

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

March 30, 2007

1:02 p.m.

MEMBERS PRESENT

Representative Carl Gatto, Co-Chair
Representative Craig Johnson, Co-Chair
Representative Vic Kohring
Representative Bob Roses
Representative Paul Seaton
Representative Peggy Wilson

MEMBERS ABSENT

Representative Bryce Edgmon
Representative David Guttenberg
Representative Scott Kawasaki

COMMITTEE CALENDAR

CONFIRMATION HEARINGS

Commissioner, Department of Natural Resources

Acting Commissioner Tom Irwin - Anchorage

- CONFIRMATION ADVANCED

Alaska Oil & Gas Conservation Commission

Cathy Foerster - Anchorage

- CONFIRMATION ADVANCED

PREVIOUS COMMITTEE ACTION

No previous action to report

WITNESS REGISTER

TOM IRWIN, Acting Commissioner
Department of Natural Resources (DNR)
Anchorage, Alaska

POSITION STATEMENT: Discussed why he would like to be commissioner.

ROY BURKHART
Willow, Alaska

POSITION STATEMENT: Opposed Acting Commissioner Irwin's appointment to the Department of Natural Resources.

HERB SIMON
Nelchina, Alaska

POSITION STATEMENT: Asked Acting Commissioner Irwin to put environmental safeguards into permit requirements for mega-projects.

CATHY FOERSTER, Appointee
to the Alaska Oil and Gas Conservation Commission (AOGCC)
Anchorage, Alaska

POSITION STATEMENT: Related the reasons she wants to serve on the AOGCC.

ACTION NARRATIVE

CO-CHAIR CRAIG JOHNSON called the House Resources Standing Committee meeting to order at [1:02:36 PM](#). Representatives Johnson, Gatto, Wilson, Seaton, and Roses were present at the call to order. Representative Kohring arrived as the meeting was in progress.

CONFIRMATION HEARING Commissioner, Department of Natural Resources

[1:02:49 PM](#)

CO-CHAIR JOHNSON announced that the first order of business would be the confirmation hearing on the appointment of Acting Commissioner Tom Irwin as commissioner of the Department of Natural Resources (DNR). He asked Acting Commissioner Irwin to tell the committee why he would like to be commissioner.

[1:03:15 PM](#)

TOM IRWIN, Acting Commissioner, Department of Natural Resources (DNR), presented the following reasons for his desire to be commissioner. First and foremost, he is a Christian. Second, he and his wife believe Alaska needs resource development so that future generations have jobs and can remain in Alaska, specifically his children and grandchildren. Third, he holds Governor Palin in high regard. He believes if Alaska's resources are not developed correctly, Alaska will be ruined and

he wants Alaska to be as special for his grandchildren as it has been for him. He and Governor Palin have the same philosophy in regard to Alaska's natural resources and he works with top-notch people at DNR.

[1:05:23 PM](#)

CO-CHAIR GATTO jested that the DNR commissioner must be able to spell tungsten and molybdenum.

[1:05:31 PM](#)

ACTING COMMISSIONER IRWIN said he can because he attended the Colorado School of Mining where he was given a full scholarship, summer employment and participated in a management training program. The first property he worked at primarily produced molybdenum, known as "molly," and secondarily tungsten. A third product produced was iron manganese tungsten.

[1:07:04 PM](#)

REPRESENTATIVE SEATON noted the coastal zone management (CZM) process was moved to a new program several years ago and many people from local communities feel they no longer have a say in that process. He asked whether local input can be reinvigorated into that program as it exists now.

[1:08:07 PM](#)

ACTING COMMISSIONER IRWIN said that is a fair question and that he is a proponent of people getting together. He continued:

If you look back before I left, we had actually called multiple parties together. I don't remember the exact count. We must have had 40 people in the room - maybe 50. Frankly, I wasn't there to talk. I was there to listen. ... I've had it directly but I ran into the folks from the North Slope Borough back in D.C. And although we were talking about [Alaska Gasline Inducement Act] AGIA as the primary point from my standpoint, we clearly talked about this also. We want people to have input.

