



March 4, 2016

Molly Cobbs
Regional Mitigation Strategy Coordinator
BLM Alaska State Office
222 West 7th Avenue, #13
Anchorage, Alaska 99513

Dear Ms. Cobbs:

Arctic Slope Regional Corporation (ASRC) appreciates the opportunity to provide comments on the Department of Interior, Bureau of Land Management (BLM), Northeast National Petroleum Reserve - Alaska (NPR) Regional Mitigation Strategy (RMS). We provide our input in hopes that BLM will incorporate our comments and concerns into the continuing RMS process for NPR.

About ASRC

ASRC is an Alaska Native Regional Corporation created at the direction of Congress under the terms of the Alaska Native Claims Settlement Act of 1971 (ANCSA). ANCSA was designed to settle the aboriginal claims of Alaska Natives and authorized the transfer of roughly 45 million acres of land and the payment of nearly \$1 billion to Alaska Natives. Through ANCSA, Congress directed ASRC to use the North Slope's natural resources to benefit the Iñupiat people financially and culturally, and "expressly authorized" ASRC "to provide benefits to its shareholders who are Natives or descendants of Natives or to its shareholders' immediate family members who are Natives or descendants of Natives to promote the health, education or welfare of such shareholders or family members..."

Consistent with this unique legislation, ASRC is a for-profit business committed both to providing sound returns to its shareholders and to preserving Iñupiat culture and traditions. ASRC owns title to nearly 5 million acres of land on Alaska's North Slope. Our entire region encompasses 55 million acres and includes the villages of Point Hope, Point Lay, Wainwright, Atkasuk, Barrow, Nuiqsut, Kaktovik, and Anaktuvuk Pass. ASRC has a growing shareholder population of approximately 12,000 Iñupiat people. ASRC has a keen interest in matters pertaining to its lands and its ability to use, enjoy and develop those lands for and on behalf of its Native shareholders. Indeed, Congress "expressly authorized and confirmed" the authority of Alaska Native Corporations ("ANCs") to provide benefits to promote the welfare of their shareholders. ASRC thus manages its lands and resources for precisely this purpose, while simultaneously integrating preservation and protection of the Iñupiat culture and tradition.

ASRC would like to express the following comments and concerns related to the Northeast National Petroleum Reserve – Alaska RMS.

BLM must stick to record of decision.

- The ROD states that "*The RMS will serve as a roadmap for mitigating impacts from GMTI and future projects enabled or assisted by the existence of GMTI*". The only foreseeable project that

could be enabled or assisted by the existence of GMT1, would be GMT2. All other scenarios are speculative and should be addressed in a future or amended RMS if needed.

- As stated in the ROD, *“To off-set identified impacts, including major impacts to subsistence uses that cannot be mitigated by avoidance and minimization, the permittee will provide \$8 million to BLM to establish a compensatory mitigation fund”*. \$1 million of this fund will go to development and implementation of an RMS. Therefore, the remaining \$7 million should go to off-setting unavoidable impacts related to subsistence as a result of the GMT1 project and provide for *“outcomes that benefit subsistence users most directly impacted by the GMT1 project”*. The residents of Nuiqsut are the subsistence users most directly impacted by the GMT1 project and should directly receive the benefits of the compensatory mitigation fund to off-set local impacts to the community.

BLM must stick to record of decision schedule.

- The record of decision was signed on February 13, 2015 and says that the RMS will be completed in 18 months. We have concerns that the current RMS timeline takes this process beyond the directed 18 months (August 13, 2016).

The ‘stakeholders’ are the residents of the North Slope and in particular the residents of Nuiqsut, as this development is truly in their backyard and they are the group most directly impacted.

