

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

February 25, 2019

3:30 p.m.

MEMBERS PRESENT

Senator Chris Birch, Chair
Senator John Coghill, Vice Chair
Senator Cathy Giessel
Senator Lora Reinbold
Senator Click Bishop
Senator Scott Kawasaki
Senator Jesse Kiehl

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 7

Requesting that the United States Department of the Interior Bureau of Land Management implement an oil and gas leasing program in the coastal plain of the Arctic National Wildlife Refuge.

- MOVED SJR 7 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SJR 7

SHORT TITLE: ENDORSING ANWR LEASING; RELATED ISSUES

SPONSOR(s): SENATOR(s) BIRCH

02/20/19	(S)	READ THE FIRST TIME - REFERRALS
02/20/19	(S)	RES
02/25/19	(S)	RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

TREVOR FULTON, Staff
Senator Birch
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided an overview of SJR 7.

FAITH MARTINEAU, Executive Director
Office of Project Management and Permitting
Alaska Department of Natural Resources
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 7.

CARL PORTMAN, Deputy Director
Resource Development Council
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 7.

KARA MORIARTY, President and CEO
Alaska Oil and Gas Association
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 7.

ALBERT FOGLE, Vice President
Alaska State Chamber of Commerce
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 7.

LILLIAN POTHIER, representing self
Juneau, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

ADRIENNE TITUS, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

LOIS EPSTEIN, Engineer and Arctic Program Director
The Wilderness Society
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

FRAN MAUER, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

SARAH MAUPIN, member
Alaska Slope Regional Corporation
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

CRIS EICHENLAUB, representing self
Eagle River, Alaska

POSITION STATEMENT: Testified in support of SJR 7.

VIKKI JO KENNEDY, representing self
Kodiak, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

PRINCESS LUCAJ, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

MISTY NICKOLI, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

ROSEMARY AHTUANGARUAK, representing self
Nuiqsut, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

JOHN SONIN, representing self
Douglas, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

ANNA SORENSEN, Director of Administration and Finance
Northern Alaska Environmental Center
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition of SJR 7.

ACTION NARRATIVE

[3:30:22 PM](#)

CHAIR CHRIS BIRCH called the Senate Resources Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Coghill, Giessel, Kawasaki, Reinbold, Kiehl, Bishop, and Chair Birch.

SJR 7-ENDORSING ANWR LEASING; RELATED ISSUES

[3:30:54 PM](#)

CHAIR BIRCH announced the consideration of Senate Joint Resolution 7 (SJR 7). He explained that SJR 7 endorses Arctic National Wildlife Refuge (ANWR) leasing.

He opined that ANWR is critical to Alaska's future economy for increasing Trans-Alaska Pipeline System's (TAPS) throughput. He noted that Senator Giessel has provided the committee with a summary of the 14 prior times that the Senate has collectively

generated an ANWR resolution, showing that the endorsement has been a long-term effort on the part of the Senate.

CHAIR BIRCH said ANWR's development potential has an opportunity to create thousands of jobs for Alaskans and bring in billions in revenue for state coffers. SJR 7 would display an intent to see progress made on AMWR's leasing program and show that Alaska is indeed "open for business." The resolution will serve as a 31st Legislature's comment on the Draft Environmental Impact Statement (EIS). He noted that March 13, 2019 is the closing date for public testimony on the EIS.

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TREVOR FULTON, Staff, Senator Birch, Alaska State Legislature, Juneau, Alaska, paraphrased the following sponsor statement for SJR 7:

In late 2017 after nearly 40 years of effort by the state and by Alaska's federal delegation, Congress finally authorized an oil and gas leasing program for ANWR with the passage of the Tax Cuts and Jobs Act; that congressional authorization of ANWR activity is what makes this resolution differ from the many previous versions you have likely seen over the years.

Rather than urging Congress to open up ANWR, the version before you today urges the executive branch, specifically the Department of Interior, to stay the course on a leasing program. A leasing program which has just taken an important early step in the regulatory process with the publication of the Draft EIS just this December; that's what's different about this version of ANWR resolution however much of the rest remains the same.

