

ALASKA DEEP DRAFT ARCTIC PORTS STUDY

PUBLIC COMMENTS

COMMENTS RECEIVED VIA EMAIL

Wednesday, January 30, 2013 1:11 PM

I am including a short summary of your comments in the daily log to Mayor Sullivan and his Executive Staff. I am also forwarding your email to the Mayor's Chief of Staff and Municipal Manager for review.

Sincerely,

Mary Croxton
Office of Mayor Dan Sullivan

Wednesday, January 30, 2013 1:28 PM

Point Hope is located right at the intersection of turning to Russia or toward Canada. It is unfortunate that you feel we are outside your scope of your study area. We have concerns on responding to incidents in our area, since Nome and Kotzebue is a considerable distance from the turning point of the northern arctic route ship traffic.

Jack Schaefer

Thursday, January 31, 2013 10:01 AM

Greetings from Mekoryuk,

I reviewed the report and had a question. In the report, Mekoryuk is mentioned, is the the location where the bathymetric study was done (the data that is in the report)? A bathymetric study was done June of 2011 by the Corps, at Cape Etolin. The Community agreed this would be the location if a port was ever constructed (Cape Etolin).

Quyana,

Dale Smith
Native Village of Mekoryuk

Friday, February 08, 2013 9:46 AM

I just finished reviewing the draft ACE study for the Alaska Deep-Draft Arctic Ports System and commend the resulting recommendations. I have been involved in arctic maritime service for 15 years

now and I have a certain amount of knowledge of all sites considered in this study. This study fails however in justifying itself. There is very little need to study a deep-draft port site two days north of Dutch Harbor when neither industry nor government will ever need it in lieu of Dutch. The need to land in Alaska arctic is refuel, take on potable water, offload black water, crew change, resupply, offload contaminated solids/liquids, and receive/deliver freight. Deep draft vessels, due to their sheer size, have greater range and self-sustainability to hold their port need to a minimum, it is the medium-draft vessels that are quickly stranded in the arctic. You people missed a great opportunity to provide a meaningful analysis when you limited this study to a deep-draft analysis rather than a medium-draft analysis that industry, the residents, and government truly need here.

Bob Shears
Wainwright, AK

Tuesday, February 12, 2013 1:57 AM

Here's a vital piece of information for anybody involved in the continued feasibility study of the Nome area. An old 75ft deep dredge lagoon is located approx. 2 miles west of Port of Nome inside city limits near West Beach with ocean access for small craft. This property is part of the 114,000 acres surrounding Nome owned by Nome Gold Alaska Inc. NGAI is an active large-scale placer mining operation seeking alternative use and dispersal of its played-out properties. The road-accessible lagoon property off West Beach is already mined, vacant, and suited near existing infrastructure for a new large port excavation. My friend is the property manager and mine superintendent of NGAI, his name is Barry Clay. An accurate feasibility study should include an interview with him, and he can be contacted on his cell at (907) 841-7059. Anybody researching Nome for a Deep Port Study may discover NGAI, but unlikely they will ever find an audience with Barry Clay and his vast knowledge of Nome's unique civil engineering challenges, regional issues, and logistic strategies without this clue I give you.

Tell him I referred you, and bring a good bottle of scotch.

Bob Shears
Wainwright, AK

Tuesday, February 19, 2013 10:34 AM

I read through the Arctic ports report last night. The regional planning approach is, as you said, vague in its treatment of tangible opportunities and constraints. Here are some notes from my quick read:

Criteria

- No environmental or cultural constraints
- No costs explicitly in decisions

- The exact service of the port or ports is not defined; cargoes, throughputs, services (security, SAR...), refuge, repairs, refueling, offshore development supply, oil and gas pipelines, LNG export,...
- Natural depths – i.e., to minimize dredging or building long trestle, e.g., DeLong Mountain port designs; not quantitatively addressed in report
 - Needs to be addressed for each site in some objective fashion; how long a trestle? How much initial and annual dredging?
- No explicit criteria for security advantages; Navy; USCG...
 - Security patrols and interventions, SAR...
- Except for Nome on short list, almost no one lives at sites; no existing commerce
 - Port Clarence; nice refuge – nothing happening there; no link except air; not an established hub of any sort already
 - Barrow – established hub, but physical disadvantages: are they really insurmountable? What could be built to use Barrow’s location to advantage?
- The design fleet is vague; standard criteria for port design
- The shipping routes are not mapped with respect to service from candidate sites; no analysis of how far “out of the way” they are – substantial costs in travel time
- The Executive Summary drops from 4 to 2 candidate sites without explanation
- Ice conditions in various sites not addressed
- Little input from practicing mariners (pilots, shipping companies, Coast Guard...); implied participation in meetings, but I didn’t recognize site-specific knowledge from bridge crews who have served these areas (Crowley, etc.)
 - What other sites would barge companies and pilots suggest?
- Other chronic problems may constraint port development; storm surge frequency, low visibility, adverse wave climat; no mariner advise or climatology applied that I could tell

The project seems a good one to try time-and-motion modeling, with Monte-Carlo approach to combinations of conditions.

This would bring more objectivity into the evaluation versus a consensus approach from a small group.

Orson P. Smith, PE, Ph.D.
Professor of Civil Engineering and Interim Dean
School of Engineering, University of Alaska Anchorage

Wednesday, February 27, 2013 11:51 AM

Project Study Team:

The Division of Oil and Gas (DO&G) is commenting on the Alaska Deep-Draft Arctic Port System Study, dated January 25, 2013. The Division is a proponent of increasing the Alaskan Arctic coastal deep-draft ports in support of continued exploration and development of oil and gas resources in Alaska's

Arctic. The recommendations of the draft study are a positive step toward meeting the deep-draft port needs and commercial opportunities with development of the Arctic region.

The oil and gas resources of Alaska's North Slope are critical to the state and have been supported from maritime activity since discovery. To highlight this, the Division recommends:

- Identifying existing and prospective oil and gas activities on the North Slope and in adjacent state and federal waters would strengthen the report. A map of state and federal leases would complement the discussion. A supporting table of lessees would identify specific industry interest in North Slope and offshore oil and gas.
- Developing a table of distances between oil and gas areas and priority locations for "Port Proximity"
- Adding a table of seasonal maritime support involved in annual oil and gas development barge lifts and present and projected offshore exploration and drilling.

These additions would strengthen the report by providing current information on the development of oil and gas resources in the Arctic and potential use of and/or need for an Arctic Deep-draft Port and value of a Port of Refuge.

Thank you for allowing the Division of Oil and Gas to comment. Based on your interest in our recommended additions, the Division will provide information on state oil and gas interests on the North Slope.

Bob Pawlowski
Legislative and Policy Advisor
DNR Division of Oil & Gas

COMMENTS RECEIVED VIA FORMAL LETTER



KIC
Kikiktagruk Inupiat Corporation

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Anchorage, Alaska 99503
Ph: (907) 277-7884
Fax: (907) 277-9618

February 15, 2013

RE: Alaska Deep Draft Arctic Port Study

Dear Study Group, AKDOT/PF & USACE-AK,

My comments relate to the considerations regarding Kotzebue and its proposed location for a deep water port at Cape Blossom.

1. On page 37 of the study, the comments about Cape Blossom (Kotzebue) show only limited, one line remarks. This may be a formatting problem at the time of printing but it appears to show that Cape Blossom was only given minor review. (Page attached)
2. The report places a great deal of weight on sites that have community infrastructure in place. It also makes reference to the relationship between AIEDA and some of the sites and the weight that was given by the review team for financial commitments. I saw no mention of appropriations for Port facilities and infrastructure, which relates to Study group's assessment of the site. Kotzebue has two significant appropriations from the State of Alaska, for road construction in support of the Cape Blossom Deep Water Port.
3. The evaluation did not seem to place much weight on the importance of exposure to weather. As Shell's recent experience dramatically demonstrated, Alaska's weather must always be a paramount consideration when assessing marine matters. Kotzebue's proposed location is extremely sheltered, far more so than the two Nome locations.

I appreciate your consideration of my comments prior to final adoption of the Alaska Deep Draft Arctic Port Study.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Daniels", written over a white background.

Larry Daniels
VP



CITY OF SAINT PAUL

P.O. BOX 901
SAINT PAUL ISLAND, ALASKA
99660-0901
(907) 546-3100
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February 22, 2013

Alaska Regional Ports POA
Attn: Andria L. Werning Andria.L.Werning@usace.army.mil

Re: Alaska Deep Draft Arctic Port System Study

To Whom It May Concern:

The City of Saint Paul has reviewed with great interest the Alaska Deep-Draft Arctic Port System Study (hereinafter "the study"). We want to congratulate the U.S. Army Corps of Engineers and the State of Alaska Department of Transportation and Facilities for the foresight and thought put into the process resulting in this draft study. We are also heartened by the planning and preparation that the state and our nation is undertaking to respond to oil and gas exploration and development in the Arctic Ocean, as well as the expected increase in vessel traffic between the nations of the North Atlantic and the North Pacific, which includes large trading economies such as China, Japan, and the European Union, as well as the United States.

