

Statement for the Record
The Honorable Mead Treadwell
Lieutenant Governor
State of Alaska
Before the
United States House of Representatives
Committee Transportation on Transportation and Infrastructure
Subcommittee on Coast Guard and Maritime Transportation

“America is Missing the Boat”

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Introduction

Mr. Chairman, members of the Committee, Congressman Young, for the record, I am Mead Treadwell, the lieutenant governor of the State of Alaska. Thank you for inviting me to offer some views from Alaska about the future of Arctic shipping and maritime activities, and the need to ensure we are prepared to embrace those challenges and opportunities safely.

We’ve said it before – in my appearance before this Subcommittee in 2006 and in Governor Sean Parnell’s Senate testimony in 2009,¹ and we’ll say it again, because not much has changed: it is time for the nation to act – and act now – to add new polar class icebreakers to the United States Coast Guard’s fleet. With so much happening in the North today, the need is more urgent and apparent than ever. We would like to ask this Committee, and by extension Congress and the Executive Branch, to look with us at the bigger picture – the historic changes happening in the Arctic and what they portend for world commerce and Alaska’s shores – and recognize three imminent needs:

First, the United States must commission new heavy icebreakers to operate in the Arctic.

Second, we need legal measures in addition to icebreakers to protect our shores from the dangers of unregulated itinerant vessels carrying hazardous cargoes near our coasts.

And third, Congress and the Administration must fulfill the legal mandates that are already in place regarding icebreakers. These mandates reflect needs in commerce, science, and protection of Americans’ sovereignty, safety, and security. The State of Alaska is responding to opportunities and risks associated with the historic changes in global shipping patterns resulting from changes in the Arctic Ocean. We are eager to continue in cooperation with the nation.

I. Congress needs to act now on icebreakers.

A. Other nations have already seen the big picture.

¹ Governor Sean Parnell made the case for icebreakers in the Arctic in his 2009 testimony before the Senate Subcommittee on Homeland Security Appropriations, stating, “The Coast Guard needs to move north and improve its capability – our heavy class icebreakers are on their last legs.”

The purchase of Alaska in 1867 made America an Arctic nation, yet after 150 years, the myth of Seward's Folly still lingers. It's time to quit arguing whether investment in the North is worth it and recognize the valuable people, resources and location we gained as a nation.

Arctic resources include globally significant quantities of commercial fisheries, minerals, renewable energy sources, and world-class amounts of oil and gas. A 2008 U.S. Geological Survey estimates 13% of the world's undiscovered oil, and 23% of undiscovered gas lies in the Arctic. Six of the Arctic nations are already pursuing oil and gas development offshore, and energy may soon be the primary cargo transiting the Bering Strait.

America is one of only eight Arctic nations, and one of two with territory adjoining the Bering Strait – really a “Bering Gate,” the only route from the Pacific to the Arctic.

Changes in the Arctic are creating opportunities in a once remote and harsh region. Ice cover is at historic minimums, and multi-year ice is decreasing. Icebreaking technology has advanced, bringing significant new efficiencies. Northern sea routes, sought by explorers for hundreds of years, are opening up.

Several sources report that international shipping of crude oil, refined products, and other potentially hazardous cargoes through the Bering Strait is growing rapidly as European and Asian shippers see the advantages of the Arctic route. Other Arctic – and even non-Arctic – nations have seen the potential, but America is missing the boat.

Most traffic occurs under arrangements for icebreaker escort by vessels working with Russia's Northern Sea Route Administration. We understand that last year, for the first time, Norway's Tschudi Shipping Company worked a partnership with Russian maritime authorities to bring 41,000 tons of iron ore from Kirkenes, Norway to China.

Again this year, Russian ships, and ships of other nations escorted by Russia's Northern Sea Route Administration, are coming in force. Hazardous cargoes are making the backhaul as well – at least one tanker bringing gas condensate to Asia this year is reported to have returned to Europe with aviation fuel.

