
National Petroleum Council

*An Oil and Natural Gas Advisory Committee
to the Secretary of Energy*

Arctic Potential

*Realizing the Promise of U.S. Arctic
Oil and Gas Resources*

PESA Annual Meeting
April 8, 2016

National Petroleum Council (NPC)

Origins	Continuation of WW II government / industry cooperation
Purpose	Sole purpose of NPC is to advise U.S. Secretary of Energy and Executive Branch by conducting studies at their request
Organization	A federally chartered, self-funded Advisory Committee; not an advocacy group, does not lobby
Membership	Broad and balanced. Approximately 200 members from all segments of the oil and gas industries and many outside interests
Study Participants	Diverse interests and expertise relating to the topic being addressed
Study Reports	All NPC advice is provided in reports approved by its members and is available to the public. Reports can be viewed and downloaded at no cost from the NPC website – www.npc.org

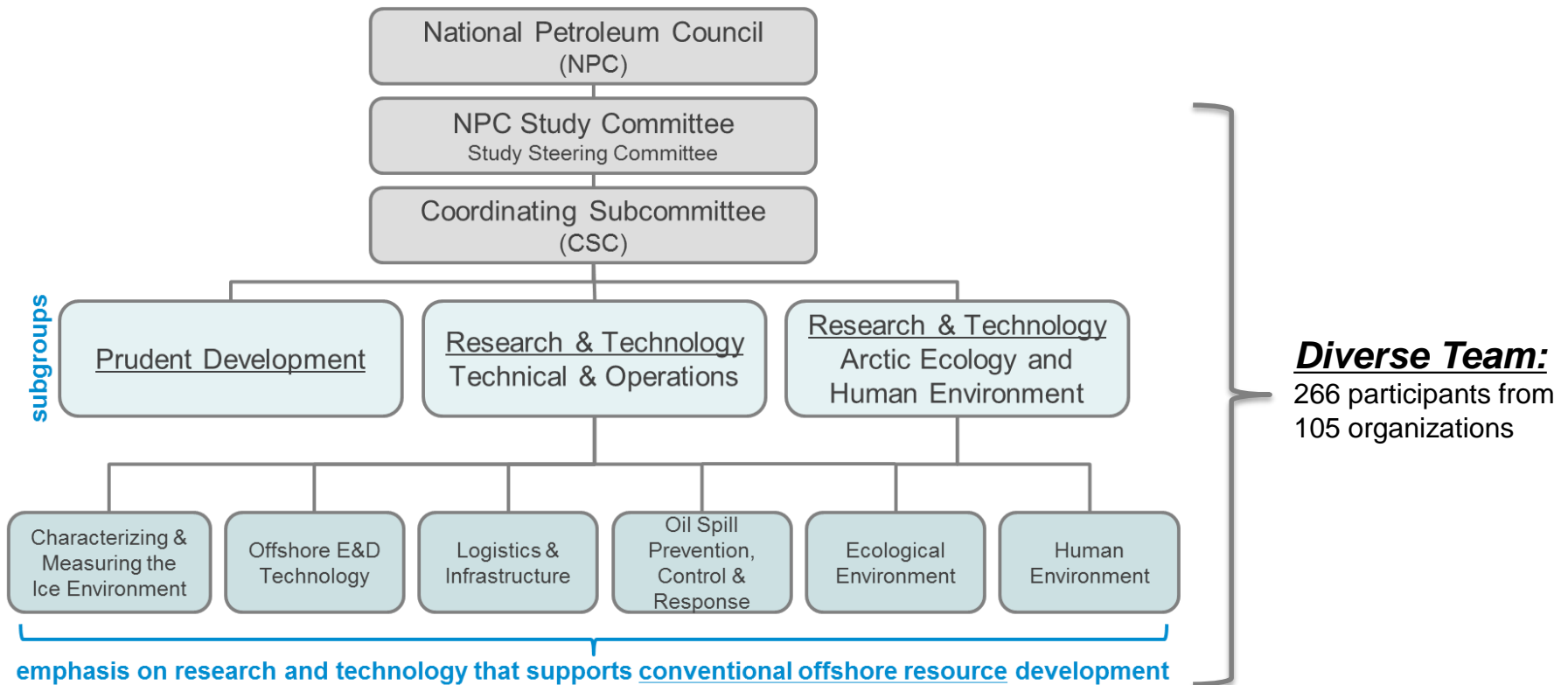
Over 200 Reports — Wide-Ranging Topics

- **Emergency Planning and Preparedness**
- **Energy Outlook**
- **Environmental Issues**
- **Natural Gas**
- **Refining**
- **Research**
- **Resource Development**
- **Storage**
- **Strategic Petroleum Reserve**
- **Transportation**

