

## UNITED STATES SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES

SENATOR LISA MURKOWSKI, Chairman

FOR IMMEDIATE RELEASE April 16, 2015 <u>Permalink</u> CONTACT: Robert Dillon 202.224.6977

## Sen. Murkowski Touts Benefits of Alaskan Energy and Maintaining for a Full Trans-Alaska Pipeline

**Washington, D.C.** – U.S. Sen. Lisa Murkowski, R-Alaska, today highlighted the need to improve access to Alaska's natural resources in order to ensure that the trans-Alaska oil pipeline system – infrastructure critical to the energy security of the nation – remains in operation far into the future.



Click to view video of Sen. Murkowski's comments

"In Alaska we have an extraordinary piece of energy infrastructure, the trans-Alaska oil pipeline," Murkowski said. "Unfortunately, the amount of oil going into the pipeline has been declining for years and our attempts to increase production have been blocked by our inability to access our resources on federal lands."

Murkowski made her comments Thursday at a Senate Energy and Natural Resources Committee <u>hearing</u> on the Energy Information Administration's (EIA) 2015 Annual Energy <u>Outlook</u>. EIA Administrator Adam Sieminski, the sole witness at the hearing, said that unless there are changes in the ability to lease in the Arctic National Wildlife Refuge or National Petroleum Reserve-Alaska, that Alaska production could drop far enough to endanger the pipeline.

The EIA forecast, based on current regulations and market conditions, projects throughput in the Trans-Alaska Pipeline System (TAPS) will fall from its current 543,000 barrels a day to 420,000

in 2020 and as low as 180,000 by 2035.

Murkowski called the prospect of shutting down the trans-Alaska pipeline because of a lack of oil "truly terrifying," and unnecessary given Alaska's roughly 40 billion barrels of economically recoverable oil. The only thing stopping Alaska from producing more energy for the nation is federal opposition to responsible oil and natural gas development on the 62 percent of Alaska under federal control, Murkowski said.

"EIA's estimation that over the next 20 years the amount of Alaska oil carried by the pipeline will dramatically decrease is a frightening scenario and one we must do everything within our power to avoid," Murkowski said. "Once the pipeline is shut down and dismantled, it will be almost impossible to rebuild in the current regulatory environment."



Click to view video of EIA's Adam Sieminski

When asked about the impact of a possible Alaska liquefied natural gas (LNG) export project on natural gas prices in the Lower 48, EIA Administrator Sieminski said Alaska's stranded gas would not compete with production in the Lower 48.

"It would have a minimal impact mainly because it is separated from the Lower 48 states' markets," Sieminski said. "It would have more of an impact on global markets. And the extent to where you can get more fuel, whether it would be oil or gas or renewables, into the markets, you're going to see lower prices. That would be the case for oil and gas, and the net effect of that would to bring fuel costs down for everybody."

Chairman Murkowski's opening statement is available on the Senate Energy and Natural Resources Committee <u>website</u>. The EIA's Annual Energy Outlook is available <u>here</u>.

###