[1:08:55 PM](#)

ACTING COMMISSIONER IRWIN continued:

I might as well stir the pot further because we have the Habitat [Division] move also and, for the record sir, I want to let you know the good people the state has had working on both of those projects - our Habitat folks, our biologists, the people in the programs, the people in the CZMP. From my career, I've been through many mergers of companies and it seems like everybody - when you start to a new company you change the deck chairs. My philosophy is don't take your energy on moving things. Take your energy on learning what is good and what is bad and working on the bad and enforcing the good and I'm intent on looking at those but understand I think there's a lot of good with the move too. I'd be misleading to you.

But the other thing to be honest with this committee, I think I've been living down here the last weeks on another issue of oil and gas line and it's appropriate, very out of characterization of myself. I really get out first thing and say hello to all my people and hear what they have to say. Honestly, I haven't had a chance to do that yet.

So, to be direct, my first steps will be I will get with the individuals in my department who are running both of those programs. We will talk. We'll talk about what is going on and I am committed to listening to the Alaskan people, just as the Governor is.

1:10:36 PM

REPRESENTATIVE SEATON said his point addresses what has been happening, that being the agency's lack of listening to people. Local entities cannot write enforceable policies for anything that could possibly be covered under state law, which includes just about everything. For example, if a local community has an important issue dealing with subsistence on eel grass beds, it cannot write a policy to address that but instead must determine the historic usage of every eel grass bed. He asked Mr. Irwin to look into that part of the program and consider whether it went too far and, if so, to address the problem. It has made local input almost meaningless.

1:12:09 PM

ACTING COMMISSIONER IRWIN said he would do that and that he would meet with Representative Seaton in the near future.

1:12:33 PM

REPRESENTATIVE KOHRING noted that he has been very pleased with the work Acting Commissioner Irwin has done on the AGIA bill. That bill improves upon previous legislation. He is glad to see that Governor Palin saw fit to recommend Acting Commissioner Irwin. He then excused himself to attend another meeting.

1:13:25 PM

ACTING COMMISSIONER IRWIN thanked Representative Kohring for his comments.

1:13:30 PM

REPRESENTATIVE ROSES asked Acting Commissioner Irwin if he is concerned that what transpired in the past will prevent him from moving forward as commissioner.

1:14:03 PM

ACTING COMMISSIONER IRWIN thanked Representative Roses for asking that question. He told members:

What transpired in the past, and I'm not going to talk about others, let me talk about me. I took an oath to do what is best for Alaskans. I just recently took that oath again. I intend to to the fullest of my ability, and I did add at the end of the oath "So help me God." I stood up for what was right for Alaskans and I don't think it will hinder me. I've learned a lot. I actually think it brings more to the table. You always learn from experiences.

So sir, I really believe I did what is right. I did what many people would do. Who would have thought a year and so many months later I'd be down in front of this group again? But yes, to the best of my ability I took that oath to do what is best for Alaska.

1:15:06 PM

REPRESENTATIVE ROSES remarked that he has only heard words of praise for Acting Commissioner Irwin from others. He said he believes Acting Commissioner Irwin is seen as a person who is

committed to doing what is right and what is best for the State of Alaska.

1:15:44 PM

ACTING COMMISSIONER IRWIN said, in all fairness, he was supported by a lot of good staff.

1:16:40 PM

CO-CHAIR GATTO said he tried to get Mark Myers to return but he is now working for the United States Geological Survey. He believes Acting Commissioner Irwin learned a great deal from his past experience and took a stand for the people of Alaska.

1:17:45 PM

ACTING COMMISSIONER IRWIN said he will honor the oath he took to the best of his ability. He jested he would appreciate any suggestions on how to get Mark Myers back. Mr. Myers has an incredibly important position for the United States and Alaska. They talk regularly. He noted DNR has a huge opportunity before it.

1:19:08 PM

CO-CHAIR JOHNSON opened the meeting to public testimony.

