



Port of Seattle Commissioners
P.O. Box 1209
Seattle, WA 98111

May 14, 2015

Dear Commissioners Albro, Bowman, Bryant, Creighton and Gregoire,

I am writing on behalf of Consumer Energy Alliance – Alaska (CEA-Alaska) to urge all those involved in current discussions about the Port of Seattle’s Terminal 5 lease to support Alaskan energy by upholding the terms of the agreement.

CEA-Alaska’s mission is to serve as an advocate for Alaska’s consumers on various local energy-related issues. In doing so, CEA-Alaska supports reasonable, logical and balanced solutions to energy challenges and urges that policy decisions be based on sound economic, cultural and environmental facts. Our members support a comprehensive energy policy that ensures reliable energy supplies and promotes a maximum degree of energy independence, economic prosperity and national security including through efficient utilization, conservation and diversification of all domestic energy resources as well as through increased domestic energy production.

With over 400,000 individual members across the United States, including over 12,400 members in Alaska and the West Coast states, CEA has taken great interest in recent positive developments toward the potential resumption of exploration activity in Alaska’s Chukchi Sea this summer. With an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas, offshore energy production in federal waters off Alaska is critical to the economy and livelihood of our state as well as our nation’s long-term energy supply. To provide some context, 27 billion barrels of oil would provide over 513 billion gallons of motor gasoline, which would provide the average new car or light truck with enough fuel to make over 1.4 billion roundtrips from Anchorage to New York City.

In terms of pocketbook impacts, it is estimated that economic activity from the development of the Chukchi and Beaufort Seas would create an annual average of 54,700 jobs nationwide, with government revenue estimated to be nearly \$193 billion over the next 50 years. Some of that revenue could help build reliable village infrastructure, reinforce subsistence hunting, and provide crucial support for local infrastructure such as running water, schools, hospitals, and medical facilities. As history has shown, the ability of rural Alaskan villages to maintain their cultural traditions and continuity over time is directly related to the availability of jobs and sound infrastructure in their communities, which in turn is highly influenced by the presence or absence of energy activity.

With its recent finding that the average U.S. household will save ~\$700 on gasoline in 2015 (due in no small part to American production), the Energy Information Administration provides an additional example of how opening up Alaska’s offshore would benefit citizens in Alaska and in states far beyond.

Significantly, Washington, Oregon, and California are the states that rely most heavily on Alaskan energy. At a time when the rest of the country has witnessed a reduction in crude oil imports from OPEC nations and Russia, Alaskan energy development has been on the decline in recent years thanks to regulatory roadblocks, litigation delays, and the location of energy resources on federal lands.

As a result, residents and businesses in the West Coast petroleum district -- which includes Alaska, Washington, Oregon, and California, as well as Hawaii, Nevada, and Arizona -- have increased their reliance on crude oil from OPEC nations and Russia from an average 96,000 barrels per day in 1996 to 709,000 barrels per day in 2014, or over 600%.

Unfortunately, a band of extremist voices have organized in the Seattle area as part of a last-ditch effort to stop domestic energy exploration offshore Alaska, which happens to be supported by an overwhelming majority of Alaskans. By derailing a signed lease with the Port of Seattle that would otherwise allow the staging of exploration equipment at Terminal 5, these groups hope to usurp a fair process in order to further their anti-development agenda.

If these groups are successful with their scheme, in addition to providing aid and comfort to America's adversaries and imposing strain and burdens on our own citizens and businesses, companies across maritime sectors will think twice about making investments in the United States.

The choice before us could not be more clear. Will we move forward in the 21st Century as a nation of doers and take advantage of the technological advances made possible by our human ingenuity, or will we cower to radical voices beholden to philosophical anti-development ideologies and take a step backward toward the Dark Ages? We respectfully urge all those involved to take a definitive stand by supporting the agreed-upon lease at Terminal 5 to enable further responsible resource development.



Anne Seneca
President
Consumer Energy Alliance – Alaska