Overview: Alaska Permitting Process

House Resources

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Alaska Department of Natural Resources
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Introduction

Alaska is home to large infrastructure projects, including mining, oil and gas, and transportation. Others are anticipated, such as broadband and energy. This presentation will provide:

- Some visuals of projects, for orienting and scale (mining and oil and gas)
- How it is determined what authorizations (e.g., permits, leases, easements) projects will require
- Potential required authorizations
- Timelines, and some challenges we face in Alaska
- Some streamlining efforts, including to avoid duplication

Mining: Fort Knox

Photo: Alaska Journal of Commerce, June 15, 2018, https://www.alaskajournal.com/2018-06-15/interior-gold-mine-gets-new-life-100m-expansion.

Mining: Greens Creek

Photo: M3, *https://m3eng.com/portfolio/hecla-greens-creek/*

Oil and Gas: Pikka

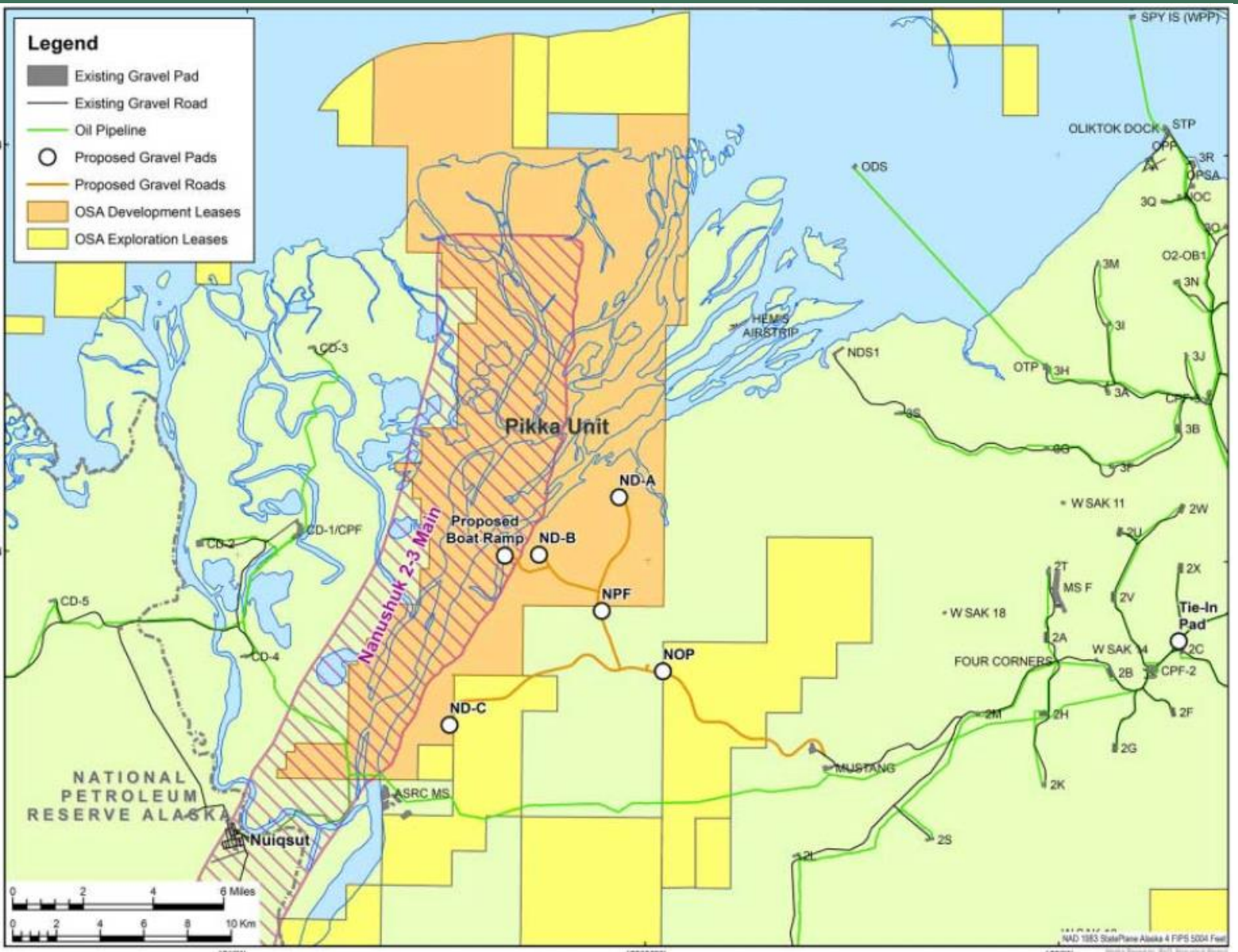


Photo: Santos Advances Pikka Project on the North Slope, August 18, 2022, https://www.akbizmag.com/industry/oil-gas/santos-advances-pikka-project-on-the-north-slope/.

