

March 18, 2008

Open Letter to UAF and Sea Grant Officials Regarding the North Aleutian Basin Energy-Fisheries Initiative

To: Mark Hamilton, President, University of Alaska
Steve Jones, Chancellor, University of Alaska- Fairbanks (UAF)
Mary Hughes, Chair, University of Alaska Board of Regents
Leon Cammen, Director, NOAA Sea Grant Program
Buck Sharpton, Vice Chancellor for Research, UAF
Denis Wiesenburg, Dean, School of Fisheries and Ocean Sciences, UAF
Brian Allee, Director, NOAA Alaska Sea Grant, UAF

Cc: Governor Sarah Palin
Senator Lisa Murkowski
Senator Ted Stevens
Congressman Don Young
Senator Lyman Hoffman
Representative Bryce Edgmon

Bias within the North Aleutian Basin Energy-Fisheries Initiative Requires Corrective Action by the University of Alaska Fairbanks and Sea Grant

We, the undersigned, are writing to respectfully request your attention to a matter very important to our organizations: the North Aleutian Basin Energy-Fisheries Initiative that is being carried out by the University of Alaska Fairbanks (UAF) and Alaska Sea Grant.

The North Aleutian Basin Energy-Fisheries Initiative is primarily concerned with fostering a dialogue on an offshore oil and gas lease sale scheduled by the Minerals Management Service to occur in 2011 in Bristol Bay and southeast Bering Sea waters. The prospect of offshore drilling in Bristol Bay has a long, controversial, and costly history associated with it and remains a highly delicate and politically sensitive issue- especially within the Bristol Bay region itself.

Bristol Bay and the southeast Bering Sea support fisheries that are important at the local, national, and global level as well as diverse and abundant marine mammal and seabird populations. The extraordinary fisheries and marine life of the region are vitally important economically, ecologically, and culturally. Salmon serves as the lifeblood of the Bristol Bay region, providing a vital source of food and income for local people for thousands of years.

The values and resources of the region make the issue of fossil fuel development here an issue of high importance to a diverse array of interests including local communities, Native villages, Tribes, subsistence users, commercial fishermen, sport fishing interests, and conservation organizations. A dialogue on such an issue that is conducted by publicly-funded institutions like Sea Grant and UAF must strive to treat such a critical and controversial issue with the due diligence it deserves by ensuring that the initiative embodies the principles of objectivity, neutrality, sound science, and equal participation that is expected to be cultivated by academic institutions that the public trusts. A particular focus should also be placed on participation by those at the local and community level due to the substantial impacts that they could face from such development.

UAF and Sea Grant, however, have failed to take the steps necessary for creating a neutral, objective, and participatory dialogue on the issue of offshore oil and gas leasing in Bristol Bay. The North Aleutian Basin Energy-Fisheries Initiative is highly biased towards the interests most supportive of offshore oil and gas development in the region and has

minimized the opportunity for participation by others, especially by those who live in the Bristol Bay region.

While we are aware that Alaska Sea Grant has stated repeatedly that the North Aleutian Basin Energy-Fisheries Initiative is intended to foster a “fact-based, non-advocacy dialogue,” we do not agree that this is the nature of the event. It is not adequate to simply make public statements about the non-biased and inclusive spirit of the initiative, without also taking the necessary steps to attain the highest level of objectivity and to ensure adequate participation at the local level. The principles of neutrality and open access to the process by local people must be fully implemented and carried through at every step. Sea Grant and UAF have fallen woefully short of putting such a process in place.

Additionally, the initiative is **based on the premise that offshore oil and gas development will occur** and therefore fails to address the essential policy questions of *should* it occur here or *can* it occur here safely. By starting with the question of *how* can offshore oil and gas development take place safely in the region, and by allowing the initiative to be driven by those interests supportive of development, UAF and Sea Grant have excluded effective participation and consideration of the viewpoints of entities and organizations who remain opposed to offshore leasing in this highly sensitive area.

Especially of concern is that those excluded from shaping the initiative include some of the very people that could be affected the most by potential development. Local subsistence users, Native villages, Tribes, local Bristol Bay commercial fishing groups, and the sport fishing industry from the northern portion of the North Aleutian Basin Planning Area are not represented on the steering committee- even though repeated requests were made to include some of these interests.

