

Submitted by: ASSEMBLY MEMBERS TROMBLEY
AND BIRCH

For reading: December 6, 2011

CLERK'S OFFICE

APPROVED

Date: 12-6-11 -- **ANCHORAGE, ALASKA**
AR NO. 2011-346

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING A
ROBUST LEASING PROGRAM BY THE FEDERAL BUREAU OF OCEAN ENERGY
MANAGEMENT FOR THE ALASKA OUTER CONTINENTAL SHELF.**

WHEREAS, the federal 2012-2017 Outer Continental Shelf Oil and Gas Leasing Program is under review and comment, and the next upcoming deadline is January 9, 2012; and

WHEREAS, the Alaska Outer Continental Shelf (OCS) could produce 1 to 2 million barrels of oil per day, boosting current U.S. production by 20 to 40 percent; and

WHEREAS, such an investment will create new jobs, generate billions of dollars in economic activity, and allow for the delivery of much-needed energy to American consumers; and

WHEREAS, Alaska holds the eighth largest oil reserves in the world ahead of Nigeria, Libya, Russia and Norway; and

WHEREAS, while the Bureau of Ocean Energy Management (BOEM) has allowed additional lease sales in the Chukchi and Beaufort Seas near the end of the proposed five-year OCS oil and gas leasing program, there is concern that operators may be discouraged from future investment due to significant delays which current lessees have undergone in their attempts to explore Arctic waters; and

WHEREAS, for every barrel of oil America refuses to develop domestically, it will have little choice but to import an equal amount from overseas – where different environmental regulations often apply; and

WHEREAS, in establishing a robust leasing program, BOEM must first proactively support exploration of current leases, then take deliberate steps to ensure future lease sale, and move forward in a manner that encourages new investment in offshore development; and


WHEREAS, the underlying premise of BOEM lease sales should remain an intent to allow exploration of leases sold in a reasonable and timely manner; and

WHEREAS, it remains of paramount importance for federal agencies should issue permits timely and ensure the permits issued will survive the numerous legal challenges;

NOW, THEREFORE, THE ANCHORAGE ASSEMBLY HEREBY RESOLVES:

1. The Municipality of Anchorage strongly supports a robust oil and gas leasing program in the Outer Continental Shelf of Alaska, including in the Chukchi and Beaufort Seas.
2. This Resolution of the Anchorage Assembly shall be presented to J.F. Bennett, Chief, Division of Environmental Assessment, U.S. Bureau of Ocean Energy Management.

PASSED AND APPROVED by the Anchorage Assembly this 6th day of December, 2011.


Chair

ATTEST:


Municipal Clerk



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
No. AM 734-2011

Meeting Date: December 6, 2011

From: ASSEMBLY MEMBER TROMBLEY
Subject: **AR 2011-346 — A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING A ROBUST LEASING PROGRAM BY THE FEDERAL BUREAU OF OCEAN ENERGY MANAGEMENT IN THE ALASKA OUTER CONTINENTAL SHELF.**

The Alaska Outer Continental Shelf (OCS) constitutes one of the world's largest untapped energy resources with an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas. By comparison, total production from the North Slope, since 1977, has been approximately 15.5 billion barrels.

The Alaska OCS could produce 1 to 2 million barrels of oil per day, boosting current U.S. production by 20 to 40 percent. Such an investment will create new jobs, generate billions of dollars in economic activity, and allow for the delivery of much-needed energy to American consumers.

According to a new study by Northern Economics and the University of Alaska, an annual average of 54,700 new jobs would be created and sustained through the year 2057 from the Alaska Outer Continental Shelf (OCS), with 68,600 jobs during production and 91,500 jobs at peak employment. A total of \$145 billion in new payroll would be paid to employees through the year 2057, including \$63 billion to employees in Alaska and \$82 billion to employees in the rest of the U.S. (*See economic studies at www.northerneconomics.com/OCS/.*)

The responsible development of potentially immense oil and gas deposits in the Arctic would significantly boost Alaska's economy, extend the life of the trans-Alaska oil pipeline, improve the economic viability of the proposed natural gas pipeline from the North Slope to the Lower 48, reduce America's reliance on foreign energy, create tens of thousands of new jobs and generate hundreds of billions of dollars in federal, state and local government revenues.

The purpose of this Assembly Resolution is to demonstrate local support for a robust leasing program by the U.S. Bureau of Ocean Energy Management in the Alaska Outer Continental Shelf. Upon passage and approval by the Assembly, the Municipal Clerk shall ensure immediate and timely transmittal by January 9, 2011 to: J.F. Bennett, Chief, Division of Environmental Assessment, Bureau of Ocean Energy Management, 381 Elden Street, Herndon, VA 20170.

Respectfully submitted:
Adam Trombley
Assembly Member, Section 5