



**STATEMENT OF DAVID MARKARIAN**  
**VICE PRESIDENT – GOVERNMENT AFFAIRS**  
**NEXTERA ENERGY, INC.**  
**BEFORE THE U.S. HOUSE COMMITTEE ON ENERGY AND COMMERCE**  
**SUBCOMMITTEE ON ENERGY AND POWER**

**JULY 9, 2013**

Mr. Chairman, Ranking Member Rush, and Members of the Subcommittee:

My name is David Markarian, and I am Vice President of Government Affairs for NextEra Energy, Inc. I appreciate the opportunity to appear before you today to testify on the Natural Gas Pipeline Permitting Reform Act of 2013 and the great value it will add to our country's advances in natural gas production.

My company, NextEra Energy is one of America's leading energy companies. Our 15,000 employees work in more than 20 different states operating one of the largest and most diverse fleets of power plants in the nation, using natural gas, nuclear, solar, wind, coal and other fuels to generate electricity for millions of Americans every day. NextEra is engaged in hydraulic fracturing in six shales. We also build and operate high voltage, long distance electric transmission lines, build pipelines to transport natural gas and operate the nation's fourth largest nuclear fleet; with eight commercial nuclear power units in Florida, New Hampshire, Iowa and Wisconsin.

Over the last five years alone, NextEra Energy has invested more than \$27 billion in capital projects, putting us in the top 10 companies making investments in American infrastructure. These projects have created thousands of jobs and improved our ability to generate electricity from domestic sources of fuel, both of which are key ingredients for the United States' economic growth and prosperity.

One of the areas that we have invested most heavily in is high-efficiency power generation from low-cost, U.S.-produced natural gas. Indeed, today, as an enterprise, NextEra Energy is one of the nation's largest purchasers and consumers of natural gas for electric power generation. While NextEra might be better known as the largest wind energy generation company in North America, second-largest in the world, and the nation's leading generator of energy from the sun, we pride ourselves on our "all of the above" approach to meeting the nation's domestic energy needs.

Our use of natural gas is helping to save our customers literally billions of dollars. By investing in natural gas power over the past decade, our Florida utility, Florida Power & Light, has reduced its use of foreign oil to generate power by more than 98 percent. Thanks in part to investments in efficient natural gas generation, FPL's customers pay about 25 percent less for power than the national average. Lower electricity prices foster business creation and growth, and also provide our customers with greater discretionary income to invest, or spend on other goods and services.

In just a few days, FPL will be demolishing the iconic red-and-white stacks of its 1960s-era Port Everglades power plant, within view of the Fort Lauderdale-Hollywood airport, to make way for a new, high-efficiency, next-generation energy center that will run on American natural gas. Our analyses project that this \$1 billion investment alone will net our customers more than \$400 million in savings because of the advanced fuel-efficiency of the new plant.

But for plants like this and many others across the country, a reliable fuel supply is essential. The ability to get natural gas from where it's produced to efficient power plants in Florida, California, Texas, Illinois and other states is critical for both the security and affordability of electricity in America. As the supply of and reliance upon natural gas grows dramatically, our natural gas pipeline infrastructure must keep pace.

My testimony today:

- Details the importance of responsible and timely action in the construction of natural gas pipelines in the consideration of licenses, permits and approvals required under federal law; and
- Requests that the Committee support H.R. 1900, which has the broad backing from across the American electric power industry – a capital-intensive industry that is all too aware of the impact that delays in approving, permitting and siting have on important infrastructure projects that are designed to benefit customers.

NextEra Energy believes it is essential that policymakers support the robust natural gas pipeline capacity that is moving this country forward toward energy independence. We support the goals of Congress to expedite agency decision-making on gas pipeline infrastructure development and establish firm timelines for the review of natural gas permitting applications.

