



October 6, 2022

Ms. Kelly Hammerle, Chief
National Outer Continental Shelf Oil and Gas Leasing Program Development and Coordination
Branch, Leasing Division
Office of Strategic Resources, Bureau of Ocean Energy Management (VAM-LD)
45600 Woodland Road
Sterling, Virginia, 20166-9216

Submitted via Federal eRulemaking Portal at: <http://www.regulations.gov>

Re: Proposed Program for the 2023-2028 National Outer Continental Shelf Oil and Gas Leasing
Program and Draft Programmatic Environmental Impact Statement (BOEM-2022-0031)

Dear Ms. Kelly Hammerle,

The State of Alaska (State) Department of Natural Resources (ADNR), in coordination with the Alaska Departments of Environmental Conservation (ADEC) and Fish and Game (ADFG) and the Alaska Oil and Gas Conservation Commission (AOGCC), submits these comments on the Proposed Program for the 2023-2028 National Outer Continental Shelf (OCS) Oil and Gas Leasing Program (National OCS Program), and the Draft Programmatic Environmental Impact Statement (Draft PEIS).

The State respectfully urges the Bureau of Ocean Energy Management (BOEM) to promptly execute the existing federal laws that mandate finalization of the next National OCS Program; include more than one lease sale per year, or at least more than one lease sale overall, in Cook Inlet; consider lease sales in the non-withdrawn areas of the Beaufort Sea; and analyze the benefits of the resources of the Chukchi and Beaufort planning areas.

The State comments as a manager and regulator of responsible, dependable, and sustainable development of oil and gas, minerals, and other natural resources; as an affected state under the Outer Continental Shelf Lands Act (OCSLA),¹ pursuant to the BOEM-Alaska MOU (Enclosure A, attached); and in promotion of the State's laws, policies, and goals. Please refer to the State Technical Comments on the Proposed Program and Draft PEIS (Enclosure B, attached).

To help ensure accessible, affordable, and reliable energy in Alaska and the U.S., to spur post-pandemic recovery and energy security, and to encourage long-term economic growth and investment in Alaskan and American production and jobs, the State stands ready to collaborate regarding the next National OCS Program.

Prompt Finalization is Appropriate and in the National Interest

The OCSLA planning process that began in 2018 and was affected by federal inaction and a four-year delayed release of the Proposed Program created an unprecedented gap in National OCS leasing programs to the detriment of Alaska and the U.S.

¹ 43 U.S.C. Sec. 1331(f) and 1332(4).

BOEM started work on a 2019-2024 National OCS Program in January 2018. Finalization would have superseded the last years of the 2017-2022 National OCS Program and guided an additional two years of leasing until 2024. However, this process was never concluded and when the 2017-2022 National OCS Program ended on June 30, 2022, there was no National OCS Program to replace it, and no OCS lease sale can take place until finalization of the next a National OCS Program.

The uncertain process and the substantial gap in National OCS Programs have disadvantaged Alaska and the nation by limited the exploration and development of our OCS resources, risked economic and national security, and obstructed attempts to meet growing energy needs while reducing emissions. Specifically, not developing a National OCS Program before the 2017-2022 National OCS Program ended on June 30, 2022, negatively affected the U.S.'s future energy security and citizens' access to energy that ensures their well-being.

The lack of regulatory certainty surrounding development of the next National OCS Program may discourage companies from making the large investments needed to develop offshore resources in the U.S. and ensure the long-term viability of our national strategic assets. Even with explicit Congressional Direction to finalize the Program, inconsistent or deprioritized execution threatens to continue this issue. If new U.S. production is dissuaded, investment dollars will instead flow abroad to other jurisdictions to the detriment of Alaskan and American workers, energy consumers, and the environment.

As Alaska and the nation look for ways to get the economy back on solid ground, an OCS leasing and regulatory structure that fosters investment certainty are needed. As the investment community weighs options for where to invest, Alaska and other parts of the U.S. must be seen as the safe, reliable, and established places to invest that they are.

Cancellation or Withdrawal of Lease Sales is Inappropriate

The 2017-2022 National OCS Program was undercut by the withdrawal of the Draft Environmental Impact Statement (DEIS) for Cook Inlet Lease Sale 258 during the public review period, and the subsequent reinstatement and then cancellation thereof, ignoring the State's substantial expert input and sending negative signals to industry.

The federal government's actions leading up to and including cancellation of Cook Inlet Lease Sale 258 ignored the significant, collaborative, expert efforts that State and federal agencies and stakeholders contributed over years to develop the legal PEIS and 2017-2022 National OCS Program that was based on decades of reliable data and that minimized potential environmental impacts from lease sales, all while considering federal, State, and local requirements, needs, and responsibilities.

Despite that Program resulting in a determination to hold fewer lease sales than sought by the State, the State participated throughout the lengthy process to establish a strong administrative record and advocate for the leasing and potential development that would accrue to the benefit of Alaskans. This included multiple engagements and State comments, including analysis devoted to the specifics surrounding Cook Inlet Lease Sale 258, and the State maintains the positions taken to date at these earlier stages.

The Biden administration cited “lack of industry interest” to justify cancelling Cook Inlet Lease Sale 258 in May 2022.² But the purpose of holding lease sales is to determine actual industry interest, rather than preempt it. Further, lack of industry interest is exacerbated by the administration’s delays to the sale and overall policy message that natural gas and oil investments are not encouraged in the U.S. Lease sales should be held to support responsible development and to gauge actual industry interest.

Consultation is Mandated Under OCSLA

Simply put, the U.S. should consult with Alaska, other states and regulatory agencies, and resident stakeholders to ensure resources of concern are identified and protected. There should be meaningful collaboration with communities most proximate to leasing, as well as with the State and other regulatory agencies that have authorities and responsibilities for work that may be proposed. These groups have long histories of safely managing natural gas and oil exploration, development, production, and transportation. Consultation would strengthen economies, address energy needs, and create solutions to address climate change.

Alaska Supports Oil and Gas Leasing in the Cook Inlet Planning Area in the 2023-2028 National OCS Program

Natural gas and oil exploration, development, production, and transportation has responsibly occurred in Cook Inlet for decades. It has successfully coexisted with renewable developments and other industries, including fishing, transportation, and tourism.

It is imperative that the Cook Inlet OCS be made available to help meet the demand of the majority of Alaska’s population, including residential, commercial, and industrial consumers, whose primary source of both heat and electricity is Cook Inlet natural gas. To this end, more than one lease sale per year, or at least more than one lease sale overall, should be included in Cook Inlet the next National OCS Program.

The Proposed Program includes one potential lease sale in Cook Inlet in 2026. The Inflation Reduction Act of 2022 (IRA) directs BOEM to hold Cook Inlet Lease Sale 258 by December 31, 2022,³ and this should be in addition to the one potential lease sale in Cook Inlet in the Proposed Program. There should be additional options for lease sales in Cook Inlet, in furtherance of the provisions in the IRA regarding oil and gas, and ties to wind and solar.

Cook Inlet OCS development would support jobs, labor income, and revenue to Alaska state and local governments, the federal government, as well as infrastructure to encourage the rapidly expanding Carbon Capture and Utilization Storage (CCUS) industry. Its workforce and infrastructure also supports new industrial activity and renewable deployment to emerge in Alaska, such as in geothermal, solar, on-shore and off-shore wind, tidal, hydro, pumped hydro, and others.⁴

² BOEM, *Lease Sale 258*, <https://www.boem.gov/oil-gas-energy/leasing/lease-sale-258> (August 2022).