In August of this year, Norway's *MV Nordic Barents* was the first non-Russian bulk cargo ship to transit the Northern Sea Route in Russian waters.

Other records are being set along the Northern Sea Route, from the *STI Heritage's* fastest-ever voyage from Murmansk to Thailand, transiting in just eight days, to the *Perseverance's* latest-ever northern voyage, which ended just two weeks ago on November 18. Altogether, the Northern Sea Route saw nine tankers carrying 600,000 tons of gas condensate pass by this year.

I joined an Arctic conference in Arkhangelsk, Russia in September, where Russia's Prime Minister Vladimir Putin told the Russian Geographical Society that his country sees the opportunities in the Arctic, and they are ready to pounce. Speaking of the Northern Sea Route at the Russian Geographical Society conference, Putin told us, “We are planning to turn it into a

key commercial route of global importance. ... We see its future as an international transport artery capable of competing with traditional sea routes in cost of services, safety, and quality.”² President Medvedev, dedicating a new northern rail project in Yakutsk – headed for the Bering Strait – indicated as much last month.

Russia intends to make the Northern Sea Route as important to global shipping and commerce as the Suez Canal.

And Russia is putting its money where its mouth is, building nine new icebreakers in the next decade, and discounting tariffs on icebreaker escorts to make sure that shippers find the Northern Sea Route for distance savings of up to 40 percent. Russia’s claim to new extended continental shelf resources in the Arctic Ocean under the United Nations Convention on the Law of the Sea could give Russia greater control of Arctic shipping. Cargo moving through the Bering Strait this year – from Russian and American sources – is worth well over \$1 billion. Add to that a Bering Sea fishery owned by both nations worth billions each year and the situation is clear: in monetary terms, there’s billions to be made and billions to protect.

At the same Arkhangelsk conference, Russia’s Academy of Sciences Vice President Nikolai Laverov showed a slide of Alaska’s declining throughput in the Trans-Alaska Pipeline System (or TAPS) and Russia’s competitive success in attracting Arctic investment. All Arctic energy production depends on access, and Russia has it. Russia is now in the lead in Arctic oil production – and they’re keen to stay there.

Meanwhile, other Arctic and circumpolar nations are investing in fleets of icebreakers. The report of exactly how many ships are being operated by other countries varies (some count polar, medium and light icebreakers, as well as ice ‘strengthened’ or ‘capable’ vessels), but all the tallies make one thing clear: other nations have seen the writing on the wall and are investing in infrastructure. Sweden has at least four vessels; Finland, at least six; and Russia over two dozen (and counting). Canada has about eight, and even the European Union is constructing an icebreaker – a heavy, polar class icebreaker.³

Our Arctic neighbors are leaps and bounds ahead of our position, and non-Arctic nations are in hot pursuit.

A Chinese researcher, Mr. Li Zhenfu of Dalian Maritime University, writes that, “Whoever has control of the Arctic route will control the new passage of world economics and international strategies.”⁴ The prospect of commercial and strategic opportunities presented by receding sea ice cover and accessibility of Arctic resources has moved the Chinese government to allocate more resources for Arctic research, and they have asked to join the Arctic Council as an observer. China’s Rear Admiral Yin Zhuo has asserted that no nation has sovereignty over the

² Putin, Vladimir (2011, September). Remarks presented at the second International Arctic Forum, “The Arctic – Territory of Dialogue”, Arkhangelsk, Russia. Available online: <http://premier.gov.ru/eng/events/news/16536/>.

³ “The World Icebreaker, Ice Breaking Supply and Research Vessel Fleet.” A report commissioned by the Finnish Maritime Administration on behalf of the Baltic Icebreaker Management. Released by the Finnish Transport Agency, Helsinki, February 2011.

“Polar Icebreakers of the World.” A list developed and maintained by Mobility and Ice Operations. July 25, 2011.

⁴ Li, Zhenfu. *Zhongguo Hanghai*, vol. 32, no. 2 (June 2009).

