoidance and other mitigative measures with the fishing industry. The shooting of seismic surveys would also undoubtedly affect the ability to fish in the region when the surveys are underway, as fishing here occurs year-round.

There are "unavoidable impacts" for fish habitat cited in the DEIS, some of them related to what is described above (IV-192). These should be cited under the "Comparison of Impacts for Alternative 2" as effects which would not occur if no leasing were to take place in the NAB Planning Area.

The "unavoidable impacts" listed in the DEIS include:

- "Wetland and estuarine habitat alteration resulting from pipeline and other related coastal construction would have an unavoidable adverse impact on fish nursery areas;"

- "An oil spill contacting fish habitat would have an adverse effect on local fishery stocks and food webs;"
- "Adverse effects on seafloor habitats and associated organisms could occur from anchoring, drilling, discharges, structure emplacement and removal, and pipeline emplacement;"
- "Commercial and, to a lesser extent, recreational fisheries will be adversely affected by the loss of fishing areas occupied by offshore vessels, platforms, and exposed pipelines, particularly in areas where oil and gas activities are not currently occurring" (IV-492).

Furthermore, as the DEIS assumes that oil spills will occur, this would clearly be an impact to fisheries foregone under Alternative 2. As this is our preferred Alternative, the DEIS should better describe the impacts to fisheries that would be avoided by excluding the NAB Planning Area. The DEIS should do so in a manner that accounts for the economic importance of these fisheries as described.

- **Impacts to Marketing Abilities Not Discussed in the DEIS**

The Draft EIS does not discuss the potential for OCS activities to affect marketing for the region's seafood products. Potential or even conceived contamination can have negative impacts on the ability to market fish. This is especially true for seafood products from Alaska, where brand and quality both depend upon the perception that fish are harvested from near-pristine waters.

Bristol Bay has experienced severe price declines for salmon in past years. However, the region is recovering and is now situated to take significant steps towards increasing the value of salmon harvested in the region. The Bristol Bay sockeye permit holders have formed a regional seafood development association that will work to create a Bristol Bay salmon brand and to find other avenues for increasing the value of Bristol Bay sockeye (see http://www.bbrsda.com/). Offshore drilling in the region could harm these efforts, as routine operations or oil spills could lead to the perception that the products were of lower quality and/or that actual contamination of fish and/or their habitats was occurring. The Alaska Independent Fishermen's Marketing Association (AIFMA) - the largest marketing association in the Bristol Bay region- submitted comments on the Draft Proposed Program further detailing these types of marketing concerns.

- **Impacts to Fisheries, Fishermen, Fishing Families & Coastal Communities Not Discussed in the DEIS**

OCS leasing and development in the Bering Sea subregion could have significant impacts on many fishermen and fishing families from across Alaska and other parts of the United States that travel to the Bristol Bay region to earn their living from these fisheries. A number of Bristol Bay permit holders live in coastal communities outside of the immediate region in places such as Homer, Kodiak, and in Southeast Alaska. A number of Bristol Bay sockeye permit holders also live in Washington and Oregon. People of the Yukon-Kuskokwim region are also heavily reliant on salmon for subsistence uses. These fish migrate and feed throughout the NAB Planning Area.

However, the DEIS does not recognize the widespread dependence of these resource users on the health and viability of the Bering Sea subregion's fisheries. Impacts to fish

resources and to the fishing industry through fisheries closures would have impacts that would be felt far outside of the Bristol Bay region. These impacts could be severe and/or disproportionate in small, coastal communities such as Homer, where alternative methods of employment are not readily available. The income from fishing in Bristol Bay contributes substantially to the economies of these small Alaskan communities, as well as to the villages of the Yukon-Kuskokwim region.

In order to provide a "full and fair" discussion of potential impacts, the FEIS needs to consider these people and communities that depend upon the continued health of Bristol Bay and the southeast Bering Sea's fishery resources.

- **The DEIS Understates the Consequences of Oil Spills to Fisheries**

Overall, the Draft EIS fails to adequately analyze and discuss the potential for oil spills to adversely impact the aquatic resources and commercial fishing activities in the NAB planning area. This applies to the DEIS' suggested impacts for small and large spills.

The DEIS makes the following statements with regards to oil spills:

- "While small oil spills would have measurable impacts on water quality, water quality would rapidly recover without mitigation because of mixing, dilution, and weathering" (II-4).

- **"…**because spills are isolated events that produce local and temporary effects, incremental adverse impacts to water quality in the Alaska Region from the proposed action would be expected to be negligible to small" (IV-409).

- "Under most circumstances, a large spill would affect only a small proportion of a given fish population, and therefore overall population levels would not be affected" (II-10).

These statements fail to realize the severity of an oil spill in waters vital to the fishing industry and that serve as essential fish habitat for numerous species. In reference to the first bulleted point, *Oil and the* Sea stated that, "The effect of petroleum hydrocarbon is not directly related to the volume released. It is instead a function of the rate of release, the nature of the released hydrocarbon, and the local physical and biological ecosystem" (NRC, 59). Small oil spills, especially if chronic in nature, can have measurable impacts on water quality. With regards to the second point, it is inaccurate to classify spills as "isolated events that produce local and temporary effects," especially in Alaska, where we are still experiencing the effects from a large oil spill that occurred 17 years ago. Even local and temporary effects in the NAB Planning Area could close a fishery for a season which would be very significant for people whose annual income relies on that fishery. A year without an income could be catastrophic in communities with no alternative livelihood.

