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Nauman
2/26/13

CS FOR HOUSE JOINT RESOLUTION NO. 7()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES GATTIS, Nageak, Pruitt, Johnson, Thompson, Tuck, Herron, Peggy Wilson, Foster, Tammie Wilson, Lynn, Hughes, Higgins, Muñoz, Holmes, Millett, Costello, Neuman, Austerman, Feige, Keller, Chenault, Gruenberg, Olson, Stoltze, Reinbold, Gara, Saddler, LeDoux, Hawker, Edgmon, Isaacson

A RESOLUTION

1 Urging the United States Congress to pass legislation to open the coastal plain of the
2 Arctic National Wildlife Refuge to oil and gas exploration, development, and
3 production; relating to oil and gas exploration, development, production, and royalties;
4 and relating to renewable and alternative energy technologies.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 WHEREAS, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands
7 Conservation Act), the United States Congress reserved the right to permit further oil and gas
8 exploration, development, and production within the coastal plain of the Arctic National
9 Wildlife Refuge; and

10 WHEREAS the oil industry, the state, and the United States Department of the
11 Interior consider the coastal plain to have the highest potential for discovery of very large oil
12 and gas accumulations on the continent of North America, estimated to be as much as
13 10,000,000,000 barrels of recoverable oil; and

14 WHEREAS the "1002 study area" is part of the coastal plain located within the North
15 Slope Borough, and many of the residents of the North Slope Borough, who are

1 predominantly Inupiat Eskimo, are supportive of development in the "1002 study area"; and

2 **WHEREAS** oil and gas exploration and development of the coastal plain of the refuge
3 and adjacent land could result in major discoveries that would reduce our nation's future need
4 for imported oil, help balance the nation's trade deficit, and significantly increase the nation's
5 security; and

6 **WHEREAS** the state's and the nation's future energy independence would be
7 enhanced with additional natural gas production from the North Slope of Alaska, including
8 what are expected to be significant gas reserves in the Arctic National Wildlife Refuge; and

9 **WHEREAS** the development of gas reserves on the North Slope would enhance the
10 economic viability of the proposed Alaska natural gas pipeline; and

11 **WHEREAS** domestic demand for oil continues to rise, while domestic crude
12 production continues to fall, with the result that the United States must import additional oil
13 from foreign sources; and

14 **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and
15 Milne Point has resulted in thousands of jobs throughout the United States; and

16 **WHEREAS** projected job creation as a result of coastal plain oil development will
17 have a positive effect in all 50 states; and

18 **WHEREAS** North Slope production is declining; and

19 **WHEREAS** the Trans Alaska Pipeline System, a transportation facility that is a
20 national asset and that would cost billions of dollars to replace, would have its useful physical
21 life extended for a substantial period if the additional reserves of recoverable oil from the
22 coastal plain were produced; and

23 **WHEREAS**, while new oil field developments on the North Slope of Alaska, such as
24 Alpine, Northstar, and West Sak, may temporarily slow the decline in production, only giant
25 coastal plain fields have the theoretical capability of increasing the production volume of
26 Alaska oil to a significant degree; and

27 **WHEREAS** opening the coastal plain of the Arctic National Wildlife Refuge now
28 will allow sufficient time for planning environmental safeguards, development, and national
29 security review; and

30 **WHEREAS** the 1,500,000-acre coastal plain of the refuge makes up only eight
31 percent of the 19,000,000-acre refuge; and

1 **WHEREAS** the development of the oil and gas reserves in the refuge's coastal plain
2 would affect only 2,000 to 7,000 acres, which is less than one-half of one percent of the
3 coastal plain; and

4 **WHEREAS** 8,900,000 of the 19,000,000 acres of the refuge have already been set
5 aside as wilderness; and

6 **WHEREAS** the oil industry has shown at Prudhoe Bay and other locations along the
7 Arctic coastal plain that it is capable of conducting oil and gas activity without adversely
8 affecting the environment, including wildlife populations; and

9 **WHEREAS** the state will strive to ensure the continued health and productivity of the
10 Porcupine caribou herd and the protection of land, water, and wildlife resources during the
11 exploration and development of the coastal plain of the Arctic National Wildlife Refuge; and

12 **WHEREAS** the oil and gas industry is developing directional drilling technology that
13 will allow horizontal drilling in a responsible manner by minimizing the development
14 footprint within the Arctic National Wildlife Refuge; and

15 **WHEREAS** directional drilling technology may be capable of drilling from outside of
16 the boundaries of the 1002 study area; and

17 **WHEREAS** the oil industry is using innovative technology and environmental
18 practices in the new field developments at Alpine and Northstar; and

19 **WHEREAS** those techniques can operate on the coastal plain and would provide even
20 greater protection than current traditionally high standards; and

21 **WHEREAS** the continued competitiveness and stability of the state and its economy
22 require that the Alaska State Legislature enhance the national trend for renewable energy
23 development; and

24 **WHEREAS** the Alaska State Legislature encourages the use of revenue from the
25 development of the Arctic National Wildlife Refuge for the development of renewable and
26 alternative energy resources in the state;

27 **BE IT RESOLVED** that the Alaska State Legislature urges the United States
28 Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge
29 to oil and gas exploration, development, and production as quickly as possible; and be it

30 **FURTHER RESOLVED** that the Alaska State Legislature urges that oil and gas
31 exploration, development, and production activity be conducted in a manner that protects the

1 environment and the naturally occurring population levels of the Porcupine caribou herd, on
2 which the Inuit, Gwich'in, and other local residents depend, that uses directional drilling and
3 other advances in technology to minimize the development footprint in the 1002 study area,
4 and that uses the state's workforce to the maximum extent possible; and be it

5 **FURTHER RESOLVED** that the Alaska State Legislature urges the United States
6 Congress to pass legislation opening the 1002 study area for oil and gas development while
7 continuing to work on measures for increasing the development and use of renewable and
8 alternative energy technologies; and be it

9 **FURTHER RESOLVED** that the Alaska State Legislature opposes any unilateral
10 reduction in royalty revenue from exploration and development of the coastal plain of the
11 Arctic National Wildlife Refuge and also opposes any attempt to coerce the State of Alaska
12 into accepting less than the 90 percent of the oil, gas, and mineral royalties from federal lands
13 in the state that was promised to the state at statehood.

14 **COPIES** of this resolution shall be sent to the Honorable Barack Obama, President of
15 the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and
16 President of the U.S. Senate; the Honorable Ken Salazar, United States Secretary of the
17 Interior; the Honorable John Boehner, Speaker of the U.S. House of Representatives; the
18 Honorable Nancy Pelosi, Minority Leader of the U.S. House of Representatives; the
19 Honorable Harry Reid, Majority Leader of the U.S. Senate; the Honorable Mitch McConnell,
20 Minority Leader of the U.S. Senate; the Honorable Ron Wyden, Chair of the Energy and
21 Natural Resources Committee of the U.S. Senate; the Honorable Lisa Murkowski, U.S.
22 Senator and ranking member of the Energy and Natural Resources Committee of the U.S.
23 Senate, the Honorable Mark Begich, U.S. Senator, and the Honorable Don Young, U.S.
24 Representative, members of the Alaska delegation in Congress; and all other members of the
25 113th United States Congress.