



**Opening Statement**  
**Oversight Hearing on Electricity Sector in a Changing Climate**  
**Chairman Lisa Murkowski**  
**March 5, 2019**

Good morning, everyone. The Committee will come to order.

Over the past couple weeks here, we have held hearings that looked at the energy markets of today, what could be the breakthrough energy technologies of tomorrow, and worldwide forecasts from the International Energy Agency (IEA). We've heard about the effect that climate change is having on decisions within the electricity sector.

Today, we are here to consider those trends in greater detail. Our nation's energy mix has changed significantly over the past decade – largely driven by the shale revolution and the low cost of natural gas, but also federal and state policies that have boosted low or zero emission energy technologies.

The electricity sector is just one piece of the puzzle when it comes to climate change, but it is also the most visible and all encompassing. Reliable electric power is central to our very way of life – it powers our homes and businesses, charges our cell phones and sometimes our vehicles, and allows us to run our air conditioners and plug in our electric blankets – which I needed last night because I had no heat in my house here, so I felt like I was back home. It was good, slept well.

But as more renewables come online and the mix of baseload power changes, our committee will focus on maintaining grid reliability and resiliency. We will prioritize keeping energy affordable. And we will also be working to advance cleaner energy technologies that can help reduce greenhouse gas emissions. So a focus on what we can do with these technologies, how we can push out the [research and development], how we can work to encourage the developments in the CCUS. What we can be doing more when it comes to efficiencies, particularly for our buildings.

And this has got to be a priority for all of us. Certainly in Alaska we view that there is no choice here. In the Arctic, we're seeing warming over twice the average of the Lower 48. It is directly impacting our way of life. Diminishing sea ice and melting permafrost are real world challenges that we must contend with today. We're seeing wildlife migration patterns that are changing, we're seeing changes within our fisheries as we're seeing different species in northern waters than we have before. It's impacting subsistence, it's impacting food security, certainly impacting our economy with our fisheries.

There was a story very prominent in yesterday's clips, and it detailed the drought extent across Southeastern Alaska. Southeast is where I grew up, it's the Tongass National Forest, it's a rainforest, and within Southeast, the communities of Wrangell and Ketchikan, where I lived, and Petersburg are hydro communities that are now relying on diesel generation. People are actually having to talk about water conservation in a rainforest.

It is having an impact, the headline of this particular story was “Hatcheries are the Canary in the Coal Mine as Drought Extends across Southeast Waters.” Because what happens, is they’ve got the little fry in the hatcheries and they’re seeing warmer waters coming down from out of the rivers, and they need to keep these fry cool, so they put them out in the ocean. Well, they are putting them out a full month earlier, so what does that mean then for their ability to survive out there. So, it is a very, very real condition and situation.

Yesterday, on the front page of our largest paper, the Anchorage Daily News, there was a story about the extent of the sea ice, and how for the first time in many memories we are seeing open waters in and around the area here around St. Lawrence Island and Diomedes up here. This chart shows the sea ice about a month and a half ago, January 25, and then just a couple days ago, March 2, you have had this much ice that has broken up, pushed off and gone further to the North. So, it’s dramatic, it’s not just climate change, it’s not that it just warmed up that quickly but you have a series of conditions that you see with the wind and the warming and the water. The other map is one that shows, again from the same article, the graphic by Alaska WX, this is the sea ice concentration in the Chukchi and Beaufort, in terms of the depth and the concentration of sea ice. But, it speaks to the reality that we are facing up North.

I was home this weekend for one of my favorite events, the Iditarod race – a 1,100-mile race, really all about tough Alaskans and grit and how humans and animals interact together. It’s an iconic race, and the route has changed a little bit as we have seen the conditions on the ground changing. In the Norton Sound area, where the teams will usually cross the frozen ocean, it makes for a very exciting but grueling trek because of the winds that are out there, well now that is open water so they have had to reroute the race to hug the shoreline.

So as we deal with these very real realities, it’s not just things like a sled dog race. We have a number of communities that need to relocate in order to survive the encroaching seas, as we’re seeing more sea ice move out and more open water. But, our reality is that we don’t, at this point in time have a clear or effective federal plan to ensure that can happen on a timely basis. And that is something I hear from my constituents a great deal about.

Another challenge is that many remote communities in Alaska are heavily reliant on expensive diesel fuel for heating and power. Integrating cleaner energy technologies, often with a microgrid, can decrease reliance on diesel and provide greater reliability. It can also reduce costs, which is critical for unlocking local economic opportunities. And of course, it is certainly much better for the environment.

So I’m very pleased that as part of today’s panel we have Ethan Schutt – a friend, a leader – he’s with the Alaska Native Tribal Health Consortium to provide his perspective about many of these challenges and to provide some details about the work being conducted in Alaska today.

In addition to Ethan, we also have:

- Mr. Joe Kelliher, former Chairman of the FERC and currently the executive vice president of federal affairs for NextEra Energy. Mr. Kelliher has been before the Committee many times, but it’s good to have him back;
- Dr. Susan Tierney with the Analysis Group, we welcome you.
- Dr. Ken Medlock, the Senior Director for the Center for Energy Studies at Rice University; and
- Ms. Lisa Jacobson, President of the Business Council for Sustainable Energy;

So, I thank each of you for being here. I think it's important to point out, we know here on the committee we have jurisdiction in certain areas. We do not have complete jurisdiction over climate change, we recognize that, but we do have a role to play in developing reasonable policies that can draw bipartisan support that I think will be a pragmatic contribution to the overall discussion. And so what we can add to that conversation about research, about innovation, and efficiency, I think you'll likely see these as subjects of a future discussion within this committee. So this morning we being that conversation. I'm very pleased that in working with Senator Manchin we've been able to have good conversations, the two of us and our staffs, about where we want to lead the committee on this very important area, and I appreciate his leadership on this as well.

Senator Manchin?

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