- The community of Nuiqsut should provide the list of prioritized mitigation options because they are the best ones to know the actual impacts and needs. They are the subsistence users most directly impacted by the GMT1 project.
- The North Slope Borough already has mechanisms in place to address local impact. The NSB should play a key role in any RMS because of their intimate knowledge of the region and past work in addressing development and impacts.
- The February 21, 2013 NPR-A Integrated Activity Plan Record of Decision established the NPR-A Working Group to ensure that BLM’s land managers engage in continuing dialog with North Slope residents to understand their economic, subsistence and wider social interests. ASRC feels strongly that it is critical to have the NPR-A Working Group deeply involved with this RMS process. This group’s purpose is to provide very meaningful input and recommendations from the local communities and entities that will help to ensure that the final RMS properly and realistically addresses any impacts.
- The February 13, 2015 Supplemental Environmental Impact Statement from the Alpine Satellite Development Plan for the Proposed GMT1 Development Project Record of Decision specifically mentions the NPR-A Working Group (pages 2 and 54) as a cooperator and thus it should play an important role in this RMS process.
- Possible mitigation options should empower the local people to preserve their culture and subsistence hunting traditions on their terms. Local people do not desire handouts, just tools so they can provide for their own self-determination.

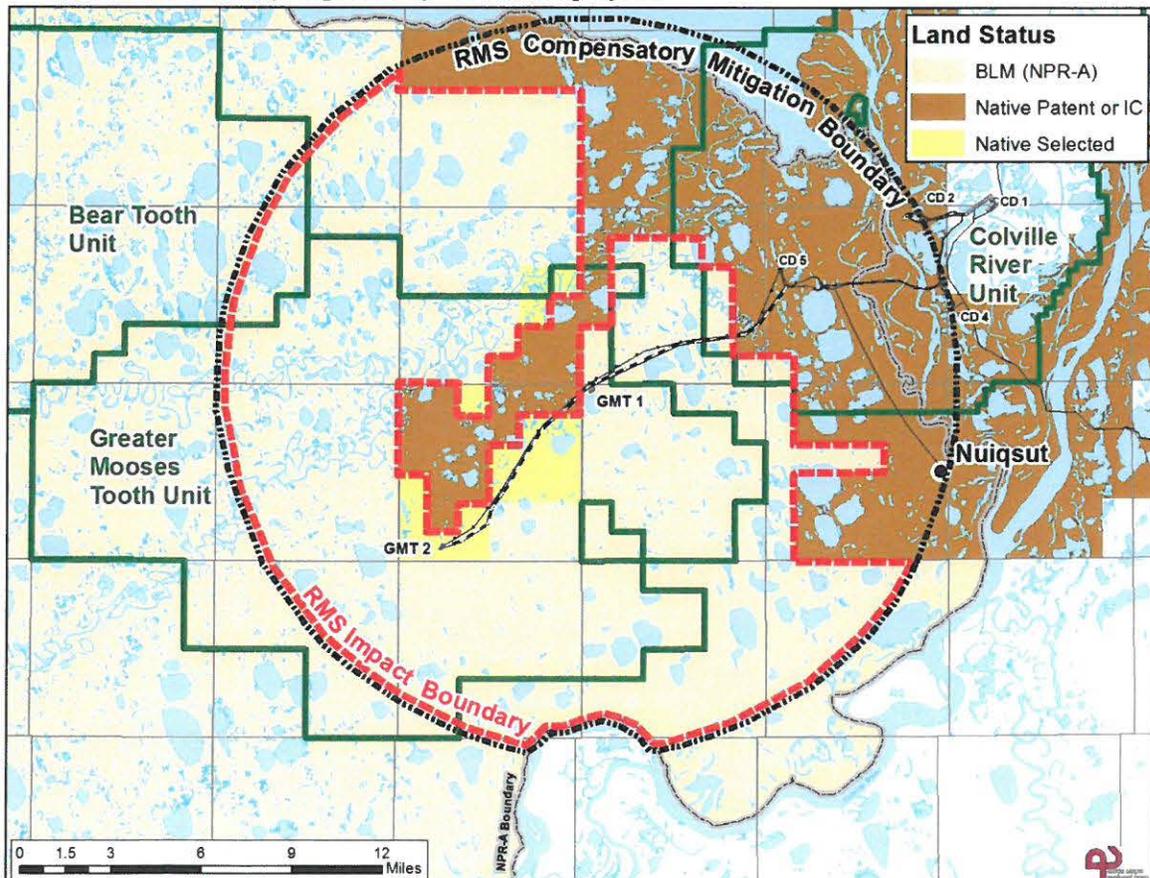
No compensatory mitigation funds should be directed to the legacy well program.

