

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

February 7, 2001

1:13 p.m.

**MEMBERS PRESENT**

Representative Beverly Masek, Co-Chair  
Representative Drew Scalzi, Co-Chair  
Representative Joe Green  
Representative Mike Chenault  
Representative Lesil McGuire  
Representative Mary Kapsner  
Representative Beth Kerttula

**MEMBERS ABSENT**

Representative Hugh Fate, Vice Chair  
Representative Gary Stevens

**COMMITTEE CALENDAR**

SENATE CONCURRENT RESOLUTION NO. 1  
Relating to Avalanche Awareness Month.

- MOVED HCS CSSCR 1(RES) OUT OF COMMITTEE

HOUSE JOINT RESOLUTION NO. 7

Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge, Alaska, to oil and gas exploration, development, and production.

- MOVED CSHJR 7(RES) OUT OF COMMITTEE

**PREVIOUS ACTION**

BILL: SCR 1

SHORT TITLE: AVALANCHE AWARENESS MONTH

SPONSOR(S): SENATOR(S) GREEN

Jrn-Date	Jrn-Page		Action
01/16/01	0086	(S)	READ THE FIRST TIME - REFERRALS
01/16/01	0086	(S)	RES
01/22/01		(S)	RES AT 3:30 PM BUTROVICH 205
01/22/01		(S)	Moved Out of Committee MINUTE(RES)

01/22/01		(S)	MINUTE(RES)
01/23/01	0145	(S)	RES RPT 5DP
01/23/01	0145	(S)	DP: TORGERSON, TAYLOR, PEARCE, LINCOLN,
01/23/01	0145	(S)	ELTON
01/23/01	0145	(S)	FN1: ZERO(S.RES)
01/24/01		(S)	RLS AT 10:45 AM FAHRENKAMP 203
01/24/01		(S)	MINUTE(RLS)
01/24/01	0170	(S)	RLS TO CALENDAR W/CS 1/25 SAME TITLE
01/25/01	0170	(S)	FN1: ZERO(S.RES)
01/25/01	0175	(S)	READ THE SECOND TIME
01/25/01	0175	(S)	RLS CS ADOPTED UNAN CONSENT
01/25/01	0175	(S)	PASSED Y20 N- CSSCR 1(RLS)
01/25/01	0177	(S)	TRANSMITTED TO (H)
01/26/01	0166	(H)	READ THE FIRST TIME - REFERRALS
01/26/01	0166	(H)	RES
02/07/01		(H)	RES AT 1:00 PM CAPITOL 124

BILL: HJR 7

SHORT TITLE: ENDORSING ANWR LEASING  
SPONSOR(S): REPRESENTATIVE(S) MASEK

Jrn-Date	Jrn-Page		Action
01/16/01	0089	(H)	READ THE FIRST TIME - REFERRALS
01/16/01	0089	(H)	O&G, RES
01/30/01		(H)	O&G AT 10:00 AM CAPITOL 124
01/30/01		(H)	Moved Out of Committee
01/30/01		(H)	MINUTE(O&G)
01/31/01	0209	(H)	O&G RPT 7DP
01/31/01	0210	(H)	DP: FATE, DYSON, KOHRING, CHENAULT,
01/31/01	0210	(H)	JOULE, GUESS, OGAN
01/31/01	0210	(H)	FN1: ZERO (H.O&G)
02/07/01		(H)	RES AT 1:00 PM CAPITOL 124

**WITNESS REGISTER**

JERRY BURNETT, Staff  
to Senator Green  
Alaska State Legislature  
Capitol Building, Room 125  
Juneau, Alaska 99801

POSITION STATEMENT: Spoke on behalf of sponsor of SCR 1.

EDDIE GRASSER, Staff  
to Representative Beverly Masek  
Alaska State Legislature  
Capitol Building, Room 128  
Juneau, Alaska 99801

POSITION STATEMENT: Spoke on behalf of sponsor of HJR 7.

SUE SCHRADER  
Alaska Conservation Alliance  
Alaska Conservation Voters  
PO Box 22151  
Juneau, Alaska 99802

POSITION STATEMENT: Testified in opposition to HJR 7.

### **ACTION NARRATIVE**

TAPE 01-9, SIDE A  
Number 0001

CO-CHAIR BEVERLY MASEK called the House Resources Standing Committee meeting to order at 1:13 p.m.

