



March 2, 2021

Rep. Josiah Patkotak
Members of the House Resources Committee
State Capitol
Juneau, AK 99801

Re: HRJ 12 Letter of Support, Endorsing ANWR Leasing

Dear Rep Patkotak and Members of the House Resources Committee,

On behalf of the Alaska Industrial Development and Export Authority (AIDEA), we are writing to express our support of House Joint Resolution 12 (HJR 12), "Urging the United States Department of the Interior, Bureau of Land Management, to honor the recent lease sales and proceed with permitting in the Arctic National Wildlife Refuge; urging the President of the United States to defend the 2020 Record of Decision approving the Coastal Plain Oil and Gas Leasing Program in the Arctic National Wildlife Refuge; opposing designation of the Arctic National Wildlife Refuge as a National Monument; and urging the Alaska delegation in Congress to uphold sec. 20001 of the Tax Cuts and Jobs Act of 2017" (Endorsing ANWR Leasing).

AIDEA was formed by the Alaska State Legislature in 1967 and is a public corporation managed by an independent board. Our mission is to create jobs and spur economic development in Alaska. Since inception, AIDEA has directed over \$3 billion into economic development within the state through our loan and project development programs, resulting in tangible benefits for Alaskans.

HJR 12 implores the United States Department of the Interior, Bureau of Land Management to honor the recent Coastal Plain Oil and Gas Leasing Program and proceed with permitting in the 1002 Area of the Arctic National Wildlife Refuge (ANWR). Doing so will preserve Alaska's rights designated under the Alaska National Interest Lands Conservation Act (ANILCA) and the rights conveyed to Alaska Native Corporations designated under the Alaska Native Claims Settlement Act (ANCSA).

For Alaska's rural and remote communities, public funding from taxes on oil and gas infrastructure are an economic lifeline. This revenue funds critical services such as schools, health clinics, housing, emergency response, water and wastewater, heat and electric utilities, and countless essential services. Eliminating or significantly reducing this type of revenue for rural and remote communities is irresponsible, reckless, and a gross disservice.

The Native Village of Kaktovik is the only federally-recognized community in the 1002 Area on ANWR. They, along with more than 20 other Alaska Native organizations and corporations located in and around the 1002 Area successfully advocated for the lease sale to occur. These include:

Kaktovik Iñupiat Corporation, City of Kaktovik, North Slope Borough, Arctic Slope Native Association, City of Anaktuvuk Pass, City of Point Hope, Native Village of Atkasuk, Olgoonik Corporation, City of Atkasuk, City of Wainwright, Native Village of Point Lay, Tikigaq Corporation, Atkasuk Corporation, City of Utqiagvik, Iliisaġvik

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College, Ukpeagvik Iñupiat Corporation, Nunamiut Corporation, Native Village of Point Hope, Arctic Slope Regional Corporation, Wainwright Tribal Council, Iñupiat Community of the Arctic Slope, Native Village of Barrow, and North Slope Borough School District.

AIDEA participated in the Coastal Plain Oil and Gas Leasing Program and is the current leaseholder on seven tracts located within the Section 1002 Area to preserve Alaska's economic future. Much of the economic development and jobs supported across our North Slope communities has resulted from the responsible development of Alaska's oil and gas resources. Alaska will receive half of the fixed royalty of 16.67% on any production in addition to half of all proceeds earned through the 1002 Area lease sale. Our state also stands to benefit from the injection of new production in enhancing North Slope infrastructure and keeping the Trans-Alaska Pipeline running and operating efficiently.

There is a mischaracterization that domestic and global demand for oil and gas is in decline. There exists a gap in resource development to meet expected demand past 2030. If development in Alaska's 1002 Area is ostensibly off-limits, producers will seek out other resource-rich areas of the world—such as Russia, China, and Saudi Arabia. This will not only increase our nation's dependence on foreign powers, but export good-paying jobs and environmental regulation. When we develop it, we decide how it will be developed. And in Alaska, that means doing it responsibly.

Over the past 40 years, technological advances in drilling and production have seen the surface footprint of development pads reduce by a factor of 5. What used to take a 65-acre pad to produce just 3-square miles of reservoir, now uses just a 12-acre pad area to produce over 100 square miles of reservoir. This incredible advancement in technology has been matched by world-class environmental stewardship and the development of new technologies that help protect the tundra, rivers, lakes and wildlife of Alaska's precious arctic ecosystem.


The experiences of the past 50 years have established a track record of success exploring for and producing oil and gas in the harshest conditions, living up to the standards demanded by the most rigorous environmental protection laws in the world. Oil production in Alaska is cleaner and safer than anywhere else, and oil produced from leased acreage in the 1002 Area will be no different.

It is our hope that the result from the passage of HJR 12 would be for President Biden and his Administration to spotlight Alaska as the leader it is for responsible resource development. And to not restrict the development of our own resources or encroach on tribal self-determination, but to instead, put his faith in Alaska as a beacon of American innovation, responsibility, and sustainability.

Very respectfully,



J. Dana Pruhs
Board Chairman
AIDEA



Alan Weitzner
Executive Director
AIDEA