The "whereases" of this resolution continue to focus on the impressive oil and gas potential of ANWR which is estimated at 7.7 billion barrels of oil and 7 trillion cubic feet of gas. The potential benefits of ANWR could bring to Alaska and the rest of the country, including generating over \$100 billion in state, federal, and local government revenues; creating over 12,500 direct and indirect jobs at peak employment; increasing throughput and extending the life of TAPS; and enhancing the economics of the AKLNG project; all while strengthening national security,

bolstering the U.S. economy, and providing affordable energy to U.S. consumers.

The resolution also highlights advances in oil field technology that have exponentially shrunk development footprints over the years. The highlights of a 50-year record of safe and responsible development on the North Slope and the continued state commitment to ensuring the health of the Porcupine and central Arctic caribou herds and protecting the environment and wildlife of Alaska's arctic region. Finally, it also highlights the widespread support for responsible development in the ANWR coastal plain by Alaskans in general and specifically by residents of the North Slope.

One of the goals of this resolution is to serve as the 31st Legislature's official comment on the BLM's "2018 Coastal Plain Oil and Gas Leasing Program Draft EIS," which was published in December. Comments submitted on the Draft EIS will inform key decisions to be made in the final EIS which is scheduled for release later this year; those key decisions include which areas of the coastal plain would be offered for leasing as well as the terms and conditions to be applied to those leases. In order for this resolution to provide meaningful input on the Draft EIS, this resolution will have to make it through both bodies before that March 13th deadline.

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SENATOR KIEHL asked what the state and local government portion will be from the potential \$100 billion in revenue from ANWR.

MR. FULTON explained the information is available from the Draft EIS on the BLM website. He addressed section 3, page 236 in the BLM report that noted projected revenue distribution over a 30-year period as follows:

- Local governments: \$1.2 billion;
- State government: \$71 billion;
- Federal government: \$32.5 billion.

SENATOR KAWASAKI addressed the fourth "whereas" in SJR 7 that talks about two lease sales held by December 2024. He noted that in the law the sales are referenced as, "Ten years after date of

enactment." He inquired if the "whereas" in the resolution is a misprint.

MR. FULTON deferred the question to Faith Martineau with the Alaska Department of Natural Resources (DNR).

SENATOR KAWASAKI specified that the law itself calls for a, "ten year after enactment of the law." He asked if the actual enactment would be 2028. He explained that he was trying to make sure the form is correct.

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FAITH MARTINEAU, Executive Director, Office of Project Management and Permitting, Alaska Department of Natural Resources (DNR), Anchorage, Alaska, explained that section 20001 of the 2017 Tax Cuts and Jobs Act provides specific direction to the Department of Interior and Bureau of Land Management (BLM) to conduct not fewer than two lease sales within 10 years; however, the first lease sale has to be enacted within 4 years of the issuance of the finalization of that tax act, so that would be 2022 because the act was passed in 2017.

SENATOR KAWASAKI asked about the fifth "whereas" regarding the estimated 7.7 billion barrels of oil and 7 trillion cubic feet of natural gas. He asked what the source was for the ANWR oil and gas projections.

MR. FULTON replied that the information came from the Draft EIS document, located on page 36, section 3. The quoted source is a United States Geological Survey (USGS) report from 2005.

SENATOR KIEHL noted that the resolution allows for up to 2,000 acres of potential disturbance and asked how the acreage is calculated. He inquired if Congress set limits or does the federal government have rules about how the acreage is calculated.

MR. FULTON responded that the acreage parameters were placed within the 2017 Tax Act, (Public Law 115-97), and referenced as follows:

In administering this section, the Secretary shall authorize up to 2,000 surface acres of Federal land on the Coastal Plain to be covered by production and support facilities (including airstrips and any area covered by gravel berms or piers for support of

pipelines) during the term of the leases under the oil and gas program under this section.

MR. FULTON said the previous statement is what the law prescribes. During the "scoping" process for the EIS document there were a number of public comments asking for more information. The Draft EIS provided additional information as follows:

The BLM interprets the types of production and support facilities that will count towards the 2,000 acre limit as including any type of gravel or other fill-constructed facility which touches the land surface to include gravel pads used for processing facilities including wells, production facilities, or pump or compressor stations, gravel air strips or roads, and any other area covered by gravel berms or piers for support of pipelines.

