

#### Federal Overreach In An Era Of Congressional Gridlock

Resource Development Council for Alaska 33<sup>rd</sup> Annual Alaska Resources Conference November 15, 2012 Anchorage, Alaska



### THIS IS A TOTAL OVERREACH

- Under the radar
- Outside of statute
- Executive Order, ignores regulatory processes, Admin Procedures Act
- Total disregard for private sector
- Total disregard/encroachment on state authority
- Missed opportunity to develop infrastructure
- Bad for Alaska





### WHAT AN OCEAN POLICY SHOULD ACHIEVE

- More support for industrial and economic uses of coastal and marine areas
- A mechanism for economic growth
- Greater application and understanding of marine science
- Improved coastal infrastructure
- Better monitoring/support of maritime traffic and tankers





### HOW ALASKA COULD BENEFIT

•Investments in fishing, deepwater ports, icebreakers, Arctic forward-basing

•Greater understanding of impacts of Russian Arctic by-catch helps lead to salmon recovery Alaskan Arctic

•Alaska's role in global aviation represents 10% of Alaskan jobs. Imagine the jobs that could come from Arctic trade routes

•Significant economic contributions resulting from Northwest Passage maritime activity

Access to affordable energy





### **TODAY' S REALITY**

 International NGOs and institutions are working to take areas off the table for potential development – nowhere worse than the Arctic

Alaskan offshore drilling, NPR-A, LNG, and pipeline projects facing significant delays and restrictions. Ocean Policy impacts it all

 National Ocean Policy is the latest example of federal overreach that could place Alaska's bright future at risk





# NATIONAL OCEAN POLICY

- Interagency Ocean Policy Task Force
- July 19, 2010 Final Recommendations and Executive Order
- National Ocean Council Public Comment Periods
- National Ocean Policy Implementation Plan





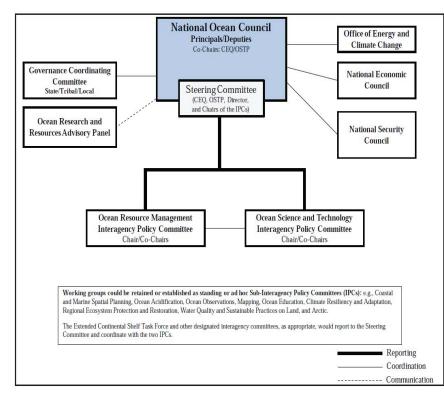
# **EXECUTIVE ORDER 13547**

- Establishes the National Ocean Policy
- Federal entities required to implement policy components including "Coastal and Marine Spatial Planning," which the Interior Department has referred to as a national zoning plan, Ecosystem-Based Management, and formal recognition of "precautionary approach"
- Establishes 54-member National Ocean Council and directs the formation of 9 new regional planning bodies, including one for the Alaska region, to "identif[y] areas most suitable for various types or classes of activities"
- •Myriad of federal agencies
- Any disputes at regional level to be resolved by National Ocean Council, or the President if necessary





# **NEW REGULATORY STRUCTURE**



*Source*: Final Recommendations of the Interagency Ocean Policy Task Force, Pages 19 and 53, *available at* http://www.whitehouse.gov/files/documents/OPTF\_FinalRecs.pdf

#### Alaska Regional Planning Body

- Moving forward despite concerns of state officials
- At least eight federal members from Interior Department agencies and Coast Guard alone









United States Coast Guard





### "COASTAL & MARINE SPATIAL PLANNING"

- To "better manage" a host of ocean/coastal activities: commerce, transportation, commercial/recreational fishing, boating, aquaculture, oil and gas and renewable energy, ports and harbors, subsistence uses, tourism, and traditional hunting, fishing, and gathering
- CMSP also to include inland bays and estuaries, and additional inland areas as Regional Planning Body "deem[s] appropriate," mining, forestry, agriculture, etc...
- Zoning plans to be developed by Regional Planning Bodies comprised solely of government officials, and to be certified and subject to "national consistency" determination by National Ocean Council
- Not state-driven: If state(s) decide not to participate, "development or implementation of the CMS Plan would continue;" "Federal agencies...are required...to conduct CMSP...if States are not members of the RPB, they will be engaged throughout the process"





