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6 THE FISCAL YEAR 2026

7 DEPARTMENT OF ENERGY BUDGET

8 TUESDAY, JUNE 10, 2025

9 House of Representatives,

10 Subcommittee on Energy,

11 Committee on Energy and Commerce,

12 Washington, D.C.

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16 The subcommittee met, pursuant to call, at 10:02 a.m. in
17 Room 2123, Rayburn House Office Building, Hon. Robert E.
18 Latta [chairman of the subcommittee], presiding.

19

20 Present: Representatives Latta, Weber, Palmer, Allen,
21 Balderson, Pfluger, Harshbarger, Miller-Meeks, James, Bentz,
22 Fry, Langworthy, Evans, Goldman, Fedorchak, Guthrie (ex
23 officio); Castor, Peters, Menendez, Mullin, McClellan,
24 DeGette, Matsui, Tonko, Veasey, Schrier, Fletcher, Ocasio-
25 Cortez, Auchincloss, and Pallone (ex officio).

26

27 Also present: Representatives Joyce, Obernolte; Carter

28 of Louisiana, Dingell, and Ruiz.

29 Staff Present: Ansley Boylan, Director of Operations;
30 Clara Cargile, Professional Staff Member; Jessica Donlon,
31 General Counsel; Andrew Furman, Professional Staff Member;
32 Sydney Greene, Director of Finance and Logistics; Emily Hale,
33 Staff Assistant; Calvin Huggins, Clerk; Megan Jackson, Staff
34 Director; Sophie Khanahmadi, Deputy Staff Director; Mary
35 Martin, Chief Counsel; Sarah Meier, Counsel and
36 Parliamentarian; Joel Miller, Chief Counsel; Ben Mullaney,
37 Press Secretary; Jake Riith, Staff Assistant; Jackson Rudden,
38 Staff Assistant; Chris Sarley, Member Services/Stakeholder
39 Director; Peter Spencer, Senior Professional Staff Member;
40 Matt VanHyfte, Communications Director; Katie West, Press
41 Secretary; Aurora Ellis, Minority Law Clerk; Waverley Gordon,
42 Minority Deputy Staff Director and General Counsel; Tiffany
43 Guarascio, Minority Staff Director; La'Zale Johnson, Minority
44 Intern; Kristopher Pittard, Minority Professional Staff
45 Member; Emma Roehrig, Minority Staff Assistant; Kylea Rogers,
46 Minority Policy Analyst; Andrew Souvall, Minority Director of
47 Communications, Outreach, and Member Services; Medha
48 Surampudy, Minority Professional Staff Member; and Tuley
49 Wright, Minority Staff Director, ENG.

50 *Mr. Latta. I call the Energy Subcommittee to order,
51 and welcome to today's hearing on the budget of the
52 Department _sorry, welcome to today's hearing on the

53 Department of Energy's fiscal year 2020 budget.

54 And welcome, Secretary Chris Wright, to your first
55 hearing before the Energy and Commerce Committee. Welcome.
56 Secretary Wright, in your confirmation hearing before the
57 Senate Energy and Natural Resources Committee, you stated
58 three goals: unleash American energy dominance, lead the
59 world in innovation and technological break-throughs, and
60 once again allow for entrepreneurs to build in this country.
61 This sentiment could not come at a more critical juncture.

62 Around the world, adversarial nations like communist
63 China are exploiting energy markets and critical minerals to
64 advance their national interests at the expense of the
65 security of the United States. Our own national _nation
66 faces an electric reliability crisis that could threaten the
67 everyday lives of hard-working Americans. Infrastructure
68 development has been left at a virtual standstill after the
69 regulatory onslaught of the previous administration. All the
70 while, we are in the midst of a critical race to lead the
71 world in AI development. The stakes could not be higher,
72 which is why the ambitious goals laid out under your
73 leadership are so critical to the interests of our country.

74 After five months on the job your department has
75 remained steadfastly committed to these efforts. Your
76 department reversed course on the disastrous LNG export ban,
77 and once again ensured our abundant natural resources can be

78 utilized as a diplomatic tool for allies abroad. To reduce
79 unnecessary Federal overreach, your department rescinded
80 dozens of burdensome and workable efficiency regulations and
81 standards that the previous administration designed to
82 advance as a one-size-fits-all approach to energy efficiency.

83 Over the last few weeks the department issued necessary
84 2028 emergency waivers to continue the operation of baseload
85 power plants to protect the grid reliability in regions
86 across the country during the upcoming summer months. And
87 just two weeks ago the White House released the
88 Reinvigorating the Nuclear Industrial Base executive order,
89 which will empower DoE to expedite and promote the use of
90 nuclear energy in the United States. Importantly, these
91 efforts will leverage the bipartisan work of our ADVANCE Act
92 to fuel a domestic nuclear renaissance, empower next
93 generation industries.

94 As you have documented, you are continuing your ongoing
95 tour of all 17 national labs, our crown jewels, which will be
96 critical in leading the world in technological break-
97 throughs. This includes the recent announcement of a new
98 super-computer at the Lawrence Berkeley National Lab that
99 will be vital to the continued development of AI and fusion
100 energy. I am encouraged that your department has been
101 rightly focused on the energy needs of our growing AI
102 industry, and why it is so important for our nation and the

103 world for the United States to win.

104 Your department has also remained committed to President
105 Trump's agenda to be stewards of finite taxpayer resources by
106 aligning Federal resources with high-priority projects and
107 eliminating wasteful spending. As we discuss cost-cutting
108 measures at your department, it is important to remember that
109 the previous administration received over \$100 billion in new
110 funding and a \$400 billion in loan authority from the
111 Inflation Reduction Act and Infrastructure Investment and
112 Jobs Act. The previous administration issued financial
113 assistance awards in a haphazard manner that lacked
114 accountability.

115 In fact, in the 76 days between the Election Day and
116 President Trump's inauguration, the department issued almost
117 \$100 billion in new loans, compared to the \$43 billion in
118 loans issued over the loan office's 20-year life span. This
119 level of government subsidies was irresponsible and
120 unsustainable, focused on misguided priorities, and was often
121 done to the detriment of free markets and private
122 enterprises.

123 The fiscal year 2026 budget reflects these priorities
124 and will refocus the Department of Energy on its core mission
125 as you continue reorganization efforts, as is customary for
126 incoming administrations. We look forward to our continued
127 work together to achieve common goals to unleash American

128 energy dominance, lead the world in the next generation of
129 industries, and fuel economic prosperity throughout the
130 country.

131 [The prepared statement of Mr. Latta follows:]

132

133 *****COMMITTEE INSERT*****

134

135 *Mr. Latta. I look forward to today's discussion and I
136 yield back the balance of my time, and at this time recognize
137 the gentlelady from Florida, the ranking member of the
138 subcommittee, for five minutes for an opening statement.

139 *Ms. Castor. Well, thank you, Mr. Chairman.

140 Good morning, Mr. Secretary. It is our job to hold you
141 accountable and ask questions, and I appreciate you attending
142 the briefing today to offer your budget.

143 You know, the President promised to cut electric bills
144 in half, but utility bills are way up, as is the risk of a
145 resurgent inflation, thanks to the Administration's policies.
146 It always sounded way too good that electricity bills would
147 be cut in half, but hard-working Americans did not expect you
148 to actively work to make their lives more expensive, reach
149 into their wallets, and grab their hard-earned cash. And
150 that is effectively what your policies have done in just a
151 few short months.

152 And in addition to higher electric bills, the U.S. DoE
153 is actively killing jobs. The U.S. Department of Energy,
154 once the envy of the world for innovation, our national labs,
155 and focus on cleaner, cheaper energy, is killing jobs.

156 Mr. Secretary, you inherited a Department of Energy that
157 was advancing an energy manufacturing boom, 1,000 new or
158 expanded factories across America, 400,000 good-paying jobs
159 just over the past few years. America had a strategy to

160 produce more energy, reshore jobs, modernize the grid, invent
161 the energy technologies of the future, and build and scale
162 them here in the United States. This is smart policy,
163 especially as energy is central to our national security.
164 But you seem happy to cede the next generation of energy,
165 innovation, and leadership to our competitors like the
166 Chinese Communist Party.

167 We need you to answer why you and Republicans in
168 Congress are intentionally sabotaging America's progress,
169 constraining our supply, and fueling higher household energy
170 bills.

171 On top of it all, the Administration is piling on
172 arbitrary tariffs that is making the energy sector more
173 expensive because tariffs lead to increased costs and
174 disruptions, ultimately impacting both consumers and the
175 broader energy market. DoE is supposed to be leading the
176 energy _supposed to be leading energy innovation and
177 security, from grid resilience to critical minerals to
178 renewable power to next-generation renewable power. But you
179 and Elon Musk and DOGE have taken a chainsaw to the
180 scientists, experts, and congressionally-mandated initiatives
181 at DoE.

182 Witnesses and experts testify before this committee
183 consistently that we need to support expansion of electricity
184 transmission infrastructure in the U.S. because it is

185 critical to providing affordable and reliable power. Yet the
186 big, ugly bill, as we affectionately call it, the billionaire
187 tax break package, rescinds support for transmission,
188 facility financing, electricity transmission planning,
189 modeling. It takes back the grants to facilitate the siting
190 of interstate electricity transmission lines.

191 And recent studies have shown that a comprehensive
192 approach to building transmission lowers costs for consumers.
193 In the northeast, average electric bills could decrease by
194 more than one-third. A new report released yesterday finds
195 that every \$1 spent on transmission returns up to \$4.70 in
196 customer benefits.

197 In addition, two weeks ago you canceled industrial
198 demonstrations funded by Congress to cut carbon emissions and
199 toxic air pollution from industrial sites and power plants.
200 DoE claimed these projects failed to advance energy needs of
201 the American people, they are not economically viable, they
202 don't return a positive investment for taxpayers. But that
203 is not true.

204 Mr. Chairman, I ask unanimous consent to enter into the
205 record a report from the American Council for Energy
206 Efficient Economy that finds the industrial demonstrations
207 would bring \$14 billion in private investment and keep
208 industrial facilities competitive with countries around the
209 world.

210 *Mr. Latta. Well, without objection, so ordered.

211 [The information follows:]

212

213 *****COMMITTEE INSERT*****

214

215 *Ms. Castor. This dysfunction at the Department of
216 Energy is killing investment in America. Look at the Loan
217 Programs Office which House Republicans tried to kill _are
218 trying to kill in their big, ugly bill. The LPO is exactly
219 the kind of tool we need to provide low-cost financing to
220 projects that traditional investors won't fund.

221 However, since President Trump took office companies,
222 many of whom have spent years and millions of dollars to
223 secure conditional LPO loan commitments, are walking away.
224 They can no longer trust the Department of Energy to be a
225 reliable partner. CORE POWER, who received a conditional
226 loan to build a new lithium battery manufacturing facility,
227 has canceled the project, resulting in 3,000 lost American
228 jobs. Aspen Aerogels received a conditional loan to build a
229 plant in Georgia to make thermal barriers for EV batteries.
230 They have canceled the plant, and will instead expand
231 production in China and Mexico. The list goes on and on.

232 And, you know, Americans expect policy-makers like you
233 to deploy taxpayer dollars wisely, spur cost saving
234 innovations, and make people's lives better. But your
235 proposed budget fails to advance that vision. And when an
236 administration holds a vision based on propping up only dirty
237 power sources, we lose Americans' capacity _America's
238 capacity to innovate and drive costs down, which ultimately
239 hurts American businesses and the American people.

240 So you have a lot to answer for today. I look forward
241 to the exchange.

242 [The prepared statement of Ms. Castor follows:]

243

244 *****COMMITTEE INSERT*****

245

246 *Ms. Castor. I yield back my time.

247 *Mr. Latta. The gentlelady's time has expired, and the
248 chair now recognizes the gentleman from Kentucky, the chair
249 of the full committee, for five minutes for questions.

250 *The Chair. Thank you. Thank you to Secretary Wright
251 for being here.

252 We welcome you to the Energy and Commerce Committee.
253 Many people may not fully appreciate the functions that the
254 department performs in the Federal Government and your
255 responsibilities as Energy Secretary. You oversee a national
256 security agency and an energy security agency. DoE has
257 designed and produced every nuclear warhead in the U.S.
258 arsenal. It powers the nuclear navy. It plays critical
259 roles in non-proliferation, international nuclear security,
260 and other energy security missions.

261 DoE is a world-class science, engineering, and
262 technology agency. It is an environmental engineering and
263 cleanup agency. It is an energy emergency support agency and
264 produces essential energy information for our energy industry
265 and public, as well as employing the fastest computers in the
266 world. Its work is performed through a nation-spanning
267 complex of national labs, production sites, and facilities,
268 and involves the largest contract workforce outside of the
269 Department of Defense. Ensuring this agency operates
270 efficiently can be a challenge, as the Committee on Oversight

271 over the years has demonstrated.

272 That said, successful management of DoE's missions and a
273 focus on its core missions means America will be secure and
274 stay ahead of our adversaries. You are taking charge of DoE
275 at a critical time for the nation. Right now we are fighting
276 to achieve AI dominance. It is a technological race that we
277 cannot afford to lose to China. The threat of China
278 succeeding at our expense equals, if not surpasses, the
279 threats we faced almost 90 years ago in the race to harness
280 atomic energy, which America fortunately won.

281 The success of the Manhattan Project, a project that is
282 in DoE's DNA, safeguarded our nation's security for two
283 generations. We are confronting a similar treacherous time
284 today. Over the past four years our adversaries have been
285 emboldened _China, in particular. Here at home our nation
286 confronts tremendous new demand, tremendous new demand for
287 energy, and a burning need to revitalize our energy sector.
288 We need energy and more of it. We need to build out the
289 types of energy that we can rely on to power our
290 technological needs, to support our allies, and to build our
291 economy.

292 Against this backdrop, understanding how you plan to
293 address the urgency of this moment is critical. Recent
294 actions by the Administration to super-charge the drive to
295 restore our nuclear energy leadership, including at DoE,

296 represent the kind of positive actions this nation needs.
297 What will matter is how you execute these policies. So it is
298 important to understand how you plan to manage the agency and
299 align its budget to effectively meet your priorities and
300 responsibilities, and to measure the results.

301 Every new administration takes steps to align DoE
302 structure to meet its priorities. President Trump did it in
303 his first term. President Obama did it twice. We should
304 give you the flexibility to have the organization you need to
305 be effective and to allow you the _to find efficiencies in
306 agency management.

307 We should not lose sight of the reality that the
308 Department of Defense today operates about 35,000 more
309 contractors and employees than it did five years ago, most of
310 that increase in the past four years. The agency used to put
311 out a detailed annual performance report, but the last
312 administration did not produce those reports, limiting
313 accountability for measuring the results of work. Restoring
314 accountability on that front would be welcome.

315 And there certainly is room to be more efficient and
316 effective across the agency and the enterprise for the sake
317 of taxpayer stewardship. Ultimately, what matters is
318 aligning DoE to deliver the nuclear and energy security
319 results that are most essential for the nation, and to
320 support the engineering and science that will help us sustain

321 a prosperous future.

322 I really appreciate your willingness to be here to
323 testify. We appreciate you being here this morning.

324 [The prepared statement of The Chair follows:]

325

326 *****COMMITTEE INSERT*****

327

328 *The Chair. And I will yield back.

329 *Mr. Latta. Thank you very much. The chairman yields
330 back the balance of his time. The chair now recognizes the
331 gentleman from New Jersey, the ranking member of the full
332 committee, for five minutes for an opening statement.

333 *Mr. Pallone. Thank you, Mr. Chairman.

334 Today we are here to discuss the Department of Energy's
335 fiscal year 2026 budget requests, but the destruction of our
336 national energy policy had already started before we received
337 this flawed and harmful budget. It started on day one, when
338 Trump signed disastrous executive orders that halted Federal
339 grants and propped up polluting fossil fuels. It continued
340 with House Republicans passing the one big, ugly bill that
341 eliminates programs that are lowering energy costs and
342 helping to build clean energy manufacturing here in America,
343 all so Republicans can give giant tax breaks to billionaires.
344 And now we have a Trump budget that will increase household
345 energy costs, prioritize oil and gas, undermine clean energy,
346 and gut energy assistance programs. And at a time when
347 energy demand is increasing, this budget will make it harder
348 for our nation to meet the moment.

349 So, Secretary Wright, welcome to the Energy and Commerce
350 Committee. But I have to say I have tried to get answers
351 from you on a number of actions at DoE, ranging from staffing
352 costs to project delays and funding freezes. But every

353 single letter I have sent has gone unanswered. When
354 appearing before a different committee you seem to indicate
355 that you view responding to Congress as an optional part of
356 your job, and I want to be clear it is not. And responding
357 to this committee is part of your responsibility to the
358 American people. After all, you owe them an explanation of
359 your actions over the last six months.

360 The agency has forced Americans to pay higher energy
361 bills to keep outdated and expensive coal plants online. It
362 is revoking energy and water efficiency standards that lower
363 energy bills for American families. It cancelled \$3.7
364 billion in grants that would lower emissions from the
365 industrial sector and create thousands of good-paying energy
366 jobs.

367 The Department of Energy also threw open its doors to
368 Elon Musk and his DOGE minions. Musk forced out more than
369 3,500 DoE staffers, and now the agency has lost experienced
370 and valuable personnel with critical expertise. And now the
371 Trump Administration sends Congress a budget request that
372 hollows out DoE even more, slashing funding by more than 25
373 percent. It slashes funding for the Weatherization
374 Assistance Program, zeroes out grants for renewable grid
375 integration and wind and solar energy, and cuts loan programs
376 for advanced vehicle technologies and tribal energy.

377 So, Mr. Secretary, in your confirmation hearing you

378 indicated that expanding the grid was _and I am quoting now
379 _"important to securing and modernizing resilient electricity
380 grid to meet growing electricity demand.'" But your budget
381 proposal rescinds billions of dollars in investments in the
382 nation's power grid, making it even more difficult for us to
383 modernize and secure it for the future.

384 The Trump Administration and congressional Republicans
385 claim to care about competing with China. I hear that over
386 and over again. But every action that they take only leaves
387 America further behind in the global energy leadership race.
388 By freezing and canceling investments in emerging clean
389 energy technologies the Trump Administration is letting China
390 win. By under-cutting manufacturing projects set to build
391 electric vehicles and solar panels here in the United States,
392 the Trump Administration is leaving the door wide open for
393 our competitors. They are letting China further grow its own
394 supply chains and its global market share. And we were on
395 the verge of a clean energy manufacturing renaissance, and
396 the Trump Administration has grounded all to a halt.

397 And the Trump Administration allowed its reckless
398 alliance with Elon Musk and his DOGE minions to threaten the
399 operations of the National Nuclear Security Administration
400 and the Bonneville Power Administration. And now that that
401 alliance between Musk and Trump, I guess, has come to an end
402 with this ongoing war of words on social media, but still the

403 Trump Administration now claims that Musk is only looking to
404 support his financial interests. Well, they did not voice
405 any concern from us _very real conflict of interest when he
406 was decimating our Federal agencies or indiscriminately
407 firing workers and all while covertly stealing Americans'
408 sensitive personal data. They didn't seem to care about it
409 then. Now they say they care.

410 But before I finish, Secretary, it looks like you and I
411 agree on at least one issue, and that is that nuclear energy
412 is worth investing in, and that the Loan Programs Office has
413 an important role to play. And that is something I hope you
414 will reiterate with committee Republicans today who don't
415 seem to share your view on this. In the one big, ugly bill
416 they completely zeroed out funding for DoE's Loan Programs
417 office.

418 It also appears that even you have some concerns about
419 this budget request. In testimony before the Senate last
420 month you asked Congress to send DoE the budget it needs, not
421 the one you asked for. And so I question your own support
422 for the budget that you are here to defend. So I am looking
423 forward to finally getting some answers today.

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

425

426 *****COMMITTEE INSERT*****

427

428 *Mr. Pallone. And with that, Mr. Chairman, I yield back
429 the balance of my time.

430 *Mr. Latta. Thank you very much. The gentleman yields
431 back the balance of his time, and this now concludes member
432 opening statements.

433 The chair reminds members that, pursuant to committee
434 rules, all members' opening statements will be made part of
435 the record.

436 We want to thank our witness, Secretary Wright, for
437 being here today and taking time to testify for the
438 subcommittee.

439 Mr. Secretary, you will have the opportunity to give an
440 opening statement followed by a round of questions from
441 members.

442 And again, of course, our witness is the Honorable Chris
443 Wright, Secretary of the Department of Energy.

444 We appreciate you being here, and, Mr. Secretary, we
445 look forward to hearing your opening statement. And you have
446 five minutes. Thank you very much.

447

448 STATEMENT OF THE HON. CHRIS WRIGHT, SECRETARY, U.S.
449 DEPARTMENT OF ENERGY

450

451 *Secretary Wright. Thank you, Chairman Latta, Chairman
452 Guthrie, Ranking Member Castor, and Ranking Member Pallone,
453 and members of the committee. It is an honor to appear
454 before you today as Secretary of Energy to discuss the
455 President's fiscal year 2026 budget request for the
456 Department of Energy.

457 Under President Trump's leadership our priorities for
458 the Department are clear: to unleash a golden era of
459 American energy dominance, strengthen our national security,
460 and lead the world in innovation. A reliable and abundant
461 energy supply is the foundation of a strong and prosperous
462 nation. When America leads in energy, we lead in prosperity,
463 security, and human flourishing.

464 America has a historic opportunity to secure our energy
465 systems; propel scientific and technological innovation,
466 including AI; maintain and strengthen our weapons stockpiles;
467 and meet Cold War legacy waste commitments. The Department
468 of Energy will advance this critical mission while cutting
469 red tape, increasing efficiency, and ensuring we are better
470 stewards of taxpayer dollars.

471 The President's fiscal year 2026 budget will ensure
472 taxpayer resources are allocated appropriately and cost

473 effectively. We will invest DoE's resources in sources and
474 technologies that support affordable, reliable, and secure
475 energy, and provide a return on investment for the American
476 taxpayers. We will return the department to its core mission
477 and eliminate spending on projects that fail to provide such
478 a return, fail to advance our energy needs, and fail the test
479 of economic viability.

480 It is deeply concerning how many billions of dollars
481 were rushed out the door without proper due diligence in the
482 final days of the Biden Administration. DoE is undertaking a
483 thorough review of financial assistance that identifies waste
484 of taxpayer dollars, protects America's national security,
485 and advances President Trump's commitment to unleash American
486 energy dominance. As a result, we recently announced the
487 termination of 24 projects, totaling over \$3.7 billion in
488 taxpayer-funded financial assistance. These projects failed
489 to meet the economic, national security, or energy security
490 standards necessary to sustain DoE's investment, and the
491 taxpayers should not be forced to subsidize them.

492 Instead, we are advancing a policy of energy addition,
493 fully leveraging affordable, reliable, and secure sources
494 that have powered our country for generations. The United
495 States is blessed with an abundance of coal, oil, and natural
496 gas, and our Administration is committed to using them to
497 meet growing energy needs of the American people. Every one

498 of these resources was unleashed through the world-changing
499 power of American innovation. Our national labs are the
500 engine that drives research and development to expand our
501 energy dominance. We will prioritize research that supports
502 true technological break-throughs and maintains America's
503 global competitiveness.

504 America must play a leading role commercializing a
505 reliable, safe, and secure nuclear energy, and we are taking
506 steps to accelerate innovation in this sector. DoE is
507 working to advance the rapid deployment of next-generation
508 nuclear technology, including small modular reactors. I am
509 proud to report that we have officially ended the previous
510 administration's reckless pause on LNG export permits, and
511 have returned to regular order for reviewing and approving
512 new permits.

