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6 THE FISCAL YEAR 2024 DEPARTMENT OF ENERGY BUDGET

7 THURSDAY, MAY 11, 2023

8 House of Representatives,

9 Subcommittee on Energy, Climate, and Grid Security,

10 Committee on Energy and Commerce,

11 Washington, D.C.

12

13 The subcommittee met, pursuant to call, at 2:01 p.m. in  
14 Room 2123 Rayburn House Office Building, Hon. Jeff Duncan  
15 [chairman of the subcommittee], presiding.

16

17 Present: Representatives Duncan, Burgess, Latta,  
18 Guthrie, Griffith, Johnson, Bucshon, Walberg, Palmer, Curtis,  
19 Lesko, Armstrong, Weber, Balderson, Pfluger, Rodgers (ex  
20 officio); DeGette, Peters, Fletcher, Matsui, Tonko, Veasey,  
21 Kuster, Schrier, Castor, Sarbanes, Cardenas, Blunt Rochester,

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22 and Pallone (ex officio).

23

24 Also present: Representatives Carter; Barragan, and  
25 Clarke.

26 Staff Present: Sarah Alexander, Professional Staff  
27 Member, Energy and Environment; Kate Arey, Digital Director;  
28 Sarah Burke, Deputy Staff Director; Sydney Greene, Director  
29 of Operations; Jack Heretik, Press Secretary; Nate Hodson,  
30 Staff Director; Tara Hupman, Chief Counsel; Sean Kelly, Press  
31 Secretary; Peter Kielty, General Counsel; Emily King, Member  
32 Services Director; Elise Krekorian, Professional Staff  
33 Member, Energy; Mary Martin, Chief Counsel, Energy &  
34 Environment; Jacob McCurdy, Professional Staff Member,  
35 Energy; Brandon Mooney, Deputy Chief Counsel, Energy; Kaitlyn  
36 Peterson, Clerk, Energy and Environment; Karli Plucker,  
37 Director of Operations (shared staff); Emma Schultheis, Staff  
38 Assistant; Olivia Shields, Communications Director; Peter  
39 Spencer, Senior Professional Staff Member, Energy; Michael  
40 Taggart, Policy Director; Dray Thorne, Director of  
41 Information Technology; Camden Burk, Minority Intern; Waverly  
42 Gordon, Minority Deputy Staff Director and General Counsel;

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43 Tiffany Guarascio, Minority Staff Director; Kris Pittard,  
44 Minority Professional Staff Member; Kylea Rogers, Minority  
45 Policy Analyst; Andrew Souvall, Minority Director of  
46 Communications, Outreach, and Member Services; Medha  
47 Surampudy, Minority Professional Staff Member; and Tuley  
48 Wright, Minority Staff Director, Energy, Climate, and Grid  
49 Security.

50

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51           \*Mr. Duncan. The subcommittee will come to order, and  
52 the chair recognizes himself for an opening statement.

53           I want to thank you all for being here today to examine  
54 the Department of Energy's fiscal year 2024 budget request.  
55 Today marks the first time that Secretary Granholm has  
56 appeared before this subcommittee in over a year.

57           Madam Secretary, welcome back to the subcommittee.

58           The Administration's budget request for fiscal year 2024  
59 is almost \$52 billion, a \$6.2 billion or 13.6 percent  
60 increase from enacted levels in 2023. This includes a \$366  
61 million increase for the Office of Energy Efficiency and  
62 Renewable Energy; a \$46 million increase for cybersecurity; a  
63 \$238 million cut to nuclear energy.

64           This request is in addition to the billions of dollars  
65 already appropriated to DoE through the Democrats' tax-and-  
66 spend bill, the infrastructure bill, and the CHIPS Act, all  
67 of which passed in the last Congress. I look forward to  
68 taking a closer look at the request and DoE's priorities  
69 today.

70           Energy is the foundational -- is foundational, and  
71 impacts every aspect of American life. Democrats' rush-to-

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72 green policies are making energy unaffordable for too many  
73 Americans. Over the past two years, energy prices have  
74 skyrocketed. This Administration has discouraged private  
75 sector investment in critical energy infrastructure like oil  
76 and gas pipelines, issued onerous regulations on energy  
77 production and processing facilities, maintained a needlessly  
78 complex bureaucracy that makes permitting reliable power  
79 generation like nuclear energy nearly impossible, and made  
80 our energy supply chains more vulnerable to hostile foreign  
81 actors.

82 Not long ago, America was an energy superpower.  
83 Increased American energy production helped strengthen our  
84 economy and gave our industries a competitive advantage,  
85 allowed us to challenge adversarial energy dictators without  
86 having to worry about global markets, all while decreasing  
87 greenhouse gas emissions. President Biden and his Department  
88 of Energy has spent the past two years ceding that strength  
89 and autonomy to hostile nations like China, Russia, and  
90 Venezuela.

91 Since the beginning of 2021, retail electricity rates  
92 have increased by 8 percent. Gas prices have increased

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93 roughly 46 percent. Natural gas prices are up roughly 31  
94 percent. And home heating oil and diesel fuel are up by 49  
95 percent. Unfortunately, Democrats and President Biden's  
96 regressive energy agenda takes a whole-of-government approach  
97 to phase out American energy production and ship it overseas  
98 to countries like China.

99 In fact, the Department recently announced its intention  
100 to award \$200 million to a Chinese battery company,  
101 Microvast. We have yet to hear a good explanation from the  
102 Department regarding how this company was able to secure  
103 taxpayer dollars intended to establish a domestic supply  
104 chain for battery technologies.

105 If we follow President Biden's energy agenda, Americans  
106 will become even more dependent upon China and Russia. The  
107 critical minerals supply chain for renewable energy  
108 technologies is largely controlled by those two countries.  
109 This rush-to-green agenda includes an impractical goal of a  
110 zero-carbon electric grid by 2035. And with this impractical  
111 goal comes calls for a massive expansion of transmission  
112 infrastructure.

113 The driving force behind this push to build transmission

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114 is not reliability or to lower costs for consumers; it is  
115 largely to connect more renewable energy to the grid. I am  
116 not totally adverse to that. That is why I am wary of a lot  
117 of the so-called reforms to the transmission permitting  
118 process, as well as a lot of the transmission programs in  
119 DoE's budget request. Most are a precursor to achieve this  
120 unrealistic rush-to-green goal.

121 President Biden's energy agenda discourages investment  
122 in traditional energy sources that provide 24/7 electricity  
123 generation. According to the EIA, last year we added the  
124 least amount of interstate natural gas pipeline capacity  
125 since the agency began collecting data nearly 30 years ago.  
126 This did not happen by accident.

127 Republicans on Energy and Commerce have solutions to  
128 reverse the Democrats' regressive energy agenda. H.R. 1, the  
129 Lower Energy Costs Act, passed the House a few weeks ago with  
130 a bipartisan vote. Legislation would create a regulatory  
131 structure that encourages investment and innovation to bring  
132 all forms of energy online.

133 The Department of Energy's core mission is to confront  
134 energy security needs that face our nation. This budget

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135 request falls short of that goal. Instead, the Biden  
136 Administration's Energy Department prioritizes Green New Deal  
137 policies that raise prices for hardworking Americans and  
138 embolden foreign adversaries.

139 When America is a world leader in energy production, the  
140 world is safer and a cleaner place. President Biden's Energy  
141 Department has put its foot on the scale in favor of green  
142 technologies at the expense of reliable fuels like nuclear,  
143 natural gas, and hydropower. This is making our supply  
144 chains more vulnerable to foreign adversaries, dragging down  
145 economic growth, harming our national security, and raising  
146 prices for everyday American families. DoE must reverse  
147 these policies and return to its core energy security  
148 mission.

149 So I want to thank you again, Chair Rodgers, for letting  
150 me hold this hearing. I want to thank the Secretary for  
151 being here, and I look forward to her testimony.

152 [The prepared statement of Mr. Duncan follows:]

153

154 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

155

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156           \*Mr. Duncan. And I now recognize Ranking Member DeGette  
157 for five minutes.

158           \*Ms. DeGette. Thank you so much, Mr. Chairman.

159           And Secretary Granholm, thank you so much for joining us  
160 today. It is good to see you. I want to commend you and  
161 your agency for the critical work that you have been doing in  
162 recent years to help us combat the climate crisis and to  
163 ensure that Americans continue to have access to the energy  
164 that they need as we transition to more renewable forms of  
165 electricity.

166           As I have said countless times before while sitting here  
167 at this dais, the climate change is an existential threat to  
168 the future of this planet, and we must address it  
169 immediately, if not past immediately. We know the only way  
170 to meaningfully address this crisis is by significantly  
171 cutting our greenhouse gas emissions, and as quickly as  
172 possible. We know that to do that we have to transition to  
173 clean sources of energy now.

174           Breaking our reliance on fossil fuels will not only help  
175 us stave off the worst effects of the climate crisis, but it  
176 will also protect consumers around the country from the

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177 sudden increases in the cost of gasoline that can strain  
178 families' budgets. And it will help us ensure that all  
179 Americans have access to the affordable, reliable energy that  
180 they need. And good news, looking at your budget, I believe  
181 the Department of Energy's proposed budget for next year will  
182 continue to help put us on a path to do exactly that.

183 By increasing funding for key research projects and  
184 initiatives, and continuing to focus on industrial  
185 decarbonization, supply chain development, and workforce  
186 transition, the Department is helping us create a cleaner,  
187 more diverse energy portfolio right here in the United  
188 States. The agency's plans to invest \$9.4 billion for energy  
189 programs and \$8.8 billion for the Office of Science will help  
190 the research, development, and demonstration of clean energy  
191 technologies and support the important work that is being  
192 done by our national laboratories.

193 While there is no doubt we still have a long way to go  
194 in making this clean energy transition, the investments that  
195 will be made under this proposal will provide critical  
196 support to this incredibly important endeavor.

197 It will provide \$1.2 billion for industrial

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198 decarbonization efforts, including \$160 million for the  
199 Office of Clean Energy Demonstrations to support large-scale  
200 industrial decarbonization projects.

201       It includes \$75 million to launch the Global Clean  
202 Energy Manufacturing Initiative, which will help build  
203 resilient supply chains for the clean energy future, a  
204 critical component of this fight.

205       And it includes \$2 billion to support the clean energy  
206 workforce, and to help fund key infrastructure projects  
207 across the nation, including millions of dollars to help  
208 weatherize low-income communities, and retrofit their homes  
209 to lower energy costs for communities that have been forced  
210 to disproportionately bear the brunt of the climate crisis  
211 for far too long.

212       Each and every one of these proposals will play a  
213 critical role in helping us combat the climate crisis. They  
214 will also help us not only stabilize the cost of energy here  
215 at home, but lower it for many Americans by making critical  
216 new investments to increase our energy efficiency and drive  
217 the innovation of new clean energy technologies.

218       This budget also makes common-sense investments in cyber

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219 and energy system security, as well as environmental health  
220 and management for low-income communities.

221 It includes \$156.6 million for the Energy Information  
222 Agency, whose work provides critical energy information and  
223 data that informs our work.

224 It includes \$56.6 million for the Office of Technology  
225 Transmission to help accelerate the commercialization of new  
226 clean energy technologies.

227 And it includes \$165.2 million for the DoE Office of the  
228 Inspector General to ensure that taxpayer dollars are being  
229 used efficiently and effectively.

230 I believe that this budget will allow the DoE to place  
231 the United States where it belongs, as the leader in the  
232 clean energy transition. And I want to thank you, Senator --  
233 sorry, not Senator, didn't mean to give you a demotion --  
234 Secretary Granholm, again, for being with us today, and for  
235 explaining how this is going to happen.

236 [The prepared statement of Ms. DeGette follows:]

237

238 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

239

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240           \*Ms. DeGette. And I yield back.

241           \*Mr. Duncan. I thank the gentlelady. And now it is my  
242 honor to recognize the gentlelady who is the chair of the  
243 full committee, Chair Rodgers, for five minutes for her  
244 opening statement.

245           \*The Chair. Thank you, Mr. Chairman.

246           Secretary Granholm, welcome. Foundational to our lives  
247 and our future is access to affordable, reliable, and clean  
248 energy. On Energy and Commerce we have worked since the  
249 start of this Congress to achieve that promise, most recently  
250 by passing H.R. 1, the Lower Energy Costs Act. Today I am  
251 deeply troubled that the Department of Energy under your  
252 leadership has put America on a dangerous path that harms our  
253 energy security and benefits our adversaries, mainly China.

254           Since day one, Department of Energy has enabled the  
255 President to shut down American energy. Rather than sounding  
256 the alarm about America's declining energy security, the  
257 Administration canceled the Keystone pipeline; begged OPEC,  
258 Russia, and Venezuela to produce more oil and gas; supported  
259 the completion of Russia's Nord Stream pipeline; and turned  
260 to China for solar panels and batteries made with slave labor

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261 and dirty manufacturing.

262 As a result, America's energy prices are higher than  
263 ever, and we are less energy secure. Gas and electricity  
264 prices remain too high. Our electric grid is becoming  
265 unstable, and this is driving inflation and hurting Americans  
266 and businesses. Because of this, families every day have to  
267 make tough choices about whether to put gas in the car or  
268 food on the table.

269 Earlier this year we heard from a local Virginia farmer,  
270 David Hickman, a fifth-generation farm owner whose livelihood  
271 has been made worse by these policies. And he told us, and I  
272 quote, "This is the most perilous time for American  
273 agriculture."

274 In some places like California, the government is even  
275 asking people to ration energy. This should be a warning to  
276 the Biden Administration.

277 One of the first orders of business this Congress was  
278 the passage of bipartisan bills to stop President Biden and  
279 the Department of Energy from mismanaging the Strategic  
280 Petroleum Reserve and sending our emergency stockpile to  
281 China. Now our SPR is at the lowest level in 40 years. I am

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282 equally concerned that this Administration is making us more  
283 dependent upon China.

284 America has the highest labor and environmental  
285 standards in the world. We value liberty and equality.  
286 Madam Secretary, you support waivers for solar panels sourced  
287 from China, even when China violates our trade laws, uses  
288 slave labor, and pollutes more than any other nation.

289 The Department of Energy is spending hundreds of  
290 billions of dollars of taxpayer dollars to force an energy  
291 transition on Americans with a false promise of 100 percent  
292 wind, solar, and battery-powered energy, the supply chains  
293 for which are basically controlled by adversarial China. And  
294 at the same time, the Administration is threatening to ban  
295 natural gas stoves and other home appliances that Americans  
296 rely on.

297 We have seen the future that these proposed policies and  
298 government mandates lead to. I have recently visited Europe  
299 with other Energy and Commerce Committee members, and it was  
300 clear that Europe's rush to green destroyed their energy and  
301 manufacturing industries, and increased their reliance on  
302 adversaries like Russia and China. And now Europe is in an

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303 energy crisis following Russia's war with Ukraine. We cannot  
304 let Europe's mistakes become America's future.

305 DoE must return to its core mission, its mission to  
306 protect America's energy security and our way of life, which  
307 brings us to the budget request for fiscal year 2024. Last  
308 year DoE received a 200 percent boost in funding, nearly \$100  
309 billion, and up to 350 billion in new loan authorities, and  
310 that is an additional -- to its regular appropriations of 46  
311 billion. This year the request is to increase the budget to  
312 52 billion.

313 Our constitutional responsibility is to ensure that the  
314 Department of Energy carries out its mission, and the mission  
315 is for two of our nation's most critical missions: that is  
316 maintaining our nuclear weapons and ensuring America's energy  
317 security. Rather than being focused on this core mission, we  
318 see the Department prioritizing the implementation of a rush-  
319 to-green agenda, and rushing to spend money without taking  
320 the steps to prevent waste, fraud, and abuse.

321 The actions taken by Department of Energy and the  
322 alarming comments that you have made, Madam Secretary, about  
323 commending China and suggesting that the U.S. follow the

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324 Chinese Communist Party's lead have failed to reassure me  
325 that DoE's priorities are aligned with the needs of Americans  
326 or the national and energy security interests of the United  
327 States.

328 We must abandon this dangerous and radical agenda so  
329 that people, Americans, have the opportunity for a better  
330 life and a secure future.

331 [The prepared statement of The Chair follows:]

332

333 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

334

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335           \*The Chair. Thank you, I yield back.

336           \*Mr. Duncan. The gentlelady yields back. I will now  
337 recognize the ranking member of the full committee, the  
338 gentleman from New Jersey, Mr. Pallone, for five minutes.

339           \*Mr. Pallone. Thank you, Mr. Chairman.

340           And after hearing from our committee's Republican  
341 leadership, I have to say that I support strongly President  
342 Biden's energy agenda, which I know is your energy agenda.  
343 Frankly, I don't think we would be able to compete in a  
344 global economy if we don't -- and certainly not compete with  
345 China -- if we don't move forward with the President's energy  
346 agenda.

347           And I want to also say that I think that H.R. 1 would  
348 destroy our economy, and certainly reverse the remarkable and  
349 robust job creation that we have seen under President Biden.  
350 So in my opinion, you are doing everything that is necessary  
351 to compete with China and recognize fully well the  
352 competition that we face with China.

353           I wanted to say, with the passage of the Inflation  
354 Reduction Act and the Bipartisan Infrastructure Law, we have  
355 certainly given the Department of Energy a lot of work to do.

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356 And I am looking forward to getting updates on some of these  
357 important clean energy programs today.

358 Let me start with the Bipartisan Infrastructure Law,  
359 which invests \$1.2 trillion to modernize our nation's aging  
360 and crumbling infrastructure. The law includes important  
361 funding for DoE to invest in American manufacturing, increase  
362 access to energy efficiency, and make our nation's electric  
363 grid more clean and secure.

364 Now, that was the first step, and then we followed it up  
365 by passing the Inflation Reduction Act. That law provides  
366 \$369 billion to build more clean energy in America, create  
367 clean energy jobs, lower energy costs for American families,  
368 and slash greenhouse gas pollution.

369 And DoE is also playing a major role in implementing  
370 these funds that are supporting innovative clean energy  
371 projects, that are investing in communities all around the  
372 nation, and have helped create 142,000 good-paying, clean  
373 energy jobs since the law was enacted in August. They are  
374 also providing rebates to consumers for more efficient home  
375 appliances to lower energy costs for hardworking American  
376 families. And DoE is addressing emissions at America's

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377 industrial facilities, as well.

378         Now, these two laws, the infrastructure bill and the  
379 Inflation Reduction Act, are making a real difference in  
380 communities all around the nation, including in Republican  
381 congressional districts. But as we know, not one Republican  
382 on this committee supported either of these bills. And that  
383 was bad enough, but now they are trying to hold our economy  
384 hostage by threatening a default crisis if we don't go along  
385 with their demands to roll back these crucial investments and  
386 to put polluters over people.

387         Last month House Republicans passed the default on  
388 America act that does the bidding of big oil and gas,  
389 increases energy costs for working families, and sets  
390 American workers up to be left behind by abandoning our  
391 homegrown clean energy industry. The Republican bill will  
392 cut important programs that provide rebates to consumers for  
393 home appliances and remove funding for workforce programs in  
394 these new and developing industries. It also repeals key  
395 energy programs from the Inflation Reduction Act, repeals the  
396 zero-emission nuclear power tax credit that was praised by  
397 our witness at a recent hearing on nuclear issues, and raises

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398 taxes on American energy.

399       Committee Republicans have not only been trying to  
400 undermine these new laws, but they have attempted to  
401 manufacture scandals that simply do not exist. Last month  
402 they even sent a letter to you, Madam Secretary, criticizing  
403 you for your "international travel to Puerto Rico." Of  
404 course, Puerto Ricans have been U.S. citizens for over 100  
405 years, and with all the energy issues there we should be  
406 commending the Secretary for visiting Puerto Rico and  
407 prioritizing their issues.

408       At the end of the day, Republican energy policies look  
409 to the past, while Democrats and the Biden Administration are  
410 looking to the future with our commitment to the clean energy  
411 transition. The President's DoE budget request includes  
412 important funding that will help us meet our decarbonization  
413 goals and build on the success of both the Inflation  
414 Reduction Act and the Bipartisan Infrastructure Law.

415       So I also want to highlight the good work that the  
416 Department is doing outside of these laws. Last year, DoE  
417 periodically released crude oil from the Strategic Petroleum  
418 Reserve to help lower gasoline prices at the pump for

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419 Americans following Putin's invasion of Ukraine. Today the  
420 price of a barrel of crude is \$34 cheaper than it was a year  
421 ago. The price of a gallon of gasoline is nearly \$0.80  
422 cheaper than it was a year ago. So, Secretary, thank you for  
423 the Department's decisive action in this regard, and thank  
424 you again for joining us today.

425 [The prepared statement of Mr. Pallone follows:]

426

427 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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429           \*Mr. Pallone. And I yield back, Mr. Chairman.

430           \*Mr. Duncan. I thank the gentleman.

431           So our witness today is the Honorable Jennifer Granholm,  
432 Secretary of the Department of Energy, who I understand drove  
433 her electric vehicle up to the Hill to testify today this  
434 year.

435           So you are recognized for five minutes, Madam Secretary.

436

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437 STATEMENT OF THE HON. JENNIFER GRANHOLM, SECRETARY, U.S.

438 DEPARTMENT OF ENERGY

439

440       \*Secretary Granholm. Great, thank you so much, Chair  
441 Duncan and Ranking Member DeGette, and members of the  
442 subcommittee. I am so honored to be with you today to  
443 discuss the President's latest budget request for the  
444 Department of Energy.

445       Over the last two years it has been my great privilege  
446 to lead the Department in meeting many of our nation's most  
447 pressing needs. From deepening our energy security by  
448 reshoring supply chains and manufacturing to strengthening  
449 American innovation with cutting-edge research and  
450 development to maintaining a strong nuclear deterrent, we are  
451 positioning the United States to outmaneuver aggressors,  
452 outcompete our rivals, and create new jobs and opportunities  
453 for the American people.

454       The President's budget request for fiscal year 2024 will  
455 empower us to drive these endeavors forward, even in the face  
456 of emerging challenges. Russia's invasion of Ukraine has  
457 sparked a reckoning with our over-reliance on fossil fuels.

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458 Vladimir Putin has exploited this over-reliance, injecting  
459 extreme volatility into global markets and leaving working  
460 people in the United States bearing higher energy costs.

461 In response, we are pursuing a strategy of energy  
462 security through energy diversity. Congress has made the  
463 United States the world's most attractive destination for  
464 investment in new energy, and the Department is helping the  
465 country capitalize using the resources that you have  
466 provided.

467 Through the infrastructure law, the Inflation Reduction  
468 Act, and regular appropriations, we are backing large-scale  
469 deployment of solar, wind, electric vehicles, and storage.  
470 We are funding demonstrations of next-generation  
471 technologies, clean hydrogen, advanced nuclear, carbon  
472 capture. We are building a more resilient, reliable grid  
473 that can integrate this increasing number of solutions while  
474 better weathering disruptions, and we are shoring up supply  
475 chains so that no adversaries will be able to threaten our  
476 access to energy. This is all to the great benefit of  
477 American companies, American communities, and American  
478 workers.

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479           In the last two years, for example, planned investments  
480   in America's battery, solar, and wind supply chains have  
481   reached more than \$100 billion. Those investments will  
482   support thousands of jobs, especially manufacturing  
483   technologies that are stamped "Made in the USA."'

484           Still, we know that the more we can improve performance  
485   and reduce costs, the faster we can deploy these  
486   technologies, the faster the bills for Americans will be  
487   lower, and that is why the budget boosts our clean energy  
488   research, development, and demonstration programs. A couple  
489   of highlights: Our Office of Fossil Energy and Carbon  
490   Management is advancing a suite of CCUS technologies, as well  
491   as technologies to recover critical minerals from carbon  
492   sources; our Office of Science would receive more than \$1  
493   billion for fusion research, furthering our work to harness  
494   fusion's tremendous potential; and our Office of Nuclear  
495   Energy is driving innovation in nuclear fusion and keeping  
496   our domestic fleet online so we can make the most of this  
497   clean, reliable baseload power.

498           Programs like the Advanced Reactor Demonstration Program  
499   and the Civil Nuclear Credit Program are helping us to cut

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500 carbon pollution and boost grid reliability. And through our  
501 consent-based siting process, we are getting closer to  
502 identifying sites for interim storage of spent nuclear fuel.

503 Furthermore, the budget provides more than \$8 billion  
504 for our Office of Environmental Management to treat  
505 radioactive tank waste, to address contamination issues  
506 across EM sites, and to enhance river protection,  
507 particularly at the Hanford site.

508 I would note that the request aligns with an  
509 announcement that we made last week, which is we have reached  
510 a conceptual agreement with the EPA and Washington State's  
511 department of ecology for managing millions of gallons of  
512 tank waste at the Hanford site in a safe, effective, and  
513 achievable manner, and that achievement would not have been  
514 possible without bipartisan support from Congress.

