



THE SECRETARY OF THE INTERIOR
WASHINGTON

DEC 19 2012

Memorandum

To: Mike Pool
Bureau of Land Management

From: Secretary *Ken Salazar*

Subject: National Petroleum Reserve – Alaska

Thank you for your work in helping to complete the Final Integrated Activity Plan/Environmental Impact Statement (Final IAP/EIS) that the Bureau of Land Management (BLM) has prepared for the 22.8 million acre National Petroleum Reserve – Alaska (NPR-A). Release of the Final IAP/EIS culminates a multi-year planning process that involved the people of Alaska's North Slope, multiple cooperating agencies, and large numbers of Americans interested in this unique part of America's land heritage.

I announced the key elements of the Preferred Alternative (Alternative B-2) for the IAP/EIS on August 13, 2012. I am pleased that the Final IAP/EIS document describes in detail the nature and scope of the Preferred Alternative's balanced approach to managing the important resources in the NPR-A.

The Preferred Alternative recognizes the importance of the NPR-A for potential oil and gas development. More specifically, Alternative B-2 provides access to nearly 12 million acres of the NPR-A for oil and gas leasing, with a special focus on lands in the eastern portion of the NPR-A where development interest is highest due to the size of the resource and proximity to the Trans-Alaska Pipeline System (TAPS). Indeed, more than 70 percent of the NPR-A's recoverable oil reserves are found on these 12 million acres of leasable lands. In addition, as illustrated by Exhibit Figure 2-1 on page 23 of the Final IAP/EIS, the Preferred Alternative would allow for a potential future pipeline to access the NPR-A from the Chukchi Sea, cross the NPR-A and connect into the TAPS, while also allowing pipeline access from northern offshore locations down into the NPR-A.

The Preferred Alternative also reflects a parallel commitment, per Congress' direction in the NPR-A authorizing statute, to maximum protection of areas containing significant subsistence, recreational, fish and wildlife, or historical or scenic values. In particular, the Preferred Alternative recognizes the world-class waterfowl, caribou and other wildlife resources in the NPR-A and the important subsistence needs that they serve by providing protections in sensitive coastal and riparian areas, in and around Teshekpuk Lake, and in the southwestern part of the Reserve.

The next step in the planning process will be a review period of at least 30 days after public notice of the Final IAP/EIS. This will be followed by my issuance of a Record of Decision that is informed by the Final IAP/EIS and that will formally define and adopt an Integrated Activity Plan for the NPR-A. As we begin this next step, I would appreciate the BLM's assistance in providing me with additional input on two issues discussed below, so that I can expressly address these issues in my Record of Decision.

The first issue involves the potential construction of a pipeline or pipelines that would transport oil from offshore locations through the NPR-A. I believe that the final plan should state with clarity that the plan will allow for the construction of such pipelines. In particular, while construction approaches will need to take into account sensitive values associated with special areas and river crossings, nothing in the IAP/EIS is intended to act as a bar to potential pipelines or otherwise make construction of such pipelines impracticable. While the specifics of any proposed pipeline project would need to be addressed in a subsequent, public process that complies with the National Environmental Policy Act, we should be clear that this Integrated Activity Plan does not preclude any such potential pipeline applications. I intend to underscore this important point in my upcoming Record of Decision, and I would appreciate your assistance in doing so.

Second, I am aware that some North Slope residents have expressed concerns regarding the scope of certain protected areas, including the protected area south of Teshekpuk Lake, and the scope of the Utukok Uplands protections. While I am persuaded that the boundaries of the special protection areas identified in Alternative B-2 are based on sound science and are protective of important subsistence values, I am mindful that there needs to be meaningful, on-going input from local residents and other interested parties as BLM moves forward in implementing a new NPR-A management plan.

Accordingly, I request that BLM leadership and representatives of my office engage in an additional outreach effort with local communities prior to my execution of a Record of Decision in this matter. My request is that this outreach effort focus, in particular, on how the Department of the Interior can engage in a continuing dialogue with local communities and tribes on key implementation issues that will arise under the NPR-A's Integrated Activity Plan. For example, ongoing dialogue could be helpful in addressing future pipeline issues, leasing questions (including taking an on-going, hard look at the appropriate boundaries where leasing is not allowed), subsistence issues, and related matters. I am very interested in potentially referencing this type of continuing collaboration in my Record of Decision for this matter.

Thank you again for the outstanding job that you and the BLM team have performed in producing the Final IAP/EIS. I look forward to rendering a final decision on this matter in the coming weeks.