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6 HEARING ON "THE FISCAL YEAR 2023 DOE BUDGET"

7 THURSDAY, APRIL 28, 2022

8 House of Representatives,

9 Subcommittee on Energy,

10 Committee on Energy and Commerce,

11 Washington, D.C.

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15 The subcommittee met, pursuant to notice, at 10:06 a.m.,
16 in Room 2123, Rayburn House Office Building, Hon. Bobby Rush
17 [chairman of the subcommittee] presiding.

18 Present: Representatives Rush, Peters, Doyle, McNerney,
19 Tonko, Schrier, DeGette, Matsui, Castor, Welch, Schrader,
20 Kuster, Barragan, McEachin, Blunt Rochester, O'Halleran,
21 Pallone (ex officio); Upton, Burgess, Latta, McKinley,
22 Griffith, Johnson, Bucshon, Walberg, Duncan, Palmer, Lesko,
23 Pence, Armstrong, and Rodgers (ex officio).

24 Also Present: Representatives Dingell, Ruiz; Joyce,

25 Carter, and Crenshaw.

26

27 Staff present: Waverly Gordon, Deputy Staff Director
28 and General Counsel; Tiffany Guarascio, Staff Director; Perry
29 Hamilton, Clerk; Zach Kahan, Deputy Director Outreach and
30 Member Service; Rick Kessler, Senior Advisor and Staff
31 Director, Energy and Environment; Mackenzie Kuhl, Press
32 Assistant; Elysa Montfort, Press Secretary; Tyler O'Connor,
33 Energy Counsel; Lino Pena-Martinez, Policy Analyst; Kaitlyn
34 Peel, Digital Director; Kris Pittard, Policy Coordinator;
35 Kylea Rogers, Staff Assistant; Medha Surampudy, Professional
36 Staff Member; Caroline Wood, Staff Assistant; Tuley Wright,
37 Senior Energy and Environment Policy Advisor; Sarah Burke,
38 Minority Deputy Staff Director; William Clutterbuck, Minority
39 Staff Assistant/Policy Analyst; Peter Kielty, Minority
40 General Counsel; Emily King, Minority Member Services
41 Director; Mary Martin, Minority Chief Counsel, Energy &
42 Environment; Brandon Mooney, Minority Deputy Chief Counsel
43 for Energy; Peter Spencer, Minority Senior Professional Staff
44 Member, Energy; and Michael Taggart, Minority Policy
45 Director.
46

47 *Mr. Rush. The Subcommittee on Energy will now come to
48 order. Today, the subcommittee is holding a hearing entitled
49 "The Fiscal Year 2023 DOE Budget.'" Due to the COVID-19
50 public health emergency, members can participate in today's
51 hearing either in person or remotely via online video
52 conferencing. In accordance with the updated guidance issued
53 by the attending physician, members, staff, and members of
54 the press present in the hearing room are not required to
55 wear a mask.

56 For members participating remotely, your microphones
57 will be set on mute for the purpose of eliminating
58 inadvertent background noise. Members participating remotely
59 would need to unmute your microphone each time you wish to
60 speak. Please note that once you unmute your microphone,
61 anything that is said in Webex will be heard over the
62 loudspeaker in the committee room and subject to being heard
63 by the livestream and CSPAN and your -- members of your
64 congressional district.

65 In order to ensure that we have as much time as possible
66 for questions and that each member in this subcommittee has
67 an opportunity to ask questions, I will be strictly enforcing
68 five-minute limits for questions, as the Secretary has a hard
69 stop at 1 p.m. The Secretary has a hard stop at 1 p.m.
70 Given that members are participating from different locations
71 at today's hearing, all recognition of members such as for

72 questions will be in order of the subcommittee seniority
73 system.

74 Documents for the record can be sent to Lino
75 Pena-Martinez at the email address that we provided to staff.
76 All documents will be entered into the record at the
77 conclusion of the hearing. Before we continue, I want to
78 take a moment of personal -- to recognize our subcommittee's
79 ranking member, my dear friend, Fred Upton, who recently
80 announced that he would not be running for reelection.
81 Throughout his career and throughout the entire time that I
82 have served in the Congress, I have known Mr. Upton as a very
83 fair person, indeed, a true friend, a knowledgeable person
84 and someone who is always willing to help.

85 He is also, in some respects, my congressman because I
86 own a log home that's located in the forest in his district.
87 And he's been so many things to so many people, a thoughtful
88 colleague, a pragmatic policymaker and, most importantly,
89 again, my good friend. Fred, I will miss you dearly here in
90 the Congress, but I'll see you at Cubs games.

91 *Mr. Upton. Thank you, sir.

92 *Mr. Rush. All right. So that said, we'll now move on
93 to opening statements. The chair recognizes himself for five
94 minutes.

95

96 STATEMENT OF THE HON. BOBBY RUSH, A REPRESENTATIVE IN
97 CONGRESS FROM THE STATE OF ILLINOIS

98

99 *Mr. Rush. Today's subcommittee hearing is on the
100 Department of Energy Fiscal Year 2023 budget request. It is
101 my honor, my privilege, and my pleasure to welcome the 16th
102 Secretary of Energy, the great Jennifer Granholm, to testify
103 here before today's hearing and our subcommittee. Madam
104 Secretary, it's so good to see you again.

105 The DOE's budget request comes at a very critical time
106 in the history of our nation. The recent Russian invasion of
107 Ukraine and its subsequent impact on energy markets around
108 the world has shown the danger of relying on our own outdated
109 energy systems in the 21st century. If we truly wish to
110 become energy independent, we must dedicate ourselves to
111 producing an abundance of clean energy that's made right here
112 in our home.

113 Madam Secretary, I am certainly pleased that the DOE's
114 budget recognizes that fact and reflects that fact in its
115 request. This budget contains a 7.4 percent increase to the
116 Department's funding, strengthening the Department's core
117 energy research goals while, at the same time, continuing to
118 build upon last year's bipartisan infrastructure laws,
119 commitment to deploying clean energy. These investments in
120 vital energy program will ensure that the American people

121 will have access to clean, reliable and affordable energy.
122 The Department's budget also includes a heartwarming
123 commitment towards -- and I am delighted to see that the
124 Department's budget also includes multiple commitments to the
125 President's 20 -- Justice40 initiative and energy and
126 environmental justice.

127 I believe this budget sets out a whole, yet realistic
128 vision for how the Department of Energy can help unlock a
129 21st-Century clean energy economy that will benefit all
130 Americans. Partnered with the still vital investment that
131 the House passed last fall, it would set up the
132 Administration, to meet its climate commitments.

133 Secretary Granholm, I am eager to hear your testimony
134 today, and I want to thank you for your ongoing partnership
135 and your work with this subcommittee. I look forward to
136 continuing to work closely with you on these important goals
137 and these important commitments.

138 [The prepared statement of Mr. Rush follows:]

139

140 *****COMMITTEE INSERT*****

141

142 *Mr. Rush. With that said, again, it is my honor to
143 recognize my good friend, the distinguished ranking member
144 from the great state of Michigan -- I guess it is Michigan's
145 Day -- in the subcommittee -- Fred Upton for five minutes for
146 an opening statement.

147

148 STATEMENT OF THE HON. FRED UPTON, A REPRESENTATIVE IN
149 CONGRESS FROM THE STATE OF MICHIGAN

150

151 *Mr. Upton. Well, thank you, Mr. Chairman, and thanks
152 for your very kind words. I would only say that we have had
153 a wonderful relationship, you and me, going back from the
154 time I was elected. But I would call you brother. You are a
155 good man. Thanks. And I did bring this.

156 Some of you may note that I have Coach Harbaugh coming
157 in a little bit later this morning, so I brought my license
158 plating for him to take a look at and do pictures for anyone
159 that wants one. Sorry about Penn Staters. Thank you, Mr.
160 Chairman, and I want to thank Secretary Granholm, too, for
161 appearing before the subcommittee to provide testimony. Our
162 relationship as a former governor of Michigan goes back a
163 long time in a very positive way. So I would only add, just
164 to compliment Bobby or Chairman Rush that I hope we can -- we
165 can keep you here until maybe a little bit after one. We've
166 got votes at 1:15 or so. So I'm hoping we can keep you until
167 those votes start.

168 But Mr. Chairman, I know that we are all deeply troubled
169 by Russia's unprovoked attack on Ukraine. It is so terrible
170 to witness Russia's committing genocide in Ukraine while
171 Europe is being held hostage by the dependence on Russian oil
172 and gas. And sadly, we have watched America's energy

173 production fall while gasoline prices have reached record
174 highs. Inflation is surging out of control. Folks are
175 suffering, having to choose between putting food on the table
176 or maybe put gas in the car. And, yes, Republicans have been
177 sounding the alarm. We urged the President to impose
178 crippling sanctions on Russia's energy industry and stop the
179 Nord Stream 2 pipeline.

180 These steps are essential to cut Europe's dependence on
181 Russian energy. We have also put forth legislation that
182 would restore America's energy dominance in global
183 leadership. America is the world's leading producer of oil
184 and gas. That's no accident. And we should like it. We can
185 produce significantly more energy than we do today and
186 unleash the vast resources under our feet. We can also help
187 our allies in Europe and Ukraine by sending shipments of
188 American oil and LNG to replace Russian supplies.

189 Certainly the Department of Energy has very important
190 role to play. As the Secretary of Energy, your primary
191 responsibility is strengthening and protecting the nation's
192 energy security and in order to maximize America's energy
193 abundance, we have got to modernize our energy
194 infrastructure, restart energy leases on federal lands, build
195 more pipelines and LNG export facilities and strengthen our
196 supply chain so they are more resilient to shocks.

197 DOE must lead by example. They should consider issuing

198 waivers to streamline the permitting process for LNG export
199 facilities and send the signal that our country will be a
200 stable and reliable supplier of natural gas for many decades
201 to come. Our European allies need more certainty to push
202 back on Russia and build new import facilities and pipeline
203 interconnections. Meanwhile, FERC, an independent agency
204 within DOE, is needlessly postponing decisions on dozens of
205 projects by adding months to the already rigorous
206 environmental review process.

207 Making matters worse, FERC has also injected tremendous
208 uncertainty in the process by throwing out decades of
209 bipartisan precedent and attempting to change natural gas
210 policy in ways that contradict the Natural Gas Act. So I
211 intend to use today's hearing to learn more about the steps
212 DOE plans to take to encourage more American energy
213 production and lower prices for consumers.

214 While the Administration's talking points appear to
215 recognize the need to increase American oil and gas
216 production and lessen our dependence on China for critical
217 materials, I am concerned by the complete lack of
218 follow-through. The White House announced a goal, to
219 increase LNG exports to Europe, but they provided no details
220 on the regulatory reforms needed to make it a reality. The
221 White House announced a plan to utilize the Defense
222 Production Act for critical materials while EPA continues to

223 make it virtually impossible to construct and permit any new
224 mines in the U.S. So we need new solutions. America has the
225 competitive advantage. We have the world's richest supply of
226 natural resources. We have enduring spirit of innovation,
227 and we have the most rigorous environmental and labor
228 standards.

229 On a positive note, many of us were pleased with the
230 announcement that our ambassador to Greece, Jeffrey Piatt,
231 who is departing this week, is going to go to become the new
232 Assistant Secretary of Energy -- Assistant Secretary of State
233 for Energy Resources. He's a career ambassador under Obama
234 to Ukraine, under Trump and Biden, to Greece. He well
235 understands the critical need to ensure that our European
236 allies have the proper energy resources to wean themselves
237 off Russian imports.

238 So important for the world as the Ukrainians need all
239 the tools needed to win and prevail against Putin. So let's
240 lead by example. Get the government out of the way and
241 unleash America's energy abundance. With that, Mr. Chairman,
242 my friend, I yield back.

243 [The prepared statement of Mr. Upton follows:]

244

245 *****COMMITTEE INSERT*****

246

247 *Mr. Rush. The gentleman yields back.

248 The chair now recognizes the chairman of the full
249 committee, Mr. Pallone, for five minutes for his opening
250 statement.

251

252 STATEMENT OF THE HON. FRANK PALLONE, JR., A REPRESENTATIVE IN
253 CONGRESS FROM THE STATE OF NEW JERSEY

254

255 *The Chairman. Thank you, Chairman Rush. And I want to
256 thank the Secretary for joining us this morning to discuss
257 the Department of Energy's fiscal year 2023 budget. You are
258 always so helpful in taking our calls and coming to our
259 districts to do events and, you know, highlighting how
260 Congress interplays with the Department. So I want to thank
261 you for that.

262 I want to start by commending President Biden's recent
263 aggressive actions to address gas prices for American
264 consumers, including ordering a historic oil release from
265 DOE's strategic petroleum reserve. There is no question that
266 Russia's invasion of Ukraine has increased gas prices around
267 the globe, and big oil is taking advantage of this crisis to
268 predatory outrageous profit margins. We had a hearing before
269 the holidays on that with the oil companies.

270 And the President responded decisively to the supply
271 disruptions by releasing oil from our own strategic stocks
272 and, just as critically, by convincing foreign allies to
273 release a portion of their own reserves. Meanwhile, domestic
274 oil production has increased significantly since President
275 Biden took office while natural gas production and liquefied
276 national gas exports are both at record highs. Ultimately,

277 the best way to secure our energy independence and lower
278 prices is to invest in renewable energy made right here in
279 the United States. Five decades of fossil fuel dependency
280 have left us relying on volatile commodities that are priced
281 at the whim of global markets. Renewables were already the
282 cheapest energy source, even before oil and gas prices
283 skyrocketed.

284 So if we truly want to lower prices and reduce our
285 reliance on foreign adversaries, we must invest in renewable
286 energy and domestic supply chains here in America. And I
287 know that that's one of your priorities, Madam Secretary. We
288 started the process of moving toward a cleaner, more secure
289 and consumer-friendly energy future by enacting the
290 Bipartisan Infrastructure Law this year or last year, I
291 should say.

292 And that includes \$62 billion in funding that DOE will
293 oversee. This transformative law will modernize our
294 infrastructure to strengthen our economy for the future. The
295 Bipartisan Infrastructure Law not only invests in bridges and
296 roads but also in building domestic supply chains and the
297 critical electric infrastructure we need to transition to
298 cleaner, cheaper energy.

299 It also invests billions in electric vehicle charging
300 stations that give consumers a real choice and a chance to
301 save money by moving away from volatile oil markets. It also

302 helps build our domestic renewable energy manufacturing and
303 processing capacity for electric vehicles, batteries, and
304 chargers so they are built right here at home rather than in
305 China.

306 And the Bipartisan Law also invests billions to
307 modernize our electric grid so it is more resilient to
308 ever-increasing extreme weather events and so we can bring
309 more renewable energy to communities around the nation. And
310 I look forward to hearing how DOE plans to administer the
311 law's many programs and ensure American taxpayers reap the
312 benefits of those investments.

313 Now, lowering energy or consumer energy bills isn't just
314 about supply. Energy efficiency is a critical tool in our
315 efforts to address the climate crisis and to lower energy
316 bills for all Americans. But for four years, the Trump
317 Administration delayed and ignored important deadlines for
318 updating appliance efficiency standards that save consumers
319 money.

320 Since taking office, President Biden and Secretary
321 Granholm have flipped the switch back on -- I should say back
322 on for energy savings. They are moving forward on efficiency
323 standards, including an announcement on Tuesday of two
324 lightbulb efficiency rules that will save consumers nearly \$3
325 billion on their annual utility bills. And these two
326 efficiency rules would also cut carbon pollution by 222

327 million metric tons over the next 30 years. DOE also plays a
328 central role in safeguarding our national security,
329 especially as the federal agency responsible for oversight of
330 our nuclear weapons stockpile. In recent years, that
331 obligation has grown to also include protecting our nation's
332 critical energy infrastructure against cyber security
333 threats.

334 Under administrations of both parties, DOE has handled
335 that rule well, including leading the federal response to the
336 Colonial Pipeline cybersecurity attack last year. And there
337 is bipartisan agreement on the -- agreement on this committee
338 that we must continue to empower the DOE and its Office of
339 Cybersecurity, Energy Security, and Emergency Response or
340 CESER, C-E-S-E-R, to address evolving cybersecurity threats.

341 So I look forward to hearing from you today about your
342 cybersecurity plans and how Congress can enhance DOE's role
343 as the lead agency responsible for protecting our critical
344 energy infrastructure. So thank you again for joining us,
345 Madam Secretary, and for all that you do on a daily basis,
346 and I yield back. Thank you, Mr. Chairman.

347 [The prepared statement of The Chairman follows:]

348

349 *****COMMITTEE INSERT*****

350

351 *Mr. Rush. The gentleman yields back.

352 The Chair now recognizes Ms. McMorris Rodgers, the

353 ranking member of the full committee, for five minutes for

354 her opening statement.

355

356 STATEMENT OF CATHY MCMORRIS RODGERS, A REPRESENTATIVE IN
357 CONGRESS FROM THE STATE OF WASHINGTON

358

359 *Mrs. Rodgers. Thank you, Mr. Chairman. Energy is
360 foundational to everything that we do. As Chairman Dingell
361 once said, if it moves, it's energy. If it doesn't, it's
362 commerce. That is why we all love this committee.
363 Unfortunately, because of President Biden's energy crisis,
364 everything is more expensive: gas, food, diapers, airfare,
365 heating our homes, buying a car, and much more.

366 Inflation now costs Americans, on average, \$5,000 more a
367 year. Families across Eastern Washington have told me that
368 they are paying nearly double for groceries. Gas prices are
369 causing some of the greatest harm. Gas is more than four
370 dollars a gallon because of this Administration's actions to
371 undermine our energy independence.

372 In response, my Democrat colleagues are announcing today
373 a new bill unveiling a bill to give the Federal Trade
374 Commission more authority to go after price gouging. The
375 American people know it is not price gouging, nor is it
376 Putin's price hike. It is Biden's price hike, and it started
377 on day one when he took office.

378 We must flip the switch -- absolutely -- for more
379 domestic energy production. It is how we will lower costs,
380 ensure reliability, and strengthen our security and

381 geopolitical power too. Russia's immoral and brutal war in
382 Ukraine and Europe's energy crisis is proof all that is at
383 stake.

384 Because of Russia's rush to green or Europe -- Europe's
385 rush to green and their reliance on Russian energy, citizens
386 today are being asked to cut consumption and turn off their
387 lights. Scarcity is Europe's answer. This cannot be
388 America's future. Our energy abundance is how we should
389 lead, keep the lights on, lower costs and fight Putin's war
390 chest and other communist China activities.

391 Our path cannot be to weaken American leadership by
392 receding from world energy markets and shutting down our
393 tremendous energy systems. Yet that is what we are seeing.
394 This Administration's rush to green agenda has raised costs
395 and emboldened our adversaries like Putin and the Chinese
396 Communist Party. President Biden canceled Keystone on day
397 one, but he greenlighted Putin's Nord Stream 2 Pipeline. His
398 rush to green and electric vehicles make us reliant on China.

399 He imposed a moratorium on energy development on federal
400 lands, slow-walked permits for much-needed energy
401 infrastructure projects. U.S. oil production has fallen by
402 more than 1.5 million barrels per day since peaking at 13
403 million barrels per day in 2020. Yesterday, Secretary
404 Granholm said, "Perhaps renewable energy is the greatest
405 peace plan this world will ever know.'" I cannot overstate

406 how dangerous I believe this statement is for our energy
407 security, our national security, our future as Americans. Has
408 this Administration failed to learn anything from Europe? We
409 need a course reversal. President Biden must reverse his war
410 on American energy. I urge my colleagues to join on an
411 agenda to secure a cleaner American future. We can say yes
412 to flipping the switch on domestic production of cleaner oil
413 and natural gas. We can say yes to American Energy
414 Independence from Russia Act.

415 We can say yes to advance nuclear and new nuclear fuels
416 by fostering new domestic markets and lifting regulations.
417 We can say yes to innovation that will lead to abundant,
418 affordable and clean energy. DOE was formed to advance the
419 nuclear security missions of the Cold War and later organized
420 to confront the energy security needs created by the 1970s
421 energy crisis.

422 These missions still matter more than ever. But this
423 Administration has strayed from them in pursuit of appeasing
424 radical and ideological agendas. DOE continues to maintain
425 the nation's nuclear deterrent. It served central roles in
426 international, national nuclear security and powers the
427 nuclear Navy. A well-managed DOE enterprise produces amazing
428 benefits. I just want to emphasize again we need to flip the
429 switch, boost our energy production.

430 Last year in the budget hearing, we warned about the

431 consequences of this Administration's war on American energy.
432 Today, we are living the reality of these consequences,
433 rising gas prices, an emboldened Russia, a reliance on
434 Chinese supply chains and a weakened security. The Biden
435 Administration must abandon this dangerous and radical
436 agenda.

437 Secretary Granholm, your core mission is to focus on
438 security, both national and economic security. It is urgent.
439 Let's celebrate and utilize American energy independence, not
440 shut it down. I yield back.

441 [The prepared statement of Mrs. Rodgers follows:]

442

443 *****COMMITTEE INSERT*****

444

445 *Mr. Rush. Members -- that pursuant to committee rules,
446 all members, your opening statements shall be made part of
447 the record. And here now, I'd like to welcome our witness
448 for today's hearing, the Hon. Jennifer M. Granholm, the
449 Secretary of the United States Department of Energy.

450 Madam Secretary, again, thank you for joining us today.
451 We look forward to your testimony. At this time, the chair
452 will recognize the witness for five minutes to provide
453 opening statements. But before we begin, I would like to
454 explain, once again, Madam Secretary, the lighting system
455 that's in front of you. It is a series of lights. The light
456 will initially be green.

457 The light will turn yellow when you have one minute
458 remaining. Please begin to wrap up your testimony at that
459 point. The light will turn red when your time expires.
460 Madam Secretary, you are now recognized for five minutes.
461

462 STATEMENT OF THE HON. JENNIFER M. GRANHOLM, SECRETARY, U.S.
463 DEPARTMENT OF ENERGY

464

465 *Secretary Granholm. Thank you, Mr. Chairman, and to
466 Ranking Member Upton and Chairman Pallone and Ranking Member
467 McMorris Rodgers and to members of the committee. It is
468 really an honor to appear before you in person today to
469 discuss the President's 2023 budget request for the
470 Department of Energy. I am very grateful for the support
471 that you have given to our Department, including through the
472 2022 omnibus legislation. I applaud your work to ensure
473 secure and reliable and clean and affordable energy for all
474 Americans. It is an effort that I am proud to play a part of
475 as the 16th Secretary of Energy.

476 Under the Biden Administration, the Department of Energy
477 is committed to increasing energy security, energy
478 affordability and energy resilience. We are committed to
479 securing the clean energy supply chains needed to reduce our
480 reliance on unabated fossil fuels and increase our energy
481 independence. And we are committed to enhancing America's
482 competitiveness by accelerating scientific discovery and
483 innovation. These commitments are reflected in our budget.
484 And a look around the world shows that this is the right
485 focus with the right priorities for this moment in history.
486 Right now, we do face a trio of crises. We face climate

487 change. We face COVID-19's effect on supply chains and, most
488 urgently, we face Russia's invasion of Ukraine. The first of
489 those crises, climate change, cost the United States \$148
490 billion last year alone in dealing with extreme weather
491 events.

492 The second two crises are costing American families
493 right now as they see prices rising from gas stations to
494 grocery stores. Let me be clear. The Department of Energy
495 is using every tool available to increase oil supply. And
496 that is why last month, President Biden authorized the
497 release of 1 million barrels per day from our strategic
498 petroleum reserve over the next six months, 180 barrels in
499 total, coordinating with international allies and partners
500 who committed to release another 60 million barrels.