In reference to the third point, a large spill in the North Aleutian Basin Planning Area is likely to affect more than a "small proportion of a given fish population." The region is used as breeding, feeding, and nursery grounds for a large number of fish and shellfish species (see attached maps). A number of commercially important species including pollock, red king crab, and salmon utilize habitats within the NAB Planning Area

throughout a variety of life stages thereby increasing the chances of an oil spill having population level impacts. Furthermore, this third point referenced above from the DEIS conflicts with a stated "unavoidable impact" in the DEIS. In the "Unavoidable Impacts" section, the document states, "An oil spill contacting fish habitat would have an adverse effect on local fishery stocks and food webs" (IV-491). There could not be an oil spill in the NAB Planning Area that did not contact fish habitat. The entire region is used as fish habitat by many species. The DEIS even states that "contact with some EFH resources from an oil spill would probably be unavoidable" in this region (IV-178). This unavoidable impact contradicts the DEIS finding that population level impacts to commercial fishery resources in Bristol Bay and surrounding waters are not anticipated (II-54). The DEIS also states that "even localized decreases in fish stocks could have effects on some fisheries by reducing catches or increasing the amount of effort or distance required to obtain adequate catches" (IV-452).

If the DEIS states that contact with fish habitat from an oil spill in the Bering Sea subregion would be unavoidable, and that it is unavoidable that an oil spill contacting fish habitat will have effects on fish stocks and food webs, and that effects on fish stocks will effect fisheries, **then the DEIS finding should be that accidental oil spills from OCS operations in the Bering Sea subregion will adversely impact fish resources and fisheries of the region.**

Furthermore, as mentioned in AMCC's comments submitted during the public hearing on the Draft EIS in Anchorage, the DEIS does not mention the "major" impacts to red king crab that were predicted to result from oil spills affecting the species throughout a number of life stages in the 1985 Final EIS for North Aleutian Basin Lease Sale 92. The finding of the DEIS is that overall populations for commercial shellfish stocks are unlikely to be noticeably affected is not consistent with the conclusion from the 1985 Final EIS for North Aleutian Basin Lease Sale 92 that there would be "major" impacts to the red king crab fishery and population (IV-425). The DEIS should address this issue directly and state why these "major" impacts predicted to occur for past lease sales would not be expected to occur now.

MMS' own studies have shown that an oil spill in the NAB Planning Area could push oil onto the Alaska Peninsula at all times of the year (IV-176). The Alaska Peninsula is home to numerous large tidal flats, estuaries, bays, and lagoons that provide habitat for a variety of fish and crab species. The DEIS also states:

"Oiled intertidal areas could lead to considerable mortality of eggs and juvenile stages of some pelagic species in the affected areas. One or more years could be required for population levels to recover. Spilled oil reaching wetland habitat, including salt marshes, could kill vegetation and associated invertebrates species and small fish that are prey species for Pacific salmon. Large spills that reach coastal streams used by Pacific salmon species could have more persistent impacts and require remediation" (II-10)

Given that MMS studies show that a spill could contact the Alaska Peninsula and that the DEIS states that spilled oil in these areas could require one or more years for populations to recover, then **the finding of the DEIS should be that population level-impacts are expected.**

The DEIS should avoid downplaying impacts to the important fisheries of the North Aleutian Basin area from OCS activities, and should make these potential impacts clearly evident to the reader in the most visible sections such as the Summary, that are intended to discuss the "issues of primary concern and the most extensive potential impacts" (iii). These impacts to fisheries from oil spills are clearly an issue of primary concern, and sections of the DEIS, as shown above, do show that there could be extensive impacts to fisheries and fish resources of the Bering Sea subregion.

- **DEIS Does Not Adequately Analyze the Impacts of Seismic Surveys of Fish and Fisheries**

The DEIS states that overall impacts of seismic survey operations to fish would be "negligible since fish are distributed over wide geographic areas, and seismic operations would be localized" (II-9). This is a misleading statement that seismic survey operations would be localized when it is predicted that up to 138 km² of the Planning Area could be subject to seismic surveys (IV-241). Due to the high concentrations of eggs and larvae that occur within the lease sale area, it is probable that seismic surveys could impact fish populations by affecting concentrations of eggs, larvae, or young-of-year fish. Life forms of fish that could experience sublethal or lethal impacts from seismic surveys are present throughout the entire year, thus the impacts could not be fully mitigated.

The DEIS does recognize that seismic surveys can affect catch rates for some species over long periods of time (IV-241). Due to the extent and importance of commercial fisheries in the region, this is an issue of major importance that should be discussed in the summary of findings to be more visible to the general reader and to decision makers.

- **"Cumulative Case" Does Not Properly Analyze Increased Oil Spill Risk in the North Aleutian Basin**

Under the "Cumulative Case," the Draft EIS states that the proposed action would result in only a small incremental increase in the cumulative risk that an oil spill could affect fishery resources or result in closure of fisheries in Alaskan waters (IV-453). This finding does not properly account the extent to which OCS operations in the North Aleutian Basin would dramatically increase the likelihood of oil spills and fisheries closures in the region that supports the most important commercial fisheries in the nation. The current oil spill risk in the region is extremely small and limited to vessels and shore-based sources. The potential for a spill of the magnitude considered in the Draft EIS (up to 4,600 bbl) is highly unlikely currently with the absence of OCS operations. The Draft EIS should reflect the increase in likelihood for an oil spill.