515 Your support is indispensable to all of our core  
516 missions, and we will need it for the work ahead. The  
517 President's budget will allow us to shore up our energy  
518 security and our national security, while reinforcing our  
519 efforts to properly implement Congress's legislative actions.

520 Thank you so much for the opportunity to address you

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521 today, and I look forward to your questions.

522 [The prepared statement of Secretary Granholm follows:]

523

524 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

525

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526           \*Mr. Duncan. The gentlelady yields back, and so now I  
527 will begin the questioning portion of the hearing.

528           Before we do, I would like to enter into the record an  
529 article here about the need for domestically-sourced enriched  
530 uranium, and get away from Russia.

531           So without objection, so ordered.

532           [The information follows:]

533

534           \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

535

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536           \*Mr. Duncan. So electricity prices in the nation are 52  
537 percent higher over the last 2 years than they were for the  
538 last 4 years, or the only 4 years under the last  
539 Administration. And for the record I will reiterate that you  
540 have increased the budget for the Office of Energy Efficiency  
541 and Renewable Energy by 366 million, while also cutting 238  
542 million to nuclear energy.

543           We will get back to nuclear in a minute, but I wonder --  
544 why cut nuclear power investments by that amount?

545           The PJM Interconnection, the nation's largest grid  
546 operator, issued a dire warning earlier this year regarding  
547 the premature retirement of dispatchable generation. This  
548 report noted that, at the current pace of retirements, the  
549 grid operator will potentially face a significant generation  
550 capacity shortfall by 2030. PJM noted numerous policies  
551 directly impacting these premature generation retirements,  
552 including multiple EPA regulations -- and we just saw another  
553 one today; state rush-to-green policies; and private sector  
554 ESG commitments. Massive tax credits and subsidies are  
555 unreliable. Wind and solar are contributing to this problem,  
556 as well.

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557           These are all issues that policy-makers, the Biden  
558 Administration, and congressional Democrats specifically are  
559 forcing onto the American people, decreasing grid reliability  
560 and raising consumer costs. It seems the Biden  
561 Administration's energy policy is a pay-more, get-less.

562           So I know the DoE signed a memorandum of understanding  
563 with the EPA regarding coordination on electric reliability,  
564 but the agreement seems to do nothing in practice. What  
565 specific actions is your Department taking to improve grid  
566 reliability?

567           \*Secretary Granholm. Several things, thank you. One is  
568 we are making sure that we have enough transmission to ensure  
569 that the grid is able to take on the additional resources  
570 that we want to see continue to be deployed, including clean  
571 -- but clean energy, that includes nuclear, that includes  
572 hydroelectric, that includes geothermal, that includes solar,  
573 that includes wind, and that includes battery storage.

574           \*Mr. Duncan. How about some specifics? Those are all  
575 general topics, and we could agree with that. But how about  
576 some specifics that you are doing?

577           \*Secretary Granholm. Well, specifically, we are

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578 accelerating the implementation and deployment of the  
579 Bipartisan Infrastructure Law, which helps to increase grid  
580 reliability. So, for example, we have just announced a  
581 series of funding opportunities called the GRIP Program,  
582 which will enhance the reliability of the grid by giving grid  
583 operators the opportunity to make sure that they also enhance  
584 security by potentially undergrounding, by adding additional  
585 transmission.

586         So the tools that have been given to the Department  
587 related to grid reliability are very important to be able to  
588 ensure that we have enough access to reliable power, and that  
589 the transmission grid is able to withstand it.

590         \*Mr. Duncan. So we are going to need transmission line  
591 permitting reform. We also need gas pipeline permitting  
592 reform -- the statement I referenced concerning lack of  
593 natural gas pipeline capacity and its effects on energy  
594 reliability, especially dispatchable energy. This committee  
595 adopted reforms to the interstate natural gas pipeline  
596 permitting process, which ultimately passed the House  
597 bipartisanly.

598         The reliability of our electricity system is closed

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599 interconnected with the interstate natural gas -- closely  
600 interconnected with the interstate natural gas pipeline  
601 system. We need to build more to improve electric  
602 reliability. Do you believe insufficient natural gas  
603 pipeline capacity harms grid reliability and affordability  
604 for consumers?

605 \*Secretary Granholm. I think we have to have sufficient  
606 infrastructure to make sure that we have the dispatchable  
607 power --

608 \*Mr. Duncan. Infrastructure means --

609 \*Secretary Granholm. -- that we need.

610 \*Mr. Duncan. -- expansion of pipelines, more pipelines,  
611 and --

612 \*Secretary Granholm. We are going to need pipelines,  
613 certainly, for making sure that dispatchable power gets to  
614 the places where it is needed.

615 \*Mr. Duncan. Where it needs to be to be utilized --

616 \*Secretary Granholm. But we also need --

617 \*Mr. Duncan. -- by the utilities, correct?

618 \*Secretary Granholm. We also need to be able to have  
619 pipelines for hydrogen, for --

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620           \*Mr. Duncan. Carbon capture.

621           \*Secretary Granholm. -- for carbon capture, et cetera.

622       So --

623           \*Mr. Duncan. Export, you could throw that in there to  
624 help the world.

625           \*Secretary Granholm. And I would say that your  
626 observation about permitting reform is right on. We need to  
627 do permitting reform across the board, and I am hopeful that  
628 this --

629           \*Mr. Duncan. I look forward to working with you on  
630 that.

631           \*Secretary Granholm. -- Congress will be able to get  
632 there.

633           \*Mr. Duncan. So I want to talk on nuclear real quick.  
634 I recently chaired a subcommittee on nuclear hearing -- on  
635 nuclear energy, and it was bipartisan. I was pleased by  
636 that. There was widespread agreement, and there is  
637 widespread agreement, both chambers and both sides of the  
638 aisle.

639           It has been over two years, and the DoE still hasn't  
640 complied with the congressional directions to stand up and

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641 advance nuclear fuel, or HALEU, program. Is that reflective  
642 of DoE or administrative policies? And why do we have this  
643 delay?

644 \*Secretary Granholm. Well, we need to do a whole  
645 project with respect to HALEU and uranium, overall, to make  
646 sure that we can fuel our current fleet, as well as the  
647 advanced reactors. We do not want to be reliant on Russia.

648 We have stood up a uranium -- started to set up a  
649 uranium reserve. We have asked for and we are -- we will be  
650 issuing a funding opportunity announcement for uranium --

651 \*Mr. Duncan. My time is expiring. Let me just ask you  
652 this. Why cut nuclear energy funding by \$238 million?

653 \*Secretary Granholm. Because that funding was -- had  
654 been used to fund the Advanced Reactor Demonstration Program,  
655 and that is now funded over at the -- through the Bipartisan  
656 Infrastructure Law. And so it would have been duplicative.  
657 So it is something that the Department -- that the Office of  
658 Nuclear Energy actually supported because we didn't need that  
659 funding at this moment.

660 \*Mr. Duncan. Thank you for that.

661 My time has expired. I will now go to the ranking

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662 member, Ms. DeGette, for five minutes.

663 \*Ms. DeGette. Thank you so much.

664 Madam Secretary, as I mentioned in my opening statement,  
665 the climate crisis is an existential threat that has to be  
666 addressed as quickly as possible. And you know quite well,  
667 because you are on the front line, we have to slash our  
668 greenhouse gas emissions and transition to clean energy and  
669 provide energy at an affordable rate to Americans.

670 So I have a couple questions. I assume you agree with  
671 me that, to combat the worst impacts of climate change, we  
672 have to drastically reduce our emissions. Is that right?

673 \*Secretary Granholm. I do.

674 \*Ms. DeGette. And one way to do that is to rapidly  
675 deploy zero-carbon-emitting sources of wind and solar and  
676 other sources. Is that right?

677 \*Secretary Granholm. Correct.

678 \*Ms. DeGette. But now -- I mean, let's cut to the  
679 chase. The last 10 percent of emission reductions will be  
680 the hardest. And we don't yet have the technology to be able  
681 to say we can get to 100 percent by 2050. So how is the  
682 agency positioning itself and its work to actually be able to

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683 close that gap and to meet the goals we need to make?

684 \*Secretary Granholm. Yes, thank you for that question.

685 I mean, both on the research and development side, through  
686 our work at the labs and our work in the Department, as well  
687 as on the deployment side, we will be doing both on the  
688 difficult-to-decarbonize areas, such as industrial  
689 decarbonization, heavy transportation, aviation, et cetera.

690 Part of the -- and thank you for supporting the  
691 Bipartisan Infrastructure Law and the Inflation Reduction  
692 Act. Those tools will allow for us -- and we have just -- we  
693 have got a funding opportunity announcement out for  
694 industrial decarbonization, but it is also the -- and the  
695 budget actually supports an increased amount for our office  
696 of decarbonizing industry. But we also are seeing that, with  
697 hydrogen and the hydrogen hubs, that is a tool that can be  
698 used to decarbonize heavy industry, cement, et cetera, steel.  
699 That tool is important.

700 And decarbonizing heavy transportation. Our vehicle  
701 technologies office and the work that we have done on both  
702 electrification, as well as fuel cells for transportation,  
703 also very, very important. And then I would say carbon

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704 capture and sequestration is another tool to be able to help  
705 to decarbonize heavy industry, all of which we are working  
706 on, both on the research side as well as on the deployment  
707 side.

708       \*Ms. DeGette. That is great. One of the things that we  
709 talk a lot about in this committee -- and it is a very real  
710 concern -- is what are we going to do about the fossil fuel  
711 workforce?

712       I represent Colorado, which is traditionally an oil and  
713 gas state. But I think that, as we try to move towards a  
714 clean energy economy, we have to transition the workforce.  
715 So can you talk to me about what is happening, both the  
716 investments in the last Congress and also in this budget, to  
717 help continuity for the existing energy workforce?

718       \*Secretary Granholm. Yes, there are several things that  
719 are happening.

720       One is that there is an all-of-government approach to  
721 being able to focus on the skill sets that will be needed for  
722 next-generation technologies, and making sure we are able to  
723 upskill the workers, particularly in fossil communities, but  
724 also in communities that have high unemployment.

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725           What we want to do is create sector-specific skill sets,  
726   and make sure that those are taken in a place-based manner.  
727   When grants are awarded, for example, to hydrogen hubs, we  
728   need workers to be able to both build as well as to operate  
729   facilities. The fossil fuel workforce, for example, those  
730   who do natural gas, who extract natural gas, who extract oil  
731   from beneath the subsurface, have an expertise in subsurface  
732   fuels. They can also be transitioned to geothermal, for  
733   example. Those who build offshore wind platforms can also be  
734   building offshore -- who build offshore oil and gas platforms  
735   can build offshore wind platforms. Those skills matches are  
736   part of what the Department is working on through our  
737   workforce development initiatives, as well as through the  
738   skills -- the tools that the Congress has given us on --  
739   through the Inflation Reduction Act on apprenticeships, et  
740   cetera, funding and incentivizing those apprenticeships.

741           \*Ms. DeGette. Thank you. I have one last question  
742   because we have had a lot of hearings and markups in this  
743   committee already this year, for which I commend the  
744   chairman, because we have to work on energy. But one thing  
745   that folks on the other side of the aisle keep pounding on,

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746 we can't do this just through -- they keep somehow  
747 insinuating the Administration is trying to move to zero-  
748 carbon emissions program just through solar and wind.

749 And I want to be clear. Has the Administration said we  
750 are not going to have nuclear, or hydro power, or other types  
751 of things -- of energy sources?

752 \*Secretary Granholm. On the contrary, the  
753 Administration is very much in favor of nuclear,  
754 hydroelectric power, geothermal power. We want to grow the  
755 energy pie by adding diverse forms of sources of clean energy  
756 sources, and to decarbonize the existing fossil fuel sources.  
757 We want to do both.

758 \*Ms. DeGette. Thank you.

759 I yield back.

760 \*Mr. Duncan. The gentlelady yields back. I will now go  
761 to the chair of the full committee, Mrs. Rodgers, for five  
762 minutes.

763 \*The Chair. Thank you, Mr. Chairman.

764 And again, Madam Secretary, I appreciate you being here.

765 The war in Russia really exposed our energy security  
766 vulnerabilities and the danger of relying on adversaries for

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767 our energy needs, and I have had numerous conversations with  
768 our European allies, you know, and they regret some of the  
769 decisions that were made that led them to this place to be  
770 dependent, dangerously dependent, on Russian natural gas.  
771 And they have been pleading with us for years for America to  
772 increase our LNG exports.

773 Now, in America we are blessed with some of the world's  
774 largest and cleanest supplies of fossil fuels, the critical  
775 minerals for renewables, plentiful supplies for uranium to  
776 power our nuclear reactors. And -- but unfortunately, we are  
777 falling behind on the processing of those minerals and  
778 uranium. China controls more than 90 percent of the critical  
779 minerals processing used for renewables and batteries. And  
780 the U.S. nuclear fleet imports more than 20 percent of its  
781 enriched uranium from Russia. Reliance on Russian-sourced  
782 nuclear fuel has weakened our nuclear fuel infrastructure,  
783 and now puts our whole nuclear security at risk.

784 Congress imposed a ban on Russian oil and gas imports.  
785 Do you support a ban on importing Russian enriched uranium  
786 into the U.S., as well?

787 \*Secretary Granholm. I would certainly consider that if

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788 we have our own -- developed our own supply. We want to be  
789 energy independent, we don't want to harm --

790 \*The Chair. Okay. Okay, thank you.

791 \*Secretary Granholm. -- existing fleet, but we want to  
792 build up that energy supply.

793 \*The Chair. Okay. I have a --

794 \*Secretary Granholm. Hopefully, Congress will work on -  
795 -

796 \*The Chair. Thank you. I am going to take back my time  
797 and I look -- we need a -- I have a whole bunch of yes-or-no  
798 questions here.

799 Will you commit to supporting with -- working with me on  
800 legislation to ban the import of Russian-sourced nuclear  
801 fuels?

802 \*Secretary Granholm. Again, I would support making sure  
803 that our fleet is secure, and that we have enough supply, and  
804 that means making it here. And I hope we can work together  
805 on a uranium strategy that ensures that we can have that for  
806 our own fleet.

807 \*The Chair. Yes, and we got to ban natural gas -- or we  
808 got to ban the nuclear coming from Russia. And then we got

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809 to work on getting supply here, too.

810 \*Secretary Granholm. Yes.

811 \*The Chair. Yes or no, do you agree that because China  
812 controls more than 90 percent of the critical materials used  
813 to make solar panels and batteries, that America is becoming  
814 dependent on one supplier, China, for our energy needs?

815 \*Secretary Granholm. I think America is becoming more  
816 dependent on ourselves because of the investments that were  
817 made through the Inflation Reduction Act. The Loan Program  
818 Office has just financed several processing --

819 \*The Chair. I don't see us -- things being manufactured  
820 yet.

821 \*Secretary Granholm. Well --

822 \*The Chair. Yes or no, are you --

823 \*Secretary Granholm. But it is going to be. It is  
824 going to be. That is what is so exciting, all the  
825 announcements that have been made about batteries, battery  
826 supply chain --

827 \*The Chair. Reclaiming my time, are you aware that  
828 China uses slave labor, and is the largest polluter --

829 \*Secretary Granholm. I am.

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830           \*The Chair. -- in the world?

831           How many critical mineral processing facilities do we  
832 have in the United States?

833           \*Secretary Granholm. Well, just -- that is exactly what  
834 I am saying, is that we must build more processing in the  
835 United States.

836           \*The Chair. Okay.

837           \*Secretary Granholm. And that is exactly --

838           \*The Chair. Let's start, Madam Secretary --

839           \*Secretary Granholm. -- what the Inflation Reduction  
840 Act and --

841           \*The Chair. Reclaiming my time --

842           \*Secretary Granholm. -- the Bipartisan Infrastructure  
843 Law --

844           \*The Chair. We -- let's start with how many do we have  
845 right now. How many do we have right now?

846           \*Secretary Granholm. We just -- in fact, the Loan  
847 Program Office just financed three additional ones --

848           \*The Chair. How many existing processing facilities --

849           \*Secretary Granholm. We don't. We have not done that.  
850 It has been in Asia. This is exactly why we cannot stand by

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851 and allow that to continue. We want to bring --

852 \*The Chair. Okay, thank you.

853 \*Secretary Granholm. We don't disagree, I don't think.

854 \*The Chair. Thank you, okay.

855 \*Secretary Granholm. We want to bring processing here,  
856 and do it here.

857 \*The Chair. Thank you, thank you. How long does it  
858 take to permit --

859 \*Secretary Granholm. Far too long.

860 \*The Chair. -- a critical minerals processing facility  
861 in the United States?

862 \*Secretary Granholm. Far too long, far too long.

863 \*The Chair. How many years?

864 \*Secretary Granholm. It takes years. It is ridiculous  
865 and --

866 \*The Chair. How many years?

867 \*Secretary Granholm. -- unacceptable.

868 \*The Chair. So how many years --

869 \*Secretary Granholm. It shouldn't take --

870 \*The Chair. -- does it take?

871 \*Secretary Granholm. -- as long as it does.

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872           \*The Chair. How many years?

873           \*Secretary Granholm. Let's work on slowing the --  
874 excuse me, let's work on speeding up --

875           \*The Chair. You don't want to say how many years it  
876 takes --

877           \*Secretary Granholm. Well, I don't --

878           \*The Chair. -- because we are talking about years.

879           \*Secretary Granholm. -- responsibility for how many  
880 years it takes. It takes too long. It is years, and it  
881 shouldn't be.

882           \*The Chair. Okay.

883           \*Secretary Granholm. We should be doing it much more  
884 quickly.

885           \*The Chair. So it is going to be years. And in the  
886 meantime --

887           \*Secretary Granholm. Unless we do permitting reform.

888           \*The Chair. -- there is no processing in the United  
889 States of America, which means it all is going to go to China  
890 and come back --

891           \*Secretary Granholm. No, no, that is exactly what we  
892 are not going to happen. That is why we have to do

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893 permitting reform --

894 \*The Chair. If you don't have processing --

895 \*Secretary Granholm. -- and that is why we have to  
896 continue to invest.

897 \*The Chair. -- in the United States of America, it is -  
898 -

899 \*Secretary Granholm. But we are investing in it right  
900 now. That is why all of these new --

901 \*The Chair. Thank you, thank you.

902 \*Secretary Granholm. -- battery companies --

903 \*The Chair. Reclaiming my time.

904 \*Secretary Granholm. -- have announced they are coming.

905 \*The Chair. How -- okay. Reclaiming my time here,  
906 would you support a prohibition on using taxpayer dollars to  
907 purchase renewable energy technologies that are manufactured  
908 with slave labor?

909 \*Secretary Granholm. No.

910 \*The Chair. You won't support a prohibition?

911 \*Secretary Granholm. I am sorry, I thought you said  
912 would I support -- I do not support slave labor making solar  
913 panels --

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914           \*The Chair. Okay, would you support --

915           \*Secretary Granholm. -- or us supporting it in any way.

916           \*The Chair. -- a prohibition on using taxpayer dollars  
917 to do this, to purchase -- would you support a prohibition on  
918 using taxpayer dollars to purchase renewable energy  
919 technologies manufactured with slave labor?

920           \*Secretary Granholm. Yes.

921           \*The Chair. Would you support a ban on importing  
922 renewable energy technologies made with components mined or  
923 processed in factories that violate America's environmental  
924 standards?

925           \*Secretary Granholm. I would have to look specifically  
926 at what you are saying on that. But I want for us to be  
927 manufacturing in the United States --

928           \*The Chair. I do, too.

929           \*Secretary Granholm. -- all the components, the full  
930 supply chain --

931           \*The Chair. I do, too. I do, too.

932           \*Secretary Granholm. -- for solar, as well as for  
933 batteries.

934           \*The Chair. Thank you. Thank you, Madam Secretary. I

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935 think my point is it is the difference between what the dream  
936 is, or -- and what reality is. And the reality is it is not  
937 happening here. It is happening -- we are dependent upon  
938 China. And so we got to -- we can't get -- we got to get the  
939 -- we can't get the cart before the horse.

940 I yield back.

941 \*Mr. Duncan. The gentlelady yields back. I will now  
942 recognize the ranking member, Mr. Pallone, for five minutes.

943 \*Mr. Pallone. Thank you, Mr. Chairman.

944 Secretary, again, thank you for being here. And as I  
945 mentioned in my opening statement -- and you did, as well --  
946 over the last two years Congress has passed two landmark  
947 bills, the Bipartisan Infrastructure Law and the Inflation  
948 Reduction Act, that give the Department tremendous resources  
949 to lower energy prices for everyday Americans, while making  
950 our energy cleaner for everyone.

951 So the budget request from your Department built on  
952 these laws by making additional investments in affordable,  
953 clean energy made right here in America, which you continue  
954 to stress. But the problem is that now the House Republicans  
955 default on America act will seriously undermine the progress

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956 that we are beginning to make and that you have pointed out.

957 So on the issue -- back in March you wrote to

958 Appropriations Committee Ranking Member DeLauro, and said

959 that capping DoE's fiscal year 2024 spending at 2022 levels

960 would have catastrophic impacts on everyday Americans.

961 And I would like to ask unanimous consent to insert your

962 letter into the record, Mr. Chairman.

963 \*Mr. Duncan. Without objection, so ordered.

964 [The information follows:]

965

966 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

967

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968           \*Mr. Pallone. Thank you.

969           So I would ask you, Madam Secretary, could you detail  
970 how the DoE budget cuts in the default on America act would  
971 have a devastating impact on everyday Americans? Do you know  
972 how many jobs, for example, might be jeopardized?

973           \*Secretary Granholm. Well, first of all, I would say  
974 that people care about our investments in research and  
975 development. And so the slashing of, for example, 5,000  
976 scientists in research at our 17 national labs would very  
977 much hinder our ability to be competitive, globally. That is  
978 very important. It is my understanding, as well, that there  
979 is -- there are rollbacks of the Inflation Reduction Act tax  
980 credits.

981           And to the point we were just making, there -- since the  
982 President has taken office, and this agenda to invest in  
983 America, there have been 150 battery companies or battery --  
984 excuse me, 160 as of last week, 160 battery companies or  
985 supply chain companies that have announced they are coming to  
986 the United States, all the way from processing all the way to  
987 anode, cathode, separator material, electrolyte, critical --  
988 160. That policy works. And the idea of rolling that back

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989 would harm Americans all across the country in communities  
990 that will be benefiting from the jobs that would have been  
991 created by the policies that were supported by members of  
992 this panel and others.

993       \*Mr. Pallone. Well, thank you. But you also wrote that  
994 the cuts would imperil and reduce the impact of the  
995 Bipartisan Infrastructure Law. So can you detail how the  
996 budget cuts would impact the bipartisan investments that  
997 Congress made just a year-and-a-half ago from that --

998       \*Secretary Granholm. Right. I mean, so those  
999 investments in next-generation technologies that are in the  
1000 process of being granted now give the United States a leg up  
1001 on our competitors. They also make sure that we are able to  
1002 deploy these technologies at home to make us more energy  
1003 secure.

1004       Why would we cut the ability to undo decades of job  
1005 losses to competitor nations when we now have policy that  
1006 brings those jobs home, and makes us more energy secure, and  
1007 makes products that are stamped Made in America, and are used  
1008 here and are perhaps sold elsewhere, but we are making them  
1009 here? That makes us energy secure. And cutting both the

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1010 Bipartisan Infrastructure Law investments in those  
1011 technologies, as well as the deployment strategies in the  
1012 Inflation Reduction Act would harm our nation from an  
1013 economic point of view, as well as from an energy point of  
1014 view.

1015       \*Mr. Pallone. Well, thank you so much. I mean, I  
1016 started out by pointing out in my opening statement that,  
1017 contrary to what some of my Republican colleagues are saying,  
1018 is you are very much aware of the competition from China, you  
1019 realize the threat, and that, you know, if you implement what  
1020 the Republicans want to do with this default act, it is going  
1021 to take us backwards, make us less competitive in a global  
1022 economy, less able to compete with China. And, you know, the  
1023 job numbers keep coming out.

1024       I mean, just in the last few days the unemployment is at  
1025 an all-time low, even lower than it was a few months ago.  
1026 And the jobs just, you know, keep coming in a very robust  
1027 fashion. And I am just convinced that this default act would  
1028 do just the opposite, completely reverse that in the way that  
1029 you have outlined.

1030       So thank you so much for being here. I appreciate it.

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1031 I yield back, Mr. Chairman.

1032 \*Mr. Duncan. I thank the gentleman. I will go to  
1033 Texas, Mr. Burgess, for five minutes.

1034 \*Mr. Burgess. Thank you.

1035 And thanks for being here, Madam Secretary. Let me just  
1036 ask you, can you just kind of briefly bring us up to date on  
1037 where the Department is with the work on reprocessing spent  
1038 nuclear fuel?