513 DoE will also work to replenish the Strategic Petroleum
514 Reserve, a national asset that protects our security in times
515 of crisis. I want to thank this committee for prioritizing
516 funding to refill the SPR in the one big, beautiful bill as
517 well. We are advancing President Trump's pledge to lower the
518 cost of living and expand choice by right-sizing DoE's
519 approach to home efficiency standards and regulations. Under
520 the President's direction, we have begun slashing more than
521 47 regulations as part of the largest deregulatory effort in
522 history. These actions are projected to save the American

523 people approximately \$11 billion, while restoring consumer
524 freedom and lowering costs.

525 The responsible stewardship and modernization of the
526 nation's nuclear weapons system is paramount for this
527 Administration. DoE is focused on addressing critical
528 upgrades for the U.S. nuclear stockpile and maintaining our
529 engine powerhouses for submarines and aircraft carriers.
530 Both tasks will be even more crucial in the next few years.

531 Our nuclear innovation as a nation began with the
532 Manhattan Project, and the Manhattan Project is clearly AI.
533 DoE has a significant role to play in driving AI innovation
534 for scientific discovery and national security. Our agency
535 has world-class, high-performance computing capabilities,
536 including 4 of the world's top 10 super-computers.
537 Harnessing our energy potential to power global AI leadership
538 while meeting growing energy demand will be the challenge of
539 our time. But America doesn't back down from big challenges
540 or big builds.

541 As Secretary of Energy, I am honored by the
542 responsibility to help meet the American people's growing
543 energy needs and lead the world in energy development. I
544 appreciated the opportunity to work with many of you on this
545 committee to unlock America's full energy potential and drive
546 down costs for families with the one big, beautiful bill, and
547 I look forward to continuing to work together to achieve

548 President Trump's energy dominance agenda.

549 Thank you for the opportunity to testify before this
550 committee.

551 [The prepared statement of Secretary Wright follows:]

552

553 *****COMMITTEE INSERT*****

554

555 *Mr. Latta. Well, thank you very much, Mr. Chairman,
556 for _or Mr. Secretary _for your testimony today. And we will
557 now move into the question-and-answer portion of the hearing,
558 and I will begin the questioning and recognize myself for
559 five minutes.

560 One of the things I have asked over the last four years
561 is the same question of our witnesses coming before us, Mr.
562 Secretary. Do we need to have more energy or less energy
563 produced in this country?

564 *Secretary Wright. Unquestionably, more energy.

565 *Mr. Latta. And, you know, as we look at this, you
566 know, we are looking at a widening gap between our projected
567 electricity needs, largely driven by the new data centers you
568 pointed out, and we also have a reshoring of domestic
569 manufacturing, the amount of reliable energy entering the
570 system to meet that demand.

571 As you know, record levels of baseload generation are
572 prematurely retiring. How is the department viewing this
573 existential threat?

574 And what do you see as the potential consequences for
575 not meeting the moment?

576 *Secretary Wright. Yes, if one were to look at recent
577 data, growth in electricity production and energy more
578 broadly in China has been rapid. And in the United States,
579 particularly in the electricity sector, we saw almost no

580 growth in American electricity production during the four
581 years of the last Administration. Yet with almost no growth
582 in production, we saw across the country an average 25
583 percent increase in electricity prices. This is clearly a
584 pathway to losing the AI arms race. If we can't grow our
585 electricity production and keep prices in check, America is
586 in trouble.

587 Our Administration is entirely focused on unleashing
588 private capital, getting the government out of the way to
589 grow and expand our supply of reliable, firm electricity.
590 That is what AI needs: 24/7 365 electricity. But of course,
591 that is what the American electricity grid needs, as well.
592 No one wants the lights to go out or electricity production
593 to decline when your kid is on a ventilator or when your
594 factory is running. We need reliable, affordable, secure
595 electricity.

596 We are meeting with commercial providers across the
597 spectrum about how to build and enable the expansion of
598 American electricity generation. That is priority number
599 one. We need to grow the supply of electricity even faster
600 than the demand. That is the only way to meet the demands of
601 AI and reshoring manufacturing, and to stop the highly
602 destructive and politically polarizing rises in electricity
603 prices. There is a lot of momentum behind this increasing
604 the cost of electricity, restricting the ability to develop

605 or even operate the existing plants. So it is a big
606 challenge.

607 As Ranking Member Castor mentioned, yes, electricity
608 prices have been rising fast under the last administration,
609 and stopping that on a dime is a tricky challenge, but it is
610 a challenge we can and must meet.

611 *Mr. Latta. Well, thank you. Your department is
612 undergoing a reorganization effort to align with priorities
613 of the Administration and most effectively accomplish your
614 goals of energy dominance, technological superiority, and
615 fueling economic prosperity. Would you give us an update as
616 to where things stand with the reorganization efforts and the
617 number of staff that have departed the agency?

618 *Secretary Wright. Yes, look, the Department of Energy
619 is full of a bunch of tremendous, hard-working, committed men
620 and women trying to better the direction for our country.
621 But again, like with electricity prices, headcount at the
622 department grew over 20 percent during the last
623 administration, with only increasing costs of energy and no
624 increase in the supply of electricity. Clearly, that is a
625 trajectory we don't want to go on.

626 So like with any business or any organization where you
627 care about performance, we have got to critically look at
628 what we do, how we do it, how we can be more efficient, and
629 how we can concentrate limited resources on what matters the

630 most. We have followed a careful, thoughtful way to look at
631 how we are going to reorganize the department and to bring
632 the headcount more aligned with an appropriate budget for the
633 times we are in. We have done this almost entirely through
634 voluntary measures, so a lot of engagement with people. And
635 we have had voluntary offers to give generous financial
636 treatment for people that maybe _that are choosing to move on
637 to a different chapter in their career.

638 These are hard and tough, and this is still ongoing.
639 There is significant timeframe people have to choose whether
640 this is the pathway they want to go or not. People will be
641 moving from some offices to other offices to make sure we are
642 appropriately staffed in every office. But I am proud of the
643 hard work of the team, some of the people working behind me,
644 and many, many more back at the department.

645 In the next few weeks we will probably get more clarity
646 on exactly where the reorganization is going to end, but I
647 think it has been a great effort to align the people and the
648 staffing with the mission we have at hand, and to align our
649 expenditures with the output of the department.

650 *Mr. Latta. Thank you very much. My time has expired,
651 and I will submit my other questions in writing to you.

652

653

654

655 [The information follows:]

656

657 *****COMMITTEE INSERT*****

658

659 *Mr. Latta. But at this time I will recognize the
660 gentlelady from Florida, the ranking member of the
661 subcommittee, for five minutes for her questions.

662 *Ms. Castor. Well, thank you, Mr. Chairman.

663 Mr. Secretary, you have actively been throttling back
664 energy production you have been complicit in raising American
665 families' electric bills, and gutting innovation, so it is
666 really hard to determine where to even start with this. But
667 I will start with an initiative that is very popular across
668 the country that helps our neighbors back home save money,
669 and that is Energy Star. It is a joint DoE-EPA initiative
670 mandated in statute by Congress. In the past it has been
671 very bipartisan.

672 But your budget request runs counter to law. It
673 actually proposes to completely eliminate Energy Star. No
674 one thinks that is smart. Actually, I correct myself, the
675 polluters and the utility companies that want consumers to
676 use a lot more energy, they like it. But I am going to offer
677 for the record a letter from leading residential and real
678 estate organizations that describes Energy Star as a key
679 element of the all-of-the-above strategy. It says
680 electricity saved by Energy Star helps free up space on the
681 grid needed so the U.S. can lead the world to power and grow
682 AI, bring manufacturing back to our shore. It reduces
683 Americans' electricity bills.

684 I will offer that to you, Mr. Chair.

685 *Mr. Latta. And without objection, so ordered.

686 [The information follows:]

687

688 *****COMMITTEE INSERT*****

689

690 *Ms. Castor. So, Secretary Wright, in a press release
691 you said that DoE claims that when you eliminate Energy Star
692 you save Americans \$11 billion by rolling back energy
693 efficiency standards. However, according to DoE's own
694 estimates, eliminating those standards would increase
695 Americans' utility bills by more than \$54 billion. So how do
696 you justify robbing Americans of \$54 billion in savings from
697 energy efficiency standards?

698 *Secretary Wright. So, of course, increasing energy
699 efficiency, which has been going on for 200 years, is great.
700 If you can invest, you know, \$1 in increasing energy
701 efficiency and save many dollars of energy costs, people do
702 that all day long, every day, and they have been doing it
703 throughout human history, and certainly long before _

704 *Ms. Castor. So how do you justify it?

705 *Secretary Wright. _there was a Department of Energy.
706 Because individuals and businesses should make the choice to
707 evaluate those trade-offs.

708 *Ms. Castor. And they do. There are no mandates in
709 energy efficiency standards or appliances that people want to
710 purchase. My folks back home are replacing a lot of
711 appliances because we were socked by two hurricanes in a row
712 and did real damage. And every time you say that you are
713 _and the Republicans have been complicit on this _that you
714 can't _you are not going to provide the information to

715 consumers that they need to lower their electric bills at
716 this time, that does real damage.

717 *Secretary Wright. We are not preventing any product
718 being purchased by any consumer. Quite the contrary _

719 *Ms. Castor. Yes, you have, in eliminating Energy Star,
720 in the war on energy efficient appliances. This is the
721 opposite of what you said. You said you want to be good
722 stewards of taxpayer money, but you are not. You are asking
723 people to pay more, and taking the tools they need away from
724 them.

725 I will move on to the industrial demonstrations, because
726 you said America needs to be focused on innovation and lead
727 the world. You know, China is doubling down on industrial
728 sector innovation and decarbonization. In April China
729 announced 101 new demonstration projects, including low-
730 carbon steel, geothermal heat pumps, and green fertilizer.
731 These _those projects will receive, of course, direct
732 support, expedited approvals, prioritization. That is how
733 they work. So the least that America can do if we want to
734 keep up our competitive edge is to provide strategic support.

735 But you announced two weeks ago you are going to cancel
736 those industrial demonstrations. You said these
737 cancellations would strengthen our national security. Do you
738 believe that allowing China to overtake the United States in
739 these key sectors actually strengthens our national security?

740 *Secretary Wright. It is critical that the United
741 States lead in the technologies that matter, but _

742 *Ms. Castor. But you are taking the resources away from
743 these kind of innovative companies. They have come to you,
744 they have come to the Department of Energy. They are
745 bringing their own capital. They are not doing it on their
746 own. And you are taking these tools away from them, kind of
747 like pulling the rug out from under them, and ceding this to
748 China. Why do you think that is a good idea?

749 *Secretary Wright. If American taxpayers invest a
750 dollar, and the potential return on that dollar is a penny or
751 maybe a dime, that is not a good expenditure of American
752 dollars, and it is certainly not the pathway to win in a
753 competitive marketplace.

754 *Ms. Castor. Now, you said you are all for energy
755 dominance, but it _you are doing the opposite. You are
756 taking a hatchet to what makes America strong and what makes
757 America great, and that is innovation and doing it in
758 partnership with our private businesses. I think it is a
759 recipe, again, for higher electric bills for our families and
760 businesses back home, and it is a recipe for ceding ground to
761 China that we are not going to put up with.

762 I will yield back.

763 *Mr. Latta. The gentlelady's time has expired, and the
764 chair now recognizes the gentleman from Kentucky, the

765 chairman of the full committee, for five minutes for
766 questions.

767 *The Chair. Thank you, Mr. Chair.

768 So, Mr. Secretary, we talked AI and we talked throughout
769 this committee. My understanding is _we talked about
770 decarbonization of China _the one concern on AI and defeating
771 China at AI is the big, vast delta of China's expanding
772 energy sector and our flat growth in energy. And my _what is
773 kind of the components of China's growth in energy? My
774 understanding is they have strong use of coal.

775 *Secretary Wright. Yes, by far the biggest source of
776 electricity in China is coal. Coal is _

777 *The Chair. So would China be the world leader in
778 decarbonization?

779 *Secretary Wright. No, China is definitely not the
780 world leader in decarbonization. In fact, thank you for
781 going back to that point.

782 There is one leader in decarbonization that by far leads
783 the world, and that is the United States of America. We have
784 reduced global greenhouse _we have reduced greenhouse gas
785 emissions more than the next five countries after us
786 combined. But _and these reductions _

787 *The Chair. Well, at the same time using coal as our
788 energy generation, as well. You can do coal in a clean way.
789 My guess is China is probably not the leader in clean coal

790 that we are.

791 *Secretary Wright. Correct. And our decarbonization
792 was driven by market forces, not by government programs or
793 incentives. They have had actually a relatively small role.
794 The much bigger impact of government subsidies and
795 involvement in our energy sector is to drive our energy
796 prices up. And when you drive our energy prices up, you
797 don't make things in the United States. They get offshored,
798 and mostly to China.

799 *The Chair. Thanks. And so you wouldn't hold China up
800 as an example of decarbonizing the world?

801 *Secretary Wright. Absolutely not.

802 *The Chair. And if we dismiss what they are doing, such
803 as we _so we need 152 gigawatts of power over the next
804 decade, estimated. We have 112 gigawatts, including coal and
805 clean coal, scheduled to come offline. What is your concern
806 there? Not only do we have to make up the 152 we need, we
807 have to create 112 that we are losing, as well.

808 *Secretary Wright. Oh, it is a huge concern. Look, as
809 I said, almost no growth in our electricity production over
810 the last four years. You quoted some high numbers there,
811 over 100 gigawatts of needed new power to lead the re-
812 industrialization of our country and lead in AI. And at the
813 same time, we are going to retire well-working, reliable,
814 secure energy sources.

815 If you got to build up a mountain, the first thing to do
816 is stop digging the hole.

817 *The Chair. Exactly. So if you look at that during the
818 one big, beautiful bill, we have a provision in there
819 _because the concerns you hear from people investing in
820 energy, you know, some energy is a 20, 30-year return on
821 investment. And when there is every two to four years, the
822 policy seems to be changing out of Washington. They are
823 concerned.

824 And to address that, one, I would love to see if we
825 could all work together to have a bipartisan energy bill to
826 show that we can work together. And hopefully, that is still
827 possible for us to do. We are going to make that effort. I
828 can guarantee both sides of the aisle, we are going to work
829 on that.

830 But you also came up with a provision that we put in the
831 bill to help, as well. And it is not really insurance
832 companies can pay into, but can you describe that program a
833 little bit for us?

834 *Secretary Wright. Yes, look, energy infrastructure
835 takes time to build. Maybe the most famous example in the
836 United States was the Keystone XL pipeline to bring Canadian
837 oil down to American refineries so we can turn them into
838 high-value products and sell them to Americans or export them
839 overseas. Billions of dollars were spent on this pipeline,

840 and then an administration came in and just stopped it.

841 Who is going to build long-term infrastructure if the
842 next administration may just flush your investment? The
843 governor of New York did the same thing on pipelines that
844 could lower the cost of energy in New York State and New
845 England. Hundreds of millions of dollars were spent for
846 these obviously beneficial pipelines, and then the Governor
847 Cuomo in New York just stopped them.

848 So the idea is we need to build confidence for people to
849 make long-term investments again. And if the government
850 comes and changes their mind, they at least give you the
851 money back that you invested to try to help the American
852 economy.

853 *The Chair. That is only if the government decision is
854 what drives the loss of the investment, right?

855 *Secretary Wright. That is correct. Look, as a long-
856 time entrepreneur, we make investments all the time.
857 Sometimes they turn out great and sometimes they don't. That
858 is the nature of business. But if your investment only fails
859 because the government changed the policy, well, the
860 government should have a cost for changing that policy.

861 *The Chair. Okay. I only have a few seconds left, but
862 my understanding is that over the past five years DoE has
863 expanded by 35,000 people, employees, and contractors. Are
864 you _I am sure you are looking at that and kind of _what is

865 your explanation of that, and what you are doing with that?

866 *Secretary Wright. Yes. Look, it is another just
867 example of growing headcount, spending more money, and hiring
868 more people does not necessarily lead to positive results.
869 And in fact, historically, at the DoE it has led to the
870 opposite. We hired a lot of people whose main job was to try
871 to stand in the way of energy development. That is not a
872 productive use of people or capital.

873 *The Chair. Thank you. My time has expired. I
874 appreciate you being here, and I will yield back.

875 *Mr. Latta. Thank you. The gentleman's time has
876 expired and he yields back. The chair now recognizes the
877 gentleman from New Jersey, the ranking member of the full
878 committee, for five minutes for questions.

879 *Mr. Pallone. Thank you, Mr. Chairman.

880 This is not my question, but I just have to say it is
881 ironic you are talking about, you know, what the previous
882 administration did in terms of discouraging investment, which
883 I don't agree, but, I mean, the irony right now is that you
884 and the Trump Administration are doing everything you can to
885 prevent any kind of moving forward on clean energy. And so
886 why would anybody _you know, you are killing all the clean
887 energy initiatives around the country.

888 And so, you know, what is happening now, which is very
889 sad, is that _what we really should be for is all-of-the-

890 above in terms of energy. And my Republican colleagues claim
891 that. But that is not what you and they do. You kill clean
892 energy and you encourage fossil fuels. And this going back
893 and forth, back and forth is certainly not good for the
894 future in terms of America's dominance or energy
895 independence.

896 But that is not what I wanted to ask, Mr. Secretary. I
897 wanted to talk about the fact that the Trump Administration
898 has been laser focused on raising energy costs for Americans,
899 despite what the President campaigned on. And the example
900 came in the last month when your department ordered two power
901 plants burning coal, natural gas, and fuel oil to stay online
902 mere days before they were scheduled to shut down for good.
903 And just one problem. No one asked for these plants to stay
904 open. Not their grid operators, not their utilities, and not
905 their state regulators.

906 So my question is _and you could just answer quickly
907 _who made the decision to issue those orders under section
908 2028 of the Federal Power Act, was it you?

909 *Secretary Wright. I made those decisions.

910 *Mr. Pallone. That is fine. I want to move to the next
911 question. It is not fine, but, I mean, I _that is what I
912 wanted to hear.

913 Now, your department ordered the utilities running those
914 plants to get permission from FERC to charge customers to

915 keep those plants online. According to the chair of
916 Michigan's utility commission, those extra costs could cause
917 homeowners and businesses tens of millions of dollars.

918 And just in case anyone doubts these facts, I would like
919 to insert two articles on these orders into the record, Mr.
920 Chairman. One is from the New York Times and one is from the
921 Washington Post that, you know, back up what I just said.

922 So let me _

923 *Mr. Latta. Without objection, so ordered.

924 [The information follows:]

925

926 *****COMMITTEE INSERT*****

927

928 *Mr. Pallone. Thank you, Mr. Chairman.

929 Mr. Secretary. Your background is in the oil and gas
930 sector, not the electric sector. So why do you think that
931 you knew better than the grid operators, the utilities, and
932 the state regulators, you know, to actually try to revive
933 these, even though no one seemed to care?

934 Why are you increasing electricity prices for millions
935 of people? Because you know better about what you think we
936 should do with these plants?

937 *Secretary Wright. So keeping the coal plant open in
938 Michigan, in southwestern Michigan, two days after we issued
939 the order to stop that plant from closing, there was a
940 blackout in MISO. MISO is the tightest reserve margin place
941 we have in the country. You need to be able to keep the
942 lights on.

943 *Mr. Pallone. Okay.

944 *Secretary Wright. Two days later, the lights went out.
945 It is hard to over-estimate the extent _

946 *Mr. Pallone. Well, that was a different part of the
947 state. But in any case _

948 *Secretary Wright. Same grid.

949 *Mr. Pallone. _it is going to increase monthly energy
950 bills for millions of Americans. That is my point.

951 And I want to ask one more question, because, you know,
952 we don't have a lot of time. I want to turn to a statement

953 you made about the department's Loan Programs Office at a
954 recent Senate hearing. You said, and I quote, "We do need to
955 make sure we have funding available in the Loan Programs
956 Office because, used judiciously, it is a way to leverage
957 private capital to make things happen fast.''

958 Now, the Republican governors of South Carolina and
959 Indiana have made it clear that achieving the
960 Administration's desired nuclear build-out will be impossible
961 without the Loan Programs Office, and I would like to ask
962 unanimous consent to enter into the record a letter from the
963 South Carolina governor in which he states that, without the
964 existing Federal tax credits and loan programs for nuclear
965 power that make _making financing new nuclear power
966 generation possible, that effort would be dead without the
967 loan program.

968 So let me just ask you, do you think that _

969 *Mr. Latta. Without objection, so ordered.

970 [The information follows:]

971

972 *****COMMITTEE INSERT*****

973

974 *Mr. Pallone. Thank you, Mr. Chairman.

975 Do you think that it is possible, if Federal funding for
976 the loan programs office is clawed back, that they are going
977 to be able to accomplish this goal? That is not what the
978 governor says.

979 *Secretary Wright. There is a funding request in the
980 proposed budget for the DoE to continue the Loan Programs
981 Office. And yes, I do think it is a helpful tool to launch
982 nuclear energy, which is why we are requesting money to do
983 just that.

984 *Mr. Pallone. Right. But in the House Republican
985 reconciliation bill, they get rid of it. So that is
986 inconsistent, obviously, correct?

987 *Secretary Wright. I am not sure all of the funding is
988 gone in the House reconciliation bill, but it _

989 *Mr. Pallone. But it says all unobligated funding. I
990 mean, clearly it is going to cripple the program.

991 I mean, all I am asking you to say is you would like to
992 see the program continue, despite whatever the Republicans
993 are doing here. Is that accurate?

994 *Secretary Wright. That is accurate.

995 *Mr. Pallone. All right. Thank you so much.

996 [Pause.]

997 *Mr. Latta. Does the gentleman yield back?

998 *Mr. Pallone. Yes.

999 *Mr. Latta. The gentleman yields back the balance of
1000 his time. The chair now recognizes the vice chair of the
1001 subcommittee, the gentleman from Texas, for five minutes for
1002 questions.

1003 *Mr. Weber. Thank you, Mr. Chairman.

1004 And Mr. Secretary, we thank you for being here. And
1005 before I get to the questions I want to note for the record
1006 that the Keystone pipeline would have come into my district
1007 over there on the Gulf Coast of Texas, 830,000 barrels of
1008 product a day. And I was unaware that there was billions of
1009 dollars poured into, I guess, engineering and developing that
1010 process before President Obama killed it. I actually got to
1011 meet him when I came into Congress, and he said he was
1012 considering the Keystone Pipeline. Then, of course, he
1013 killed it.

1014 From my colleagues across the aisle, 830,000 barrels a
1015 day, if you took an 18-wheeler that holds about 7,000 gallons
1016 or 9,000 gallons _if it is a small, medium, or large one _it
1017 would take _you divide that into barrels of product a day, it
1018 is about 120 barrels per 18-wheeler. It would take 5,318
1019 wheelers on the highway every day to move that amount of oil.
1020 And I thought our friends across the aisle were against
1021 emissions, those kinds of emissions, but I defer, so I will
1022 _let me go to my questions, Mr. Wright.

1023 U.S. LNG exports, which _I have three LNG plants in my

1024 district _are a critical part of President Trump's energy
1025 dominance agenda, with my district serving as a major hub
1026 with Freeport LNG, Golden Pass LNG, Port Arthur LNG, and
1027 Cheniere Sabine's LNG, which is actually across Louisiana's
1028 border, that other foreign nation about six miles from us
1029 that _we help them get their product out into the Gulf.

1030 Since 2016 the U.S. has become the world's largest LNG
1031 exporter, generating over 400 billion _with a B _dollars in
1032 economic growth, and has supported an average of 273,000
1033 direct and indirect U.S. jobs. However, I was concerned
1034 about the USTR 301 action which threatened to suspend LNG
1035 export licenses for current as well as future facilities if
1036 certain vessel requirements were not met. So I am so
1037 grateful that the penalty was recently proposed to be
1038 removed.

1039 So the question is, does the DoE have the sole authority
1040 over LNG export licenses, and what steps are we taking to
1041 further support and grow U.S. LNG exports, Mr. Secretary?

