November 4, 2019



PRESERVING WILD Salmon Habitat & Indigenous Culture

Board of Directors

Dune Lankard Founder & President

Phillip Blanchett Director & Vice President

Carol Kalafatic Director & Secretary

Carol Hoover Director & Treasurer

Mason Bondi Director

Pete Nichols Director

Rion Schmidt Director

Advisory Council

Mary Ann Bishop, PhD Nils Boisen Karen Button Susanna Colloredo David Lynn Grimes Chief Gary Harrison Darcie Houck, Esq. Robbin La Vine Timothy Metz Mariah Parker Gabriel Scott, Esq. Pamela Smith Alan Trist Alaska Department of Natural Resources Division of Oil and Gas 550 W 7th Ave., Suite 1100 Anchorage, AK 99501-3560

Regarding: Gulf of Alaska Oil and Gas Exploration, Preliminary Finding of the Director

Director Beckham,

We appreciate this opportunity to comment on the Preliminary Written Finding, dated August 2, 2019.

The Eyak Preservation Council (EPC) is a public charity with 501(c)(3) status based in Cordova, Alaska. We offer educational and outreach programs that concentrate on: protection of our regional salmon way of life, indigenous cultural preservation and the promotion of sustainable economies. We represent the communities and people of the Copper River, Prince William Sound and northern-central Gulf of Alaska. We have program participants from this region and from the nation at large.

EPC opposes the Preliminary Best Interest Finding for oil and gas exploration in Katalla and Controller Bay. We request that you deny Cassandra Energy Corporation's request for an exploration license.

Based on the applicant's track record and the history of failed exploration in the area, we contend that development of oil and gas in the area is not environmentally safe, not financially possible, nor is it even feasible. Past exploration attempts have resulted in abandoned machinery, uncontained oil pits and unnecessary environmental destruction. Our concerns about future exploration stem from the economic, ecological, cultural, and spiritual values of the area coupled with the challenges for oil spill response in this particularly dangerous and unpredictable marine environment.

The repeated attempts for oil and gas exploration are not logical by any means. It is not "...in the state's best interests to encourage efficient exploration of the state resources covered by the license." The region has over 100 years of history as a successful commercial fishery, and the fishery supports people and businesses around the globe. The world-famous Copper River salmon returns are the first major subsistence and commercial salmon runs in all of Alaska.

Controller Bay and the mouth of the Bering River are vital to our local commercial fishing industry, and subsequently, the economic health of the region as a whole. In 2016, the processors' ground sales on the Area E Bering River brought in \$1,232,329, according to the Alaska Department of Fish & Game, Cordova.

In 2019, the value of the Copper and Bering River fisheries totaled almost \$24.5 million. These prices represent only what was paid to the processors, not including:



prices paid to fishermen, the community and state fisheries taxes received, or the financial gains to wholesalers and retailers world-wide. For our fishing community and Alaska as a whole, it does not make sense to risk the valuable, renewable resources of these fisheries. The revenue that these renewable fisheries generate outweighs the potential revenue of oil and gas development for our local communities.

The ecological values of this area are staggering. We know that the Controller Bay ecosystem provides important habitat for an abundance of wildlife species, including herring, hooligan, wild salmon and whales. The Bering River is a subwatershed within the larger Copper River Delta basin; *The Copper River Delta complex is one of the largest wetlands in the world and has been designated as a Western Hemisphere Shorebird Reserve Network Site of Hemispheric Importance—the highest designation awarded to shorebird habitat. The Copper River Delta is an important socio-economic resource and the largest of the three Key Coastal Wetlands of the Alaska Region. It has a crucial role in the survival of coastal migrant water birds using the Western Hemisphere Pacific Flyway. Hydrologic functions of the Copper River Delta complex are ecologically significant and socio-economically important, sustaining valuable habitats for fisheries and other aquatic resources. Nutrients carried down the Copper River Delta complex are important to the Gulf of Alaska marine ecosystem.*¹

The immense ecological value of the entire region stated above stems from the fact that it is a roadless, undeveloped and pristine ecosystem. It must remain so.

Every year, in one of the largest bird migrations in the world, twenty million shorebirds and waterfowl of the Pacific flyway feed, pass through or nest on the Delta. During the spring, Controller Bay is the first landfall for many of the millions of shorebirds that stop in both Controller Bay and the Copper River Delta.

Among the birds stopping at Controller Bay, a subspecies of Marbled Godwits, *Limosa fedoa beringiae* breed only in Alaska and are believed to number at ~2,000 individuals. A recent study found that all the satellite-tagged godwits staged at Controller Bay during spring migration. In another study, 1/3 of the radio-tagged Red Knots, *Calidris canutus roselaari*, a declining species of management concern, were first detected at Controller Bay. This yearly migration event alone attracts international attention, visitors, and revenue deriving from ecotourism. It would be impossible to mitigate harm to birds and wildlife from oil and gas exploration, development, and shipping activities at Katalla and Controller Bay.

