



Opening Statement
Full Committee Hearing on Alaska Infrastructure Needs
Chairman Lisa Murkowski
March 30, 2017

Good afternoon, everyone. The Committee will come to order. I am pleased to welcome a great panel of Alaskans on today's sesquicentennial as we commemorate 150 years since the date that Russia transferred to the United States the amazing place we call home.

This is the fourth in our ongoing series of hearings. Over the past few weeks, our committee has focused on the infrastructure needed for our electric grid, mineral development, federal land maintenance backlogs, western water supplies, and many other challenges within our jurisdiction.

But today we are here to examine infrastructure through the lens of Alaska, to help mark a special date in our history.

The United States had many reasons to buy Russia's territory in America. Our fisheries, our strategic location, our mountains, our scenic vistas, and our sprawling landmass, at one-fifth of the United States, are a few of them. But one of the best returns that Alaska continues to provide for all of America is through our natural resource production.

We have tremendous stores of all types of energy. Alaska has now produced nearly 19 billion barrels of oil, and we have at least twice that left untapped. We have tremendous reserves of natural gas, some 255 trillion cubic feet, just waiting to be brought to market. And we have vast amounts of coal, methane hydrates, and unconventional resources, as well.

Renewable energy is another hallmark of Alaska. We have hydropower, wind, solar, geothermal, ocean energy, biomass, and every other renewable resource you can think of. Many of our communities, especially in our remote areas, are developing hybrid microgrids that integrate these local resources to help them move away from expensive diesel generation. And they are pioneering in these areas and it is good to be a leader and have that be recognized.

Alaska has also been the site of many mineral rushes over the years—in Juneau, in the Klondike, in Nome, and in Fairbanks—and again, there is plenty more where that came from. Today Alaska continues to have a world-class mineral base, ranging from gold, silver, copper, and zinc

to rare earth elements, graphite, and platinum group metals—all of which serve as the building blocks of our nation’s manufacturing sector.

Finally, I often describe myself as a ‘child of the Tongass’ – a reference to our nation’s largest national forest, in the Southeast panhandle of our state. It’s nearly 17 million acres, or more than three times the size of Massachusetts. And when you think about our extraordinary timber potential, which is greater than any other state in our nation—yet a shell of its former self, right now.

I bring all of this up not to recite a litany, but to demonstrate that Alaska was always a resource producing state. That was the promise we received at statehood and many times since then. Responsible resource production was how we would become a steady member of our Union, how we would build our economy, and how we would sustain ourselves across generations.

In recent years, access to federal lands and waters has become an issue that threatens our future. We have endured years of seeing our lands and waters—our best opportunities for economic development—systematically locked down. But I think that we have an opportunity in this new administration. Even in the depths of an economic recession that we are clearly seeing now and it’s a recession with a capital ‘R’--we look at this fiscal crisis, but I think we have good reason to be optimistic.

Alaska is truly an all-of-the-above resource state. We were a true bargain for the country at roughly two cents an acre when that deal was inked 150 years ago. But it is also critical to remember that we are still a young state. We have very little infrastructure, of any kind, especially compared to older states. And we know that new infrastructure is one of the best ways to address our major challenges, including rural energy costs.

So I look forward to hearing from our witnesses about the opportunities we have to produce more of Alaska’s resources, in an environmentally sound manner, while maintaining the beauty and wildlife that make Alaska a great place to call home. We have proven, across decades now, how that is possible. What we need more than anything, is access and a partner at the federal level.

To help put federal policy for Alaska on a better track, today we are here to consider a number of questions:

- What policies should we implement to identify Alaska’s energy and mineral deposits, whether through mapping or mineral exploration?
- What policies should we pursue to open more of Alaska’s resources to responsible exploration and development?
- What types of infrastructure, from roads to pipelines to ports, will we need to bring these resources to market, and is our federal system capable of granting approvals on a timely basis?

We are going to hear testimony this afternoon regarding the Port of Nome and all that opportunity presents. But we know that we need more than one port between Unalaska and the North. And so we look to opportunities at Port Spencer, in Wainwright, Barrow, all the way along the coast, a system of ports all along the coast and recognizing the need we have going into the future.

- What can be done to fulfill our state's goal of harnessing more of our renewable resources, especially to help our rural villages reduce the highest energy costs in the nation?
- And, understanding the status of the state and federal budgets, what are our lowest-cost options, and how can we attract more private sector investment to Alaska?

To help us understand these issues, we have a great panel of witnesses:

- Mr. Steve Masterman, Alaska's state geologist;
- Mr. Bob Potrzuski [Port-a-lou-ski], the Deputy Mayor of Sitka;
- Ms. Joy Baker, the Executive Director for the Port of Nome;
- Ms. Kara Moriarty, the President and CEO of the Alaska Oil and Gas Association;
- Mr. Chris Rose, the Executive Director of the Renewable Energy Alaska Project; and
- Ms. Della Trumble, the business manager for the King Cove Native Corporation.

This is a great day to be talking about Alaska. We have a great group of Alaskans here. So I welcome all of you, and thank you for traveling such a long distance to be here with us.

I'm going to turn to Senator Cantwell for her opening remarks and thank her for the partnership that we have had as we have worked again, not only on national infrastructure issues, but her interest in helping us with the Alaska infrastructure piece.

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