

**DEPARTMENT OF THE ARMY
COMPLETE STATEMENT
OF
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U.S. ARMY CORPS OF ENGINEERS**

**BEFORE
THE COMMITTEE ON ENERGY AND NATURAL RESOURCES
and
THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON FISHERIES, WATER, AND WILDLIFE
UNITED STATES SENATE**

ON

**Federal Mitigation Requirements and Interagency Coordination
related to Economic Development on Federal, State and Private Lands**

August 17, 2015

Good afternoon Chairman Sullivan, Chairman Murkowski and other Members of the Committees. Thank you for the opportunity to testify today. My name is David Hobbie and I am the Chief of the Regulatory Division for the Alaska District, U.S. Army Corps of Engineers (Corps). I have served with the Corps for approximately 25 years and have worked around the globe, predominately in the Regulatory Program, and I am very happy to be back in Alaska. In my career with the Corps and its Regulatory Program, I have witnessed many changes over the past quarter century, while gaining an understanding and appreciation for the complexity of this mission.

There are some special challenges that come with applying the Regulatory Program in a state as varied and unique as Alaska, including identifying and implementing compensatory mitigation requirements. Natural resources in Alaska are abundant and include a high percentage of wetlands. Alaska is also an extremely large landmass with a low population base, and a large percentage of lands are publicly held.

I have been back in Alaska for approximately six months as the Chief of the Regulatory Division. One of the first issues I was asked about following my arrival was compensatory mitigation. Compensatory mitigation is a key component of the Regulatory Program, and reviewing these practices in the State has been one of my top priorities. The fundamental objective of compensatory mitigation is to offset environmental losses resulting from unavoidable impacts to waters of the United States caused by activities authorized by Clean Water Act permits. Compensatory mitigation enters the analysis only after a proposed project has incorporated all appropriate and practicable means to avoid and minimize adverse impacts to aquatic resources. In implementing compensatory mitigation requirements, the Alaska Regulatory Program has sought opportunities to be more flexible when possible, while at the same time protecting aquatic resources to the maximum extent practicable. (One example involves the Alaska Department of Transportation replacing culverts to allow for better fish passage, as a form of compensatory mitigation).

Additionally, we are looking at ways to improve communication and collaboration – not only with agency partners at the state and Federal level, but also with the public in order to better understand their issues. These efforts have involved meetings with leadership from the Department of Natural Resources, the U.S. Environmental Protection Agency, the National Marine Fisheries Service, Alaska Oil and Gas and CIRI (an Alaskan Native Corporation), just to mention a few. During these meetings we discuss mitigation and the opportunities that exist for the Federal family and our non-Federal local partners to work more closely together.

Compensatory mitigation is a complex issue. Our goal, which is a national goal within Corps, is to ensure no net loss of wetlands functions and values, while remaining as flexible as possible to allow reasonable and sustainable development. It is also our goal to be as transparent as possible in our decision-making process. Every project is unique; no two projects are exactly identical: although the structures may look the same, the areas and types of impacts associated with individual projects are nearly

always different. Therefore, the quantity and type of compensatory mitigation required will vary depending on the site-specific nature of each project.

Before I close, I would like to offer a little general information about the Regulatory Program in Alaska. So far in Fiscal Year 2015, the Alaska District has authorized 431 projects under the Nationwide/Regional General Permit Program. General permits streamline the process of meeting the requirements of the Clean Water Act for projects with no more than minimal environmental impacts. Of the 431 projects authorized, 17 required compensatory mitigation (approximately 4 percent). We have completed 75 Standard Permits/Letters of Permission for larger, more complex projects where the impacts were determined to be more than minimal, of which 12 required compensatory mitigation (approximately 16 percent). I believe this number reflects the Corps' ability to work closely with the applicant and partner agencies to avoid and minimize impacts so that compensatory mitigation is not always a requirement for the authorization of a project. At the same time, the Corps remains flexible, so that when compensatory mitigation is required, we are able to work with the applicant and other agencies to achieve a successful outcome.

Thank you again for the opportunity to be here today and I look forward to any questions you or other Members of the Committees may have.