#### SCR 1-AVALANCHE AWARENESS MONTH

CO-CHAIR MASEK announced that the first order of business would be CS FOR SENATE CONCURRENT RESOLUTION NO. 1(RLS), Relating to Avalanche Awareness Month.

Number 0173

REPRESENTATIVE MCGUIRE moved that the committee adopt the proposed House committee substitute (CS) labeled 22-LS0335\J, Utermohle, 1/31/01, as the work draft. There being no objection, HCS CSSCR 1, version J, was before the committee.

JERRY BURNETT, Staff to Senator Green, read Senator Green's sponsor statement as follows:

Alaska is avalanche country. Each year Alaskans lose their lives as a result of avalanches. One of the worst years was 1999, when 14 people were killed by avalanches in Alaska. While often little or nothing can be done to prevent the occurrence of an avalanche, much can be done to prevent the loss of life from avalanches.

Senate Concurrent Resolution 1 would proclaim November 2001 as "Avalanche Awareness Month." This proclamation will raise public awareness of the hazards associated with avalanches, and the opportunities to participate in avalanche safety training at the beginning of the winter recreation season. It is hoped that public participation in avalanche safety programs will be increased and that this increased participation will result in saved lives during the winter.

The need for this resolution was brought to our attention by the Backcountry Avalanche Awareness Response Team (BAART).

MR. BURNETT noted that [the sponsor] has reviewed the proposed HCS. He said that he understood the HCS to simply expand the number of agencies and people to whom the resolution is being sent.

Number 0365

CO-CHAIR MASEK requested that Mr. Burnett review the changes that the HCS encompasses.

MR. BURNETT reiterated that the HCS simply expands the number of agencies and people to whom the resolution is being sent. The HCS is now being sent to "the mayors, chiefs of police, and fire chiefs of the Municipality of Anchorage, Fairbanks North Star Borough, Haines Borough, City and Borough of Juneau, Ketchikan Gateway Borough, Matanuska-Susitna Borough, City and Borough of Sitka, City of Cordova, City of Fairbanks, City of Haines, City of Palmer, City of Petersburg, City of Seward, City of Skagway, City of Valdez, and City of Wasilla; to the operators of the ski areas at Eaglecrest, Alyeska, Alpenglow, Hilltop, Cleary Summit, and Cordova Ski Hill; and to legislative communication offices for statewide distribution."

REPRESENTATIVE GREEN asked if there is any other [awareness issue] that would fall under the month of November.

MR. BURNETT replied yes. He specified that last November there were some [issues] that were recognized.

Number 0500

REPRESENTATIVE KERTTULA thanked the sponsor's staff for including Bill Glude, Southeast Alaska Avalanche Center, as they play an important part in this.

CO-CHAIR MASEK remarked that this is a needed resolution. She noted that recently two men lost their lives in Eureka [due to an avalanche].

Number 0580

REPRESENTATIVE McGUIRE moved to report HCS CSSCR 1 out of committee with individual recommendations and the accompanying zero fiscal note. There being no objections, HCS CSSCR 1(RES) was reported from the House Resources Standing Committee.

HJR 7-ENDORSING ANWR LEASING

CO-CHAIR MASEK announced that the next order of business would be HOUSE JOINT RESOLUTION NO. 7, Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge (ANWR), Alaska, to oil and gas exploration, development, and production.

REPRESENTATIVE McGUIRE moved that the committee adopt the proposed committee substitute (CS) labeled 22-LS0341\C, Chenoweth, 2/1/01. There being no objections the CS was adopted.

Number 0690

EDDIE GRASSER, Staff to Representative Beverly Masek, Alaska State Legislature, spoke on behalf of Representative Masek, the sponsor of HJR 7. He pointed out that HJR 7 is not new legislation. He said the bill was introduced several times in past legislative sessions and "has passed each time by overwhelming majority." Mr. Grasser made the following statement:

Opening the coastal plain to oil and gas exploration and development is supported by a vast majority of Alaskans, including those who live closest to the coastal plain. One of the leading arguments against opening ANWR has been the supposed impact upon the Porcupine Caribou herd, and more specifically to the calving grounds. Records would indicate that perhaps this concern is overstated. Caribou - if you check with the Department of Fish and Game [ADF&G] you'll

find that caribou traditionally move around in their migration patterns, including where they calve. It just so happens that I have 24 years of professional experience in the Arctic National Wildlife Refuge, on the north side, and I can attest that I've been eye-witness to the caribou herds shifting their grounds on several occasions. ... many years they would migrate to the south in their southern migration back towards Canada, through the Aichilik Valley. On some occasions they used the Hulahula [River], on other occasions they used the Jago [River], and sometimes they used the Kongakut [River], or the Canning [River]. So they don't always follow the same pattern.