1:19:24 PM

ROY BURKHART related his opposition to the appointment of Acting Commissioner Irwin to DNR because he does not believe Acting Commissioner Irwin is diplomatic enough to run a department. Mr. Burkhart said he worked on the Willow boat launch for 15 years. A number of environmental extremists in [the Division of Parks] have derailed that project again. He has written six letters to DNR but has yet to receive a response. He recounted a short history of the Willow boat launch and said the entire Valley delegation favors the project, as well as outdoor organizations. However, the project is not supported at DNR. He felt Acting Commissioner Irwin should be asked to put on record that he supports the Willow boat launch and will demand that DNR staff support the project.

1:22:11 PM

HERB SIMON, testifying via teleconference from Nelchina, said [Trans-Alaska Pipeline System] TAPS has been operating for more than 30 years and that the gas industry and Pebble Mine may open soon. He asked why preventative measures can't be included as conditions for the permitting of mega-projects in the state. He continued:

So, for example, inspection criteria on the pipeline, the TAPS or any other pipeline, and the clean up of some of these mines - I'm from Nelchina and we have mining equipment scattered all over this part of the world where the mining operation was permitted, gunny sacked, or somebody died or whatever. All of that junk is scattered all over the country. Why can't things like that be plowed into a conditional use type permit so that one, this mining equipment is removed from the sites like with TAPS or any other pipeline, why we don't plow inspection criteria into the conditional use permit of the pipeline. In other words, I'm going not for the sake of environmentalism, but preventative measures. I think, for example we just recently in the past several years renewed the permit for TAPS and then, through the jousting with the big oil companies and the state, suddenly we come to find out a lot of those feeder lines up north are corroded 30 years after the fact where that should have been periodic inspection criteria. Anyway, that's the essence of my question.

[1:25:45 PM](#)

CO-CHAIR JOHNSON asked Mr. Simon to stay on line because his questions may be addressed during the hearing. With no further participants, he closed public testimony. He notified Acting Commissioner Irwin that he is free to answer those questions but is only compelled to answer questions from committee members.

[1:26:27 PM](#)

ACTING COMMISSIONER IRWIN said the Willow boat ramp has a long history. He explained:

Of what was requested of DNR and the funding available, etcetera, one was sort of put in with the money available in a spot that DNR people strongly felt don't put it in there because it will wash away. It washed away. There is a boat ramp that is badly

needed out there. I've actually visited there twice in a past life when I was here before. It's a funding issue and really that boat ramp ties into several funding issues and I certainly have got to be on record that I support the Governor's budget but that boat ramp and access to the world and parks, that whole issue, you know, there's two sides. I mean you heard I want resource development and I believe that is what can help fund some of these things. We are so rich in parks and we want people to put their boats in the river but you also have to do it right. We're legally bound to do it safely. You can't just throw something in and not have the full money so all of these things are an issue.

I'll go down a short rabbit trail if you'll allow me to on parks. I think the parks people have done a tremendous job in keeping parks open by having private people come in and manage them. And those private people have done a good job but there is an economic motivation there and you get further and further behind in the maintenance. Somewhere long term, and these are shorter than long term in my mind, read what they're doing with parks in your - I don't want to reinvent the wheel. And whatever people do around the world with parks doesn't hold a candle to ours. So boat ramps and access and all of these things I believe in, if we've been disrespectful somehow to an individual, we don't mean that and maybe we have, maybe we haven't because I don't recall the gentleman. But he deserves an answer and there is something we're missing. We need to be paying attention because he's an Alaskan like everyone else.

[1:29:01 PM](#)

ACTING COMMISSIONER IRWIN continued:

The second question - boy, I could talk for hours on it but there's a history of mining and there are some junk places out there and we don't want those in Alaska. But if I might go to one example, I helped purchase, design, set up and get the Fort Knox Mine in operation. There are checks and there are still checks going on but if you go look in that valley, and my first experience with Habitat people and Fish and Game people, the mine is high on the ridge where it is

at but this valley had frankly been torn up and torn up terribly with placer mining - not the new style with plans and reclamation, I'm talking about the old timers. They didn't know at the time what we really had for the environment. They tore through the permafrost that melted every summer. The black was going through the Little Chena through Fairbanks. It was close to being an impaired water body. It was to the point it was catch and release for grayling on a wonderful river system.

