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U.S. House Committee on Natural Resources, Subcommittee on Energy and Mineral Resources
“Legislative Hearing on H.R. 6285 by Rep. Stauber – Alaska’s Right to Produce Act of 2023”

Thank you for the opportunity to testify today on behalf of the State of Alaska and Alaska Governor Mike Dunleavy.

The State of Alaska strongly supports H.R. 6285 and appreciates the Committee’s attention to the Biden Administration’s relentless assault on Alaska that is unquestionably contrary to existing federal law and the national and energy security of the United States. No other state in this union has borne the onus of the climate-based millenarianism meted out by President Biden and Secretary Haaland more than the 49th state. I come before you today to plead- on behalf of all Alaskans- for relief from the inimical policies imposed by the current administration that threaten the future of our state and the wellbeing of our citizens.

Put simply, Alaska is a resource state. And without the ability to responsibly monetize its rich endowment of resources, Alaska economy will decline and its citizens will suffer.

One remedy for this abuse is to make the letter of the law unmistakably clear, and we believe that the legislation before the committee today accomplishes that feat. Thank you Representative Stauber for putting forward this bill, and I would encourage all members of the committee to pay careful attention to the testimony of my friends from Alaska’s Arctic who desire nothing more than to enjoy the same standard of living taken for granted by those foisting their brand of environmental imperialism on Alaska’s indigenous and non-indigenous people alike.

We see the Biden Administration utilizing every bureaucratic devise at its disposal in its quixotic quest to forestall natural resource development across Alaska to appease the powerful environmental lobby. This includes the weaponization of the National Environmental Policy Act process to interminably delay projects and open avenues of litigation to cast a pall of uncertainty anathema to any business faced with making an investment decision. The legislation today calls out the Biden Administration’s multi-year effort to patently ignore and flout Congressional intent expressed in the Tax Cuts and Jobs Act through the unilateral termination of leases in the Coastal Plain or 1002 Area of the Arctic National Wildlife Refuge, and the Department of the Interior’s intransigence in administering an oil and gas leasing program that is mandated to occur. This legislation would also reverse a proposed rulemaking in the National Petroleum Reserve – Alaska (NPR-A) that is incongruous with the Naval Petroleum Reserves Production Act, which governs development in the Petroleum Reserve today.

Sadly, the NPR-A and ANWR aren't the only active fronts in this administration's climate crusade. Last month my colleague Jerry Moses testified to this Committee on the Outer Continental Shelf (OCS) Lands Act and the Interior Department's refusal to offer lease sales across OCS areas in Alaska despite the critical need for those resources to meet in-state demand for heating and electricity. If we were dependent on the federal government for our energy needs, Alaskans would literally be left to freeze.

This same approach by Interior in the 1002 Area and the National Petroleum Reserve also harms Alaskans and will leave our national energy security out in the cold. We urge the committee to pass H.R. 6285, and to continue vigorous oversight over all aspects of development on federal lands in Alaska that are already mandated by federal law.

Alaskans Need and Want Development – and are Confident in our Capabilities to Develop Responsibly.

We take these positions because the Biden Administration's policy in Alaska is deleterious to our economy; adverse to the rights, needs, and expressed desires of the residents of the areas affected by development; and directly contrary to existing federal law.

Congress authorized the leasing and development program within the 1002 Area of ANWR, not on a whim, but after decades of robust debate and demonstrated environmental protection. Nearly all the arguments raised by those opposed to development within ANWR mirror those that were raised prior to the construction of the Trans-Alaska Pipeline System in the 1970s. Predictions of widespread or irreversible harm to wildlife, subsistence culture, and the environment are now definitively refuted. The reality was caribou populations increased, Alaska's economy flourished, and North Slope communities prospered- all while improving U.S. energy security.