³ BOEM, *Lease Sale 258*, <https://www.boem.gov/oil-gas-energy/leasing/lease-sale-258> (August 2022).

⁴ Office of Governor Mike Dunleavy, *Governor Dunleavy Highlights Pompeo, Ritter, Richmond, Edwards Among 80 Speakers at Energy Conference, May 24-26*, <https://gov.alaska.gov/newsroom/2022/05/10/governor-dunleavy-highlights-pompeo-ritter-richmond-edwards-among-80-speakers-at-energy-conference-may-24-26/> (May 2022).

In 2020, renewable energy accounted for about 31% of Alaska's utility-scale electricity generation state-wide; hydropower was about nine-tenths of that; wind and biomass were smaller portions.⁵ Alaska is exploring tidal and ocean technologies for supplying renewable energy to coastal communities.⁶ Wind and solar generation projects are found in many of the state's remote communities.⁷ Cook Inlet also offers geothermal energy potential.⁸ Coal seams and other aspects present opportunities for CCUS. All these possibilities are supported by a healthy oil and gas industry in the region, including through potential development of federal OCS resources.

The additional in-State natural gas production and transportation could also support many critical mineral and resource development projects in need of affordable energy, in turn driving down costs for U.S. sources of renewable energy inputs and raw materials. Increased use of natural gas throughout Alaska would displace diesel and fuel oil use and result in direct health and environmental benefits domestically, and offset other, less clean and more carbon intensive fuels internationally.

Domestic Supply to Meet Domestic Energy Needs is Critical and Preferable from an Emissions Perspective

Natural gas and oil from Alaskan and other domestic sources could decrease demand for imports and increase America's energy security and independence while avoiding environmental impacts that could occur elsewhere in the world, as U.S. and global demand for natural gas and oil potentially increases⁹ despite parallel growth in demand for alternative energy.

The next National OCS Program should recognize that even if every country meets its Paris Agreement commitments, the world will still get almost 50% of its energy from natural gas and oil through the year 2040;¹⁰ that even during a transition to other forms of energy increasing natural gas and oil supply is needed to bring down prices; and that safely producing resources in Alaska and America often have preferential emissions profiles compared to foreign sources in addition to all its other benefits.

⁵ EIA, *Alaska State Profile and Energy Estimates, Profile Analysis*, <https://www.eia.gov/state/?sid=AK> (accessed August 6, 2022) (*EIA Alaska Profile Analysis*), citing Alaska Energy Authority, *Renewable Energy Atlas of Alaska, Ocean and River Hydrokinetic*, [https://www.akenergyauthority.org/Portals/0/Publications%20and%20Resources/2019%20Renewable%20Energy%20Atlas%20of%20Alaska%20\(Low-Res%20Version\).pdf?ver=2021-06-07-091312-147&ver=2021-06-07-091312-147](https://www.akenergyauthority.org/Portals/0/Publications%20and%20Resources/2019%20Renewable%20Energy%20Atlas%20of%20Alaska%20(Low-Res%20Version).pdf?ver=2021-06-07-091312-147&ver=2021-06-07-091312-147) (June 2019).

⁶ *EIA Alaska Profile Analysis*, citing U.S. Environmental Protection Agency, *Remote Areas of Alaska: Affordable and Reliable Options for Meeting Energy Needs and Reducing Emissions*, https://www.epa.gov/sites/default/files/2020-09/documents/2020_argrpa_report_to_congresssept2020.pdf (September 2020).

⁷ *EIA Alaska Profile Analysis*, citing Alaska Energy Authority, *Renewable Energy Atlas of Alaska, Wind*, [https://www.akenergyauthority.org/Portals/0/Publications%20and%20Resources/2019%20Renewable%20Energy%20Atlas%20of%20Alaska%20\(Low-Res%20Version\).pdf?ver=2021-06-07-091312-147&ver=2021-06-07-091312-147](https://www.akenergyauthority.org/Portals/0/Publications%20and%20Resources/2019%20Renewable%20Energy%20Atlas%20of%20Alaska%20(Low-Res%20Version).pdf?ver=2021-06-07-091312-147&ver=2021-06-07-091312-147) (June 2019).

⁸ *EIA Alaska Profile Analysis* citing ADNDR, Division of Geological and Geophysical Surveys, Geothermal Sites of Alaska Web Application, <https://geoportals.dggs.dnr.alaska.gov/portal/apps/webappviewer/index.html?id=28ed3938684448bb8d8fabad2c505e4d> (accessed January 14, 2022).

⁹ EIA, *Annual Energy Outlook 2021*, <https://www.eia.gov/outlooks/aeo/>; EIA, *International Energy Outlook 2020*, <https://www.eia.gov/outlooks/ieo/>; International Energy Agency, *World Energy Outlook 2020*, <https://www.iea.org/reports/world-energy-outlook-2020>.

¹⁰ Reuters, *Oil Demand Won't Peak Before 2040, Despite Paris Deal*, <https://www.reuters.com/article/us-oil-outlook-iaa/oil-demand-wont-peak-before-2040-despite-paris-deal-iaa-idUSKBN13B0OP> (November 2016).

According to the Department of Energy (DOE), all Americans “directly benefit from increased domestic production. The benefits include significant savings for American consumers due to lower energy costs, increased revenues for state and local governments, growing numbers of well-paying jobs, a revitalized U.S. petrochemical manufacturing industry, and increased commerce from exporting liquefied natural gas (LNG).”¹¹

Further, developing resources in Alaska could result in lower greenhouse gas emissions (GHGs) per volume of gas produced, because of the State’s strict regulation of flaring and venting,¹² making it compare favorably to other U.S. jurisdictions. According to the Energy Information Administration (EIA) gas disposition records,¹³ based on Environmental Protection Agency (EPA) estimates, in 2019, less than 0.5% of Alaska’s produced natural gas was flared or vented, while about 2% of Texas’s produced natural gas and about 19% of North Dakota’s was flared or vented. North Dakota and Texas combined accounted for 85%, or 1.3 billion cubic feet per day, of the U.S.’s reported flared and vented natural gas.

In the international context, the U.S. is dramatically favorable from an emissions perspective. According to the World Bank’s Global Gas Flaring Reduction Partnership, in 2020, the U.S. had less than half the flaring intensity as Russia and less than one quarter the flaring intensity of Iraq and Iran.¹⁴ (Flaring intensity indicates a relationship between the volume of gas flared in a country and the amount of oil produced by the country.)

According to the DOE, since the U.S. exports more energy than it imports, “The trajectory of the domestic oil and natural gas industry has taken us [the U.S.] from fears of scarcity to expectations of abundance.”¹⁵ Accelerating America’s energy and environmental progress with Alaska development, among other affordable homegrown energy sources, would spur the nation’s economic recovery and protect access to affordable, reliable, and cleaner energy.

The State Supports Analysis of Oil and Gas Leasing in the Chukchi and Beaufort Sea Planning Areas in the 2023-2028 National OCS Program.