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CHAIR BIRCH opened public testimony and said the committee will first hear from invited testimony.

[3:43:30 PM](#)

MS. MARTINEAU disclosed that she also leads the state's participation as a cooperating agency in the development of an EIS for an oil and gas leasing program in ANWR's coastal plain. She said she was calling to voice DNR's support for SJR 7. The Department of Interior and BLM recently published its Draft EIS which reflects potential implementation strategies, available leasing areas, and lease stipulations.

She said the state's cooperating agency team has provided comments to BLM on the Draft EIS prior to the March 13 commentary deadline. Selection of an alternative that provides maximum flexibility to future decision makers is critical. The alternative should consider new information such as exploratory seismic data as well as existing local, state, and federal permitting processes to facilitate responsible development, production, and transportation of oil and gas resources to and from ANWR's coastal plain. DNR, part of the cooperating agency team, has reached out to the North Slope Borough and its stakeholders to identify areas of potential alignment and partnerships.

She said she believes SJR 7 will reinforce the importance of responsible oil and gas development to the state and to all

Alaskans with the hope that the final resolution includes a recommendation from the Alaska Legislature to maximize flexibility for future decision makers as BLM determines how to implement an oil and gas leasing program in the coastal plain.

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SENATOR KAWASAKI asked her to explain the role of the state's cooperating agency team.

MS. MARTINEAU replied that the State of Alaska has a lot of different departments and divisions and programs, each with its own mission and responsibilities. She explained that to maximize the efficiency and effectiveness of the state's commenting opportunities, especially during federal plan reviews such as with the EIS for the coastal plains oil and gas leasing program. The Office of Project Management and Permitting coordinates directly with agency representatives to collect comments. The coordinated approach helps to ensure that the state has a subject-matter expert for each of the different resource areas.

She detailed that the Department of Fish and Game has specifically identified data and is including studies based on monitoring for terrestrial mammals including caribou. The Department of Environmental Conservation was key in identifying existing monitoring information related to air quality and to provide comments regarding spill response. The Department of Natural Resources has been able to identify potential solutions regarding water sources and the lack of abundant surface water within the coastal plain area. She added that there are a number of other resource areas where the state has provided comment as well.

3:49:01 PM

CARL PORTMAN, Deputy Director, Resource Development Council (RDC), Anchorage, Alaska, testified in support of SJR 7. She said RDC has consistently supported opening ANWR's 1002 Area to oil and gas development and detailed as follows:

- ANWR's coastal plain is considered America's best onshore prospect for conventional oil and gas discoveries.
- Alaska depends on the responsible development of its natural resources to support its economy:
 - The discovery of oil lead to Congress finally voting in favor of Alaska's statehood.
- Alaska's North Shore:
 - Produced more than 17 billion barrels of oil.

- Trans-Alaska Pipeline System (TAPS):
 - Even though operating at one-quarter capacity, oil production generated \$2.7 billion in state revenues in FY2018, accounting for 80 percent of unrestricted general-fund revenues.
 - AWWR's coastal plain production could increase TAPS output to approximately two-thirds of its capacity.
- North Slope oil industry:
 - Over the past 40 years has demonstrated that energy development and environmental stewardship can coexist.
 - Proven track record of responsible development in sensitive areas by protecting the environment, wildlife, and subsistence needs of local residents.
 - Generates thousands of jobs:
 - Raised the standard of living,
 - Significantly improved the quality of life,
 - Breaks the cycle of dependency.
- ANWR's 1002 Area:
 - 1.6-million-acre area.
 - Non-wilderness portion of ANWR's coastal plain.
 - Federal law requires the footprint of production and support facilities to be limited to no more than 2,000 surface acres:
 - Equivalent to 0.01 percent of ANWR's 19-million acres.
- Economy:
 - Oil and gas production will be required to power the economy and serve as a bridge to the renewable and green energy sources of the future.
 - Every barrel of oil not developed in Alaska will simply be imported from overseas where environmental regulations are often weaker, and the carbon footprint is larger.

