

**ALASKA STATE LEGISLATURE
SENATE SPECIAL COMMITTEE ON THE ARCTIC**

March 10, 2015

10:49 a.m.

MEMBERS PRESENT

Senator Lesil McGuire, Co-Chair
Senator Donald Olson
Senator Click Bishop
Senator John Coghill

MEMBERS ABSENT

Senator Cathy Giessel, Co-Chair
Senator Lyman Hoffman
Senator Gary Stevens
Senator Berta Gardner

COMMITTEE CALENDAR

PRESENTATION: WATERWAYS SAFETY COMMITTEE: STREAMLINED PATH FOR SAFE VESSEL OPERATIONS IN THE ARCTIC.

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

PAUL FUHS, Chair
Alaska Marine Exchange Board of Directors and
Lobbyist
North Slope Borough
Juneau, Alaska,

POSITION STATEMENT: Presented information on the Arctic Waterways Safety Committee.

WILLIE GOODWIN, Member
Arctic Waterways Safety Committee (AWSC) and
Former-Chair
Alaska Beluga Whale Committee
Kotzebue, Alaska

POSITION STATEMENT: Presented information on the Alaska Waterways Safety Committee.

DENISE MICHELS, Mayor of Nome and Member
Arctic Waterways Safety Committee
Nome, Alaska

POSITION STATEMENT: Presented information on the Arctic Waterways Safety Committee.

GEORGE NOONGWOOK, Member
Alaska Eskimo Whaling Commission and Member
Alaska Waterways Safety Committee
Savoonga, Alaska

POSITION STATEMENT: Presented information on the Arctic Waterways Safety Committee.

ARNOLD BROWER, JR., Executive Director
Alaska Eskimo Whaling Commission and Member
Alaska Waterways Safety Committee
Barrow, Alaska,

POSITION STATEMENT: Presented information on the Arctic Waterways Safety Committee.

ACTION NARRATIVE

[10:49:22 AM](#)

CO-CHAIR LESIL MCGUIRE called the Senate Special Committee on the Arctic meeting to order at 10:49 a.m. Present at the call to order were Senators Olson, Bishop, Coghill, and Co-Chair McGuire. She reviewed the purpose of the Arctic Policy Commission.

Presentation: Waterways Safety Committee: Streamlined Path for Safe Vessel Operations in the Arctic.

[10:50:33 AM](#)

CO-CHAIR MCGUIRE announced a presentation by the Arctic Waterways Safety Committee (AWSC). She described the presenters' previous efforts on Arctic issues.

[10:51:27 AM](#)

PAUL FUHS, Chair, Alaska Marine Exchange Board of Directors, Lobbyist, North Slope Borough, presented information on the Arctic Waterways Safety Committee. He introduced himself.

WILLIE GOODWIN, Member, Arctic Waterways Safety Committee (AWSC) and former-Chair, Alaska Beluga Whale Committee, presented information on the Alaska Waterways Safety Committee. He introduced himself.

MR. FUHS introduced the members of AWSC who were in the audience. Among them were Charlie Brower, Eskimo Walrus Commission, Barrow; Vera Metcalf, Eskimo Walrus Commission, Koyuk; George Noongwook, Alaska Eskimo Whaling Commission, Savoonga; John Goodwin, Alaska Ice Seal Committee, Kotzebue, Jack O'Neill, Executive Director, Alaska Nanuq Commission, Wendi Schaeffer, Public Services Director, Northwest Arctic Borough; Arnold Brower, Jr., Alaska Eskimo Whaling Commission, Barrow; Jenny Evans, staff support, AWSC Barrow, Alaska.

CO-CHAIR MCGUIRE welcomed the members of AWSC.

[10:54:25 AM](#)

MR. FUHS noted AWSC works together with the Department of Environmental Conservation and the Coast Guard. He said various water safety committees exist throughout the U.S. for local people to set rules for safe operations in their areas. They are officially recognized by the Coast Guard and are a collaborative effort between municipalities, industry, maritime operators, government regulatory bodies, and non-governmental organizations to promote safe maritime operations. He said Arctic policies refer to safe vessel operations and AWSC is a means to get there.