1039 \*Secretary Granholm. Yes, thank you for asking that.  
1040 We have a research program on that, we are working at the  
1041 Idaho National Lab on that. It is smallish. It is not huge.  
1042 I think it can be much larger. I think we should be looking  
1043 at this to a much greater extent. So we have some initial  
1044 research that is being done on that, but I think it is  
1045 something that is worthy of expansion.

1046 \*Mr. Burgess. Well, if I can ask, what is holding us  
1047 back? Why is it smallish? Why isn't it robust?

1048 \*Secretary Granholm. Historically -- that is a good  
1049 question. Historically, it just hasn't been a huge priority.  
1050 But I think, with the help of Congress and some investment,  
1051 we can make it a much more robust program.

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1052           \*Mr. Burgess. Well, you have addressed the fact that we  
1053 don't want to be buying our fuel stock for nuclear reactors -  
1054 -

1055           \*Secretary Granholm. Right.

1056           \*Mr. Burgess. -- from Russia.

1057           \*Secretary Granholm. Right.

1058           \*Mr. Burgess. So it seems like the re-utilization of  
1059 spent nuclear fuel would make a lot of economic and  
1060 geopolitical sense.

1061           I guess my concern is with -- as big as a budget that  
1062 you have, and all of the money that has been pumped in with  
1063 the Infrastructure Act, and the Inflation Reduction Act, and  
1064 now the President's budget request, it just seems like a  
1065 larger portion should be dedicated to that research because,  
1066 I mean, if we want abundant, low-carbon fuel, that is the  
1067 place we are going to get it. Correct?

1068           \*Secretary Granholm. It is one of the places,  
1069 certainly, and I would support authorization to expand our  
1070 investment in that area.

1071           \*Mr. Burgess. Well, Mr. Chairman, I will just say I  
1072 hope we can have a meaningful hearing on reprocessing of

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1073 spent nuclear fuel. I think it made no sense when we were  
1074 debating the President's big, big bill to be talking about  
1075 investing all of this money in solar and wind, geothermal  
1076 even, and not talking about major investments in nuclear  
1077 power.

1078         You used the term a few minutes ago, "undergrounding."  
1079 I think it was in relation to electric transmission lines.  
1080 So is that -- I mean, no one likes to have a big transmission  
1081 line behind their house. So are you -- is the agency  
1082 studying the underground placement of large transmission  
1083 lines?

1084         \*Secretary Granholm. Yes. As part of the resiliency  
1085 funding that our grid deployment office is administering, the  
1086 resiliency component with undergrounding particularly in  
1087 areas where there is high wildfires, a great risk of  
1088 wildfires, et cetera is potentially one solution. Of course,  
1089 it is more expensive, but it is also very expensive to build  
1090 back.

1091         There is another component of efficiency that could  
1092 also, I think, be very beneficial in terms of transmission  
1093 acceptance, which is re-conductoring existing lines to make

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1094       them twice as efficient on existing infrastructure so that  
1095       you have less of the NIMBY problem that is concerned with  
1096       transmission.

1097               \*Mr. Burgess. I wasn't aware that re-conductoring was a  
1098       verb, but I appreciate you --

1099               \*Secretary Granholm. Like "undergrounding," I guess.

1100               \*Mr. Burgess. -- you bringing that to our attention.

1101               Well, it just seems like there -- again, with all of the  
1102       substantial investments that are being made into your agency,  
1103       these are the types of things that I, for one, would be -- I  
1104       would be grateful to see some --

1105               \*Secretary Granholm. Yes.

1106               \*Mr. Burgess. -- additional work. And we can talk all  
1107       we want about the other sources of energy, but these are  
1108       capturing energy efficiency, higher utilization of nuclear  
1109       power -- I mean, these are things that make a lot of sense in  
1110       the nation's armamentarium. At least it would seem to me  
1111       that it would.

1112               I am concerned. We had a hearing in our Oversight and  
1113       Investigation Subcommittee a few weeks ago, and your  
1114       inspector general, Department of Energy inspector general,

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1115 was here. I am really concerned about the -- it is not just  
1116 the amount of money that is going in to the agency, but the  
1117 rapidity with which the money is leaving the agency, so the  
1118 velocity of spending, not just the amount of spending.

1119 Some of us were here when Solyndra became a four-letter  
1120 word, really fearful of seeing projects where the money is,  
1121 in fact, misdirected. Can you give us some insight on how  
1122 you are controlling that?

1123 \*Secretary Granholm. Yes. First of all, we are  
1124 grateful to have a great relationship with our inspector  
1125 general. And on all of these programs we consult with that  
1126 office in how to make sure that there is no waste, fraud, and  
1127 abuse; that it is designed in a way that is conducive to  
1128 making sure that the taxpayer is protected.

1129 As you have seen in this budget, her budget has been  
1130 increased by almost double, which is important, given the  
1131 size of the Inflation Reduction Act and the Bipartisan  
1132 Infrastructure Law funds that must go out.

1133 I am happy to continue to work with this committee in  
1134 any way you deem important to have regular briefings on the  
1135 cadence.

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1136           \*Mr. Burgess. She said that wasn't enough. And I know  
1137 my time is expired, and I am going to yield back, but -- and  
1138 that is the concern. The rapidity of the spending is going  
1139 so fast, the money is going out the door so fast, the  
1140 inspector general of the Department of Energy can't keep up  
1141 with it. She says, "I need more money to keep up with the  
1142 money you have already invested.'" I realize that is a  
1143 longer-term project, or a longer-term question, but we have  
1144 got to stay focused on that.

1145           \*Mr. Duncan. The gentleman's time has expired --

1146           \*Mr. Burgess. Thank you, Mr. Chairman. I will yield  
1147 back.

1148           \*Mr. Duncan. -- and I now recognize the acting ranking  
1149 member, Mr. Peters, for five minutes.

1150           \*Mr. Peters. Thank you, Mr. Chairman.

1151           It is great to see you again, Madam Secretary. Thanks  
1152 for your good work.

1153           Last year Congress provided record funding to build a  
1154 cleaner and more secure energy system through historic  
1155 legislation like the Inflation Reduction Act and the  
1156 Infrastructure Investment and Jobs Act. I want to thank you

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1157 for your responses to the chair of the committee, because I  
1158 think there is a lot of room for agreement. Some of the  
1159 talking points that I have heard from the other side are  
1160 inconsistent with what you said today in terms of your  
1161 support for nuclear power, for hydro, and for carbon capture,  
1162 and all sorts of clean energy strategies and batteries. So I  
1163 think we should be encouraged by that.

1164 And the other thing you talked about is that you  
1165 acknowledge that things take too long. And I think in this  
1166 Congress we need to work on speed. If we don't -- we can  
1167 have all the money in the world, but we will not succeed if  
1168 we don't build things faster, particularly because a lot of  
1169 what we want to do on climate action is build stuff, not slow  
1170 stuff down. So I want to thank you and the White House for  
1171 recognizing the need for that permitting reform, for using  
1172 your existing authority to speed deployment, and I want to  
1173 continue to work with you and your team to advance a  
1174 bipartisan reform this year that will be durable over time  
1175 because it is bipartisan.

1176 So first, I just want to make sure that we -- you seem  
1177 to agree that permitting and siting reform for clean energy

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1178 is essential to meet our climate goals. Isn't that right?

1179 \*Secretary Granholm. Yes.

1180 \*Mr. Peters. Do you think we could solve our permitting  
1181 challenges simply with funding for agencies, or do we need to  
1182 both provide funding and additional underlying process and  
1183 authority reforms?

1184 \*Secretary Granholm. I think there needs to be process,  
1185 as well as funding.

1186 \*Mr. Peters. Maybe you could just give us a little  
1187 flavor for how permitting challenges impair your ability to  
1188 deploy clean energy projects, and provide specific examples  
1189 that might be on top of your mind.

1190 \*Secretary Granholm. In terms of what I would do to  
1191 increase efficiency on permitting?

1192 \*Mr. Peters. Sure, or what the hold-up is now, and how  
1193 you would --

1194 \*Secretary Granholm. Yes, I mean, clearly, the hold-ups  
1195 are the fact that you have processes that require reviews  
1196 that are consecutive and not concurrent.

1197 \*Mr. Peters. Right.

1198 \*Secretary Granholm. And so now it takes twice as long,

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1199 when things can be done concurrently.

1200 We want to make sure that we have some, for example, a  
1201 better use -- maybe a more liberal use of categorical, you  
1202 know, exclusions --

1203 \*Mr. Peters. Right.

1204 \*Secretary Granholm. In particular, types of devices  
1205 that have the same footprint, we shouldn't have to be doing a  
1206 whole new study around it, assuming that the area is -- you  
1207 know, that there is not some sort of other violation.

1208 We should be doing a greater job of, for example,  
1209 programmatic energy assessments to be able to take a swath of  
1210 area and say this is okay to be able to build on.

1211 We should be developing more as more projects, more --  
1212 bigger goals about how quickly we want to get there, perhaps  
1213 some kind of time limit.

1214 We don't want to degrade the environmental laws, but we  
1215 want to be able to administer them in a way that, where there  
1216 is alacrity --

1217 \*Mr. Peters. Right.

1218 \*Secretary Granholm. -- where we are moving quickly on  
1219 them, and we can do that because, of course, slowness is --

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1220 impacts species because we will not be able to address  
1221 climate change.

1222 \*Mr. Peters. And disadvantaged communities, by the way,  
1223 sure, right?

1224 \*Secretary Granholm. Of course.

1225 \*Mr. Peters. Who are most affected by the pollution.

1226 \*Secretary Granholm. Of course, of course.

1227 \*Mr. Peters. Also, so you know, we saw something from  
1228 one study that showed it takes, on average, 10 years to do  
1229 one interstate transmission line.

1230 \*Secretary Granholm. Ridiculous.

1231 \*Mr. Peters. Seven years of that is process. So you  
1232 and I see eye-to-eye on this. And I think transmission is  
1233 going to be one of our big objectives. I passed -- help pass  
1234 the POWER On Act last year to give backstop siting authority  
1235 to FERC. I think that is a good start.

1236 This week DoE issued a request for information on a new  
1237 process for designated national interest electric  
1238 transmission corridors, and that is going to be helpful, and  
1239 would focus on narrow routes proposed by applicants, as  
1240 opposed to larger corridors designated from scratch by DoE.

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1241 How do you think that approach can help advance and speed up  
1242 transmission --

1243 \*Secretary Granholm. Well, first of all, glad to say  
1244 that the approach is based upon a needs study that has been  
1245 completed about where the most need is in the country.

1246 Number two is that this step that was taken this week is  
1247 gleaning information from industry partners about how they  
1248 think NIETC corridors should best be done. But what we want  
1249 to do is to give them the ability to apply for NIETC corridor  
1250 designation. That will happen in the Septemberish area. We  
1251 close down the funding opportunity -- excuse me, the notice  
1252 of intent and the request for information.

1253 So this year we will have set the stage for rapid  
1254 movement and designation of those corridors, and then it  
1255 unlocks resources to be able to do that, whether it is the  
1256 transmission financing resources, it could be the funding  
1257 that comes from the Bipartisan Infrastructure Law that helps  
1258 to fund those transmission lines. So all of that gets  
1259 unlocked, and that will happen this year.

1260 \*Mr. Peters. And I am going to run out of time, but I  
1261 do want to ask you the same question I have asked Mr.

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1262 Landrieu, Mr. Podesta, this morning Secretary Raimondo: If  
1263 there are ways that we need to help you speed things up  
1264 through legislative changes, please let us know so we can get  
1265 to work on them as soon as possible. Can you do that?

1266 \*Secretary Granholm. Absolutely.

1267 \*Mr. Peters. Thank you so much, and I yield back.

1268 \*Mr. Duncan. The gentleman's time is expired, and I  
1269 will now go to Mr. Latta from Ohio for five minutes.

1270 \*Mr. Latta. Well, thank you, Mr. Chairman.

1271 Madam Secretary, good to have you back. You said a  
1272 little earlier that we can't ban Russian uranium until we  
1273 have our own domestic industry built up. But industry has  
1274 said they can't. They need to have the certainty if they are  
1275 going to invest in that. Wouldn't Congress passing the ban  
1276 with possible waivers send that market a signal, and help  
1277 provide the industry with that need, that certainty that we  
1278 have to have out there?

1279 \*Secretary Granholm. It is possible, but I am worried  
1280 -- my worry is about the gap, right? We need to build up the  
1281 supply here. And I think the way to do that is to work with  
1282 Congress on a uranium strategy that gives us the ability to

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1283 finance the processing, the conversion, the enrichment in the  
1284 United States.

1285         So this was -- we got a downpayment on that through the  
1286 \$700 million, but it is just the tip of the iceberg. We need  
1287 about 2.1 billion and a revolving fund to be able to send the  
1288 message both to industry and to not cut the legs out from  
1289 under the existing --

1290         \*Mr. Latta. Well, because --

1291         \*Secretary Granholm. -- fleet --

1292         \*Mr. Latta. You know, the fear out there, though, it is  
1293 the time factor we have. And, you know, if you just keep  
1294 putting it off, we just -- I think we have to have a time  
1295 limit out there that we make sure that the United States is  
1296 going to take care of itself.

1297         Let me just go on another point that was brought up a  
1298 little bit earlier, because I have -- this is something I  
1299 have been very interested and involved in with our spent  
1300 nuclear rods. You know, you mentioned about that -- you  
1301 know, the United States is behind. France has been doing  
1302 this for years. Not only is France doing it, but France is  
1303 also reprocessing rods for other countries. So why are we

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1304 lagging?

1305           \*Secretary Granholm. Yes, I think this is the question.  
1306 I mean, in France they -- it is heavily subsidized by the  
1307 French Government. And that could be one way of going. I  
1308 think what we have been looking at in our research is how to  
1309 commercialize it in a way where private entities can take  
1310 this on.

1311           However, your point about us thinking differently about  
1312 how we have done this is very important so that we can be  
1313 independent, and I would eager --

1314           \*Mr. Latta. Well --

1315           \*Secretary Granholm. -- be eager to have that  
1316 conversation.

1317           \*Mr. Latta. Well, and it is really important because,  
1318 again, just to finish up on this point, because, you know, if  
1319 we go out there and you think about all the rods we have out  
1320 there right now around the entire country --

1321           \*Secretary Granholm. Yes.

1322           \*Mr. Latta. -- we wouldn't need to worry about uranium  
1323 for a little while, because we have got it right now.

1324           Let me move on to another area. You know, I am very

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1325 concerned that the Biden Administration and states like  
1326 California are pursuing policies that will undermine the  
1327 reliability of the grid. And you also mentioned a little  
1328 earlier that we have to have enough transmission out there.  
1329 And we -- and, you know, there is proponents out there saying  
1330 that we need to have EVs by 2035, but we also saw what  
1331 happened in California around Labor Day of last year, where  
1332 we saw the governor saying that people needed to turn their  
1333 air conditioners up and not plug their cars in.

1334         And then the other problem has been -- is that, you  
1335 know, when you are talking about transmission and where we  
1336 are going to get it, that, for example, EIA in 2019 -- in --  
1337 these are, like, 2019 estimates -- that the United States  
1338 would need to generate at least 50 percent more electricity  
1339 to power all the electric vehicle fleet. And that is four  
1340 years ago. And we have been seeing, you know, a push for  
1341 even more.

1342         With the Administration pushing for these unreasonable  
1343 standards, I believe that -- and we are seeing today we are  
1344 going to be shutting down coal and gas-fired power plants  
1345 around the country, and losing that baseload capacity out

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1346 there. What is the plan to generate the levels of  
1347 electricity for this country that we are going to need for  
1348 all of our vehicles and appliances, and especially your home  
1349 state, Michigan, Ohio, mine? We are heavy manufacturing. We  
1350 need baseload. It is not intermittent power. Where are we  
1351 going to get it from?

1352 \*Secretary Granholm. Yes, so a couple of responses to  
1353 that.

1354 Number one is that the wind and solar are intermittent.  
1355 We know that. And we have to add the technology associated  
1356 with battery storage to make them more like baseload. And we  
1357 are making great breakthroughs in that. And in many places  
1358 they have already started to deploy wind/solar combinations  
1359 that get them a reliable grid.

1360 However, it is clear that we -- this is a transition.  
1361 We cannot flip a switch automatically, and expect that  
1362 everything is going to be 100 percent clean tomorrow. This  
1363 is why what the EPA did today was to give a ramp that goes to  
1364 2040 so that we have the time to be able to develop and  
1365 deploy the technologies.

1366 \*Mr. Latta. Just to reclaim my time, because, you know,

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1367 when you have been out and heard from the industry and all  
1368 like that, they said we just can't get there by 2035. And  
1369 even if it is 2040, they are saying we got a problem.

1370 Let me let me finish up on one other question, because  
1371 again, I am concerned about some of the proposed actions out  
1372 there for U.S. consumers that prefer top-loading machines,  
1373 and the proposed standard would also drastically increase the  
1374 upfront cost of basic new clothes washers by nearly \$200,  
1375 according to the Department's own estimates, which would have  
1376 a particularly negative impact on low-income consumers.

1377 Will you commit that any final DoE clothes washer  
1378 standard will guarantee that consumers will continue to have  
1379 access to top-loading washers of various capacities without a  
1380 significant price surge for consumers?

1381 \*Secretary Granholm. We are always concerned about the  
1382 price, both short-term in the upfront costs, as well as the  
1383 long-term price that -- the savings that are generated,  
1384 particularly for lower-income people. This is an open  
1385 proposed rule --

1386 \*Mr. Latta. But is it something --

1387 \*Secretary Granholm. So we are eager to hear --

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1388           \*Mr. Latta. Just if we can get a yes or no on that,  
1389           that you will, you know, make sure that we are not going to  
1390           see these increases, that we need to DoE be out there saying  
1391           that we are not going to have these high increase for these  
1392           people across the country with these top-loading washing  
1393           machines. Would DoE commit to that?

1394           \*Secretary Granholm. We are -- I would commit that we  
1395           are not going to raise significantly the price of top-loading  
1396           washing machines --

1397           \*Mr. Latta. Okay. Well, Madam Secretary, I am going to  
1398           take that for a yes. Thank you.

1399           \*Mr. Duncan. I thank the gentleman. I will now go to  
1400           Mrs. Fletcher from Texas for five minutes.

1401           \*Mrs. Fletcher. Thank you, Chairman Duncan, and thank  
1402           you, Secretary Granholm, for being here and for sharing your  
1403           thoughts with us today.

1404           As we have heard from several folks today, the  
1405           legislation that we passed in the last Congress has been  
1406           historic and transformational, and is really important in  
1407           investing in technologies that are going to power our future  
1408           while reducing our emissions and helping us address our

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1409 climate goals and achieve them.

1410           And we have already seen the market respond, in addition  
1411 to what we are seeing in terms of investments from the  
1412 government. We are seeing, I think, \$242 billion of new  
1413 clean energy investments have already been announced. We are  
1414 certainly seeing that in Houston, and we are seeing some of  
1415 the challenges, as well. And so I want to follow up on some  
1416 of the questions that you were just discussing with Mr.  
1417 Peters, specifically around permitting reform, and drill down  
1418 a little bit.

1419           I really appreciated your testimony about how to address  
1420 some of the challenges that we see, and it certainly  
1421 something that I hear from my constituents, and one area in  
1422 particular I wanted to ask you about.

1423           We have seen exploding demand for carbon capture  
1424 utilization and storage. The Houston Carbon Capture Storage  
1425 Alliance was recently formed to really take -- to advance  
1426 what is one of, I think, the most -- the biggest CCUS  
1427 opportunities in the world. The collection of energy  
1428 companies, organizations, academia, and institutions and  
1429 experts are working together so that the region can store 100

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1430 million metric tons of carbon per year by 2040. So this is  
1431 really an incredible opportunity.

1432         And the work that DoE has done up to this point has made  
1433 this possible. But there is still work to do, as you have  
1434 already testified. And I think one of the challenges we see  
1435 is that, while the technological capabilities exist, and the  
1436 funding to deploy the technology is included in the  
1437 Infrastructure Investment and Jobs Act, there are still  
1438 barriers to a functioning ecosystem. And it is primarily  
1439 relating to permitting, how we build the infrastructure to do  
1440 this to transport and store the carbon. And you know, also,  
1441 permitting class 6 wells is hindered by these long,  
1442 regulatory timelines that you were discussing.

1443         And so, while these aren't the primary jurisdiction of  
1444 the Department of Energy I understand, I do think the  
1445 Department has a role in convening the stakeholders and  
1446 working together with other agencies to really advance a  
1447 whole-of-government approach to ensuring success for CCUS.  
1448 So I would love it if you could talk for a minute about what  
1449 steps you have taken to work with EPA and other relevant  
1450 agencies to really drive a whole-of-government approach to

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1451 addressing these challenges, in particular when it comes to  
1452 CCUS.

1453       \*Secretary Granholm. Yes, we are in constant contact  
1454 with EPA about this, because this whole effort to try to  
1455 sequester is not going to work unless you have a place for it  
1456 to be sequestered in. And less on EPA, but more for our Loan  
1457 Programs office, we have the ability now to finance the  
1458 pipelines to be able to move the CO2, as well -- and  
1459 hydrogen, as well.

1460       So we are -- we have to do all of it. We have got to  
1461 make sure we have the acceptance, as well, which --  
1462 obviously, there is acceptance, you know, in Texas, in the  
1463 Houston area. We have to make sure that we are bringing  
1464 along the community as we gain that acceptance. We have to  
1465 make sure we can safely sequester it, and we have to make  
1466 sure we can transport. All of that infrastructure is  
1467 necessary, and now we have the tools to be able to help  
1468 industry get there.

1469       But the permitting side and the government side of this  
1470 has got to be addressed, and we have to move with greater  
1471 speed. And I hope -- I mean, everybody keeps talking about

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1472 it, right, left, White House, so I am hopeful that we can all  
1473 agree that we need to do this, and compromise to get that  
1474 done.

1475       \*Mrs. Fletcher. Well, thank you. I hope so, too. And  
1476 I appreciate your commitment to doing that. And I think you  
1477 really serve in such an important capacity as a convener  
1478 here. And I know the interest is sincere on our side of the  
1479 aisle, and it is certainly something I hear about every day  
1480 when I talk to my constituents about the challenges and,  
1481 really, the opportunities that are in front of us.

1482       With that in mind, I want to switch gears a little bit  
1483 and follow up on a question, touch on something that Mr.  
1484 Pallone mentioned in his opening remarks. I agree that the  
1485 Department's use of the Strategic Petroleum Reserve over the  
1486 last year has been very important in bringing down the cost  
1487 of gasoline.

1488       Last year President Biden announced that the  
1489 Administration was targeting a price range of roughly 67 to  
1490 \$72 per barrel of crude to refill the SPR, and that is a \$20-  
1491 per-barrel profit. So I understand that the Department is  
1492 currently completing long-mandated modernization work on some

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1493 of the caverns, and that the cavern infrastructure right now  
1494 is not ready to receive, physically, some oil. But I want to  
1495 point out that the oil markets are currently backward-dated,  
1496 and that means that the future prices are lower than the  
1497 current prices, and oil futures for this fall are currently  
1498 within the Department's target price range for purchase.

1499         So I would love to ask, and maybe get the answer in the  
1500 record, how the DoE can take full advantage of the current  
1501 low oil prices to refill the SPR, and how -- or if any  
1502 additional authorities are needed from Congress to be able to  
1503 do so.

1504         \*Secretary Granholm. No, I think we have the  
1505 authorities to be able to do it.

1506         Right now, in addition to the maintenance that is  
1507 happening, the life extension program, we are also doing  
1508 congressionally-mandated sales. And that congressionally-  
1509 mandated sale of 26 million barrels will be completed by  
1510 June. And it is at that point where we will flip the switch  
1511 and then seek to purchase.

1512         \*Mr. Duncan. The gentlelady's time has expired.

1513         \*Secretary Granholm. So we hope to be able to take

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1514 advantage --

1515 \*Mrs. Fletcher. Thank you.

1516 \*Mr. Duncan. I am going to go to Mr. Guthrie from  
1517 Kentucky.

1518 \*Mr. Guthrie. Thank you very much.

1519 Thank you, Madam Secretary. Brett Guthrie from  
1520 Kentucky, but I lived a year in Grand Rapids --

1521 \*Secretary Granholm. All right.

1522 \*Mr. Guthrie. -- learning the automotive supply  
1523 business. And, you know, the EV is exciting in my area. I  
1524 represent I-65 between Louisville and Nashville -- obviously,  
1525 not south of the Tennessee border, but essentially between  
1526 Louisville and Nashville. And we have BlueOvalSK, which is  
1527 locating there in Elizabethtown, and then Envision coming.  
1528 And so it is important.