Below we elaborate on our concerns and reasons for coming to the conclusion that the University of Alaska Fairbanks and Sea Grant must take corrective action with regards to the North Aleutian Basin Energy-Fisheries Initiative. Our concerns are not merely based on a single isolated issue or even the biased origin of the initiative. They are based on an accumulated chain of events and actions that stretch over a period of eight months, from the formation of the steering committee in August to the present. We believe the total sum to be an initiative whose bias towards interests supportive of development borders on egregious. Further continuation is unjust to members of the public and local residents of Bristol Bay who expect fair and neutral events sponsored by the University of Alaska and Sea Grant.

We write this letter in the spirit of cooperation and sincerely hope that we can work together to devise solutions to our very valid concerns with the initiative.

Sincerely,

Kelly Harrell,
Bristol Bay Campaign Coordinator,
Alaska Marine Conservation Council

Bob Shavelson, Executive Director,
Cook Inlet Keeper

Whit Sheard, Alaska Program Director,
Pacific Environment

Rick Steiner, Professor,
University of Alaska

Terry Hoefflerle, Executive Director,
Nunamta Aulukestai, association of
eight Bristol Bay Native village
corporations

Ralph Andersen, Chairman
*Bristol Bay Partnership**

*Includes Chief Executives of Bristol
Bay Native Association (BBNA),
Bristol Bay Economic Development
Corporation (BBEDC), Bristol Bay
Native Corporation (BBNC), Bristol
Bay Housing Authority (BBHA), Bristol
Bay Area Health Corporation (BBAHC)

Concerns with the Sea Grant North Aleutian Basin Energy/Fisheries Initiative

1. Undue Influence by Interests Who Stand to Gain Financially

- The workshop/initiative **was initiated with UAF and Sea Grant by Shell**, the company with a strong interest in Bristol Bay's hydrocarbon potential.ⁱ
- **A Shell contractor, David Holt, has been publicly identified as the organizer of the workshop/initiative.**ⁱⁱ
- The biggest contributor to the initiative is Shell, with \$25,000 invested.ⁱⁱⁱ
- The initiative was publicly stated to be modeled off of an April 2007 meeting sponsored by Shell held in Norway and coordinated by Bodo University.^{iv}
- **Formation and membership on the steering committee for the initiative was driven by Shell and the Aleutians East Borough**, the entities most supportive of offshore leasing in the North Aleutian Basin.^v
- As a testament to the interests of Shell in the forum, five contractors and/or employees of the company were present at the October 19, 2007 steering committee meeting in Anchorage.^{vi}

2. Connections Between Bodo University, Shell, and the Consumer Energy Alliance

- Direct connections exist between Bodo University- official collaborator with UAF for the initiative- Shell, and the Consumer Energy Alliance. David Holt, the organizer of the forum, is affiliated with all three of these oil industry entities as a contractor for Shell, an associate professor for Bodo University, and **Executive Director of the Consumer Energy Alliance (CEA).**^{vii}
- CEA is a lobbying arm of the oil and gas industry and has been **actively engaged in efforts to promote leasing in Bristol Bay** by generating comments on the 5-Year Outer Continental Shelf leasing program. CEA also led lobbying efforts to remove offshore drilling protections for Bristol Bay.^{viii}
- **Jan-Oddvar Sornes** from Bodo University's High North School for Business, who is a steering committee member for the initiative, is on the **Board of Advisors for CEA.**^{ix}
- Jan-Oddvar Sornes and David Holt, were largely in control of the initial October 19 steering committee meeting. Jan-Oddvar Sornes gave the initial opening presentation in the morning, a presentation at lunch, and spoke at numerous other points throughout the day while David Holt was the most prominent facilitator of the committee's discussion.
- Bodo University's High North Center for Business itself is an **affiliate member of the Consumer Energy Alliance**, therefore having a direct and open interest in expanding the areas of the U.S. Outer Continental Shelf open to oil and gas leasing, including Bristol Bay.^x

3. Initiative is Based on the Premise that Offshore Development Will Occur in Bristol Bay

- The very premise for the North Aleutian Basin Energy/Fisheries Initiative is that the 2011 lease sale *will occur* and offshore development activities will commence within the region. The initiative therefore fails to address the essential policy question of whether offshore oil and gas leasing *should* occur in the Bristol Bay in the first place.^{xi}

