U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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Alaskans Testify Increasing Energy Prices Harm Way of Life, Federal Barriers Obstructing New Energy Development

WASHINGTON, D.C. – Today, the Subcommittee on Indian and Alaska Native Affairs held an oversight <u>field hearing</u> in Fairbanks, Alaska to examine the hardships local Alaska Natives face with high energy prices and how federal laws and regulations are affecting energy prices in rural Alaska and Native Villages. Subcommittee on Indians and Alaska Native Affairs Chairman Don Young (AK-At Large) emphasized the need for a true all-of-the-above energy approach that would allow Alaska Natives to harness every energy resource available to lower prices, create jobs and lessen dependence on unstable foreign energy.

"Abundant, low-cost energy underpins America's entire economy, freedom of movement, and way of life. In order to have any kind of economy, it takes affordable energy, and Alaska already pays the highest costs in rural areas in the country. Where high energy prices are prolonging an economic recession for the country, in Alaska, they are creating a crisis, threatening the village economy, culture, and way of life that has stretched back to time immemorial. The sad thing...is that not only does Alaska have the highest prices, we also have so much energy under government lands here that we could help bring the entire nation's prices down while providing good jobs in our communities," said Subcommittee Chairman Don Young (AK-At Large). "More and more rural Alaskan residents find themselves with no other choice than to move away from villages to large urban centers to find employment, easier access to health care, and a lower cost of living. The result is a drain of the villages' most important resource: people. Alaskans have been eager to contribute to the nation's energy supply, if only the government would let them."

At the hearing, Committee Members heard local Alaskans testify about how increasing energy costs make everyday life more difficult for rural Alaskans. Witnesses also noted that if federal barriers were lifted, Alaska could develop more of their energy resources to lower prices for rural communities.

Jerry Isaac, from the Native Village of Tanacross and President of Tanana Chiefs Conference, a consortium of 42 Alaska Native tribes in the Interior of Alaska, reminded the Subcommittee that in rural Alaska, "every aspect of rural life is impacted by the high costs of energy." Isacc said this includes, "Alaska's rural education, health care and safety programs [that] spend the most percentage of their budgets on energy costs than anywhere in the Nation." Because budgets are diverted towards energy, the core functions of those programs do not receive enough attention, but Isaac said, "if we could address energy issues

these dollars could go to the heart of the programs." Isaac noted that, "...even though Alaska may be viewed as a state rich with resources, somehow these resources are pulled out of rural Alaska refined elsewhere and return to rural Alaska with a price-tag amounting to the highest costs of energy in Nation." Finally, Isaac said that, "addressing rural Alaska's energy needs will not only benefit Alaska Natives and the State of Alaska, but the country. If this nation takes an active role in investing and developing diverse energy resources we will be far ahead of other nations and once again depend on our own resources."

Melody Nibeck, the Tribal Energy Program Manager for the Bristol Bay Native Association (BBNA), testified about the hardships rising energy costs inflict on many Alaska Natives, "While all Americans suffer from the rising cost of gasoline, we suffer disproportionately, threatening our very survival...It is entirely possible that many of my neighbors will not be able to pay their energy bills and still buy food and the other necessities of life...Rural families depend on subsistence, and under 'normal' circumstances they are able to put away fish, berries, moose and caribou to help meet their food needs. But, for some families, the price of gasoline is limiting this ability."

Sarah Obed, Director of Government Relations for Doyon, Limited, one of thirteen Alaska Native Regional Corporations, relayed to the Subcommittee frustrations with federal government barriers to energy development, "It is frustrating to the Alaska Native community to have worked through the ANCSA [Alaska Native Claims Settlement Act] process only 40 years ago - towards the promise of using our lands for the betterment of our people, to then have the same federal government implement policies which provide obstacles to success." Obed said that federal barriers often prevent projects that would reduce energy prices for Alaska Natives, "In many cases, we are confronted with barriers of federal land between our land/opportunities and the infrastructure corridor. These barriers either make the cost of development more expensive or outright impossible."

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