[10:56:02 AM](#)

MR. GOODWIN described his role helping to create the Arctic Water Safety Committee. He shared AWSC's vision as follows:

As we all know, the changes we are seeing in the sea ice of the Western Arctic Ocean is opening the waters of the Bering, Chukchi, and Beaufort Seas to new uses. Those of us who live in the coastal areas of the Arctic see the changes in our ice and weather patterns on a daily basis. And, we see the signs of coming commercial uses in the form of increasing numbers of large, foreign-flagged vessels moving through our waters and passing through the Bering Strait.

In 2012 at the suggestion of the U.S. Coast Guard, the five tribally and federally recognized marine mammal co-management groups - the Eskimo Walrus Commission,

the Ice Seal Committee, the Nanuuq Commission, the Alaska Eskimo Whaling Commission, and the Alaska Beluga Whale Committee - came together to see what we could learn about this new activity that we have been observing. We were joined in this effort by the North Slope Borough, the Northwest Arctic Borough, Kawerak, and the Inuit Circumpolar Council. What we learned, as I am sure you know, is that our waters are being looked at as a new shipping route between Europe and Asia. The Arctic is also becoming a marine tourist destination. We also learned that there are other foreign interests coming into our waters to conduct scientific research and to explore to find what resources are there.

Like any new activity, this increase in vessel traffic might bring essential economic opportunities to our state and to our communities. But the size of these ocean-going vessels, the speed at which they travel, and the projected increase in their numbers can also be destructive to the activities that already exist in our waters. Because of this, we need to find ways to manage these new uses, so that economic development can happen in safe and healthy concert with the other existing uses of the waterways.

Among our five marine mammal co-management organizations, we represent all of the coastal marine mammal subsistence hunters of Arctic Alaska, from the Bering Straits Region, north to the Canadian border. Along with our hunter organizations, our two boroughs and the communities take each year, and share through our subsistence sharing networks, form a critical part of the food and economic security of the north.

With the changes occurring in our sea ice, we are seeing more fall, open-water hunting. Having our hunters, in their small boats, on the water at the same time as the peak season for large ocean-going vessels creates a great risk to both human life and to disturbance of the subsistence food gathering, unless we have a well-designed system for traffic management.

At the same time, the offshore oil and gas operators working in Alaska have very significant assets on the water and are planning to add more assets in the Chukchi Sea. It is in their interest and the interests

of our state that commercial and other foreign traffic moving through the lease sale areas be routed so that they do not interfere with development activities or endanger assets or human life.

In 2012, our marine mammal co-management groups, working together as the Arctic Marine Mammal Coalition, began meeting with the Coast Guard, NOAA, and the Alaska Marine Exchange to explore what steps can be taken to begin developing a traffic management regime for the Arctic. Initial successes include the inclusion of notifications on the Coast Pilot and Maritime Charts about marine mammal aggregations and presence of subsistence hunters. Such information exchange is a critical component of ensuring the health and safety of our hunters and resources.

We have provided input to the Coast Guard on its Port Access Route Study, which will be submitted to the International Maritime Organization. We also have been working with the Coast Guard and NOAA to get bathymetric surveys started in the Bering Straits Region east of St. Lawrence Island. Sea floor mapping in this area will make it available to deep draft vessels. For vessels on a south-southeast course, this new route will be shorter than the route to the west of St. Lawrence. This also should help to reduce traffic in our marine mammal hunting areas to the west of the island. It is a win-win initiative for both industry, who can enjoy shorter transit routes, and subsistence hunters, who will experience less vessel traffic in their hunting areas.

Working as a coalition, we also have been interacting regularly with the Alaska Marine Exchange to learn how it might help to facilitate the expansion of the AIS network along the Arctic Coast.

