

# MUNICIPALITY OF ANCHORAGE



Office of the Mayor

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*Mayor Dan Sullivan*

June 28, 2010

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

Re: Move forward responsibly with the 2012-2017 Five-Year Program

Dear Ms. Orr:

As the federal government continues to review circumstances and impacts associated with the Deepwater Horizon accident and ongoing oil spill, I urge Minerals Management Service (MMS) officials and federal policymakers to carefully consider all possible impacts, including to the U.S. economy and consumers, that will result from a continuation of the temporary moratorium on offshore domestic energy production in the Outer Continental Shelf (OCS). Additionally, such consideration should be extended to other policy decisions that further impede our nation's ability to responsibly produce its own energy.

The economic security of our nation is in peril, jeopardized further by the potential significant loss of jobs and local, state and federal revenues that the current offshore moratorium is likely to impose. I strongly urge the MMS and federal government to allow responsible and safe access to waters in the OCS as part of the initial environmental impact statement scoping process for the 2012-2017 five-year program.

While the aftermath of the explosion certainly justifies that the U.S. consider enhancing regulatory structures to improve safety and spill response, our nation's leaders must make sure they are appropriate changes that can be clarified, modified or strengthened to ensure that offshore energy production can be done in a responsible manner that protects the environment, workers, American consumers and economy.

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Despite the heavy rhetoric about the availability of renewable resources, our nation's economy is built on oil, gas and coal. While the increased use of alternative fuel sources is an important long-term goal, the reality is, America will continue to rely on fossil fuels for the near-term and we can best serve our people by developing the resources that are here. Both responsibly developed on- and off-shore oil and gas are critical to a strong economic future; Alaska is poised to offer its resources, thereby strengthening our national security.

Eliminating access to any OCS energy resources could cause significant market disruptions, which could 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 of Mexico. 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 OCS leasing program. Further, we must encourage 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,

A handwritten signature in cursive script that reads "Daniel A. Sullivan". The signature is written in black ink and is positioned below the word "Sincerely,".

Daniel A. Sullivan  
Mayor