But here is what you can do. The company worked with [the Alaska Department of] Fish and Game [ADF&G] and [the Division of] Habitat. We had to put in a 385-acre water reservoir, very sizeable. They said let us work with you and here's what we'll get out of it. You'll get your reservoir, leave humps in here and let's take all of these placer miner ponds and we'll reclaim them and connect them together. The goal was not only did the mine get its water; we cleaned up the river because now all of the solids have been taken care of going downstream. The goal was maybe [5,000] to 10,000 catchable-size grayling at the end of the mine life, which was 12 years at the time. The first year that this was in operation we saw an incredible amount of fry in the little ponds. We had one pipe into the big pond. The fry were disappearing. Well, we've got some really big turbot in the channel so we had to go back and Fish and Game helped us and it is to their credit. Habitat people understand things. Elliot [ph] - Elliot works for Habitat now. He is second in command under Kerry Howard, superb people. Their answer wasn't to say no. Their answer was to say how do we get this resource development and get to yes and everybody wins. There are so many catchable size grayling that are going over the spillway. They're tagged. They are going through Little Chena, Chena. We're starting to find tagged grayling up by Delta.

So, was it done wrong in the past? Sure. We've all learned. Do you check on these things? Do you do things better? It's imperative. And, if I might, Mr. Chairman, I'd like to talk about Pebble.

[1:31:50 PM](#)

ACTING COMMISSIONER IRWIN continued:

I think we should be asking about Pebble. There are two clear issues to me on Pebble. I won't budge on these two so you might as well know who I am and I made sure the Governor and I were in synch. First and foremost, I will never allow something to hurt a renewable resource called a fishery that is world class like Bristol Bay, period. That's not me and that's not my philosophy and that is not this Administration's philosophy.

The second part is I believe in resource development. I, as a commissioner, don't even know what to judge on yet. I've heard big things and big numbers but here's what I'll expect because I believe in a process. If we don't follow a process as a state - you randomly chuck this out, maybe a borough throws this one out, individuals throw this out, it's out of my - whatever. We're not that kind of state. We've all taken a stand we're going to be fair. You have to have a clear process and what will I demand before my people start looking at that process? I want to know financial assurances. Where are the deep pockets that pay for any problem?

Reclamation plans - don't tell me how you're going to start it up until you can tell me how you are going to shut it down. Tell me how you are going to - and this is my background - I know the answers, what I should be looking for. Tell me what you're going to do if you have to interrupt in mid-stream. What are you going to do with acid rock drainage? What if you're in construction and have to stop? What type of earthquake can you stand? We can't stand a 1 in a 100 chance of something going away in that area. We're accountable. We, as Alaskans, are accountable. I can tell you the dam at Fort Knox can withstand a .27G ground acceleration. Well, if there's a big earthquake in Fairbanks, my family and I have always talked about we ought to go stand on the dam because it will knock you down but it will be there. Can they tie it into bedrock? What is the drainage pattern?

There are so many questions I would want to see before we even start the process but it's got to be allowed to be a fair process otherwise I know what companies

do. If they don't have a fair chance to explore, to study it, to put plans together and to be evaluated correctly, they go elsewhere. But it isn't the one site that's in jeopardy and I'm not preaching here, I'm passionate about it. The next place is in jeopardy because of this reason, the next place because of that reason. Mining, oil and gas, fisheries, they all then get challenged. We need a process and if there is something wrong with the process, it's my job to listen and fix the process, beef it up. It's also my job if there's duplication to remove duplication. That works both ways. But Pebble is so important in our state right now. Resources - you all have a huge responsibility and I know you recognize it. I have a huge responsibility to do my part correctly so I hope that answers my position on Pebble.

[1:35:22 PM](#)

REPRESENTATIVE SEATON commented legislators have heard that DNR is giving the agriculture industry the attention it needs or advocating for its expansion. He asked Acting Commissioner Irwin his philosophy on how the state should be looking at agriculture.