Arctic Study Request and Organization

In October 2013, the Secretary of Energy asked the NPC,

“What research should the Department of Energy pursue and what technology constraints must be addressed to ensure prudent development of Arctic oil and gas resources while advancing U.S. energy and economic security and ensuring environmental stewardship?”



Study Teams

Study Committee

- 30 team members: 18 industry, 9 non-industry, 3 government

Coordinating Subcommittee

- 23 team members: 8 industry, 9 non-industry, 6 government

Prudent Development Subgroup

- 47 team members from 20 different organizations

Technology & Operations Subgroup

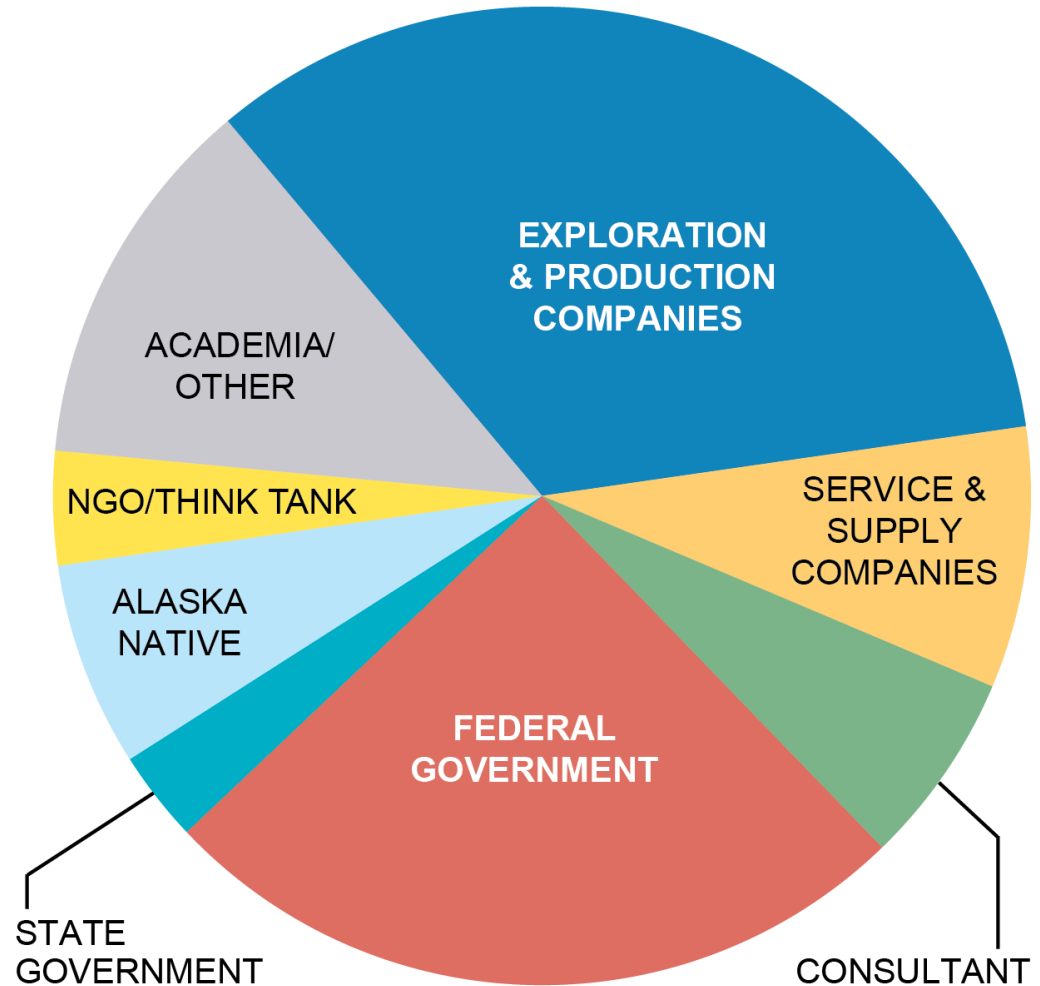
- 110 team members from 53 different organizations

