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Protecting Alaska's Cook Inlet watershed and the life it sustains

**FOR IMMEDIATE RELEASE:
FEBRUARY 14, 2006**

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PRESS RELEASE

Feds Cancel Lower Cook Inlet Oil & Gas Sale

Keeper Supports President Bush's Call to End U.S. Oil Addiction

ANCHORAGE -- The federal Minerals Management Service today once again cancelled an offshore oil and gas lease sale in Lower Cook Inlet. Cook Inlet Keeper urged MMS to cancel Lease Sale 199, scheduled for May 2007, in a letter sent to the agency in January 2005. MMS previously cancelled Lease Sale 191 for Lower Cook Inlet last year.

The MMS cited low industry interest as a cause for canceling the sale. MMS had offered significant financial incentives to the oil and gas industry at a time of record-high crude oil prices and record high industry profits, so the apparent lack of industry interest in drilling is notable. Just last week on February 8, MMS issued its draft 2007-2012 Outer Continental Shelf leasing plan, which includes two additional proposed lease sales in Lower Cook Inlet.

“MMS keeps holding this dance, and the only people who show up are the countless citizens who say they don't want oil and gas platforms in their fisheries. Today's decision should be the death knell for drilling in Cook Inlet's federal waters,” stated Cook Inlet Keeper Executive Director Bob Shavelson. “MMS has wasted substantial amounts of taxpayer money - and the public's time - in its relentless drive to open Lower Cook Inlet to oil and gas development.”

Federal and state laws, including the 2005 federal energy bill, currently provide what many experts agree are unwise and unnecessary royalty reductions to Alaskan drillers given the recent – and likely lasting – high price of a barrel of crude oil (today it is over \$65/barrel).

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“Federal and state royalty policies are in complete disarray right now and Americans are losing billions of dollars that would otherwise pay for education, health care, military armor, and other essential services,” stated Shavelson, citing an article in today’s NY Times. “And Alaskans are giving away millions of dollars without state-level royalty reform, a complicated issue that state legislative leaders need to carefully and promptly address to maximize the public benefit from our publicly-owned resources.”

“Alaskans have urged MMS to pursue clean offshore energy projects such as tidal, wave and wind power with the same vigor the agency applies to oil and gas projects, and the federal energy bill passed in 2005 requires MMS to do so,” said Cook Inlet Keeper Senior Engineer Lois Epstein. “Energy security depends on moving away from the nation’s dependence on oil and gas. By increasing Alaska’s use of renewable energy and energy efficiency measures, we can create long-term jobs without risking our fisheries and coastal habitats.”

Additional findings and pipeline spill data can be reviewed at www.inletkeeper.org/pipelines.htm.

Cook Inlet Keeper is a citizen-based organization that combines advocacy, research, education and water quality monitoring to protect Alaska’s Cook Inlet watershed and the life it sustains.

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