



Joint Economic Committee

Senator Dan Coats | *Chairman-designate*

EIGHT THINGS TO KNOW ABOUT ANWR

FEBRUARY 3, 2015

President Obama recently announced his intention to lock up millions of acres of land and vast energy resources in Alaska's Arctic National Wildlife Refuge (ANWR) by designating the area as wilderness. While the Wilderness Act requires the President to obtain congressional approval for wilderness designation, the Department of the Interior is expected to begin managing ANWR as wilderness pursuant to its upcoming conservation plan. As a result, millions of acres of land and billions of barrels of recoverable oil will become off limits to legitimate development against the will of an overwhelming majority of Alaskans. Here are a few facts to consider:

1. **The federal government owns 60 percent of Alaska.** Alaska contains 365 million acres of land. The federal government owns 222 million of those acres, or an area larger than the combined size of California, Oregon, and Washington State.¹ The National Park Service and the U.S. Fish & Wildlife Service manage about half of the federal land for resource protection and wildlife conservation.²
2. **ANWR spans an area larger than many U.S. states.** ANWR spans 19.2 million acres of land. That's an area eight times larger than Yellowstone National Park or about the size of South Carolina.³
3. **Congress limited energy exploration to a small portion of ANWR.** In 1980, Congress set aside 1.5 million acres of land on the north slope of ANWR for further study related to energy development. That small segment became known as the "1002 Area."⁴ It comprises only about 7 percent of ANWR.
4. **Developing oil in ANWR would impose only a small footprint.** Under leading proposals for developing energy in ANWR, production and support facilities would require a footprint of only 2,000 acres within the 1002 Area.⁵ That amounts to .01 percent of ANWR's land area.
5. **ANWR contains a vast amount of oil resources.** ANWR is believed to contain about 10.4 billion barrels of technically recoverable oil within the 1.5 million acres of the 1002 Area.⁶ The Energy Information Administration (EIA) estimates that ANWR would produce around 1 million barrels of oil per day.⁷
6. **ANWR development is profitable even at today's reduced prices.** The EIA estimates that more than 80 percent of technically recoverable oil is commercially developable at an oil price under \$40 per barrel.⁸ That would value the oil resources in ANWR between \$180 billion and \$500 billion.⁹
7. **Opening ANWR would create tens of billions of dollars in new revenues.** Tax and royalty revenues from leasing in ANWR would likely total between \$90 and \$190 billion over a 30-year production period.¹⁰
8. **Alaskans strongly support ANWR oil exploration.** Tracking polls conducted over many years have demonstrated upwards of 78 percent support among Alaskans.¹¹

¹ U.S. Geological Survey, Arctic National Wildlife Refuge, 1002 Area, Petroleum Assessment, 1998, Including Economic Analysis, FS-028-01, (USGS ANWR 1002 Area Assessment), at <http://pubs.usgs.gov/fs/fs-0028-01/fs-0028-01.pdf>; U.S. Census Bureau, United States Summary 2010, CPH-2-1, p. 41, Table 18, at <http://www.census.gov/prod/cen2010/cph-2-1.pdf>.

² U.S. Fish & Wildlife Service, Arctic National Wildlife Refuge, Overview, at <http://www.fws.gov/refuges/profiles/index.cfm?id=75600>.

³ USGS ANWR 1002 Area Assessment.

⁴ USGS ANWR 1002 Area Assessment.

⁵ See, e.g., H.R. 6, as introduced, 109th Congress, Sec. 2207(a)(3): <http://www.gpo.gov/fdsys/pkg/BILLS-109hr6ih/pdf/BILLS-109hr6ih.pdf>.

⁶ Energy Information Administration, Potential Oil Production from the Coastal Plain of the Arctic National Wildlife Refuge: Updated Assessment, SR/O&G/2000-02, May 2000, (EIA ANWR Oil Production Assessment), p. vii, at http://www.eia.gov/pub/oil_gas/petroleum/analysis_publications/arctic_national_wildlife_refuge/pdf/anwr101.pdf.

⁷ EIA ANWR Oil Production Assessment.

⁸ Based on JEC Republican calculation taking the \$25 per barrel value cited in the EIA ANWR Oil Production Assessment (p. 13) and using the Bureau of Labor Statistics CPI Inflation Calculator to yield a value of \$36.31 in 2014 dollars.

⁹ Based on JEC Republican calculation taking the \$125-350 billion value cited in the EIA ANWR Oil Production Assessment (p. 13) and using the Bureau of Labor Statistics CPI Inflation Calculator to yield a value of \$181.55-508.33 billion in 2014 dollars.

¹⁰ Congressional Research Service, "Possible Federal Revenue from Oil Development of ANWR and Nearby Areas," RL34547, June 23, 2008, p. 4, Table 1, at <http://www.crs.gov/pages/Reports.aspx?PRODCODE=RL34547&Source=search>.

¹¹ Dittman Research Corporation, Alaska Resident Opinion of ANWR 1990-2009, referenced at <http://www.mcclatchydc.com/2012/02/10/138501/alaska-lawmakers-plan-to-sell.html>.