E.O. 13990 reinstated OCSLA withdrawals in the Chukchi and Beaufort Seas, notwithstanding the fact that these areas could be a robust source of future supply.¹⁶ The State maintains this is inconsistent OCSLA and good public policy. Unilaterally closing these areas from possible exploration and production without public input or State consultation undermines the open process Congress established in the OCSLA. The State also maintains that future EOs may appropriately

¹¹ DOE, *U.S. Oil and Natural Gas: Providing Energy Security and Supporting Our Quality of Life*, <https://www.energy.gov/sites/prod/files/2020/10/f79/Natural%20Gas%20Benefits%20Report.pdf> (September 2020, DOE Report), at 5.

¹² The AOGCC has comprehensive regulatory standards limiting the waste of natural resources, including natural gas, that prohibits flaring in most circumstances. See 20 Alaska Administrative Code (AAC) 25.235.

¹³ EIA, *Today in Energy*, <https://www.eia.gov/todayinenergy/detail.php?id=46176> (December 2020).

¹⁴ World Bank, *Global Gas Flaring Reduction Partnership*, <https://www.ggfdata.org/>; the U.S. with 2.84 cubic meters of gas flared per barrel of oil produced (m³/b); Russia with 6.91 m³/b; Iraq with 11.61 m³/b; and Iran with 13.63 m³/b. Regarding gas flaring (as opposed to flaring intensity), in the same period, the U.S. had less than half the gas flaring as Russia and less than the gas flaring of Iraq and Iran; the U.S. with 11, 809 million cubic meters per year (mln m³/yr); Russia with 24,877 mln m³/yr; Iraq with 17,374 mln m³/yr; and Iran with 13,258 mln m³/yr.

¹⁵ DOE, *U.S. Oil and Natural Gas: Providing Energy Security and Supporting Our Quality of Life*, <https://www.energy.gov/sites/prod/files/2020/10/f79/Natural%20Gas%20Benefits%20Report.pdf>, (DOE Report), at 11.

¹⁶ It is the policy of the U.S. that the OCS “is a vital national resource reserve held by the Federal Government for the public, which should be made available for expeditious and orderly development, subject to environmental safeguards, in a manner which is consistent with the maintenance of competition and other national needs.” 43 U.S.C. Sec. 1332(3).

modify these withdrawals, and thus BOEM should continue to analyze the benefits of oil and gas leasing in the Chukchi and Beaufort Seas to the degree they are determined to be appropriate in consultation with the State and local communities. Additionally, some areas of the Beaufort Sea are not withdrawn, and should be considered for lease sales in federal plans. Specifically, the 2023 to 2028 Program should consider adding a sale for these tracts to gather input from the State and potentially impacted communities.

The Chukchi and Beaufort Seas hold extensive undiscovered oil and gas resources, and exploration and development of those resources would support jobs, labor income, revenue to Alaska state and local governments, the federal government. It would also support expansion of transportation and other infrastructure, including for a potential natural gas pipeline, as well as a robust presence in the Arctic areas, which is important to the U.S. from a security perspective, especially as other countries are increasing their presence in the Arctic.

Importantly, exploration and development of these resources would help extend the longevity of Alaska's oil transportation infrastructure, namely, the Trans-Alaska Pipeline System (TAPS), which has played a critical role in Alaska's economy and our nation's energy policy and security for decades. Additional oil volumes in TAPS would lower the pipeline tariff, result in additional revenues to the State and the U.S., increase the value of State and U.S. oil, and sustain producing North Slope oil fields.

Alaska has demonstrated over decades that oil and natural gas exploration, development, production, and transportation can occur safely and responsibly with the appropriate regulatory controls and environmental protections. Instead of blanket prohibitions, federal policies for offshore development should ensure reliable, predictable, and orderly leasing on the OCS in consultation with local communities. Alaska's economy and the national economy and its security needs can be better supported with a lasting commitment to responsible development of the Chukchi and Beaufort Seas and other domestic areas.

OCS Leasing Provides Employment and Supports Public Services in Alaska

Accelerating America's energy and environmental progress with Alaskan OCS energy, among other affordable homegrown energy sources, would bring jobs and labor income to Alaska and the US; support provision of critical public services, including in rural communities; spur economic recovery; and allow access to affordable, reliable, and cleaner energy while protecting Alaska's pristine environment with robust environmental protections.

State, federal, and local governments would benefit from Alaskan OCS oil and gas development, with revenue coming from property taxes on oil and gas facilities, corporate income taxes on oil and gas companies, and royalty payments, ultimately funding public education, health care systems, and substantial portions of the public sector. Existing development funds critical services such as schools, health clinics, housing, emergency response, water distribution and wastewater treatment, heat and electric utilities, and countless other public services.

In Alaska, the State's natural gas and oil industry remains its single most important economic engine.¹⁷ According to a recent report by PricewaterhouseCoopers (PwC) for the American Petroleum Institute (API), a key driver of the post-pandemic recovery in Alaska will be access to

¹⁷ McDowell Group, *The Role of the Oil and Gas Industry in Alaska's Economy*, <https://www.mcdowellgroup.net/wp-content/uploads/2020/01/mcdowell-group-aoga-report-final-1-24-2020.pdf> (January 2020).

natural gas and oil development.¹⁸ In 2019, the industry supported over 47,000 Alaska jobs, provided \$4.6 billion in wages, and contributed more than \$19.4 billion to the state's economy.¹⁹

Alaskan OCS oil and gas development could create jobs and revenue. According to a Northern Economics 2018 Study, petroleum development in the Cook Inlet OCS could generate 1,750 annual jobs,²⁰ \$101.7 million in annual labor income,²¹ and \$2.7 billion in total in Alaska and local government property taxes, Alaska corporate income taxes, and royalty payments to the U.S.²²

According to BOEM, there are approximately 24.3 billion barrels of technically recoverable oil and 104 trillion cubic feet of technically recoverable gas in the combined Chukchi and Beaufort Sea Planning Areas.²³ A Northern Economics study projected that petroleum development in the Chukchi and Beaufort Seas could generate 10,850 annual jobs,²⁴ \$685.3 million in annual labor income in the U.S.,²⁵ and \$2.5 billion in Alaska and local government property taxes, Alaska corporate income taxes, royalty payments, and additional throughput in TAPs.²⁶

This does not include the potential resources in other Alaskan Regions that are not being considered, such as in Hope Basin, Norton Basin, St. Matthew Hall, Navarin Basin, Aleutian Basin, St. George Basin, Bowers Basin, Aleutian Arc, North Aleutian Basin, Shumagin, Kodiak, and Gulf of Alaska.

Conclusion

Developments in Alaska can make significant contributions to revitalize the economy and stabilize energy prices. They could also be a critical supply of natural gas to meet in-state energy and electricity generation demand.

Alaska and federal regulatory agencies have regulations that protect the environment through comprehensive drilling, development, and production standards, setbacks, ground water protection measures, financial assurance requirements, strict regulation of air pollution, strict regulation of flaring and venting of natural gas, spill reporting, and reclamation requirements. These regulatory protections emphasize planning, consultation, preparedness, and mitigation, and ensure that from

¹⁸ PwC, *Natural Gas and Oil Fuels Alaska's Economy and Workforce*, <https://www.api.org/-/media/Files/Policy/American-Energy/PwC/API-PWC-AK.pdf?la=en&hash=678555C8E76DC3E45583F5C89B826C7581164F98I> (July 2021); <https://www.api.org/-/media/Files/Policy/American-Energy/PwC/API-PWC-Economic-Impact-Report.pdf?la=en&hash=A7ABE1A05C4F9DEBBD2D2B6D0FFAF5F4B40A3EF4>, (July 2021, PwC 2019 Study).

