



# Alaska Arctic Policy Commission

Anchorage Meeting Highlights  
Dena'ina Civic Convention Center  
*December 9 & 10, 2013*

Sen. Lesil McGuire and Rep. Bob Herron, Co-Chairs

## COMMISSION MEETING | DAY ONE

December 9, 2013

Following the Call to Order, Co-Chairs McGuire and Herron welcomed the Commission to Anchorage, thanked participants and staff, and oriented members to the next two days' work.

### **DRAFT PRELIMINARY REPORT REVIEW**

Co-Chairs McGuire and Herron presented the current draft of AAPC's preliminary report (due to the Alaska State Legislature on January 30, 2014). They highlighted the *draft* nature of the still evolving document, and their goal for AAPC members to work collaboratively to refine it into a document accurately reflecting their work to date – representing not the perfect, but the possible. The Co-Chairs stressed their desire for the preliminary report to give the Alaska State Legislature its own footing and voice in Arctic conversations.

Dr. Nikoosh Carlo, AAPC Executive Director, walked Commissioners through the preliminary report's current draft – outlining changes made to incorporate feedback on the previous version, and to streamline the document for enhanced readability. She noted that a brief foreword from the co-chairs, executive summary, and acknowledgement of the report's preliminary nature as the Commission continues work through 2014 would also be produced for inclusion in the January 2014 submission.

Commissioners discussed the current draft's strengths and gaps, and agreed that AAPC's preliminary report could also note areas of current disagreement needing further exploration by the group.

### **COMMISSIONER UPDATES: RECENT ARCTIC EVENTS**

#### **World Economic Forum (WEF): Summit on the Global Agenda November 18-20, 2013 | Abu Dhabi, UAE**

Commissioner Lawson Brigham shared observations from his and Commissioner Mead Treadwell's recent participation in this event, which gathered over 900 leading WEF experts from academia, business, civil society, international organizations and government. Brigham and Treadwell each belong to WEF's Global Agenda Council on the Arctic. Focus rested on demystifying the notion that we are the verge of conflict in the Arctic, the idea that most changes will likely be driven by commercialization, and the need for a venture fund to address infrastructure development needs in the Arctic.



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## **Western Canadian Arctic Marine Transportation and Governance Workshop** **November 17, 2013 | Yellowknife, Northwest Territories, Canada**

Co-Chair Herron reported back from this workshop, organized by Mr. John Higginbotham in conjunction with PNWER's 11/16-18/2013 Arctic Caucus meeting. The conference followed four primary themes: Canadian and international governance frameworks for the pursuit of maritime interests; obstacles to successful shipping operations; current multi-level government marine policy and activity; development of necessary, affordable, and implementable maritime policy and program suggestions; and safety/security dimensions in the Canadian Arctic. Herron reported on the possible formation of a new Beaufort Business Council – a regional public/private cooperative including Alaska, Yukon, Northwest Territories, and Nunavut resources to strengthen individual jurisdiction and regional collaborative shipping efforts.

## **PUBLIC TESTIMONY**

As in previous meetings, the agenda provided time for public testimony. Testimony was not by invitation-only, and was open to all who wished to address the Commission. Six individuals took advantage of this opportunity.

### **Scott Hamilton | Director, Alaska Maritime Training Center – AK Institute of Technology**

Captain Hamilton, Director of the Alaska Maritime Training Center at the state's AVTEC training center located in Seward, provided a brief overview of his program. He focused on the Center's unique Ice Navigation course – the first and only such USCG-approved course in the United States. He invited all Commissioners to Seward for an opportunity to tour the center and learn more about its programs.

### **Richard “Dick” Hoskins | Climate Change Expert**

Anchorage resident Dick Hoskins, a retired epidemiologist responsible for development of the state of Washington's climate change response plan, endorsed a proposal previously emailed to all members of the Alaska State Legislature by retired University of Alaska Professor Rick Steiner, advocating for the establishment of an Alaska Office on Climate Change (AOCC). The proposed AOCC would continue work begun by the now-defunct Alaska Climate Change Subcabinet, coordinate implementation of the subcabinet's 2010 Alaska Climate Change Report, commission mission-driven technology research and development, interact with diverse North American governments regarding response to climate change, and work to reduce global carbon emissions.

