

The North Slope Iñupiat & Oil and Gas Development on Their Ancestral Homelands

Aboriginal Land Claims in Alaska

The North Slope region of Alaska is area roughly the size of Minnesota and is one of the largest hydrocarbon provinces in the country, if not the world. The area is also the ancestral homelands and waters of the North Slope Iñupiat. A nomadic people who were eventually required to settle into eight permanent communities across the region – Point Hope, Point Lay, Wainwright, Atkasuk, Utqiagvik (also known as Barrow), Anaktuvuk Pass, Nuiqsut, and Kaktovik. None of the communities are connected by a permanent road system resulting in limited economic opportunities and a high cost of living where most supplies are either barged or flown in. While immersed in the modern world, millennia old cultural traditions still drive much of the day to day lives of the North Slope Iñupiat, including subsistence hunting and gathering on land and in the Arctic Ocean.



The North Slope region is roughly the size of Minnesota and encompasses eight villages. Communities are remote and not connected by a permanent road system.

The region also has an over fifty-year history with the oil and gas industry that began in the 1960s. In 1968 commercial quantities of oil were discovered at Prudhoe Bay, on lands recently conveyed to the State of Alaska. Two years prior to the discovery, in 1966 the US Secretary of the Interior, Stuart Udall put a halt to further land conveyances in Alaska until aboriginal land claims in the state were fully resolved. The discovery of oil at Prudhoe Bay put Alaska Native aboriginal land claims on a fast track as industry sought to develop the ancestral homelands of the North Slope Iñupiat.

To address the aboriginal land claims, the federal government chose to depart from the reservation system that was the norm in the contiguous United States and enacted federal legislation rooted in private land ownership and Alaska Native economic self-determination

through operation of for-profit corporations. The Alaska Native Claims Settlement Act of 1971 (ANCSA), was enacted legislation to resolve the long held aboriginal land claims in the state.

ANCSA extinguished aboriginal land title, divided the state into twelve distinct regions, created twelve Alaska Native regional corporations and over 200 Alaska Native village corporations. It directed people with at least a one-quarter Alaska Native blood quantum to enroll into their respective corporation. It also conveyed around ten percent of lands across the state to the newly created corporations and compensated those corporations for lands lost in the settlement.

The North Slope region was the only region to oppose the enactment of ANCSA because its early leaders did not believe ANCSA was a fair and just land settlement. While their opposition to the settlement could have been the continuation of opposition to the federal government and industry for decades to come, the region's early leaders recognized the need to move forward to meet the needs of their people.

North Slope Regional Entities Created Directly or Indirectly as a Result of ANCSA

In August of 1971, a federally recognized regional tribe was formed to represent the eight communities in the region, the Iñupiat Community of the Arctic Slope (ICAS). As a federally recognized tribe, ICAS holds a government-to-government relationship with the federal government. Unlike tribes in the contiguous United States, ICAS is landless.

On June 22, 1972, mandated by ANCSA, Arctic Slope Regional Corporation (ASRC) was formed in Utqiagvik as the Alaska Native regional corporation to represent the business interests of the North Slope Iñupiat. ASRC quickly got to work enrolling its roughly 3,800 original shareholders with ties to the eight communities in the region, selecting roughly five million acres of surface and subsurface estate across the region (as directed in ANCSA), and starting its first lines of business to build a successful for-profit corporation on behalf of its Alaska Native shareholders.

In conjunction with the formation of ASRC, the region's leaders petitioned the State of Alaska to create the North Slope Borough (Borough or NSB), a first-class home-rule government to represent the eight communities in the region. The State of Alaska and industry opposed the creation of the Borough and challenged its formation in court. The case made it to the Alaska Supreme Court where the North Slope Iñupiat prevailed. On July 2, 1972, the North Slope Borough was officially incorporated.

Through the creation of the Borough, the region can capture a local revenue stream through tax receipts on property infrastructure; over 90% of tax receipts come from infrastructure related to the oil and gas industry. The revenues collected are used to provide services to the communities and residents, including local police and fire protection, public health support, local search and rescue operations, city maintenance, education, wildlife

management, zoning and permitting among other services. Across most of rural Alaska these types of services are paid for by the State or Federal governments.