501 I appreciate Congress's support of President Biden's ban
502 on Russian energy imports. We are also working to offer
503 relief to American families, including through
504 three-and-a-half billion dollars for the weatherization
505 assistance program provided in the bipartisan infrastructure
506 law. But ultimately, these crises tell us that global energy
507 security and energy independence and energy affordability all
508 depend on a shift toward American-made clean energy.

509 Fortunately, Congress, through the Energy Act of 2020 and the
510 Bipartisan Infrastructure Law, has invested in our ability to
511 build some of these clean energy technologies here at home

512 with American parts and labor. I am grateful to the members
513 of the committee for the faith they have placed in our
514 Department to oversee many of these investments. And the new
515 offices and the ambitious clean energy goals that come with
516 them.

517 We are hard at work implementing the same legislation.
518 Most recently, for example, the Department of Energy began
519 accepting applications for the \$6 billion civilian nuclear
520 credit program to keep existing nuclear energy online and to
521 maintain this reliable, secure source of clean baseload
522 power. The \$62 billion investment from the infrastructure
523 law is an historic long-term investment in projects that will
524 serve our nation for decades.

525 But it is not, on its own, sufficient to address the
526 nation's energy challenges. And that is why our request
527 includes base year funding for efforts to complement the
528 infrastructure law and maximize its impact to lower costs, to
529 make us energy secure and to provide us with reliable
530 baseload power. The request obviously also supports the
531 Department's innovative capacity with our Office of Energy
532 Efficiency and Renewable Energy, our Office of Science, our
533 17 national labs to maintain America's competitive edge. And
534 it includes funding across a range of DOE missions that have
535 kept our country safe from environmental management to
536 nuclear security. I am proud of DOE's work to confront our

537 nation's most pressing challenges, and I reaffirm my
538 commitment to lead this extraordinary department as we
539 implement Congress's legislative actions from the
540 Infrastructure Law, the Energy Act and those to come,
541 including the Bipartisan Infrastructure Law and the full
542 agenda for building a better America. So thank you for the
543 opportunity to be here, and I am happy to answer your
544 questions.

545 [The prepared statement of Secretary Granholm follows:]

546

547 *****COMMITTEE INSERT*****

548

549 *Mr. Rush. I want to thank you, Madam Secretary.

550 We have now concluded the opening statements, and we
551 will now move to member questions. Each member will have
552 five minutes to ask questions of the Secretary. I will start
553 by recognizing myself for five minutes.

554 Madam Secretary, again, thanks for your appearance here
555 today. I want to begin by talking a little bit about the
556 Clean Energy Corps. As you know, increasing minority
557 participation in the energy industry has been my top priority
558 as chairman of this subcommittee. I believe that if it is
559 done right, the Clean Energy Corps could represent a once-in-
560 a-lifetime chance to supercharge the participation of those
561 who have been traditionally excluded from the energy sector.

562 Could you detail what steps the Department is taking to
563 ensure that 1,000 new employees that will make up the Clean
564 Energy Corps -- that they come from diverse backgrounds of
565 all across our nation, every sector of our nation?

566 *Secretary Granholm. Thank you, Mr. Chairman. It is
567 really important to us that those who implement the
568 Bipartisan Infrastructure Law look like America. And the
569 Clean Energy Corps, the 1,000 employees that we are
570 recruiting to be able to implement the components of the
571 Bipartisan Infrastructure Law, must look like America. And
572 so we are developing strategies to do that, first of all,
573 with a dashboard for candidates as they apply to self-report

574 the DEIA information. And we are using that to inform our
575 outreach strategies to be able to ensure that we get a full
576 suite of employees that look like America and have the skills
577 to be able to implement the law as well.

578 Part of this involves reaching out to MS -- to minority-
579 serving institutions and HBCUs. We have partnered with our
580 ED office to develop bias-informed interview process,
581 ensuring that people who are reviewing candidates and resumes
582 have gone through training. And we have standardized
583 questions to make sure that -- that are informed by that
584 process. We have detailed a staffer in, for example,
585 Lawrence Berkeley National Lab -- from Lawrence Berkeley
586 National Lab to support outreach to diverse candidates at all
587 levels.

588 We have been doing a lot of intake of resumes. Final
589 selections certainly are ongoing and long-coming, but we are
590 in the process of continuous improvement to ensure the
591 excellence and the diversity that is necessary to build out
592 the projects and the demonstration efforts in that Bipartisan
593 Infrastructure Law.

594 *Mr. Rush. I want to thank you. My next question is
595 along the same line. Underrepresented communities need to
596 have more than just the standard approach of -- from -- that
597 come from universities, but the high schools need to be
598 included. And another area that's often overlooked is the

599 contracting opportunities that help expand business -- that
600 do business with the Department of Energy, particularly in
601 the minority community. How will this budget request for the
602 Office of Economic Impact and Diversity aid the Department in
603 promoting job opportunities at the high school and the
604 university/college level but also promoting contracting
605 opportunities for minorities who want to contract with the
606 Department of Energy?

607 *Secretary Granholm. The budget request of 34 million
608 for this effort reflects our commitment to provide historic
609 support for underserved communities. Our Office of Economic
610 Impact and Diversity is making sure that we are fulfilling
611 the Justice40 requirements and that we are looking, for
612 example, to our labs to help increase our STEM workforce.

613 So for example, I was in South Carolina with
614 Representative Clyburn, who had recruited the HBCUs in his
615 district and the minority-serving institutions in his
616 district who work with Savannah River National Lab. And that
617 program has resulted in making sure that we are getting
618 students and a pipeline, because those HBCUs and MSIs are
619 working with high schoolers as well, to be able to ensure
620 that that pipeline starts early and moves through
621 internships, paid internships at the labs. Each of the labs
622 has got a strategy in this regard.

623 For example, in Stanford at the SLAC Lab, they take

624 young women from underserved high schools, women of -- young
625 women of color who are in high school who are not interested
626 or have not expressed an interest in majoring in STEM in
627 college, and they expose them through a summer program to
628 STEM at the lab. And as a result, the vast majority of -- I
629 want to say over 90 percent of them actually major in a STEM
630 field once they get into college.

631 So that pipeline is a long pipeline. It starts in high
632 school and moves beyond. And then just quickly, on the
633 making sure that businesses who interact with the Department
634 also reflect that Justice40 commitment and reflect the
635 opportunity for small and minority-owned and women-owned
636 businesses, our economic development offices also -- and it's
637 not just the office. Let me just be clear because these
638 efforts have to penetrate throughout the Department, that we
639 are developing and have developed process to ensure that we
640 are inclusive in the contracting, certainly as well as the
641 hiring.

642 *Mr. Rush. I yield back.

643 The Chairman now recognizes Mr. Upton for five minutes.

644 *Mr. Upton. Well, again, thank you, Mr. Chairman.

645 Secretary Granholm, welcome. As you know, all of us,
646 both sides of the aisle, for sure, are deeply concerned about
647 the situation in the Ukraine and Europe. A number of
648 members, including myself and Chairman Pallone, traveled

649 overseas during the recess, and we spoke with many European
650 leaders, heads of state, legislators. They are begging for
651 U.S. LNG exports so that they can wean themselves off Russian
652 gas.

653 They want to move as quick as they can, but they got to
654 have our help. We know, just earlier this week, Russia cut
655 off natural gas to both Poland and Bulgaria, and they
656 threatened to do the same to other countries. So I think it
657 is -- you know, I think we are all on board that we have got
658 to act quickly and build new pipelines and LNG export
659 facilities so that we can increase that gas shipment to
660 Europe. Can you help us? Are you able to support waivers or
661 permitting on some of the strict permitting timelines to
662 better prepare ourselves to export LNG to our allies?

663 *Secretary Granholm. Thank you for this question.
664 First, we are committed to helping our allies, clearly. And
665 as you may know, I just -- we -- the Department of Energy
666 just permitted two additional --

667 *Mr. Upton. Right.

668 *Secretary Granholm. -- facilities yesterday.
669 However --

670 *Mr. Upton. We should have had this hearing a month
671 ago.

672 *Secretary Granholm. Well, but those won't come online
673 before another few years because they are under -- one is

674 under construction. One hasn't even begun to be under
675 construction. Be aware that we have, under permit, permitted
676 completely 38 billion cubic feet of liquefied natural gas
677 that has not been constructed yet.

678 So we have permitted. We currently export about 12
679 billion cubic feet of natural gas. We have permitted almost
680 three times as much that could be ready to go but that are
681 simply not under construction. Every molecule of natural gas
682 that can be liquefied at a terminal is being liquefied and
683 exported.

684 *Mr. Upton. So yesterday's announcement, I think --
685 correct me if I'm wrong -- but I think yesterday's
686 announcement allows an additional .5 BCF a day for this year.

687 *Secretary Granholm. But those facilities are not up
688 and running. That's a future --

689 *Mr. Upton. But I -- but the goal, I thought, was to
690 get to 1.5 additional BCF a day.

691 *Secretary Granholm. Well, the goal is for -- to go to
692 Europe, it's 15 billion cubic meters by the end of the year.
693 And we will be increasing by that amount by the end of this
694 year. There are -- there are other facilities that are
695 coming online, again, have been permitted. But they are
696 under construction. And it takes time for them to come
697 online. But we will meet what we have told the European
698 Union that we will promise by the end of this year. And by

699 -- and into the future, the President has also --

700 *Mr. Upton. So a little bit later this morning, I am
701 going to be meeting with the Ukrainian energy minister. So
702 we ask that maybe in the next couple weeks, we might be able
703 to get a written plan in terms of how we are going to be able
704 to get that before the end of the year or at least what the
705 planning and timeline is going to look like?

706 *Secretary Granholm. Yeah. It is already happening. I
707 mean, for example, the -- there is a -- one of the previously
708 permanent facilities that just came online or is undergoing
709 coming online has made its first shipments. This is, again,
710 a new facility as of this year. Every other facility is
711 exporting to the max. We have permitted four of six that are
712 pending for us in addition to the 30 billion that are already
713 permitted. But the remaining two facilities are in Mexico
714 and have not even begun construction yet.

715 *Mr. Upton. So let me --

716 *Secretary Granholm. Everything that we could have
717 permitted that could be exported within our boundaries has
718 been permitted.

719 *Mr. Upton. Okay. Well, that is good. I met with both
720 Polish as well as Greek authorities, and I know that they are
721 planning to make up for what has been cut off from Russia.
722 The Greeks, as an example -- I can't remember if it is
723 kilometers or miles, but they only need to do about a 100-

724 mile segment that will connect from Greece to the north that
725 can offset what is coming from Russia, what has been cut off.

726 And they think that they can finish that before the year
727 is out, that pipeline. So that is why, you know, again, I
728 think I speak for everyone that was on our trip. We were so
729 -- so impressed with what the new Assistant Secretary of
730 State is going to do on energy. And we look forward to
731 having further communication.

732 Let me just ask you one quick question about Michigan
733 before my time expires. Line 5. Where is the administration
734 on Line 5 in allowing this line that needs to be replaced be
735 replaced versus cut off?

736 *Secretary Granholm. As you know, that is in the courts
737 right now.

738 *Mr. Upton. But they are waiting to hear from you all.

739 *Secretary Granholm. It is in the courts, and it is the
740 Department of State. And it is Canadian government that have
741 to negotiate that. It is not in my jurisdiction.

742 *Mr. Rush. The gentleman's time is up. The gentleman
743 yields back.

744 The chair now recognizes the chairman of the full
745 committee, Mr. Pallone, for five minutes.

746 *The Chairman. Thank you, Mr. Chairman. As you know,
747 countries around the world are transitioning to clean energy,
748 and we have a lot to lose if we don't move quickly to invest

749 in sources that are both cleaner and cheaper than the fossil
750 fuels we have used in the past. So Madam Secretary, what
751 steps is the Administration taking to ensure that we are
752 leaders in the clean energy supply chain and that -- and what
753 are the economic and national security consequences of
754 failing to be competitive in this necessary industry? I will
755 ask you to be short because I have two more questions to ask
756 you.

757 *Secretary Granholm. Well, let me just say, as you can
758 imagine, because the President has been talking about this
759 nonstop, the supply chain issue is of critical importance to
760 this Administration. And DOE plays a role certainly on the
761 energy supply chain. We have issued -- "we," meaning the
762 DOE, as well as several other agencies, have issued 13 supply
763 chain reports about the links, the missing links in the
764 supply chains that we need to fill. Critical minerals is one
765 of them, for example, for batteries, for electric vehicles
766 and for stationary storage.

767 We need to work on each one of those pieces, and the
768 President has a whole-of-government approach to make sure
769 that happens, including the funding that was provided for the
770 DOE in the Infrastructure Law.

771 *The Chairman. Well, thank you. Obviously, I want us
772 to lead the clean energy transition to the benefit of our
773 workers, our consumers, our economy. And I am hopeful that

774 my Republican colleagues across the aisle will begin to
775 recognize that we must invest significantly in clean energy
776 and domestic supply chains now while we risk handing these
777 opportunities over to China and other adversaries.

778 And of course DOE, as I mentioned in my opening, these
779 energy efficiency standards, like those for light bulbs, you
780 announced Tuesday, are a huge win-win that will save
781 consumers money and help us tackle the climate crisis. So I
782 wanted to ask you to elaborate on the actions DOE has taken
783 to address the backlog in updating money-saving appliance
784 efficiency standards, much of that backlog caused by the
785 Trump Administration.

786 *Secretary Granholm. Yeah. We, the Department of
787 Energy, inherited about 57 delayed standards when we came in.
788 Our goal this year is to get totally caught up from that and
789 issue about 100 orders to make sure that we can keep
790 appliances efficient for American citizens so that they don't
791 have to pay the money that they would have to pay if they
792 were using inefficient technology. And so we are very proud
793 of the actions that we are taking. We are going to be very
794 aggressive about trying to reduce costs for people.

795 The LED light standards, the standards for the
796 lightbulbs issued earlier this week, are an example of that,
797 as you mentioned, saving taxpayers about \$3 billion a year
798 just for changing out to LED lightbulbs, which last between

799 10 and umpteen times longer than incandescent bulbs. So we
800 are going to continue to move down that to save people money.

801 *The Chairman. I appreciate that. I look forward to,
802 you know, action on these standards, especially the one that
803 is long overdue, is gas furnaces. But I don't want you to
804 talk about that now. But I did want to mention it. I want
805 to get to cybersecurity. In March, Congress passed the Cyber
806 Incident Reporting for Critical Infrastructure Act, which
807 establishes mandatory cyber intrusion reporting requirements
808 for critical infrastructure companies.

809 DOE is the sector-specific agency responsible for energy
810 cybersecurity. But the Department of Homeland Security is
811 responsible for implementing the new law. And the concern or
812 one of the concerns I have is that the new law gives Homeland
813 Security up to 24 hours to share with DOE information it
814 receives on cyber threats. That seemed like far too much
815 time to me.

816 I also want -- think it is crucial that the reporting
817 process be streamlined so companies don't have to report to
818 multiple agencies. So my question is how important is it to
819 receive threat information from Homeland Security in a timely
820 manner? Is 24 hours too long, and do you agree that
821 implementing the new law, the federal government needs to do
822 everything it can to avoid establishing inconsistent or
823 duplicative reporting requirements? And you have, like, 45

824 seconds to answer.

825 *Secretary Granholm. It is important to share
826 information in real time. And that is what is happening. A
827 lot of that is through technology. We have direct
828 relationships through our technology and our overall
829 relationships with the industry. We know what is happening.
830 Our CESER office is in direct contact both with CISA as well
831 as with the industry through our sector-coordinating council.
832 So we take that lead role in this industry, industry-
833 coordinating sector, risk management sector very seriously.

834 *The Chairman. Do you think that 24 hours is too long?

835 *Secretary Granholm. I don't think that it waits that
836 long. I think that is -- yes. I do think it is too long. I
837 think it happens much more rapidly. I think it happens in
838 real time, though.

839 *The Chairman. All right. Thank you so much.

840 *Secretary Granholm. You bet.

841 *The Chairman. Thank you, Mr. Chairman.

842 *Mr. Rush. The chairman yields back.

843 The chair now recognizes the ranking member, Mrs.
844 McMorris Rodgers, for five minutes.

845 *Mrs. Rodgers. Thank you, Mr. Chairman.

846 Madam Secretary, you mentioned the drawdown on the
847 strategic petroleum reserve. And it has been drawn down to
848 record lows. Nearly 200 million barrels in a single year now

849 has been drawn down by this administration. And I believe
850 that this is reckless. It is dangerous. This is a strategic
851 asset. And depleting the reserve risk our energy future. It
852 adds to emboldening Russia and China.

853 I wanted to ask. This latest unprecedented drawdown
854 will mean that we will have about a quarter of the stockpile
855 projected for 2030. And that means we will be down at 100
856 million barrels in our strategic petroleum reserve. That is
857 about enough -- enough for a week. I would like to ask what
858 are your plans to replenish the reserve.

859 *Secretary Granholm. We will be replenishing the
860 reserve. There are plans --

861 *Mrs. Rodgers. What is the plan?

862 *Secretary Granholm. -- to do that.

863 *Mrs. Rodgers. What is the plan? Congressional
864 Democrats have walked attempts in the past. When gasoline
865 prices, oil prices were low in 2020, attempts which would
866 have made sense to replenish the reserve then were blocked.

867 *Secretary Granholm. No. Well, I am telling you we
868 will be asking. We will be replenishing the reserve --

869 *Mrs. Rodgers. I am anxious to see --

870 *Secretary Granholm. -- because it is important.

871 *Mrs. Rodgers. I am anxious to see the plan.

872 *Secretary Granholm. Yeah.

873 *Mrs. Rodgers. I have --

874 *Secretary Granholm. Happy to --

875 *Mrs. Rodgers. I have introduced legislation, the
876 American Energy Independence from Russia Act. Would restore
877 American energy leadership, and it would secure our strategic
878 petroleum reserve releases. It would make sure that they are
879 offset by American production. Do you support the goal of
880 that bill?

881 *Secretary Granholm. I support the goal of replenishing
882 with American production. Yes.

883 *Mrs. Rodgers. Thank you. I wanted to move to nuclear.
884 Russia's invasion of Ukraine has exposed the risk of
885 weakening American energy security. And it does extend
886 beyond oil and gas. It includes our vulnerabilities in the
887 nuclear sector. We are leading an exciting nuclear
888 technology, advanced nuclear technology, in the United
889 States. However, we do not have the uranium that we need.

890 Yesterday, Republican Leader Upton and I wrote you for a
891 more detailed information on your work to accelerate domestic
892 nuclear fuel resources. And do you agree that the Russian
893 invasion increased urgency to develop domestic nuclear fuels?

894 *Secretary Granholm. I do. I do, and I look forward to
895 briefing you both or whoever wants to be briefed on the plan,
896 which we are finalizing within the next couple of weeks.

897 *Mrs. Rodgers. Well, it feels like, at times, the
898 Administration is speaking -- the left hand doesn't know what

899 the right hand is doing because when it comes to critical
900 minerals, we have had this administration shut down mines,
901 shut down a mine in Minnesota, shut down a mine in Arizona,
902 at the same time that we are in an urgent place for the
903 Administration to act. We continue to talk about energy
904 prices soaring. I am concerned about blackouts because of
905 this Administration's harmful energy policies. You started
906 by focusing on clean, renewable, reliable, and affordable
907 energy, secure. I agree.

908 In my home state of Washington, the four Lower Snake
909 River Dams generate approximately 1,000 megawatts of power,
910 on average, annually. They have the capacity of 3,000
911 megawatts of power. This provides Bonneville Power
912 Administration with the capability to meet peak energy demand
913 loads at affordable prices. Would you agree that these dams
914 provide grid reliability and reduce the chance of blackouts
915 with the increase of weather-dependent wind and solar
916 generation in the Northwest?

917 *Secretary Granholm. I will say that I definitely agree
918 that hydroelectric power is a critical component of our clean
919 energy future. I agree that we have got to make as many dams
920 as is environmentally sane, available, and hopefully, through
921 the Bipartisan Infrastructure Law, be able to invest in
922 additional creation of dams, removal of the ones that don't
923 work, restoration, etc., like the Dam Good Bill that many of

924 you supported or are supporting also calls for.

925 *Mrs. Rodgers. Only 3 percent of the dams in the United
926 States actually produce electricity. There is huge
927 potential. Would you agree that dams also help reduce carbon
928 emissions?

929 *Secretary Granholm. Yes.

930 *Mrs. Rodgers. Thank you. Okay. The Hanford site is
931 adjacent to my district. I just wanted to ask -- well, maybe
932 I will just -- I will ask this. I will ask the questions on
933 Hanford in writing. I wanted to ask if you would commit to a
934 written plan on the strategic petroleum reserve in your
935 plans --

936 *Secretary Granholm. Yes.

937 *Mrs. Rodgers. -- to replenish. That would be great.
938 Thank you very much, Mr. Chairman. I yield back.

939 *Mr. Rush. The gentlelady yields back.

940 The chair now recognizes Mr. Doyle -- Mr. Peters for
941 five minutes.

942 *Mr. Peters. I RSVP'd remote. That is why I am out of
943 order down here, sir.

944 So thank you so much for being here, Secretary Granholm,
945 for speaking with us. And I am really grateful for DOE's
946 climate leadership and clean energy commitments. You are
947 invested in scaling carbon-removal technologies, in rapidly
948 building interstate transmission lines and recent successes

949 that the loans program office are helping us develop a clean
950 energy economy.

951 And I am also encouraged by your focus on sustainable
952 aviation fuels and specifically algae biofuels. And I look
953 forward to continuing to partner with you and expanding next-
954 generation clean technologies and addressing the climate
955 crisis. But today, I want to talk about a less positive
956 development. And that is the threat to the United States
957 solar industry by the consideration of imposing tariffs on
958 solar panels.

959 This case could cost us 100,000 American solar jobs and
960 jeopardize our common clean energy goals. Already, 318
961 projects are being canceled or delayed. And if the
962 Administration decides to impose tariffs, it could cause
963 solar capacity to fall 75 gigawatts short of the pace needed
964 to reach the President's solar goal. Tariffs can also affect
965 reliability. In California, we are using energy storage to
966 help provide grid reliability and the avoidance of blackouts.
967 But these projects are often solar combined with storage
968 projects. So if you can't get the panels, you can't build
969 the storage.

970 So Madam Secretary, in September of 2021, DOE released
971 the Solar Future Study which argued that the U.S. must
972 install an average of 30 gigawatts of solar capacity per year
973 between now and 2025 to reach the President's goal of having

974 solar power 40 percent of the nation's electricity by 2035.

975 Yesterday, the Solar Energy Industries Association said
976 that solar installation forecasts for 2022 and 2023 are being
977 cut by 46 percent due to consideration of tariffs. So
978 instead of doubling our solar deployment, we are cutting it
979 in half. Is the Department of Energy researching how this
980 potential loss in solar deployment could affect energy
981 reliability and our climate goals and planning what steps the
982 Administration needs to take to offset the solar project
983 losses if they decide to impose tariffs?

984 *Secretary Granholm. Share your deep concern about
985 this. As you know, the decision is an adjudicative decision
986 that rests with the Department of Commerce. The
987 Administration -- I know the climate office also shares the
988 deep concern about the potential inability to complete and
989 deliver on the President's goals of getting to 100 percent
990 clean electricity by 2035. So yes. It is safe to say that
991 there is an awful lot of effort around how to address this
992 given that it is an adjudicative proceeding.

993 *Mr. Peters. Well, I feel like you are in a very
994 difficult position. I understand the situation. I would
995 also just note that, as we sit here, we sit here in the room
996 that makes the laws. We have got paperwork that is in the
997 way of policy now. And so, you know, I really think we have
998 to look at how we shoot ourselves in the foot by allowing

999 this kind of stuff to happen. This is the tail wagging the
1000 dog.

