

FENTON OKOMAILAK REXFORD

TESTIMONY ON ANWR: *JOB, ENERGY AND DEFICIT REDUCTION*

COMMITTEE ON NATURAL RESOURCES

SEPTEMBER 21, 2011

Honorable Chairman Hastings and members of the Committee, thank you for inviting me to testify before you today. My name is Fenton Okomailak Rexford. I am the Tribal Administrator for the Native Village of Kaktovik and a member of the Kaktovik City Council, both of which I am representing today. I am also the President of the North Slope Borough School District Board of Education, and I am currently running for the office of Mayor of the North Slope Borough. I previously served as the President of Kaktovik Iñupiaq Corporation, the surface land titleholder to 92,000 acres of privately owned land within the Coastal Plain of the Arctic National Wildlife Refuge.

I am a life-long resident of Kaktovik and I intend to grow old there. I can compare what life in Kaktovik was like prior to oil development on the North Slope to the quality of life we have today because of my personal experience. I have spent time listening to the people of Kaktovik and to the residents across the North Slope and the vast majority of us support responsible development of the Coastal Plain of ANWR. I have had the opportunity to talk to many members of Congress and staff on this issue, with a considerable amount of my time spent in Washington, D.C. I am very familiar with this issue and have been fighting the misrepresentations of the opposition for over 15 years. Therefore, I speak with the institutional knowledge my people, the Iñupiat people of the North Slope, the people who live in the Coastal Plain, have about ANWR.

The Coastal Plain of ANWR consists of 1.5 million acres of land and is known as the 1002 area. ANWR itself covers more than 19 million acres of land. The Coastal Plain is a very small

portion of this land and, in the pending legislation, Congress proposes to limit development in this area to no more than 2,000 acres—an even smaller portion, less than 0.01% of all of ANWR. We are, therefore, talking about a tiny amount of land within a vast area, most of which is designated as wilderness or refuge. All of this land remains extremely important to the people of Kaktovik and the North Slope Borough. We would not favor development of the Coastal Plain unless we were confident that development can occur without jeopardizing our way of life.

The Iñupiat people of Kaktovik use the lands in and around ANWR to support our traditional subsistence lifestyle. The land and sea are our gardens and we respect them. We subsist off of the land and sea. As such, we could not support development of the Coastal Plain if it would adversely affect our Iñupiaq traditional subsistence way of life. Responsible development of ANWR's Coastal Plain is a matter of self-determination for my people. It will enable the entire North Slope region continued access to essential services taken for granted by people from the Lower 48.

Over nearly 40 years, we have watched oil development at Prudhoe Bay. Because of this, my people know that industry and wildlife can coexist. The Central Arctic Caribou herd, which calls the Prudhoe Bay region home, numbered around 3,000 in the 1960's. Today the population is thriving at more than 65,000. The Porcupine Caribou Herd in ANWR now numbers about 169,000. We expect this herd to continue to thrive and do not believe that development of such a small area of land within such a massive region will negatively affect these animals. Based on our past experience, we have strong confidence in the North Slope Borough's ability to protect our natural wildlife environment and resources from adverse impact, particularly if decisions are made after considering local input regarding subsistence resources such as caribou.

Responsible ANWR development means my people will continue to have access to running water and flush toilets throughout the region. The luxury of a flush toilet and running water—things we did not have just a few years ago—decreases our risk of exposure to health hazards such as hepatitis. Responsible development also means access to local health care facilities and professionals. Our region is vast and covers roughly 89,000 square miles, yet we have only eight tiny villages. Our only access to a hospital is 360 air miles from Kaktovik to Barrow, with a flight time of 90 minutes, weather permitting. This trip is expensive, particularly for people in an area with little local economy. Responsible development also will continue to support our local health clinics, which are vital to the continued good health of my people.

Further, development of the North Slope enables our community to sustain a local school. For many of my generation, our only option for school beyond eighth grade was to attend an Indian school in the Lower 48. We are now able to provide our children with a high school education on the North Slope.

Finally, responsible development will continue to provide search and rescue, police and fire protection for our North Slope communities. The weather conditions within the North Slope are harsh and at times life threatening. As we continue to practice our traditional subsistence lifestyle, we take comfort in knowing that if we are misguided in our journeys, our region has the capability of conducting search and rescue missions.

Responsible development of ANWR will not just have important benefits for those lucky enough to live on the North Slope. Development of ANWR also will have important benefits for all Americans. In the past few months, many have called for the federal government to reduce its spending deficit, while creating new jobs and stimulating the American economy. Development in ANWR could help to address all three of these concerns.

Opening ANWR to oil and natural gas development would create more than \$110 billion in federal revenues and royalties over the next 30 years. North Slope oil development at Prudhoe Bay has already contributed more than \$50 billion in federal revenues since 1977. Responsible development on the Coastal Plain would triple that amount. In addition, development of ANWR would result in thousands of new contracts, all across the U.S., for materials and services. The three companies currently producing oil on the North Slope spend money in every one of the 50 states. The additional expenditures related to development of ANWR would in turn create tens of thousands of jobs, many of which could put unemployed Americans back to work in manufacturing facilities, the construction business, and other industries.

Also in recent months, Americans have focused on issues of national security, including imported oil and high gasoline prices. Development in ANWR can help resolve these issues, too. Today, we import more than 60% of our oil, much of it from troubled areas in the Middle East. The U.S. Geological Survey has repeatedly said that the Coastal Plain represents the best chance for a major oil discovery in the United States. In 1998, the USGS predicted that the Coastal Plain contained 5.7 to 16 billion barrels of recoverable oil. The mean estimate is about 10.4 billions—twice the known oil reserves in Texas or about 30 years of imported oil from Saudi Arabia. The USGS revised its

estimate in 2005, predicting that new technologies could significantly increase that amount, while also reducing the footprint of the drilling site and any environmental impacts of drilling. At peak production, ANWR could produce between 650,000 barrels per day and 800,000 barrels per day. This could both reduce our dependence on foreign oil and help reduce gasoline prices. And the more we can reduce the amount of oil produced under troubled, unstable governments, the more our national security would be improved. Development of the Coastal Plain of ANWR is a win-win situation for the American people, particularly for those of use who call this area home.

Chairman Hastings, and Members of the Committee, I thank you for the opportunity to present to you the views of the people of the Village of Kaktovik and the North Slope Borough.