



May 22, 2018

**NATIONAL  
OCEAN  
INDUSTRIES  
ASSOCIATION**

Chief, Leasing Section  
BOEM Alaska OCS Region  
3801 Centerpoint Drive, Suite 500  
Anchorage, Alaska 99503-5823

Re: Comments on Call for Information and Nominations; Proposed 2019  
Lease Sale in Beaufort Sea Planning Area. BOEM-2017-0063

Submitted via Regulations.gov

Dear Sir:

The National Ocean Industries Association (NOIA) strongly supports the action by the Bureau of Ocean Energy Management (BOEM) to consider a lease sale in the Beaufort Sea Planning Area in 2019, and the accompanying preparation of an Environmental Impact Statement in accordance with the National Environmental Policy Act (NEPA). Given the resource potential and long timelines required to bring Arctic resources to market, it is appropriate and necessary for BOEM to initiate the process for holding a lease sale in the Beaufort Sea Planning Area through this Call for Information.

NOIA represents more than 250 companies engaged in all sectors of the U.S. oil and natural gas industry, including exploration, production, equipment manufacture and supply, geophysical, catering, transportation, and other diverse offshore support services. Either directly or indirectly, our member companies are all working to explore for and produce energy and hydrocarbon resources from the nation's Outer Continental Shelf (OCS) in an environmentally sensitive and responsible manner. We therefore have strong views focused on energy development from the domestic offshore, including the Beaufort Sea Planning Area.

It is estimated that the Arctic holds approximately 30% of the world's undiscovered natural gas and 13% of its undiscovered oil. This amounts to roughly 400 billion barrels of oil equivalent, or 10 times the total oil and gas produced to date in the North Sea. As much as 90% of this resource endowment is expected to occur in less than 100 meters of water where industry already has exploration and production technology and operating experience. Other Arctic nations such as Russia, Canada, Norway, and Greenland are leasing and moving toward exploration of their Arctic resources.

Developing the U.S. Arctic could be essential to securing domestic energy supplies for the future, pre-empting domestic oil and natural gas resource decline, strengthening U.S. energy security, and benefitting the regional and overall U.S. economy. In order to promote exploration and development, it is crucial that BOEM employ a predictable program of

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leasing creating the certainty necessary for industry to effectively conduct long-term strategies in the Arctic OCS.

These untapped resources are of critical importance to both Alaska and the United States, in the form of employment and revenue, and continued operational integrity of the Trans Alaskan Pipeline System (TAPS), a crucial link to America's energy distribution. TAPS is currently only transporting approximately 500,000 barrels per day, and requires increased future production such as that from the Beaufort Sea and other Alaska OCA areas.

Oil and gas development in the Alaska OCS including the Beaufort Sea allows our nation to meet predicted increased energy demands in decades to come. Alternative energy sources are unable to meet this growing need, and the majority of these demands will continue to be met by oil and natural gas. There may be no greater tangible benefit to Arctic OCS development than greater energy independence.

Arctic energy exploration has occurred for nearly a century. Industry operations in the region over this time demonstrates that exploration and development of oil and natural gas resources in the Alaska OCS can take place in a safe and environmentally responsible manner while protecting habitat, wildlife, communities and subsistence lifestyles.

We strongly urge BOEM's recognition of the massive resource potential in the Arctic OCS while executing its authority under the Outer Continental Shelf Lands Act (OCSLA), as well as the long-standing operational experience in the region which shows these resources can be provided to the benefit of the American public in an environmentally responsible manner while honoring local needs. NOIA fully supports the initiation of this process.

Should you have any questions, please contact Jeff Vorberger at [jvorberger@noia.org](mailto:jvorberger@noia.org).



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Vice President, Policy & Government Affairs