



*Conserving and protecting habitats in Interior and Arctic Alaska
for wildlife, culture, environmental health and future generations since 1971.*

March 18, 2013

The Honorable Alan Austerman
Co-Chair, House Finance Committee
State Capitol Room 505
Juneau AK 99801

The Honorable Bill Stoltze
Co-Chair, House Finance Committee
State Capitol Room 515
Juneau AK 99801

Dear Reps. Austerman and Stoltze:

The Northern Alaska Environmental Center opposes Gov. Parnell's legislation to change the rules for oil and gas, and gas only exploration and development approvals (SB 59 / HB 129). We understand the importance of the oil and gas industry to Alaska's economy, but it is important to find the right balance of public involvement and the time it takes to issue permits. Senate Bill 59 and HB 129 do not strike that balance these sacrifice Alaskan's rights to public participation in the evaluation of impacts and proposed mitigation for exploration and development of the State's natural resources that belong to the public.

The exploration and development approval process currently allows for affected communities to evaluate and comment on the proposed plan of operation. Local residents are able to review site-specific and cumulative impacts to identify and mitigate those impacts to fish, wildlife and other subsistence resources before operations begin. The input of the public and local communities is critical in shaping DNR's decision.

The proposed changes would end review of specific project plans, for both exploration and development. Rather, once a decade DNR would establish general conditions for exploration and development that operators must meet for the next ten years. Without plans of operation to review, the burden would be on local residents to identify all potential impacts to fisheries, wildlife and other subsistence resources before any site specific information on all projects is available. Agency officials and local residents are ill-suited to evaluating impacts without knowing the actual location of projects, the combined effect of exploration and development projects and changes in technology or

environmental factors. We are also concerned that notice may not be provided to communities when exploration or development will occur nearby.

Considered in conjunction with HB 77, the DNR permitting rollback bill, the changes to oil and gas approvals pose more significant concerns. HB 77 would allow temporary water use permits to be continually approved, eliminating the need for oil and gas operators to receive a permanent water use certification, which requires significant hydrological data to be provided. The temporary water permits are often issued in a matter of days. Public notice is never issued and comment is never taken. The public would never be involved in water use decisions, and if passed, local residents would need to anticipate all potential impacts once every ten years for oil and gas exploration and development. For these reasons we oppose this legislation. It sacrifices local communities' and public oversight, and disregards concerns regarding fisheries, wildlife, subsistence, and health issues.

Sincerely,

A handwritten signature in black ink, appearing to read 'DAVID L. ARNOLD', written in a cursive style.

David L. Arnold, Ph.D.
Executive Director