¹⁹ PwC 2019 Study, at 25.

²⁰ Including direct, indirect, and induced annual jobs in the U.S. (1,000 in Alaska), with 6,090 annual jobs at peak in the U.S. (3,400 in Alaska). Northern Economics, Inc., *Potential Economic Benefits of Future Exploration, Development, and Production of Petroleum Resources in Alaska OCS Areas*, prepared for the American Petroleum Institute, <https://www.api.org/-/media/Files/Policy/Exploration/Alaska-OCS-Development-Economic-Impacts.pdf>, (March 2018, NE 2018 Study), at 14-15.

²¹ Including direct, indirect, and induced annual labor income in the U.S. (\$54.4 million in Alaska), with \$336.6 million annual labor income at peak in the U.S. (\$168.2 million in Alaska). NE 2018 Study, at 17.

²² \$161.35 million annually and \$384.89 at peak. NE 2018 Study, at 21.

²³ BOEM, *Assessment of Undiscovered Oil and Gas Resources of the Nation's Outer Continental Shelf*, <https://www.boem.gov/sites/default/files/documents/oil-gas-energy/resource-evaluation/resource-assessment/2016a.pdf> (2017).

²⁴ Including direct, indirect, and induced annual jobs in the U.S. (5,560 in Alaska), with 26,540 annual jobs at peak in the U.S. (16,480 in Alaska). NE Study, at 15 and 16.

²⁵ Including direct, indirect, and induced annual labor income in the U.S. (\$349.7 million in Alaska), with \$1.7 billion annual labor income at peak in the U.S. (\$680 million in Alaska). NE Study, at 18.

²⁶ NE Study, Pg. 21 and 22.

start to finish, environmental impacts are scrutinized and limited to the greatest extent practicable. Additionally, Alaska adheres to workplace safety, labor laws, and numerous regulations that ensure the natural gas and oil industry performs to the highest standards.

Alaska understands the importance of responsible natural gas and oil development to maintaining its pristine environment while also creating various economic opportunities for its citizens and the nation.

Sincerely,



Ashlee Adoko
Associate Director, Office of Project Management and Permitting (OPMP)

Enc: Enclosure A: BOEM-Alaska MOU, fully executed August 30, 2019
Enclosure B: State Technical Comments on the Proposed Program and DEIS

cc: Kyle Moselle, Executive Director, OPMP
Brent Goodrum, Deputy Commissioner, ADNR
John Crowther, Deputy Commissioner, ADNR
Vasilios Gialopsos, Acting Commissioner, ADNR
Jason Brune, Commissioner, ADEC
Douglas Vincent-Lang, Commissioner, ADFG
Jessie Chmielowski, Commissioner, AOGCC
Greg Wilson, Commissioner, AOGCC

MEMORANDUM OF UNDERSTANDING

between the

BUREAU OF OCEAN ENERGY MANAGEMENT

and the

STATE OF ALASKA

**On Coordination and Collaboration Regarding Outer Continental Shelf
Energy and Marine Minerals Development and Environmental Stewardship**

A. PURPOSE

This Memorandum of Understanding (MOU) documents an understanding between the U.S. Department of the Interior (DOI), Bureau of Ocean Energy Management (BOEM), and the State of Alaska (hereinafter, "Parties") regarding the coordination and collaboration of the Parties concerning the development of energy and marine mineral resources in all areas of the Outer Continental Shelf (OCS) offshore Alaska.

This MOU sets forth the processes and means by which the Parties will cooperate and coordinate the review and consultation of proposed energy and marine mineral resource projects on the OCS such as leasing, exploration, and development and production, by:

1. Describing specific processes to ensure effective and timely communication of agency priorities and upcoming activities; and
2. Sharing of information regarding the marine ecosystems, resources, and coastal communities; and
3. Describing specific collaborative processes related to decision-making on OCS energy and marine mineral leasing, exploration, and development and production activities.

B. AUTHORITIES

The BOEM authorities relevant to this MOU include but are not limited to:

1. Outer Continental Shelf Lands Act (OCSLA), 43 U.S.C. §§ 1331 et seq.;
2. Oil Pollution Act of 1990 (OPA), 33 U.S.C. §§ 2701 et seq.;
3. National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321 et seq.;
4. Endangered Species Act of 1973, 16 U.S.C. §§ 1531 et seq.;
5. Marine Mammal Protection Act, 16 U.S.C. §§ 1361 et seq.;
6. Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. §§ 1801, et seq.;

7. National Historic Preservation Act (NHPA), 54 U.S.C. §§ 300101 et seq.;
8. Fixing America's Surface Transportation (FAST) Act, 42 U.S.C. § 4370m et seq.;
9. Executive Order 13212 (May 18, 2001)--Actions to Expedite Energy-Related Projects;
10. Executive Order 13580 (July 12, 2011), Interagency Working Group on Coordination of Domestic Energy Development and Permitting in Alaska ;
11. Executive Order 13604 (March 22, 2012) -- Improving Performance of Federal Permitting and Review of Infrastructure Projects;
12. Executive Order 13783 (March 28, 2017) – Promoting Energy Independence and Economic Growth;
13. Executive Order 13795 (April 28, 2017) – Implementing an America-First Offshore Energy Strategy; and
14. Executive Order 13807 (August 15, 2017) – Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure

The State of Alaska authorities relevant to this MOU include, but are not limited to:

1. Alaska State Constitution, Article VIII - Natural Resources
2. Title 29 of the Alaska Statutes
3. Title 38 of the Alaska Statutes

C. BACKGROUND

1. BOEM's mission is to manage the development of the nation's offshore energy and mineral resources in an environmentally and economically responsible way.
2. The Alaska State Constitution, Article VIII, Section 1, provides: Statement of Policy. It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest.
3. The State of Alaska's Department of Natural Resources' (DNR) mission is to responsibly develop Alaska's resources by making them available for the maximum use and benefit consistent with the public interest.

D. COORDINATION AND COLLABORATION BETWEEN BOEM AND STATE OF ALASKA-- Development of OCS Energy and Marine Mineral Resources

1. **Notification of Proposed OCS Energy and Marine Mineral Resource activities - Alaska.** BOEM will notify the State of Alaska of all individual OCS lease sales

planned by BOEM, and will engage with the State of Alaska early in each OCS lease sale planning process. BOEM will also notify the State of Alaska within a reasonable time of receiving any industry proposal to conduct OCS exploration, development, or production activities, i.e., Geological and Geophysical permit applications, Exploration Plans, and Development and Production Plans.