### **Sarah Erkmann | External Affairs Director, Alaska Oil and Gas Association (AOGA)**

After a brief overview of AOGA, Ms. Erkmann stated that developing Alaska's Outer Continental Shelf is essential to reducing United States dependence on foreign oil, and also to stemming TAPS throughput decline. She described Arctic development as great national and state economic development opportunity – generating a solid personal income base for Alaskans, and a strong government revenue source for the state. She conclude with AOGA's appreciation of AAPC's work



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to ensure Alaska has a voice in federal development plans, and a desire to continue working with the Commission.

## **Paul Fuhs | President, Marine Exchange of Alaska (MXAK)**

Mr. Fuhs introduced the Marine Exchange of Alaska – an organization bringing together all shipping interests, pilots, ports, and others associated with marine traffic in the state. The organization has recently put a strong focus on the Arctic. MXAK's Automated Identification System (AIS) vessel tracking technology shows rapidly increasing cargo traffic in the Bering Straits, with petroleum products representing approximately two-thirds of that. He noted that Alaska is “woefully” unprepared for an oil spill or other polluting incident in Arctic waters - many vessels are not associated with a response organization; response capacity and plans are unclear in existing international agreements. Mr. Fuhs encouraged the Commission to consider:

- AIS' benefit to shippers, fishers, whalers, and communities;
- Unimak Pass and Bering Strait risk assessment planning and fairway identification;
- Port development (deep water potential at Nome and Port Clarence, less depth but still utility in many coastal locations);
- Ensure solid response capacity to handle spills or any other disaster.

## **Steve Myers | Arctic Caucus Coordinator, Pacific Northwest Economic Region (PNWER)**

Mr. Myers directed the Commission's attention to a recent opinion piece printed in several publications, and also included in members' meeting packets: “Arctic Powers Canada and US Need Arctic Thinkers,” co-authored by Joel Plouffe and Simon Sylvester-Chaudhiri. He then highlighted some outcomes from PNWER's recent Arctic Caucus meeting in Yellowknife, NWT, previously mentioned by Co-Chair Herron, and added that PNWER hopes to continue and expand the dialogue to more Alaska legislators during a January 22-23, 2014 visit to Juneau. On the National front, he reported that many PNWER delegates are pushing for financial commitment to build additional U.S. icebreakers; this is expected to be one of many issues on the table at an upcoming March 2014 forum in Washington, D.C. He added that Canada's Arctic Caucus chair period has focused on economic development, and he hopes the U.S. Chair will continue that focus.

## **Dr. Heather Hudson | Professor of Public Policy, Institute of Social & Economic Research (ISER)**

Dr. Hudson introduced ISER and her personal study of communications and related infrastructure. She offered the Commission access to ISER's research and other resources – much of which address many issues under AAPC consideration.

## **FEDERAL-STATE UPDATE**

### **National Strategy for the Arctic Region (NSAR)**

Co-Chairs Herron and McGuire provided the following update on work with the NSAR team:



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- AAPC has shared a courtesy draft of its preliminary report (current draft) with the NSAR team, and requested they reciprocate with an advance copy of the impending NSAR implementation plan;
- The Co-Chairs are focusing effort on securing a meeting with Ambassador David Balton;
- On their November call, AAPC Co-Chairs raised the issue of revenue sharing; they received some pushback from the federal side, but characterized it as a healthy discussion. They noted that the NSAR team is fairly Alaska-centric, and appears to be doing their best to push through layers of bureaucracy to integrate Alaskan interests into the federal plan.
- Coordination teleconferences to date have, overall, gone well. The NSAR team has already invited AAPC's Co-Chairs to join them again on a December 20, 2013 call.

### **Business Policy Forum Planning**

Co-Chairs Herron and McGuire and Commissioner Moreland shared information regarding the planning process for an upcoming business policy forum set for March 2014 in Washington, D.C. Kip Knudson, Director of Governor Parnell's D.C. office, is currently involved in organizational meetings.

### **Further Involving Alaskans in Federal Decision Making**

Co-Chair McGuire noted fellow AAPC Commissioner and Northwest Arctic Borough Mayor Reggie Joulé's recent appointment to the White House's Task Force on Climate Preparedness and Resilience, praising inclusion of an Alaskan voice. She suggested that it would be beneficial for Commissioners and partners to create a list of qualified Alaskans who could be ready for nomination to future openings on wide ranging federal work groups touching on Arctic policy. Federal Administration officials have taken the position that it is unnecessary to reserve space at the table for Alaska, but that competitively qualified Alaskans who are subject matter experts may be given preference due to their location.