The Pribilof Islands which are constituted by St. Paul Island and neighboring St. George Island, are at the epicenter of the nation's most valuable commercial fisheries in the Bering Sea. The Pribilof Islands are also critical breeding ground and habitat for seabirds and marine mammals such as the endangered Steller Sea Lion, the threatened Steller Eider and Spectacled Eider ducks, and the depleted Northern Fur Seal. St. Paul's population of 450 residents is also the largest Aleut community in the world. In the last three decades since the phase out of the fur seal harvest by the federal government in 1983, St. Paul has made considerable progress in developing a fisheries-based economy. This progress required the construction of a harbor, small boat harbor, and other support-infrastructure at great local sacrifice, and with the support of the state and federal governments.

Our strategically located community views the development of the Arctic Ocean and increased maritime traffic as an opportunity. However, opportunities are accompanied by risks. An accident or foreign attack along the maritime routes accessing the Arctic which are adjacent to St. Paul Island could have devastating impacts on the region's fisheries, marine wildlife, and the continued existence of our historically and culturally unique community. St. Paul and its existing infrastructure are ideally located to support both the development of the Arctic, and respond to the risks and threats associated with its development. *At the very least, St. Paul Island should be viewed by the state and the nation as a forward base to respond rapidly to an accident requiring the evacuation and medical treatment of large numbers of people, or to an event such as an oil spill which could devastate the fisheries-dependent economies of the communities along the Bering Sea.*

We believe the study does not sufficiently address some of the above scenarios, and what improvements to St. Paul's existing infrastructure could be undertaken to prepare for them. While hubs such as Nome or Unalaska offer a number of advantages, distances and conditions in Alaska require the ability to respond from a number of locations. St. Paul has a harbor, a recently upgraded airport, a medical center, a fuel farm, a Coast Guard base and a weather station. Tens of millions of local, state, and federal dollars have been invested in these facilities. By way of example, recent improvements to St. Paul's harbor and the addition of a small boat harbor alone have cost over \$70 million. These existing investments could be put to use to support the development of the Arctic Ocean.

We, therefore, urge the study to evaluate St. Paul Island in light of the above considerations, and invite you to engage with our community regarding to the type of infrastructure and support that may be needed under different scenarios. The Aleut people have lived along the Bering Sea and depended on its resources for thousands of years. We have a stake in its development and the continued health of its resources. Our existence as a community depends on it.

Sincerely,



Jacob N. Mercurief, Mayor
On behalf of the Council of the
City of Saint Paul



February 26, 2013

Arctic Port Study
3132 Channel Dr.,
P.O. Box 112500
Juneau, AK 99811-2500

Re: Pacific Environment Comments on Alaska Draft Arctic Port System Study

Dear Alaska Arctic Port System Study Group:

Thank you for the opportunity to provide input on the Alaska Deep Draft Arctic Port System Study (hereafter Port Study). Pacific Environment respectfully submits the following comments:

Biased narrowing of the study to serve private investors: As shipping increases in Alaska's Arctic waters, infrastructure that serves and protects mariners' and coastal communities' needs and safeguards the environment is an imperative. Unfortunately, the Port Study begins from a very broad view on how to achieve that and narrows its scope to one that prioritizes proximity to oil gas and mining resources and the desires of private financiers as key drivers in the decision-making process.

The Port Study describes itself as building from previous studies, workshops, meetings & discussions involving a wide variety of local, regional and national stakeholders & policy leaders concerned about a wide-range of topics concerning the growing shipping-related infrastructure needs in the Arctic. Supporting this broad view of infrastructure, early on the Port Study references a list of 900+ port and harbor needs state-wide, which presumably includes economic, social, cultural, environmental and a wide range of other considerations.

Yet, the Port Study goes then prioritizes only four proposed deepwater ports: Nome, Port Clarence, Cape Darby, and Barrow. Further in the study, the final recommendations shortlists only Nome and Port Clarence for the focus of feasibility work for 2013-2013, "using physical criteria and alignment with potential investors; P3 development; and Port management authority." The first criterion used to reach this conclusion is Port Proximity to Mission (Oil and Gas, and Mining as key drivers) and the Port Study states that "private industry was expected to lead the siting. Their decisions are led by making the business case, with proximity to resources and quantity of resources present as the primary drivers." Thus, irrespective of the port needs across the Alaskan Arctic, the broader need for appropriate port infrastructure that serves the public interest is sidelined by what the Port Study refers to as the "primacy of private investment."

The remaining criteria used to prioritize the dwindling number of prioritized port sites are physical characteristics, including intermodal connections, upland support, natural water depth

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and navigation accessibility, which while important, omits and therefore deprioritizes other key criteria such as ecological, cultural, sovereignty and other crucial public interest concerns. Where the Port Study does discuss these concerns, it relegates them to a cursory section entitled “Other Factors,” which concludes that there is insufficient information on accurate cost estimates (which represents a failure to collect environmental baseline data) and that “once sites are selected and construction alternatives are developed, then cost should and will be used as a criterion in final selection for the ‘best’ alternative(s) for construction. This demonstrates that environmental factors are not criteria in prioritized port site selection, but rather is marginalized to mitigation measures around the edges of deep port infrastructure plans determined on the “primacy of private industry investment.”

Indigenous Communities and the Environment: The Port Study discusses but ultimately diminishes the need for protection of indigenous communities from potential negative impacts of deepwater ports. To its credit, the Port Study’s Executive Summary references that the Arctic Council’s 2009 Arctic Marine Shipping Assessment (AMSA) “provided key information about future Arctic scenarios” a section which identifies important indigenous peoples marine use along the coastlines and waters of the Alaskan Arctic. Also, the Port Study Executive Summary acknowledges the need to protect indigenous peoples welfare from resource exploitation insofar as it states that “rural communities are reliant on a subsistence lifestyle. Food resources could be jeopardized by increased traffic.” The Port Study then refers to indigenous food resources in various other sections, such as in descriptions of candidate deep water port areas. Yet, in the end, the Port Study does not identify threats to these resources from construction and operation of deepwater ports, nor does it appear to factor these threats in criteria used to prioritize a narrow selection of projects serving the “primacy of private investment interests.” Moreover, the need to protect indigenous food resources is nowhere to be found in the Port Study conclusion.

Similarly, the 2009 AMSA futures scenarios section includes a description of threats to ecosystems and bio-resources in the Alaskan Arctic marine environment, including to cetaceans and other marine mammals, fish and birds, some of which are endangered. The Ports Study references the need for environmental protection in various sections, but without anywhere near the elaboration that is given to physical and financial constraints to developing deep water ports intended to serve the “primacy of private industry investment.”

Lack of baseline information on all kinds of parameters, including ecological data, is a significant problem for planning in the Arctic marine environment. In the absence of such baseline data, projections of impacts and necessary mitigation measures becomes at best educated guesses. The Port Study seems to acknowledge this, but with extremely limited exception refers to physical rather than environmental baselines. What’s more, the Port Study’s conclusion includes a recommendation for NOAA to collect and provide baseline data on hydrographic and bathymetric data, but not environmental data, despite the agency’s strong environmental competency.

Sovereignty: The Port Study states that increasing foreign trade in and through the Arctic waters and resource development in international waters highlight the need to support federal sovereignty. The need to protect sovereignty is one of the evaluation criteria used in the 2011 Arctic Ports Charrette, one of the processes that was supposed to feed into and inform the Ports

Study. To its credit, the Port Study highlights the limited facilities to support national agencies to monitor and maintain a presence in Arctic waters. Yet, the type and location of port infrastructure that serves national sovereignty would be based on criteria for that purpose. Simultaneously, port infrastructure that supports the protection of sovereignty can also be used by national and state agencies' efforts to respond to maritime incidents and accidents that can help protect mariners at sea as well as coastal indigenous communities and the environment. The criteria used to determine what kind of port infrastructure should be located where to enhance sovereignty and environmental and community protection will likely be different than the criteria used in the Port Study to merely determine physical constraints to resource extraction to serve the "primacy of private industry investment." Yet, along with environmental constraints, sovereignty is relegated to the cursory "Other Factors" section, while criteria for port selection prioritizes private sector extractive industries investment.

Finance: The Port Study pays considerable attention to the need to finance deepwater port construction. This includes extensive discussion of the pros and cons of Public Private Partnerships (P3). P3s are a growing global phenomenon which is often presented by project proponents as a way for the supposedly resource-strapped public sector to raise money from the supposedly resource-rich private sectors. Yet, in many situations the private sector will not invest in infrastructure unless projects are subsidized in one way or another by the public sector, often resulting in short-term public costs and long-term public debt, and otherwise an unequal sharing of benefits.

