

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Hearing on “The American Energy Initiative: A Focus on the Outlook for Achieving North
American Energy Independence Within the Decade”
September 13, 2012
(As Prepared for Delivery)

No administration has talked more about technological breakthroughs in the energy sector or spent more tax dollars on failed attempts to achieve them than the current one. Yet a genuinely transformative energy revolution has emerged – and it has happened in spite of these policies.

The advances in drilling technology that we will hear about today have accomplished more for the American people than all of the Solyndras and other federal stimulus giveaways combined. They have already rewritten the conventional wisdom that America’s natural gas production is declining, and are now doing the same for domestic oil production. In fact, predictions of dwindling North American oil supplies have been replaced with very realistic predictions of North American oil independence within a decade.

Indeed, while the president was trying to convince Americans that Solyndra’s new solar panels would take the world by storm and create green jobs, these game changing energy breakthroughs have quietly continued to unfold in places like the Bakken formation in North Dakota and other state and private lands where the federal government has little to no role.

And unlike Solyndra and other Title 17 loan guarantees that have been a sponge for taxpayer dollars, achieving North American oil independence won’t cost the American people a dime. All it requires is the federal government to get out of the way.

But getting out of the way is something this administration refuses to do. It continues its go slow approach to oil leasing on federal lands and offshore areas. For example, its most recent 5-year plan for offshore leasing offers fewer lease sales than under any president, Democrat or Republican, going all the way back to Jimmy Carter. And, the administration’s pace of onshore leasing is below that of his predecessors. And even those federal areas already under lease are now being subjected to unprecedented permitting delays.

In fact, nearly all the increase in domestic oil supplies is coming from state and private lands, but on federal lands, production has actually dropped. The dramatic improvements in drilling technology that are responsible for increased oil production on non-federal lands have not yet been given the chance to do so on federal lands.

The same is true of vital oil infrastructure. The administration continues to reject the Keystone XL pipeline expansion project, without which Canada’s growing oil production cannot reach the U.S. The pipeline would also provide an outlet for the growing oil production from North Dakota.

The potential benefits of North American energy independence seem almost too good to be true. But they are real and can be achieved. Between increased domestic oil production and growing supplies from Canada, we have the opportunity to liberate ourselves from OPEC’s influence, create many new energy industry jobs, and ensure greater supplies and lower prices at the pump in the years ahead.

This committee has initiated legislation to remove the administration’s obstacles to North American energy independence. We will continue to fight for increased leasing on federal lands and a streamlined permitting process. And we will not give up on Keystone XL until it is approved. The goal of North American energy independence is within our grasp and is much too valuable an opportunity to squander.

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