

**Opening Statement of the Honorable Ed Whitfield
Subcommittee on Energy and Power
Hearing on H.R. ____, the “Promoting New Manufacturing Act”
May 21, 2014**

(As Prepared for Delivery)

The growth in domestic energy production over the last decade has truly been a game changer. Oil and natural gas have now joined coal as energy sources this nation possesses in great abundance, and the Energy Information Administration believes that our energy output can continue increasing in the years ahead.

This ought to be very welcomed news, but at almost every turn federal red tape prevents us from realizing the full potential of our energy bounty. This subcommittee has already taken action on many of these regulatory impediments, including EPA’s war on coal, the delays in building Keystone XL and other energy infrastructure projects, and the bureaucratic obstacles that are holding back natural gas exports. Today, we address the regulatory roadblocks to the nation’s manufacturing renaissance with a discussion draft of a bill entitled the “Promoting New Manufacturing Act.”

Plentiful and affordable natural gas supplies have given domestic manufacturers a potential advantage over the rest of the world. This is especially true for industries that use natural gas both as an energy source and a chemical feedstock. Indeed, the chemicals industry estimated as of this week that 177 projects have been proposed in the U.S., representing \$112 billion dollars in investment and over 600,000 high-paying manufacturing jobs. This is an extremely positive development, especially for an economy that continues to struggle and with so many Americans still out of work.

But this manufacturing renaissance is far from a done deal, especially given the cumbersome permitting process that these projects must go through. It would be a great disservice to the American people if our nation’s natural gas advantage is squandered through an unnecessarily lengthy bureaucratic process that delays or even prevents these job-creating modern new facilities from being built.

President Obama has expressed the same concerns. In his last State of the Union address, he said “businesses plan to invest almost a hundred billion dollars in new factories that use natural gas. I’ll cut red tape to help states get those factories built and put folks to work.” I look forward to working with the administration to turn these words into action, and I believe that our discussion draft is an important step.

I might add that we wanted EPA to testify today, but the agency declined our invitation to participate. We are sorry that EPA is not here to provide input, especially given that the President has made permit streamlining for industrial facilities a goal of his administration. Nonetheless, we are hopeful EPA will provide us with technical assistance as we move ahead with the Promoting New Manufacturing Act, and we plan to continue reaching out to the agency as we move forward.

I believe this bill contains several commonsense measures to increase transparency and reduce unnecessary permitting delays for pre-construction permits under the Clean Air Act. It increases the amount of public information about the number of these permits being issued and how long the process is taking, and also requires more information on EPA’s Environmental Appeals Board process. It reduces permitting delays by requiring that the implementing regulations and guidance be finalized concurrently with any new or revised National Ambient Air Quality Standard (NAAQS) rather than months or even years later. And it also directs EPA to report to Congress on steps being taken by the agency to expedite the permitting process.

I might add that none of the substantive requirements under the Clean Air Act would be altered in any way by this bill. In fact, these new industrial facilities will be considerably cleaner and more efficient than those currently in operation in the U.S. as well as those operating overseas.

In sum, the discussion draft includes reasonable steps to streamline the permitting process, something that the administration agrees needs to be addressed. We are open to all suggestions to improve this vehicle so that America's manufacturing renaissance can commence as soon as possible.

###