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KARA MORIARTY, President and CEO, Alaska Oil and Gas Association, Anchorage, Alaska, testified in support of SJR 7. She said AOGA has long supported a leasing program for ANWR's coastal plain. A statewide poll in January showed that 64 percent of Alaskans continue to support development in ANWR's coastal plain region.

She explained the need for an ANWR leasing program as follows:

- ANWR's history:

- Formed in 1960 with 9 million acres.
- Expanded to 19 million acres in 1980 with the passage of the Alaska National Interest Lands Conservation Act (ANILCA).
- Over 90 percent of ANWR is permanently protected as wilderness.
- Section 1002 of ANILCA, 1002 Area, a section of the law that states that a small portion of ANWR's coastal plain will be set aside for future oil and gas development:
 - Limited to 2,000 acres which is smaller than most U.S. airport acreage.
- Need for additional oil and gas development:
 - The U.S. Energy Information Administration (EIA) predicts that by 2050, petroleum and other liquids followed closely by natural gas, will remain by multiple magnitudes the most consumed energy source in the U.S.
 - The International Energy Administration's prediction for global demand is like EIA's prediction for the U.S.
 - The government has described the 1002 Area as the most significant oil potential in the U.S.
 - The 1002 Area is the largest onshore play in federal land in the U.S.
 - Production from the 1002 Area will reduce U.S. reliance on foreign oil over the decades by almost \$600 billion.
- Safe oil and gas development:
 - The oil-and-gas industry has a history of safe, effective, and environmentally responsible development of the Arctic, spanning almost five decades.
 - Today's development is not the same as it was 40 years ago:
 - Typical oil pad in 1970 was 65 acres with an underground drilling area of 3 miles.
 - A new oil rig by Doyon, an Alaska native corporation, has a total gravel pad of 12 acres on the surface with an underground drilling area of 150 miles.

MS. MORIARTY summarized that AOGA believes that the development of ANWR's coastal plain will be good for the country and will continue to build upon the jobs and revenues that the oil and gas industry has contributed to the state for decades.

[3:58:21 PM](#)

ALBERT FOGLE, Vice President, Alaska State Chamber of Commerce, Anchorage, Alaska, testified in support of SJR 7. He set forth that responsible oil and gas development in the small fraction of ANWR proposed for leasing will help ensure energy security for decades. New oil production from the ANWR coastal plain has the potential to increase throughput through TAPS, increase thousands of jobs nationwide, generate billions of dollars in government revenue for public services, and keep energy prices affordable.

[4:02:52 PM](#)

LILLIAN POTHIER, representing self, Juneau, Alaska, testified in opposition of SJR 7. She opined that ANWR should not be utilized for oil and gas extraction. She said oil and gas are finite resources and investment should be made in renewable energy sources. ANWR's eco-system should not be impacted by human development in any way.

[4:05:32 PM](#)

ADRIENNE TITUS, representing self, Fairbanks, Alaska, testified in opposition of SJR 7. She said greenhouse gas and emissions need to be reduced. She opined that the 1002 Area is the last five percent of the North Slope that has not been explored and the area needs to be left alone. She asserted that the North Slope coastal communities are negatively impacted from climate change as well as health impacts from oil and gas development.

[4:10:04 PM](#)

LOIS EPSTEIN, Engineer and Arctic Program Director, The Wilderness Society, Anchorage, Alaska, testified in opposition of SJR 7. She offered reasons for opposing SJR 7 as follows:

1. BLM's Draft EIS does not include a reasonable range of alternatives, all the alternatives offer similar results in impacts and production.
2. Even though the 2017 Tax Act limits surface disturbance to 2,000 acres, the Draft EIS excludes substantial acreage throughout the ANWR coastal plain such as gravel mines, ice roads, [inaudible], snow fences, raised structures, etc. The footprint of production and support will be greater than 2,000 acres. Additionally, while well pad sizes have been reduced over the years, the rest of the industry's footprint and impact have remained relatively unchanged.
3. Although TAPS is currently operating at less than its peak flow, pipelines always are designed and operated to carry less than peak flow. Oil production in ANWR is not necessary to ensure TAPS remains viable and economic for

decades to come. DNR staff expects TAPS throughput to continue increasing through the late 2020s due to new discoveries.