- **The DEIS Needs to Be Corrected to Ensure Consistency Throughout the Document**

There are a number of statements in the DEIS that conflict with findings and impacts discussed in other sections of the document. One of these is discussed below in relation to 'zero discharges' in Alaska. However, there are a number of other instances of conflicting and misleading statements being made, particularly towards the beginning of the EIS.

For example, under the "Alternatives" discussion of "Impacts on Sociocultural Systems and Environmental Justice," the DEIS states that in Alaska…"Routine operations will not

affect fishing and the effects on new onshore infrastructure are expected to have only minor, local effects on terrestrial harvest by affecting access" (II-17). It is a strong and a false statement to suggest that routine operations "will not affect fishing." Indeed this statement is inconsistent with other parts of the DEIS that find significant impacts to fishing could result from OCS operations in the NAB Planning Area. For example, in the section entitled "Unavoidable Impacts" the DEIS states that, "Commercial and, to a lesser extent, recreational fisheries will be adversely affected by the loss of fishing areas occupied by offshore vessels, platforms, and exposed pipelines, particularly in areas where oil and gas activities are not currently occurring" (IV-492). Clearly, this is an impact that conflicts with the former statement of "not affecting fishing." Furthermore, in the discussion of impacts on commercial fisheries in the Bering Sea subregion, a number of negative impacts to fisheries are mentioned.

- **Principle Preparers Should Include Fisheries Biologist**

We note in the Principal Preparers section that there is no preparer listed that appears to have expertise in fisheries biology and ecology. Due to the recommendation to lease in the North Aleutian Basin Planning Area, a region extremely important to commercial fisheries that supports an abundance and diversity of fish, we strongly urge MMS to enlist a scientist that specializes in fisheries biology/ecology particularly with expertise relevant to Alaskan waters and the Bering Sea.

❖ Section 2: Other Comments on the DEIS

- **The DEIS Mischaracterizes Risk of Oil Spills from OCS Operations**

At the very beginning of the DEIS in the "Summary" section is an inaccurate statement regarding oil spill risk from OCS operations. The DEIS reads, "Major advancements in drilling and production technology have been made in recent years, reducing the risk of oil spills from OCS operations" (ii). As detailed in AMCC's past comments during the Call for Information on the Preparation of the 5-Year OCS Program, the spill rate from OCS pipelines is not improving (see Anderson and LaBelle, 2000). This statement from the DEIS should be corrected for accuracy by specifying that spill rates from OCS platforms have declined over the years, but that the risk of spills from OCS pipelines remains the same.

- **Claims of 'Zero Discharge' Alaska**

The Draft EIS states that there will be zero discharge for new Alaska OCS facilities. From the summary chart in the beginning, to the cumulative case discussion near the end, the DEIS assumes that all drilling wastes generated during production will be reinjected down the borehole, and therefore does not analyze potential impacts of development and production discharges. However, page II-4 states that "most major production facilities would reinject all muds, cuttings, and production waters." "Most major" production facilities reinjecting could be very different from all production facilities depending upon how "major" was defined. Specifically, it is conceivable that the North Aleutian Basin production facilities might fall outside of the category of "most major" and reinjection would not be required. Furthermore, the 1985 Final EIS for North Aleutian

Basin Lease Sale 92 did not assume reinjection of development and production discharges.

In order for the Draft EIS to be internally consistent it should: (1) modify the "most major" statement to either say "all production facilities regardless of size will reinject" or (2) if it is the case that only some major production facilities will reinject discharges, the Draft EIS should amend all places in the document where claims of zero discharge for Alaskan operations are stated and analyze the potential impacts of these discharges on the relevant resources.

Furthermore, in order to be consistent with former OCS development plans in the North Aleutian Basin as detailed in the Final EIS for Lease Sale 92, the Draft EIS should detail why zero discharge would now be expected for OCS operations in the NAB planning area.

- **The Draft EIS Does Not Adequately Analyze Potential Subsistence Impacts in the North Aleutian Basin Identified Transportation Corridor**

The Draft EIS finds that oil spills and routine operations could result in significant effects on subsistence activities in Alaska. However, the Draft EIS states that routine petroleum industry activities generally do not interfere with subsistence fishing activities and effects would be confined to potential reductions in fish populations or health effects (IV-222; IV-224). With regards to the North Aleutian Basin, subsistence fishing activities that take place within Herendeen Bay, near Port Moller and Nelson Lagoon could be affected by the placement of a pipeline through the area. The Draft EIS should further examine the potential for subsistence fishing to be affected in this region and on the other side of the Alaska Peninsula near Balboa Bay where an LNG plant could be constructed.

- **Impacts to the Endangered Species and the Pacific Walrus**

OCS operations in the North Aleutian Basin Lease Sale 92 area have a high probability of negatively affecting endangered species and the Pacific walrus population in the region as a result of OCS activities overlapping and occurring near important and critical habitat for these species. The region provides designated critical habitat for 3 federally listed species: the North Pacific right whale, the Steller sea lion, and the Steller's eider. Important habitat for the federally listed northern sea otter also occurs within the Lease Sale 92 area, although critical habitat has not been designated at this time.

The DEIS finds that routine operations occurring near important habitat for the Steller sea lion and the Pacific walrus could result in long-term and population-level effects. However, the DEIS suggests that the protected nature of many of the important habitat areas will limit potential negative effects on these species. As shown in the map below, some of these important habitat areas overlap and occur directly adjacent to the Lease Sale 92 area. As such, many of these important habitat areas would not be protected from OCS activities.

Steller sea lion designated critical habitat foraging areas overlaps a significant portion of the Lease Sale 92 area, as does a 20 nautical avoidance zone around a haulout and rookery. Walrus haulouts also occur close to the lease sale area.