2. **National Environmental Policy Act (NEPA) Process.** Where BOEM is the lead agency with respect to NEPA analysis (typically when the proposed actions are within BOEM's decision-making authority), BOEM has the primary responsibility for completing Environmental Assessments (EA) and Environmental Impact Statements (EIS). The State of Alaska will participate, to the extent practicable in the NEPA process through coordinated reviews, information exchange, technical assistance, and cooperating agency status, as appropriate, and pursuant to DOI's regulations implementing NEPA at 43 CFR Part 46.
 - a. BOEM intends to:
 - i. Engage the State of Alaska early in the NEPA process.
 - ii. Implement this MOU in accordance with the DOI regulations implementing NEPA at 43 CFR Part 46 and the Council on Environmental Quality (CEQ) regulations on cooperating agencies at 40 CFR §§1501.6 and 1508.5.
 - iii. Consider the State of Alaska's special expertise (as contemplated under 40 CFR § 1508.5) with regard to environmental impacts on State resources.
 - iv. Designate a primary point of contact for the specific NEPA processes.
 - v. Determine, after discussion with the State of Alaska, whether a Health Impact Assessment (HIA) will be prepared by the State and, if so, what level of assessment is appropriate and how to integrate HIA conclusions into the NEPA analysis.
 - vi. Provide the State of Alaska with a summary of all comments received during the public comment period for an EA or EIS where the State of Alaska is a cooperating agency.
 - vii. Endeavor to use the environmental analyses and recommendations of the State of Alaska as they relate to the preparation and finalization of relevant NEPA analyses but recognizing that BOEM has the ultimate responsibility for the content of its NEPA analyses pursuant to 40 CFR §§ 1501.3 and 1501.4.
 - b. State of Alaska intends to:
 - i. Implement this MOU, to the extent practical, pursuant to the guidance provided in the DOI regulations implementing NEPA at 43 CFR Part 46 and CEQ regulations on cooperating agencies at 40 CFR §§ 1501.6 and 1508.5.
 - ii. Designate a primary point of contact within the DNR Office of Project Management & Permitting (OPMP) to represent the State of Alaska for the specific NEPA process.

- iii. Notify BOEM whenever a State lessee or operator of a State-regulated facility (to include facilities regulated jointly by the State and BOEM) proposes to conduct new or modified activities with the potential to affect OCS resources or Federal oversight of such activities.
 - iv. If requested by BOEM, prepare a Health Impact Assessment (HIA) to help inform BOEM's NEPA analysis. The State of Alaska will invite BOEM to participate in any public meetings to be held by the State of Alaska regarding such HIA.
 - v. Participate as appropriate in scoping meetings and public hearings.
 - vi. Provide BOEM a brief description of the State of Alaska's cooperating role, for inclusion in any EA or EIS where the State of Alaska is a cooperating agency.
 - vii. Review the EA or EIS and provide comments or recommendations to BOEM within established timelines.
 - viii. Enter into nondisclosure agreements with BOEM, as appropriate.
3. **National Historic Preservation Act (NHPA) Consultation:** BOEM will engage the State of Alaska in NHPA consultation in the event historic properties on the OCS may be affected by BOEM-authorized activities. Historic properties are properties that are included in the National Register of Historic Places or that meet the criteria for the National Register and may include shipwrecks.
4. **Air Emissions and Air Quality Monitoring.** BOEM has jurisdiction over air emissions from activities it authorizes under OCSLA located on those portions of the OCS adjacent to the North Slope Borough of Alaska (Beaufort Sea, Chukchi Sea, and a portion of the Hope Basin Planning Areas). The State of Alaska has regulatory authority (delegated from the EPA) for permitting certain air emissions from sources located within Alaska, including the area located three miles seaward from the coast. The Parties regulate air emissions to ensure that each of their respective responsibilities for air quality compliance is met in the North Slope region.

The Parties will endeavor to exchange information on air emissions that could affect the air quality in the subject areas under the jurisdiction of the other Party.

The Parties agree to organize a workgroup when circumstances or concerns involving air emissions from OCS facilities warrant. The workgroup will meet periodically to discuss air quality concerns and consider developing a process for the exchange of information. BOEM and the State of Alaska agree to cooperate on the development of the workgroup meeting agendas and on hosting meetings, with the objective of discussing and resolving concerns. The workgroup may create subgroups to explore and discuss specific topics. Cooperation may include granting access to, and sharing of, non-confidential data generated by BOEM and the State of Alaska, as well as non-confidential data generated by industry.

5. **Wastewater Discharges from Oil and Gas Activities.** Regulatory authority over certain wastewater discharges from oil and gas activities on state lands and in state waters was delegated from EPA to the State of Alaska in October 2012.

The Parties agree to cooperatively exchange information regarding the effects of wastewater discharges associated with OCS oil and gas activities.

The Parties agree to organize a workgroup when warranted to discuss wastewater discharges and water quality concerns of interest to both parties and to develop a process for the exchange of information. BOEM and the State of Alaska agree to cooperate on the development of the meeting agendas and on hosting meetings.

6. **Oil Spill Financial Responsibility (OSFR) for Offshore Facilities.** BOEM is responsible for implementing the provisions of OPA concerning financial responsibility for all offshore waters, including those above state submerged lands offshore Alaska within the three miles of the coastline.
7. **Scientific Research.** The Parties will work collaboratively to support research endeavors addressing issues of mutual concern including, but not limited to, offshore oil, gas, sand and gravel, or mineral resource assessments.
8. **Senior Leadership Meetings.** The Parties agree to hold senior leadership meetings periodically to discuss relevant OCS energy and marine mineral resource development activities and this MOU. The purpose of these meetings will be to, among other things:
 - a. Discuss any issues arising under this MOU; and
 - b. Discuss emerging issues and facilitate resolution of any issues related to cooperation and coordination between BOEM and the State of Alaska on matters related to OCS development of energy and marine mineral resources; and
 - c. Make both BOEM and the State of Alaska aware of relevant upcoming offshore activities on the OCS and in State waters.
9. **Point of Contacts for this MOU.** The Governor of Alaska and the Director of BOEM will designate their respective points of contact for this MOU.

E. GENERAL PROVISIONS

1. All identified procedures in the MOU are subject to the availability of appropriated funds and each Party's budget priorities. Nothing in the MOU obligates the Parties to expend appropriations or enter into any contract, assistance agreement, interagency agreement, or incur other financial obligations. Further, this MOU does not obligate BOEM or the United States to spend funds on any particular project or purpose, even where funds are available.
2. This MOU is not a fiscal document nor does it obligate funds. However, should the Parties contribute funds to or reimburse one another, they will do so in accordance with

applicable laws, regulations and procedures, subject to a separate subsidiary agreement that they will make in writing.