As the North Slope's Alaska Native regional corporation, regional federally recognized tribe, and the regional home rule government, ASRC, ICAS, and the NSB are commonly referred to as the North Slope regional trilateral. The three organizations often work together to collectively serve and advocate for their overlapping communities and constituencies.

Relationship with Industry and Onshore Development

While the beginning of the region's relationship with industry was fraught with disagreement, eventually, the regional entities and industry came to the table to find ways to work together. The region's elected leadership recognized the need to have the North Slope Iñupiat perspectives included as onshore projects moved forward to ensure protection of subsistence resources, culturally important sites, and the sustainability of their communities. Industry realized a productive relationship with the region's elected leadership would result in more durable projects. Through the regional trilateral, the region has built effective partnerships with industry over the last five decades that continues to enhance the lives of the North Slope Iñupiat while strengthening the durability of projects in the region.

Onshore Development & Outcomes for North Slope Communities: Economy, Community, Culture

Onshore development has brought economic opportunities to the North Slope, which in turn has strengthened local communities and enhanced Iñupiaq culture.

Economy, community, and culture cannot be separated. Despite federal and state laws that fragment the political and legal entities that represent the North Slope Iñupiat, the three remain indivisible from the collective, shared Iñupiaq culture. Without economy communities are not sustainable and without a strong, stable community, the Iñupiaq begin to lose their culture.

Local Revenue Generation: Increased local control has empowered Iñupiaq institutions to manage their own affairs, strengthen their local economies and communities, and allow for the continued practice of their cultural traditions. Revenues the NSB receives through its taxation of property infrastructure, including those that support the oil and gas industry provide a local revenue source. This revenue source enables the NSB to build and maintain community infrastructure and provide services such as public utilities including water and sewer, road maintenance, education, local health clinics, local search and rescue operations, wildlife management of subsistence resources, among other things.

Table 1
North Slope Borough Revenue Summary FY 24-25¹

Revenue Type Summary	FY21-22 Actual	FY22-23 Actual	FY23-24 Budget	FY24-25 Projected
Property Tax and Debt Service	393,937,604	404,234,182	387,510,000	407,334,000
Total Federal Intergovernmental	1,358,658	1,589,298	1,331,485	1,589,298
Total State Intergovernmental	2,009,416	2,111,496	1,795,831	1,902,551
Total Other Governmental	-	-	-	-
Total Charges for Services	9,051,286	10,582,293	10,790,521	8,980,264
Investment Income	3,538,289	17,865,699	3,000,000	4,000,000
Other Revenue	9,888,940	-	-	-
Operating Transfers	-	-	-	40,070,553
TOTAL GENERAL FUND REVENUE	419,784,193	436,382,968	\$404,427,837	\$463,876,666

Investment in Community Infrastructure & Services: The NSB’s ability to invest in public infrastructure and services like local road maintenance, water and sewer, local police and fire protection, village health clinics results in stronger communities. In one of the most remote areas in the country where attracting public and private investment remains incredibly difficult, the need for revenue for local investment is essential.