Four reasons in particular motivate NextEra's support of H.R. 1900. As a nation, we are fortunate that we have abundant supplies of natural gas in certain areas of the country. The surge of natural gas production is a windfall that, executed responsibly, benefits all Americans as we work together to grow our economy and move this country forward toward energy independence. Second, the surge in natural gas production

has, and will continue to help us revive our economy. Third, in addition to the benefits to the nation's economy, electric utilities and their customers have benefited from the significant technological advances in natural gas production that have contributed to lower natural gas prices and a stable supply. As a result, natural gas generated roughly 30 percent of the electricity produced in this country last year and electric utilities expect natural gas to remain a vital fuel resource for power generation. Fourth, we have to be able to transport natural gas from where it's produced to where it's needed to generate electricity. Utilities, independent electricity generators and other market participants across America rely on pipelines to deliver natural gas to their facilities so they can use it to provide their customers with affordable electricity. Constraints in pipeline capacity adversely impact electric utilities' ability to use natural gas to help generate affordable, reliable electricity needed to fuel economic growth and job creation in this country. Delays in the pipeline permitting process have the potential to inhibit the transportation of this integral energy source, directly impacting our customers, our country and our economy. Because of our industry's reliance on natural gas, it is critical that we have a robust natural gas pipeline capacity throughout the country. To put it simply, if we can't get gas to where we need it, everybody loses.

To prevent this, as the quantity and demand of natural gas proves more vital to our nation, economy and people, NextEra Energy believes that it is critically important that we have timely consideration of the licenses, permits and approvals needed under federal law for pipeline infrastructure projects.

We also think that it is important to point out what the bill does not do. It does not short-cut critical reviews nor does it guarantee approval of any kind - for any project. Its implementation will no doubt produce rejections as well as approvals, both yeses and nos. However, often in infrastructure development, a timely "no" is much preferable to an interminable "maybe."

It should also be noted that the proposed legislation does not affect the substantive standards of environmental protection and other laws designed to protect Americans. Those laws remain in place, undisturbed.

I am fortunate to have as my colleague at NextEra Energy, Joseph T. Kelliher, our Executive Vice President of Federal Regulatory Affairs, who previously served as Chairman and Commissioner of the Federal Energy Regulatory Commission from 2003 to 2009. Prior to that, Mr. Kelliher served as Senior Policy Advisor to the Secretary of the Department of Energy in the most recent Bush Administration, and before that, as the Majority Counsel to the House Energy and Commerce Committee. Mr. Kelliher and I have worked together in consultation and review of H.R. 1900, and NextEra Energy's support of the bill reflects Mr. Kelliher's input as well. Specifically, we support the legislation because it would:

- (a) Require that FERC approve or deny a requested pipeline certificate no later than 12 months after providing public notice that a natural gas pipeline application has been submitted;
- (b) Codify FERC's requirements that all relevant agencies approve or deny a permit application within 90 days after FERC's notice of completion of the environmental review; and
- (c) Require that a permit goes into effect if an agency does not issue a required response within the 90-day timeframe.

The Edison Electric Institute ("EEI"), the trade association representing shareholder-owned electric companies, also supports H.R. 1900. EEI, on behalf of its member companies, has urged Congress to approve the bill, because EEI believes that the bill would help expedite the construction of natural gas pipelines by providing the timely consideration of licenses, permits and approvals required under federal law. EEI has also provided a letter in support of the bill. EEI's members serve virtually all of the ultimate

customers in the shareholder-owned segment of the industry, and represent approximately 70 percent of the U.S. electric power industry. NextEra Energy is a member utility of EEI.

Likewise, NextEra Energy believes that it is critically important to ensure timely consideration of the licenses, permits and approvals needed for energy infrastructure projects.

Mr. Chairman, Ranking Member Rush and Members of the Subcommittee, I appreciate the Committee's invitation to testify today and your consideration of the Natural Gas Pipeline Permitting Reform Act of 2013. I would be pleased to answer any questions you may have.