We also know that production at Prudhoe Bay is in decline, and ANWR may present our best opportunity to locate and recover sizeable reserves of oil. It is in our financial best interest, as a state, to provide opportunities to extend oil production and use the existing infrastructure as the oil pipeline that's in place now.

With the election of President Bush and the continued controlled Congress by Republicans, Alaska probably has its best chance right now to persuade the Federal Government and the American public to open ANWR.

Also, it doesn't hurt our cause that California and other states are experiencing energy problems in the near future. We should take advantage of that opportunity.

MR. GRASSER referred to the letters and resolutions in support of HJR 7, located in the bill packet. He said the letters were sent by various economic groups and organizations, including Arctic Power.

Number 0885

CO-CHAIR MASEK asked for comments on Amendment [1], which was offered by Representative Kerttula. Amendment 1 is as follows:

Page 3, line 11, following "and be it":

Insert a new paragraph to read:

FURTHER RESOLVED that the Alaska State Legislature opposes any unilateral reduction in royalty revenue from exploration and development of the coastal plain of the Arctic National Wildlife Refuge and any attempt to coerce that State of Alaska into accepting less than the 90 percent of the oil, gas, and mineral royalties from the federal land in Alaska that was promised to the state at statehood; and be it

REPRESENTATIVE McGUIRE made a motion to adopt Amendment [1] "for purposes of discussion".

Number 0933

REPRESENTATIVE MASEK asked Mr. Grasser to explain the effects, if any, of the proposed amendment on HJR 7.

MR. GRASSER said:

The proposed amendment to ... HJR 7 would include language that sends a message to Congress and the President that Alaska would like to retain the 90:10 split that was promised to it in statehood, in the statehood contract. Since this is a resolution, I'm not sure how much weight that would carry with other members of Congress. I'm sure that our members in the congressional delegation would continue to support such a[n] allocation. I don't see any reason why it shouldn't be included in the resolution.

REPRESENTATIVE KERTTULA thanked Mr. Grasser for "doing her work for her." She said she appreciated the opportunity to offer the amendment.

Number 1040

REPRESENTATIVE GREEN made a motion to adopt Amendment 1. There being no objections, Amendment 1 was adopted into HJR 7.

CO-CHAIR MASEK opened up the floor to public testimony.

Number 1094

SUE SCHRADER, Alaska Conservation Alliance, Alaska Conservation Voters (ACA/ACV), testified in opposition to HJR 7. She made reference to the packet of information she supplied to the House

Resources Standing Committee [which is included in the bill packet]. Ms. Schrader said she represents 44 member organizations and 35,000 registered Alaskan voters. She stated that although ACA/ACV is also concerned with the energy crisis in California, they do not believe that opening ANWR to exploration is the answer. She mentioned her responses to specific "whereas" clauses of HJR 7, which are included in ACV's position paper, dated February 7, 2001.

MS. SCHRADER gave a brief overview of her written testimony. She said "it is disingenuous to lead the Americans to believe that by opening the [Arctic National] Wildlife Refuge, we're going to drill ourselves to oil independence." She stated that the figures available on the amount of oil in ANWR are a "geologic guess" and "the subject of a lot of wishful overestimating." She said "the most recent USGS [United States Geological Survey] assessment is that there's roughly 3 to 6 billion barrels of economically recoverable oil under the [Arctic National Wildlife] Refuge, and this will be less than one year's supply.

MS. SCHRADER stated that, in her opinion, the most important figure she could provide to the House Resources Standing Committee is that "the United States contains about 5 percent of the population, and yet we use 25 percent of the world's energy supply." She quoted a sentence from the February 2, 2001, [Juneau Empire Online Opinion] article [by Hank Lentfer], which reads: "We need that oil right now, like an addict needs another hit of heroin." Ms. Schrader added, "that oil's not going anywhere, let's leave it there until we really need it."

