Recently, Alaskans let federal regulators know they want Alaska’s Outer Continental Shelf (OCS) open to oil and gas development. That message was heard loud and clear at a recent pro-development press conference and rally held in Anchorage in conjunction with the Bureau of Ocean Energy Management’s (BOEM) open house on the subject.

At the event, where supporters waved signs reading “OCS YES!,” speakers laid out their reasons for supporting OCS development. While the groups testifying were diverse, common themes emerged: jobs, economic growth and energy independence.

Deputy Director of the Resource Development Council Carl Portman said opening OCS to oil and gas development is critical to Alaska’s economic future. “With its enormous resource potential, the Alaska OCS likely contains enough oil to at least double the pipeline’s throughput, extend the longevity of the line and sustain our state’s economy for decades.”

Government estimates for the amount of oil in the Arctic offshore are approximately 27 billion barrels. For reference, the trans-Alaska pipeline has moved 17 billion barrels since it began operation more than three decades ago.

For Alaska Trucking Association Executive Director Aves Thompson, it was all about jobs. Thompson cited a university study that found that new offshore energy production in Alaska would produce an annual average of 35,000 jobs – both directly and indirectly tied to the industry – over the next 50 years for the state of Alaska alone, with a total payroll of $72 billion over a 50-year period. “We urge BOEM to keep Arctic leases open and available for development,” said Thompson. “Thousands of jobs are on the line.”

Jobs were also the reason for organized labor’s participation in the press conference. Alaska AFL-CIO President Vince Beltrami

Continued on page 4
Alyeska Pipeline Service Company’s training program wins award

Alyeska Pipeline Service Company’s Vessel of Opportunity program recently received a 2015 Alaska Ocean Leadership Award from the Alaska SeaLife Center. Alyeska received the Stewardship and Sustainability Award, which honors an industry leader that demonstrates the highest commitment to sustainability of ocean resources.

The Vessel of Opportunity program started in 1990 to ready citizens and fishing industry professionals around Prince William Sound to provide oil spill response support in the unlikely case of an incident. Each year, staff from Alyeska’s Ship Escort/Response Vessel System (SERVS) provide education and training to more than 1,500 crew members of approximately 450 vessels from six Prince William Sound ports: Valdez, Cordova, Whittier, Homer, Kodiak and Seward.

“It is phenomenal to be recognized for sustainability and stewardship by the Alaska SeaLife Center,” said Alyeska’s SERVS Director Andres Morales. “Our mission is prevention and, if needed, to be ready to respond. The Vessel of Opportunity program is truly emblematic of how fishermen and industry share a common interest and work together to protect Prince William Sound. This is a wonderful and deserved recognition of our joint work to be the best stewards of this tremendous resource we have.”

Learn more about Alyeska’s Vessel of Opportunity program at www.alyeska-pipe.com/TAPS/SERVS/VesselOfOpportunity

AOGA welcomes Laurie Schmidt to the board

AOGA welcomes Laurie Schmidt to its board of directors. Laurie replaces Pete Slaiby, who recently took a new position within Shell based out of Houston. As vice president of Shell Alaska, Laurie will head up its Arctic program.

Laurie has been with Shell since 1990, working in a variety of roles around the globe. Her experience includes various engineering, operations and commercial positions. She worked in the U.S. for the first half of her career in Shell Pipeline Company, Shell Oil Company and Shell EP Technology. Laurie holds a B.S. in mechanical engineering, an M.S. in environmental engineering and a J.D. (law degree, specializing in environmental law and patent law). She is a licensed professional engineer (mechanical), a licensed patent attorney and a licensed general attorney in Colorado and Texas.

Laurie lives in Anchorage and is a fan of the outdoors. She loves skiing and hiking and looks forward to exploring all that Alaska has to offer. “I’m thrilled to be here on such an important project, not just for Shell, but for Alaska and the nation. I am so impressed by the warm welcome extended to me by so many Alaskans.”

“We welcome Laurie and her expertise as Shell continues investing in Alaska’s Arctic,” said AOGA President and CEO Kara Moriarty. “Our board is now 20 percent female, and the organization is led by a woman. As former CNN executive Gail Evans said at the Alaska Women’s Summit this fall, ‘One female board member is token, two is in cahoots and three is getting somewhere.’ For oil and gas to lead the way makes me even prouder to be part of the industry.”
Donna McCray’s job revolves around finding worthy ways ExxonMobil can support the local community. As the community investments coordinator, Donna especially looks for nonprofits that support youth education.

