

ALASKA STATE LEGISLATURE

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REPRESENTATIVE CRAIG JOHNSON

HOUSE DISTRICT 28

June 28, 2010

Mr. J. F. Bennett, Chief,
Branch of Environmental Assessment
Minerals Management Service
381 Elden Street, MS 4042,
Herndon, Virginia 20170

Via online: ocs5years.is.anl.gov

**RE: Environmental Impact Statement (EIS) for the Outer Continental Shelf (OCS)
Oil and Gas Leasing Program for 2012–2017**

Dear Mr. Bennett:

As you know, Alaska has long been a leader in our nation's efforts to achieve energy self-sufficiency. With our state's abundant natural resources and vast untapped potential, Alaska can continue to play a vital role in shaping America's energy future. But that will only occur if federal regulatory policy maintains the proper balance between allowing responsible resource development and ensuring environmental protection.

We are very concerned that the situation unfolding in the Gulf of Mexico associated with the Deepwater Horizon blowout could have undue and catastrophic affects for Alaska's economy and our future – as well as for the nation as a whole. We strongly encourage the Minerals Management Service (MMS) to carefully consider the potential ramifications of a decision to continue the temporary moratorium on Outer Continental Shelf (OCS) exploration and production activity. We do not believe a continuation of the moratorium is prudent or justified with regard to Alaska.

Geologic conditions and production logistics are substantially different on Alaska's shallow OCS compared to the deep water conditions that exist in the Gulf of Mexico. Responsible OCS exploration and development can and should occur here. A "one size fits all" approach to OCS regulation is no more appropriate than a "one size fits all" approach to offshore drilling. Without a doubt, as decades of experience in Cook Inlet has demonstrated, current technology exists to safely explore Alaska's vast OCS potential reserves.

It's estimated that Alaska's OCS contains 27 billion barrels of recoverable oil and 130 trillion cubic feet of natural gas. To put that in perspective, the oil available from Alaska's OCS is more than twice the amount that has been produced from Alaska's North Slope to date (starting in 1977). Undeniably, Alaska contains the lion's share of remaining U.S. oil and gas reserves.

Moreover, since statehood we have demonstrated that through careful stewardship, natural resource development can occur in an environmentally responsible manner. We have developed a regulatory balance that fosters new economic opportunity and job creation while also protecting the unparalleled diversity and natural beauty of our state. And we do not take the latter lightly, given the importance of tourism to our economy.

While there are many uncertainties in the wake of the Deepwater Horizon blowout, there is one given for our nation. For the foreseeable future, U.S. demand for oil and gas will continue to rise. Correspondingly, our nation's dependence on foreign imports to satisfy that demand will continue to rise – until we take meaningful steps to increase our domestic production; or develop new alternative energy sources.

Alaska can play a key role in satisfying both of those important needs. Alaska's vast proven reserves of oil and gas – both onshore and on the OCS – can help America achieve a much greater degree of energy self-sufficiency. Our state also has accessible deposits of the rare earth minerals necessary for the development of emerging alternative energy industries. Most importantly, there's a proven track record that demonstrates the technology already exists for developing Alaska's resources in an environmentally safe manner.

Given the economic devastation a continuation of the moratorium will cause, with the resulting loss of thousands of jobs and billions in state, local and federal revenues, we request that the MMS and federal government allow responsible access to waters in Alaska's OCS as part of the initial Environmental Impact Statement Scoping Process for the 2012-2017 Five-Year Leasing Program.

Our country will move forward. The direction it does so is entirely in our collective hands as government officials and holders of a sacred trust – to use our best judgment and make our best efforts to do what is in the best interest of our nation and those we serve. I strongly believe that a careful examination of the dynamics of OCS exploration and development in Alaska will demonstrate that a continued moratorium is not necessary or justified.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Johnson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Representative Craig Johnson, Co-Chairman
Alaska State House Resources Committee