

HJR

11

# SENATE COMMITTEE REPORT

DATE: 3/18/99

FURTHER:

DATE TURNED IN TO OFFICE: 4/1/99

Resources Committee considered

HOUSE JOINT RESOLUTION NO. 11

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.

and recommends:

- be replaced with S CS HR 11 ( RES )
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ ( \_\_\_\_\_ )
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill: same title
- new title
- House Bill:**
- same title
- technical title
- new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Alan Parrill</i>	✓	<i>George ...</i>	X		
<i>Ludy Dress</i>	✓				
<i>Pete Kelly</i>	✓				
<b>CHAIR:</b> <i>Rick Halford</i>	✓	<b>CHAIR:</b>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
<i>H 016</i>	<i>2/9</i>	X	

APPLY TO CS

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

FISCAL NOTE

Bill Version: CSHJR 11 (O&G)  
(H) Publish Date: 2/17/99

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
Title: Endorsing ANWR Leasing  
Sponsor: Representative Phillips  
Requester: \_\_\_\_\_

Dept. Affected: \_\_\_\_\_  
BRU: \_\_\_\_\_  
Component: \_\_\_\_\_  
Component Serial No.: \_\_\_\_\_

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES [ ]						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY98) cost: \_\_\_\_\_

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

No Fiscal Impact

Prepared by

House Oil and Gas Committee

Shannon Grynkewich, Aide

Shannon Grynkewich

Phone

Phone 465-2283

Date: 02/09/99

## Sierra Club

Alaska Field Office

241 E. Fifth Avenue, Suite 205, Anchorage, Alaska 99501  
(907) 276-4048 • FAX (907) 258-6807



by Wilbur Mills

**Sara Callaghan**

**March 31, 1999**

### **Testimony to Senate Resources Committee**

I would like to testify in opposition of the resolution supporting drilling in the Arctic National Wildlife Refuge (HJR 11).

The Arctic Refuge is the heart of a thriving ecosystem that hosts thousands of migratory birds, polar bears, muskox and caribou. It was originally established as the Arctic Wildlife Range in 1960 because Alaskans like Mardy Murie and Celia Hunter recognized the importance of protecting a piece of Alaska's Arctic. In fact, the initial proposal for the establishment of the Range was made by the Tanana Valley Sportsmen's Association in 1957 and the Fairbanks Daily News Miner editorialized in favor of its creation.

The Arctic Refuge coastal plain makes up a mere 5% of Alaska's vast North Slope. And there is plenty of land available for leasing. With the recent Interior Department announcement to lease 4 million acres in the NPRA, and the prospect of millions of acres being offered in the state's Beaufort Sea Area-wide sale, the 1.5 million acres of the coastal plain is tiny in comparison.

Alaskans believe that there is room for balance between oil development and wilderness in the Arctic. A poll conducted by Ivan Moore Research in June, 1998, showed that 47 percent of Alaskans believe the Arctic Refuge coastal plain should be protected from oil drilling, only 46 percent favored development.

A recent study by the U.S. Geological Survey estimates there is no commercially recoverable oil at today's oil prices or anything less than \$15 per barrel. At \$20 per barrel, USGS says there may be 3.2 billion barrels of recoverable oil, not the 10 billion barrels that the resolution claims.

The study also confirmed that the Arctic Refuge does not contain the super-giant fields of Prudhoe Bay. What they expect is that the oil which lies under the coastal plain is contained in small pools. Recent dry holes at "Warthog" and complications at "Badami" also make clear the chances of a elephant sized discovery in the Arctic Refuge are vanishingly small.

Recent oil industry estimates find that the life and the Trans-Alaska pipeline far extends original plans. The pipeline was designed to transport oil until about 2012- now estimates show that there is enough oil to keep the pipeline running until at least 2040.

Although the people of the North Slope have come out in favor of oil development, the Gwich'in people who depend on the Porcupine caribou herd are united in their support for wilderness designation of the coastal plain. Just last summer, Gwich'in people gathered from Alaska and Canadian villages to reaffirm their support for the Arctic Refuge coastal plain because it is the birthplace of the caribou herd that sustains their life and culture.

Protecting the Arctic Refuge from oil drilling would keep the area open to all -- for subsistence and sport hunting, fishing, hiking, trapping and rafting. By contrast, Prudhoe Bay and other North Slope oil developments are closed to the public. Alaskans who used to enjoy the entire Arctic for hunting have found themselves locked out of the lands around Prudhoe Bay. Many Alaskans make their livelihood bringing paying guests into the Arctic Refuge from all over the world to enjoy the unique wilderness and wildlife opportunities. Hunting and wilderness guides use the wild nature of the Arctic Refuge as a selling point for their trips.

The oil industry has consistently demonstrated their lack of regard for the environment. Although drilling operations have reduced their "footprint" in the Arctic, operations lead to air and water quality problems, toxic waste sights, and oil spills. According to DEC records, there are hundreds of sizable spills each year on the North Slope. The Endicott case, when Doyon was caught injecting hazardous waste into the tundra, and the Alpine incident, where millions of gallons of drilling muds were lost, further illustrate the environmental hazards that the oil industry places on the Arctic.

Low oil prices have forced Alaskans to consider alternatives to the oil industry as our main source of revenue. It is time for us all to focus our energies on an economic plan that will benefit all Alaskans, without harming our environment.