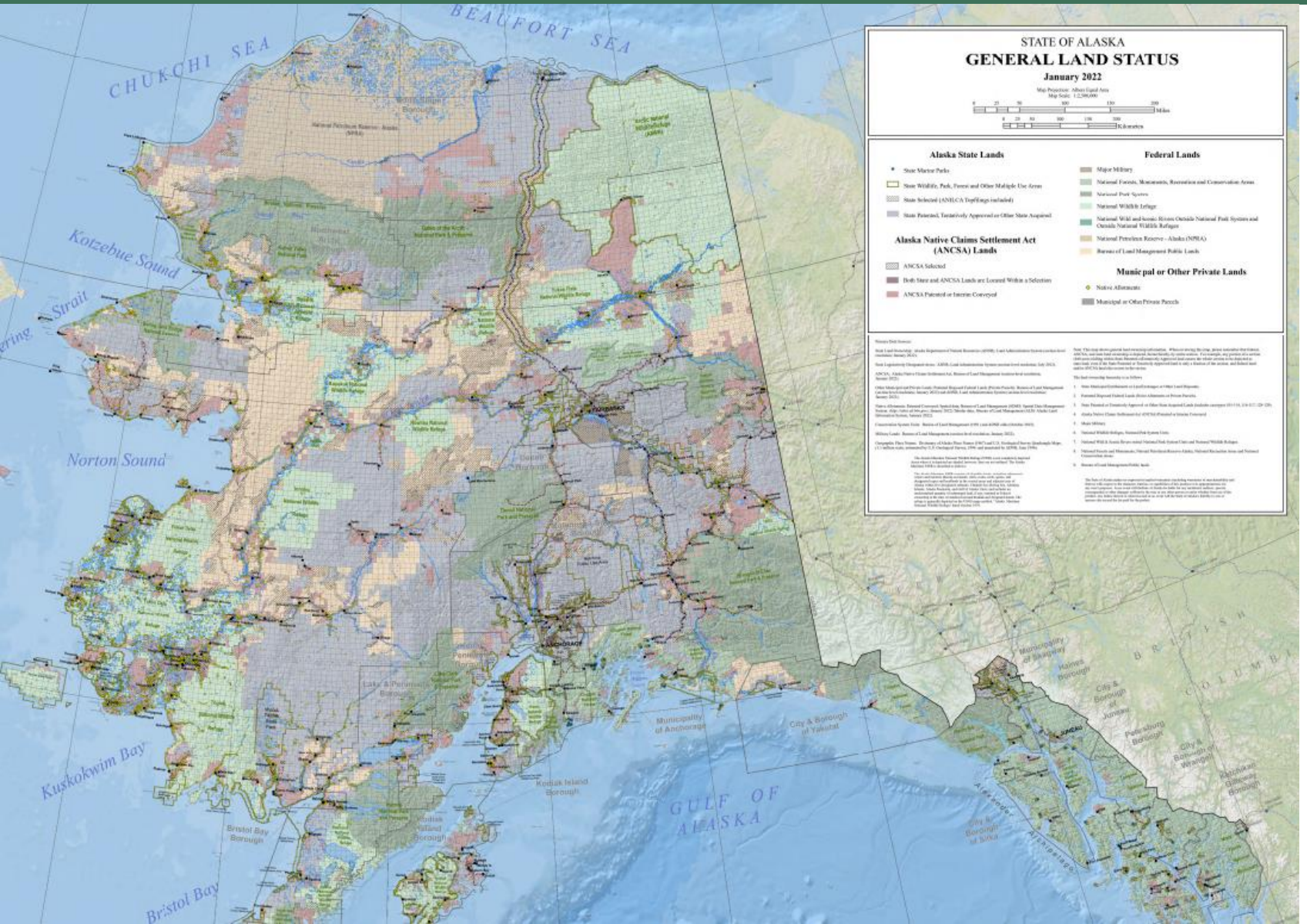
Oil and Gas: Furie

Photo: Anchorage Daily News, August 6, 2020, https://www.adn.com/business-economy/energy/2020/08/06/new-owner-of-furie-operating-alaska-says-hes-going-back-to-basics-of-cook-inlet-gas-production/

How it is determined what authorizations projects will require?