To its credit, the Port Study includes a section on the drawbacks, as well as the perceived benefits of P3s. Drawbacks can include:

- Conflicts of interest
- Lack of transparency
- Risky financial agreements
- Costs that can be higher than public capital
- Ceding of government control of aspects of projects which users and citizens still hold government accountable
- Liability issues
- Labor concerns

Yet, the main thrust of the Port Study is to favor port selection based on what is best for private sector extractive industries projects and the "primacy of private industry investment." Thus, we cannot conclude that the Port Study was developed in the best interests of the public.

Sincerely,

Kevin Harun
Arctic Program Director
Pacific Environment



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www.nomealaska.org

February 27, 2013

US Army Corps of Engineers, Alaska District
State of Alaska, Department of Transportation

Via: AKregports@usace.army.mil

Subject: Public Comments for the Alaska Deep Draft Arctic Port System Study

Dear Project Development Team;

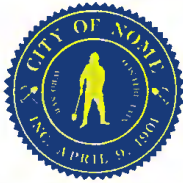
The City of Nome supports the recommendation set forth in the USACE/DOTPF Alaska Deep-Draft Arctic Port System Study identifying Nome and Port Clarence on the short list and to move forward with the required studies and public-private partnerships required to move this study to the next phase.

In 1981, a Port Master Plan study identified the need to construct a 3,600' long causeway to support medium-draft ocean-going vessels to -35 MLLW. In 1985 the facility final construction was 2,712' with a -22.5 depth. The Port of Nome is a significant and strategic transportation hub, by extending the causeway out to -35 MLLW it will allow the Port of Nome to meet current ocean-going commerce, research and development activities.

The USACE completed the Nome Harbor Improvements Project in 2006 which added an additional 3,025' breakwater east of the existing Causeway and a 270' spur on the end of the Causeway. These necessary improvements allow the Port of Nome to serve additional vessels in a more protected marine environment. We have completed many improvements to the inner Harbor in partnership with the region's CDQ Norton Sound Economic Development Corporation, along with EDA and the State of Alaska.

The City of Nome has completed design concepts to extend the causeway out to -35' MLLW with an estimate construction cost of \$50 million. The City's next phase is to start the preliminary design and environmental analysis with \$1 million set aside from the State GO bond that was approved by the voters in 2012. The City of Nome has full regional support for this project.

With the historic winter refueling event in January 2012, the USCG icebreaker Healy was able to break shore fast ice within 460 yards (1380') in 38' of water from the end of the causeway to allow the T/V Renda to transfer fuel. The icebreaker Healy was 865 yards east of the Renda in 40' of water when hove-to.



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The Bering Strait has seen an increased in ocean vessel traffic due to the opening of the Arctic with economic development opportunities in resource development along with international scientific research and tourism. Marine Exchange of Alaska started recording traffic data in 2009:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total transit recorded through the Bering Straits	277	338	239	316
Northern Sea Route transits (increased 10 fold)		4	34	46

The Port of Nome has seen an increase in ocean vessel traffic as documented in statistical data. In 1990, there were a mere 30 port calls consisting of mostly cargo barges and a few fishing trawlers. In 2012 this has increased ten-fold with **435** port calls using Nome as a resupply location for fuel and personnel transfers. For 2012 there were 50 vessels waiting at roadstead for docking space, the prior year was less than 15. The peak time of port activity is when vessels are traversing through the Bering Strait as they pass through Nome on their journey to explore the outer continental shelf (OCS).

The United States needs to be prepared for this impact by providing services and to prepare for security and environmental issues that may arise with larger vessels. Scientists continue to study and monitor climate change. The Port of Nome is in a strategic location to meet the demands once the causeway is extended to -35 MLLW.

The investment in Nome port and harbor will provide a support base for response and enforcement vessels of the US government assert US sovereignty in the region and enable our country to protect our expanding economic fisheries interests. An immediate and important benefit of this investment in the City's infrastructure will be the increased efficiency in rural Western Alaska logistical support. With improvements of the port, resource development may become more economical for the private sector's operations and will result in continued stimulus to the region and State economy.

The City also supports the Governor's Western Access Study which is a transportation corridor from Interior Alaska to Western Alaska, the "Road to Nome". This route allows access to resources for development. Extending the Nome Port Causeway would tie in the needed infrastructure to allow those resources to be stored in Nome and barged out.


If the team requires updated data, the City would be more than happy to supply the data. We look forward to working with all partners. If you have any questions please contact myself or Josie Bahnke, City Manager at 907/443-6600 or email us a dmichels@nomealaska.org or jbahnke@nomealaska.org. We would like to thank all team members who have invested a lot of time and effort in compiling data and completing the report.

Sincerely,

Denise Michels
Mayor

W170°

N57°



CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

Post Office Box 288 ▲ St. Paul Island, Alaska 99660 ▲ Phone (907) 546-2597 ▲ Fax (907) 546-2450

February 27, 2013

To: Alaska Regional Ports Project Management Team

Re: Comments from CBSFA on the Alaska Deep Draft Arctic Port System Study

To Whom It May Concern:

The Central Bering Sea Fishermen's Association (CBSFA) is the management organization for St. Paul Island under the Western Alaska Community Development Quota Program (CDQ). Since the program was created in 1992, the federal government has been awarding various species of fish (CDQ allocations) from the Bering Sea and Aleutian Islands commercial fisheries to CBSFA. In turn, CBSFA manages these allocations to promote social and economic development at St. Paul Island.

We have reviewed with great interest the Alaska Deep-Draft Arctic Port System Study (hereinafter "the study"). We want to congratulate the U.S. Army Corps of Engineers and the State of Alaska Department of Transportation and Facilities for the foresight and thought put into the process resulting in this draft study. We are also heartened by the planning and preparation that the state and our nation is undertaking to respond to oil and gas exploration and development in the Arctic Ocean, as well as the expected increase in vessel traffic between the nations of the North Atlantic and the North Pacific, which includes large trading economies such as China, Japan, and the European Union, as well as the United States.

The Pribilof Islands are located approximately 200 miles north of the Aleutian Chain and 300 miles west of mainland Alaska and are made up of five islands of which two are populated – St. Paul and St. George. These islands are located at the heart and epicenter of the nation's largest and most valuable commercial fisheries in the Bering Sea. The Pribilof Islands are critical breeding grounds and habitat for seabirds and marine mammals including the Red-Legged Kittiwake, the endangered Steller Sea Lion, depleted Northern Fur Seal, as well as numerous fish and invertebrate species.

Saint Paul is also renowned for being the largest Aleut community in the world. In the early 1980's the U.S. government terminated the commercial fur seal harvest, which was the main source of livelihood and economy of Saint Paul for over two centuries. As a result, the people were forced to develop an alternative economy based on commercial fisheries in order to survive as a viable community. The community acquired the funding to build a boat harbor and develop a local fleet, and the Tribal Council established the first halibut processing plant to buy their catch. Subsequently, large processing companies came to Saint Paul to process crab and also began processing halibut, adding to the substantial infrastructure that continues to serve the North Pacific crab fleet as well as the local and outside halibut vessels.

Our strategically located community views the development of the Arctic Ocean and increased maritime traffic as an opportunity. However, opportunities are accompanied by risks. An accident or foreign attack along the maritime routes accessing the Arctic which are adjacent to Saint Paul could have devastating impacts on the region's fisheries, marine wildlife, and the continued existence of our historically and culturally unique community. Saint Paul and its existing infrastructure are ideally located to support both the development of the Arctic, and respond to the risks and threats associated with its development. At the very least, the community should be viewed by the State of Alaska and the Nation as a forward base to respond rapidly to an accident requiring the evacuation and medical treatment of large numbers of people, or to an event such as an oil spill which could devastate the fisheries-dependent economies of the communities along the Bering Sea.

We believe the study does not sufficiently address some of the above scenarios, and what improvements to Saint Paul's existing infrastructure could be undertaken to prepare for them. While hubs such as Nome or Unalaska offer a number of advantages, distances and conditions in Alaska require the ability to respond from a number of locations. Saint Paul has a harbor, a recently upgraded airport, a medical center, a fuel farm, a Coast Guard base and a weather station. Tens of millions of local, state, and federal dollars have been invested in these facilities. By way of example, recent improvements to Saint Paul's harbor and the addition of a small boat harbor alone have cost over \$70 million. These existing investments could be put to use to support the development of the Arctic Ocean.

We, therefore, urge the study to evaluate Saint Paul in light of the above considerations, and invite you to engage with our community regarding to the type of infrastructure and support that may be needed under different scenarios. The Aleut people have lived in harmony with the Bering Sea and depended on its resources for thousands of years. We have a vested and historical stake in its development and the continued health of its resources. Our existence as a people and a community depends on it.

Sincerely,



Phillip Lestenkof
President



KAWERAK, INC.