Arctic, and said that China must plan to have an indispensable role in Arctic exploration as they have one-fifth of the world's population.⁵

Japan has stepped up its research in global environment, climate and marine science in the Arctic. And with China and Korea, Japan has applied for permanent observer status on the Arctic Council.

Polar air routes have characterized the jet age since the late 1950s, and Arctic air transport is now key to air cargo bound between North America or Europe and Asia. Governments and industries in Russia, Europe and Asia see the same potential for shipping. Why don't we?

B. Our national mandates are not being met.

The irony of America's present situation is painful: a staggering national debt weighs on the future of our children, while the contributions of a promising and abundant region go largely unnoticed. When we ask you for icebreakers, it's for safety, security, and American jobs. It's to serve American shipping, American exports. It's to help lower costs for Americans in regions like Western Alaska, which has a higher cost of living than anyplace in the nation. Americans lack jobs, our industries struggle with the cost of doing business, and rural Alaskans suffer the staggering cost of energy, while huge amounts of foreign energy are beginning to pass by our front door in tankers, taking advantage of game-changing shipping opportunities.

The United States is falling behind in maintaining an Arctic presence and in helping to set best practices as this region sees increasing international resource development and shipping. But more importantly, we are failing in our own national mandates, goals and policy.

In 1936, President Franklin Roosevelt issued Executive Order 7521, directing the Coast Guard, under the direction of the Secretary of the Treasury and with the cooperation of the Secretaries of War (Army), the Navy, and Commerce, to keep channels and harbors open to navigation by means of icebreaking operations. That order has never been implemented in the Arctic.

The Arctic Research and Policy Act of 1984 recognized that the United States was lagging behind other circumpolar nations even then, and it directs the Office of Management and Budget to "seek to facilitate planning for the design, procurement, maintenance, deployment and operations of icebreakers needed to provide a platform for Arctic research by allocating all funds necessary to support icebreaking operations, except for recurring incremental costs associated with specific projects, to the Coast Guard."

Last year's Coast Guard Authorization Act of 2010, section 307, implements the Arctic Marine Shipping Assessment (AMSA), mandating that the Coast Guard "shall promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective..." That makes

⁵ Qtd. in Wright, David Curtis. *The Dragon Eyes the Top of the World: Arctic Policy Debate and Discussion in China*. China Maritime Study No. 8. Newport, RI: U.S. Naval War College (Aug. 2011). Page 2. Available online: http://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/China-Maritime-Study-8_The-Dragon-Eyes-the-Top-of-.pdf.

President Roosevelt's order the law of the land for the entire nation. We welcome this mandate as Alaska has half the nation's coastline, and likely over half of America's ice.

That act also required that a report on the comparative cost-benefit analyses of icebreaker renovation or construction be delivered no later than October 15 of this year to the Senate Committee on Commerce, Science and Transportation, and the House Committee on Transportation and Infrastructure. It moreover required a report from the Commandant of the Coast Guard on the High-Latitude Study assessing the polar icebreaking requirements for Coast Guard missions, including search and rescue, marine pollution response and prevention, fisheries enforcement, and maritime commerce. We understand that full report is embargoed still by President Obama's administration.

This past spring, the President updated the United States military's Unified Command Plan to give U.S. Northern Command advocacy responsibility for Arctic capabilities. Accompanying shifts of UCP geographic boundaries mark the military's awareness of the vital and ever-growing importance of the Arctic. Then Commander of the Northern Command, U.S. Navy Admiral James Winnefeld, Jr., recognized the implications of the changing Arctic, and noted the gaps faced by the military, including infrastructure and mobility, and search and rescue capabilities.⁶ General Charles Jacoby, his successor, formerly ran the U.S. Army in Alaska. He, too, knows our challenges.

Around the same time as this spring's announcement, a report by the National Research Council on the implications of climate change on national security cited major gaps in U.S. naval forces' ability to perform their missions in the Arctic.⁷ That report advised that the U.S. Navy, Marine Corps and Coast Guard take action to ready themselves for Arctic conditions. The protection of our domestic security is the fundamental mandate of the U.S. Armed Forces, and it is threatened if we remain unprepared.