The transportation scenario identified in the Final EIS for Lease Sale 92 which has recently been confirmed by Shell as remaining to be the preferred transportation route, indicate that a pipeline would be placed through Herendeen Bay near Port Moller, would run onshore through the Alaska Peninsula, and would link to a LNG terminal near Balboa Bay. Tankers would ship oil and gas from the terminal on the southern side of the Alaska Peninsula to the market. **This transportation scenario would have pipelines leading from right whale critical habitat, going through Steller's eider critical habitat and next to walrus haulouts, and tanker routes through Steller sea lion critical habitat on the Southside of the Peninsula** (see maps). Mitigation measures could not fully compensate for the full range and intensity of impacts that these endangered species would incur from OCS operations.

With regards to the North Pacific Right Whale, the FEIS should incorporate information from an independent scientific study commissioned by the World Conservation Union on the impacts of the Sakhalin oil and gas project on the gray whale, due to the similarity of circumstances for the species and potential impacts from offshore oil and gas operations.

The Draft EIS also fails to properly assess the potential impacts to marine mammals from seismic surveys. The Draft EIS states that noise from seismic surveys would primarily affect marine mammals "in the vicinity of the survey vessel, although animals within a few kilometers of the seismic operations may be affected" (IV-124). A number of studies, along with accounts from Inupiat subsistence hunters, suggest that whales avoid expansive areas where seismic surveys are being conducted. Humpback, gray, and bowhead whales have been show up exhibit behavioral changes and to avoid areas where seismic shooting is occurring between 19 and 34 km away from the source (NRC, 2003a; McCauley et al., 2000). The Draft EIS should reference scientific studies and indigenous/local knowledge which demonstrate the potential for seismic surveys to have far-ranging impacts on marine mammals and should revise the findings of the Draft EIS based on this more precautionary data (More detailed information on the impacts of seismic surveys is referenced in AMCC's CFI comments).

Sources:

Alaska Department of Fish and Game (2006a) 2005 Preliminary Alaska Commercial Shellfish Catches & Estimated Exvessel Values. Accessed November 10, 2006 at: http://www.cf.adfg.state.ak.us/geninfo/shellfsh/05value.php .

Alaska Department of Fish and Game (2006b). Bristol Bay Salmon 2006 Season Summary. Accessed November 10, 2006 at: http://www.cf.adfg.state.ak.us/region2/finfish/salmon/bbay/brbpos06.pdf .

Anderson, C.M. and Labelle, R.P. (2000) Update of Comparative Occurrence rates for Offshore Oil Spills. *Spill Science & Technology Bulletin* Vol. 6 No. 5/6, pp. 303-321.

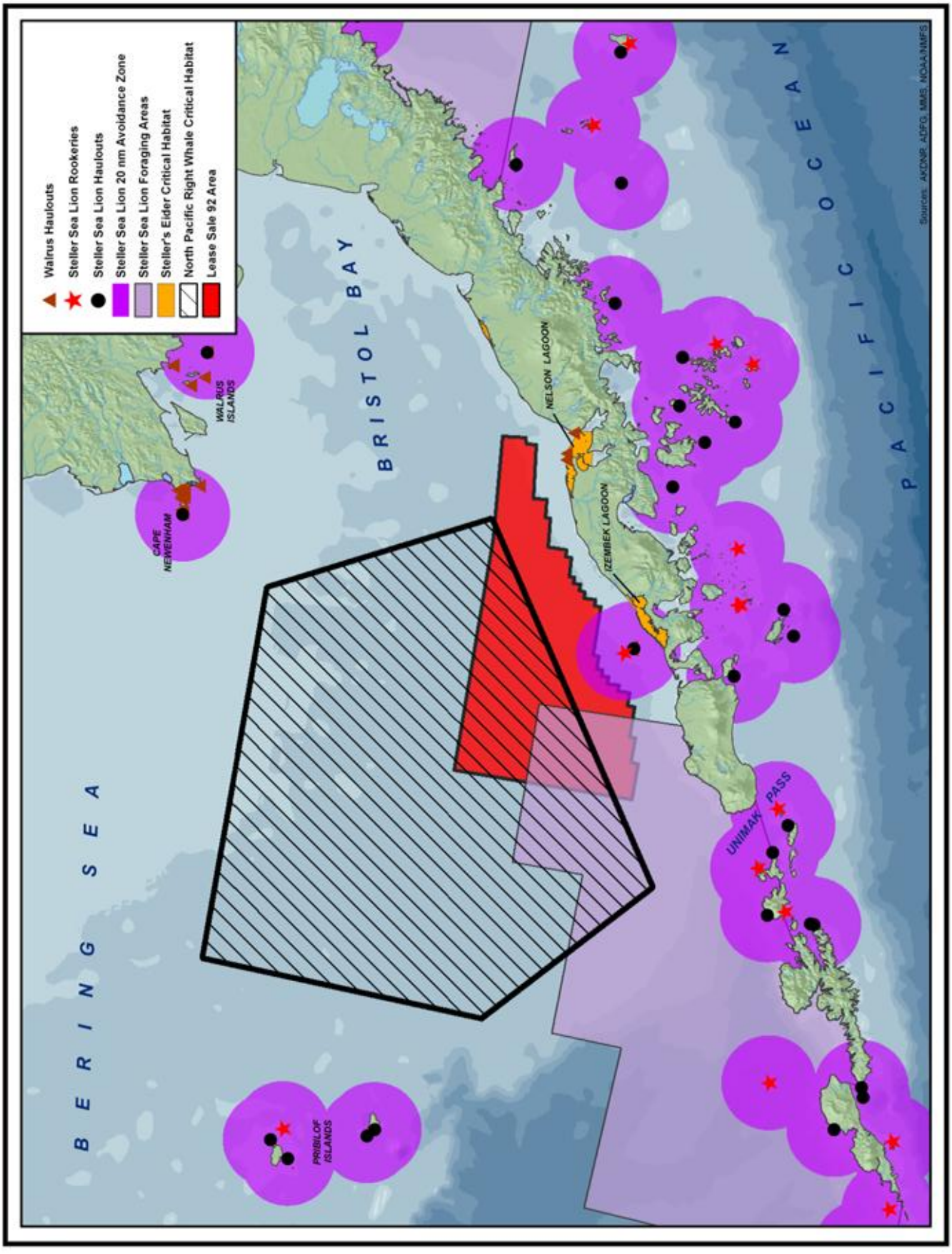
McCauley et al. (2000) Marine Seismic Surveys- A Study of Environmental Implications. *Australian Petroleum Production and Exploration Association Journal* pp. 692-708

