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Drilling Here, Drilling There

A Look at North Pacific Offshore Drilling Plans

At the end of March the Obama Administration announced it would lift the US offshore drilling moratorium that has been in effect for the past two decades, and open up new tracts in the ocean for oil and gas development. The President's announcement received mixed reactions, although it did allow the fishing fleet to breathe a sigh of relief, since the areas where drilling was most opposed by fishermen are not, for now, under consideration for leasing.

Offshore drilling has been widely opposed by the fishing fleet along the Pacific Coast, among Alaskan fishermen fishing in Bristol Bay and in New England. Under the new five-year plans, no drilling is being proposed along the coast of California, Oregon and Washington, Bristol Bay or, in the Atlantic, on Georges Bank off New England. However, the lease sale for Alaska's Cook Inlet will go forward, and leases in the Chukchi and Beaufort Seas are proposed.

Introduction

In this two-part article, we thought we'd review what's being planned for the US, looking closely at the Pacific, but also look at what's being proposed to the west of us – in the Russian Far East. Our fleets fish some of the same stocks in common (pollock and king crab for example), or have an interest in stocks that we market in common, such as salmon.

In the latter case, a fully developed and sustainable Russian salmon fishery could help US and Canadian fishermen maintain a critical mass of wild salmon on the market to hold back any further incursions by farmed fish.

A great deal has been written about the US offshore drilling plans, since the President's announcement, but very little has been written about plans affecting Kamchatka and Sakhalin. Sibyl Diver, who spent much of a decade in the Russian Far East for Pacific Environment, and translating for visiting US fishermen for conferences and tours in that region, has contributed the Russian piece in this article.

Climate Change Rhetoric and Oil Production?

By Zeke Grader

Fishermen along the Pacific Coast and New England will be spared offshore oil and gas development, which can be highly disruptive of commercial fishing as well as a threat to the stocks from either oil spills or the disposal of toxic drill muds on the seabed.

Alaska's Bristol Bay will also be spared oil drilling, although another environmental threat is looming for the world's richest fishing grounds – proposed mining in the Bristol Bay watershed.

Unfortunately, keeping these areas off limits to drilling does not guarantee they are immune from spills – those can still occur from vessel accidents, such as the *Exxon Valdez* grounding over two decades ago in Prince William Sound. But eliminating drilling does lessen the odds for oil spills and, of course, it protects against displacement in the fishing grounds by platforms and against having fishing infrastructure displaced in ports by offshore oil support facilities.

The Bad News

Under the Administration's revised plan, drilling leases will go ahead for Alaska's Cook Inlet. This needs to be stopped. Moreover, depending on what new studies will show, drilling may go ahead for the Chukchi and Beaufort Seas.

After the North Pacific Fishery Management



Council, with support from the fishing industry, decided to ban fishing in the US economic zone in the Arctic, the Administration is now proposing lease sales for oil and gas which – environmentally – would be far more damaging than any fishing activity.

As to the other areas of the nation where new drilling is being proposed, in the Gulf, off Virginia and to the south, we can only suggest fishermen there at least talk to fishermen from the Santa Barbara Channel who have had decades of experience working around offshore oil platforms to get their perspective. These discussions should go on before buying into oil industry rhetoric or the “drill, baby, drill” mentality.

What Are They Thinking?

With all the discussion going on about climate change and the need to reduce heat trapping carbon emissions in the atmosphere, why are people thinking about promoting more development of carbon-based energy?

For the fishing fleet, it's not just about global warming. Increased carbon emissions are also making the ocean more acidic, which certainly isn't going to help our fisheries. It would seem the better course would be a full-scale push for renewable energy development – mainly wind and solar.

While many of the proposals for offshore renewable energy development – wind and wave – are problematic, in terms of displacement on the fishing grounds to the creation of navigation hazards, there is great opportunity onshore for alternative energy development in the US from solar in the des-

erts of the southwest to wind along the plains of the Midwest south into Texas.

Additionally, much of the effort being put into new offshore oil and gas development would be better spent developing biofuels fuels from such things as algae, to replace the diesel and jet fuel needed for watercraft and aircraft. This is where we should be heading instead of promoting new drilling.

Even if you don't subscribe to the manmade global warming theory, new drilling offshore doesn't make sense. It threatens fisheries. It creates pollution – first from extraction and then from burning. It is in limited supply; drilling now will only deny future generations access to it for non-energy uses, such as textiles and plastic, if we decide to drill and use it – blowing it out our tailpipes and smokestacks. And, finally, it is in limited supply offshore the US so it won't make the nation energy independent, it only delays development of alternatives that will free the nation from dependence on foreign energy sources.

The Five-Year Plans

Neither the 2007-2012 Minerals Management Service five-year plan, nor the 2012-2017 plan will include any oil and gas lease sales off the West Coast. Here are some of the details of those two plans:

Current Five-Year Plan (2007-2012)

The Gulf of Mexico: Four proposed lease sales there will continue to go forward.

Virginia: A proposed lease sale there will continue to go forward if warranted by environmental review, which will take about a year

to complete.

Chukchi and Beaufort Seas, Alaska: Leases for the drilling of five exploratory wells will continue to go forward. Three production leases will not go forward at this time. President Obama has asked the US Geological Survey to undertake a special analysis of the sensitivity of drilling in the Arctic, which will inform future drilling decisions there.

Cook Inlet, Alaska: Proposed lease sales there will continue to go forward.

Bristol Bay, Alaska: Proposed lease sales there will not go forward, and President Obama will sign a formal withdrawal of any leasing authority in this area.

Revised Five-Year Plan (2012-2017)

Mid and South Atlantic: The new five-year plan includes seismic testing and environmental review of areas south of Delaware to determine if drilling is appropriate. If this information supports going forward with drilling, there will also be another lease sale-specific environmental review before any final decisions are made about whether or not to offer leases in this area.

Gulf Coast of Florida: The new five-year plan includes environmental review of an area in the eastern Gulf of Mexico close to 125 miles off the Gulf Coast of Florida. About two thirds of the oil and gas in the eastern Gulf of Mexico is believed to be located in this area. Drilling in this area could not proceed without a Congressional amendment to GOMESA. The Department of the Interior said that the Department of Defense was consulted in selecting this area, but didn't

say whether or not the DOD was now comfortable with the possibility of drilling occurring there.

Chukchi and Beaufort Seas, Alaska: Additional lease sales will be proposed in these areas.

Of course, there is one fundamental concern about all these plans: *they could all be changed by the next Administration.*

Fish and Oil Don't Mix for Kamchatka

By Sibyl Diver

Russia's Kamchatka Peninsula is called the “edge of the earth” for good reason.

I have walked across Kamchatka streams, silver salmon brushing against my ankles. I have listened to beluga whales softly exhaling as their alabaster white bodies shone in the bright northern sun off Kamchatka's coast. I have watched enormous mother brown bears, wearily delivering one salmon after another to four tussling spring cubs at Kurilskoye Lake, the largest sockeye salmon lake on the peninsula. For now, such experiences await visitors to Kamchatka. However, civilization is catching up with the Kamchatka wilderness – in the form of proposed oil and gas development.

As the global demand for oil supplies continues to rise, the oil and gas deposits of the Western Kamchatka shelf are a valuable commodity, particularly for countries in East Asia. But oil and gas development on Kamchatka will come at a high price.



In summer 2008, the first exploratory oil drilling on the Kamchatka Peninsula occurred, and the first test well came up dry. The project was a joint venture between Rosneft and the Korean Consortium KKS, primarily supported by the Korean National Oil Corporation. Exploratory drilling occurred off the coast of Western Kamchatka in an area not far from where I observed my first beluga whale and Steller's sea eagle.

Later events in 2008 created uncertainty with the project, including a contentious license transfer from the Rosneft company to Gazprom and the historic crash in global markets. However, Kamchatka shelf development plans are now moving forward, and Gazprom is planning offshore seismic testing, starting on June 15, 2010.

Located just to the north of Korea and above the Kuril Islands, the Kamchatka Peninsula is about twice the size of the Korean Peninsula, but with a total population of only 400,000 people. More than half of this population lives in the main city of Petropavlovsk-Kamchatsky, a port city nestled in the shadow of two of the peninsula's majestic volcanoes. There are only two primary paved roads on the peninsula. Given the relative lack of development at present, oil and gas development would dramatically change the face of Kamchatka.

Kamchatka Salmon at Risk

The Kamchatka Peninsula is a salmon sanctuary, providing spawning habitat for about a quarter of the Pacific Ocean's wild salmon. The Okhotsk Sea, targeted for oil

and gas development, is now recognized as one of the most productive fisheries in the world.

The Okhotsk Sea region off the western coast of the peninsula, known as the Western Kamchatka shelf, supplies approximately 25 percent of Russia's commercial fisheries, or more than one million tons of fish a year, including salmon, king crab, pollock, cod, and other species. Kamchatka fish products are exported throughout the Asia Pacific region, especially to Korea and Japan.

When given a voice in the decision, Kamchatka has consistently chosen fish over oil. Over half of Kamchatka's local population is directly employed in the fishing industry. For locals, the choice is between renewable fishery resources that will support local families for generations and thirty years of oil that would primarily benefit large corporations and special interests in Moscow.

When oil and gas development was previously proposed for the Western Kamchatka shelf in 2005, local community members voiced their opposition by requesting a referendum. Local government officials have also traditionally supported creating a marine protected area on the Western Kamchatka shelf.

The importance of fisheries to locals on Kamchatka runs even deeper than economics. Fishing represents a lifestyle that is waning in many places around the world. A local taxi driver I met on one occasion told me that his favorite pastime was to go camping on the river about an hour out of Petropavlovsk-Kamchatsky. He

never needed to bring any supplies. He would fish for a fresh silver salmon for his dinner, gather blueberries and golden tundra cloudberries for a snack, then make a warm campfire for an evening under the stars, with no signs of civilization in sight. He asked me, "How will oil and gas make my life any better than this?"

Indigenous communities living along the west coast of Kamchatka have similar concerns. "Oil will be the end of our traditional fishery and result in an irreplaceable loss to our culture," an Itelmen indigenous elder told me.

Indigenous peoples of Kamchatka, including the Itelmen, Koryak, and Kamchadal peoples, have long inhabited the area and many communities have subsisted off the fishery. Many indigenous communities still depend on healthy salmon returns for subsistence and commercial fishing needs. To this day, coastal indigenous communities allow the red salmon meat to wind dry and lightly smoke the fish, an important supplement to groceries, often unaffordable in this northern region, which is currently reachable only by ship or plane.

Impacts on Fishing Communities

The licensed offshore oil exploration lease area covers 62,000 sq. km. of marine area (about the size of Ireland). This is currently the largest oil and gas exploration license in Russia.

Unfortunately, the oil and gas license area runs along key salmon migration routes, rearing areas for pollock, primary crab habitat, and other valuable fisheries areas. Two coastal areas are also recognized as Ramsar Wetlands

of International Importance and support hundreds of thousands of migratory and breeding waterbirds, including ducks, waders, gulls, and geese, which could be severely affected by future oil development.

Impacts on salmon and smaller fish, like herring, which are primary prey for species, would have a cascade effect on the entire Okhotsk Sea food chain. Species that depend on healthy salmon runs, including the Kamchatka brown bear and endangered species such as Steller's sea eagles, could be significantly harmed.

Oil and gas development can damage fisheries and other wildlife through several processes. One concern is that oil drilling suspends bottom sediments, leading to turbidity around drilling platforms, which can be distributed over large areas. Scientific studies have indicated that environmental changes of turbidity can lead fish to change their migration patterns, which could be a substantial concern for Kamchatka salmon.

Oil spills, potentially resulting from actual drilling activities, increased shipping in the area, or the transport of supplies and waste to the drilling site, also pose a significant threat. Oil spills leave a toxic legacy for many years that passes through the food chain. The impact of oil spills in the Okhotsk Sea would be especially severe, as oil byproducts have been shown to break down more slowly in colder climates.

Furthermore, oil spills and accidents in the Western Kamchatka region are more likely to occur than in other regions because of local conditions. The Okhotsk Sea is



covered with ice and plagued by serious storms during most of the year, leaving a short window for actual development activities. Scientists have indicated that oil spills under ice can prove to be extremely damaging, as they can spread over long distances and heavily impact marine mammals surfacing to breathe in air pockets now filled with oil. The area is also extremely seismically active, which could cause ruptures in drilling equipment. Additionally, Okhotsk Sea currents primarily circulate waters within the Okhotsk Sea and would provide minimal flushing action from the Pacific Ocean in the case of a spill.

Oil development projects around the world have demonstrated that where there is oil development, there are spills. The North Slope of Alaska is a case in point, where even some of the best available technologies with oil and gas development have at one time or another failed, resulting in oil spills and leaks on sensitive arctic tundra habitat. Shipping accidents, such as the *Exxon Valdez* spill in Prince William Sound, Alaska, and others such as the *Hebei Spirit* supertanker spill off of Korea's coast in December 2007, have demonstrated the risk posed by oil spills at sea, which are particularly difficult to contain and clean up.

These accidents take only a few hours to occur, but affect fishing communities for generations. In May 2008, following the *Hebei Spirit* spill, my Russian colleagues and I were invited to visit Korea as part of a Pacific Environment exchange program. The Korean Federation for

Environmental Movements (KFEM) introduced us to Korean fishermen in the spill region. Fishermen showed us their empty nets and abandoned oyster farms, where the waves still carried traces of rainbow oil slicks. Most of all, the fishermen expressed their deep sadness and anger at losing their community's age-old tradition of self-sufficiency, which depended on a healthy coastal ecosystem. They told us that several older fishermen had taken their own lives in protest against the government's handling of the spill response.

On the US side, marine biologist and former commercial salmon "fisherma'am" Riki Ott has written about the impact of the *Exxon Valdez* spill, telling a similar story.

An oil spill in the Sea of Okhotsk would have severe economic impacts well beyond Russia's boundaries. The Russian Far East currently exports about half of its fish catch, with much of its raw fish product going to Korea and Japan. However, given an oil spill, Kamchatka could no longer be able to sell its salmon as some of the purest fish on the export market. Furthermore, a spill in this region could threaten almost all of Russia's commercial crab exports to Asian markets and beyond.

Countries with fishery quotas within Russian waters would also be affected. Korea, for example, has reportedly been allowed a quota of up to 36.6 thousand tons for Pacific saury in 2008 at a cost of 8.8 million dollars.

Sakhalin Island: Big Oil and Broken Promises

Sakhalin Island, located just to the south of Kamchat-

ka, offers a case study as to the significant expected environmental and social impacts from oil and gas development on the Western Kamchatka shelf development. Sakhalin II is often referred to as the world's largest integrated oil and gas project. The companies involved, including Shell and the Russian government, have promised many things to local residents, including improved social conditions and environmental protection safeguards, but these promises have been repeatedly broken.

In terms of social impacts, while oil companies developing on Sakhalin promised local jobs and improved infrastructure, the reality is that the oil and gas companies have brought in workers from the Russian mainland and experts from other countries for most skilled jobs. In several Sakhalin towns, municipality services and the public infrastructure have been overwhelmed by the sudden influx of new people. While oil money has accumulated in the hands of a few, inflation has caused price increases for everyone. Sakhalin indigenous communities have lost their subsistence fisheries, and reindeer-dependent communities are fighting oil pipeline development planned for their traditional pastures.

In terms of environmental impacts, poorly engineered pipeline development across steep slopes has led to erosion and siltation of salmon rivers. Previous oil and gas development on Kamchatka have indicated plans for a similar network of onshore pipelines and roads, which would cross wetlands and salmon streams, as well as

provide road access to illegal poachers of salmon roe and wildlife.