MS. SCHRADER said that another big issue is the impact of oil drilling on the caribou. She acknowledged Mr. Grasser's 24 years of experience, but said she hoped the House Resources Standing Committee would give consideration to the opinions of experienced scientists, whose observations are included in her written testimony. She referred to a letter signed by over 200 scientists and to an overview of the caribou situation written by Ken Whitten, "[an ADF&G] wildlife biologist who spent 20 years observing the caribou movement on the North Slope."

MS. SCHRADER continued by stating:

Indeed we heard in [the House Special Committee on Oil & Gas] from Cam Toohey [Executive Director, Arctic Power] that the Central Arctic herd is up - that's the herd that is around Prudhoe. And, indeed, if you read

that article in [the] Anchorage Daily News you will see that the biologists who have studied that herd are unable to relate the increase in the herd to oil development. And as much as Arctic Power might like us to believe that there are no impacts, I don't think any of the scientists are capable of saying that there are no impacts, and indeed, there are many studies that show that there are.

Number 1366

MS. SCHRADER passed around a map of Arctic Alaska and Northwest Canada to show the area of the Arctic Refuge Coastal Plain (ARCP). She said that when the caribou were displaced from their calving area in Prudhoe Bay, they had room to move south, whereas if they are displaced from their calving area in the ARCP, they will not be able to migrate south, due to the fact that the ARCP is only 15 to 40 miles wide, north to south. Ms. Schrader said:

The scientists are suggesting that it's very likely that the female caribou will be pushed out of their normal calving area, southward. That's going to put them right into the foothills of the ... Brooks Range. In the foothills there are two big problems. The quality of forage for these calving females is much poorer, and the predation by wolves, bears, and mosquitoes is much higher.

So ... geographically we don't have the room for error. In other words, we can say, "Oh it's fine for the caribou to be pushed south around Prudhoe, but it's going to be far more difficult for these animals to maintain some calf ... viability in the coastal plain because it is so narrow."

Well, you will also hear that the Porcupine caribou herd can calve in other areas, and indeed, the Coastal Plain in [ANWR] provides just about a quarter of their typical calving ground; however, it is their preferred calving ground and only four times in about the last 20 to 30 years have they not calved on the Coastal Plain, which one of those times was the year 2000. And that is because of a heavy winter snow cover. There was no food, because the plain was still under snow, so they calved elsewhere. But it is their preferred area for calving.

Number 1515

CO-CHAIR MASEK interjected that there is information in the bill packet called "Myths of ANWR," which includes some statistics on the number of caribou in the herd from 1975 through 1996.

Number 1552

MS. SCHRADER referred to the Anchorage Daily News article that reported that the Arctic herd has increased 35 percent. She urged the House Resources Standing Committee members to read Ken Whitten's overview of the caribou situation on the North Slope. She said Mr. Whitten's overview would "explain a lot of those details." She pointed out an article by Valkenberg, who did the studies for ADF&G. She quoted him as writing, "I don't think the data tell us anything about caribou and oil development." Ms. Schrader said that just because the caribou herd has increased in number doesn't mean that they "get along so well with oil development." There are many other factors to consider.

Number 1600

MS. SCHRADER stated the following regarding polling data:

... as you've just heard from Mr. Grasser, there's supposedly clear support - super majority of support - for opening the refuge, among Alaskans. We heard in [the House Special Committee on Oil & Gas] from Cam Toohey that there was a clear majority of Americans who supported the opening of [ANWR]. I think we need to be very careful with the polling data because consistently it's pretty clear that those numbers vary. Shortly after the [House Special Committee on Oil & Gas] hearing, there was a report in the Juneau Empire about [an] Associated Press poll that showed 60 percent of registered voters throughout America were opposed to opening the drilling. And this conflicts with the Christian Science Monitor poll that Cam Toohey was referring to.

Likewise, Alaska Conservation Alliance has done polling on this issue for several years. Our most recent poll last year showed only 50 percent of Alaskans supported drilling in [ANWR].

I think the bottom line with the polling data is that Alaskans are divided over the decision to drill, and that consistently the majority of Americans have opposed Arctic drilling, and support some form of permanent protection.

