



Committee on Energy and Commerce  
Subcommittee on Energy and Power Hearing  
on  
*The American Energy Initiative*  
April 13, 2011

Written Testimony  
of  
**RICHARD K. GLENN, Executive Vice-President of Lands and Natural Resources  
Arctic Slope Regional Corporation**

Chairman Whitfield, Ranking Member Rush, and distinguished members of the subcommittee, thank you for allowing me this opportunity to provide comments today. My name is Richard Glenn and I am the Executive Vice President of Lands and Natural Resources for Arctic Slope Regional Corporation. I live in Barrow, Alaska. My professional background is in geology and arctic geologic processes. Like most of my fellow community members, I also depend on the land and sea resources for sustenance, and have served as the co-captain in my family's whaling crew.

The Arctic Slope Regional Corporation is one of the 12 land-based Native regional corporations created pursuant to the Alaska Native Claims Settlement Act of 1972.

ASRC owns approximately 5 million acres of land, and represents the interests of approximately 11,000 Iñupiat Eskimo shareholders, that mostly reside in eight communities within Alaska's North Slope.

This discussion is timely. Our region is preparing to assemble our leadership to discuss this very topic. In fact, today, we had scheduled a meeting of our regional leadership to discuss this very topic. We find that it boils down to community survival.

Our villages are small and separated by great distance in an area about the size of Minnesota. No roads connect our villages. Barrow, my home town, is a coastal community located 340 miles north of the Arctic Circle, near the boundaries of both the Chukchi and Beaufort Seas.

This is a region of tundra plains, devoid of trees, with an average annual temperature of around 10 degrees Fahrenheit. In Barrow, the ground is frozen to a depth of about a thousand feet. In our more remote villages, fuel can cost ten dollars or more per gallon. Milk costs more than \$11.00 per gallon. An average packet of diapers costs about \$22.00. Despite these physical and current economic challenges, the Inupiat have endured. We have done so for centuries. We have a demonstrated close relationship with both the land and sea in our region.

In just my lifetime, our communities have gone through great change, with developments that have improved the quality of life from formerly very harsh conditions. Today, our “villages” are actually small cities with small city needs: reliable power, water and sewer treatment facilities, health services, fire protection, airports and schools.

Our people depend on these services. Our culture and traditional subsistence activities depend on both a healthy environment and safe viable communities. We have not looked to many federal or even state-funding sources to build our community improvements. They were developed thanks to our home-rule municipality, the North Slope Borough, and a locally-derived property tax base based on oil and gas exploration.

There is essentially no other economy in our region. As the committee may already be aware, the volume of oil being produced in Alaska is in deep decline, producing today at about one-third the rate of its peak production of two million barrels per day and continuing to drop every year. This decline has caused us to question the future of the communities that we have worked so hard to improve. We have asked ourselves: where will our grandchildren go to school, will we be able to provide future health services, what will power their villages, or will their communities be sustained?

We understand that the currently-known onshore resources are not enough to stem the decline in production; they only reduce its severity. Oil and gas, as they say, is where you find it. In our region we have a mixed blessing. We have hydrocarbons-coal, natural gas and oil, and in some places we have them in abundance. This is true for both the onshore and the offshore.

It may seem counterintuitive to some that Iñupiat Eskimos in Northern Alaska are seeking ways to increase the volume of oil moving through the Trans-Alaska Pipeline, but here we are. Safe and responsible oil and gas development is the only industry that has remained in our region long enough to foster village improvements that have improved our quality of life. Such development is important to us, perhaps even more than to our state and nation.

ASRC and, in general, the people of the North Slope have a heightened concern for the environmental effects of oil and gas exploration and development. We live there; and no one has more at stake than we do regarding environmental risks. The animals that we depend upon for our food and culture migrate over large ranges on the land and in the ocean.

In studying the issues related to offshore development, we focused on safety and prevention. We were favorably impressed by the timing, technology and safeguards introduced by the Alaska OCS explorers. In answering the concerns of our local governments and the Alaska Eskimo Whaling Commission, we believe that Shell has truly stepped up and raised the bar for exploration in the OCS. Our eyes on this issue

are open; we know there are risks and we believe that they have been mitigated appropriately.

Regarding air quality and emissions related to drilling development in the Arctic, we note that the exploration areas are more than fifty miles away from the nearest community. There are also significantly fewer drilling operations envisioned for the Alaska OCS than, for example, the Gulf of Mexico. Nevertheless, there are Clean Air Act requirements that apply to OCS sources in Alaska that do not apply to those same sources in the Gulf of Mexico.

We question why there are more stringent air quality requirements for sources in the Alaska OCS than for sources in the Gulf of Mexico, especially given the relatively short intervals during which the drilling operations will be conducted in Alaska. We understand air quality modeling results, including those submitted by Shell in support of its applications for permits, demonstrate that impacts of emissions are within acceptable EPA limits.

ASRC supports a more consistent methodology when applying air quality standards in Alaska's OCS. We also support language clarifying that the point where air quality impacts should be measured is at the corresponding onshore area – this is consistent with the original intent of the language of Section 328.

Mr. Chairman and Committee members, thank you for giving this important issue your attention. Our intent is to remain at the table with both government agencies and industry explorers. I ask you not to prevent us from meeting our responsibility to our grandchildren and future generations. As Congress goes forward to debate this issue, I ask you to remember the impacts that that your decisions will have on our communities, our culture and our people.