- Authorizations (which include project-specific terms and conditions) are required from the agencies who have management authority (landowners), regulatory oversight, or both
- These can include authorizations from state, federal, and local agencies, and private entities
- This section walks through who has management authority in Alaska, including some additional Alaska considerations, who has regulatory oversight in Alaska, and a summary of major agency potentials

Who has management authority in Alaska?



- State
- Federal
- Local
- Private

Photo: Department of Natural Resources Map Library, January 20, 2022, https://dnr.alaska.gov/pic/maplibrary/images/y2022/gls/GLS_statewide.pdf.

Who has management authority in Alaska?

State	Federal	Local	Private
Department of Natural Resources (DNR)	Bureau of Land Management (BLM)	North Slope Borough (NSB)	Village Corporations
Department of Transportation (DOT)	Fish and Wildlife Service (FWS)	Matanuska Susitna Borough (MSB)	Native Corporations
University of Alaska	U.S Forest Service (USFS)	City and Borough of Juneau (CBJ)	Private landowners
Alaska Railroad Corporation	National Park Service (NPS)		

Additional Alaska considerations….

- Alaska has split estates
  - This means that the surface and subsurface owners can be different
- There often need to be authorizations for access
  - This is in addition to the authorizations for the project itself

Who has regulatory oversight in Alaska?

State	Federal
Department of Environmental Conservation (DEC): Mine tailings, waste rock, and other waste, and discharges to air and water (exceptions include Metlakatla Indian Community and National Parks)	U.S. Army Corps of Engineers (USACE)
Department of Fish and Game (DFG): Activities that may impact anadromous fish or their habitat, passage for any fish species, and in state legislatively designated special area	Fish and Wildlife Service (FWS)
DNR: Mine reclamation; temporary use and appropriation of water; constructing, modifying, and operating tailings storage facilities (dams)	Environmental Protection Agency (EPA)
Office of History and Archaeology (OHA) and State Historic Preservation Office (SHPO): Impacts to cultural and historic resources	National Oceanic and Atmospheric Administration (NOAA)

Major Agencies

State	Federal and Local
• DNR Division of Mining, Land and Water (DMLW) • Trust Land Office (TLO) • DNR Division of Oil and Gas (DOG) • DNR State Pipeline Coordinator Section (SPCS) • DEC Division of Water • DEC Division of Air Quality • DEC Division of Environmental Health • DEC Division of Spill Prevention and Response • DFG Division of Habitat • OHA • SHPO • DOT • University of Alaska • Alaska Railroad Corporation • Alaska Oil and Gas Conservation Commission (AOGCC) • Department of Law • Department of Revenue	• BLM • FWS • USFS • NPS • USACE • EPA • NOAA • NSB • MSB • CBJ • Village Corporations • Native Corporations • Private landowners

Potential Required Authorizations

- Recall that authorizations are required from the agencies who have management authority (landowners), regulatory oversight, or both, and these can include authorizations from state, federal, and local agencies, and private entities
- This section starts with a list of some major authorization potentials and then runs through examples of authorizations for mining, oil and gas, and broadband projects, for a sense of volume
- After that, this section touches on what project proponents (applicants) must do with this general information

Major Authorization Potentials

State	Federal and Local
• Permit, Lease, Easement • Plan of Operations, including Lease and Unit Plan of Operations • Pipeline Right-of-Way Lease • Temporary Water Use Authorization • Water Right • Alaska Pollutant Discharge Elimination System authorization • Waste management authorization • Clean Water Act Section 404 water quality authorization certification • Air quality authorization • Grind and inject facility approval • Oil Discharge Prevention and Contingency Plan • Drinking water design plan review • Wastewater design plan review • Fish Habitat Permit • Public Safety Permit	• Clean Water Act Section 404 water quality authorization • Rivers and Harbors Action Section 10 water quality authorization • Class 1 Underground Injection Control Well authorization • Spill Prevention, Control, and Countermeasure Plan approval • Facility Response Plan approval • Rivers and Harbors Action Section 9 bridge authorization • Facility Response Plan approval • Marine Mammal Protection Act Letter of Authorization • Endangered Species Act Section 7 consultation • Industrial development and use authorization • Rezone and Master Plan approval

