

Sheffield asks for OCS procedure changes

By Linda Lord-Jenkins

Tundra Times Editor

Faced with a U.S. Supreme Court decision saying the federal government doesn't have to comply with state regulations in the leasing stage of oil development on the Outer Continental Shelf, Gov. Bill Sheffield has switched tactics and has written to the new U.S. Secretary of the Interior to outline his concerns.

The governor announced in a press conference last week that he was approaching Interior Secretary William Clark to tell him the department's schedule for leasing offshore oil exploration tracts is "too much, too fast, too soon."

The diplomatic channel is one of the few ways the state has left to modify the current accelerated oil leasing schedule pushed through by former Interior Secretary James Watt because of the Supreme Court ruling.

That ruling stated that states can't force the federal government to comply with state regulations for leasing offshore areas. The court did not rule on federal-state compliance in actual exploration operations

and Sheffield said that is still one option to protect the Alaska environment.

But, many feel that many of the protective stipulations that are placed on oil explorers are placed at the time of the lease sale and are difficult to add after leasing is completed but before the actual exploration is started.

Esther Wunneke, Commissioner of Natural Resources, said she didn't agree with that belief. Wunneke is former head of the federal Outer Continental Shelf office in Alaska.

In his letter to Clark, Sheffield specifically asked that delays be unposed in the leasing operations planned for the Barrow Arch in the Chukchi Sea, and in the St. George Basin.

He cites numerous objections to those and other lease sales, many based on the pre-sale process.

In his recommendation that the Barrow Arch sale be delayed until at least 1987, Sheffield contested the MM's belief that adequate scientific data has been gathered on the sea ice conditions and biological and environmental information condi-

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tions.

He said a two-year delay from the scheduled February 1985 lease sale would allow adequate interpretation of the data and perhaps more scientific study to occur.

The state has decided that 1987 is early enough for state sales in the area.

The Bristol Bay area, known as the North Aleutian Basin in oil terms, should be delayed for at least 10 years, said Sheffield, because of the massive impact that development will have in the Bristol Bay area which "contains some of the most productive commercial fisheries grounds in the world."

Sheffield said because the area contains "relatively low hydrocarbon potential for the area" and such high importance in fishing that "continued deferral is warranted."

He said every precaution should be taken to insure that conflicts between the fishing and oil industry are minimized and through up-to-date research should be conducted prior to the sale.

Sheffield said the state also is concerned about clean-up capabilities in the Navarin Basin which will be leased in March of this year, and is asking that the Diapir Field sale, which is scheduled for June of 1984, be reduced in size and be deferred in the western and eastern portions of the sale until 1986 when a third Diapir Field sale is scheduled.

To reduce and defer those sales would allow an impact statement to be issued on the effects of lease activity on the spring and fall bowhead whale subsistence hunt.

Sheffield said that the Interior department is speeding up lease sales at a time when federal cutbacks are forcing massive cutbacks in the Interior Department's ability to adequately supervise and manage such sales.

He criticized the Interior department's new system of offering area-wide tracts of OCS land which call for leasing of more than tracts larger than 100 million acres and said "The Department of the Interior's scarce internal resources are then stretched critically thin in an attempt to broadbrush an analysis of the entire area in the Environmental Impact Statement for the sale."

Sheffield also pointed out that state analyses show that far less acreage is being leased in the sales which have been held, despite Interior's hopes to the contrary.

He suggested a tract nomination process which targets high-potential areas, but restricts actual sale offerings to limited areas which are more manageable.

Sheffield also was critical of the current pre-sale process which he said should be streamlined in order to give the state and the governor more effective input on any sale. To do

otherwise, he said, encouraged confrontation and even litigation.

Sheffield also voiced concerns on the pace of the lease sale, which he wrote should be limited to no more than three

sales per year. The state and local villages are unable to adequately prepare for any more than three per year. Six sales are scheduled to be held from March, 1984 to April, 1985.

Sheffield also said that a

U.S. General Accounting Office audit cast serious doubt on the federal government's ability to conduct "this many sales in a manner consistent with the public interest." Sheffield said that the Mineral Management Service

has not increased staff in conjunction with the increased acreage to be leased and "we at the state level have observed the inevitable decline in the quality of MMS pre-sale documents and public involvement in the sales."