



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

OFFICE OF THE COMMISSIONER

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January 9, 2026

Ben Burnett
Division Manager, Leasing Policy and Management Division
Office of Strategic Resources
Bureau of Ocean Energy Management
3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503

Re: Proposed Notice of Sale for Big Beautiful Cook Inlet 1 (BBC1) Oil and Gas Lease Sale

Dear Mr. Burnett:

The State of Alaska, in consultation with the Alaska Department of Natural Resources (DNR), Alaska Department of Environmental Conservation (DEC) and Alaska Department of Fish and Game (ADF&G), and under the direction of the Governor of Alaska, has reviewed the Proposed Notice of Sale (PNOS) for the Big Beautiful Cook Inlet 1 (BBC1) Oil and Gas Lease Sale (Federal Register, Volume 90, No. 215, November 10, 2025) submits the following consolidated comments in advance of the bid opening currently scheduled for March 4, 2026.

Natural gas produced from the Cook Inlet basin remains the primary source of energy for heating and electricity for the majority of Alaska's population. Ensuring continued and reliable access to Cook Inlet energy resources is essential for public safety, economic stability, and long-term energy security for Southcentral Alaska. The State supports BOEM's BBC1 Lease Sale as a prudent step toward maintaining domestic energy supply and meeting regional demand.

Under the Outer Continental Shelf Lands Act (OCSLA), the Outer Continental Shelf is a vital national resource that should be made available for expeditious and orderly development, subject to environmental safeguards. The One Big Beautiful Bill Act (OBBBA)¹, enacted on July 4, 2025, contains a statutory requirements under Section 50102 (a)(2) that further directed the Department of the Interior to conduct a minimum of six offshore oil and gas lease sales in the Cook Inlet Planning Area, and established the essential parameters of those sales. This includes one lease sale in each calendar year from 2026 through 2028 and from 2030 through 2032. The BBC1 Lease Sale constitutes the first lease sale required by the OBBBA. As a result, Congress constrained agency discretion regarding whether the mandated lease sales should proceed. Because the OCSLA² and OBBBA statutes prescribe the occurrence and fundamental terms of the lease sale, the State understands that the lease sale itself does not constitute a discretionary major federal action requiring preparation of a separate environmental analysis under the National Environmental Policy Act at the leasing stage. The State recognizes BOEM's obligation

¹ Pub. L. 119-21, 139 Stat. 72

² 43 U.S.C. § 1344 OCS Leasing Program

to implement this congressional mandate and the agency's efforts to move forward with the proposed sale consistent with federal law.

The State also recognizes that BOEM completed a Supplemental Environmental Impact Statement on December 12, 2025, and issued a Record of Decision on December 22, 2025, addressing programmatic Cook Inlet leasing considerations under OCSLA. The State further understands that the BBC1 Proposed Notice of Sale implements a separate, congressionally mandated lease sale under the OBBBA, which prescribes the occurrence and fundamental terms of the sale and limits agency discretion at the leasing stage. Environmental review and mitigation are appropriately addressed through the completed programmatic analysis and through subsequent, site-specific review at later stages of project development.

Under 30 CFR § 556.305(a) the Governor of Alaska may comment and make recommendations to BOEM regarding size, timing and location of the proposed sale and the Secretary of the Interior (Secretary) will then consult and consider whether the comments and recommendations provide a reasonable balance between the national interest and the well-being of the citizens of the State under the requirements of the OCSLA. If so, the Secretary will accept the recommendations (30 CFR § 556.307). To that end, on behalf of the Governor, we have reviewed the PNOS and make the following recommendations:

