



Alaska Arctic Policy Commission

Anchorage Meeting Highlights

Captain Cook Hotel

May 6 & 7, 2014

Senator Lesil McGuire and Representative Bob Herron, Co-Chairs

Commission Meeting | May 6

The Commission met for 2 full days at the Captain Cook Hotel in Anchorage. About 50% of the meeting consisted of work in small groups – that small group work is not reflected here in these meeting highlights, nor captured in the video archive. The meeting opened with welcome remarks from Co-Chair Bob Herron, Mead Treadwell and Fran Ulmer. 17 AAPC commissioners and 2 ex-officios attended the first day and 19 commissioners and 1 ex-officio attended the second day. In addition, 30-40 members of the public observed both days, not including an unknown number watching on-line. Documents for the meetings, as well as the video archive, can be found here: <http://www.akarctic.com/anchorage-meeting-may-6-7-2014/>.

The US will host the Arctic Council beginning in May, 2015. The Commission requested the Arctic Council Chair focus on environmental concerns, social issues, and development issues. The legislature formally approved the Commission preliminary report. There were 4 work sessions in 2014: Investment and economic development, Security and Defense, Marine Safety and Response, Ecosystem Based Management. The work session allowed the Commission to further expand upon the preliminary recommendations and issues that have come up during last year's in-person meetings.

Ex-officio Mead Treadwell mentioned that on April 22 Vladimir Putin gave a speech emphasizing Russia's expanding role in the Arctic. Putin wants to aggressively expand shipping through the NSR. Treadwell also noted that the Northwest Territories was recently granted control over its land and resources, which gives them stronger home rule. Alaska presents an uncertainty to investors – Treadwell suggested the Commission look at devolution in the Arctic for Alaska.

Ex-officio and USARC Chair Fran Ulmer mentioned these two recent reports from the National Research Council:

Responding to Oil Spills in the U.S. Arctic Marine Environment:

http://www.nap.edu/catalog.php?record_id=18625

The Arctic in the Anthropocene: Emerging Research Questions (2014):
http://www.nap.edu/catalog.php?record_id=18726

Director's Report on the Commission's Work Plan for 2014

There will be 3 AAPC meetings in 2014. This meeting (May 6-7 in Anchorage), August 26-28 in Nome and Kotzebue and November 13-14 in Anchorage. There will also be several upcoming work sessions. Ongoing there is a drafting team that will rework the preliminary report, incorporating public comment and work session input. Written public comment period on the Preliminary Report ends May 15th, but we will be conducting outreach throughout the year and the Commission will continue to accept public comment on other aspects of its work at any time. As we move to implementation we will look for partners to work with. In August the public will be updated with a draft. Moving towards January we will conduct public outreach for the final report. We will have updates in September as well as participation during Week of the Arctic.

The Commission's social media has a global reach. The website has been getting many hits, especially since the publishing of the preliminary report.

There have been 4 work sessions, one each for the group readouts below. Two more sessions are scheduled – Community Health & Wellbeing and Climate Change. Many groups will convene follow up meetings. Our work at this meeting is to review and vet all the recommendations in the Preliminary Report. We will do this through working in 4 small groups that align with the 4 vision statements. The four teams will be tasked with further work on the recommendations in the interim to the August meeting. The August meeting will include a draft of the implementation plan.

Work Session: Investment and Economic Development

The first work session was "Investment and Economic Development." Touched upon the need for better communication, more infrastructure, and a unified voice in DC. The State has a critical role in spill response as well as developing infrastructure. The state should continue to have low-rate loans and private-public partnership. The state should make clear decisions that prioritize investments with a greater rate of return. The state should prioritize a deep water port and partner with AIEDA for larger projects. The state should develop a roads-to-resources map. A focus on human resources would help balance out the boom and bust nature of Alaskan resource development. Developing broadband and other human capacity-building would help develop local innovation. There are many local efforts on the Slope to develop infrastructure. Local economic development groups have found that affordable energy is key for economic stability and growth. The drivers for our arctic ports is OCS development and to a lesser degree mining and shipping. Port development would jumpstart if OCS development were to take place. There are several ports around the state that play a role in Arctic development, such as Ketchikan and Sitka. There are rumblings about Alaskan cargo ships moving through the Arctic to Europe.