# **IMPLICATIONS FOR ALASKA**

- Restrictions and prohibitions on energy development
  - Policy cited as justification in part for preclusion of potential OCS oil and gas leasing outside areas with existing leases through at least 2017
  - 2012-2017 5-Year Program: potential Beaufort/Chukchi lease sales pushed to end of period and subject to "targeted" leasing (to focus on areas with "greatest resource potential while minimizing potential conflicts...")
  - Interior Dept.'s "Integrated Arctic Management" initiative in furtherance of Ecosystem-Based Management to "assist in making sound decisions" for future Arctic offshore and onshore infrastructure development
- "Requirements and regulations...that include enforcement as a critical component;" zoning plans to "serve as an overlay for decisions made under existing...mandates"
- Exploration of "feasible alternative scenarios for the...relocation of built infrastructure (e.g. coastal roads, port facilities, dam operation)...," and proposal to reduce the impacts of "stressors" from activities such as "resource extraction"
- Outside groups have already sought to restrict shipping activity, citing the National Ocean Policy in part as applicable legal authority





# **IMPACTS ON EXISTING EFFORTS?**

- Alaska is already engaged in existing initiatives to address ocean and coastal issues, through existing programs such as the North Slope Science Initiative
- Will the National Ocean Council deem ocean and coastal activities that further existing state and regional initiatives to be "nationally consistent" with new "Coastal and Marine Spatial Plans"?
- How might federal support for existing crucial investments designed to support crucial economic activities be impacted in light of the directive to federal agencies to prioritize the National Ocean Policy in their budgets and explore how existing resources can be repurposed?







- As part of an overall effort to avoid harmful impacts and unintended consequences, brings together a diverse array of economic and recreational groups to speak with unified voice about NOP concerns
- NOPC represents interests including agriculture, energy, manufacturing, boating, fishing, ports, shipping, and waterborne commerce
- Alaska member organizations include Resource Development Council, Alaska State Chamber of Commerce, and Alaska Support Industry Alliance







# **2102 ACCOMPLISHMENTS**

#### Enhanced Policy Oversight in Congress

- House Natural Resources Committee held hearings in Washington, DC, Alaska, and Florida, letters to White House
- 9 U.S. Senators voiced concerns and issued request in writing for Senate hearings *Significant Legislative Actions*
- House passage of funding prohibition in bipartisan 246-174 vote
- Prohibition language in House Interior/Environment FY 2013 approps. bill
- Clarifying language in House Reports for State, Defense, and Fin. & Govt. Services FY 2013 approps. bills that no funds were recommended for NOP
- Potential NOP funding source was removed with the withdrawal of National Endowment for the Oceans provision from the RESTORE Act

#### Increased Public Awareness in Congress, the States, and User Communities

- Held 2 Capitol Hill call-ups with 19 House and Senate Dem/GOP offices and committees
- In a letter to President Obama, Governors from Alabama, Alaska, Louisiana, Mississippi, South Carolina, Texas, and Virginia conveyed concerns about the NOP





## WHERE FROM HERE

• NRDC Op Ed "With the Election Over, "Forward" Means Moving Ahead with Smart Ocean Planning

• Ed Markey from Massachusetts "opposing ocean planning is like opposing air traffic control: You can do it, but it will cause a mess or lead to dire consequences."

• Likely going to try to roll Congress and the states and implement

• State of Alaska given two weeks to provide comments on the preparation of an initial Alaska Interagency Working Group report to address key elements of an "Integrated Arctic Management" framework.

• BOEM's website states the agency "is set to become the co-lead alongside the State of Alaska for NOP in June 2013,"

• Despite the fact that AK has not yet indicated that it will in fact participate.







CEA works with elected leaders, stakeholders and consumers to create balanced energy policy & maintain stable energy supplies & prices, expanding the dialogue between energy producers/deliverers & consumers

#### **Approach**

- Open dialogue on balanced energy policy:
  - Increased oil & natural gas supply
  - Expanded use of alternative energy
  - Improved conservation & energy efficiency
  - Energy education: What energy means in the daily lives of consumers
- Energy/consumer dialogue helps introduce new groups to the equation
- National campaigns to bring energy industry & stakeholders together
- Take messaging to your customers & consumers
  - Unified, coherent messaging
  - Industry/consumer coalition & message-building
  - Effective dialogue among interested stakeholders
  - Long-term comprehensive grassroots & grasstops campaign