

Suit seeks ban on oil companies disturbing wildlife

By Yereth Rosen

ANCHORAGE, Alaska (Reuters) - Two environmental groups on Tuesday filed a lawsuit seeking to overturn new federal regulations that grants permission to oil companies working in the Chukchi Sea to disturb the polar bears and walrus that live there.

The lawsuit, filed in U.S. District Court in Anchorage, challenges regulations issued last month by the U.S. Fish and Wildlife Service that allow "incidental takes" of the animals, meaning permission to disturb or accidentally harass them as long as such actions do not result in physical injury or death.

Tuesday's lawsuit, filed by the Center for Biological Diversity and Pacific Environment, is the latest volley in legal challenges over protections for polar bears and other animals from expanded oil development in the Chukchi and Beaufort Seas off Alaska.

"It may seem like we're filing a lot of lawsuits," said Brendan Cummings, oceans program director for the center.

"But the fundamental thing is they're all really focusing on the same fundamental issue, which is protecting polar bear habitat in the Chukchi and Beaufort seas."

A spokesman for the Fish and Wildlife Service declined to comment on Tuesday's lawsuit but defended the incidental-take regulations, which are meant to be in effect for five years.

"We believe that the incidental-take regulations are a valuable conservation tool," said Bruce Woods, spokesman for the service's Alaska headquarters.

Polar bears were listed in May as threatened under the Endangered Species Act, and a petition is pending that would give similar protections to the Pacific walrus.

The remote and ice-choked Chukchi, which lies between northwestern Alaska and northeastern Siberia, is emerging as a hot oil prospect.

After many years of scant industry activity, Royal Dutch Shell Plc and other oil companies earlier this year moved aggressively to pick up exploration acreage.

A lease sale held by the U.S. Minerals Management Service in February drew a record \$2.66 billion in high bids, with \$2.1 billion of that from Shell. Shell currently holds a permit from the MMS to do seismic testing in the Chukchi this year to evaluate the geology there.

Industry activity is also accelerating in the Beaufort Sea off Alaska's northern coast. Shell, which spent \$44 million on leases there in 2005 and \$39 million in 2007, is seeking to explore a prospect it calls Sivulliq.

BP Plc, meanwhile, has plans to develop its offshore Liberty prospect, a 100-million-barrel oil field that would be the first producing oil field located entirely in federal waters off Alaska.

But environmentalists and the area's Inupiat Eskimos are alarmed at what they consider to be an industry rush into critical habitat for whales, polar bears and other Arctic animals already imperiled by the warming climate.

"It's an unfortunate convergence that as global warming impacts in the Arctic are accelerating and putting polar bears and walrus under deep stress, the only thing keeping pace with that is the rate of authorizing oil development in their habitat," Cummings said.

Tuesday's lawsuit came just days after a federal judge in Anchorage rejected a similar complaint concerning impacts to whales and seals from planned seismic tests this year by BP and Shell.

U.S. District Court Judge Ralph Beistline last week dismissed that lawsuit, which had been filed by Inupiat villagers and

environmental groups challenging permits granted by the National Marine Fisheries Service and the MMS.

The "balance of hardships" weighs in favor of the agencies, BP and Shell, "who have invested significant time and expense in preparing for the scheduled activities," Beistline said in his July 2 ruling. "Moreover, the public interest in energy development favors upholding the permits."

Cummings said an appeal has already been filed.

(Editing by Christian Wiessner)