At Alyeska, The Pipeline Isn't the Only Thing We Service.

Our employees also volunteer their efforts to organizations in their local communities around the state.

Crisis focuses attention on domestic oil production

The invasion of Kuwait and the commitment of American troops to protect Saudi Arabia has prompted Alaska's congressional delegation to urge Congress to lift restrictions on oil and gas exploration in the Arctic National Wildlife Refuge.

The major unrest in the fragile Persian Gulf region, accompanied by months an expected renewed effort by Alaska's congressional delegation to lift the 1.5 million-acre Coastal Plain of the 19.9 million-acre ANWR to energy development. The Serengeti Committee last year voted to approve exploratory drilling on the Coastal Plain where billions of barrels of recoverable oil may exist. Further consideration of the bill was halted following the Exxon Valdez oil spill.

Senator Ted Stevens is planning to advance a request before the Senate to take up consideration of the bill reported by the Senate Energy Committee last year authorizing oil and gas leasing on the Coastal Plain, Stevens said the Iranian invasion, along with soaring oil imports and plunging domestic production, prompted him to continue the ANWR

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Wetlands and Alaska's future

Alaska’s future is at stake like never before. With the prospect of grafting a “no net loss” of wetlands goal onto the existing Section 404 program which the Corps of Engineers implements, subject to Environmental Protection Agency (EPA) guidelines, Alaskan communities are facing a land-grab of unequalled proportions.

When most people think of wetlands, they picture a marsh filled with birds and standing water, i.e., great wildlife habitat. Some wetlands are like that. Others don’t come close.

For instance, the wetlands definition has recently been stretched to include any area which has standing water for more than a week. In that case, spring break-up qualifies most of Alaska’s non-mountainous land for a wetlands determination.

Ecologically, not all wetlands are created equal. Some have high values and functions and are generally considered important to protect. These are wetlands that most of us agree on.

Other wetlands have low value and functions. Where these marginal wetlands are plentiful, they should be considered available for human use. In fact, most villages and communities around Alaska have only wetlands available in proximity to their populations, especially in coastal Alaska.

Admittedly, if the government was looking for a strategy to “grid-lock development of all kinds,” no net loss of wetlands would be a clever tool. As a national policy based on good ecological principles, it fails miserably.

There is no environmental reason to encourage people to use other more valuable lands (like the remaining bottomland hardwood forests) just to avoid wetlands, but that is happening in response to no net loss constraints. Regardless, the recent “no net loss” program being espoused by President Bush and the EPA elevates wetlands as more important than any other habitats or socio-economic concerns.

Remember, the federal government was not so long ago paying people to fill in wetlands, swamps and marshes. Encouraged by federal subsidies, agriculture has been directly responsible for the loss of 80% of wetlands in the Lower 48. Federal water projects have also contributed to the situation. This is not the case in Alaska.

Each state has its problems with the new no net loss goal, but Alaska is facing the most serious obstacles since it has the most under-developed state with the most wetlands. Where will Alaska find wetlands to restore when so little has been disturbed? Reclaiming Bethel is surely not what President Bush had in mind.

Alaska has retained the values and functions of over 99% of its wetlands to date. No other state can come close to that record. Ironically, it appears that the state with the best record will be punished for its good behavior, not rewarded. Not only is Alaska geographically different in its wetlands types and distribution, but a look at the last 20 years gives a perspective on Alaska’s uniqueness from a political slant.

Much of Alaska was developed after the Clean Water Act, the Wilderness Act and the National Environmental Policy Act were implemented. Consequently, Alaska could serve as a model of development in the midst of wetlands.

Given the nation’s pressing energy needs, the enormous oil potential in the Arctic National Wildlife Refuge is truly valuable for Congress to ignore. Without new oil development, the United States will have to substantially increase its already alarming reliance on OPEC oil.

In the seventeen months since the Alaska oil spill, tighter shipping requirements and improved procedures for responding to tanker accidents in Alaska have emerged, along with new oil spill legislation.

But to stop development of potentially enormous oil production supplies vital to the economy and national security is hardly justified. Congress has sought realistic measures to protect the environment, and now it must provide realistic measures for the development of domestic energy supplies where the potential is greatest.

The record at Prudhoe Bay demonstrates that oil development can proceed with regard for and protection of the environment.

- Billions of barrels of oil have been produced on the North Slope without causing any significant harm to the environment there.
- Highly effective, efficient and environmentally-safe methods of oil production have evolved out of the early challenges faced by the oil industry at Prudhoe Bay.

Research has provided no evidence that oil field activities have produced any negative change in the population of any fish or wildlife species using the North Slope.

The most persuasive proof is the fact that caribou, birds and other wildlife continue to flourish side by side with oil field operations. The Central Arctic Caribou herd, which migrates into existing North Slope fields, has expanded from about 3,000 animals in 1970 to 18,000.

The notion that oil development harms caribou is based on the idea that oil fields displace caribou, denying them access to habitat. But the area directly affected by proposed oil and gas development in ANWR would affect less than one percent of the refuge’s Coastal Plain. As a result, habitat would not be a limiting factor for caribou.

Millions of acres of wilderness lands in ANWR and along Canada’s Coastal Plain would remain undisturbed. There is scientific evidence to support the belief that the Porcupine Caribou herd that travels across the ANWR Coastal Plain would be just as adaptable to development activities as the Central Arctic herd.