Finally, in 2014, at request of the Coast Guard, we met with other marine stakeholders, including representative of oil and gas, the Alaska Marine Pilots, the City of Nome, our two boroughs, and Kawerak. We also invited the state, representatives of the tug and barge operators working in Alaska, and representative of the tourism industry to join us.

Our purpose in coming together was to plan for a Harbor Safety Committee. We chose the name "Arctic Waterways Safety Committee" since there are no harbors in the Arctic, but our goals are the same: to establish best lawful practices to ensure a safe, predictable, and efficient operating environment for all users of the Arctic waterways.

We incorporated the Arctic Waterways Safety Committee on October 30, 2014, under the laws of the State of Alaska, and have submitted an application for 501 c(3) status.

This afternoon we will hold the committee's initial meeting, where we will adopt bylaws and elect officers. I have attached to my testimony a schematic showing the makeup of the committee: the five marine mammal co-management organizations representing the hunters on the water in small vessels, the offshore oil and gas industry representing those with exploration and development operations and the vessels supporting them, the Alaska Marine Pilots Association representing those who are responsible for piloting vessels through U.S. Arctic waters, tug, barge, and cargo operators responsible for destination traffic in the north, mining interests - as the Red Dog Mine is an important waterway user, commercial fishing interests, the City of Nome, the Northwest Arctic Borough, the North Slope Borough, regional tribal organizations, and the marine tourism industry.

11:03:46 AM

We are inviting ex-officio observers from the University of Alaska, the Alaska Marine Exchange, the Inuit Circumpolar Council, Marine Salvage, the scientific research community, and the U.S. Coast Guard. We would be honored if the state of Alaska were to join us as an ex-officio member of the Arctic Waterways Safety Committee. Not all of the committee's seats are filled at this time, but we are working very hard on our outreach to make sure that all stakeholders with an existing interest in Arctic marine waters are represented.

As Alaskans and residents of the Arctic, we have a long custom of sharing and of making decisions by consensus. This is how Alaskans have always survived.

When the world around us changes, we incorporate those changes into our lives and find ways to learn from them and to gain benefit so that our lives are made better.

When offshore oil and gas first came to our waters in the late 1970's and early 1980's, we found ways to work with the oil and gas operators. We taught them how we use the waters and what we need to have a safe and successful hunt for the animals. They learned how to work with us and we learned how to work with them. One example of our very successful efforts, where offshore oil and gas and subsistence hunters have learned how to work together to share the waters, is the Alaska Eskimo Whaling Commission's Open Water Season Conflict Avoidance Agreement. We have other examples like this.

Our goal in forming the Arctic Waterways Safety Committee is to take this history of sharing, of collaborating, and of working by consensus, and to apply it to this new activity that is coming into our waters. By bringing all of the existing stakeholders together, we can define what the existing interests are and identify consensus on how we can best share our waters with new users.

Starting with these existing uses, and users, we will develop a system of best practices for the safe management of vessel traffic in our waterways. As we are able to identify commercial and other interests that are new to our waters, we will invite representatives to sit down with the committee and to work with us to benefit from the existing experience of Arctic Waterways users and implement these best practices in a manner that benefits everyone.

This is an exciting undertaking. And while we have our work cut out for us, it is work that will serve a great public purpose, by ensuring that Alaska's waters remain safe for all users. This will enable us to maintain the food security of our northern communities. And it will help to preserve opportunities for continuing the safe development of our great state's resources for the benefit of all of our citizens.

11:06:28 AM

DENISE MICHELS, Mayor of Nome, and Member, Arctic Waterways Safety Committee, presented information on the Arctic Waterways Safety Committee. She read from a prepared statement as follows:

I was born and raised in Nome, a long descendent of Inupiaq people who have relied on the sea and land to sustain us in one of the harshest climes in the world. I'm a tribal member of Nome Eskimo. I currently serve as the Mayor for the City of Nome and the Director of Transportation for Kawerak, Inc., our regional non-profit.