National Marine Fisheries Service. Hiatt, T., Felthoven, R., Seung, C. & Terry, J. (2004) Stock Assessment and Fishery Evaluation Report for the Groundfish Fisheries of the Gulf of Alaska And Bering Sea/Aleutian Island Area: Economic Status of the Groundfish Fisheries Off Alaska, 2003.

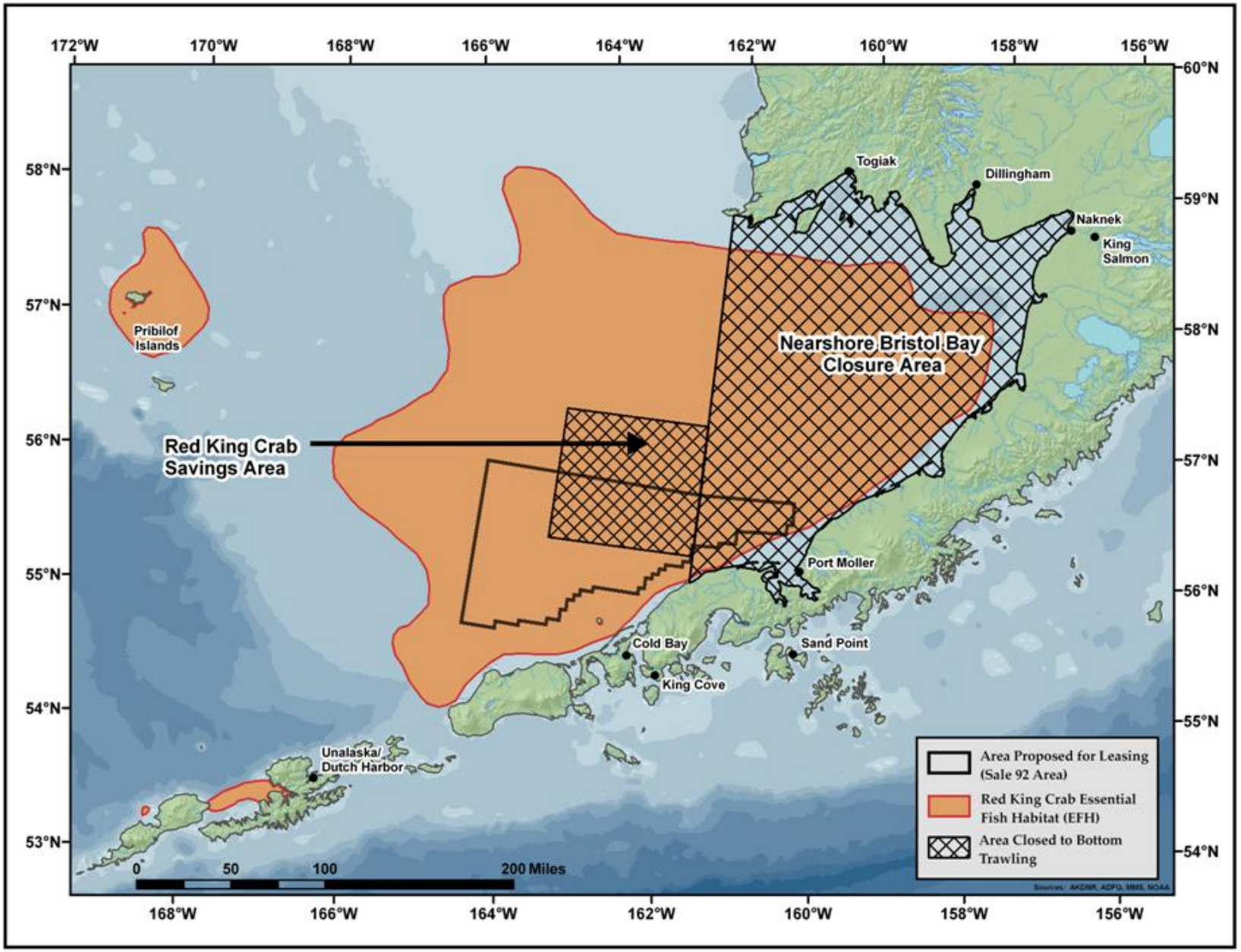
National Research Council (2003a*) Cumulative Environmental Effects of Oil and Gas Activities on Alaska's North Slope*. Washington D.C.: National Academy Press.