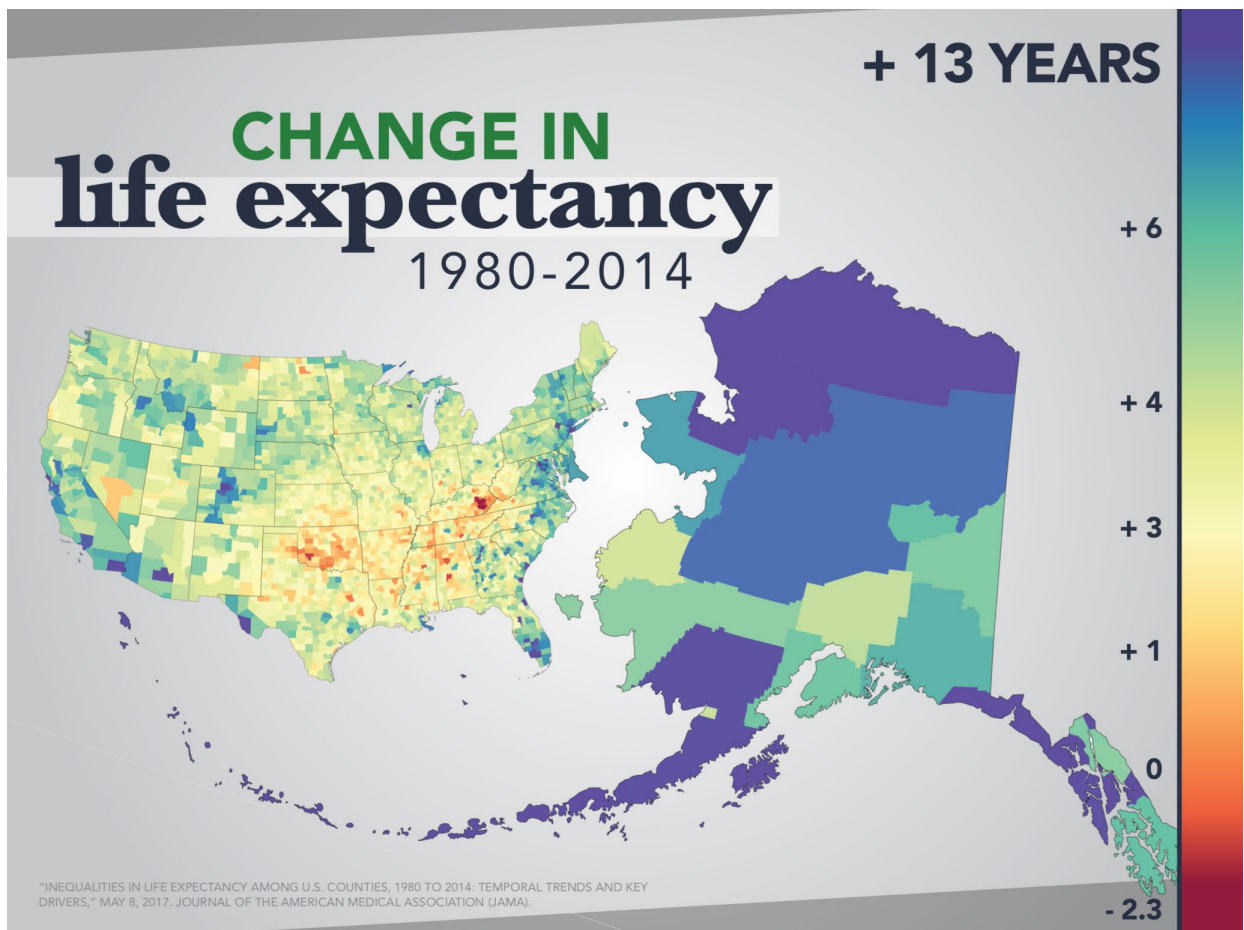
For example, in a community of 200 residents, a new water and sewer system for the community costs approximately \$92 million. The NSB makes the lion’s share of the investment in its communities, not the State or Federal governments, and is only possible through its local revenue generation. If the NSB didn’t have a tax base, it would be looking to the State or Federal governments for significant investment in its eight communities. As a comparison, there are still over 30 communities in Alaska without water and sewer infrastructure.

Job Creation & Workforce Development: Not only are jobs created directly by the oil and gas industry, but there are also many indirect jobs created in the eight communities through the services the NSB is able to provide through its local revenue generation. Residents are employed directly by industry to support operations on the North Slope, and indirectly through utility maintenance, education facilitation, scientific data gathering and research, planning and zoning, and more. More employment opportunities lead to a stronger workforce, increased incomes, and a stronger local economy.

Health & Cultural Outcomes: The ability by the NSB to invest in its own water and sewer infrastructure and local health clinics has not only created jobs but also has led to better health outcomes for residents of the North Slope region. According to a study released in 2017 by the Journal of the America Medicine Association (JAMA) the life expectancy of residents of the North Slope of Alaska increased by roughly 13 years between 1980 and 2014.² The highest increase in the nation.

¹ Table 1: North Slope Borough, Budget 2024-2025: <https://www.north-slope.org/wp-content/uploads/2024/06/Section-A-Expenditure-Revenue-Summary-FY24-25-1.pdf>

² “Inequalities in Life Expectancy Among U.S. Counties, 1980-2014: Temporal Trends and Key Drivers,” May 8, 2017. Journal of The American Medical Association (JAMA).