I'm honored to be here to share my thoughts and recommendations today. Many of us in the room were members of the Alaska Arctic Policy Commission (AAPC) and are proud of the work for the implementation plan recommendations which the City of Nome supports. The AAPC's Implementation Plan ties in with the foundations of the Arctic Waterways Safety Committee (AWSC), which is the process of identifying projects for our work plan for the next two years.

I'll paraphrase the D17 Admiral Abel's description that AWSC is one leg of the three-legged stool. The other two legs are the Bering Strait Port Access Route and the International Maritime Organization's Polar Code. Pull one of those legs of that stool and it becomes unbalanced. AWSC allows open participation to address conflicts to be resolved with all users of the waterway without and attorneys or 10-year court battles that cost thousands of dollars. We thank the U.S. Coast Guard District 17 for their technical assistance with AWSC.

Globally, nationally, and statewide there are many forums, conferences, studies, and workshops happening with regards to the Arctic and many international, federal, and state agencies are working towards policies for governance of the Arctic which may impact our way of life and provide opportunities for economic development. It is an overwhelming process to keep on top of all the activities to ensure that we, who live in the Arctic, are at the table and we are part of the process in the formulation of any rules and regulations that govern our way of life. AWSC will be the forum for all information to be disseminated to

all users of the waterway to identify, assess, plan, communicate, and implement those operational and environmental best practices that promote the safe and efficient use of Arctic waters from St. Lawrence Island through the Alaskan and Beaufort Seas.

The Bering Strait and the Port of Nome have seen an increase ten-fold with the number of dockings at 446 in the 2014 shipping season. Many of these vessels have successfully traversed the Northwest Passage from sailboats, cruise ships and foreign-flagged ice breakers. Add that in with destination traffic from companies that have been operating in our waters successfully for years, and the Bering Strait will require a traffic vessel scheme within that 51 miles to avoid any accidents. Adventure tourism has increased with kite boarders, jet skiers, swimmers, kayakers, and winter ice driving expeditions attempting to cross international borders. There is a lot of water activity traversing through the Bering Strait in a short window of time during the open ice season.

There have been a few near misses. A fuel barge broke loose from its tug, but the company was able to launch another tug to get it controlled in rough waters. A tug traveling south sank off St. Michael.

The Port of Nome has vested interest in AWSC activities, as we are the only medium draft port north of Nunivak and have just recently been identified as the Arctic deep draft port by the U.S. Army Corps of Engineers and Alaska Department of Transportation's Tentative Selected Plan. The need is immediate for a deep draft port and a place of refuge.

Climate change impacts ocean temperatures and water chemistry, and impacts the biodiversity with unknown plant and animal life in locations where they have never been seen before. Nome's port commissioners have provided concerns which the city has submitted to AWSC in regards to early spring season ice breaking and what the effects on the biodiversity it will have on the fish. The Bering Strait's regional fishing fleet is one of the economic drivers that home ports at the Port of Nome. Members of AWSC have one thing in common - sea ice coverage. The Port of Nome has had to

address user conflict in the port with subsistence, dredging, and commercial users with waterway management, so we felt it was important to participate in AWSC due to our strategic location.

The AAPC's Arctic Policy #2 - "Collaborate with all levels of government, tribes, industry, and NGO's to achieve transparent and inclusive Arctic decision-making resulting in more informed, sustainable and beneficial outcomes including efforts to (c) pursue opportunities to participate meaningfully as a partner in the development of federal and international Arctic policies, thereby incorporating state and local knowledge and expertise." This body's makeup does exactly that; tribal and municipalities are at the table and part of the solutions process.

The AAPC's Arctic Policy #3 - "Enhance security of the state through a safe and secure Arctic for individuals and communities include (b) provide safe, secure and reliable maritime transportation in the areas of the state adjacent to the Arctic" are issues that AWSC will address.