1042 *Secretary Wright. Yes, the DoE is the entity with
1043 authority to grant or not grant LNG export licenses. We take
1044 it very seriously. We have a lot of projects in the queue.
1045 We evaluated them thoroughly and expeditiously, and it is the
1046 fastest-growing United States export. And in fact, natural
1047 gas is by far the fastest growing source of energy in the
1048 United States and around the planet.

1049 So it is huge economic opportunity for the United
1050 States, and I am excited to see the huge capital _private
1051 capital flowing in to grow the capacity.

1052 *Mr. Weber. Sure. Well, I appreciate that. And of
1053 course, as you know, Texas is the number-one wind energy
1054 state, as well as solar panel state in the country. Twenty
1055 percent of our power comes from wind and five percent comes
1056 from solar. It is funny to hear my friends across the aisle
1057 talk about how we are trying to kill green energy. No, we
1058 are not. We are just recognizing that we need a stable,
1059 reliable, dependable, affordable energy base to be able to do
1060 these things.

1061 Let me move on. And, you know, maybe _I wonder if you
1062 would be willing to testify at the Science, Space, and
1063 Technology Committee if we could get you in there some time.
1064 I am the committee chair _subcommittee chair for energy
1065 there, too, but we will catch up on that a little later.

1066 Under President Biden, Mr. Secretary, the petroleum
1067 reserve, Strategic Petroleum Reserve, as we discussed, 60
1068 percent of it in my district, 60 percent of it, has been
1069 unbelievably drawn down. It has reached its lowest level
1070 since 1983. When Biden took office the SPR contained 638
1071 million barrels of oil. Today it is 375 million barrels,
1072 roughly half.

1073 In his 2025 inaugural address, President Trump made a

1074 commitment to refill the SPR. In this committee's
1075 reconciliation title we authorized \$2 billion to big crude
1076 purchases, conduct _to buy _to conduct repairs and buy back 7
1077 million barrels from mandated sales. So do you think the
1078 department's plan to refill the SPR will work with what we
1079 have done in the reconciliation package?

1080 *Secretary Wright. It is a start, absolutely.

1081 *Mr. Weber. Okay.

1082 *Secretary Wright. I mean, the immediate things we need
1083 to do is finish the repairs on the Strategic Petroleum
1084 Reserve. It was drawn down so quickly, that causes some
1085 damage to the infrastructure itself. So those repairs are
1086 ongoing, and they are a non-trivial amount of money to repair
1087 the SPR.

1088 Then we also have to spend some money to offset planned
1089 additional sales of oil that were also entered into to
1090 reverse those, so we don't shrink the deposits and then
1091 additional funds will be used to fill it.

1092 *Mr. Weber. Okay.

1093 *Secretary Wright. But yes, I thank you for that
1094 funding, and _

1095 *Mr. Weber. Very quickly, before I yield back, Mr.
1096 Chairman, if I can _so you actually have a plan to build up
1097 our energy and at affordable prices, not make energy higher.
1098 Thank you, Mr. Secretary.

1099 I yield back.

1100 *Mr. Latta. The gentleman's time has expired, and the
1101 chair now recognizes the gentleman from California's 50th
1102 district for five minutes for questions.

1103 *Mr. Peters. Thank you, Mr. Chairman.

1104 Thank you, Secretary Wright, for coming. I appreciate
1105 it, seeing you today. I want to ask some questions about
1106 transmission and the grid.

1107 In your first secretarial order you committed to use all
1108 lawful authorities to strengthen the grid, including the
1109 backbone, our transmission system. Since 2005, FERC has had
1110 the authority to act as the sole permitting agency for large,
1111 multi-state transmission lines that your department deems to
1112 be in the national interest. But the Federal Government has
1113 not once used this authority, due to litigation and endless
1114 bureaucracy regarding DoE's role in the process. That is
1115 Bush, Obama, Trump, Biden. It never used the authority.

1116 The backstop permitting authority for transmission is
1117 also a fraction of the authority that FERC has long had over
1118 natural gas pipelines and LNG, which always get their one-
1119 stop permitting shop at FERC.

1120 So my question is, would you support bipartisan efforts
1121 in Congress to streamline this permit authority for large
1122 transmission lines, including would you be supportive of
1123 establishing permitting parity at FERC between natural gas

1124 and transmission?

1125 *Secretary Wright. Absolutely. The United States needs
1126 to build more energy infrastructure of all kinds, and
1127 certainly including transmission lines.

1128 *Mr. Peters. Okay. And I agree with my colleagues that
1129 we are _we have a _we are walking into a reliability and
1130 affordability crisis. And I think, to the extent that is
1131 because right now our grid is planned in a way that is
1132 segmented, costly, and inefficient, the various regions
1133 across the country have no incentive to work together or
1134 ensure that we are meeting load growth in the most efficient
1135 and cost effective way.

1136 Last year the North American Electric Reliability
1137 Corporation, NERC, released a study showing that an
1138 additional 35 gigawatts of interregional transmission
1139 capacity, which are grid connections between _among regions,
1140 would make the grid more resilient against extreme weather,
1141 would lower costs, and enable us to meet load growth. The
1142 study also says that building interregional transmission
1143 maximizes the use of energy resources, including peaker
1144 plants like natural gas, by enabling regions to send power
1145 where it is abundant to where it is most needed. Do you
1146 agree with the results of that study?

1147 And what can you do with the department to help build
1148 more regional, interregional transmission infrastructure, and

1149 use DoE authorities to build more regional transmission?

1150 *Secretary Wright. Look, there is _so I can't speak to
1151 the specifics in that study. I do read a lot about the
1152 studies, but I can't comment on that one. But yes, are we
1153 better off with more _

1154 *Mr. Peters. Sometimes _the seam study. You might have
1155 heard of it that way.

1156 *Secretary Wright. Yes. Look, there is no doubt that
1157 our country and our grid would benefit from more
1158 transmission. And it is a subject at _of active study and
1159 discussion at the DoE.

1160 The problem, as you know, the historical record of
1161 building transmission is just deathly long, incredibly hard.
1162 NEPA and environmental protests have made it more than a
1163 decade to build anything. Very frustrating. We are working
1164 on that. We would love to get that faster. And in the
1165 meantime, we are also working on things to take existing
1166 right of ways and either have dynamic rating on lines _they
1167 have a certain maximum power they can put through, but it
1168 depends on temperature and wind speed.

1169 *Mr. Peters. I don't disagree with any of that. I
1170 think actually I am working on NEPA right now myself, because
1171 I agree with you.

1172 But the issue I am raising is the lack of incentive
1173 among regions to cooperate with each other to build

1174 transmission that I think undisputedly would make our system
1175 more reliable and offer lower cost for consumers. And what I
1176 would love to get is the opportunity to work with you, get
1177 your commitment that that is something you want to do, and
1178 that you would work with us on a bipartisan approach to
1179 getting that done.

1180 *Secretary Wright. I would love to work with you, we
1181 would love to. And you are right, not just in the
1182 interregional transmission, but there is a lot of just the
1183 wrong incentives in our electricity grid because of the
1184 regulatory environment. So I look forward to working with
1185 you in a bipartisan basis to figure out how to make
1186 electricity easier to move and cheaper to buy.

1187 *Mr. Peters. All right. And also, I think we have some
1188 different understanding of the facts of the production of
1189 energy. I just wanted to say the U.S. produced record oil
1190 and gas in 2023, more than we have ever produced before. We
1191 always thought it was an irony that we produced more oil and
1192 gas under Biden and more renewables than under Trump _and
1193 more renewables under Trump than we produced under Biden.
1194 And in fact, electricity production is up about five percent
1195 over the last five years. We know we got to do more
1196 electricity production.

1197 And the one thing I would just say, you mentioned a
1198 concern about investors losing their investment in energy

1199 because of a change in government policy, and maybe the
1200 government should reimburse them. We are about to do just
1201 that. There is 2,600 gigawatts of energy lined up to get
1202 connected. About 90 percent of that is non-emitting, what we
1203 call clean energy. And they depend on these _the _many of
1204 the tax incentives that have been laid out in existing law.
1205 And I think the Administration proposing not to phase those
1206 out, but just to cut them off. And a lot of that energy
1207 won't be realized because of that. I assume you are not
1208 suggesting we pay those people for changing the law like you
1209 just said?

1210 *Secretary Wright. No, look, the subsidies for wind _

1211 *Mr. Latta. If you could answer the gentleman's _

1212 *Mr. Peters. I am _

1213 *Mr. Latta. He is out of time. If you can do it in
1214 about 10 seconds, that would be great.

1215 *Secretary Wright. Yes. Those subsidies are decades
1216 old. We absolutely should get rid of them as soon as
1217 possible.

1218 *Mr. Peters. We are changing the law and hurting
1219 investors like you said you were concerned about _

1220 *Secretary Wright. Removing subsidies is not preventing
1221 construction.

1222 *Mr. Peters. It is current law.

1223 *Mr. Latta. The gentleman's time has expired, and the

1224 chair now recognizes the gentleman from Georgia's 12th
1225 district for five minutes for questions.

1226 *Mr. Allen. Thank you, Chair Latta, for holding this
1227 important hearing.

1228 Thank you, Energy Secretary Wright, for being here to
1229 testify before the subcommittee and taking on this enormous
1230 challenge that we have before us at such a time as this.

1231 During the last administration our energy prices
1232 skyrocketed. And in fact, if you were born after 1982, you
1233 had never experienced inflation greater than 2 percent in
1234 this country, so it was a great awakening. And a lot of that
1235 was costly regulations that made energy costs higher for our
1236 constituents.

1237 I am glad to have an administration in the White House
1238 that is focused on unleashing our domestic energy production
1239 and focusing on being energy dominant. Free market
1240 competition is the only way to reduce inflation and to reduce
1241 costs.

1242 I am proud to highlight that my district is home to
1243 Plant Vogtle, the nation's largest and most advanced clean
1244 energy nuclear facility with units 3 and 4 now fully
1245 operational. Nuclear energy is critical for our nation's
1246 energy security, and as the Trump Administration has issued
1247 executive orders promoting nuclear energy, I look forward to
1248 working with you in deploying our nuclear energy

1249 capabilities.

1250 President Trump's Unleashing American Energy executive
1251 order directed the Department of Energy to safeguard the
1252 American people's freedom to choose from a variety of goods
1253 and appliances in lieu of these mandates from the previous
1254 administration. Congress aided by repealing several Biden
1255 final rules that would have restricted consumer choice.

1256 Under your purview, how has the Office of Energy
1257 Efficiency and Renewable Energy refocused on core missions?

1258 *Secretary Wright. Yes, we are refocused on core
1259 missions. And in fact, I was down in your great state not
1260 long ago, celebrating the fact that a tankless natural gas
1261 hot water heater manufacturing company _

1262 *Mr. Allen. Yes.

1263 *Secretary Wright. _was not shut down.

1264 *Mr. Allen. Right.

1265 *Secretary Wright. It would have been shut down with
1266 _the Biden rule had gone into place. That is exactly
1267 _providing the most popular, low-cost, efficient way to heat
1268 water, but was deemed not worthy by the government, removing
1269 a choice and raising up the price at which people would buy
1270 hot water heaters.

1271 So I am about choice and opportunity.

1272 *Mr. Allen. Well, thank you. Thank you for advocating
1273 for us there.

1274 Under the Energy Policy and Conservation Act, DoE is
1275 required to review energy efficient standards of covered
1276 products no later than six years after the issuance of a
1277 final rule. Has this led to the weaponization of EPCA, with
1278 the previous administration using it as a tool in its anti-
1279 fossil energy agenda?

1280 As this administration evaluates energy efficiency
1281 standards in the future, how will DoE prioritize consumers'
1282 affordability in the letter of the law?

1283 *Secretary Wright. Yes. So number one, the constraint
1284 is to follow the letter of the law. You know, and EPCA is a
1285 law. I might say unfortunately, but it is the law. So we
1286 have to work around that constraint.

1287 But yes, it has been weaponized to bring in all sorts of
1288 different devices or things people might use, and decide that
1289 Big Brother, the government, should decide how they heat
1290 themselves on their outdoor patio or their hot tub or every
1291 other part of their life. I think this is just the perfect
1292 example of government run amok, and getting involved in
1293 choices that are going to be made differently by different
1294 people.

1295 *Mr. Allen. Yes, and I think we heard that loud and
1296 clear. The American people want choice.

1297 OPEC+, mostly steered by Saudi Arabia, recently agreed
1298 to the third monthly hike in a row, driving oil prices lower

1299 as the cartels aim to reclaim their share of global markets.
1300 I am concerned that OPEC+ is not just managing supply from
1301 member countries, but that there is a strategic and
1302 geopolitical intent that is detrimental to U.S. producers.

1303 We have got about 40 seconds. You and subsequently
1304 President Trump recently visited the Middle East. It is
1305 great to see the Secretary of Energy promoting U.S. energy on
1306 the global stage again. Can you tell us more about the
1307 conversations that took place related to global oil markets?
1308 And I need to do that in about 20 seconds.

1309 *Secretary Wright. Yes. Hey, look, two main topics
1310 were discussed. The huge amount of capital they developed,
1311 their goal is to invest as much of that as possible in the
1312 United States into our energy infrastructure and other
1313 industries in our country. And we welcome that investment.

1314 And we discussed decadal-long outlook for demand for
1315 energy, just trying to base in reality what investments are
1316 needed today to supply energy demands a decade, two decades,
1317 four decades from now. There was almost zero dialog on
1318 today's oil prices or supply and demand in the short run.

1319 *Mr. Allen. Good. Thank you, sir, for your service to
1320 our country.

1321 And I yield back.

1322 *Mr. Latta. Thank you. The _

1323 *Secretary Wright. Thank you, thank you.

1324 *Mr. Latta. _gentleman's time has expired, and the
1325 chair now recognizes the gentleman from New Jersey's 8th
1326 district for five minutes for questions.

1327 *Mr. Menendez. Thank you, Chairman.

1328 Secretary Wright, this Administration has made clear it
1329 wants to make America energy dominant. Is that correct?

1330 *Secretary Wright. Yes.

1331 *Mr. Menendez. And would you agree that the best way to
1332 achieve energy dominance is by an all-of-the-above approach
1333 to energy production? Just yes or no.

1334 *Secretary Wright. I have never supported all of the
1335 above, because if something is going to make energy more
1336 expensive and less reliable, I am not for that.

1337 *Mr. Menendez. Well, okay, actually, let's walk through
1338 that. So more expensive, less reliable. Is that correct?
1339 That is why you are not a proponent of all-of-the-above
1340 strategy which would include renewable energy.

1341 *Secretary Wright. All energy sources that will provide
1342 secure, affordable, reliable energy over the long term I am
1343 in favor of. I have worked in solar, in geothermal, in
1344 nuclear, across the energy spectrum. I haven't worked in
1345 wind or coal, but almost every other energy source I have
1346 worked in.

1347 *Mr. Menendez. All right, we will keep moving. Would
1348 you agree that energy affordability is an issue important to

1349 so many Americans, including when it comes to their energy
1350 bills? Just yes or no.

1351 *Secretary Wright. Oh, yes.

1352 *Mr. Menendez. Yes, I agree. And would you agree that
1353 increased production of all types of energy, including
1354 renewables, helps bring down costs for consumers?

1355 *Secretary Wright. Absolutely not. That is not at all
1356 how the marketplace has worked.

1357 *Mr. Menendez. Okay, let's keep going. Absolutely not.
1358 I am going to make a note of that.

1359 So do you know which states have been most successful in
1360 driving down energy prices for consumers?

1361 *Secretary Wright. It depends on the baseline where you
1362 begin. I will tell you Florida over 15 years has had very
1363 little rise in their electricity price, and California has
1364 more than doubled them. And you can see the dramatically
1365 different policy in those two states.

1366 *Mr. Menendez. So let's go with Texas. Earlier this
1367 year the Energy Information Administration predicted that
1368 Texas was one of the few places in the country where energy
1369 prices were expected to decrease. Were you aware of that?

1370 *Secretary Wright. I am aware of electricity price
1371 trends in Texas, yes.

1372 *Mr. Menendez. And do you know where Texas ranks in
1373 terms of deployment of renewable energy sources?

1374 *Secretary Wright. It would be the largest, because you
1375 can build things in Texas. It is predominantly natural gas-
1376 powered grid, but they have a huge amount of wind power and
1377 solar power, as well.

1378 *Mr. Menendez. That is exactly right. Texas leads the
1379 nation in wind production, is the second largest producer of
1380 solar power after California. In 2023 renewable sources
1381 provided almost 30 percent of Texas's total electricity
1382 generation. Over the past 10 years, Texas has seen
1383 electricity prices decline as solar and wind have grown
1384 rapidly. Would you say that this decline in energy prices is
1385 good for Texans? Yes or no.

1386 *Secretary Wright. Declining electricity prices is a
1387 good thing. The 200-plus people who died in the blackout in
1388 2021 was a very bad thing.

1389 *Mr. Menendez. I agree with that. Would you agree that
1390 consumers in Texas are benefiting from lower energy prices
1391 that result from increased renewable energy production?

1392 *Secretary Wright. I don't think that is a meaningful
1393 driver of reduced energy prices in Texas.

1394 *Mr. Menendez. Why is that?

1395 *Secretary Wright. Because they _when _the more _

1396 *Mr. Menendez. Lower energy production leads to lower
1397 prices, isn't that generally the idea of supply and demand?

1398 *Secretary Wright. Only if you can store something.

1399 You have to match supply and demand at every instant on the
1400 electricity grid. You can't just put extra energy in a pot.
1401 Peak _

1402 *Mr. Menendez. It seems like Texas has been successful
1403 at that because production has gone up with renewable energy.
1404 It accounts for about 30 percent of their energy production,
1405 and consumers are seeing lower prices.

1406 *Secretary Wright. Natural gas is the biggest source of
1407 electricity in Texas. Natural gas prices have gone down. It
1408 is also the _

1409 *Mr. Menendez. Well, going back to the all of the
1410 above, Texas has both legacy energy production and also clean
1411 renewable energy. And what you are seeing is lower prices.
1412 Is that not accurate?

1413 *Secretary Wright. Look _

1414 *Mr. Menendez. It just seems like that is just a truth
1415 that you don't seem to want to admit to.

1416 *Secretary Wright. It is _lower prices are good.

1417 *Mr. Menendez. Yes.

1418 *Secretary Wright. Lower prices are good. And
1419 renewables at any penetration level are not necessarily
1420 ruinous. I am just saying the drive down in Texas
1421 electricity prices has not been primarily driven by wind and
1422 solar.

1423 *Mr. Menendez. Primarily, but would you say it is a

1424 contributing factor?

1425 You are going to say zero, it is not a contributing
1426 factor at all. That is your testimony today. It has zero
1427 impact on the price for consumers.

1428 *Secretary Wright. That is not my testimony. My
1429 testimony is it is more complicated than you are putting it
1430 out there as.

1431 *Mr. Menendez. And I think it is simpler than you are
1432 making it seem.

1433 So let me ask you this. Despite Texas's success in
1434 embracing renewables and the real results of bringing energy
1435 prices down for consumers, are you still opposed to an all-
1436 of-the-above energy approach that includes renewables? Just
1437 a simple yes or no.

1438 *Secretary Wright. I am not opposed to renewable energy
1439 at all. I don't use the term "renewable," because they are
1440 not renewable. But I am not opposed to alternative _

1441 *Mr. Menendez. Clean energy.

1442 *Secretary Wright. _energy sources.

1443 *Mr. Menendez. Yes.

1444 *Secretary Wright. I have worked in them, I have
1445 invested in them, so I am not opposed to them.

1446 *Mr. Menendez. But it is _

1447 *Secretary Wright. But we need to do them to lower
1448 prices and keep grids stable, not as ways for wealthy people

1449 to gather dollars from the government.

1450 *Mr. Menendez. Well, I _that is a lot to unpack in the
1451 five seconds that I have, so I will leave it there. But I
1452 think your administration is doing a disservice to the people
1453 that want to see a growth in renewable, clean, alternative
1454 energy. And we should continue to invest in it because we
1455 have seen success in places like Texas. Thank you for being
1456 here.

1457 I yield back.

1458 *Mr. Latta. Thank you very much. The gentleman's time
1459 has expired. The chair now recognizes the gentleman from
1460 Ohio's 12th district for five minutes for questions.

1461 *Mr. Balderson. Thank you, Mr. Chairman, and thank you,
1462 Secretary Wright, for being here today.

1463 I will start off with U.S. LNG exports have been a game-
1464 changer for natural gas producers in Ohio, the state where I
1465 represent, as well as our allies around the world. Opponents
1466 of LNG exports often push the narrative that exports raise
1467 domestic natural gas prices. However, the vast majority of
1468 studies, as well as Henry Hub data, show the opposite.
1469 Boosting exports increases domestic production, which lowers
1470 the price for American consumers.

1471 In fact, while LNG exports rose by roughly 14 BCF per
1472 day between 2016 and 2023, dry gas production jumped by 31
1473 BCF per day. And despite total U.S. natural gas consumption

1474 almost doubling from 2010 to 2023, the 2023 average natural
1475 gas price of \$2.54 was the second lowest level in over 35
1476 years, only exceeding 2020 pandemic levels.

1477 Mr. Secretary, can you talk about the potential of U.S.
1478 LNG exports not only for our allies, but how boosting LNG can
1479 keep natural gas prices low for the consumers here at home?

1480 *Secretary Wright. Thank you, Representative, and I
1481 agree very much with your premise. Seventeen years ago the
1482 United States was the largest importer of natural gas in the
1483 world, and we had over 1,000 rigs drilling specifically to
1484 produce natural gas. Today that over 1,000 rigs is only 100
1485 rigs drilling in the United States for natural gas.

1486 And as you pointed out, we have become the largest net
1487 exporter of natural gas in the world. This is technology,
1488 this is efficiency, and this is infrastructure that gets
1489 built to move natural gas at scale. All of those ultimately
1490 lower the cost to produce natural gas, they lower the cost to
1491 American consumers of what is today the biggest energy source
1492 in the United States.

1493 Seventy percent of total energy, not just electricity,
1494 but total energy consumed in the United States comes from two
1495 things: natural gas and oil. And so you are right. This
1496 growth in natural gas has not only been great for American
1497 consumers and businesses, but it is our fastest-growing
1498 export. Within a decade I think it will be the largest

1499 export from the United States of America.

1500 The natural gas story has been a great story. It has
1501 faced a lot of headwinds and a lot of political pushback and
1502 battles in the _on the way there, but it has been a great
1503 story of lowering costs for American consumers, and giving
1504 greater security to our allies abroad, and growing the
1505 geopolitical influence of the United States.

1506 *Mr. Balderson. Thank you.

1507 *Secretary Wright. And Ohio has been a leader in that,
1508 I should say, as well.

1509 *Mr. Balderson. Amen. Thank you, Secretary, I
1510 appreciate you putting Ohio out there.

1511 One of the greatest threats to affordability is not
1512 exports, but the lack of pipeline infrastructure, especially
1513 in the northeast. As you know, expanding our pipeline
1514 capacity is a top priority for natural gas producers in Ohio
1515 and the Utica and Marcellus Shale. How is your department
1516 working with FERC to prioritize natural gas pipeline
1517 development?

1518 *Secretary Wright. Oh, active dialogs not just with
1519 FERC, but across the government. And I think you pointed out
1520 a classic example. Why does the six states of New England
1521 all have expensive electricity and relatively expensive home
1522 heating? Just a lack of a pipeline. Tremendous gas
1523 resources in Pennsylvania, West Virginia, and Ohio that have

1524 changed the game for people living in those regions.

1525 But New York State has historically stood in the way of
1526 building a new pipeline or expanding pipeline access through
1527 its state. I think we are going to change that. I hope we
1528 are going to see two pipelines under construction in the next
1529 12 months, which would really lower electricity costs, home
1530 heating costs, and opportunities for businesses to expand in
1531 New York State and New England.

