

**Opening Statement of the Honorable Fred Upton**  
**Subcommittee on Energy and Power**  
**Hearing on H.R. \_\_, the “Promoting New Manufacturing Act”**  
**May 28, 2014**

*(As Prepared for Delivery)*

More than five years into the Obama administration, we still have an unacceptably high unemployment rate, and manufacturing states have been among the hardest hit. But today, we can take a critical step toward creating hundreds of thousands of high-paying manufacturing jobs with the Promoting New Manufacturing Act.

Our domestic natural gas boom has rendered some of the lowest natural gas prices in the world. American manufacturers now have a global advantage, especially those industries that use natural gas as an energy source and a chemical feedstock. At last week’s hearing on this discussion draft, we learned from the National Association of Manufacturers and the American Chemistry Council of the number and scope of new projects that have been proposed. For a manufacturing state like Michigan that is ready to ramp up industrial output and employment, this is welcome news.

The potential for manufacturing jobs to help turn around the economy has never been greater, but unfortunately the regulatory challenges have also never been greater. In particular, for preconstruction permits there can be significant delays and regulatory uncertainty. One major area of concern has been that for such permits, new and revised National Ambient Air Quality Standards can become a serious roadblock. While permit applicants typically have to comply with the new standards as soon as they are issued, EPA has frequently failed to provide the necessary implementing regulations and guidance in a timely manner. This makes it difficult, if not impossible, to get the necessary preconstruction permits required under the Clean Air Act. Regulated entities have not been given enough information from EPA to successfully navigate the permitting process.

Like Keystone XL and other energy infrastructure projects, these manufacturing facilities can become part of the nation’s Architecture of Abundance. Made in America natural gas can be used to produce Made in America products. But it can’t happen until we clear away the delays and red tape.

In his State of the Union address, President Obama spoke of the potential for low natural gas prices to spark new factory construction, but he also warned of the red tape that needs to be cut before this can happen.

I believe that the Promoting New Manufacturing Act is what the president had in mind. It requires EPA to publish its implementing regulations and guidance at the same time that new or revised National Ambient Air Quality Standards take effect. This gives regulated companies the information they need to get the required Clean Air Act permits in an expeditious manner. The discussion draft also requires more public information from EPA to better assess the timing for obtaining preconstruction permits, as well as a report to Congress on ways to streamline and expedite the process.

The president struck a bipartisan tone on this issue that I hope this subcommittee can continue. I welcome a constructive debate as we move ahead on this discussion draft. Let’s work together to get Americans back on the job.

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