Number 1686

REPRESENTATIVE McGUIRE asked Ms. Schrader to list the top three concerns of those people concerned about opening up ANWR.

Number 1727

MS. SCHRADER said that people are concerned with the effect on the environment and with the fact that ANWR makes up the last five percent of the United States arctic region that is currently closed to drilling. She said that people would like to see it permanently protected. Ms. Schrader stated that [ANWR] "represents an entire ecosystem ... it has our Arctic Coastal Plain, it has the foothills of the Brooks Range; [ANWR] contains the last intact arctic and sub-arctic ecosystem." She related the following experience:

I had an interesting conversation in a taxicab that I was sharing with a total stranger, in California. When you explain to them that this is not the way that we're going to become independent of foreign oil, then people begin to put it together. So, it's going to supply about one year's worth of oil? And we're going to be losing protection for the last little vestige of American Arctic? Many people are not willing to pay that price.

Number 1850

REPRESENTATIVE McGUIRE asked Ms. Schrader if she thought there was enough energy in the world to make it unnecessary to ever open up ANWR to oil drilling. She inquired if it was an issue of timing.

MS. SCHRADER responded that she would hesitate to say "never," but that now was not the right time. She conceded that it could be necessary to drill within her lifetime, but paraphrased the line from Hank Lentfer's article, saying "we need that oil like a heroin addict needs another hit."

Number 1900

REPRESENTATIVE GREEN remarked that Ms. Schrader vacillated between science and opinion. He asked her if she had ever been to the North Slope.

MS. SCHRADER replied no, but noted that she has been to the Brooks Range and on the north side of the Brooks Range, directly south of NPR-A (National Petroleum Reserve - Alaska).

REPRESENTATIVE GREEN asked if Ms. Schrader had ever seen pictures [of ANWR].

MS. SCHRADER answered yes.

REPRESENTATIVE GREEN asked Ms. Schrader if she thought the photographs were "faked."

MS. SCHRADER replied no.

REPRESENTATIVE GREEN talked about the displacement of the caribou "five feet up," saying the caribou congregate on the roads and pads built five feet up off the ground by the oil industry. Representative Green said that the caribou love it on the pads because there is a breeze up there that blows away the insects. Furthermore, the caribou like to gather under the pipeline because they find shade there. Representative Green noted that Ms. Schrader often spoke using phrases such as "in probability" and "it is likely that." Representative Green stated:

I really find it inconsistent that you're saying by allowing an oil field development, which would be a fraction of what they see at Prudhoe - I mean a fraction - that that would in any way cause the caribou to migrate 40 miles back to the foothills. I find that incredible that you would sit here and say that.

MS. SCHRADER directed Representative Green's attention to a letter in the packet to former president Bill Clinton, dated 12/11/00, from knowledgeable scientists to former President Clinton. She stated that she herself holds a doctorate in veterinary medicine. Ms. Schrader said that the impact to the caribou herd's calving is not "theoretical." She mentioned studies done by Ken Whitten showing that the calving female

members of the Arctic caribou herd are being displaced "by the development at Prudhoe." She stated:

I do not feel qualified to go one on one with you to discuss whether the caribou really love getting up five feet high out of the range of the bugs, but the scientists have spoken. And ... I don't know what more we can do. This [House Resources Standing Committee] has consistently asked for good science, we have good science -- I'm not saying the conservationists. The scientific community has good science about the Western Arctic herd and about the Porcupine caribou herd. And if this committee prefers to rely on some personal observations, which are very valid; but I do not consider personal observations to be as valid as peer-reviewed scientific papers that are published in scientific journals.

Number 2130

REPRESENTATIVE GREEN said that it is no longer a matter of what scientist think or what their studies show, but about "absolute fact", which is that the caribou are there. He invited Ms. Schrader and all scientists on both sides of the issue to go [to ANWR] and see what is happening, rather than just look at [conflicting] reports.

MS. SCHRADER interrupted Representative Green to say, "I never said that the caribou weren't using the area around Prudhoe, they are. And we know that now the numbers are probably up to 20,000.

Number 2180

CO-CHAIR MASEK asked for order to be restored.