“The focus of our corporation is on STEM education,” she says. STEM is an acronym for science, technology, engineering and mathematics. “Where possible, we like to partner with other organizations to work together to create lasting relationships. It’s a means to expand education, especially STEM education, in Alaska.”

Donna joined ExxonMobil 25 years ago and is proud to support nonprofits in Alaska. From the Anchorage School District to Campfire Alaska, she gets to work with a wide array of organizations in the state.

Donna’s energy extends well past working with nonprofits from nine to five. Her passion to grow the community shows through her position on the board of directors for the Alaska Zoo. “My favorite part is working with the Anchorage School District to bring kids to the Zoo who wouldn’t have the opportunity otherwise.”

In her free time, Donna also writes screenplays for fun. “I love to write action-adventure stories,” she says, “but now I’m writing a political satire. Hopefully, a comedy.”

It may not seem that Donna’s hobby and career are connected, but her vivid imagination serves her well. Donna takes joy in finding innovative ways to get young people excited about math, science and engineering.

“Donna cares about our Alutiiq people, which she shows through ExxonMobil’s annual scholarship for three KEF students. We are grateful for their support and I’m grateful for Donna’s friendship.”

— Tyan Hayes, Executive Director Koniag Education Foundation

“At ExxonMobil, we’re very involved in the Iditarod as the Iditarod Education Sponsor. The program has developed practical applications for using the race to teach kids STEM education in a fun learning environment,” she says. “We created an Iditarod educational map and lesson-plan poster to be used by teachers in the classroom and sent them all over the country. It’s been very popular with teachers and students. Inspiring students to learn about math and science in a fun way is great. To me, that’s success.”

70% OF ALASKA’S OIL AND GAS JOBS ARE HELD BY ALASKANS.

Source: The Role of the Oil and Gas Industry in Alaska’s Economy, McDowell Group, 2014
Local spill responders provide training in Arctic oil spill clean-up techniques

Maintaining the highest level of Arctic oil spill response readiness means many things, including continuous improvement of responder knowledge and skills. Recently, Alaska Clean Seas, the nation’s most experienced Arctic oil spill response organization, presented its annual five-day “Advanced Oil Spill Response in Ice” training course at the U.S. Army Corps of Engineers Cold Regions Research and Engineering Laboratory (CRREL) in Hanover, New Hampshire.

The facility is unique. It has an outdoor tank similar to a small, shallow swimming pool in which ice can be grown to various thicknesses prior to the students arriving. Once the ice is ready, crude oil is injected under the ice to allow students to safely practice locating then responding using various proven methods.

The majority of the students are members of the North Slope Spill Response Team (NSSRT). NSSRT personnel come from a wide variety of companies operating on the North Slope and volunteer to attend Alaska Clean Seas’ weekly training sessions while on shift. The team members gather at multiple Arctic locations to develop expertise in safety procedures, boom deployment, boat operations and dozens of other topics in order to quickly and safely respond to drills, exercises or actual events.

“Arctic training without using real oil, especially when the wind chill can reach minus 70, leaves quite a bit to be desired,” says Alaska Clean Seas President and General Manager Barkley Lloyd. “Using off-Slope facilities for advanced training allows for increased safety and a more conducive environment for our instructors and students.”

Multiple federal, state, borough and partner spill response organizations attend the training, when class size allows, in order to further develop their knowledge of the latest techniques and procedures. Besides the “Oil in Ice” course, Alaska Clean Seas offers a warmer, ice-free version in the spring at the Bureau of Safety and Environmental Enforcement’s National Oil Spill Response Research and Renewable Energy Test Facility in New Jersey to focus on oil recovery in ice-free waters.

“While our instructors and students are used to Arctic weather, over the last three years, the local New Hampshire weather conditions have been surprisingly more challenging,” according to Alaska Clean Seas Operations Manager Fred McAdams, who oversaw this year’s course. “The instructors and students bring their Arctic gear, including safety devices. We place an increased focus, with extensive reminders, on travel safety in unfamiliar environments.”

By the end of the five-day course, the volunteer responders were equipped with an advanced understanding of the techniques and challenges associated with cleaning up oil in an Arctic winter environment.

