



**Opening Statement: Fairbanks Field Hearing
Chairman Lisa Murkowski
March 28, 2016**

Good afternoon, everyone, and Happy Seward's Day. I am delighted to call this Field Hearing to order in our Golden Heart city of Fairbanks. I want to start by thanking the Pipeline Training Center for hosting us. And I want to welcome our witnesses and all who have joined us for this important discussion about resource development in Alaska.

As many of you likely know, it was gold mining that ultimately determined the location of Fairbanks. Captain Barnette's riverboat ran out of draft on the Chena, and fate determined where his mining supply business was to be located. And while Barnette was too late and too far away to profit from the Klondike gold rush, he helped create the Fairbanks gold rush. Today, Fort Knox and Pogo, world-class gold mines north and south of the city, continue the proud tradition that give meaning to Fairbanks' motto.

This region – like so much of our state – is blessed with vast natural resources that we can use to gain prosperity and fulfill the promises of our statehood. Today is Seward's Day, we can laugh about Seward's Ice Box or Seward's Folly, but not even Seward could conceive of the resource wealth the U.S. purchased from Russia.

Alaska has what virtually no one else has: tens of billions of barrels of oil, hundreds of trillions of cubic feet of natural gas, a massive supply of coal, and countless deposits of hardrock minerals. Of course renewable resources beyond imagination. If we can harness them, we can supply them to the rest of our nation to sustain our growth, our competitiveness, and our security.

Our hardest task is not finding those resources, or developing the know-how or recruiting the manpower needed to responsibly produce them. Instead, it is overcoming the restrictions imposed by our own federal government, which fails to understand why Alaska must be allowed to explore and develop.

Tens of millions of acres of our lands and waters have been unilaterally withdrawn in recent years, against our strongest objections and, in my view, oftentimes in violation of the law.

The 1002 Area of ANWR remains locked away, the federal government has made commercial production all but impossible in the offshore Arctic, and it took far longer for CD-5 – in a national petroleum reserve – to gain regulatory approval than it should have.

We have also witnessed repeated attempts to expand the use of pseudo-wilderness designations – from “Aquatic Resources of National Importance” to “Areas of Critical Environmental Concern” and “Outstanding National Resource Waters” – all to circumvent ANILCA’s “no more” clauses, and to stop development in its tracks.

At the same time, federal agencies have generally become less cooperative – less willing to work with us to get to “yes” than to start and stay at “no.” Even producing on state lands has become more difficult – more costly, more complex, and more time-consuming for the likes of ASRC and Ahtna – by virtue of actions taken at the federal level.

We also face a crush of national regulations, from the “Waters of the United States” rule to the “Stream Protection Rule,” and a movement that believes that keeping needed resources in the ground will somehow result in a safer, more stable world.

All of this comes at a time of low resource prices – a time when the federal government should be trying to protect the competitiveness of our extractive industries, not finding ways to close off access and strand their capital. This is a time when we should be opening our lands and waters to responsible development, streamlining the permitting process, and working to ensure that protests and litigation do not hold us back.

This is a critical moment for resource production in Alaska. We have to raise our voices, and highlight the hypocrisy we see in efforts to lock down our lands, while at the same time demonstrating how well we care for the environment as we develop our natural resources. And there is no better way to do that than by hearing from Alaskans who know the benefits that come from increased resource production – and what needs to be done at the federal level to unleash our potential.

We have played a tremendous amount of defense in recent years, and have in many ways held our own. But we also need to be ready for what lies ahead. This administration could yet again put us on our heels. And we must be prepared for a new administration that will take office just ten months from now – whether it proves friendlier in nature, or even more antagonistic.

We have our work cut out for us. That any resource project can survive the current interplay between federal agencies and their millions of pages of rules, and countless more pages of guidelines, manuals, legal opinions, and planning documents seems almost miraculous.

But we also know it can be done.

The states – including Alaska – typically permit projects in a fraction of the time it takes the federal government. The offshore regulatory regime imposed in Alaska may be chaotic, but Norway and Russia have vibrant programs in their OCS regions. We can also look around the world and realize that it should take far less than seven to 10 years for a new mine to begin operation.

I am optimistic about our future. Alaska possesses resources that all other nations covet. We are a provider in a growing, hungry world. Prices may be low right now, but we have seen prices go up and prices go down. And a majority of our citizens strongly support production because they understand the wide-ranging benefits that “Made in the USA” carries, from high-paying jobs to revenues to security.

Today, we will be gathering good ideas and counsel on how to amend, reform, direct, and provide oversight of federal law and federal agencies. This is an opportunity, again, to hear from many in the sectors across the state. We have three strong panels that are with us this afternoon and the schedule for the next three hours will be to hear from the three panels, taking testimony of about five minutes from each witness. I will take the opportunity at the conclusion of each panel to ask questions of each panelist. Once we have concluded with the panelists and if we have time before the 4 o’clock hour—I am most hopeful that we will—we will invite people who have joined us here this afternoon to offer their public comment. We ask that the comments be limited. There is a signup sheet in the back of the room with Mr. Haymans and we will give further instructions once we arrive to that portion of the hearing.

With that, I would now like to introduce our first panel of witnesses.

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