Ecology & Human Environment Subgroup

- 22 team members from 14 different organizations

Federal & Alaska Technology Workshops

- 111 participants from industry, government, NGO, native, consultant, and academic organizations

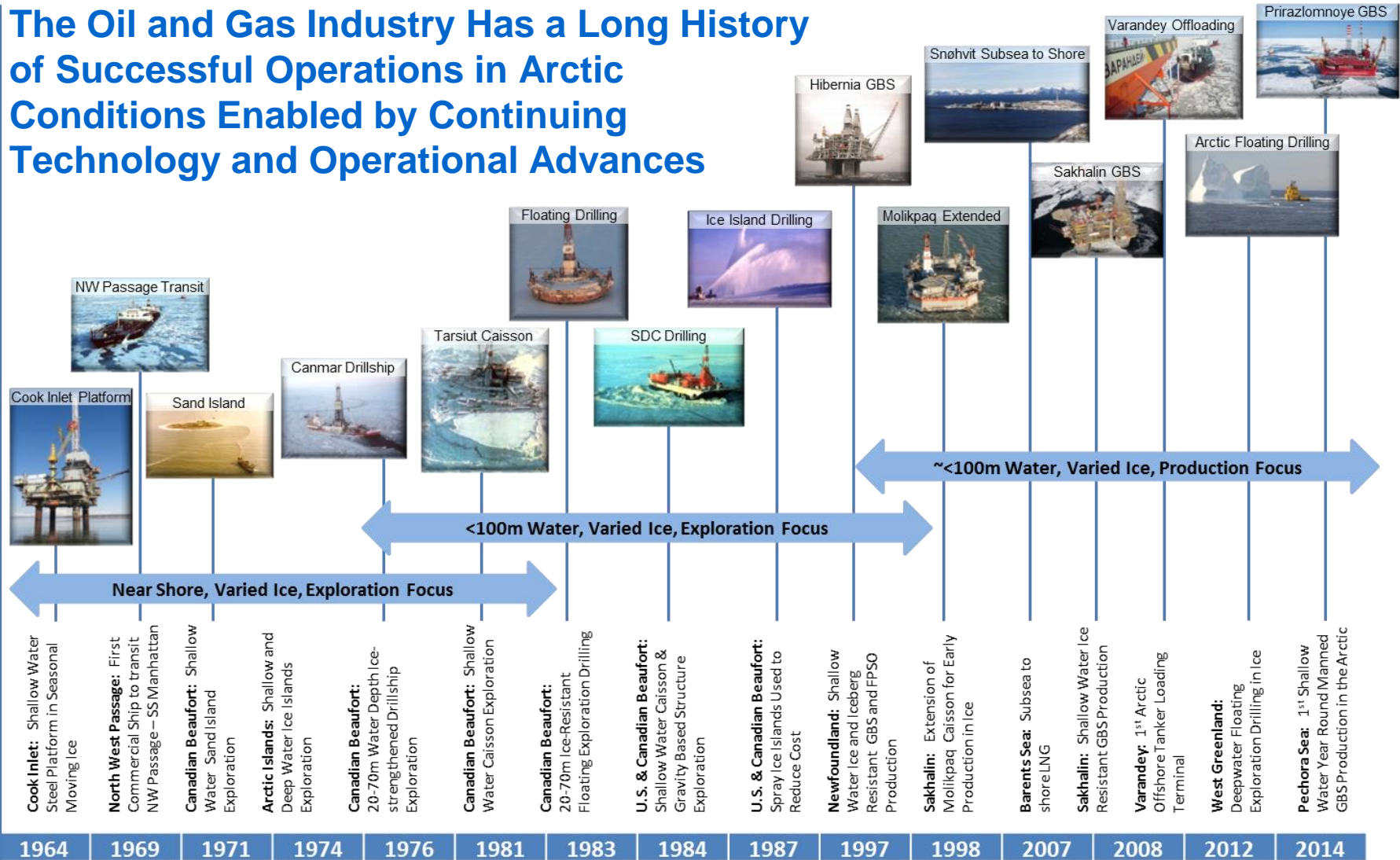


Key Findings

- 1. Arctic Oil and Gas Resources are Large and Can Contribute Significantly to Meeting Future U.S. and Global Energy Needs**
- 2. The Arctic Environment Poses Some Different Challenges Relative to Other Oil and Gas Production Areas, But is Generally Well Understood**
- 3. The Oil and Gas Industry Has a Long History of Successful Operations in Arctic Conditions Enabled by Continuing Technology and Operational Advances**
