

**Statement for House Energy and Commerce Committee
hearing on the American Energy Initiative with a focus on the
Discussion Draft of the Jobs and Energy Permitting Act:
April 13, 2011**

Chairman Whitfield and Ranking Member Rush, thank you for holding this hearing and giving me this opportunity to testify.

Since 2005, companies have spent \$4 billion dollars and acquired 680 leases off the Arctic coast of Alaska but have been unable to drill them, not because of safety or environmental reasons, but due to the federal government's inability or unwillingness to issue them.

But through all of this, the primary problem has been EPA's inability to issue an adequate air permit for a drill ship that would operate for a maximum of 120 days in an offshore area approximately 70 miles from the closest humans.

The Federal government's inability to issue viable permits to drill offshore Alaska is keeping resources and domestic jobs from the American people.

EPA's failure has jeopardized tens of thousands of high-paying jobs, and threatened the long-term viability of the Trans Alaska Pipeline System and our Nation's energy security during a time of

high energy prices and unrest in many energy producing countries.

USGS estimates that the Chukchi alone holds 27 billion barrels of oil and 132 trillion cubic feet of gas. In comparison, when Prudhoe Bay was discovered, there was only expected to be 10 billion barrels. 16 billion barrels later, Prudhoe Bay is still in development.

However, development opportunities on state lands are rapidly decreasing, and the Trans Alaska Pipeline is running at one-third capacity. At much lower throughputs, the pipeline will not be able to operate safely or economically.

Recently, Alaska's Governor issued a goal of reaching 1 million barrels a day of throughput in TAPS. Without the federal government's support, this will be hard to meet. The *Jobs and Energy Permitting Act* represents a positive step towards securing an American energy future, reaching the goals of deficit reduction, and providing well-paying American jobs here at home.

