

CS FOR HOUSE JOINT RESOLUTION NO. 5(AET)
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON ARCTIC POLICY, ECONOMIC DEVELOPMENT, AND TOURISM

Offered: 1/27/17

Referred:

Sponsor(s): REPRESENTATIVES WESTLAKE, Grenn, Tuck, Rauscher, Kopp, Talerico

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 development; urging the United States**
3 **Department of the Interior to recognize the private property rights of owners of land in**
4 **and adjacent to the Arctic National Wildlife Refuge; relating to oil and gas exploration,**
5 **development, production, and royalties; and relating to renewable and alternative**
6 **energy technologies.**

7 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 **WHEREAS**, in 16 U.S.C. 3143 (sec. 1003 of the Alaska National Interest Lands
9 Conservation Act), the United States Congress reserved the right to permit oil and gas
10 development and production within the coastal plain of the Arctic National Wildlife Refuge;
11 and

12 **WHEREAS**, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands
13 Conservation Act), the United States Congress authorized nondrilling exploratory activity
14 within the coastal plain of the Arctic National Wildlife Refuge (the "1002 study area"); and

1 **WHEREAS** the oil industry, the state, and the United States Department of the
2 Interior consider the coastal plain to have the highest potential for discovery of very large oil
3 and gas accumulations on the continent of North America, estimated to be as much as
4 10,000,000,000 barrels of recoverable oil; and

5 **WHEREAS**, in 1998, the United States Geological Survey estimated the central North
6 Slope and 1002 study area combined could contain up to 46,000,000,000,000 cubic feet of
7 natural gas; and

8 **WHEREAS** the 1002 study area is part of the coastal plain located within the North
9 Slope Borough, and many of the residents of the North Slope Borough, who are
10 predominantly Inupiat, are supportive of development in the 1002 study area; and

11 **WHEREAS** oil and gas exploration and development of the coastal plain of the refuge
12 and adjacent land could result in major discoveries that would reduce our nation's dependency
13 on oil produced by hostile foreign nations, help balance the nation's trade deficit, and
14 significantly increase the nation's security; and

15 **WHEREAS** the state's and the nation's future energy independence would be
16 enhanced with additional natural gas production from the North Slope of Alaska, including
17 what are expected to be significant gas reserves in the Arctic National Wildlife Refuge, and
18 the development of those reserves would enhance the economic viability of the proposed
19 liquefied natural gas project; and

20 **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and
21 Milne Point has resulted in thousands of jobs throughout the United States, and projected job
22 creation as a result of coastal plain oil development will have a positive effect in all 50 states;
23 and

24 **WHEREAS** North Slope production has declined significantly in the last decade and
25 is forecasted to continue to decline; and

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

29 **WHEREAS** the Trans Alaska Pipeline System is currently being extended to leases at
30 Point Thomson, an area bordering the Arctic National Wildlife Refuge, and oil produced in
31 the Arctic National Wildlife Refuge would require only the additional construction of a

1 pipeline to Point Thomson to deliver oil to market; and

2 **WHEREAS**, while new oil field developments on the North Slope of Alaska may
3 temporarily slow the decline in production, only allowing access to the state's coastal plain
4 fields would enable the production volume of Alaska oil to increase by up to 700,000 barrels a
5 day; and

6 **WHEREAS** opening the coastal plain of the Arctic National Wildlife Refuge now
7 allows sufficient time for planning environmental safeguards, development, and national
8 security review; and

9 **WHEREAS** the 1,500,000-acre coastal plain of the refuge makes up less than eight
10 percent of the 19,000,000-acre refuge, and development of the oil and gas reserves in the
11 refuge's coastal plain would affect a limited area as defined by the United States Congress;
12 and

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

15 **WHEREAS** the oil industry has shown at Prudhoe Bay, as well as at other locations
16 along the Arctic coastal plain, that it is capable of conducting oil and gas activity without
17 adversely affecting the environment or wildlife populations; and

18 **WHEREAS** the state will continue to strive to ensure the ongoing health and
19 productivity of the Porcupine and Central Arctic caribou herds and the protection of land,
20 water, and wildlife resources during the exploration and development of the coastal plain of
21 the Arctic National Wildlife Refuge; and

22 **WHEREAS** the oil and gas industry has developed directional drilling technology that
23 will allow horizontal drilling in a responsible manner by minimizing the development
24 footprint within the Arctic National Wildlife Refuge, and that directional drilling technology
25 may be capable of drilling from outside of the boundaries of the 1002 study area; and

26 **WHEREAS** the oil industry is using innovative technology and environmental
27 practices in new field developments, and those techniques are directly applicable to operating
28 on the coastal plain and would enhance environmental protection beyond traditionally high
29 standards; and

30 **WHEREAS**, in December 2016, President Barack Obama, through executive action,
31 closed 125,000,000 acres of the Arctic Ocean, a vast majority of the United States Arctic

1 offshore water, from future leasing consideration, thus preventing extraction of an estimated
2 27,000,000,000 barrels of oil; and

3 **WHEREAS** the Alaska Congressional delegation decried the executive action; and

4 **WHEREAS** the executive action threatens future development and national energy
5 security; and

6 **WHEREAS** the state recognizes that the economic prosperity of the state is dependent
7 on available, reliable, and affordable energy; and

8 **WHEREAS** the state promotes the development of renewable and alternative energy
9 resources and created the Alaska Energy Authority to assist the state in advancing new energy
10 projects and technology; and

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

14 **BE IT RESOLVED** that the Alaska State Legislature urges that oil and gas
15 exploration, development, and production activity be conducted in a manner that protects the
16 environment and the naturally occurring population levels of the Porcupine caribou herd on
17 which the Inupiat, Gwich'in, and other local residents depend, that uses directional drilling
18 and other advances in technology to minimize the development footprint in the 1002 study
19 area, and that uses the state's work force to the maximum extent possible; and be it

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

24 **FURTHER RESOLVED** that the Alaska State Legislature urges the United States
25 Department of the Interior to recognize and respect the rights of Native landowners in and
26 adjacent to the Arctic National Wildlife Refuge 1002 study area, including the rights of the
27 Arctic Slope Regional Corporation and the Kaktovik Inupiat Corporation to develop their land
28 and resource entitlements received under the Alaska Native Claims Settlement Act and other
29 agreements; and be it

30 **FURTHER RESOLVED** that the Alaska State Legislature opposes any unilateral
31 reduction in royalty revenue from exploration and development of the coastal plain of the

1 Arctic National Wildlife Refuge and any attempt to coerce the state into accepting less than
2 the 90 percent of the oil, gas, and mineral royalties from the federal land in the state that was
3 promised to the state at statehood.

4 **COPIES** of this resolution shall be sent to the Honorable Donald J. Trump, President
5 of the United States; the Honorable Mike Pence, Vice President of the United States and
6 President of the U.S. Senate; the United States Secretary of the Interior; the Honorable Paul
7 D. Ryan, Speaker of the U.S. House of Representatives; the Honorable Nancy Pelosi,
8 Minority Leader of the U.S. House of Representatives; the Honorable Mitch McConnell,
9 Majority Leader of the U.S. Senate; the Honorable Charles E. Schumer, Minority Leader of
10 the U.S. Senate; the Honorable Lisa Murkowski, Chair of the U.S. Senate Committee on
11 Energy and Natural Resources; the Honorable Dan Sullivan, U.S. Senator, and the Honorable
12 Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all
13 other members of the 115th United States Congress.