- There should be no connection between the cleanup responsibility of past actions of the federal government and this RMS process.



RMS boundary needs to be restricted to immediate area of project(s) and should be a defined boundary.

- Having a reasonable spatial extent makes the mitigation options more clearly definable as the impacts are directly attributable to the existence of the project. This spatial extent should be confined to the GMT1 and GMT2 project areas.
- This process should not create divisions between communities by having a large RMS area defined that is beyond GMT1 and GMT2.
- No private lands or future conveyed private lands should be subject to the BLM RMS. At the time that any future lands are conveyed to a private landowner, they will be removed from the RMS impact area.
- The map below defines the Impact Boundary (red dashed line) proposed by ASRC to be included in the RMS. This area is comprised **only** of lands administrated by BLM within a twelve mile buffer of GMT1 (all private lands have been removed). This is the area where impacts related to the development of GMT1 will be identified.
- The map below also defines the Compensatory Mitigation Boundary (black dashed line) proposed by ASRC to be included in the RMS. This twelve mile buffer around GMT1 is the area where funds (\$7 million) from the compensatory mitigation fund set up by BLM, as directed by the ROD, will be used to off-set identified impacts to subsistence and provide for outcomes that benefit subsistence users **most directly** impacted by the GMT1 project.



All non-BLM lands should be excluded from being within the RMS impact boundary.

- None of the State of Alaska lands or private lands within the first proposed RMS boundary are enabled or assisted by the existence of GMT1 and BLM does not have administrative control over these lands. Non-federal lands should be excluded from the RMS impact boundary area.

Excessive studies do not always translate into meaningful clear benefits and these studies themselves can often cause negative subsistence impacts.

- Communities regularly express concerns over helicopter, fixed wing aircraft and ground activities related to scientific studies.

More documents, document reviews and meetings cause confusion on top of all the other current State of Alaska, North Slope Borough and various federal agency requirements.

- Do not duplicate other local, state and federal existing permit requirements.
- Simplicity equals success. Complexity equals confusion and failure.

The RMS should not negatively impact the economics of a project causing it not to move forward.

- In the current oil price climate, excessive requirements of time and funds on a developer could easily kill the economics of a project and therefore create strong long-term negative economic impacts for the region. Having a strong economic base within the region strengthens the ability of local rural residents to take part in traditional cultural activities and subsistence.

Currently projects in the Colville River Unit (CRU) are developed with cooperation from industry, local governments, native landowners and community. Input from these entities is used to develop projects that proactively mitigate impacts and in some cases actually enhance subsistence access opportunities.

- Industry currently contributes to impact funds, education, community projects, community events and grants.
- We have concerns that additional RMS funding requirements by BLM could cause some of the existing programs to be discontinued or phased out.

The RMS could negatively impact the ability of ASRC to provide benefit to shareholders and rural communities statewide through its 7i and 7j distributions.

- The intent of ANCSA was to give the native people of Alaska access to their natural resources and provide income, jobs and self-determination. The wealth of these natural resources is shared statewide through 7i and 7j distributions.
- As a result of the Alpine Field and satellite developments within the CRU, 7i and 7j distributions from ASRC have reached more than one billion dollars. The positive impacts of these payments are felt across Alaska and particularly in disadvantaged rural areas.

Thank you for the opportunity to provide comments during this BLM RMS process. If you have any questions regarding the information provided please contact me at (907) 339-6014 or timm@asrc.com.

Sincerely,



Teresa Imm

Sr. Vice President – Resource Development