- 4. Most of the U.S. Arctic Offshore Conventional Oil & Gas Potential Can Be Developed Using Existing Field-Proven Technology**
- 5. The Economic Viability of U.S. Arctic Development is Challenged by Operating Conditions and the Need for Updated Regulations that Reflect Arctic Conditions**
- 6. Realizing the Promise of Arctic Oil and Gas Requires Securing Public Confidence**
- 7. There Have Been Substantial Recent Technology and Regulatory Advancements to Reduce the Potential for and Consequences of a Spill**

Long History, Enabled by Technology Advances

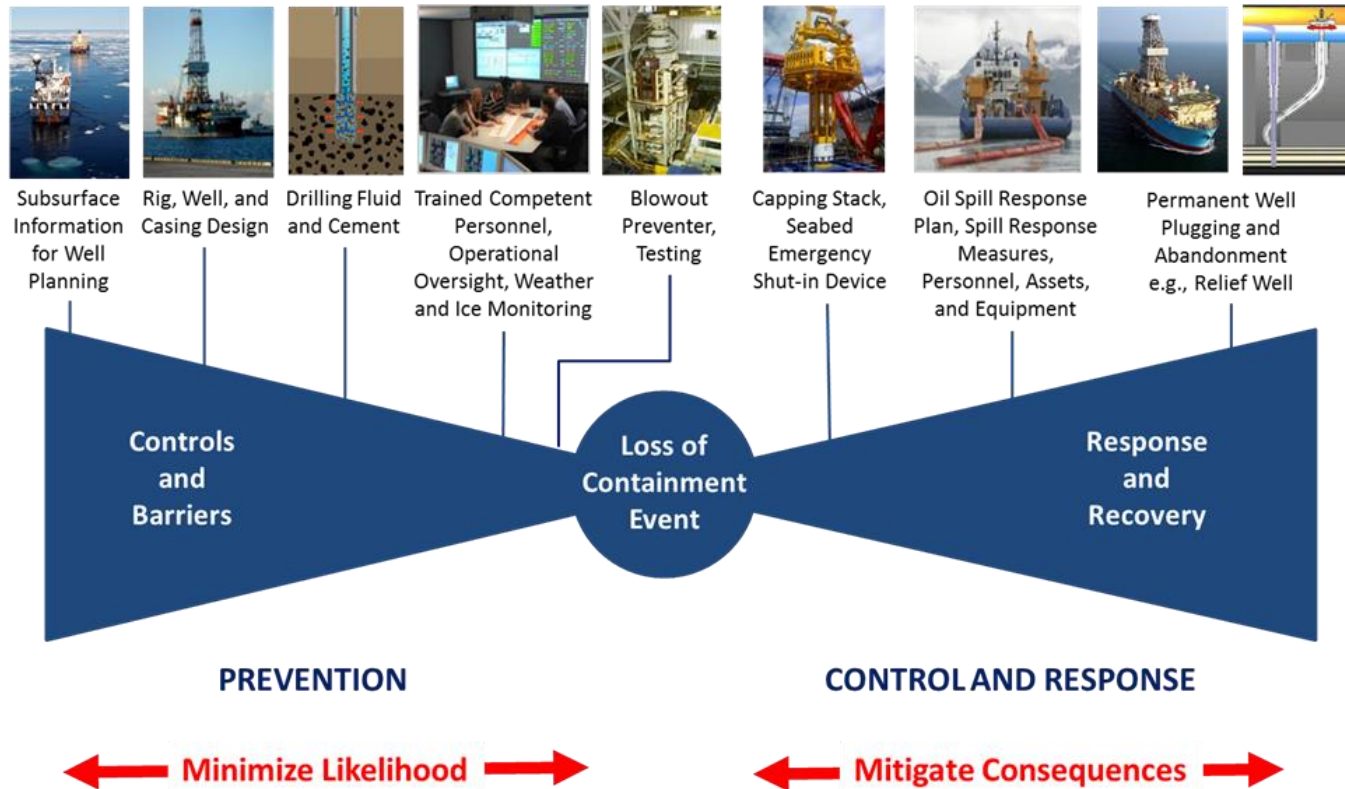
The Oil and Gas Industry Has a Long History of Successful Operations in Arctic Conditions Enabled by Continuing Technology and Operational Advances



