Title V of H.R. 2436 – "Energy Security Act"

Dissenting Views of Reps. Markey, Miller, DeFazio, Pallone, Smith, Inslee, Mark Udall, Solis and McCollum.

This bill would repeal Section 1003 of the Alaska National Interest Lands Conservation Act of 1980, which explicitly prohibits the leasing or other activity leading to the production of oil or gas from the coastal plain of the Arctic National Wildlife Refuge (ANWR.) In addition, it would authorize oil and gas exploration and development in an area of the Refuge, which has never before been subject to such development, and would set a precedent not only for ANWR but for national wildlife refuges and other conservation areas throughout the United States.

We oppose this provision for two overarching reasons –

1. Energy development is inherently incompatible with the purposes of the Refuge, and
2. There are preferable alternatives for energy development that allow us to meet energy needs while preserving the pristine character of the Refuge.

1. Energy development is inherently incompatible with the purposes of the Refuge.

The Arctic National Wildlife Refuge is one of the most magnificent wildlife reserves in America. Initially set aside by President Eisenhower in 1960 and expanded by Congress in 1980, it is a very special place – in the words of Justice William O. Douglas "the most wondrous place on God's Earth."

While the entire Refuge now contains 19.8 million acres, much of its rich wildlife is concentrated on a "coastal plain" tucked between a range of wild, rugged, glacial peaks – the Brooks Range – and the polar Beaufort Sea. This plain – 1.5 million acres -- comprises less than eight percent of the Refuge, but it is considered "the biological heart of the Refuge" because it is critical to the well-being of a unique caribou herd, as well as polar bears, Arctic foxes, wolverines, muskoxen, and snow geese. It contains the greatest variety of plant and animal life of any conservation area in the circumpolar north.

Industrial development of the coastal plain will have a major impact on the existing ecosystem. The Porcupine River caribou herd, 130,000 strong, uses the plain to give birth to calves and for postcalving activities prior to the onset of migration.

Proponents of drilling assert that the "footprint" of oil development on the refuge will be small ("just 2000 acres" or "the size of Dulles Airport") because drilling technology has improved, and they intend to use ice roads in the winter that melt in the summer. Therefore, they conclude, the threat to the wildlife will be minimal.

In fact, the footprint of industrial development in the Refuge is expected to adversely impact a much larger area. To get a sense of what oil development would mean for the Refuge, we need only look 70 miles east, at Prudhoe Bay, where oil development on Alaska state lands has continued for three decades under some of the strictest environmental controls in the world.

The actual surface area of the infrastructure in Prudhoe Bay, for example, is approximately 12,000 acres, yet it sprawls across an area that exceeds 800 square miles.

Similarly, oil development equipment only covers 2000 acres when it is all assembled in one place. But to produce any oil, it has to be deployed over a wide area. In the case of the coastal plain of the Arctic Refuge, the infrastructure is expected to sprawl across 130,000 to 303,000 acres – one fifth of the entire area -- including a huge pipeline, smaller feeder pipelines, drill pads, haul roads, gathering facilities, valves and so forth.

But the environmental consequences of drilling go well beyond the impact of the "footprint" itself. Current oil operations in Alaska's North Slope include a toxic spill of oil, acid or salt water every day, and twice the nitrogen oxide pollution of Washington, D.C., every year, causing smog and acid rain. Moreover, every year oil development on the North Slope emits an estimated 110,000 tons of methane, a greenhouse gas that contributes to global warming.

Sixty million cubic yards of gravel have been mined to build roads on the North Slope. In order to minimize that particular impact, proponents of drilling in the Refuge propose to explore using ice roads in the winter that would melt in the summer. But ice roads require huge amounts of water, which does not occur in sufficient quantities on the Refuge to support oil development. The U.S. Fish and Wildlife Service environmental analysis suggests that water on the Refuge could support perhaps 6 miles of road where more than 60 miles are needed. During the winter, the top seven feet of water in local ponds and lakes freeze, so that the water drawn for roads would have to come from what remains. If more than 15 percent of the remaining water is consumed, "overdrawing" occurs, changing the fragile tundra ecosystem and killing the food that migratory birds and fish feed on.

Moreover, seasonal ice roads are only useful in the winter for exploration, not year-round to support production. Once the development begins, haul roads would have to be built involving extensive gravel mining.

Needless to say, none of this is compatible with the purposes of the Refuge to "protect unique wildlife, wilderness and recreational value." Its pre-eminent value is that it remains one of the closest approximations of undisturbed, wholly intact, and fully functioning systems of natural ecological processes remaining on American soil.