[1:36:09 PM](#)

ACTING COMMISSIONER IRWIN said he skipped out of a House Oil and Gas Committee hearing yesterday to meet with two representatives and an individual from the cruise industry. They talked about the huge number of meals served on the cruise ships coming to Alaska. He heard about one farmer who had to throw out 1,500 pounds of potatoes at the end of the year and yet the cruise ship wanted them. He said the agricultural industry does get the short end sometimes. He believes the industry needs to be viewed as a viable industry. He believes niche markets exist. He remarked that with the problems associated with mad cow disease, the dairy farmers and others are facing tough issues that are not unique to Alaska. However, huge opportunities exist. He hopes DNR is able to focus on a business plan for the agriculture industry; that is a goal.

[1:38:47 PM](#)

REPRESENTATIVE SEATON said shellfish farmers are feeling uncomfortable with the ADF&G. Commissioner Lloyd told the House

Fisheries Committee he was not opposed to moving oversight of the mariculture industry [to DNR] because it is not within ADF&G's core mission. However, ADF&G is interested in maintaining biological checks and balances. He said a bill is being drafted that will shift mariculture industry oversight to the Division of Agriculture in DNR. He asked Acting Commissioner Irwin's opinion of that transfer.

[1:40:16 PM](#)

ACTING COMMISSIONER IRWIN replied the agriculture industry must get attention but he honestly does not know whether the Division of Agriculture is the best home for mariculture oversight. He said he would be more comfortable with that transfer if he could assure legislators the agriculture industry is going to be okay before accepting oversight of mariculture. He offered to get back to the committee with a response to that question.

[1:40:52 PM](#)

REPRESENTATIVE SEATON commented that DNR handles the permits for mariculture sites but ADF&G does the biological permitting. He said although the mariculture industry is small, the participants are Alaskans located around the Gulf of Alaska.

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ACTING COMMISSIONER IRWIN said, in response to a previous comment about Mr. LeFevre, he thinks the world of Dick LeFevre. Mr. LeFevre started the large mine permitting project team for DNR when the Fort Knox Mine started up. He cares about the environment. He said when Mr. LeFevre returned to state employment, his first goal was to get the Alaskan Grown logo lawsuit resolved. Alaskan farmers were using the Alaskan Grown logo but the state decided it was available for anyone's use and numerous lawsuits were filed. He said the first day Mr. LeFevre met with the litigants, the case was resolved.

[1:42:55 PM](#)

REPRESENTATIVE ROSES said in some of the agricultural leases, businesses have difficulty borrowing money for infrastructure because the lending institutions require a lease that is a minimum of five years longer than the mortgage.

[1:44:22 PM](#)

ACTING COMMISSIONER IRWIN said that issue pertains to several leasing scenarios and is important. He said he is aware of a hunting guide who bid on an area that was a mess. He cleaned up the mess and built temporary structures on that land. Now his right to permanently stay on the land versus how that land would be bid is problematic for the state. He disclosed that he recently worked for the Golden Valley Electric Association. He firmly believes in renewable energy and that Alaska should be funding renewable energy sources with income from the gas line. Electric cooperatives spend millions to find wind and then construct huge test towers. Those cooperatives have no discovery rights to those areas. He said that problem is further compounded with geothermal energy sources. He agreed with Representative Roses and said DNR needs to come up with solid answers to leasing issues that are fair.

[1:47:11 PM](#)

REPRESENTATIVE ROSES said he believes the only fair way to address that problem is to require a new bidder who wins a lease from a former leaseholder to pay back the original leaseholder for the infrastructure built on the leased land through some sort of an amortization process.

[1:48:09 PM](#)

ACTING COMMISSIONER IRWIN said he is not sure of the right procedure and wants to further discuss that issue with Representative Roses at a later date.

[1:48:35 PM](#)

REPRESENTATIVE WILSON said she shares Representative Roses' concern. She asked whether agricultural leases can contain an option to renew clause so that farmers can get loans toward the end of their leases.

