Dear House Natural Resources Committee Chair Westerman and Ranking Member Huffman

CC: Members of the House Natural Resources Committee

For decades, the Arctic has been threatened by industry attempts to sacrifice clean air and water, lands, and wildlife for the benefit of oil and gas corporations. The catastrophically harmful language in this bill around the Arctic National Wildlife Refuge and the Western Arctic is an unprecedented attack on these fragile ecosystems, wildlife, and Indigenous health, cultures, and livelihoods. As proposed, the bill elevates corporations over the American people, stripping the rights of Americans to hold the government accountable when they'd be harmed by resource extraction. As organizations committed to protecting America's public lands, keeping iconic wildlife populations healthy, and standing for Indigenous rights, we urge you in the strongest of terms to oppose the numerous harmful provisions in the budget reconciliation bill targeting America's Arctic, which include:

- Mandating four oil and gas lease sales in the Arctic National Wildlife Refuge
- Mandating biennial lease sales in the National Petroleum Reserve Alaska (NPR-A)
- Reinstating flawed management plans for both landscapes
- Repealing protections for 13 million acres of valuable wildlife habitat in the Western Arctic (NPR-A)
- Reinstating Arctic Refuge leases to an entity with no oil and gas development ability and a proven track record of natural resource project failures
- Seeking to waive common-sense environmental review and the application of laws meant to protect our public lands and wildlife for leasing and development decisions
- Attempting to block judicial review at each step of the leasing and development process
- Attempting to give corporations that pay for NEPA analysis on their own projects a free pass to pollute, regardless of how legally or scientifically flawed their analysis is.

These provisions are a craven and cowardly way to exploit some of our most iconic public lands without review, accountability, or real process for Americans and experts to weigh in. This bill is trying to put the Department of Interior above the law when it comes to decisions relating to oil and gas industrialization of our nation's Arctic. We strongly encourage you to support any amendments to remove or constrain these fiscally irresponsible, undemocratic, and harmful provisions from the bill.

Beyond the major ecological concerns of drilling in the Arctic, mandated lease sales in the Refuge have already proven to be a financial failure — not once, but twice. A mandated lease sale under President Trump in 2021 generated less than one percent of the \$1.8 billion in projected revenue, and today no leases are currently held in the Refuge. Even worse, a second lease sale this past January did not receive a single bid. As Rep. Ryan Zinke (R-MT), former Secretary of the Interior, recently stated: "I don't think there's a lot there, quite frankly, in the near term," a sentiment backed up by Goldman Sachs analysts the last time this committee

mandated leasing in the Refuge, saying "immensely complex, expensive projects like the Arctic we think can move too high on the cost curve to be economically doable."

A recent <u>report</u> from Taxpayers for Common Sense underscores this reality, showing that future lease sales, no matter how many you mandate or legislatively stack the deck in favor of development, would generate just \$3 million to \$30 million, or less than 0.001% of the \$4.5 trillion in tax cuts the reconciliation bill seeks to pay for. That's not a credible offset or revenue raiser; it's a dangerous distraction from real, meaningful fiscal solutions. No amount of lease sales in the Arctic Refuge are a viable pay-for in this bill.

Even industry knows that drilling in the Arctic Refuge is too risky; companies like Chevron and Hilcorp paid millions to exit legacy leases they had held for decades in the Coastal Plain, and nearly every major U.S. and Canadian bank and insurer have refused to finance drilling projects in the area. The only entity still expressing interest isn't even an oil and gas company: the Alaska Industrial Development and Export Authority (AIDEA), a state-owned corporation with a long record of speculative, reckless spending and project failures and no capacity to develop on the leases, would in this bill have its leases returned. Independent reports have confirmed that "most of [AIDEA's] 26 projects have either produced no new jobs, floundered, or gone bankrupt." Instead of investing in Alaskans, AIDEA has cost the state nearly \$10 billion since its creation, with little to show for that investment. This legislation would recklessly put AIDEA in the driver's seat of oil and gas development in the Arctic Refuge.