Most importantly, the AAPC's Arctic Policy #4 - "Value and strengthen the resilience of communities and respect and integrate the culture and knowledge of Arctic peoples, including efforts to (a) recognize Arctic indigenous people's culture and unique relationship to the environment including traditional reliance on a subsistence way of life for food security, which provides a spiritual connection to the land and seas." AWSC had the marine industry and subsistence users at the table to address substance security.

AAPC's strategic line of effort #2 - "The state of Alaska will address the response capacity gap in Alaska's Arctic support efforts to 2 (c) expand development of appropriately integrated systems to monitor and communicate Arctic maritime information," and strategic line of effort #3 - "The state of Alaska will support healthy communities 3(c) support long-term strategic planning efforts that utilize past achievements, leverage existing methods and strengthen local planning that asses and directs economic, community and infrastructure development, as well as

environmental protection and human safety," will be addressed by AWSC.

We request support to fund the administration of AWSC through the cruise ship head tax. Again, I thank you for allowing the City of Nome to participate.

11:13:24 AM

CO-CHAIR MCGUIRE thanked her for integrating AWSC's strategic lines of effort into her community.

MR. FUHS noted an important point; Alaska is occupying its space and does not need outside help or interference. The process is in place and the AWSC board makeup is broad and inclusive. He highlighted potential policy areas AWSC is looking at: traffic routing, sensitive habitats/areas to be avoided, whale migration timing and areas, conflict avoidance with local vessels, emergency response capability/SAR, marine pilotage, navigation aids/tracking and communication systems, and international cooperation. He mentioned the commitment by Canada to work together and the Marine Exchange Tracking System in place.

He turned to the publication process: publish policies on AWSC's website, provide adopted policies to USCG, DEC, Arctic Council, and Arctic maritime operators and insurance carriers, USCG publishes policies in Navigation and Vessel Inspection Circulars, in the Coast Pilot and in Notices to Mariners, and DEC incorporates the policies in their sub-area response plans. He noted that the insurance industry is concerned about the lack of Safe Practices and assured AWSC that they would aid in getting a certificate of insurance if AWSC develops Best Practices. He termed AWSC's process a streamlined process.

11:16:21 AM

MR. FUHS described the funding mechanisms, such as the use of excess cruise ship head tax funds request. He said AWSC would request \$160,000 from the head tax to cover basic administrative expenses. He concluded that AWSC is looking out for Alaska's future and is a strong implementation piece of Arctic policy.

11:17:50 AM

CO-CHAIR MCGUIRE thanked the presenters. She commented on the Pacific Northwest Economic Region Meeting, noting that there is great interest by Canada in collaborating on shared issues. She said Alaskans take care of themselves by collaborating with many groups and using technology, to solve a problem. She asked

whether AWSC should contact Canada about creating a similar commission that would work across borders.

MR. FUHS replied that they did meet with Canada. He pointed out that the maritime industry likes consistent standards. There is a lot of opportunity for working with Canada. He provide two examples of vessels that had issues. He stressed that international cooperation is vital.

11:20:48 AM

CO-CHAIR MCGUIRE mentioned the lack of emergency response capability in the Arctic and asked for AWSC's limits of authority when requiring vessels to have an emergency preparedness and response spill plan in place. She asked if Mr. Fuhs envisioned that to be within AWSC's power.

MR. FUHS said yes. He noted that all available resources must be used. He used the adrift Shell tug as an example. He stressed that vessels must have a safety plan in place. He said DEC is working with AWSC on a compliance plan. He stressed the importance of prevention first.

11:22:54 AM

SENATOR OLSON asked if ASWC has any interaction with the Bering Sea Alliance.

MR. GOODWIN said there would be opportunities for sub-committee groups to work on various issues with different user groups.

MR. FUHS said ASWC has had discussions with the group regarding training local people to work on the response plan.

SENATOR OLSON asked how to encourage responsible development without inhibiting Shell's activity.

MR. FUHS explained that Shell is a founding member of AWSC and they want to have safety standards in place. They want to protect their reputation and want to work together in a collaborative effort.