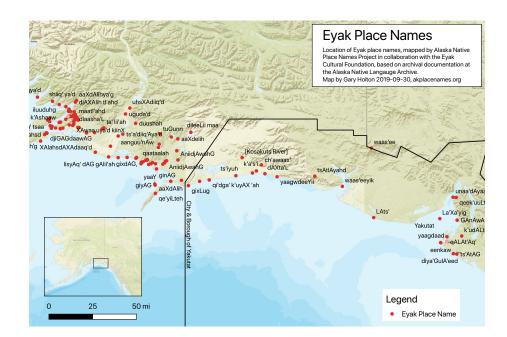
The License Area indicated overlaps with the Copper River Delta State Critical Habitat Area, which was designated by the State in order to "protect and preserve habitat areas especially crucial to the perpetuation of fish and wildlife, and to *restrict all other uses not compatible with the primary purpose*." As this critical area is to be managed primarily for the purposes of fish and wildlife, allowance of oil and gas exploration or development is paradoxical. The language in the draft finding allows exploration

¹ USDA Proposed Revised Land Management Plan Alaska region Chugach National Forest December 2015, pgs. 10-11



activities within wetlands and other sensitive areas, such as multiple streams and rivers recorded in the Anadromous Waters Catalog. We speak for our constituencies and refuse to risk the potential damages to this ecological hotspot.

Additionally, the area surrounding Katalla is historic and sacred for thousands of Alaskan Natives because numerous subsistence, village and burial sites are located there. The region has outstanding cultural and historical importance to the Eyak, Tlingit and Chugach Eskimo tribes. For thousands of years Eyak Natives inhabited a village at Katalla; the Eyak name for Katalla is: *qaataalah*. Please note the Eyak Place Names Map we have included below.



Alaskan Natives of Eyak, Tlingit and Chugach descent continue subsistence activities within the License Area, harvesting numerous traditional food sources from this stretch of coastline. These cultural practices are inherent human rights. As a Nativefounded and Native-led non-profit organization, we say to you that the spiritual value of this area for its original Indigenous inhabitants is not quantifiable in monetary terms. These ancestral homelands are invaluable and irreplaceable.

We must address the dangers of seismic and sonar exploration. In the ocean, the enormous vessels involved in sonar exploration would interfere with fishing vessels. This is not to mention the streamers that might be a few kilometers long. The streamers with attached hydrophones and air bombs are usually towed at a depth within ten feet of the ocean surface. Studies show that salmon usually remain within the top ten meters of the water column, meaning they could easily be in close proximity to the tremendous acoustic blasts that are characteristic of marine sonar exploration. According to the first-hand account from a retired ExxonMobil employee, "gas bombs detonated in the water may disable, stun, or kill fish – depending on their size and distance from the boat. Explosions involved in exploration may also threaten any sensitive marine mammal



species present. Whales will try to stay away because their hearing is so sensitive. Seals will follow closely behind these ships because they are eating the fish that have been killed by the blasts.²"

Mitigation measures regarding seismic testing on salmon eggs is outlined in Chapter 8. Although it mentions adjusting timing of seismic tests to accommodate bird species within the area, it does not address concerns to fish within the License Area. There are no measures that mitigate for potential impacts to herring within the area, and the Alaska Department of Fish and Game blast criteria referenced in the Best Interest Finding only address impacts to fish in freshwater systems. This is because Alaska Department of Fish and Game Habitat Division does not have jurisdiction over blast criteria within marine environments, where seismic activity is most likely to occur. Recent aerial surveys by local ADF&G biologists have documented increasing amounts of herring spawn within the License Area, and seismic exploration may impact this recovering species in a negative manner.

Note because of factual evidence, the California Coastal Commission no longer allows oil and gas companies to conduct any seismic testing within three miles of their coastline. Unfortunately, ADF&G Blasting Criteria does not include any mitigation measures for blasting within marine waters.

Weather in the region is unpredictable and regularly severe. All development efforts and any oil spill response capabilities within the License Area would be limited and complicated by the area's characteristic high winds, severe weather events, unpredictable tidal activity, intense currents, and shifting channels and sandbars. In the event of likely accidents and spills, it is also likely that spill responders would have difficulty maintaining boom formations for proper deflection and containment. Therefore, it is improbable that oil spill responders would succeed in protecting these sensitive and critical habitat areas.

We are very concerned about the feasibility of an oil spill clean-up in the area; this concern stems partially from the fact that the Copper River Flats, Bering River, and Controller Bay regions are not currently included within the Prince William Sound Subarea Contingency Plan for oil spill response. This means there is no agreed-upon plan for how a clean-up would occur in the License Area. Any amount of crude oil spilled within the License Area could potentially shut down the commercial fishing area, leading to revenue losses for our commercial fishing fleet and likely damages to the ecological and cultural resources.

Our community, indeed all of the communities of Prince William Sound, are still living in the collective traumatic wake of the disastrous Exxon Valdez oil spill 30 years ago. We contend that there is no way to clean up an oil spill in marine environments.³ In fact all currently-available oil spill response techniques are

² J. Steritz, Exxon Mobile, retired, geophysicist

³ Why We Pretend to Clean Up Oil Spills: Six years after Deepwater Horizon spewed oil into the Gulf of Mexico, we still have no idea what we're doing. <u>Smithsonian Magazine July 12, 2016</u>



inadequate for cleaning up oil in such a complex environment. The limited range and effectiveness of mechanical skimmers and the documented toxicity of chemical dispersants to marine life are examples of the shortcomings of oil spill response mechanisms. We challenge you to provide an example of a marine oil spill that was effectively cleaned up and the recovery of negatively impacted marine species was successful.

We also challenge the Department of Natural Resources to provide financial estimates regarding the potential financial expenses for all of the impacted communities in the event of accidents and/or spills. These estimates should include the needed bond expenses, insurance expenses and outlays that any accidents or spills caused by Cassandra Energy's Exploration License might require.

It would not be wise by any measure to issue an exploration permit to Cassandra Energy Corporation in the License Area. We do not believe any of the significant risks raised in this letter, or other potential negative impacts, can be successfully mitigated, much less resolved.

Sincerely,

Carol Hoover, Executive Director