1001 And I am fully supporting, by the way, of expanding
1002 domestic manufacturing of solar panels and components. And
1003 it is encouraging to see the solar industry's target of
1004 manufacturing 50 gigawatts of domestic production annually by
1005 2030. But even if we are to pass the necessary incentives to
1006 expand solar manufacturing in the U.S. and offset imports
1007 from other nations, it is going to take us five to 10 years
1008 to scale up.

1009 So investing in domestic manufacturing in the long-run
1010 cannot be an excuse to stop solar deployment in the
1011 short-term. So Madam Secretary, can you tell us more about
1012 DOE's efforts to expand domestic manufacturing of solar
1013 components and whether there is any way to get around this
1014 long lead time for scaling up?

1015 *Secretary Granholm. Well, we clearly have to
1016 accelerate. There is no doubt about it. One of the
1017 components of the budget is a solar manufacturing accelerator
1018 that we are asking you to approve. And this would help to
1019 achieve what the manufacturing processes are that can be
1020 accelerated in the solar realm in addition to the additional
1021 research that is necessary on advanced components.

1022 So whether it is the use of technology, the use of
1023 integrated systems, the bottom line is we have to accelerate.

1024 Clearly, the congressional action on getting the Solar Energy
1025 Manufacturing Act passed would be a tremendous assist because
1026 we want the private sector engaged on this, and we want to
1027 build out that full supply chain.

1028 But in the meantime, we recognize that we also have to
1029 make sure that we are not -- that we are not slowing down our
1030 efforts, but we are also not -- and I think you would
1031 probably agree -- not installing panels that are
1032 circumventing or that are potentially built with labor from -
1033 - you know, that -- from the solar industry in Xinjiang, etc.
1034 So both sides of those --

1035 *Mr. Peters. I would just say I think, you know, we
1036 face -- we call it an existential crisis. We need to act
1037 like it is an existential crisis.

1038 *Secretary Granholm. Yeah.

1039 *Mr. Peters. And I think the notion that we have these
1040 laws -- I imagine maybe Secretary Raimondo is equally
1041 concerned. Imagine we have set up these laws that shoot us
1042 in the foot this way and put our plan at risk is of great
1043 concern to me. And I just wanted to let the Administration
1044 know that.

1045 Thank you, Mr. Chairman. My time has --

1046 *Secretary Granholm. Thank you.

1047 *Mr. Peters. -- expired.

1048 *Mr. Rush. The gentleman yields back.

1049 The chair now recognizes Dr. Burgess for five minutes.

1050 *Mr. Burgess. Thank you, Chairman Rush.

1051 Welcome, Madam Secretary, to our -- our humble
1052 subcommittee. Listening to your discussion with Mr. Peters,
1053 I just went to a groundbreaking in my district at Alliance --
1054 Alliance Airport Corridor for a battery manufacturing -- or
1055 I'm sorry -- a mica manufacturing plant that is being built
1056 that is going to be pretty rapid turnaround. I was
1057 impressed. They talk about being in production in a little
1058 over a year's time, which is truly phenomenal given that they
1059 were just moving the first dirt. But it is that type of
1060 commitment that is necessary.

1061 And just as I was -- wasn't really the purpose of my
1062 being there but the concept of available real estate, a state
1063 that is -- has a favorable tax profile and the corporation
1064 around Alliance, Texas that is willing to -- I mean, in fact,
1065 Ross Perot, Jr., has challenged companies that want to move
1066 there. Say I challenge you to outgrow us because we will
1067 keep up with you.

1068 And it is that kind of can-do spirit that really is
1069 absolutely what is going to be required. Now, I would
1070 encourage your comments to Ranking Member Upton on the -- on
1071 the waivers for liquefied natural gas. And your statement we
1072 want to get every molecule into commerce, you know, we have a
1073 problem in Texas in the Permian Basin. There is more natural

1074 gas than can be used on an average day.

1075 So procedures such as venting and flaring, which, I
1076 think we both agree are undesirable, have happened. The way
1077 to prevent venting and flaring is to get it into commerce.
1078 But if that does require the ability to get, as you said,
1079 every molecule of gas down to Freeport, Texas where it can be
1080 frozen and sent overseas. So what do you see as the future
1081 for that?

1082 *Secretary Granholm. Yeah. I know that the --
1083 obviously the permitting of this and the EPA, etc., are all
1084 part of this conversation. We do not want to see flaring.
1085 We don't want to see methane exposure. I am glad you agree
1086 on that as well. I think a lot of the industry agrees and
1087 has -- is enthusiastic about the technology associated with
1088 preventing methane leaks. But of course, you have got to be
1089 able to take it, associated gas somewhere. So there is no
1090 doubt that this particular issue is one the Administration is
1091 focused on because we have to both be efficient about the use
1092 of natural gas as well as prevent methane flaring.

1093 *Mr. Burgess. Sure.

1094 *Secretary Granholm. So both need to happen.

1095 *Mr. Burgess. So both your office and President Biden
1096 have called on oil companies to step up the drilling, step up
1097 domestic production. Obviously, you do that in the Permian
1098 Basin. And this stranded gas phenomenon is going to become a

1099 more pressing issue. So I guess I would just ask the
1100 question. Do you stand by those statements, view the
1101 President made to ramp up energy production domestically?

1102 *Secretary Granholm. Absolutely.

1103 *Mr. Burgess. So will you commit to enforcing policies
1104 that make it easier for these companies to do as you and the
1105 President have requested?

1106 *Secretary Granholm. We want to make sure that we have
1107 no methane leaks and that we increase our oil and gas
1108 production at this moment. At the same time, as I will say -
1109 - and I think the oil and gas companies agree with this. It
1110 is important to transition to clean energy as well. And many
1111 of them becoming more diversified energy companies see this
1112 as an opportunity for themselves as well. So both, I think -
1113 -

1114 *Mr. Burgess. To be --

1115 *Secretary Granholm. -- need to happen.

1116 *Mr. Burgess. -- sure. But I think we have all seen
1117 the danger of too rapid a transition, the sudden spike in
1118 energy prices coupled with the inflationary pressures that
1119 were out there really damaged American families in a very
1120 significant way. We should be mindful of that as well
1121 because it does affect people.

1122 *Secretary Granholm. Well, I will say the inflationary
1123 issues right now are not as a result of clean energy. They

1124 are as a result of the supply chain crunch coming out of
1125 COVID, the fact that --

1126 *Mr. Burgess. Yeah.

1127 *Secretary Granholm. -- almost --

1128 *Mr. Burgess. Yeah. But we -- right. Well, let's not
1129 get --

1130 *Secretary Granholm. Okay.

1131 *Mr. Burgess. That is too long a discussion, the
1132 inflationary pressures because of the American Rescue Plan.
1133 But we will deal with that another day. So let me just ask
1134 you a question about the Federal Regulatory Electric
1135 Commission. I think I asked you a question last time when we
1136 were all on a Zoom call with this. I led a bipartisan letter
1137 to FERC requesting a decision that it provide a stable,
1138 thoughtful, long-lasting basis to build out our nation's
1139 essential energy infrastructure. So could I ask you to
1140 commit to working with FERC to ensure that the regulatory
1141 certainty for the oil and gas industry is available during
1142 this crisis?

1143 *Secretary Granholm. Yes. And I think he's -- I think
1144 the chairman and FERC itself have been listening and have
1145 pulled back a bit to be able to take into account the
1146 concerns of those who want to see certainty for the oil and
1147 gas industry. And we will be -- from what I have seen,
1148 again, they are an independent agency. But I believe that

1149 they are very concerned about making sure that they are
1150 responsive to this moment as well.

1151 *Mr. Burgess. I have a lot of other questions. But in
1152 the interest of time, I am going to submit them as questions
1153 for the record. I thank the chairman for his indulgence.

1154 *Mr. Rush. The gentleman yields back.

1155 The chair now recognizes the retired member from
1156 Pennsylvania, my good friend, Mr. Doyle.

1157 *Mr. Doyle. Well, thank you, Mr. Chairman, and Ranking
1158 Member Upton for holding this hearing.

1159 And thank you, Secretary Granholm, for joining us. I
1160 have been very pleased with the direction that you are taking
1161 the Department of Energy, and I look forward to getting you
1162 up to Pittsburgh so that you can see all the innovative work
1163 that is going on in that region. Let me ask you a question.
1164 If we are to lead the world in EV manufacturing and in
1165 deploying renewable energy resources, we are going to need a
1166 robust domestic battery supply chain.

1167 So that is why I was proud to author and work with a
1168 number of colleagues on this committee, to include battery
1169 manufacturing grants in the Infrastructure Bill. I am glad
1170 that the Department is moving quickly to deploy this funding
1171 that my office is hearing some concern from industry that the
1172 Department is focusing too heavily on lithium batteries and
1173 not leaving much room for alternative technologies like zinc

1174 batteries being built in my district by EOS Energy. I want
1175 to ask you do you agree that DOE should be supporting all
1176 types of battery deployment, and how do you intend to ensure
1177 a level playing field for non-lithium batteries as you deploy
1178 the infrastructure funding.

1179 *Secretary Granholm. We are very bullish on technology
1180 all around, and we want to make sure that we are not
1181 prioritizing one technology over another. We know that
1182 lithium obviously has been one of choice from a majority of
1183 automakers, at least in the electric vehicle supply chain.
1184 However, we are interested in technology related to energy
1185 storage overall. You'll see we have done requests for
1186 information on the Bipartisan Infrastructure Law, battery
1187 components, \$7 billion in two chunks.

1188 We will be issuing a funding opportunity announcement
1189 very shortly on that as a follow-up. We have taken in the
1190 input from industry, and we will be issuing a funding
1191 opportunity announcement. And you will see that we are very
1192 eager to get technologies that allow for us to move forward
1193 on electric vehicles and the best technologies.

1194 *Mr. Doyle. Yeah. I would just add the zinc battery
1195 technology is much better for long-duration storage, being
1196 used by -- being used by a lot of utilities.

1197 *Secretary Granholm. Yes.

1198 *Mr. Doyle. And we know that is important too if we are

1199 going to get more renewables on the grid. So I hope that we
1200 have a level playing field there. I am also pleased to see
1201 the efforts you are taking to make and roll out these
1202 hydrogen hubs. Is DOE taking a regional approach so that
1203 places like Southwestern Pennsylvania and West Virginia could
1204 combine their strengths, or are you taking a more targeted
1205 approach?

1206 In Southwestern Pennsylvania, we have lots of production
1207 capability, storage capacity and industrial end users. So
1208 what do you see as the most important building blocks for
1209 getting a hub set up?

1210 *Secretary Granholm. We are not biasing any particular
1211 strategy. We want the best proposals to come in. We will be
1212 issuing those funding opportunity announcements later. It is
1213 -- every region of the country has risen -- raised their hand
1214 and said we want to be a part. Some in the -- inside of a
1215 community, some inside of a state, some inside of a region.
1216 And we are not -- what we are saying is we want a solid
1217 proposal that is holistic, that takes into account the
1218 regional considerations, particularly communities that have
1219 been left behind, that it has a workforce development
1220 strategy related to hydrogen.

1221 Some of the hydrogen hubs will be associated with
1222 natural gas, and we would like to see zero carbon-emitting
1223 projects. So that would -- might be coupled with carbon

1224 capture and sequestration and methane, of course, abatement
1225 on the front end. Some of it will be with nuclear. Some of
1226 it will be with clean renewable energy. So we are not
1227 biasing. We want to see a variety of proposals and we wanted
1228 the best proposals.

1229 *Mr. Doyle. Thank you. Decarbonizing heavy industry
1230 and transportation is a difficult challenge. How important
1231 is it for Congress to support direct efforts to help the
1232 Department of Energy and private industry find new innovative
1233 technologies and deploy them?

1234 *Secretary Granholm. It is extremely important. It is
1235 extremely important, which is why we are grateful for
1236 Congress's support of the labs, for those technologies, for
1237 potentially considering this Bipartisan Innovation Act, which
1238 would be more funding for advanced technologies, some of
1239 which would come to the Department of Energy. But if -- we
1240 cannot cut technology investment, even as we also do the
1241 spectrum from research to deployment to -- you know, research
1242 to deployment and the spectrum in between of development and
1243 all of the -- the entire spectrum is important.

1244 *Mr. Doyle. Thank you very much. Mr. Chairman, I yield
1245 you back three seconds.

1246 *Mr. Rush. The Chairman certainly thanks the gentleman
1247 for yielding back. The Chair now recognizes the gentleman
1248 from Ohio, Mr. Latta, for five minutes.

1249 *Mr. Latta. Well, thank you very much, Mr. Chairman,
1250 and thank you, Madam Secretary, for being with us today.
1251 Madam Secretary, January of this year, you tweeted, quote,
1252 nuclear energy is clean energy, and it is vital to creating
1253 good-paying jobs, supporting our energy transition, and
1254 saving our planet, unquote. You said something similar last
1255 year when you were in Glasgow. At that time, you stated,
1256 quote, the U.S. views nuclear energy as a pivotal technology
1257 in the global effort to lower emissions, expand economic
1258 opportunity, and ultimately combat climate change, unquote. I
1259 agree with you on the importance of nuclear energy. However,
1260 I was disappointed to see that these broad statements of
1261 support were not followed up with action. In particular,
1262 given these statements, I was surprised to see that President
1263 Biden's budget proposal for Fiscal Year 2023 failed to
1264 provide any funding for the Department's Uranium Reserve
1265 Program. This program is designed to strengthen the United
1266 States national security and restore its competitive
1267 advantage in nuclear energy by securing our nuclear fuel
1268 supply chain.

1269 Congress previously appropriated 75 million for DOE.
1270 They implement this reserve, and yet we have heard that the
1271 Department has not utilized it. This issue has taken on
1272 greater urgency given the unprovoked Russian invasion of
1273 Ukraine. The United States is too reliant on uranium and

1274 fuels imported from Russia and its allies, Kazakhstan and
1275 Uzbekistan. I believe it is essential for the United States
1276 not to be reliant on -- and on an isolated, repressive and
1277 unpredictable Russian regime for critical reserves like
1278 mined, enriched and converted uranium.

1279 Question: Wouldn't you agree that it is better for the
1280 United States both from an economic and security perspective
1281 to obtain uranium right here in the United States and from
1282 our steadfast Western allies?

1283 *Secretary Granholm. Yes, sir.

1284 *Mr. Latta. We ask this. Given your comments about the
1285 importance of nuclear energy and the need to create jobs here
1286 in the United States, why didn't DOE request funding for the
1287 Uranium Reserve Program for the second fiscal year in a row?

1288 *Secretary Granholm. Because you gave it to us last
1289 year, and we are issuing a funding opportunity announcement
1290 in June for a uranium reserve. So we carried that over for
1291 that purpose. So that 75 million is still there.

1292 *Mr. Latta. Okay. So that -- yeah, that will be out in
1293 June. You said that -- that's going to come out?

1294 *Secretary Granholm. Yes.

1295 *Mr. Latta. All right. Would you also commit to
1296 working with me to help the United States reduce our reliance
1297 on Russian uranium, invest in American nuclear leadership,
1298 including through legislation like my H.R. 7403, which is the

1299 NO RUSSIA Act?

1300 *Secretary Granholm. I'm not familiar with that, but I
1301 definitely would work with you on that. I would very much
1302 like to see us develop our own resources here.

1303 *Mr. Latta. Thank you. On another separate -- separate
1304 subject, as Americans continue to grapple with high energy
1305 costs, we should be avoiding any actions that restrict the
1306 flow of energy products across our country. Energy
1307 restrictions could result in even greater costs to consumers.
1308 And following up with the ranking Republican, Mr. Upton's
1309 questions on Line 5, let me ask this. You know, Line 5 is a
1310 absolutely crucial energy artery in the Midwest. Will you
1311 commit to ensuring it remains in operation given the fact it
1312 has been deemed as safe and secure?

1313 *Secretary Granholm. You know, again, this is not in
1314 the Department of Energy's purview. It is in court, and it
1315 lies with the State Department and Canada.

1316 *Mr. Latta. Is the Department of Energy working with
1317 the Department of State to tell them exactly what -- because
1318 you've got the expertise on it, what the -- how important
1319 this line is?

1320 *Secretary Granholm. The State Department has expertise
1321 as well, as was identified by Mr. Upton earlier. They have
1322 got a lot of people, and they know this very well.

1323 *Mr. Latta. Well, let me follow-up. Does the

1324 Department of State know that -- how reliant Ohio and
1325 Michigan are, especially Northwest and Southeast and
1326 especially Upper Peninsula are on Line 5? And it is a \$5
1327 billion economic impact that it has on our economy and our
1328 region?

1329 *Secretary Granholm. I suspect they know.

1330 *Mr. Latta. I beg your pardon?

1331 *Secretary Granholm. I suspect they know.

1332 *Mr. Latta. But the Department of Energy, in your
1333 opinion, is not relaying that information to them?

1334 *Secretary Granholm. Well, I mean, the Department of
1335 State is well aware of the economic issues related to the
1336 Upper Midwest and our relationship to Canada and the desire
1337 of Enbridge to get this line done. But again, it is in the
1338 courts. It is not --

1339 *Mr. Latta. Okay. Well, let me -- let me ask this
1340 question because, having been the former chief executive of
1341 that of your state, would you say that Line 5 plays a massive
1342 economic impact on the state of Michigan?

1343 *Secretary Granholm. I am not going to --

1344 *Mr. Latta. I beg your pardon?

1345 *Secretary Granholm. I am not going to respond to that
1346 one because, again --

1347 *Mr. Latta. You are not going to respond to that --

1348 *Secretary Granholm. No.

1349 *Mr. Latta. -- question.

1350 *Secretary Granholm. I am not going to get into that
1351 because it is in court.

1352 *Mr. Latta. Well, I tell you when I talk to people in
1353 the state of Michigan, in the state of Ohio, they say it does
1354 have a major economic impact. But you are not going to
1355 respond to it?

1356 *Secretary Granholm. Yeah. It is just -- again, I am
1357 not going to get --

1358 *Mr. Latta. I find --

1359 *Secretary Granholm. -- ahead of the governor --

1360 *Mr. Latta. I find that --

1361 *Secretary Granholm. -- in Michigan --

1362 *Mr. Latta. I find it unbelievable.

1363 *Secretary Granholm. -- or the Administration.

1364 *Mr. Latta. And Mr. Chairman, I will submit my other
1365 questions to the record since my time has expired, and I
1366 yield back.

1367 *Mr. Rush. The gentleman yields back.

1368 The chair now recognizes the gentleman with the bow tie,
1369 the gentleman from California, Mr. McNerney, for five
1370 minutes.

1371 *Mr. McNerney. Thank you, Mr. Chairman. Someone has to
1372 set standards around here, so appreciate the acknowledgment.

1373 And I appreciate you coming and testifying to us today,

1374 Madam Secretary. And I am going to ask a question similar to
1375 what Mr. Pallone asked earlier. Over the past few years, we
1376 have seen increasing threats to the grid from natural
1377 hazards, wildfires and hurricanes that are climate-related,
1378 from cyber attacks and even from kinetic attacks. Given
1379 these increased threats, how does the Department's CESER
1380 office, reorganization and budget request, reflect a renewed
1381 attention on grid security?

1382 *Secretary Granholm. Yeah. There is an increase in
1383 there for CESER, about 9 percent, just slightly short of
1384 that. CESER is fundamental to us and to the entire country
1385 in making sure that we are integrated both on technology but
1386 also with the private sector and the utilities to ensure that
1387 we are aware of every single action that is happening out on
1388 the wires across the country.

1389 We are in a shields-up posture right now. And that
1390 means that industry is on high alert, especially in light of
1391 what is happening overseas. And the technology that CESER
1392 has worked with industry to deploy allows us to have some
1393 real-time information if there is some kind of cyber attack
1394 on the grid, for example, but also making sure that we are
1395 distributing and giving best practices, technology, training,
1396 etc. on cyber attacks but also on anything that makes the
1397 grid unreliable. And that includes extreme weather events.

1398 *Mr. McNerney. Thank you. Madam Secretary, I have

1399 worked for years on the intersection of energy and water
1400 issues. So I was reassured to see the energy-water nexus
1401 crosscut line listed as one of the priority crosscuts in the
1402 proposal. This is particularly timely with the developing
1403 Western mega drought and the research at DOE to improve
1404 modeling of water resources and more use and reuse of water
1405 rather than just use and discarded water. So can you
1406 elaborate how the DOE is planning to prioritize this crosscut
1407 and how the program has been upgraded to give new directives
1408 under the Energy Act of 2020.

1409 *Secretary Granholm. Yeah. Thank you so much, and
1410 really we are grateful for the opportunity and hopefully get
1411 approval for this cross -- 200 million in this crosscut
1412 because precisely of what we are seeing drought-wise across
1413 the West. One of the components of it that I am particularly
1414 interested in seeing is additional work on desalination and
1415 making sure that we have this massive resource of the Pacific
1416 and the Atlantic too, but obviously Pacific is a little more
1417 relevant.

1418 How do we take advantage of that and borrow some best
1419 practices from places that do desal in a much more aggressive
1420 way than we do? So there are a lot of exciting technologies
1421 that that water-energy nexus will cover. And hopefully we
1422 can get the support of this committee for it.

1423 *Mr. McNerney. Well, regarding desal, it is

1424 energy-intensive. And I know they are doing some great work
1425 at Lawrence Livermore Labs on making that better so let's --

1426 *Secretary Granholm. Yes. Exactly.

1427 *Mr. McNerney. -- continue that effort. I am going to
1428 follow up a question that Mr. Latta and the ranking member
1429 asked on uranium, which shows that there is a bipartisan push
1430 to do nuclear. The Energy Act of 2020 established a DOE
1431 program to support the available high-assay low-enriched
1432 uranium for use in civilian advanced nuclear research and
1433 other areas. This was based on legislation that I co-led.
1434 What is the status of the HALEU Availability Program? What
1435 is DOE's current vision for achieving a reliable domestic
1436 supply?

1437 *Secretary Granholm. Yeah. We have to have more HALEU
1438 and LEU as well across the board, both for advanced and for
1439 the existing civilian reactors and for any additional nuclear
1440 power that we want to bring on. We cannot be subject to
1441 supply coming from Russia. So we have a -- we are in the
1442 final stages of developing a holistic strategy on a U.S.
1443 HALEU and LEU effort and making sure we have the sufficient
1444 supply. And as soon as we are -- we can put the final bow on
1445 that strategy, which should be very soon, happy to come and
1446 brief you about it.

1447 *Mr. McNerney. Very good. What about the discussions
1448 between the Office of Nuclear Energy and NNSA on efforts to

1449 down-blend highly enriched uranium?

1450 *Secretary Granholm. Yeah, that is -- that is ongoing.
1451 There is a component of what is in the NNSA's purview that is
1452 being down-blended now, and that is certainly one strategy
1453 that we are pursuing as well.

1454 *Mr. McNerney. Thank you. I yield back.

1455 *Mr. Rush. The gentleman yields back.

1456 The chair now recognizes my good friend from the great
1457 state of West Virginia, the man with the mustache, Mr.
1458 McKinley, for five minutes.

1459 *Mr. McKinley. Thank you, Mr. Chairman. It is always
1460 good to see you here.

1461 Madam Secretary, let's try to get to the point. The
1462 U.S., as you know, has been sanctioning Russia over its
1463 aggression in Ukraine. If we are not buying their gas or the
1464 oil -- but we are buying their uranium -- uranium. And that
1465 is all thanks to Hillary Clinton's 2010 -- 2010 Uranium One
1466 deal that allowed Russia to control 20 percent of our uranium
1467 production.

