

## **NEBRASKA TAXPAYERS FOR FREEDOM ISSUE PAPER: BIDEN CANCELING OIL & GAS LEASES KEEPS FUEL PRICES HIGH.**

**BACKGROUND.** Pandering to the radical ecology Left, President Biden canceled the remaining 7 oil and gas leases in the Alaska Arctic National Wildlife Refuge (ANWR), reversing the Trump Administration promotion of these leases. Biden previously announced that he would review the leases, which give the Alaska Industrial Development & Export Authority, a state agency, rights to drill in the refuge. The Biden Dept. of Interior echoed the president that we must confront the alleged climate crisis. The proposal would prohibit new leasing in 10.6 million acres, which is more than 40% of that reserve. The rule states that it would set new standards for managing and protecting resources in the petroleum reserve, including from “the reasonably foreseeable and significantly adverse effects of oil and gas activities.” Biden has personally opposed drilling in ANWR, saying on the 2020 campaign trail that he would permanently close it. His administration previously suspended the leases there.<sup>1</sup> His Interior Secretary Deb Haaland boasted that the decision means “no one will have rights to drill for oil” in the region. She added that oil and gas drilling simply does not belong in the region. Previously, Haaland authorized the cancelation of 7 leases issued in 2021 to the Alaska Industrial Development and Export Authority. Companies purchased those leases in January, 2021, which span 365,775 acres across non-wilderness areas of ANWR. As part of its actions, the Interior Dept. proposed regulations to ensure maximum closure of 13 million acres of land across the National Petroleum Reserve (NPR), an area in North Slope Borough, Alaska. According to reports by the U.S Bureau of Land Management, the Interior Department halted the leases because of several lawsuits filed by environmental groups, stating that the drilling would endanger the polar bears and caribou that populate the 19.6 million acre-refuge. It stated that the directional drilling and icy roads would adversely impact the environment and add risk to wildlife. Biden further ordered an additional 2.8 million acres withdrawn from oil and gas leasing in the Beaufort Sea off the northern coast of Alaska. 24 hours before Biden announced he was cancelling all previously issued oil and gas leases in ANWR, Saudi Arabia and Russia announced oil production limits would continue in order to raise world prices.



**TRUMP ACHIEVEMENTS.** President Trump opened the Arctic Refuge coastal plain for oil and gas development in 2017 in the Tax Cuts and Jobs Act. When it sold the leases in early 2021, his administration cited a 2017 law requiring 2 lease sales there by the end of 2024 and characterized the area as an important asset in meeting the energy needs of our nation. Trump issued the Alaska Industrial Development and Export Authority 7 leases a day before Biden’s inauguration.<sup>2</sup> Congress approved the oil and gas program in the refuge at the urging of Alaska’s congressional delegation after decades of failed attempts. Alaska leaders long have sought oil production from the 1.6

million-acre plain. The Trump Justice Department stated that opponents of this Alaska project were misinterpreting federal agency records to claim violations of environmental law in order to halt specific drilling activities. Environmental groups had sued the Trump Administration when drilling originally approved, and an appeals court agreed to limit construction activity. Trump won a court appeal and eventually held a lease sale, but it produced less interest after major banks announced they would not finance new oil and gas projects because of climate change activist pressure. Former member of the Trump Interior Dept. and energy policy attorney Marcella Burke stated that Biden’s move to halt drilling unexpected and that the Democrat animosity towards fossil fuels made it impossible for the industry to survive.<sup>3</sup>

**SUPPORTERS.** Radical environmentalists are praising the Biden Regime move. In a laudatory statement, Sierra Club President Ben Jealous called the edict a continuation of some of environmentalists’ cherished goals.

**OFFICIAL OPPOSITION.** Governor Dunleavy of Alaska threatens a lawsuit. “It’s clear that President Biden needs a refresher on the Constitution’s separation of powers doctrine,” he said, “Federal agencies don’t get to rewrite laws, and that is exactly what the Department of the Interior is trying to do here. We will fight for Alaska’s right to develop its own resources and will be turning to the courts to correct the Biden Administration’s wrong.” Sen. Dan Sullivan (Alaska) said, “This war on Alaska is devastating for not only Alaska but also the energy security of the nation. This is a grave injustice

<sup>1</sup> THE HILL. Rachel Frazin and Zack Budryk, [Biden administration cancels controversial oil leases in Alaska wildlife refuge](#), Sept.6, 2023.

<sup>2</sup> THE LAST REFUGE. [Biden Cancels Previously Issued ANWR Oil and Gas Leases in Alaska](#), Sept. 7, 2023.

