**KENAI PENINSULA BOROUGH**

144 N. BINKLEY • SOLDOTNA, ALASKA • 99869-7599  
BUSINESS (907) 262-4441 FAX (907) 262-1892

**DALE BAGLEY  
MAYOR**

January 19, 2004

State of Alaska  
Department of Natural Resources  
Office of Project Management & Permitting  
550 West 7<sup>th</sup> Avenue, Suite 1660  
Anchorage, Alaska 99501

Attention: Kathleen Sheehan-Dugan, Project Review Coordinator

RE: Comments on the Consistency Determination for Cook Inlet OCS Sale 191

Dear Ms. Sheehan-Dugan:

Kenai Peninsula Borough Coastal District staff reviewed the consistency determination responses of the Minerals Management Service pertaining to the proposed Oil and Gas Lease Sale 191, Cook Inlet. Your office in a December 22, 2003 distribution provided the response document. You have asked for our comments to which we offer the following:

The document was prepared to determine whether or not the proposed Cook Inlet Lease Sale 191 was consistent to the maximum extent possible with the Alaska Coastal Management Program and with the enforceable policies of the Kenai Peninsula Borough and the Kodiak Island Borough.

This OCS sale defers alternative III and IV, as requested by the Kenai Peninsula Borough and attempts to respond to concerns for critical habitat, subsistence, issues of revenue sharing, oil spill response, no offshore loading of tankers, conflict avoidance with commercial fisheries, and the policies of the borough. Further, the Kenai Peninsula Borough, Kodiak Island Borough, and Lake and Peninsula Borough also address many of these concerns in the "Tri-Borough Agreement" which has been adopted by resolution.

It is clear that any development in Cook Inlet waters has the potential for negative impacts. Although a lease sale would not, in itself, be the cause of potential impacts it would have facilitated the developments that were responsible for potential negative impacts. With that in mind, lease stipulations that assure best practices, require scientific determinations for effects on critical habitat and potential effects on subsistence and commercial fisheries, and address

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significant findings of NEPA processes would help assure consistency with the Alaska Coastal Management Program and the policies of the Kenai Peninsula Borough.

State and federal commitment to assuring ongoing consistency of projects potentially developed under the OCS Sale 191 is essential given many various resources are potentially affected under various scenarios. Further, the Kenai Peninsula Borough must be given due deference with regard to its own policies by state and federal agencies.

We offer the following recommendations that help assure that the proposed lease sale program is consistent with the Kenai Peninsula Borough Coastal Management Plan.

- 1) Lease requirements ought to differentiate information needs at different program stages: Pre-lease, exploration and development; KPBCMP states in its Enforceable Policies **2.6 Mitigation** - All land and water use activities shall be planned and conducted to mitigate potential adverse impacts on fish and wildlife populations, habitats, and harvest activities, **2.7 Cumulative Impacts** - The cumulative effects of proposed new and existing development on ambient air and water quality and coastal habitats shall be considered in the review or renewal of coastal projects, **5.4 Habitat Protection** - Projects which require dredging, clearing or construction in productive habitats shall be designed to keep these activities to the minimum area necessary for the project. **5.5 Navigation and Commercial Fishing** - Activities associated with oil and gas resource exploration, industrial development, or production shall minimize navigational interference and be located or timed to avoid potential damage to fishing gear. Offshore pipelines and other underwater structures will be located, designed or protected so as to allow fishing gear to pass over without snagging or otherwise damaging the structure or gear, **5.6 Pipelines** - Pipelines and pipeline right-of-ways shall, to the extent feasible and prudent, be sited, designed, constructed, and maintained to avoid important fishing grounds and to minimize risk to fish and wildlife habitats from a spill, pipeline break, or other construction activities. Pipeline crossings of fishbearing waters and wetlands important to waterfowl and shorebirds shall incorporate mitigative measures, to the extent feasible and prudent, to minimize the amount of oil which may enter such waters as a result of a pipeline rupture or leak, **5.9 Geophysical Surveys** - Geophysical surveys will, to the extent feasible and prudent, be located, designed, and constructed in a manner so as to avoid disturbances to fish and wildlife populations, habitats, and harvests. **12.1 Priority Use** - Maintenance and enhancement of fish habitat shall be the highest priority use when reviewing proposals for activities which may adversely impact critical spawning, rearing, migration or overwintering areas for fish and shellfish, **12.7 Seabird Colonies and Marine Mammal Haul-outs** - Seabird colony sites and haul-outs and rookeries used by sea lions and harbor seals (as identified in ADF&G Regional Guides or with the best available information at the time of project review) shall not be physically altered or disturbed by structures or activities in a manner that would preclude or interfere with continued ties in a manner that would preclude or interfere with continued use of these sites. To the extent feasible and prudent, development structures and facilities with a high level of noise, acoustical or visual disturbance shall maintain a one-half mile buffer from identified use areas for sea lions, harbor seals, and marine birds during periods when these species are present, **12.8 Whale Migration and Feeding Areas** - Uses and activities within or adjacent to coastal waters shall not interfere with

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migration or feeding of whales. Interference refers to conduct or activities that disrupt an animal's normal behavior or cause a significant change in the activity of the affected animal.

