

Opening Statement of Chairman Greg Walden
Subcommittee on Energy Hearing on
“The Impacts and Future of North American Energy Trade”
December 13th, 2017

The United States’ abundant energy resources are a major contributor to our nation’s continued economic growth and job creation. When it comes to cross border trade among the United States, Canada, and Mexico, energy is a key component, and I think we can all agree that ensuring the reliable supply of fuels and electricity is vital to our nation’s security, economy, and public health.

In my home state of Oregon and across the country, our nation’s energy abundance enables every aspect of our daily lives, from telecommunications, to financial transactions, to powering the infrastructure that delivers our drinking water. Energy enables business and industry to make and provide the goods and services of our modern society. It powers our hospitals, our households.

Advances in transportation, the growth of manufacturing, and technological innovation have opened the door for an integrated North American energy market, resulting in more dynamic and connected energy systems and more competitively priced energy for American consumers.

Cross-border energy infrastructure – which includes pipelines for oil and natural gas and transmission lines for electricity – enables the movement of energy across the continent. These cross-border pipes, poles, and wires, are the super highway system for North America’s fuels and electricity. Clearly, if we want

robust energy trade with our neighbors then we must have the necessary infrastructure to support that trade, which is why this Committee, and the House of Representatives, recently passed Mr. Mullin's bill, H.R. 2883, the promoting Cross-Border Energy Infrastructure Act, which improves the permitting and siting process for all types of cross-border energy infrastructure. When it comes to North America's "energy highway," I think it is safe to say that we want to add more lanes, not less, making it easier for the United States to engage in beneficial trade with Canada and Mexico.

In addition to the infrastructure that enables trade, we of course must also have strong trade agreements in place to facilitate fair and favorable trade across North America. It is worth noting that this hearing we are holding today is especially timely, given the fact that the Administration is currently in the midst of renegotiating the North American Free Trade Agreement, an agreement that has been critical to furthering and promoting energy trade between America and its neighbors.

In terms of trade with our neighbor to the north, those of us in the Pacific Northwest are paying close attention to the upcoming renegotiation of the Columbia River Treaty. Just last week, the State Department and the Canadian government announced that both nations will meet early next year to hammer out the details of this river treaty, which has been in effect since 1964. With its headwaters in British Columbia, the Columbia River winds its way through

Washington and Oregon before emptying into the Pacific. Along the way, this resource has a major effect on everything from fishing and flood protection, to power production and recreation – the importance of this Treaty cannot be understated in terms of commerce and trade. However, over the past 53 years, some of the provisions have become out of date particularly with respect to the electricity rates paid by consumers in the Pacific Northwest. That said, it will be important for both nations to reach an agreement to continue to share this valuable natural resource.

I want to thank the witnesses for being here today to discuss the important topic of cross-border energy trade. This hearing will further inform the Committee's ongoing oversight and legislation reforms that build on our nation's energy abundance, modernize our energy infrastructure, and promote domestic manufacturing and job growth.