

**Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Hearing on the “American Energy Security and Innovation: An
Assessment of North America’s Energy Resources”
February 5, 2013**

(As Prepared for Delivery)

Today’s hearing is a welcome one to examine the positive developments resulting from advancements in innovation and technology - the game changing potential for North American energy independence. What was once believed to be unthinkable is now within our grasp.

For over three decades, the American people have been told that we are a nation of declining resources at the mercy of OPEC. The story was nearly as gloomy with natural gas – with forecasts of dwindling domestic supplies, higher prices, and rising imports from the Middle East. In fact, in this committee, many may remember when we crafted a title in the Energy Policy Act of 2005 to facilitate what we thought would be the new norm: Pending reliance on imported gas from geopolitically unstable regions of the world, to add to our growing reliance on OPEC oil.

But thanks to American ingenuity and advanced technologies, the trends in domestic oil and natural gas production have been turned upside down. In fact, the U.S. is now the world’s leading producer of natural gas and the IEA is predicting that by 2020, U.S. oil production will exceed Saudi Arabia’s. Let me repeat that – by 2020, U.S. oil production will exceed Saudi Arabia. A remarkable turn of events.

Our overall energy landscape has changed dramatically in just a short period of time, and it is not only rewriting the economic outlook that we have as a nation, but also beginning to change the geopolitical nature of global energy economics.

Today, this subcommittee is launching a series of hearings on American Energy Security and Innovation to hear from experts who are working with the current realities of this energy transformation. It is up to us to ensure that our federal laws are not continuing to introduce roadblock after roadblock to enhanced energy security.

We must remain steadfast in our support for efforts to improve the infrastructure necessary to maximize use of these resources, including the Keystone XL pipeline. These issues are too important for our nation to be looked at in a vacuum, and if we don’t take advantage of our energy abundance, other nations are eagerly waiting to step in and use North American energy to fuel their own growth.

The benefits of our emerging energy abundance are many, boosting our economy and creating jobs in Michigan and across the nation, a bright spot in the economic downturn. We must build upon our progress.

Once we have a more accurate sense of North America’s energy potential, we can start the process of ensuring we have the proper vision for the future. I welcome our esteemed panel of experts here today, including Dr. Daniel Yergin. The domestic energy boom is good news – but only if we are wise enough to let it happen.

###