



PRESS RELEASE

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ARCTIC SLOPE REGIONAL CORPORATION FILES INTENT TO SUE OVER POLAR BEAR CRITICAL HABITAT DESIGNATION

Designation Needlessly Hurts Communities and Economy

ASRC and the North Slope Borough are leading a coalition of Alaska Native groups from the North Slope, Northwest and Southwest Alaska to notify the Department of the Interior of their intent to seek judicial relief for the department's violation of the Endangered Species Act. The plaintiffs believe the federal government broke the law when it ignored the concerns of the Alaska Native community and designated more than 187,000 square miles as critical habitat for polar bears on Alaska's North Slope. That's an area larger than the state of California.

The letter, signed by Arctic Slope Regional Corporation, the North Slope Borough, the Iñupiat Community of the Arctic Slope, Kaktovik Iñupiat Corporation, Kuukpik Corporation, Ukpeaġvik Iñupiat Corporation, Olgoonik Corporation, Inc., Cully Corporation, Tikigaq Corporation, the Bering Straits Native Corporation, NANA Regional Corporation and Calista Corporation was sent to the Department of the Interior on Monday. Federal law requires a 60-day notification before a lawsuit is officially filed. It is the coalition's hope that the Secretary of the Interior use this time to address the potential plaintiffs' concerns.

"This is a poor attempt to legislate climate change through regulation," said Rex Rock, Sr., President and CEO of ASRC. "The Department has recognized that the designation will not have any impact on the primary threat to polar bears – the loss of sea-ice habitat – but it could cripple our communities."

Worldwide populations of polar bears have gone from around 12,000 in the late '60's to anywhere between 20 and 25,000 today.

An independent economic analysis into the Critical Habitat Designation found the financial burden to the State of Alaska, North Slope Borough and ASRC could reach into the billions. As an example, a 1% reduction in oil production within the CHD could lead to a loss of more than 200 jobs and nearly \$100 million in output statewide. Over the past 5 years, an average of 85% of Alaska's revenue – outside of federal and investment income – has come from the oil and gas industry. Almost half of the North Slope oil production comes from an area within the Critical Habitat Designation.

"The Critical Habitat Designation does not get at the problem of melting sea ice, so it won't help the polar bear," said North Slope Borough Mayor Edward S. Itta. "It will only restrict normal community growth in our villages and threaten access to our traditional subsistence hunting areas. As a solution, this completely misses the mark."

The State of Alaska filed a similar 60-day notice in late December over its intention to sue the federal government.

Copies of the letter sent to Interior Secretary Ken Salazar and other materials are available by request.

About ASRC

Arctic Slope Regional Corporation is owned by and represents the business interests of the Arctic Slope Iñupiat. Since opening enrollment in 1989 to Alaska Natives born after 1971, the corporation's shareholder base has nearly tripled, growing from the 3,700 original enrollees to around 11,000 today. Corporate headquarters are based in Barrow, Alaska, with administrative and subsidiary offices located in Anchorage and throughout the United States. ASRC, along with its family of companies, is the largest Alaskan-owned company, employing approximately 10,000 people worldwide. The company has four major business segments: petroleum refining and marketing, government technical services, energy services and construction industries.

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Anchorage Daily News

Habitat designation threatens rural life

COMPASS: Other points of view

By TARA SWEENEY

(01/22/11 17:53:41)

The Department of Interior's recent critical habitat designation for polar bears should concern all Americans. The department's decision is flawed; it is a poor attempt to legislate climate change through regulation, a failure of national security policy and simply bad federal Indian policy.

Last week 11 Alaska Native groups and the North Slope Borough filed a 60-day intent to sue the Department of Interior over the designation of nearly 200,000 square miles as "critical habitat" for polar bears in Alaska. To put this into perspective, this designation is larger than the state of California, covers three Arctic seas and stretches up to 20 miles inland.

The department violated the Endangered Species Act when it ignored Alaska Natives' concerns and improperly designated this habitat for polar bears.

First, it failed to balance purported conservation benefits for polar bears against the economic effects of excluding Alaska Native lands from the designation. The "benefits" of including Native-owned lands are essentially nonexistent. The harm of including our lands could cripple our communities.

Second, the department failed to accurately assess the economic and other impacts of this designation. Its analysis grossly underestimated the impacts on Native villages and responsible economic development. Further, it failed to include key factors like litigation, project delay, deferred production, project closure and uncertainty. According to independent experts the costs could be in the tens of millions of dollars -- impacting jobs, tax revenues and community development projects in over 30 Alaskan villages that are in or near designated lands.

The department chose to effectively flash-freeze our communities in time by designating a swath of land and ocean of unprecedented proportion not essential to the conservation of the species.

Ironically, the department admits that this designation will not have any impact on the primary threat to polar bears -- loss of sea-ice habitat due to climate change.

Nongovernmental organizations, or NGOs, like the Center for Biological Diversity have made no apologies for using the vehicle of lawsuits to scare agencies to the quick. The NGOs have the agencies right where they want them, backpedaling and jittery.

While these seem like isolated acts, when aggregated these actions catapult the quality of life in rural Alaska back to Third World conditions and lock up and shut down the United States' largest oil and gas province. This is a matter of national security.

Alaska's resources are an important part of the nation's energy supply, and our own government is choking this supply. The U.S. will be forced to import energy resources from hostile regions like the Middle East or Venezuela. This is a defective approach to domestic energy policy and a clear and present danger to Alaska Native communities.

This critical habitat designation is an affront to Alaska Natives. The history of Alaska Natives is part of the fabric of federal Indian policy, and the Obama administration fails to recognize this important point.

Alaska's Inupiat and Yup'ik people have never ceded our lands in war; our battlefield has been in the halls of Congress and in the courtrooms. While our historical relationship with the federal government may be different than that of our American Indian relatives in the Lower 48, one should not become indifferent to our struggles. Federal policies that adversely affect Alaska, its people and resources affect the nation.

The Department of Interior's designation of nearly 200,000 square miles of polar bear critical habitat, in combination with other administration policies, may well be the 21st century's version of removal and termination for Alaska Natives. The department dramatically underestimated the economic impact of the designation and failed to consider the fragile economic conditions of remote villages. This, in concert with other cumulative impacts of government policy disruption, may force Alaska Natives to abandon our ancestral villages in search of new work to support our families.

NGOs, seemingly operating under their own twisted Manifest Destiny, are moving to lock up Alaska's rural coastal communities. It is bad federal Indian policy.

Tara Sweeney is an Inupiaq Eskimo from Barrow and senior vice president of external affairs for Arctic Slope Regional Corp., headquartered in Barrow.