

**TESTIMONY BEFORE U.S. HOUSE COMMITTEE  
ON TRANSPORTATION AND INFRASTRUCTURE**

**SUBCOMMITTEE ON COAST GUARD AND MARITIME  
TRANSPORTATION**

**“IMPLEMENTING U.S. POLICY IN THE ARCTIC”**

JULY 23, 2014

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ON BEHALF OF THE STATE OF ALASKA

**Introduction**

Chairman Shuster, Ranking Member Rahall, and distinguished members of the Committee, especially Congressman Young.

For the record, my name is Ed Fogels, and I serve as Deputy Commissioner of Natural Resources for the State of Alaska in the administration of Governor Sean Parnell. I am honored to be here today representing the State of Alaska, and appreciate the opportunity to provide input on a matter of such importance to Alaska and Alaska’s people.

The State has closely followed the work of the White House and numerous federal agencies through the development and release of the National Strategy for the Arctic Region, the accompanying Implementation Plan, and the work that has followed. We appreciate the efforts of numerous federal officials to include the State in the process and deliberations, and the invitation of the Governor’s Cabinet to participate as part of the U.S. delegation to Arctic Council meetings. It will be of utmost importance to ensure that the State is welcomed as an active, collaborative partner in these proceedings in coming months. The United States is an Arctic nation only because of Alaska’s vast Arctic holdings, and the implementation of U.S. Arctic policy will have profound ramifications for U.S. citizens who reside in Alaska and are entitled to the same protections, opportunities, and rights as all U.S. citizens.

It is important to define the Arctic region. The Arctic Research and Policy Act (ARPA) defines the Arctic as an area extending far south of the Arctic Circle, encompassing much of northern and western Alaska,

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including the Aleutian Chain. This area is home to well over 50,000 Alaskans – a sizeable proportion of one of the least populous states in the U.S. – and is an important area for several advanced industries critical to the nation as well as the State, including the oil and gas industries, mining, shipping and transportation, and fishing and hunting activities that provide food, direct employment, and ancillary employment to entire communities and regions. At the same time, Arctic Alaska is mainly remote, presenting challenges that few non-Alaskans could comprehend. Everyday essentials such as food, fuel, healthcare supplies, energy infrastructure, and the maintenance of water and wastewater are all dependent on the ability to transport people and supplies across either water or vast, roadless distances of land that may be frozen for large portions of the year, or impassable because of melting ice conditions. Because of the broad reach of the Arctic and the need to treat Arctic residents on a par with all Alaska residents, the Parnell Administration considers Alaska State policy to be Arctic policy. We do not see an "Arctic boundary line" running through our state where we treat people differently, or apply different environmental standards depending on which side of the line you are standing on. As the Committee envisions the future of Arctic transportation and infrastructure, and considers the role of the federal government in that future, the needs and challenges of Alaska's citizens must be kept at the forefront and on par with what all Americans can expect from government.

Unless Congress directs otherwise, federal and State policies and investments must respect existing laws and regulations, rather than creating new regulatory burdens through extra-legal policies. In addition to Alaska's Constitution, well-known laws such as the Alaska Statehood Act, the Alaska Native Claims Settlement Act, and the Alaska National Interest Lands Conservation Act already dictate the management of State and federal land, water, and natural resources in the Arctic, and should be consulted as the guidelines for federal Arctic involvement. Despite these Alaska-specific laws, we have noted a consistently slower, more complicated application of broad national laws. The State is concerned about the opportunistically heavy-handed interpretation we have seen of certain laws and systems over natural resource management in Alaska, particularly those pertaining to resource development permitting, such as the National Environmental Policy Act, the USACOE 404 permitting system, the Clean Water Act, the Clean Air Act, the Marine Mammal and Protection Act, and the Endangered Species Act. We request that Congress review the executive branch's burdensome, inefficient, scientifically dubious, and overly-broad application of these laws which can place additional weight on the individuals, businesses, and communities that drive the well-being of Alaska. Congress alone has authority over the exercise of these congressionally-established laws and systems. It is inappropriate for such systems to be applied in new ways by presidential executive order or administrative actions. The people of Alaska's Arctic have a right to seek a better future for themselves through the development of regional economic opportunities, which are abundant in this unique part of the world, but are hampered by extraordinary regulatory hurdles that seem to be growing on almost a daily basis.