Source: Journal of the American Medical Association (JAMA) ¹ "Inequalities in Life Expectancy Among U.S. Counties, 1980-2014: Temporal Trends and Key Drivers," May 8, 2017. Journal of The American Medical Association (JAMA).

Utqiagvik is home to the only Tribal College in Alaska, which further cements local opportunities for residents pursuing higher education or technical certification. Local opportunity grows stronger roots in a community. With those roots firmly in place, North Slope Iñupiat are able to participate in millennia old cultural traditions that remain a part of their identity even in the modern world.

Development of Alaska Native Lands Benefits All Alaska: Through ANCSA, ASRC and village corporations on the North Slope receive royalties from development on their ANCSA lands. There are also local business opportunities made available through partnership with industry that operate in the region.

The revenue sharing provisions in ANCSA require that 70% of revenues derived from certain development activities on ANCSA lands must be shared with the other Alaska Native regional corporations while the corporation that develops its lands keeps 30% of those revenues. Further, 50% of the revenues shared with the other Alaska Native regional corporations must be distributed to the village corporations within that region. This means that development on ASRC lands brings economic benefit to the Alaska Native communities across the state.

To date, ASRC has developed less than two percent of its five million acres of land. Despite that small amount of land, ASRC has distributed more than \$1.8 billion to other Alaska Native corporations across the state since first oil on ASRC lands in 2000.

Environmental and Subsistence Outcomes: The NSB developed regulatory roles and oversight to mitigate impacts, including baseline studies and impact assessments. Through planning and permitting processes, thoughtful land use regulations are community-driven and allow the NSB to ensure that development aligns with local priorities, creates jobs, and supports long-term infrastructure investment.

NSB has also incorporated protections for subsistence resources into its development review process. The Borough's permitting system requires thorough environmental and cultural impact assessments, including consultation with local communities. This minimizes disruptions to critical hunting grounds and areas of cultural significance. These measures safeguard food security and help maintain their subsistence way of life.

Further, the region has continually advocated for project construction to benefit subsistence practices including the migration of the land mammals the North Slope Iñupiat depend on. Significant knowledge has been gained since the start of Prudhoe Bay development that influences the design and construction of pipeline and infrastructure. Pipeline heights of at least seven feet allow for caribou herds to pass underneath the pipeline. Anti-reflective pipeline coatings, pipeline and road separations, as well as traffic calming measures are incorporated into projects to limit disruptions to migrations.

In furtherance of support to subsistence practices, industry roads are often opened for subsistence use and include, subsistence ramps and truck pullouts, as well as river boat launches. Providing these enhancements to project infrastructure creates opportunities for the North Slope Iñupiat to practice their subsistence activities.

Through the continued engagement, collaboration, and communication from industry with the region's leadership, development of onshore resources has strong and unified backing from the North Slope's elected leadership. The support was not won overnight, instead it was decades of work that still requires constant engagement in and fostering of those relationships to endure.

The fact that the perspectives of the North Slope Iñupiat are taken into account as onshore projects on their ancestral homelands move forward is a result of continued investment in relationships. As a result, the region is positive example of indigenous self-determination through productive, collaborative, and cooperative relationship with industry.

History of Opposition to Offshore Development in the Arctic Outer Continental Shelf (OCS)

Unlike onshore development, offshore development in the Arctic OCS including the Beaufort and Chukchi Seas has historically been opposed by the North Slope Iñupiat. This opposition is not a principled opposition, instead it is a practical opposition rooted in the realities of the environmental landscape and the lack of broader infrastructure and investment in safety mechanisms needed to effectively support offshore development. The environmental realities and the lack of safety investments to support offshore also weigh heavily on the North Slope Iñupiat and their reliance on the marine mammals that support their sustenance and cultural livelihood.

For thousands of years, the North Slope Iñupiat have hunted walrus, seals, and whales from the Arctic Ocean. Even with full participation in today's modern world, they continue to engage in the important subsistence activities that define them as a people.

