



Opening Statement
Oversight Hearing on Oil and Gas Pipeline Infrastructure
Chairman Lisa Murkowski
June 14, 2016

Good morning, everyone. The Committee will come to order so we can begin our oversight hearing on our nation’s oil and gas pipeline infrastructure and the economic, safety, environmental, permitting, construction, and maintenance considerations associated with it.

“Infrastructure” is one of those things that everybody claims to be in favor of. Who could be against it? It’s only when you get down in the details – *where* that infrastructure is located, *what* that infrastructure will be transporting, *how* that infrastructure will be built – that you sometimes run into controversy.

In the world of oil and gas pipelines, known in the industry as “the midstream,” this is actually not a complicated question. At Point A, you have immense resources – whether it is in NPR-A, in the non-wilderness portion of ANWR, in the Bakken, in the Marcellus, in the Eagle Ford – and at Point B you have refineries, chemical facilities, power plants, and other consumers. The infrastructure that we will be hearing about today is necessary to move the resources from Point A to Point B.

It’s pretty simple. Without infrastructure, we cannot move vital resources from Point A to Point B. And while some would contend otherwise, we know for a fact that pipelines are the safest and most efficient way to move those resources.

In the world of economics, experts debate about direct impacts, indirect impacts, and induced impacts. We know that pipelines directly create jobs in their construction, maintenance, and operation. We know these are good jobs. We know that pipelines indirectly create jobs because it is a materials-intensive industry. These are also good jobs. And we know that all of this induces economic growth and additional job creation.

If I can reduce that to a bumper sticker, it would be that jobs are good. Energy is good. Energy jobs are *great*.

In Alaska, we are very proud of an infrastructure network known as the Trans-Alaska Pipeline System, or TAPS. The system stretches 800 miles and runs across all sorts of terrain, from Prudhoe Bay down to Valdez.

An estimated 70,000 people helped build this pipeline from 1969 to 1977, with the actual construction phase taking just over 3 years. And I cannot overstate the positive impact this project has had on my home state. Without it, we would be unable to fund our state government. Energy is the lifeblood of Alaska. And we must continue to fight to boost the throughput of that pipeline, which is vital to the energy security of the United States – particularly the West Coast, where refineries are optimized to process North Slope crude.

TAPS, in many ways, is the gold standard. I question, honestly, whether it could be built today – certainly not in three years. We know that new infrastructure is still the best way to deliver affordable energy to places that need it. We know the pipeline permitting process should be streamlined. And yet, those opposed to building oil and gas infrastructure are often the same people likely to be up in arms when prices get too high or service quality suffers.

There is cognitive dissonance here: how can we expect affordable energy if we can't *move* energy?

Since I released my *Energy 20/20* blueprint in 2013, and follow-on whitepapers on energy insecurity, the power grid, exports, and the energy-water nexus, I have emphasized five principles that our nation's energy policy should embody. Energy must be affordable, abundant, clean, diverse, and secure.

Infrastructure is at the heart of each of those principles. Without proper infrastructure, energy will be unnecessarily unaffordable, scarce, dirty, limited, and insecure. So as we welcome today's witnesses, and begin this hearing, I would tell you all to expect to hear more from our committee on these issues in the coming months.

Ranking Member Cantwell?

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