

Bering Straits Native Corporation

Testimony before the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard by Matt Ganley, V.P. Resources and External Affairs Bering Straits Native Corporation March 27, 2013 Anchorage Alaska

On behalf of the Shareholders and Board of Directors of Bering Straits Native Corporation (BSNC), I thank Senator Begich for the opportunity to present testimony related to developments in Alaska's Arctic Waters. I am Matt Ganley, Vice President of Resources and External Affairs for Bering Straits Native Corporation and have worked in western and northwest Alaska for the past 30 years-the last 20 of those years with Bering Straits Native Corporation.

Bering Straits Native Corporation is the regional corporation established by the Alaska Native Claims Settlement Act of 1971. Our region encompasses the Seward Peninsula and adjacent waters, including Sledge, King and Diomede Islands, and the shorelines of two Seas as well the whole shoreline of Norton Sound. Seventeen villages are within the BSNC regional organization. Most of the communities lie along the coastline: from Shishmaref on the Chukchi Sea; Wales and Diomede (Inalik) in Bering Strait; Teller and Brevig Mission on the eastern boundary of Port Clarence; Nome on the Bering Sea; then further east to and Solomon, Golovin, Koyuk, and south to Shaktoolik, Unalakleet, Stebbins and St. Michael on eastern Norton Sound.

Recent developments, including diminished sea ice, increased vessel traffic through the Northern Sea Route and Northwest Passage, and oil and gas exploration in the Beaufort and Chukchi (including Russian waters to the west), have rapidly brought the region into sharp focus. Though certainly challenging, we view these developments with concern as well as guarded optimism.

Over the past two years agencies and organizations have held meetings to discuss numerous topics related to increased shipping and vessel traffic in Northern waters. From one gathering to the next I have watched as the anxiety level has risen among participants at the meetings who are attending as representatives from the coastal communities of Bering Strait. Discussions and reports detailing spill and disaster response needs, increased traffic related to exploration as well



BERING STRAITS NATIVE CORPORATION

as the potential for offshore oil development have not addressed a glaring gap between the information and scenarios presented, and the utility of that information for the resident stakeholders. Strategies have been developed-specifically the Geographic Response Strategies report-which, if implemented in a materiel sense, would place the tools and expertise in the hands of the communities to respond at the local level to fuel spills and unanticipated discharges in near shore marine waters. Staging of the necessary hardware in the communities, combined with proper training would provide communities with an investment in what is occurring in their neighborhoods. It would also give communities an active role in protecting their subsistence resource base: the very thing our residents are most anxious about.

I offer the GRS example because it highlights something that BSNC has been emphasizing in recent discussions related to Arctic ports. There is no single port location or, for that matter, response plan that is going to fulfill the many needs facing industry, government and residents in the Arctic. The extent of the coastline, the lack of intermodal transportation, the extreme environment, and the relative absence of sufficiently deep water require a non-centralized, modular approach to infrastructure development in the Arctic. Rather than focus on a single point for port development with the intent of constructing The Arctic Port, we encourage agencies, planners and government (State and Federal) to promulgate rules that encourage private development as well as the public-private partnerships discussed in recent Port Studies. It would also be prudent when legislation is developed, to be certain that 1) Not all of the resources are invested, for political expediency, at one location and 2) that the options available for port development, particularly in the private sector are not unnecessarily restricted, through new or additional administrative regimes.

Since its creation in 1971 with the passage of the Alaska Native Land Claims Settlement Act, BSNC has endeavored to anticipate what would occur in our region with regards to resource development and commerce. This was the underlying intent of ANCSA and the corporate structure imposed by that Act. BSNC selected the lands located on Point Spencer, commonly known as Port Clarence in 1976 (case file number AKFF023051), pursuant to Section 14(h)(8)



BERING STRAITS NATIVE CORPORATION

of the Alaska Native Claim Settlement Act, and subsequently prioritized this tract of approximately 2300 acres. It was selected with the understanding that BSNC would accept conveyance at such time as it became available. Until 2010, the year that USCG decommissioned the Loran facility, Port Clarence served as an important link in the communication and navigation system for Alaska's waters. We have been working with the USCG and have had initial discussions with the State Department of Natural Resources to determine the most expedient manner to have the property conveyed to BSNC to fulfill our corporation's ANCSA entitlement.

There are currently no adequate staging, support, and disaster response facilities in the area of Bering Strait and BSNC intends to utilize this property for infrastructure development that will positively benefit the safety, security, and economic development of the region. It will also provide jobs and economic opportunities to one of the most economically depressed areas in the United States. We believe Port Clarence can be responsibly developed in partnership with private industry to meet the needs of marine safety and national security in Alaska's Arctic waters.