Well Control Technology Improvements

There Have Been Substantial Recent Technology and Regulatory Advancements to Reduce the Risk and Consequences of a Spill

- The greatest reduction of environmental risk comes from preventing a spill
- Recently developed control and mitigation technologies should be assessed



Recommendations

Although the technology exists today to explore and develop the majority of U.S. offshore oil and gas potential, additional research opportunities are recommended to:

- Validate recently developed technology for use in the U.S. offshore
- Pursue technology extensions that could lead to improved safety, environmental, or cost performance

Policy and regulatory recommendations are also included where they enable the application of technology and best practices from other jurisdictions, that could improve safety, environmental, or cost performance

32 Recommendations in the Executive Summary

- 13 research, 3 regulatory, 16 leadership/policy
- Additional 60 research recommendations in the report

Recommendations grouped into themes: Environmental Stewardship; Economic Viability; Government Leadership and Policy Coordination

Report Availability

Digital Publications (pdf and eBook)

- Executive Summary
- Full Report
- Topic Papers

Media

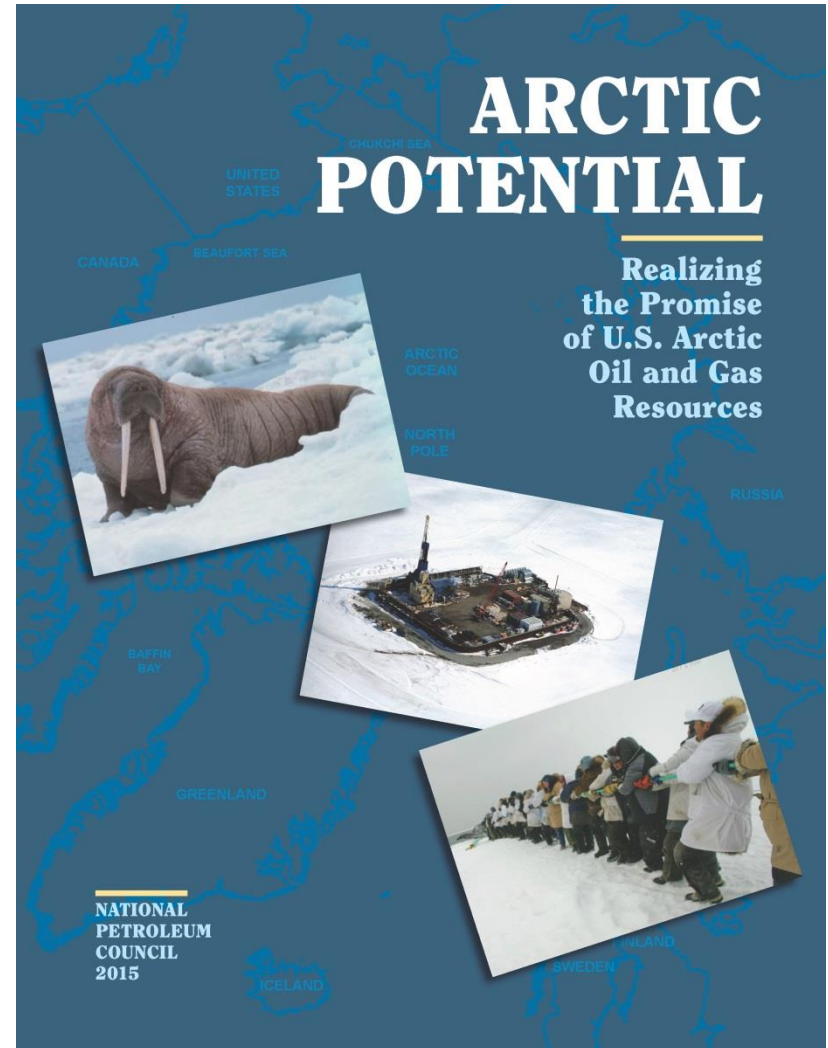
- Video – 5 minutes
- Council Meeting Webcast

Printed Report Publication

- Executive Summary
- Full Report

www.npc.org

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