In addition to being a fiscal failure, Arctic drilling would cause irreversible damage to one of America's most iconic, ecologically significant, and fragile landscapes. The Arctic is home to caribou, polar bears, musk oxen, and millions of migratory birds. Even preliminary activities like seismic testing, which involves massive convoys of 90,000-pound trucks and industrial equipment, leave scars on the tundra that last forever, destroy vegetation, and threaten critical wildlife habitat, such as crushing polar bear dens and causing mothers to abandon their cubs. Provisions in this bill would limit the review of seismic proposals to just 30 days and waive judicial review, fast-tracking approval of even the most ecologically destructive proposals. This bill seeks to strip away updated protections for more than 13 million acres in the five designated Special Areas in the NPR-A, the largest unit of public land in the country: Teshekpuk Lake, Utukok River Uplands, Colville River, Kasegaluk Lagoon and Peard Bay would all lose critical protections at a time when the Western Arctic caribou herd have declined over 50% in just twenty years.

The impacts of this destruction would be most felt by the Indigenous peoples who rely on subsistence throughout the Arctic. The lands in and around the Arctic Refuge have sustained the Gwich'in since time immemorial. Their cultural traditions, spirituality, and ability to hunt and provide for their families are deeply tied to the Porcupine Caribou Herd. Drilling in the Arctic Refuge is not just environmentally reckless; it is an existential threat to the Gwich'in way of life. Inupiat communities of the Western Arctic also rely on caribou and other wildlife there for subsistence in another area where store-bought food is prohibitively expensive.

Congress should not revive a failed, unpopular, and destructive policy in pursuit of speculative, unlikely revenue. We strongly urge you to reject any renewed effort to mandate lease sales in the Arctic Refuge in this bill. Similarly, Alaska's Western Arctic deserves stronger protections for clean air, lands, water, and wildlife, and not expedited extraction as proposed. These provisions will fail to deliver meaningful revenue, and they are rightfully opposed by the American people, two-thirds of whom oppose drilling in the Refuge and the millions who spoke up against development in the Western Arctic. We urge you to remove these harmful provisions and stand with those in Alaska and across our nation who believe these irreplaceable landscapes should remain protected for generations to come.

Sincerely,

Alaska Wilderness League

350 Bay Area Action

Animal Welfare Institute

Arctic Audubon Society

Arctic Defense Campaign

Braided River

California Indian Environmental Alliance

Californians for Western Wilderness

Center for Biological Diversity

Center for the Blue Economy

Climate Hawks Vote

Climate Justice Alliance

Coalition to Protect America's National Parks

Coalition to Protect New York

Conservation Lands Foundation

Conservation Northwest

Conservatives for Responsible Stewardship

CPAWS Yukon

Dayenu: A Jewish Call to Climate Action

Defenders of Wildlife

Earthjustice

EcoFlight

Endangered Species Coalition

Food and Water Watch

Food and Water Watch

Friends of the Boundary Waters Wilderness

Friends of the Earth

Great Old Broads for Wilderness

Greenpeace USA

Gwich'in Steering Committee

Honor the Earth

Indigenous Environmental Network

International Indian Treaty Council

Kettle Range Conservation Group

League of Conservation Voters

Minnesota Division, Izaak Walton League of America

National Wildlife Refuge Association

New Mexico Wild

Next 100 Coalition

No Drilling on Indigenous Lands (NDIL)

Northeastern Minnesotans for Wilderness

Northern Alaska Environmental Center

Ocean Conervation Research

Ocean Defense Initiative

Partnership for Policy Integrity

Patagonia

Physicians for Social Responsibility

Save the Manatee Club

Seventh Generation Fund for Indigenous Peoples

Sierra Club

Soda Mountain Wilderness Council

Southern Utah Wilderness Alliance

Standing Trees

The Joy Trip Project

The Ocean Project

The Wilderness Society

Trustees for Alaska

Tuleyome

Turtle Island Restoration Network

Western Watersheds Project

Wild Hope

Wildlife for All

Wyoming Wilderness Association

Wyoming Wildlife Advocates