1468 So to counter this, as you have heard the discussion,
1469 Congress established uranium reserve in 2010, the fall of
1470 2010. But according to an article written by Senator
1471 Barrasso in the Wall Street Journal recently, DOE has not
1472 purchased a single ounce of uranium in the last year and a
1473 half. So my question is, is Senator Barrasso wrong?

1474 *Secretary Granholm. No. As I was saying earlier, we
1475 are issuing a funding opportunity announcement in June for
1476 the creation of --

1477 *Mr. McKinley. This has been --

1478 *Secretary Granholm. -- a strategic --

1479 *Mr. McKinley. I just --

1480 *Secretary Granholm. -- petroleum reserve.

1481 *Mr. McKinley. All respect --

1482 *Secretary Granholm. I mean a strategic --

1483 *Mr. McKinley. Claiming my time --

1484 *Secretary Granholm. -- uranium reserve.

1485 *Mr. McKinley. -- ma'am. Madam Secretary, it has been
1486 a year and a half since that has happened. I thought we
1487 might move on that. President Biden has signed an executive
1488 order requiring a zero emission by 2035. But the head of
1489 global research at General Electric in Albany, New York, when
1490 we met with Paul Tonko -- and I met with him --
1491 unequivocally, he said that such an ideologically driven goal
1492 of going to 100 percent renewables by 2035 will, in his
1493 words, cause the grid to collapse.

1494 Robert Bloom, a member of NERC, said the same thing. He
1495 said an all-renewable power grid is destined to collapse. You
1496 aren't talking about a blackout over a weekend or an
1497 overnight. But this is a long-term grid failure, possibly
1498 years. Any of us that understand anything about the grid

1499 would understand that means schools and stores would close.
1500 Hospitals would jeopardize. Commerce would cease. We would
1501 be virtually thrust back in the 1800s.

1502 We also know that only 10 percent of PGM's grid is
1503 renewables. They would have to replace 90 percent of their
1504 power profile in that length of time. And researchers at
1505 Harvard said permitting put the -- has put -- that Biden has
1506 put in place, permitting process that he has put in place put
1507 2035 out of reach. So streamlining permits should be a
1508 priority for the grid, yet the Administration has established
1509 new NEPA rules, NEPA rules this last week making it harder to
1510 permit grid -- pipeline -- sorry -- grid lines. So Madam
1511 Secretary, do you agree that achieving 100 percent emissions
1512 by 2035 is still scientifically possible?

1513 *Secretary Granholm. With respect, it was 100 percent
1514 clean, meaning zero-carbon energy. And that includes
1515 nuclear, for example. That includes decarbonized fossil
1516 fuel.

1517 *Mr. McKinley. My question is do you still think it is
1518 possible by 2035.

1519 *Secretary Granholm. I absolutely do think it is
1520 possible.

1521 *Mr. McKinley. Interesting. And for the material for
1522 batteries we have heard somewhere referenced to, in the last
1523 three years, the cost of nickel has gone up 85 percent. The

1524 cost of lithium has gone up 670 percent. Copper is at a
1525 10-year high. We know from the United Nations report the
1526 Congo uses child labor to mine cobalt. So we are going to
1527 need to have more mines here in the United States to meet
1528 these demands for electric vehicles and grid batteries.

1529 The Center for Strategic and International Studies
1530 expect that we will see -- need 500 to 1,000 percent jump in
1531 demand by 2050. So has this Administration granted any new
1532 permits for mining critical materials in the United States?

1533 *Secretary Granholm. This Administration definitely
1534 believes that we have to sustainably mine for the critical
1535 materials and minerals, including rare earth minerals --

1536 *Mr. McKinley. Have you --

1537 *Secretary Granholm. -- that we have.

1538 *Mr. McKinley. -- granted any permits? That is what
1539 I'm saying.

1540 *Secretary Granholm. That is not under my jurisdiction.

1541 *Mr. McKinley. Okay.

1542 *Secretary Granholm. I don't do the permits for those.
1543 But I think this is an area of bipartisan support.

1544 *Mr. McKinley. I hope --

1545 *Secretary Granholm. Is that --

1546 *Mr. McKinley. I hope we have it. So Chairman, this
1547 committee has been known for years trying to incorporate
1548 science into its decisions. And I applaud that. But in the

1549 past year, evidence overwhelmingly suggests the Democrats are
1550 keen on using artificial, ideologically driven timelines, not
1551 reality. In fact, we are still buying uranium from our
1552 adversaries, setting regulatory roadblocks for our grid with
1553 additional requirements and counting on countries other --
1554 foreign countries to provide us our critical minerals.

1555 Madam Secretary, I admit -- and Mr. Chairman, I just
1556 hope that the United States isn't going to have to experience
1557 a blackout before we change this course of action. We are
1558 headed down the wrong road, Madam Secretary.

1559 *Secretary Granholm. And in the five seconds, I
1560 respectfully disagree. I think we can do it all. We can
1561 mine for critical minerals here in a responsible way. We can
1562 build out the supply chains that are necessary. We can get a
1563 uranium stockpile here so that we have energy independence,
1564 energy security, and we can also build out clean energy as
1565 well. We can do all of that.

1566 *Mr. McKinley. Thank you. I yield back.

1567 *Mr. Rush. The gentleman yields back. The Chair now
1568 recognizes the chairman of the Environmental Subcommittee,
1569 the gentleman from New York, Mr. Tonko, for five minutes.

1570 *Mr. Tonko. Thank you, Mr. Chairman. Secretary
1571 Granholm, welcome, and thank you for your leadership of a
1572 great agency. I know you are working hard to make certain
1573 that we have the personnel, the organization and the

1574 resources necessary for our nation to seize the economic
1575 opportunities that will come from a clean energy transition.
1576 I also want to thank you wholeheartedly for visiting New
1577 York's capital region to highlight the amazing research, the
1578 workforce development and manufacturing jobs that are
1579 resulting from our commitment to offshore wind.

1580 Before I ask questions, I want to repeat a statement I
1581 made in this room just days ago. According to the
1582 nonpartisan Energy Information Administration, domestic oil
1583 production was only 9.7 million barrels per day during
1584 President Biden's first full month in office. Since then,
1585 production has grown to 11.4 million barrels per day. That
1586 means oil production has gone up almost 2 million barrels per
1587 day since President Biden took office.

1588 So it is patently false to say that oil production has
1589 decreased under President Biden. The Weatherization
1590 Assistance Program received significant funding in the
1591 Bipartisan Infrastructure Law. We know this program is
1592 intended for low-income households. But sadly, many of the
1593 people who need this help most cannot access these funds due
1594 to their homes being in such poor condition. Can you discuss
1595 what the Department is doing to support these households
1596 through weatherization readiness and other ways to complement
1597 on the traditional Weatherization Program.

1598 *Secretary Granholm. I am so happy that you asked this

1599 because I think this weatherization readiness \$30 million
1600 request is so important, and I hope we will be able to
1601 increase it. Right now, there is almost -- there is 39
1602 million homes that are eligible for weatherization. But far
1603 fewer get weatherized, and far fewer of those that get
1604 weatherized -- many, 40 percent, are turned away when they
1605 come to ask, up to 40 percent. Why? Because their house is
1606 moldy or their roof is insecure. So this weatherization
1607 prepare -- preparing homes for weatherization allows for
1608 families who need it most to be able to access weatherization
1609 funds. So we are grateful for the support in 2021, and we
1610 hope that we can achieve that in 2022 and -- excuse me --
1611 2022 and then in 2023.

1612 *Mr. Tonko. Awesome. The Bipartisan Infrastructure Law
1613 also provided significant funding for grid infrastructure,
1614 which will be critical to making our electricity system more
1615 reliable, resilient, and clean. We know there are major
1616 investments needed for all parts of the grid, new interstate
1617 and interregional transmission lines, upgrading existing
1618 lines with grid-enhancing technologies and modernizing the
1619 distribution system to make it smarter and more responsive.
1620 Can you provide any insights on how DOE is thinking about
1621 this range of grid needs and how you might allocate the
1622 available grid funding from the IIJA?

1623 *Secretary Granholm. Yes. We have created a Grid

1624 Deployment Office. We created it last year. We have moved
1625 it over to our Undersecretary for Infrastructure because grid
1626 is so important of an infrastructure need. We need to
1627 essentially double the capacity of our grid if we are going
1628 to be able to add all of the clean energy and energy needs,
1629 energy growth needs that we are going to need in the United
1630 States. That means both capacity increases. That means
1631 technology, making sure we have got the technology associated
1632 so that the grid can, in fact, send energy, talk to other
1633 parts. We can generate energy in one part of the country and
1634 deliver it where it is needed in another part of the country.
1635 Both the technology, the capacity, making sure that it is
1636 resilient to extreme weather impacts are all part of what
1637 this grid deployment office will take care of, including
1638 cyber infrastructure to ensure that we are safe from cyber
1639 attacks.

1640 *Mr. Tonko. Well, those demands on our grid system
1641 become even more complex as we become even greater in our
1642 efforts to electrify other sectors. So there will be new
1643 potentially significant electricity demands from EV charging
1644 in locations that simply were not planned to have major loads
1645 in the past.

1646 So DOE and the national labs have amazing expertise.
1647 What capabilities does DOE have that may be helpful to a
1648 utility, state, or region that is working to assess and plan

1649 for these evolving EV-charging needs?

1650 *Secretary Granholm. Yeah, we have -- we have proposed,
1651 again, another almost \$20 million in the budget to help us to
1652 work with utilities and the labs to ensure they have the
1653 technical assistance to be able to do the modeling and get
1654 best-in-class technology to be able to move electrons along
1655 the grid. And so that program, which has not been in place
1656 before, would also be under the Grid Deployment Office to
1657 ensure that we are doing it right.

1658 *Mr. Tonko. Wonderful. And earlier this month,
1659 Congressman Casten and I introduced a bill, the EV Grid Act,
1660 which would have DOE take a leading role in studying this
1661 challenge and assisting so that inadequate planning does not
1662 result in slowing down EV adoption and charging
1663 infrastructure buildout. So I just share that with you. And
1664 again, I thank you for your leadership. It has been
1665 outstanding. And with that, I yield back, Mr. Chair.

1666 *Mr. Rush. The gentleman yields back.

1667 The chair now recognizes the gentleman from the great
1668 state of Virginia, Mr. Griffith, for five minutes.

1669 *Mr. Griffith. Thank you, Mr. Chairman.

1670 As members of this committee will recall, in early 2011,
1671 the Department of Energy subrogated \$75 million of U.S. tax
1672 dollars for Solyndra Solar Panels Project in violation of the
1673 law governing the Energy Loan Program, specifically

1674 Subrogation Section D3. And in the end, it cost the
1675 taxpayers more than \$95 million.

1676 The Energy Act of 2020 included the DOE loan program,
1677 and it included reforms in an effort to ensure taxpayer
1678 stewardship and project -- and protect against repeats of
1679 what we saw with Solyndra under President Obama's economic
1680 stimulus program. This included language requiring the
1681 Treasury Secretary to conduct analysis on Department of
1682 Energy loans as well as report language requiring periodical
1683 reports to Congress assessing the status of projects
1684 sponsored by the Department of Energy.

1685 Secretary Granholm, has DOE worked out a memorandum of
1686 understanding with the Treasury Department to conduct the
1687 analysis required by law? Yes or no?

1688 *Secretary Granholm. I am going to have to check with
1689 the LPO to see --

1690 *Mr. Griffith. And I appreciate that. If you could get
1691 me an answer, I greatly appreciate it.

1692 *Secretary Granholm. Yeah.

1693 *Mr. Griffith. Likewise, have any loan guarantees been
1694 denied as a result of Department of Treasury analysis? And
1695 if you don't know, if you could give me an answer to that as
1696 well --

1697 *Secretary Granholm. All I can tell you is that there
1698 are three that have been approved in the recent -- in recent

1699 months which are very exciting. But I do not have the date
1700 on what has been denied.

1701 *Mr. Griffith. And can you provide us with the
1702 Department of Treasury's analysis on those, even if it is
1703 just a simple, "We don't see any problem.'" I'd like --

1704 *Secretary Granholm. Sure.

1705 *Mr. Griffith. -- appreciate getting that.

1706 *Secretary Granholm. Sure.

1707 *Mr. Griffith. This committee issued a report in August
1708 of 2012 detailing our findings on the Department of Energy's
1709 failed management of the Loan Guarantee Program, which was in
1710 clear disservice to taxpayers' interest. You have been
1711 secretary for about 14 months now. Are you working with the
1712 Inspector General to address the issues identified during the
1713 Obama stimulus program in order to assure the American people
1714 that the law is currently being followed? And again, if you
1715 need to get it to me later, I understand.

1716 *Secretary Granholm. Yeah. I know the new head of our
1717 Loan Programs Office, Jigar Shah -- I don't know if you have
1718 met with him yet, but he has revamped the entire program.
1719 Now, I am assuming that he did so in consultation with the
1720 Inspector General report. But I cannot say that to you at
1721 this moment so I --

1722 *Mr. Griffith. And I appreciate that, and if you could
1723 give me an answer --

1724 *Secretary Granholm. Yeah.

1725 *Mr. Griffith. -- at a later time, I would greatly
1726 appreciate it. Would you agree that as stewards of taxpayer
1727 funds, we should not be subsidizing loans where the projects
1728 have little to no skin in the game and are low likelihood of
1729 reaching full market acceptance?

1730 *Secretary Granholm. We should be subsidizing loans
1731 that -- I mean, the reason Loan Program Office exists is
1732 because a commercial bank is not going to -- which are very,
1733 very risk-reverse is not going to take it. We also should be
1734 guardians of the taxpayer dollars. So that balance is what
1735 the Loan Program Office strives to achieve. It is why the
1736 vetting process of loans takes a year to be able to make sure
1737 is this right. Is this going to pan out? Are we going to
1738 make sure that the taxpayer gets their money back? And so I
1739 agree it has got to be carefully done. But it also is set up
1740 to take on these new technologies that inherently are risky
1741 because they are brand-new and haven't been done before. We
1742 fill in that Valley of Death in the -- in the
1743 research/development/deployment spectrum. And that is what
1744 the Loan Program Office does.

1745 *Mr. Griffith. So it is fair to say that you have taken
1746 steps to ensure that the projects you are funding are
1747 actually going to be deployed at some point or that you have
1748 great hopes that they will.

1749 *Secretary Granholm. That is the expectation,
1750 certainly.

1751 *Mr. Griffith. And that was one of the problems with
1752 Solyndra Project. It went into default in December of 2010,
1753 and they wouldn't let go of a project that had gone bad. All
1754 right. That being said, let me switch gears and just say
1755 that I am a big proponent of parity between fossil fuel
1756 research and research for renewables. I have got no problem
1757 with renewables. But I also think there is a huge amount of
1758 technology that we can do.

1759 The Chinese are selling outdated equipment for
1760 coal-fired power plants to Africa. If we develop ways to
1761 burn coal, the world is going to burn it. You know that, and
1762 I know that because of India, Africa and, frankly, the
1763 baseload in the United States will continue to some extent.
1764 As a result, the cleaner that we can burn coal, the cleaner
1765 that we can use our fossil fuels, the more likely we are to
1766 have both an impact on the air quality and the ability to
1767 sell to countries in other parts of the world because they,
1768 too, want cleaner air. But if they can't get it from us,
1769 they are going to get the cheap, dirty stuff from our
1770 colleagues in China. That is my opinion. I give that to
1771 you. I look forward to working with you to resolve some of
1772 these issues, and I look forward to making sure that the Loan
1773 Guarantee Program does what it is supposed to and that the

1774 laws follow.

1775 I yield back, Mr. Chairman.

1776 *Mr. Rush. The gentleman yields back.

1777 The chair now recognizes Ms. Schrier from Washington,
1778 D.C. for five minutes. Ms. Schrier?

1779 *Ms. Schrier. Thank you.

1780 *Mr. Rush. You are --

1781 *Ms. Schrier. Thank you, Mr. Chairman, and thank you,
1782 Secretary Granholm, for being here today. It is so nice to
1783 see you again. And I first want to thank you for your
1784 efforts to help us remain energy-independent and help us
1785 provide resources to Europe to minimize their dependence on
1786 Russian oil and gas during this time of war. And I am very
1787 proud of our country's leadership and your leadership.

1788 I want to talk about two things today, starting with the
1789 program you know I am very excited about, which is Department
1790 of Energy's regional clean energy hubs. And funding for
1791 these hubs was included in the Bipartisan Infrastructure
1792 Bill, which I was proud to support. Green hydrogen is one
1793 important element in policies to cut carbon emissions to net
1794 zero by 2050 or sooner.

1795 And compressed hydrogen can be stored and transported
1796 similar to the way that oil and gas are today. And it has
1797 the capacity to decarbonize large energy-intensive industries
1798 like heavy-duty transportation and steel manufacturing which

1799 account for about a third of domestic carbon emissions. In
1800 Washington State, as you heard from my colleague, we are
1801 blessed with a wealth of affordable, non-emitting hydropower.

1802 And Washington's clean electricity provides a great
1803 laboratory for generating green hydrogen. In fact, Douglas
1804 County Public Utility District has a pilot project right now
1805 to harness the excess hydropower generated overnight to
1806 electrolyze water and store hydrogen. And Tacoma Power is
1807 the first utility in the nation to introduce a special lower
1808 power rate for electric fuels to encourage hydrogen
1809 production.

1810 So we are laying the groundwork already in Washington
1811 with legislation in the state led by Senator Carlyle and
1812 others aimed at accelerating the development of renewable and
1813 green electrolytic hydrogen, including bills already passed
1814 to streamline siting and permitting. We also have a long
1815 tradition of strong private sector and public and private
1816 utility districts working together and research organizations
1817 like the Pacific Northwest Smart Grid Demonstration Project
1818 at PNNL and world-class research institutions at University
1819 of Washington and Washington State University.

1820 Our state has already committed to entirely eliminating
1821 fossil fuel-generated electricity by 2045 and to reach
1822 net-zero greenhouse gas emissions by 2050. Private industry
1823 is ready to go to pilot hydrogen-powered cargo ships at our

1824 ports, airplanes, delivery vehicles and 18-wheelers. And --
1825 in other words, our state is ideally suited to be a truly
1826 green hydrogen hub. So I wanted to know, as we are thinking
1827 about regional efforts and these hydrogen hubs and, you know,
1828 really a process that is still in development, what does
1829 success look like 10 years from now to you, and how do you
1830 think we get there?

1831 *Secretary Granholm. Thank you for the question. You
1832 are a great salesperson for your region. Of course, these
1833 hydrogen hubs, I have to say, are competitively bid, but we
1834 are excited that so many are raising their hand and really
1835 want to be part of it. I do think this hydrogen economy that
1836 could be created across the United States is an amazing
1837 opportunity for us. Every country is look -- especially
1838 countries that don't have the wealth of resources that the
1839 United States has in terms of oil and gas and technology.
1840 They are all looking for this hydrogen solution to be able to
1841 have clean, dispatchable baseload power.

1842 So I see a hydrogen economy emerging. I think 10 years
1843 from now, there will be thousands, if not, millions, of
1844 people in the United States who have the opportunity to work
1845 in or adjacent to hydrogen hubs. I think a hub itself is an
1846 ecosystem that is an opportunity for a community to remake
1847 itself using the energy resource that it has and for places
1848 that have an awful lot of hydroelectric power or ability to

1849 have solar feed into that to create green hydrogen -- we
1850 often don't like to use the colors because it may be
1851 misleading but zero carbon hydrogen. It is a very exciting
1852 economic opportunity in addition to being an opportunity for
1853 energy independence and for the climate.

1854 *Ms. Schrier. Thank you. I share that vision. I would
1855 just like to touch, finally, in my remaining seconds, just on
1856 the clean-up efforts at Hanford. We were going to visit
1857 together, and that trip -- for very good reasons, were in
1858 Europe. And so I just look forward to continuing to engage
1859 with you and visiting Hanford together, and I yield back.
1860 Thank you.

1861 *Mr. Rush. The gentlelady yields back.

1862 The chair now recognizes Mr. Johnson of Ohio for five
1863 minutes.

1864 *Mr. Johnson. Well, thank you, Mr. Chairman, and thank
1865 you, Madam Secretary, for being here today. It is good to
1866 see you again. I am sure you saw the news that Russia has
1867 now cut off gas shipments to Poland and Bulgaria, both NATO
1868 members. So Vladimir Putin, a dictator, using his energy
1869 dominance as a weapon to try to subjugate his neighbors.
1870 Now, let's think about this for a minute. Put it into
1871 context. I think many of us don't realize that only four out
1872 of the top 15 natural gas-producing countries in the world
1873 are liberal democracies, four out of 15. The world needs

1874 natural gas in increasing amounts. And LNG demand is
1875 skyrocketing.

1876 And folks, we talk a lot here about democracy versus
1877 autocracy. Are we satisfied to allow energy to be provided
1878 at the whims of the worst people on earth, or will America
1879 continue to be the guardian of the gate of freedom for the
1880 world and fuel the world with our resources and our values?
1881 This is the choice that we need to make. So Madam Secretary,
1882 I want to applaud you. It was encouraging to see DOE finally
1883 approve two LNG export permits yesterday, one of which sat
1884 there for at least 16 months, however, after FERC had
1885 approved.

1886 So I just want to get this straight, just to make sure.
1887 Let me ask you unequivocally. Do you support expanding U.S.
1888 LNG exports, and why does it take DOE so long to approve
1889 these permits?

1890 *Secretary Granholm. The two permits that were approved
1891 yesterday --

1892 *Mr. Johnson. No. Do you --

1893 *Secretary Granholm. -- as you know --

1894 *Mr. Johnson. Do you --

1895 *Secretary Granholm. We have been --

1896 *Mr. Johnson. -- support --

1897 *Secretary Granholm. -- support --

1898 *Mr. Johnson. -- expanding --

1899 *Secretary Granholm. This is what --

1900 *Mr. Johnson. -- LNG exports?

1901 *Secretary Granholm. We have -- as an --

1902 *Mr. Johnson. That's a yes-or-no --

1903 *Secretary Granholm. -- administration --

1904 *Mr. Johnson. -- question --

1905 *Secretary Granholm. Yes.

1906 *Mr. Johnson. -- Madam Secretary.

1907 *Secretary Granholm. Of course because that is what the

1908 President has done. He has --

1909 *Mr. Johnson. No. I ask --

1910 *Secretary Granholm. -- made an agreement.

1911 *Mr. Johnson. -- you do you support expanding --

1912 *Secretary Granholm. Of course.

1913 *Mr. Johnson. -- LNG --

1914 *Secretary Granholm. I work for an administration that

1915 supports helping our allies in this time and that does not

1916 want to see Russia weaponize --

1917 *Mr. Johnson. Do you support expanding LNG exports?

1918 That's a yes-or-no --

1919 *Secretary Granholm. I said yes --

1920 *Mr. Johnson. -- question.

1921 *Secretary Granholm. -- I think twice now, maybe three

1922 times. Yes.

1923 *Mr. Johnson. Okay. Great.

1924 *Secretary Granholm. And that is why.

1925 *Mr. Johnson. All right. So why does it take DOE so
1926 long?

1927 *Secretary Granholm. What I am saying is that the two
1928 permits that were approved yesterday, one of the facilities
1929 is not even under construction.

1930 *Mr. Johnson. Okay. I am going to --

1931 *Secretary Granholm. The second one --

1932 *Mr. Johnson. -- get to that in just a second --

1933 *Secretary Granholm. And the second one --

1934 *Mr. Johnson. -- because I want to talk about that.

1935 *Secretary Granholm. -- is in the middle of
1936 construction, so there wasn't an urgent moment until we
1937 wanted to send a signal to our allies that we --

1938 *Mr. Johnson. All right.

1939 *Secretary Granholm. -- are -- we want to partner with
1940 them. I also --

1941 *Mr. Johnson. Okay.

