

THE VANCOUVER SUN



This undated photo courtesy of NASA shows a sunset over the Arctic Ocean. Photograph by: Jeremy Harbeck, AFP/Getty Images

Obama sets sights on Arctic oil and gas exploration

By Randy Boswell, Canwest News Service

March 31, 2010—The much-anticipated but controversial transformation of the Arctic Ocean into a new global treasure house of oil and gas is a step closer with the U.S. government moving Wednesday to open that country's offshore areas — including the Beaufort Sea, subject of a boundary dispute with Canada — to more intensive petroleum development.

U.S. President Barack Obama has announced plans to end a moratorium on oil and gas drilling in almost all U.S. coastal waters, kick-starting what's expected to be a major push to exploit extensive undersea deposits north of Alaska — part of a total circumpolar resource that geologists say holds as much as one-quarter of the planet's untapped hydrocarbon reserves.

"This is not a decision that I've made lightly," Obama said during a speech at Andrews Air Force Base in Maryland, where he unveiled the plan.

"But the bottom line is this: Given our energy needs, in order to sustain economic growth, produce jobs and keep our businesses competitive, we're going to need to harness traditional sources of fuel even as we ramp up production of new sources of renewable, homegrown energy."

News of Washington's bid to secure new U.S. energy supplies from Arctic waters and elsewhere quickly drew fire from environmentalists and prompted Canadian polar experts to highlight the potential impacts in this country.

"The opening of large tracts of the Beaufort and Chukchi seas to oil and gas drilling increases the pressure on Canada and the United States to resolve their Arctic sovereignty disputes," University of British Columbia professor Michael Byers told Canwest News Service.

"At least 20,000 square kilometres of the Beaufort Sea is contested — and perhaps much more," he added.

"The push into Arctic oil and gas also creates pressure to resolve the long-standing dispute over the status of the Northwest Passage. With the Arctic sea ice receding, companies will wish to ship oil and liquefied natural gas through those waters to refineries and markets in the eastern United States."

Rob Huebert, a University of Calgary political scientist who specializes in Arctic development and security issues, agreed that Obama's announcement adds urgency to resolving the boundary issue and to preparing, generally, for greater activity in the Arctic.

The U.S. quest for energy self-sufficiency "will mean the development of northern sources in the Beaufort Sea," Huebert told Canwest News Service. "We need to either develop the means of having a comprehensive joint-management scheme that will protect our interests for any future developments, or we need to reach agreement on the border."

He added: "When oil is at stake, the U.S. always plays for keep. Our task is much easier if no one knows just how much oil there is."

The U.S. Center for Biological Diversity warned that the Obama plan — despite his pledge to maintain a moratorium on drilling in Alaska's fragile Bristol Bay, and subject further development proposals to scientific review — ultimately places Arctic ecosystems at risk.

"Today's plan would allow existing leases in the Chukchi and Beaufort seas to move forward while the remainder of these areas would be subject to additional leasing following further environmental studies," the group said in its response to the announcement. "Oil development in the Beaufort and Chukchi seas, home to all of America's polar bears, is strongly opposed by conservation groups, as no technologies exist to clean up oil spills in icy waters."