3. This MOU does not create any right or benefit enforceable against BOEM or the State of Alaska, their officers or employees or any other person. This MOU does not apply to any person outside BOEM or the State of Alaska. Nothing in this MOU will be construed to alter the legal rights and remedies that each party would otherwise have.
4. Nothing in this MOU will be construed to extend jurisdiction or decision-making authority to either Party to this MOU, beyond that which exists under current law, regulations, or ordinances.
5. The State of Alaska will obtain BOEM's approval prior to issuing any press releases, advertisements, or other public statements that refer to this MOU or to BOEM, DOI, or any employee of the Department, in connection with this agreement.
6. Unless constrained by other factors, such as the need to protect privileged or confidential material, pre-decisional documents may be shared between the Parties as needed to accomplish cooperation under this MOU. The Parties will not release any pre-decisional document produced by the other Party, unless (1) the other Party consents in writing prior to such release, or (2) the Freedom of Information Act (FOIA) or other applicable law requires such release, and the releasing Party notifies and consults with the other Party prior to making the release. The term "release" as used in this paragraph includes transmitting or providing any other form of access to documents, or copies thereof, to any person or entity outside of the State of Alaska or BOEM. The term "document" as used in this paragraph includes all draft and final versions of meeting notes, note(s) to the file, e-mails, letters, reviews, evaluations, data reports, analyses, briefing materials, drafts, and any other physical or electronic record of communications between the Parties pursuant to the collaborative process established by this MOU. Documents are "pre-decisional" for the purpose of this paragraph if they relate to any ongoing decision-making process conducted by either Party. The duties described in this paragraph will survive termination of this MOU.
7. The State of Alaska agrees that none of the documents or information provided by BOEM pursuant to this MOU will be disclosed or otherwise provided to attorneys representing the State of Alaska or to any persons retained for litigation support against the United States, nor will such materials be otherwise used in litigation or preparation for litigation against the United States. This provision does not otherwise restrict the use of such documents or information if acquired by the State of Alaska not pursuant to the MOU.
8. The provisions in this MOU are subject to the laws of the United States and the regulations of DOI and BOEM.
9. This MOU in no way restricts BOEM from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

10. Modification of this MOU will be made only by written agreement, signed and dated by both Parties.

F. RESOLVING DISAGREEMENTS

The Parties agree to resolve disputes through good faith discussions. Issues that cannot be resolved at the initial level of dispute will be referred to each Parties’ next level of respective authority.

G. PERIOD OF PERFORMANCE

This MOU will be deemed executed as of the date the last required signature is affixed to this document. This MOU will be in effect for three (3) years from the date it is executed unless the Parties agree in writing to extend it to another date certain. This MOU will be reviewed periodically at the senior leadership meeting. Should both Parties agree to extend this MOU, the extension will be in writing and the period will be as determined by the review at the senior leadership meeting. Either Party may terminate the MOU at any time before the date of expiration, by providing written notice to the other Party of the termination. However, the Parties will endeavor to give a 30-day-written notice to the other Party prior to such termination.

H. CONTACTS


The list of contacts below is designed to identify specifically the respective personnel responsible for implementing the various provisions of this MOU.

Topic	BOEM Alaska Region, unless otherwise noted	State of Alaska
Leadership Meetings	Regional Director Deputy Regional Director Regional Supervisor, Environment Regional Supervisor, Leasing & Plans Regional Supervisor, Resource Evaluation	Commissioner, Department of Natural Resources Commissioner, Department of Environmental Conservation Director, Office of Management & Permitting
National Environmental Policy Act Analyses	Regional Director Chief, Environmental Assessment Division, HQ	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting
Environmental Studies Program – Research and Science	Regional Director Chief, Environmental Sciences Division, HQ	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting ADEC, Office of the Commissioner
Regional Environmental Analysis	Regional Director Regional Deputy Director Regional Supervisor, Environment	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting ADEC, Office of the Commissioner

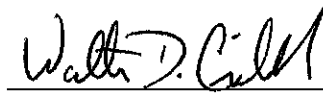
Topic	BOEM Alaska Region, unless otherwise noted	State of Alaska
Regional OCS Activities – Leasing; Exploration; Development and Production	Regional Director Regional Deputy Director Regional Supervisor, Leasing & Plans Regional Supervisor, Resource Evaluation	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting ADEC, Office of the Commissioner
Air Quality Working Group	Chief, Plans Section Regional Supervisor, Environment	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting DEC, Office of the Commissioner
Water Quality Working Group	Regional Supervisor, Environment Regional Supervisor, Leasing & Plans Chief, Plans Section	Director, Office of Project Management & Permitting, Large Project Coordinator, Office of Project Management & Permitting ADEC, Office of the Commissioner
Announcements	Public Affairs Officer	Governor’s Press Secretary

I. Signatures

The parties hereto have executed this agreement:



 Michael J. Dunleavy
 Governor of Alaska



 Walter D. Cruickshank
 Acting Director,
 Bureau of Ocean Energy Management

7/19/19

 Date

AUG 30 2019

 Date

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
3		ADEC	<p>Paragraph four on this page appears to imply that the proposed lease plan would not be needed, citing to the International Energy Agency. It is not clear how this conclusion was reached, since page 7, paragraph three notes that BOEM has not performed a quantitative net benefits analysis that assumes a net-zero emissions pathway. It is not clear how a proposal or conclusion based on the International Energy Agency policy statement can be reached without this important information.</p> <p>General note: The International Energy Agency (IEA) is an energy policy forum. It is also not clear how this international group has any regulatory authority or policy setting responsibilities for the United States. Please cite to any agreements that have been made by current or past administrations or actions taken by Congress that would give IEA policy prognostications any weight in the Department of Interior's decision making.</p>	<p>Please remove this implication that the lease plan would not be needed unless BOEM is able to provide support for reaching this conclusion.</p> <p>Also please explain why policy prognostications from the International Energy Agency would have any weight on BOEM decision making.</p>

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
8		ADEC	Paragraph three on this page notes that “ <i>On balance, the maturity and level of existing oil and gas development in the GOM Program Area 1 and the Northern Portion of the Cook Inlet Program Area in terms of the discovery of OCS oil and gas resources and the potential for environmental damage and adverse impacts on the coastal zone in this climate vulnerable area warrants fewer proposed lease sales.</i> ” This statement appears to be an unsupported conclusion and is in direct conflict with statements made on page 3, paragraphs one and two.	Please revise this assumption to eliminate the conflicts with prior statements.
1-1		ADEC	The final paragraph on this page notes that “ <i>Therefore, for the National OCS Program, the Pacific Region is only composed of the four planning areas off the U.S. West Coast.</i> ” Please note that Alaska is also located on the West Coast.	Please correct this sentence to reflect that Pacific Region only includes the four planning areas off the <u>contiguous</u> U.S. West Coast and although Alaska is on the West Coast, it has its own region.
1-8		ADEC	Paragraph three on this page appears to be saying that rather than influencing demand for fossil fuels, the Secretary’s policy will focus on reducing the supply. It is not clear how this policy conclusion was reached. Other countries have added taxes to refined fuels in an attempt to decrease demand.	Please explain from an economics perspective any support for the Secretary choosing this policy approach.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
1-9		ADEC	<p>Paragraph two on this page notes that “<i>The need for oil and gas will decline with increased electrification, increased energy efficiency and a reduction of oil and gas fueled electricity.</i>” It is not clear how this conceptual assumption that oil and gas will decline was reached. We have seen with the current conflict in Ukraine, energy markets have been impacted and the existing sources may not be able to absorb the existing demand. Rather than describing the situation in such unequivocal terms “the need for oil and gas <u>will decline</u>” it would be better to admit that the reality of balancing supply and demand in energy systems is much more complex than these long-term strategies or model assume. A wiser policy would be to state that energy markets require a cushion to address unanticipated changes in the market, the long-term outlook would trend toward a decreased dependence on oil and gas resources. Paragraph three on page 1-11 acknowledges that “Additional US supply helps mitigate any potential prices shocks (Kraus 2018)” This information needs to be provided in a coherent message, not scattered around the document.</p>	<p>Please reword this oversimplified sentence and replace it with a sentence that more accurately describes the trend of energy markets in the long term.</p>