1532 So building and, of course, not just in New England.
1533 The United States needs a fair amount of new pipeline
1534 infrastructure. There are private developers and private
1535 capital that will fund it. To your point, we just need to
1536 have a more sane and reasonable regulatory environment to get
1537 certainty in a reasonable timeframe to build these pipelines,
1538 but I support 100 percent your point.

1539 *Mr. Balderson. Thank you. With just 45 seconds left,
1540 so be watchful of the time, given your role as Secretary of
1541 Energy and Vice Chair of the National Energy Dominance
1542 Council, I wanted to get your thoughts on an issue that
1543 presents a major threat to grid reliability: the broken
1544 interconnection queue process. You have 30 seconds.

1545 *Secretary Wright. Yes. I think, as we heard earlier,
1546 95 percent of the projects in the queue to get connected at
1547 FERC are wind, solar, or batteries. The vast majority of
1548 them have no chance of being built, but you can just throw

1549 your name in the queue, and you can clog up the queue with a
1550 million studies. And it has led to inefficiencies.

1551 So we need to look at that process and make _and
1552 prioritize projects that are impactful and make it move
1553 faster and more efficiently.

1554 *Mr. Balderson. And we have a bill that we would like
1555 you to look at some time.

1556 *Secretary Wright. Great.

1557 *Mr. Balderson. Thank you, Mr. Chairman, I yield back.

1558 *Mr. Latta. Thank you. The gentleman yields back, and
1559 the chair now recognizes the gentlelady from Virginia's 4th
1560 district for five minutes for questions.

1561 *Ms. McClellan. Thank you, Chairman Latta.

1562 Secretary Wright, as you may know, Virginia is the data
1563 center capital of the globe, but we are also the clean energy
1564 capital of the south. And I am particularly concerned about
1565 the Trump Administration's impact on growing solar and wind
1566 projects in Virginia, and how in the world we are going to
1567 meet our energy demands with the Administration kneecapping
1568 solar.

1569 And your testimony to the contrary _experts agree that
1570 solar is the fastest, cheapest, and cleanest source of energy
1571 now. And even Appalachian Power has acknowledged that coal
1572 is becoming more expensive, has contributed to rising
1573 electric costs for their customers, and their parent company

1574 has said that coal is not the most cost-effective choice for
1575 new investments, and they relied heavily on coal for a very
1576 long time. But I don't think we are going to agree today on
1577 the benefits of wind and solar versus fossil fuels, so I want
1578 to focus on what I have heard consistently from my
1579 constituents concerned about workforce cuts, grant funding
1580 freezes, and lack of communications from the department.

1581 Seventy-five clean city coalitions work under annual
1582 cooperative agreements with the Department of Energy to
1583 promote clean and affordable transportation fuel options.
1584 This is a program that has strong bipartisan support, but the
1585 coalitions are still waiting for notification of their
1586 contracts or sign financial agreements for the project period
1587 that started on April 1 of this year. Some of the coalitions
1588 have heard that the agreements are still under review, and
1589 the Virginia Clean Cities Coalition has reached out to my
1590 office with concerns that their work will go unpaid and that
1591 there will be disruptions in their programmings.

1592 My staff asked the Department of Energy for an update.
1593 We still haven't heard back. So Secretary Wright, has
1594 anybody at the department been instructed to withhold
1595 information about the status of grants and contracts, or to
1596 provide only vague, general, "We have received your
1597 request"?

1598 *Secretary Wright. No one has been told to withhold

1599 information. We are not withholding. We have no unpaid
1600 invoices or behind on that stuff. We are administering all
1601 the existing projects, and we are carefully evaluating the
1602 projects that are committed, which run into the thousands.

1603 *Ms. McClellan. Okay. Well, they still have not gotten
1604 any response on their contracts, and I haven't gotten
1605 responses to my inquiry, so can you _

1606 *Secretary Wright. We will have to look into that.

1607 *Ms. McClellan. Can you give me a _I would like a
1608 specific date when the department will notify the Clean
1609 Cities Coalition about their contract status. We have been
1610 waiting for two months, and I don't think it is acceptable
1611 for community partners or Members of Congress to go two
1612 months without an answer to their questions.

1613 In addition, the department recently canceled dozens of
1614 grants issued by the Office of Clean Energy Demonstrations
1615 for carbon capture and decarbonization processes. And your
1616 fiscal year 2026 budget eliminates this office entirely.
1617 Were the department's subject matter experts involved in
1618 reviewing and deciding to cancel grants?

1619 *Secretary Wright. I am sorry. Can you repeat just the
1620 last part of the question?

1621 *Ms. McClellan. So the grants issued by the Office of
1622 Clean Energy Demonstrations that have been canceled, was the
1623 Department of Energy experts involved in that, or was that

1624 DOGE?

1625 *Secretary Wright. Oh, that is entirely the Department
1626 of Energy. We have five DOGE employees at the department, a
1627 very small part of the staff, not _

1628 *Ms. McClellan. Okay.

1629 *Secretary Wright. _not involved in any project
1630 evaluations.

1631 *Ms. McClellan. Okay, thank you. Did you personally
1632 review any of the grant cancellations?

1633 *Secretary Wright. Yes, I do.

1634 *Ms. McClellan. Okay. Can you confirm that each
1635 awardee was given a chance to address any of the concerns
1636 raised by the Department of Energy before their grant was
1637 canceled?

1638 *Secretary Wright. Most of the evaluations we are doing
1639 we have sent out large data requests that come back. Some of
1640 them that were more _that were looked very unlikely to get
1641 over the hump were notified of decisions, but they have an
1642 ability to engage back with us, an informal dialog with us.
1643 And then there is a _two additional appeal processes after
1644 that.

1645 So if we have made mistakes or the projects really are
1646 beneficial, that will be sorted out.

1647 *Ms. McClellan. Well, I hope _I am glad to hear that.
1648 And again, I have found it very _I have only been here _this

1649 is my third year in Congress, but I have been very concerned
1650 by the lack of responsiveness that I have heard from the
1651 administration, particularly from the Department of Energy,
1652 as we try to get answers for constituents that have had
1653 either grants cut, who have had notifications that they
1654 should have gotten months ago go delayed.

1655 And as part of my job as oversight _and I recognize I am
1656 in the minority party, but I am a Member of Congress, too,
1657 who has oversight over your agency. And I certainly would
1658 hope that when Democratic Members of Congress ask questions
1659 to the agency and our legislative liaisons, that we get
1660 answers. And when we don't, every time I see you I am going
1661 to ask you those questions directly. So thank you.

1662 *Mr. Latta. Well, the gentlelady's time has expired,
1663 and the chair now recognizes the gentlelady from Tennessee's
1664 1st district for five minutes for questions.

1665 *Mrs. Harshbarger. Thank you, Mr. Chairman.

1666 And thank you, Secretary, for being here today. You
1667 know, Tennessee is well known for providing nuclear services,
1668 and that is the line of questioning I am going to go down
1669 today.

1670 We know nuclear fuel is essential to the success of
1671 America's nuclear renaissance and our energy security, and
1672 this committee led on the Russian uranium ban legislation
1673 enacted last year, and the legislation provides certainty to

1674 the market and is a prerequisite for new investment in the
1675 U.S. nuclear fuel supply chain.

1676 My question is, is the DoE committed to continuing to
1677 implement the ban legislation going forward, including a
1678 rigorous process to grant waivers to the ban?

1679 *Secretary Wright. Yes, we are, and you are _I think
1680 the motivation behind the ban I agree with 100 percent, and
1681 we are working diligently to make America able to agree _to
1682 comply with that ban.

1683 But as you know well, today in the commercial power
1684 sector there is no American-owned enrichment based in the
1685 United States of America. It is really a sad state we have
1686 fallen into. We are working hard both through grants and
1687 just with dialogs with providers in this country. We really
1688 want to build up as fast as we can commercial enrichment in
1689 the United States, because, of course, we should not be
1690 dependent upon Russia to fuel our nuclear reactors.

1691 *Mrs. Harshbarger. Right.

1692 *Secretary Wright. And I am confident we will get
1693 there. I wish we were going to get there faster than we are,
1694 but we will get there, and your actions in legislation and on
1695 that bill are obviously helping prod it even faster. And I
1696 thank you for that.

1697 *Mrs. Harshbarger. Well, we are going to talk about
1698 some ways to do that here in just seconds. So given concerns

1699 regarding potential circumvention of the uranium ban via
1700 China, is the Administration committed to implementing the
1701 anti-circumvention provisions in the legislation?

1702 *Secretary Wright. Yes.

1703 *Mrs. Harshbarger. Okay.

1704 *Secretary Wright. Yes, we are.

1705 *Mrs. Harshbarger. Okay. Will you work with the
1706 committee to ensure the ban is implemented effectively?

1707 *Secretary Wright. Yes, we will.

1708 *Mrs. Harshbarger. Fantastic. President Trump recently
1709 released four executive orders to accelerate nuclear fuel in
1710 this country, and I am in full support of those efforts. And
1711 I appreciate the forward-thinking and push to advance the
1712 High-Assay, Low-Enriched uranium, the HALEU, fuel supply
1713 chain by establishing U.S. enrichment for the next generation
1714 of reactors. And I encourage you to keep the pressure on.

1715 However, we know it is going to take a few years to get
1716 the capacity up and running to meet the demand. And the
1717 executive orders direct DoE to look at adding 20 metric tons
1718 of HALEU through down-blending. And my district is home to
1719 BWXT's Nuclear Fuel Services. And in addition to
1720 manufacturing all of the Navy's nuclear fuel, they also
1721 currently operate NNSA's downblending for the tritium
1722 program.

1723 So we have unique capabilities like NFS in the U.S. that

1724 can help move these critical, pro-U.S. energy policies
1725 forward. Have you identified enough feedstock material to
1726 deliver the 20 metric tons through downblending?

1727 *Secretary Wright. I should _I believe the answer is
1728 yes, but I am not sure of that, so I should be careful on
1729 that.

1730 *Mrs. Harshbarger. Okay.

1731 *Secretary Wright. But _

1732 *Mrs. Harshbarger. Okay, you could get back to me on
1733 that.

1734 *Secretary Wright. Yes.

1735 *Mrs. Harshbarger. More broadly, how is DoE engaging
1736 industry to support these type of efforts?

1737 *Secretary Wright. We are meeting with all existing
1738 people that work in the nuclear fuel cycle, people that may
1739 enter to work into that space.

1740 And, you know, after the end of the Cold War, and the
1741 decommissioning of nuclear weapons, and the flood of fuel
1742 that put on the marketplace, and Russia's strategic interest
1743 in flooding the market with enriched uranium has really
1744 devastated the supply chain in the United States for nuclear
1745 energy, and we need to reverse it.

1746 *Mrs. Harshbarger. Well, we have Oak Ridge, we have Y-
1747 12. NFS has also been awarded a recent contract by the DoE's
1748 NNSA to develop a centrifuge pilot plant to ensure domestic

1749 supply of enriched uranium for defense purposes. So there is
1750 a lot of energy around domestic enrichment for civilian
1751 nuclear power, and I appreciate that. But however, there is
1752 a lot less conversation regarding domestic uranium enrichment
1753 for national security, specifically for NNSA's deterrence
1754 program and highly enriched uranium for naval reactors.

1755 Can you share with the committee what the NNSA is doing
1756 to advance the so-called unobligated enrichment for national
1757 security?

1758 *Secretary Wright. It is an active dialog. We do do
1759 enrichment, as you know, for our own _for our weapons
1760 programs and our national security reasons.

1761 *Mrs. Harshbarger. Yes.

1762 *Secretary Wright. And I should say, as well, look,
1763 Tennessee is a nuclear powerhouse. And not only me
1764 personally, but the country, thanks, Tennessee, for what you
1765 provide to the nuclear complex, and I believe what we will _

1766 *Mrs. Harshbarger. Yes.

1767 *Secretary Wright. _you will growingly provide to the
1768 to the country going forward.

1769 *Mrs. Harshbarger. Yes. You know, Oak Ridge has a
1770 centrifuge technology, and I understand that NNSA selected an
1771 industrial partner to help advance the lab's U.S.-derived
1772 technology with plans to build a pilot plant. Can you
1773 provide an update here for the record on where this program

1774 is _

1775 *Secretary Wright. Well _

1776 *Mrs. Harshbarger. _and where it ranks in NNSA's

1777 priorities? Because China and Russia _

1778 *Mr. Latta. Well, pardon me.

1779 *Mrs. Harshbarger. _aren't sitting idle.

1780 *Mr. Latta. The gentlelady's time has expired. So if

1781 you want to submit that question for the record, that would

1782 be _

1783 *Mrs. Harshbarger. Okay.

1784 *Mr. Latta. _advisable.

1785 *Mrs. Harshbarger. I can do that. I got a couple more.

1786 *Mr. Latta. Yes. Well, thank you.

1787 *Mrs. Harshbarger. We will submit them.

1788 [The information follows:]

1789

1790 *****COMMITTEE INSERT*****

1791

1792 *Mrs. Harshbarger. Thank you.

1793 *Mr. Latta. Thank you. The gentlelady's time has
1794 expired. The chair now recognizes the gentlelady from
1795 Colorado's 1st district for five minutes for questions.

1796 *Ms. DeGette. Thank you so much, Mr. Chairman.

1797 Welcome to my fellow Coloradoan. Mr. Secretary, one of
1798 the things that frustrates us on this side of the aisle is
1799 the expression of lofty goals regarding energy expansion and
1800 operational efficiency. You talked about it in your opening
1801 statement. And I want to expand on my colleague's
1802 exploration of the issue of nuclear energy with you, which I
1803 know is one of the Administration's energy goals. Is that
1804 right?

1805 *Secretary Wright. Yes. Yes, absolutely.

1806 *Ms. DeGette. And so just to let you know, last
1807 Congress former chair, Jeff Duncan, and I worked with the
1808 committee and the Senate to enact into law a bipartisan bill.
1809 I am sure you know about it, the ADVANCE Act. It seeks to
1810 accelerate the deployment of nuclear energy technologies
1811 while ensuring the protection of public health and
1812 environment for future generations. I was really proud to be
1813 cosponsor of that.

1814 We had to do that bill because the NRC was already
1815 severely under-staffed and over-leveraged. In 2022 the NRC
1816 had shrunk by 23 percent in just 6 years, and over a third of

1817 the agency personnel were eligible for retirement as recently
1818 as last year. So this was even before the Trump
1819 Administration came in.

1820 So I want to talk about some of the cuts the
1821 Administration is proposing in nuclear energy to the DoE,
1822 because what we are worried about _the NRC is already
1823 struggling, the DoE is cutting money. I don't see how we can
1824 achieve these lofty goals. So isn't it true the
1825 Administration's budget would cut the Office of Nuclear
1826 Energy's funding by more than 20 percent?

1827 *Secretary Wright. I believe it is a little bit less
1828 than 20 percent.

1829 *Ms. DeGette. It is actually about 24 percent.

1830 *Secretary Wright. I may be in error.

1831 *Ms. DeGette. Okay.

1832 *Secretary Wright. But I will check that. But it _

1833 *Ms. DeGette. The budget also cuts the advanced
1834 reactors demonstration program funding by half. Is that
1835 correct?

1836 *Secretary Wright. That program _

1837 *Ms. DeGette. Yes or no will work.

1838 *Secretary Wright. That program is phasing down, so
1839 yes.

1840 *Ms. DeGette. Okay, so yes. Since the beginning of the
1841 Administration, DoE has lost over 20 percent of its staff due

1842 to terminating probationary employees and employees taking
1843 deferred resignations. Isn't that correct?

1844 *Secretary Wright. From deferred resignations _

1845 *Ms. DeGette. Yes, so it is about 20 percent, correct?

1846 *Secretary Wright. I don't have final numbers yet.

1847 *Ms. DeGette. Okay. I will guarantee you it is.

1848 And finally, DoE is currently under a hiring freeze
1849 right now. Is that correct?

1850 *Secretary Wright. That is correct.

1851 *Ms. DeGette. Okay. Now, so I want to talk about the
1852 Administration's own stated goals for a minute.

1853 The President signed an executive order last month
1854 charging DoE with bringing three new reactors to criticality
1855 by July of 2026. That is just a little over a year. Is that
1856 correct?

1857 *Secretary Wright. That is our goal, absolutely.

1858 *Ms. DeGette. Okay, that was what the executive order
1859 said. Is that right?

1860 *Secretary Wright. I don't have it in front of me, but
1861 we have an aggressive goal to ramp things up in a year.

1862 *Ms. DeGette. I will tell you that I never ask
1863 incorrect questions.

1864 [Laughter.]

1865 *Secretary Wright. I wish I was as flawless as you, but
1866 I will _

1867 *Ms. DeGette. Okay, you are not _I am not flawless, but
1868 I check my facts.

1869 [Laughter.]

1870 *Ms. DeGette. Looking at all reactors built since 1950,
1871 are you aware that the average build time of those reactors
1872 was 8.1 years?

1873 *Secretary Wright. And dramatically longer these days,
1874 but yes.

1875 *Ms. DeGette. Yes. Now, are you aware that the average
1876 application review process can take up to five years, and the
1877 commission phase typically takes one to two years?

1878 *Secretary Wright. Yes, I think you are correctly
1879 identifying some problems.

1880 *Ms. DeGette. You are _here is some good news. I have
1881 a minute and 16 seconds left, so I would like you to explain
1882 to this committee, given all the cuts that I just outlined,
1883 and given the personnel freezes, how the Administration
1884 thinks that it is going to approve and bring online three new
1885 reactors to criticality by July next year.

1886 *Secretary Wright. So, number one, there are going to
1887 be demonstration reactors at the Idaho National Laboratory.
1888 These are commercial companies that have technologies they
1889 want to _

1890 *Ms. DeGette. And they are not going to actually _so
1891 they are going to be demonstration, not actual energy-

1892 producing reactors.

1893 *Secretary Wright. That is correct.

1894 *Ms. DeGette. Okay. That is number one. Go ahead.

1895 *Secretary Wright. And thank you for your leadership on
1896 the ADVANCE Act, by the way, Representative.

1897 *Ms. DeGette. You are welcome.

1898 *Secretary Wright. And we _and the work on nuclear, it
1899 is not directly tied to the number of people. The NRC has
1900 grown hugely over decades and didn't deliver approved
1901 reactors. So there is difference between throughput and
1902 number of people.

1903 *Ms. DeGette. I don't disagree with that, sir, which is
1904 one reason I did the ADVANCE Act. But if you are going to
1905 have a plan even to put these three demonstration reactors up
1906 by next year, you have to have a _do you actually have a plan
1907 of how you are going to do that between now and then?

1908 And if so, I would like you to send it to me, seeing as
1909 my time is up.

1910 *Mr. Latta. Thank you very much.

1911 *Secretary Wright. Yes, and will do.

1912 *Ms. DeGette. Thank you. I yield back.

1913 *Secretary Wright. Thank you.

1914 *Mr. Latta. The gentlelady's time has expired, and the
1915 chair now recognizes the gentleman from Texas's 11th district
1916 for five minutes for questions.

1917 *Mr. Pfluger. Secretary, good to see you. I never ask
1918 incorrect questions, either. And the last Secretary I asked
1919 questions about how much energy we use, and she had no clue.

1920 So let's get big picture here. You have extreme
1921 expertise about how energy in this country works. I am
1922 worried about everybody who has testified here, especially
1923 those recently who have talked about data centers and the
1924 demand that we are going to see, rising demand for
1925 electricity consumption, and how we are going to keep up with
1926 manufacturing.

1927 Just big-picture priorities that you have set out that
1928 will enable us as a country to set the conditions for private
1929 industry to meet that demand with adequate supply, I would
1930 love to hear your thoughts.

1931 *Secretary Wright. Yes. Look, as you know, over the
1932 years we have created a huge regulatory burdens on building
1933 infrastructure, on building pipelines, on building power
1934 plants, on building transmission lines. If you make it
1935 harder and harder and more and more expensive to do things,
1936 well, guess what? You get less of them, and that is what has
1937 happened in the United States.

1938 I heard a comment earlier that U.S. oil and natural gas
1939 production were at all-time highs in 2023, which was true,
1940 but that is because it is dominantly on private land and
1941 state land, and it is not on Federal land. We have had huge

1942 Federal obstruction efforts. They haven't been entirely
1943 effective on oil and gas that is produced on private lands
1944 and on state lands. But when you restrict the ability to
1945 build pipelines and grow the transportation, you ultimately
1946 restrict the growth of it.

1947 Power plants. With the Clean Power Plan, if you build a
1948 new power plant today you have to have carbon capture and
1949 sequestration injected underground, like, 11 years from now.
1950 That is a technology we don't have at commercial scale.
1951 Massively expensive. A parasitic load of maybe a third of
1952 the power plant has to go to that thing. People aren't going
1953 to invest money and build power plants with constrictions
1954 like that. It is _there is a lot of reasons we haven't built
1955 as much new capacity as we should, and for _it is critical
1956 for this Administration and this Congress that we work
1957 together to remove these obstacles and barriers that chill
1958 investment, because we need to lead in AI, we need to win in
1959 AI.

1960 We can lead and we can win in AI. But to do that we
1961 need to get overly burdensome, truly not focused on
1962 environment regulations out of the way so capital will flow
1963 and things will be built. We need some simplification with
1964 permitting. We need to make FERC move more efficiently. But
1965 I will tell you in this Administration and I know in this
1966 Congress there are many people working tirelessly to achieve

1967 just that. So I am optimistic.

1968 But yes, big changes need to be made.

1969 *Mr. Pfluger. Thank you for your work on deregulation.

1970 Thank you for the work to set the conditions so that it

1971 allows industry to innovate, it allows industry to provide

1972 affordable, reliable energy that actually works, as opposed

1973 to what we saw the last four years. And on November 5th the

1974 American public spoke loud and clear.

1975 I want to talk about the Mexico Pacific LNG export site,

1976 and see if you have an update for us on that, what would be a

1977 1,000 BCF capable pipeline to deliver LNG to our partners and

1978 allies. And is there a status on this pipeline, on the

1979 permitting request?

1980 *Secretary Wright. Representative Pfluger, say that

1981 again. Which pipeline?

1982 *Mr. Pfluger. The Mexico Pacific Saguaro Energia, and

1983 it basically goes from the Permian Basin to the west coast of

1984 the Pacific with about a 1,000 BCF capability.

1985 *Secretary Wright. I need to check into that, because

1986 that will not be just DoE on that.

1987 *Mr. Pfluger. Sure.

1988 *Secretary Wright. But I am aware of the project, and I

1989 need to check into that and get back to you on that.

1990 *Mr. Pfluger. Thank you for that.

1991 And so I know there has been some questions on the SPR.

1992 You know, just how damaging was it to see 300 million barrels
1993 flow out and _you know, for political expediency? And I know
1994 there may have been some questions previously asked about
1995 this, but, you know, what can we do legislatively so that
1996 this never happens again?

1997 *Secretary Wright. I don't have a good answer to the
1998 latter question, but I think it is a dialog we should have.

1999 And as you said, what would the damage _look, there was
2000 damage to the facilities from drying out oil too fast. That
2001 is certainly upwards of hundreds of millions of dollars of
2002 repairs that are going on. It is a reduction in our security
2003 right now because we have meaningfully less oil stored in our
2004 Strategic Petroleum Reserve. And I think it is a reduction
2005 in confidence in the seriousness of the United States.

2006 You know, Strategic petroleum reserves are for strategic
2007 challenges that may arise in our future that we need to be
2008 prepared for. And to show that we are willing for political
2009 purposes to flush away nearly half of our strategic reserve
2010 for a short-term help in an election, presumably, I think
2011 hurts the credibility of the United States in how we view
2012 energy and how we view our strategic security.