REPRESENTATIVE GREEN referred to a statement by Ms. Schrader saying that a scientific report indicated that [the drilling of oil in ANWR] would displace the caribou. Representative Green suggested to Ms. Schrader that there is proof to the contrary. He said:

You're talking about the Western and the Porcupine, and we're talking about an oil field that's visited by the Central caribou herd. And I don't think there's that much difference. The Central caribou herd has increased six-fold since the oil field was begun. And

your comment was that "Well, I don't think there's any direct proof that says that the oil field has caused that increase." Well isn't that kind of coming in the back door? That's not what the oil fields or the scientists - yours and ours - say. They're saying the oil fields don't hinder. And that's proof that they don't hinder. It's not saying that they're taking responsibility for a six-fold increase; they're saying that obviously, with a six-fold increase, they're not adversely affecting things.

Number 2248

MS. SCHRADER corrected Representative Green by saying that the scientists were not "her scientists." She said:

The precautionary principle here suggests that we don't know. And all I can do is quote ... Dr. Valkenberg in the Anchorage Daily News, who says, "I don't think the data tell us anything about caribou and oil development." So you are suggesting, sir, that the increase shows that oil development does not hurt [the caribou]. That is not what I'm hearing Dr. Valkenberg say. We don't -- that is not a valid conclusion to draw. And if this committee wishes to draw that conclusion, it clearly is the right of everyone sitting at the table. But again, please look over the multitude of scientific articles, citations that I presented, the overview by Dr. Whitten, the letter signed by over 200 scientists, and the shorter letter on caribou signed by dozens of scientists. And I would be happy to put those scientists up against your scientists any day.

Number 2320

REPRESENTATIVE GREEN said "rather than look over the multitude of letters from 200 scientists, I'd rather look over 20,000 caribou, instead of 3,000 caribou and suggest that maybe they know better than either of our scientists."

Number 2338

REPRESENTATIVE KERTTULA said she didn't think it was appropriate to have a debate about opposing sides of science in the House Resources Standing Committee meeting. She asked Ms. Schrader

what kind of mitigation measures have been mentioned that might make it better to allow drilling.

Number 2365

MS. SCHRADER told Representative Kerttula that the most common mitigation measure is that oil exploration is done during winter, to minimize the impact on the tundra. She pointed out that although the exploration can be done during the winter, the actual operation of the oil field is year-round. She said that "to the extent that road building can be minimized, as we've seen at Alpine and Badami ... excellent. The fewer roads the better. But there is still an extensive network of pipeline." She stated that she is "not that familiar with all of the details of potential mitigation measure."

Number 2400

REPRESENTATIVE KERTTULA said:

I noticed in the material there was a citation to the lawsuit filed by Arctic Slope challenging MMS's [Minerals Management Service's] approval of the exploration plans in McCovey [project]. Can you tell us anything about what the causes of action were, or what the lawsuit centered around?

MS. SCHRADER responded by saying:

This is a petition to the Ninth Circuit Court, it is not actual litigation. My understanding is that if you wish to appeal a minerals management service approval of a plan, you'll immediately get kicked in the Ninth Circuit Court. My understanding - and I can certainly get you in touch with the folks who are much more familiar with this petition - is that of course, the Inupiats are very concerned and have consistently opposed all off-shore drilling. And I'd just like to repeat that because I think that that's a significant point. We hear consistently that the Inupiats support this, we see their resolutions, we see their letters in support. But please understand, when we turn around and look north to the Outer Continental Shelf, and we look at oil exploration drilling there, these very same Native Alaskans are opposed to that. And the fact that they have hired attorneys and have filed a petition in the Ninth Circuit Court to challenge the

minerals management service - this was approval of a Phillips exploration plan for the off-shore McCovey project. That project is 12 miles off shore. It's about twice as far off shore as the North Star. Because of the impact that this project might have on their cultural and subsistence resources - the marine mammals - they're not nearly as supportive, and in fact, they're in strong opposition. So my suggestion is, we need to respect the cultural and subsistence lifestyles of all of the people up on the North Slope, the Gwich'ins, the Inupiat, and keep that in consideration.

REPRESENTATIVE KERTTULA told the witness that it would be helpful to have a copy of [the petition] for the House Resources Standing Committee.