1942 *Secretary Granholm. -- approved --

1943 *Mr. Johnson. Great.

1944 *Secretary Granholm. -- two other ones.

1945 *Mr. Johnson. Well, I have got legislation called the
1946 Unlocking Our Domestic LNG Potential Act, which would end
1947 this export permit bottleneck in your agency, which I would
1948 urge my colleagues to support. So Madam Secretary, in

1949 response to Russia's -- in response to Russia's aggression,
1950 President Biden reached an agreement with the EU that said we
1951 will, quote, strive to ensure additional LNG volumes of at
1952 least 15 billion cubic meters in 2020 -- 2022. That is this
1953 year.

1954 And you have just acknowledged, and I appreciate that,
1955 that the approved permits that came out yesterday are for new
1956 facilities that haven't even been built yet. So what is
1957 DOE's plan to help expand LNG exports now, to reach that 15
1958 billion cubic meters in 2022? Given your previous public
1959 stances against domestic production, pipeline expansion in
1960 oil and gas in general, how are you going to do that without
1961 reversing course on some of these policies? How are we going
1962 to get more resources out the door if you don't change some
1963 of the policies?

1964 *Secretary Granholm. Number one, there is enough LNG
1965 facilities to meet the President's goal. Some are completing
1966 construction this year, and it will be up and running by the
1967 time. There are 30 billion cubic feet of permitted
1968 facilities that are waiting to be constructed. This is not a
1969 permitting question for liquified natural gas. We have
1970 permitted almost three times as much as we currently are
1971 exporting, and they just haven't begun construction yet. This
1972 is not a President Biden issue, nor is the issue of oil.

1973 In fact, the Fed, the Dallas Fed, canvassed the oil and

1974 gas executives in March and asked them what is it that is
1975 preventing you from increasing production, particularly on
1976 oil? Ninety-four percent of them said something other than
1977 government policy. The number one thing is Wall Street, that
1978 Wall Street is constricting their ability to invest and
1979 increase production. It is a false statement, with all due
1980 respect, to say that the Biden policies have caused
1981 production to go down. President Biden has issued more
1982 permits for oil and gas leasing in his first year than the
1983 Trump Administration did in their first year or their second
1984 year or their third year --

1985 *Mr. Johnson. Madam Secretary --

1986 *Secretary Granholm. They are sitting on --

1987 *Mr. Johnson. I --

1988 *Secretary Granholm. -- 9,000.

1989 *Mr. Johnson. My time has expired. My time has
1990 expired. We were energy-independent under the last
1991 administration. We are not now --

1992 *Secretary Granholm. And we are today.

1993 *Mr. Johnson. -- under the Biden Administration.

1994 *Mr. Rush. The gentleman's time --

1995 *Secretary Granholm. We are today, sir.

1996 *Mr. Rush. -- has expired.

1997 The chair now recognizes the gentleman -- gentlelady
1998 from Florida, Ms. Castor, for five minutes.

1999 *Ms. Castor. Well, thank you, Chairman Rush.
2000 Secretary Granholm, thank you for your service to
2001 America. I truly appreciate everything the Biden
2002 Administration is doing to lower the energy bills for
2003 American families and businesses. And you are doing it at a
2004 time where we must clean up the air that we breathe, create
2005 jobs, good-paying jobs in the energy sector and reduce the
2006 harmful and costly and escalating impacts of the climate
2007 crisis.

2008 And fortunately, in this committee, the Department of
2009 Energy has often received strong, robust bipartisan support
2010 for what the Department of Energy's missions are. I mean,
2011 just look, for example, at the Bipartisan Infrastructure and
2012 -- Infrastructure Investment and Jobs Act. What we have
2013 provided to DOE and what President Biden, under his
2014 leadership, is -- has charted the course, is true energy
2015 independence and security for America. Some of my favorite
2016 provisions, I am going to ask you about, upgrading the
2017 electric grid, transmission, everything that you talked about
2018 on the new technologies and expanding capacity.

2019 I want to dig into this a little bit more. Just over
2020 the last few months, DOE issued a new report. No, it is the
2021 Building a Better Grid Initiative. There is also another
2022 report out there that says we have the technologies to do
2023 this. Now with the Bipartisan Infrastructure Bill, you have

2024 got funding, but do you have all the authorities that you
2025 need from the Congress to be able to fully implement it to
2026 help move America towards energy security and independence?

2027 *Secretary Granholm. Yeah. Thank you for asking that.
2028 I really appreciate the support that this -- those on this
2029 committee who voted for the Bipartisan Infrastructure Law
2030 gave, the funding for the Grid Deployment Office that we
2031 would be using to shore up the grid. The ability to build
2032 out additional capacity of that grid as we move toward more
2033 electrification, hugely important. One of the pieces of that
2034 that I think is the most important is called an anchor credit
2035 where the government can take a position on the build-out of
2036 transmission to ensure that we can build that out so that we
2037 can have a fully robust grid across the country.

2038 There is two other little pieces that I started to
2039 mention, which is there is a wholesale electricity market
2040 technical assistance grant that is embedded in the budget
2041 this time, which, again, is to help build out a, for example,
2042 regional -- RTOs. We want to make sure that we have got a
2043 bulk power system that talks to one another. And in the
2044 West, there -- we don't have that, for example, and so
2045 building out the connectivity between the ISOs and the RTOs
2046 and each other is important.

2047 And places where we don't have that ability is going to
2048 be a piece of it. And then the interregional offshore and

2049 offshore planning for a grid, particularly along the Atlantic
2050 seaboard right now, because that is most imminent, that too
2051 is part of what the Grid Deployment Office will be doing. So
2052 all of those pieces will be under the umbrella of this Grid
2053 Deployment Office, and thank you so much for the support and
2054 the interest in making sure we have a secure and effective
2055 grid.

2056 *Ms. Castor. Because we have to do it all. And this --
2057 you really have such an important charge here to work with
2058 states and utilities and those RTOs to improve the grid, make
2059 it more resilient, make sure we bring those lower-cost,
2060 abundant, affordable renewables onto the grid. But we also
2061 have to build from the ground up. And there is such enormous
2062 interest in community solar and weatherization. And now we
2063 have some of those funds available. You have already talked
2064 about weatherization, putting money back into the pockets of
2065 our neighbors back home, just in the -- in Florida through
2066 insulation so we can save on air conditioning bills and then
2067 more efficient appliances.

2068 But community solar, all the small business owners,
2069 everyone that is able to lower their electric bill and then,
2070 after a hurricane or some other extreme event, you know, they
2071 can come onto the -- they can plug back in and enjoy a cooler
2072 home or a heated home much faster. So tell us what does the
2073 future hold. What are you doing to really engage

2074 communities, front-line communities, to make sure that the
2075 resources get to the folks who could really use the community
2076 solar resources right --

2077 *Secretary Granholm. Yeah. We have a goal of getting 5
2078 million homes connected with community solar. We want to do
2079 that quickly. It is the way for communities that maybe don't
2080 have roofs or don't own the places where they live to be able
2081 to tap into the cheapest form of electricity in most places
2082 in this country, which is solar. I would like to see more of
2083 that in Florida too.

2084 *Ms. Castor. Wouldn't that be great in the sunshine
2085 state.

2086 *Secretary Granholm. Yes.

2087 *Ms. Castor. Which, right now, the Sunshine State, they
2088 are looking at huge increases in cost because we are 75
2089 percent reliant on electricity from natural gas and not the
2090 power of the sun. Thank you very much. I yield back.

2091 *Mr. Rush. The gentlelady yields back.

2092 The chair now recognizes the gentleman from Indiana, Mr.
2093 Bucshon, for five minutes.

2094 *Mr. Bucshon. Thank you, Mr. Chair.

2095 Thank you, Secretary Granholm, for being here. Today,
2096 Americans across the country are paying extraordinarily high
2097 prices at the gas pump. That is not a revelation. We all
2098 know that. In my home state of Indiana, regular gasoline

2099 costs over one dollar more per gallon in the last year. And
2100 diesel costs more than \$1.80 more per gallon than last year,
2101 dramatic increase. Unfortunately, rather than unleashing
2102 American energy, facilitating increased domestic production
2103 to address these high prices, the Biden Administration and
2104 your agency continue to pursue an energy strategy that I
2105 believe punishes American energy producers and prioritizes
2106 energy from sources championed by your allies on the
2107 political left.

2108 I support an all-of-the-above energy approach to ensure
2109 that our constituents have access to energy that is reliable,
2110 affordable and, of course, environmentally sustainable. I
2111 support the development of renewable energy sources like wind
2112 and solar and new technology innovations in those spaces as
2113 well as new technologies utilizing nuclear power and
2114 traditional fossil fuels to deliver safer, cleaner, more
2115 reliable energy at a reasonable cost.

2116 However, I am concerned that the Administration is
2117 getting too far ahead of the market in its efforts to, quote,
2118 decarbonize the grid by prioritizing less reliable, more
2119 expensive energy sources that will require huge investments
2120 just to become operational. Some people estimate the
2121 electrical requirements and the grid, for example, may take
2122 30 years to build out what the proposals are as it relates to
2123 electric vehicles.

2124 Ultimately, in this top-down approach, the ratepayers,
2125 our constituents -- and they are already seeing it -- will
2126 end up footing the bill for an overambitious -- attempts to
2127 overhaul this grid. Madam Secretary, DOE has highlighted the
2128 importance -- the billions of dollars for transmission and
2129 other grid upgrades including -- included in the
2130 Infrastructure Investment and Jobs Act. But I am worried
2131 that much of this money could be wasted through aimless
2132 spending meant to merely check off a box rather than make
2133 real needed improvements in the grid. Can you confirm that
2134 the Department is taking steps to ensure transparency and
2135 wise use of taxpayer resources and protection of consumers'
2136 access to affordable energy in this process?

2137 *Secretary Granholm. Yes.

2138 *Mr. Bucshon. I like that answer. And now I -- we need
2139 the follow-up. Madam Secretary, as you know -- I guess it is
2140 2JA gives the federal government authority to overrule state
2141 agencies in designing an area of the U.S. as a -- designating
2142 an area of the U.S. as a national interest electric corridor.
2143 Is the Department engaging with the state and local
2144 regulators on this issue?

2145 *Secretary Granholm. Yes. We are planning full
2146 stakeholder -- we have been engaged in stakeholder briefings.
2147 We will be issuing both notices of intent, which we have
2148 issued notice of intent, to be able to get feedback. We have

2149 been having regional dialogues. It has been a full-on
2150 partnership to ensure that, as we plan, we plan in a smart
2151 way and plan in a way that is most responsive to your point
2152 to the ratepayers. We make sure we don't increase costs.
2153 But we give them access to the cheapest forms of power. And
2154 in many places, as I was just saying, that really is solar or
2155 wind.

2156 *Mr. Bucshon. Understood. Well, I -- and let me just
2157 say on that one it is solar and wind because of massive
2158 federal government subsidies. I would argue that -- I would
2159 argue that as it is -- if you factor in the taxpayer costs,
2160 there is a little bit of a debate about whether it is
2161 actually the most affordable form of energy. Again, and I
2162 support solar and wind. Don't get me wrong. So you are
2163 taking into consideration state and local concerns, it sounds
2164 like.

2165 I mean, and what about if states make decisions on
2166 siting and rate-setting? Will you respect some of their
2167 decisions on that or overrule them?

2168 *Secretary Granholm. Well, obviously it is very
2169 context-specific.

2170 *Mr. Bucshon. Yes.

2171 *Secretary Granholm. But we want to work with state and
2172 locals. And honestly, we want to be able to site any
2173 transmission. If we can, the first preference would be to

2174 site in areas where we may have a federal right-of-way or
2175 where it is on a public land so that it is the course -- the
2176 path of least resistance, if you will --

2177 *Mr. Bucshon. Sure.

2178 *Secretary Granholm. -- to be able to do that. That
2179 would be our preference. But obviously that may not always
2180 be necessary. So we want to work with the state and locals
2181 to ensure acceptance and unity.

2182 *Mr. Bucshon. Okay. Thank you. Do you believe the
2183 private sector should be taking the lead and modernizing the
2184 grid and the transmission system?

2185 *Secretary Granholm. I do think the private sector has
2186 a huge role to play, and it is one of the reasons why it
2187 would be terrific to see some of the tax provisions passed by
2188 Congress, which would include and incentivize the private
2189 sector to be able to build out the transmission, build out
2190 the energy assets, nuclear power. That should have offtake
2191 and that should -- there should be a tax credit associated
2192 with zero-carbon --

2193 *Mr. Bucshon. Okay.

2194 *Secretary Granholm. -- power like that.

2195 *Mr. Bucshon. With your indulgence, Mr. Chairman --
2196 Does the federal government own any gas stations in the
2197 United States?

2198 *Secretary Granholm. Probably they have a couple on

2199 federal property.

2200 *Mr. Bucshon. I would argue, then, we shouldn't be
2201 owning the plug-ins for electric cars either. I yield back.

2202 *Mr. Rush. The chair now recognizes the gentlelady from
2203 California, Ms. Barragan, for five minutes.

2204 *Ms. Barragan. Thank you, Chairman Rush, for holding
2205 this important hearing on the Fiscal Year 2023 budget for the
2206 Department of Energy.

2207 Secretary Granholm, welcome. Thank you for being here
2208 today and for your visit to the Los Angeles Cleantech
2209 Incubator last week. I have worked closely with the LA
2210 Cleantech Incubator to support electric vehicle carshare
2211 programs at public housing.

2212 The incubator has a pilot project in my district at the
2213 Rancho San Pedro Public Housing Complex so that lower-income
2214 residents can be part of the electric -- even if they can't
2215 afford a car. How can electric vehicle carshare programs
2216 support of the -- support the Administration's electric
2217 vehicle equity investments and Justice40 goals?

2218 *Secretary Granholm. Great question. Obviously, the
2219 Administration very much wants to ensure that the charging
2220 stations, which, again, this Congress supported in the
2221 Bipartisan Infrastructure Law, are located in places where
2222 they do not already exist. And often that is in poorer
2223 communities and communities that have been left behind and

2224 communities where there isn't a large degree of electric -- a
2225 large number of electric vehicles and in rural areas and
2226 along the main corridors. So the first step was to issue
2227 guidance, which we did in February.

2228 That guidance is resulting in a lot of feedback from
2229 communities. And we will then issue -- we will -- the first
2230 chunk of the funding is by formula. And that will be to
2231 create these corridors, transportation corridors in places,
2232 again, locating these charging stations in places where they
2233 don't already exist. And the second chunk will be
2234 competitive. And we will want to make sure that, in those,
2235 we locate specifically in the communities that you are
2236 talking about so that, in every pocket of America, people who
2237 want to be able to access electric vehicles and charge them,
2238 they have the opportunity to do so.

2239 *Ms. Barragan. Thank you, Madam Secretary. I have a
2240 bill called the EVs for All Act to create a grant program at
2241 the Department of Energy to establish electric vehicle
2242 carshare programs, public housing for public housing
2243 residents. It would be great to work with your staff to make
2244 this happen.

2245 *Secretary Granholm. We would love it.

2246 *Ms. Barragan. Thank you. My next question is I am
2247 leading a House appropriations letter to support your budget
2248 request of 105 million for the new Energy Future Grants

2249 Program to support community clean energy projects and reduce
2250 energy cost for residents. Part of my ask is to prioritize
2251 these investments in environmental justice communities and
2252 help these communities build clean energy microgrids to
2253 provide energy resilience from climate-driven weather
2254 disasters. Can you share how Energy Future Grants can help
2255 further these goals?

2256 *Secretary Granholm. Thank you for your leadership on
2257 this. We have the same concern, which is in a lot of
2258 communities in the country that simply don't have the
2259 resources to be able to do a strategic plan on their energy
2260 future. You know, they got mayors who have two jobs. There
2261 is a lot of communities where the community organizations
2262 simply don't have the resources to be able to do this.

2263 These Community Future Grants really are giving them a
2264 chance to plan their future. We have a small pilot called
2265 Communities LEAP Program, which is a precursor of this where
2266 the communities actually sent in a plan and said, "This is
2267 what we would like to do, but we need technical assistance to
2268 be able to make that happen.'" We want every community, not
2269 just the bigger ones, not the big -- not just the big cities,
2270 although of course we want them to participate too but the --
2271 you know, the small, the mid-sized cities that simply don't
2272 have the resources to be able to think about their benefiting
2273 from a clean energy future, and that is what these clean

2274 energy grants are all about. Certainly, front-line
2275 communities are at the top of the list of communities that
2276 may not have the resources to do this, so I completely share
2277 your vision and your values underneath the grants for local
2278 communities.

2279 *Ms. Barragan. Well, thank you. And you mentioned a
2280 topic that's in really my next question. It is about the --
2281 your recently released equity plan and the inclusion of LEAP,
2282 the Local Energy Action Program. Can you maybe share if
2283 there is anything more you want to share on that how LEAP --
2284 how -- how can LEAP help communities of color transition to
2285 clean energy, reduce energy costs, and create good jobs?

2286 *Secretary Granholm. Yeah. LEAP really gave us the
2287 ability to see this in action where communities -- for
2288 example, there is a community near Pittsburgh that wants to
2289 use, as a demonstration project, weatherization and
2290 next-generation building materials to secure the homes in
2291 that community. They didn't know how to access any of the
2292 technical assistance from the labs. We are going to embrace
2293 them and help them to access the lab information as well as
2294 any grants that they might be qualifying for, not just in DOE
2295 but across the federal government.

2296 So it is really giving communities access to the federal
2297 government and often the Byzantine process by which you have
2298 to access it. You might have to hire a consultant to be able

2299 to get access to it. So the bottom line is we really want to
2300 make sure that all communities have access to the benefits of
2301 the things that you all are passing.

2302 *Ms. Barragan. Great. Thank you, Madam Secretary.

2303 Mr. Chair, I yield back.

2304 *Mr. Rush. The gentlelady's time has expired. The
2305 chair now recognizes the gentleman from North Carolina, Mr.
2306 Duncan, for five minutes.

2307 *Mr. Duncan. Thank you, Mr. Chairman.

2308 And Madam Secretary, thanks for being here today. You
2309 are anti-fossil fuels, aren't you?

2310 *Secretary Granholm. I would like to transition away
2311 from unabated fossil fuels to a clean energy future.

2312 *Mr. Duncan. How did you transit over here today?

2313 *Secretary Granholm. I have a -- I got a ride in the
2314 fleet vehicle that we have.

2315 *Mr. Duncan. And that is a Suburban, probably, with a
2316 chase vehicle for your security detail?

2317 *Secretary Granholm. My preferred vehicle is the one
2318 fleet vehicle --

2319 *Mr. Duncan. I don't care about your --

2320 *Secretary Granholm. -- that is --

2321 *Mr. Duncan. -- preferred vehicle. That is not what
2322 I --

2323 *Secretary Granholm. Well, I have -- in my fleet

2324 vehicle, we do have an electric vehicle. We had --

2325 *Mr. Duncan. Did you drive the electric vehicle over
2326 here today?

2327 *Secretary Granholm. Not today because we had too many
2328 people in the car.

2329 *Mr. Duncan. Okay. So just for the record, they have
2330 fossil fuel vehicles within the fleet that moves --

2331 *Secretary Granholm. Yes. We do.

2332 *Mr. Duncan. -- the Secretary around. And I am glad
2333 you have electric vehicles. That is fine. We will knock
2334 that for the record too. Is that a Tesla or is that a Ford
2335 product? Do you --

2336 *Secretary Granholm. A Ford product.

2337 *Mr. Duncan. Okay. Thank you. So I want to thank you
2338 for approval last month and yesterday of the pending LNG
2339 export facilities. Just a quick question. Why have no wind
2340 and solar-produced energy export facilities been approved by
2341 your agency?

2342 *Secretary Granholm. Wind and solar are energies right
2343 now that are deployed onsite and that are generated onsite.
2344 However, if we are able to do --

2345 *Mr. Duncan. They are not exportable.

2346 *Secretary Granholm. -- clean hydrogen --

2347 *Mr. Duncan. Let's just --

2348 *Secretary Granholm. -- hubs, hydrogen would be able to

2349 --

2350 *Mr. Duncan. Renewable energy is not exportable beyond
2351 transmission lines that cross borders. You could provide
2352 Ottawa, Canada or Tijuana electricity produced by wind and
2353 solar, but you can't export it to Ukraine. So you guys are
2354 supporting LNG exports, and I appreciate that. That is
2355 helping our allies.

2356 Germany literally just announced a little while ago that
2357 they are going to not import any sort of Russian oil or gas.
2358 We need to replace that with American-produced energy. It is
2359 cleaner-burning anyway, so if you believe in man-made climate
2360 change, you should support American LNG burning everywhere.
2361 It is hypocritical, though, because you sat here and touted
2362 the Administration's -- wrongly, I believe, but number of oil
2363 and gas leases when the President ended all oil and gas
2364 leases on federal land, onshore and offshore, in January of
2365 last year, canceled existing leases, onshore and offshore,
2366 last January. And that shrunk domestic supply.

2367 The Administration definitely responsible for an
2368 increase at the price at the pump for mom and dads. Trying
2369 to blame Vladimir Putin for it, but gas prices were already
2370 going up. They were up 50 percent before Russia ever invaded
2371 Ukraine. And so I just think that is -- that is wrong, that
2372 -- to be proud of those efforts but at the same time, not
2373 liking fossil fuels. So let me ask you this. In your

2374 opinion, what are the best sources of energy production to
2375 provide the 24/7/365 baseload power supply that our nation
2376 needs?

2377 *Secretary Granholm. I think nuclear is an important
2378 baseload power. I think hydroelectric is an important
2379 baseload power. I think that you can pair renewables with
2380 storage and have that be a baseload power. I think that we
2381 will see --

2382 *Mr. Duncan. Pair it with --

2383 *Secretary Granholm. -- the baseload power --

2384 *Mr. Duncan. -- storage, battery storage?

2385 *Secretary Granholm. Pardon me?

2386 *Mr. Duncan. You are going to pair it with storage.
2387 How are you going to store it? Battery storage?

2388 *Secretary Granholm. Battery storage. Yes.

2389 *Mr. Duncan. We don't have that capability yet.

2390 *Secretary Granholm. Yes, we do.

2391 *Mr. Duncan. It would take an enormous amount of space
2392 and other minerals --

2393 *Secretary Granholm. It is being done --

2394 *Mr. Duncan. -- we talked about.

2395 *Secretary Granholm. -- in places across the country
2396 right now, sir.

2397 *Mr. Duncan. Yeah. Well, they are also building hydro
2398 storage projects, which are battery storage. I get that.

2399 But 24/7 baseload power is needed. We talk a lot about
2400 energy. We think about transportation fuels, but we need to
2401 focus on the baseload power supply that manufacturing needs
2402 in this country to produce the widgets and other things,
2403 provide the jobs.

2404 Nuclear has got to be a part of that. I appreciate you
2405 mentioning that. We produce about 55 percent of our power in
2406 South Carolina from nuclear power. Ninety-five percent of
2407 our carbon-free electricity is produced by nuclear. Nuclear
2408 needs to be a big part of this. So what does the future look
2409 like for that baseload power?

2410 *Secretary Granholm. That has got to absolutely be a
2411 part of our power structure. It is right now, and it should
2412 continue to be, and hopefully it grows.

2413 *Mr. Duncan. Yeah.

2414 *Secretary Granholm. Including with advanced nuclear
2415 reactors, which --

2416 *Mr. Duncan. Absolutely.

2417 *Secretary Granholm. -- can be -- can be paired
2418 with --

2419 *Mr. Duncan. Thank you for mentioning that. Well,
2420 there is thorium or SMRs or anything. Advances got to be a
2421 part of that. I want to see the Department of Energy -- and
2422 I applaud you for that, for being a part of that.