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
1-12		ADEC	<p>Paragraphs one through four on this page appear to imply that technological advances may play a part in the transition to a zero carbon economy. It is not clear which companies or industries would be investing in developing new technology if their companies may be made obsolete by government policy. Will there be government funding to support technological advances so that companies don't have to burden themselves with the risk of technology development at the expense of their company profits?</p>	<p>Please explain where these technological advances would come from and how the profit motive would work in this instance.</p>
1-12		ADEC	<p>Paragraph four on this page notes that "<i>Data suggests that Deepwater GOM production and onshore tight oil production generally have the lowest carbon intensity of oil projects.</i>" Please provide citations to this data. The US Energy Information Administration has provided data that Alaska crude oil has low carbon intensity. https://www.eia.gov/environment/emissions/state/ This is despite the fact that the EPA treats reinjection of natural gas into North Slope oil reservoirs as if it was being released into the atmosphere. This reinjection is consistent with Alaska's Oil and Gas Conservation Act AS 31.05.095 which prohibits waste of oil and natural gas.</p>	<p>Please provide citations to data that suggests that Deepwater GOM production and onshore tight oil production generally have the lowest carbon intensity of oil projects.</p>

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
1-14	Figure 1-6 and 1-7	ADEC	We have been told earlier in this document that oil and gas will decline by 2050. It is not clear how this can be true as Figures 1-6 and 1-7 show that the volume of oil remain steady with a slight increase and natural gas volumes will be increasing.	Please explain how oil and gas will decline by 2050 when these graphs show the opposite to be true.
1-15		ADEC	Paragraph one on this page notes that “EIA employs a broad national approach that necessarily incorporates simplifying assumptions.” This caveat should be revealed in earlier discussions so that the reader can understand the possible shortcomings of using the EIA estimates.	Please reveal this caveat earlier when EIA estimates are first cited on page 1-13.
1-17		ADEC	Paragraph four on this page notes that “BOEM has decided to prepare a programmatic EIS in accordance with the National Environmental Policy Act (NEPA)(42 U.S.C. 4321 et seq). It is not clear which version of NEPA regulations that this EIS is being prepared under, as the current 2020 regulations differ from the prior regulations in many areas including the consideration of cumulative impacts and indirect impact, such as greenhouse gas emissions.	Please clarify which version of the NEPA regulations this EIS is being prepared under.
3-2		ADEC	Footnote 14 on this page quotes <i>NRDC v Hodel</i> 865 F.2d 288, 300 (DC Cir. 1988) “The Secretary’s factual determinations are based upon <u>substantial evidence</u> ...” It is not clear how models and forecasts can be considered “substantial evidence.”	Please clarify how models and forecast can be considered substantial evidence or modify the assumptions used in providing this citation.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
5-25		ADEC	Paragraph three on this page discusses BOEM's Offshore Environmental Cost Model (OECM) and cites to discussions in the Draft Economic Analysis Methodology Paper (BOEM 2022b). This Draft Economic Analysis Methodology Paper cited discusses in detail how greenhouse gas emissions are treated in the economic analysis, but the document is not provided for the reader.	Given the importance place on greenhouse gas emissions in this document, please provide this document as an appendix to the EIS rather than making the reader search for it.
5-26		ADEC	Paragraph three on this page discusses the social cost of upstream greenhouse gas emissions. This notes that the guidance from EO 13990 and 14008 justified the inclusion of the social cost of greenhouse gas emissions.	The State of Alaska disagrees that the guidance regarding the social cost of greenhouse gases is proper.
5-28		ADEC	Paragraph three on this page notes that <i>"The substitution rates that MarketSim calculates are a mechanism for summarizing and describing those market responses. The specific components of these substitutions could vary dramatically based on the future energy scenario and pathway. Because any lease sale held under the 2023 – 2028 Program will not commence for several years after any leases are issued, changes in future energy scenarios could significantly affect this analysis."</i> This appears to acknowledge that this analysis of energy substitutes is a hypothetical exercise. Given the degree of uncertainty involved, it should be clearly noted that this analysis should not be relied upon for decision making in the context of NEPA.	Please acknowledge that this analysis of energy substitutes is a hypothetical exercise. Given the degree of uncertainty involved, it should be clearly noted that this analysis should not be relied upon for decision making in the context of NEPA.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
5-34	Table 5-7	ADEC	Table 5-7 “Draft Proposal Environmental and Social Costs” includes information on environmental and social costs, but Table 5-8 on page 5-36 addresses “Draft Proposal Social Cost of Upstream Greenhouse Gas Emissions.” It is not clear why these two cost analysis are presented separately since greenhouse gas emissions as discussed earlier have an environmental cost and a social cost.	Please explain why the social cost of upstream greenhouse gas emissions are present separately than environmental and social costs in this document.
5-34		ADEC	The final paragraph on this page notes that “ <i>The available Data suggests that Deepwater GOM production and onshore tight oil production generally have the lowest carbon intensity of oil projects.</i> ” Please provide citations to this data, because the US Energy Information Administration has provided data that Alaska crude oil has low carbon intensity. https://www.eia.gov/environment/emissions/state/ This is despite the fact that the EPA treats reinjection of natural gas into North Slope oil reservoirs as if it was being released into the atmosphere. Reinjection is consistent with the Alaska Oil and Gas Conservation Act AS 31.05.095 which prohibits waste of oil and natural gas.	Please provide citations to data that suggests that Deepwater GOM production and onshore tight oil production generally have the lowest carbon intensity of oil projects.
6-3	Figure 6-1	ADEC	Figure 6-1 does not include crude oil production from Alaska. It is not clear how decisions can be made without information on how Alaska production fits into the picture.	Please include Alaska crude oil production in this analysis.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
6-12	Figure 6-8	ADEC	Figure 6-8 on this page does not break out refining capacity for Alaska, despite the fact that this section is specifically looking at regional production and consumption. This information is available from the U.S. Energy Information Administration and appears to be included in Section 6.2.4 on page 6-14 which notes that Alaska has five operating refineries.	Please break out the refining capacity for Alaska.
6-12	Figure 6-9	ADEC	Figure 6-9 on this page provides U.S. Crude Oil and Petroleum Products Production and Import/Export by Region, 2020, but does not include Alaska as a region. Alaska crude is delivered to West Coast refineries and should be noted in the graphic as a regional import.	Please include Alaska crude delivered to West Coast refineries.
6-14		ADEC	The last paragraph on this page notes that <i>“In 2019, Alaska consumed the fourth-most energy per capita of all the states (EIA 2021af).”</i> It further notes in sentence five <i>“Some of the gas produced from the North Slope is used in the region...”</i> Please clarify that gas produced on the North Slope is combusted to produce electricity and heat for operating the North Slope oil and gas facilities. The North Slope of Alaska is very remote and not connected to an electrical grid like the rest of the United States. This is part of the explanation of why Alaska consumed the fourth-most energy per capita. The low population compared with the size of the state is another important part.	Please provide a more detailed explanation why Alaska consumed the fourth-most energy per capita of all the states due to the remote location of the North Slope oil and gas facilities and the lack of an electrical grid.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
6-15		ADEC	<p>The first full sentence on this page notes that “<i>natural gas produced elsewhere in Alaska is used within the state or exported as LNG.</i>” Please identify that natural gas is produced in the Cook Inlet Region in this sentence. This is important information since the Inflation Reduction Act of 2022 has required a lease sale in the Cook Inlet OCS and the current OCS program has identified a Cook Inlet lease sale as part of the newest five year lease program.</p>	<p>Please clarify that “natural gas produced elsewhere in Alaska” is specifically Cook Inlet.</p>
6-16		ADEC	<p>Paragraph two on this page notes that “<i>the State of Alaska currently does not have renewable energy standards</i>” Please note that Governor Dunleavy introduced SB 179 this year that had specific targets for the production of renewable power.</p> <ul style="list-style-type: none"> • 20% renewable power by 2025 • 30% renewable power by 2030 • 55% renewable power by 2035 • 80% renewable power by 2040 <p>Because the Alaska legislature was focused on the budget this year, this legislation did not advance to adoption.</p>	<p>Please include information on Governor Dunleavy’s renewable energy goals in this paragraph.</p>