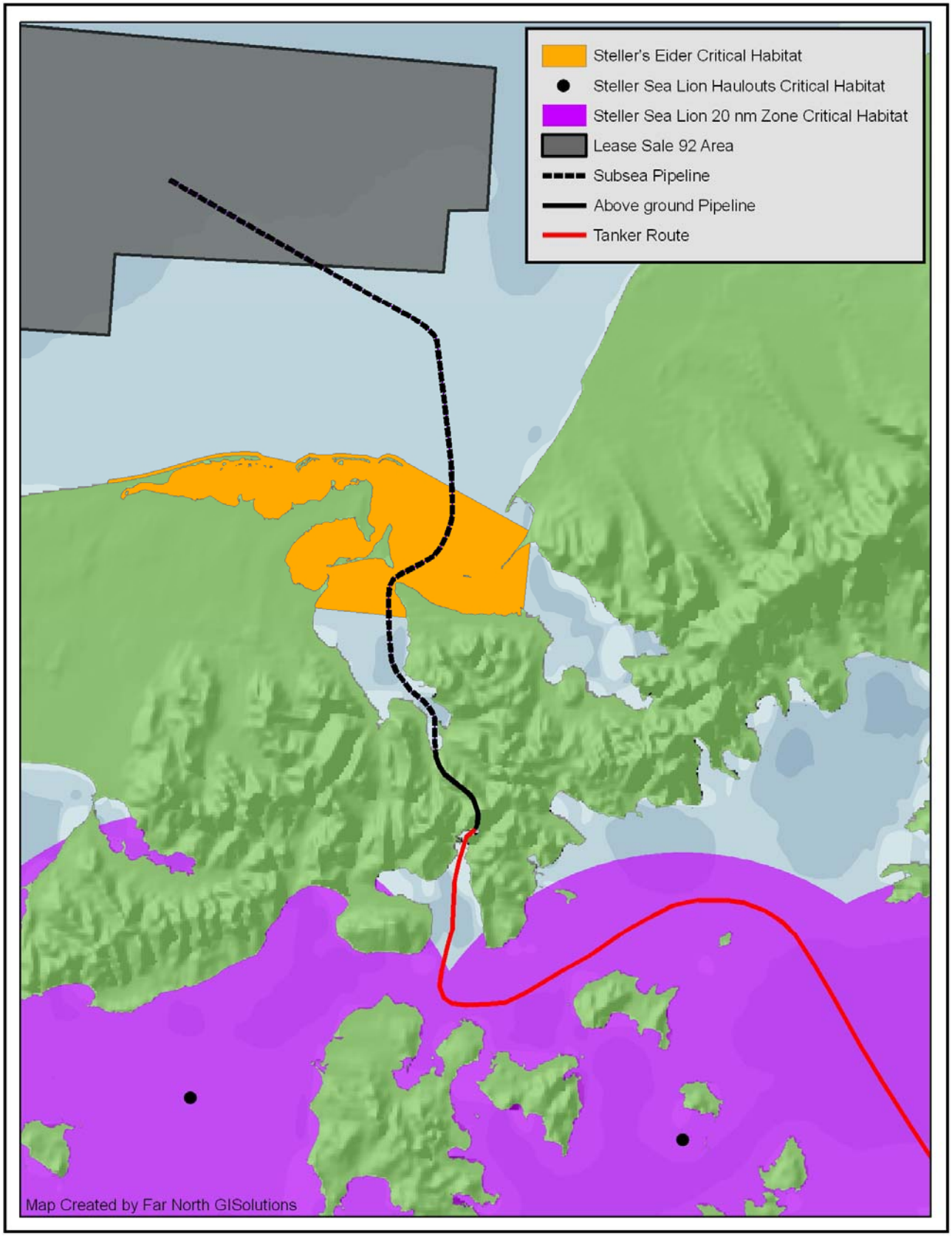
National Research Council (2003b*)* Oil in the Sea: Inputs, Fates, and Effects. Washington D.C.: National Academy Press.