This year, in response to the recommendations of AMSA, the eight Arctic Council nations signed a binding Search and Rescue Agreement. Alaska supported this, and sent experts to the first multinational exercise conducted under this agreement in October in Whitehorse, Yukon Territory. Without icebreakers and other Arctic USCG assets, major deficiencies in the region's life safety response capabilities exist – and our promise to provide search and rescue in our sector of the Arctic is compromised.

Finally, the United States Congress, in the 2010 Coast Guard Authorization Act, charged the Committee on Marine Transportation Services (CMTS) to develop an integrated Arctic shipping regime, and to coordinate the establishment of domestic transportation policy to realize the goal set by President George W. Bush of safe, secure and reliable shipping in the Arctic. The AMSA Implementation Act, additionally, encourages the Coast Guard to negotiate agreements with

⁶ Winnefeld, Jr., Admiral James A., U.S. Navy Commander, United States Northern Command and North American Aerospace Defense Command. Statement before the House Armed Services Committee, 30 Mar. 2011. Available online:

[http://www.northcom.mil/Docs/2011%20NORAD%20and%20USNORTHCOM%20Posture%20Statement%20\(HASC%20Final\).pdf](http://www.northcom.mil/Docs/2011%20NORAD%20and%20USNORTHCOM%20Posture%20Statement%20(HASC%20Final).pdf).

⁷ *National Security Implications of Climate Change for U.S. Naval Forces*. Committee on National Security Implications of Climate Change for U.S. Naval Forces. Washington, D.C.: The National Academies Press, 2011.

other Arctic nations through the International Maritime Organization. Those agreements would focus on aids to navigation; marine safety, tug, and salvage capabilities; oil spill prevention and response capability; maritime domain awareness (including long-range vessel tracking); and search and rescue.

The United States has been protecting our sovereign airspace along Alaska's shores for over 50 years. The United States Coast Guard has been protecting America's coast for over 200 years. Why don't we protect our sovereign waters along Alaska's Arctic coast with the same vigor?

America has a duty to protect its citizens in coastal communities and to safeguard their way of life. Coastal Alaskans have spent thousands of years relying on the sea for their food and clothing, for the heat they create from whale oil and the shelter they derive from driftwood. The majority of Alaska Natives in the North get more than half of their meat and fish from wild, local harvests. Sixty percent of those wild harvests are from marine mammals. It is imperative we ensure that the increasing foreign ship traffic off our shores does not jeopardize the freedom of Americans to maintain a subsistence lifestyle.

Mr. Chairman, the United States has a long history of national mandates and policy that require our action. And yet we fail to act on them. Moreover, the recent decision of the U.S. House of Representatives to retire the nation's only heavy icebreaking ships without replacements is a disappointment. But to the extent that the all-or-nothing approach forces a legitimate conversation about the need for icebreakers and an opportunity to spotlight the conversation – I applaud the decision.

We should, however, be cautious about the risky “game of chicken.” If it fails, it fails Americans – and Alaskans most of all.

C. The savings and benefits outweigh the costs.

We understand that the action we are asking Congress to take will require significant funds. We understand the costs, but we cannot ignore our obligations or the major opportunities we face.

In a conference recently in Juneau, University of Alaska Professor Dr. Lawson Brigham, a former USCG icebreaker captain, noted that the U.S. Navy is building 47 Littoral Combat Ships at a price of \$400-500 million each. He asked, why not consider building 45 of these ships, and allocating that other \$800 million to \$1 billion in the budget for the Coast Guard to build one major polar icebreaker?

