

# Congress of the United States

Washington, DC 20510

August 22, 2012

The Honorable Ken Salazar  
Secretary of the Interior  
United States Department of the Interior  
1849 C Street, N.W., Room 6156  
Washington, D.C. 20240-0002

Dear Secretary Salazar:

This week's selection of a modified "Alternative B-2" as the preferred alternative for the National Petroleum Reserve-Alaska (NPR-A) Integrated Activity Plan and Environmental Impact Statement (IAP/EIS) represents the largest wholesale land withdrawal and blocking of access to an energy resource by the federal government in decades.

The decision on the NPR-A follows a separate decision by the U.S. Army Corps of Engineers to indefinitely delay issuance of the Record of Decision (ROD) for the proposed development of Alaska's Point Thomson oil and natural gas field. Since in the past President Obama has spoken strongly in favor of constructing an Alaska natural gas pipeline, we assume you are aware that the natural gas resources at Point Thomson are critical to the success of any natural gas pipeline in Alaska. Taken together, your decision to withdraw half of the 23.5 million acre NPR-A and the Corps' delay of Point Thomson create a very real threat to Alaska's economic future.

Given the significant new acreage put into Special and Deferral Areas in the NPR-A, we do not see how the Department of the Interior could meet the stated purpose and need of the land management plan which includes the orderly development of the petroleum resources and construction of "necessary onshore infrastructure, primarily pipelines and roads, to bring oil and gas resources from leases in the Chukchi Sea to the Trans-Alaska Pipeline System (TAPS) or a future gas pipeline from the North Slope." While protecting the substantial subsistence resources of the reserve for the benefit of North Slope residents remains a priority for us, the B-2 Alternative fails to strike the right balance with the other resource values that led to the creation of the reserve many years ago.

As you stated during the press conference, the United States cannot be left behind in the Arctic. Providing access through the NPR-A for a pipeline and the ability to develop additional oil and natural gas resources along any pipeline corridor is critical to Arctic development and our national energy security. The production of oil and natural gas from offshore areas in the Arctic and onshore within the boundaries of the NPR-A offers untouched and promising sources of domestic energy and will also create tens of thousands of new jobs nationwide and new revenues for Alaska and the federal treasury. The NPR-A was specifically created to protect our nation's energy and economic security, not to become excess de facto wilderness areas. Remember that when Congress transferred management responsibilities for the NPR-A from the U.S. Navy to the Department of the Interior it did not alter the area's stated purposes as a petroleum reserve. Unfortunately, we believe the preferred alternative selected by the Department of the Interior will significantly limit options for a pipeline through the NPR-A and will unnecessarily restrict access to rich oil and natural gas resources within the petroleum reserve.

Building a pipeline through the NPR-A is the best approach environmentally and economically to deliver offshore oil and gas to market. It will limit the up-front costs associated with new development and ensure a steady supply of oil for the continued operation of TAPS for many years to come. Currently, TAPS is running at only one-third of its operational capacity. Development in the Chukchi at predicted levels could add more than 800,000 barrels of oil to TAPS a day. Although you have said publically that the newly proposed Special Areas should "not preclude a pipeline corridor," it appears that the restrictions in the preferred alternative would make such necessary infrastructure uneconomical.

Several sections of the Draft Environmental Impact Assessment (DEIA) completed by the Department of the Interior underscore our concern about the feasibility of siting and constructing a future pipeline and associated infrastructure:

- Page 16 of the DEIA: "Special Area designation does not itself impose specific protections, but instead highlights areas and resources for which the BLM will extend "maximum protection" consistent with exploration of the Reserve."
- Page 19: "While this plan makes no decisions regarding a corridor for infrastructure associated with offshore development in the Chukchi Sea, such a corridor could be accommodated in this alternative, subject to appropriate conditions developed through a NEPA process. This infrastructure would not be allowed, however, on lands where new non-subsistence infrastructure is prohibited."
- Page 20: "Within the unavailable lands in this alternative, the BLM generally would not permit new non-subsistence permanent infrastructure (whether or not related to oil and gas activities) or exploratory drilling."

Last year, President Obama's Interagency Working Group on Alaska Energy successfully resolved the path to ConocoPhillips' planned production at the CD-5 field within the petroleum reserve. The resolution was hailed by the Obama Administration as a successful balancing of energy and environmental values within the Petroleum reserve. Alternative B-2, however, layers special protections directly over the neighboring fields of CD-6 and CD-7, both areas that are logical extensions of CD-5. This begs the question as to what was missing from the system that a sweeping new level of restrictions is necessary now.

In conclusion, we believe the selection of Alternative B-2, in combination with the Point Thomson delay, will cause serious harm to the economy and energy security of the United States, as well as to the state of Alaska.

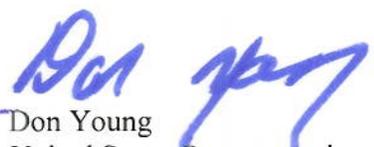
Sincerely,



Mark Begich  
United States Senator



Lisa Murkowski  
United States Senator



Don Young  
United States Representative