2423 The Nuclear Regulatory Commission commissions new

2424 reactors. I have got a bill, H.R. 1559, Modernize the
2425 Nuclear Reactor Environmental Review Act, to try to expedite
2426 the environmental review process so that we can get more
2427 nuclear power online. I would ask your Department to also
2428 work with NRC to keep nuclear power in relicensing, keep
2429 those power plants and our fleet online to provide that
2430 carbon-free electricity for the nation.

2431 There is just a lot of different policies that affect
2432 that. One is going to be waste. And we are going to have to
2433 have some sort of policy on the waste strain, whether it is
2434 advanced nuclear or whether it is the current nuclear fleet.
2435 Can you reply in detail for the record -- well, my time is
2436 up. I will submit another question for the record, ask you
2437 to reply.

2438 Thanks, Mr. Chairman. I yield --

2439 *Mr. Rush. The gentleman yields back.

2440 The chair now recognizes the gentleman from Vermont, Mr.
2441 Welch, for five minutes.

2442 *Mr. Welch. Thank you very much, Mr. Chairman.

2443 And Madam Secretary, welcome. I appreciate the good
2444 work that you and your team are doing. I am going to just
2445 focus on four areas that I think are of interest to you and I
2446 know important component, performance contracting, appliance
2447 standards, weatherization, and EV charging. Performance
2448 contracting is something that a lot of us have been working

2449 on for a very long time. And there have been snags along the
2450 way, but it has really, as you know, been very effective.
2451 And a basic question is where are we on performance
2452 contracting, and can you confirm that DOE will continue to
2453 leverage the EFEC program and the infrastructure funds
2454 through performance contracts.

2455 *Secretary Granholm. Absolutely. It is an incredibly
2456 important and smart way of making sure that we are
2457 energy-efficient.

2458 *Mr. Welch. Yeah. And we have had some challenges with
2459 OMB. I mean, this pays for itself; right? I mean,
2460 the --

2461 *Secretary Granholm. Utterly.

2462 *Mr. Welch. -- companies are putting the money up
2463 front. It is all local jobs, and it results in savings to
2464 the taxpayer and results in reduced carbon emissions. Is
2465 there any bad -- downside --

2466 *Secretary Granholm. I don't see the --

2467 *Mr. Welch. -- downside --

2468 *Secretary Granholm. -- downside to it either.

2469 *Mr. Welch. -- to doing more of this?

2470 *Secretary Granholm. I do not see a downside. I think
2471 it is a very smart way of proceeding.

2472 *Mr. Welch. Okay. Thanks. Appliance standards.
2473 Again, one of the ways, obviously, to save on carbon

2474 emissions is to have appliance standards and have those apply
2475 and then manufacturers can compete to do the best job in
2476 producing them. I was glad to see you have new efficiency
2477 standards for light bulbs. And the appliance standards, as
2478 you know, are an easy way for the reduction of carbon
2479 emissions and saving money.

2480 It can be about a hundred bucks a year, which, you know,
2481 is real money. How will DOE work to ensure necessary staff
2482 and processes are in place to continue expediting appliance
2483 efficiency standards because the practical challenge is
2484 getting a standard that makes sense, doesn't go too far but
2485 is not lacking in ambition? It is a very practical one that
2486 requires good staff, good expertise, and good responsiveness
2487 to industry.

2488 *Secretary Granholm. You obviously know this very well
2489 and, yes, we need the right amount of staff to be able to
2490 process all of the -- particularly the backlog. We inherited
2491 about 57 actions that were behind. We are committed to
2492 processing 100 standards by the end of this year. But it is
2493 -- no doubt it is a huge workload, and I applaud my staff for
2494 doing it. And we want to make sure that we recruit people
2495 who have the expertise to be able
2496 to --

2497 *Mr. Welch. No. I appreciate that because it is easy
2498 for us to say let's have efficiency standards. But the

2499 actual doing of it is --

2500 *Secretary Granholm. Yeah.

2501 *Mr. Welch. -- hard work.

2502 *Secretary Granholm. It is.

2503 *Mr. Welch. And we pontificate, and you actually have
2504 to produce. So let us know what the staff requirements are
2505 you need to be successful. Weatherization, the -- the newly
2506 formed Office of State Community Energy Programs now has the
2507 Weatherization Assistance Program. Can you explain how the
2508 proposed pilot, LIHEAP Advantage Program, can help further
2509 the mission of the Weatherization Assistance Program and
2510 support residential efficiency, decarbonization.

2511 *Secretary Granholm. Yes. This is something that had
2512 bothered me back from when I was governor that we would spend
2513 a lot of LIHEAP money paying people so that they could pay
2514 their bills, paying their -- people -- people's bills, but we
2515 wouldn't be spending the money to weatherize their home so we
2516 wouldn't have to spend as much paying the bills. So now we
2517 have combined that. And in partnership with DHS, we are -- I
2518 mean, Health and Human Services. No, with HUD -- excuse me.

2519 In partnership with HUD, we are addressing that head-on
2520 by identifying the homes that are most likely to be using a
2521 lot of LIHEAP money so that we can weatherize them and then
2522 be able to really leverage the additional dollars that would
2523 result in doing more homes. So it is a --

2524 *Mr. Welch. Yeah. Thank you.

2525 *Secretary Granholm. -- really exciting --

2526 *Mr. Welch. It has been --

2527 *Secretary Granholm. -- development.

2528 *Mr. Welch. -- a great jobs program too in Vermont, but
2529 thank you for that. And then finally, EV charging, obviously
2530 absolutely critical if we are going to give people the
2531 confidence they need in order to make that transition to an
2532 electric vehicle as well as trying to make those electric
2533 vehicles available.

2534 Rural areas like Vermont, we need them. And my question
2535 is your focus on -- how it will ensure that rural and
2536 underserved communities are prioritized and do get the
2537 adequate EV charging funding to allow these communities to
2538 transition into clean energy transportation.

2539 *Secretary Granholm. Right. We have a shared office
2540 with the Department of Transportation, as was guided in the
2541 Bipartisan Infrastructure Law. We sent out the first --
2542 first set of guidance, which is transportation corridors for
2543 the seven-and-a-half billion dollars that were funded for EV
2544 charging. The next -- excuse me -- the first part was for 5
2545 billion. The next part will be for two-and-a-half billion.
2546 That would be more competitive, and that will go directly to
2547 underserved areas. There may be transportation corridors
2548 right now in rural areas. But underserved areas are maybe a

2549 different category because they may be in urban neighborhoods
2550 that simply don't have a high volume of electric vehicles but
2551 need to if we are going to make sure that we give people the
2552 opportunity to electrify. So two chunks that will all be out
2553 hopefully by the end of this year.

2554 *Mr. Welch. That is great. Thank you very much.

2555 I yield back.

2556 *Mr. Rush. The gentleman yields back.

2557 The chair now recognizes the gentleman from Michigan,
2558 Mr. Walberg, for five minutes.

2559 *Mr. Walberg. Thank you, Mr. Chairman, and tempted to
2560 say Governor Granholm. Secretary Granholm, good to see you.
2561 Thanks for being here. Frankly, we ought to do it more
2562 often.

2563 *Secretary Granholm. We should.

2564 *Mr. Walberg. Thanks so much. As we have talked about
2565 today, we are in the midst of a ongoing energy crisis. And
2566 while we are grateful that you have come before the
2567 committee, I am disappointed that, right now, we aren't
2568 seeing a strong emphasis coming from the Department of Energy
2569 on concerns that we have both in Michigan and the United
2570 States, Canada. And we have talked a bit already about the
2571 issue of Line 5. But I want to go back to that, and I
2572 certainly want to be as respectful as I ought to be on it.
2573 But listening to the response to Representative Latta about

2574 Line 5, my thoughts went to the fact that you are the energy
2575 czar for this country.

2576 It is not Secretary Blinken. It is not State that is
2577 responsible for energy. As a natural-born Canadian, a
2578 naturalized American citizen, governor of Michigan, the
2579 answer to the question of does Line 5 have an economic impact
2580 upon the state of Michigan, I thought the answer would be
2581 absolutely and not, "I can't answer that."

2582 And then the response that -- to the question of whether
2583 you are keeping in constant contact with State to let them
2584 know the energy issues, you couldn't answer that as well.
2585 That is concerning to me because I don't want -- I don't want
2586 Secretary Blinken, who was in Ukraine when I was there this
2587 weekend. I don't want him dealing with anything but
2588 Secretary of State issues.

2589 And though the courts are dealing with, right now, Line
2590 5 because we have an attorney general in our state and a
2591 governor in our state right now that, for some reason, want
2592 to have a war on energy and really a war on Canada and
2593 Michigan itself to move forward, I think Energy -- Department
2594 of Energy ought to be standing loud and proud and saying,
2595 "No. This must continue." I got to admit I almost came
2596 down and sat next to you to answer the question and saying,
2597 "Well, I am not the governor of Michigan, but I am a
2598 representative of Michigan, and, yes, it has tremendous

2599 impact on the economy in Michigan.' ' It has tremendous
2600 impact on the economy in Ohio. It has tremendous impact on
2601 the economy in Canada. It has a relationship to our two
2602 nations that are important. There is a treaty that is there
2603 that, really, right now, Michigan is attempting to violate.

2604 And with what we saw with the Colonial Pipeline and the
2605 impact there, I mean, I will be flying home on a flight
2606 tomorrow that has fuel most likely that came from Line 5 that
2607 is in my plane and the number of jobs that could be impacted
2608 by that. That gives me concern, in all honesty, about what
2609 Energy is doing -- the Department of Energy is doing for
2610 energy. Could I give you a chance to answer again that
2611 question? Does Line 5 and what it brings through have an
2612 economic impact on Michigan and the country?

2613 *Secretary Granholm. I have learned in my years in
2614 politics that sometimes it is best not to get in front of a
2615 state's governor or President especially if you are in that
2616 administration and if something is in the courts, which it
2617 is.

2618 *Mr. Walberg. What advice are you giving to the
2619 President about the necessity of having resources that come
2620 in partnership with Canada and impact the United States
2621 significantly?

2622 *Secretary Granholm. In fact, Canada -- the -- my
2623 counterpart in Canada, Jonathan Wilkinson, who is their

2624 energy minister, and I signed an MOU about the importance of
2625 working together on energy issues. We were specifically
2626 referring to critical minerals. But it is important. Canada
2627 is a huge ally, and they have similar goals as we do.

2628 *Mr. Walberg. Well, critical minerals are important,
2629 especially as we are thinking of the electrification of
2630 vehicles, etc. But right now, we don't have that up and
2631 running as complete as it will be. And we need the resources
2632 that come from our natural resources right now. I am over
2633 time. I appreciate you letting me do that, and I hope we can
2634 talk further and ultimately see Energy take a stand on
2635 energy. I yield back.

2636 *Mr. Rush. The gentleman's time has expired.

2637 The chair now recognizes the gentlelady from California,
2638 Ms. Matsui, for five minutes.

2639 *Ms. Matsui. Thank you, Mr. Chairman.

2640 And welcome, Secretary Granholm. It is really nice to
2641 see you. I have some specific questions I would like to ask
2642 you about the Store Nuclear Fuel Act, which is my bill. Due
2643 to the impasse over the Yucca Mountain repository, spent
2644 nuclear fuel at decommissioned nuclear plants continues to
2645 burden communities nationwide, including my home district of
2646 Sacramento. And so for this reason, I have been a long-term
2647 champion of the Store Nuclear Fuel Act, which would establish
2648 a legislative framework to develop or consolidate energy

2649 storage for CIS Program at the Department of Energy. I also
2650 have helped secure \$20 million in the Fiscal Year 2021
2651 omnibus to jumpstart this initiative.

2652 I was encouraged to see the Department utilize these
2653 funds and advance efforts on a CIS consent-based siting
2654 process as well as increase budget requests for Fiscal Year
2655 2023 to support these efforts. Could you tell me more about
2656 the Department's plans for the FY 2022 funds and the 2023
2657 increased budget requests?

2658 *Secretary Granholm. Excuse me. Obviously, the
2659 management of the nation's spent nuclear fuel and high-level
2660 radioactive waste is ultimately the Department of Energy's
2661 responsibility, which is why we have taken very seriously
2662 this notion of -- and following the Blue Ribbon Commission's
2663 recommendations of consent-based siting. We have issued
2664 requests for information on that in December and received
2665 back over 230 responses.

2666 Those are posted from communities listening to
2667 stakeholders, making sure that we do it right. Ultimately,
2668 this notion of making sure that there are communities that
2669 are willing to take on the interim responsibility for siting
2670 nuclear fuel is very important strategy that our Nuclear
2671 Energy Office is undertaking, and we hope to be able to have
2672 some initial window into that. And we know it is
2673 complicated, and we know that communities who raise their

2674 hand would have to have the transportation infrastructure
2675 associated with it, would have to have the storage
2676 infrastructure built in it. And they would have to be
2677 compensated for their willingness to serve the country in
2678 this way.

2679 So it is a complicated process, but we are proceeding
2680 down the path, and we are doing it in a way that is
2681 respectful of the communities, and hopefully we will find
2682 some agreement among one, two -- we don't know how many
2683 communities that are willing to take on this responsibility.

2684 *Ms. Matsui. Well, thank you, Secretary. I hope to
2685 work with you even more on this. Last year, I co-led the
2686 POWER ON Act with bipartisan colleagues from California and
2687 Texas to create a new Department of Energy program to help
2688 states fund grid resiliency upgrades for extreme weather
2689 events. I was thankful to see the \$2.5 billion for similar
2690 efforts included in the Bipartisan Infrastructure Law. Madam
2691 Secretary, what additional investments does this agency need
2692 during FY 2023 to complement the Bipartisan Infrastructure
2693 Law grid resiliency efforts?

2694 *Secretary Granholm. Yes. We are asking for an
2695 additional \$90 million to be able to ensure that we
2696 complement, as you say, the Bipartisan Infrastructure
2697 investments. We want to make sure it is done right, and that
2698 means that you have to have, in addition to the anchor tenant

2699 component that I referred to earlier as an incentive for the
2700 buildout of transmission. You also have to have -- make sure
2701 that we have a grid that is resilient to high-impact weather
2702 events.

2703 So, for example, the funding that came from the
2704 Bipartisan Infrastructure Law with respect to resiliency,
2705 undergrounding wires where that makes sense in a targeted
2706 way, making sure that we have technology attached to the grid
2707 in a way that is giving notice of impending events or the
2708 dropping of wires in a high wildfire area, for example, or in
2709 a hurricane area so that you don't impact the entire grid.

2710 All of those kinds of advanced technologies are a part
2711 of what the Grid Deployment Office will undertake, that
2712 resiliency, the expansion of capacity and making sure that we
2713 are responding and listening to communities who want or may
2714 have concerns about the expansion of the grid. All of that
2715 will be undertaken as we give the technical assistance that
2716 is necessary to both communities and utilities.

2717 *Ms. Matsui. Well, I thank you very much because, as
2718 you know, in California, there is wildfire season. Every
2719 time we hear an alert, we wonder about it. So really, really
2720 appreciate your efforts on this so --

2721 *Secretary Granholm. Thank you.

2722 *Ms. Matsui. Thank you very much.

2723 And Mr. Chairman, I yield back.

2724 *Mr. Rush. The gentlelady yields back.

2725 The chair now recognizes the gentleman from Alabama, Mr.
2726 Palmer, for five minutes.

2727 *Mr. Palmer. Thank you, Mr. Chairman.

2728 Madam Secretary, we are here to talk about budgets. So
2729 let's talk about the budgets of American families and budgets
2730 of American small towns and rural communities and how your
2731 Department and this Administration's policies have impacted
2732 those budgets. December 2020, the average price for a gallon
2733 of gas was \$2.14. Today, it is four dollars. That is a
2734 difference of \$1.86 a gallon.

2735 Considering that the average person consumes well over
2736 650 gallons of gas per year, that is over \$1200 that they are
2737 having to pay an additional cost just for gasoline for the
2738 car. That doesn't take into account the fact that U.S.
2739 Census Bureau reported that one of every four, fully a
2740 quarter, of all families' households in the United States had
2741 reduced what they were spending on food and medicine in order
2742 to pay their household utility bills.

2743 We have seen the price of food go up. And what I want
2744 to point out is that energy cost is the single most
2745 inflationary component of the entire economy. There is an
2746 energy cost in everything. Everything that we have eaten,
2747 everything that we consumed this morning, today, has an
2748 energy cost. And I just want to ask you what did you pay for

2749 the last tank of gas that you put in your vehicle? Does your
2750 personal vehicle use gas?

2751 *Secretary Granholm. My personal vehicle is located in
2752 California, and I pay close to -- well, actually, my personal
2753 vehicle is electric, but my daughter's vehicle, who is with
2754 us, pay close to five dollars a gallon.

2755 *Mr. Palmer. Yeah.

2756 *Secretary Granholm. It is expensive.

2757 *Mr. Palmer. Well, they are paying 4.62 in Winslow,
2758 Arizona. They are paying 4.94 in Caliente, Nevada. And
2759 North Conway, New Hampshire, it is 4.29. In Benton Harbor,
2760 Michigan, your former state, it is almost four dollars.
2761 Milford, Pennsylvania is 4.25. People are paying high, high
2762 prices for gas. And what I want to ask you is your
2763 predecessor -- one of your predecessors in the Obama
2764 Administration in 2015 made the comment that -- it was Steven
2765 Chu, by the way. Wanted to get gasoline prices up to the
2766 same level as they were paying in Europe. Had that been the
2767 case, it would have been six dollars to gallon. Do you
2768 support that?

2769 *Secretary Granholm. No.

2770 *Mr. Palmer. Thank you for that answer. I also want to
2771 point out how this is impacting small towns. There is a city
2772 in my district, Clanton, Alabama. We estimate they consume
2773 about 60 -- people buy about 60,000 gallons of gas, you know,

2774 in the city. When you consider that in December of 2020, gas
2775 prices had gone up two dollars a gallon over what they were
2776 paying then, that is \$120,000 that that small town no longer
2777 has to be spent in the local grocery stores, in their local
2778 businesses, on entertainment. These people aren't saving
2779 that money anymore. Does that concern you?

2780 *Secretary Granholm. Absolutely, it concerns me.

2781 *Mr. Palmer. Why are you pushing policies that are
2782 making life miserable for people? You have the power to
2783 unleash American energy. And I see you have got that
2784 American-Lithuanian flag on your lapel.

2785 *Secretary Granholm. Ukrainian.

2786 *Mr. Palmer. I mean Ukrainian. I am sorry. I have
2787 been in contact with people on the ground and the government
2788 over there. And I spoke to you directly about them asking
2789 that you unleash what is probably right now the most powerful
2790 weapon in the arsenal of democracy. That is American energy.

2791 *Secretary Granholm. So, number one, totally agree with
2792 your concern about the price of gas. I think you are
2793 completely right to focus on that because it is hurting
2794 people. The Administration is very concerned about this too.
2795 Administrations across the world are concerned because the
2796 price of oil, which gas comes from, is traded on a global
2797 market. Right now --

2798 *Mr. Palmer. Engineering so I know --

2799 *Secretary Granholm. Well --

2800 *Mr. Palmer. -- a lot about --

2801 *Secretary Granholm. -- so right now, Russia's actions

2802 have taken oil off --

2803 *Mr. Palmer. No, ma'am.

2804 *Secretary Granholm. -- the market. Yes, sir.

2805 *Mr. Palmer. No, ma'am.

2806 *Secretary Granholm. It has taken 1.5 million barrels

2807 off the market because countries like the United States have

2808 rightfully said, "We will not finance this."

2809 *Mr. Palmer. Your --

2810 *Secretary Granholm. Countries like Canada have said,

2811 "We will not finance this war."

2812 *Mr. Palmer. Members of your party, my Democrat

2813 colleagues, held a hearing last October, called the CEO of

2814 Exxon a liar and demanded that they reduce production. We

2815 had a hearing just a few weeks ago on this committee and

2816 accused them of reducing production so that they could

2817 increase prices. You can't have it both ways. I --

2818 *Secretary Granholm. Sir --

2819 *Mr. Palmer. -- worked in engineering. I have a pretty

2820 good understanding about how this works and what it costs to

2821 get gas -- to get oil out of the ground, get it to a

2822 refinery, turn it into gasoline and sell it to the public.

2823 And what your -- what this Administration is doing and

2824 what your agency is doing is not doing the things they need
2825 to do to open up these resources, which would not only bring
2826 down the price of energy but would help defeat Russia in
2827 Ukraine.

2828 *Secretary Granholm. With respect, sir, the talking
2829 points are not accurate.

2830 *Mr. Palmer. Yes, they are.

2831 *Secretary Granholm. We have done everything we can to
2832 encourage the oil and gas community to increase supply at
2833 this moment. We have called upon them to do it. We have
2834 issued more permits under this --

2835 *Mr. Palmer. These members --

2836 *Secretary Granholm. -- Administration --

2837 *Mr. Palmer. -- demanded they reduce production last
2838 October. Then you turn around --

2839 *Secretary Granholm. Under this Administration right
2840 now, there is a concern about supply because of the war. The
2841 war has caused prices to escalate --

2842 *Mr. Palmer. Prices were already --

2843 *Secretary Granholm. -- yes, sir --

2844 *Mr. Palmer. -- going up.

2845 *Secretary Granholm. --- by pulling oil off the market.

2846 *Mr. Palmer. They were really --

2847 *Secretary Granholm. I understand that is not what you
2848 want to believe, but the truth --

2849 *Mr. Palmer. No.

2850 *Secretary Granholm. -- is if you ask any --

2851 *Mr. Palmer. It is not.

2852 *Secretary Granholm. -- oil executive --

2853 *Mr. Palmer. You are misleading --

2854 *Secretary Granholm. -- they say --

2855 *Mr. Palmer. -- the American public.

2856 *Secretary Granholm. -- that it doesn't involve --

2857 *Mr. Palmer. Misleading the American public. I yield
2858 back.

2859 *Mr. Rush. The gentleman yields back.

2860 The chair now recognizes the gentlelady from New
2861 Hampshire, Ms. Kuster, for five minutes.

2862 *Ms. Kuster. Thank you very much, Madam -- Mr.
2863 Chairman. And I am so grateful for you to organize this
2864 annual oversight hearing. And thank you to Secretary
2865 Granholm. You are doing a great job. I really appreciate
2866 all the efforts that you are making and of course for Ukraine
2867 and Russia's actions having an impact. I do want to say he
2868 said the price at the pumps in New Hampshire and in my town
2869 of Contoocook, it is under four dollars. So I want to make
2870 sure that is in the record as well. Well, I am going to jump
2871 right in by stating the obvious. Many Americans are
2872 experiencing high energy costs. And it is a result of our
2873 reliance on fossil fuels, which are vulnerable to

2874 disruptions, as we are discussing here today, by petrol state
2875 dictators. But renewable energy resources like wind and
2876 solar and hydro are available right here domestically.

2877 And I am particularly interested in harnessing our
2878 nation's untapped hydropower resources and finding new ways
2879 to retrofit existing dams to help lower energy prices. Last
2880 year, I introduced the bipartisan Twenty-First Century Dams
2881 Act to reimagine our nation's dam infrastructure by
2882 rehabilitating dams to improve dam safety, remove dams that
2883 have outlived their useful life and retrofit dams to increase
2884 hydropower production.

2885 We call it the three R's, and it's a damn good idea,
2886 rehabilitating, retrofitting, and removing dams. I was also
2887 proud to collaborate with Senator Hassan and Portman to
2888 secure \$2.4 billion for the three R's and the Infrastructure
2889 Investments and Jobs Act, including \$753 million for grants
2890 to retrofit dams to increase hydropower production.