2013 *Mr. Pfluger. Thank you for your leadership. My
2014 district represents almost 45 percent of the country's crude
2015 oil production, and they want predictability. They want a
2016 horizon that they can provide that affordable, reliable

2017 energy on. Thank you for helping to set those conditions.

2018 I yield back.

2019 *Mr. Latta. The gentleman's time has expired, and the
2020 chair now recognizes the gentlelady from California's 7th
2021 district for five minutes for questions.

2022 *Ms. Matsui. Thank you very much, Mr. Chairman, and
2023 thank you very much, Secretary Wright, for being here today.

2024 Now, strengthening American manufacturing and our
2025 critical mineral supply chain are bipartisan priorities for
2026 this committee. And it is a top priority for this
2027 Administration. Is that correct, yes?

2028 *Secretary Wright. I didn't hear everything you said,
2029 but reshoring manufacturing to this country is absolutely _

2030 *Ms. Matsui. Okay.

2031 *Secretary Wright. _a top priority.

2032 *Ms. Matsui. All right.

2033 *Secretary Wright. Did I miss _

2034 *Ms. Matsui. Great. Now, the 45X Advanced
2035 Manufacturing Tax Credit is crucial for onshoring battery and
2036 critical mineral supply chains. Do you agree, yes? You have
2037 to think about it?

2038 *Secretary Wright. Yes, these are more complicated.
2039 Reshoring manufacturing will not dominantly be about tax
2040 credits or tax policy. It is more about regulatory
2041 environment _

2042 *Ms. Matsui. Okay.

2043 *Secretary Wright. _is a much bigger factor.

2044 *Ms. Matsui. Okay.

2045 *Secretary Wright. But it could be helpful in that.

2046 *Ms. Matsui. Yes, okay. Now the lithium mining company
2047 Ioneer, which has received a nearly \$1 billion loan from the
2048 Department of Energy, has said that repealing the advanced
2049 manufacturing credit would have a "very direct impact.'" The
2050 chairman of Ford Motor Company has said, "We have built the
2051 business case around that. If it goes away, it puts in peril
2052 the plant and the jobs.'"

2053 So why did the House Republicans just pass a bill to
2054 kill the Advanced Manufacturing Credit? Battery and critical
2055 minerals industry groups have called the new restrictions in
2056 Republicans' big, ugly bill "nearly impossible, and
2057 effectively a repeal.'"

2058 Secretary Wright, this bill would require American
2059 companies to trace the supply chain of every screw, nut, and
2060 bolt to know information that they cannot obtain, including
2061 familial relationships of tangentially-related parties,
2062 affiliates of lenders, and more.

2063 Secretary Wright, you ran several companies. Do you
2064 seriously believe you could meet these requirements?

2065 *Secretary Wright. I think if you want to resource the
2066 manufacturing sector of the United States, you don't want

2067 companies that are just pass-through entities for products
2068 from abroad. So it is a tricky _it is a sticky subject, but
2069 it is _I don't think it is black and white.

2070 *Ms. Matsui. Well, could _okay, let's talk about can
2071 Liberty Energy meet these requirements?

2072 *Secretary Wright. I believe _

2073 *Ms. Matsui. Do you have documentation that you have
2074 met these requirements or can meet these requirements?

2075 *Secretary Wright. Well, I _at Liberty Energy we
2076 certainly were not involved with government subsidies _

2077 *Ms. Matsui. Right.

2078 *Secretary Wright. _of any kind, but I don't have a
2079 specific answer to your question.

2080 *Ms. Matsui. Okay. Now, I will just say this is a
2081 repeal, and it threatens hundreds of billions of dollars and
2082 tens of thousands of jobs in American manufacturing. If the
2083 President truly believes about American manufacturing, I urge
2084 you to pick up the phone and stop the Senate from repealing
2085 this credit.

2086 Now I want to turn to another priority I think we can
2087 agree on. Next-generation geothermal energy has the
2088 potential to become a critical source of clean energy. Now,
2089 Secretary Wright, you have been very vocal supporter of
2090 geothermal. In fact, before joining DoE you invested in
2091 Fervo, a leading geothermal company. Yes or no, is that

2092 accurate?

2093 *Secretary Wright. That is accurate.

2094 *Ms. Matsui. Okay. And President Trump even included
2095 geothermal in his executive orders to boost domestic energy
2096 resources. Is that correct?

2097 *Secretary Wright. That is _

2098 *Ms. Matsui. Yes or no.

2099 *Secretary Wright. _correct.

2100 *Ms. Matsui. Okay. So why are congressional
2101 Republicans trying to kill the clean energy incentives that
2102 the geothermal industry is banking on?

2103 The CEO of Fervo, Tim Latimer, whose company you have
2104 invested millions in, was recently quoted as saying, "Will we
2105 bring gigawatts on the grid this decade, or will it be the
2106 next decade? That is what the tax credits mean.'" It
2107 doesn't get more straightforward than that. The Republicans'
2108 big, ugly bill kills the new energy tax credits, and that
2109 will kill next-gen technologies.

2110 Now, I know you agree with me, because it was reported
2111 just yesterday that you called for maintaining the clean
2112 energy tax credits for geothermal at the Energy Imperative
2113 Summit, is that correct? Yes or no.

2114 *Secretary Wright. That is correct. I think geothermal
2115 should be included with nuclear as emerging, reliable,
2116 dispatchable energy sources for those credits _

2117 *Ms. Matsui. Okay.

2118 *Secretary Wright. Yes.

2119 *Ms. Matsui. So will you pick up the phone and push
2120 congressional Republicans to maintain the energy tax credits
2121 for geothermal?

2122 *Secretary Wright. I have been doing just that.

2123 *Ms. Matsui. Okay. Thank you very much. And I would
2124 just have to say that, you know, the majority of new energy
2125 in the United States is renewable energy. And I think if we
2126 are serious about meeting the load growth from AI, then you
2127 need renewable energy.

2128 And I realize I am running out of time, and I _

2129 *Mr. Latta. Thank you very much. The gentlelady's time
2130 has expired, and yields back, and the chair now recognizes
2131 the gentlelady from Iowa's 1st district for five minutes for
2132 questions.

2133 *Mrs. Miller-Meeks. Thank you, Chairman Latta and
2134 Ranking Member Castor, for holding this important hearing on
2135 the fiscal year 2026 Department of Energy budget.

2136 Secretary Wright, I appreciate your leadership as we
2137 work to restore American energy dominance and ensure our
2138 nation's energy security. Unlike the last four years of the
2139 previous administration, where we were in energy subtraction
2140 mode, we are now in energy addition mode, and the President's
2141 budget reflects the important priorities to bring critical

2142 investments in our national security that I strongly support.

2143 We face unprecedented growth in electricity demand,
2144 driven largely by AI data centers and advanced manufacturing,
2145 and we must ensure that the DoE's programs support a diverse
2146 and resilient energy portfolio that maintains reliability and
2147 affordability while fostering innovation. And Iowa is one of
2148 those states that is an energy addition. With the NERC
2149 projecting potential demand increases of up to 151 gigawatts
2150 over the next decade, we need to ensure the Department of
2151 Energy's programs are laser focused on innovation and
2152 commercialization, and I look forward to working with you on
2153 that.

2154 Secretary Wright, you are requesting \$750 million in new
2155 credit subsidy while cutting administrative expenses in half.
2156 The program currently has 122 applications totaling 216.7
2157 billion in requested funding. Can you explain how you will
2158 be able to process these through the pipeline, and how you
2159 are going to address that issue with a decrease in personnel?

2160 *Secretary Wright. Yes, thank you for the question,
2161 Representative.

2162 And in the department, of course, there is always
2163 massively more requests than we can achieve. You know, if
2164 you offer low-cost money, there is a lot of customers for
2165 that. So I think key for us is to focus in on which are the
2166 projects that can bring the greatest benefit to the American

2167 energy system and the American taxpayers.

2168 And yes, the Loan Programs Office with the current
2169 budget request is shrinking. Personally, I would love to see
2170 it a little bit bigger than in the current plans right now.
2171 But boy, I certainly understand the Congress's and the
2172 American taxpayers' extreme frustration with the Loan
2173 Programs Office that it was used wildly irresponsibly in the
2174 last four years, and particularly in the 76 days after the
2175 election and before inauguration. If I saw more than twice
2176 as much money lent out or committed in 76 days than in the
2177 previous 15 years, I would be pretty suspicious of that
2178 program, as well.

2179 So, you know, look, it dug a big hole. And my goal is
2180 to keep it alive and try to have some scale in it. So next-
2181 generation nuclear, some critical minerals stuff, potentially
2182 even geothermal, if there are businesses that can be and will
2183 be long-term commercial businesses but need a little help to
2184 get industry started again, and it is creditworthy borrowers
2185 and there is meaningful equity money behind it, I think there
2186 is some good uses for the Loan Programs Office. But careful
2187 and judicial, and nothing like we saw in the last four years.

2188 *Mrs. Miller-Meeks. And you answered my follow-up
2189 question, so _and I have quite a number of questions I want
2190 to try to get to.

2191 The Bioenergy Technologies program has reduced from 275

2192 million to 70 million. Given the importance of Sustainable
2193 Aviation Fuel to both our energy independence and aviation
2194 sector, what is your strategy for advancing SAF development
2195 and deployment?

2196 And how will you ensure we don't fall behind other
2197 nations in this critical technology?

2198 *Secretary Wright. Yes, I think the key area there is
2199 the last word you just said there, Representative,
2200 "technology.'" We need to keep _you know, so what we want to
2201 support in the department is technology advancement.
2202 Biofuels in general are challenging, just because the energy
2203 density that arrives from the sun is not that high. It takes
2204 a lot of land to produce meaningful amounts of energy. But
2205 the more we can get that technology better and better, we can
2206 increase the energy density and grow the future runway for
2207 biofuels.

2208 So we want to focus on driving technology forward and
2209 less on sort of corporate subsidies to existing technologies.

2210 *Mrs. Miller-Meeks. And then I am going to ask this
2211 question and then submit another one for the record on ARPA-
2212 E, but _and you can address this question in writing to us.

2213 [The information follows:]

2214

2215 *****COMMITTEE INSERT*****

2216

2217 *Mrs. Miller-Meeks. But as we work to meet the rising
2218 electricity demand and modernize the grid, one cost-effective
2219 solution is reconductoring existing transmission and
2220 distribution lines with advanced conductors that increase
2221 capacity without requiring new rights-of-way.

2222 I know I am running out of time, but if you could
2223 address for us in writing how the department is willing to
2224 consider or incentivize reconductoring efforts, particularly
2225 in ways that enhance system performance and efficiency while
2226 keeping electricity reliable and affordable for consumers, I
2227 would appreciate that, especially as MISO is my grid. And
2228 had the previous administration been listening to grid
2229 operators, as suggested by the ranking member, we would have
2230 been increasing energy production and generation the past
2231 four years instead of subtracting.

2232 *Secretary Wright. And reconductoring is a great
2233 solution.

2234 *Mr. Latta. I am sorry, the _

2235 *Secretary Wright. So I am with you.

2236 *Mr. Latta. The gentlelady's time has expired, and the
2237 chair now recognizes the gentleman from New York's 20th
2238 district for five minutes for questions.

2239 *Mr. Tonko. Thank you, Mr. Chair, and welcome and thank
2240 you, Secretary Wright.

2241 Secretary Wright, like many members before coming to

2242 Congress, I served in state government, including time at New
2243 York's State Energy Office, so I would like to try to
2244 understand the role you envision DoE playing to support its
2245 state partners with what I hope are yes-or-no questions.

2246 Do you believe states have a responsibility in
2247 supporting energy emergency planning?

2248 *Secretary Wright. Yes, I do.

2249 *Mr. Tonko. And what about cybersecurity?

2250 *Secretary Wright. We cooperate with all authorities we
2251 can in cybersecurity, whether it is utilities, businesses
2252 _yes, including states.

2253 *Mr. Tonko. And what about providing technical analyses
2254 for public utility commission proceedings?

2255 *Secretary Wright. Yes. Clearly, states play central
2256 roles in _

2257 *Mr. Tonko. Thank you.

2258 *Secretary Wright. _utility evaluations.

2259 *Mr. Tonko. Thank you. And what about addressing
2260 energy affordability challenges?

2261 *Secretary Wright. I think that is a legitimate area
2262 for states to work in, absolutely.

2263 *Mr. Tonko. Sure. So these are just a few examples of
2264 activities that both red and blue states are already working
2265 on, and they rely on state energy program funding to support
2266 their work.

2267 The President's budget request zeroes out the Office of
2268 State and Community Energy Programs, which includes the State
2269 Energy Program, and proposes rescinding some \$47 million in
2270 SEP funds from the Bipartisan Infrastructure Law. How does
2271 the Administration reconcile the need for states to do this
2272 important energy work while also eliminating funds that
2273 enable it?

2274 *Secretary Wright. Well, obviously, there is multiple
2275 ways to fund state energy offices, and the most logical way
2276 is by the state government. So whether there is a Federal
2277 Government role in funding state energy offices, I think it
2278 is pretty legitimate to say it shouldn't be funded by the
2279 Federal Government; it should be funded by the states.

2280 *Mr. Tonko. Well, that is _

2281 *Secretary Wright. I met with a governor yesterday, a
2282 Democratic governor. So we cooperate with states, no matter
2283 what. Funding of state energy offices, that is probably
2284 better left to states.

2285 *Mr. Tonko. Well, you know, there is talk already about
2286 adding on the cost of Medicaid to states, providing _asking
2287 them to have skin in the game for nutrition assistance
2288 programs, having them enable EPA activities. The list goes
2289 on and on. And so this is piling up a lot on the states, and
2290 I don't know if it is realistic.

2291 But putting aside 2026 funding, I have heard concerns

2292 about DoE staff reductions, particularly the Golden field
2293 office having lost one half of its workforce that are
2294 essentially stopping state energy program grant review
2295 processes. Many states are currently waiting for approval
2296 for their next allocation of previously-appropriated funds.
2297 Can you give us some insights, sir, into what is going on in
2298 SCEP, and whether you are committed to getting previously-
2299 appropriated funds allocated to states in a timely manner so
2300 that they can continue the type of work that we have
2301 previously discussed here?

2302 *Secretary Wright. Well, I think the main funding out
2303 of SCEP is done on an annual basis, and those are usually, I
2304 think, delivered in July. And we are working towards that
2305 goal. And I think we will make that goal or be very close to
2306 it. So I don't think you will see a huge disruption there.

2307 *Mr. Tonko. I hope so. And I know many Members and
2308 President Trump have expressed concerns about rising energy
2309 costs. DoE has a critical role in promoting energy
2310 affordability, especially through energy efficiency, which is
2311 often the most cost-effective option to lower utility bills.

2312 In May DoE claimed to be saving Americans \$11 billion
2313 through the elimination or reduction of some 47 rules,
2314 including numerous energy efficiency standards. But
2315 according to DoE's own analysis, just 12 efficiency standards
2316 would save more than \$54 billion, which is nearly 5 times as

2317 much in utility bill costs. Therefore, people would see
2318 their net costs increase by some \$43 billion. In addition to
2319 this being another major blow to energy affordability, this
2320 action would be illegal.

2321 Secretary Wright, the law forbids weakening energy
2322 efficiency standards once they are finalized. Are you aware
2323 of that provision?

2324 *Secretary Wright. I am sorry, Representative. Repeat
2325 the last sentence.

2326 *Mr. Tonko. Yes, the law forbids weakening energy
2327 efficiency standards once they are finalized.

2328 *Secretary Wright. Well, I can assure you we are
2329 following the law _

2330 *Mr. Tonko. Okay.

2331 *Secretary Wright. _and very carefully reviewing these
2332 things, but we think that consumers should choose the trade-
2333 offs they want to make, and not the government. Making
2334 people buy more expensive _

2335 *Mr. Tonko. Right.

2336 *Secretary Wright. _less effective appliances _

2337 *Mr. Tonko. But back to those energy efficiency
2338 standards, I am citing section 342 of the Energy Policy and
2339 Conservation Act. And in 2004 a Federal appeals court ruled
2340 that DoE could not weaken efficiency standards once they are
2341 finalized. So Secretary, are you aware of that ruling?

2342 *Secretary Wright. I can assure you that the legal team
2343 at the Department of Energy that is heading up these efforts
2344 is aware of these laws and being very careful to comply with
2345 the laws, while at the same time restoring choice and freedom
2346 to American people.

2347 *Mr. Tonko. Right. This attack on energy efficiency
2348 standards is not only harmful to Americans, but I believe it
2349 is illegal. So Mr. Secretary, I hope you reconsider this
2350 action.

2351 I request, Mr. Chair, unanimous consent to add to the
2352 record this policy analysis document from the Appliance
2353 Standards Awareness Project on the effects of the proposed
2354 rollbacks of efficiency standards on consumer energy costs.

2355 *Mr. Latta. Without objection, so ordered.

2356 [The information follows:]

2357

2358 *****COMMITTEE INSERT*****

2359

2360 *Mr. Tonko. I appreciate that.

2361 *Mr. Latta. And _

2362 *Mr. Tonko. And with that I thank you and yield back.

2363 *Mr. Latta. And the gentleman's time has expired, and
2364 the chair now recognizes the gentleman from Michigan's 10th
2365 district for five minutes for questions.

2366 *Mr. James. Thank you, Mr. Chairman, and thank you,
2367 Secretary Wright, for being here and for the hard work that
2368 you and the Trump Administration are doing to advance an
2369 America-first energy agenda. Republicans are advancing an
2370 all-of-the-above approach to ensure that we remain global
2371 energy leaders. And I like what you have said: all sources
2372 that actually work in reality.

2373 Mr. Secretary, I am extremely encouraged by your agenda.
2374 I look forward to working with you and your team to ensure
2375 that we are prepared to meet the moment and continue to excel
2376 in global energy production. So I am just going to jump
2377 right to the questions because your time is very precious.

2378 In 2024 NERC's long-term reliability assessments, they
2379 stated that the greatest threat to our power grid is our
2380 shift to intermittent resources and premature retirements of
2381 thermal generation. NERC's 2024 Long-Term Reliability
2382 Assessment also projected that the Mid-continent Independent
2383 System Operator, MISO, which covers my district in Michigan,
2384 will experience a 4.7 gigawatt shortfall by 2028 if current

2385 expected generator retirements occur.

2386 In your discussions with MISO, have they discussed how
2387 any current state net zero policies have contributed to
2388 current cost increases to consumers and expected power
2389 shortfalls in the future?

2390 *Secretary Wright. Absolutely, Representative. Thank
2391 you for the question. And look, many people at DoE have been
2392 in dialogs with NERC and with MISO about these issues.

2393 But I think you hit the nail on the head. Like, what do
2394 we want? We want to reshore manufacturing to Michigan. We
2395 want to bring data centers to Michigan. We need to grow the
2396 supply of affordable, reliable electricity in Michigan. And
2397 closing plants _the coal plant, for example _with 15 years
2398 left in its average lifetime, closed for political reasons,
2399 closed to show virtue signaling, you know, we are going to
2400 move away from coal, that is not in the best interest of
2401 Michigan ratepayers and Michigan citizens.

2402 And _but yes, utilities get bullied and influenced by
2403 state politicians and national politicians that have
2404 political agendas around energy that are often not aligned
2405 with ratepayers and citizens in those districts.

2406 *Mr. James. So premature closures in the past _

2407 *Secretary Wright. Premature closures.

2408 *Mr. James. _have greatly increased the likelihood that
2409 ratepayers will pay a higher _thank you for that.

2410 *Secretary Wright. Yes.

2411 *Mr. James. I have heard back _you were mentioning the
2412 J.H. Campbell Coal Plant in southwest Michigan. Can you
2413 please walk me through the Administration's reasoning for
2414 this order, the emergency order? Could you articulate the
2415 reasoning for that?

2416 *Secretary Wright. Yes. And again, along the lines you
2417 just discussed, MISO, the system operator in which this plant
2418 exists in the Midwest, is the lowest reserve margin we have,
2419 meaning the greatest risk of blackout. And of course, it is
2420 the industrial heartland of the United States.

2421 *Mr. James. And there was one recently.]

2422 *Secretary Wright. There was a blackout two days after
2423 we issued that order to keep that coal plant open.

2424 *Mr. James. So when opponents were saying the White
2425 House claims _claims _that the intermittent nature of solar
2426 and wind generation will lead to energy shortages and fail to
2427 meet the surging electricity demand, two days after they said
2428 this there was actual shortage.

2429 *Secretary Wright. Correct.

2430 *Mr. James. So it sounds like you reacted quickly, and
2431 you reacted at least on time to make it _not make it worse.

2432 Last question. I am very concerned that, even though we
2433 are trying to keep as much power online as possible, that
2434 this is going to directly result in increased rates for

2435 people in the State of Michigan. I am sure you are aware
2436 that Consumers Energy filed a complaint with FERC against
2437 MISO, seeking compensation for keeping open the J.H. Campbell
2438 coal plant this summer. I look forward to working with you
2439 and your team to make sure that reliability in our region is
2440 strengthened while not being financially punitive to our
2441 energy customers in Michigan. As MISO is a large
2442 organization where this power is dispatched, it is going to
2443 benefit the larger organization. And so therefore those
2444 costs should necessarily be spread out, as we all have to
2445 make sure that we are cooperating to make sure that we keep
2446 our power high and keeping our costs low.

2447 Is there anything that I have missed that would more
2448 accurately reflect the Administration and your actions
2449 specifically related to that coal plant?

2450 *Secretary Wright. I think you are very well spoken,
2451 right on. And I share your interest for a reliable,
2452 affordable grid. That is what our citizens and our
2453 ratepayers want, and that is what we need to work towards.

2454 I would also encourage you or thank you for your efforts
2455 on the big, beautiful bill. The reforms in there in energy
2456 policy will not only save Americans money by stopping the 30-
2457 year-long subsidies for intermittent energy sources, not only
2458 will the Federal Government save money, but by putting
2459 _stopping the rapid increase in intermittent sources on

2460 grids, we will reduce stress on grids and reduce costs.

2461 *Mr. Latta. And the _

2462 *Secretary Wright. So thank you for your leadership in
2463 this area.

2464 *Mr. James. I appreciate your support.

2465 *Mr. Latta. The gentleman's time _

2466 *Mr. James. Hopefully, we can make consumers whole.

2467 *Mr. Latta. _has expired.

2468 *Mr. James. Thanks, bye bye.

2469 *Mr. Latta. And _

2470 *Mr. James. I yield.

2471 *Mr. Latta. Thank you very much. The chair now
2472 recognizes the gentlelady, oh, I am sorry, the gentleman from
2473 Texas's 33rd district for five minutes for questions.

2474 *Mr. Veasey. Mr. Chairman, thank you very much.

2475 Secretary Wright, thank you for being here today.
2476 Congratulations on your appointment. I know that we have had
2477 some, you know, good news in the oil patch and some
2478 interesting news in the oil patch, and I wanted to just ask
2479 you a few questions particularly around everything that is
2480 happening nationally.

2481 Your fiscal year 2026 budget proposal guts proven
2482 bipartisan energy programs, some of which directly support
2483 our domestic workforce and ensures American energy dominance.
2484 And here is what is not in your budget that I wanted to talk

2485 with you about: a plan to deal with the consequences of mass
2486 deportations in the Permian Basin.

2487 As you know, the Permian accounts for nearly 50 percent
2488 of the oil production. That is around 6 million barrels a
2489 day. And that production doesn't rely just on rigs and
2490 engineers; it depends on a workforce. And many of those
2491 dangerous jobs in the oil patch, as you know, because you
2492 have been in the oil patch, you know that many of those
2493 dangerous jobs are performed by people in this country that
2494 are undocumented. And so if ICE were to hit Midland or if
2495 they were to hit Odessa, I don't think there is any plan in
2496 your budget to replace those workers or that lost production.