P.O. BOX 948
NOME, AK 99762
TEL: (907)443-5231
FAX: (907)443-4452

February 27, 2013

US Army Corps of Engineers
Alaska Department of Transportation
Via: AKregports@usace.army.mil

Subject: Public Comments for the Alaska Deep Draft Arctic Port System Study

Dear Project Development Team:

Kawerak, Inc., located in the Bering Strait Region of western Alaska is the regional tribal consortium for 20 federally recognized tribes. Kawerak, Inc., supports the recommendation set forth in the USACE/DOTPF Alaska Deep-Draft Arctic Port System Study, identifying Nome and Port Clarence on the short list and to move forward with the required studies.

The Bering Strait has seen an increase in ocean vessel traffic due to the opening of the Arctic with economic development opportunities in resource development, international scientific research and tourism.

The Marine Exchange of Alaska reported the following:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total transit recorded through the Bering Straits	277	338	239	316
Northern Sea Route transits (increased 10 fold)		4	34	46

The Port of Nome has experienced an increase in ocean vessel traffic as documented in statistical data. In 1990, there were 30 port calls, and in 2012 the Port of Nome reported 435 port calls using Nome.

Throughout the Bering Strait Region's waters:

- Norton Sound Economic Development Corporation's fishing fleet has vessels in the Norton Sound waters at Unalakleet, Elim, Golovin, Shaktoolik, and Savoonga. Many of these vessels are 20 to 30 miles out in the ocean.
- At anytime time there are 3 to 10 small skiffs for subsistence activities from the surrounding villages in the Norton Sound and Bering Sea waters.
- Adventure tourism has increased with kite-boarders, jet skiers, swimmers, kayakers, and winter ice driving expeditions making attempts to cross the international border between the Diomed Islands and mainland Russia and Wales, Alaska.

40 YEARS OF SERVICE TO THE VILLAGES OF:
BREVIG MISSION• COUNCIL• DIOMEDE• ELIM• GAMBELL• GOLOVIN• KING ISLAND• KOYUK• MARY'S IGLOO• NOME• SAVOONGA
SHAKTOOLIK• SHISHMAREF• SOLOMON• STEBBINS• ST. MICHAEL• TELLER• UNALAKLEET• WALES• WHITE MOUNTAIN

- Vessels use Port Clarence as a place of refuge and to resupply fuel barges.

With the increased activity, there have been a few near misses. For instance, a fuel barge broke loose during high seas last summer. The fuel company was prepared and was able to dispatch a second barge to bring it under control from Nome. An adventure kayaker required assistance and was plucked out of the ocean and brought to Nome. Over 10 years ago, two small skiffs left Wales heading to Little Diomedes and one disappeared in rough seas. While conducting traditional whaling, one boat out of Gambell disappeared in rough seas. Last winter we lost two people when their boat was capsized between Shaktoolik and Unalakleet.

In comparing the lower 48's western coastline to ours, there are numerous ports and harbors between Washington State and California. We view this as the same coverage area that is needed for the Western Alaska's coastline between Kodiak to Barrow and beyond. If we don't include a port in Nome, Alaska and in Port Clarence there is a huge gap in adequate response time for the Northern Bering Sea and Norton and Kotzebue Sound waters for environmental protection and search and rescue.

We would like to thank you for the opportunity to provide public comment on this issue and for all the team members who have invested their time and effort in compiling data and completing the report.

Sincerely,

KAWERAK, INC.

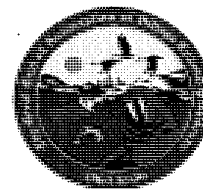


Melanie Bahnke,
President

cc: File

Raymond Watson, Chairperson
Myron P. Naneng Sr., President
Phone: (907) 543-7300
Fax: (907) 543-3369

AVCP
Association of Village Council Presidents
Administration
Pouch 219, Bethel, AK 99559



February 27, 2013

Akiachak
Akiak
Alakanuk
Andreafsky
Aniak
Atnautluak
Bethel
Bill Moore's Sl.
Cheformak
Chevak
Chuathbaluk
Chuloonawick
Crooked Creek
Eek
Ernmonak
Georgetown
Goodnews Bay
Hamilton
Hooper Bay
Lower Kalskag
Upper Kalskag
Kasigluk
Kipnuk
Kongiganak
Kotlik
Kwethluk
Kwigillingok
Lime Village
Marshall
Mekoryuk
Mtn. Village
Napaimiut
Napakiak
Napaskiak
Newtok
Nightmute
Nunakauyak
Nunam Iqua
Nunapitchuk
Ohogamiut
Oscarville
Paimiut
Pilot Station
Pitka's Point
Platinum
Quinhagak
Red Devil
Russian Mission
Scammon Bay
Sleetmute
St. Mary's
Stony River
Tuluksak
Tuntutuliak
Tununak
Umkumiut

Department of the Army
U.S. Army Corps of Engineers Alaska District
Alaska Regional Ports
PO Box 6898
JBER, Alaska 99506-0898

AKRegPorts@usace.anny.mil

Subject: Alaska Deep-Draft Arctic Port System Study (January 25, 2013)

Dear Madam or Sir,

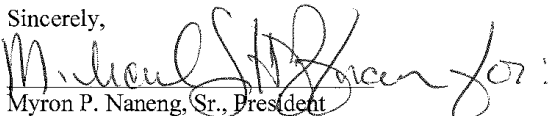
The purpose of this letter is to comment on the Alaska Deep-Draft Arctic Port System Study prepared by Alaska Department of Transportation and Public Facilities (AK DOT/PF) and the U.S. Army Corps of Engineers.

First, we would like to thank the authors of the Study for the work put into the project and appreciate the impact it will have on all of Alaska in the future. Despite the specific recommendations (p. 6) of the study, we would like to advance the following issues related to furthering the development of Alaskan ports within the Arctic boundary.

Please consider the following:

- Recognize the Yukon River and Kuskokwim River as existing freight corridors and the need for ports at the mouths as transition between ocean and inland routes for the State of Alaska and establish Emergency Response Centers on each river.
- Address freight corridors in follow-up of the Arctic Port study. Specific examples include:
 - Norton Sound (Unalakleet) to the Yukon River (Kaltag)
 - The Yukon Kuskokwim Freight Corridor (Paimute Slough to Kalskag)

These considerations are essential to the follow-up of the study, as they are all located within the Arctic Boundary as defined by the Arctic Research and Policy Act (ARPA). Additionally, once a deep draft port is established based on the study, these will compliment and support established lines of distribution across Alaska. We also agree that Nunivak Island be considered for a deep draft port for a secondary port, especially for emergency response in the Bering Sea.

Sincerely,

Myron P. Naneng, Sr., President

Cc: File

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Anchorage, AK 99501-2131



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February 28, 2013

Alaska Dep't of Transportation and Public Facilities
PO Box 112500
3132 Channel Drive
Juneau, Alaska 99811-2500

U.S. Army Corps of Engineers – Alaska District
P.O. Box 6898
Joint Base Elmendorf-Richardson Alaska 99506-0898

Re: Comments on Alaska Deep Draft Arctic Ports Study (draft dated Jan. 25, 2013)
Via email: Akregports@usace.army.mil

Dear Members of the Project Study Team:

Thank you for this opportunity to comment on the Alaska Deep Draft Arctic Ports Study draft dated January 25, 2013 (“Draft Study”). As this process moves ahead we urge the Project Study Team to recommend: (1) support and funding for a broader research, monitoring, and observation program for Alaska’s Arctic waters; (2) identification and implementation of measures designed to minimize and mitigate potential impacts to environmental resources and subsistence resources and activities; and (3) continued or expanded engagement with residents of affected communities and transparent incorporation of their viewpoints into future studies.¹

Arctic waters are unique, rich, and remote; they are also vulnerable to impacts from rapid environmental change and increasing industrialization.

Alaska’s Arctic waters are unlike other areas of the ocean. Sea ice covers the northern Bering, Chukchi, and Beaufort seas for much of the year. The region is subject to severe weather, but it is also remarkably productive. Fish and wildlife—including a wide variety of marine mammals and seabirds—make extensive use of Arctic waters. The Bering Strait in particular is a vital migration corridor for many species. People residing in Arctic coastal communities are an integral part of the region’s rich ecosystem. For thousands of years and continuing to the present, residents of Arctic communities have depended on the rich marine resources of the region to support a subsistence way of life.

Increased vessel traffic in Arctic waters threatens more pollution, ship strikes on marine mammals, chronic and catastrophic spills, and other environmental impacts. These threats are of particular

¹ Ocean Conservancy takes no position on the merits or location of a potential deep-draft port in Arctic Alaska at this time.

concern because the region currently has little infrastructure and few resources to support search and rescue, spill response, and restoration activities. Importantly, impacts associated with increased vessel traffic come in addition to and in combination with impacts from other industrial activities and impacts from a rapidly changing climate.

In a part of the ocean as biologically rich and fragile as the Arctic Ocean, the individual and cumulative effects of environmental impacts could have serious consequences. To understand and avoid adverse impacts, we urge the Project Study Team's final report to recommend: (1) support and funding for a broader research, monitoring and observation program for Arctic waters, (2) identification and implementation of measures designed to minimize and mitigate impacts to the environment and to subsistence resources and activities, and (3) continued or expanded engagement with residents of affected communities and transparent incorporation of their viewpoints into future studies.

Recommend support and funding for a broader research, monitoring, and observation program for Arctic waters.

Ocean Conservancy supports the Draft Study's recommendation to increase funding to the National Oceanic and Atmospheric Administration (NOAA) and other agencies to provide hydrographic and bathymetric mapping and data (Recommendation 4). We encourage the Project Study Team to state explicitly that this recommendation includes support for improving understanding of Arctic sea ice and weather. We also urge the Project Study Team to expand this recommendation to include support and funding for a broader research, monitoring, and observation program that assesses not only the region's hydrography and bathymetry, but also its biological resources and subsistence values and uses. As the Draft Study recognizes, "[t]he necessity to develop baseline research on the Arctic has been documented by" a wide variety of organizations. Establishment of a long-term integrated research, monitoring, and observation program that includes biological resources and subsistence values and uses will facilitate informed decisions about marine infrastructure development, help identify important ecological areas, and assist in ensuring that residents of the region continue to have opportunities to pursue a subsistence way of life. More broadly, a comprehensive long-term research, monitoring, and observation program will help decision-makers understand and manage the cumulative impacts of industrial activities and climate change.

Recommend identification and implementation of measures designed to minimize and mitigate impacts to the environment and to subsistence resources and activities.

The Draft Study correctly notes that increased traffic means increased risk of maritime accidents and greater potential for environmental damage, impacts to marine mammal migratory patterns, and potential threats to the subsistence lifestyle of communities in the region. In addition, the Draft Study observes that there is limited navigation infrastructure along Alaska's Arctic coasts and that it could take a Coast Guard cutter as long as one week to travel from Kodiak to the most northerly areas of the state for a response operation.

Ocean Conservancy appreciates the Draft Study's recognition of these challenges. At the same time, we encourage the Project Study Team incorporate a more thorough discussion of the challenges of conducting search and rescue operations and spill response operations in Arctic waters, particularly in the presence of sea ice or in suboptimal weather and sea conditions. In addition, in light of these challenges, we urge the Project Study Team to recommend the identification and implementation of measures designed to minimize the occurrence of maritime accidents and to reduce or mitigate the



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Phone: (907) 569-2705
Fax: (907) 569-2729

Cully Corporation
5001 Eagle Street, Unit B
Anchorage, AK 99503
907.569.2705
February 28, 2013

U.S. Army Corps of Engineers-Alaska District
P.O. Box 6898
JBER, Alaska 99506-0898

Dear project development team:

The presentation attached is in reference to the Alaska Deep Draft Arctic Port Study.

Cully Corporation is a village corporation of Point Lay, Alaska. Just south of Point Lay is Cape Sabine. We would like to offer this information in hopes that Cape Sabine be added to your proposed port sites. As you will find in the attached, Cape Sabine has previously been a desired location for operations of both the United States Air Force and Navy. The land is primed and ready for more development, so that it can be a future supporter to industry development and to the surrounding communities. Upon reviewing the presentation, we believe that you will recognize the benefits to incorporating Cape Sabine as a proposed port in the study, as it meets many of the evaluation criteria listed in the Alaska Deep Draft Arctic Port Study draft dated January 25, 2013.

Thank you for giving us this opportunity. We look forward to hearing from you.

Sincerely,

Marty Awalin
President/CEO

Enclosure

www.cullycorp.com
A Village Corporation of Point Lay



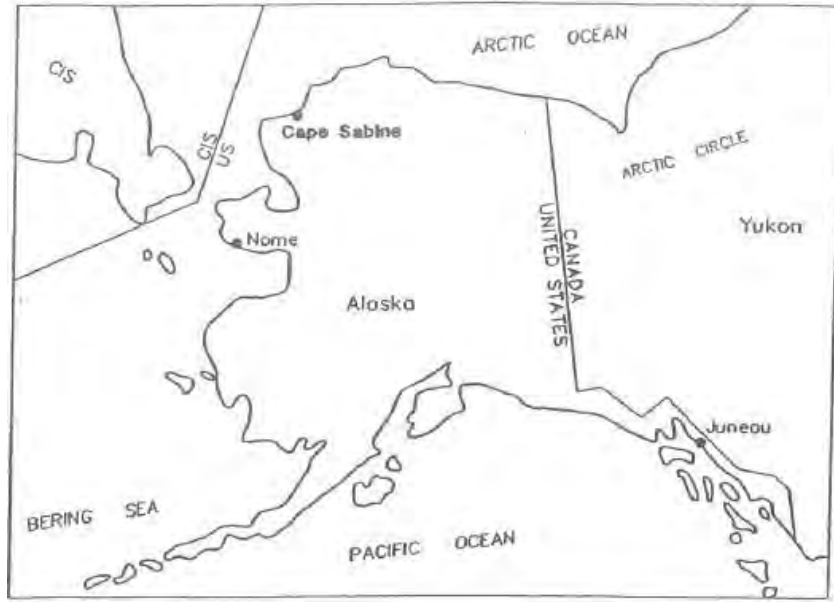
Cape Sabine

Alaska Deep-Draft Arctic Port System Study

Overview

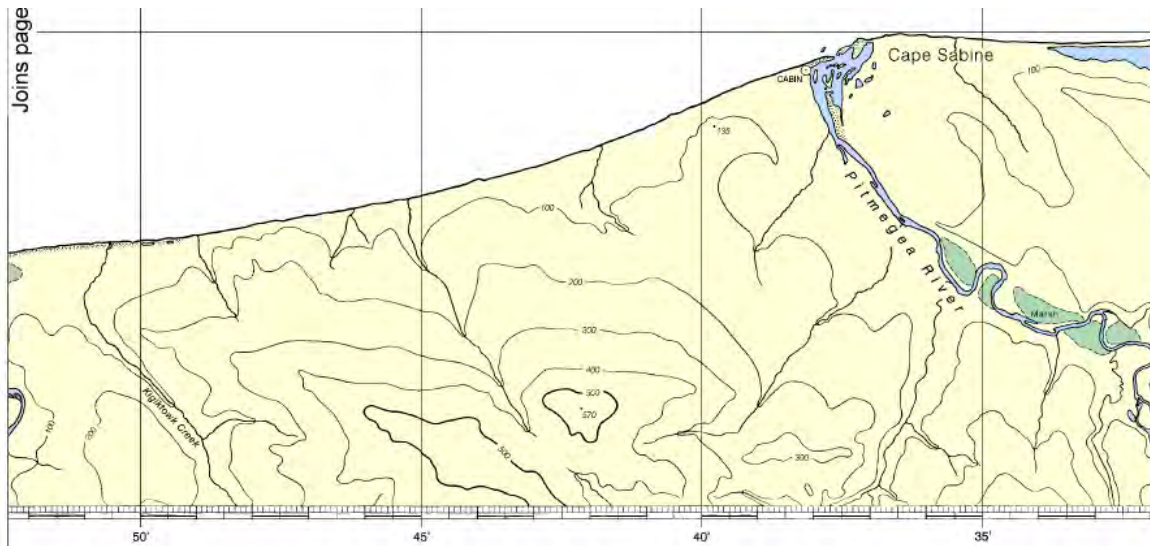
- Location
 - History
 - Port proximity
- Intermodal connections
- Upland support
- Natural water depth
- Navigation accessibility