Mining: Fort Knox

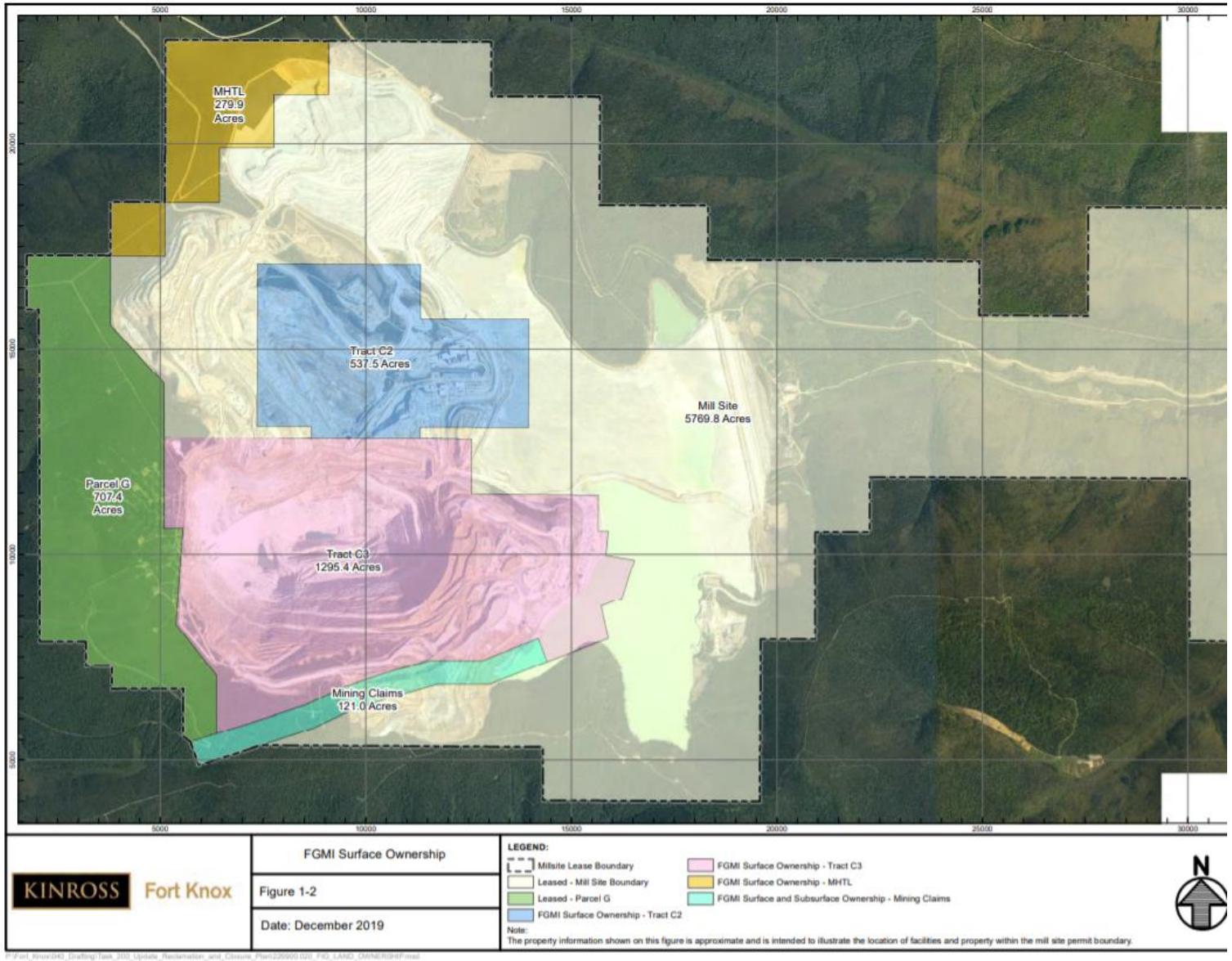


Photo: Fort Knox Mine, Reclamation and Closure Plan, January 2020, https://dnr.alaska.gov/mlw/mining/large-mines/fort-knox/pdf/fgmi-rcp-2020-01.pdf.