The State also requests that Congress be mindful of the increasingly international nature of U.S. Arctic affairs. International coordination is needed to conserve marine resources while leveraging infrastructure through enterprise. Alaska directly borders Canada, and shares significant maritime interests with Russia and Japan, among many other nations. Foreign-flagged vessels, above and beneath the surface, transit Arctic waters and the Bering Strait regularly, presenting economic opportunities and new challenges to the marine and coastal environments and homeland security, which must be the U.S.'s primary mission in the Arctic, as it relates to air, land, and sea. While the Arctic region is immediately pertinent to Alaskans, we also recognize the region's significance to the nation, both from a security and economic standpoint. And while the

executive branch may set a vision and objectives, none of this is possible without funding and support granted by Congress.

With these challenges and opportunities in mind, I present on behalf of the State of Alaska the specific interests we have in national policy in the Arctic as it relates to transportation and infrastructure.

### **The Role of Arctic Transportation and Infrastructure in Homeland Defense and Security**

The U.S. has recognized Alaska’s strategic global position for well over 100 years. The State supports the expanded use of Alaska’s existing military bases, and believes these bases and their assets are critical to security in the Pacific and Arctic. Joint Pacific Alaska Range Complex (JPARC) has been the site of some of the world’s most advanced joint-force training, combining the rigors of Alaska’s northern conditions with unparalleled space and opportunities for exercises in demanding environments. Joint Base Elmendorf Richardson (JBER) and Eielson Air Force Base can easily accommodate additional aircraft to support training and response capability in this remote region, including F-35s at Eielson, as well as P-8s and the C-27 Spartans, which are excellent support vehicles for the Arctic.

While I am confident other witnesses will detail icebreaking capability in greater depth, it is worth briefly pointing out that, according to the United States Coast Guard’s *2013 Review of Major Icebreakers of the World*, Russia possesses 37 icebreakers of varying design, has four under construction, and eight planned for construction. Canada has six, with one planned. Even non-polar nations, such as China, and Japan, possess icebreakers. By contrast, the U.S. currently has only two active icebreakers, with one, *USCG Healy*, being classed as polar-capable, primarily suited to small-scale scientific research needs, and the other, *USCG Polar Star*, being classed as polar-class. The *Polar Star* was commissioned in 1976 and was recently retrofitted for at most only another ten years of service.<sup>1</sup>

The Coast Guard has requested funding for additional icebreakers, among other Arctic infrastructure assets, and the State strongly urges the Committee to support the appropriation of funding to fulfill these requests. The need for increased icebreaking capability was demonstrated in the winter of 2011-12, when the *USCG Healy* broke sea ice blocking a critical shipment of fuel to the city of Nome, Alaska. Nome is typical of many Alaskan cities, including the State capital, in that it is accessible only by air or sea. Many coastal cities are cut off by sea ice for much of the year preventing any sea transportation in and out. Governor Parnell personally requested the *Healy*’s service of then-Coast Guard Commandant Admiral Robert J. Papp, who graciously rerouted the *Healy* to assist in this vital operation. Many who watched the news at the time are familiar with this incident, but unaware of the fact that, earlier that winter, the *Healy*’s services had also been requested in Antarctica to break out a science station in McMurdo Sound when a Swedish-flagged icebreaker that had been leased for the purpose was recalled to perform a Swedish sovereign mission. The Coast Guard declined the request in case an icebreaker was needed in the Arctic, which is exactly what happened, demonstrating the need for year-round icebreaking capability in the Arctic.

An important element of Coast Guard presence in the U.S. Arctic will depend on expanded aviation facilities above the Arctic Circle. Although Alaska National Guard aviation facilities can be shared with the

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<sup>1</sup> U.S. Naval Institute, *U.S. Coast Guard’s 2013 Review of Major Icebreakers of the World* (USNI News, July 24, 2013), <http://news.usni.org/2013/07/23/u-s-coast-guards-2013-reivew-of-major-ice-breakers-of-the-world>.