11:26:07 AM

SENATOR BISHOP pointed out one word from the presentations that resonates; sharing. He said it is a powerful concept for the people and adds value.

MR. GOODWIN said the Native people have survived by sharing and will continue to share knowledge to ensure their own safety. He provided an example of how AWSC worked with Shell.

CO-CHAIR MCGUIRE related Senator Murkowski's intent to continue federal hearings and educating her colleague about Alaska's efforts in the Arctic and the importance of working with local and indigenous people and sharing information.

[11:28:52 AM](#)

SENATOR COGHILL opined that AWSC is a labor of love. He noted how hard it is for Alaska to work with Russia on a national level, but not as hard on a local level. He asked for suggestions on how to deal with Russia.

MR. GOODWIN said they have worked with the Russians on marine mammal issues. He shared a story about a hunter. He maintained that the issues are with the government, not the people.

SENATOR COGHILL asked if the state could work with local dumas.

MR. GOODWIN said it would be a first step.

[11:31:20 AM](#)

CO-CHAIR MCGUIRE noted regular exchanges in the past with the dumas. She said the Governor has made a commitment to renew Alaska's membership in a Northern Forum.

MR. FUHS suggested there could be a bi-lateral agreement with Russia that does not have to go through the international maritime organization. He noted that the Coast Guard does have direct communication links. Response capabilities are unknown, so Alaska needs to participate in joint drills. Russia has three new rescue tugs. He concluded that agreements need to be in place in advance of an event.

SENATOR COGHILL said steaming time across the Chukchi Sea is wide open. He said it is nice to know that deep water mapping is occurring.

CO-CHAIR MCGUIRE said Russian diplomacy has been a disaster at the federal level and suggested trying it at the local level.

SENATOR COGHILL voiced appreciation for AWSC.

MR. GOODWIN requested help with AWSC's budget.

CO-CHAIR MCGUIRE agreed to help with it.

[11:36:01 AM](#)

SENATOR OLSON asked about a budget item for \$40,000 regarding subcontracted work for studies and research.

MR. FUHS explained that the funds are for identification of habitat areas, putting zones on a GIS map, technical work for publishing the plans, and legal work.

CO-CHAIR MCGUIRE thanked the presenters.

SENATOR OLSON requested testimony from the local perspective of AWSC members.

[11:38:05 AM](#)

GEORGE NOONGWOOK, Alaska Eskimo Whaling Commission and AWSC, presented information on the Arctic Waterways Safety Committee. He said the key to his people's survival has been sharing, and cooperation and that method of communication is also used in the AWSC network. He said he appreciates the efforts of the committee and the commission.

SENATOR OLSON said St. Lawrence Island was the site of many ships and boats that have sunk and warrants attention.

MR. NOONGWOOK noted that the corridor of the Bering Sea and the Beaufort Sea also warrants careful undertaking due to marine life.

[11:40:59 AM](#)

ARNOLD BROWER, JR., Executive Director, Alaska Eskimo Whaling Commission and AWSC, presented information on the Arctic Waterways Safety Committee. He reminded the committee of an event in 1988 - the rescue of three gray whales with the help of the Whaling Commission and the Russians. As a result, there are bi-lateral scientific studies with Russia on oceans and bowhead whales. Last month they signed an agreement with Russia on sharing whale quotas and continuing scientific studies. He said those are the types of things that are happening from a local perspective. They also have relationships with Finland, Norway, Iceland, and Japan in the international whaling commission. They are also working together on a whale population census and a renewable resource plan. He stressed the importance of irrefutable science data, such as determining the age of bowhead whales through carbon dating, which showed one whale that lived during the time of Hiroshima.

SENATOR COGHILL pointed out that the native people already do what the rest of the U.S. should do, recognized that Alaska is an international state. Alaska has unique international relationships and is more connected than most states.

[11:45:57 AM](#)

There being nothing further to come before the committee, Chair McGuire adjourned the Senate Special Committee on the Arctic at 11:45 a.m.