Mining: Fort Knox

- Largest gold-producing mine in Alaska
- Open pit mine, located 25 miles northeast of Fairbanks on state and private land
- In 1994, the state and federal governments issued the first authorizations for the mine
- The mine began producing in 1996 and has been producing continuously since then
- For operation and major 2021 activities, including road improvements, reclamation, repairing and operating the tailings dam and a heap leach facility dam, construction, processing ore from Gil at Fort Knox, and managing the commensurate waste stream
  - 25 major state authorizations (from DNR (DMLW Mining and Dam Safety, TLO), DEC (Divisions of Water and Air), and DFG)

Oil and Gas: Pikka

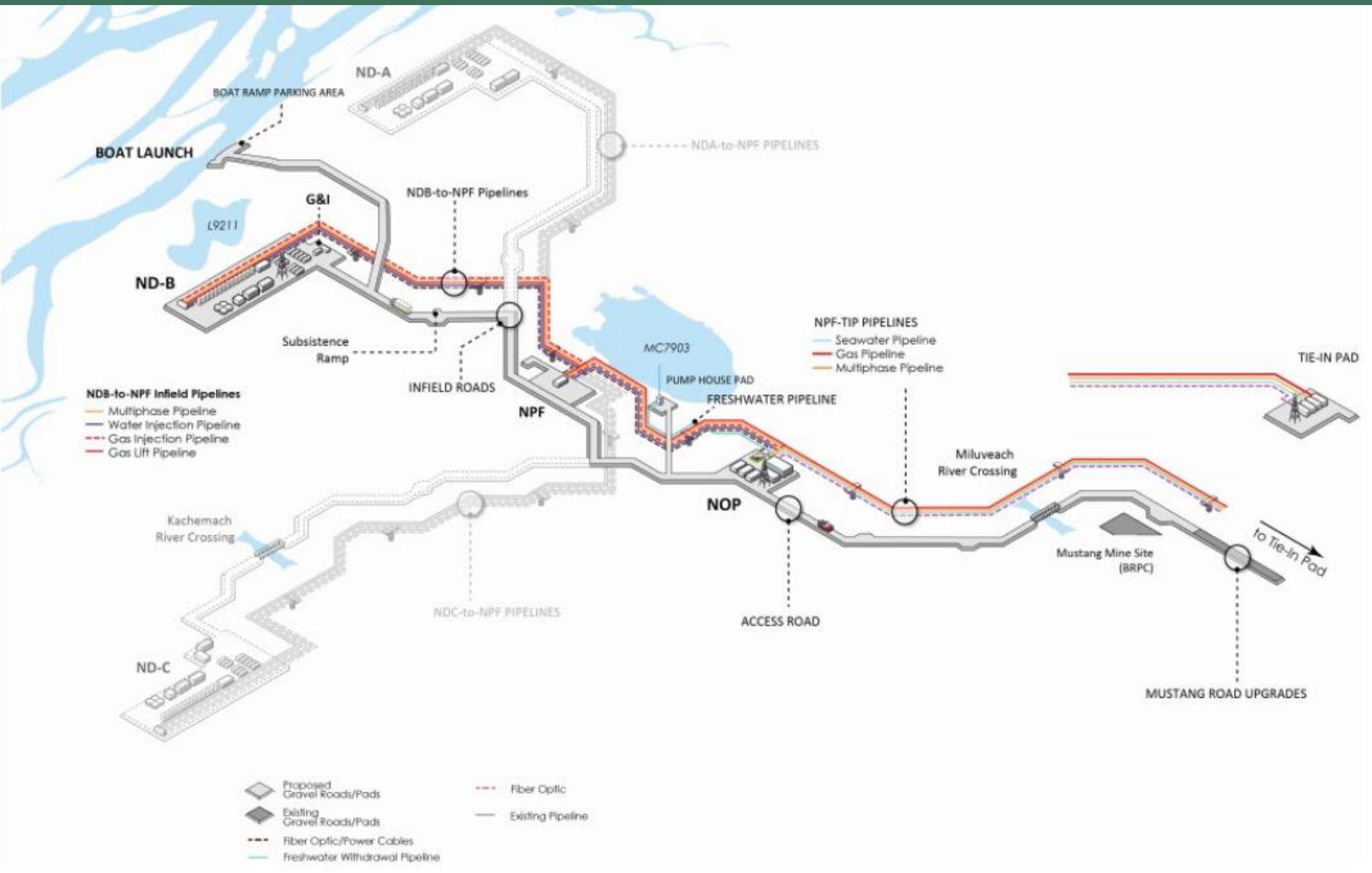


Photo: Santos Advances Pikka Project on the North Slope, August 18, 2022, https://www.akbizmag.com/industry/oil-gas/santos-advances-pikka-project-on-the-north-slope/.

