

STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF PROJECT MANAGEMENT & PERMITTING ALASKA COASTAL MANAGEMENT PROGRAM

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January 29, 2004

Minerals Management Service
Ms. Renee Orr, Chief, Leasing Division
381 Elden St., MS 4010
Herndon VA 20170-4817

Re: Outer Continental Shelf (OCS) Lease Sale 191, Cook Inlet
Proposed Consistency Response

Dear Ms. Orr:

The Office of Project Management and Permitting (OPMP) is coordinating the State's review of the federal consistency determination for OCS lease sale 191 in lower Cook Inlet for consistency with the ACMP and has developed this response based on reviewers' comments. The State of Alaska concurs with the federal consistency determination of Lease Sale 191.

Scope of Project

The MMS proposes to hold an oil and gas lease sale in federal waters of the outer continental shelf in lower Cook Inlet. The proposed Lease Sale 191 area includes 447 whole and partial blocks and approximately two million acres. The proposed Notice of Sale includes four lease-specific mitigating measures and nine "Information to Lessee" points. These measures have been designed to minimize environmental effects and impacts to the people and natural resources of Cook Inlet.

The lease sale area also encompasses two deferral areas defined in the Environmental Impact Statement as Alternative III – Lower Kenai Deferral and Alternative IV – Barren Island Deferral.

Additional information about the lease sale may be found in the Final Environmental Impact Statement (November 2003), the Notice of Sale, and the federal Consistency Determination.

Consistency Response

The Departments of Fish and Game, Natural Resources (Division Oil and Gas, OPMP and Office of Habitat Management and Permitting (OHMP)), and the Kenai Peninsula Borough coastal district have reviewed and commented on your consistency determination. Additionally, comments were received from Cook Inlet Keeper, and general comments were received from four individuals.

Based on that review, the state agencies and the coastal district have concurred with your determination that the proposed lease sale is consistent with the ACMP to the maximum extent practicable. However, concerns about oil and gas development remain and will be addressed in individual reviews for any subsequent exploration or development projects.

Elevation

Pursuant to 6 AAC 50.600, a state resource agency, the project applicant, or an affected coastal resource district that does not concur with this proposed consistency determination may request an elevation of the determination to the department's commissioner. A request for elevation must

- (1) be in writing;
- (2) be received by OPMP within five days after the requestor receives the proposed consistency determination; and
- (3) explain the requestor's concern, including any addition of or modification to an alternative measure identified that would achieve consistency with the enforceable policies of the ACMP.

Advisories

The Kenai Peninsula Borough has offered recommendations to ensure that leases are consistent with the Kenai Peninsula Borough Coastal Management Plan. Consideration should also be given to the OCS resolutions of the Tri-Borough Agreement. See attached document.

If you have any questions about this proposed consistency response to the federal Consistency Determination please contact me at (907) 269-7474.

Sincerely,


Kathleen Sheehan-Dugan
O & G Project Coordinator

Attachment

cc: William Jeffress, OPMP
Marty Rutherford, DNR
Pat Galvin, DNR
Jim Hansen, DNR
Tom Warren, MMS
Al Ott, OHMP
Paul Stang, MMS
Phyliss Casey, MMS
Mark Fink, DFG
Dan Bevington, KPB
Wayne Dolezal, DFG
Robert Scholze, KIB
Larry Dietrick, DNR
Marilyn Crockett, AOGA
Bob Shavelson, Cook Inlet Keeper
Robert Markeloff
John Spezia
Roberta Highland/Robert Archibald