4. The job claims made by some are highly misleading. Unless the people who obtain jobs would otherwise be unemployed, the jobs resulting from ANWR oil development do not create new jobs. Most of the oil and gas workers in Alaska reside out of state and thus their wages are largely sent out of state.
5. Alaska's Arctic oil development has some real problems. One employee died this past year, there have been blowouts attributed to thawing permafrost during the past two years, and Alaska's [inaudible] emissions requirements are well behind other states' standards.
6. As information about the problems with potential seismic operations and oil drillings in ANWR have been made increasingly available to Alaskans, there has been growing opposition, non-native and native, to allowing any industrial activities on ANWR's coastal plain. A recent poll showed over 44 percent of Alaskans opposed drilling in ANWR.
7. Alaska will have a "black eye" nationally and globally for unnecessarily destroying ANWR's iconic landscape. There will be permanent impacts that will transform ANWR's near pristine area.

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SENATOR REINBOLD noted that Ms. Epstein stated that the majority of oil workers are out of state and asked what her source for the labor data was. Senator Reinbold said her research has shown 70 percent to 90 percent of oil workers are "Alaska hire."

MS. EPSTEIN answered that her data was derived from a 2016 Draft EIS report that stated on page 3-235, "64 percent of wages were spent out of state."

[4:15:26 PM](#)

FRAN MAUER, representing self, Fairbanks, Alaska, testified in opposition of SJR 7. He disclosed that he has been involved in conservation issues in Alaska for 48 years. He reviewed the history of how ANWR was established and opined that the American people are being unjustifiably impacted by the loss of ANWR's wild landscape due to the interest of the State of Alaska. He said the state should work towards renewable energy projects and alternative economic programs rather than focusing on the economic benefits of oil.

[4:19:56 PM](#)

SARAH MAUPIN, member, Alaska Slope Regional Corporation (ASRC), Fairbanks, Alaska, testified in opposition of SJR 7. She addressed a study by the Alaska Community Action on Toxins (ACAT) on the negative effects from oil drilling in the National Petroleum Reserve in Alaska (NPRA). She said billions in revenue is derived from oil production but not much of the money goes towards regional schools or communities. She said many ASRC shareholders have spoken against further drilling due to concerns with health qualities and air qualities implicated by oil drilling. She asserted that people are dying because of the drilling that is happening, BLM has not conducted a responsible EIS, and she is in opposition of drilling in ANWR.

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CRIS EICHENLAUB, representing self, Eagle River, Alaska, testified in support of SJR 7. He said Alaska has the best regulations on the planet for regulating resource development. He opined that developing the state's resources for the maximum value to the people is part of Alaska's constitution.

[4:28:35 PM](#)

VIKKI JO KENNEDY, representing self, Kodiak, Alaska, testified in opposition of SJR 7. She said getting to ANWR is going to be the problem. She asked that the state leave ANWR alone.

[4:30:32 PM](#)

PRINCESS LUCAJ, representing self, Fairbanks, Alaska, testified in opposition of SJR 7. She said the public opinion on ANWR has changed considerably since a recent Senate online poll that showed that 44.5 percent of the respondents opposed oil and gas lease sales in ANWR. She opined that it is not true to say that the majority of Alaskans are in support of oil and gas lease sales in ANWR. She said the state is in a lot of trouble and needs to go in a different and innovative direction.

[4:34:08 PM](#)

MISTY NICKOLI, representing self, Fairbanks, Alaska, testified in opposition of SJR 7. She opined that the state is paying out its limited funds to the federal government and corporate interests for their benefit to develop natural resources in ANWR. She added that wildlife will be impacted and the cost to human health is too great.