- By assuming the sale will occur, the forum trivializes the complex history of offshore drilling in Bristol Bay and the more than 17 years of protection for the region's waters from offshore leasing.
- By assuming leasing will occur, the forum excludes adequate consideration of- and participation by- the numerous and diverse interests who continue to oppose offshore oil and gas leasing in the Bristol Bay region, including local Tribes and Native Villages as well as subsistence and commercial fishing interests.^{xii}
- By assuming leasing will occur, the forum ignores comments by the Department of the Interior (DOI) that state a lease sale is not necessarily going to occur because it is included in the 5-Year Leasing Outer Continental Shelf Leasing program. DOI has stressed that environmental impacts analyses and public comment will be thoroughly considered before a decision to hold the lease sale is made.^{xiii}
- Assuming the lease sale will occur also conflicts with the comments on the 5-Year Outer Continental Shelf Leasing Program submitted to MMS by National Marine Fisheries Service Alaska Regional Office, which recommended deletion of the North Aleutian Basin from the 5-Year Leasing Program and initiation of a comprehensive research program that would be necessary to support leasing.^{xiv}

4. Minimization of Local Tribal, Fishing and Subsistence Voice

- Local Bristol Bay subsistence interests were noticeably absent in the planning process for the initiative, although repeated requests were made to include them on the steering committee.
- There are currently no local subsistence, local commercial fishing groups, sport fishing, Tribal or Native village representatives on the steering committee from communities in the northern part of the North Aleutian Basin Planning Area.
- One member of the steering committee, in fact, withdrew from the planning process in objection to this blatant exclusion and for reasons relating to the lack of adequate representation of these interests within the Bristol Bay region.

5. Minimization of Conservation Voice

- Only one individual out of the 23 members of the steering committee represents a conservation organization- Bubba Cook of the World Wildlife Fund.
- Kelly Harrell, Bristol Bay Campaign Coordinator for the Alaska Marine Conservation Council, made repeated and timely requests to Sea Grant for a seat on the steering committee but was notified that steering committee members had already been selected and there was no more room on the committee.
- Also excluded from the workshop planning process was the only University of Alaska faculty member with a significant program on Outer Continental Shelf issues, Professor Rick Steiner, who has long-term, global experience with the issue, but is critical of Shell's plans to drill this region.

6. Dissemination of Biased and False Information to the Public

- In a number of public statements, UAF and Sea Grant have promoted the idea that oil and fisheries successfully coexisted in Norway as a fact, with the implication that they can also successfully coexist in Bristol Bay. UAF however, has not conducted academic analysis or research on this topic, and therefore makes such statements without sufficient evidence. Furthermore, recent news points to serious conflicts between the oil and gas industry and fisheries in Norway (see attached articles).

- A Sea Grant news release on the forum dated October 9, 2007 reads, **“Because offshore oil and gas development and commercial fishing have successfully coexisted in Norway for 40 years, organizers said the discussion offers lessons for Alaska.”**^{xv}
- For a period of weeks on the ComFish website, the title of the initiative’s meeting in Kodiak scheduled March 21, 2008 was listed as, **“Can oil/gas development and fisheries co-exist? Norway says yes”**^{xvi}
- The initiative’s website has mischaracterized the forum and workshop as a collaborative initiative among diverse interests including “environmentalists” and “community leaders.”^{xvii} As stated above, the steering committee was hand-picked by entities supportive of development and excluded other conservation and local representatives that repeatedly expressed a desire to more fully participate.
- The ‘Background’ information section on the initiative’s webpage provides a highly **unbalanced view on the issue, as it lists numerous potential benefits of oil and gas development, but discusses none of the potential risks.**^{xviii}

Conclusions and Requests

A neutral, unbiased dialogue as Sea Grant and UAF have stated they are supporting cannot be realized given the level of involvement in the initiative by Shell who has a significant vested interest in opening Bristol Bay to offshore oil and gas development. Additionally, the absence of equal participation by local people from within the northern part of the Bristol Bay region effectively precludes any attempts at a fair and balanced dialogue.