Sacrificing this special place for a few months-worth of oil seems particularly short-sighted, especially in light of the available alternatives.

2. <u>There are preferable alternatives for energy development that allow us to meet energy needs while preserving the pristine character of the Refuge.</u>

The same geological structures that have yielded so much oil and gas in Prudhoe Bay extend both east to the Arctic Refuge and west to the National Petroleum Reserve - Alaska (NPR-A). The Refuge has been set aside as a protected conservation area and is off-limits to the oil industry. The NPR-A, a 23 million acre land area that dwarfs the size of the Refuge's coastal plain,

has been specifically set aside for oil and gas development. There is simply no reason to begin expansion beyond Prudhoe Bay in the direction that is prohibited and away from the direction that is permitted.

While the potential for oil in the Refuge still appears larger than in the Reserve, the Reserve holds much greater promise for natural gas, so that every exploratory well has a greater chance of finding recoverable quantities of one fuel or the other. Oil is being found in the NPR-A. In fact, just last October, BP announced the discovery of a field in this Reserve that it said could be as large as Kuparuk, the second largest field on the North Slope. In May, Phillip's Petroleum announced three discoveries in NPR-A, which it said might be as large as the Alpine field, which would make it among the largest onshore oil discoveries in the U.S. in a decade. The USGS estimates that there may be as much as 35 trillion cubic feet of natural gas on the North Slope, and most of it appears to be in either the Prudhoe Bay area or the NPR-A. There is broad support to build a natural gas pipeline paralleling the oil pipeline south to Fairbanks and east through Canada, a project that the Democrats included in the Rahall substitute and that was rejected by the majority.

In short, the National Petroleum Reserve can be developed while leaving the Arctic National Wildlife Refuge alone.

Nevertheless, the drilling proponents have focused on the coastal plain of the Refuge alone. The USGS has reviewed seismic data and determined that the most likely scenario for oil production on the coastal plain would yield 3-5 billion barrels of "economically-recoverable"oil, or the equivalent of just a few months worth of daily consumption in the United States.

Drilling proponents cite much large numbers by relying on the notion of "technically-recoverable" oil rather than "economically-recoverable" oil. But "technically-recoverable" is a concept based on the notion that money is no object. If money were no object, we could recover all the "technically-recoverable" solar energy that falls on the surface of the earth every day and never have to build another powerplant. But money is always an object, and some of proponents of this bill persist in ignoring the fact that any oil development would still have to be a profitmaking exercise, even in the Refuge.

The amount of "economically-recoverable" oil considered likely to be found in the Refuge is small compared to our daily consumption and cannot significantly reduce our dependence on foreign supplies of oil. We consume 25 percent of the world's oil but control only 3 percent of the world's reserves. OPEC controls 76 percent of these reserves, so we will continue to look to foreign suppliers as long as we continue to fuel our transportation system with gasoline. For example, the majority has set ambitious new goals for independence by drilling not only in the Refuge, but also on other sensitive lands and on the outer continental shelf, yet this would only reduce our foreign oil dependence from 54 percent today to 50 percent 10 years from now – which simply underlines the futility of trying to drill our way to independence.

But we are not helpless. We are the technological giant of the world, and we have untapped sources of supply in the form of increased efficiencies in the energy-consuming appliances we use every day. The potential is much larger than for new supply in the Arctic Refuge. For example,

fourteen years ago, the fleetwide average fuel economy of all new passenger vehicles sold in America was around 26.2 miles per gallon. That was 1987.

Now it is the year 2001, yet our automobile fuel economy has actually gone backwards! The fleetwide average has slid down, not up. It has now fallen back to 24.5 mpg -- levels last seen in 1981.

If we increase our overall fuel economy by just the difference between these two numbers - 1.7 mpg - we will save more oil than is expected to be economically-recoverable from the Refuge.

In conclusion, lifting the prohibition on oil and gas development in this magnificent refuge is neither wise nor necessary. If our current concern about energy supply becomes an excuse for the industry to lay claim to public treasures such as the Arctic Refuge, we will have failed twice – we will remain just as dependent on oil for our energy future, and we will have hastened the demise of a unique ecosystem.

We have many choices to make regarding our energy future, but we have very few choices when it comes to industrial pressures on incomparable natural wonders. Let us be clear with the American people that there are places that are so special for their environmental, wilderness or recreational value that we simply will not drill there as long as alternatives exist.

We do not dam the Grand Canyon for hydropower.

We do not strip mine Yellowstone for coal.

And we should not drill for oil and gas in the Arctic Refuge.

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