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Governor Sean Parnell  
STATE OF ALASKA

April 11, 2011

The Honorable Barack Obama  
President of the United States  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Re: Goal to Reduce Oil Imports

Dear Mr. President,

I was pleased to see your recent goal to reduce the nation's oil imports by one-third by 2025, and I have publicly commended you for it. With energy prices surging and manufacturing and transportation costs rising, the high cost of goods impacts every American, putting our economic recovery at risk. Achieving your goal would put our nation on track to create additional jobs and greater economic opportunity for all.

If we are to reach the goal of cutting oil imports by one-third, Alaska will have to play a critical role – and we are clearly positioned to do so. On March 30, 2011, I announced an ambitious goal for Alaska and the country to increase the Trans Alaska Pipeline System's (TAPS) throughput to one million barrels of oil production per day within a decade. Current production through TAPS is about 640,000 barrels per day, which is down from two million barrels per day 20 years ago. TAPS is a critical component of our nation's energy infrastructure. As throughput declines continue, pipeline operational challenges increase, particularly during winter. Our goal of one million barrels a day through TAPS within a decade is vitally important.

For the nation to achieve your goal, we must obtain new production from both federal lands and State lands in Alaska. The North Slope of Alaska, both on and offshore, which currently accounts for approximately 12 percent of United States domestic oil production, remains a world class hydrocarbon basin by any measure. According to the United States Geological Survey (USGS), the North Slope of Alaska is estimated to hold about 40 billion barrels of oil and 236 trillion cubic feet of natural gas. In addition, the North Slope is estimated to have billions of barrels of heavy, viscous, and shale oil.

As a state, we are doing all we can to increase responsible oil production to one million barrels per day within ten years. We are in the process of modifying our fiscal system to make Alaska more globally competitive in order to attract investment. We are also undertaking other major reforms to increase responsible production in Alaska, such as building infrastructure to critical resource areas of

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the state and reforming our permitting system. And, of course, we will maintain strict environmental protection standards which are the hallmark of responsible development on the North Slope. However, reaching Alaska's goal of increasing oil production requires federal movement. Some of the most promising oil and gas fields in North America lie on federal lands on the North Slope of Alaska, including the National Petroleum Reserve-Alaska, the Arctic Outer Continental Shelf, and the Coastal Plain of ANWR. Currently, exploration and development in each of these federal areas is blocked by federal action or inaction. Without access and timely, predictable federal permitting, it will be much more challenging for your national goal of reducing oil imports by one-third, and we will not meet my goal to increase TAPS throughput to one million barrels per day.

Mr. President, I fully support your goal of reducing foreign imports of oil by one-third, and I am asking you and your Administration to expressly support Alaska's goal of increasing TAPS throughput to one million barrels a day. More specifically, I am respectfully requesting that you direct your Secretaries of Interior and Energy, as well as your EPA Administrator, to work with our Alaska administration and the rest of the country to achieve the goals established.

Together, we can demonstrate how State and federal governments can come together on mutually aligned goals, curb our dependence on foreign oil, stimulate our economy, and create a brighter, more secure future for Americans.

Regards,



Sean Parnell  
Governor

cc: The Honorable Gary Stevens, Senate President, Alaska State Legislature  
The Honorable Mike Chenault, Speaker of the House, Alaska State Legislature  
The Honorable Dan Sullivan, Commissioner, Alaska Department of Natural Resources  
The Honorable Larry Hartig, Commissioner, Alaska Department of Environmental Conservation  
John Katz, Director of State/Federal Relations and Special Counsel, Office of the Governor