

**Frank W. Wagner  
Senator  
Senate Of Virginia**

**Testimony  
Before the Committee on Natural Resources  
United States House of Representatives**

**Oversight Hearing on Offshore Drilling: State Perspectives  
On the Outer Continental Shelf**

**February 24, 2009**

**SEN. FRANK WAGNER, 7<sup>TH</sup> DISTRICT, SENATE OF VIRGINIA**

**TESTIMONY—HOUSE NATURAL RESOURCES COMMITTEE  
FEBRUARY 24, 2009**

Thank you, Chairman Rahall, Congressman Hastings, for the opportunity to testify before you today.

As you know, Mr. Chairman, Virginia has taken a leadership role in asking the federal government to open up the Atlantic Outer Continental Shelf for exploration of hydrocarbons. The official policy of Virginia is to request that the federal government allow for exploration for natural gas only no closer than fifty miles from our own coastline.

However, there are many in Virginia, including myself, that consistent with Navy training requirements and environmental review, would take a much broader approach.

We in Virginia were pushing this policy long before \$4 a gallon gasoline and prior to the current large-scale recession in which we find ourselves.

During peak energy prices last summer, it was estimated that this nation was spending nearly \$700 billion a year importing hydrocarbon energy from outside the borders of this country. This dollar figure is surprisingly similar to the TARP package and the economic stimulus package that this Congress passed within the last few months.

Mr. Chairman, imagine for a minute, if these hundreds of billions of dollars we currently spend outside the borders of this country buying energy were spent inside this country, developing our own natural resources, employing Americans to produce American Energy for American Industry.

At a time when job creation and economic stimulus is absolutely critical, putting Americans back to work developing our own natural resources would go a long way towards restoring American economic viability.

Mr. Chairman, I need not tell you that states are struggling. I just drove up from Richmond where Virginia is attempting to close a nearly \$4 billion deficit. This Congress has authorized revenue sharing with the coastal states as part of opening more areas of the Outer Continental Shelf. We sincerely hope you continue the program.

Mr. Chairman, I ask you to only look north to our friends in Canada. They are already in the Atlantic Outer Continental Shelf recovering 500 million cubic feet of natural gas a day off of Nova Scotia. Canada is also expanding hydrocarbon recovery in the Atlantic basin off Newfoundland. To our south, Cuba is moving forward with development of their offshore

**resources. Yet, we continue to restrict access to potential reserves of unknown amount because this nation has chosen to restrict even the basics of exploration to make this determination. Mr. Chairman, in this instance ignorance is not bliss.**

**Mr. Chairman, because of Virginia's actions, we are currently in the MMS five-year leasing plan with potential lease sales occurring as early as 2012. We would encourage you to work with Secretary Salazar to keep Virginia on schedule.**

**We in Virginia recognize that there is no one silver bullet to solve our nation's energy crisis. The solution must be thought of as a silver shotgun shell, with each pellet as important as the next.**

**Opening additional OCS area is one pellet. Expansion of nuclear power and revisiting prior decisions on breeder reactors is another. Conservation, energy efficiency, development of renewables and alternative energies are pellets, and the list goes on.**

**Three years ago in Virginia we passed a comprehensive energy plan, which I authored, with bipartisan support. The Virginia Energy Plan includes all the forms of energy just mentioned as well as the expansion of energy research and development.**

**However, we do not hold the keys, Mr. Chairman. You in Washington do. Please, Mr. Chairman, unlock the doors. One has been opened with MMS action to date with regards to Virginia's OCS. Open that door for other states that want to follow Virginia. Facilitate the expansion of our nuclear industry. Open up more areas for energy development. Continue to expand the good work to date on funding energy R&D. Expand our efforts to use our existing energy more wisely. We as a nation are at a critical juncture where the health of our economy and the health of our planet are intertwined. We look to you, our federal representatives, to make the right decisions for the future of our country. Please hear my plea to allow us as Americans to take advantage of our domestic resources so we may secure America's energy independence while putting Americans back to work.**

**Thank you for allowing me to testify before you today. I would be happy to answer any questions at the appropriate time.**