## **GROUP WORK: FURTHER DRAFT PRELIMINARY REPORT DEVELOPMENT**

### **Background Document**

Dr. Carlo guided the Commission through a review of the "State of Alaska's Arctic" background document, found in section four of the deliberative draft used for this meeting. Discussion of some restructuring to clarify certain areas and add strength to the assessment of current strengths and gaps in Alaska's Arctic approach.

### **Guiding Principles**

Following a lunch break, Commissioner Andreassen moved into a facilitating role. He placed four large poster boards around the room (one for each of the preliminary report deliberative draft's guiding principles. Members rotated around the room, with most spending some time discussing and providing changes suggestions at each station. After this hour-long exercise, Commissioners sat down as a full group to discuss the exercise's result.



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Next, he turned the Commission's focus to the policy statements, directing them to follow the same process with these more specific statements as they had earlier with the guiding principles. Together, they came up with a revised set of Guiding Principles and Policy Statements, reading:

Whereas, the State of Alaska recognizes the need for a higher level of attention paid to the "emerging Arctic" that is framed by increasing activity, dramatic change, globalization, a sensitive environment and rich cultures; the State of Alaska envisions an Arctic that:

- **Values Community Sustainability and Thriving Cultures**  
Alaska will promote policies that value and strengthen the sustainability and adaptability of communities and that respect and integrate Arctic peoples' cultures, and local and traditional knowledge.
- **Advances Economic Development and a Healthy Environment**  
Alaska will have a continuing commitment to build economically vibrant communities sustained by development activities that recognizes the need and our responsibility for a healthy environment.
- **Ensures Public Safety and Security**  
Alaska will provide a safe and secure Arctic for individuals and communities, as well as in support of homeland and national defense
- **Incorporates Transparency and Inclusion into Decision-Making**  
Alaska will lead Arctic policy, collaborating with other levels of government, industry, non-governmental organizations, and tribes to achieve transparent and inclusive Arctic decision-making that results in more informed effective outcomes.

Therefore, it is the policy of the State of Alaska, as it relates to the Arctic, to:

1. Recognize and respect the values and perspectives of the region's indigenous peoples, their cultures, and traditional ways of living.
2. Sustain current and develop new infrastructure that responds to increased environmental change and supports social well-being and community health.
3. Employ integrated, strategic planning and foster innovative partnerships with all Arctic stakeholders to better respond to risk and opportunity.
4. Manage Arctic fisheries and wildlife for abundance and sustainable yield, using a science-based, [ecosystem] approach and informed risk management.
5. Build capacity to advance technology, innovation, science, and research as part of a state-led collaborative effort between stakeholders.
6. Ensure that impacted communities receive direct and indirect benefits from economic



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development activities.

7. Strengthen prevention and response capability and capacity by coordinating necessary levels of investment for infrastructure and equipment.
8. Ensure Alaskans have job and training opportunities that might come with new and different careers in the Arctic, and are included as part of a robust and competent workforce.
9. Collaborate with industry, local government, and federal agencies to improve permitting and regulatory processes, as well as ensure a positive investment climate.
10. Strengthen cross-border and support international cooperation
11. Consult with stakeholders to meaningfully integrate local input into decision-making.
12. Pursue opportunities to meaningfully participate as a partner in development of federal and international policy and incorporate state and local government knowledge and expertise.
13. Enhance Arctic decision-making with scientific, local and traditional knowledge.
14. Strategically invest in Arctic infrastructure, utilizing innovative partnerships to mitigate potential risk and promote economic development.
15. Recognize the need to establish, support and maintain national, Alaskan, community and personal security and safety.
16. Lead activities that increase Alaskan community resilience, respond to global changes, and support individual basic needs.
17. Respond to Arctic climate change by working with communities to address associated challenges of adaptability and sustainability.
18. Attract Arctic investment with a competitive and innovative business environment.

