

Opening Statement of the Honorable Pete Olson
Subcommittee on Energy and Power
“The Department of Energy’s Role in Advancing the National, Economic, and Energy
Security of the United States”
September 15, 2016

(As Prepared for Delivery)

America is an energy superpower. That statement would have sounded odd a handful of years ago, and laughable in the 1970s. But the fact is that we are awash in energy. Today, we are the world’s leading producer of oil and gas and we’re less reliant on foreign imports. Our resources are plentiful and affordable — so affordable that low oil prices have become a common complaint back in Houston.

This subcommittee has been hard at work to bring our energy policy into the 21st century, and we’re beginning to see the positive effects. Since we’ve lifted the ban on crude oil exports last year, American oil is spreading across the globe. We are undercutting OPEC and Russia, helping our allies, and giving American workers an opportunity to compete.

Natural gas exports are ramping up as well, a trend that is likely to continue if we get the permitting process right. Unlike other energy commodities, you have to ask DOE for a permit to export natural gas. Unfortunately, there are applications that have been held up at DOE for years without a decision. These delays are jeopardizing major construction projects and threatening American jobs.

We have the opportunity for jobs and affordable energy at home and aid to our allies abroad.

But there is still much work to be done –

It is too hard to build infrastructure in this country. Yes, Texas has plenty of oil and gas to serve our homes and businesses, but our friends in New England face gas shortages and price spikes because it’s almost impossible to build a new pipeline. And in other parts of the country, people pay more than they should for electricity because of harmful EPA regulations.

We are using the energy conference to examine ways to improve infrastructure permitting, plus a whole host of other topics such as grid and cyber-security, energy efficiency, and workforce development.

Likewise, while we are in an era of abundance at home, we must be vigilant in considering emergency preparedness. For example, the nation’s Strategic Petroleum Reserve (SPR) is aging rapidly, and the DOE’s Long-Term Strategic Review, released last week, raised very serious issues about the ability of the SPR to meet its mission.

According to the report, the SPR may only be able to effectively distribute about half as much oil as it is designed to supply in an emergency. Congress has already authorized \$2 billion dollars for SPR infrastructure modernization. Before it can be appropriated, we need the Department to be open and transparent about the condition of the SPR and funds required to rehabilitate it.

We want to make sure DOE stays a critical part of emergency response. That is why we used last year’s FAST Act to grant new emergency response procedures to the Department to act in

some specific cases. However, there are limits to the authority we will give to the DOE. Any new request will be closely scrutinized.

Again, thank you for joining us today Mr. Secretary. I am proud that this hearing—just like last week's—is relatively bipartisan. Everyone on this dais wants the same thing: an energy economy that brings economic and security benefits at home and opportunities to advance our interests abroad.

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