Work Session: Security & Defense

The second work session was “Security and Defense.” There is a long history of defense and security missions in Alaska, from WW II to Cold War missions such as the Distant Early Warning system. Today Department of Defense (DoD) assets are brought in as defense support for civil authorities missions like the recent "Alaska Shield" earthquake response exercise. Building upon civil support fundamentals has been key in Alaska. The big logistics challenges in Alaska are time, distance and harsh operating environments. For instance the DoD has massive energy demands and there are opportunities to share technological innovations to help contain rural Alaska energy costs. There are high level communications and networks coordinating search and rescue efforts. There are possible linkages where DoD and security developments can help local communities—expanded broadband. The last session of the legislature included dialogue on security and the Governor emphasized that not moving Air Force assets from Alaska as well as keeping the Flint Hills refinery open as pivotal for Alaska and U. S. defense requirements. In terms of security and information how does the aerospace development fit into the security and defense picture? These issues weren't discussed in depth during the Alaska Arctic Policy Commissions first year's work sessions. The emphasis has been on civil support opportunities. How can the Commission engage directly with the USCG with the Commandant in his new role? The Commandant is well acquainted with Arctic issues and the next Coast Guard District 17 Commander has experience with the Atlantic Arctic. With the DoD in Alaska organized into several command relationships, Alaska Command and Joint Task Force Alaska (as subsets of U.S. Northern Command) are eager to engage with the Commission. There is not a lot of money – expect to partner (as outlined in the DoD Arctic Strategy). However, DoD is moving to a more strategic view and that opens opportunities for the Commission and DoD to dialogue as the summer unfolds.

Work Session: Marine Safety and Response

The third work session was on “Marine Safety and Response.” Coordination efforts with local governments are effective in this state, however, where the state is lacking is in prevention and prevention infrastructure. The United States doesn't have prevention mechanisms. The Coast Guard will implement the IMO polar code which will install a prevention framework. It will be a fairly long implementation strategy. Looking at shipping routes and the relation to food security and traditional indigenous lifestyle. There are two agreements with the state for Oil Spill Response and SCAR. The biggest challenge is the lack of comprehensive response assets and a lack of infrastructure. There is a wealth of expertise, but an extreme lack of funding and infrastructure. With the advent of virtual navigation safety efforts could be streamlined. There is an effort in the Division of Waterways to develop virtual navigation. This is a way to help train locals and help communities get general training on oil spill response and coordination.

Work Session: Ecosystem Based Management and Integrated Arctic Management

The last work session was “Ecosystem Based Management and Integrated Arctic Management.” Increasing human activity is the driver for these management tools. There is room to integrate these management practices with NEPA and other permitting mechanisms. The domestic discussion on ecosystem based management is a holistic approach developed by federal agencies. Protocol for engaging with the state and tribes is not established. The state wants to know how a permitting agency should change its practices based on this new definition. Economic development seems to be lacking – the federal management

focuses on ecosystem development. There needs to be a balance when there are competing priorities. Ecosystem Based Management is a tool to make informed decisions, but doesn't necessarily produce an outcome. The state should continue to improve data sharing as well as making research priorities to enhance decision making. There are questions on the goals of EBM. Baseline Arctic studies should be incorporated to see what changes have occurred in arctic ecosystems. Can the Commission use past data to plan for the future and to model trends? How do we holistically manage all these sectors? The federal government is the lead in ocean management with local communities and the state being supporting players. What is the role of federal land managers under ANLICA? The purpose of the work session was to assess the status of IAM. The IAM was originally developed by the Arctic Council.

Public and Invited Testimony

PT Capital, LLC: Economic Potential of the Arctic: "There is an emerging Arctic economy. The arctic economy grew at 7.1% between 2001 and 2012 and is projected to grow at 7.8% through 2030. Growth is driven by natural resource development, new sea routes, and new technology. Canada will be the major driver in the Arctic. Drivers of resource revenue are oil & gas and mining. There are 20 billion dollars of activity in Alaska oil & gas, OCS should drive production to over 100 billion dollars in investment. Alaska will continue to be an oil state and gas will become more important. Canada will also double, but their structure is much more balanced between oil & gas. There are significant areas of investment growth in Alaska. Pipelines, hydro, ports, transmission lines, and roads have billions of dollars in infrastructure potential. SB140 allows for private-public partnerships in Arctic development. There is high growth opportunity and Alaska provides stable investment opportunities with a mature political structure."