Location



Cape Sabine





Office of Coast Survey – Chart 16104

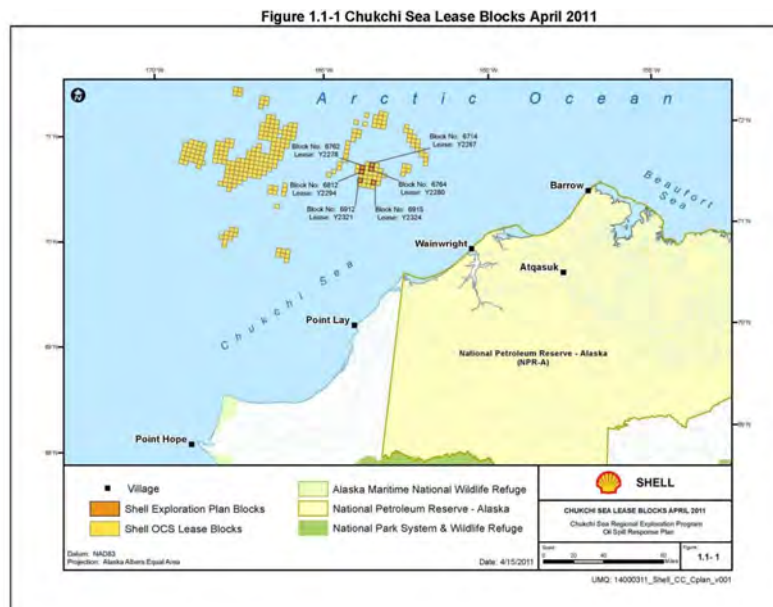
Partial chart

History

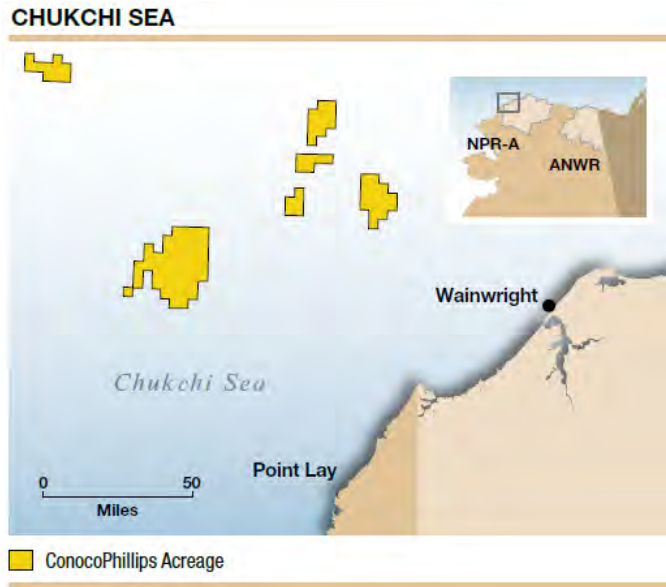
- Originally used by the United States Air Force
- Was transferred to US Navy due to exceptional water depth
- New ownership of the 740 acres will be transferred to Cully Corporation

Port Proximity to Mission

- Oil and gas
 - Point Lay is 93 miles from the closest OCS lease
- Mining
 - Coal deposit – Point Lay
 - Red Dog Mine
- Oil spill response equipment
 - Partial staging spill response for oil development

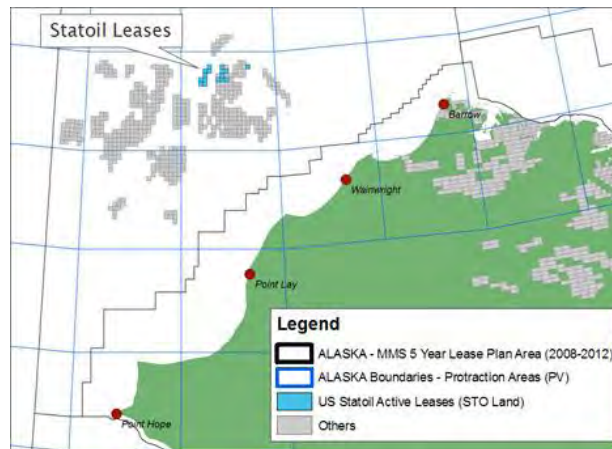


Shell Lease Blocks



ConocoPhillips Leases

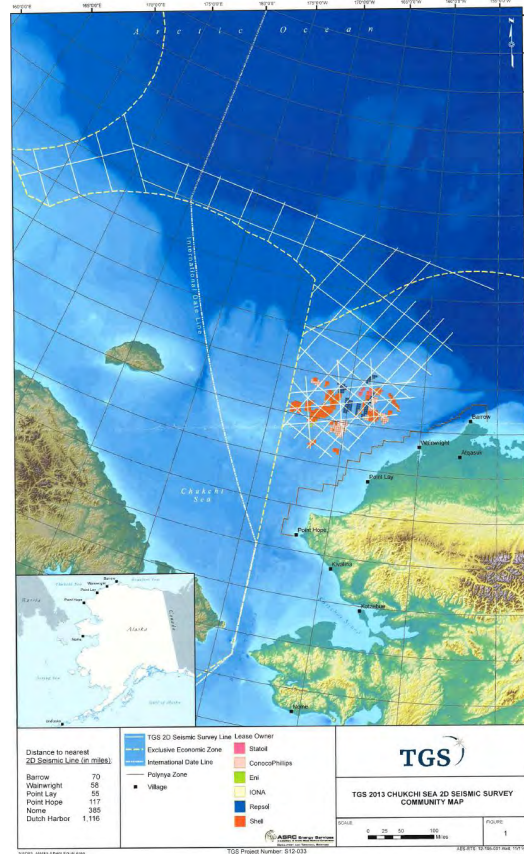
http://www.conocophillips.com/EN/about/company_reports/fact_book/Documents/FB-Alaska.pdf



Statoil Leases

<http://www.statoil.com/en/About/Worldwide/NorthAmerica/USA/Alaska/Pages/default.aspx>

TGS 2D Seismic Survey



Intermodal Connections

- C-130 – Gravel Runway
 - Currently used by the village of Point Lay
 - Existing runway, with ability to expand
 - Previously owned and used by Air Force
- Potential for road and rail connections
 - Considerations for railroad connection to Nome
 - Possibility for road to Red Dog



Cape Sabine Airway

Gravel Runway

Upland Support

- Support to surrounding communities
 - Carries potential to support surrounding areas without distraction and noise
 - Roads to Point Lay proposed to open more corporate land for shareholder development and infrastructure
 - Existing DEW line station has been cleaned up and pads are in place for infrastructure development
 - Partial road system in place, ready for developing

Water Depth



**Waters range from 5 ftm (30 ft) to 12 ftm (72 ft)
near the coast of Cape Sabine**

Office of Coast Survey – Chart 16003

Navigation Accessibility

- Ice season
 - Typical weather seasons dictate ice accumulation
- Operational considerations
 - Occasional wind warnings
 - Otherwise agreeable

Cully Corporation

QUYANAQPAK!
THANK YOU!



P.O. Box 46
Kotzebue, Alaska 99752

City Hall
(907) 442-3401

Police Dept.
(907) 442-3351

Fire Dept.
(907) 442-3404

Public Works
(907) 442-3401

February 28, 2013

RE: "Alaska Deep-Draft Arctic Port System Study" – Draft Jan. 25, 2013.

To whom it may concern:

The City of Kotzebue has reviewed the draft Alaska Deep-Draft Arctic Port System Study and offers the comments below for your consideration.

In general, the City of Kotzebue supports the effort of the U.S. Army Corps of Engineers (USACE) and the Alaska State Department of Transportation and Public Facilities (DOT&PF) towards developing Arctic Ports in Alaska. While disappointed in the ranking of the Cape Blossom Regional Deep Water Port, the City of Kotzebue looks forward to your further analysis of Port Clarence and Nome as it may provide a "model" for the future development of the Regional Deep Water Port at Cape Blossom. Our hope for the Cape Blossom Regional Deep Water Port would be to complement and/or supplement the Federal, State, and private industry needs for Arctic Alaska.

We thank you for taking this time to read through our comments and now take this time to point out the highlights of our Cape Blossom Regional Deep Water Port as follows:

1. Early on, the City of Kotzebue recognized the importance of the Deep Water Port located at Cape Blossom in assisting the fuel and freight needs of not only the City of Kotzebue, but the remaining communities in the NANA/Northwest Arctic Borough.
2. The City pursued the development of a Deep Water Port located at Cape Blossom since the early 1970's as a means to offset or eliminate the cost of 'lightering' fuel and freight through Kotzebue's shallow channel.
3. Several "studies" have followed a 1973 USACE study to determine best possible scenarios to help lower the cost of shipping fuel and freight.
4. The City has received federal support in 2005 and 2006 respectively, providing funding to assist in the development of an Environmental Assessment of the Road to Cape Blossom, design of the Road to Cape Blossom and construction of a portion of the Road to the Cape Blossom Regional Deep Water Port. The ADOT&PF Northern Region staff in Fairbanks has informed the local stakeholders identified in #6 below that the draft Environmental Assessment and the preliminary road design is scheduled for completion in March 2013.
5. The City has also recently received State support and funding, totaling \$14.6M to help facilitate the construction of the first phase of the Cape Blossom Road.
6. The City has partnered with the Kikitagruk Inupiat Corporation (KIC), NANA Regional Corporation (NANA), Northwest Arctic Borough (NWAB) and the Native Village of Kotzebue,

Arctic Port Study – DRAFT
City of Kotzebue Comments
February 28, 2013

Kotzebue IRA at addressing the needs of the City and the Region. The group has held numerous working sessions and are presently finalizing the details for the road alignment and ROW with the Landowners (KIC & NANA).

