



ANWR

INFORMATION BRIEF



PHOTO Courtesy ALYESKA PIPELINE SERVICE CO./DAVID PREDEGER

ANWR could create 736,000 jobs

Development of oil reserves in the Coastal Plain of the Arctic National Wildlife Refuge could create as many as 736,000 new domestic U.S. jobs, according to an economic analysis by Wharton Econometrics Forecasting Associates. (WEFA)

These jobs would benefit workers in every U.S. state, in supplying equipment and services needed to develop the expected oil discoveries on ANWR's coastal plain, the WEFA study found. Geologists think ANWR's coastal plain has the best potential of any unexplored U.S. region for major new oil discoveries, on the scale of the Prudhoe Bay oil field, also on Alaska's North Slope.

Where the jobs are:

WEFA calculates the breakdown of types of employment

Category	Jobs
Manufacturing	128,000
Mining (incl. oil)	84,000
Trade	225,000
Services	145,000
Construction	135,000
FIRE*	19,000
Total	736,000

** Finance, Insurance, Real Estate*

Source: Wharton Econometric Forecasting Associates

An example of potential benefits is seen in the \$22.5 billion spent between 1980 and 1994 for construction of production modules for Alaska's existing North Slope oil fields.

Seventy eight percent of this \$22.5 billion was spent outside of Alaska. Among the states, California received more than \$3.2 billion; Texas received more than \$6.8 billion; Washington received \$1.7 billion; Minnesota received almost \$84 million.

This money was spent for salaries, materials, design, engineering and construction services, and does not include at least another \$20 billion spent prior to 1980 on exploration and development of the North Slope fields.

ANWR and the balance of trade

Exploration and development of oil and gas reserves of the Coastal Plain of the Arctic National Wildlife Refuge enhances the economy in other ways than job-creation.

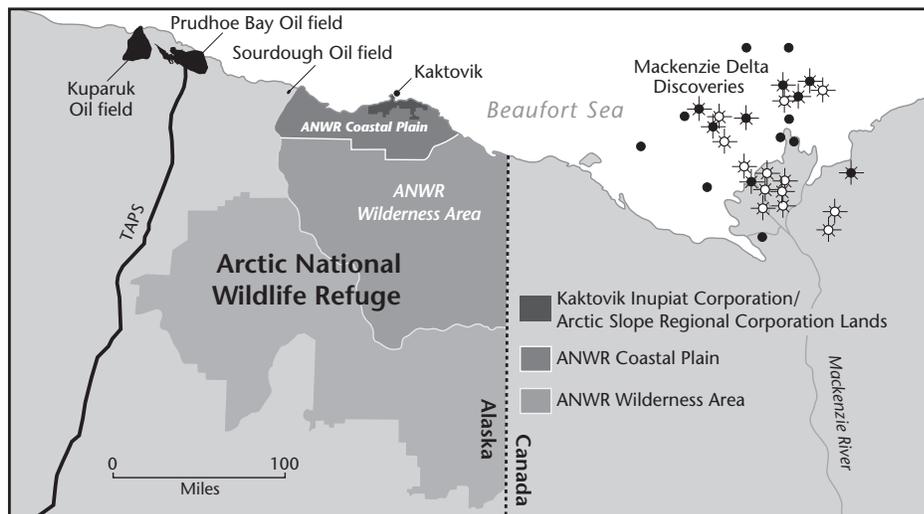
Imports of crude oil and refined products now cost the nation over \$100 billion annually and is the largest single commodity in the U.S. Balance of Trade deficit with other nations, according to the U.S. Department of Commerce. New domestic U.S. production would lessen this deficit caused by crude oil imports.

More imports of oil are needed because domestic U.S. production has been falling in recent years, and the nation's demand for fuels, buoyed by a strong economy, is growing. The older oil fields of the Lower 48 states have been declining for years and it was only the development of large new oil discoveries on Alaska's North Slope that temporarily slowed this decline.

In 1973 the U.S. was dependent on foreign oil for 36 percent of its needs. By 1991 the nation imported 46 percent of its oil needs. Today the U.S. Imports over 64% of its oil requirements. This represents over 120 billion dollars a year out the door and the largest chunk of our national deficit. Opening ANWR is the most practical and immediate way to change this.



Like all of the North Slope, ANWR hosts many kinds of wildlife, including grizzly bears



Source: Alaska Department of Natural Resources

ANWR has the nation's best potential for major additions to U.S. oil supplies

Most geologists think the Coastal Plain of the Arctic National Wildlife Refuge has the best prospects for major additions to U.S. domestic oil supply. This is the part of the coastal plain set aside by Congress in 1980 for further study of its petroleum potential. There is a chance that very large oil and gas fields, similar to the Prudhoe Bay area further west, could be discovered in ANWR's coastal plain.

The Coastal Plain has very attractive geology and lies between areas of the Alaska North Slope and the Canadian Beaufort Sea where there have been major oil and gas discoveries. Oil and gas deposits have been discovered near ANWR's western border, and a recent oil discovery may result in the first pipeline built to the western boundary of the Coastal Plain.

Although the Coastal Plain was reserved for study of its oil potential, Congress must act to open it for oil and gas exploration. Alaskans and residents of the North Slope, including the Inupiat community of Kaktovik, within ANWR, widely support exploring the Coastal Plain.

ANWR Facts:

- Refuge totals 19.6 million acres.
- 8 million acres designated Wilderness;
- Coastal Plain, 1.5 million acres, set aside by Congress for study of oil potential;
- Only a small percentage of Coastal Plain, about 2,000 acres, would be impacted by oil development;

The coastal plain is not a pristine wilderness:

- A community, Kaktovik, exists in the Coastal Plain; Military installations operate on the Plain now and in the past.

About the caribou ...

Environmental groups claim exploration and development in ANWR's Coastal Plain will harm the Porcupine Caribou Herd. But 30 years of experience in the existing North Slope oil fields, 80 miles west of ANWR, show no detrimental effects on caribou. In fact the Central Arctic Caribou Herd, which uses that area, has increased five-fold in population since oil development began in the early 1970s.

Biologists have been unable to document any adverse effect of oil on caribou. All of the North Slope's caribou herds, including the Porcupine herd, are thriving. Coastal Plain development should have no adverse effect.