

DOC HASTINGS, WA
CHAIRMAN
DON YOUNG, AK
JOHN J. DUNCAN, JR., TN
LOUIE GOHMERT, TX
ROB BISHOP, UT
DOUG LAMBORN, CO
ROBERT J. WITTMAN, VA
PAUL C. BROUN, GA
JOHN FLEMING, LA
MIKE COFFMAN, CO
TOM McCLINTOCK, CA
GLENN THOMPSON, PA
JEFF DENHAM, CA
DAN BENISHEK, MI
DAVID RIVERA, FL
JEFF DUNCAN, SC
SCOTT R. TIPTON, CO
PAUL A. GOSAR, AZ
RAUL R. LABRADOR, ID
KRISTI L. NOEM, SD
STEVE SOUTHERLAND II, FL
BILL FLORES, TX
ANDY HARRIS, MD
JEFFREY M. LANDRY, LA
CHARLES J. "CHUCK" FLEISCHMANN, TN
JON RUNYAN, NJ
BILL JOHNSON, OH

TODD YOUNG
CHIEF OF STAFF

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

EDWARD J. MARKEY, MA
RANKING DEMOCRATIC MEMBER
DALE E. KILDEE, OR
PETER A. DeFAZIO, OR
ENI F.H. FALEOMAVAEGA, AS
FRANK PALLONE, JR., NJ
GRACE F. NAPOLITANO, CA
RUSH D. HOLT, NJ
RAUL M. GRIJALVA, AZ
MADELEINE Z. BORDALLO, GU
JIM COSTA, CA
DAN BOREN, OK
GREGORIO KILILI CAMACHO SABLAN, CNMI
MARTIN HEINRICH, NM
BEN RAY LUJAN, NM
DONNA M. CHRISTENSEN, VI
JOHN P. SARBANES, MD
BETTY SUTTON, OH
NIKI TSONGAS, MA
PEDRO R. PIERLUISI, PR
JOHN GARAMENDI, CA
COLLEEN W. HANABUSA, HI

JEFFREY DUNCAN
DEMOCRATIC STAFF DIRECTOR

Opening Statement
Congressman Tom McClintock

Chairman, House Water and Power Subcommittee

Joint Water and Power and Indian and Alaska Native Affairs Subcommittee Oversight
Hearing on "Protecting Long-Term Tribal Energy Jobs and Keeping Arizona Water and
Power Costs Affordable: The Current and Future Role of the Navajo Generating Station"
May 24, 2011

The purpose of today's hearing is to comprehend an effort by the EPA to impose cost-prohibitive mandates on one of the largest sources of electricity in the west – the Navajo Generating Station.

I want to thank our Arizona colleagues, Paul Gosar and Trent Franks, for requesting this hearing. Dr. Gosar has spoken eloquently about the need to protect the Navajo Generating Station in our past hearings and today the sub-committees on Water and Power and Indian and Alaska Native Affairs get the chance to focus entirely on this subject with expert witnesses.

Since 1975, the Navajo Generating Station has produced 2,250 megawatts of inexpensive electricity – more than produced by the Hoover Dam. It employs 545 workers – 80 percent of whom are members of the Navajo Nation and Hopi Indian Tribe – and pays workers an average of over \$100,000 per year in wages and benefits. In addition, the nearby coal mines employ another 422 tribal workers. Royalties from coal sales comprise 80 percent of the budget of the Hopi Indian Tribe.

This electricity powers the Central Arizona Project's delivery of affordable water to most of Arizona and provides electricity to the Los Angeles Department of Water and Power, the Arizona Public Service Company, Nevada Power and Tucson Electric Power. Surplus electricity sales repay federal funds fronted for the construction of the Central Arizona Project and underwrite the Arizona Indian Water Rights Settlements.

The NGS is equipped with \$200 million of environmental control equipment that removes 99.5 percent of particulate matter. In the late 1990's, the NGS was outfitted with wet limestone scrubbers at a cost of nearly a half-billion dollars that remove more than 90 percent of sulfur dioxide. In 2008, low NOx burners were installed at the cost of \$45 million.

Beginning in 1998, environmental extremists began a concerted effort to shut down the inexpensive coal-fired electricity upon which our economy depends. Their first victim was the Mojave Generating Station. The taxpayer-funded Grand Canyon Trust boasted, "This ends an

era of coal at that site and we hope that it is the beginning of many in this region.” It was. The EPA pulled an already-granted permit for the clean coal Desert Rock project in 2009.

Former Navajo Nation President Joe Shirley said, “These are individuals and groups who claim to have put the welfare of fish and insects above the survival of the Navajo people when in fact their only goal is to stop the use of coal in the U.S. and the Navajo Nation.”

The question today is whether the Navajo Generating Station will be their next victim. The EPA is now moving to impose one billion dollars of new costs on the Navajo Generating Station, which will make it economically impossible to continue operations. This radical agenda doesn’t even pretend to be in support of public health – rather, it is to improve the “view-shed.” But as we will hear, the \$1 billion of visibility improvements – even if they could be economically supported -- won’t even be visible to the human eye.

It is important that we understand the irrational extremism behind this effort. This administration is willing and indeed, appears eager, to throw thousands of tribal and non-tribal workers into unemployment, devastate the Hopi Indian Tribe and the Navajo Nation, compromise the Bureau of Reclamation’s ability to make water deliveries to millions of Americans and to repudiate the federal government’s Trust responsibility to numerous tribal nations.

We will be told by the minority’s witnesses not to worry – we’ll replace the electricity with wind and solar power. We need to understand what that means. It means replacing power that costs less than 4 cents per kilowatt hour with power that costs 10 cents and 21 cents respectively. And because wind and solar power is intermittent and unpredictable, it adds absolutely nothing to baseline power because it requires us to build one megawatt of reliable back-up power for every megawatt of wind and solar. All this to replace a generating station we’ve already paid for. This is sheer insanity. This is the Obama EPA.

We have very painfully witnessed how left-wing ideology and junk science have made water and energy shortages and price increases a mainstay in my home state of California. The same thing could happen in Arizona if the EPA drives the bus off the cliff on the matter before us this afternoon. I hope today’s hearing brings the EPA back to this planet.