7. Gravel resources for the Road and Regional Deep Water Port have been identified.
8. The City of Kotzebue recently partnered with the Department of the Army to build a portion of the Road, who will be visiting Kotzebue summer 2013 to prepare for construction of the Road in Summer 2014.
9. NOAA recently completed its first of many nautical charts of Kotzebue Sound in 2011, identifying deep water in Kotzebue Sound. See NOAA Chart 16161.
10. Kotzebue Sound also serves as a natural 'Port of Refuge' or 'Safe Harbor'.
11. Kotzebue Sound served as a Port of Refuge for a foreign cruise ship in August 2012 when it ferried passengers to and from Kotzebue due to inclement weather in Nome.
12. Kotzebue Sound is above the Arctic Circle in the "true arctic", with direct access to offshore development.
13. Kotzebue is approximately 30-hours sailing time, closer to offshore development areas: i.e. We understand it takes approximately 30-36 hours time to travel between Nome and Kotzebue, therefore positioning Kotzebue in a more strategic area.
14. Recently, NOVA Copper has partnered with the NANA Regional Corporation for the development of copper in the Ambler Mining District. One of the alternative routes being considered is a road from upper Kobuk to Cape Blossom for export.
15. The Northwest Arctic Borough Planning Department at the request the communities of Noorvik, Selawik and Kiana expressed interest in developing an inter-tie road system into Kotzebue.

We offer the above information to demonstrate to the State and to the USACE that a lot of progress has been made for this project. We feel disappointed, to say the least, that no real details or additional focus has been discussed for Cape Blossom Regional Deep Water Port in the draft study.

Once again, thank you for the opportunity to provide these comments and the City of Kotzebue looks forward to working with you towards the overall goal of developing deep-draft arctic ports systems.

Sincerely,
City of Kotzebue



Derek J. Martin, City Manager



Aleutian Pribilof Island Community Development Association

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February 28, 2013

I am writing to bring your attention to the harbor at St. George, Alaska, in the Pribilof Islands. The Pribilof Islands, which include Saint George Island, are at the very heart of the nation's most valuable commercial fisheries in the Bering Sea and the crossroads of increased traffic due to the opening up and development of the Arctic region. As one of several key representatives of the main entities in the Pribilof Islands, we have reviewed with great interest the Alaska Deep-Draft Arctic Port System Study. We want to express our thanks to the U.S. Army Corps of Engineers and the State of Alaska Department of Transportation and Public Facilities for working diligently to produce this draft study.

There is no question that our nation, state and region need to be ready to respond to oil and gas exploration and development in the Arctic Ocean, as well as the expected increase in vessel traffic between the nations of the North Atlantic and the North Pacific. St. George is located in close proximity to the Central Bering Sea fishing grounds, perhaps the largest commercial fishery in the world, and a completed, upgraded harbor (a project now underway in St. George), will provide an essential Harbor of Refuge for fishing and other vessels during the heavy seas and severe weather characteristic of the area. While other harbors experience icing conditions that render a harbor unusable, St. George's harbor is ice free throughout the year. Further, the St. George harbor is critical to the economic survival of the community, which depends on fishing for its income, as well as tourism and research related activities associated with its remarkable seabird and marine mammal populations. The U.S. Government's responsibility to St. George has a long history and is memorialized in many federal statutes, including the Fur Seal Act of 1966, the Alaska Native Claims Settlement Act, the Fur Seal Act Amendments of 1983, the Pribilof Islands environmental restoration statute (P.L. 104-91), and the Pribilof Islands Transition Act of 2000.

From the early 1860s to 1983, the Federal Government harvested fur seals at St. George, selling the pelts for millions of dollars in profit. In 1983 the Department of Commerce terminated, for conservation purposes, the commercial taking of fur seals. In the early 1980s, after over 120 years of occupation, the Federal Government turned over property ownership and municipal management to the Aleut residents of St. George. As part of this turnover, Congress recognized the importance of transforming the local economy from dependence on the Federal Government and fur seal harvesting to a self-sustaining economy based on sustainable use of the other marine resources of the Bering Sea. All levels of government – Federal, State, and local – recognized that a functioning harbor was essential to that purpose.

The Corps of Engineers provided dredging assistance in the 1980s related to the harbor construction. Also, State of Alaska and City of St. George funds have been expended during the last 20-plus years in the effort to fabricate an effective harbor. However, the harbor was never fully completed. Unfortunately, the absence of a safe navigation channel at St. George has

meant that vessels have taken their business elsewhere, with a substantial loss for the community of income from commercial vessel traffic, fisheries landings, material and fish product exports, and fleet service business. There have been substantial investments made by all levels of government and the private sector in fulfilling the imperative to create a sustainable St. George economy that is not based on fur sealing. Those investments will be rendered useless if a safe functioning harbor is not completed. Therefore the completion of the St. George harbor is an essential element of the port infrastructure plan for this region. It will increase maritime safety by providing a Harbor of Refuge near the Bering Sea fishing grounds and will open up fisheries and other business opportunities that have been unachievable due to the lack of a safe harbor.

In the recent Coast Guard Authorization bill, the Coast Guard, in consultation with other appropriate federal agency officials, will undertake a review the harbor at St. George, Alaska, under existing guidelines prescribed by the National Response Plan, as a potential place of refuge, and determine, within one year after enactment, the improvements necessary to make the St. George harbor a year-round, fully-functional harbor that would qualify as a potential place of refuge. The purpose is to enhance marine ecosystem health and for the protection of the marine environment, including important ecological areas, and fisheries from oil spills and other pollution in the Central Bering Sea. It further directs the Secretary to cooperate with other federal agencies, and with the State of Alaska with respect to the State's on-going efforts to complete construction of the harbor modifications needed for St. George Harbor to be a harbor of refuge. St. George Harbor will become, in the near future, a fully functioning harbor that could be designated as a place of refuge in the case of a marine incident or to prevent, or respond to, threats of environmental damage such as an oil spill or vessel casualty. Congress and the State have mandated consideration of St. George as a key harbor or port in the Arctic region. Thus it should be considered as a potential asset in the Arctic Ports System Study.

We appreciate the opportunity to submit these comments and look forward to the completion of the study. Please let us know if you need anything further.

Sincerely,



Larry Cotter
CEO



To Whom It May Concern:

The Tanadgusix Corporation (TDX) is an Alaska Native village corporation created under the Alaska Native Claims Settlement Act (ANCSA) of 1971 passed by the United States Congress to provide economic wellbeing for the indigenous peoples that resided in the village of St. Paul, Alaska. The TDX Corporation owns several subsidiary companies that provide services to commercial, industrial, and public sectors. The subsidiary companies provide revenues to TDX that builds the company's long term strategic plan and growth for future generations. Through innovation, and seeking a rewarding future, TDX has invested in hotels, tourism, alternative energy, electric utilities, power plant projects, wireless technologies, satellite technologies, environmental construction services, remediation and maritime industries.

As one of several key representatives of the main entities on Saint Paul Island, we have examined with great interest the Alaska Deep-Draft Arctic Port System Study (hereinafter "the study"). We want to say thanks to the U.S. Army Corps of Engineers and the State of Alaska Department of Transportation and Facilities for the outstanding effort put into this first phase of what is a three-year study. We are also encouraged by the planning and preparation that the state and national governments are undertaking to respond to oil and gas exploration and development in the Arctic Ocean, as well as the expected increase in vessel traffic between the nations of the North Atlantic and the North Pacific, which includes large trading economies such as China, Japan, and the European Union, as well as the United States.

The Pribilof Islands which are constituted by Saint Paul and neighboring Saint George, are at the very center of the nation's, perhaps the world's, most valuable commercial fisheries in the Bering Sea. The Pribilof Islands are also critical breeding ground and habitat for seabirds and marine mammals such as the endangered King Eider duck and stellar sea lion, and the threatened northern fur seal. Saint Paul's population of 400 residents is also the largest Aleut community in the world. In the last three decades since the phase out of the fur seal harvest by the federal government in 1983, Saint Paul has made considerable progress in developing a fisheries-based economy. This progress required the construction of a harbor, small boat harbor, and other support-infrastructure at great local sacrifice, and with the support of the state and federal governments.

Our strategically located community views the development of the Arctic Ocean and increased maritime traffic as an opportunity. However, opportunities are accompanied by risks. An accident or foreign attack along the maritime routes accessing the Arctic, which are adjacent to Saint Paul, could have devastating impacts on the region's fisheries, marine wildlife, and the continued existence of our historically and culturally unique community. Saint Paul and its existing infrastructure are ideally located to support both the development of the Arctic, and respond to the risks and threats associated with its development. At the very least, the community should be viewed by the state and the nation as a forward base to respond rapidly to an accident requiring the evacuation and medical treatment of large numbers of people, or to an

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t a n a d g u s i x . c o m

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907.278.2312
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event such as an oil spill which could devastate the fisheries-dependent economies of the communities along the Bering Sea.

In addition, it must be recognized that the Aleuts of St. Paul are the sons and daughters of slaves who were taken from their original home in the Aleutian Chain by Russian fur harvesters. They were placed on the Priblof Island of St. Paul for the purpose of harvesting Northern Fur Seals. The Aleuts of St. Paul have evolved into a proud and resourceful tribe. When Alaska was sold to the United States, the Aleuts became wards of the US and later civil service workers to manage the fur seal harvest. St. Paul became a special Reservation to protect the fur seal trade.