In his first term, President Trump was instrumental in advocating for the continued subsistence bowhead whaling rights of the North Slope Iñupiat. The International Whaling Commissions (IWC) governs both commercial and subsistence whaling practices across the globe. Alaska Native subsistence whalers participate at the IWC with the support of the U.S. Government and the Alaska Eskimo Whaling Commission (AEWC). In the initial agreement between the IWC and the AEWC the subsistence hunting quota had to be renewed every two years. President Trump and Senator Dan Sullivan (R-AK) were fierce advocates for the North Slope Iñupiat whalers and able to secure through the IWC a six-year quota renewal instead of two.

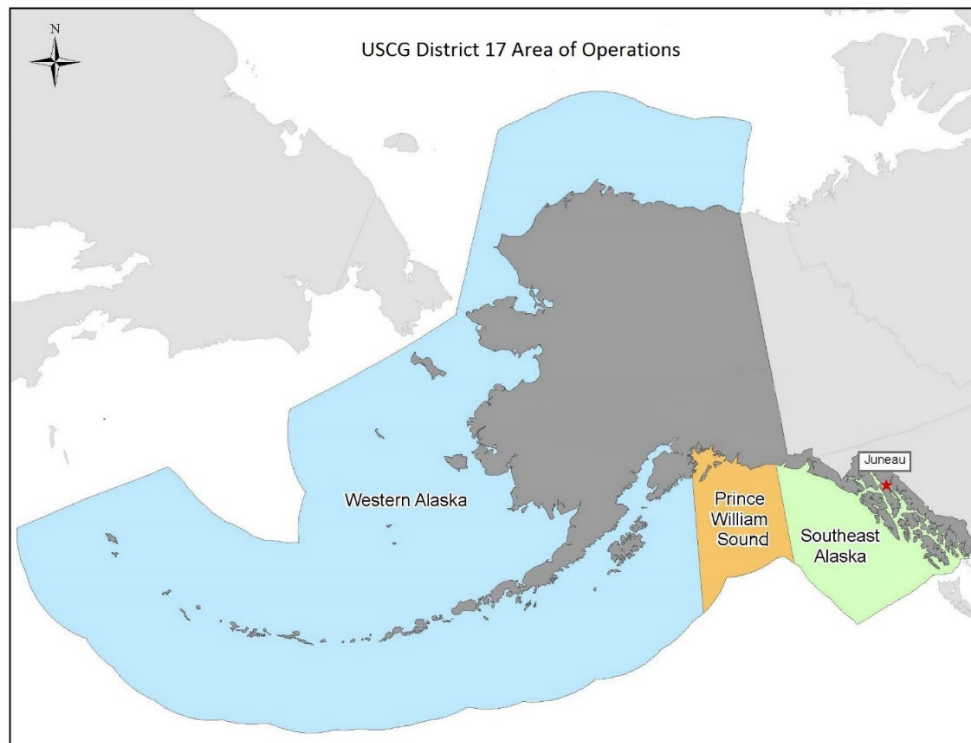
Why Offshore Development is Different — and Why the North Slope Iñupiat Oppose It

Offshore development in the Beaufort and Chukchi Seas and High Arctic planning areas, present distinct risks; risks that are not present onshore.

Strong & Unpredictable Currents in Arctic Ocean: The Chukchi and Beaufort Seas meet above Point Barrow creating strong and unpredictable ocean currents. Couple the strong currents with the ice pack and the power of the ocean is on full display. As an example, a subsea floor fiber cable that delivered high speed internet connectivity to the region has been severed by ice scouring events (when two ice sheets meet, and one is pushed below the other – like tectonic plates) two times in the past year and a half. Modeling by the company responsible for the cable predicted that if the cable were buried below the seabed, it would be protected from ice scouring events. The most recent scour dug into the seabed in roughly 90 feet of water. These events led to widespread loss of telecommunications across the region, including landlines, cellphones, and internet and proved the strength of the currents in the Arctic Ocean off the coast of Northern Alaska.

Lack of Nearby Infrastructure for Disaster Response: The United State Coast Guard (USCG) District 17 Area of Operations covers the coast along Alaska – including over three million

square miles and over 47,000 miles of shoreline throughout Alaska and the Arctic.³ Sector Western Alaska and U.S. Arctic of District 17 is the largest sector USCG is responsible for in terms of geographic area.⁴



Source: United State Coast Guard – Pacific Area, <https://www.pacificarea.uscg.mil/Our-Organization/District-17/>

The nearest Coast Guard bases to the North Slope communities are in Dutch Harbor and Kodiak meaning the nearest significant form of support in the event of a major disaster is hundreds of miles away.

