



P.O. Box 281 • Nome, Alaska 99762

Phone 907.443.6663 Fax 907.443.5349

February 20, 2012

Honorable Senator Donny Olson
Honorable Representative Neal Foster

Dear Senator Olson and Representative Foster,

The City of Nome supports HCR 23 Establishing and relating to the Alaska Arctic Policy Commission.

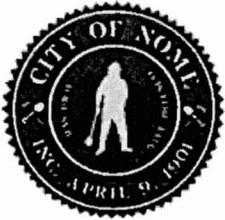
The State of Alaska needs to have an Arctic vision, comprehensive plan and implementation strategy for future development and protection of the Arctic and Bering Sea to address economic, ecological, and security effects that will benefit the state and its residents.

Although originally built to support regional cargo distribution, the Port of Nome has seen a significant increase in a variety of ocean vessel traffic as documented in statistical data. In 1990, there were a mere 30 port calls, most of which were cargo barges and a few fishing trawlers. By 2009, this had increased ten-fold with 304 port calls, of which many were ocean vessels using Nome as a resupply location for fuel and personnel transfers. The typical peak time of port activity is when commercial and recreational vessels are traversing ---- the Bering Strait as they pass through Nome on their journey to and from the Arctic to explore the outer continental shelf (OCS) and Northwest Passage.

The Marine Exchange of Alaska has provided data for traffic within the Bering Strait. In 2009 there were 277 transits with a surge to 338 movements recorded in 2010.

This year Shell plans to have 22 vessels support their drilling operations in the Chukchi and Beaufort Seas. Next year there will be two more oil companies conducting exploration and the following year, indications are that three additional companies have scheduled exploration activities. The fourth year we may see a Canadian firm passing through the Bering Straits to their get to their 200-mile limit exclusive economic zone (EEZ) for exploration. We will see a huge increase in traffic if they are successful in obtaining their permits, possibly doubling ocean going vessel traffic in the very near term.

The City of Nome is in a very unique position within the State of Alaska relative to offshore lease sales in state waters for suction gold dredging. In 2011 DNR lease sales netted the State of Alaska over \$9 million. This was in an area where in 1996 there were only 3 dredges operating offshore, and which by 2011 had significantly increased to 39 vessels specifically mining for gold. The interest in this opportunity is rapidly growing with the 2012 ice-free season expecting to see a massive influx in these small dredging craft.



P.O. Box 281 • Nome, Alaska 99762

Phone 907.443.6663 Fax 907.443.5349

These resource development activities will impact coastal communities and we continue to urge the Governor and State Legislature to engage the coastal communities, as any laws and regulations that are created will directly affect operations within our jurisdiction. We need to be at the table as partners to collaborate and communicate on the development and protection of the Arctic lands and seas that are at our front door.

The Northern Waters Task Force recommended the development of a comprehensive U.S. Arctic strategy. The Alaska Arctic Commission will be the instrument to ensure local, regional and state interests are balanced with national policies to safeguard the environment and culture, as well as encompass all strategies for economic development.

If you have any questions, I can be reached at 907/443-6600. Thank you.

Sincerely,

City of Nome

Denise Michels
Mayor

cc: Nome Common Council
Kawerak
BSNC
NEC
Sitnasuak Native Corporation



The Honorable Reggie Joule
House of Representatives
Alaska State Capitol
Juneau, AK 99801-1182

February 14, 2012

NANA Regional Corporation, Inc. (NANA) writes in support of HCR 23, which would establish the Alaska Arctic Policy Commission. As you know, NANA was established pursuant to the Alaska Native Claims Settlement Act of 1971. Our region is comprised of 38,000 square miles of land (roughly the size of Indiana) mostly above the Arctic Circle. Our land encompasses eleven villages of primarily Inupiat residents. Our mission is:

"We improve the quality of life for our people by maximizing economic growth, protecting and enhancing our lands, and promoting healthy communities with decisions, actions, and behaviors inspired by our Inupiat Ilitqusiat values consistent with our core principles."

Our core principles are, "Honesty and integrity will govern our activities. Commitments made will be fulfilled. Everyone will be treated with dignity and respect."

NANA appreciates the work you did in 2010 to create the Alaska Northern Waters Task Force (NWTF). The work of the NWTF has been of vital importance to the State of Alaska and to Alaskan communities. The NWTF recognized that the rapid changing of the Arctic is profoundly impacting our communities, which rely on the fruits of the land, sea and air to meet cultural and nutritional needs. The influx of increased activities from outside parties, including new shipping routes, oil and gas exploration, commercial fisheries and tourism, creates new challenges, but also new opportunities. NANA believes that these challenges and opportunities must be met head-on by Alaskans. Through this Commission, the State of Alaska would continue to take a leadership role on Arctic policy issues, which is especially important as the United States prepares for its 2015-2017 chairmanship of the Arctic Council.

The Arctic Policy Commission as proposed would include a variety of stakeholders. We encourage you to consider adding a representative of an ANCSA corporation to the Commission, as such a representative would contribute a unique perspective to the dialog. Again, quyaanaqpak for your work on the NWTF and for working toward passage of HCR 23.

Sincerely,

Elizabeth Saagulik Hensley
Corporate & Public Policy Liaison