Now, as we look north to the Arctic as a place for future development of natural resources there, it should not be overlooked that conditions in the Arctic do not always facilitate maritime traffic and activity year round. However there is year round activity, including the catching and processing of abundant fishery resources, growing commercial marine traffic, and other at-sea projects, in the Bering Sea, which is the pathway to the high Arctic. A forward base in the Bering Sea for Coast Guard maritime operations would support all of this activity. We note that the original Coast Guard service, the US Revenue Marine Service, was stationed out of St. Paul Island, in the early 1900s, and later in early 60's the Loran C master station was stationed on St. Paul. Today St. Paul serves as the winter fisheries search and rescue base of operations. St. Paul Island is very well positioned to continue the support for activities in this important and strategic region of the United States.

I would ask that those people doing the next phases of the Deep Draft Arctic Port Study recognize the advantages of the St. Paul Island location. The island has a strategic location, supportive infrastructure, industrial and fleet capabilities, and renewable energy capabilities. Please note the following significant advantages:

- Bering Sea location with centralized access to the Great Circle shipping lane, (and future Arctic Passage shipping lane) and groundfish and crab fisheries.
- Farthest north ice-free, and ice-manageable, port in the Bering Sea and gateway access to the higher Arctic.
- Excellent site for near future forward base operations.
- Essential infrastructure to include utilities, fuel, airport, warehouse space, and housing.
- Fully Developable port and uplands available.
- All 175 homes and facilities are connected to the piped water and sewer system and are fully plumbed.
- State-owned asphalt runway is 6,500' long and 150' wide. Regularly scheduled flights are available.
- Regular use by USCG air resources.
- Large hangar with private airport ramp access; capacity and land to support additional air assets.
- Virtually ice-free harbor with five acres of harbor uplands and vessel berthing with 600 feet of available water frontage.
- Ocean breakwater, 700' of dock space, and a barge off-loading area. Up to 60,000 SF of available warehouse storage, and shoreside storage.
- Million plus gallon fuel storage capacity.
- Residential and heating fuel, as well as Jet A fuel is available.

U.S. Department of
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Bureau of Economic
Analysis
Washington, D.C. 20540

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Bureau of Economic
Analysis
Washington, D.C. 20540

- A marine fuel dock supplies diesel fuel.
- Off Aircraft Maintenance: GPS, Power Supplies (red/black), Data Link Transceiver (DLT), Advanced Digital Interface Unit (ADIU), Air-to-Air and Air-to-Ground Datalink, etc.
- Product Lifecycle Management Support: acquisition; test and evaluation; and sustainment.
- Performance Testing (pre-mission verification) & Performance Monitoring (mission validation).
- Experience providing turn-key, state-of-the-art fuel storage and supply for Coast Guard. System included elaborate electronic quality and dispensing controls, overfill alarm functions, and water detection capabilities specifically designed for St. Paul Island's harsh sub-arctic, maritime environment.
- Waste oil management and disposal.
- On island experience with USCG in light construction, and remediation services.
- Developed on island renewable energy resources.
- Evaluated, designed, financed, and installed first hybrid wind-diesel power plant on St. Paul.
- Ability to assist Coast Guard with exceeding requirements of the Energy Policy Act of 2005; Energy Independence and Security Act of 2007; and EO 13423. Energy audits and retro-commissioning.

Accordingly, I submit that St. Paul is the ideal location for more permanent, year around USCG forward basing, other agency operations, and maritime commercial and industrial support needs. While the USCG could set up temporary seasonal forward basing operations further north, those locations would very likely have to be seasonal and could be compromised, especially in winter. We at TDX recognize that there are some probable costs that must be incurred to address various needs to be able to achieve USCG forward operating presence on St. Paul Island. These include such items as development of ocean-side staging; additional dredging for harbor capacity for USCG Cutters; improvements to docking facilities and uplands; upgrades to the hangar including office space and heating improvements (some related to the former USCG Loran Station facilities). Additional adjacent land is available if additional hangars are required. However, in real-time perspective, and under the current fiscal environment, development of Deep Water Arctic Port and full USCG icebreaker support capabilities is a 25-year process at very best, and several \$100M at best, for these further north options. In contrast, St. Paul provides currently developable assets and resources for stepping up USCG, other federal agency and commercial presence in most active current fishing and vessel transit areas. St. Paul is a reliable asset with direct, deployable access to Arctic offshore areas. We believe it provides full functionality and response capability achievable without budget-busting impacts.

We at Tanadgusix Corporation and the Aleut people of St. Paul Island appreciate the opportunity to present this information and stand ready to assist with the orderly and strategic development of this Arctic region in a manner that helps our economy yet protects the environment at the same time. We would be happy to provide additional information on the prospect for this opportunity on St. Paul Island. We believe this prospect will advance the interests of the United States and provide a sound presence for the U.S. Coast Guard, other federal agencies, and commercial organizations, as they perform all of their various missions and activities related to

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what must be an environmentally sustainable prosecution of the commercial fishing, shipping, and offshore industries.

While hubs such as Nome (likely seasonal) or Unalaska (further away) offer some advantages, distances and conditions in Alaska require the ability to respond from a number of locations. Saint Paul has a harbor, a recently upgraded airport, a medical center, a fuel farm, a Coast Guard base and a weather station. Tens of millions of local, state, and federal dollars have been invested in these facilities. By way of example, recent improvements to Saint Paul's harbor and the addition of a small boat harbor alone have cost over \$70 million. These existing investments could be put to use to support the development of the Arctic Ocean.

The Tanadgusix Corporation has also been monitoring the International Maritime Organization's ongoing development of a Mandatory Code for Ships Operating in Polar Waters, the so-called IMO Polar Code, particularly as this relates to environmental concerns and the involvement of the USCG in its development. The IMO Polar Code has particular significance for TDX and its shareholders. While the code may address areas in both of the polar regions of the globe, the Arctic is of particular concern to Alaska Natives, in our case, St. Paul and St. George Islands (The Pribilofs) in the Central Bering Sea, and the Aleutian Chain where TDX shareholders' Aleut ancestors lived for centuries before Russians transported them forcibly to St. Paul for work in the fur seal trade.

The North Pacific Ocean and Bering Sea will provide key access routes for Arctic shipping, resource development, and other maritime transportation and activities. Indeed, U.S. legislation such as the Arctic Research and Policy Act of 1984 (15 U.S.C. 4111) defines and recognizes the Bering Sea region as an integral part of the Arctic and this Study also defines the Arctic as including the Bering Sea Region. However, in the IMO context, we understand that the definition of "Arctic" is still being discussed, and, in particular, the definition of Arctic boundaries for safety and for environmental concerns could be different from each other. Because of its base in St. Paul and roots in the Aleutian Chain, TDX will likely be impacted by safety, environmental, and other rules that the Polar Code adopts. For this reason, a provision to consult with indigenous populations and others affected by those rules before they are finalized on an ongoing basis is critical.

The retreat of Arctic ice is quickly opening the Arctic to greater international and intra-Arctic shipping. Polar shipping and other maritime transportation is increasing significantly, as Arctic waters are open for longer periods. Trade routes are being opened up that will allow a shorter passage between areas. Energy companies are increasingly looking north to develop oil and gas reserves. Extensive mining activity is already occurring in the Arctic, including the Red Dog Mine in Northwest Alaska, which will result in the increased shipping of zinc and other ores though the Bering Strait. Moving forward expeditiously to keep pace with these developments is important.

Inherent in the IMO Polar Code is the need to ensure adequate search and rescue and environmental response. These capabilities must be in place and available year round before the activities in the Arctic increase. Requiring the location of these capabilities and facilities in a year round ice free, or "ice manageable" site in the region will greatly enhance safety of human life at sea and protect the marine environment. Consequently, at the same time that the IMO

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Polar Code encourages and facilitates shipping and economic activities in the Arctic, it should also include these response requirements. Doing so after a shipping or environmental incident occurs clearly will be too late. Thus, this study must also take into account the development of this Code and not have a situation where one governmental initiative conflicts with another. In this regard, TDX has participated in numerous rulemakings. TDX does not want to see a situation where studies end up in conflict with one another. Inclusion of indigenous peoples in the process will also ensure that unintended effects will be avoided. As Native Alaskans, we consider this an important aspect of the development of the Arctic.

We, therefore, urge the study to evaluate Saint Paul in light of the above considerations, and invite you to engage with our community regarding to the type of infrastructure and support that may be needed under different scenarios. The Aleut people have lived along the Bering Sea and depended on its resources for thousands of years. We have a stake in its development and the continued health of its resources. Our existence as a people depends on it.

Sincerely,

TDX Corporation



Ron Philemonoff, CEO

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