

Celebration focuses on ANWR

by E.W. Piper
for the Tundra Times

PRUDHOE BAY — "This is the area of controversy," said the oil company executive, putting the emphasis on the second syllable in the British manner.

Roughly 6,000 feet below the sturdy Lockheed Electra was a brown, gently sloping land punctuated by shallow lakes and sliced by braided, glacial rivers slipping out of the mountains behind us.

It was a rare, sun-struck summer day on the Arctic Ocean coast. No fog. No low clouds. No chilling drizzle. No sharp wind knifing across the icepack.

And no caribou.

"They're down there somewhere," said the executive, Roger Herrera of Standard Alaska Production Co., one of the sponsors of the flight over the Arctic National Wildlife Refuge.

In fact, the group of roughly 30 reporters and visitors were not to see any wildlife at all until they had mov-

ed from the airplane into a modified school bus for a drive through the Prudhoe Bay oilfield.

As the bus carrying the reporters pulled up to Mile 0 of the Trans-Alaska Pipeline, two caribou grazed placidly near the pipeline, well within the camera frames of the TV video shooters.

Had I been an oil company executive, I would have breathed a quiet word of thanks for that picture. How,

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just how, had the timing been so perfect?

"Well," said Standard's Herrera, a man with a gentle manner and a wry sense of humor, "we spread a little Purina Caribou Chow around when we know you're coming."

The caribou of the North Slope — those absent from ANWR and those present at Prudhoe — were, in many ways, the real focus of this trip last week.

The ostensible reason for flying up reporters and dignitaries was for the major operators of the Prudhoe Bay oilfield, Arco Alaska and Standard, to celebrate the 10th anniversary of the pipeline start-up.

After 10 safe, successful and very profitable years of operation, the Trans-Alaska Pipeline remains as much a technological marvel as ever.

Those who built the line, run the oilfield and profit from its operation have much to celebrate indeed. As far as any of us can tell, the 800-mile pipeline has transported safely more than 5 billion barrels of crude to Valdez. In the process, oil companies have recovered their investment and profited well.

So has the State of Alaska.

Oil revenues spawned a building boom and an era of post-pipeline construction prosperity. The state was able to create a savings account that now holds nearly \$8 billion. Villages got new schools and washeterias, water and sewer systems and Permanent Fund dividends.

In revenues alone, Alaska has received at least \$20 billion for its share in the Prudhoe Bay development so far.

Not all of the development has been good for the state, and some areas have profited better than others. Expectations outstripped the rise in oil prices, and they have not fallen nearly as fast.

But the celebration staged by Arco, Standard and the Alyeska Pipeline Service company was meant, in part, to show that the development has been, on balance, good for Alaska.

However, while the pipeline and its 10 happy years provided a visible focus for the party, the real focus was 60 miles to the east of Prudhoe Bay — to ANWR and its migratory population of caribou in the Porcupine herd.

The U.S. Congress now has before it three different bills concerning the future of the Coastal Plain of the 25-year-old wildlife refuge. Ultimately, it will be the Congress that decides if oil companies can drill for oil in that wild and beautiful area, and perhaps build a pipeline that would carry ANWR crude to Mile 0 and on to Valdez.

The oil industry, quite naturally, wants ANWR opened up. So do some Native corporations. So does the Reagan Administration, which has disputed the idea of a "core calving area" used by Porcupine caribou in ANWR.

Many rural Alaskans, such as people from Arctic Village, say development in ANWR will seriously damage the subsistence hunt. Conservation groups both locally and nationally want Congress to underline its commitment to preserving the refuge. And influential members of Congress, such as Rep. Morris Udall, D-Ariz., hope to add the Coastal Plain to the 8 million acres already designated as wilderness within the refuge.

That national controversy overshadowed much of the celebrating at Prudhoe Bay last week.

Both Arco and Standard have an



Arco President Harold Heinze, left, Alyeska President George M. Nelson, center, and Standard President George N. Nelson, speak at the ceremony.

photo by Barbara Crane

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enormous stake in North Slope development. We hear often about the State of Alaska getting 80 to 90 percent of its revenue from Prudhoe, but few Alaskans know that Standard gets a similar percentage of its revenue — company-wide — from one spot: the North Slope.

While Prudhoe is expected to be a producing field well into the first and second decades of the 21st century, companies are looking for some way to keep large amounts of oil flowing through a pipeline that took three years and \$9 billion to build.

"Alaska's very important to us," said Herrera. "You might say we have most of our eggs in this one basket."

So against this backdrop of high finance and high risk, one begins to sense a hint of high anxiety in the oil industry's push to open ANWR. It is something not often seen, certainly not in a Senate hearing room, certainly not in the press packets explaining the industry's position.

Here, at Prudhoe, watching the pipeline snake across the flat expanse southward to the mountains, or standing in the tangled intestines of a fire-breathing natural gas compression plant, one begins to sense the natural and financial scale of this battle over ANWR, over the caribou.

If you favor development, the size of the investment and the potential for profit rise sharply out of the tundra. If you favor conservation, the wildness

and wideness of nature dwarfs the works of Man. No matter which side you're on, standing here at Prudhoe, the issue takes on much more importance, and it comes alive in your imagination.

Which is exactly why the oil industry is putting on the full court press to open ANWR this summer.

Herrera said as many as 14 groups, including up to 200 government and business figures, will visit ANWR and Prudhoe Bay this summer.

It's hard to tell how far above the average that is, he said, but it's a lot more than usual. And the industry is, of course, eager to make sure it extends both its arguments and its hospitality to all, as it did on the media tour.

The actual ceremony took place on June 19, the day before the precise 10-year anniversary of the pipeline start-up.

It was a bright and upbeat ceremony, held under a brilliant blue sky and in the path of a cool wind, building strength out of the north. Three flags — America's, Alaska's and the industry's silver-gray 10th anniversary banner — stood out square and straight, pointing south with the wind. The crisp, military marches of John Phillip Sousa played over the loud speakers.

The speeches praised the workers and other people who made the pro-

ject happen. They praised the guts and the "can-do" attitude that conquered the obstacles. They noted with justifiable pride 10 years of safe and efficient operation of the pipeline.

And every speaker — coincidentally, facing east — said ANWR ought to be opened up for exploration.

Judy Brady, the state commissioner of natural resources, delivered a short, straightforward and somewhat grim talk, saying, "We know how to extract the gifts of the Arctic without spoiling the giver: this great land." She finished with a call to get moving on the project.

The representative from the U.S. Department of the Interior said the industry had proven its ability to operate safely and ought to be allowed into the refuge.

U.S. Sen. Frank Murkowski of Alaska said those who favor opening ANWR — himself included — "make no apologies" for their zeal.

When casting their votes on the issue, his colleagues in Congress "will be voting on the energy interests and national security" of America, Murkowski said, ignoring the fact that many will be voting on environmental interests as well.

And Standard chief Frank Mosier even said that someday, he hopes people will know who are "the true environmentalists — oilmen," because they can get the oil out without causing lasting damage.