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U.S. House of Representatives

Committee on Natural Resources Washington, DC 20515

> Opening Statement by Chairman Don Young

Subcommittee on Indian and Alaska Native Affairs
At the Oversight Field Hearing on
"Federal Laws and Policies Affecting Energy Prices in Rural Alaska
and their Effects on Native Villages"

Thursday, April 5, 2012, at 10:00 a.m. Fairbanks, Alaska

As prepared for delivery.

A priority of the Committee on Natural Resources is to remove federal obstacles in the way of developing America's vast energy resources. The Committee ordinarily conducts its business in Washington, D.C., but today we bring the Subcommittee on Indian and Alaska Native Affairs to the heart of Alaska to hear Alaskans discuss the impact of federal laws and policies on energy prices and their affect on life in Native villages, and what we can do to increase production of homegrown energy.

Abundant, low-cost energy underpins America's entire economy, freedom of movement, and way of life. It is what has made America the world leader in industrial production since immediately after the Civil War, a status in question today.

Closer to home, the very survival of rural Alaska is at stake.

What is the Obama Administration doing about it? Well, the Secretary of Energy says he wants to see European prices for fuel. The President declared he wanted to electricity prices to "necessarily skyrocket."

What people in Washington don't understand is that when they say that energy should be more expensive so people will use less, more expensive energy is the last thing rural Alaska needs. Villages are already paying European prices for fuel. Are they really better off? Of course not.

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 about these policies 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

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prices down while providing good jobs in our communities. Alaska is a huge energy storehouse that could help power our nation and our nation's recovery and it's time to unwrap the green tape that is killing us.

In short, our country is not experiencing a lack of raw materials. It's a lack of political will in Washington, DC. We are in the midst of a man-made shortage of energy resources.

Since President Obama took office, total fossil fuel production from federal lands has dropped by seven percent, and the price of gasoline has doubled.

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. People moving away from the village threaten the viability of Native culture stretching back to time immemorial.

It doesn't have to be this way. Alaskans have been eager to contribute to the nation's energy supply, if only the government would let them.

Today, I want to bring back to Washington, D.C., the impacts of federal laws and policies on rural Alaska, and how Alaska can play a central role in the energy security of our great nation.