2891 Madam Secretary, the DOE has yet to release any of this
2892 funding for hydropower retrofits. The initial timelines
2893 published by DOE show that the guidance documents for the
2894 Section 247 retrofit program, a key source of funding, won't
2895 be completed until next spring. And this means that Hydro
2896 operators can't make investment decisions to increase clean
2897 energy output for yet another year. What can the Department
2898 of Energy do to expedite this hydro funding to our local

2899 community operators?

2900 *Secretary Granholm. Are you referring to the 754
2901 million that was part of the Bipartisan Infrastructure Law?

2902 *Ms. Kuster. Yes, exactly.

2903 *Secretary Granholm. Great.

2904 *Ms. Kuster. I --

2905 *Secretary Granholm. Great.

2906 *Ms. Kuster. Yeah.

2907 *Secretary Granholm. Yes. I believe that they are
2908 planning on issuing requests for information first and -- but
2909 I need to get back to you directly on the exact date of the
2910 funding opportunity announcement. I hear what you are
2911 saying. We feel a great sense of urgency about this because
2912 we do want to be part of your damn good idea.

2913 *Ms. Kuster. Great. Thank you very much. And
2914 particularly the discussion we are having right now about
2915 vehicles and your reference to electric vehicles, we want to
2916 make sure that we have plenty of safe renewable energy, and
2917 hydro is such a great opportunity for that. Now, the
2918 Department of Energy has estimated up to 12 GWs of our
2919 capacity at existing non-power dams, enough electricity for 9
2920 million homes, and yet hydropower resources are slow to come
2921 online, and dam owners have to navigate the FERC hydro
2922 licensing process and regulatory inconsistencies at agencies
2923 that manage dams like the Army Corps.

2924 So Secretary Granholm, should Congress consider reforms
2925 to make it easier to retrofit non-power dams as part of a
2926 long-term strategy to reduce energy loss?

2927 *Secretary Granholm. Yes, it should. And I would also
2928 add, along with that, the tax credits associated with
2929 generating electricity from hydropower that would be part of
2930 the Energy Tax Credits Act. Both would be very important.

2931 *Ms. Kuster. Great. So I think it is a win-win-win. I
2932 applaud your leadership. I want to thank you for everything
2933 that you are doing in this Administration to bring down
2934 energy costs. And I think renewables are the direction that
2935 we should head. And we should do so with great urgency to
2936 give consumers a break from these high energy bills.

2937 And with that, Mr. Chairman, I yield back.

2938 *Mr. Rush. The gentlelady yields back.

2939 The chair now recognizes the gentlelady from the great
2940 state of Arizona, Mrs. Lesko, for five minutes.

2941 *Mrs. Lesko. Thank you, Mr. Chairman and Secretary
2942 Granholm.

2943 Secretary, battery storage facilities or battery energy
2944 storage systems are often used by utilities to store energy
2945 generated from renewable power sources, including solar.
2946 Your budget request includes over \$6 billion for battery
2947 grants and programs. In April 2019, Peoria, Arizona Fire
2948 Captain Hunter Clare, along with seven other firefighters and

2949 one police officer were sent to the hospital after a battery
2950 energy storage system caught fire and exploded. In fact, it
2951 shot them through a fence.

2952 On April 21st, just the other day, 2022, firefighters
2953 were called to the Dorman battery storage system in Chandler,
2954 Arizona that caught fire. They put in a robot to check that
2955 one out. I met with Captain Clare, who is still not able to
2956 work full-time. And he said that the fire departments aren't
2957 always told what materials and chemicals are used in these
2958 battery storage facilities, so they don't know how to address
2959 putting out the fires. What are you doing to make these
2960 facilities safe, and has your Department had any discussion
2961 with battery storage manufacturers, utilities and first
2962 responders to ensure that first responders are able to
2963 effectively respond to incidents without giving up
2964 proprietary information?

2965 *Secretary Granholm. Yeah. I know CESER does a lot of
2966 work with utilities and training with respect to grid
2967 resiliency, etc. On the battery-specific question, I am
2968 going to have to get back to you about what they are doing on
2969 ensuring that batteries -- that firefighters, in particular,
2970 have the training necessary and know what equipment and what
2971 responses they should be providing in the event of an
2972 incident like that.

2973 *Mrs. Lesko. Yeah. I would -- thank you. I would

2974 highly encourage you to -- your office to check into that
2975 because they are becoming -- I meet with mayors in my
2976 district every month. And this issue has come up as more and
2977 more battery storage units are put in neighborhoods, that the
2978 risk of fires, explosion -- I mean, we need to make sure that
2979 they are safe. So thank you for that.

2980 My next question is, in Arizona, the peak time for solar
2981 energy generation is at about 3 p.m. in the afternoon while
2982 the peak time for energy consumption or demand is at 6 p.m.
2983 when people come home from work. The amount of power that
2984 must be generated from sources other than solar to meet this
2985 increased demand produces a graph that resembles the
2986 silhouette of a duck, which is called a duck curve. I want
2987 to make sure that, while we are exploring hydrogen's fuel
2988 benefits, we are simultaneously working to correct the
2989 intermittency issues that are disruptive.

2990 With regards to the Hydrogen Hub Program, I understand
2991 you may be going through a multistep process to select the
2992 projects. Are you taking into account where the greatest
2993 need is to address the so-called duck curve that happens when
2994 intermittent energy sources are not available?

2995 *Secretary Granholm. Clearly, hydrogen is a great
2996 solution for that. And especially in states like Arizona,
2997 which have massive capacity for renewable energy,
2998 particularly in sun, that opportunity to transform, through

2999 electrolyzers, that energy into dispatchable baseload power
3000 is exactly what addresses that duck curve, including the
3001 storage of it. So I think the hydrogen hubs are a great
3002 solution, one great solution, in addition to energy storage,
3003 safe, to that duck-curve issue.

3004 *Mrs. Lesko. Thank you. I am going to end, since I
3005 only have 51 seconds left, with just a statement. You have
3006 said today that you are in favor of mining in the United
3007 States to meet the Administration's climate goals, yet the
3008 Biden Administration has shut down mines that would provide
3009 jobs and minerals that would be used for renewable energy and
3010 electric vehicles.

3011 For example, the Resolution Copper Mine in Superior,
3012 Arizona was approved by the Trump Administration but was shut
3013 down by the Biden Administration not even two months later.
3014 This mine would produce up to 25 percent of our nation's
3015 needs for copper and would help allow our nation to stop
3016 relying on foreign nations like China for our mineral needs.
3017 You have also said today that you are in favor of encouraging
3018 U.S. oil and gas production, yet the Biden Administration had
3019 stopped federal land lease sales for new U.S. oil and gas
3020 production on almost day one that he was in office and has
3021 now increased the royalty rates for new federal land lease
3022 sales. I hope you understand why Republicans are skeptical
3023 of what you are seeing in light of what the Biden

3024 Administration has done. And with that, I yield back.

3025 *Mr. Rush. The gentlelady's --

3026 *Mrs. Lesko. Thank you, Mr. Chair.

3027 *Mr. Rush. -- time has expired.

3028 The chair now recognizes the gentleman from Virginia,

3029 Mr. McEachin, for five minutes.

3030 *Mr. McEachin. Thank you, Mr. Chairman.

3031 And thank you, Madam Secretary, for being with us today.

3032 Madam Secretary, as you know, the Biden Administration's

3033 Justice40 Initiative identified at least five programs as

3034 covered programs pilot to maximize benefits to disadvantaged

3035 communities, the Weatherization Assistance Program, Solar

3036 Energy Technologies Office, Vehicle Technologies Office, the

3037 Advanced Manufacturing Office, and Environmental Management

3038 at Los Alamos. Kindly please tell me how these pilot

3039 programs are integrated with principles laid out under the

3040 Justice40 program, and what other programs can we expect to

3041 be covered by Justice40 at the Department of Energy?

3042 *Secretary Granholm. Our ED office is actually infusing

3043 the principles of Justice40 and environmental justice in all

3044 of our practices. These are particularly offices where it is

3045 prime to be able to do that, but we feel it is a whole-of-

3046 agency approach. In fact, I think the Biden Administration

3047 considers it a whole-of-government approach.

3048 The deployment of solar, the deployment of -- or the

3049 ability to hire people in advanced manufacturing, making sure
3050 businesses have an opportunity, minority businesses.
3051 Weatherization program overwhelmingly helps communities that
3052 are communities of color. So we want to make sure that the
3053 benefits of the investments in not just the Bipartisan
3054 Infrastructure Law but in the rest of the -- the whole of the
3055 Biden Administration, 40 percent of which should go to
3056 communities that have been at the back of the line, and that
3057 should be now in prime consideration for the benefits of
3058 these investments. So we are excited to see this thread
3059 through all of these offices but not just these five. Those
3060 may be the prime targets, but we want to see it throughout
3061 the entire Department and throughout the entire
3062 Administration.

3063 *Mr. McEachin. Thank you for that, Madam Secretary. As
3064 the White House -- to move forward on additional guidance
3065 relating to Justice40 Initiative, I noticed some of DOE, such
3066 as the Loan Program Office, are already beginning to look at
3067 how we can ensure that we are making the investments to move
3068 us to a clean energy future with equity in mind. And that,
3069 of course, is good news. How is the Department at large
3070 taking equity into account as we implement the significant
3071 investments made under the Bipartisan Infrastructure Law?

3072 *Secretary Granholm. This is a great question because
3073 it really -- it relates a little bit to the question that was

3074 asked by Mrs. Lesko before she left today. But it is really
3075 -- if you are doing a significant investment, whether it is a
3076 hydrogen hub or a mine, that -- that investment should be
3077 done in partnership with the community. It shouldn't be done
3078 over top of the community. It shouldn't be done in a way
3079 that violates the values of that community. And so making
3080 sure communities are at the table in these decisions are a
3081 part of what this is.

3082 That is true with respect to, you know, our critical
3083 minerals. I was just at the Salton Sea, which is an
3084 extremely poor area of California that has the highest COVID
3085 rate but also has the huge potential to be a lithium -- a
3086 site for massive amounts of lithium sustainably mined. When
3087 I say "sustainably," I mean that is what communities want.
3088 They want to not have extraction happen, somebody else take
3089 the money away and them be left with nothing or worse.

3090 And so those externalities are important when you
3091 consider these investments. And that is very important to us
3092 at the Department of Energy and very important to the Biden
3093 Administration.

3094 *Mr. McEachin. In about the minute or so that I have
3095 left, I am interested in how clean energy demonstrations will
3096 support emerging technologies and their adoption, deployment,
3097 and large-scale commercialization of the technologies we will
3098 need to meet our commitment to becoming zero-carbon -- to

3099 becoming a zero-carbon economy by 2050.

3100 With this in mind, how would this budget support

3101 collaboration between OCED and apply to energy offices in the
3102 Loan Program Office?

3103 *Secretary Granholm. That is a great question. Thirty
3104 seconds. The Department of Energy historically has been an
3105 agency that does a lot of research and development. And now
3106 we are exercising a whole new muscle, which is major
3107 demonstrations and deployment. That side of things must
3108 connect to the research and development side because, as you
3109 deploy new technologies, there is still more research and
3110 development in the next generation of that technology or
3111 other technologies that come behind. So it is a continuous
3112 seam.

3113 The budget supports both sides of the equation. In
3114 fact, they inform each other. The technology side informs
3115 the deployment side. The deployment side informs the
3116 technology side. We have a number of joint strategy teams to
3117 ensure that each side is connected to the other, and that is
3118 why this budget is so exciting.

3119 *Mr. McEachin. Thank you very much, Madam Secretary.

3120 *Mr. Rush. The gentleman's time --

3121 *Mr. McEachin. Chairman, I yield back.

3122 *Mr. Rush. The gentleman yields back.

3123 The chair now recognizes the gentleman from North

3124 Dakota, Mr. Armstrong, for five minutes.

3125 *Mr. Armstrong. Thank you, Mr. Chairman.

3126 On the campaign trail, President Biden said that he was
3127 going to end oil and gas development and that he would use a
3128 whole-of-government approach to do so. And Secretary
3129 Granholm, the last time you testified in front of this
3130 committee and stated that pipelines were essential
3131 infrastructure -- which I appreciate, by the way -- was the
3132 same week that the Administration's climate czar, Gina
3133 McCarthy, issued a report stating that the federal government
3134 should not invest one federal dollar to extend -- extend the
3135 life of a single carbon molecule.

3136 Now, a lot has happened since then. But in February, in
3137 the middle of Ukrainian invasion and strain on world prices,
3138 FERC issued a rule or issued a mandate that they were going
3139 to now start requiring any FERC approval to have upstream and
3140 downstream mitigation. And in March, the SEC chair proposed
3141 a regulation mandating climate-based financial reporting,
3142 which would green-light activist investors and groups to
3143 bring shareholder lawsuits.

3144 And not to be outdone, this committee had a hearing in
3145 April called "Gouged at the Gas Station: Big Oil and
3146 Americans' Pain at the Pump.'" So I agree with you because I
3147 do talk to oil and gas executives at least three or four
3148 times a week. And I believe that Wall Street and access to

3149 capital is a huge part of the problem.

3150 But when the entire federal government is telling you
3151 that they are going to starve off an industry -- and these
3152 processes take an incredible amount of time to get the
3153 infrastructure down -- it is true, but it is definitely not
3154 the entire part of the story. So at the hearing -- well, let
3155 me just ask. Do you agree with the Democrat members of this
3156 committee that oil and gas companies are engaged in price
3157 gouging?

3158 *Secretary Granholm. I don't -- I haven't heard them
3159 say that they are engaged in price gouging. I have heard
3160 people say that it is something to be looked at. As the
3161 former attorney general, I looked at that when I was the
3162 attorney general of Michigan, make sure that it happened.
3163 And there were some isolated instances where that was
3164 happening. So for the sake of the people that we all care
3165 about, we want to make sure there is no gouging at all. But
3166 I am not saying -- and I don't know that anybody is saying
3167 that there is wholesale gouging.

3168 *Mr. Armstrong. We had an entire hearing with an entire
3169 group of people on this dais absolutely accusing --

3170 *Secretary Granholm. I didn't see.

3171 *Mr. Armstrong. -- companies of price gouging. Well,
3172 let me ask you a second question. Two of the witnesses that
3173 were involved in that hearing actually do no refining

3174 whatsoever and have zero involvement in refining or retail
3175 sale of gasoline. Do you think an oil company who is not
3176 engaged in refining or sale of gasoline can be involved in
3177 price gouging?

3178 *Secretary Granholm. I don't have an opinion on that.

3179 *Mr. Armstrong. All right. And you were talking about
3180 everything you are doing to have people increase production
3181 at this very time. And I actually agree with that. But in
3182 order to do that in my state, we are going to have stranded
3183 gas. There is no other way in which we can produce more oil
3184 and gas. And so I am assuming you and the Administration
3185 wouldn't agree to more flaring of natural gas to increase
3186 production.

3187 *Secretary Granholm. I don't think flaring is a wise
3188 use. I think it is inefficient, not to mention a terrible
3189 practice for greenhouse gas emissions. So I think this issue
3190 has to be something that we work on together.

3191 *Mr. Armstrong. Well, I agree completely. But the only
3192 way we can increase production at any level right now in the
3193 state of North Dakota is to increase flaring. There is no
3194 other option for that. We are stranded. We are the
3195 geographic center of North America. When the Administration
3196 is accusing companies that do business in my state of
3197 withholding production in order to do these things, we come
3198 back with that.

3199 First of all, they don't want to flare either. It is
3200 wasteful. It is an environmental process. We are one of the
3201 only states with EPA primacy. So we don't want to lose that.
3202 But we cannot increase production in North Dakota because of
3203 strategic infrastructure projects that have existed across
3204 this country that we can't get our gas to market. So we
3205 can't increase -- you would agree -- I mean, you know enough
3206 about North Dakota. We can't increase production
3207 substantially without flaring gas. Is that true?

3208 *Secretary Granholm. I am not going to argue with you.
3209 You are there. I don't -- I certainly wouldn't second-guess
3210 what you are saying on that.

3211 *Mr. Armstrong. So in March, there was an interview on
3212 CNN. And you made a statement about wondering -- or concerns
3213 about profiteering happening at the gas station level. Do
3214 you have any evidence that that is actually occurring?

3215 *Secretary Granholm. That is what I was referring to
3216 when I just spoke about it a minute ago. This is all because
3217 of my experience as attorney general when stations,
3218 individual stations, were jacking up the price after 9/11
3219 because they were playing upon the fears of people that
3220 everything was going to be shut down. So I am just saying
3221 that nobody should be profiteering at a moment of war or in a
3222 moment of crisis. I am sure you would agree.

3223 *Mr. Armstrong. War profiteering is a crime. And to be

3224 saying it in any kind of absolute because it may have
3225 happened sometime in the past, I think is incredibly --

3226 *Secretary Granholm. I am just saying --

3227 *Mr. Armstrong. -- irresponsible.

3228 *Secretary Granholm. -- everybody should be aware that
3229 that is not the right thing to do, whether it is legal or
3230 not. We don't want to see people profiteering at the expense
3231 of people who are just buying gas.

3232 *Mr. Armstrong. Passive accusations are still
3233 accusations. And with that, I will yield back.

3234 *Mr. Rush. The gentleman yields back.

3235 The chair now recognizes the gentlelady from Delaware,
3236 Ms. Blunt Rochester, for five minutes.

3237 *Ms. Blunt Rochester. Thank you, Chairman Rush and
3238 Ranking Member Upton, and welcome, Secretary Granholm.

3239 I want to begin by complimenting you on your
3240 consistently clear, practical, and knowledgeable --
3241 knowledge-based way of leading and also communicating at both
3242 a challenging time in our history as well as an opportunity
3243 for innovation. I want to thank you for that. We in
3244 Delaware were particularly appreciative of your visit to our
3245 state when you came to celebrate the Energy Star Program and
3246 also highlight energy efficiency and weatherization successes
3247 in our state as well as our country.

3248 Madam Secretary, you and I have also had the

3249 conversation previously about my legislation, H.R. 1485, the
3250 Open Back Better Act, which directs DOE to provide grants to
3251 retrofit public buildings, making them more energy efficient
3252 and more resilient. This legislation requires that grantees
3253 use at least 40 percent of funding to implement projects in
3254 environmental justice communities. And this is an important
3255 provision because we need to ensure that clean energy is
3256 affordable and accessible to all Americans regardless of
3257 race, income, or ZIP Code.

3258 Grant programs like these help the U.S. lead by example
3259 and guide the clean energy transition. It shows that we can
3260 provide good-paying union jobs that will help us solve the
3261 climate crisis. Clean energy jobs and technical advances are
3262 integral to the future of work, and we are grateful to the
3263 Department of Energy for leading the country toward a more
3264 sustainable and prosperous future.

3265 As we are witnessing the electrification of the
3266 transportation sector, it is rapidly accelerating. Electric
3267 cars, trucks, public transit vehicles are more common than
3268 ever. Range anxiety is decreasing, but electric vehicles, as
3269 my colleagues, Ms. Barragan and Mr. Welch have mentioned, and
3270 charging stations are still not accessible to everyone,
3271 sometimes due to cost, other times due to geographic
3272 isolation.

3273 And you mentioned the important work that DOE is doing

3274 with the Department of Transportation's Joint Office of
3275 Energy and Transportation. But can you elaborate on how the
3276 President's budget would complement and further the EV
3277 infrastructure work outlined by the Bipartisan Infrastructure
3278 Law?

3279 *Secretary Granholm. Yes. Thank you for that. Because
3280 the technology associated with both charging decisions,
3281 planning, etc., all have to flow from that initial investment
3282 that you voted for, which is to ensure that every pocket of
3283 the country has access to charging. So we can't just leave
3284 it at that. We have to make sure that it is done well. We
3285 have to make sure that it is done in partnership with
3286 communities. And that is why that State and Community Energy
3287 Program is part of the budget that we are asking you to
3288 support. We have to do this listening. We have to do it
3289 knowing that there are communities that may be -- for whom it
3290 may not be an obvious hand raise because they don't have
3291 access to the information. So this is why it is critical to
3292 have a two-way dialogue and that we have an office that is
3293 able to carry that conversation forward to make sure it is
3294 done in an equitable way and that the next-generation
3295 technologies are the ones being used.

3296 *Ms. Blunt Rochester. Excellent. And as a follow-up,
3297 can you elaborate on how the DOE's hydrogen hub initiative
3298 can assist in decarbonizing the heavy-duty transportation

3299 sector as well as the manufacturing industry?

3300 *Secretary Granholm. Yeah. Great question. I mean, we
3301 know that these hydrogen hubs are of all flavors. But one of
3302 the most important areas for us to focus on is decarbonizing
3303 that heavy-duty sector, whether it is heavy-duty
3304 transportation or heavy-duty industry. And industry --
3305 heavy-duty industry comprises about 24 percent of our
3306 greenhouse gas emissions. So the hydrogen, as a solution to
3307 be able to help decarbonize those, is absolutely one of the
3308 pieces of the hydrogen hub competition, if you will, that we
3309 will be putting out.

3310 *Ms. Blunt Rochester. Thank you. And earlier this
3311 year, the Department created two new undersecretary roles,
3312 including an undersecretary for infrastructure, which will
3313 oversee the new State and Community Energy Program Office.
3314 How will this new structure boost local clean energy
3315 deployment, and how does the President's budget support it?

3316 *Secretary Granholm. Yeah. This, too, is a great
3317 question. When we created the undersecretary for
3318 infrastructure, it was really about making sure that the \$62
3319 billion from the Bipartisan Infrastructure Law is spent by
3320 experts in the best way possible and that we have a column of
3321 our responsibility that focuses now on major demonstrations
3322 and deployment. As I said before, we usually had been -- in
3323 the past, our DNA really had been in the labs and in research

3324 and development.

3325 But now we are taking that technology, and we are
3326 putting it out. And so creating people who -- creating
3327 offices that have expertise -- for example, the Office of
3328 Clean Energy Demonstrations, that has demonstration -- that
3329 has people who are experts in project management and doing
3330 big construction projects so that we do it right and that we
3331 respect the taxpayer dollars.

3332 *Ms. Blunt Rochester. Thank you so much.

3333 And I yield back, Mr. Chairman.

3334 *Mr. Rush. The gentlelady yields back.

3335 The chair now recognizes Mr. O'Halleran, as there are no
3336 more Republican members of the subcommittee. The chair will
3337 now recognize Mr. O'Halleran for five minutes.

3338 *Mr. O'Halleran. Thank you, Mr. Chairman, Ranking
3339 Member Upton for holding today's meeting.

3340 Good to see you again, Secretary Granholm. And I want
3341 to thank you for coming out to Northern Arizona earlier this
3342 month. A little less dust today, a little less wind. So I
3343 am glad we are a little bit more comfortable. I am glad you
3344 got to see firsthand the investments Navajo Nation is making
3345 in renewable energy and the opportunity it holds for jobs and
3346 economic growth.

3347 There are multiple renewable projects across Arizona in
3348 District 1, like in Pinal County and Coconino County and

3349 Navajo County. And there is enormous potential there as well
3350 as the rest of the Southwest for solar and wind capacity.
3351 While I was proud to support the vital programs for clean
3352 energy, the Bipartisan Infrastructure Law, only through
3353 sustained federal investment can we ensure adequate research,
3354 development, and development for technology that enables a
3355 carbon-free future for our children. I am glad that you were
3356 also able to see firsthand the challenges that the transition
3357 for communities in my district and across America where coal-
3358 fired power plants have been or are scheduled to be
3359 decommissioned.

3360 It is one thing to talk about jobs and community, but it
3361 is another thing entirely to meet with the communities
3362 impacted and hear directly from them. Thank you for doing
3363 that while you were out in Arizona. The economic future of
3364 our region is dependent on the successful transition to
3365 diversified industries once coal plants closed. This will
3366 take the support of federal, state, and local governments.
3367 So I am glad we were able to have a productive dialogue with
3368 the people that were going to be affected at every level of
3369 government.

