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

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Hastings Visits National Petroleum Reserve-Alaska & Unveils Draft Legislation to Create Jobs and Increase Energy Production

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WASHINGTON, D.C. – House Natural Resources Committee Chairman Doc Hastings today unveiled a discussion draft of *The National Petroleum Reserve Alaska Access Act*, a bill to cut through bureaucratic red tape and unlock the full potential of energy resources in the National Petroleum Reserve-Alaska (NPR-A). As part of the <u>American Energy Initiative</u>, this legislation will create new jobs, support current energy jobs in Alaska, and help lower energy costs by ensuring NPR-A resources are developed and transported in a timely and efficient manner. Chairman Hastings is in Alaska today for an Alaskan energy tour, including the NPR-A, with Governor Sean Parnell and Rep. Don Young.

The Subcommittee on Energy and Mineral Resources will hold a <u>legislative hearing</u> on the bill on Thursday, June 16th.

The NPR-A was specifically designated as a petroleum reserve for the nation in 1923 and again in 1981 when stewardship was passed from the Navy to the Department of the Interior. According to recent estimates by the <u>U.S. Geological Survey</u>, there are over 2.7 billion barrels of oil and 114.36 trillion cubic feet of natural gas in the NPR-A.

President Obama in his weekly address on May 14th called for annual lease sales in the NPR-A. However, NPR-A lease sales alone will have little impact if bureaucratic delays continue to hamper for years the construction of necessary roads, bridges and pipelines needed to transport the energy out of the Reserve once it is produced. For example, ConocoPhillips has been waiting since 2008 for a permit to build a bridge and pipeline over a river in the NPR-A in order to transport oil and natural gas out of a ready-to-produce field and into the Trans Alaskan Pipeline System (TAPS).

"This legislation aims to unwind the tangled web of government regulations that prevent us from creating jobs and harnessing our own American energy resources in Alaska. President Obama supports issuing leases in the NPR-A, which is a positive step; but permits needed to turn leases into real energy remain stalled in bureaucratic inaction. What good is issuing leases and producing oil and natural gas if they can't be delivered to the American people? The NPR-A contains a tremendous amount of energy resources and we should be developing those resources, not moving American energy production backwards through government obstruction. We should unlock the full energy and job creating potential of the NPR-A, instead of watching jobs go overseas and buying more oil from unfriendly foreign countries." said Chairman Hastings.

"This important legislation is needed now more than ever. Responsible exploration and development of our resources is the key to the economic future of this country, and a step in

the direction of energy independence. However, the amount of regulations to navigate and hoops to jump through are so cumbersome that it all but paralyzes resource development. Saying we are going to pursue energy exploration is meaningless if we can't get the proper permitting in a timely manner. We can't sit around and talk about energy development any longer, we need to DO something about it, and the only way to do that is to cut through the red tape. The Trans-Alaskan Pipeline is currently running at only a third of its capacity even though it is surrounded by oil-rich fields and runs the inevitable risk of being shut-down; this would surely spell disaster. Americans deserve a government that clears the way for their prosperity, not stands in the way of it. This legislation ensures efficiency in resource development and helps put Americans to work, securing their energy future," said Indian and Alaska Native Affairs Subcommittee Chairman Don Young (AK-at-large).

"The problem facing oil and natural gas developers is not lack of resources to curb our foreign dependence, but a lack of clear policy. There are few more egregious examples of bureaucratic red tape stifling development of our domestic resources than what is happening in the NPR-A. It can and should be the policy of this government to develop the resources in our NPR-A quickly, efficiently and responsibly. This will reduce our foreign dependence, create jobs and keep our revenue here at home," said Energy and Mineral Resources Subcommittee Chairman Doug Lamborn (CO-05).

- Specifically, the *National Petroleum Reserve Alaska Access Act* will:
 - o Clearly state and affirm that the NPR-A is explicitly designated for the purpose of providing oil and natural gas resources to the United States.
 - Require that annual lease sales be held in the NPR-A in areas with the most oil and natural gas resources. President Obama called for annual NPR-A lease sales in his weekly address on May 14th.
 - Streamline the permitting process to ensure lease sales actually lead to energy being produced and transported out of the NPR-A and delivered to the continental U.S.
 - Set firm timelines for infrastructure permits to be approved to ensure that bureaucratic delays do not prevent oil and natural gas resources from being transported out of the NPR-A. It establishes a 60 day timeframe to approve infrastructure permits for leases where the Secretary has already issued a permit to drill and a 6 month timeframe to approve infrastructure permits for all other existing and future Federal leases.
 - o Require the Secretary of the Interior to prepare a right-of-way plan detailing how existing and future leases will be within 25 miles of an approved road or pipeline.
 - o Require an updated comprehensive assessment, in consultation with the State of Alaska and the American Association of Petroleum Geologists, of all oil and natural gas resources in the NPR-A. The current data for available resources is based on conservative estimates and may not reflect NPR-A's true potential.

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