This is why the overwhelming majority of Alaskans support an oil and gas leasing program within the 1002 Area. We've learned firsthand that resource development and protection of the environment are not mutually exclusive goals. We also know that are few, if any, other viable economic activities within the state that have the same potential to deliver billions of dollars to state coffers that will support public services across Alaska as oil and gas production.

For these reasons, the State of Alaska stepped forward through the Alaska Industrial Development and Export Authority (AIDEA), to participate in the 1002 Area lease sale to ensure these resources were made available for further exploration. Our efforts, however, have been continuously thwarted by President Biden, who signaled that stopping development in ANWR was amongst his top priorities. And the President has been true to his word.

His administration has been indefatigable in frustrating the oil and gas program within the 1002 Area at every turn. The Executive Order and Secretarial Order that would be repealed by H.R. 6285 laid out the framework for this stonewalling strategy, as authorizations to explore on leases that had been validly acquired have been withheld and unfounded assertions of unidentified legal gaps in the analyses carrying out the lease sale used to justify suspensions of operations. More egregiously, Interior has cancelled the leases obtained by AIDEA, without a basis in process or

authority under law to do so. This legislation rightfully would put a stop to the panoply of hurdles employed by this administration to frustrate the intent of the Tax Cuts and Jobs Act.

The Coastal Plain Oil and Gas Leasing Program has Been Repeatedly and Severely Undermined.

As recognized in H.R. 6285, SO 3401 and EO 13990 are the root of repeated efforts by the Biden Administration to sabotage the oil and gas leasing program in the Coastal Plain. They are the original source of yet-to-be-identified “defects” in the comprehensive environmental impact statement and record of decision that authorized the first lease sale in the 1002 Area. Instead, the Department of the Interior has spent two years re-creating those analyses while functionally excluding the State from its longstanding role as a cooperating agency.

Unsurprisingly, the process seems to be pre-ordained to justify selecting highly restrictive management approaches that have no basis in the statutory language authorizing the oil and gas leasing program and will likely make any development impossible. Interior has also refused to authorize activities on the leases that were issued under the program, or general exploration activities, both of which are needed to fulfill its statutory mandate to make the most prospective areas available for future leasing.

We would note that H.R. 6285 keeps the Department from being faced with a question for which they currently have no conceivable answer – if current federal law mandates that two lease sales occur in the Coastal Plain prior to 2024, and if, arguendo, that the first lease sale was so legally defective it was of no consequence (despite the absence of a basis in law or fact that has been specifically identified for cancelling the leases that resulted), is the Department now out of compliance with the law and thus obligated to conduct two sales of at least 400,000 acres each in the next year?

There are Major Flaws in the Substance and Process Underlying the NPR-A Proposed Rulemaking.

Pivoting now to the NPR-A Proposed Rulemaking, the overriding concerns shared by the State, local stakeholders, and community members necessitate legislative repeal. The process-to-date has been confusingly deficient, as The Bureau of Land Management (BLM) has scheduled and cancelled public meetings on short notice, avoided consultation obligations, and attempted to avoid procedural safeguards that are meant to keep rulemakings of enormous public cost and consequence from being hastily and arbitrarily implemented. Neither comprehensive environmental nor economic reviews have been completed for a proposal that will dramatically change environmental and economic management in what may be the largest federal petroleum asset in the country.

Assertions that the rule is “administrative” or of limited economic consequence are patently false. At its core, the rule attempts to instate a presumption against development activities across millions of acres, in a statutorily designated *petroleum reserve*, where the resource potential has been assessed in the billions of barrels. As revenues from potential NPR-A developments are a cornerstone for the state and local governments, this rule threatens to preclude billions of dollars

of public revenue- most of which is earmarked for the Alaska Native villages that are located within the NPR-A. We believe these impacts have not been explained in good faith to the impacted local communities and are inconsistent with both the Naval Petroleum Reserve Production Act and the Alaska National Interest Lands Conservation Act. In just one example of defective process, the Department of the Interior's own NPR-A Working Group – established by the Department to consult on exactly this kind of highly-consequential management activity – learned about the proposal after it was publicly noticed without any input, or any information from BLM about how their concerns will be considered in the proposed rulemaking.