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
6-17		ADEC	Paragraph one on this page notes that California’s per capita energy consumption is one of the lowest states given its relatively stringent energy efficient standards and climate policies. There may also be economies of scale related to more concentrated population centers and the sheer number of people that play into this calculation when compared to states with much lower population density. It should also be noted that the California climate is relatively benign in relation to northern states, such as Alaska.	Please discuss other factors that contribute to California’s low per capita energy consumption.
6-23		ADEC	The final paragraph on this page cites to NOEP 2020 and states that leisure and tourism contributes \$31 million in income to the North Slope Borough. Please note that the actual data from NOEP actually describes the number for “leisure and hospitality” and not specifically tourism. You may want to consider revising this statement since a sizable portion of that dollar amount may be attributed to scientific research trips by government agencies, universities, and non-governmental organizations, as well as public hearings on environmental impacts statements and other government agency travel.	Please revise the statement that leisure and <u>tourism</u> contribute \$31 million in income to the North Slope Borough.
6-24		ADEC	Paragraph one, sentence one on this page appears to imply that commercial recreational activities are more prevalent than subsistence hunting and fishing. Subsistence hunting and fishing activities occur year-round while tourism/recreational activities are seasonal and limited to the short summer season.	Please rewrite the sentence to say that “ <i>Subsistence fishing and hunting have an important impact in Alaska, as well as some seasonal commercial and recreational activities.</i> ”

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
6-24		ADEC	Paragraph four on this page still refers to the community of Barrow. The community's name has been changed to Utqiagvik	Please refer to the community of Barrow as Utqiagvik in paragraph four on this page.
6-28		ADEC	The final paragraph on this page notes that "Ports exist in Prudhoe Bay (Beaufort Sea) and Utqiagvik (Chukchi Sea)." Please note that Utqiagvik does not have what could be considered commercial port facilities. The oil and gas industry owns and operates simple dock facilities at Oliktok Point and Point Thomson that are designed for offloading oilfield modules that arrive by sealift barge.	Please clarify the status of port facilities on the North Slope as outlined in our comment.
6-29		ADEC	Paragraphs one and two on this page contain duplicate information "Every September, sea ice coverage is at its minimum, and the highest levels of shipping activity can occur (Eguiluz et al. 2016, USCG 2016). Arctic-wide ice loss is expected to continue with nearly ice-free seas in the late summer months by the 2040s (Taylor et al. 2017). Future marine traffic patterns are anticipated to change due to decreased ice cover and longer ice-free periods, potentially increasing the number of vessels associated with industrial transportation, tourism, and non-subsistence fishing."	Please eliminate the duplicate information from one of the paragraphs.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
6-29		ADEC	Paragraph three on this page notes that “ <i>Although <u>diminished</u> sea ice could result in an expanded timeframe for unaided navigation in the Arctic, constraints to increased vessel traffic include limited and/or outdated nautical charts, environmental factors such as weather conditions and the lack of support infrastructure.</i> ” Please note that diminished sea ice does not equal zero sea ice. Depending on winds and sea ice pack movements the presence of sea ice can still constrain vessel movement. Please note that page 7-6 states that “ <i>The Chukchi and Beaufort Seas Ecoregion is characterized by an Arctic climate and considerable ice cover throughout most of the year.</i> ”	Please add sea ice to the list of environmental factors noted in the quoted sentence and review these discussions on page 6-29 and 7-6 to ensure that they do not provide conflicting information.
6-29		ADEC	Paragraph four on this page discusses the Coast Guard’s 2016 preliminary port access study. This information should be updated to reflect that the Corps of Engineers approved a \$618 million project on June 1, 2022 and received congressional approval. Please note that updated information appears on page 6-30, paragraph one.	Please provide this updated information on page 6-29 instead of in a new section on page 6-30.
6-29		ADEC	The final paragraph on this page discusses the ANWR Coastal Plain EIS and notes that the EIS scoping period occurred in October 2021. Please note the scoping period mentioned was for the Supplement EIS as the original BLM EIS was completed in 2019, with a record of decision issued in August 2020.	Please revise this sentence to note that the original EIS was completed in 2019 and a supplement EIS is currently underway with BLM and the USFWS as co-leads. They anticipate a draft SEIS will be released in November 2022.

State Technical Comments on the Proposed Program

Page #	Table or figure	Agency	Comment	Suggestion if applicable
7-10	Table 7-2	ADF&G??	Table 7-2 on this page notes that chum salmon has replaced Dolly varden as the species selected for sensitivity analysis for the Chukchi/Beaufort Sea Ecoregion. The justification provided was that the annual catch of chum salmon is higher than Dolly varden and notes that Dolly varden is not an important commercial fishery in Alaska. This appears to conflict with information provided on page 6-23 which states that commercial fishing is prohibited in U.S. waters north of the Bering Sea.	Please clarify this justification which appears to imply that there exists a commercial fishery in the Chukchi/Beaufort Ecoregion, when other information says the opposite.

State Technical Comments on the Draft PEIS

Document Reference	Agency	Resource or Topic	Comment
Chapter 2, Section 2.6.2, Page 72, Paragraph 4 and Page 73, Paragraph 1	ADFG	Marine mammal ESA listing and designated critical habitat	Recommend including information on Endangered Species Act listings and critical habitat designations for humpback whales (81 FR 62259 and 86 FR 21082), bearded seals (77 FR 76740 and 87 FR 19180), and ringed seals (77 FR 76706 and 87 FR 19232) in the Alaska Region.
Chapter 2, Section 2.6.2, Page 73, Text box after paragraph 2	ADFG	Marine mammal ESA listing and designated critical habitat	Recommend including information on critical habitat for humpback whales (86 FR 21082), bearded seals (87 FR 19180), and ringed seals (87 FR 19232) in the Alaska Region.
Appendix D, Marine Mammals, Page D-12	ADFG	Designated marine mammal critical habitat	Information on designated critical habitat for humpback whales (86 FR 21082), bearded seals (87 FR 19180), and ringed seals (87 FR 19232) should be included in the last two columns of Table D-1.
Appendix D, Marine Mammals, Page D-13	ADFG	Designated Steller sea lion critical habitat	Designated Steller sea lion critical habitat overlaps with more planning areas than just the Aleutian Arc (59 FR 30715 and https://www.fisheries.noaa.gov/action/designation-critical-habitat-steller-sea-lions)