Coast Guard in Kotzebue, Barrow’s airport requires federal investments to accommodate a larger Coast Guard presence. As you very well may know, Barrow is the largest community north of the Arctic Circle and is situated at the land point demarcating the separation of the Chukchi and Beaufort Seas. At this point, conflicting and unnecessary federal policies, as well as limited financial means appear likely to delay this necessary expansion. Fortunately, Alaska Native Corporations and the State are willing partners to expedite this expansion.

Among many competing budget and legislative obligations, assets such as icebreakers and deep-water ports are not extraneous items, but necessities for international and homeland security in the far north. Such assets will be critical in the future support of search and rescue missions as maritime traffic continues to grow in this region. The State is confident that economic opportunities and backstops will develop in the wake of necessary homeland security projects, as much of modern Alaska blossomed around the path of the Army-constructed Alaska Canada Highway following the Second World War.

Although public-private partnerships are much discussed today in Washington, no serious evaluation of this partnership to fund icebreakers has been undertaken. The Governor once again commits to participate in this evaluation to see if the State can contribute to the partnership.

#### **Data and Research Needed for Arctic Transportation and Infrastructure**

It has been said many times over the last decade and regretfully it is still true - the surface of the planet Mars has been mapped more accurately than America’s Arctic. The fact that huge swaths of Alaska have never been mapped at the 1:24,000 scale restricts resource management and ancillary community development, and limits the ability to assess landscape and ecosystem changes of an unpredictable climate. The State is leading the way in the effort to obtain more accurate mapping with excellent collaboration from the federal agencies. The Governor has requested and received appropriations totaling \$16.8 million to underwrite the State’s share of this effort, and the federal agencies have contributed \$21.5 million to date. An additional \$30 million of State and federal funding is needed to finish the mapping. The Alaska Geospatial Council, whose formation was announced by the Governor just weeks ago, was established to coordinate State agencies data collection efforts and build upon the work of the Statewide Digital Mapping Initiative. The State is also collaborating with some federal agencies in this effort. I would like to recognize the efforts of the Department of the Interior, especially Assistant Secretary Anne Castle, who has led the Alaska Mapping Executive Roundtable, an ad hoc effort to coordinate federal agencies.

Much data is needed to meet the demands of increasing maritime traffic, including improved bathymetric mapping and baseline topography. Other data needs include enhanced vessel tracking and communication infrastructure, forecasting of sea ice and marine weather conditions, and more complete charting data for Arctic waters to respond to decreasing sea ice and more extreme weather events. The collection of real baseline data for environmental monitoring should also be a priority as ships bearing potentially hazardous materials transit this area, although this should be applied to existing authorities, rather than resulting in redundant layers of authority based on precautionary principles. The collection of data essential for transportation on the uttermost borders of this nation is part of the development of our national transportation infrastructure, and a valid exercise of Congress’s powers to promote through legislation and funding.

Unlike the rest of the United State, most of Alaska is not a part of the Coast Guard’s National Automatic Identification System (NAIS). In 2000, the State of Alaska provided startup funding for the Marine Exchange of Alaska (MXAK), to fill the void of vessel tracking in and around Alaska’s waters. Since its inception, the MXAK has diversified its funding and now supports itself mostly through federal contracts and the maritime industry. Currently, the State funds about 13 percent of the MXAK operations. Now heavily used and funded by the federal government through contracts, this is a perfect example of how the State of Alaska is committed to projects that produce tangible benefits to its citizens, namely safe and secure operations and passage of vessels in and around Alaska’s waters, while the federal government is late to the party and is dependent on work that the State already put money and resources toward its development.

### **The Role of Arctic OCS Development in Oil Spill Response Infrastructure**

As has been demonstrated in Prince William Sound and Cook Inlet, the nation’s best oil spill response systems have been underwritten by oil and gas companies’ activity. The United States has highly prospective oil and gas basins in the Chukchi and Beaufort Seas that will provide for the necessary private sector investment in oil spill response systems that will also be able to serve ships in innocent passage.

