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Governor Parnell in Wall Street Journal: An Alaskan Challenge for 'All of the Above' Energy

February 5, 2013, Juneau, Alaska – Over the weekend, Governor Sean Parnell took to the pages of the *Wall Street Journal* to make the case why a marine-transportation accident should not be used for political purposes to derail offshore development in Alaska.

An Alaskan Challenge for 'All of the Above' Energy

By SEAN PARNELL

President Obama often says that he wants to make energy a major focus of his secondterm agenda. In the coming days, his administration will have an opportunity to prove it.

The Obama administration is currently undertaking a 60-day "Expedited Assessment of 2012 Arctic Operations," an Interior Department investigation that will dictate whether one oil company, Shell, can continue pursuing Outer Continental Shelf drilling in Alaska's Beaufort and Chukchi Seas off the state's North Slope. Shell has invested more than \$4 billion in Alaska, although the company hasn't yet been allowed to drill even one well into an oil or gas formation.

With billions of dollars of private investment at stake, the focus of the Interior investigation is an unfortunate marine-transportation accident, the grounding of the drilling ship Kulluk in a storm on Dec. 31. The ship ran aground on a small island off the Alaska coast, 1,000 miles away from any oil and gas exploration work. But the accident is being exploited for political purposes in an effort to halt offshore exploration in Alaska. As the governor of the state, I hope—for the sake of America's national and economic security—that the effort fails.

Responsible resource development off Alaska's coasts is hardly a new phenomenon. The state has seen hundreds of exploration and development wells drilled offshore, including wells in both the Beaufort and Chukchi Seas.

Surely, the Interior investigation of the Kulluk grounding is appropriate, but it must be a fair one. Investigators—and the public—should keep in mind that the incident occurred in bad weather and the recovery was accomplished quickly, with no loss of life and no impact on the environment. By way of comparison, according to the U.S. Coast Guard, in 2012 there were 592 vessel casualties in Alaska. In nearly every one of these cases, there was no Interior Department review. The 60-day Kulluk study ends March 8.

Environmental activists, many of whom have never been to Alaska, are attempting to use this transportation incident as an excuse to pressure the White House to suspend offshore-drilling permits.

Two facts are often overlooked by these activists:

First, no one cares about Alaska's environment more than the Alaskans who live there. Second, oil producers want to maximize their profit, and mishaps like Kulluk grounding hurt their bottom line. Maritime accidents are in no one's interest.

For Alaska's economy and America's energy security, I hope Shell and other energy producers choose to keep their drilling operations in Alaska. But they are rightly concerned about federal hurdles (in the form of permitting delays, investigations, etc.) as they consider whether to drill in Alaska or move investment dollars abroad under more favorable regulatory conditions.

Interior Secretary Ken Salazar, who is leaving his post in March, has repeatedly said that Arctic oil exploration is an important part of the Obama administration's "all of the above" energy strategy.

In this case, with America's national-security interests and its economic interests in jobs and energy on the line, we will learn whether the Obama administration is truly committed to that "all of the above" approach.

Mr. Parnell is the governor of Alaska.

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