Congress of the United States
Washington, DC 20515

December 10, 2010

The Honorable Kenneth L. Salazar
Secretary
U.S. Department of the Interior, Room 6156
1849 C Street, NW
Washington, DC 20240-0002

The Honorable Jo-Ellen Darcy
Assistant Secretary of the Army for Civil Works
108 Army Pentagon
Washington, DC 20310-0108

The Honorable Lisa Jackson
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

We write to express our ongoing concerns and interest in Conoco-Phillips' (CPAI) appeal of the Alaska District Engineer's permit denial for the CD-5 Alpine Satellite Development at the Colville River Unit of the National Petroleum Reserve – Alaska. This project represents a widely supported but intensely scrutinized opportunity to develop hydrocarbon resources on Alaska's North Slope. It has faced undue delay which jeopardizes not only the plan itself, but also the overall prospects for oil and natural gas fields designated for exploration and development by Congress.

Last week, the Corps of Engineers Pacific Division remanded a portion of the District Engineer's February 5, 2010 decision to reject CPAI's plan to construct a gravel road to access its federal leases at CD-5. The District had insisted, despite nearly five years of environmental study and careful consultation with tribal, local, state, and federal stakeholders, that a three-phase buried pipeline – requiring exponentially increased air traffic and subject to uncertain monitoring issues over the life of the fields – would be less environmentally damaging than the proposed road. The Division Engineer has validated several of CPAI's reasons for appeal of that decision, remanding it for further consideration and final action. This may indicate the complexity of the issue, but we worry that it also speaks to a chronic and unacceptable void in communication and transparent analysis on the part of those agencies responsible for advancing this important project.

We are not privy to the internal preferences of CPAI, nor are we advocating a specific course of action on this administrative decision. We are, however, compelled to voice our serious and continued disappointment at the federal government's persistent inability to coordinate its agencies in such a way as to move this critical project forward on a reasonable timeline. Of all oil and gas prospects in the nation, those in a National Petroleum Reserve ought to be most

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assertively pursued and permitted. The opposite has occurred in this case, and this is already proving needlessly costly in terms of jobs, federal leasing revenues, and the Administration's stated goal of energy independence. As throughput in the Trans-Alaska Pipeline System steadily declines, so declines America's tolerance for huge stranded resources in the Arctic.

Lastly, we note that the Environmental Protection Agency's designation of the Colville River Delta as an "aquatic resource of national importance" for purposes of this application caused us both alarm and curiosity as regards the process and power behind this designation. Insofar as those who actually depend on the Colville for its aquatic resources, this designation flies in the face of their preferred method of accessing CD-5. This is not surprising, however, since the designation requires no public input, consultation, or even notice. It begs the question of whether the steps to permit this and other similar projects in a petroleum reserve give the applicant and the public a clear path forward and transparent public record. We hope to better understand what appears to be an opaque, unilateral process to many seasoned observers.

Good public energy policy, as well as the law, requires an expeditious path forward towards this project's development. Whether that path involves the original plan or another, modified iteration of that plan, it must be taken without further delay. We will watch with interest how, and when, the District Engineer considers and acts upon these issues on remand. Irrespective of that outcome and its justifications, we expect both thoughtful and swift responses to the issues raised in this letter, and we expect those responses to occur in the form of both words and concurrent action.

Sincerely,

Lisa Murkowski | Mark Begich | Don Young

cc:

Governor Sean Parnell
Pat Pourchot
Col. Reinhard Koenig
Dennis McLerran
The Honorable Edward Itta
The Honorable Thomas Napageak, Jr.