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After great deliberation and reflection, I have determined that it is in the national interest of the United States to grant a right-of-way for the Trans -Alaska Pipeline which will transport crude petroleum from State lands in northern Alaska to the south coast port of Valdez.

This is a decision that required and has received a very careful consideration of this Nation's interest in protecting the human environment and our interest in maintaining a secure and adequate supply of a. vitally needed energy resource. Development of the Prudhoe Bay oil discovery and the transportation of that oil for use in the "lower 48" states will involve some environmental costs and some environmental risk regardless of how the oil is transported and over what route. On the other hand, the United States vitally needs the Prudhoe Bay oil and we need this delivered to our West Coast as promptly and as safely as possible. In reaching my decision, I have had the benefit of the most comprehensive environment mental impact statement ever prepared, as well as numerous studies and analyses and comments of many thoughtful people both within and without government concerning the environmental, economic, national security and other issues involved. I am convinced that the decision is consistent with the policies set by the Congress in the National Environmental Policy Act of 1969, which this Department and I, personally, are deeply committed to carry out.

Because this issue involves the balancing of complex considerations that this Nation will face again and again, I inquired deeply into many questions including the following:

1. Is it ill the national interest, including the regional interests of the people of Alaska, that the oil on the North Slope of Alaska be developed and transported to the "lower481 'states?
2. Which of several alternative routes described in our final impact statement are economically feasible and environmentally acceptable?
3. What are the relative environmental costs of the proposed combined Trans-Alaskan pipeline tanker system and a possible Trans-Alaska-Canada pipeline?
4. What route would make the most beneficial contribution to national energy requirements?
5. Can the suggested Trans-Alaska-Canada pipeline be translated into an action plan within a time frame, funding structure, and a delivery capacity for U.S. oil that would be compatible with United States National Interest?

Each of these questions requires a thoughtful analysis. My careful review of these issues has led me, with firm conviction, to the following conclusions:

National interest in Alaska North Slope

Our best estimate is that U.S. demand for oil by the year 1980 will range between20 and 25 million barrels per day and that without North Slope oil domestic production would be as low as9 to 12 million barrels per day, leaving a potential deficit of many millions of barrels per day. These figures take into account the reasonable prospects of developing other sources of energy.

In addition to the national interest served by developing domestic energy resource, delivery of the

North Slope reserves to the " lower 48" through Alaska will be beneficial to the economic development of the State and is favored by a large majority of Alaskans.

Therefore, I conclude that we should now proceed with development of the Alaska North Slope resources.

Alternative Routes:

Of the several alternative routes described in the final environmental impact statement, I have given most serious consideration to two-- the Prudhoe Bay. Valdez route passing near Fairbanks, and the much longer Trans –Alaska Canada route along the Mackenzie River to Edmonton. Routes requiring tankers via the Northwest Passage, the Beaufort Sea or the Bering Sea are not technologically feasible at this time. Both land routes would require a right of-way permit over Alaska terrain.

Effect on National Energy Requirements:

Completion of the Trans-Alaska line would require at least three years from date of approval, thereby permitting the delivery of oil by about 1976. According to best estimates. The, Trans "Canada line would involve at least 3 to 5 years additional time for completion. The potential deficit in domestic supply to meet the United States oil requirements will become more critical as this decade progresses. (Under present circumstances, it is clear that imports from the eastern hemisphere would be the principal offset for that deficit. In addition to my own conclusions appropriate officials of the United States. Government have advised me that it is in the interest of national security, balance of payments, and reliability of energy supply to achieve early delivery of North Slope oil to reduce our dependence on such imports.

The Pacific Coast Region in 1975 will have a projected crude oil deficit, exclusive of Canadian and Alaskan sources of more than one million barrels per day. This deficit by 1980 is projected to increase to 2 million barrels per day and still greater in subsequent years.

Alaska North Slope Crude via Valdez will offset the need for foreign oil and will increase the U.S. tanker fleet operating on the high seas. In the first few years of operation of the proposed trans-Alaska pipeline the flow is expected to reach about one million barrels daily. Its capacity of 1.6 to 2 million barrels daily is not expected until 1980 or later. Alaska North Slope oil, therefore, will be a timely contribution to the needs of the West Coast-- a region that does not have the diversity and flexibility of supply available to the Midwest.

The Trans-Alaska-Canada Alternative:

Several factors make a bilateral arrangement for such an oil pipeline impractical at this time. These are:

1. U. S. requirement for the entire capacity of any oil pipeline;
2. Uncertainty and delay in arranging for financing of a Trans-Canada oil pipeline;
3. Delay of project pending the completion of environmental, engineering, and construction studies for a Canadian route.

I am convinced that it is our best national interest to avoid all further delays and uncertainties in planning the development of Alaska North Slope oil reserves by having a secure pipeline located under the total jurisdiction and for the exclusive use of the United States.

Conclusions:

I am proud of the way in which the Department of the Interior has responded to the letter and spirit of the National Environmental Policy Act of 1969. Recognizing the need to protect the Alaskan environment, we have developed the strictest environmental regulations to control design and construction of the biggest non-Government project in history. These regulations will be strictly enforced. Surveillance and continual inspection will rigorously monitor design, construction, quality control testing, operation, and maintenance throughout the life of the pipeline. This will require the help of other Federal agencies such as the Department of Transportation, the Corps of Engineers, the Department of Commerce and the Environmental Protection Agency - - all of whom have agreed to assist in exercising our Federal responsibility.

To those people in the. United States who for honorable reasons differ with this decision let me say that my final decision-was reached after months of deliberation and with consideration of the views that have been expressed from all sides. On balance, l am confident that my decision now in favor of a Trans-Alaska pipeline is in the best interests of the Nation and the American people.