<sup>3</sup> AMERICAN CONSERVATIVES, [Biden Cancels Trump-Era Oil and Gas Leases in Alaska’s Arctic Refuge](#), Sept. 6, 2023.

to the Inupiat people of the North Slope.” Sullivan added, “As evidenced by this and so many of the admin’s actions, the idea of ‘equity’ is being exploited as a hollow political soundbite. Today, the Biden administration unlawfully cancelled ANWR leases held by the Alaska Industrial Development and Export Authority, bringing us to 55 executive orders and actions specifically targeting Alaska since President Biden assumed office.” Sullivan called the most recent decision “incredulous” and devastating to future oil and gas extraction in Alaska. He continued that the actions were part of the Biden administration's unrelenting assault on our economy and our ability to lawfully access our lands. He also argued they would create a chilling effect, discouraging energy investment in the state. Alaska Sen. Lisa Murkowski questioned the coherence of the Biden Regime oil and gas policy, “Now the Biden Administration, at a time when America and our allies need Alaska’s resources more than ever, has decided to go their own way by further locking Alaska down while



refusing to consult with the Alaska Natives who actually live on the North Slope. It’s bad to tear up legal contracts and renege on federal commitments.”

Murkowski called the decision unconscionable, especially because the Biden Regime is penalizing Alaska while allowing Iran to produce more of its oil and soliciting oil from Venezuela. The U.S. Geological Survey estimated that the plain could hold billions of barrels of oil and that a major oil discovery would boost jobs and state revenues and keep oil flowing in the 800-mile trans-Alaska pipeline. The non-wilderness section of ANWR where leases are located contains approximately

7.6 billion barrels of recoverable oil and 7 trillion cubic feet of natural gas. Executive director of the Alaska Industrial Development and Export Authority Alan Weitzner expressed severe disappointment with the decision made by the Regime. Asked if his authority would file a lawsuit, Weitzner replied that it was too early to tell what the agency will do next but that it will hopefully attract private partners to explore for oil in the refuge.<sup>4</sup>

**NATIVE OPPOSITION.** Indigenous tribes have fought for energy rights promised to them by Congress over 40 years ago, under the Alaska National Interest Lands Conservation Act, and showed disgust that Sec. Haaland has defied Congress through her actions. They are an economically underserved community and are continually looking for economic opportunities for their long-term sustainability. 40 years ago, they found themselves located in a National Wildlife Refuge against their will. Life is difficult for them under the Refuge management; too many rules and regulations for a small community with which to adjust. One of the opportunities they always looked towards was the future potential of oil and gas leasing in the Coastal Plain. Tribes fought hard to open the Coastal Plain to oil and gas leasing. Unfortunately for them and their desire for economic prosperity through desperately needed domestic energy production, their wants and needs now cast aside and trampled underfoot by a president who withered under pressure from climate activists and an Interior Department that would rather tribes barely avoid starvation through subsistence hunting and gathering than allow them to exploit abundant natural resources to gain wealth and dramatically improve their lives.<sup>5</sup>

<sup>4</sup> AMERICAN CONSERVATIVES, [Biden Cancels Trump-Era Oil and Gas Leases in Alaska’s Arctic Refuge](#), Sept. 6, 2023.

<sup>5</sup> Ben Marquis. USSA News. [Biden Administration Reveals Existing Oil and Gas Leases in Alaska and Arctic Canceled, Place Millions of Acres Off-Limits to Future Production](#), Sept. 8, 2023.

**THE REASONING.** The edict freezes the vast federal National Petroleum Reserve in Alaska and thwarts a years-long attempt to drill in the region. Negating the leases severely impacts the state-owned Alaska Industrial Development and Export Authority, which purchased the leases on 365,000 acres in 2017, and threatens to decimate Alaska native economies in the area. Such edicts have a chilling effect on energy companies, which are understandably reluctant to sink millions into exploration in an area that may shut down at a change of administration. No investor in its right mind would ever consider spending millions of dollars in ANWR, having witnessed the Regime cancel the last standing lease from the previous sale. The Regime is putting on a legal charade by pretending to follow the law that requires it to hold lease sales, with no intent of ever actually honoring those requirements, causing investors to waste their time and money. Fewer jobs in the U.S. Higher prices for consumers. Costly litigation. Profits for leftist nonprofits. The local economy further



## AMERICAN ENERGY INDEPENDENCE

damaged.<sup>6</sup> The Interior Sec. has the authority to cancel oil and gas leases issued in violation of statute or regulation, but there is no such violation in the ANWR leases. The leases that the Alaska Industrial Development and Export Authority hold certainly issued properly as mandated by Congress in the Tax Cuts and Jobs Act of 2017.<sup>7</sup> Alaska has 22 *billion* barrels of oil and as much as 124 trillion cubic feet of natural gas available, a safe, domestic source of vast amounts of energy not subject to the whims of unfriendly foreign powers. The Biden Regime cares nothing about abundant, cheap energy, without which a modern, technological society such as ours simply cannot exist. When Biden assumed the presidency in 2021, gasoline cost \$1.89 per gallon.