[4:36:44 PM](#)

ROSEMARY AHTUANGARUAK, representing self, Nuiqsut, Alaska, testified in opposition of SJR 7. She said she had hoped that

the vision of protecting an area along the Arctic coast from oil and gas development would be a vision that was maintained for a traditional way of life. She said tons of emissions from oil and gas development on the North Slope is impacting people and wildlife.

[4:41:13 PM](#)

JOHN SONIN, representing self, Douglas, Alaska, testified in opposition of SJR 7. He opined that the state is stuck on the dependence of oil production and should find alternatives for economic and health reasons.

[4:44:12 PM](#)

ANNA SORENSEN, Director of Administration and Finance, Northern Alaska Environmental Center, Fairbanks, Alaska, testified in opposition of SJR 7. She said several myths have been presented by proponents of SJR 7. ANWR's coastal plain is an ecological link between the Brooks Range and the Beaufort Sea. President Eisenhower protected the "coastal plain" as part of the 8.9 million-acre ANWR for the purpose of preserving unique wildlife, wilderness and recreation values. ANILCA in 1980 prohibited oil and gas development in Section 1003 where development required an act of Congress.

She summarized that a recent poll shows that the majority in favor of oil and gas development, 55 percent versus 44 percent, is a slim majority and the two-thirds majority noted in earlier testimony has been shrinking consistently over time and more Alaskans are opposing drilling in ANWR.

[4:48:17 PM](#)

SENATOR KIEHL noted that Ms. Sorensen had started to comment on the 2,000-acre disturbance area and asked that she complete her comment.

MS. SORENSEN specified that previous testimony had noted that no more than 2,000 acres at any given time would impact ANWR, but the Northern Alaska Environmental Center believes that the calculation was false and would provide their estimation to the committee.

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CHAIR BIRCH closed public testimony.

CHAIR BIRCH announced that his intent is to move SJR 7 out of committee if it is the will of the committee due to the March 13 deadline on receiving testimony for the EIS.

[4:49:49 PM](#)

SENATOR GIESSEL noted that SJR 7 represents the sixth resolution that she has had the opportunity to vote "yes" on. She disclosed that she had spoken at two of the public scoping meetings that were held by the Department of Interior. She said her only criticism of SJR 7 is the resolution only speaks about revenue and the environment, the resolution does not speak to the positive impact on Alaska's people that resource development represents.

She referenced an article that was published in May 2018 in the Journal of American Medical Association (JAMA). Research in the JAMA article relates to life expectancy and the change from 1980 to 2014, specifically if people were living longer or not in counties across the United States. She disclosed that the affiliations for the researchers for the JAMA article were from the Institute of Health Metrics and Evaluation, University of Washington-Seattle; and the Department of Public Health, Rotterdam, Netherlands. She pointed out that the two organizations had nothing to do with oil. She referenced a map that exemplified the results from the article that showed the North Slope, Northwest Arctic Borough, parts of the Aleutians, and Southeast had the highest life expectancy increase, 8 to 13-year increase in life expectancy from 1980 to 2014.

She pointed out that during the time from 1980 to 2014, TAPS came on line where the North Slope began to produce oil, and the Red Dog Mine near Kotzebue began producing. The two noted projects created jobs and the jobs brought increased income, access to health care, education, and additional assets. The research in the JAMA article looked at what factors contributed to the change in life expectancy and in fact those criteria accounted for 82 percent of the impact causing the increase in life expectancy. She asserted that the JAMA article is very concrete, objective, unsolicited documentation that resource development is good for Alaskan's health.

She said she shared the concerns for the environment, noting that she is a lifelong Alaskan like other members in the committee. She opined that the greatest threat to the environment is poverty and that is what the legislators are trying to overcome in Alaska, bringing wealth to Alaskans, bringing access to clean water, health care, education, jobs, and income. She set forth that she is going to be quite pleased to vote "yes" on SJR 7.

[4:53:26 PM](#)

SENATOR KAWASAKI commented on "whereases" in the resolution, the first one on page 3, "Safe and responsible oil and gas exploration development over the past 50 years without adverse effects on the environment." He said when the Legislature is putting out definitive policy, he questioned whether the previous statement was true, maybe to a varying degree.