The Coastal Plain can be developed safely.

The Central Arctic Caribou herd, which migrates into existing North Slope oil fields, has expanded from 3,000 animals in 1970 to 18,000 in 1988.
Iraq's invasion serves as a warning

Iraq's invasion of Kuwait should serve as a warning to the United States to develop a new energy policy that will reduce this nation's heavy reliance on Middle East oil.

The United States is now importing well over 50 percent of its energy supplies from overseas and much of this oil comes from the unstable Persian Gulf region where Iraq's latest actions show how vulnerable America is to even a mere threat of an energy supply disruption.

The new crisis in the Middle East has shown how dangerously dependent the U.S. has become on unstable sources of imported oil. Before President Bush retaliated with an embargo on further oil imports from Iraq, the U.S. was Iraq's number one customer.

The sharp increase in oil prices this month coupled with the threat of a major economic recession, may signal what lies ahead for a nation that continues to waffle in the search for new oil fields. Instead of encouraging exploration and development of our own reserves, the U.S. is closing some of its most promising energy prospects. Just last month President Bush suspended the development of potential oil and gas leases off the coasts of California, Oregon, Washington, Florida and New England.

While American troops are now digging in against Iraqi troops, the nation’s most promising undiscovered oil reserve, the Coastal Plain of the Arctic National Wildlife Refuge, sits off limits to exploration and development. As much as 20 percent of the nation’s undiscovered oil may rest below ANWR and other promising Alaska oil fields. Yet Congress has refused to permit even a harmless look inside ANWR to confirm the existence of large pools of oil which could reduce our dependency on foreign oil. The powerful environmental lobby, which has come out strongly against new oil and gas development in Alaska, has successfully kept ANWR off the back burner.

But Iraq's brutal aggression should serve as a rude alarm for the U.S. to change the direction of its national energy policy decisions. A new and aggressive energy policy must be aimed directly at reducing this nation's dangerous dependence on foreign oil. This necessary goal can be accomplished through a policy which combines conservation and alternative energy with development of new oil and gas reserves.
thought the way to pursue our energy needs was to import cheap oil in increasing amounts. Now there is an immediate supply disruption and we will pay more. This points us to the reality that we have had our heads in the sand.”

Despite the threat posed by the Iraqis, the environmental lobby is continuing its campaign to prevent new oil and gas development in Alaska. Last month environmentalists cheered President Bush’s decision to suspend oil and gas leasing on promising prospects off the coasts of California, Oregon, Washington, Florida and New England. But the non-development interests said Bush did not go far enough since he failed to close off leasing in Alaska’s Beaufort and Chukchi Sea.

Murkowski said American servicemen are now in the Middle East facing Iraqi forces because America has failed to pursue energy independence. “Those who lobbied to deny this nation new sources for domestic production bear a responsibility for the circumstances for which American lives are now endangered,” Murkowski said.

The turmoil in the Middle East proves the need for increased oil production from U.S. sources in general, and ANWR in particular, noted Becky Gay, Executive Director of the Resource Development Council. “We can’t drill where the oil is, then we’re not going to increase our domestic production,” said Gay. “You can’t block domestic development everywhere and expect to reduce your reliance on foreign oil,” she said.

Gay believes that efforts by environmentalists to block new domestic resource and energy exploration in Alaska have contributed to the dependency the U.S. now has on foreign oil. She said “it’s disgusting that Americans must fight on foreign soil to convince other Americans at home to wake up to new direction in national energy policy decisions.”

The RDC director stressed that a national energy policy must be designed to reduce America’s dangerous dependence on foreign oil through steps which combine conservation and alternative energy with development of new oil and gas reserves. She pointed out that “even if a shot is not fired in the current conflict, the political instability that haunts the Middle East means more conflicts ahead.”

John Katz, Governor Steve Cowper’s top Washington aide, said the nation needs to develop a comprehensive national energy policy of which oil development in the arctic region is a major component. “The Mideast crisis emphasizes the need for that policy,” Katz said.

Senator Stevens stressed that Congress must open the refuge’s coastal plain because “it is the only place in the United States where there is a potential for substantial new production and the capacity to bring it to market.”

The Interior Department estimates that it would take at least ten years after Congress approves opening the refuge for oil to begin flowing. But in the case of a national emergency, that time line could be cut in half, according to Stevens.

The largest potential oil reserves in the U.S. are beneath the coastal plain of ANWR. The Coastal Plain is a small strip of land along the northernmost coast of Alaska, across the arctic refuge. But geologists believe there lies America’s hope to find enough oil to reduce reliance on supplies from the unstable Middle East.

According to the Congressional Office of Technology and Assessment, if several major oil fields were discovered in ANWR, energy operations would affect fewer than 7,000 acres, less than one-eighth of one percent of the Coastal Plain. No development would occur in areas already designated as Wilderness.

Some habitat would be changed by development, but by careful avoidance of critical habitat areas and by taking steps to minimize potential adverse impacts, oil field development would likely leave little impact on the refuge.

However, extending a Wilderness designation to cover the entire Coastal Plain could deny the nation up to one-quarter of its future domestic oil production from an area less than one-eighth of one percent of the refuge. It would also deny the U.S. the opportunity to cut oil imports by tens of billions of dollars annually.

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