If Arctic OCS development is delayed or stopped, the response system will also be delayed or stopped. No other economic activity in the Arctic, including Congressional appropriations, could equal the positive investments in oil spill response that the private sector can bring to bear.

### **The Role of Arctic Transportation and Infrastructure in Socio-economic Health**

The State of Alaska understands that economic wellbeing and social issues are inextricably linked. This link is particularly clear in the context of the Arctic, which sees some of the highest rates of poverty, suicide, and domestic, sexual, and substance abuse in the nation. The State of Alaska understands that government aid programs can only function as a bandage to communities suffering from these social epidemics. One of the priorities of the Parnell Administration has been enhanced public safety through stronger laws and higher public awareness to increase prevention. The Parnell Administration is also invested in clearing pathways of economic opportunity wherever possible to allow these communities to take control for a better future. The State understands that where tangible hope is lacking, abuse and despair follow.

The State seeks federal partners to address long-identified infrastructure needs in the Arctic, rather than developing redundant or overlapping regulations on already burdened activities in infrastructure-poor areas. This includes infrastructure for public and industry access, such as road access, deep water port facilities, navigation aids, support for shipping, towing, and search and rescue (SAR), and much baseline data.

In tandem with the U.S. Army Corps of Engineers, the State is already far along in the civil works process of investigating the development of possible Arctic deep-water port sites along Alaska’s western and northern coasts. We would like to see expedited analysis, planning, and permitting for development projects that would make State port investments more economically feasible. As the shipping industry grows in this region, ports are an important part of ensuring that they are able to fulfill their regulatory requirements for oil spill response and readiness.

At a more human level, the State has joined a legal challenge to Department of Interior Secretary Sally Jewell’s decision not to allow the construction of an access road from Cold Bay to King Cove, which is located in the Aleutian Chain. The terrain surrounding King Cove is not suitable for an all-weather airport,

nor are marine alternatives to King Cove feasible. As such, the State has supported the community’s conclusion to construct a 25 mile, 13-foot-wide emergency medical evacuation road to the community of Cold Bay. The road would allow access to the 10,000 foot runway of Cold Bay. The road is a necessary life-saving measure, but has repeatedly been blocked by the Department of Interior due to concerns about imagined potential impacts to certain migratory bird species. We cannot think of a more appalling example of federal indifference to the essential needs of Alaskans in the ARPA Arctic region due to a capricious and misapplied interpretation of federal laws.

For over half a century, the State of Alaska has been at the forefront of natural resource management, employing some of the world’s most accomplished scientists and technical specialists to manage wildlife and fish stocks, lands, waters, and habitat areas across an area one-fifth the size of the contiguous U.S. As a result, America’s Arctic is a model for responsible resource stewardship among Arctic nations, and more environmentally sound management than in most of the United States. The State supports sensible environmental protections, but does not support management guided by non-statutory precautionary environmental principles based on dubious scientific forecasts. This includes overly-broad application of the ESA, the Clean Air Act, the Clean Water Act, and focusing on setting aside vast maritime areas for environmental protection without a clearly defined objective.

The best opportunities for Alaska residents in the Arctic region will come from enhanced economic opportunity, which requires improved transportation and infrastructure. Federal initiatives, legal interpretations, regulatory actions, and new standards have consistently blocked the economic development Alaskans need to create a better future. The State is committed to fulfilling the mandates of the Alaska Constitution with regards to providing services to its citizens, and asks that Congress bear in mind its responsibility to also protect these U.S. citizens from federal overreach, and promote economic opportunity for them through the furtherance of our nation’s transportation and infrastructure system.

### **Conclusion**

Congress’s vital role in the future of the Arctic is clear: support the State’s sovereignty, maintain control of congressional legal authorities, and support the funding that is critical to the implementation of national policy in the Arctic for homeland security and defense, the extension of our nation’s transportation and infrastructure system into the far north, and the opening of economic opportunity for some of the nation’s most remote citizens.

Thank you for the opportunity to testify; I welcome any questions from the Committee.