

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy
Hearing: “State of the Nation’s Energy Infrastructure”

February 27, 2018

(As prepared for delivery)

Today’s hearing, the “State of the Nation’s Energy Infrastructure” will provide members with the opportunity to explore the challenges and opportunities related to the maintenance, modernization, and development of energy infrastructure. Two weeks ago, the White House unveiled its framework for rebuilding infrastructure in America. Citing the need to maintain our country’s global competitiveness and improve our citizens’ quality of life, the President’s plan seeks to stimulate at least \$1.5 trillion in new investment over the next 10 years.

While the President’s plan touches all sectors, from roads and bridges to airports and hospitals, this hearing will focus on the state of the Nation’s energy infrastructure and how we can make meaningful improvements. Joining us today is a panel of witnesses who can speak to the needs and challenges of a changing energy landscape.

Since the start of the 115th Congress, this Committee has held dozens of hearings relating to infrastructure, and the House has already passed legislation on interstate pipeline siting, hydropower licensing, and the development of cross-border energy infrastructure. That being said, this Committee’s infrastructure efforts are ongoing as there is no question that more needs to get done *and* more projects need to be built. If we are to deliver our nation’s abundant energy resources to consumers in a reliable, efficient, and cost-effective manner, new electric transmission lines and natural gas pipelines must be constructed.

As we’ve heard during our series of *Powering America* hearings, the nation’s electrical grid faces enormous challenges as needed infrastructure is not getting built fast enough in some areas. Additionally, we must face the fact that much of our existing infrastructure is aging – the average age of a coal-fired power plant in the U.S. is 40 years old and the country’s fleet of nuclear reactors isn’t much younger. Many of these power plants are now facing retirement due to their inability to compete economically in a market-based environment. Notably, the Oyster Creek nuclear station in New Jersey, which is the oldest reactor in the

country, recently announced that it will retire later this year after nearly 50 years of service.

We cannot afford to have energy infrastructure that does not meet America's needs or reflect the evolution of our energy markets. Instead, we must modernize outdated systems by encouraging innovative developments in state-of-the-art technologies such as battery storage and advanced transmission devices. I should recognize that much is already being done on this front with private capital largely funding these improvements. In fact, electric utilities and independent transmission developers spent an estimated \$23 billion in 2017 on new transmission infrastructure alone; while the natural gas utilities invested a record \$25 billion last year across its industry.

While these private-sector investments are critical in a highly capital-intensive industry, we should be mindful that none of it will get built if we don't have a trained workforce that is capable of innovating, designing, and constructing this new infrastructure. Not only do we need skilled linemen and pipefitters, but we also need engineers in power systems and nuclear technologies, and in many other trades. The challenge associated with developing a skilled workforce may be greater than the challenge of siting and constructing infrastructure projects. This is an important point in this conversation, so I'm glad that we have some folks with us who can speak to this issue.

With that, I'd like to thank this entire panel of distinguished witnesses for appearing today and I look forward to your testimony.