Some have argued we should charge for icebreaker escort services as other nations do. Ship owners pay for services in the Panama and Suez Canals. U.S. vessels pay for oil spill preparedness and insurance. A bill pending in this Congress would have the U.S. lease, rather than own, icebreakers it needs in the Arctic. Long term charter agreements are in place in the Antarctic, and it has been argued that private contractors are able to build icebreakers more quickly and less expensively, operate them more efficiently in terms of cost and maintenance, and would bear the expense of decommissioning. This is worthy of consideration if it moves us forward faster in the Arctic.

However we work out our finances, America and its trading partners could reap huge economic benefits from accessing northern sea routes. Former U.S. Coast Guard Lieutenant Commander Scott Borgerson wrote nearly four years ago about the financial advantages available to world commerce through Arctic shipping.⁸ He told us how plying the Northern Sea Route from Rotterdam to Yokohama instead of traveling via the Suez Canal would yield distance savings of more than 40 percent. He told us that one container ship voyage from Seattle to Rotterdam via the Northwest Passage instead of the Panama Canal could save about 20 percent of its costs – then about \$3.5 million dollars.

Borgerson envisioned a future of global Arctic shipping where “a marine highway directly over the North Pole will materialize. Such a route,” he wrote, “which would most likely run between Iceland and Alaska’s Dutch Harbor, would connect shipping megaports in the North Atlantic with those in the North Pacific and radiate outward to other ports in a hub-and-spoke system.”

As the Arctic Marine Shipping Assessment predicted, most Arctic shipping traffic today is destination, carrying resources out from or products in to Arctic regions. But we need to envision a time, coming soon, when products travelling to and from non-Arctic ports traverse our Arctic Ocean and Bering Sea – and we need to be ready.

II. Our lack of legal protection.

I want to make sure Congress understands there are now two classes of ships operating in the Bering Strait region – those that are under contingency planning requirements for oil spills, and those that are not. U.S. vessels are highly regulated: by NOAA, by EPA air quality controls, by the Interior Department’s BOEM and BSEE oversight of exploration – in fact, over 120 federal laws regulate the use of the coastal zone and offshore areas. But ships originating outside the U.S. – such as those traveling between Russia or Europe and Asia, are not even required to have a spill contingency plan, even though they pass by hundreds of miles of U.S. coastline. We face the prospect of increasing international ship traffic through the Bering Strait – carrying anything from crude oil to aviation fuel – with minimal requirements to prepare for oil spills, maintain air quality, or care for wildlife and subsistence needs.⁹

Icebreakers can help us reduce the risks brought about by that disparity. If we are to achieve our policy of advancing safe, secure and reliable shipping as the Arctic Ocean becomes more accessible, the U.S. must operate new polar class icebreakers. Without them, little or no appropriate government capability exists to enforce prevention measures or to respond to a spill in this region. It is folly to rely on aircraft and submarines alone to protect U.S. interests. We learned that tragic lesson when we lost six lives as a helicopter crashed trying to evacuate crew from the shipwrecked *Selendang Ayu* in 2004.

⁸ Borgerson, Scott G. “Arctic Meltdown: the Economic and Security Implications of Global Warming.” *Foreign Affairs*, vol. 87, no. 2.

⁹ The State of Alaska has sought remedies to this situation in its comments on the USCG Port Access Route Study for the Bering Strait.

There are a range of legal ways and international agreements we might pursue to require safety measures from itinerant vessels transiting the Bering Strait. (None are quick or easy solutions, but measures that protect our national security rarely are.)