Oil and Gas: Pikka

- Formerly “Nanushuk,” located on the North Slope, on state and private land
- First oil is planned for 2026 and is projected to bring 80,000 barrels of oil per day
- For 3 drill site pads (Phase 1 only includes a single, initial drill site, a production facility pad, pipelines (infield, import, and export), an operations center pad, a bridge over the Miluveach River, and gravel road:
  - 47 major state authorizations (from DNR (DOG, SPCS, DMLW Lands), SHPO, DEC (Divisions of Water and Air), and DFG

Broadband: Hypothetical 1-mile Project

- State
  - Could cross DNR land (DMLW, DPOR, TLO), other state land (DOT, University of Alaska, Alaska Railroad Corporation); could require DEC, DFG, OHA, SHPO (regulatory oversight)
- Federal
  - Could cross BLM, FWS, USFS, NPS land; could require USACE, FWS, EPA, NOAA (regulatory oversight)
- Local
  - Could cross City and Borough of Juneau (CBJ) land
- Private
  - Could cross Village Corporation, Village Corporation land

Broadband Volume

- Unprecedented resources
  - U.S. Department of Agriculture (USDA) ReConnect Loan and Grant Program (USDA ReConnect)
  - National Telecommunications and Information Administration (NTIA) Tribal Broadband Connectivity Program (NTIA Tribal)
  - NTIA Broadband Equity, Access, and Deployment (BEAD) Program, through the Alaska Broadband Office (ABO) (NTIA BEAD Program through the ABO)
- Unprecedented communities to serve
- Unprecedented projects

What must project proponents (applicants) do with this general information?

- Each authorization is unique
- It is imperative that the agency process, timelines, fees, and public notice and other requirements, are understood
- Project proponents (applicants) must walk through the following basic steps for each authorization
  - Identify the agencies who have management authority or regulatory oversight
  - Identify the authorizations required and the commensurate processes, timelines, fees, and public notice and other requirements
  - Submit applications
    - Pre-application meetings, complete applications, and responsiveness to requests for more information help keep projects on track
    - Change in location or adding elements can necessitate starting processes over

Timelines and challenges we face in Alaska

- Large infrastructure projects can take years to authorize
- This section starts with mining and oil and gas timelines in context, since authorizing is only one stage, and then runs through example timelines for mining, oil and gas, and broadband projects, for a sense of length and varying nature
- After that, this section touches on the National Environmental Policy Act (NEPA), since it comes into play for most projects
- Finally, this section translates all this into some challenges we face in Alaska

Mining and Oil and Gas Timelines in Context

- Authorizing is only one stage of the entire project, which also includes the following (sometimes overlapping) stages: Exploration, studies, design, engineering, financing, and with the goal of construction, operation (production), closure, and post-closure (and not all projects progress to all stages)
  - Studies can include:
    - Environmental (information on the environment for use in planning project design and authorizing)
    - Feasibility (information on the feasibility of the project (costs, risks, potential, for use in deciding whether it is worth investing large sums of money to proceed further))
  - Financing could be from:
    - Parent company, loan, or other

Example timelines for mining and oil and gas projects

- Greens Creek: NEPA for expansion began in 2020, the ROD is anticipated in 2024, and expanded production is anticipated in 2031
- Kensington: NEPA for expansion began in 2019, the ROD was issued in 2022, and expanded production is anticipated in 2023
- Donlin: NEPA began in 2012, the ROD was issued in 2018, and construction has not started
- Willow: NEPA began in 2017 and has not completed
- Pikka: NEPA began in 2016, the ROD was issued in 2019, and first oil is anticipated in 2026
- Greater Mooses Tooth (GMT): The Unit was formed 2008, the ROD was issued 2015, first oil at GMT 1 was in 2018, and first oil at GMT 2 was in 2021
- Nuna: Pioneer was discovered in 2012, sold to Caelus in 2014, and then to ConocoPhillips in 2019. In late 2022, Conoco applied for authorizations from DNR and USACE to resume work on the project, now referred to as the Drill Site 3T Development Project, and first oil is anticipated in 2025

