

HOUSE NATURAL RESOURCES SUBCOMMITTEE ON WATER AND POWER

Opening Statement by

The Honorable Paul Gosar (AZ-01)

At the Oversight Field Hearing on

“Evaporating Prosperity: How Federal Actions Are Driving Up Water and Power Costs, Threatening Jobs and Leaving Arizonans High and Dry”

June 4, 2012 at 10:00 a.m.

Phoenix, Arizona

First, I would like to thank Chairman McClintock for making the trip to Arizona and holding today's hearing. I strongly believe House committees should periodically come out to its members' home states and hear straight from the horse's mouth the struggles our constituents are faced with on a day-to-day basis. Today's testimonies will provide our committee first-hand accounts of the grave impacts the federal government's actions are having on Arizona's economic and ecological health, and the information collected will prove invaluable in our fight to restore common sense to federal natural resources policy.

I would also like to thank my colleague Congressman David Schweikert for being here. Over the past year-and-a-half, David has been a staunch ally as we have tackled the far-reaching resources issues facing our state. Additionally, he has emerged as a prominent voice on the House Financial Services Committee, fighting for pro-market solutions to our state and country's foreclosure problems and advocating for policies that will help encourage job growth and economic expansion.

Arizona, like many other states across the west, is facing the brunt of the Obama Administration's misguided policies. Nowhere is this more true than in the natural resources realm.

One does not have to look far to see the struggles our constituents are experiencing. Last year, nearly one million acres of Arizona's forests burned, one of the worst fire seasons in our state's history. This year has not been any better. Since late April, over 45,000 acres of forest in Arizona have been destroyed due to wildfires. The largest one was the Sunflower Fire which burned over 17,000 acres. The second-largest Gladiator Fire was 16,240 acres and it injured eight people, destroyed six homes, and forced the evacuation of three communities.

Arizonans are tired of being victims of avoidable wildfire conditions. It is clear that the current process, under existing federal law, of planning, studying, consulting, litigating, appealing, and collaborating are failing us and our forests. These fires kill endangered species, destroy habitats, and pollute our air and waterways more than any human activity. Additionally, they cost the federal government millions of dollars in immediate fire response and many millions more in restoration and rehabilitation.

We must remove bureaucratic red tape, reform forest health policy, and put a stop to endless litigation that stymies important forest projects. The Wallow Fire proved that stewardship projects and grazing works, we just need more of it. I have introduced legislation, the Catastrophic Wildfire Prevent Act, which will streamline the review process and allow the US

Forest Service to utilize the emergency provisions of existing regulations, so that our forests could be maintained and provide economic opportunities for rural communities. I am also encouraged by the recent announcement that the Four Forest Restoration Initiative, known as 4-FRI, will move forward. I hope litigation will not slow its success. These stewardship projects restore the environment, improve public safety, and put people back to work. Pro-actively treating our forests is the only way forward.

As I travel throughout my Congressional District, I am frequently asked about the future of the Navajo Generating Station. Whether it's a farmer in Pinal County, a member of the Navajo Nation employed at the plant, or just the everyday citizen concerned about our state's water security, everyone expresses concern about the potential job loss and economic impacts of proposed EPA mandates on the Navajo Generating Station. For those who do not know, this unique facility provides over 90 percent of the power for the Central Arizona Project (CAP), which is the largest supplier of renewable water in the state, and supports over 80 percent of Arizona's population and economic activity. Additionally, the sale of the plant's excess power is critical to the federal government's ability to uphold previously enacted and future Native American water settlements. In short, it is a vital and irreplaceable piece of our state's short and long-term water and power security, whose impacted stretches to nearly every citizen of our state.

Last year, this committee held a hearing in Washington specifically on this issue, underscoring the importance of the facility. I look forward to hearing new information from some of our witnesses and remain steadfast in my efforts to ensure this vital asset does not become a victim of misguided policies and junk science.

I would be remiss if I did not briefly mention one other issue that our committee just recently began delving into that would have vast impacts throughout our state. On March 16, 2012, The Secretary of Energy issued a "Memorandum for Power Marketing Administrators." This memo, commonly referred to as the "Chu Memorandum" has created a great deal of concern among those who rely on Power Marketing Administrations (PMAs) for affordable and reliable energy.

The Secretary's memos direct the PMAs to act in areas involving transmission expansion, renewable energy, energy efficiency, and cyber security – all laudable goals – goals that, on the surface, I support. In fact, I have strongly advocated for the expansion of transmission on this committee. However, I believe the Secretary's means of these goals, "the Chu Memo," would implement a top-down approach that could most certainly impose greater costs and risks that outweigh benefits and could force national directives that would supersede or conflict with existing PMA statutory authority.

I have recently led a letter in Congress respectfully urging the Secretary to pursue meaningful collaboration with stakeholders, including ratepayers and Congress, prior to moving forward with these new initiatives. Currently, that letter has been signed by over 140 U.S. Senators and Congressman ranging from the Chairman McClintock to Congressman Jim McDermott of Washington, a prominent liberal in the House. Additionally, the House Appropriations Committee recently approved a policy rider, introduced by Congressman Denny Rehberg of Montana and supported by Arizona Democrat Congressman and Energy and Water

Subcommittee Ranking Member Ed Pastor, barring the Secretary from implementing the Chu directives. It is clear members from both sides of the aisle are concerned about how the Chu Memorandum would be implemented. Hopefully today's discussions will continue the debate and enhance the committee's ability to exercise its oversight authority on this important public power issue.

In conclusion, Arizona has strong and innovative leaders. Working together, we have found a number of solutions that will put Arizonans back to work. Arizona can be a national model for economic recovery driven by sustainable resource development. The federal government just needs to get out of the way.

Thank you again everyone for being with us here today. It is great to see so many constituents in the crowd who have traveled into town from all stretches of rural Arizona to take part in today's hearing. Together, we are going to get our country back on track.