



Alaska

The Benefits of U.S. Offshore Oil and Natural Gas Development in Alaska

Alaska is projected to see an increase in spending, employment and contributions to its economy if Alaska OCS oil and natural gas resources are developed. Alaska could see annual spending of over **\$800 million** due to offshore Alaska oil and natural gas exploration and development activity through significant private investment related to oil and natural gas development activities.

Employment

Employment in Alaska due to offshore development could amount to nearly **7,200 jobs** annually. Direct employment due to offshore oil and natural gas exploration and production could reach over 3,300 jobs, with indirect and induced employment of nearly 3,900 jobs projected annually in the 20-year period following the initial lease sale.

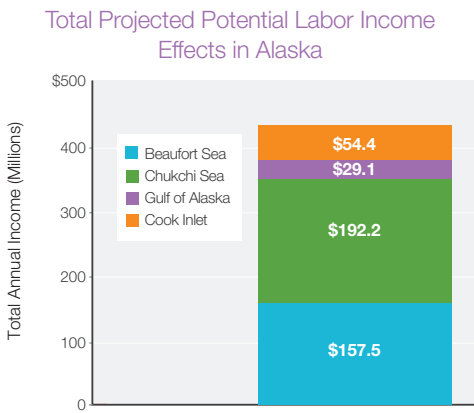
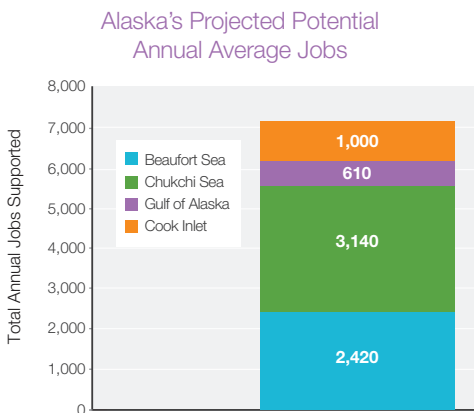
Benefits for Alaska's Economy

Total projected direct industry spending due to Alaska OCS oil and natural gas exploration and development activities could amount to more than **\$21.6 billion** throughout the study period.

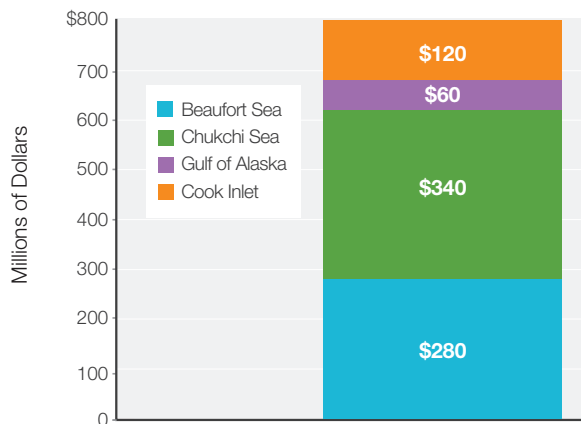
Additionally if the Gulf of Mexico state/federal revenue sharing arrangement is enacted for the Alaska OCS areas, Alaska could see a 37.5% share of the bonuses, rents and royalties generated which are projected to reach \$2.65 billion in total revenue generated for local and state governments of Alaska.

Alaskan OCS Development Bolsters AK's Annual Income

Projected total annual average labor income associated with the direct, indirect, and induced jobs could reach over **\$433 million** in Alaska. Given the remote location, lack of infrastructure, and the need for a sizable discovery to economically justify the investments in the area, the areas for these projects would require more manpower and equipment to support the exploration and development activities.



Projected Potential Annual Industry Expenditures on Petroleum Development



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