1529 But it has been brought up a couple of times, one of our  
1530 biggest concerns is baseload power just to supply the battery  
1531 plants, not necessarily -- I mean, it is set for what they  
1532 are constructing, but the issue is for moving forward, and  
1533 expanding baseload power. So I just think there is a lot of  
1534 concerns in moving to electric vehicles. There is just a lot

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1535 of concerns.

1536           And it seems that, when we talk to members of the  
1537 Administration or people who are promoting the fast  
1538 transition, that a lot of the concerns get just dismissed  
1539 away -- oh, we will figure that out and we will move forward.  
1540 And you used the term we are not going to "flip a switch."  
1541 I know that you have -- that the Administration has put out  
1542 you are going to be two-thirds battery electric vehicles by  
1543 2032. So it is 10 years.

1544           And, you know, it takes about five to seven years to  
1545 launch a new product for automotive. And that five to seven  
1546 years actually could be faster, I could tell you that, but it  
1547 is when you have existing supply base, and people just retool  
1548 their factories. We are talking about building new battery  
1549 plants, securing lithium, securing a lot of other things.  
1550 And I don't think many people in automotive, if they are  
1551 giving you a real answer, would say that is doable in the --  
1552 by 2032, because that is 10 million vehicles.

1553           So if you take -- we sell 15 million cars in America --  
1554 that is 10 million vehicles. So if we could do half of that,  
1555 if we could do half of that, which is a big goal if we could

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1556 do half of that, but half of that means two-thirds of the  
1557 fleet will be -- would be eight million because you have --  
1558 half of that would be five million electrical vehicles. Or  
1559 if you even say two-thirds of that, we are talking about  
1560 selling 10 million cars in America. And I know you were  
1561 governor of Michigan in 2009, when we sold 9 million cars in  
1562 America, and what did that do to Michigan? What did that do  
1563 to America? And what did it do to the world when the  
1564 automotive industry shrunk in half?

1565 Now, if you stated two-thirds -- if we can't hit that  
1566 two-thirds goal, you are talking about shrinking the new  
1567 sales in America to whatever that level of two-thirds is.

1568 \*Secretary Granholm. So we don't want to put the cart  
1569 before the horse, as you say. We want to make sure we have a  
1570 grid that is capable of taking on electrification. We have -  
1571 - want to make sure that the goals -- and these are just  
1572 goals, right -- the auto industry put forth a goal of half of  
1573 its fleet being electric by 2030. Obviously, that is the  
1574 industry goal. That is the Administration's goal by 2030.

1575 We don't know how fast this is going. We know that  
1576 electric vehicle sales doubled this past year. We know that

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1577 it is --

1578 \*Mr. Guthrie. Right.

1579 \*Secretary Granholm. -- really accelerating. But to  
1580 your point, we have to make sure that we have a grid that can  
1581 withstand it, and that we have enough electricity on that  
1582 grid to be able to make it, which is, again, why -- I will  
1583 just be honest -- the tools that have been given to be able  
1584 to incentivize the deployment of additional energy resources  
1585 are really important. And I am grateful to Congress for  
1586 those who supported that, because it will help us to be able  
1587 to ensure that we have a reliable grid.

1588 \*Mr. Guthrie. Well, thanks for saying goals, because I  
1589 say that to a lot of people in automotive. This is -- you  
1590 know, I know it is 2032. I don't think anybody can get  
1591 there, but we are going to move -- well, things like this  
1592 happen in Congress, delays, and I say that, and they say to  
1593 me, they said, you know, this is an EPA rule. It is not an  
1594 Administration goal, and we can't invest to a goal. We have  
1595 to invest to what the rules are. And if you are going to  
1596 tell me -- which I can't tell them hopefully my colleagues  
1597 here could fix this, but we can't say, well, don't invest

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1598 according to the rules because somewhere down the road we are  
1599 going to fix this. This is really changing the investment in  
1600 the automotive industry.

1601         So let's say we get to five years down the road, and you  
1602 are saying, well, maybe just half, or maybe just a third,  
1603 since we can't get there. Well, people have already got out  
1604 of powertrain. People aren't making transmissions anymore.  
1605 And so you are really risking the supply chain. You are  
1606 really risking moving forward.

1607         So just to say it is a goal would be one thing, but  
1608 putting in as a rule, that -- you can't get an investment  
1609 from capital suppliers. I mean, it is really concerning,  
1610 unless we really think -- and if all the automotive people  
1611 get in the room and say -- with honesty, and say that we  
1612 think we can get there in 2032, that is one thing. But I  
1613 don't think you will hear that if you get a good answer.

1614         \*Secretary Granholm. Well, I will say that these rules  
1615 have been modeled, and the technologies that can allow  
1616 existing baseload to stay online and meet the rules exist.  
1617 And Congress has given tools to make sure that they are  
1618 profitable.

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1619           So the increase, for example, in carbon -- the amount of  
1620 money for carbon capture, so that you can keep a baseload  
1621 plant online, that is really quite amazing, and will help to  
1622 ensure that you have a reliable and growing grid.

1623           \*Mr. Guthrie. Well, baseload is one thing. So that is  
1624 important. But it is also -- it is getting the supply chain  
1625 together to go to two -- you are completely changing the  
1626 automotive industry. It is not -- and that is what you want  
1627 to do, I understand that, but it is not -- you can't just  
1628 flip a switch and -- I am just really concerned we are going  
1629 to really disrupt the automotive chain and the supply chain,  
1630 which affects, as you know, the economy of America.

1631           \*Secretary Granholm. Yes, 160 battery companies coming  
1632 to America. That is pretty exciting.

1633           \*Mr. Guthrie. I agree with you, but I am not sure we  
1634 are going to get to 10 million cars in 10 years. That is the  
1635 question. Thank you.

1636           \*Mr. Duncan. The gentleman's time has expired. I will  
1637 now go to Ms. Matsui for five minutes.

1638           \*Ms. Matsui. Thank you very much, Mr. Chairman, and  
1639 thank you, Madam Secretary, for being here and being part of

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1640 this great discussion.

1641       You know, each year I lead an appropriations letter with  
1642 Senator Cortez Mastro, and Chairman Carper, and Congresswoman  
1643 Clarke supporting increased funding for DoE clean  
1644 transportation programs. Programs like the Vehicle  
1645 Technologies Office produce cutting-edge innovations that are  
1646 crucial to keeping the U.S. one step ahead of our  
1647 competitors.

1648       Medium and heavy duty vehicles are the largest mobile  
1649 source of smog-forming pollutants, particulate matter, carbon  
1650 monoxide, and other air toxics. Some heavy vehicle classes,  
1651 like busses, are ripe for electrification, while others, like  
1652 long haul trucks, are more challenging.

1653       The question is, what is DoE doing to help decarbonize  
1654 long haul trucking, and what technology or infrastructure  
1655 challenges do we need to overcome in order to eliminate  
1656 pollution from long haul trucking?

1657       \*Secretary Granholm. Yes, thanks for that question,  
1658 too, because our Vehicle Technologies Office has been working  
1659 on this, and the long haul trucking largely has been focused  
1660 on both -- biofuels is one --

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1661           \*Ms. Matsui. Right.

1662           \*Secretary Granholm. -- but also hydrogen fuel cells,  
1663 very important, especially for fleet.

1664           And there is a lot of work being done now on large-scale  
1665 batteries, as well. Those are more expensive. We will see  
1666 how that goes. But DoE's long-term research in batteries for  
1667 vehicles tells you we can reduce the cost. Eighty percent  
1668 has been -- the cost has been reduced eighty percent for  
1669 batteries over the past decade. So the continuation of that  
1670 is very important, as well as looking at the materials that  
1671 can build those stronger, bigger batteries --

1672           \*Ms. Matsui. Yes.

1673           \*Secretary Granholm. -- and substitute out for the more  
1674 expensive materials that are currently in the lithium ion  
1675 batteries.

1676           \*Ms. Matsui. Yes, and I was going to follow up on that  
1677 vehicle battery research, because research into battery  
1678 technology for electric vehicles is a significant focus of  
1679 the fiscal year 2024 budget for the Vehicle Technologies  
1680 Office.

1681           Now, foreign battery companies have made significant

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1682 advancements in battery technology in recent years. Madam  
1683 Secretary, what new generation battery technologies is DoE  
1684 working on and, if commercialized, how would these new  
1685 technologies potentially impact the range and cost of  
1686 electric vehicles?

1687 \*Secretary Granholm. Yes. So obviously, there are  
1688 batteries for electric vehicles and there are batteries for  
1689 long-duration storage.

1690 \*Ms. Matsui. Right.

1691 \*Secretary Granholm. And the technologies sometimes  
1692 they share and learn from one another, and sometimes they are  
1693 quite different.

1694 For long-duration storage, you can use things like iron,  
1695 iron flow batteries, because they are bigger and you don't  
1696 have to worry about putting them into a vehicle.

1697 \*Ms. Matsui. Sure.

1698 \*Secretary Granholm. Right? But for vehicles, you want  
1699 to have substitute materials that lessen your reliance on  
1700 very expensive materials like cobalt. And so, for example,  
1701 Argonne National Lab is working on a lithium manganese  
1702 battery that lessens our reliance on cobalt, and that gets

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1703 you very great performance for larger vehicles. That kind of  
1704 technology is what we are looking at.

1705 We have got our 17 labs, probably 10 of them are working  
1706 on next-generation materials and substitutes for both long-  
1707 duration energy storage, as well as for vehicles.

1708 \*Ms. Matsui. Okay, that is great. Thank you.

1709 My district includes -- in Sacramento -- includes a  
1710 decommissioned nuclear generating station at Rancho Seco --  
1711 and I bring this up every year. The power station closed in  
1712 1989, but the spent nuclear fuel is still awaiting transport  
1713 to a consolidated storage facility. Each year I lead an  
1714 appropriations letter in support of DoE's interim storage  
1715 program. And after years of inaction, I am pleased to see  
1716 the recent progress with the consent-based siting approach.

1717 Madam Secretary, can you describe how the \$53 million in  
1718 the fiscal year 2024 budget will advance the consent-based  
1719 siting approach?

1720 \*Secretary Granholm. Yes, thank you for that question.

1721 We issued last year a request for information to find  
1722 out whether there were communities that might be willing to  
1723 raise their hand. And then we issued a funding opportunity

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1724 announcement. We got a number of communities that were  
1725 willing to enter into those discussions. We will be  
1726 announcing those awards, I want to say, this spring. And  
1727 then, after they have the opportunity to do the work that  
1728 they need to do to prepare, we will then follow up in 2024  
1729 with the ability to be able to start the conversation about  
1730 actually doing interim storage.

1731 Now, we can negotiate, we can have these discussions,  
1732 but we don't have the authority -- DoE does not -- Congress  
1733 needs to give us the authority to actually help site the  
1734 facilities, both -- whether it is interim -- and I will say  
1735 that there is -- you know, there is concern if you do an  
1736 interim one, does that mean I am going to be the long-term  
1737 place, as well?

1738 \*Ms. Matsui. Well, yes.

1739 \*Secretary Granholm. And that authority also needs to  
1740 be --

1741 \*Ms. Matsui. Well, and I am looking at -- you know, as  
1742 the Administration pursues a new fleet of advanced reactors,  
1743 you know, we have to think about the waste storage. I think  
1744 --

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1745           \*Secretary Granholm. Yes.

1746           \*Ms. Matsui. -- some people are thinking -- not knowing  
1747 that we -- what kind of waste are we going to have, how are  
1748 we going to deal with it? And if we can take care of this,  
1749 it would be really important for our thinking about the  
1750 nuclear industry to move in a positive way.

1751           \*Secretary Granholm. Absolutely.

1752           \*Ms. Matsui. Thank you very much.

1753           \*Secretary Granholm. Thank you.

1754           \*Mr. Duncan. The gentlelady's time has expired. I will  
1755 now go to Mr. Griffith for five minutes.

1756           \*Mr. Griffith. Thank you very much, Mr. Chairman, and I  
1757 appreciate it.

1758           Secretary Granholm, are you aware that China reportedly  
1759 permitted or began construction on coal units equivalent to  
1760 about 2 coal-fired power plants per week in 2022?

1761           \*Secretary Granholm. They are the world's largest  
1762 emitter.

1763           \*Mr. Griffith. And they are building more coal plants.  
1764 That is correct, is it not?

1765           \*Secretary Granholm. That is correct.

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1766           \*Mr. Griffith. And I surmise that last year's renewed  
1767 construction, based on the reports that I have read, is  
1768 likely in response to grid failures that China experienced  
1769 last summer due to heat and drought.

1770           Especially after today's announcement of its newest  
1771 crackdown on fossil fuel plants, what are we going to do in  
1772 our country to mitigate coal and natural gas power plant  
1773 closures, and ensure that America doesn't fall prey to grid  
1774 failures like China did?

1775           \*Secretary Granholm. A great question, and it is one of  
1776 the reasons why the funding for carbon capture and  
1777 sequestration, the amount of money going to \$85 per ton for  
1778 sequestration, is an incentive to install decarbonization  
1779 technologies on coal plants and on natural gas plants, as  
1780 well. That will enable those plants to keep running.

1781           If they are a plant that has already announced that they  
1782 are closing, they don't have to install any of that stuff.  
1783 But if they are going to be long-term, I think because of the  
1784 resources that has been given, it allows for them to continue  
1785 to operate, but without CO2 emissions.

1786           \*Mr. Griffith. Well, and based on your statement just

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1787 now, if you are already planning to close, or if you are  
1788 going to close, you don't have to spend the money. Isn't  
1789 that actually going to do the opposite, and encourage more  
1790 plants to close, and therefore put our grid at risk?

1791 \*Secretary Granholm. I think that those are private  
1792 investment decisions by those -- by the operators --

1793 \*Mr. Griffith. Driven by your policies.

1794 \*Secretary Granholm. -- of those plants.

1795 Well, I don't think so. I think we want to make sure  
1796 that we have decarbonized our electric system, and that is  
1797 why the technologies exist.

1798 \*Mr. Griffith. We are just going to have to disagree on  
1799 that, Madam Chair -- or Madam Secretary. I appreciate it.

1800 Cathy McMorris Rodgers and I, in my capacity -- her in  
1801 capacity as chair of the full committee and my capacity as  
1802 chair of the Oversight and Investigations Subcommittee, wrote  
1803 to you last year requesting a briefing to include specific  
1804 information regarding the Department's October 2022  
1805 announcement of a \$200 million award to Microvast, and the  
1806 Department's review of potential ties to the Chinese  
1807 Communist Party. That requested briefing has not occurred,

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1808 and your written response from February of this year did not  
1809 provide the requested information. Instead, the Department  
1810 stated that it would not provide more information on this  
1811 award while it was still undergoing a "post-selection, risk-  
1812 based due diligence review."

1813 Is it a -- and here is the question. Is it standard  
1814 procedure for the Department to begin conducting due  
1815 diligence reviews more than three months after it announces  
1816 an award?

1817 \*Secretary Granholm. The Department conducts reviews  
1818 after the announcement of a selection, because that always  
1819 happens, and every person, every entity that is selected gets  
1820 a letter saying that this is not a done deal, you have to go  
1821 through a due diligence process.

1822 With the additional funds that have been now coming  
1823 through the Department of Energy and the grant funding, we  
1824 have set up a process that is informed by the Committee on  
1825 Foreign Investment in the United States to ensure that we vet  
1826 everyone that has made it through the technical reviews. So  
1827 there is several layers of review to be able to be eligible  
1828 for funding. In the instance you have described, not a

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1829 dollar has gone out.

1830           So just to be clear, there is a serious process of  
1831 vetting that is going with everyone that was selected now,  
1832 and that is a serious looking under the hood to make sure  
1833 taxpayers are protected, and that no IP is going to China.

1834           \*Mr. Griffith. And has that always been the case when  
1835 you all do an award?

1836           \*Secretary Granholm. We have always done vetting, but  
1837 this time we are -- because of the new funding that we have,  
1838 set up a different and more intense process that is involving  
1839 the Committee on Foreign Investment in the United States and  
1840 their process.

1841           \*Mr. Griffith. And I am not against that, but I am  
1842 curious. When did you all develop this? Was it before the  
1843 grants were announced, or -- I forgot the words you just  
1844 used, but before the grants were --

1845           \*Secretary Granholm. Selected.

1846           \*Mr. Griffith. Selected, there you go. Thank you.  
1847 Before the grants were selected, or was this a process that  
1848 came about subsequent because of some of the negative press  
1849 you got about Microvast?

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1850           \*Secretary Granholm. Well, let me just say that we have  
1851 always had a vetting process. And now -- in the fall we set  
1852 up a more intensive vetting process because of the additional  
1853 funding that is coming through the Department of Energy, and  
1854 making sure that we can protect the taxpayer, and ensure that  
1855 China is not getting funding from us.

1856           \*Mr. Griffith. So it would be subsequent to our letter?

1857           \*Secretary Granholm. Well, again, I don't know when  
1858 your letter was --

1859           \*Mr. Griffith. October of 2022.

1860           \*Secretary Granholm. I don't know exactly.

1861           \*Mr. Griffith. You can get back to me. My time is up,  
1862 but you can get back to me.

1863           \*Secretary Granholm. Yes, for sure.

1864           \*Mr. Griffith. I would appreciate it. Thank you.

1865           \*Secretary Granholm. You bet.

1866           \*Mr. Duncan. The gentleman's time has expired. I will  
1867 now go to Mr. Tonko for five minutes.

1868           \*Mr. Tonko. Thank you, Mr. Chair.

1869           And Secretary Granholm, thank you for your leadership,  
1870 outstanding leadership, with the agency. Thank you to the

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1871 Department for all you are doing. You have been in my  
1872 district, and they really believe in the efforts that you are  
1873 making, and we see them as strong partnerships that will  
1874 really get us to this transformation.

1875 Now, we hear a lot of talk today about a vision of a  
1876 clean energy economy, and then the fundamentals of assets,  
1877 resources, infrastructure, and the like. But it seems as  
1878 though we part company where there is a message from some  
1879 that will make certain that never happens, and others are  
1880 messaging we are investing in the now and the future to make  
1881 certain it happens.

1882 So study after study has found that the clean energy  
1883 transition will require massive investments and buildout of  
1884 our electric grid, especially transmission lines, which we  
1885 know can take close to a decade to get through the siting,  
1886 permitting, and construction process. I would like to ask  
1887 about some of the actions DoE is taking to accelerate these  
1888 electric infrastructure projects.

1889 Yesterday the White House permitting announcement  
1890 confirmed that DoE has entered into an interagency memorandum  
1891 of understanding using its authority under the Federal Power

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1892 Act. So, Madam Secretary, can you inform us about anything  
1893 happening with the MOU?

1894 And what is DoE's role as the lead Federal agency for  
1895 coordinating the authorization of these transmission lines?

1896 \*Secretary Granholm. Yes, so the memorandum of  
1897 understanding involves several of the land agencies, and  
1898 those who do permitting, and the Department of Energy. And  
1899 under the Federal Power Act section 216(h), it gives the  
1900 Department of Energy the ability to set a timeframe, a  
1901 timetable for the granting and the processing of permits.  
1902 And so we will be shepherding them with more rapidity.

1903 \*Mr. Tonko. Great. And how will this improve  
1904 interagency coordination, help permit transmission lines more  
1905 quickly without sacrificing important environmental reviews?

1906 \*Secretary Granholm. Well, it is very important to make  
1907 sure that we do the environmental reviews properly, but we  
1908 can do them simultaneously. You don't have to wait to do a  
1909 concurrent. And to get the agencies at the same table on the  
1910 same project to identify what the barriers are and move  
1911 through it quickly to develop the mitigation strategies -- if  
1912 they are necessary -- together, that helps to move things

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1913 with greater speed.

1914           \*Mr. Tonko. Thank you. And offshore wind energy is  
1915 also going to require major transmission planning and  
1916 investments. Several studies have found that using a system  
1917 of shared transmission infrastructure where multiple projects  
1918 from different developers are connected offshore will be more  
1919 cost effective and less environmentally disruptive.

1920           Earlier this year DoE released a major offshore  
1921 transmission study which identified interoperability of  
1922 electric equipment as a potential barrier to this vision of  
1923 shared offshore infrastructure. So can DoE play a role  
1924 working with project developers and transmission equipment  
1925 manufacturers to support the development of standards to  
1926 overcome these interoperability challenges?

1927           \*Secretary Granholm. Yes, and this is part of what the  
1928 MOU sets up, is a way for us to work together with the  
1929 private sector, as well as the agencies to move more quickly.

1930           We did a study both on the Atlantic, and we are starting  
1931 one now on the West Coast as well, so that we can have the  
1932 same kind of speedy process and coordination.

1933           \*Mr. Tonko. Super. We also need to get more out of our

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1934 existing infrastructure. Grid-enhancing technologies and re-  
1935 conductor of existing lines can make them more efficient  
1936 and reduce line loss. Building new infrastructure faster is  
1937 critical, but what is DoE doing to ensure that we are getting  
1938 the most out of the infrastructure that we already have in  
1939 place?

1940           \*Secretary Granholm. Yes, I love this question, because  
1941 I do think it is one of the solutions to how we get around  
1942 some of the NIMBY problems.

1943           So under the Bipartisan Infrastructure Law, the Grid  
1944 Deployment Office has \$5 billion for enhancements of grid  
1945 technologies. Re-conducting is one of those. And we are  
1946 hopeful that we get a number of applicants who are willing to  
1947 use existing lines just to put twice as much power on them by  
1948 using more efficient materials.

1949           \*Mr. Tonko. Great, setting a great tone.

1950           Finally, on the Inflation Reduction Act, I know DoE is  
1951 working hard to implement all the new programs, including  
1952 electric appliance rebates for low and moderate-income  
1953 households. This program will be administered by state and  
1954 tribal governments. Madam Secretary, can you provide any

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1955 updates on when guidance for this program may be released?

1956 And can you discuss how DoE is working to provide  
1957 support and tools to states, so that their programs will be  
1958 consistent and useful for both consumers and retailers?

1959 \*Secretary Granholm. Yes, very important. This is a  
1960 new program, so we did a request for information to make sure  
1961 we got the input of stakeholders, and that includes  
1962 retailers, because we want the rebates to be taken at the  
1963 point of sale. How quickly can we do that? How -- what does  
1964 that look like?

1965 Each state will be administering the rebate programs,  
1966 and so we want to make sure we set up that guidance in a way  
1967 that is very clear and consistent across states, so that  
1968 there is not a patchwork. That guidance and the rebate money  
1969 will flow to the states this fall in order for it to be  
1970 available for this winter season.

1971 \*Mr. Tonko. Thank you, and thank you for leading us  
1972 into a transformational era. Thanks.

1973 \*Mr. Duncan. The gentleman's time has expired. I will  
1974 go now to the chair of the environmental subcommittee, Mr.  
1975 Johnson, for five minutes.

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1976           \*Mr. Johnson. Thank you, Mr. Chairman and, Madam  
1977 Secretary, thank you for being here today. I want to discuss  
1978 a pressing subject that both the Energy Subcommittee and my  
1979 Environment, Manufacturing, and Critical Materials  
1980 Subcommittee have been working on for some time now, and that  
1981 is the issue of critical minerals, rare earths, and the  
1982 precarious nature of the supply chain. It is a national  
1983 security issue. This is a defining challenge for policy-  
1984 makers here in the 21st century.

1985           So, Madam Secretary, for the record, do you agree that  
1986 the United States needs to reduce its dependance on  
1987 unfriendly nations, and secure the supply chains for  
1988 sometimes volatile global commodities like lithium, cobalt,  
1989 graphite, and rare earths, among others?

1990           \*Secretary Granholm. I do.

1991           \*Mr. Johnson. Okay, great, because that seems to  
1992 contradict your remarks a couple of weeks ago before the  
1993 Senate.

1994           Now, I truly wish we had time to get into your claim,  
1995 for example, that -- in that Senate hearing -- that we can  
1996 electrify the military by 2030. Because based on my 26-year

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1997 Air Force career, I don't even know how to process that. But  
1998 in your reasoning for this statement that you made, you said  
1999 we need to bolster energy security by "reducing our reliance  
2000 on the volatility of globally-traded fossil fuels."

2001 So, Madam Secretary, I am trying to connect the dots.  
2002 Are you telling us that dependance on globally-traded fossil  
2003 fuels is too volatile and dangerous for our military,  
2004 therefore we should electrify, but somehow making our  
2005 military dependent on other globally-traded commodities and  
2006 enormous additional amounts of lithium, cobalt, and rare  
2007 earths is an improvement of some kind?

2008 \*Secretary Granholm. I believe we should have the full  
2009 supply chain --

2010 \*Mr. Johnson. Just a yes --

2011 \*Secretary Granholm. No, I --

2012 \*Mr. Johnson. Just a yes or no.

2013 \*Secretary Granholm. First of all, that was a question  
2014 that was asked of me by Senator Ernst. And the -- I was  
2015 agreeing with what the military wanted.

2016 \*Mr. Johnson. Okay.

2017 \*Secretary Granholm. Because they have said --

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2018           \*Mr. Johnson. No, but I am asking you --

2019           \*Secretary Granholm. Let me just finish this, though.

2020           \*Mr. Johnson. No, I don't want a filibuster --

2021           \*Secretary Granholm. This is a really important

2022 clarification --

2023           \*Mr. Johnson. -- Madam Secretary --

2024           \*Secretary Granholm. -- because they have said --

2025           \*Mr. Johnson. I don't want a filibuster.

2026           \*Secretary Granholm. -- that the --

2027           \*Mr. Johnson. I want you to answer the question.

2028           \*Secretary Granholm. I am not filibustering, I am

2029 clarifying.

2030           \*Mr. Johnson. Do you think that it is responsible to

2031 make the military dependent upon those volatile commodities?

2032           \*Secretary Granholm. No, I think the military should be

2033 dependent on --

2034           \*Mr. Johnson. But you said that --

2035           \*Secretary Granholm. -- supply chains from here, from

2036 here.

2037           \*Mr. Johnson. -- in that hearing.

2038           \*Secretary Granholm. No --

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2039           \*Mr. Johnson. You said they should --

2040           \*Secretary Granholm. You won't let me explain. That  
2041 hearing -- I believe what the military said, which is they  
2042 believe they can electrify non-tactical vehicles --

2043           \*Mr. Johnson. Well, you just confirmed that.

2044           \*Secretary Granholm. -- non-tactical vehicles --

2045           \*Mr. Johnson. So would you agree --

2046           \*Secretary Granholm. -- by 2035, non-tactical vehicles  
2047 --

2048           \*Mr. Johnson. Madam Secretary, reclaiming my time, I am  
2049 asking the questions, please.

2050           \*Secretary Granholm. I know, but you won't let me  
2051 answer.

2052           \*Mr. Johnson. Would you agree that these critical  
2053 minerals are, in fact, volatile and controlled in many cases  
2054 by unfriendly nations like China, and become -- could become  
2055 scarce in a conflict? Do you agree with that?

2056           \*Secretary Granholm. Right now, but that is why --

2057           \*Mr. Johnson. Okay, great.

2058           \*Secretary Granholm. -- we have a strategy to be able  
2059 to get --

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2060           \*Mr. Johnson. So, Madam Secretary, I actually agree  
2061 with you --

2062           \*Secretary Granholm. -- extraction here.

2063           \*Mr. Johnson. -- that we want to become more secure in  
2064 all our critical energy resources. Let's produce more of it  
2065 here at home.

2066           \*Secretary Granholm. Right.

2067           \*Mr. Johnson. But the fact of the matter is we have  
2068 never, ever been as dependent on OPEC for oil than we are on  
2069 China right now for the critical materials to do this  
2070 electrification that you are advocating for.

2071           The seven-year timeframe that you suggested to electrify  
2072 the military is a recipe for further dangerous dependance on  
2073 China for these materials that our military and civilian  
2074 fleets of vehicles, for that matter, would need.

2075           So you told the Senate we need to double down on the  
2076 status quo, and stop being dependent on volatile commodities  
2077 like fossil fuels, but you just said that you want to secure  
2078 the supply chain. So which is it? Because you can't do  
2079 both.

2080           \*Secretary Granholm. Number one, I support the

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2081 military's decision --

2082 \*Mr. Johnson. No, but --

2083 \*Secretary Granholm. -- to try to go electric by 2035.

2084 \*Mr. Johnson. I asked you a different question.

2085 \*Secretary Granholm. No, you didn't.

2086 \*Mr. Johnson. Which is it?

2087 \*Secretary Granholm. And number two --

2088 \*Mr. Johnson. Do you think we should be -- do we should  
2089 secure our supply chains, or --

2090 \*Secretary Granholm. Here, yes, I do.

2091 \*Mr. Johnson. -- do you think we should be dependent on  
2092 China?

2093 \*Secretary Granholm. And that is exactly what the  
2094 President's agenda is allowing us to do, is to --

2095 \*Mr. Johnson. Well --

2096 \*Secretary Granholm. -- both extract and process here  
2097 in the United States.

2098 \*Mr. Johnson. You say one thing when you are over in  
2099 the Senate, and you say another thing when you are over here,  
2100 and your comments don't match, Madam Secretary. And that is  
2101 what --

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2102           \*Secretary Granholm. Well --

2103           \*Mr. Johnson. -- is confusing us.

2104           \*Secretary Granholm. Unfortunately, you are twisting  
2105 the words.

2106           \*Mr. Johnson. That is what is confusing the rest of the  
2107 American people.

2108           For the record, would you commit to working with your  
2109 agency and your experts to better study our dependence on  
2110 critical energy resources, and identify ways to increase  
2111 production, refining, and processing of those critical  
2112 materials right here at home?

2113           \*Secretary Granholm. We are doing that, and absolutely.

2114           \*Mr. Johnson. Mr. Chair, I yield back.

2115           \*Secretary Granholm. One point of agreement.

2116           \*Mr. Duncan. The gentleman's time has expired. I now  
2117 go to Mr. Veasey from Texas for five minutes.

2118           \*Mr. Veasey. Mr. Chairman, thank you very much.

2119           Madam Secretary, last Congress the Bipartisan  
2120 Infrastructure Law invested a historic \$1.2 trillion in our  
2121 nation's infrastructure, and the Inflation Reduction Act  
2122 provided 369 billion in investments for growing domestic

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2123 cleaner energy. These laws are already creating new jobs,  
2124 they are already cutting costs for working families, and they  
2125 are helping America be more competitive in this space.

2126 Under no circumstances, absolutely under no  
2127 circumstances do we want China to be the leaders in this  
2128 space, particularly with the world being so thirsty for a lot  
2129 of these newer technologies.

2130 And so I thank you for being here today to answer these  
2131 questions. And before I get specifically to mine, I wanted  
2132 to give you the opportunity to take 30 seconds to clarify  
2133 your position on the question that Mr. Johnson was asking  
2134 you.

2135 \*Secretary Granholm. Number one, I support the  
2136 military's goal of electrifying the non-tactical vehicles by  
2137 2035 and the tactical vehicles by 2050. That is a goal. I  
2138 support the generals.

2139 Number two, I also support the bringing of the supply  
2140 chain for batteries home so that we are reliant on us, on our  
2141 land, on our processing, and on our workers to make us energy  
2142 independent.

2143 \*Mr. Veasey. Thank you very much, Madam Secretary.

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2144           In the carbon management liftoff report the Department  
2145 released a few weeks ago, your Department estimated that the  
2146 U.S. could need up to 1.8 billion tons per year of CO2  
2147 removal by 2050. And right now we only have 20 million. Can  
2148 you talk about how carbon removal programs that were  
2149 authorized under the Energy Act and the Bipartisan  
2150 Infrastructure Law are helping create a domestic carbon  
2151 removal industry that will be necessary to help us get to the  
2152 scale of carbon renewal in just 27 years?

2153           \*Secretary Granholm. Yes, and thank you for your  
2154 leadership on this, the SCALE Act obviously providing such an  
2155 impetus for us to be able to use the Loan Program Office to  
2156 be able to fund the infrastructure necessary for carbon --  
2157 the movement of CO2, as well as the sequestration of it, and  
2158 to be able to finance that in a large-scale manner is very  
2159 important.

2160           In addition, the ability to be able to finance and pay  
2161 for the sequestration at \$85 per metric -- per ton is  
2162 critical for us to create that market. So we have both now  
2163 supply and demand, and the ability to be able to move it.  
2164 That we are working on all at once, but that market is

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2165 essential for us to get to our decarbonization goals.

2166       \*Mr. Veasey. Absolutely. And I also want to zero in on  
2167 the Carbon Dioxide Transportation Infrastructure Finance and  
2168 Innovation Act, which I secured the inclusion within the  
2169 Bipartisan Infrastructure Law. Can you talk a little bit  
2170 about LPL's implementation of that program, and when we might  
2171 start to see the first loans being put out for that program?

2172       \*Secretary Granholm. Yes, it is my understanding that  
2173 there have been several applicants for that provision to be  
2174 able -- and they are in discussions now with the Loan  
2175 Programs Office. The loan programs process is very rigorous,  
2176 and so -- and we want it to be. And so we hope that we will  
2177 be able to see some announcements later this year.

2178       \*Mr. Veasey. Thank you very much.

2179       Mr. Chairman, I yield back.

2180       \*Mr. Duncan. We are just trying to calculate. Votes  
2181 have just been called, and we are trying to calculate based  
2182 on your hard break and members coming back. We are going to  
2183 go ahead and take another couple of questions before members  
2184 have to go, and then I am going to talk with the Staff.

2185       I now Recognize Mr. Bucshon for five minutes.

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2186           \*Mr. Bucshon. Thank you.

2187           Secretary Granholm, thanks for being here. I do want to  
2188 clarify something about you saying that the generals want to  
2189 do that. The generals work for the President of the United  
2190 States, and the ones that don't agree with the President of  
2191 the United States get replaced by people who do agree with  
2192 the President of the United States. So for -- the American  
2193 people should know that high-level generals that are running  
2194 the DoD in an administration are people that, in general,  
2195 politically agree with the commander-in-chief, or they are  
2196 replaced by someone who does.

2197           So I just think it is really -- any time a political  
2198 party says that you -- tries to use our military as a reason  
2199 they are doing something and -- like it is their expertise,  
2200 yes, it is their expertise, but they agree -- these level  
2201 people you are talking about agree with the commander-in-  
2202 chief, or they wouldn't be in their job. So it is just -- I  
2203 just -- just don't do that.

2204           As I have stated before, I am strongly supportive of an  
2205 all-of-the-above energy approach. Look, we need reliable,  
2206 affordable energy, and we obviously need to decrease our

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2207 carbon emissions. I think that is a goal that we all have.  
2208 I just believe that it should be about emissions, not about  
2209 source.

2210 And America's future, you know, we have to have  
2211 affordable, reliable, sustainable energy that is cleaner, no  
2212 doubt, and will require a diverse energy mix.

2213 Have you been recently in Europe, or talked to any of  
2214 your European counterparts in Poland, Germany, Czech  
2215 Republic, anywhere in Eastern Europe?

2216 And have you -- are you aware of what is happening in  
2217 Eastern Europe related to the fact that they have all now  
2218 recognized that it is a bad idea to be dependent on energy  
2219 sources from countries that don't like you?

2220 \*Secretary Granholm. Absolutely.

2221 \*Mr. Bucshon. Well, then you must have a different  
2222 interpretation of what they have said than I did, because I  
2223 was just there with Chair Rodgers. And, you know, if you go  
2224 to the European Union, they are true believers in global  
2225 warming, the ministers there, I understand that. But when  
2226 you actually talk to the countries who are at risk of losing  
2227 their national security based on energy insecurity, what they

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2228 told us, they are rapidly looking for alternatives to Russian  
2229 fuel.

2230 And guess where they are looking in the short term?  
2231 They are going back to coal that they have, or they are  
2232 reliant -- going to rely on LNG imports from around the  
2233 world. And it is going to, from what they had on their clean  
2234 energy agenda before, set Europe back by a decade or more on  
2235 that goal, because they were short-sighted and didn't take an  
2236 all-of-the-above approach.

2237 And now they have shut down all their nuclear plants,  
2238 and they no longer can rely on Russian gas, although there  
2239 were protests in Europe, some people loyal to the Russians,  
2240 that want the European countries to start importing cheap  
2241 Russian gas. This creates an international instability.

2242 The United States cannot put ourself in a position of  
2243 being reliant on foreign sources of energy, while shutting  
2244 down our own energy resources in this country, and that is  
2245 what this Administration is doing by all the things they are  
2246 doing to their rush to green, to eliminate fossil fuel in the  
2247 short run and the long run.

2248 And what we should be doing is focusing on emissions,

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2249 and not source. And if we don't do that, we are going to end  
2250 up just like they are over there, scrambling, wondering  
2251 whether they can keep the lights on and the heat on in the  
2252 winter. It is just -- it just -- when I -- these hearings,  
2253 when I hear my colleagues like yourself and on the other side  
2254 of the aisle talk about -- this isn't -- your plans are not  
2255 doable. Everybody in the -- almost everybody we talk to in  
2256 Europe has now recognized that. It is just not doable  
2257 without considering an all-of-the-above energy approach,  
2258 including fossil and nuclear and others.

2259 And so I just -- so the Energy Information  
2260 Administration -- I will have one quick question -- the way -  
2261 - their modeling doesn't work. So what do you plan to do to  
2262 update the EIA modeling capabilities to be sure they can  
2263 provide policy-makers and the public accurate information on  
2264 energy supplies, demand, and related issues central to the  
2265 Administration's agenda and our policy-making decisions?

2266 \*Secretary Granholm. Well, I would disagree that they  
2267 don't work. I mean, they --

2268 \*Mr. Bucshon. Well, we have -- okay.

2269 \*Secretary Granholm. -- are experts at --

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2270           \*Mr. Bucshon. Okay. So we have had modeling both on  
2271 climate and all kinds of things for decades, right? And they  
2272 have been wrong. All of it has been wrong.

2273           \*Secretary Granholm. Well, I don't know that all of it  
2274 has been wrong, but these are --

2275           \*Mr. Bucshon. Well, the data shows --

2276           \*Secretary Granholm. -- economists and experts that --

2277           \*Mr. Bucshon. -- that they are all wrong.

2278           \*Secretary Granholm. -- know what they are doing in  
2279 terms of modeling, and they use very sophisticated tools --

2280           \*Mr. Bucshon. Okay.

2281           \*Secretary Granholm. -- to do so.

2282           \*Mr. Bucshon. Fair enough. We are going to risk the  
2283 energy future and national security of the United States  
2284 based on computer scientists sitting at a computer, modeling  
2285 things that have been shown not to work.

2286           I yield back.

2287           \*Mr. Duncan. The gentleman yields back. I now will go  
2288 to Ms. Kuster for five minutes.

2289           \*Ms. Kuster. Thank you, and thank you very much,  
2290 Secretary Granholm, for taking the time to testify before

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2291 this committee. Before I dive into questions, I want to  
2292 thank you for your efforts to ensure that the hydropower  
2293 grant program created in the Bipartisan Infrastructure Law  
2294 reflects Congress's intent.

2295 As you know, section 247, maintaining and enhancing  
2296 hydroelectricity incentive programs, provides grants to  
2297 hydropower owners to make dam safety, grid resiliency, and  
2298 environmental improvements at the facilities. I appreciate  
2299 your willingness to resolve issues around the draft guidance  
2300 in the final version to maximize the benefits from these  
2301 dollars to help preserve the existing hydropower fleet. So  
2302 thank you for that.

2303 Secretary Granholm, I want to start my questions by  
2304 talking about two things we need to achieve our clean energy  
2305 goals: new clean energy generation and long-duration energy  
2306 storage.

2307 One way to build out new, clean electricity generation  
2308 is to retrofit some of our 90,000 dams with hydropower  
2309 generation. According to the DoE's analysis, retrofitting  
2310 non-powered dams could add 12 gigawatts of reliable,  
2311 renewable energy to the grid, enough electricity to power 12

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2312 million homes.

2313           In addition to building new, clean energy generation, we  
2314 need long-duration energy storage. Pumped storage hydropower  
2315 is a proven, long-duration energy storage technology. There  
2316 is already 23 gigawatts of pumped storage on the grid, and  
2317 more than 100 gigawatts in the pipeline.

2318           But retrofitting a non-powered dam with hydropower or  
2319 building a new pump storage facility can be very expensive.  
2320 The Inflation Reduction Act provides a 30 percent investment  
2321 tax credit for the next 10 years to help developers retrofit  
2322 non-powered dams with hydropower generation and build new  
2323 pumped storage projects.

2324           Madam Secretary, can you speak to how repealing the tax  
2325 credits in the Inflation Reduction Act would impact the  
2326 domestic hydropower and pumped storage industries?

2327           \*Secretary Granholm. Yes, it would be devastating for  
2328 the industry. I mean, we are just at a point now where we  
2329 are starting to get the investment decisions to be able to  
2330 add capacity at dams. And we -- this is clean, dispatchable  
2331 baseload power that could -- has blackstart capability. It  
2332 is 93 percent of our pumps -- pump storage is 93 percent of

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2333 our storage, utility scale storage. We absolutely have to  
2334 accelerate the use of hydroelectric power.

2335       \*Ms. Kuster. Great. Thank you so much. Rather than  
2336 spending our time rolling back tax credits for hydropower and  
2337 pump storage, I think we should focus on improving the  
2338 licensing process for hydropower facilities. According to  
2339 analysis by NREL, on average it can take between 7 to 10  
2340 years to relicense a hydropower facility. Licensing pumped  
2341 storage can take even longer.

2342       Madam Secretary, as Congress considers permitting reform  
2343 legislation, should we also evaluate ways we can improve the  
2344 licensing process for hydropower and pumped storage  
2345 facilities?

2346       \*Secretary Granholm. Absolutely.

2347       \*Ms. Kuster. Final question. I was proud to see that  
2348 Mascoma Valley Regional School in my district won an energy  
2349 class prize to lower energy costs and improve indoor air  
2350 quality. How can Congress best support the Department of  
2351 Energy's work to foster healthier learning environments in  
2352 our schools?

2353       \*Secretary Granholm. Well, one of the things you have

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2354 done is to give the Department of Energy the ability to  
2355 incentivize more energy efficient work at schools, at public  
2356 schools all across the country. We have a funding  
2357 opportunity announcement out, a huge response to it. I would  
2358 love to see more of that so more schools can benefit.

2359 \*Ms. Kuster. Great. And next time you are in New  
2360 Hampshire, I invite you to come see the impact of that award  
2361 on Mascoma Valley Regional School.

2362 And with that, Mr. Chair, I yield back with one minute  
2363 to spare.

2364 \*Mr. Duncan. I thank the gentlelady for yielding back,  
2365 and we will go to Mrs. Lesko from Arizona for five minutes.

2366 \*Mrs. Lesko. Thank you, Secretary Granholm, for coming  
2367 here today.

2368 I have seen one analysis that shows that DoE will spend  
2369 at least \$150 billion over the next 5 years, maybe  
2370 significantly more. In your budget request you use the term  
2371 "equity" 137 times. President Biden issued an executive  
2372 order directing the Federal Government to spend money that is  
2373 "consistent with applicable law to allocate resources to  
2374 address the historic failure to invest sufficiently, justly,

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2375 and equally in underserved communities.'

2376           You have been directed to spend \$150 billion by  
2377 Congress. Will you provide to this committee the specific  
2378 applicable law passed by Congress that allows these dollars  
2379 to be spent in a manner to address the historic failure to  
2380 invest sufficiently, justly, and equally in underserved  
2381 communities?

2382           \*Secretary Granholm. One of the laws is through the  
2383 Inflation Reduction Act. There is a low-income adder that  
2384 allows for -- it is an additional incentive, a 10 percent  
2385 incentive for those who are building out solar, for example,  
2386 facilities to locate in communities that have been  
2387 disproportionately affected, perhaps by -- negatively by  
2388 pollution, or have been a disadvantaged community  
2389 economically.

2390           \*Mrs. Lesko. DoE's Justice40 Initiative requires 40  
2391 percent of spending to go towards disadvantaged communities.  
2392 Can you provide me with a specific applicable law passed by  
2393 Congress that allows such a massive quota system?

2394           \*Secretary Granholm. It is a goal. It is Justice40,  
2395 that 40 percent should be directed to communities that have

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2396 been left behind, that have not had the benefit of the  
2397 investments that other communities have. So we are trying to  
2398 achieve that goal, and part of that is through Community  
2399 Benefit Agreements associated with the grants that we are  
2400 providing under the Bipartisan Infrastructure Law. We want  
2401 those who are investing to be able to consult with  
2402 communities to make sure that there is a workforce strategy -  
2403 -

2404 \*Mrs. Lesko. So you say it is in the infrastructure  
2405 law?

2406 \*Secretary Granholm. Infrastructure law and the  
2407 Inflation --

2408 \*Mrs. Lesko. The language.

2409 \*Secretary Granholm. -- Reduction Act both provide  
2410 incentives for locating facilities in disadvantaged  
2411 communities.

2412 \*Mrs. Lesko. Thank you. Madam Secretary, you, I think,  
2413 already know that I am sponsoring a bill, Save Our Stoves --  
2414 Gas Stoves Act. So far we have 55 cosponsors, and it has  
2415 bipartisan support, and 29 of my Democratic colleagues voted  
2416 for a similar amendment -- in fact, it was the same language

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2417 -- on H.R. 1 to save our gas stoves.

2418 I wrote a letter with 70 other members, and submitted  
2419 our comments for the record on your rulemaking that would ban  
2420 gas stoves in -- effectively ban gas stoves in America.

2421 I think it is unfortunate that we have to introduce a  
2422 bill to reverse an unnecessary anti-consumer choice rule by  
2423 the Department of Energy. On DoE's website it states claims  
2424 that the Federal Government is banning gas stoves are absurd,  
2425 yet here are the facts that I know.

2426 DoE's first approach was to set a requirement of the  
2427 proposed rule -- max tech requirements which DoE itself said  
2428 would eliminate 96 percent of the products available today.  
2429 Setting a max tech requirement has never been done before for  
2430 household appliances. After pushback, it appears that DoE  
2431 revised their information, and subsequently determined half  
2432 of the products would be eliminated from the market.

2433 It appears DoE pulled this number, quite frankly, out of  
2434 thin air. I don't know where you got it from. They used --  
2435 they started counting products on a website that looked like  
2436 products it tested. DoE, of course, has no actual basis for  
2437 knowing if the products it found meet its proposed standard,

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2438 because it did not test them.

2439 To date, DoE provides no data or substantiation for how  
2440 it determined the models on retailer websites would meet its  
2441 proposed standards. This proposed rule puts at risk at least  
2442 1,000 manufacturing jobs in just one company in Arizona. And  
2443 quite frankly, it eliminates consumer choice.

2444 According to DoE's own estimate, the rule will save only  
2445 \$21.89 per stove over a 14-year period, or \$1.50 per year, or  
2446 \$0.12 a month. And then DoE said somehow that equates to a  
2447 saving of \$1.7 billion.

2448 Finally, the projected gas emissions reduction is  
2449 equivalent to about eight hours of Chinese coal plant  
2450 emissions.

2451 And so my statement is why in the world would we want to  
2452 increase funding for the Department of Energy, when it  
2453 appears that they are going after consumer choice and, quite  
2454 frankly, Americans?

2455 Thank you, and I yield back.

2456 \*Mr. Duncan. The gentlelady yields back. I go to Ms.  
2457 Schrier for five minutes.

2458 \*Ms. Schrier. Thank you, Mr. Chairman.

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2459           And welcome back, Madam Secretary. Thank you for your  
2460 service. There are a few topics I would like to touch on  
2461 today, but I also want to make sure I give you an opportunity  
2462 to set the record straight on anything you feel like you  
2463 haven't had an opportunity to be clear about. The topics I  
2464 wanted to touch on are small modular nuclear reactors,  
2465 hydrogen hubs, and Hanford. And I will try to be brief, so  
2466 you have an opportunity.

2467           There is consensus in this committee that nuclear energy  
2468 is a big part of the solution if we want to curb greenhouse  
2469 gas emissions and have a clean energy portfolio. And I was  
2470 really pleased to see additional funding announced this week  
2471 to help with the deployment of small modular nuclear  
2472 reactors.

2473           Pacific Northwest National Lab also suggests that this  
2474 is incredibly important that we have them factory fabricated,  
2475 delivered on trucks, affordable. And I just wanted you to  
2476 comment on how do we make this happen in the timeframe that  
2477 we need it to happen in.

2478           \*Secretary Granholm. First of all, super important that  
2479 we continue the research and development on these advanced

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2480 reactors; super important that we continue to get them  
2481 licensed by the Nuclear Regulatory Commission. So we have a  
2482 we have a process issue that we want to continue to  
2483 accelerate, and continue to do the research.

2484       It also is very important that we have the fuel for  
2485 these small modular reactors, and that means NALEU, and that  
2486 means we have to have a national strategy on -- uranium  
2487 strategy for both our larger nuclear fleet, as well as these  
2488 advanced reactors. That is something I hope I can work with  
2489 you and the committee on.

2490       \*Ms. Schrier. Thank you. I really appreciate that.  
2491 And I know that Canada can be a significant source for us, a  
2492 friendly next-door-neighbor nation. But I also saw that  
2493 there was investment in looking for alternative fuels. And  
2494 so I appreciate those investments.

2495       On that topic, in kind of that same vein, alternative  
2496 fuels to -- or materials to use in batteries, in addition to  
2497 lithium, do you have any comments on that?

2498       \*Secretary Granholm. Yes, oh, we are -- the labs are  
2499 all working on substitutes. Not -- I mean lithium, but also  
2500 substitutes for some of the other materials that are critical

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2501 minerals that we may rely upon other nations for.

2502           So that -- I was mentioning earlier that manganese is  
2503 something that we are researching. Our Critical Minerals  
2504 Institute at our Ames laboratory is looking at a whole slew  
2505 of potential substitutes, as well as getting critical  
2506 minerals from tailings of coal from coal separation, from  
2507 uranium. We want to make sure that we are looking at all  
2508 potential sources, and I would say including recycling of  
2509 batteries that currently exist, because that is a circular  
2510 economy solution that is very promising.

2511           \*Ms. Schrier. Thank you. We had a hearing in here with  
2512 companies who are ready to do that recycling.

2513           Second, I wanted to put in just another plug for  
2514 Washington State as a possible hub for green hydrogen. We  
2515 have abundant hydropower. We also have solar and wind. And  
2516 ultimately, green hydrogen is our ultimate goal, far better  
2517 than blue or gray, because of zero fossil fuel, zero  
2518 greenhouse gas emissions.

2519           And lastly, I just wanted to thank you for your  
2520 commitment for work at Hanford, and working with our state  
2521 and -- to achieve our goals and the Administration's goals.

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2522 And I appreciate your help.

2523 Your -- the floor is yours. You have a minute and a  
2524 half to set the record straight. Anything you would like.

2525 \*Secretary Granholm. You know what? I don't know that  
2526 it is necessary.

2527 I will say that the Department of Energy is not banning  
2528 any gas stoves, that we are doing our duty to make sure that  
2529 appliances are more energy efficient, as we are required to  
2530 do under the Energy Policy Conservation Act of 1975. We  
2531 regulate and add efficiency standards to 60 appliances. This  
2532 is one. It was required by a consent decree, and nobody is  
2533 taking my gas stove. Nobody will take your gas stove. But  
2534 in the future, gas stoves that are high end, which is all  
2535 that we looked at, the high-end gas stoves can be more  
2536 efficient, and the cost for making a high-end gas stove  
2537 efficient is about \$12.

2538 \*Ms. Schrier. Sounds like a great investment with a  
2539 good payoff.

2540 I yield back.

2541 \*Mr. Duncan. She yields back. I will go to Mr.  
2542 Balderson from Ohio for five minutes, and this is going to be

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2543 the last one, and then we are going to break for votes and  
2544 come back immediately after.

2545 \*Mr. Balderson. Thank you, Mr. Chairman.

2546 Ms. Secretary, thank you for being here. Nice to meet  
2547 you.

2548 Last year the Senate Democrats unveiled electric  
2549 transmission permitting reform provisions that were included  
2550 in a broader permitting bill. This transmission provision  
2551 included language to socialize the cost of new projects, and  
2552 give FERC enhanced transmission siting and permitting  
2553 authority. The same language was just introduced the other  
2554 week in the Senate.

2555 Regarding the electric transmission siting and  
2556 permitting you recently stated, "Community input is important  
2557 in all of this. We have to be very intentional about that.  
2558 And we have got a team that is focused on that, as well.'"   
2559 Do you believe granting FERC more authority to unilaterally  
2560 site and permit electric transmission lines is consistent  
2561 with the principle of community input, as you previously have  
2562 stated?

2563 \*Secretary Granholm. Are you talking about the backstop

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2564 authority?

2565 \*Mr. Balderson. Yes.

2566 \*Secretary Granholm. Yes, I do, because I think you can  
2567 do both. You can have FERC issue the backstop authority, but  
2568 you do it in a sensitive way.

2569 \*Mr. Balderson. Okay.

2570 \*Secretary Granholm. Including in community.

2571 \*Mr. Balderson. Is granting FERC more authority to  
2572 impose cost socialization of new transmission infrastructure  
2573 to those who do not directly benefit from increased  
2574 reliability or lower costs consistent with the principle of  
2575 community input?

2576 \*Secretary Granholm. I think communities need  
2577 transmission. And the fact that the interconnection queues  
2578 are completely backed up, and that we need to have a cost  
2579 allocation strategy that is fair is very important.

2580 \*Mr. Balderson. Okay, thank you. My next question is I  
2581 understand that nine Federal agencies, including the  
2582 Department of Energy, have signed an MOU on facilitating  
2583 Federal authorizations for electric transmission facilities.  
2584 This MOU states there is a strong public interest in

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2585 increasing coordination across Federal agencies to expand our  
2586 nation's electric transmission infrastructure.

2587 I am curious why there is such strong interest in  
2588 increasing coordination, reducing bureaucracy, and moving  
2589 forward with these projects, but not doing the same when it  
2590 comes to interstate pipelines or nuclear energy projects,  
2591 which are more essential for grid reliability and for America  
2592 to meet our energy needs.

2593 Has the Department of Energy signed a similar MOU for  
2594 coordination on pipeline or nuclear energy projects with  
2595 other Federal agencies?

2596 \*Secretary Granholm. No.

2597 \*Mr. Balderson. Why?

2598 \*Secretary Granholm. Well, the grid and the  
2599 transmission grid has been utterly and ridiculously lengthy.  
2600 It is true that it is -- takes a long time for these others  
2601 to get permitted, as well. We are very much in favor of  
2602 ensuring that we have, as I was discussing earlier, pipelines  
2603 for a variety of things, including CO2, as well as hydrogen.  
2604 We also want to see expedited movement on nuclear, especially  
2605 these small modular reactors and the micro reactors that

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2606 could be used to decarbonize heavy industry.

2607           \*Mr. Balderson. Okay. Secretary, in your testimony you  
2608 note that the Administration supports the use of the Defense  
2609 Production Act to support rebuilding domestic uranium  
2610 production, as well as other clean energy technologies to  
2611 ensure robust supply chains for electrical transformers and  
2612 other critical grid components.

2613           The Inflation Reduction Act provided significant funding  
2614 to carry out the Defense Production Act with almost no  
2615 strings attached. The Administration decided to give your  
2616 Department 250 million of these -- million dollars of these  
2617 funds to accelerate electric heat pump manufacturing. If the  
2618 Administration supports using the Defense Production Act to  
2619 rebuild uranium production and improve supply chains for  
2620 electrical transformers and critical grid components, why did  
2621 President Biden choose to use the DPA funds for your  
2622 Department entirely on electric heat pumps?

2623           \*Secretary Granholm. I would say that, if we do a  
2624 uranium strategy, it is going to require a good deal amount  
2625 more than that, and then even the 700 million that we  
2626 initially got under the Defense Production Act. We need a

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2627 comprehensive strategy, and I hope we can work with you on  
2628 it.

2629       \*Mr. Balderson. Okay. My last thing is kind of a  
2630 statement, but I am going to run out of time. I want to  
2631 discuss it is part of this -- the goals and the replace the  
2632 electrical steel piece of the transformers. So I will send  
2633 this question in to you, because I don't want to go over my  
2634 time.

2635       [The information follows:]

2636

2637       \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2638

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2639           \*Mr. Balderson. So I appreciate you being here, and we  
2640 will get that over to you. Thank you.

2641           \*Mr. Duncan. All right. The committee will stand in  
2642 recess, and we will reconvene immediately following the last  
2643 vote.

2644           [Recess.]

2645           \*Mr. Duncan. The subcommittee will be back in order,  
2646 and I will now recognize Mr. Walberg from Michigan for five  
2647 minutes.

2648           And thank you for your patience, Madam Secretary.

2649           \*Mr. Walberg. Well, thank you, Mr. Chairman.

2650           Michiganians and Michiganders are very patient people.  
2651 We share that, don't we, Madam Secretary?

2652           \*Secretary Granholm. Absolutely.

2653           \*Mr. Walberg. Yes. Well, thank you for being here, and  
2654 you and I agree on some things and we don't agree on other  
2655 things, but that is the way it goes.

2656           I have been listening throughout the hearing thus far,  
2657 and one thing that just became at least clear to me was that  
2658 with IRA and IIJA, and all of the forward good thoughts about  
2659 what this can produce, that is still in the expectation

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2660 realm.

2661           You know, I look back at what we did in the last  
2662 Administration. There is a case history of energy  
2663 independence, lowered emissions -- which I think we agree on,  
2664 we want to lower the emissions -- and lower prices at the  
2665 pump and otherwise. And so that is, I think, where the  
2666 concern comes when we see some of the projected savings,  
2667 experiences. We know what worked, and a concern about what  
2668 we are -- going forward.

2669           So with the recent EPA emission rules, over two-thirds  
2670 of the new vehicles have to be all electric in less than 10  
2671 years. I know you have said in the past that the rules don't  
2672 specify what type of vehicle technology, and we hope there is  
2673 flexibility that remains there. But the OEMs who have been  
2674 unwilling to stand up and say, "We can't do this'" -- and I  
2675 have jumped on them plenty, Ford and GM and Stellantis most  
2676 recently, and I have lauded Toyota for being willing to look  
2677 at some alternatives -- I worry, with the massive increase in  
2678 EVs in addition to other forced electrification coming out of  
2679 your agency and the EPA, our electric grid will not be able  
2680 to keep up. I think I can say it won't be able to keep up

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2681 right now.

2682 In going about my new district that goes from Lake  
2683 Michigan, and the Cook Nuclear plant, and the mothballing of  
2684 the Palisades plant that is taking place now, all the way  
2685 over to Lake Erie with Fermi I and II, and Fermi that has a  
2686 third license that they spent millions of dollars to get, but  
2687 they have told me because of permitting, because of cost they  
2688 are probably not going to do that. So I look at nuclear  
2689 capabilities, and there is concerns there.

2690 This also comes with the new regulations coming out of  
2691 the Administration last night talking about emissions being  
2692 cut by 90 percent, or close to that. Today I heard from a  
2693 constituent company who said they were prepared to put four  
2694 EV chargers at their filling station convenience store, but  
2695 the local utility ultimately came in and said, "You can't do  
2696 it. We can only give you one, because we don't have  
2697 capacity.'"

2698 And I could go down the list, and you have heard the  
2699 same concerns.

2700 I heard something new today, that a similar company --  
2701 relative to transporting fossil fuels, oil, specifically

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2702 gasoline, to areas where they have had disaster, hurricane or  
2703 whatever -- FEMA has expressed concerns on meeting emergency  
2704 needs without fossil fuel capacities and capabilities,  
2705 because you can't carry a 20-gallon drum of electricity, and  
2706 even getting the trucks there.

2707         So those are, I guess, preface to my concern about how  
2708 is the Department of Energy planning to offset both this  
2709 increase in demand and decrease in supply being forced by  
2710 Administration policies?

2711         \*Secretary Granholm. Thank you.

2712         First, this is a -- and it must be -- a managed and  
2713 thoughtful transition. And it is why these are all proposed  
2714 rules, and we want to hear from industry so that we get it  
2715 right, and that we don't end up creating insecurity on the  
2716 grid. Super important.

2717         I will say that, for example in Michigan, the Palisades  
2718 plant, there is hopefully an effort to try to revive that.  
2719 That will be coming through our -- I think -- our Loan  
2720 Program Office. So we are hopeful that that will not reduce  
2721 supply. And we need more nuclear online. This -- what you  
2722 have just described with Fermi is new to me, so I am going to

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2723 dig into that a little bit.

2724           However, I will say this, too. One of the things we  
2725 have not discussed here, and I think that is important, is  
2726 the electrification of the vehicle fleet is also an  
2727 opportunity to have virtual power plants to allow for the  
2728 batteries. This is why all of the OEMs care about bi-  
2729 directional charging to have the batteries of those vehicles  
2730 end up having a conversation with the grid when times are  
2731 tight.

2732           \*Mr. Walberg. But that --

2733           \*Secretary Granholm. And that is an opportunity.

2734           \*Mr. Walberg. That is a hope for the future. And right  
2735 now they are making their assumptions, they are making their  
2736 plans based upon what we are talking about, and that is why,  
2737 Madam Secretary, I think we ought to be cautious. We ought  
2738 to talk with great flexibility before we start putting  
2739 percentages and timeframes on.

2740           I think we are capable through innovation. We have  
2741 shown that. We have cleaned up our environment to a great  
2742 degree, better than any other country in the world with  
2743 natural gas.

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2744           So I have run over my time. And so I must say also,  
2745 let's -- any help you can give us on Line 5? You knew I  
2746 would bring that up.

2747           \*Secretary Granholm. I knew you had to.

2748           \*Mr. Walberg. We have to have help.

2749           \*Mr. Duncan. The gentleman's time has expired.

2750           \*Mr. Walberg. Thank you.

2751           \*Mr. Duncan. I will now go to Mr. Cardenas for five  
2752 minutes.

2753           \*Mr. Cardenas. Thank you very much, Mr. Chairman.

2754           Thank you, Secretary Granholm, for being here with us  
2755 today, and for serving our country so well. Thank you so  
2756 much for your service.

2757           Last Congress the Infrastructure Investment and Jobs Act  
2758 and the Inflation Reduction Act authorized the programs and  
2759 funding necessary to meaningfully address the climate crisis.  
2760 These two complementary laws have already accelerated our  
2761 nation's transition to a clean energy economy powered by  
2762 American workers, manufacturers, and innovators. We are now  
2763 beginning to see the impacts of these bills and job creation,  
2764 clean power, and cost savings for families.

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2765           Unfortunately, some of my colleagues on the other side  
2766 of the aisle are taking steps to undo the strides Democrats  
2767 made in lowering energy costs for American families, undoing  
2768 our nation's legacy of environmental injustice, and  
2769 transitioning our nation to a clean energy economy. That  
2770 includes pushing the default on America act, which would  
2771 repeal environmental review processes and keep provisions  
2772 from the Inflation Reduction Act.

2773           Republicans have chosen a path that would further line  
2774 the pockets of Big Oil as they continue to push their  
2775 polluter -- the polluters over people agenda. As we look to  
2776 deliver the America -- for the American people, we must  
2777 preserve these victories for our economy, workforce,  
2778 environment, and our children, and children's future.

2779           As we know, the budget is a reflection of our values,  
2780 and I am heartened to see that the Department of Energy is  
2781 looking to build off the major accomplishments of the last  
2782 Congress. To deliver on climate action equitably, the  
2783 Inflation Reduction Act advances the Justice40 Initiative,  
2784 which sets to deliver 40 percent of investments to  
2785 disadvantaged communities that have been hurt by polluters

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2786 for generations.

2787 Secretary Granholm, what is the Department doing to  
2788 advance Justice40?

2789 \*Secretary Granholm. Yes, thanks for asking that  
2790 question. It is -- as you know, it is the first executive  
2791 order that the President signed, and it is part of this  
2792 Administration's DNA across agencies.

2793 For us, for example, what it means is that when we are  
2794 offering a grant program -- say, the hydrogen hubs as an  
2795 example -- that those who are coming to seek the grant have  
2796 to demonstrate that they have a Community Benefits Agreement,  
2797 that the community is at the table and helping to craft it so  
2798 that they get the benefit of the good, instead of, obviously,  
2799 being the victims of the bad, which has been the case.

2800 The combination of the Community Benefits Agreement and  
2801 the incentives that are embedded in the IIJA to incentivize  
2802 the location of good projects in communities that have been  
2803 disadvantaged is a really strong one-two punch to ensure that  
2804 the community -- the communities are at the table.

2805 \*Mr. Cardenas. So the Administration is looking to do  
2806 this in a way that creates more equitable and accessible

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2807 future for all communities?

2808 \*Secretary Granholm. Absolutely.

2809 \*Mr. Cardenas. Okay, thank you. Speaking of  
2810 communities, I happen to have been elected to represent the  
2811 community that I grew up in, the side of town where we have  
2812 more dump sites in LA County than any other place in the 10  
2813 million-person County of Los Angeles. I was the first one to  
2814 represent that community.

2815 I am very proud to say that I was the first elected  
2816 official to say no to a landfill expansion, that the first  
2817 permit said that they are going to put trash in the ground  
2818 very deeply into the ground, up to grade. And by the time I  
2819 got elected, they had so many permits that they were above  
2820 100 feet above the ground. The children in the community  
2821 called it a mountain. It was just a mountain of trash that  
2822 came from all parts of Los Angeles, but was dumped on our  
2823 side of town. So we cannot do all the wonderful work that  
2824 you are getting done soon enough for communities like the one  
2825 that I grew up in, and that I am so blessed to represent.

2826 The Infrastructure Investment and Jobs Act and the  
2827 Inflation Reduction Act prioritize building out our nation's

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2828 workforce by creating good-paying union jobs. This has also  
2829 been under attack. Most recently in H.R. 1, the Republicans  
2830 sought to repeal home energy efficiency contractor training  
2831 grants that we had included in the Inflation Reduction Act.  
2832 However, to strengthen our nation's economy and transition  
2833 into clean energy, it is vital that we build our nation's  
2834 workforce, and we must do so in a way that prioritizes  
2835 diversity and good-paying jobs that families can sustain  
2836 themselves on.

2837         Secretary Granholm, what steps in the Department -- is  
2838 the Department taking to increase workforce training  
2839 opportunities for communities of color, low-income  
2840 communities, and non-traditional students?

2841         \*Secretary Granholm. We are doing a bunch of things,  
2842 but I -- let me just specify one that is really important,  
2843 which is these Community Benefit Agreements that I am talking  
2844 about, they are they are weighted in the evaluation of the  
2845 proposal 20 percent that has to demonstrate that the  
2846 communities there -- and part of that includes workforce  
2847 training for the specific project that may be coming to that  
2848 area, number one.

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2849           And number two, ensuring that there are apprenticeship  
2850 opportunities for those so they can earn while they learn, so  
2851 that we can have the next generation, as well, building out,  
2852 whether it is trades or the specialized kind of work that is  
2853 necessary in these advanced energy projects. So we are  
2854 excited about being able to bring everybody along.

2855           \*Mr. Cardenas. I exceeded my time. I apologize, Mr.  
2856 Chairman, and I yield back.

2857           \*Mr. Duncan. The gentleman yields back. The chair will  
2858 now go to the vice chair of the subcommittee, Mr. Curtis, for  
2859 five minutes.

2860           \*Mr. Curtis. Thank you, Mr. Chairman.

2861           Madam Secretary, my compliments for being here. My --  
2862 also my compliments for your interaction with me and our  
2863 caucus. I think the first step to overcoming differences is  
2864 communication and working together. And I am one who really  
2865 appreciates your efforts to reach out to us.

2866           I also advocate frequently that we actually agree on far  
2867 more than it sometimes sounds like between different parties  
2868 here. One of those vast areas, I think, of agreement is  
2869 nuclear, and we have had that quite a bit discussed today,

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2870 but I would like to discuss a specific project.

2871 Thank you for DoE's historic commitment to the Carbon  
2872 Free Power Project. I have an organization, UAMPS. It  
2873 actually is Utah Associated Municipal Power Systems -- I had  
2874 to look it up myself, because we all know it is UAMPS -- who  
2875 is 10 years through a permitting process, about halfway  
2876 through and \$100 million into it, couldn't do it without the  
2877 help of DoE. And this is a big load on municipalities to  
2878 finance this, and so I am grateful for your support. This is  
2879 a big deal, if we are able to complete this project.

2880 And that said, I am a little concerned about the overall  
2881 amount of money towards advanced small nuclear reactors, and  
2882 wanted to kind of hear from you DoE's position and commitment  
2883 to these small nuclear reactors, which, clearly, I think by  
2884 everybody's standards, needs to be part of our energy future.

2885 \*Secretary Granholm. Yes, I couldn't agree more that it  
2886 absolutely does. I know the -- we have a \$10 million in  
2887 there for the UAMPS program, and I know it has been given  
2888 hundreds of millions over the past years, but we are totally  
2889 committed to small modular reactors, advanced reactors, and  
2890 the technologies that are going to not just help the United

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2891 States, but around the world. We know that we have got  
2892 allies in countries like in Eastern Europe, et cetera, that  
2893 are very interested in these technologies, and we want to  
2894 develop them here. We want to have them made in America, but  
2895 we also want to be able to export them.

2896 \*Mr. Curtis. Clearly, we should all agree on the fact  
2897 that we want it made here, in America, right?

2898 \*Secretary Granholm. Yes.

2899 \*Mr. Curtis. And exported --

2900 \*Secretary Granholm. Here, another point of 100 percent  
2901 agreement.

2902 \*Mr. Curtis. Yes, another point of agreement, right,  
2903 that we all agree on.

2904 So -- and it has been brought up today, but let me just  
2905 touch on Russia being an available source for advanced  
2906 nuclear fuel. It feels to me like, on one hand, we are  
2907 trying to get permitting reform in place so we can build all  
2908 these nuclear facilities. And yet, if we do that, we may not  
2909 have the fuel.

2910 \*Secretary Granholm. Yes.

2911 \*Mr. Curtis. Can you address that, and --

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2912           \*Secretary Granholm. Yes, this is one of the things  
2913 that I think we have to work on in a bipartisan fashion, is a  
2914 uranium strategy. What we have developed is a proposal for a  
2915 \$2.1 billion uranium strategy that would allow for a  
2916 revolving fund so that we could finance the conversion  
2917 enrichment, et cetera, all the steps, here in the United  
2918 States.

2919           We are hopeful -- we got 700 million as a downpayment of  
2920 that, but we are hopeful to be able to work with Congress to  
2921 fully fund that, perhaps in NDAA or in a supplemental or  
2922 whatever, because I think it is really important that we do  
2923 that if we are to become -- to wean ourselves from reliance  
2924 upon Russian uranium.

2925           \*Mr. Curtis. Yes. I -- so we are building this  
2926 facility, and -- well, we have the HALEU, right, in place --

2927           \*Secretary Granholm. Right, right.

2928           \*Mr. Curtis. -- when this is done, I think --

2929           \*Secretary Granholm. Well, as you --

2930           \*Mr. Curtis. And I don't know if you have any specific  
2931 comments on --

2932           \*Secretary Granholm. -- are probably aware, we are, at

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2933 H Canyon, using -- we are down-blending highly enriched  
2934 uranium to get HALEU for the advanced reactors that we have.  
2935 But it is not going to last long enough. We need a long-term  
2936 strategy.

2937 \*Mr. Curtis. So thank you. I would like to turn to  
2938 maybe an area where there is not as much agreement, but still  
2939 vast agreement.

2940 I heard my colleague Mr. Walberg talk about EVs. And I  
2941 think sometimes when as Republicans we ask questions, we are  
2942 viewed as not supporting, or not wanting solar or wind or EVs  
2943 and things like that. And I don't think it is the case, but  
2944 I do think we have questions, right, and we want answers.

2945 I happened to read a Wall Street Journal article today  
2946 that pointed out that Rivian Automotive is going to lose,  
2947 this quarter, \$75,000 on every vehicle sold. And the value  
2948 of their company is based -- is given \$98,000 for every car  
2949 it expects to sell. But Lotus -- Lucid, excuse me, their  
2950 value of the company is 1.2 million for every car that they  
2951 expect to sell.

2952 So sometimes, you see, when we hear these things, this  
2953 is why we bring up questions. And sometimes I think it is

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2954 perceived as, well, we just don't want EVs. But I think -- I  
2955 would just really like to point out there is a practical part  
2956 of this that we want answers. How are we going to charge  
2957 these? Where is the grid going to come from? Where is the  
2958 electricity going to come from? And this isn't even speaking  
2959 to the \$7,500 credit.

2960 So I don't know if you have a comment on that. It was  
2961 just a point I wanted to make.

2962 \*Secretary Granholm. Well, I would say that this is why  
2963 we have these 17 jewels, which are the national labs that are  
2964 expert at modeling all of these different scenarios. And you  
2965 are right to ask the questions, and it is important to ask  
2966 the questions, and it is important to get the right answers  
2967 from those who have expertise.

2968 \*Mr. Curtis. Thank you.

2969 \*Secretary Granholm. And so --

2970 \*Mr. Curtis. Madam, I am out of time.

2971 Mr. Chair, I would like to ask unanimous consent to  
2972 submit for the record "EV Startups Are Proving Warren Buffett  
2973 Right," Wall Street Journal today.

2974 \*Mr. Duncan. Without objection, so ordered.

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2975 [The information follows:]

2976

2977 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2978

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2979           \*Mr. Duncan. And the chair will now go to Mr. Sarbanes.

2980           \*Mr. Curtis. Thank you.

2981           \*Mr. Sarbanes. Thanks very much, Mr. Chairman.

2982           And Secretary Granholm, welcome.

2983           \*Secretary Granholm. Thank you.

2984           \*Mr. Sarbanes. You are definitely in the eye of the  
2985 energy transition storm, but doing a terrific job in managing  
2986 that transition on behalf of our government. So thanks so  
2987 much.

2988           It is so vital that we stay at the forefront of the  
2989 evolving energy industry in developing clean energy  
2990 technology and the workforce. Critically, to implement it is  
2991 going to spur tremendous economic growth, as you know, while  
2992 also promoting our environmental and our national security  
2993 interests.

2994           But we know that those interests are impacted by the  
2995 much larger global marketplace, of course. And for more than  
2996 a year now we have witnessed an upheaval in global energy  
2997 security in the wake of Russia's invasion of Ukraine.  
2998 Despite these challenges, many of our European allies have  
2999 stepped up to the plate to reduce dependance on Russian

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3000 energy sources. Could you describe some of the recent steps  
3001 that DoE has taken to bolster European energy security in  
3002 partnership with our allies?

3003 \*Secretary Granholm. Yes, for sure.

3004 Number one, we have obviously done a lot of exporting of  
3005 liquefied natural gas, which has been, I think, a great save  
3006 to many of them.

3007 We have partnered with them on developing strategies for  
3008 hydrogen, and to systematize the standards related to it so  
3009 that there can be international trade of clean hydrogen.

3010 We have worked with them on -- especially the Eastern  
3011 Europeans -- on advanced nuclear, and have partnered with  
3012 them on, for example, Westinghouse going to Poland to be able  
3013 to build several of their reactors going forward, all of  
3014 their focus on diversifying energy supply.

3015 We have been, in tandem with them, both on the  
3016 technology side as well as on the deployment to the extent  
3017 that we can.

3018 I will say we have learned from them, too, offshore wind  
3019 efforts that have -- that the UK and the Northern Europeans  
3020 have engaged in, and have been very instructive for us as we

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3021 consider our own offshore wind strategy. So it has been a  
3022 mutual arrangement.

3023       \*Mr. Sarbanes. And on that score, in Maryland we have  
3024 got some really exciting developments in terms of offshore  
3025 wind production with some of those international partners  
3026 being in the mix.

3027       We have eastern Mediterranean allies like Greece and  
3028 Cyprus and Israel, who are playing a very critical role in  
3029 these efforts, the ones that we are discussing, as you know,  
3030 and Congress recognized this when it passed the bipartisan  
3031 Eastern Mediterranean Security and Energy Partnership Act a  
3032 few years back. And in that we authorized the establishment  
3033 of the United States Eastern Mediterranean Energy Center.

3034       The Center's goal will be to leverage "the experience,  
3035 knowledge, and expertise of institutions of higher education  
3036 and entities in the private sector, among others, to identify  
3037 opportunities for energy development in the region.''  
3038 Establishing the U.S. Eastern Mediterranean Energy Center  
3039 will both facilitate the development of cutting-edge clean  
3040 energy solutions and promote Europe's energy diversification  
3041 in accordance with our economic and national security

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3042 interests.

3043           Could you maybe just comment on why establishing the  
3044 U.S. Mediterranean Center is so important for international  
3045 energy policy, and what resources you think might be  
3046 necessary to get that center off the ground?

3047           \*Secretary Granholm. Yes, thanks for that, too. I  
3048 think that across the Mediterranean there is so much  
3049 happening, and so important to solidify the relationships,  
3050 especially around energy because of its critical nexus, where  
3051 it is in the world, and the desire to wean ourselves from  
3052 energy from Russia. That particular center, the concept of a  
3053 center, is super important.

3054           I know that there has -- we have been authorized to be  
3055 able to establish it, and looking forward to an  
3056 appropriation. And I know there has been a suggestion about  
3057 a \$10 million --

3058           \*Mr. Sarbanes. Yes.

3059           \*Secretary Granholm. -- appropriation. Our  
3060 International Affairs Office is in the middle of drafting a  
3061 concept paper of what this would look like. But the bottom  
3062 line is the various points of energy, whether it is wind, or

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3063 offshore wind, or clean hydrogen transported via ship or  
3064 solar, obviously, or advanced small reactors, you name it,  
3065 that region is a fundamental part of our ability to partner  
3066 with Europe to become energy independent.

3067       \*Mr. Sarbanes. Great, and we look forward to working  
3068 with you on that. We are seeking the appropriations.

3069       I have got 30 seconds left. So just on another topic  
3070 real quick, a lot of focus on sort of technology as a way of  
3071 sequestering carbon, but can you speak to your perspective on  
3072 making sure we have a good balance of sort of biological  
3073 solutions in terms of dealing with climate change alongside  
3074 of technological solutions?

3075       \*Secretary Granholm. Yes, we have to do biological  
3076 solutions. We have to do earth-based solutions. We have to  
3077 do technological solutions. We have to do everything,  
3078 everywhere, all at once.

3079       \*Mr. Sarbanes. Great, thanks very much. I yield back.

3080       \*Mr. Duncan. Okay. The chair will go to Mr. Palmer  
3081 from Alabama for five minutes.

3082       \*Mr. Palmer. Thank you, Mr. Chairman.

3083       First of all, Secretary Granholm, I am very encouraged

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3084 by your support for next-generation nuclear. I think it is  
3085 our best option, best opportunity for transitioning to a  
3086 emissions-free -- well, it won't be emissions-free because  
3087 there is emissions involved in the construction, but there  
3088 are a number of reasons why I think this is the direction we  
3089 ought to go.

3090 One, we can recycle spent fuel rods. France is doing  
3091 that. They use a standard design on their nuclear reactors,  
3092 which I think helps reduce the cost of the reactors  
3093 themselves, reduces maintenance costs, but they operate 24/7,  
3094 where with wind and solar it is intermittent power. And I  
3095 worked for 2 international engineering companies prior to  
3096 running a think tank for 20-something years. And our -- we  
3097 cannot have the economic growth that we want to have. We  
3098 cannot be able to support the emergence of economies in poor  
3099 countries with just trying to rely on intermittent power.

3100 And as I was saying, what the nuclear facilities will do  
3101 for us is 24/7 power generation, except when you shut them  
3102 down for maintenance. Their operational life cycle will be  
3103 approximately 80 years, which -- Lord knows where we will be  
3104 with technology in 80 years.

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3105           But the other thing that I think we need to take note of  
3106   is that you can cite one next-generation nuclear facility on  
3107   640 acres. It is about the same amount of space you would  
3108   use for a natural gas facility. But to generate the same  
3109   amount of power from that nuclear facility from a turbine  
3110   farm would require 77,000 acres. And I think you understand  
3111   the problems we are running into with not-in-my-backyard,  
3112   with potentially a very aggressive use of eminent domain,  
3113   which I really don't think we want to go that direction.

3114           So my other concern is -- about this, and you can  
3115   address this, is there really isn't a scenario where we are  
3116   going to be net zero by 2050. The physics don't work. The  
3117   economics don't work. And the technology doesn't work. Now,  
3118   that is not to say in the next 20 or so years that the  
3119   technology won't improve, but there really isn't a way to get  
3120   there. So it is encouraging to me to see the emphasis on  
3121   next-generation nuclear, and particularly since we can  
3122   recycle spent fuel rods.

3123           The director of the National Nuclear Laboratory was here  
3124   the week before last I think it was, Mr. Chairman, and I  
3125   asked him if he had done any calculations to determine how

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3126 long we could operate these nuclear reactors using the fuel  
3127 that is stored now, and he said 100 years. So we don't have  
3128 to depend on anybody.

3129         The other thing that I want to address is my concern. I  
3130 know my Democrat colleagues are very dismissive of what we  
3131 are trying to do with H.R. 1. They are very dismissive of  
3132 some of the issues that we have brought up about China. I do  
3133 not believe the existential threat to the world is climate  
3134 change; I think it is China. And in that regard, I am very  
3135 concerned about how much we will be dependent on China for  
3136 our energy resources.

3137         And I have said this many, many times, that the war in  
3138 Ukraine did not create the energy crisis, it exposed it. It  
3139 exposed the fact that we have spent a decade-and-a-half  
3140 neglecting our hydrocarbon infrastructure, particularly  
3141 natural gas. But it is also instructive that no nation  
3142 should be dependent on an adversarial nation for anything as  
3143 important to its economy and its national security as energy.  
3144 So how would you respond to that?

3145         \*Secretary Granholm. Well, I couldn't agree more that  
3146 we should not be reliant upon countries whose values we don't

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3147 share for our own energy resources. And that is why the  
3148 importance of the Invest in America agenda, the Inflation  
3149 Reduction Act has caused all of these companies doing  
3150 critical mineral processing and battery supply chain work to  
3151 come to the United States to build up our supply chain here,  
3152 so that we are energy independent.

3153 I think we could probably all agree that it is important  
3154 to build up our own supply chain so that we are energy  
3155 independent --

3156 \*Mr. Palmer. But my point is we don't need to -- we  
3157 don't have to do that for nuclear.

3158 \*Secretary Granholm. I am agreeing with you on nuclear.

3159 \*Mr. Palmer. We have got a major problem with  
3160 permitting. It will take years to get us where we need to be  
3161 on the critical minerals.

3162 I am not -- I am fine with renewables, but there is  
3163 certain physics that come into play here. You cannot sustain  
3164 the economy that we have, much less grow the economy that we  
3165 need to grow with intermittent power. Europe is starting to  
3166 wake up to this.

3167 So I think we need an all-of-the -- truly, an all-of-

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3168 the-above, but we should not cast aside our hydrocarbon  
3169 resources in this mad dash, which I think is rather mad to  
3170 think that we have got to do all this in such a short amount  
3171 of time, when we really don't.

3172 And Mr. Chairman, I yield back, and I thank you for  
3173 testifying, and for you holding this hearing.

3174 \*Mr. Duncan. The gentleman's time has expired. I will  
3175 go to Ms. Blunt Rochester for five minutes.

3176 \*Ms. Blunt Rochester. Thank you, Mr. Chairman.

3177 And thank you, Secretary Granholm, for attending today's  
3178 hearing.

3179 On behalf of my state and region, I would like to thank  
3180 you and the Department for moving forward with the hydrogen  
3181 hub program, which will help create more jobs and ensure an  
3182 effective transition to clean energy. Last month the  
3183 Mid-Atlantic Clean Hydrogen Hub, also known as MACH2,  
3184 submitted its application to become one of those hubs. And  
3185 the proposal will transform the energy economy of the State  
3186 of Delaware, and spur massive job growth for my constituents.

3187 And I urge you, Madam Secretary, to ensure that small  
3188 states like Delaware are also able to benefit from this

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3189 program.

3190 I would also like to thank you for your testimony's  
3191 attention to supply chain resiliency. My bill, the Supply  
3192 Chains Act, would help us solve these problems across the  
3193 economy, including the energy sector, and I would love to  
3194 follow up with you in the future to discuss this legislation.

3195 I am glad to -- also to have you here. And I heard the  
3196 conversation with Representative Cardenas about the efforts  
3197 of the Administration to focus not only on clean energy jobs,  
3198 but also union jobs, apprenticeships, also the focus on  
3199 Justice40. I can say from my own constituents how grateful  
3200 they are for that work and that attention, that focus.

3201 And in your testimony you noted that a \$70 million  
3202 investment for community capacity building initiatives to  
3203 address areas of persistent poverty. This issue has come up  
3204 repeatedly when I am talking to folks about the  
3205 implementation of major bills like the IRA or the Bipartisan  
3206 Infrastructure Law. And so can you just speak a little bit  
3207 about what that investment means, what it would do, what --  
3208 the intention of it? I would love to hear more about that,  
3209 and also how it ties to the persistent poverty issue, as

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3210 well.

3211           \*Secretary Granholm. I mean, one of the great things  
3212 about policy mattering is that when you adopt great  
3213 legislation and craft it in the right way, then it can go to  
3214 the populations that you -- that really need it.

3215           So I think, as an example of weatherization -- you and I  
3216 were at a weatherization event -- there has been enhancements  
3217 to the weatherization program that are specific that will  
3218 impact significantly impoverished communities. For example,  
3219 allowing impoverished communities to install not just  
3220 weatherization, but also solar generation, for example, on  
3221 homes; allowing those who live in manufactured housing to  
3222 take advantage of those.

3223           So the -- we have a state and community energy program  
3224 that is now -- that is as a result of trying to administer  
3225 these programs where DoE meets the street, if you will, and  
3226 making sure we are thoughtful about crafting our outreach and  
3227 our programs to communities that have been left behind,  
3228 communities that are fenceline, communities -- has been a big  
3229 part of our efforts in our administration of our Justice40  
3230 goals.

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3231           \*Ms. Blunt Rochester. Yes, I really want to zero in, as  
3232 well, on making sure that dollars get to the communities that  
3233 need it most, but also that they have the capacity to do it.

3234           \*Secretary Granholm. Yes.

3235           \*Ms. Blunt Rochester. That is one of the things that I  
3236 have heard most back from constituents is, "I don't know how  
3237 to do this kind of grant application."

3238           \*Secretary Granholm. Yes.

3239           \*Ms. Blunt Rochester. "I have never done this before."  
3240 And so that capacity-building part is really, really vital, I  
3241 think, in this moment.

3242           \*Secretary Granholm. And I would say streamlining  
3243 process, so that they don't have to do a huge funding  
3244 opportunity.

3245           \*Ms. Blunt Rochester. Exactly.

3246           \*Secretary Granholm. Maybe they do a concept paper,  
3247 maybe you reduce the amount of cost share. All of those are  
3248 what we are considering as we administer these grant  
3249 programs.

3250           \*Ms. Blunt Rochester. I mean, for me, I think about  
3251 this from a jobs perspective, I think about it from a health

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3252 perspective.

3253           \*Secretary Granholm. Yes.

3254           \*Ms. Blunt Rochester. There are so many pieces to --  
3255 and then there is the justice impact of it, as well.

3256           So thank you for that. I think we have talked before as  
3257 well about, you know, the efforts to upscale retrofitting,  
3258 like home performance programs to include large public  
3259 buildings. And I will be reintroducing legislation to help  
3260 DoE do just that. According to the EPA, the building sector  
3261 accounts for 31 percent of U.S. greenhouse gas emissions.  
3262 Public buildings such as schools and hospitals tend to be the  
3263 most energy intensive because they are larger, older, and  
3264 usually have higher electricity demand.

3265           And so can you talk a little bit about what you have  
3266 been able to do through the Office of State and Community  
3267 Energy programs at DoE for schools and hospitals --

3268           \*Secretary Granholm. Yes.

3269           \*Ms. Blunt Rochester. -- and municipal buildings?

3270           \*Secretary Granholm. This is really important, too, the  
3271 schools piece. As an example, there is a funding opportunity  
3272 announcement to be able to allow schools to retrofit for

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3273 weatherization. It was way over-subscribed. The need is  
3274 enormous. And so, to the extent that we can work together,  
3275 Congress can work on upping that so that schools can take  
3276 advantage of this because their heating bills or cooling  
3277 bills, depending, are -- eat up a huge amount of budget that  
3278 they could be using for educational resources.

3279 \*Ms. Blunt Rochester. I have run out of time, but the  
3280 last point I will make is about lowering cost. That is the  
3281 other big point of this is to lower costs for families.

3282 \*Secretary Granholm. Yes.

3283 \*Ms. Blunt Rochester. So thank you so much for your  
3284 testimony, and thank you, Mr. Chairman.

3285 \*Mr. Duncan. The gentlelady's time has expired. I go  
3286 to Mr. Weber for five minutes.

3287 \*Mr. Weber. Thank you. Secretary Granholm, thank you  
3288 for being here. I echo his comments, John Curtis, about  
3289 coming to the meeting. I was part of that. I sat right  
3290 beside you, and you did a good job. Thanks.

3291 And actually, I am part of the Science Committee. I  
3292 know the Science Committee has been trying to get you there  
3293 because the Department of Energy's critical R&D programs are

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3294 about a third of the DoE's annual budget. Do you have plans  
3295 to meet at the Science Committee?

3296 \*Secretary Granholm. I know that my undersecretary --  
3297 didn't they testify there yesterday, the two  
3298 undersecretaries?

3299 \*Mr. Weber. Okay, well --

3300 \*Secretary Granholm. I know --

3301 \*Mr. Weber. I wanted to get that out of the way --

3302 \*Secretary Granholm. Okay.

3303 \*Mr. Weber. -- because that is important, too.

3304 Do you have any plans to impose a cap on the total  
3305 volume of U.S. LNG exports?

3306 \*Secretary Granholm. I do not. I don't have any plans  
3307 on doing that. We are -- we do have a request for  
3308 information on the street about how we should consider all of  
3309 this, including how the exports impact natural gas.

3310 \*Mr. Weber. Well, we have two-and-a-half LNG plants in  
3311 my district. I am the Gulf coast of Texas, and we export a  
3312 lot of it, and we got one on the drawing -- we got one that  
3313 is pretty well underway, and then one on the drawing board --  
3314 so four, total, I guess.

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3315 I think we can send more gas to Europe to help them wean  
3316 off of Russian gas. Obviously, you support LNG exports to  
3317 Europe?

3318 \*Secretary Granholm. As you have seen, we have granted  
3319 export licenses to a whole slew. In fact, we have got -- for  
3320 those LNG terminals that are under construction -- that will  
3321 be 20 Bcf of LNG --

3322 \*Mr. Weber. Right.

3323 \*Secretary Granholm. -- to go, which is a huge amount.  
3324 There is another 20 that have been licensed that aren't even  
3325 under construction. So there is a universe of LNG that is  
3326 available for Europe. The question is whether they get a  
3327 final investment decision.

3328 \*Mr. Weber. Okay. Well, we -- yes, that is absolutely  
3329 right.

3330 Do you agree with the existing DoE studies that showed  
3331 the net economic benefits of expanded LNG exports? Have you  
3332 seen those studies?

3333 \*Secretary Granholm. The -- who wrote the study?

3334 \*Mr. Weber. The DoE.

3335 \*Secretary Granholm. Wait, which -- do you know which -

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3336 -

3337 \*Mr. Weber. It is the -- I don't.

3338 \*Secretary Granholm. Is it the FECM, the Fossil Energy  
3339 and Carbon Management?

3340 \*Mr. Weber. It may be. You might --

3341 \*Secretary Granholm. I have to go back and take a look  
3342 at --

3343 \*Mr. Weber. We will look at that later, then. Any  
3344 plans to revisit those existing studies? I guess you are  
3345 talking about it now, you will go back and look at them.

3346 \*Secretary Granholm. Well, we are looking at -- I mean,  
3347 we want to look at the impacts, because we are really  
3348 blessed, as you know, with a huge amount of natural gas. And  
3349 the question is, how does -- how do exports impact the  
3350 greenhouse gas emissions? How does methane? You know, how  
3351 do we deal with all of that, and what does it do in terms of  
3352 domestic pricing for natural gas?

3353 So it --

3354 \*Mr. Weber. We want to be careful with that. In our  
3355 rush to go green, we want to make sure that we don't do a  
3356 number on our energy industry. So we want to be careful with

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3357 it.

3358 \*Secretary Granholm. I understand.

3359 \*Mr. Weber. Do you believe that cooking -- the cooking  
3360 products rule is far-reaching, and deserves a complete  
3361 transparent rulemaking process from the DoE, which would  
3362 include sufficient time for comments?

3363 Because there is a lot of people in Texas that are going  
3364 to be unhappy if you -- if the regulations for gas -- I was  
3365 an air conditioning contractor for 35 years. I know what  
3366 super high efficiency ratings did to the cost of equipment.  
3367 It was hardest on the lowest-income people because they never  
3368 planned to replace their air conditioning, and when the  
3369 equipment became more expensive, it was hard on them.

3370 But anyway, do you believe the cooking products rule is  
3371 far-reaching? And will there be a good comment period on it?

3372 \*Secretary Granholm. There is a comment period on it,  
3373 and we are always -- in fact, we just extended the comment  
3374 period for another one, because we want to make sure that we  
3375 get all of the feedback necessary before issuing any final  
3376 rule.

3377 \*Mr. Weber. Okay, good to hear that. Are you aware

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3378 that households that use natural gas, which -- we have a lot  
3379 of LNG in Texas -- for heating, cooking, and clothes drying  
3380 save an average of \$1,068 per year over electric appliances,  
3381 \$1,068 a year in savings, natural gas, cooking, heating,  
3382 clothes drying over electricity.

3383 \*Secretary Granholm. And --

3384 \*Mr. Weber. That is not a small amount.

3385 \*Secretary Granholm. And the electric and the gas  
3386 furnaces, we want -- furnaces, excuse me, the gas stoves, we  
3387 want them to be efficient, too. And that is what the rule  
3388 was about, it is about creating -- but those are for -- it  
3389 was for higher-end gas stoves.

3390 \*Mr. Weber. Well, it is a little harder to get  
3391 efficiency up on them as it is furnaces, which wound up with  
3392 a 90 percent AFUE rating. So I was very familiar with the  
3393 SEER ratings, and what the --

3394 \*Secretary Granholm. Sure.

3395 \*Mr. Weber. I sold my company five years ago. It is  
3396 hard on people. The more expensive the appliances and stuff  
3397 are, the more it hurts those who can least afford it.

3398 Well, I have got about 49 seconds. So are you aware

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3399 that switching from gas to electricity costs thousands of  
3400 dollars in a home? When we went into a house, if they had an  
3401 electric furnace and they wanted to go gas, then you are  
3402 talking about a gas company, you are talking about a plumber,  
3403 you are talking about a gas meter, you are talking about a  
3404 lot more labor. You know that that is pretty expensive,  
3405 right?

3406       \*Secretary Granholm. Well, I would say that, with the  
3407 incentives that are about heat pumps, for example, to reduce  
3408 the cost, the -- what we have seen in the modeling is that,  
3409 in fact, it reduces on average cost --

3410       \*Mr. Weber. Well, I will tell you that heat pumps are a  
3411 lot more expensive than regular conventional air  
3412 conditioners.

3413       \*Secretary Granholm. That is what I am saying, is the  
3414 incentives for the heat pumps really bring down the cost.  
3415 The rebates that will be there can reduce by half, in many  
3416 cases, especially for poorer or lower income, it can replace  
3417 almost the full thing.

3418       \*Mr. Weber. But if you are going all electric, and you  
3419 have got to go to natural gas, it is expensive.

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3420 I am out of time, and I got a plane to catch. Thank you  
3421 for being here.

3422 I yield back.

3423 \*Secretary Granholm. Very good, thank you.

3424 \*Mr. Duncan. Mr. Armstrong is recognized for five  
3425 minutes.

3426 \*Mr. Armstrong. Thank you, Mr. Chairman. I think  
3427 before I start I will just point out that everything is  
3428 cheaper if it has a rebate and incentive, a tax break, or a  
3429 subsidy, not just green energy. And I will continue to say  
3430 that when we talk about cost competitiveness.

3431 But the EPA had a rule two weeks ago, a proposed rule  
3432 that is going to have two-thirds of all car sales be electric  
3433 by 2032. You spoke earlier about 160 battery companies  
3434 coming to the United States, which I actually think is great,  
3435 and dealing with all of this. But the top five critical  
3436 minerals in a car battery are lithium, nickel, cobalt,  
3437 graphite, and manganese.

3438 Lithium, Australia produces 52 percent; Chile produces  
3439 25 percent; China produces 13 percent. But China actually  
3440 has a stranglehold on the lithium supply chain, and they have

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3441 invested \$6 billion worth of assets in lithium in Chile,  
3442 Canada, and Australia, and currently holds north of 60  
3443 percent of the refining capacity. There is one mine in the  
3444 United States, and it cannot cover 20 percent of the current  
3445 EV consumption.

3446 And I agree with the aspirational growth. I --  
3447 permitting reform, if we had DoT or EPA in here, I would be  
3448 asking about transmission infrastructure and how we are  
3449 actually going to charge these cars when they are on the  
3450 road. I don't. I have you in here, Madam Secretary. And  
3451 so, under current -- under the current construction and  
3452 regulatory construct, how much lithium are we going to mine  
3453 in the United States in 2032?

3454 \*Secretary Granholm. I don't know by 2032. But I do  
3455 know that there is a huge amount of lithium resources in the  
3456 United States that --

3457 \*Mr. Armstrong. There is a ton of lithium resources --

3458 \*Secretary Granholm. Right.

3459 \*Mr. Armstrong. -- in the United States. I don't think  
3460 we will have a lithium mine permitted by --

3461 \*Secretary Granholm. Well, that is the whole thing.

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3462 Let's work together on that. Let's work together on  
3463 reforming the Mining Act.

3464 \*Mr. Armstrong. Well, except -- but that is the whole  
3465 policy point behind this is -- it is like we are blowing up  
3466 the bridge, and then we are going to figure out a way to  
3467 cross the river.

3468 \*Secretary Granholm. But I would imagine --

3469 \*Mr. Armstrong. We should have the permitting reform  
3470 before we have the EPA mandate to make two-thirds of all new  
3471 car sales electric by 2032.

3472 \*Secretary Granholm. Well, I disagree. I think we can  
3473 do it if we can come together, Democrats and Republicans, to  
3474 reform the Mining Act, for example, and speed up permitting.

3475 \*Mr. Armstrong. The top three places in the United  
3476 States to mine cobalt are Congo, Russia, Australia. How much  
3477 cobalt are we going to mine in the United States by 2032?

3478 \*Secretary Granholm. Well, we may not. It may be that  
3479 we have a friend, like in Australia or --

3480 \*Mr. Armstrong. Yes.

3481 \*Secretary Granholm. -- like in Canada.

3482 \*Mr. Armstrong. When you are looking at the rare earth

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3483 mineral list, we better not anger the Aussies, or we are  
3484 going to be in a real, real difficult problem.

3485 Nickel. Indonesia, Philippines, Russia, New Caledonia,  
3486 Australia, Canada, China. How much nickel are we going to  
3487 mine in the --

3488 \*Secretary Granholm. A number of those --

3489 \*Mr. Armstrong. -- United States?

3490 \*Secretary Granholm. -- are very friendly countries  
3491 that want to have those arrangements. That is why Canada is  
3492 very interested. Australia is very interested. Japan is  
3493 very interested.

3494 \*Mr. Armstrong. How much nickel are we going to mine in  
3495 the United States by --

3496 \*Secretary Granholm. I hope we mine a good amount by  
3497 then.

3498 \*Mr. Armstrong. Manganese. South Africa, Australia,  
3499 China, Gabon, Brazil. How much manganese are we going to  
3500 mine in the United States?

3501 \*Secretary Granholm. I hope we do what we need, and we  
3502 onshore the rest.

3503 \*Mr. Armstrong. Graphite. China, Madagascar,

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3504 Mozambique, Brazil, South Korea, Russia, Canada. How much  
3505 graphite are we going to mine in the United States?

3506 \*Secretary Granholm. Same answer.

3507 \*Mr. Armstrong. Hope is not a policy.

3508 I want to just talk a little bit about the Northeast  
3509 Gasoline Supply Reserve, which was established in 2014 to  
3510 address supply issues following Hurricane Sandy. The budget  
3511 requests an eight percent increase to support a one million  
3512 barrel reserve. Do you know approximately how many days the  
3513 northeast gas life consumption the reserve would support?

3514 \*Secretary Granholm. It is not very much.

3515 \*Mr. Armstrong. It is like one day, I think, isn't it?

3516 \*Secretary Granholm. It is a small amount.

3517 \*Mr. Armstrong. The gasoline reserves are commingled in  
3518 tanks with commercial supplies costing about \$13 per barrel a  
3519 year to maintain. If a storm disrupts the supply at  
3520 commercial Raritan Bay facility, the DoE reserves would  
3521 almost certainly face disruption because the gasoline is  
3522 commingled. Doesn't this place the reserve at the same level  
3523 of risk as the commercial supply they are meant to  
3524 supplement?

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3525           \*Secretary Granholm. Well, I would say this, that it is  
3526 important for that area to feel like they have a bit of an  
3527 insurance policy, given that it is an area that often is  
3528 difficult to get supply to. So it is important for them, and  
3529 that is one of the reasons why it exists.

3530           \*Mr. Armstrong. But citing previous operational  
3531 concerns, the Department of Energy officials told GAO in 2022  
3532 that the current administration was considering its position  
3533 on whether to continue our recommended closing the gasoline  
3534 product reserve. Has the Administration determined its  
3535 position on the gasoline reserve?

3536           \*Secretary Granholm. I think they are going to keep it  
3537 open.

3538           \*Mr. Armstrong. Between the limited scale, commingled  
3539 supplies, and excessive cost per barrel, the Northeast  
3540 Gasoline Supply Reserve merits significant review. I mean,  
3541 we have to figure it out.

3542           \*Secretary Granholm. Yes.

3543           \*Mr. Armstrong. The very disruptions we are trying to  
3544 protect are going to have the same problems for our actual  
3545 reserve.

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3546           And then I would just comment, instead of permitting the  
3547 necessary infrastructure to diversely move products to the  
3548 northeast, we have a commingled supply that will end up being  
3549 under the same consequences as the -- of a natural disaster  
3550 of what we are trying to get to. So I just would hope the  
3551 Department would focus on existing operational maintenance  
3552 challenges associated with the -- dump money into ineffective  
3553 product reserves.

3554           And with that, I will yield back.

3555           \*Mr. Duncan. I thank the gentleman. I will now go to  
3556 Mr. Pfluger from Texas for five minutes.

3557           \*Mr. Pfluger. Yes, thank you, Mr. Chairman.

3558           Secretary, thank you for being here. Would you consider  
3559 yourself the principal adviser to the President for energy  
3560 matters?

3561           \*Secretary Granholm. Well, I am the Secretary of  
3562 Energy. I am one of the main advisors, but he has got a few.

3563           \*Mr. Pfluger. Okay, but you are the principal advisor.

3564           \*Secretary Granholm. Well, I don't know that I would  
3565 say that. I think he has got some very good advisors in the  
3566 White House.

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3567           \*Mr. Pfluger. I believe in this position. I represent  
3568 the Permian Basin. We have had this conversation before.  
3569 You know, we produce about 43 percent of the country's crude  
3570 oil. It is the most secure supply of oil and gas in the  
3571 entire world. And in fact, I would also go a step further,  
3572 that it is probably the only thing that has kept this economy  
3573 going, despite the policies that we have seen. I am very  
3574 concerned about those policies. And I just have a couple of  
3575 questions for you based on, you know, being the Secretary of  
3576 Energy.

3577           When the President went to Saudi Arabia and asked OPEC+  
3578 to increase production, was that your recommendation to him  
3579 to do that?

3580           \*Secretary Granholm. I think the President wanted to  
3581 see greater production in the United States also.

3582           \*Mr. Pfluger. We have that ability.

3583           \*Secretary Granholm. And --

3584           \*Mr. Pfluger. That is why H.R. 1 --

3585           \*Secretary Granholm. -- he has been asking for it.

3586           \*Mr. Pfluger. -- is so important. And Madam Secretary,  
3587 you are the Secretary of Energy. We are blessed, as a

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3588 country, to have the most enormous amount of reserves, not  
3589 just of oil and gas, but of so many other critical minerals  
3590 and things that have been discussed today. Did you recommend  
3591 that he go to Saudi Arabia and ask for them to produce more  
3592 oil?

3593 \*Secretary Granholm. I was not in that conversation.

3594 \*Mr. Pfluger. So he did not ask the Secretary of Energy  
3595 for --

3596 \*Secretary Granholm. I was not in the conversation.

3597 \*Mr. Pfluger. -- your recommendation?

3598 \*Secretary Granholm. But I will say this. He has been  
3599 very strong about asking for greater supply here in the  
3600 United States.

3601 \*Mr. Pfluger. We have that capacity to do that. I am  
3602 extremely troubled with the fact that, for a political  
3603 emergency, the President released almost half -- over half of  
3604 our SPR.

3605 At what point in time will you make a recommendation to  
3606 the President, or act upon current law to refill?

3607 \*Secretary Granholm. We will be refilling, as you are  
3608 probably --

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3609           \*Mr. Pfluger. What is the -- do you have a timeline?

3610           \*Secretary Granholm. As soon as we are finished with  
3611 the current congressionally-mandated sale, which we are  
3612 required to do before the end of the fiscal year, as soon as  
3613 that is done -- because, as you are probably aware, you can't  
3614 take in and release at the same time -- we will begin the  
3615 process of --

3616           \*Mr. Pfluger. I would like for you to follow up for the  
3617 record on that one, to let us know what that timeline looks  
3618 like.

3619           I am going to move to the next question --

3620           \*Secretary Granholm. Starting this summer.

3621           \*Mr. Pfluger. You said we cannot flip a switch today,  
3622 but the Administration has actually tried to flip that  
3623 switch.

3624           You know, just a couple of questions for you when it  
3625 comes to -- what is the total amount of electricity that our  
3626 country needs on an annual basis?

3627           \*Secretary Granholm. Well, right now we have about  
3628 1,400 gigawatts on our grid.

3629           \*Mr. Pfluger. On an annual basis, what does that equate

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3630 to?

3631           \*Secretary Granholm. Well, 1,400 gigawatts on the grid,  
3632 so how much electricity do -- I mean, we have a bunch of  
3633 different sources of electricity that are provided. We use  
3634 about three --

3635           \*Mr. Pfluger. It is about 4 trillion kilowatt hours per  
3636 year.

3637           \*Secretary Granholm. Oh, okay.

3638           \*Mr. Pfluger. And I would expect you to know that  
3639 because we have a 2032 mandate to get to electric vehicles,  
3640 like my colleague just mentioned.

3641           My next question is what will the increase in that total  
3642 amount of annual --

3643           \*Secretary Granholm. We have to double the size of the  
3644 electric grid by 2035.

3645           \*Mr. Pfluger. Double.

3646           \*Secretary Granholm. Mm-hmm.

3647           \*Mr. Pfluger. So what portion of our grid is serviced  
3648 by hydrocarbons right now?

3649           \*Secretary Granholm. About 40 -- no, 40 percent is  
3650 natural gas. About 17 percent is coal, and the rest is

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3651 clean.

3652 \*Mr. Pfluger. Okay, so it is about 20 percent -- 22  
3653 percent coal --

3654 \*Secretary Granholm. No, 17 percent.

3655 \*Mr. Pfluger. -- 19 percent nuclear --

3656 \*Secretary Granholm. As of right now.

3657 \*Mr. Pfluger. This is from you all's website.

3658 \*Secretary Granholm. Well, the --

3659 \*Mr. Pfluger. Thirty-eight percent natural gas and  
3660 twenty percent renewable.

3661 So what -- in 2032, if we have to double -- and thank  
3662 you for that answer. That is actually more than I was  
3663 expecting you to say. If we have to double the amount of  
3664 electricity, where is that going to come from?

3665 \*Secretary Granholm. That is going to come from growing  
3666 our energy pie.

3667 \*Mr. Pfluger. And what --

3668 \*Secretary Granholm. Increasing --

3669 \*Mr. Pfluger. -- pieces of pie will grow?

3670 \*Secretary Granholm. We want to increase clean.

3671 \*Mr. Pfluger. Clean.

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3672           \*Secretary Granholm. So --

3673           \*Mr. Pfluger. So what does that mean? What does clean

3674 --

3675           \*Secretary Granholm. So that means let's increase

3676 nuclear, let's increase hydroelectric power, let's increase

3677 geothermal.

3678           \*Mr. Pfluger. What about --

3679           \*Secretary Granholm. Let's increase --

3680           \*Mr. Pfluger. What about in places that don't have

3681 hydro?

3682           \*Secretary Granholm. Well, that is why you have a

3683 transmission grid, to be able to bring electricity from where

3684 it is generated to where it is needed.

3685           \*Mr. Pfluger. When was the last time you visited the

3686 Permian Basin?

3687           \*Secretary Granholm. I have not been to the Permian

3688 Basin.

3689           \*Mr. Pfluger. It is the most prolific production area

3690 for energy in this country.

3691           \*Secretary Granholm. Will you invite me?

3692           \*Mr. Pfluger. I have invited you.

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3693           \*Secretary Granholm. Ah, I didn't know that.

3694           \*Mr. Pfluger. I invited you last year, when I saw you  
3695 in a meeting.

3696           \*Secretary Granholm. Great.

3697           \*Mr. Pfluger. And I will invite you again.

3698           This area helped us win World War II. This area has  
3699 lifted a billion people out of poverty. This Administration  
3700 is choosing to not use the best-of-the-above strategy. I am  
3701 not an all-of-the-above kind of person, I am a best-of-the-  
3702 above. And that is different for different places.  
3703 Hydrocarbons in some places, clean natural gas. Maybe if you  
3704 have hydroelectric. We have more wind energy in my  
3705 congressional district than the entire State of California.  
3706 Come see it. It doesn't always work. The wind in west Texas  
3707 in July, when it is 110 degrees in the middle of summer,  
3708 doesn't blow.

3709           \*Secretary Granholm. But your sun shines.

3710           \*Mr. Pfluger. But -- it does. And give me a battery  
3711 that works for more than four hours that services the largest  
3712 electric --

3713           \*Secretary Granholm. We are working on that.

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3714           \*Mr. Pfluger. -- grid in the country.

3715           \*Secretary Granholm. Yes.

3716           \*Mr. Pfluger. We don't want to be like Europe. We  
3717 don't want to be like California. That is why we are trying  
3718 to use a best-of-the-above approach.

3719           My time is expired, but I would like to see, Mr.  
3720 Chairman, the timeline for when the SPR is going to be  
3721 refilled. I yield back.

3722           \*Mr. Duncan. The gentleman yields back. We will go to  
3723 Mr. Carter from Georgia.

3724           \*Mr. Carter. Thank you, Mr. Chairman. I appreciate you  
3725 letting me waive on to this committee.

3726           Madam Secretary, thank you for being here. I believe I  
3727 am your last questioner, so --

3728           \*Secretary Granholm. I don't think so.

3729           \*Mr. Carter. One more? Oh, you got one more, okay.  
3730 Well, nevertheless, I am your next to last. And I want to  
3731 ask you, as I am sure you are aware, on another subcommittee  
3732 that I serve on we had EPA Administrator Regan before us just  
3733 a couple of days ago, just the other day. And it is my  
3734 understanding that the Department of Energy and the EPA have

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3735 signed a joint memorandum of understanding on electric  
3736 reliability, and that your announcement of this MOU  
3737 highlights the challenges of transitioning to clean energy.

3738         And -- but, you know, I find it interesting. Since that  
3739 MOU was announced in March, it seems like the EPA has  
3740 announced as many new rules or changes that it can that would  
3741 threaten grid reliability. I mean, just today EPA announced  
3742 a new power plan rule that is going to put significant new  
3743 requirements on our baseload generation. I am really  
3744 concerned about this. This is after a holiday season that  
3745 saw nine states experience blackouts and brownouts.

3746         I mean, even in the State of Georgia -- fortunately, we  
3747 didn't have any blackouts or brownouts, but the EMCs tell me  
3748 that we were at peak capacity, that we could not have done  
3749 any more than what we did. And we are a growing state. My  
3750 district is a growing state. I just had the largest economic  
3751 development project ever announced in the district, in the  
3752 State of Georgia. So we are growing, and we are going to  
3753 need reliability. We are going to need that in our state,  
3754 and the rest of the country is going to need it, as well.

3755         Last week, FERC Commissioner Mark Christie said that the

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3756 problem is not the addition of intermittent resources, but  
3757 the rapid subtraction of dispatchable resources like coal and  
3758 gas. He also said, and I quote, "The U.S. is heading for a  
3759 reliability crisis because dispatchable generating resources  
3760 are retiring far too quickly and in quantities that threaten  
3761 our ability to keep the lights on.'" Do you agree that the  
3762 U.S. is heading for a reliability crisis?

3763       \*Secretary Granholm. No, I think we have to do it  
3764 right, and I think that is why --

3765       \*Mr. Carter. Do you think we are doing it right?

3766       \*Secretary Granholm. Well, I think what the EPA rule  
3767 did was to say we want to reduce emissions. And it didn't  
3768 say how. We have been working on all of this technology to  
3769 decarbonize. And whether it is coal or natural gas, we want  
3770 clean baseload power.

3771       I heard a number of members of this side of the aisle  
3772 say this is about emissions. So let's work on that. Let's  
3773 decarbonize and allow for baseload power to exist.

3774       \*Mr. Carter. Well, I am encouraged to hear you say  
3775 that, because I believe that. I don't believe it is about  
3776 fewer choices, I believe it is about less carbon --

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3777           \*Secretary Granholm. And more technology.

3778           \*Mr. Carter. -- not less choices. So I am encouraged  
3779 to hear you say that. But then I see the rules that are  
3780 being implemented here by the EPA that concern me, because it  
3781 is putting our grid reliability at risk here.

3782           You know, I had the opportunity to go to Europe last  
3783 year as a member of the Conservative Climate Caucus, and we  
3784 saw and witnessed in Europe what has happened there. And  
3785 they have allowed their policies to get ahead of their  
3786 innovation, resulting in a mess, to be quite honest with you.  
3787 They closed down their nuclear plants and ended up going back  
3788 to coal.

3789           \*Secretary Granholm. Yes.

3790           \*Mr. Carter. Very important lessons to be learned  
3791 there, and I certainly hope we are paying attention and  
3792 learning those lessons.

3793           \*Secretary Granholm. Yes, we certainly are. And I  
3794 agree with you. We have to be thoughtful about this  
3795 transition.

3796           \*Mr. Carter. But, you know, again, the Biden  
3797 Administration has said that they -- by 2030 they want 80

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3798 percent renewable energy. And right now you said it is how  
3799 much of our portfolio?

3800 \*Secretary Granholm. We want to get to 100 percent by  
3801 2035 with an 80 percent reduction in greenhouse gas  
3802 emissions.

3803 \*Mr. Carter. Okay, okay. And what are we at right now?

3804 \*Secretary Granholm. In terms of -- we are at -- in  
3805 terms of clean, we have 20 percent that is nuclear, we have  
3806 20 percent that is renewable.

3807 \*Mr. Carter. Are you still confident that that is an  
3808 achievable goal?

3809 \*Secretary Granholm. I do -- I am, I am, because of the  
3810 policies that were just adopted. I know you didn't vote for  
3811 them, but --

3812 \*Mr. Carter. No, and --

3813 \*Secretary Granholm. -- are incentivizing --

3814 \*Mr. Carter. -- I am not going to vote for them,  
3815 because I believe that we are going to make the same mistake  
3816 that they made in Europe, and allow our policies to get ahead  
3817 of our innovation. And we can't do that. We can't afford to  
3818 do that.

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3819           Look, I would submit to you, Madam Secretary, that what  
3820 has happened in our economy is a direct result of the  
3821 policies of this Administration. It is self-inflicted. Day  
3822 one this Administration declared war on fossil fuels,  
3823 resulting in higher gas prices, resulting in higher  
3824 inflation, resulting in higher interest rates. And now we  
3825 have got the problems that we have got here, whereas my  
3826 colleague just pointed out we have got an abundance of oil  
3827 here, we have got an abundance.

3828           And again, here we are in a nation that has decreased  
3829 our carbon emissions more in the last decade than the next 12  
3830 countries combined, while growing our economy.

3831           \*Secretary Granholm. And we have also -- we are still a  
3832 record producer of oil and of natural gas. So declaring war  
3833 has not happened. In fact, we are at record production.

3834           \*Mr. Carter. We are at record production, but we can do  
3835 even better is the point. And we can -- we don't need to  
3836 decrease choices. We need to decrease carbon. That is what  
3837 we should be doing.

3838           \*Secretary Granholm. Let's work on it.

3839           \*Mr. Carter. Madam Secretary, thank you for being here.

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3840           \*Secretary Granholm. Thank you.

3841           \*Mr. Carter. And I am willing to work on it with you,  
3842 and I look forward to that.

3843           \*Secretary Granholm. Great.

3844           \*Mr. Duncan. The gentleman's time has expired, and I  
3845 will go to the last congresswoman of the day, Ms. Barragan,  
3846 for five minutes.

3847           \*Ms. Barragan. Thank you, Mr. Chairman.

3848           Madam Secretary, I have been here for a short time, but  
3849 very impressed at your ability to respond to very specific  
3850 questions.

3851           Madam Secretary, do you know what environmental justice  
3852 means?

3853           \*Secretary Granholm. I do.

3854           \*Ms. Barragan. That would be that would mean that you  
3855 know more than the last Administration's energy secretary  
3856 that sat before this committee and couldn't describe it or  
3857 explain it. So when I hear these very direct questions about  
3858 specific numbers and places, I am very impressed.

3859           Secretary Granholm, the infrastructure law President  
3860 Biden Democrats in Congress passed included 84 million for

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3861 demonstration projects that use enhanced geothermal  
3862 technology. There is a lot of geothermal potential in  
3863 California and other parts of the country. How is the  
3864 Department of Energy using these funds to meet its enhanced  
3865 Geothermal Shot goal to cut geothermal energy costs? And  
3866 what more can Congress do to support your work?

3867       \*Secretary Granholm. I am so glad you asked this  
3868 question, because I am such a huge fan of geothermal, the  
3869 heat beneath our feet, which is 24/7 dispatchable, baseload,  
3870 clean power. We need to do more.

3871       So we do have this Earthshot. The Earthshot is to  
3872 reduce the cost of geothermal so that we can see more of it  
3873 happen.

3874       We also have the ability through the Inflation Reduction  
3875 Act and the Bipartisan Infrastructure Law to help invest in  
3876 facilities that be -- that are able to get to that  
3877 geothermal.

3878       Honestly, the oil and gas companies should be embracing  
3879 this, given their expertise in frack, in hydraulic  
3880 fracturing. They know where the hotspots are, and they know  
3881 how to get to them, and they know the subsurface, and they

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3882 have employees who have a skill set that is ready to go.

3883       So we are very enthusiastic about continuing the  
3884 technology advances, particularly on the drill bits, as well  
3885 as on the extraction processes, whether it is enhanced or  
3886 advanced geothermal, closed loop or open loop. We are very  
3887 interested in all of it.

3888       \*Ms. Barragan. Oh, great. And I understand that today  
3889 the Department of Energy is holding an Enhanced Geothermal  
3890 Shot Summit. And so I want to thank you for your commitment  
3891 to this clean energy resource.

3892       And the follow-up to that, if the Department of Energy  
3893 can meet the cost reduction goals of enhanced geothermal, I  
3894 believe that is going to unlock 24/7 power in many parts of  
3895 the United States. How significant would this be for our  
3896 climate and clean energy goals?

3897       \*Secretary Granholm. Yes, it is -- you know, to all of  
3898 the questions that we were just talking about clean,  
3899 dispatchable baseload power, it would unlock so much. There  
3900 is the potential for geothermal, no matter how far down you  
3901 go -- it all depends on how far down you go -- it is  
3902 everywhere. And so if we could really unearth that, if we

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3903 could really crack the code on it, it could be the Holy  
3904 Grail.

3905       \*Ms. Barragan. Great. And this is a bipartisan issue.  
3906 It is something I have been working on with my colleagues  
3907 across the aisle on -- who represents Utah, Mr. Curtis.

3908       I want to chat with you about marine energy. Secretary  
3909 Granholm, the infrastructure law also provided \$70 million to  
3910 further develop marine energy. There is a lot of wave energy  
3911 potential off the coast of California, and a pilot project  
3912 soon underway at AltaSea in my district, which is at the Port  
3913 of Los Angeles. Can you tell me how the Department of Energy  
3914 is using these funds to advance marine energy?

3915       And what more can Congress do to support the marine  
3916 energy research and development?

3917       And just to give you an idea, I recently had a company  
3918 from Israel come and share their -- what they are doing there  
3919 to bring down to the Los Angeles port that can basically  
3920 produce energy from waves.

3921       \*Secretary Granholm. Yes.

3922       \*Ms. Barragan. And I think it is pretty remarkable.  
3923 And so I just thought I would ask about that.

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3924           \*Secretary Granholm. Yes, it is hugely -- you know, the  
3925 -- just the ability for machines under -- at the floor of the  
3926 seabed to be able to harness that energy is a huge  
3927 opportunity. We are trying to reduce the costs of those  
3928 machines so that it becomes affordable.

3929           But here is what we have done. The Water Power  
3930 Technology Office, they have actually issued now three  
3931 funding opportunities to support the impact of the expansion  
3932 of low-impact hydropower and pumped storage hydropower,  
3933 whether it is -- there is dams, but there is also -- you can  
3934 have pumped storage on a smaller sort of distributed manner.  
3935 All of those are technology advances that we are focused on.

3936           We also have put \$40 million in the budget for the  
3937 National Marine Energy Centers, and the marine energy R&D is  
3938 that 40 million -- excuse me, 70 million funding opportunity  
3939 that we announced this week.

3940           \*Ms. Barragan. Great. Well, thank you, and I  
3941 appreciate that you mentioned that in the Inflation Reduction  
3942 Act Democrats have included billions in home electrification  
3943 incentives with priority for low and moderate-income  
3944 households so they can make that switch.

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3945           Again, thank you for your time.

3946           \*Secretary Granholm. Thank you.

3947           \*Ms. Barragan. And with that I yield back.

3948           \*Mr. Duncan. I thank the gentlelady, she yields back.

3949           I ask unanimous consent to insert in the record the

3950 documents included on the Staff hearing document list.

3951           Without objection, that will be the order.

3952

3953

3954           [The information follows:]

3955

3956           \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

3957

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3958           \*Mr. Duncan. I will remind members they have 10  
3959 business days to submit questions for the record, and I ask  
3960 the witness to respond to the questions promptly. Members  
3961 should submit their questions by the close of business on May  
3962 25th.

3963           And Madam Secretary, thanks for being here. Thanks for  
3964 bearing with us during votes.

3965           \*Secretary Granholm. Thank you, Mr. Chairman.

3966           \*Mr. Duncan. And we will stand adjourned.

3967           [Whereupon, at 5:46 p.m., the subcommittee was  
3968 adjourned.]