

# Changing Dynamics of North Slope Development

House Resources Committee

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# Issues Impacting North Slope Development

- Opposition by local residents and national environmental groups, remoteness, harsh conditions, technological issues
- Smaller companies new to Alaska are bidding on leases
  - little experience in permit sequencing and timeframes
  - have not allotted enough time to address public concerns, local government requirements, etc.
  - not familiar with conducting business in Alaska: logistics, not prime clients for services, etc.
- Roadless developments haven't supported adjacent lease exploration/development



# Permitting

- Permitting Task Force is undertaking a huge effort in improving permitting activities and efficiencies
  - Significant, ongoing public outreach for ideas and input
  - Hiring and efficiency improvements to address backlog
  - Post-ACMP, it is now the responsibility of the applicant to independently coordinate project with local, state, and federal agencies
  - Permitting Task Force recognizes coordination as a critical issue and is working on a coordination effort
  - Alaska Project Questionnaire in development to serve as a “road map”

# Oil & Gas Activity Authorizations

## Alaska Department of Natural Resources (ADNR)

- **DOG- Lease or Unit Plan of Operations Permit**
- DMLW - Land Use Permit (LUP) for Ice Road
- DMLW - Temporary Water Use Permit GCD 8 and GCD 34 (TWUP)
- DMLW - Misc. Land Use Permit from for use of state-owned surface lands beyond the lease or unit boundaries
- DMLW - Tidelands lease
- DMLW - Water Right
- DMLW and/or MHTLO - Right-of-way easements
- DMLW - Surface lease
- DMLW - Material Sales Contract
- DCOM or lead agency - ACMP Consistency Determination
- SHPO - Section 106 Historic Preservation
- JPO - Pipeline Right-of-Way Lease

## Alaska Department of Environmental Conservation (ADEC)

- Water Quality Register EPA NPDES North Slope General Permit (ice road)
- Spill Prevention, Control and Countermeasure (SPCC) Plan
- Oil Discharge Prevention and Contingency (C-Plan) Plan
- Temporary drilling waste storage permit (depending on NPDES Status)
- Drilling waste storage and solid waste disposal facility
- Air Quality permit for temporary or mobile drilling unit
- Air Quality Minor General Permit Surveillance Plan
- Air Quality Control (PSD) for Construction
- Title V Air Permit for Operations
- Domestic water supply
- Domestic waste water permit
- 401 wetlands certification

## Alaska Department of Administration, Alaska Oil & Gas Conservation Commission (ADA, AOGCC)

- Permit to Drill
- Underground Injection Control (UIC class II)
- Injection Order

## Alaska Department of Fish and Game (ADFG)

- Title 16 Fish Habitat Permit
- Polar Bear Interaction Plan – Review

## Local Governments

- Local Zoning Permit
- Right-of-way easements

## National Marine Fisheries Service

- Letter of Authorization (Incidental Harassment Authorization or Incidental Take Authorization)
- Essential Fish Habitat Determination
- Section 7 Endangered Species Act consultation through NEPA

## US Environmental Protection Agency

- Stormwater discharge exemption permit (maybe)
- Individual NPDES authorization for muds, cuttings, and produced water discharge (in process of being transferred to ADEC)
- General NPDES authorization (in process of being transferred to ADEC)
- SWPPP Storm Water Pollution Prevention Plan
- Underground Injection Control (UIC class I, III-V)
- National Environmental Policy Act

## US Army Corps of Engineers

- Rivers and Harbors Act Section 10 authorization
- **Clean Water Act Section 404 placement of fill**
- **National Environmental Policy Act**

## US Coast Guard

- Vessel Security Plan for Jack-Up and Offshore Supply Vessels
- Vessel Response Plan (>400 tons)

## Bureau of Ocean Energy Management, Regulation and Enforcement

- C-Plan Oil Spill Financial Responsibility Application (consider along with State C-Plan)

## US Fish and Wildlife Service

- Letter of Authorization (Incidental Harassment Authorization or Incidental Take Authorization)
- Section 7 Endangered Species Act consultation through NEPA
- Migratory Bird Treaty Act and Bald and Golden Eagle Protection Act Consultation



# Cost of Operations: Opportunities for Improvement

- Time and cost associated with permitting, appeals, and legal challenges at all governmental levels.
  - Coordination function to address all governmental levels
  - Consistency in public notice and appeals provisions and procedures
  - Industry cooperation on costs of common needs
- Explore opportunities for extending the drilling season
- Roads to Resources concept has value beyond the Foothills area
  - Roadless developments haven't been beneficial for adjacent lease exploration