3370 As you know, a key part of my bill, the New Promise Act,
3371 was enacted last year with the creation of the interagency
3372 working group for coal communities, which is administrated by
3373 the Department of Energy. What work is being done by the

3374 working group to support communities like those in Arizona's
3375 1st District as coal generation for power plants are set to
3376 be decommissioned? Thank you, Secretary.

3377 *Secretary Granholm. Thank you. Thank you for being my
3378 navigator to -- as we went in Northern Arizona. I have great
3379 respect for the size of your district and how much time that
3380 you have to spend in a vehicle all day to be able to meet
3381 your constituents. We are very focused on programs that make
3382 sure that tribal but rural areas as well are able to plan
3383 effectively. We have an energy transition initiative pilot
3384 that is in the budget for \$5 million that helps to provide
3385 technical assistance to rural and remote sort of islanded
3386 communities. We are doing this as well with this community's
3387 LEAP program that I was talking about earlier. We are
3388 looking for every way to ensure that communities like the
3389 Navajo have additional opportunity to be able to participate
3390 through our tribal loan guarantee program.

3391 But we also want to make sure that the plans are
3392 available and the technical assistance is provided. And that
3393 is what these rural programs are all about in the budget.
3394 And I am hopeful that in Northern Arizona, we will be able to
3395 make that happen to -- for -- I mean, I know we visited the
3396 Hopi community. We visited, I think, the Saint Johns. I am
3397 excited to see those communities take advantage of the
3398 technical assistance that we are willing to offer.

3399 *Mr. O'Halleran. Thank you, Secretary. Another
3400 question would be, first of all, to thank you. In the Fiscal
3401 Year 2022 omnibus, Congress provided the ability for DOE to
3402 allow tribes to access direct loans for the energy -- Tribal
3403 Energy Loan Guarantee Program. In December 2020, Congress
3404 passed the bipartisan Energy Act of 2020. It included a bill
3405 I introduced with Congressman Burgess known as the EASE Act,
3406 which created an energy storage and microgrid program for
3407 electric cooperatives. Can you update me on the progress of
3408 the Department's work to make that and implement that
3409 program?

3410 *Secretary Granholm. I am sorry. Are you referring to
3411 the Direct Loan Program? Is that what you said?

3412 *Mr. O'Halleran. No, the first -- the EASE Act, the
3413 Energy Storage and Microgrid Program -- cooperatives.

3414 *Secretary Granholm. Yes. We are -- this again refers
3415 to rural and local communities like cooperatives, making sure
3416 that they have the technical assistance and the funding to be
3417 able to do microgrids, especially for communities that may
3418 not be attached directly to a grid. It is a priority of our
3419 Energy Electricity Office. It is a priority as well of EERE,
3420 our Energy Efficiency and Renewable Energy Office, to ensure
3421 that they can take advantage of clean energy as well, even if
3422 they are remote and not particularly connected to a grid.

3423 *Mr. O'Halleran. Thank you, Madam Secretary.

3424 And Mr. Chairman, I yield.

3425 *Mr. Rush. The gentleman yields back.

3426 The chair now recognizes the gentleman from Texas, Mr.
3427 Crenshaw, for five minutes.

3428 *Mr. Crenshaw. Thank you, Mr. Chairman. Thank you to
3429 the ranking member for holding this hearing.

3430 And thank you, Secretary Granholm, for joining us in
3431 person. I want to talk mainly about our domestic energy
3432 production and exporting more natural gas. You have been
3433 saying a lot of the right things today, and we appreciate
3434 that, appreciate that you have stated very clearly that you
3435 want to do everything you can to support domestic energy
3436 production. So let's assume that the Department of Energy is
3437 doing exactly that, which is, of course, what you represent.

3438 But the Administration is really what I have questions
3439 about. Does Gina McCarthy feel the same way? Does John
3440 Kerry feel the same way? Does Administrator Regan agree with
3441 your statement that we need to be increasing our exports to
3442 Europe by 65 percent, that we need to do everything we can to
3443 encourage domestic production? Is there consensus in the
3444 Administration?

3445 *Secretary Granholm. The President has said we need to
3446 increase domestic production, and we all work for the
3447 President. So there is consensus.

3448 *Mr. Crenshaw. The reason I ask and the reason I am

3449 skeptical, of course -- again, I -- Department of Energy seen
3450 -- let's take it -- let's take you at your word there. And
3451 you don't oversee the SEC. You don't oversee NEPA
3452 regulations, but the EPA does. So I am skeptical that the
3453 Administration actually feels this way because I have a long
3454 list of things that make it very difficult for anyone to want
3455 to invest in more production, SEC climate disclosure rules,
3456 restricting U.S. overseas fossil fuel investments, State
3457 Department nationwide permitting, Nationwide Permit 12, gas
3458 turbine rules, NEPA regulations, gas plant GHG standard
3459 updates, post -- natural gas emissions, methane rules at the
3460 EPA, FERC changing pipeline requirements for natural gas, CWA
3461 401. It is a long list. I want to know are you getting --
3462 is your message getting through to these other members of the
3463 Administration? I think clearly fight -- fights you on this.

3464 *Secretary Granholm. We recognize as an administration
3465 right now that we are in -- on war footing. And we have to
3466 increase supply to help our allies and to be
3467 energy-independent. Now, we are the number one exporter of
3468 LNG. We are the number one producer in the world of LNG. We
3469 are the number -- we are almost record of oil. We are the
3470 number one producer of oil. So we are producing. The
3471 question is can we use some of that to help our allies. And
3472 I am sure you would agree that it is important for us to
3473 think medium/long-term to accelerate our movement toward

3474 clean energy, which makes us also energy-independent. So we
3475 understand we have got an emergency need right now. The
3476 entire Administration understands that and that we also have
3477 to accelerate the clean technologies that will allow us to be
3478 -- to decarbonize and address climate change.

3479 *Mr. Crenshaw. Of course, and I am all about the
3480 accelerating innovation and cleaner technologies, especially
3481 nuclear energy, carbon-capture technology. But let's talk
3482 about reducing global emissions for a minute too and how that
3483 is related to natural gas. I mean, half the world's
3484 emissions are because of foreign coal. In the last 12
3485 months, the growth in international coal emissions basically
3486 had the impact of wiping out all of the emission benefits of
3487 50 years of wind and solar in the United States.

3488 So if you are looking at low-hanging fruit, you are
3489 looking -- how do you displace this dirty fuel that
3490 developing countries are burning at extraordinary rates? And
3491 the answer is very clearly natural gas. So look. If the
3492 Administration is on board, great. It doesn't seem to be the
3493 message for the last year and a half. But if that has
3494 changed, that is great. But if you need more arguments,
3495 please use that one. Please. The quickest way to reduce
3496 emissions in the short-term in a way that doesn't trap people
3497 in poverty is to displace foreign coal with natural gas. I
3498 am sure you would agree with that.

3499 *Secretary Granholm. We are -- as I say, we are
3500 exporting record amounts of natural gas. And we have
3501 permitted everything we can permit within our four corners of
3502 our country to be able to do that. It is a step. But it
3503 would also be great. And I know the natural gas community
3504 believes this. If we can button down the methane leakage,
3505 the methane flaring, make sure -- and these hydrogen hubs
3506 will be an opportunity to be able to also do -- address the
3507 CO2.

3508 *Mr. Crenshaw. Fully agree. A great --

3509 *Secretary Granholm. Technology can really make it
3510 cleaner. And let's not send the message that we don't also
3511 want to expand clean energy solutions in those countries as
3512 well. I think that we can do that. We can decarbonize, and
3513 we can also deploy clean technologies for these countries.

3514 *Mr. Crenshaw. Agree. Look. A key part of also
3515 reducing things like flaring is allowing ourselves to build
3516 more pipelines. I have run out of time, but I really wanted
3517 to ask about what the Department of Energy is doing to really
3518 foster nuclear innovation and production in this country, but
3519 I am out of time, so I yield back. The chairman wants to let
3520 you hit that --

3521 *Secretary Granholm. I can submit --

3522 *Mr. Crenshaw. -- love it.

3523 *Secretary Granholm. -- something in writing too.

3524 *Mr. Crenshaw. Thank you.

3525 *Mr. Rush. All right. The chair now recognizes Dr.
3526 Ruiz for five minutes.

3527 *Mr. Ruiz. Thank you, Mr. Chairman.

3528 It is great to see you again, Madam Secretary. Thank
3529 you for visiting my district last Wednesday to learn more
3530 about the massive supply of lithium extracted through
3531 geothermal energy production at the Salton Sea. This lithium
3532 deposit, the fifth largest in the world, has the national
3533 security and strategic priority potential to propel our
3534 country into a clean energy future by providing one of the
3535 critical raw materials needed for lithium batteries that
3536 power our electrical vehicles.

3537 I was pleased to bring you to North Shore at the Salton
3538 Sea so you could hear directly from local residents,
3539 especially moms, about the environmental and public health
3540 crisis at the sea and our clean energy opportunities in the
3541 region. We also visited many community leaders from Imperial
3542 County at Calipatria High School to discuss how lithium could
3543 be transformative for the region but only if it was done
3544 right. That means doing it with meaningful consultation with
3545 residents, labor union, environmental justice advocates and
3546 public health leaders. That means doing it in a way that
3547 protects the environment and public health around the Salton
3548 Sea.

3549 That means doing it with transformative community
3550 development benefits in infrastructure, healthcare, education
3551 and workforce development so that the people working in these
3552 lithium extraction facilities are the local community members
3553 who need and deserve these jobs. We need to make sure that
3554 the companies do not simply come in, extract the wealth from
3555 the community, and leave.

3556 That also means we should manufacture the batteries in
3557 the United States. My question is in what ways will your
3558 budget ensure that when the critical minerals are mined here
3559 in America, like the lithium underneath the Salton Sea, that
3560 they aren't just shipped to China but that the manufacturing,
3561 supply chain and, frankly, jobs stay here in the United
3562 States.

3563 *Secretary Granholm. Great. Thank you for that. There
3564 is -- I loved visiting. It was so eye-opening. You were
3565 amazing. Really, really enjoyed hearing from the community
3566 as well and the importance of that community consultation
3567 process but not just consultation but really incorporating
3568 the concerns as we decide where to spend, for example, the
3569 money from the Bipartisan Infrastructure Law.

3570 We will be issuing a -- the funding opportunity
3571 announcement shortly on batteries. Part of component of that
3572 solicitation will be making sure that communities,
3573 environmental justice, etc., have been taken into account.

3574 So it is going to be embedded in what we are doing going
3575 forward. And we are very excited about that. So stay tuned
3576 to see those.

3577 *Mr. Ruiz. Wonderful. Wonderful. So while this
3578 Administration and your Department have been trying to ensure
3579 that our electrical vehicles have a domestic supply chain and
3580 that is reflected in this budget, I want to know how you plan
3581 to implement these programs in a way that guarantees
3582 meaningful consultation because meaningful consultation is
3583 not just the initial visit, listening, incorporating. It is
3584 a partnership throughout the whole process that also
3585 addresses any potential risks with any potential resources
3586 that may mitigate those risks in a way that guarantees this
3587 meaningful consultation with local communities, provides
3588 transformational community development benefits, and protects
3589 the local environment, public health.

3590 *Secretary Granholm. Yeah. We hope that, by embedding
3591 it into the funding opportunity announcement as a requirement
3592 with a -- you know, a percentage of weight associated with
3593 whether a -- somebody who is soliciting the grant will
3594 qualify, they have got to show that they have engaged in a
3595 meaningful way with the community. And I, again, appreciate
3596 the chance to visit because you really made that clear as we
3597 visited Salton Sea about the importance of doing that for the
3598 community. It is one thing to know intellectually. It is

3599 another thing to be on the ground and seeing it, and I
3600 appreciate your leadership.

3601 *Mr. Ruiz. Thank you. And the local residents
3602 appreciated you and your historic visit to the area. As you
3603 saw, it is one of the most economically under-resourced,
3604 underserved communities in the state of California and
3605 possibly in our nation. And there is a great win-win for not
3606 only our nation and our national security, but it is a
3607 transformational opportunity to allow hundreds of thousands
3608 to enter the middle class with good work, with bolstering
3609 healthcare, with education and environmental justice and
3610 giving them opportunities that prior to this was very
3611 difficult to imagine. So I thank you for partnering with me
3612 in this, and I look forward to continuing to work with you
3613 and the local residents on this. Thank you.

3614 I yield back.

3615 *Mr. Rush. The gentleman yields back.

3616 Madam Secretary, we have one more. I know we are over
3617 your hard stop, but we have one more member who -- to ask
3618 questions. We have two more. Sorry. I didn't --

3619 *Secretary Granholm. Okay.

3620 *Mr. Rush. -- see Ms. Dingell.

3621 *Voice. Debbie Dingell is going to be the last, I
3622 think.

3623 *Secretary Granholm. Oh, okay.

3624 *Voice. You don't want to say no.

3625 *Secretary Granholm. Saving the best for last. No --

3626 *Voice. Right.

3627 *Secretary Granholm. -- offense.

3628 *Voice. Yeah. That is right.

3629 *Secretary Granholm. The last two.

3630 *Mr. Rush. The chair now recognizes the gentleman from
3631 Pennsylvania, Mr. Joyce, for five minutes.

3632 *Mr. Joyce. First, I want to thank Chairman Rush and
3633 Ranking Member Upton for allowing me to waive onto this
3634 subcommittee hearing, and thank you, Secretary Granholm, for
3635 appearing with us today. As we have heard from many of my
3636 colleagues, America is in the midst of an energy crisis. It
3637 wasn't long ago that our nation was energy-dominant, not just
3638 energy-independent but energy-dominant.

3639 And for the first time since 1952, we were a net energy
3640 exporter. And now, my constituents are suffering from
3641 skyrocketing inflation caused, in part -- in large part by
3642 the rapid increase in energy prices. What America needs, we
3643 need right now, is more affordable and reliable baseload
3644 power. We need to invest in innovative technologies that
3645 take advantage of the energy reserves beneath the feet of my
3646 constituents in Pennsylvania.

3647 So to that, we can keep our natural gas, our coal, our
3648 power plants online. Natural gas production in Pennsylvania

3649 not only led to America becoming energy-dominant. But it led
3650 to a significant decrease in our nation's emissions. This is
3651 the real green technology that we should be talking about
3652 here today. By unleashing our gas industry, we would be able
3653 to move forward toward the goals that my colleagues across
3654 the aisle espouse and especially powering America and
3655 America's allies. This is the only way forward.

3656 In speaking to grid operators just this week, they made
3657 it clear that renewable energy programs simply do not have
3658 the capabilities to meet American energy needs. This isn't a
3659 political statement. This is a statement of fact. With new
3660 technology development, Pennsylvania has become energy that
3661 allows us to get out of this crisis and give Americans the
3662 economic futures that they deserve.

3663 Secretary Granholm, at present, a lack of pipeline and
3664 LNG capacity is hampering our ability to respond to the
3665 global energy price spikes and support our allies in Europe.
3666 There is a growing list of pending projects that have been
3667 delayed by the DOE. They would create jobs and encourage
3668 additional energy production, allowing the U.S. to deliver
3669 several billion cubic feet more, 7 billion -- several billion
3670 cubic feet in addition of natural gas to our allies in Europe
3671 and around the world.

3672 The authorization of two more LNG export projects is a
3673 step in the right direction. But it is not enough. Madam

3674 Secretary, do you see the strategic need for America to be
3675 able to supply our allies with liquefied natural gas?

3676 *Secretary Granholm. Yes.

3677 *Mr. Joyce. Would you commit here today to supporting
3678 increasing the export of American liquid natural gas?

3679 *Secretary Granholm. We have already permitted 30
3680 billion cubic feet of natural gas that has not even been
3681 constructed yet. In other words, it is almost three times
3682 what we currently export. We export about 12 billion cubic
3683 feet. We have permitted an additional 30 billion cubic feet.
3684 There is no permits that are waiting that have -- that are on
3685 the U.S. soil that I am responsible for. We have permitted
3686 everything in the United States for liquefied natural gas
3687 because we want to assist our allies, even as we want to, as
3688 well, move to clean energy.

3689 *Mr. Joyce. It is a great point that you make. We need
3690 to support our allies. Given the current international
3691 circumstances and Putin's energy blackmail -- that is what it
3692 is -- of Poland and Bulgaria. Will you commit to working
3693 with industry to expedite future LNG projects and pipelines
3694 to respond to that need that our allies need right now?

3695 *Secretary Granholm. As I said, we have permitted
3696 already an additional 30 billion. I just permitted -- we,
3697 the Department of Energy, just permitted two more that will
3698 allow for those volumes to go to Europe as a non-free-trade

3699 agreement. We did the same thing in March with two other
3700 facilities. There are no more permits inside of the United
3701 States that are waiting for us to be able to act because we
3702 have got so much already permitted.

3703 *Mr. Joyce. But as those additional permits arise, I
3704 think we both recognize the need for that, for supporting our
3705 allies. Today, it perhaps couldn't be even more important.

3706 *Secretary Granholm. Very important.

3707 *Mr. Joyce. And I appreciate your commitment to
3708 expanding that liquid natural gas export to support our
3709 friends and our allies. What Putin has done and the fact
3710 that our allies are funding the aggressive war in Ukraine
3711 today, this allows us to once again be that energy dominant
3712 force. I thank you for agreeing with me on that point, and I
3713 see my time has expired.

3714 Mr. Chairman, thank you, and I yield.

3715 *Mr. Rush. The gentleman's time has expired.

3716 The chair now recognizes the gentlelady from Michigan,
3717 Mrs. Dingell, for five minutes.

3718 *Mrs. Dingell. Thank you, Chairman Rush, for holding
3719 this important hearing, my dear friend, the ranking member of
3720 this committee, and to see my dear friend testifying before
3721 the committee today.

3722 And I want to say that when you took over a year ago, I
3723 said you couldn't be a better leader at a time when we needed

3724 to transition to a new era and a new economy, one that is
3725 going to be built on clean energy and by American workers.
3726 And you and President Biden have delivered in many ways to
3727 accelerate a massive shift to electrification and clean
3728 energy here in the United States, which, by the way, will
3729 help us not be dependent on autocratic leaders who are using
3730 fossil fuels as a weapon around the world. I commend you and
3731 the Administration's hard work. But I want to now ask you
3732 some questions about -- that -- what the work we continue to
3733 do to be a world leader. I am glad that you again reaffirm
3734 to my colleagues on the other side there are no permits
3735 pending, none, on LNG. But I would like to ask you -- build
3736 on some of the questions my friends have asked on critical
3737 minerals.

3738 Currently, the auto industry is experiencing significant
3739 challenges in the semiconductor supply chain -- in both
3740 product disruptions and inventory shortages. And Flat Rock
3741 is closed today because I don't have those chips for a couple
3742 more days. There is a huge backlog, but it was exciting to
3743 see the F-150 vehicle come off the line this week.

3744 At the same time, the auto industry has made significant
3745 commitments to vehicle electrification with automakers
3746 planning to invest \$515 billion globally over the next five
3747 to ten years. As the markets for EV grow, will the demand
3748 for EV batteries and battery materials, many -- which we know

3749 are currently sourced overseas and could be subject, again,
3750 to the kind of supply chain issues we are seeing at the
3751 moment.

3752 Can you provide more details on how the recent decision
3753 by the Administration to invoke the Defense Production Act as
3754 supporting domestic sourcing and processing of these critical
3755 minerals --

3756 *Secretary Granholm. Yes.

3757 *Mrs. Dingell. -- that will help?

3758 *Secretary Granholm. Yeah. I believe, while we have
3759 been sitting here talking, there has been a proposal by the
3760 Administration released to fund the Defense Production Act
3761 component of -- that he previously issued an executive order
3762 on to help us become energy-independent through -- partially
3763 through batteries for electric vehicles.

3764 And that means that the Department of Defense will take
3765 the lead on that component. I think it is \$500 million, if I
3766 am not mistaken, that he announced today. In addition to
3767 that, though, we are focused at the Department of Energy in
3768 releasing the funding opportunity announcements for
3769 batteries. And of course the precursor to which is the
3770 critical materials.

3771 We have got a strategy both as a whole-of-government, an
3772 intergovernmental group that is working on critical minerals
3773 as well as the Department of Energy. And that effort is

3774 being led by the Department of Energy. It is about
3775 responsible -- it is about the full pipeline, as you are
3776 aware. It is about responsible extraction. It is about
3777 processing, which is one of the funding opportunity
3778 announcements that will go out very soon from the Department
3779 of Energy. We do no processing of critical minerals in the
3780 United States. We have got to do some. And so we have got
3781 to -- if -- take those -- that lithium from the Salton Sea
3782 and make sure it is processed in a responsible way so that we
3783 don't have to send it to China and have it come back. So
3784 those components are all part of that Bipartisan
3785 Infrastructure Law, the pieces of which we will be -- we will
3786 be executing on. I am very excited about it.

3787 *Mrs. Dingell. And I'm going to work with you on that.
3788 I have got about one minute left. And I do want to talk
3789 about electric vehicles because the critical condition for
3790 consumer acceptance is access to a reliable charging
3791 infrastructure and their affordability. You know where we
3792 are right now. The Bipartisan Infrastructure Bill gave a
3793 significant down payment but not enough. As EV market grows,
3794 the United States looks rapidly to expand EV charging.

3795 It is important to ensure we are investing in the right
3796 type of things that have to be done. Can you give this
3797 committee an overview of the work to date of the joint
3798 office? You have talked about already but deploy a

3799 nation-wide network of charging stations. Highlight the
3800 investments that are going to be needed if we are going to
3801 make this long-term objective work. Thank you.

3802 *Secretary Granholm. Yeah. Thank you so much. Thanks
3803 for the seven-and-a-half billion dollars in the Bipartisan
3804 Infrastructure Law for the vehicle charging infrastructure.
3805 The first \$5 billion is going to be out this summer to
3806 communities in a formula manner after we have heard responses
3807 from a funding -- excuse me -- a request for information from
3808 those communities. We have gotten that back.

3809 The second chunk -- the first 5 billion will go out over
3810 the summer on a first-come, first-served basis from
3811 communities. And the second chunk of it will go out on a
3812 competitive basis later in the year. Both pieces are super
3813 important. Every community should have access to electric
3814 vehicle charging infrastructure. And I applaud the
3815 communities like in Michigan that have also leveraged
3816 additional state funding to fill in additional pockets of
3817 places where there isn't charging infrastructure. States can
3818 be a good partner in this.

3819 *Mrs. Dingell. Thank you. We are going to need more
3820 money, though, as you know, to make this totally work.

3821 I yield back, Mr. Chair.

3822 *Mr. Rush. The gentlelady's time has expired. The
3823 gentlelady yields back.

3824 Madam Secretary, you have been most gracious with your
3825 time, and we certainly appreciate you being here once again.
3826 This concludes the witness questions. And thank you, Madam
3827 Secretary, for your participation in today's hearing. I want
3828 to remind members that, pursuant to committee rules, they
3829 have 10 business days to submit additional questions for the
3830 record to be answered by the witness, who has appeared. I
3831 ask the Secretary if she would respond promptly to any such
3832 questions that you may receive.

3833 Before we adjourn, I request unanimous consent to enter
3834 a previously agreed-upon list of documents into the record.
3835 Without objection, so ordered.

3836 [The information follows:]

3837

3838 *****COMMITTEE INSERT*****

3839

3840 *Mr. Rush. At this time, the subcommittee stands
3841 adjourned.

3842 [Whereupon, at 1:34 p.m., the subcommittee was
3843 adjourned.]