



**TESTIMONY BEFORE THE ALASKA OIL & GAS CONSERVATION COMMISSION
BY BOB SHAVELSON, ADVOCACY DIRECTOR, COOK INLETKEEPER
MARCH 23, 2017**

Members of the Commission –

Thank you for the opportunity to testify today. Last Fall, Inletkeeper petitioned AOGCC to provide public notice and comment for permits authorizing hydraulic fracturing operations. We did so because there was considerable public concern around proposed fracking operations in Cook Inlet, and we felt it was simply good government to inject better transparency into the process.

Normally, I would have spent the time and incurred the expense to travel to Anchorage to testify in person today. However, I was treated so rudely and unprofessionally at the December 2016 meeting – where the Chair resorted to profanity to castigate my testimony – that I decided to save time and expense, and provide my comments over the phone.

I've spent the past 23 years working on oil, gas and other conservation issues in Alaska, and I've learned to have thick skin. But most Alaskans don't routinely wade into some of the state's thornier environmental problems, and when AOGCC treats one member of the public with scorn and contempt, it has a chilling effect on all public participation. And that runs directly contrary to Alaska's Constitution, which recognizes Alaska residents as the owners of our natural resources, and our government agencies as trustees charged with protecting the public interest.

Aside from the treatment I experienced last December, AOGCC's proposed rule further demonstrates a disdain for everyday Alaskans concerned about the protection of our public resources. For example, the proposal is so vague as to render it almost meaningless. The proposal reads in whole:

"The Commission will post the application on its website. If the application contains confidential information the operator shall submit, for this posting, an additional copy of the application with all confidential information redacted. The Commission will accept public comments for 10 days."

This generalized statement begs several questions: When will AOGCC post the fracking application on its website? Will it be before or after AOGCC makes a decision on the fracking application? It says AOGCC will “accept” comments, but it does not say whether AOGCC must actually consider them, and what recourse a commenter may have if AOGCC simply ignores relevant comments. Could a commenter appeal an adverse ruling from AOGCC? I cannot imagine a scenario where AOGCC would propose similarly vague and hollow language for rules governing the oil and gas corporations it regulates.

The proposed rule also provides a mere 10 days for Alaskans to submit comments on hydraulic fracturing permits, which are highly complex documents which can run hundreds of pages long. The oil and gas industry routinely gets 30 days or more to digest and prepare comments for exceptions to well spacing requirements (20 AAC 25.055), applications for enhanced recovery (20 AAC 25.402), applications for annular drilling waste disposal (20 AAC 25.080), and applications to commingle production and injection wastes within the same wellbore (20 AAC 25.215), among others. A 10 day timeframe is barely enough time for Alaskans to identify and contract with an expert (if they can afford it) to review an application for hydraulic fracturing. As a result, the abbreviated timeframe in the proposal is unfair, and it appears to be mere window dressing to help hide the fact there’s no meaningful opportunity for Alaskans to participate in AOGCC’s deliberations.

Finally, AOGCC’s proposed rule gives the corporate applicant for a hydraulic fracturing permit complete discretion and control to define and decide what is and what is not confidential information. As a result, with no standards or criteria to define “confidential information,” a corporation could simply redact vast swaths of an application – regardless of the information’s sensitivity - making it impossible for any Alaskans to comment intelligibly. Again, this open-ended language strongly suggests a lack of seriousness on AOGCC’s part to address public concerns.

In closing, I want to say I have an enormous amount of respect for AOGCC. In the course of my work, I get a first-hand look at a variety of federal, state and local agencies, and I can honestly say the staff and most of the Commission are highly professional and work diligently to implement AOGCC’s conservation mandates. I cannot say that about many government agencies.

It’s regrettable, however, this issue has become so rancorous, but through it all, Inletkeeper has maintained its professionalism, and while we may have opinions that differ from those of others, we have treated members of AOGCC and industry with respect. We hope we can get back on that track for a more productive dialogue.

We hope AOGCC will go back to the drawing board, and at least address the issues raised above. Thank you.