- Working on a vessel routing system to prevent collisions and groundings from increased shipping, following protocols of the International Maritime Organization, and coordinating with the Russian Federation. The State of Alaska provided comments to the USCG's Port Access Route Study for the Bering Strait regarding this approach.
- Having all Arctic nations seek ship owners' participation in an Oil Spill Response Organization with a contingency plan, perhaps as part of the upcoming Arctic Council Oil Spill Preparedness and Response Agreement. Alaska has joined U.S. delegations negotiating this agreement.
- Resolving the debate on Law of the Sea, and ratifying the Law of the Sea Treaty, which with Article 234 authorizes the extension of environmental law in traditionally ice-covered areas. As the debate on ratification continues, the State has asked for clarification of U.S. intent in implementing Article 234.
- Using existing authority in the Oil Pollution Act of 1990 to cover nontank vessels and working a reciprocal deal with Russia and Canada. The Final Rule on Nontank Vessel Response Plans and Other Vessel Response Plan Requirements Regulations is still under development within the Coast Guard and the Department of Homeland Security. Section 701 of the Coast Guard Authorization Act of 2010 directs that this final rule be issued no later than April 15, 2012.
- Forming an agreement with Canada and/or Russia similar to the 1817 Rush-Bagot Agreement, creating a mechanism like that of the St. Lawrence Seaway Development Corporation, whereby Arctic nations establish a shipping authority that administers the route, provides compliance, icebreaking, and other aids to navigation, including spill preparedness and response. (Borgerson also suggested this in his 2008 article, "Arctic Meltdown".)

III. How Alaska is helping America live up to the promise of the Arctic.

Mr. Chairman, Congress spoke last year in the Coast Guard Authorization Act of 2010 and AMSA Implementation, and charged the Committee on Marine Transportation System with this mission: to coordinate the establishment of domestic transportation policy to ensure safe and secure maritime shipping in the Arctic. I would like to say for the record now that as these processes get underway, we need to be ambitious, creative, and determined. The United States must acknowledge its responsibilities and embrace new possibilities. The Arctic needs resources, not just rules. What's happening in the Arctic Ocean and along northern sea routes has global, historic and exciting significance, and we need to take an active role. We must plan for an Arctic shipping future that could be like a new Suez Canal.

In a visit to D.C. last month, I briefed the leaders of CMTS in some activities the State of Alaska is conducting to help America move toward the new world of Arctic shipping, and how we are bringing resources to the table to help to achieve safety, create jobs, and spur exports of goods and services. We are hopeful the CMTS will mesh with the outcome of our current work with the Arctic Council, the International Maritime Organization, and the U.S. Coast Guard and Army Corps of Engineers, and Alaska's Northern Waters Task Force.

Below is a non-comprehensive list of these activities:

- **Arctic Council:** The State of Alaska actively supports the United States' work within the Arctic Council, and I serve as our state's liaison on Council issues. As we support the Council's work to implement recommendations of the 2009 AMSA, the State is active in implementing the Arctic Council's aforementioned Search and Rescue Agreement, signed at the Ministerial in Greenland this past May. We are likewise a participant in the Council's oil spill response instrument negotiations. In addition, through the Pacific Northwest Economic Region (PNWER), Alaska is bringing resources and support for the Arctic Council Sustainable Development Working Group's proposed aviation and maritime infrastructure project, which will survey the region's infrastructure needs.
- **USARC/Research programs:** Alaska is also deeply involved in Arctic research. I work closely with the U.S. Arctic Research Commission (USARC), which I chaired under Presidents Bush and Obama from 2006-2010, and served on from 2001-2010 as a Commissioner, and which is currently chaired by Ms. Fran Ulmer, former lieutenant governor of Alaska and former chancellor of the University of Alaska Anchorage. Our University is currently working hard to launch the newest ice-strengthened research vessel, the Sikuliaq (see KOO lee auk), in the nation's NSF-sponsored UNOLS fleet. Moreover, with the University vice president, I co-chair a State Committee on Research which is writing a research and development plan that assesses Alaska's research and development needs for our economy, health, safety, environment, and culture. Alaska researchers play a major role in our understanding of Arctic change and Arctic resources, Arctic engineering and methods of spill response in ice-covered waters.
- **USCG forward basing:** In Alaska we are supporting the U.S. Coast Guard's efforts to bring forward basing to Alaska's North Coast, and we're examining ways we can help provide hangars for fixed and rotary wing aircraft in Barrow and Nome. The Alaska National Guard air-refuelable helicopters and aircraft, as well as helicopters of the North Slope Borough, are America's front-line for search and rescue in the Arctic Ocean today – Coast Guard response is based much further away.
- **New and improved ports:** The State of Alaska has also joined with the U.S. Army Corps of Engineers to conduct a port study for western and northern Alaska. Our intent after the study is to foster investment to establish a deep water port in Western Alaska to serve as a port of refuge for Coast Guard vessels and itinerant traffic. The port would also meet the needs of large vessels, including fishing fleets, and resource export vessels. At the same time, we see a need to upgrade the minimal port facilities which now exist for cargo import and export in a range of Western Alaska communities.