- We request that the University of Alaska Fairbanks and Sea Grant **discontinue all future plans for the North Aleutian Basin Energy Fisheries Initiative in its current form.** Any further dialogue that UAF and/or Sea Grant wishes to foster on the issue should embody the principles of neutrality, objectivity, and full participation by all interested parties, especially those who live, work, and harvest their food from within the Bristol Bay region.
- We request that any further dialogue on the issue undertaken by UAF and Sea Grant does not assume, in any way- either explicit or implicit- that the lease sale will or should occur in the North Aleutian Basin.
- We also request that the University of Alaska and Sea Grant **cease collaboration with Bodo University**, due to its ties to the Consumer Energy Alliance and Shell. This includes any further collaboration through the North Aleutian Basin Energy-Fisheries Initiative as discussed here, but also applies to any possible future collaboration through research programs, student exchanges, and other related items, activities, and programs.
- We request that in the future, Sea Grant and the University of Alaska **decline any direct funding from Royal Dutch Shell**, its contractors, subsidiaries, or any other affiliate for public outreach activities, education, or research related to offshore oil and gas leasing in the North Aleutian Basin due to the strong conflict of interest that exists here. Research funds provided by an entity that has a direct

conflict of interest should be channeled through a governmental body such as the National Science Foundation or federal agencies and should address research needs identified and agreed upon by appropriate and independent scientific bodies. It is critical that Shell, who has a strong financial stake in research related to offshore oil and gas issues in Alaska, does not in any way drive the research agenda, which would call into question the credibility and objectivity of Alaska's public university.

We thank you sincerely for your consideration of these comments, concerns, and requests on this important matter. Follow-up questions, commentary, and responses should be directed to:

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ⁱ Comments made by Denis Wiesenburg, Dean of the UAF School of Fisheries and Ocean Sciences, to Kelly Harrell at the October 19, 2007 steering committee meeting.

ⁱⁱ Comments made by David Holt at the Oct. 19 steering committee meeting; see also ComFish website at: http://comfishalaska.com/index.php?option=com_content&task=blogsection&id=5&Itemid=35 (language attached)

ⁱⁱⁱ See list of financial contributors at:

http://seagrant.uaf.edu/research/projects/initiatives/energy_and_fisheries/partners_and_supporters/.

^{iv} Sea Grant Alaska News Release, October 9, 2007. "UAF, Bodo University create forum for dialogue between North Aleutian stakeholders on fisheries and offshore energy development." (see attachment for full release)

^v Comments made at the steering committee meeting by Shell and Aleutian East Borough representatives, recording of meeting can be attained from Alaska Sea Grant.

^{vi} Steering Committee Meeting Sign-In Sheet and Meeting Notes, October 19, 2007. Shell contractors/employees present: David Holt, John Iani, Paul Stang, Curtis Smith, and Greg Nady.

^{vii} See Consumer Energy Alliance Website, "Message from the Executive Director"

https://www.bipac.net/page.asp?g=cea&content=message_david&parent=CEA.

^{viii} See "About CEA" at <https://www.bipac.net/page.asp?g=cea&content=about>; also see attached PowerPoint presentation on CEA from David Holt and Petroleum News article.

^{ix} See "Consumer Energy Alliance Board of Advisors" at:

<http://www.consumerenergyalliance.org/page.asp?g=cea&content=board&parent=CEA>

^x See "Consumer Energy Alliance Affiliates" at:

<http://www.consumerenergyalliance.org/page.asp?g=cea&content=affiliates>

^{xi} Sea Grant Alaska News Release, January 23, 2008, "Dialogue sought on North Aleutian Basin oil and gas development..." (see attachment for full release)

^{xii} See attached "Open Letter to the President," "Joint Letter to the President," and Resolutions on Offshore Oil and Gas Drilling in Bristol Bay.

^{xiii} See Department of Interior news releases at: http://www.doi.gov/news/07_News_Releases/070629a.html and http://www.doi.gov/news/07_News_Releases/070109.html.

^{xiv} See attached NMFS comments on the Draft Proposed 5-Year OCS Leasing Program.

^{xv} Sea Grant Alaska News Release, October 9, 2007. “UAF, Bodo University create forum for dialogue between North Aleutian stakeholders on fisheries and offshore energy development.” (see attachment for full release).

^{xvi} See attached language from ComFish website.

^{xvii} See description of initiative at: <http://seagrant.uaf.edu/conferences/2008/energy-fisheries/index.html>

^{xviii} See “Background” accessed March 9, 2008 at:

http://seagrant.uaf.edu/research/projects/initiatives/energy_and_fisheries/background/ (also attached)