At the end of August, 2023, the nationwide average was \$3.80 per gallon. The figures for heating oil over the same time frame are \$1.74 and \$3.01. Add to this situation the fact that America's electrical grid is aging badly. Our entire society relies on electricity; without it, we are back in the 1800s, and our country at the technological level of 1850 cannot support 335 million people. Mass starvation, especially in the cities, and open civil conflict, if this happens. Our electricity production still relies heavily on coal and natural gas. The Biden Regime actions are reckless, based on a flawed premise. They will cost Alaskans jobs, mostly in places like the [North Slope Borough](#), where there are few other employment options. They will cost Americans more at the gas pump. They will make it more expensive to heat and light our homes, and increased energy prices will have a negative effect on every price in our huge, complex modern economy.<sup>8</sup> This is another attempt to use executive action to circumvent a law to accomplish what the Regime does not have the votes to achieve in Congress. Canceling valid leases, removing acreages from future sales, and attempting to reduce production in Alaska while taking steps to allow Iran and Venezuela to produce more oil, with their fewer environmental regulations, makes no sense as does even greater energy dependence on Red China!<sup>9</sup> The regulations would severely limit future oil and gas leasing and industrial development in areas known for their rich natural resources, including an outright prohibition on new leasing across 10.6 million acres. The entire section of the Arctic Ocean hinterland owned by the federal government would become blocked from fossil fuel production, actions as part of a broader war on American energy driven by a radical green agenda. Cancellation of leases and disregard for the law will hinder energy independence. Economists emphasized the economic development and job opportunities supported by oil and gas activities in Alaska, particularly in indigenous and rural North Slope communities. Taxes on these activities also play a crucial role in funding government services like schools, health care, and emergency services across the state.<sup>10</sup>

This latest action by the Dept. of Interior shows arbitrary disregard for federal law, based on Biden campaign trail rhetoric. Campaign promises are not enough to justify this agency action. Under the law, the Interior Dept. must present real facts and reasons that support this position reversal.<sup>11</sup>

**TAKE ACTION NOW.** Instead of being energy independent with abundant energy and cheaper energy prices under President Trump, Nebraskans with other Americans now face sky high gas prices at the pump, higher home and commercial energy costs, and tight restrictions on drilling for domestic gas and oil, literally erasing Trump Era energy benefits. Higher energy costs mean higher consumer prices for all goods made from petroleum products and transportation services using fossil fuel. Using the above information, lobby your congressman and 2 senators NOW to

<sup>6</sup> Alaska Watchman. Joel Davidson, [Alaska Natives and state's top political leaders blast Biden's 'incredulous' cancelation of oil and gas leases](#), Sept. 6, 2023.

<sup>7</sup> [Biden Administration Disregards Congress, Attempts to Cancel ANWR Leases](#), Sept. 6, 2023.

<sup>8</sup> Red State. Ward Clark, [Biden Administration Roasted for Canceling Alaska Drilling Permits](#), Sept. 7, 2023.

<sup>9</sup> Dan Michael Lynch Report. Anneta Griffée, [Biden under fire from all sides for banning oil drilling across millions of acres](#), Sept. 7, 2023.

<sup>10</sup> BlabberBuzz, [President Biden Sparks Bipartisan FURY With Controversial Alaska Fossil Fuel Restrictions](#), Sept. 8, 2023.

<sup>11</sup> Breitbart News. Sean Moran, [Biden to Cancel Alaska Oil, Gas Leases issued under Trump](#), Sept. 5, 2023.

pass legislation reversing the Biden Regime strangling of domestic energy sourcing. Email [netaxpayers@gmail.com](mailto:netaxpayers@gmail.com) for congressional contact information and join our NTF *President Watch Project*.



Research, documentation, and analysis for this issue paper done by **Nebraska Taxpayers for Freedom**. This material copyrighted by Nebraska Taxpayers for Freedom, with express prior permission granted for its use by other groups in the *NE Conservative Coalition Network*. 9-23. C