- **Shuttle container shipping:** In 2006, the State of Alaska committed \$50,000 for the first pre-feasibility study on transarctic container shipping, looking at the economics and logistics of trans-shipping containers from North America and Asia between Aleutian and Icelandic ports, thus tying North Atlantic and North Pacific shipping together through the Arctic. The results of the study are promising.¹⁰ Recently, we have heard interest to look at this again from Aleutian, Asian and European ports that would send and receive cargo in such a system. One option to consider as we proceed would be to include this work under the Arctic Council's proposed Arctic Maritime and Aviation Transportation Infrastructure Initiative.
- **Early warning system:** The State is a major financial sponsor of the Automatic Identification System receiver network established by the Marine Exchange of Alaska, which now covers all traffic operating in the Arctic region, approaching or leaving the Bering Strait and the Aleutian Archipelago. The network provides location data and advanced warning to the U.S. Coast Guard and state emergency responders of all ships approaching state waters, and gives us – and communities – a heads-up on traffic, including stalled itinerant vessels that might be headed for a shipwreck.
- **Review of new regimes for shipping administration:** Last year, Alaska's State Legislature created the Northern Waters Task Force (NWTF).¹¹ This task force is charged with examining the effects of changes in the Arctic on shipping, energy and local industry and making recommendations on infrastructure and regulatory needs, mitigation strategies, and ways for the State to be involved in governance of Arctic shipping. NWTF will present their report to the Legislature in January of 2012. Early discussions indicate that international cooperation and investment in oil spill response capabilities will be among the measures recommended.

Conclusion

Mr. Chairman, members of the Committee, Alaska has and will continue to work hard on Arctic policy because we are America's Arctic – it's our home, our history, our heritage and our future. And we work hard with high hopes for outcomes.

But we ask for the U.S. to work hard with us. To reiterate, Mr. Chairman, we ask for three things.

First, we need icebreakers. Without action on this, America is putting its national security on the line, and we are going to miss the opportunities of the Arctic while watching other nations advance. Good policy only goes so far without the infrastructure to act upon it. We have mandated icebreakers more than once. We're missing the boat. Let's build them.

¹⁰ Niini, M., M. Arpiainen, and R. Kiili. *Arctic shuttle container link from Alaska, US to Europe*. Report AARC K-63. Aker Arctic Technology Inc., Mar. 2006.

¹¹ Alaska State Legislature, HCR 22, Legislative Resolve No. 54 (2010), Establishing and relating to the Alaska Northern Waters Task Force. Available online: <http://housemajority.org/coms/anw/pdfs/26/Scan001.pdf>.

Second, while we wait for new icebreakers, we need to take legal action to protect our coasts and prevent spills in the Arctic and Aleutians. We made this clear in our comments to the U.S. Coast Guard's Port Access Route study, and we urge the U.S. to step up the pace.

And third, the federal and state governments need to continue working together through the CMTS and Arctic Council processes to ensure that America does not miss out on the historic, game-changing opportunities in Arctic shipping. Arctic shipping presents safety challenges for sure. But for America, it is an opportunity, and one that could pass us by.

Alaska encourages America's new shipping policy to be ambitious. It should keep us safe, create jobs, help improve the quality of life in Western Alaska, and generate goods and service exports, as polar aviation does today. We need to grasp the historic opportunities of the changing Arctic. America has been an Arctic nation for 150 years. It's time we started acting like it.

Thank you.