Timelines for Broadband Projects

- Timelines set in federal grants: Generally, ~3-5 years to authorize and construct, including satisfying NEPA
  - USDA ReConnect
  - NTIA Tribal
  - NTIA Middle Mile
  - NTIA BEAD Program through the ABO

NEPA

- NEPA, along with the National Historic Preservation Act (NHPA) say that federal agencies must understand the impact of their proposed actions before taking them
- Triggers
  - Federal action
  - Federal funding

Levels of NEPA Review

- Categorical Exclusion (CATEX)
  - Issued for defined actions that the agency has determined do not have a significant effect on the environment
- Environmental Assessment (EA)
  - Prepared when the agency determines that the significance of the project's environmental impact is not clearly established → Results in a Finding of No Significant Impact (FONSI) or the next level
- Environmental Impact Statement (EIS)
  - Prepared when the agency determines that the project will likely have a significant effect on the environment → Results in a Record of Decision (ROD)

Challenges

- Volume
  - Each large infrastructure project could involve many agencies.
  - There are ongoing applications, and there will be additional to support any new mining and oil and gas projects, as well as broadband, transportation, and energy projects
- Timelines
  - Each large infrastructure project could take years to authorize
  - Regarding broadband, timelines are set in federal law, at generally, ~3-5 years to authorize and construct
- Non-state agencies, such as federal and local agencies are involved
  - Each large infrastructure project could involve agencies the state does not control

Streamlining Efforts (to avoid duplication)

- Office of Project Management and Permitting (OPMP) mission: Coordinate multi-agency regulatory reviews and authorizations, while collaboratively engage federal agencies on land use planning and policy initiatives to maintain and enhance the state's economy, quality of life, and maximize the value of Alaska's vast natural resources
- It is part of OPMP's core mission to assist in navigating processes and securing consistent, defensible, transparent, and timely authorization decisions
- This section speaks to OPMP generally and provides examples of some state agencies' ongoing efforts to create efficiencies and provide predictability and consistency

OPMP

- OPMP supports private industry, regulators, and the general public by leading and implementing multi-agency coordination, review, and authorization of large infrastructure projects
- OPMP assists in navigating the processes and securing consistent, defensible, transparent, and timely authorization decisions
- OPMP model is optional, unique to Alaska, and has over 20 years experience working with industry and stakeholders
- OPMP currently supports mining, oil and gas, transportation, and other large infrastructure projects

Streamlining Efforts

- DMLW published land authorization processes and target timelines to provide predictability and consistency: www.dnr.alsaska.gov/mlw/lands/
- DMLW developed policies to leverage eligibilities for public utilities in response to publicly funded broadband projects
- DMLW created generic survey instructions to provide predictability and consistency
- DMLW internal workgroup seeks and identifies creative solutions to authorize remote broadband projects
- SHPO and other agencies are updating forms and guidance for clarity, and investigating updates to regulations

Streamlining Efforts

- DNR recently consolidated all responsibilities related to oil and gas authorizing within DOG, thereby providing industry with a “one-stop-shop” for authorizations
- Except for tundra opening and closing, material sales contracts, and water authorizations, which are still managed by DMLW, for all DNR authorizations needed for oil and gas projects can now be provided by a single agency

Streamlining Efforts

- Broadband
  - OPMP is coordinating with state and federal agencies to inform ABO planning and develop an authorization coordination framework
  - OPMP is coordinating with funding sources, including the USDA, NTIA, ABO, as well as the Alaska Telecom Association (ATA), and others
- Working with the Infrastructure Office
  - Foreseeing ongoing and future infrastructure needing authorizations and coordination

Takeaways

- Alaska is home to large infrastructure projects, including mining, oil and gas, and others
- There are many pieces and many agencies involved, including state agencies, as well as non-state agencies, such as federal and local agencies
- There is no single authorization to mine, or to build an oil and gas, broadband, or other project (there are many, and each project is unique)
- Additional projects are anticipated, such as transportation, broadband, and energy
- OPMP can assist in navigating the processes and securing consistent, defensible, transparent, and timely authorization decisions

Thank you!

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