2497 In Odessa studies show that undocumented workers make up
2498 about 13 percent of the workforce. That is one of the key
2499 hubs for Permian operations. And I have seen other anecdotes
2500 where oil field service companies in Midland have only about
2501 5 or 10 percent of their employees with genuine papers. And
2502 so, as you know, those aren't soft-skill jobs. Those are
2503 people that are out in the heat, people that risk injuries to
2504 their hands and to their, you know, their limbs. And they
2505 are having that hot Texas heat. I am sure you have been out
2506 there in the summer. As someone from Fort Worth, I have been
2507 out there in the summer, and I can _and I think we all know
2508 that it is hot.

2509 Where in your budget _and this is a question that I have

2510 for you _where in your budget do you account for the impact
2511 of potential mass deportations on oil production in the
2512 Permian Basin? Because if Stephen Miller wants 3,000 people
2513 a day deported, which has been deported _reported that he
2514 does, what are you going to do to replace those workers?

2515 *Secretary Wright. A great question, Representative.
2516 And yes, you are correct. I have worked for years out there,
2517 employing thousands of people in that region, and a large
2518 number of them are relatively recent immigrants from Mexico
2519 and from further south of the border, tremendous, hard-
2520 working, awesome workers.

2521 But certainly in my company, all of them are here
2522 legally, they are not illegal immigrants. I am sure there
2523 are some, but I would suspect the percent that are illegal is
2524 quite small.

2525 *Mr. Veasey. Yes.

2526 *Secretary Wright. You gave a number of 13 percent.
2527 That may be one small community. I _

2528 *Mr. Veasey. Did you use third-party companies for _to
2529 hire employees where they weren't hired directly by you, but
2530 they were brought in by a third party that had their papers
2531 and had their Social Security numbers already ready, or did
2532 you hire all of those people?

2533 *Secretary Wright. We hired all of those people. We
2534 have an _

2535 *Mr. Veasey. And you used the E-verify system to _okay.

2536 *Secretary Wright. Correct.

2537 *Mr. Veasey. So let me ask you a question. If ICE were
2538 to show up to Midland today and do a large-scale deportation,
2539 and it were to get a little bit rowdy, would you support the
2540 President calling in the National Guard to Midland, Texas or
2541 west Texas like he has in Los Angeles?

2542 *Secretary Wright. Look, in due respect to all the
2543 great immigrant workers that are _that work in that region
2544 and work across our country, you need to respect the
2545 difference between those that came here legally and those
2546 that are here illegally.

2547 *Mr. Veasey. What about the people that are going to
2548 have their TPS status revoked? A lot of them probably work
2549 in the oil patch. I mean, you hear the stories. And you can
2550 go down to the oil patch and see it. For anybody that hadn't
2551 been down to Texas on the Democratic side or the Republican
2552 side, they can go down to the oil patch and see for
2553 themselves. What about the people _the TPS people that are
2554 going to have their status revoked? That could be very
2555 disruptive to the oil patch.

2556 *Secretary Wright. Yes, the workforce in America is
2557 critical, and a lot of the workforce in the United States are
2558 immigrants from overseas, and they are awesome contributors
2559 to our society. I think the line is just between who is here

2560 legally and who is here illegally.

2561 *Mr. Veasey. Let me ask you another question. Is it
2562 easier to drill, baby, drill with no employees? Or is it
2563 easier to drill, baby, drill having to go around, let's say,
2564 EPA regulations?

2565 *Secretary Wright. Wait. The first, having to _

2566 *Mr. Veasey. Is it easier if _is it easier to drill for
2567 oil with no employees, or is it easier to drill for oil
2568 having to work around a few EPA regulations?

2569 I would think it would be harder to drill for oil
2570 without any employees.

2571 *Secretary Wright. You definitely need employees to
2572 drill for oil, absolutely.

2573 *Mr. Veasey. Yes, okay, thank you.

2574 Thank you, Mr. Chairman, I yield back.

2575 *Mr. Latta. Thank you very much. The gentleman's time
2576 has expired, and the chair now recognizes the gentleman from
2577 Texas's 12th district for five minutes for questions.

2578 Oh, I am sorry, I didn't see the gentleman from Colorado
2579 _or Oregon in front of me, but the gentleman from Oregon is
2580 recognized for five minutes. I am sorry.

2581 *Mr. Bentz. Thank you, Mr. Chair.

2582 Mr. Secretary, thank you for being here. So I am from
2583 Oregon, and the Columbia River runs across the north side of
2584 it. And of course, we have all these dams that generate _I

2585 think the nameplate is around 36,000 megawatts, and the
2586 continuous about 16,000 megawatts. So it is hugely
2587 _obviously, hugely important.

2588 It happens that the Biden Administration entered into a
2589 non-binding MOU with tribal and _breach of certain of those
2590 dams for using _or ratepayer dollars to ostensibly create
2591 solar and other intermittent sources to offset the reduction
2592 in generating capacity that would occur when the four lower
2593 Snake River dams were breached. I obviously oppose that. I
2594 held a hearing up in Washington State as chair of the Water
2595 Subcommittee on Natural Resources. We had 400 people show up
2596 that were adamantly opposed to dam breaching, and we went
2597 through all of the obvious justifications for keeping those
2598 dams.

2599 I believe the MoU is still in place, and I am hoping
2600 that the department will put an end to it and say, look, we
2601 are not going to spend money in replacing, ostensibly, the
2602 power generated by these dams with solar or otherwise.

2603 Can you _have you been brought current on this
2604 situation?

2605 *Secretary Wright. Absolutely, Representative. We are
2606 working that issue and have been working that issue for
2607 several weeks now.

2608 I agree with you entirely that those are great projects
2609 that were built decades ago in our country, and generations

2610 have benefitted from that hydropower, which you can ramp it
2611 up when we need more power and you can ramp it down when we
2612 don't need it. That is highly valuable power. And you can
2613 never replace something like that with wind or solar, because
2614 you don't know when they are going to be there and when they
2615 are not there. They are totally different things.

2616 Like, we don't have a bag to store electricity in. The
2617 critical criterion of an electricity grid is that it meet
2618 demand at peak time.

2619 *Mr. Bentz. And that function as a gigantic storage
2620 device that _and those sets of dams up and down the Columbia
2621 River and the Snake Rivers is hugely important to
2622 intermittent power, is it not?

2623 *Secretary Wright. It is hugely important to our grid,
2624 absolutely. They can reduce the damage of intermittent power
2625 sources, but even without intermittent power sources you need
2626 to be able to have higher electricity at times of peak demand
2627 and less electricity at times where demand is low, and
2628 hydropower allows you to do that. They are tremendous
2629 resources.

2630 *Mr. Bentz. There is no doubt that we are engaged in an
2631 existential battle when it comes to artificial intelligence.
2632 And there has been a number of server farms owned by many
2633 moving into the northwest. I think they are going to be a
2634 huge part of us ultimately winning that race.

2635 But there seems to be a disconnect when it comes to the
2636 absolute need for additional electrical generation. I see
2637 that we have basically a flat production curve, flat, and
2638 China has one that is shooting straight up. What is your
2639 plan? What is the department's plan to do _to catch up, if
2640 you will?

2641 *Secretary Wright. We need to pivot the direction we
2642 have been on in this country.

2643 You know, again, during the last four years we spent
2644 tens of billions of dollars to do two things: to subsidize
2645 the installation of intermittent sources _peak demand in PJM,
2646 where we are right now, inauguration night at 4:00 a.m., wind
2647 was 2 percent of electricity, solar was 0. Together, between
2648 the two of them, two percent of peak demand. That is when it
2649 matters. If you are not there at peak demand, you are just a
2650 parasite on the grid because you just make the other sources
2651 turn up and down as you come and go.

2652 So we are trying to reduce the barriers to investment in
2653 reliable, dispatchable sources such as hydropower. And we
2654 are doing everything I can together with this Congress
2655 through the big, beautiful bill to reduce the subsidies that
2656 put intermittent, unreliable sources on our grid. We pay
2657 people to put stuff on our grid that ultimately makes our
2658 grid more expensive. If you subsidize something, it better
2659 be cheaper or subsidize something and getting a more

2660 expensive product at the end.

2661 *Mr. Bentz. And could you _

2662 *Secretary Wright. That is a big loss.

2663 *Mr. Bentz. And could you also _it certainly is. Can
2664 you also address the fact that, with intermittent power, you
2665 have to have a backup? Thus you double the cost, triple the
2666 cost because you can't just rely upon wind when the wind
2667 doesn't blow. So you have got to have that backup. So that
2668 is driving up the cost of that particular source of power, is
2669 it not?

2670 *Secretary Wright. Well, correct. And we are raising
2671 _we are inadvertently making all these other energy sources
2672 have to back them up. If you build a natural gas power
2673 plant, for example, and then the sun shines and you have got
2674 to turn it down, and then the sun goes behind a cloud and you
2675 have got to turn it up, that is a much less efficient way to
2676 run a power plant.

2677 Our electricity markets have rewarded low-value
2678 electricity, and we have subsidized to put more of it on.
2679 Germany and Denmark and England have shown where this leads:
2680 deindustrialization.

2681 *Mr. Bentz. It certainly does. Thank you so much.

2682 I yield back.

2683 *Mr. Latta. Thank you very much. The gentleman's time
2684 has expired and yields back. The chair now recognizes the

2685 gentlelady from Washington's 8th district for five minutes
2686 for questions.

2687 *Ms. Schrier. Thank you, Mr. Chairman.

2688 Before I even start, as I listen to the bashing of
2689 intermittent sources of energy it occurs to me that we could
2690 resolve all of those issues if we got sensible permitting
2691 reform done. And there is a bipartisan bill that I would
2692 love to see us work on together to do just that.

2693 Thank you for being here today, Secretary Wright. Like
2694 many of my colleagues, I am very concerned about the staffing
2695 cuts that have taken place under your leadership. It seems
2696 to me that the rollout of these cuts, especially in
2697 Washington State, has not been strategic or tactical. They
2698 have been indiscriminate and arbitrary, and are often
2699 followed by an oops. And you know better than anyone that
2700 Department of Energy employees are some of the most educated,
2701 nimble, strategic Federal workers, and really have
2702 irreplaceable expertise.

2703 So it doesn't look good, and it doesn't bode well for
2704 your reputation to kneecap such an important agency at a time
2705 when energy needs are skyrocketing and we are facing a
2706 climate crisis and need to decrease emissions.

2707 So I would like to highlight the issues at the
2708 Bonneville Power Administration. I only have five minutes.
2709 You know what Bonneville does, it is a balancing authority

2710 that keeps the lights on in the northwest, keeps electricity
2711 flowing. We have got engineers and operators who manage the
2712 grid 24/7 and the linemen who go out in the worst weather and
2713 repair that grid. And every single person there is
2714 necessary. They also do this at zero cost to taxpayers.
2715 This is all ratepayer-funded. And so to take a DOGE to that
2716 and fire people makes no sense for any explanation you might
2717 give.

2718 So my first question is, I just want to know, were you
2719 aware that Bonneville was already encountering a workforce
2720 shortage before this year's staffing reductions?

2721 *Secretary Wright. Yes, I was aware of that.

2722 *Ms. Schrier. So if you were aware of that, and you
2723 were aware of the fact that it would not save taxpayer
2724 dollars, I _why did you do this? Why did you offer early
2725 retirements, and then do it again and fire probationary
2726 employees, only to then realize _but you already knew that we
2727 needed those employees. Like, what was your thinking there?

2728 *Secretary Wright. First of all, for clarification, the
2729 headcount at Bonneville Power Administration _which is a
2730 fantastic agency, I met with them last week, and we are
2731 discussing exactly how to address their long-term problem of
2732 people _they were well under-staffed at the start of this
2733 Administration. Their headcount is not meaningfully
2734 different today from what it what it was when I arrived. And

2735 in fact, what I am working with them on right now is how we
2736 can grow the number of linemen at Bonneville Power to assure
2737 safer _safe delivery of reliable power there.

2738 *Ms. Schrier. So I also talk with Administrator
2739 Hairston on a regular basis. And, of course, one of the
2740 things they were talking about was raising salaries to
2741 compete with the private market. And the other is, of
2742 course, you know _I think you were just lucky that you can do
2743 this oops, people take the retirement, and then they actually
2744 choose to come back. We could have been in a much different
2745 situation, and private energy companies were pursuing these
2746 very skilled workers.

2747 I just want to know. Can I have a commitment from you
2748 that you will freeze _that you will lift the hiring freeze,
2749 make sure we hire more, and work with Administrator Hairston
2750 to make sure that Bonneville is fully staffed?

2751 *Secretary Wright. I absolutely are (sic) working with
2752 the Administration right there. I do think we need to hire
2753 some linemen at Bonneville Power Administration, and I will
2754 work to get that done.

2755 *Ms. Schrier. Just to be clear, we need linemen. We
2756 also need the next generation of engineers who will balance
2757 this. And so I really need a commitment that it will be
2758 linemen and others who will build and hold the expertise that
2759 we really depend on to keep the lights on at Bonneville.

2760 *Secretary Wright. Absolutely, we will work with
2761 Bonneville on that to navigate through these times and keep
2762 that agency staffed and delivering high-quality service. It
2763 is important.

2764 *Ms. Schrier. Thank you. I only have 37 seconds left,
2765 so I am going to mostly make a point here.

2766 You were just talking with Congressman Bentz about
2767 hydropower and the benefits of being able to turn it up or
2768 down to meet demand. It turns out that even better than
2769 turning on and off turbines is to actually use excess energy
2770 to make hydrogen, because that is one of our energy sources
2771 in the future, and we need all of the above as energy needs
2772 are skyrocketing.

2773 And so I would just like to emphasize that the
2774 uncertainty about grants and tax credits for hydrogen hubs
2775 around the country _and particularly my passion would be
2776 green hydrogen _is really imperiling the ability to put more
2777 energy sources on the grid, and is putting a thumb on the
2778 scale for oil and gas. And I would object, as one of the
2779 hydrogen hubs, to that.

2780 Thank you, and I will yield back.

2781 *Mr. Latta. The gentlelady's time has expired, and the
2782 chair now recognizes the gentleman from Texas's 12th district
2783 for five minutes for questions.

2784 *Mr. Goldman. Thank you, Mr. Chairman, very much.

2785 Mr. Secretary, thank you very much for being here today.
2786 Very interesting hearing.

2787 I agree with Mr. Veasey that the men and women out in
2788 west Texas are very important part not only to the people of
2789 Texas, people of the United States, but people around the
2790 world in supplying energy. And I want to stay in west Texas,
2791 but not go that far _west Texas, and talk about Abilene.

2792 Abilene Christian University has one of the two permits
2793 from the NRC to build the next-generation reactor. The DoE
2794 committed in 2019 to provide the fuel and salt for the
2795 project, as it does for every existing university research
2796 reactor. Will the DoE support this advanced nuclear project
2797 by honoring that commitment?

2798 *Secretary Wright. Yes, that is our intention. And the
2799 department is working with Abilene right now to figure out
2800 the _you know, it is a different type of fuel in a molten
2801 salt reactor design, how to accommodate that request. But I
2802 am quite proud and impressed by the work going on at the
2803 university, and we certainly want to support it.

2804 *Mr. Goldman. Can you give us some sort of, in your
2805 mind, a timeline for when we see where they are now to where
2806 they will be in 5 to 10 years, perhaps?

2807 *Secretary Wright. A timeline on where _

2808 *Mr. Goldman. Of where that reactor will be. Will it
2809 be online? Will it be working? Will it be _I mean, are they

2810 testing from now until a decade from now?

2811 Where _in a perfect world, where would you like to see
2812 them in 5 years or 10 years?

2813 *Secretary Wright. Oh, in a perfect world, in a
2814 reasonable, regulatory regime, which is a huge part of our
2815 agenda, absolutely. That should be selling electricity five
2816 years from now, and I sure hope it is.

2817 *Mr. Goldman. Me too. Mr. Veasey there talked about
2818 the workforce. So one of the potential roadblocks to
2819 building a nuclear energy is the workforce. How will the DoE
2820 budget request increase support for universities and
2821 technical and community colleges to train the next generation
2822 of nuclear scientists and skilled workers to be able to
2823 support the goal of the nuclear build-out?

2824 *Secretary Wright. Yes, that is a key thing. You know,
2825 we have had _as I say, nuclear hasn't been sexy for a few
2826 generations because we haven't done much with it. And we _it
2827 is _when I speak and go around, I want to get young people
2828 excited again and wanting to go into this industry. But the
2829 only thing that will happen is if things are happening. If
2830 we are building reactors and they are selling power and
2831 businesses are growing, that is going to draw people into the
2832 industry.

2833 And for us, for research funding and our efforts in the
2834 commercial space, if we can focus our dollars on things that

2835 make the American energy system better and that consumers
2836 want to buy, those are the businesses that will grow, that
2837 are not going to be blowing with the wind of government
2838 subsidies. We need sustainable industries that can grow
2839 because customers want to buy their products. That is what
2840 will bring people into that industry, and I _and that is what
2841 we need to have happen with nuclear.

2842 We need _once we can build some reactors and get some
2843 efficiencies and drive costs down, I think this industry can
2844 really take off.

2845 *Mr. Goldman. And one of my colleagues across the aisle
2846 earlier was bragging about the Texas grid, and that _the wind
2847 and the solar especially, but those are subsidized, correct?

2848 *Secretary Wright. They are.

2849 *Mr. Goldman. And so _and our other entities on the
2850 grid, nuclear, natural gas, coal are not subsidized. Is that
2851 correct?

2852 *Secretary Wright. That is correct.

2853 *Mr. Goldman. Okay. So _

2854 *Secretary Wright. In fact, they are penalized.

2855 *Mr. Goldman. Right, thank you. So _

2856 *Secretary Wright. Forced to turn on and off all the
2857 time.

2858 *Mr. Goldman. Right. So to that point, we obviously
2859 need more power in Texas. There is no doubt about that.

2860 What is your thought of how Texas goes about to create
2861 more power? Well, the power needs in the future for us.

2862 *Secretary Wright. Well, one of the houses in Texas _I
2863 am not sure if it was the house or the senate _passed a bill.
2864 I do not believe it _

2865 *Mr. Goldman. It was the house. Well, it has passed
2866 them both, but yes, but go ahead.

2867 *Secretary Wright. Passed them both. And I think that
2868 that is a very _electricity is complicated. And again, as I
2869 was discussing before _because you got to balance supply and
2870 demand at all times. But I think that Texas proposal that,
2871 if you are going to bid into the electricity market and be
2872 treated like everybody else, you have got to be able to
2873 provide 24/7 power.

2874 I always say to people, would you pay the same amount of
2875 money for an Uber that you didn't know when it was going to
2876 pick you up or where it was going to drop you off? That is
2877 just not the same product. We need to have people bidding
2878 into a marketplace that are both delivering the same product,
2879 which is 24/7 electricity, because that is the only thing
2880 customers will buy.

2881 *Mr. Goldman. Perfect. Thank you very much. Thanks
2882 for your time.

2883 Mr. Chairman, I yield the rest of my time.

2884 *Secretary Wright. Thank you.

2885 *Mr. Latta. Well, thank you very much. The gentleman
2886 yields back. The chair now recognizes the gentlelady from
2887 Texas's 7th district for five minutes for questions.

2888 *Mrs. Fletcher. Thank you, Chairman Latta. A lot of
2889 Texans in here today. Obviously, this is very important to
2890 our to our state and our constituents.

2891 And so I thank you, Secretary Wright. I think this has
2892 been an important and useful hearing for all of us. And I
2893 have made a lot of notes and a lot of questions on a lot of
2894 things this morning. I hope we can get to all of them. I
2895 kind of think we can't, but let me start as I planned, which
2896 is letting you know, Mr. Secretary, that I represent Houston,
2897 the energy capital of the world, which is home to 11 percent
2898 of United States' energy jobs. And there are more than 4,700
2899 energy-related firms, and where I understand you have many
2900 friends, Mr. Secretary.

2901 *Secretary Wright. The energy capital of the world. I
2902 agree with you 100 percent.

2903 *Mrs. Fletcher. It sure is, and my colleagues here are
2904 tired of hearing me say it, but it is important. And the
2905 issues that we are talking about today are really important
2906 to my constituents. And the number-one thing I am hearing
2907 from them, as well as from people in the business across the
2908 country, is the need to know the rules and regulations and
2909 the requirements to be able to trust that long-term projects

2910 can move forward, and that they can get the approvals they
2911 need.

2912 And certainly, I agree with my colleagues who have said
2913 we have got to tackle permitting reform in this committee, in
2914 this Congress, and have good, bipartisan, durable permitting
2915 reform. That is a huge issue. They need permitting
2916 certainty. They need investment certainty. They need to be
2917 able to plan, as you well know from your experience. And
2918 before making these multi-billion-dollar investments that
2919 Americans across the country are going to rely on, they need
2920 to be able to rely on the process itself.

2921 And so I agree that the process can and should be and
2922 must be improved. But what we are seeing right now is really
2923 a destruction of the process across the board, a destruction
2924 of the legislative process, a destruction of the
2925 administrative process. And it is causing chaos that is
2926 going to continue for years to come.

2927 And so, in response to a question from Mr. Latta earlier
2928 this morning, you said the Administration is focused on
2929 bringing in private capital, and that that is an important
2930 part of your work. But this environment is not conducive to
2931 investment for private capital. And we are seeing the
2932 rescission of government capital that has been greenlighted
2933 in the past to move some of these projects forward. And they
2934 are not crazy ideas, and they are not firms you have never

2935 heard of. The announcements that my colleagues have already
2936 talked about from the demonstration programs have been cut.
2937 In my area there are grants to ExxonMobil and other household
2938 names that are doing this important research.

2939 And so I think that this environment isn't conducive to
2940 that investment is the overwhelming and resounding message
2941 that is coming from my district. So I really want to share
2942 that with you, because I think working outside the
2943 legislative process isn't going to help solve some of the
2944 problems that are most on their minds. And so I think it is
2945 really important.

2946 And one of the first notes I made when you were talking
2947 earlier this morning is that America doesn't back down from
2948 big challenges, right? I wrote that down, too. To tackle
2949 big challenges we need big ideas, and that is where DoE comes
2950 in. That is where we are able to do the research at the labs
2951 and to do things to really scale some of these ideas. And we
2952 have seen it.

2953 I know a couple years ago we spent a lot of time talking
2954 about carbon capture. Certainly, we know that that has been
2955 something that industries used, you know, for decades and
2956 decades doing EOR and other things, and that has great,
2957 promising ability to help us address the emissions challenges
2958 that we have. And yet, you know, we need to use the
2959 resources that we have at DoE to try to address some of these

2960 challenges. And so I hope that we won't see your budget cut
2961 some of the important and innovative research.

2962 And I do have a specific question on research coming
2963 from the budget that I want to ask you, but it ties into
2964 something else you said earlier today. You mentioned the
2965 impact of Winter Storm Uri in Texas in 2021, and we really
2966 can't understate what a tragedy that was. I lived through it
2967 in my home in Houston, but not that far away from where I
2968 live a little boy froze to death in his bed when the heat
2969 went off. That is what we are talking about when we talk
2970 about the importance of these issues.

2971 And from your testimony, it seems to me like you might
2972 not know that FERC found that 87 percent of the unplanned
2973 generation outages were because of fuel issues related to
2974 natural gas, not renewables. So I just want to make sure you
2975 know that I am happy to share that with your team. And I
2976 don't want to confuse you. I am the co-chair of the Natural
2977 Gas Caucus here. I fully believe in the importance of that.
2978 But these issues are life and death issues for our
2979 constituents.

2980 And so I want to note that your budget for fiscal year
2981 2026 includes a 50 percent cut to the National _Natural Gas
2982 Infrastructure and Hydrogen Technologies program within the
2983 Office of Fossil Energy. And I want to know if that includes
2984 weatherization research and development. And because I have

2985 spent the whole five minutes talking, I am going to have to
2986 ask you to reply for the record with the answer of what those
2987 cuts are.