Alaskans say “OCS YES!” to Arctic offshore development (Continued from page 1)

exclaimed: “I have two little grandsons and I’m looking at them, hoping that when they’re old enough to get into the workforce that OCS is going to be cranking along and that we’re going to be having jobs to put them to work, to earn money, to raise their families.”

Many attendees made their way from the press conference to BOEM’s open house to comment in support of OCS development after the event concluded. Comments are being accepted through the end of March, after which BOEM will finalize the leasing plan.
It has been a frustrating few months for those of us who want to see responsible oil and gas development continue in Alaska. Recently, the Obama administration took action to lock up even more federal lands from oil and gas development, in direct opposition to agreements Alaska made with the federal government at statehood as well as large majorities of Alaskans who favor pro-development policies.

If the president has his way, Alaskans won’t be able to develop and produce the billions of barrels of oil we know sit below the surface in ANWR, aka the Arctic National Wildlife Refuge. His decision to treat the refuge as wilderness creates a huge barrier to ever developing the oil-rich basin, even when 70 percent of Alaskans have long supported development of a very small portion of the refuge, known as the “1002” area, for oil and gas production.

In the Arctic offshore, the president is also trying to further restrict oil and gas activity. The newly proposed offshore leasing program promises more delay, more uncertainty and more restrictions. We know the Arctic is going to be developed, and we would prefer it be done by Americans and Alaskans. By not allowing consistent and full access to areas rich in resources, the federal government is tying the hands of responsible developers, while ceding development to countries that do not have nearly the respect and regard for the environment that ours does.

It is estimated that the Arctic offshore contains approximately 27 billion barrels of oil. When combined with all of Alaska’s oil and gas potential, it equals one-third of the U.S.’s known reserves. For reference, the amount of oil moved down the trans-Alaska pipeline since it began operation is 17 billion barrels. That represents a lot of jobs and economic opportunity for Alaskans for many years into the future.

So what do we do? Alaska’s elected officials already get it – including the governor, legislators and our congressional delegation. Tell your loved ones in the Lower 48 why Alaskans support oil and gas development in our state. When you get an opportunity to participate in hearings or comment periods, take the time to say a few words. If all of us speak up, our message will be heard: The federal government should allow safe and responsible development on federal lands.

Q: When did Statoil arrive in Alaska?
A: Statoil established a presence in Alaska in 2009 and opened an office in the JL Tower in 2011.

Q: Where does Statoil operate in Alaska?
A: Statoil has 16 operated leases, acquired in Lease Sale 193, February 2008, in the Chukchi Sea. Statoil became a 25 percent working interest owner in the 50 ConocoPhillips Chukchi Sea leases known as the Devil’s Paw Prospect in January 2010. Field work was completed in 2010 and 2011: 3D seismic, 2D shallow hazard survey and geotechnical sampling.

Q: Where else does Statoil do business?
A: Statoil is present in 37 countries and in several of the most important oil and gas provinces in the world. The Norwegian continental shelf is the backbone of its business and the springboard to global growth. Statoil is putting major effort into transitioning from a mainly Norwegian offshore player to a world-class international operator.

Q: How many employees does Statoil have in Alaska?
A: Statoil has a small team in its office in Anchorage that handles commercial matters, regulatory issues and community relations activities.

Q: What types of expansion plans does Statoil have in Alaska?
A: Statoil is in evaluation mode in Alaska and has decided not to drill in 2015. The company is evaluating options for future activity.
March/April 2015

The Alaska Oil and Gas Association (AOGA) is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans.

Our 14 member companies represent the majority of oil and gas exploration, production, transportation, refining and marketing activities in Alaska.

Learn more about the issues facing the largest economic driver in the Alaska economy at www.aoga.org. Sign up for our newsletters and follow us on Facebook and Twitter for the latest information on the oil and gas industry in Alaska.

Contact information: 907-272-1481 or info@aoga.org
Facebook: AlaskaOilAndGas Twitter: @AOGA

SAVE THE DATE!
AOGA’s annual luncheon is Thursday, May 28, in Anchorage and features renowned keynote speaker Adam Sieminski with the U.S. Energy Information Administration.

AOGA staff from left to right: Tamara Sheffield, Kate Blair, Joshua Kindred, Sarah Erkmann and Kara Moriarty