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Fifteen Alaskan Labor Union, Native Corporation, Business, and Energy Associations Write to Obama Administration on Retaining Alaska's Offshore Exploration Areas

ANCHORAGE, ALASKA – A coalition 15 groups representing tens of thousands of Alaska workers today sent a letter urging the Obama administration to retain three planned lease sales in Alaska's outer continental shelf (OCS) in the final version of the next five-year offshore leasing program.

The letter says the proposed oil and gas lease sales – one each in the Beaufort and Chukchi seas and Cook Inlet – are critical to the future economic prosperity of Alaska, and to the nation's energy security.

"As an Alaskan coalition that represents tens of thousands of Alaskan jobs, we cannot overstate how critical access and development of the Arctic OCS is to the future health of the Alaskan economy and, ultimately, to the well-being of its citizens," signers of the letter wrote.

The coalition's letter is addressed to Abigail Hopper, director of the Bureau of Ocean Energy Management (BOEM). The agency is currently reviewing the 13 proposed lease sales in the draft 2017-2022 OCS leasing program, including three in Alaska and 10 in the Gulf of Mexico. Public comment on the draft program ends today.

In the Arctic, BOEM is considering three sales – one each in Alaska's Beaufort and Chukchi seas and Cook Inlet – in the final three years of the 2017-2022 program. Outside environmental groups opposed to development in the Arctic are pressing the administration to drop the sales. The Obama administration last year canceled two lease sales in the Alaska OCS scheduled under the current five-year program, and designated portions of the Beaufort and Chukchi seas off limits. In 2014, President Obama blocked all oil and gas activity in the waters of Alaska's Bristol Bay. The administration has also closed approximately half of the National Petroleum Reserve – Alaska to development.

Alaska's Arctic OCS constitutes one-third of the nation's reserves and one of the world's largest untapped resources, potentially reaching as high as 26 billion barrels of oil and 132 trillion cubic feet of natural gas. It would constitute the eighth largest oil resource in the world, ahead of Nigeria, Libya, Russia and Norway.

The coalition, which includes labor unions, Alaska Native corporations, pro-development groups and the statewide chamber of commerce; said access to the resources off Alaska's coasts are necessary to maintain the flow of oil in the Trans Alaska Pipeline System and avoid the closure of the 800-mile-long national security asset.

"A strong Alaskan economy is not simply effected by the development of the Arctic OCS – it is dependent upon it," the signers of the letter write. "Our state's oil fields have matured over the

years, and it is vital that new arenas and development opportunities are realized for the future economic security of our state."

Over the past four decades, Alaska has contributed 17.4 billion barrels of oil to the U.S. economy while maintaining one of the best environmental records in the world. Arctic development has coexisted with polar bears and the Porcupine caribou herd since oil production began on the North Slope in 1977.

More than one-third of Alaskan jobs are tied to the oil and gas industry, which supports 110,000 jobs and \$6 billion in public and private-sector wages. More than <u>72 percent of Alaskans</u> support the responsible development of Alaska's offshore resources.

"Without the opportunities afforded by the oil and gas industry, our citizens will lack sufficient opportunities and the Alaskan economy will be substantially compromised," the letter states.

A recent study by the University of Alaska Anchorage, estimates that an annual average of 54,700 new jobs would be created from OCS development, and sustained through the year 2057, with 68,600 during production and 91,500 at peak employment.

The nation will depend on fossil fuels for at least 80 percent of its energy through 2040. If we don't develop our Arctic energy resources, the U.S. will face a heavier reliance on foreign imports for a greater share of its energy needs.

The letter was signed by representatives of the AFL-CIO Alaska, Alaska Laborers District Council, Teamsters Local 959, Alaska Chamber, Alaska Miners Association, Alaska Oil and Gas Association, Alaska Petroleum Joint Crafts Council, Alaska Support Industry Alliance, Anchorage Economic Development Corporation, ANCSA Regional Association, Arctic Slope Regional Corporation, Consumer Energy Alliance Alaska, Council of Alaska Producers, Prosperity Alaska, and the Resource Development Council.

A copy of the letter is available at http://www.akrdc.org/assets/docs/alaskacoalitionocsletter.pdf.

For further comments on the letter, please contact Marleanna Hall - Resource Development Council for Alaska, Inc., Executive Director – at 907-276-0700 or mhall@akrdc.org.

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RDC is an Alaskan, non-profit business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, fisheries and tourism industries. RDC's membership also includes Alaska Native corporations, local communities, organized labor and industry-support firms. RDC's purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.