2988 [The information follows:]

2989

2990 *****COMMITTEE INSERT*****

2991

2992 *Mrs. Fletcher. But this weatherization technology
2993 across the spectrum is just critically important, and so _

2994 *Mr. Latta. And the gentlelady's time has expired.

2995 *Mrs. Fletcher. _I hope you can answer that for me.
2996 Thank you so much, Chairman Latta. I yield back.

2997 *Mr. Latta. The chair now recognizes the gentlelady
2998 from North Dakota for five minutes for questions.

2999 *Mrs. Fedorchak. Well, good afternoon now, I think
3000 officially, Secretary Wright. So great to see you here. I
3001 still remember meeting with you in Bismarck, North Dakota a
3002 couple of years ago and your very inspiring comments there.
3003 So great to have you out here in this role, and I really very
3004 much appreciate your work to both provide the right signals
3005 to the markets, to make sure that we are incentivizing things
3006 correctly, and to make sure that we are really trying to let
3007 the energy industry develop on its own without putting our
3008 fingers too heavily on the levers ourselves. So thank you,
3009 and I want to support you in those efforts.

3010 I want to talk a little bit about the reliability
3011 issues. Given that NERC's assessment today is that two-
3012 thirds of our systems in the U.S. don't have enough power to
3013 meet demand given certain circumstances today, and we are
3014 looking at retiring 115 gigawatts of baseload generation, and
3015 we are seeing significant demand increases, all of that looks
3016 like a huge train wreck to me and to many others. So today I

3017 introduced a bill. It is called the Baseload Reliability
3018 Act, and it will give DoE, FERC tools _and the grid operators
3019 _tools to help slow down the retirements, at least in time
3020 for new baseload or dispatchable resources to be brought on
3021 that is kind of equal in nature in how it responds to the
3022 grid. So I want to invite your look at that and your support
3023 in that.

3024 And one of the things that we need to do and be doing is
3025 actively tracking where those planned retirements are and how
3026 they might impact the grid. And I just wanted to ask, is
3027 that something that your office is already doing and working
3028 on?

3029 *Secretary Wright. It is, Representative, and thank you
3030 for not just your comments and question here, but for your
3031 leadership. You have been an outspoken person in what I used
3032 to call or call energy sobriety, just being thoughtful.
3033 Look, there is no clean energy sources. There is no dirty
3034 energy sources. They just all have different trade-offs.

3035 *Mrs. Fedorchak. Right.

3036 *Secretary Wright. But you _but we produce energy for
3037 one reason, which is to better people's lives. So having a
3038 reliable grid that is as affordable as possible and that can
3039 grow so we can bring industry and more job opportunities to
3040 our states and communities is just critical for doing that.

3041 And so, yes, it is a thing we are doing right now

3042 because we now are seeing significant demand growth signals.
3043 People want to build data centers. I have met with every one
3044 of the hyperscalers and a whole bunch of people that want to
3045 bring industrial factories and plants back to the United
3046 States. I think it is awesome. It is awesome for our
3047 country. It is awesome for blue collar workers. It is
3048 something I really want to see happen.

3049 But that is their biggest worry. Hey, if we come here,
3050 how am I going to navigate through FERC or whatever to be
3051 able to build a power plant? How am I going to know I have
3052 reliable, affordable power going _it is going to take me, you
3053 know, \$10 billion to build my plant. It is going to run for
3054 40 years. I want to know what the _how I can get confidence
3055 in the energy thoughtfulness of the United States on that
3056 price.

3057 And so when people want, you know, tens of gigawatts of
3058 more power, and we are shutting down facilities with decades
3059 left on their lifetime, that doesn't look so thoughtful. So,
3060 yes, we have a team in our Office of Electricity that is
3061 looking at grid reserve margins across the different areas of
3062 the country. And we are looking at planned retirements, and
3063 then we are going to try to proactively engage with all of
3064 them of why is this asset retiring? Does it make sense? Is
3065 there a better plan here? And if it is retiring, what is
3066 going to replace it that is equally dispatchable and firm-

3067 reliable, and won't add to the cost of the grid or increase
3068 _either increase the cost or reduce the reliability of the
3069 grid.

3070 *Mrs. Fedorchak. Good. My bill would make what you are
3071 doing into law, and basically require it so that before
3072 anybody could retire a unit in one of the regions that have
3073 an elevated reliability risk, they would have to prove that
3074 it is being replaced in advance by equally reliable power.
3075 And then, if it isn't, then it would give you and FERC tools
3076 to require that they run, and some financial support to help
3077 cover those costs so it doesn't fall on the ratepayers.

3078 And I view this as being a _you know, this might be a
3079 five-year thing. This might not be forever. But right now
3080 we are behind. So let's stop retiring. Let's make sure we
3081 are bringing new resources on as quickly as possible. And I
3082 stand with my colleagues across the aisle to work on
3083 permitting reform to bring things up as quickly as possible.
3084 But meanwhile, we need to keep what we have. That should not
3085 be a partisan statement.

3086 Thank you for _

3087 *Secretary Wright. I _

3088 *Mrs. Fedorchak. Thank you for your leadership there.
3089 Oh my goodness, I am already out of time.

3090 *Mr. Latta. The gentlelady's time has _

3091 *Mrs. Fedorchak. I look forward to working with you.

3092 *Mr. Latta. _expired, and yields back. The chair now
3093 recognizes the gentlelady from New York's 14th district for
3094 five minutes for questions.

3095 *Ms. Ocasio-Cortez. Thank you so much, Mr. Chairman.
3096 Before I dive into my questions I just wanted to clarify some
3097 of the exchanges that happened recently.

3098 First and foremost, there was a kind of an insinuation
3099 that after confirming that solar and renewable energies
3100 receive public subsidy, there was a little bit in the
3101 exchange that folks may have insinuated or taken from it that
3102 fossil fuels do not receive public subsidy. That is not what
3103 you are saying, right? Correct, Mr. Secretary?

3104 *Secretary Wright. Oh, nowhere near of the same
3105 magnitude. And it is very _there is controversy about how to
3106 count them. I would say no meaningful subsidies today for
3107 oil and gas in the United States.

3108 *Ms. Ocasio-Cortez. Okay. I think you are right in
3109 that there is a disagreement in that, because I think what
3110 most people consider a subsidy is public use, public
3111 resources going to an industry or corporation. And in 2022
3112 alone we are looking at 10 to \$52 billion in direct
3113 subsidies, anywhere between _again, depending on how you
3114 count it _1.5 to \$7 trillion globally in the fossil fuel
3115 industry receiving subsidy, in addition to tax breaks, in
3116 addition to also public lands.

3117 I was the chair of the Energy and Mineral _ranking
3118 member of _the chair _Energy Mineral Resources Subcommittee
3119 on Natural Resources. And the public lands alone that we had
3120 leased for pennies on the dollar for oil companies to drill
3121 on, I think those would be considered subsidies, but there
3122 may be a difference of opinion there.

3123 Additionally, the other thing that I wanted to clear up
3124 as well is this exchange previously on the immigrant
3125 workforce for many of the oil fields and the industry. You
3126 stated that there is a difference between "illegal
3127 immigration'" and legal immigration, but what is your stance
3128 on the ending of legal status for immigrants in the United
3129 States who are here documented?

3130 *Secretary Wright. The devil is in the details, so I
3131 don't know enough about the issue you are raising to give a
3132 comment. I am very passionate about immigration and all
3133 that _

3134 *Ms. Ocasio-Cortez. Okay, yes.

3135 *Secretary Wright. _but I am not sure exactly the
3136 question you are asking.

3137 *Ms. Ocasio-Cortez. So there are hundreds of thousands
3138 of legally documented immigrants here, many that work in the
3139 energy sector that, you know, are here under different kinds
3140 of authorizations, one being temporary protected status that
3141 Mr. Veasey had raised. And the Administration is ending this

3142 status that provides a path to work permits, legal work
3143 permits for huge sectors of the workforce in the United
3144 States. Are you supportive of ending these work
3145 authorizations?

3146 *Secretary Wright. Again, I am not actively working on
3147 immigration _

3148 *Ms. Ocasio-Cortez. Okay.

3149 *Secretary Wright. _policy and all that. I don't think
3150 I have a thoughtful _

3151 *Ms. Ocasio-Cortez. Understood.

3152 *Secretary Wright. _response to that.

3153 *Ms. Ocasio-Cortez. Understood. I will get back to my
3154 question line.

3155 In a February interview with Bloomberg, when asked what
3156 oil prices you are targeting as Secretary, you stated, "Lower
3157 is better.'" And I take it you stand by that statement,
3158 correct?

3159 *Secretary Wright. Yes. In general, lower is better
3160 because there is far more consumers than producers.

3161 *Ms. Ocasio-Cortez. And even if that means oil company
3162 stock prices falling?

3163 *Secretary Wright. I don't think American consumers
3164 should worry about the stock prices of oil and gas companies.

3165 *Ms. Ocasio-Cortez. Great.

3166 *Secretary Wright. You do need a healthy sector to

3167 actually produce, but that is what a market mechanism does.

3168 *Ms. Ocasio-Cortez. Right.

3169 *Secretary Wright. It is _the cure for high prices is
3170 high prices, and the cure for low prices is low prices.

3171 *Ms. Ocasio-Cortez. And I think we are in agreement
3172 there.

3173 Given your statement on aiming for lower oil prices,
3174 what are your stances on the President's tariffs that are
3175 increasing costs of production?

3176 *Secretary Wright. There is lots of impacts, and there
3177 is lots of things that impact the cost of production. Most
3178 of what the President is doing is going to meaningfully lower
3179 the cost of production. But his agenda to try to reshore
3180 heavy industry manufacturing in the United States, I think it
3181 is good for the country in the long run.

3182 *Ms. Ocasio-Cortez. Thank you. I would like to reclaim
3183 my time.

3184 You know, there are several _there is an industry-wide
3185 consensus here. There has also been a survey in March of oil
3186 and gas companies by the Dallas Fed, which were littered
3187 about complaints around uncertainty. Companies in this
3188 survey commented on the rising costs for materials like
3189 steel, which was subject to a 25 percent tariff at the time,
3190 and is now subject to a 50 percent tariff as of June 4.
3191 Steel is, obviously, a very important input in oil and gas

3192 production and energy production writ large.

3193 Mr. Chair, I would like to seek unanimous consent to
3194 enter these complaints into the record.

3195 And Secretary _

3196 *Mr. Latta. Without objection, so ordered.

3197 [The information follows:]

3198

3199 *****COMMITTEE INSERT*****

3200

3201 *Ms. Ocasio-Cortez. Thank you.

3202 Secretary Wright, how does the President's tariffs plan
3203 and policy, particularly around steel, align with lowering
3204 costs for reducing uncertainty?

3205 *Mr. Latta. Well, if I could interject, the lady's time
3206 has expired. If you could answer that in writing, it would
3207 be appreciated.

3208 *Ms. Ocasio-Cortez. Thank you.

3209 *Secretary Wright. I will do that.

3210 [The information follows:]

3211

3212 *****COMMITTEE INSERT*****

3213

3214 *Secretary Wright. Or we can talk another time.

3215 *Ms. Ocasio-Cortez. Great.

3216 *Mr. Latta. Thank you. The lady's time has expired,
3217 and the chair now recognizes the gentleman from South
3218 Carolina's 7th district for five minutes for questions.

3219 *Mr. Fry. Thank you, Mr. Chairman and Secretary Wright.
3220 Thank you for your testimony today, for joining us.

3221 I represent the 7th district of South Carolina. It was
3222 one of the fastest-growing regions in the country. From the
3223 beaches in Myrtle Beach to the industry hubs of Florence, we
3224 are seeing a surge in population, in investment. And of
3225 course, with that, Mr. Secretary, comes energy demand.

3226 Our economy is being transformed by advanced
3227 manufacturing, high-tech data centers, and a world-class
3228 digital infrastructure. And thankfully, South Carolina is
3229 leading by example. Over half of our electricity is
3230 generated by nuclear energy, which is clean, reliable,
3231 stable, is resilient. We are home to facilities like the
3232 Robinson plant in the district, which represents enormous
3233 potential for large-scale nuclear reactor development. We
3234 have a skilled workforce. South Carolina always has in this
3235 industry. And we have institutional expertise.

3236 What we need now, I think, and what we have had problems
3237 with in the past under prior administrations is we need a
3238 Federal partnership to match that ambition. I think we have

3239 heard on the Oversight Committee last year the delays with
3240 the DoE under Secretary Granholm, about how the problems that
3241 they were facing _and that they at least were envisioning
3242 ways that they could cut through the red tape and make sure
3243 that we could plug in nuclear power in an affordable way in
3244 this country.

3245 As you are aware, South Carolina is a leader in that
3246 national _or the nuclear energy, certainly with the Robinson
3247 plant and several others. What specific actions would you
3248 like the committee to consider, whether it is new legislative
3249 authority or regulatory streamlining, to ensure that the Loan
3250 Programs Office can fully support this next wave of nuclear
3251 development and deliver results for communities like mine in
3252 South Carolina?

3253 *Secretary Wright. Yes, great, great question.

3254 The nuclear power industry has been hampered by, you
3255 know, a growing regulatory burden. I have used this example
3256 before, but if you brought Grand Central Station, the train
3257 station in midtown Manhattan, you know, to the NRC, it could
3258 not be permitted as a nuclear power plant because its
3259 radioactivity is too high. That is just naturally occurring
3260 radioactivity in the granite in the building. So they use a
3261 thing called linear, no threshold. High threshold radiation
3262 we know is very hazardous to human health. And then they
3263 extrapolate how hazardous, and they extrapolate that all the

3264 way down to zero to say that the tiniest amount of radiation,
3265 you know, is harmful. And so the thresholds below which you
3266 have to get are very hard to achieve and very expensive.

3267 I lived in Colorado before I got my new job. There is a
3268 lot of extra radiation just living at high altitude. Flying
3269 in an airplane. So to me, what we need is just reasonable
3270 regulation. Everybody wants to protect the environment and
3271 human health. My gosh, you know, we are a _

3272 *Mr. Fry. But specifically about the Loan Programs
3273 Office, how can that be synthesized? What can we examine
3274 with that from a congressional standpoint to make sure that
3275 that advancement occurs?

3276 *Secretary Wright. Sorry about that. On that, so we
3277 have put in a request. You know, we are concerned right now.
3278 We spend over \$1.30 for every dollar we collect in taxes, so
3279 everything is very skinny right now. But we put in a \$750
3280 million credit subsidy request. If that got raised up and
3281 increased my lending authority for _to support nuclear
3282 projects, unquestionably that would be helpful.

3283 The first nuclear plants that will be built won't be
3284 cheap because the industry hasn't built much for 30 years,
3285 Vogtle aside. But we haven't built much for 30 years. And I
3286 can assure you it will be used responsibly behind credit-
3287 worthy equity investors. I think it a helpful tool to get _

3288 *Mr. Fry. Something like a VC Summer in Jenkinsville,

3289 South Carolina, potentially?

3290 *Secretary Wright. Yes.

3291 *Mr. Fry. That would be like a prime example of that?

3292 *Secretary Wright. Certainly. Absolutely. So I think

3293 _I am a believer that energy sources with time should stand

3294 on their own. But if you see an emerging thing like nuclear

3295 reemerging or geothermal just emerging, I think a Loan

3296 Programs Office for a finite time period there can be helpful

3297 to launch those emerging sources.

3298 *Mr. Fry. Thank you for that, Secretary. And looking

3299 ahead, how do you envision the department supporting

3300 utilities and developers, investors trying to build out grid

3301 infrastructure that can handle the next generation of nuclear

3302 and data center load, particularly in rural areas? I think

3303 that is a big concern probably on both sides of the aisle is

3304 a recognition that we need these things in rural communities.

3305 *Secretary Wright. Yes, and I did _we have heard

3306 permitting reform on both sides of the aisle. It is very

3307 important. We need to be able to build things in this

3308 country again, which is transmission lines or even just

3309 reconnecting transmission lines. We need to be able to build

3310 that infrastructure and _

3311 *Mr. Latta. And if I could _

3312 *Secretary Wright. _connect plants where they are.

3313 *Mr. Latta. _interject, the gentleman's time has

3314 expired. But if you would like to also answer that in
3315 written form, that would be great.

3316 And the chair now recognizes the gentleman from
3317 Massachusetts's 4th district for five minutes for questions.

3318 *Mr. Auchincloss. Thank you, Mr. Chair.

3319 Secretary, welcome. I appreciate your testimony today.
3320 You have spoken a lot about the power of markets to deliver
3321 energy dominance for the United States. I agree. I believe
3322 in markets. I think they work well, and they are the key for
3323 us to control our own energy destiny as a country. Would you
3324 agree that one of the roles of government in making markets
3325 work better is to establish technology neutral policy with
3326 clear, consistent, predictable regulation?

3327 *Secretary Wright. Yes. Clear, consistent regulation
3328 is very helpful for industry.

3329 *Mr. Auchincloss. And technology neutral?

3330 *Secretary Wright. That _it depends what you mean by
3331 that word.

3332 *Mr. Auchincloss. Well, the reason I ask is I represent
3333 Massachusetts, which had a number of projects in the works
3334 for offshore wind. And I understand a lot of my colleagues
3335 don't think offshore wind is going to work. I understand
3336 some investors don't think offshore wind is going to work.
3337 Shouldn't markets be able to decide that for themselves?
3338 Like, if they are able to put steel in the water and deliver

3339 power reliably, why should the Federal Government cancel
3340 that?

3341 *Secretary Wright. I think it is a _I understand where
3342 you are coming from, Representative. It is a complicated
3343 question. And _

3344 *Mr. Auchincloss. Do you agree with what Secretary
3345 Burgum has done, where he has functionally issued a
3346 moratorium against offshore wind, including for states and
3347 developers that are willing to take on the risk and see if it
3348 can deliver?

3349 *Secretary Wright. The question is who is willing to
3350 take on the risk. The history of offshore wind, first in
3351 Europe and here, has been a train wreck. It has been higher
3352 electricity prices and less stable grids.

3353 *Mr. Auchincloss. Right. And state governments and
3354 private developers are well able to see the same track record
3355 that you are able to see. They are proposing to innovate and
3356 develop and take risks just like geothermal or nuclear. And
3357 I am not a technology expert for clean energy. I don't know
3358 if it is going to work. What I do know is I don't understand
3359 why one bureaucrat in Washington, D.C. should be able to say
3360 yes or no, especially when you are pointing out, rightfully,
3361 that investors are not going to want to put billions of
3362 dollars down on the table over a decadal time span if a new
3363 administration comes in and rips up the contracts, right?

3364 I mean, does this send a good signal to investors that
3365 they can put hundreds of millions of dollars down and it gets
3366 thrown out overnight?

3367 *Secretary Wright. It is a challenging issue of what
3368 the right thing to do with wind power. There is also a lot
3369 of public outrage just because the footprint, the physical
3370 footprint and the footprint of waters, is large. And so
3371 there is a growing movement of _

3372 *Mr. Auchincloss. Let's be candid.

3373 *Secretary Wright. _rural people _

3374 *Mr. Auchincloss. The outrage is because there were
3375 offshore wind farms off the coast of Scotland and the
3376 President's golf course. That is why he is mad about it.
3377 And people who want to invest in new, clean energy sources
3378 should not have to worry about whether the next president
3379 does or does not like turbines off his golf course.

3380 Let's talk about another issue, an issue where we may
3381 see more eye to eye, which is geothermal and nuclear. Strong
3382 supporter of both. I think they are critical. And you have
3383 already talked about the Loan Programs Office's really vital
3384 role in potentially both of them.

3385 I was interested to hear the gentleman from South
3386 Carolina concerned about the LPO, because he voted, along
3387 with all the other Republicans in the reconciliation bill, to
3388 rescind nearly all of the LPO's unobligated credit subsidy.

3389 Would you encourage the Senate and the House to restore
3390 the LPO's credit ability to issue loans as part of this
3391 reconciliation package?

3392 *Secretary Wright. I would.

3393 *Mr. Auchincloss. Great.

3394 *Secretary Wright. I think we have to be cautious and
3395 judicious with funds. And the Loan Programs Office, as I
3396 described, has a recent pretty poor track record. So I
3397 understand the reticence. But yes, I do think it is a
3398 helpful tool.

3399 *Mr. Auchincloss. Can you talk about the types of
3400 technology and nuclear and geothermal that you are most
3401 excited about? I am going to give you a minute here, because
3402 I know this is an area that you are excited about. Small
3403 modular? Are you are talking about large reactors?

3404 And then geothermal, what are you seeing with the super
3405 hot rock geothermal like the microwave technology, do you
3406 have any opinions on where are the most promising avenues of
3407 innovation?

3408 *Secretary Wright. Well, I think you mentioned several
3409 of them.

3410 So yes, to me, energy should be about humans and math.
3411 So it is where the math works. So right now, using dry rock
3412 and sort of depth of shale wells, you know, 6 to 12,000 feet
3413 deep, that I think is rapidly becoming commercially viable to

3414 inject water, produce it out the other end, produce
3415 electricity.

3416 *Mr. Auchincloss. What about the millimeter technology,
3417 like from companies out of the plasma lab at MIT that are
3418 trying to go 7 to 10 miles deep?

3419 *Secretary Wright. Super exciting. So that is earlier
3420 stage. But yes, should we support research like that? A
3421 hundred percent. Could that be a big deal? Absolutely, it
3422 could be a big deal.

3423 *Mr. Auchincloss. Just to be clear, those kind of
3424 technologies would rely on both the LPO and the tax credits
3425 that this reconciliation bill is threatening. I mean, we do
3426 need _for markets to bring innovation to bear across long
3427 time cycles and a lot of uncertainty, you do need public
3428 dollars and regulation to de-risk private capital, yes?

3429 *Secretary Wright. I have advocated in this legislation
3430 right now to have nuclear, geothermal, and fusion as three
3431 emerging sources to get tax credit treatment, you know, maybe
3432 through an end date. Like if you are under construction by
3433 2031 _

3434 *Mr. Auchincloss. And I appreciate that.

3435 *Secretary Wright. It has to have an end date, but I am
3436 with you.

3437 *Mr. Auchincloss. I understand it.

3438 *Mr. Latta. The gentleman's time _

3439 *Mr. Auchincloss. And you and I both know the
3440 reconciliation bill does not do that right now.

3441 *Mr. Latta. _has expired, and _

3442 *Mr. Auchincloss. I yield back.

3443 *Mr. Latta. _yields back, thank you very much. The
3444 chair now recognizes the gentleman from Alabama's 6th
3445 district for five minutes for questions.

3446 *Mr. Palmer. Thank you, Mr. Chairman.

3447 Mr. Secretary, I want to talk with you about a couple of
3448 other issues that really impact energy, and that is our
3449 access to critical minerals and rare Earth elements, and the
3450 ability to process and refine those. I think that it is very
3451 clear now it is not only a threat to our economy, but to our
3452 national security.

3453 Can you address the power needs that we are going to
3454 have if we are able to ensure the processing and refineries
3455 for rare Earth elements?

3456 *Secretary Wright. Yes, Representative. I think you
3457 have raised a key point.

3458 Look, China has made a multi-decade strategic decision
3459 to own the supply chain for rare Earth elements and the
3460 magnets that are constructed from them, and they are in an
3461 amazing amount of devices across our economy and across the
3462 developed world's economies. And we are vulnerable right
3463 now. We should be able to do that in the United States. And

3464 it is a case where I think we need to figure out how to make
3465 that happen.

3466 I will be next month at a mine in Wyoming. That will be
3467 the first rare Earth element mine opened in this country in
3468 70 years. But a mine is not enough.

3469 *Mr. Palmer. Right.

3470 *Secretary Wright. We need that processing and refining
3471 done in this country, and it is a urgent effort to assure a
3472 better domestic supply of critical minerals that are
3473 important to our economy and our national security.