"The Bering Sea Alliance is made up of 7 villages that own the land base of the Bering Sea Area. This group was formed to help manage changes in the Bering Sea Area. We are concerned about the development and wish to have a voice. We would like to serve as an infrastructure partner. Our state is inadequately prepared in terms of advanced technology and infrastructure. We need to develop mechanisms for shipping and oil spill response. The Village Corporations are often left out of big discussions and we want a seat at the table. We want to invest collectively while maintaining our way of life. We have a "one village, one vote" approach. We partnered with Shell/ARS for training and hosted an Arctic Resource Development conference – another session is scheduled for August. Poverty and community problems in many villages require attention to ground-up development strategies. The whole process lacks a sense of urgency – need to stress rapid capacity-building along with a citizen's advisory committee to guide growing minerals extraction prospects as well.

The Alliance "Linking Alaska's resources to Alaska's people". 500 members employ many across the state. Impacted communities should receive direct and indirect benefits from economic development opportunities, including employment and training. AK Oil and Gas Workforce Development Plan; outreach to high school and college students across the state. To replace an aging workforce we will need 7,500 workers – this doesn't include new developments. We want to make sure Alaskans have priority to those jobs. The Alaska hire rate is 71%. There is a work force shortage as well as a skill gap. There isn't a high churn rate, but the demand will still go up. Most of these careers don't require an education. We are incredibly excited about the job prospects."

Resource Development Council: “We have been doing business in the Arctic for decades. It has come with many benefits for the state and local residents. Alaska needs to be prepared to respond to current opportunities and trends. Developing resources here helps us build capacity. There is a lot of uncertainty in terms of climate modeling and economic outlook. This Commission helps us confirm that we are in fact an Arctic nation. We hope that this doesn’t duplicate the regulatory structure. We are worried by the specifics of ecosystem management and need to know what the terms mean. Securing long-term funding is pivotal; however, as oil revenue declines and OCS is stalled the funding will dry up.”

“Disconnect for oil spill response. The Coast Guard needs local resources and to invest locally.”

Paul Fuhs on AIS: “We can use weather stations to transmit real time data to vessels via AIS. We have about 100 vessels prepared to help respond to spills, representing some 4 million dollars of investment. There are considerable gaps in coverage. It has become more difficult with Russia. We don’t know their spill capabilities, but we need international cooperation. We are looking at a harbor safety committee in absence of international shipping regulations—developing best practices. We can combine resources to cover coverage gaps.”

May 6 PM – 4 Small groups reviewed and worked with their assigned implementation teams.

The following tables summarize which policy statements link to the four visions statements and detail membership on Implementation work teams. At the May 6-7 Anchorage in-person meeting Commission members worked throughout the meeting in the 4 groups below. These same groups will continue to work on implementing recommendations in the interim between in-person meetings.

Summary of Policy Statements:

Vision Statement	Policy Statement	Short description
Vision 1 - Sustainable Communities and Cultures	P1	Respect values
	P2	Climate change
	P3	Managing wildlife
Vision 2 - Vibrant Economic and Resource Development	P4	Economic development - benefit communities
	P5	Resource development - permitting and investment
	P6	Competitive investment in infrastructure
Vision 3 - Safety, Security and Defense	P7	Emergency response, investment infrastructure
	P8	Intl Arctic Cooperation
	P9	Security and safety (nat/local community)
Vision 4 - Collaborative and Inclusive Governance	P10	Science and research
	P11	Partnerships National and Intl
	P12	Strategic Planning

Implementation work teams:

Implementation Teams	Legislative Members	Public Members	Ex-officio Member	Contact
Vision 1 - Sustainable Communities and Cultures (P1-3)	Rep Edgmon Sen Hoffman	Stephen Trimble Reggie Joule Chris Hladick Pat Pourchot	Beth Kerttula	Stephen Trimble
Vision 2 - Vibrant Economies, Resource Development, Healthy Environment (P4-6)	Sen Giessel Sen Olson Rep Nageak	Liz Moore Lisa Pekich Kris Norosz Harry McDonald		Tyler Belk, Staff to Sen Giessel
Vision 3 - Safety, Security and Defense (P7-9)	Rep Guttenberg Rep Austerman <i>Sen McGuire</i>	Peter Garay Denise Michels Stephanie Madsen	Jamie Robinson	Meredith Cameron, Staff to Rep Guttenberg
Vision 4 - Collaborative and Inclusive Governance (P10-12)	Sen Stevens <i>Rep Herron</i>	Layla Hughes Jake Adams Stefanie Moreland Lawson Brigham	Fran Ulmer	Rob Earl, Staff to Rep Herron

Commission Meeting | May 7

Video archive for May 7 is at the bottom of this page: <http://www.akarctic.com/anchorage-meeting-may-6-7-2014/>

In the morning, the plenary group went through each recommendation discussing revisions and consolidation of recommendations. In the afternoon the group moved back into the 4 small groups mentioned above to make revisions based on morning discussions.

Closing Plenary –

The AAPC will work toward the next in-person meeting August 26-27 in Nome and Kotzebue (details forthcoming).

The Commission has been working together in different ways this year, mainly through work sessions and going forward also implementation team meetings.

Work Sessions – AAPC will convene these facilitated discussions on issues and topics that have come up during in-person meetings in 2013. We have convened 4 of 6 planned sessions on topics ranging from security to economic investment.

Implementation Teams - 4 teams will continue to work on the recommendations and strategic action plan worksheets associated with each of the 4 vision statements.

Description of the Process for the Strategic Action Plan Worksheets - the goal for the Implementation Team meetings is to complete a Strategic Action Plan worksheet (below) for each recommendation. Together these strategic action plans will constitute the AAPC Implementation Plan (one of our two deliverables). Implementation can be thought of as further developing the recommendations, revising to make them stronger. We have gone through a process at this meeting to vet the recommendations already in the Preliminary Report – now we have a revised and shorter list of recommendations. The Recommendations – as the implementation plan – need to connect to policy statements and be supported by justification. For each recommendation we can ask the following questions: Who will take action?; How will it get done?; What is the role of local government?; and What resources are needed? AAPC staff will assist the implementation teams with logistics related to convening meetings and helping to complete the strategic action plan worksheets.

Recommendations – Strategic Action Plan worksheet

Goal: What goal does this recommendation help meet?				
Policy Statement: What policy statement does this recommendation correspond to?				
Recommendation: Fully state the recommendation – should support both goal and policy.				
Status: Does this recommendation: <ol style="list-style-type: none"> 1. Support current efforts 2. Address deficiencies in current efforts 3. Expand on current efforts 4. Create entirely new effort 	Timeline for Action: Is this recommendation necessary in the short-, medium-, or long-term? To be implemented by: <table style="width: 100%; margin-top: 10px;"> <tr> <td style="text-align: center; width: 33%;">FY 2015</td> <td style="text-align: center; width: 33%;">FY 2017</td> <td style="text-align: center; width: 33%;">FY 2022</td> </tr> </table>	FY 2015	FY 2017	FY 2022
FY 2015	FY 2017	FY 2022		
Justification: Reference evidence to defend making this recommendation.				
Lead and Partners: Who will take action and under what authority? Who plays a supportive or facilitative role? Primary – Support – Support – Support –	Resources needed: What are the funding needs and what sources are available to support these actions? Fiscal – Leveraged –			
How will it get done: What are the roles and responsibilities of state agencies? Where does the state play a facilitative or supportive role, what can be done to encourage forward movement? 1. 2.				
Actions – What steps are necessary in enacting this recommendation? Should support, increase or decrease a specific effort.	1. 2. 3.			
Evaluation: What measures or performance indicators will be used to evaluate success? How will we know we have made progress on this recommendation? 1. 2. 3.				

Submitted by: