Commissioner Brune echoes Governor Dunleavy’s #1 priority to show that “Alaska is open for business”

“I was also very excited at his [Gov. Dunleavy’s] desire to show that Alaska is open for business. One of the directions that he gave us is to really look at the statutory authority that we have and the regulations that surround the things that you do and to make sure that what we’re doing -- the role of DEC and my role as commissioner is to do nothing more or less than what the legislature has given us the authority to do.” (5:10-17)

“The most important thing I’ve already mentioned. That’s doing everything we can to show that Alaska is open for business, to show that we have the highest environmental ethic in the world when it comes to protecting our resources and the beautiful environment that we have, but to also show that we need economic opportunities.” (15:1-6)

“When you make things complex and you make things 49 pages, for regs for a c-plan [contingency plan], that influences your investment climate.” (40:21-24)

“We’re working to provide economic opportunities for future generations of Alaska, a lot of those economic opportunities in Alaska are based on natural resource extraction, be it fishing, oil and gas, mining, timber and so ensuring that those different perspectives are understood is vital to providing those opportunities for our children.” (42:18-24)

“The things that DEC or ADF&G or DNR put in place are too onerous for them [permit requestors] so they stop. Every single day we’re saying no. Every single day the scientists that work for DEC are working with these folks who are trying to get these permits, telling them what is -- what’s acceptable and what isn’t.” (60:19-24)
Commissioner Brune thinks that existing contingency plans [c-plans] have overreached legal statute or are unnecessary

“We need to make sure that my team works to produce scientifically-based, legally defensible and timely permits for the folks that are trying to -- that need them in this state. So we've made it a point of looking at the statutes and the regs that govern what it is we do and the Governor asked every one of his commissioners to look to determine are there things that you're doing that aren't based in statute, that aren't based in regs. One of those, of course -- this is where I know some of you have already given me grief about this -- was we need to look very closely at c-plans. We need to make sure that they're appropriate, appropriate for industry, appropriate for organizations like the RCAC's, appropriate for the conservation community and where there are things that are not based in law or that are not based in the regs, we need to look together at them and have work groups to make sure that things that we might want in them that aren't in the regs or statute right now, well, maybe we should propose changes. But things that are in there that are overly onerous that aren't protecting human health and the environment, we need to look at those as well and we need to work together to try to come to the right decision to show that Alaska is open for business.” (5:20-6:19)

“I want ideas from you as well. I mean, that's not just for the elimination, if there are additional regs that -- there's a lot of things in these c-plans that don't have the foundation in regs. Well, propose those as additions.” (35:9-13)

Commissioner Brune suggests the statutes and regulations put into place after the Exxon Valdez oil spill have become stale

“We're going to look at them [the regulations] and we're going to determine whether it's -- some things that are in there are just outdated, some things are unnecessary, they're not protecting human health and the environment.” (19:7-11)

“Some of these things that we require on the books, the technology has taken away the need to even have that.” (25:11-13)

“I'm not going to be proposing that we eliminate things that are protecting and ensuring safe movement of oil. I am going to be looking at the things that are duplicative, that are unnecessary, that aren't protecting human health and the environment.” (57:10-14)

Commissioner Brune refers to recommended changes but avoids giving examples

“Some of the examples [of recommended changes] that have been given -- I mean, I'm -- I can't come up with any right now but, I mean, some of the regs that we put forward for potential changes, I don't have that list in front of me but did come from input that we received in those processes.” (17:4-8)

“I have heard from industry, I've heard from environmental organizations and I've heard from people that are on my team that the c-plans -- and I'm not saying the ones that are in Prince William Sound are this way -- but some c-plans have gotten unruly.” (18:7-11)
“We have identified the list of regs that we think can be improved. The State of Alaska -- the different departments were asked to do that by the Governor. We put a list of about a hundred came forward from the different agencies around -- I think 35 or 40 of them came from DEC.” (29:6-11)

**We appeal to Commissioner Brune’s commitment to protect the environment of Alaska**

“We have a responsibility to make sure that the economy of Alaska is protected and economic development and environmental protection are not mutually exclusive. Those two things we've proven can co-exist. We've also proven in 1989 that you can really screw things up. So we need to make sure we're doing it right.” (15:21-16:2)

“We can, we do and we should have the highest environmental standards in the world, based in statute.” (47:17-18)

“We don't ever want to put one industry over another. I'm of the opinion that in this state, we've proven that things can co-exist. We need to make sure things are -- proper precautions are put in place to ensure that they do co-exist.” (56:14-18)
PRINCE WILLIAM SOUND REGIONAL
CITIZENS' ADVISORY COUNCIL (PWSRCAC)
BOARD OF DIRECTORS MEETING
MAY 2, 2019
VALDEZ, ALASKA
PRES. AMANDA BAUER: All right. Next is Item M which is the introduction and remarks by the new ADEC commission -- commissioner, Jason Brune. I assume we all know what ADEC is.

COMM. JASON BRUNE: Yeah, what is it? Good afternoon, everyone. I am honored to be here today and a lot of old friendly faces and a lot of new ones that I look forward to get -- to know all of you. I -- I'll give a little background about myself and then open it up to questions. I want to let you know that the work you do is so incredibly important and it's why I'm in Alaska to start with.

My brother moved up here in the early nineties and he was setting up the resource and apprenticeship program for students with the BLM as a Vista volunteer and this was creating internships with state and federal agencies for teaching Alaskans and Alaska Natives about land management and bringing Alaskans here. Well, they called me up during my freshman year at Carlton College and said we had someone just back out -- this was in 1992 -- would you like to have a internship with the U.S. Fish and Wildlife Service working on oiled sea otters that -- and the sea otter program and I took them up on it. And I was from Omaha, Nebraska originally and it was a life-changing experience and, having seen, obviously, a couple years after the fact the devastation of the spill and the impact that it had -- had a -- like I said, a very
profound impact on me.

Eventually, I graduated from Carlton with a bachelor's degree in biology. I came up here to Alaska Pacific University to work on my master's in environmental science. I finished all of the course work. I just never finished my thesis so I don't have my master's. I'm one of those ABT's, all but thesis, but while I was going to APU, I worked for the U.S. Fish and Wildlife Service. I worked on a Prince William Sound primary journal database. I read all about the spill and all about the pre-conditions and what happened and the research that had been done up to that point with the spill.

Eventually, I worked at the university and at the Resource Development Council and during that time, I became a member of the Trustee Council Public Advisory Committee and I served a number of you in that capacity and I think this goes to, really, the importance of what Jane was saying earlier and what Betsi and I have had a chance to talk about since then, the importance of youth education and the profound impact that that had on me, just that one internship. It changed my life and I'm up here now working as the Commissioner of DEC.

So the work you do, the importance of what the -- the different representations on the Prince William Sound RCAC can do to work with industry, to partner with industry to make sure that we're setting the standard for how a development can
be done right and how we need to ensure that the safe movement
of oil is done in this state and to hold them accountable and
at the same time, to hold ourselves accountable. We can't
have high standards for industry if we don't have high
standards for ourselves and so that's one of my biggest
environmental ethics is that we have to hold ourselves
accountable when we're out on boats or when we're camping,
that we're packing out what we're pack -- what we packed in.
So that's one of my environmental ethics.

Of course, after I worked at RDC, this is where a little
controversy comes into my background. A lot of you have
talked to me about this. I did work for Anglo American which
was one of the partners on the Pebble Partnership. I worked
for them as the head of government and public affairs for 2-
1/2 years. When they pulled out of that project, they took my
job with them so I was left unemployed for a few months and,
eventually, I became the land manager/senior director of land
and resources for CIRI, an Alaska Native Corporation, and I
learned at that point and I fostered very strong relationships
with the village corporations, with the tribes, with the
conservation community. Of course, very important to
understand the impacts that development can have on Alaska
Native corporation land and -- both positive and negative, and
so when Governor Dunleavy called me up and offered me the
opportunity to work in his administration and the background 
that I had, having been a scientist, having worked for the 
government, for the private sector as well as for an Alaska 
Native corporation and the relationships that I had built and 
prided myself on and making sure that the different 
perspectives are heard from the many different stakeholders 
that are represented by RCAC and just in Alaska in general 
before making decisions, I was really excited at that 
opportunity.

At the same time, I was also very excited at his desire 
to show that Alaska is open for business and so one of the 
directions that he gave us is to really look at the statutory 
authority that we have and the regulations that surround the 
things that you do and to make sure that what we're doing -- 
the role of DEC and my role as commissioner is to do nothing 
more or less than what the legislature has given us the 
authority to do. And at times, of course, it's not the 
legislature, it's Congress because we have primacy over 
programs that -- like the Clean Air Act and the Clean Water 
Act. So we need to make sure that my team works to produce 
scientifically-based, legally defensible and timely permits 
for the folks that are trying to -- that need them in this 
state.

So we've made it a point of looking at the statutes and
the regs that govern what it is we do and the Governor asked everyone of his commissioners to look to determine are there things that you're doing that aren't based in statute, that aren't based in regs and one of those, of course -- this is where I know some of you have already given me grief about this was we need to look very closely at C-plans and that's not saying we're going to get rid of C-plans at all. We need to make sure that they're appropriate, appropriate for industry, appropriate for organizations like the RCAC's, appropriate for the conservation community and where there are things that are not based in law or that are not based in the regs, we need to look together at them and have work groups to make sure that things that we might want in them that aren't in the regs or statute right now, well, maybe we should propose changes. But things that are in there that are overly onerous that aren't protecting human health and the environment, we need to look at those as well and we need to work together to try to come to the right decision to show that Alaska is open for business. Our children need the jobs. Our economy needs the jobs. So we need to make sure that we're not rushing projects through, we're not rubber-stamping C-plans but we're -- or other permits but we're working together to make sure that what we do is good for them and good for the environment.
I think it's incredibly important also, Alaska has more coastline than the rest of the United States does combined. So when we're talking about the anniversary, the 30th anniversary, of the spill, we issued a press release and we did mention the importance of the RCAC's in our press release and the input that you give us and how important it is. I also want to -- I think it's important to recognize the huge gains that have been made. Yes, some of them -- my wife works in safety and she taught me that many safety lessons are written in blood meaning that someone had to die for that safety lesson to have been incorporated into day-to-day operations. Well, many environmental lessons are written in oil. So should the things that we've put in place now have been in place back before 1989? Absolutely. But we've learned our lessons, hopefully, and with -- yesterday I had the great opportunity to go onto a tug, to get tour of the SERVS facility, to go up to the VMT. I also got a chance to go onto one of Conoco Phillips's -- as was -- Monty mentioned earlier, one of their amazing boats and to see it firsthand so I understand what -- what's being done and what impact, obviously, DEC can have.

We have made tremendous strides in making sure that there are escorts, that there are -- that there's boom deployed, that there's response vessels that are out there. When I was
on the public advisory committee, we got to go and look a lot -- at a lot of the lingering oil, at a lot of the impacted species. We talked about the gulf ecosystem monitoring projects that had been -- that were being worked on and understanding that the science needs to be the foundation but also the preparedness. We need to be prepared and we never want to see something like we saw with the Valdez oil spill ever happen again. So it was great to hear the presentations that were given by the tankers and the -- Alyeska, about the work that they're doing and the great questions that came from this group.

I'd be remiss if I didn't say that I have an amazing team at DEC that were there before I even got there so Denise Koch is here. She is the head of the SPAR program. She has a great team working with her as well in Graham and Anna in Valdez, we have Anna and Melissa, Ron and Pete and working with you and getting your ideas to make sure that -- and working with industry as well to make sure that we are prepared and we are ensuring something like that will never happen again.

I believe that's about all the notes that I wanted to discuss but I'm, again, honored to be here. I look forward to working closely with you over the next four years and I drive by where that new sign is every day on my way to work so I
will stop by and say hi on a regular basis and I'm happy to
open the floor up to any questions you may have.

PRES. BAUER: Thank you. Does anyone -- Bob Shavelson.

MR. BOB SHAVELSON: Well, I really appreciate you coming
here, Jason, and, you know, we talked the other day and you
mentioned that, you know, you've served on a lot of nonprofit
boards and I've been on a few myself and I truly think that
this end of the units as partner organization in Cook Inlet
are unique not just the United States, I think in the world
and I know sometimes there's tensions but I think those
tensions are necessary because I think just due to the
organization's history, its successes are well noted.

But I've got a couple questions. I'll just ask one now
but, you know, when we talk about the mission of DEC -- and
I'll have to read it a little bit but the verbs are, you know,
you'll conserve, improve and protect and there's really no
wiggle room in there for any diminution in environmental
protection. It's to maintain the environment or to make it
better and you talk a lot about making sure things are based
on statute and things like that but immediately, you know,
whether this is coming from the Governor's office or you're
initiating it but we've seen discussions about rolling back
the Ocean Rangers program. We saw reduced monitoring around
the PFAS chemicals which are contaminating groundwater across
our state and, of course, on the day the governor took office, he took the climate change information off the website and pretended that it's not an issue for Alaska. So that seems to run directly counter to me, to the mission of DEC. So my question is what are the top one, two or three things that you're going to do that are actually going to advance environmental protection rather than erode it?

COMM. BRUNE: Thank you, Bob. So Bob and I have known each other for a long time and Bob told me he was going to give me a softball.

MR. SHAVELSON: That is.

COMM. BRUNE: That's a -- I appreciate the softball. If that's a softball, I'd like to see a hard question. Your concerns, your questions, are very legitimate. I think the -- I want to address each one of those issues that you brought up and then I'll talk about my priorities and the priorities that the Governor has put in place.

First of all, the Ocean Rangers program, we are of the opinion that the Ocean Rangers program has -- while it was very needed, the bang for the buck that we get for that program is not what we should. If it was a regular general funded program, we would no longer have it. That said, there is technology out there that we will be and we're working on a -- not just a full elimination of the program. We've
committed to working with the members of the legislature and the industry during the interim to use technology to tell us when there is some valves open that might have discharges going on to look at the air emissions that are there and to create a better program, not someone -- something where we have, for the most part, 90 percent of the Ocean Rangers are non-Alaskans. So they are marine engineers from -- that are retired that are coming up on boats and on the cruise ships and the -- it's a nice gig for them.

The -- in 11 years, there were six NOV's, notice of violations, that came from Ocean Ranger efforts. In that same time, DEC staff and self reporting has led to around 250 NOV's. So the bang for the buck for the program, for the Ocean Ranger program, is not there but we are committed to -- it's still going to go on this summer. Ocean Rangers will be on all the ships through this -- the end of the season but we're committed to working and if there is input from the RCAC -- I know that's a little outside of your purview but if there are -- obviously, we heard this morning that there are cruise ships that are going to be coming to the Sound this year. So if there are suggestions that the RCAC or any of you have, we're looking to make that program better.

With respect to PFAS, that's a really great question, Bob, and it's one that we take very seriously. The -- when I
was out at ECOS -- ECOS is the Environmental Council of States. It is a group of all of the commissioners of similar organizations to DEC from every state. A number of those states are doing nothing for PFAS. A number of those states are going way out ahead of what the EPA is doing. The previous administration had a series of regs that they had proposed but they did not finalize. The EPA made a commitment recently that they were going to be working on the development of a maximum contaminant level process and we felt it was best to make sure we were not rushing to judgment, that we were looking at the science that was there and that we would be inconsistent with the EPA was doing.

We already are more -- we have more requirements and regs on PFAS than, I think, 45 of the states. We have a 400 parts per trillion cleanup level for groundwater. Most states don't even have that but we did decide to pause the regulations that had been contemplated on PFAS until we know more, until we see what the EPA is going to be doing and so that we're -- right we are consistent with what the EPA wants to do.

With respect to climate change, that decision to take that website down was made outside of consulting with me. That said, DEC has -- and I personally, I'm not a head in the sander. I recognize that in Alaska, we have glaciers that are melting. We have increased fire risk. We have spruce bark
beetle. As a biologist, I did a lot of work on spruce bark beetle. Their populations are moving north because our winters aren't as strong as they used to be. They -- their life cycles have gone from two years to one year sometimes. You're seeing -- and so you've seen a northward migration of the beetles. You're seeing not just in the southern Kenai but when I was a CIRI land manager, there's significant land up in the Matanuska-Susitna Valley that has been impacted and right now, that's a huge fire risk. So climate change impacts, coastal erosion are happening in Alaska. Whether or not they're anthropogenic causes or natural causes, I think we need to stop debating that. The reason for it happening doesn't matter in Alaska, the fact is it is happening and we need to make sure we're putting appropriate mitigation measures in place.

The climate action leadership team along with a number of other climate groups have done a very good job about talking things to death for years, not taking any action. I think that one of my goals is to let's actually make some action plans. And so I am talking about that with my team and with the Governor's office and more to come on that. I recognize your concerns, Bob, about that being taken down but that's not to say that it's not an issue that's -- that we're not contemplating.
The top goals now -- you asked what the top -- my top three goals are. Well, I think to -- my No. 1 would be to build relationships like we are to when you're making decisions that impact Alaska, it's important to understand different perspectives, to hear the local people's perspectives. I -- one of my biggest messages has been local solutions for local problems and so we don't want the EPA to come in and tell us what to do, we want to be able to try to solve those problems. So I think getting that local input's one of my main goals.

No. 2, holding ourselves personally accountable. That's part of that local -- as you heard me say earlier, the environmental ethic that I have is one founded on making sure that we're doing the right thing ourselves, not just holding industry to a very high standard but holding ourselves. When we go out in fishing boats and we're dumping raw sewage in areas that we are fishing in but yet it an industry were to do that and we'd cry over that, you know what, we need to hold ourselves to that high standard. If we see a sheen on the back of our fishing boats or our recreational boats when we're going out, do something about it. Hold ourselves to a high standard. If we were to see -- if industry were to see such a sheen, I guarantee you they would stop their boats and they would look where is that coming from.
And then, of course, the -- I think the most important thing I've already mentioned. That's doing everything we can to show that Alaska is open for business, to show that we have the highest environmental ethic in the world when it comes to protecting our resources and the beautiful environment that we have but to also show that we need economic opportunities. The things we use in our lives, the way I got here, I flew on a plane. That plane needed hydrocarbons to get here. It needed mining to get here. The book that I have needs paper, needs trees. So we can choose to develop those resources in other parts of the world where they don't have the environmental ethic that we have, where they don't have the laws that we have or we can do it here and ensure they're doing it right, ensure that we're having things like the vessel, the prepare -- oil spill preparedness that we have here, that we're having double-hulled tankers and that we're having the ship escorts.

We -- if we say no to those opportunities -- and I know, Bob, you're going to say it's not your mission to do this but in the mission of DEC, there -- I won't read it but the word economic is in there. So we have a responsibility to make sure that the economy of Alaska is protected and economic development and environmental protection are not mutually exclusive. Those two things we've proven can co-exist. We've
also proven in 1989 that you can really screw things up. So we need to make sure we're doing it right.

That is probably the most long-winded answer to a very long-winded question, Bob, but I -- I've known Bob for years so it's -- I'm just -- we have a history of giving each other grief so -- anyway, thank you for the question, Bob.

PRES. BAUER: Oh, Rebecca?

MS. REBECCA SKINNER: Thank you. So I'm here representing the Kodiak Borough but I also work with a group of fishermen, trawlers, and so from a commercial fishing standpoint, there's obviously a lot of regulations in place. Trawlers deal with a lot of by-catch issues so I understand the tension between wanting to have a functional industry while also having adequate environmental protections in place and when President Trump came out with the executive order to reduce regulations, a lot of the agencies reached out to industry and asked for suggestions as to what regulations might be duplicative or unnecessary. So to kind of taking that as an analogy, in your process at looking at the regulations and the laws, have you outreached to industry to get their suggestions and then can you give us examples of what some of those -- the suggestions you might have received?

COMM. BRUNE: Sure and -- absolutely and so my outreach has not just been to industry. I have talked to industry but
I've also talked to environmental organizations. I've talked to tribal organizations and we cannot make these changes without input from the people that we work for, Alaskans. And so some of the examples that have been given -- I mean, I'm -- I can't come up with any right now but, I mean, some of the regs that we put forward for potential changes, I don't have that list in front of me but did come from input that we received in those processes and so if you have ideas, please let me or my staff know. This is not going to be something that's done in the dark of the night. Any reg change that is made will require public input and I will demand that input and will ensure that -- I can't guarantee that everything we're going to do everyone's going to be happy with but I can guarantee you -- and this is my history -- that everything -- every opportunity that we can have to hear input, I'll be listening and I'll be understanding your perspective. So -- and I'll get you examples after when I can look them up.

PRES. BAUER: Thanks and just to kind of tag onto that for a second to -- I believe earlier you said maybe having work groups to work on that and we would definitely be supportive of that. We would hope to be able to participate in any work groups that may come about for our pertinent issues that would have to do with that.

And you also mentioned that you wanted to make sure
everything was legally defensible and, you know,
scientifically based and I'm just curious if I'm to believe
then that -- past commissioners have put a lot of stuff in the
C-plans that aren't scientifically based or legally defensible
and you're talking about removing them from C-plans.

COMM. BRUNE: So it's a great question and it's one that
I'm learning a lot about but I have heard from industry, I've
heard from environmental organizations and I've heard from
people that are on my team that the C-plans -- and I'm not
saying the ones that are in Prince William Sound are this way
but some C-plans have gotten unruly. They've gotten like NEPA
documents where a NEPA doc -- National Environmental Policy
Act -- the environmental impact statements have gotten so big
that the public can't understand them and so they -- and,
generally, you start out -- a lot of C-plans are started by
looking at the most recently-approved C-plan and so that's the
foundation for a new C-plan and there might be a couple of
great things to add, couple of great ideas that then get added
to that and then the next area that wants to do a C-plan takes
that as the foundation and more and more, those things are
great ideas but they weren't -- there's no foundation in law
but they were good ideas that were added and so I don't think
-- I won't say that previous commissioners added things that
weren't based on law. I think they were good ideas but we
really need to make sure that what is going into them, there
is a foundational -- a foundation on line. If it's not in
line, it should be. Maybe we should introduce statutes that
add those requirements but, looking at those, sometimes it
takes a fresh perspective to look at a C-plan, to look at a
permitting process, to look at anything to understand if
that's the right approach. And so what we're doing is we're
going to look at them and we're going to determine whether
it's -- some things that are in there are just outdated, some
things are unnecessary, they're not protecting human health
and the environment and most of it's probably going to be
consistent with the way it's been done.

PRES. BAUER: Thanks and just to follow up, I have to put
the plug in for us, especially on the scientific side, you
know, we have often found that science is as good as whoever's
paying for it and so that's a concern for us. You know,
immediately -- well, a couple years after the Exxon Valdez,
you know, a group of scientists came out and said the Sound
was great. They were paid for by Exxon and so I just want to
put the plug in that the group is probably going to be timid
and have a lot of questions going forward with all of it just
because of those sort of experiences that we've had before.

COMM. BRUNE: I think that's incredibly fair and I
recognize that. I also recognize, having worked for the
federal government, that there are agendas even with federal agencies and scientists that work on things. If -- I've had a couple of PI's that have worked on projects that were funded that didn't publish their studies because their results didn't gel with what they thought they were going to see and that's not appropriate either.

So the -- a lot of good science has been funded by industry. Your point is well said, of course, with the Sound but a lot of what we know on the North Slope, for example, is thanks to science that's been funded by industry. And I also know, having been on the Sea Life Center Board for 11-1/2 years that a lot of the science that they do there is funded by industry. So I think it's important to make sure that a peer -- a fair peer review process has looked at science and that you -- yeah, you should scrutinize any study that's done regardless of where the source of that funding came from.

PRES. BAUER: Thank you. Jim Herbert, I believe you were next.

MR. JIM HERBERT: Thank you. Commissioner, thanks so much for being here. I also see you've got the rank and file of DEC employees locally turned out too and I want you to know we are very happy to have that presence in town and they do good work. So thank you for that.

I also think it was great for you and Ms. Koch to be able
to do the tour and see some of the things. Nothing like being in the real world instead of reading about it or having a windy person like me telling you a story in a bar.

It was mentioned a few times what the mission of DEC was and for the good of the order, I happen to write it down and I'd just like to read it into the record if I could. The mission of DEC is conserving, improving and protecting Alaska's natural resources and environment to enhance the health, safety, economics and social well-being of Alaskans and I think that's a pretty admirable target for any agency to shoot at and is very much aligned with the work that we do here.

To echo what we just heard from Madam President, myself, I'm a chair of the OSPR committee. We deal with C-plans, for example, and we, through the Board, would definitely be interested in helping or participating in any work group that affects those particular rules and regs. I understand, as commissioner, you're dealing with regulations that affect things from Metlakatla to Utqiagvik probably all the way to Attu-Hyder. You know, it's the whole thing. So we are focused on a particular narrow -- that's our mission under OPA-90. I know you're dealing with lots of other things so I appreciate that but to echo the collaborative process, I think perhaps you know from some of your staff that this
organization really went to bat for the SPAR program when cuts, really big cuts, were in the works. We know the importance of DEC. That and the Coast Guard are the reason that certain aspects of the protections are in place, the carrot and stick, but also even in the event, heaven forbid, that there were diminutions of some of this stuff, you heard from the tanker folks they're dealing with regulations worldwide, IMO type stuff, all this ballast treatment and stuff. It just doesn't spring from a local thing. These folks are complying with worldwide regulations. So I doubt they're going to back off from some of their well-developed and meaningful programs. I'm sure that's understood.

One worry -- I would tell you this in private but I'll tell you in public -- is that it's easy to change -- relatively easy to change statutes. To change the underlying -- or, excuse me, to change regulations --

COMM. BRUNE: Regulations, yes.

MR. HERBERT: -- to change the underlying laws and statutes that were derived from legislative intent, much more difficult, and the worry is that a batch of simplified regulations could get pushed through on short notice perhaps with not as much public scrutiny would be a worry. Sounds like what you're telling us is that that's not the way you operate, you do want that input from various shareholders,
stakeholders and, in the long run, want a fair process. Okay?
So, again, that ties in with a request to be party to all
this.

And, you know, I like what you say about industry and
individuals' need to be accountable. As a simple example,
when my kids were young, they got behind the whole seatbelt
thing right away and if, heaven forbid, one of the drivers of
the car did not have the seatbelt on, holy hell was raised.
You're not driving until your seatbelt's on. It became a
norm, the accountability. They weren't necessarily driven by
the law, they had a behavior that had been cultivated.

COMM. BRUNE: Wow, yup.

MR. HERBERT: So -- however, without the regulations in
place, it would be hard for you to come after me and write me
a ticket for that lack of seatbelt even was the prudent thing
to do. So where we get into those regulations, one of the
perhaps difficulties is you want to be sure everyone perhaps
has a level playing field but now we need to have enforcement.
You and I probably will agree we got lots of rules but if
they're not enforceable, then it's kind of almost a moot
point. So that kind of gets into the Catch-22. You need
enough people to -- eyes on the ground to advocate a stick to
tap someone on the head or a carrot to reward them and if the
regulations get too soft, then this may go away.
But, again, thank you to you and your staff. The working relationship that this organization has had with you and the Coast Guard is the reason we have -- and, of course, industry, of course, is the reason we have the protections for the Sound and we value that. Thank you, sir.

COMM. BRUNE: Thank you, Jim. First of all, thank you for your comments about our staff. I did forget to mention Craig. He's amazing, the -- my bad. The team really is the foundation of DEC and of what I do and I'm so lucky to have them and with respect to the budget, I will be very honest. Obviously, we have a large revenue and expense disparity, $1.6 billion, and so that's been my boss's directive, that we need to make sure that we need to make sure that we are spending what we bring in. So one of the emphasis areas that I had with the Governor was we need to make sure that the regulatory agencies' budgets are kept as whole as they possibly can be and SPAR's budget, I do appreciate the efforts and the RCAC made in going down to Juneau and advocating for us. Obviously, we can't advocate for ourselves but I do appreciate that and the SPAR budget was effectively kept whole -- well, thus far. They're still working in Juneau.

To your statement about wanting to a party in anything we do with respect to the regs, absolutely. I welcome that. I invite that. The regs governing C-plans right now, I believe,
are 49 pages long and if -- they're onerous to read, to be very honest, and that's not to say that they are not necessary but they're very lengthy. So I think they deserve a fresh look and I'm excited that you're willing and you're committing folks from this group and I'm -- I invite that to participate in re-looking and giving them a fresh set of eyes.

And then to your point about enforceable, absolutely. If you don't -- if you have laws that are on the book, regs, statutes, and you're not enforcing them, there's no reason to have them and so that's another reason to look at these things. I mean, some of these things that we require on the books, the technology has taken away the need to even have that. There are certain things that we require that aren't even in -- even a consideration anymore. So enforceability and having and making sure that we have that appropriate stick to ensure that there's follow-through on what the regs and the statutes are is incredibly important so I appreciate you bringing up that point. Thanks for your comments, Jim.

PRES. BAUER: Mako.

MR. MAKO HAGGERTY: Thank you and thanks for being here. This is -- provides us all with an opportunity to see what -- what's new in our future. So I appreciate you showing up here. I'd kind of like to follow along the same lines that Jim had and I've got a -- kind of a list here. First of all,
I hope we can count on your support for the SPAR funding. That's something that, as a group, we worked hard to put together and the revenue stream for that and we hope that -- or I certainly hope that you would continue to advocate for the SPAR funding, that the -- it's an organization that means a lot to us.

What -- and, again, following along Jim's line, I have worries too and one of those worries is, as a, you know, philosophy, I suppose, is it -- there are times that efficiencies trump robust programs and so I'm concerned that in an effort to be more efficient, we lose some of the muscle that's in some of these programs and that's just, you know, a way of looking at things. I don't know where that takes us, necessarily, but I -- but it is a concern.

And Senator Sullivan just recently sponsored a bill and it got passed and the president signed it. It's the Clean Oceans Act and so this goes into our own behavior, how do we behave. Well, last night at the hotel, I went to get a glass of water in my room and it was a plastic cup wrapped in a piece of plastic bag like this right here and, you know, I'd prefer to drink out of glass but the whole idea is I can limit the amount of plastic that I have in my life and that's what the Clean Oceans Act is all about anyways, reducing the amount of plastic going into the ocean.
I work hard to eliminate the amount of plastic that's in my life but it really helps when there's statutes that reduce the amount of plastic that's available to us also. So I'm just saying that it's a two-part series. Yes, I can control my -- or I can modify my behavior but it's nice when I get a little bit of support from the government on that.

Question, I understand that the DEC is monitoring the air quality of -- down in Juneau with the cruise ships --

COMM. BRUNE: Mm-hmm.

MR. HAGGERTY: -- and I fully support that because I think that's real important, especially -- well, it's important everywhere and I'm wondering if DEC would share that data with us when those -- when that data comes in because if we're going to increase the number of cruise ships in this area, it would really be good for us to know exactly what kind of data you've collected. Thank you.

COMM. BRUNE: So thank you for the question. Absolutely we'll share the data with you. I think that that's an easy commitment to make. I don't think I'm precluded from saying that, am I?

UNIDENTIFIED SPEAKER: (Indiscernible - away from microphone).

COMM. BRUNE: So absolutely. I think it's important to take those kind of learnings from different areas, especially
around the state, and apply them to other communities. So I'm more than happy to do that. With respect to SPAR funding, absolutely, that's in statute. That's -- I don't see that going anywhere so just to alleviate any concerns you might have there.

You said efficiencies oftentimes trump robust programs. It -- it's a fair point but I think that sometimes you create a lot of unnecessary things and it's -- we just need to look at the processes and having a fresh set of eyes will determine -- and with your input -- some of those programs whether or not. And then with respect to plastic, you made me feel very guilty but I will say I filled out my Dr. Pepper bottle three times with water today so I'm at least reusing it but your point is well said and we have to start with ourselves. So thank you for pointing that out.

PRES. BAUER: Wayne.

MR. WAYNE DONALDSON: Well, thank you, Commissioner, for coming to speak with us. This morning, we passed our FY-20 budget and in there was a new salary schedule for staff and I know this probably as a state worker, you're probably underpaid so I wish we could include a salary schedule for you too.

My question has to do with our FY-20 budget and hearing now about the possible revision to some regulations that DEC
has at control C-plans and I'm wondering how that process and
time line might occur so that we can plan our budget
accordingly to whatever involvement we may have. In other
words, do you see the bulk of this work happening in the state
FY-20 year or the FY-21 year?

COMM. BRUNE: So it's a great question. We have
identified the list of regs that we think can be improved.
The State of Alaska -- the different departments were asked to
do that by the Governor. We put a list of about a hundred
came forward from the different agencies around -- I think 35
or 40 of them came from DEC. There is no way that we can
implement all of those potential changes at once. So we are
in the process of prioritizing them, of determining which ones
we want to elevate first. We probably won't get to all of
them. I would imagine the C-plan reg changes are going to be
high on the list but I don't imagine that's going to be a
expeditious process and so I would -- you know, I'm
committing, obviously, to working with the RCAC's and getting
that input I would imagine from the budgetary perspective. It
will be this fiscal year and probably some of the next fiscal
year where we're going to be looking at the C-plan
regulations.

With respect to staff salary schedules, one of the great
things, obviously, that I think I bring to this position is
having been in the private sector and, knowing that, regulatory agencies, nonprofit organizations compete with the private sector. And if you want to have the -- those science-based legally defensible permits in a timely manner that we discussed, you are competing against them. I'll just leave it at that. It's very important to recruit and retain people and we -- unfortunately, we have a turnover rate at DEC of around 20 percent per year and that's something that I'm looking at trying to positively influence and in a very difficult financial situation that the state is in, that's very -- will be very difficult to do. So I don't know what the answers are but if any of you have suggestions, please let me know.

MR. DONALDSON: I just had one follow-up. So if the contingency plans are high on the list for review, what sort of a time line might -- could we maybe see regulations being proposed for elimination and how long might that take once the initial public notice is given that you plan to remove X regulations?

COMM. BRUNE: How about I do this because I don't know the answer to that, how about I come back to the next meeting and I give you a time line?

MR. DONALDSON: Okay. Thank you.

PRES. BAUER: Dorothy.

MS. DOROTHY MOORE: Yes, again, I would like to echo my
fellow board members. Thank you for coming to talk to us and
I haven't been around in some of the same places you have so
I'd like to introduce myself to you.

When I was four years old in 1949, my folks decided to
move to Valdez. So you can figure out how old I am.

COMM. BRUNE: Twenty-three.

MS. MOORE: Yes. Uh-huh. I was a freshman in college
home for Easter vacation when the earthquake hit. I was
teaching to junior high students, had a person coming down
from Fairbanks, a seismologist, to talk about the 25th
anniversary of the earthquake when I woke up to hear that the
back --- Exxon Valdez had spilled oil and in 1989, we didn't
have all the stuff we have now so that we can hear what's
going on and, you know, where. It was a four-hour delay on
the thing in -- or on the -- on TV.

I retired from the school system here teaching government
and economics and there is no free lunch. There's no free
lunch anywhere. If you have a tuna fish salad, that tuna gave
his life for your -- no free lunch. Sitting on this board, we
have, in my opinion -- and no offense to anyone -- we have
dealt with C-plans up the ying-yang and every so often they
come in again and we have to go to a C meaning contingency,
not SEA, but most of the stuff on contingency plans that we
deal with on this board are with something that goes into the
water. And I understand that you are -- your division has to
deal with everything up the road here, everything all over the
state. And if I were drawing only personal things, everyone
would be recycling and composting their stuff from their
houses. We'd get rid of these water bottles that I also am
reusing but I can't -- as I sit on this board, I have to be
dealing with the C-plan -- or the -- oh, now I'm getting --
can't get words out but our mission statement, safe
transportation of oil. And those are the things that I would
like to either -- or our organization to help you work with or
just get a list of what you're thinking of doing. I know that
they are often very thick and I choose not to sit on a
committee that looks at C-plans just because it is lengthy and
I'd rather do policy anyway.

But I also would like to say as a citizen of Valdez, it's
been working with the boots on the ground, whether it be in
your office or whether it be in the industry, and those boots
on the ground people are very awesome. Thank you.

COMM. BRUNE: Thank you. I would agree, the folks that I
see, the boots on the ground here, the DEC staff, I would say
the folk -- seeing the emphasis on -- from Alyeska Pipeline
employee on making sure we do a -- we do it right, the safety
emphasis, the envir -- I mean, that was very impressive. The
discussion of, you know, you spill so much as a teaspoon, you
will be fired if you don't report that, that environmental ethic did not exist 30 years ago. I still have relatives in the Lower 48 that change their own oil and they throw the spent oil on the road to keep the dust down. That disgusts me but it happens. And so, yes, the people on the ground here, they're -- I know that there's always work to be done but it -- it's been impressive the two days that I've been here in Valdez seeing the DEC staff and the Alyeska employees and the Edison Swest folks and the Conoco Phillips employee on the tanker that was out there, it's good. Can we do more? Absolutely but working together and -- to ensure protection of human health and the environment and economic opportunities, we need to work together.

MS. MOORE: (Indiscernible - away from microphone) you kill them all.

COMM. BRUNE: That's right.

MS. MOORE: We suffer.

PRES. BAUER: Shavelson?

COMM. BRUNE: Is this the softball?

MR. SHAVELSON: I think Robert was next.

PRES. BAUER: You want him to go first?

MR. SHAVELSON: Yeah, he wants to say something. I'd call him.

PRES. BAUER: Okay. Go ahead, Robert
MR. ROBERT ARCHIBALD: Commissioner, thanks for coming. I can well understand what things were like 30 years ago and where we're at today and the need to look at things. When I got my third assistant license, we were still looking at lap and lead on steam engines. Today you don't even see it in the book.

That being said, since Exxon Valdez spill, there's been many, many good regs written for a reason and I certainly hope that during this discussion of alleviating some of these, there is a conversation with all the stakeholders about this and the justification for getting rid of some of them and that we can agree on that as an obsolete thing that is no longer necessary. I think that's going to be an important conversation.

And just to deviate just a little bit on cruise ships if I may, there's a reason why they were talking about keeping a major company out of the United States ports so I do not believe that we can at all think that industry can police themselves. So I think that's something you need to be very cognizant of and thanks for showing up here.

COMM. BRUNE: I will tell you when I heard about what they did in Glacier Bay, I was disgusted, to be very frank. I was pissed off. So your point is very well said. What I'm committed to doing with the money that comes from -- currently
for the Ocean Ranger program is, hopefully, developing a better program that uses Alaskans, that uses technology, that gives us more information and I think we can do that.

UNIDENTIFIED SPEAKER: Well, I certainly hope we stay in communication on these changes and proposals.

COMM. BRUNE: No, absolutely, and I -- I'm sorry, I meant to address that as well. Absolutely and I -- I mean, I've made the commitment here, I've made it to many people, that I will be bringing these potential reg changes to you. I want ideas from you as well. I mean, that's not just for the elimination, if there are additional regs that -- there's a lot of things in these C-plans that don't have the foundation in regs. Well, propose those as additions. I'm not guaranteeing that we're going to ultimately incorporate them but wouldn't it be better to have things that the foundation of what's in a C-plan based in regs and statute rather than not have that foundation? I think it's important that they match up.

UNIDENTIFIED SPEAKER: Sure. Thank you.

PRES. BAUER: Donna?

MS. DONNAL SCHANTZ: I also want to thank you for being here and bringing so many members of your team. I think that, you know, really goes towards your first goal of building relationships and we certainly want to continue that and work
with you more on this. I -- we have a lot to say on this but
I know we're running long and I just wanted to make a couple
of comments though and really start out by recognizing, we
recognize that Alyeska and the TAPS shippers do a great job,
they really do. You know, we have a world class system here.
I think we all recognize that but our role as advisors is to
always be looking for ways to improve. Even though you might
be the best or, you know, good, the best, there's always room
for improvement and that's part of what our role is is to, you
know, promote those.

So when you talk C-plans and, you know, they may be too
onerous or cumbersome or too much information, that isn't
something new to us. We've been hearing that, actually, from
industry for a number of years and, actually, the C-plans have
shrunk. There have -- there has already been some detail that
has been removed from the plans over the years and especially
the last I'd say, you know, five to eight years, I think we've
seen efforts to, you know, remove some. Some have been
approved, others have not and, you know, we look at the C-
plans as like an ensurance policy. It's a contract between
industry and the state to protect the people and the
environment. And, you know, if you pull out some of that
detail, especially over time, you can see that that
commitment, you know, whatever that detail was, resources,
other commitment can go away and it's so important to have that detail, you know, in those plans. And so I did bring with me too -- I brought a copy of Alyeska's contingency plan from 1978 and it looks really big but it's only eight pages and the rest of it is all aerial photographs and it talks about weather and describes different areas in the Sound and the section on open water response is one paragraph. It's four sentences, you know, and it just talks about, you know -- I could read it to you but, basically, I'll just -- you know, talks about boom will be deployed to controlled the movement, you know, of as much of the oil slick as possible. Additional boom or additional teams may be required. They have one oil slick team. And I'm not suggesting that you're talking about going back to 1978 and one paragraph but I just want to caution that we have to be very careful, a lot of that detail, you know, there was a reason why people thought that was important after the spill and the industry has been complying for 30 years and, you know, now to say that it's too burdensome or too onerous, we're going to need a little bit more of an explanation before we're going to support doing away with it but thank you.

COMM. BRUNE: Your point is well made and I appreciate the reference to that earlier C-plan. No, I don't have any intention to going back to that but this is where your input,
the input of industry, the input of the RCAC's, the input of local stakeholders as well as the input of my team is going to be incredibly important as we do -- as we work to shape those potential reg changes that we may be making. But, as I said to Robert and to a number of other people, I'm committed to working with the RCAC's to understanding your perspectives as we go forward on this.

MS. SCHANTZ: Thank you.


MR. SHAVELSON: Well, I -- I'm going to take your bait, Jason, that you asked that if we have any ideas on how we could fund DEC and I think there's a very easy one and there's a -- Senate Bill 14 is out there and that would remove the per barrel deductible credit that we now have and that would get us about the -- current estimates, over a billion dollars and I would get those as just government handouts and subsidies that distort our free market. So that might align with some of your thinking but I don't know.

In any case, I think a lot about language and you're a smart guy and I think that's what bothers me sometimes. And some of the language I hear around this is, you know, these rules -- the C-plan was onerous and they are a burden on industry and when we use language like that, we're essentially victimizing some of the largest corporations on the planet
and, you know, I think Wally Hickel had it right, we are the owner state under Article 8. We own the resources. It's a privilege, not a right, to develop for profit our resources and I think we have to recognize that context there.

And we talked about this the other night but, you know, you bring it up again, I'm all for personal accountability sometimes but -- you know, and when we try to create a comparison and we talk about fishing boats and dumping pollution and in the context of talking about oil tankers, I believe that that's a false equivalence and I sent you an article about it and I hope you'll read it but it's an apples and oranges comparison. I mean, we could have every fishing vessel in Prince William Sound sink tomorrow and it wouldn't have nearly the impact of a tanker running aground. So I think it's important that -- and, to be fair, that we're clear with how we communicate these things out there. So I'm trying not to be too long-winded but my question is you mentioned that you talk to environmental groups and you talk to industry groups about the C-plan concerns. What are the top, you know, two, three, four specific concerns you heard from industry and other groups that are prompting this review? And let me just say I have no problems with looking at rules that have been on the books for awhile. I think it's healthy. I think it's an opportunity to clean them up as long as we keep in mind that
there's not going to be some diminution in protection that we're looking to improve.

COMM. BRUNE: So, first of all, to your suggestion of the bill for funding things, I will say that we compete, as Alaskans, for investment dollars and the cost of doing business in Alaska is very expensive and the tax regime that -- it's not purview at DEC. My mission is to protect human health and the environment. That's the shortened version of our mission, protect human health and the environment, but when you're looking at increasing taxes when we already have a high cost regime, that's not going to encourage new investment in the state. So while it -- it's a -- an idea, it's likely not an idea that my boss will endorse or I will recommend he endorse. But I thank you for the recommendation.

With respect to specific concerns on the C-plan, Bob, I have pages of notes that are not in this notebook. I can't come up with them off the top of my head but I assure you that they're -- like I said before, they're -- these proposed changes are going to be made with input from the RCAC's and they're not going to be made in a -- behind closed doors but I know that -- I mean, just as a very generic issue, when you make things complex and you make things 49 pages, that also -- that -- for regs for a C-plan, that influences your investment climate as well and if you have things in there that aren't
ultimately protecting human health and the environment, that they're not doing things that are going to make sure we have safe movement of oil or safe -- adequate preparation, you are impacting the investment climate of the state.

So, again, none of these changes will be made behind closed doors. They -- if they are proposed and there isn't support from the RCAC's, of course, I know you will comment. I know you individually will also comment, Bob, and that's -- we need to make sure we have that as part of the process.

MR. SHAVELSON: Well, thanks. I have to say it's a little unusual to be driving a rule change without understanding what some of the big drivers are, you know, if the --

COMM. BRUNE: There's -- fair -- that's a fair point, Bob. There's -- like I said, there's 35 to 40 different regs that we contemplated that we've discussed with my team as ideas and so we're evaluating them, we're prioritizing them. It's five months into the job, Bob, so -- and there's all sorts of other issues that have taken up a lot more of my time than C-plans but that's just one that I knew that was important to this organization. So I wanted to say that it is a priority of ours but I think I've spent a lot more time trying to get confirmed or dealing with PFAS and air quality in Fairbanks and all sorts of other issues. So I will get up
to speed on what those are and when I come with the proposed
time line that I committed to earlier, I will come with
specific examples as well.

    MR. SHAVELSON: Well, thanks and thank God you don't have
to deal with the lease for the Anchorage building. And I was
-- and I just want to reiterate what Amanda said and I'm
heartened to hear you talk about, you know, a worker for some
type of task force because I think that's where you're going
to get the expertise that comes from this group and other
folks and that's where I think you'll get the best product
coming out the end.

    COMM. BRUNE: Absolutely.

    MR. SHAVELSON: Thanks again for being here.

    COMM. BRUNE: And including industry and including local
stakeholders as well --

    MR. SHAVELSON: Absolutely.

    COMM. BRUNE: -- so it's bringing them all together and,
again, I just think it's important to reiterate that as we're
working to provide economic opportunities for future
generations of Alaska, a lot of those economic opportunities
in Alaska are based on natural resource extraction, be it
fishing, oil and gas, mining, timber and so ensuring that
those different perspectives are understood is vital to
providing those opportunities for our children. So thank you.
MR. SHAVELSON: Thank you.

PRES. BAUER: Jane?

MS. JANE EISEMANN: Well, Jason, since I am older than you are, I feel like I can be in an advisory position like Donna said we are. So I just -- one comment that you made -- and maybe I heard it out of context but I -- it just -- you know, you're talking about building relationships and if I hadn't have met you the other evening and had a pleasant evening just talking off the record and getting to know you a little bit, if I would have heard you say this comment before having that, then I wouldn't have a relationship with you that would be very productive. And the comment that you made was when we were talking about -- you were talking about your personal thoughts on global climate change and such. You said well, it's definitely a reality but the reason doesn't matter and I kind of like -- that just knotted me up because how can you mitigate a problem if you don't know what's causing it. And then you can say, you know, scientifically backed, you know, and so we still have dueling scientists on that but I am of the ilk that we kind of know what is a major contributor to this challenge that we're facing.

So I would maybe -- and if you feel that in your heart that the reason doesn't matter, then keep saying it because at least we know where you're coming from and that is important.
But on another note --

COMM. BRUNE: Can I real quickly respond to that?

MS. EISEMANN: Please.

COMM. BRUNE: Thank you for saying that. I think my --

what I was trying to say was that so much of the argument that
people have is based on whether it's anthropogenic or natural
and that bogs down the discussion. Rather than looking at
what's actually happening, if you want to focus on it -- and
you're -- listen, I absolutely believe that anthropogenic --
that humans are having an impact on climate change but so much
of the discussion is just we're not doing it, yeah, we are, no, it's natural, it's the volcano, the volcano had more than
man has put into the environment for 23 years.

MS. EISEMANN: Mm-hmm.

COMM. BRUNE: It gets bogged down on that rather than
what's happening in Alaska. We're having significant coastal
erosion. The glaciers are melting. The spruce bark beetle is
moving. How can we stop that? Let's focus on solutions
rather than -- and so I get your point. You hear where I'm
coming from personally but -- you know, and I've also said on
the record that when it comes to climate change, I work for
the Governor. So what Jason Brune's personal perspective is
doesn't necessarily matter but science is absolutely important
and I'm not a head in the sander. I believe man has had an
impact on it but I do appreciate the counsel and I think it's a good point and I'll need to make sure I'm more clear when I make statements like that. Thank you.

MS. EISEMANN: And I would assume that in your position, you are somewhat of an advisory to our Governor as well because he chose you to further his agenda perhaps but you have some expertise in a field that he has --

COMM. BRUNE: For sure.

MS. EISEMANN: -- probably none but I can't say that for sure because I'm not intimately aware of his background but thank you for your honest response to that.

And then the other thing, you wanted -- you made it a -- you know, Alaska is open for business. It is but coming from a sun-soaked Northern California clime 45 years ago, I would frequently show up at a business that would say they're open, no shirt, no shoes, no service. I don't have nothing on my feet because I've been on the beach all morning and, you know, the shirt I have and what's probably not be called a shirt but you know what, I fixed it. I put some shoes on because I was really hungry and I knew that whatever, I went into the local A&W or whatever. So I think we have to be careful as a state. Yes, we're open for business but it is on our terms and I think that you, as our ADEC commissioner, you're in a unique position to advise our Governor and all the people that are
making -- and industry for sure, you know, that, yeah, we're open for business, we do want to do business for you but we are open but it's on our terms.

And then the other thing is just on a side, I just really wish -- and it has nothing to do with our mission, per se -- is that I wish we'd be open for business for other kinds of more sustainable energy solutions because I really don't feel like where we're headed with our -- you know, and, hey, I use oil like the rest of us but, anyway, I wish we could do something that would be, you know, open for business and let's start doing some things up here that are going to help the people in Kivalina that are losing their shoreline and where we're just going to move them inland, you know, 300 feet -- 300 more feet. That doesn't help them. So, anyway, that's --

COMM. BRUNE: Thank you. On our terms environmentally, absolutely, but, again, going back to the point that we are competing against jurisdictions around the world for investment dollars. As the Lower 48 has been booming for the last four or five years, we've been in a recession and predictability of our permitting regime, we have geological -- let's face it, our economy is a natural resource extraction state so that's what's going to -- we don't have the infrastructure, we don't have the highways, we don't have other opportunities that are bringing in the Googles and the
manufacturing and that. We just don't and so we have amazing
gleology. We have amazing natural resources and we're ranked
high in all those categories but when it comes to
predictability of our permitting regime in the Fraser
Institute annual study, we rank behind the Democratic Republic
of the Congo and that's not something I'm making up, that
shows that in the investment community, they don't trust the
predictability of our environmental permitting regime.

We need to have the highest standards in the world and we
need to make those standards predictable. If we don't have
things that are -- and we can't make things up that aren't
found -- based in statute. And that had been done. That's
the perception of Alaska. We don't want a certain project to
happen, we're going to create a new opposition to it that's
not based in statute and that reputation is impacting the
Alaskan investment climate. Again, going back to my formative
statement here, we can, we do and we should have the highest
environmental standards in the world based in statute. If
there are things that we want to add, we should make sure the
statutory authority is given them but we -- but those
companies that are looking at Alaska for that predictability,
that predictability will bring that investment here. If it's
not predictable, it's going to just add to uncertainty and
increased costs and they'll choose to go elsewhere, elsewhere
to develop those resources that don't have the Clean Air Act, the Clean Water Act. They don't have the spill response opportunities that we put as an emphasis area. And so the demand that we have as you have the increasing demand for natural resources, it's going to be met from somewhere.

Where will it be met from? Will it be met from China? From Chile? From South Africa where they don't have child labor laws, where they don't have a Clean Air Act or a Clean Water Act? I mean, this is why we need to have the highest standards when it comes to the environment but we need to be predictable and we need to try to lure that investment here.

So that's what I mean by open for business because by not being open for business -- and when I worked for Anglo American on the Pebble Project, I was a direct casualty of the company thinking I could go invest elsewhere and actually bring a project to fruition -- and this isn't making a political statement about Pebble, this is making a statement about they chose to go elsewhere because of the -- that lack of predictability. We need to bring more predictable standards in Alaska that protect our environment and that make sure that they're doing it right but they know what they're signing up for when they start.

PRES. BAUER: Thank you. Steve Lewis.

MR. STEPHEN LEWIS: Thank you for joining us today. I'm
going to start with a technological suggestion for you with respect to air quality monitoring. There was just a recent industry news article about the Netherlands government having put a drone in operation to monitor shipping missions in the major harbors there in the Netherlands. Juneau ought to have one of those. But I am going to counter a little bit or offer my point of view. Let me just say that rather than countering. After spending 45 years in industry and at management level in industry, I think it's pretty obvious that Alaska's open for business. We've got three of the majors producing off the North Slope and their Alaskan operations are consistently among their more profitable worldwide.

I've worked for the smaller operators on the Slope. I've worked recently for a smaller operation that came to the state primarily so that their investors could play the investment benefits of the exploration tax credits. Yes, the change that was pulled on them has driven that investment group out of the state. However the resources that they were looking at are still there and there are other people who have come in and acquired those and are moving forward with developing them.

Let's look at the cost of ANS crude on the market versus West Texas Intermediate. There's a $10 a barrel premium attached to ANS --

COMM. BRUNE: Mm-hmm.
MR. LEWIS: -- that covers the cost of operating in Alaska. So I think that it's possible, if not probable, that you have been presented with a industry twist on the scariness of operating in Alaska and I don't quite buy that myself and I'm saying that from having worked inside of that industry for a long, long time.

But another thing that concerns me a little bit here -- and this is one that I hope that you will understand and possibly take to heart -- in your comments here, you made four statements specifically that are buzzword sort of things that I've heard that came from in the industry. Those were open for business, nothing more, nothing less, overly onerous, learned our lessons. Those have become so emotionally fraught that I think it'd really be good to just take them out of the conversation. But the other thing I heard that kind of concerns me the most is you made the statement that it's so complex that the public can't understand. This group represents the public. The power of this group is in the voting of that constituency when they go to the ballot to elect their government. I'd been elected by those people to sit in the governmental operation, a government position. They aren't stupid. They understand. They understand when they think they're getting run over and I think it'd really be a good idea to not denigrate their level or capabilities in
these conversations. And I -- that's really all I had to offer. Thank you.

COMM. BRUNE: Thank you, Steve. I agree and that was not my intention. Thank you for pointing that out. It wasn't to denigrate them. I mean, obviously, the public was smart in that they elected Governor Dunleavy and Governor Dunleavy selected me so he ran on this mission of showing Alaska's open for business and while that might be a buzzword, I get your point, it is -- it was the will of the people to elect Governor Dunleavy to try to put forward is agenda. But my intention was not at all to imply that they were stupid. So thank you for pointing that out.

When it comes to what we're seeing, yes, the three large producers have made -- make a -- are producing a lot of oil in Alaska, no question, but it costs three times as much to drill a well in Alaska and takes a lot more time to get a permit -- and rightly so at some -- because we do it right but it costs three times as much than it does in the Permean or the Eagleford the different shale plates. We are competing against that and the cost of getting another rig up here, the cost of manpower, the cost of ice roads and the lack of infrastructure, those are -- we haven't seen the boom that the different shale plays have seen. And so I would, obviously --

(Interruption)
PRES. BAUER: Time for a break.

COMM. BRUNE: I would -- clearly, I think that's like the music at the Oscars, when they want me to shut up, they turn the music on and they, you know, so -- but I would say that the restrictions, the requirements that we put in place, we need to really look at those because they cost industry money. That doesn't mean we should get rid of them. We need to take a fresh look at them. We are not benefitting in the same way that that industry -- and we're not seeing the huge investments from that industry in Alaska for many reasons that we're seeing in the Lower 48. So I'd like to see we have a pipeline. That existing infrastructure is already there. That is three-quarters empty and we have an opportunity to responsibly develop oil on the North Slope in a way that's better than anywhere else in the world and we should be doing our best to try to bring those costs down and encouraging investment there.

And then just to your point about air quality, I have seen that drone in -- and I've read that. I think it's a great idea. I've actually talked to my cruise ship team about that because finding out what's in those emissions and using the best available technology that we can to do that science is a -- something we should be looking at and, in fact, it can be done safer and it can give us more data. I think it's a
great recommendation and I appreciate you bringing -- reminding
me of that. Thanks.

PRES. BAUER: All right. We've got two more placards up.
We're going to take these two and then we're going to wrap
this up here. So Robert Beedle?

MR. ROBERT BEEDLE: Thank you. Try and be quick here.
Yeah, thank you for coming. That's getting grilled and
hanging through here.

I have a business. I live over in Cordova and I'm kind
of concerned. Not knowing the -- any idea -- ooh, got her
good there -- change is coming. I too have a lot of regs.
Maybe we can talk about that. I spent a hour in DMV just
getting my boat registered. That doesn't include my other
ADF&G tag I got to get, the numbers I got to get, on and on.
I don't have wonderful people as crew do that stuff. I do it.

Speaking of that, there's -- we just seen a tour over
there in the VMT and getting to know some pretty amazing
people. They're there because they're damned good at what
they do and there is a lot of regs, 30 years of regs, and,
doggone it, they still have oopsies. Oil still hits the
water. They're doing their best. So it does concern me when
you talk about taking a few things out and stuff and not
knowing what they are yet, it's my -- I'm nervous. When
they're -- when oil hit the water in '89, my value went to
nothing. My home now, my whole livelihood's there. I'm doing okay now but oil hits the water here, my value is -- who wants to go there if there's no fishery? So I am -- I'm really concerned. These regs, they're hard-fought, both sides, industry and the public. So I -- when we go fish for halibut, the International Halibut -- Pacific Halibut Commission, when the resource -- they do their surveys and the resource is going down, they have what they call a fast down and a slow up. So as the resource comes back, they don't just give us --

COMM. BRUNE: Mm-hmm.

MR. BEEDLE: So I'm asking is slow down. Don't pull a bunch of this stuff out that's been there. It's very burdensome and onerous because if it isn't done right, I told you the other night ANS crude when it's encased in steel --

COMM. BRUNE: Steel.

MR. BEEDLE: -- it's wonderful. There's bucks to be made, employment, on and on and on, but as soon as it escapes, it's toxic waste, very, very hazardous. It kills plants, animals, environments, Level 1, economies. So this is all really taken serous by everybody here. I don't want to trade one industry for another. We have an industry in Cordova. I think we're the -- I can't remember if it's the 15th or the 5th port --

UNIDENTIFIED SPEAKER: That's something we should worry
about? I was wondering.

MR. BEEDLE: The -- there's a lot of product, a lot of economy that goes through Cordova, a small little community. A lot of people don't even know where it's at. So we really appreciate what DEC does, what industry does. I need them but go in there a little cautious. Don't be in a hurry and please let other people in on your -- and, hopefully, we don't have to wait until the next meeting to see what -- the changes that are going to be proposed and stuff, you know? I mean, we all have awesome technology. We can get e-mails and stuff but I'm concerned.

I don't know what's coming and you talk about industry in the Midwest, how it's -- they're fracking oil back there. You know, I think their DEC or environmental don't do so good. They got a lot of polluted groundwater. You know, when the price of oil went down a little bit, it's a ghost town. My brother-in-law went back there to work. There wasn't -- the cost of getting oil out of the ground there, soon as the price of oil went down, it shut down. So there -- there's a lot of other rebuttals and things that come back so just I guess the thing I really would like to get across is slow down, get others' opinions and stuff. Don't change things that took 30 years to get here. It isn't all bad and these are good people. Thanks.
COMM. BRUNE: Thank you. So I hope I've made myself clear that, you know, when Bob asks me questions, when others have asked me questions about specifics, I am going slow. I think that the fact that something's not out on the street right now should show that I'm committed to looking at this, to talking to different people before we put something out there. So your point is well said. I'm not going to rush these through but I do think that we need to look closely at them and I'm committed to working with you, working with this room, with RCAC's to understand your perspectives and so they're not being rushed. I think -- I hope I'm clear and I've said a number of times that your input will be heard and it won't be done in a dark room. When it comes to -- I definitely agree with you as well that we're -- we don't ever want to put one industry over another. I'm of the opinion that in this state, we've proven that things can co-exist. We need to make sure things are -- proper precautions are put in place to ensure that they do co-exist.

Now, your example of North Slope -- you like it in steel. I like it in my car and in my computer products, et cetera. So, I mean, it's -- it -- we demand -- we have a demand for these natural resources and we have an environmental ethic that is second to none. The companies, Alyeska Pipeline, Conoco Phillips, BP, Exxon, Tesoro -- or, sorry, Marathon,
they don't want oil to be in the environment either because that's dollars that they'll have to spend cleaning up and dollars they won't get in selling it. They have as much of an interest in ensuring safe development of -- and safe transportation of ANS as we do. It's -- that is a philosophy that I firmly believe. Nobody -- we -- they -- the people that work in the industry, they fish. They breathe the air. They go hiking. They don't want to see this any more than we do. So I think to give you -- to, hopefully, put your mind at ease, I'm not going to be proposing that we eliminate things that are protecting and ensuring safe movement of oil. I am going to be looking at the things that are duplicative, that are unnecessary, that aren't protecting human health and the environment and I'm going to need your input to help me understand if I propose something that that's wrong.

But I hear you. I'm -- you know, you -- and then as far as your regs for the fishing industry, I want to let you know that I probably had more meetings with the fishing industry about reducing regulatory burden than any other industry. I've probably met with them twice as much as the oil industry for suggestions that they have for how they can reduce their regulatory burden. Just to -- just so you know, it's not just the oil and gas industry that I'm meeting with. In fact, I could -- I think I probably could say three times as much I've
met with the fishing industry than the oil and gas industry so
-- okay. Anyway --

MR. BEEDLE: Thank you.

PRES. BAUER: All right. And to close, Bob Shavelson.

COMM. BRUNE: This is the softball.

MR. SHAVELSON: I was going to shut up but you said one
thing that -- you know, I think I'm -- oh, I'm, along with a
lot of other folks in this state, was very alarmed to see the
billionaire Koch brothers coming in an influencing our
governor and the policies here -- particularly, our budget --
and so when I heard you talk about the Fraser Institute which
is a Koch brothers supported think tank, that concerns me
because I don't think it's a legitimate information source and
I hope that you would not cite it in the future because it --
it's so biased that I don't think it is real. So I just
wanted to say that and the other thing I'd just say is, you
know, we often hear -- and you said it today, you know, it's
so important, that predictability but predictability has to go
both ways. It's always predictability in getting a permit
but, you know, when you think about the fishermen and the
fishing families in Bristol Bay that have been fighting Pebble
Mine, for example, for 15 years, they want predictability,
they want their investments protected and, you know, I've
looked at hundreds and hundreds of permits in this state. I
have never, ever, ever seen a large mining, oil/gas project permit denied in this state. Okay? It just doesn't happen. You start the permitting process. It's call a permitting process because it's designed to issue permits.

So I just wanted to get that out there and, particularly, the Fraser stuff because that -- that's just a flashing red light for me so -- anyway, thanks for coming in and I won't prolong it anymore.

COMM. BRUNE: I will.

PRES. BAUER: Oh, good.

COMM. BRUNE: First of all, I will be honest that the Fraser Institute study is one that the mining industry has used for years. It's a survey of mining executives in different jurisdictions around the world. If it's funded by the Koch brothers, that was news to me. To me it's taking the input of those companies that are making investments around the world and determining where -- what are the best jurisdictions for geology, for permitting, for predictability, for safeness, for all sorts of different things. I -- I'm -- no idea that -- and I -- I'm not saying I doubt it but I was not aware of that.

When it comes to that message that you've never seen a permit that's been rejected, agencies like DEC are rejecting permits on a daily basis. Our job is to work alongside of the
folks that want to do things in this state, to ensure that what they're proposing matches the statutory requirements. If they can't prove that they can, on a daily basis when we're discussing these, we tell them they have to change it. So every single day, permits for the fishing industry, oil and gas industry, mining industry, community wastewater permits, they're rejected on a daily basis because we're having that back and forth with them. What you see at the end of the day is a permit that the regulatory agencies have said is consistent with the statutory requirements and the regulations that govern that particular industry. So that is a -- it's a great one-liner to continue to say but that's not what's actually happening in practice with the regulatory agencies. We're -- if they get there but oftentimes there are requirements that are put in place that are too expensive or that are -- I mean, you just won't hear from them anymore. You never see -- you're right, you never see a permit that says rejected. What you'll see is it just never -- it ends up not being economic and they stop the process. The things that DEC or ADF&G or DNR put in place are too onerous for them so they stop but every single day we're saying no. Every single day the scientists that work for DEC are working with these folks who are trying to get these permits, telling them what is -- what's acceptable and what isn't. So I think that
that's a -- it's a misnomer and that -- the science that is the foundation for these decisions and the statutes that are foundation for these statutes are what drive the ultimate decisions.

PRES. BAUER: All right.

COMM. BRUNE: You guys were absolutely more difficult than the legislature was so I can assure you --

PRES. BAUER: Thank you.

COMM. BRUNE: -- but I appreciate the questions. I'm committed to coming back on a regular basis, to hearing your input, to -- and not just hearing it but to understand it and to doing my best to incorporate your concerns and your recommendations and I not only -- I'm not just saying this, I want your input. So please, jason.brune@alaska.gov- and thanks again for the opportunity today.

PRES. BAUER: Yeah. Commissioner, thank you. You've been very patient. The room, thank you for being very patient. We've gone well over and -- but I think it was a very healthy discussion so thank you, everyone, for the patience. We're going to take a quick break. We're going to come back at 3:20.

(Off record)
TRANSCRIBER'S CERTIFICATE

I, Linda S. Foley, hereby certify that the foregoing pages numbered 2 through 59 are a true, accurate, and complete transcript of Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) Board of Directors Meeting, May 2, 2019, Valdez, Alaska, transcribed by me from a copy of the electronic sound recording to the best of my knowledge and ability.

April 19, 2019 Linda S. Foley, Transcriber