Maps created for the Alaska Marine Conservation Council

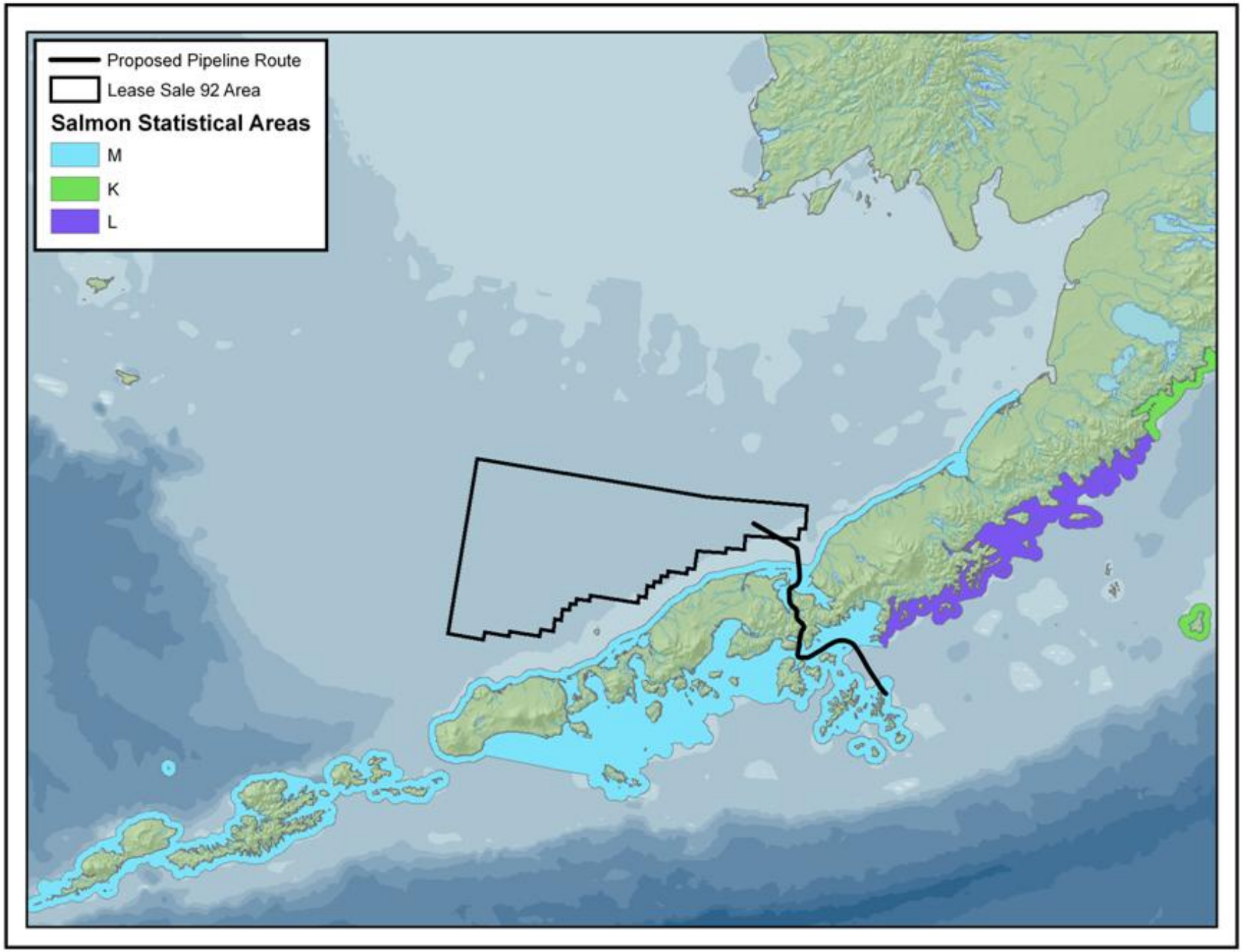


The area proposed for leasing falls within designated Essential Fish Habitat (EFH) for red king crab and overlaps two areas closed to trawling to protect juvenile crab habitat.

