



THE ALLIANCE

...for the responsible development of Alaska's Oil, Gas & Mineral Resources

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June 22, 2010

Ms. Renee Orr
5-Year Program Manager
Department of the Interior, Leasing Division
381 Elden Street, MS-4010
Herndon, VA 20170-4817

RE: 2012-2017 Five-Year Program

Dear Ms. Orr:

I am writing on behalf of the Alaska Support Industry Alliance, a non-profit trade association representing Alaska businesses whose livelihoods depend on a healthy oil and gas industry and investment climate. Our nearly 500 members and their more than 35,000 Alaska employees provide goods and services to Alaska's oil, gas and mining industries.

Offshore energy exploration and production are vital components of our national energy strategy, as U.S. demand for oil and natural gas will continue to increase for the foreseeable future. More importantly, OCS development creates and supports hundreds of thousands of jobs throughout the U.S. economy. In fact, offshore energy operations in Alaska stand ready to provide this nation with significant oil and gas resources – resources that can be produced safely right now.

Due to the importance of OCS exploration and development to the economies of the Gulf Coast region and the United States as a whole, we urge MMS, the Department of the Interior and the Administration to end the six-month moratorium on OCS activities and to move forward with the scoping process for an Environmental Impact Statement with respect to the OCS Oil and Gas Leasing Program for 2012-2017.

Limiting access to OCS energy resources could cause significant market disruptions, which would lead to price volatility and higher prices for American energy consumers. Furthermore, imposing the moratorium has placed another crippling burden on the citizens of the Gulf. Recent reports suggest that lost wages could exceed \$330 million for every month the moratorium continues, on top of billions in lost revenue for state and local governments.

We must, as a nation, responsibly move forward with domestic offshore energy production to meet our future energy needs by building a robust and inclusive 2012-2017 Outer Continental Shelf leasing program, as well as encouraging action by Congress to provide states with a fair share of revenues derived from production off their coasts to add revenue and help provide a safer path forward.

Sincerely,

Graham Smith
Communications and Membership Director
Alaska Support Industry Alliance