- 2) For each phase MMS should require complete support and infrastructure plans (appropriate to the stage of activity), including methods and equipment for oil spill prevention and clean-up; KPB Enforceable Policies **2.6 Mitigation**.
- 3) Each project ought to identify a Navigational Safety System that is compatible with fishing industry operations (should include ice stages, storms, tides, gyres, currents, seismic and other hazards) **2.1 Navigation Obstruction** - Structures, pipelines and buoys placed in navigable waters shall be visibly marked and placed to minimize navigation hazards or obstruction. **5.5 Navigation and Commercial Fishing** - Activities associated with oil and gas resource exploration, industrial development, or production shall minimize navigational interference and be located or timed to avoid potential damage to fishing gear. Offshore pipelines and other underwater structures will be located, designed or protected so as to allow fishing gear to pass over without snagging or otherwise damaging the structure or gear.
- 4) Existing known critical habitat, and potential areas of critical habitat need to be examined closely and considered for any stage of activity associated with potential leasing within the OCS; **2.6 Mitigation**, **2.7 Cumulative Impacts**, **12.1 Priority Use** - Maintenance and enhancement of fish habitat shall be the highest priority use when reviewing proposals for activities which may adversely impact critical spawning, rearing, migration or overwintering areas for fish and shellfish.
- 5) The State and Federal Governments should develop a comprehensive environmental monitoring plan to ensure that the environmental health of Cook Inlet is maintained; **2.6 Mitigation**, **2.7 Cumulative Impacts**, **A17 Monitoring [Administrative Policy]** - The Borough encourages the State of Alaska to develop monitoring procedures with latest technology.
- 6) Proposed location of platforms needs to be evaluated to minimize environmental disruption or conflict with fishing activities, and other established commercial, recreational, and subsistence activities. **2.3 Commercial Fishing** To the extent feasible and prudent, all temporary and permanent developments, structures, and facilities in marine and estuarine waters shall be sited, constructed, and operated in a manner that does not create a hazard or obstruction to commercial fishing operations.
- 7) The drilling season needs to be compatible with fishing harvest seasons, fish and wildlife habitat and life cycles, and other cyclic natural events. When feasible, directional drilling is encouraged to minimize use of offshore waters; **2.3 Commercial Fishing** To the extent feasible and prudent, all temporary and permanent developments, structures, and facilities in marine and estuarine waters shall be sited, constructed, and operated in a manner that does not create a hazard or obstruction to commercial fishing operations.
- 8) In all cases, projects on leases ought to utilize "best available technology" in any exploration or development; **2.6 Mitigation**.

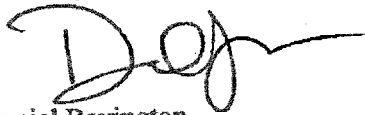
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Further, please consider the Tri-borough Agreement established by resolutions of Kenai Peninsula Borough, Kodiak Island Borough, and Lake and Peninsula Borough concerning OCS development highlighted below:

- **Tri-Borough Position 1: No Off-shore loading.**
- **Tri-Borough Position 2: Minimize Commercial Gear Fishing Conflicts.**
- **Tri-Borough Position 3: Adequate Spill Prevention and Response.**
- **Tri-Borough Position 4: Identify Critical Habitat Areas.**
- **Tri-Borough Position 5: Assure Revenue Sharing.**

We appreciate the opportunity to comment.

Sincerely,



Daniel Bevington  
Coastal District Coordinator

cc:

(Electronic only):  
Pat Galvin, DOG, DNR  
Karlee Gaskill, DNR  
Mark Fink, ADF&G  
Kerry Howard, OHMP, DNR  
Robin Willis, ADF&G  
Stewart Seaberg, DNR  
Matt Rader, DNR  
Kaye Laughlin, OPMP  
Cynthia Zuelow-Osborne, OPMP  
Max Best, KPB  
Holly Babcock, Kenai River Center