Biden plan to allow drilling in 50% of massive Alaska reserve

By Heather Richards

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The Biden administration will block a Trump-era attempt to open most of the National Petroleum Reserve-Alaska to oil and gas interests but is moving forward with a plan that would still allow drilling in about half of its 23-million-acre area.

The move unravels a multiyear effort by the oil industry and Alaska political leaders to expand drilling in the remote Arctic region. It also falls far short of the prohibition on Arctic drilling that many green groups want to see from the White House (Energywire, Jan. 7).

The reserve lies on the Arctic coastline, west of the state’s famous Prudhoe Bay oil field and the Arctic National Wildlife Refuge. Like ANWR, the reserve is revered for its untrammeled tundra and wildlife. But it has also increasingly drawn the interest of drillers in recent years due to several large oil discoveries.

The Trump administration finalized a new management strategy for the NPR-A, called an integrated activity plan (IAP), in 2019 that would have opened 82% of the reserve to oil and gas developers. But the Biden administration last year was quick to put that decision under review.

Yesterday, the Biden administration's Bureau of Land Management announced through a filing in the U.S. District Court for the District of Alaska, that it will likely restore the previous management plan, inked in 2013 during the Obama administration, in which roughly half of the reserve is available to drillers.

The Biden administration signaled yesterday it would do this without rewriting a new IAP as some observers had expected. Instead, it will reissue a record of decision from the Trump-era environmental analysis of managing the reserve likely choosing its new preferred management scenario, the “no action” alternative, that leaves the 2013 plan in place.

In a release, BLM said this decision reflects the Biden administration’s “priority of reviewing existing oil and gas programs to ensure balance on America’s public lands and waters to benefit current and future generations.”

The administration will also include in its final record of decision parts of the 2020 plan that offered “more protective lease stipulations and operating procedures for threatened and endangered species,” the release stated.

The Biden administration has yet to hold an oil and gas lease auction in the reserve and had already committed to not leasing in the areas opened by the Trump-era management plan until it had concluded its review of the IAP (Greenwire, Nov. 18, 2021).

Due to the pandemic-depressed oil industry, the Trump administration also did not hold the annual NPR-A lease sale in 2020. But the last federal auction in the reserve, 2019, was one of the biggest in the last decade due to increased interest in mineral riches under the surface.

ConocoPhillips is the most prominent driller in the NPR-A, which had largely escaped large scale oil exploration and development for decades despite Alaska’s rich oil history. But ConocoPhillips’ interest could change that outlook. Its Willow discovery, announced in 2017, could develop 750 million barrels of oil equivalent.

Another firm, 88 Energy Ltd., recently announced its own discovery in the NPR-A of a potential 1-billion-barrel oil field (Greenwire, Sept. 1, 2021).

The increased oil interest has pushed environmental groups to redouble their efforts to thwart new oil development.
Environmental groups successfully reversed in federal court the Trump administration's approval of the Willow project last year. The Biden administration is now reviewing that project.

Green groups, which also sued over the NPR-A’s management plan, were positive about the reversal of the management strategy going forward.

“Returning to the 2013 management plan is the right move,” said Kristen Miller, acting director of the Alaska Wilderness League, arguing that the Trump plan violated federal law.

“It faced clear public opposition and threatened local communities with diminishment of traditional hunting areas, wildlife displacement, and worsening air quality from oil and gas development,” she said in a statement.

But at least some environmental groups were also clear that the 2013 IAP was written to allow, even encourage, ongoing oil and gas drilling on federal lands, something greens are pushing the Biden administration to block.

“This is better than the Trump-era plan it replaces but far short of what’s needed to address the climate emergency,” said Kristen Monsell, a senior attorney at the Center for Biological Diversity. “No amount of mitigation measures can change the fact that more Arctic drilling means more climate chaos, more oil spills and more harm to local communities and polar bears.”

Oil and gas interests, meanwhile, slammed the about-face for NPR-A, which, if tapped, could help replenish the diminishing flow of crude oil from Alaska’s North Slope.

Kara Moriarty, president of the Alaska Oil & Gas Association, said the administration’s actions were “beyond disappointing” and criticized regulatory action that is subject to “political winds.”

“Demand for traditional sources of energy is not going away,” she said in an email. “Limiting access in a national petroleum reserve only shifts potential development to areas of the globe that do not have the same level of environmental oversight.”