He addressed another "whereas" and noted testimony from Nuiqsut that questioned whether Iñupiat residents were supportive of the development. He added that he can not tell whether the resolution endorses a specific proposal moving forward. He said he is always uncomfortable saying he supports something that is several hundred pages and he has not had a chance to read. He asked if the committee is supporting a specific alternative or not. He pointed out that one of the Draft EIS alternatives is no action and the remaining alternatives have varying degrees of action.

MR. FULTON specified that there were four action alternatives identified in the Draft EIS, one of which is the "no action" alternative, the other three being continually more restrictive than the previous. The intent was not to endorse any specific alternatives, but the resolution endorses and urges the Department of Interior to continue with the important process regarding ANWR. The Draft EIS is the first step in a long regulatory process, an important step, and the intent is to encourage progress on the leasing program in general rather than one of the specific alternatives.

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He addressed Senator Kawasaki's question regarding the "whereas" pertaining to support from the North Slope Borough residents and referenced a resolution supporting ANWR development that was passed September 8, 2017 from the "Voice of the Arctic Iñupiat" which consists of the following members:

- Arctic Slope Native Association,
- Arctic Slope Regional Corporation,
- Atqasuk Corporation,
- City of Anaktuvuk Pass,
- City of Atqasuk,
- City of Utqiagvik (Barrow),
- City of Point Hope,
- City of Wainwright,
- Ilisagvik College,

- Kaktovik Iñupiat Corporation,
- Native Village of Atqasuk,
- Native Village of Kaktovik,
- Native Village of Point Hope,
- Native Village of Point Lay,
- North Slope Borough,
- Nunamiut Corporation,
- Olgoonik Corporation,
- Tikigaaq Corporation,
- Ukpeagvik Iñupiat,
- Wainwright Tribal Council.

SENATOR KIEHL noted that previous ANWR resolutions contained language that is not contained in SJR 7 and detailed as follows:

- Called for using some of the revenues for the development of renewable and alternative energy resources in the state.
- Called for exploration development and production activity to be conducted in a manner that protects the environment and the population levels of the Porcupine caribou herd.
- Called for the use of the state's workforce to the maximum extent possible.

He asked if there was a particular reason why the previously noted language was not present in SJR 7 and inquired if the resolution's sponsor would be amenable to adding the language.

[4:58:58 PM](#)

MR. FULTON asked that Senator Kiehl reiterate each language topic individually.

SENATOR KIEHL requested he address "alternative energy in the state."

MR. FULTON answered that language would be outside the scope of the audience that the resolution is aimed towards. Previous resolutions had been addressed towards Congress, SJR 7 is directed towards the Department of Interior regarding the Draft EIS.

SENATOR KIEHL asked him to address the "Porcupine caribou herd and using the state's workforce."

CHAIR BIRCH replied that his office will follow up with the requested information.

SENATOR BISHOP commented that he respects everyone's opinion, pro and con; however, the fact remains that the state does not have a federal treasury and cannot print money. He emphasized that he wants to see the state get to renewables as fast as possible, but it needs a cash stream to be able to pay for the renewables whether the renewable project is the Susitna Dam, wind farm, LNG project, or a propane project in rural Alaska. He said \$0.64/kilowatt hour in rural Alaska with power cost equalization (PCE) is a lot of money. He stated that he wants to work with his counterparts in the Senate to lower energy costs across the state, but revenue is needed to do it. He added that the seven trillion cubic feet of gas in the Point Thomson area is almost fuel-grade quality gas and the quicker the gas can get online the quicker the state can lower its carbon footprint. He said he will support SJR 7.

[5:01:33 PM](#)

SENATOR COGHILL moved to report SJR 7, [work order 31-LS0544\M], from committee with individual recommendations and attached zero fiscal note.

[5:01:41 PM](#)

CHAIR BIRCH said there being no objection, the motion carried.

[5:01:48 PM](#)

At ease.

[5:03:34 PM](#)

CHAIR BIRCH called the committee back to order.

[5:03:58 PM](#)

There being no further business to come before the committee, Chair Birch adjourned the Senate Resources Standing Committee meeting at 5:03 p.m.