Number 2525

REPRESENTATIVE McGUIRE commented that although the issue before the House Resources Standing Committee is an emotional one, she would like to see more respect and a better use of the committee process.

CO-CHAIR MASEK closed public testimony and opened committee discussion.

REPRESENTATIVE GREEN said that when testimony is heard that is "at best contradictory, at best subject to debate," then it is a committee process to discuss it.

Number 2596

REPRESENTATIVE KERTTULA said that discussion is appropriate but debating the witness is "outside our rule." She said she thought that was the concern expressed earlier.

REPRESENTATIVE McGUIRE pointed out that another concern was that members be allowed to speak without being cut off.

Number 2625

CO-CHAIR MASEK acknowledged the remarks just heard. She said that HJR 7 has been around for many sessions and there has been ample public testimony regarding it. She said that she thought the focus on the issue's importance would increase this year due to the Energy Committee meeting scheduled in Washington, D.C. in

March. She noted the timeliness of HJR 7, which she hoped would have a greater impact on the new administration.

Number 2687

REPRESENTATIVE GREEN referred Ms. Schrader's earlier statement regarding the life expectancy of the oil supply in ANWR. He explained how the oil supply in ANWR has a direct effect on the dwindling oil supply in Prudhoe Bay by making the following statement:

Prudhoe Bay as we all know is on a decline. And declines from oil fields generally are hyperbolic to the horizontal access. And as this production gets down closer and closer, it starts to get down around [200,000] or 300,000 barrels a day, which in any other field would be a magnificent amount of oil. Not at Prudhoe. So now you're down where you're leveling off almost horizontal, and it goes on and on and on. That also is about the economic limit of the pipeline. In other words, they cannot produce, or can't pump oil economically at less than somewhere between [200,000] and 300,000 barrels a day. So by adding a little more, even though it may not be as great as we hope it might be - add a couple of 300,000 barrels a day, even, from [a] place like ANWR - we extend the life of that pipeline years and years. And therefore, we extract more and more and more oil that would be forever lost from Prudhoe Bay and other North Slope fields. So, I think the [House Resources Standing] Committee should keep in mind that while any amount of oil may seem like only a small percentage if it's only a one year or half a year [supply], by extending the life of a major oil field like Prudhoe, we really do the State [of Alaska] and the country a service. Because once that pipeline's gone we aren't going to build another one.

Number 2791

CO-CHAIR MASEK commented that she has traveled up to Prudhoe Bay several times. She noted that the oil company's technology has vastly improved, making it possible for them to drill at difficult angles and move in and out of areas with no impact to the environment. She said Alaska will play a big part in oil development in the international arena.

Number 2857

REPRESENTATIVE McGUIRE said that the House Resources Standing Committee's reports show that the oil in ANWR is estimated to last approximately 25 years. She also pointed out that even if HJR 7 is approved this session, it would not be developed for another 10 years.

Number 2900

REPRESENTATIVE KERTTULA asked Representative Green if the [200,000 to 300,000] barrels of oil a day, to which he previously referred, are necessary for volume through the line rather than for profit.

REPRESENTATIVE GREEN answered that it was necessary for volume.

REPRESENTATIVE KERTTULA asked if anyone had contacted Gwich'in representatives to ask them what their opinions are regarding opening up ANWR.

CO-CHAIR MASEK replied no, although she didn't think the Gwich'in people, who had lobbied Congress and testified against the resolution in previous years, had changed their mind about it now.

Number 2980

REPRESENTATIVE GREEN said that he agreed with the statement that the Gwitchens are against drilling in ANWR, and pointed out that the [Inupiat] - "who have an oil well right now that's shut in their back yard" - are in favor of it.

CO-CHAIR MASEK clarified that Representative Green was referring to the Inupiat.

Number 3000

REPRESENTATIVE McGUIRE began to make a motion, and was cut off by the end of the tape. She was asked to repeat the motion.

TAPE 01-9, SIDE B

Number 2990

REPRESENTATIVE McGUIRE made a motion to pass CSHJR 7, as amended, out of the House Resources Standing Committee, with individual recommendations and a zero fiscal note.

Number 2973

CO-CHAIR MASEK asked if there were any objections. There being no objections, CSHJR 7(RES) was moved out of the House Resources Standing Committee.

**ADJOURNMENT**

Number 2900

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 2:10 p.m.