Leasing History in the Arctic OCS Reveals Limited Industry Interest and Viability: According to the Bureau of Ocean Energy Management (BOEM) 2019-2024 National Outer Continental Shelf Oil and Gas Leasing Draft Proposed Program published in January 2018, highlighted the lack of industry in the Arctic OCS.⁵

In the Beaufort Sea, ten lease sales have been held since 1979, with waning interest over time. In 2014, BOEM's Call for Information and Nominations received only one nomination, signaling weak competitiveness. In 2015, the Department of the Interior cancelled Lease Sale 242 due to lack of industry interest and unfavorable market conditions. Most existing leases have been relinquished or expired. Of the 42 leases active in 2016, only one remained

³ <https://www.pacificarea.uscg.mil/Our-Organization/District-17/>

⁴ <https://www.pacificarea.uscg.mil/Our-Organization/District-17/>

⁵ <https://www.boem.gov/sites/default/files/oil-and-gas-energy-program/Leasing/Five-Year-Program/2019-2024/DPP/NP-Draft-Proposed-Program-2019-2024.pdf>

by the end of 2020. Thirty-four exploratory wells have been drilled over decades, yet the last two (2012, 2015) were plugged and abandoned.⁶

According to the same report, in the Chukchi Sea, only three lease sales have been held since 1988. Five early wells were drilled by 1992, and all were plugged and abandoned. Most recently, Lease Sale 193 in 2008 raised over \$2.6 billion, but almost all leases were later relinquished.⁷ In 2015, Shell drilled a single well but deemed the find insufficient. Shell withdrew from the Arctic "for the foreseeable future," followed by Statoil, citing poor competitiveness. In 2013, no nominations were submitted for the proposed Lease Sale 237. That sale was cancelled in 2015 due to lack of interest and market uncertainty.

Despite large resource estimates, leasing has yielded no commercial production and minimal exploration success, while costing billions and threatening high-risk environments. Industry has clearly signaled that Arctic offshore drilling is not economically viable.

Subsistence Threats: The North Slope Iñupiat also have historically opposed offshore development in the Beaufort and Chukchi Seas of the Arctic Ocean because their culture is intimately tied to the Arctic Ocean and relies on marine mammals for sustenance and the preservation and continuation of our cultural traditions.

A Region Grounded in Self-Determination

For over 50 years, the North Slope Iñupiat have demonstrated that economic progress, cultural integrity, and community resilience are not mutually exclusive. The North Slope region has locally funded education, emergency services, and infrastructure because the entities that represent the North Slope Iñupiat took control of their future.

ASRC, ICAS, and the NSB will continue to advocate for responsible development that aligns with their values, provides for their people, and protects what cannot be replaced: their land, their waters, and their way of life.

Offshore leasing in the Arctic OCS is a step backward. It risks irreparable harm without delivering meaningful benefits to the country, the State of Alaska, or the North Slope region. Oil and gas leasing in the Beaufort and Chukchi Seas poses unacceptable risks, while offering little economic benefit or industry interest. Decades of leasing history in Arctic OCS have shown a consistent pattern: few successful discoveries, widespread lease relinquishment, and repeated withdrawal of areas from leasing. As the United States moves toward an energy dominance future, it must reject new leasing in the Arctic Ocean and focus its efforts on onshore development on the North Slope.

⁶2019-2024 National Outer Continental Shelf Oil and Gas Leasing Draft Proposed Program Chapter 4 Background, Leasing History, and Status of OCS Planning Areas <https://www.boem.gov/sites/default/files/oil-and-gas-energy-program/Leasing/Five-Year-Program/2019-2024/DPP/NP-Draft-Proposed-Program-2019-2024.pdf>

⁷ 2019-2024 National Outer Continental Shelf Oil and Gas Leasing Draft Proposed Program Chapter 4 Background, Leasing History, and Status of OCS Planning Areas <https://www.boem.gov/sites/default/files/oil-and-gas-energy-program/Leasing/Five-Year-Program/2019-2024/DPP/NP-Draft-Proposed-Program-2019-2024.pdf>