**(END OF DAY ONE)**



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## COMMISSION MEETING | DAY TWO

December 10, 2013

### STRATEGIC RECOMMENDATIONS

Commissioners began Day Two by welcoming Mr. Christian Muntean of Vantage Consulting, who facilitated the work session to refine the Commission's strategic recommendations. Commissioners broke into the small-group policy teams that they had worked over the preceding months. As teams, they identified priorities with an eye for degree of impact, and ease of implementation. Then, as a larger group, the full Commission reviewed each of the teams' top recommendations. Deciding not to prioritize recommendations further at this point, members generated following list of top recommendations from each section:

*Note: This list is grouped by policy area and order of appearance on this list should not be interpreted as prioritization.*

#### **Oil, Gas, and Mineral Resources:**

Implement region-wide planning efforts that allow local stakeholders to identify regional priorities for development. *Note: Commissioners identified the Northwest Arctic Leadership Team (NWALT) as one possible model.*

#### **Fisheries and Wildlife:**

Develop an assessment and monitoring program in support of adaptation strategies of fish and wildlife management that enhances food security for Arctic residents.

Develop new and improve existing public education and awareness programs that promote the conservation of Arctic biodiversity and sustainable use of biological resources.

#### **Multi-agency Response Operations:**

Facilitate and secure public and private investment in support of critical aviation and maritime infrastructure, to include public-private partnerships that address funding for deep draft port(s), logistics hubs, and response operations. *Note: Investment should support construction and operation of an Arctic coastal hangar large enough to accommodate Wx C-130 aircraft for critical search and rescue activity. It should also support current efforts to finalize site selection for a deep draft port to serve as both a port of refuge and a base from which to expand future economic opportunities.*

#### **Planning and Infrastructure:**

Encourage the establishment of an interagency and intergovernmental working group tasked with engaging multiple levels of stakeholders to develop and implement a prioritization, funding, and implementation mechanism for infrastructure development.



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Compile and build on local regional efforts to conduct a comprehensive Arctic region economic and infrastructure assessment and planning process.

## **Arctic Marine Transportation:**

Support current and encourage the future development of appropriately integrated systems that monitor and communicate Arctic maritime information, including the Alaska Marine Exchange.

## **Oil, Gas, and Mineral Resources:**

Facilitate a process for state revenue sharing from resources extraction for impacted communities, developing perpetual trust funds to finance community needs beyond the life of non-renewable resources, where lacking.

## **Oil Pollution Prevention and Response:**

Work with potentially at-risk communities, if interested, to train first responders for a spill event and expand current programs to adequately equip them to ensure timely, effective, and safe response and spill containment.

Work with the United States Coast Guard on alternative compliance systems for vessels in Western Alaska.

## **US Coast Guard and Response Operations:**

Encourage and advocated for more adequate funding so that the Coast Guard can carry out its assigned duties in the Arctic.

## **Governance and Indigenous Perspectives:**

Develop a program that achieves transparency and community/local inclusion in decision making through state coordination of multi-agency permits, state and federal coordination of permits and plans, and meaningful involvement of regional stakeholders in development activities or plans that affect them.

Continue to pursue, and actively expand, all avenues of participation in the Arctic Council, including involvement in Working Groups and by building partnerships with Permanent Participants.

## **Science and Research:**

Increase funding for and leverage partnerships with the University of Alaska's Arctic research program, determined to be of high priority to the state, and for which the University's facilities and capacity are well suited.

## **Local and Traditional Knowledge:**

Consider applying successful models of including local and traditional knowledge in research and permitting activities, such as the DEC and Yukon-Koyukuk Tribal Communications Protocol, across state agencies, as part of comprehensive communications with Tribes and local governments.



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## **Energy and Power:**

Develop a stable long-term funding mechanism for residential weatherization and energy efficiency programs while continuing robust efforts to find long-term energy solutions.

## **MOVING FORWARD**

The Commission noted several areas on which to focus in 2014. Among them:

- A new theme: National Security, involving integration of the U.S. Department of Defense's (DoD) Arctic security measures, and further developing links between local, state, and federal DoD officials;
- Identifying specific priorities will generate income to potentially support the cost of the Commission's recommendations;
- Developing an implementation plan for the Commission's recommendations.

The Co-Chairs and Executive Director thanked participants, outlined tasks and timelines needed to prepare a final draft of the preliminary report to due to the Legislature by January 30, 2014, and adjourned the meeting.