Dredging and dumping in Sakhalin's Aniva Bay has also devastated local fisheries. Construction has destroyed wilderness and local recreation areas. The critically endangered Western Grey whale population, of which only 100 remain, may likely lose its primary summer feeding area, located near Sakhalin oil drilling rigs. Endangered Western Grey whales are also found within the Okhotsk Sea, in areas near the planned seismic testing areas.

Needless to say, the Sakhalin II case study does not engender confidence in Russia's ability to adhere to environmental safety standards for planned Kamchatka oil and gas development.

Taking Part in a Global Solution

The Ethno-ecological Information Center "Lach" reports in its newsletter on Gazprom's plans for this summer: 2-D offshore seismic testing in different areas of the Kamchatka shelf. This April, public hearings on the proposal were held in two Western Kamchatka villages. Gazprom hopes to conduct offshore seismic testing from June to October, which would entail 45 seismic profiles in the Krutogorovsko-Kalavayamsky area, and 76 seismic profiles in Tkhuluksky area, each 4,000 sq. km. in size.

In late March, 2010, local fishing groups, environmental NGOs, and indigenous organizations met with representatives of Gazprom subsidiary companies Gazflot and KIEM-Tsenter at the Kamchatka League of Independent Experts offices in



Take Action Now

American fishermen can help to protect the North Pacific, its fish stocks and fellow fishermen in Russia. Write a letter of support to "Kamchatka fishermen and citizens" to express your solidarity with local community concerns regarding potential oil and gas development impacts to sensitive Kamchatka shelf fisheries and marine life, coastal ecosystems and wetlands, as well as local fishing communities and indigenous cultures. Please send letters to: sdiver@berkeley.edu.

American fishermen also need to speak out on the Obama Administration's five-year offshore drilling plan. The Department of Interior is planning to prepare and scope an Environmental Impact Statement (EIS) for the Outer Continental Shelf (OCS) Oil & Gas Leasing Program for 2012-2017. Written scoping comments must be sent by June 30, 2010. They should be submitted to Mr. J.F. Bennett, Chief, Branch of Environmental Assessment, Minerals Management Service, 381 Elden Street, Ms 4042, Herndon, VA 20170 or online at: ocs5yeareis.anl.gov.

Petropavlovsk-Kamchatsky. Community groups voiced their concerns about the overlap of planned seismic testing with pink salmon rearing areas, Kamchatka crab breeding areas, and salmon migration routes.

Among community requests were the creation of a planned coastal marine reserve and an ethnologic impact assessment that would consider losses of traditional fishing to coastal

indigenous peoples. In addition, community organizations have requested a public hearing in the main city of Petropavlovsk-Kamchatsky, as well as the use of best available science in assessing potential seismic testing impacts to gray whales and sensitive coastal ecosystems.

With the Kamchatka oil development plans for this summer, local scientists and advocacy groups continue to advocate for the protec-

tion of the Western Kamchatka shelf, and the livelihoods of communities that depend on a healthy coastal ecosystem. However, the future of these communities and their ecosystem also depends on raising the collective voice of the international community to ensure that the concerns of local people can be heard.

Over and over, the global community has proven to be instrumental in what happens to local communities, including their immediate environment and local economy. This has been my own experience as a former participant in the Bearing Sea Forum, connecting coastal residents and policy makers from both Russian and Alaska. As global citizens, we have an opportunity

to learn about environmental issues around the world and bring our influence to bear. In the case of Kamchatka, where no major oil and gas development has yet taken place, we have an opportunity to protect one of the world's last strongholds for salmon for generations to come.

The same patterns of development and threats to coastal ecosystems are now proceeding on both sides of the Pacific Rim. The future of both ecosystems requires increased citizen awareness and political support at a global level. Local fisherman can help provide a vision for more sustainable economies, based on renewable resources and habitat stewardship. 🐟

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