Development on the North Slope of Alaska is a National Asset – at a Time When Diverse Domestic Sources of Energy are More Important than Ever.

Alaskans, like all Americans, are threatened by these kinds of actions that restrict our domestic energy production opportunities and make our entire country less energy secure. In this time of increasing geopolitical turmoil, we should be doing everything within our power to grow our national economy and boost development of our nation's energy resources today so we can continue to enjoy energy abundance tomorrow.

I don't need to detail for the Committee how sharply the last several years have brought energy security into focus on the world stage. Robust U.S. energy production has been the bulwark against what would otherwise be a near monopoly of the oil and gas market by the OPEC Plus consortium. Efforts to resolve the Ukrainian conflict, to support Israel as an ally in the Middle East, or to deter China from aggressive, expansionist aims are all underpinned by U.S. energy independence.

Development of the oil and gas resources within the 1002 Area and the NPR-A is a key element of our country's energy security. It is also critical to our country's national security as all of the significant infrastructure found in Alaska's Arctic- roads, airports, telecommunications, and ports are all attributable to the oil and gas industry or the revenue it provides to governments. The Biden Administration's dogmatic adherence to a conservation-above-all-else approach to Alaska is inapposite with preparing the U.S. to assert its sovereignty in the region.

This is not to say that the State of Alaska does not see and support a future where our energy security comes through diverse sources of energy in addition to hydrocarbon development. Governor Dunleavy is focused on utilizing all of our state's abundant resources such as solar, wind, hydro, geothermal and other kinds of renewable power. We are also aggressively pursuing carbon capture, utilization, and storage technologies as a tool to lessen the carbon intensity of existing energy production and to potentially serve as a global warehouse of CO₂ for our Asian allies.

And we shouldn't lose sight that some hydrocarbon production, particularly natural gas, is key to a sustainable and just energy transition. Increased U.S. natural gas production has enabled our country to lower its CO₂ emissions more than any other industrialized nation on earth. We see the same opportunity with the proposed Alaska LNG project to help reduce worldwide emissions by offsetting more carbon intense alternatives. These goals and objectives will only be furthered by allowing responsible development within ANWR or the NPR-A.

Anti-Alaskan, Anti-Energy Policies are Unfortunately the Biden Administration's Default.

While this legislation before you is critical to fixing two major obstructionist actions by the Biden Administration, it does not ameliorate all of the harm inflicted upon the state over the past few years. Our fragile timber industry and Southeast Alaska communities continue to suffer due to the misguided policies that forestall nearly any logging across the 16.7 million acres of the Tongass National Forest. One of the largest known deposits of copper and other essential minerals in Western Alaska remains undeveloped thanks to the pre-emptive veto exercised by this administration's Environmental Protection Agency. Besides the policies already discussed, the Department of the Interior has neglected to hold any lease sales within the NPR-A and continues to obstruct progress on the Ambler access route which would facilitate the development of myriad critical mineral and rare earth resources.

In short, the State of Alaska has not seen a natural resource development prospect that this administration won't oppose to one degree or another. This leaves us with little recourse but to petition the courts or Congress for relief.

Conclusion.

Thank you again for bringing forward this legislation. Alaska was admitted to the Union premised on our ability to utilize our natural resources for the collective benefit of the state. Without that development, we have no economy and no ability to provide for the 700,000 hardy souls that call Alaska home. We cannot sit idly by as a sacrifice on the altar of climate change and environmental idealism. Our state, our country, and the world need the resources that we have to offer. Our hope is to see a government in Washington D.C. that recognizes that reality.

We ask the Committee to listen to Alaskans, listen to the community members who are here today, and listen to current law – all supporting H.R. 6285.