[1:49:22 PM](#)

ACTING COMMISSIONER IRWIN acknowledged this problem must be solved because real people are getting hurt. He said he also has serious concerns about [the shortfall in] the agricultural revolving loan fund. He questioned what the state is going to do to help fund this industry.

[1:50:12 PM](#)

CO-CHAIR GATTO expressed concern about disappearing farm land in the Mat-Su Valley due to residential construction on that land. He asked if the state could buy agricultural rights to farm land or to prevent the farmer from losing money while reserving farm land and open spaces for the community.

[1:51:04 PM](#)

ACTING COMMISSIONER IRWIN said he doesn't know the answer right now but is an issue he will think about. He questioned at what point a farmer owns the land and can do what he chooses with it after he has paid off the mortgage. He said that land belongs to the farmer and he does not want to take that right away from the owner.

[1:52:26 PM](#)

CO-CHAIR GATTO said he lived in Fairbanks during the 1960s when some homesteaders said they had to sell their land because they could no longer pay the taxes due to price appreciation. He is aware of Mat-Su farmers whose land is now worth millions because of price appreciation. Those people do not want to be run off of their land. He said he was suggesting the need to find a way to keep the land classified as agricultural.

[1:54:08 PM](#)

REPRESENTATIVE SEATON noted the House Resources Committee had a hearing on the gas-to-liquids technology because that could generate hundreds of thousands of barrels to keep TAPS going at a low tariff rate. He asked whether DNR has been looking at any projects that fit that description.

[1:55:30 PM](#)

ACTING COMMISSIONER IRWIN said DNR's primary goal with TAPS is to ensure that independent producers are provided access to the pipeline so that companies that find oil along with gas have a way to ship that oil, Point Thomson is an example. He furthered:

When you talk with the Mark Myers of the world, and [there] are 200 to 400 million barrels of liquids there, and the possibility that that might have to be processed first before you get at the gas because both AOGCC has to worry about molecule recovery, DNR has to worry about molecule recovery and economics. It's a

requirement with the state we can't leave liquids behind. So, from that standpoint we're very focused on it. I have not been personally involved in any state programs that I know of that are really pushing gas to liquids but we're certainly aware of anything the companies do. I'm not going to preclude that but I think our priorities right now - our value is making sure we have access for people who find oil, for the facilities, and DNR wrote a really good report on that and some of the issues with it shortly before I left last time and then on the gas getting - and it's paramount here that whatever gas line that we have so it's expandable and people who find gas can monetize it. No - specifically to your other question, I don't know.

[1:57:20 PM](#)

REPRESENTATIVE SEATON said the other question revolves around a wet gas line versus a dry gas line. TAPS could become uneconomic because a very wet gas line is permitted to take the wet liquids off. He continued:

And then TAPS sits there and becomes economic and we have a tariff over \$10 a barrel and those kinds of things. Are we looking at that when we're balancing the proposals that might come through as far as the effect of not only on the gas line but on TAPS as well?

[1:58:01 PM](#)

ACTING COMMISSIONER IRWIN said the answer is yes. An additional question is where do the liquids in the gas go? Should the state develop an additional business or should the liquids get sent to the Henry Hub? The state needs to be very wise about the value of these products. He said more career options will occur when more value is added to products in state.

[1:58:45 PM](#)

CO-CHAIR JOHNSON said some bills are working their way through the Legislature regarding the Division of Habitat and ADF&G. He has heard that DNR and ADF&G do not enforce laws in equal ways or that DNR does not have enforcement powers. He expressed concern:

In the Habitat Division we enforce the laws. We have the enforcement capabilities. I don't want to send a signal that we're not enforcing habitat laws because DNR either won't, can't or chooses not to. Can you address that a little bit about the enforcement and the things that DNR does with their habitat division? Can you address that a little bit? And then I think we'll be done.