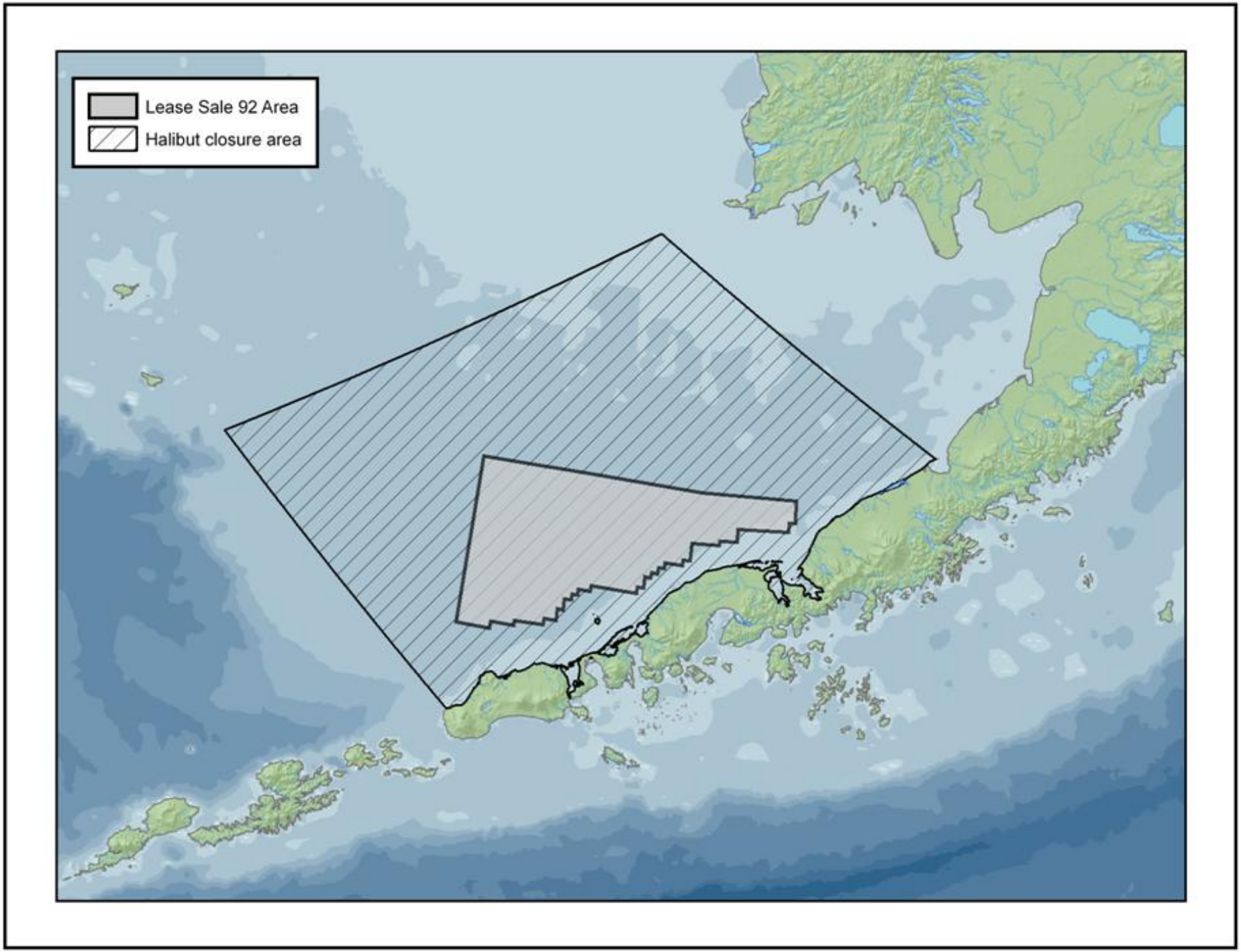



Steller's Eider Critical Habitat
Steller Sea Lion Haulouts Critical Habitat
Steller Sea Lion 20 nm Zone Critical Habitat
Lease Sale 92 Area
Subsea Pipeline
Above ground Pipeline
Tanker Route
Map Created by Far North GISolutions

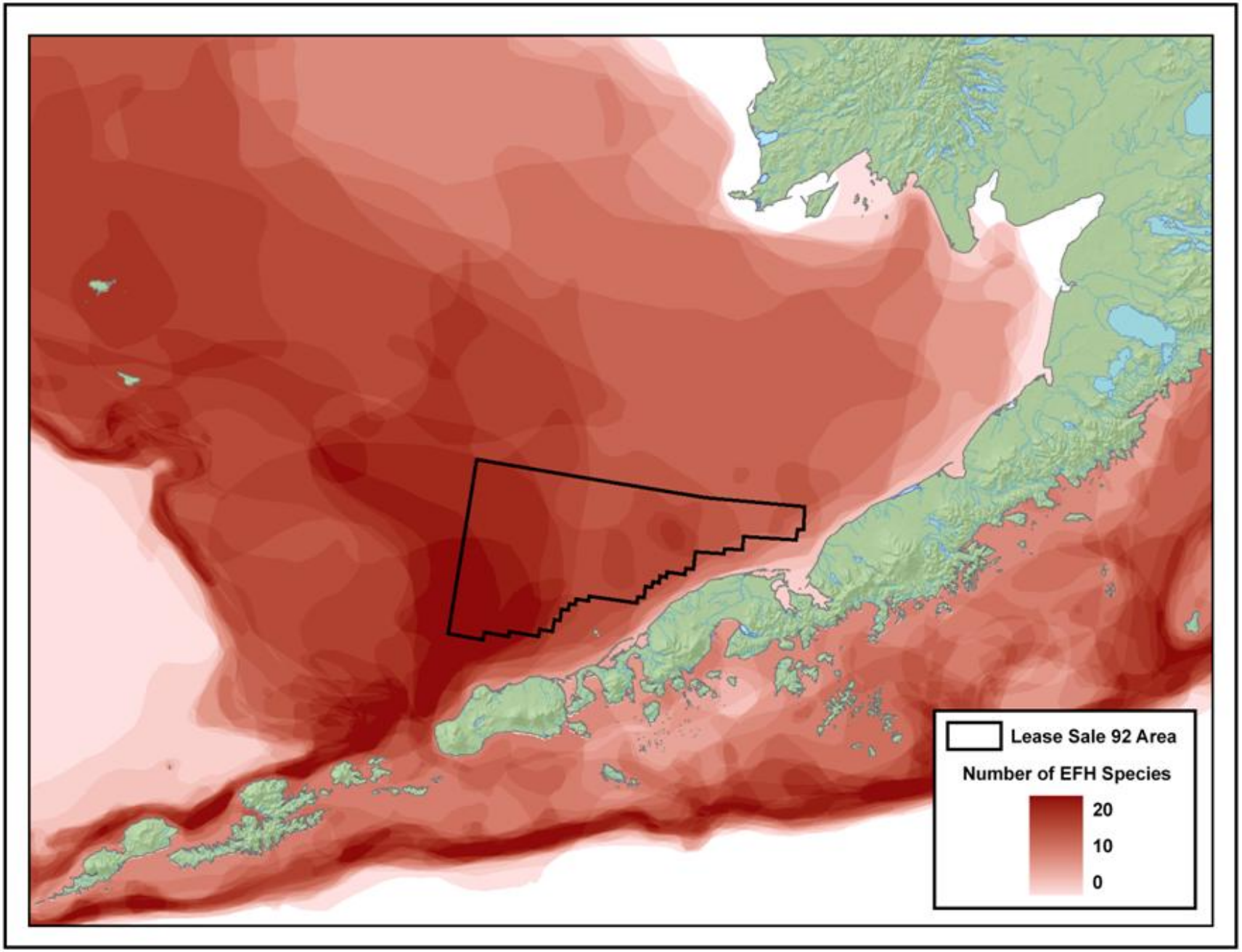
The proposed pipeline route for offshore oil and gas development in the North Aleutian Basin would run through the Area M salmon fishery. The proposed tanker route would run through Area M on the southside of the Alaska Peninsula.



The area proposed for leasing falls within recognized nursery habitat for Pacific halibut. The hatched area has been closed to halibut fishing by the International Pacific Halibut Commission (IPHC) to protect the species during critical life stages.



The area proposed for leasing has been identified by NMFS as providing Essential Fish Habitat (EFH) for more than 20 species.



The area proposed for leasing is within the “ring of fire” - one of the most seismically and volcanically active areas in the world.