1. The State supports a robust and predictable leasing program that is critical to encouraging industry participation, enabling long-term investment decisions, and supporting exploration and development that can extend the productive life of Cook Inlet oil and gas fields. The State emphasizes that limiting the size or scope of the sale beyond what is necessary to meet statutory and regulatory requirements could further discourage participation in a basin that already presents challenging operating conditions.
2. The State encourages BOEM to ensure that environmental protection, spill prevention, and response planning requirements are clearly defined and effectively implemented through existing federal and state regulatory frameworks. Cook Inlet presents unique physical and oceanographic conditions, and the State is ready to work collaboratively with BOEM and future lessees to ensure that spill prevention and response measures are appropriate, realistic, and protective of human health and the environment, while avoiding unnecessary regulatory duplication.
3. The State recognizes the importance of Cook Inlet's fish, wildlife, and subsistence resources and supports BOEM's continued consultation with state and federal resource agencies during subsequent stages of exploration and development. The State recommends that many potential impacts to biological resources are most effectively addressed through site-specific review, consultation, and permitting processes conducted at the exploration and development stage, rather than through broad exclusions at the leasing stage. Adaptive management, seasonal mitigation measures, and interagency coordination remain effective tools for minimizing impacts while allowing responsible development to proceed.

4. Specifically, regarding Lease Stipulation No. 2, Protection of Biological Resources, the State recommends that BOEM clearly describes the process by which biological populations or habitats requiring additional protection will be identified. The State encourages voluntary consultation with its Threatened, Endangered, and Diversity (TED) Program (ADF&G email contact: julie.hagelin@alaska.gov) to support early identification of species and habitats of concern. The TED Program maintains spatial data and species-specific information for species of greatest conservation need (SGCN) identified in the State Wildlife Action Plan (SWAP), which provides a data-driven framework intended to address population declines proactively and reduce the likelihood of future Endangered Species Act listings, with the goal of ensuring that natural resource use continues to benefit Alaskans without interruption or additional federal regulation.
5. Furthermore, the State recommends that portions of the proposed lease area include habitats identified as having high or moderate value for certain SCGN, including areas designated as Important Bird Areas in Lower Cook Inlet, Kachemak Bay, and the Clam Gulch region. The State recommends that these species and habitats, listed in Table 1 in the ADF&G memo, during implementation of Lease Stipulation No. 2 be considered. This would allow for a proactive approach which will help ensure development without ESA-related regulatory burdens. Additionally, the following mapping tools can assist with identifying additional species' range and their habitats in the proposed project area, including species identified in the SWAP.

NMFS Species and Critical Habitat: [Alaska Protected Resources Division, Species Distribution Mapper](#)

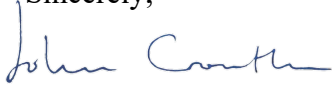
USFWS Species and Critical Habitat: [Information for Planning and Consulting, IPaC, database](#)

6. With respect to Lease Stipulation No. 9, Protection of Gillnet Fishery, the State notes that the northern portion of the lease sale area lies within the Cook Inlet Exclusive Economic Zone, where salmon fisheries are managed by the National Marine Fisheries Service. To ensure consistency with fisheries management authority and effective protection of fishing activities, the State recommends clarifying that the prohibition on on-lease marine seismic surveys during the drift gillnet fishing season applies as designated each year by the ADF&G and/or the National Marine Fisheries Service, generally from mid-June through mid-August.

In closing, the State of Alaska supports the Proposed Notice of Sale for the Big Beautiful Cook Inlet 1 Oil and Gas Lease Sale and urges BOEM to proceed with finalizing and conducting the sale consistent with congressional direction, OCSLA mandates, and cooperative federal–state engagement. Alaska’s regulatory agencies possess extensive experience and local knowledge regarding Cook Inlet conditions, and continued collaboration will help ensure balanced decision-making that supports both environmental stewardship and energy development. Alaska will continue working with BOEM to responsibly develop Cook Inlet’s offshore resources in a manner that benefits the nation and the people of Alaska.

Thank you for the opportunity to comment.

Sincerely,



John Crowther
Commissioner-designee
Alaska Department of Natural Resources

enc: ADF&G memo on the PNOS

cc: Commissioner Doug Vincent-Lang Commissioner, ADF&G
Commissioner, Randy Bates, ADEC
Commissioner-designee, John Crowther, DNR
Acting Regional Director, Alaska, Mick Bradway, BOEM
Joel Immaraj, Regional Supervisor, Alaska, Office of Leasing and Plans, BOEM