

# National Security and the Arctic National Wildlife Refuge



Drilling proponents would like you to believe that oil from the Arctic National Wildlife Refuge will reduce American dependence on foreign oil. In reality, the amount of oil that could potentially be extracted from the Refuge would have a negligible impact on our imports. We can make far greater steps towards energy independence by using existing technology and investing in renewable energy to eliminate our reliance on fossil fuels.

## Oil from the Arctic Refuge Cannot Provide Energy Independence

According to the 2004 Energy Information Administration report *Analysis of Oil and Gas Production in ANWR*:

The first oil from the Refuge would not become commercially available until 10 years after drilling is authorized.

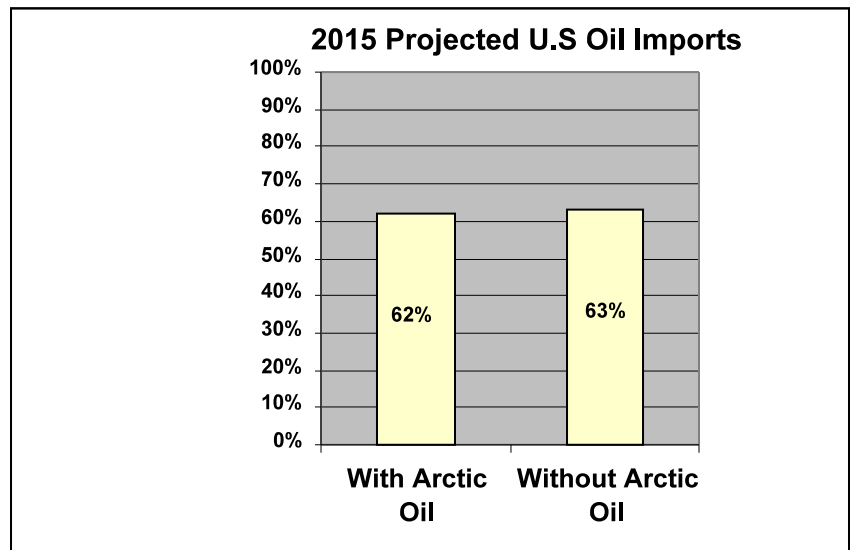
*In 2015, the additional oil from the Refuge would only reduce American imports 1%, from 63% to 62%.*

If the Refuge is developed for oil, peak production would not occur until 20 years after drilling is authorized

*In 2025, peak production of Arctic Refuge oil would only amount to 7/10 of 1 percent (0.7%) of global oil production.*

Even at peak production, oil from the Refuge would never meet more than 3% of US energy needs.

*In 2025, if oil from the Arctic Refuge is at peak production, it would only reduce projected oil imports from 70% of our total oil supply to 66%. Production would decrease every year thereafter.*



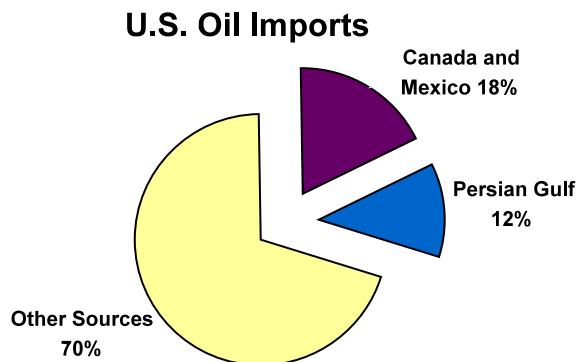
Drilling proponents have played on our fears of dependence on Middle East Oil to try and convince the public that America is in desperate need of even the limited amount of oil beneath the Arctic Refuge. We are not, however, as vulnerable as they would like us to believe. There already exist many safeguards to ensure that our energy supply is secure and that our nation's energy needs will be met even in times of crisis. These measures include the creation of the Strategic Petroleum Reserve, the diversification of our sources of oil imports, and improvements in the fuel efficiency of our vehicles.

**The Strategic Petroleum Reserve Exists for Emergency Needs**

The Strategic Petroleum Reserve (SPR) was created in 1975 to provide for our nation's oil needs in times of crisis or extreme supply disruption. This stockpile of crude oil has the capacity to hold 700 million barrels. Its current inventory is approximately 670 million barrels.

**Sources of US Oil Imports are Diverse and Predominately Outside the Middle East**

Contrary to the rhetoric, EIA reports that oil imports from the Middle East have been declining since 1977. Imports from all OPEC countries have dropped from 70.3% of total imports in 1977 to 42.2% in 2003. Imports from Canada, Mexico, the United Kingdom, Norway, and other American allies have increased since the 1970s. The nation currently imports oil from over 60 nations.



Non-Persian Gulf	Imports	% U.S
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Canada	2,116	10.32%
Mexico	1,645	8.02%
Venezuela	1,516	7.40%
Nigeria	1,127	5.50%
Algeria	437	2.13%
United Kingdom	360	1.80%
U.S. Virgin Islands	322	1.57%
Angola	317	1.55%
Russia		
Norway		
Other non-Persian Gulf	2,049	10.00%

*"Imports" are in thousands of barrels per day  
 "% U.S." is percent of daily U.S. consumption*

Persian Gulf	Imports	%U.S
<b>Saudi Arabia</b>	1,561	7.61%
<b>Iraq</b>	654	3.19%
<b>Kuwait</b>	253	1.23%
<b>Other Persian Gulf (Includes UAE and Qatar)</b>	20	0.10%
<b>Total Persian Gulf</b>	2,488	12.14%

**U.S. Imports for January-November 2004**

**We Cannot Drill Our Way to Energy Independence**

According to the EIA, the United States consumes roughly 25% of the world's oil, but has less than 3% of the world's proven oil reserves. We simply do not have the capacity for oil-reliant energy independence. The only way to solve our energy dilemma is to invest in conservation and renewable energy efforts. According to the Environmental Protection Agency, increasing fuel efficiency standards for new vehicles by a mere 3 miles per gallon would save more than 1 million barrels of oil per day. That is equal to high estimates of the Refuge's peak daily production.

**Oil Drilling in the Arctic Refuge Would NOT Impact Oil Prices**

Oil prices are set on the global market. Even at peak production, Arctic Refuge oil would only amount to a drop in the bucket (7/10 of 1 percent) of the world oil market, far too insignificant an amount to affect prices. EIA's 2004 *Analysis of Oil and Gas Production in ANWR* clarifies this point: "*Assuming that world oil markets continue to work as they do today, the Organization of Petroleum Exporting Countries could countermand any potential price impact of ANWR coastal pain production by reducing its exports by an equal amount.*"

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