## AMENDMENT

By Senator Lincoln

Page 2, following line 31, insert:

**WHEREAS**, the state will ensure the continued health and productivity of the Porcupine Caribou herd and the protection of land, water, and wildlife resources during the exploration and development of the coastal plain of the Arctic national Wildlife Refuge;  
and

## North Slope Borough OFFICE OF THE MAYOR



P.O. Box 69  
BARROW, ALASKA 99723  
☎ 907 852-2611 or 0200  
Fax: 907 852-0337  
email: bnageak@co.north-slope.ak.us

*Benjamin P. Nageak, Mayor*

March 23, 1999

The Honorable William J. Clinton  
President of the United States  
Executive Office of the President  
1600 Pennsylvania Ave., NW  
Washington DC 20500

Dear Mr. President,

I was quite dismayed to hear that Secretary of the Interior Bruce Babbitt is proposing wilderness designation for the coastal plain of the Arctic National Wildlife Refuge. This is being proposed with complete disregard for the people who live in the Arctic and their needs. Once again the Great White Father in Washington is telling Native Americans what will be done with their land whether they agree or not; whether it will hurt them or not; whether it will cripple their ability to provide for their people or not.

What most of this country, and certainly Secretary Babbitt, does not seem to understand is that people live in the Arctic, my people, the Inupiat people. The Arctic is not an untouched wilderness never visited by man. My people have called it home for as long as the caribou have calved on the coastal plains. It has provided for our families since the days you refer to as pre-history. And in all that time, we have made every effort to be good stewards of our resources because we truly believe that we hold our land in trust from our parents to give to our children. In fact, I was born in the village of Kaktovik, the nearest village to these coastal plains and they are part of my heritage to my children.

Every time I see ANWR in ads, whether on TV or in print, I find myself insulted by the glaring absence of the people of the Arctic, the Inupiat Eskimos who have every right to be part of that picture because they have been here since the beginning. By keeping us out of the picture, it is easier to present a vision of ANWR as some virgin wilderness that has never felt the hands of man. And that is simply a lie. But it is an effective lie because it enables people to support Secretary Babbitt's proposed designation without feeling that they are harming or displacing any people.

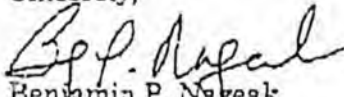
Page 2  
Letter to President Clinton  
March 23, 1999

I am requesting that you seriously review the erroneous thought process that led to this proposed bill and pull your support for it. The Inupiat people have never spoiled this land and won't allow it to happen now. The oil industry has been a good friend to the environment here while providing us with money and jobs so that we could be productive members of American society. This wilderness designation will cripple our continued efforts to bring our people the benefits most Americans take for granted. It will cripple our ability to wean ourselves away from the federal government's subsidies and destroy our attempts at self-reliance.

No decision of this magnitude, no decision that will so affect our lives, should be made without our input. This is our land. We have a right to be consulted. You might be pleasantly surprised if you do consult us at the depth of our knowledge and love of this land. We know how to use it without abusing it and would gladly offer to work with federal agencies on how best to both protect it and allow the Inupiat people to continue to use it to benefit themselves and their families. We have lived here all our lives. So did our ancestors. Bruce Babbitt has spent maybe 24 hours altogether here. And he conveniently chooses to forget that the major polluter of the Arctic was, and still is, the federal government through its military.

Please put my people, the Inupiat Eskimo people, into the picture of ANWR. Stop airbrushing us out.

Sincerely,

  
Benjamin P. Nageak  
Mayor

# Alaska State Legislature



Official Business  
Phone: (907)465-2689  
Fax: (907)465-3472

State Capitol  
Room 411  
Juneau, Alaska 99801-1182

## Representative Gail Phillips

### SPONSOR STATEMENT

### HJR 11 -- ENDORSING A.N.W.R. LEASING

#### Senate Resources Committee

**HJR 11 encourages the United States Congress to pass legislation for oil and gas exploration, development and production on the coastal plain of the Arctic National Wildlife Refuge. A similar resolution in support of the opening of A.N.W.R. has received strong support in the past. In addition, it is strongly supported by the North Slope Borough and the majority of Alaskans.**

**The coastal plain of the Arctic National Wildlife Refuge contains an estimated 10 billion barrels of recoverable oil. Development of this resource will help Alaska offset its declining oil revenues and reduce our country's reliance on imported oil. It would bring us many jobs for Alaskans and help restore the declining employment in the oil industry. In addition, it would positively impact the number of jobs available to workforces in many other states.**

**Copies of this resolution will be sent to the President, Vice-President, all members of the House and Senate serving in the 106<sup>th</sup> US Congress, and the Secretary of the Interior. I am hopeful that the current legislature will be willing to re-enforce our previous support for developing A.N.W.R by passing this resolution. Thank you.**

STATE OF ALASKA  
1999 LEGISLATIVE SESSION

BILL NO. HJR 11

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Sponsor: Representative Phillips  
Requester: \_\_\_\_\_

Dept. Affected \_\_\_\_\_  
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No Fiscal Impact

Prepared by House Oil and Gas Committee  
Shannon Grynkewich, Aide  
Shannon Grynkewich

Phone \_\_\_\_\_  
Phone 465-2283  
Date 02/09/99