

Commentaries

Concerned about Alaska's energy future

by Michelle LeBlanc

Although I was Chair of Anchorage Native Vote '94 and am an Ahtna shareholder, this is my own view and does not reflect the above organizations. In fact most people would be hesitant to open this beehive. I speak on my own without collaboration with anyone.

I have been very disturbed since I attended the "Meet Alaska 95, Oil" Alaska's Past. Alaska's Future?" I am concerned about Alaska's future.

The conference was very interesting, enlightening and very well put together.

Ken Thompson, President of

Arco, is an excellent speaker. He showed us a list of about twenty places they know where there is oil but have been unable to drill because it was not economically feasible. He listed the percentages of taxes and royalties required by Alaska which total 30 percent. He then showed us a graph of Alaska's oil production for each year to around 2010 or thereabouts. The marks on the graph went dramatically down each year. He then showed a very similar graph of the United Kingdom. He said the United Kingdom's production was like Alaska's until they gave up taxes and royalties. He showed a list of six or

seven incentives the United Kingdom did for the oil companies. Then he showed a graph with the oil production jumping way up. He kept saying during his presentation 30% of nothing in nothing, meaning if the oil companies leave, Alaska gets nothing. Thompson stated that Arco was an Alaskan company because they've been in Alaska for forty years. He also proudly stated that during that 40 years Arco paid Alaska \$40 billion in taxes and royalties.

The first question asked was "How much profit did Arco make in Alaska?" I guess Mr. Thomp-

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son didn't think it was appropriate to say during the conference. WE know according to *Anchorage Daily News* article dated January 25, 1995 Arco tripled its profits to \$919 million, up from \$269 million in 1993. The article stated that Arco is the No. 2 oil producer in Alaska behind British Petroleum. British Petroleum profits are up 72% according to *Anchorage Daily News* article on February 15, 1995. Their profits were \$651 million compared to \$82 million a year earlier. For the entire year, BP had a \$2.3 billion

profit, up 72%.

Before I go any further, don't misunderstand me, I am not anti-oil. As an Alaskan, one whose great-great-great grandfathers loved, lived and generously shared in the lands abundance riches, I favor utilizing Alaska's riches wisely. I am not willing, however to stand back and watch Alaska give up its riches with very little in return. You might say to yourself, of course, none of us would willingly. I do appreciate the jobs we've received from the oil production. I know the oil companies donate heavily to United Way, the

Boys and Girls Club and many other charities. I am glad of that. The oil executives, many of whom live on the hillside in Anchorage shop at our stores to help keep the economy going, that's good. I'm sure there are many other benefits of oil production.

My second question is: If Arco is an Alaskan company and has been in Alaska for 40 years, how many Alaskan Natives are executives in the company, or any Alaskans for that matter—someone who lives in Alaska for an extended amount of time and not moved up to Alaska with the company. I think 40 years is time enough to train and offer education opportunities for Alaskans to have the first fruits of an Alaskan company.

I know Alyeska has an excellent Native hire program for their contractors and subcontractors. They also utilize Native owned contractors. I commend them for this. I have personally applied for positions at Arco and BP years ago and for some reason or other was not qualified. I bring this up not because I want to be hired but because I have talked to many other Alaskans that were not qualified either for jobs they've applied for. In fact, in my wide circle of friends and acquaintances, I don't know anyone who has worked for those companies. I did work for Marathon for a short time and was contracted out to Amoco for six months before they left Alaska. Although I enjoyed by work and the people I worked with, I felt they were a very closed community. No matter how friendly I was, I was still an outsider.

Likewise, at the conference the people I met there were very polite and friendly, but I sensed an attitude that Alaska should be grateful for whatever they could get. We should be happy that they haven't left yet. Thirty percent of nothing is nothing. I am concerned that many of our legislators who have received large donations from the oil industry will give the red carpet treatment when negotiating taxes and royalties. I am concerned that Alaska will sell short.

This opinion piece is my own opinion. Many people I have talked to agree with me but are not willing to voice their opinion for fear of repercussions. I have heard some say that the oil industry makes the rules and enforces them in Alaska because that's where the

money is. But they are not willing to say that too loud. I am willing to voice my opinion because of my love for Alaska. I believe we live in a very special state. Those who have made Alaska their home are special. I appreciate the wonderful hodgepodge of people living here. That's one of the things that makes Alaska special. I think however, that more respect needs to be given to the people who were first here just as a certain respect would be given to the Scottish still living in Scotland. Keep in mind when the first white settlers came to Alaska, the Natives were both loving and generous. That is one of my best inheritances from my ancestors. I hope we can work out a deal that is fair to the oil companies and Alaskans.