[1:59:45 PM](#)

ACTING COMMISSIONER IRWIN said the Division of Habitat has been so successful in DNR that it has seen 99 percent compliance in habitat permits. On the other hand, the timber industry is very upset with the Division because it will not agree to put pipes in streams that contain fish. He heard a little bit of the testimony against the Division of Habitat. That testimony was terribly incorrect about the staff he knows in that division. They would not compromise their principles. When those employees were transferred to DNR, they were told not to compromise their principles. He wanted the employees to figure out how to get to yes without compromising habitat protection. He has little tolerance for anyone who would damage Alaska's habitats. He acknowledged DNR does not have enough employees to police the state but it will follow-up when possible. He acknowledged that DNR's enforcement efforts have been poor in the past.

[2:02:10 PM](#)

REPRESENTATIVE ROSES congratulated Acting Commissioner Irwin on his long marriage and noted today is his 39th wedding anniversary.

[2:02:44 PM](#)

CO-CHAIR JOHNSON asked the will of the committee.

[2:02:49 PM](#)

CO-CHAIR GATTO moved to recommend that Acting Commissioner Irwin's name be forwarded for confirmation at the joint session of the Legislature.

CO-CHAIR JOHNSON noted the motion carried with no objections.

Alaska Oil & Gas Conservation Commission

2:03:12 PM

CO-CHAIR JOHNSON announced that the next order of business is the confirmation hearing on the appointment of Cathy Foerster to the Alaska Oil & Gas Conservation Commission (AOGCC). He asked Ms. Foerster, who was participating via teleconference, to tell the committee why she would like to be on the commission.

2:03:26 PM

CATHY FOERSTER, appointee to the AOGCC, said she would like to be considered for reappointment for three reasons. First, she is grateful to serve the state because Alaska has given so much to her and her family. Her children want to remain in Alaska for the rest of their lives and she wants to help make that possible for them. Second, the AOGCC is dealing with several important and highly technical projects right now. It recently completed a technical study to determine the appropriate allowable gas off-take when it holds North Slope gas sales. The AOGCC is in the early phases of a similar study for Point Thomson, is updating its regulations for well safety systems, and is in the conceptual phase of reviewing its regulations and processes involving gas disposition, such as flaring. She believes the state has invested a lot of time in her to understand the complex issues involved. Getting a new person up to speed mid-stream would set the state back. Third, as a petroleum engineer, her time with the AOGCC has been an opportunity to learn and contribute and she would like to continue her participation. She is pleased to be on a well-respected commission and to work with intelligent, honest, hard working and ethical people. She thanked members for their consideration.

2:06:18 PM

REPRESENTATIVE SEATON said it has been a pleasure talking with Ms. Foerster and appreciates her openness and expertise.

2:06:40 PM

MS. FOERSTER thanked him.

2:06:49 PM

CO-CHAIR GATTO asked Ms. Foerster if she could comment on committee hearings that addressed the Alaska Gas Inducement Act (AGIA).

[2:07:01 PM](#)

MS. FOERSTER said she has opinions as a citizen and voter, but as an AOGCC representative, she has to restrict her comments to conservation of the resource. The AOGCC is looking at ensuring that the right amount of gas is sold from Prudhoe so that the oil resources are not lost, and at the conservation and waste issues at Point Thomson. Right now there are 200 to 400 million barrels of condensate, liquid hydrocarbon, at risk if there is an immediate gas blow down in that reservoir. Regarding the remaining aspects of AGIA, she only has personal opinions.

[2:08:22 PM](#)

CO-CHAIR JOHNSON said she is not expected to share her personal opinions.

[2:09:12 PM](#)

CO-CHAIR JOHNSON thanked Ms. Foerster and noted there being no further questions, public testimony was closed.

[2:09:43 PM](#)

REPRESENTATIVE ROSES said he did not want Ms. Foerster to assume her confirmation is any less valuable than Acting Commissioner Irwin's just because her hearing was shorter.

[2:10:31 PM](#)

REPRESENTATIVE SEATON said the House Resources Committee has reviewed the qualifications of Ms. Foerster for reappointment to the Alaska Oil and Gas Conservation Commission. He moved to forward her name to the joint session of the Legislature for consideration.

[2:11:01 PM](#)

CO-CHAIR JOHNSON noted without objection, the motion carried and thanked members for their participation.

[2:11:20 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:11 p.m.