3474 *Mr. Palmer. There is basically two types of rare Earth
3475 elements. You have got the heavy elements that require even
3476 more refining technology, and it is a very power demand
3477 industry. In order to meet that, we are obviously going to
3478 have to build out our generation capabilities. You and I
3479 have had this discussion before about how we have shuttered
3480 almost 300 coal or hydrocarbon power generation facilities.
3481 The transmission lines are still there.

3482 One of the things that I am looking at, and I would like
3483 for you to comment on it, is looking particularly in some of
3484 the more remote areas using small modular reactors _which my
3485 Democratic colleagues, I think, are on board with _to match
3486 the generation capacity of the SMRs to the capacity of the
3487 transmission lines, but also look at those as possible sites
3488 for a processing or refining facility. Any thoughts about

3489 that?

3490 *Secretary Wright. I think it is a great idea, as well.
3491 You are right. These refining facilities, just like data
3492 centers, are energy intensive, and they are only going to be
3493 here if they have affordable, reliable energy. And small
3494 modular reactors and different nuclear technologies are
3495 fantastic candidates to do just that.

3496 *Mr. Palmer. Well, the other thing about it, too, is
3497 that when you create this additional demand for power, it is
3498 _you start pricing out residential and other business and
3499 commercial. And we want to do this in a way that it doesn't
3500 raise prices. So we have got to be really smart, really
3501 strategic about building out our power generation so that we
3502 not only can address what I think is clearly an economic and
3503 national security issue in our reliance on China for refined
3504 critical minerals and rare Earth elements, but also at the
3505 same time not do harm to the economy, not do harm to middle-
3506 class Americans.

3507 So, again, you and I have kind of talked about this a
3508 little bit. You take an all-of-the-above approach, but to do
3509 this we cannot do it with renewables. You have got to have a
3510 reliable baseload. And when you have the _on the same power
3511 generation facility residential, commercial, and then these
3512 heavy industries, you have got to have a consistent baseload
3513 that is also able to meet these peak demands. Is that

3514 accurate?

3515 *Secretary Wright. That is accurate. I agree very
3516 much, Representative. And I think you make another critical
3517 point, not just that we need to keep the cost down, but to
3518 keep Americans on side with the reindustrialization of this
3519 country. If they see factories and data centers come, and
3520 all they are _paying their bills becomes more expensive, they
3521 are not going to support what we are doing. But if it brings
3522 jobs and economic opportunity and doesn't drive up the price
3523 of electricity, we start an American renaissance of
3524 manufacturing.

3525 *Mr. Palmer. I have only been here 10 years in
3526 Congress, but I have worked for 2 international engineering
3527 companies, I ran a think tank for almost 25 years, so I have
3528 kind of followed people who fill your position as Secretary
3529 of Energy. And I have never in my experience experienced
3530 someone like you and your whole philosophy. And I would like
3531 for you to comment on that.

3532 You put out this publication on bettering human lives,
3533 and your whole perspective about energy policy is focused on
3534 bettering human lives. Could you just comment on that?

3535 And after he finishes, I will yield back, Mr. Chairman.

3536 *Secretary Wright. Yes, I say only two things matter
3537 with energy: humans and math.

3538 *Mr. Latta. Ten seconds, thank you.

3539 *Secretary Wright. Right? We only produce energy for
3540 one reason: to make our lives better. It shouldn't be
3541 political. We shouldn't give it stupid names like clean or
3542 renewable or dirty. These are just marketing terms. We
3543 should be serious about energy because we want to better
3544 human lives.

3545 *Mr. Palmer. Thank you for the job you are doing.
3546 I yield back.

3547 *Mr. Latta. Well, thank you. The gentleman yields
3548 back, and the chair now recognizes the gentleman from
3549 California's 15th district for five minutes for questions.

3550 *Mr. Mullin. Thank you, Mr. Chair, and thank you, Mr.
3551 Secretary, for being here today.

3552 Last August President Trump promised to cut energy
3553 prices in half within a year, but it looks like he is going
3554 to fall far short of that goal. According to the latest
3555 forecast by your agency, national electricity rates are going
3556 to increase this year by five percent, which would outpace
3557 predicted inflation. Now we are faced with a proposed budget
3558 that will raise the prices of electricity and natural gas for
3559 everyday Americans.

3560 The Senate is considering a reconciliation bill that
3561 would kill clean energy tax credits that were created in the
3562 Bush Administration. By definition, this will make energy
3563 more expensive. Some Senate Republicans acknowledge these

3564 changes would "translate into immediate utility bill
3565 increases, placing additional strain on hard-working
3566 Americans.'" Multiple studies have shown this would increase
3567 energy bills by as much as \$400 a year for an average
3568 household.

3569 So, Mr. Secretary, please tell me. What is your
3570 agency's plan to protect consumers from increases on their
3571 energy bills?

3572 *Secretary Wright. We need to do everything we can to
3573 unleash more energy production in the United States and
3574 reduce regulatory burdens. I think we have accomplished a
3575 lot in 120 days, but the energy system is large and
3576 complicated. And can you turn this ship on a dime in 120
3577 days? No. But I think this Administration and the
3578 President's actions have done a lot to change the trajectory
3579 on the energy prices going forward. Most energy prices,
3580 actually, that consumers see actually are lower today than
3581 they were a year ago, and they are lower today than they were
3582 at inauguration.

3583 Your comment that by getting rid of subsidies by
3584 definition will make energy more expensive in this rare case
3585 is actually untrue. The subsidies on wind and solar, which
3586 have cost the government over \$100 billion have actually led
3587 to not only that cost, they have made electricity bills more
3588 expensive. So they are the worst subsidies in that they

3589 actually make the product more expensive at the end.

3590 *Mr. Mullin. We will disagree with that assertion, sir.
3591 Amidst rising costs, your agency, along with Health and Human
3592 Services, has proposed to completely eliminate programs that
3593 help families with their bills. Specifically, I am referring
3594 to the Weatherization Assistance Program, which lowers costs
3595 for consumers, and the Low-Income Home Energy Assistance
3596 Program, known as LIHEAP. I am sure you are familiar with
3597 that. It helps households afford their utility bills.

3598 Seven million Americans rely on these programs, helping
3599 families not to have to choose between putting food on the
3600 table and paying their electricity bill. Last year in my
3601 district over 1,600 households used LIHEAP or Weatherization
3602 Assistance Programs, all of which _almost all of which _were
3603 elderly, disabled, or those with young children. So please
3604 tell me why you want to eliminate those programs.

3605 *Secretary Wright. I am very passionate, like you are,
3606 Representative, about energy costs. I want to do everything
3607 in our power to lower the cost of energy for low-income
3608 families, which is number one, which is why the policies over
3609 the last 4 years and broadly over the last 20 years that have
3610 made it harder to produce energy in this country and have
3611 forced onto our grid intermittent, unreliable sources that
3612 necessarily make the grid more expensive to operate. I have
3613 said they have not only been economic wrong, I view them as

3614 immoral.

3615 In your state of California, you had similar electricity
3616 prices to California 15 years ago. Today they are twice, and
3617 you have the highest adjusted poverty rate in the nation in
3618 the State of California. And the core of that is making
3619 electricity expensive, and pushing jobs out of the state, and
3620 impoverishing low-income people.

3621 I am with you. We should go the opposite direction, not
3622 that direction.

3623 *Mr. Mullin. During your Senate confirmation hearing
3624 just four months ago, you stated, "I have studied and
3625 followed the data and the evolution of climate change for at
3626 least 20 years now. It is a global issue. It is a real
3627 issue. It is a challenging issue. And the solution to
3628 climate change is to evolve our energy system.'" I couldn't
3629 agree more, Mr. Secretary.

3630 So despite that clear assertion, your proposed budget
3631 request rolls back billions from innovation initiatives and
3632 from clean energy programs, the very efforts that are central
3633 to evolving our energy system, including those with
3634 California leadership, by the way, thank you for that.

3635 Do you believe your energy agency has a role in cutting
3636 emissions and protecting Americans from the impacts of
3637 climate change?

3638 *Secretary Wright. The way to cut emissions, as I said

3639 then and as I say now, is to move to new energy technologies,
3640 natural gas displacing coal as the largest source of
3641 electricity in the United States. Coal is still by far the
3642 biggest globally, but gas is second and growing fast.
3643 Nuclear is the reliable, dispatchable energy source we have
3644 that has _there is no such thing as zero, but has lower
3645 greenhouse gas emissions. Geothermal is another one.

3646 But again, to try to follow the model of California or
3647 Germany or England, if you make electricity expensive you
3648 just impoverish people and industry just leaves that state.
3649 It is not part of fighting climate change, it is just part of
3650 impoverishing people and relocating industry to lower-cost
3651 energy places. That is not the path for climate change, in
3652 my opinion.

3653 *Mr. Latta. And the gentleman's time has expired, and
3654 yields back, and the chair now recognizes the gentleman from
3655 Colorado's 8th district for five minutes for questions.

3656 *Mr. Evans. Thank you, Mr. Chairman, Ranking Member,
3657 and, of course, thank you, Secretary Wright. So good to see
3658 a fellow Coloradan here, not the least of which being _I am
3659 going to try to squeeze in four questions so I don't have to
3660 lay out for you the situation in Colorado. So straight to
3661 the first question.

3662 We know that in the part of the state that I represent
3663 we have got a lot of oil and gas workers drilling. Can you

3664 talk about how the department, your department, can work with
3665 that existing workforce to increase projects that are
3666 happening around geothermal and that baseload generation from
3667 geothermal power?

3668 *Secretary Wright. Yes, and great to see you,
3669 Congressman Evans. I appreciate your service.

3670 Yes, the next-generation geothermal that is coming along
3671 right now, we used to call it hot dry rock. Now they call it
3672 enhanced geothermal systems. It uses oil and gas technology,
3673 uses shale well technology to drill into dry rocks that don't
3674 have any hydrocarbons in them but are just hot, and inject
3675 once _you know, drill and frack wells, inject water into it,
3676 flow it through the rock, and produce them out of other
3677 wells. So it is very much the same kind of training and work
3678 base as people working in oil and gas in Colorado. In fact,
3679 the same companies are _not only could, but they are
3680 interested in developing that next-generation geothermal
3681 resources.

3682 Colorado has these resources in place. There is a 400
3683 megawatt project under development in neighboring Utah. But
3684 can that also happen in Colorado? Absolutely. And if that
3685 activity starts to go, is there a workforce that is excited
3686 and willing to go into that? Absolutely. Will a number of
3687 those come from the oil and gas industry? I am sure they
3688 will.

3689 *Mr. Evans. Great. Great to hear that. Next question.
3690 You know, unfortunately, we know that there is an epidemic of
3691 premature retiring baseload generating stations. Colorado
3692 alone accounts for 10 percent of the baseload power in the
3693 nation that is forecast to come offline this year. And so
3694 while we know we need to reverse that trend, we also know
3695 that there are certain bottlenecks and regulatory barriers to
3696 being able to get the dispatchable baseload power that we
3697 need.

3698 So for the present moment, can you speak to the
3699 importance of variable power _wind and solar _coupled with
3700 battery to meet the energy demands of the present moment?

3701 *Secretary Wright. Yes. So, look, solar has made
3702 tremendous technical progress, you know, in the last 10
3703 years, and I think continues to do it. So if _for example,
3704 if you are an island energy grid and you are getting your
3705 power from diesel, and you could supplement that with solar,
3706 you can burn less diesel, you can drive down your electricity
3707 costs, in domestic United States, where we can pull from all
3708 different energy sources. Solar has applications in some
3709 areas and below a certain penetration level. But until you
3710 can get multiple days of energy stored, it is going to be a
3711 supplemental energy source.

3712 But in summertime, where peak demand is near the end of
3713 the day, if you have solar panels there and you have a few

3714 hours of battery storage, you can move that late-afternoon
3715 electricity into the peak demand time before people go to
3716 bed. So it can play a role, and without subsidies you will
3717 get wiser decisions about where does it make sense and where
3718 does it not make sense.

3719 So nothing in what I have said to get rid of these
3720 subsidies says get rid of the technology. Solar is going to
3721 be around, it is going to be around for the long run. And I
3722 think it continues to grow. But even in an optimistic
3723 scenario, it doesn't likely ever get to 10 percent of global
3724 energy. Not just electricity, it is just one slice of
3725 energy. But I think solar has a future, and any technology
3726 with a future can survive and should survive without
3727 subsidies. You know, 25 years maybe is enough.

3728 *Mr. Evans. Thank you. And then, let's see, we got one
3729 minute and four seconds left.

3730 So the United States hasn't tested a new reactor design
3731 in close to 50 years, nuclear reactor design. President
3732 Trump recently expressed a desire to see a test by July 4,
3733 2026. What can Congress do to provide you and the department
3734 with the resources needed to expedite the testing of a
3735 reactor for commercial use by 2026?

3736 *Secretary Wright. Yes, so our goal there is at the
3737 Idaho National Laboratory, which is our sort of commercial
3738 nuclear lab in Idaho. They have got a lot of land there and

3739 a tremendous amount of just fantastic scientists. So _and
3740 there are commercial businesses that have new reactor designs
3741 coming up. We want to get them into our test containment
3742 vessel and run them.

3743 So I think what _building nuclear as more of a
3744 bipartisan issue in this Congress has been helpful. Look, to
3745 really unleash nuclear going forward the NRC has got to
3746 become more efficient and more sensible in regulations. We
3747 have got to get _if you approved your reactor design and it
3748 is a small modular reactor, you are going to build the same
3749 reactor. You can't have to start from new every time. We
3750 just got to evaluate the new site location.

3751 So common sense permitting reform at NRC is helpful, and
3752 that is certainly under the jurisdiction of this Congress.
3753 But we are working it at the Administration level, as well.
3754 I have got some optimism there, Representative Evans. But
3755 yes, it is going to take us all working together.

3756 *Mr. Latta. And the gentleman's time has expired and
3757 yields back, and the chair now recognizes the gentleman from
3758 California's 25th district for five minutes for questions.

3759 *Mr. Ruiz. Thank you, Mr. Chairman.

3760 Secretary Wright, it is nice to meet you. I represent
3761 California's 25th district. It is the southeast corner of
3762 California, an area with one of the nation's most promising
3763 opportunities for battery manufacturing and critical mineral

3764 development. It also produces the most renewable energy on
3765 Federal land than any district in the United States. So we
3766 have an abundance of solar power, wind, and geothermal
3767 energy.

3768 And I know you are here to discuss the budget, but to
3769 highlight what this budget means for my district and for our
3770 nation's energy future and security, I need to tell you about
3771 the real impacts of these budgets for the people in my
3772 district and our nation's potential, because it determines
3773 whether their families can breathe clean air, whether young
3774 people find good jobs at home, and whether rural and low-
3775 income communities are included in this energy future or left
3776 behind.

3777 You see, critical minerals like lithium, cobalt, nickel,
3778 and rare Earth elements power our phones, cars, and electric
3779 grids. Yet we are far too dependent on foreign adversaries,
3780 especially China, for their supply and processing and
3781 including for batteries. This dependance isn't just an
3782 economic vulnerability, it is a national security threat that
3783 demands a bold domestic solution. And that solution, Mr.
3784 Secretary, is right here in Lithium Valley, domestically
3785 located in Imperial County within my district.

3786 We sit on the world's fifth-largest lithium deposit
3787 accessible through a closed-loop system while we produce
3788 geothermal energy because it is carbon free, and it basically

3789 takes the geothermal brine and extracts the lithium out of
3790 there, and all these other critical minerals, as well. We
3791 have so much lithium that I want to put it into perspective.
3792 The lithium reserves in Lithium Valley alone can supply
3793 enough battery-grade lithium to power over three million
3794 electric vehicles, significantly reducing our dependence on
3795 foreign supply chain while driving domestic manufacturing and
3796 good jobs. And I know some people are averse to electric
3797 vehicles, but we have enough lithium to produce the batteries
3798 that we are going to need for AI and the future industries
3799 and technology that we need.

3800 But here is the challenge. Sometimes, you know, they
3801 are located in areas where we need more development.
3802 Imperial County is one of the most underserved and
3803 economically disadvantaged regions in the country. It is an
3804 area hungry for jobs, hungry for infrastructure and
3805 investments. There has been a lot of investments already to
3806 develop workforce development with local community colleges,
3807 a lot of investments to pave the roads and fix the bridges in
3808 order for us to anticipate the mass production of this
3809 lithium.

3810 So I want to ask you, you know, how will the DoE help
3811 ensure that critical minerals funding reaches these rural and
3812 under-resourced regions like Imperial County, and that
3813 companies in Lithium Valley have the tools, workforce, and

3814 certainty needed to grow and deliver on this national
3815 priority?

3816 *Secretary Wright. Yes, I appreciate very much your
3817 comments and questions. And yes, affordable, reliable power
3818 should be for everyone, particularly _rural communities face
3819 great challenges in this area because you can't bring
3820 industrialization without affordable energy there.

3821 I am quite excited about the opportunity with lithium in
3822 the brine and hot brines to get energy out of it, to get
3823 critical minerals out of it. I share your passion and
3824 excitement for that, and would absolutely love to see a
3825 development go forward with that. That is certainly one of
3826 the things that is _will be evaluated at the Department of
3827 Energy. But there is a lot of positive ingredients going on
3828 for what you have got going on in that community.

3829 *Mr. Ruiz. Well, I know that company Energy Source is
3830 currently negotiating one of the loans with the Department of
3831 Energy, and I encourage that process to come to completion so
3832 that we have the capacity of mass producing lithium within
3833 months, less than a year. And that is something that we
3834 really need.

3835 I have sent you a couple letters, so _I am inviting you
3836 to the district. So I am going to take the opportunity here
3837 face to face, eye to eye, and ask you if you would commit to
3838 come into the district, see firsthand what the progress has

3839 been made in this arena. Your predecessor has done that, and
3840 I would love for you to come by. And you will see that there
3841 is a lot of bipartisan support for this development.

3842 *Secretary Wright. I would love to, as well. I think
3843 it is an exciting area of potential development, and I am
3844 interested to go with you to tour that. A schedule I can't
3845 commit to right now, but I will go out there with you.

3846 *Mr. Ruiz. Thank you.

3847 *Secretary Wright. And I think it is worthwhile.

3848 I should say one last thing about electric vehicles. I
3849 or I think anyone in this Administration don't oppose
3850 electric vehicles. They are neat, and they are dominantly
3851 bought by wealthy people. We are just opposed to American
3852 taxpayers subsidizing wealthy people to buy electric
3853 vehicles. We are not against electric vehicles. And they
3854 are like solar. They are going to continue to grow, too.

3855 *Mr. Latta. If I could interject, the gentleman's time
3856 has expired, and the chair recognizes the gentleman from New
3857 York's 23rd district for five minutes for questions.

3858 *Mr. Langworthy. Thank you very much, Mr. Chairman.

3859 Mr. Secretary, thank you for being here today and
3860 answering our questions.

3861 As a member from New York State, I have seen firsthand
3862 how states like mine with overly aggressive, rush-to-green
3863 policies worked hand in hand with the Biden-era Department of

3864 Energy to advance their radical agenda, jeopardizing
3865 affordability, reliability, and price for ordinary Americans
3866 in the process.

3867 So looking at the department's state energy offices, Mr.
3868 Secretary, what action is the department taking or planning
3869 to take to reset the direction of the DoE's State Energy
3870 Office funding to ensure that it better supports
3871 affordability, reliability, and technological neutrality?

3872 *Secretary Wright. Congressman, I will have to get back
3873 to you on that, on the state energy offices. I have not been
3874 _I have been directly involved with talking to numerous
3875 governors about energy policy, but not directly through the
3876 state energy offices. I wish I was more informed on that.

3877 *Mr. Langworthy. Okay, great. And we will follow up
3878 with you on that.

3879 And has DoE considered creating a funding category
3880 specifically for states seeking to expand dispatchable
3881 energy, modernize their grid baseload capacity, or preserve
3882 affordability, rather than aggressively pursuing climate
3883 benchmarks?

3884 *Secretary Wright. Well, our view on funding has not
3885 been so much state by state as project by project. But yes,
3886 as you said, projects that are going to deliver affordable
3887 energy and drive down energy costs and grow energy supplies,
3888 those are the kind of projects we are looking to support.

3889 And things on the other side that are ultimately going to
3890 make energy more expensive or less reliable, we are _you
3891 know, the math on them doesn't pencil out as well. So less
3892 of the money is going to go in that direction.

3893 *Mr. Langworthy. Thank you, Mr. Secretary. I would
3894 like to end my time here focused on President Trump's
3895 executive order signed April 8, titled, "Protecting American
3896 Energy from State Overreach.'" How is the department
3897 interpreting this executive order?

3898 And has the department taken any steps to identify
3899 state-level energy mandates or regulations that may be
3900 inconsistent with the Federal interest in energy
3901 affordability and reliability?

3902 *Secretary Wright. We are looking at that, both through
3903 our legal team _and I should maybe not _I don't have too much
3904 to elaborate on that right there.

3905 But in your state, your great State of New York, I
3906 should say, is an area I and others in our department have
3907 focused on because it affects _the actions of New York have
3908 impacted not just New York and New Yorkers, but all of New
3909 England. So the two natural gas pipelines, the Constitution
3910 pipeline and the NESE pipeline, would have lowered the cost
3911 of electricity in New York State, lowered the cost of
3912 heating, home heating in New York State, improved air quality
3913 by converting a lot of legacy fuel oil burning heating

3914 systems in people's houses to natural gas, and brought more
3915 natural gas through your state into New England so they could
3916 also lower their electricity prices, their home heating
3917 costs, and their ability to build industry.

3918 So to your point, it is sort of a poster child of state
3919 actions that hurt the residents of your own state and of
3920 neighboring states. And to go that _take that one step
3921 further, the tremendous Marcellus Shale that has changed not
3922 just U.S. but world energy circumstances, it goes under the
3923 State of New York, as well. Western and central New York _

3924 *Mr. Langworthy. I represent the Marcellus Shale in my
3925 district. And, you know, they have truly stolen a
3926 generational opportunity that could have transformed our
3927 economy, could have lowered our home heating costs, and
3928 provided plentiful natural gas throughout the northeastern
3929 states. And as one of the only northeastern members on this
3930 committee, I think this is an important platform to have that
3931 conversation.

3932 And I really appreciate you bringing that up because,
3933 you know, we have a war on natural gas, unfortunately, in New
3934 York and many other New England, you know, area states. And
3935 it is taking our economies in the wrong direction.

3936 *Secretary Wright. I think your leadership here is so
3937 important. You represent that district. And to give _you
3938 said a war on natural gas in your state. Well, what is New

3939 York's biggest source of electricity by far and away?

3940 Natural gas.

3941 *Mr. Langworthy. Gas.

3942 *Secretary Wright. And they passed a law saying you
3943 can't heat your home with natural gas, you have to heat it
3944 with electricity, which means instead of burning one unit of
3945 gas, you have got to burn two-and-a-half units of gas at the
3946 power plant and then transport it via transmission lines and
3947 make home heating three times as expensive and burn twice as
3948 much gas to do it. That is not a war on natural gas, which
3949 is what New York relies on. That is just a war on common
3950 sense and a war on your citizens.

3951 *Mr. Langworthy. Common sense is missing in the State
3952 of New York. I would love to work with you on finding a plan
3953 and finding any Federal interest where we can try to repower
3954 our shuttered coal power plants in the western end of our
3955 state into, you know, clean natural gas plants, and put some
3956 real power on the grid, instead of taking power off at all
3957 times.

3958 So I really thank you for being with us, Secretary.

3959 *Secretary Wright. I look forward to working with you,
3960 Congressman.

3961 *Mr. Langworthy. All right, and I yield back, Mr.
3962 Chairman.

3963 *Mr. Latta. Thank you. The gentleman's time has

3964 expired and yields back. The chair now recognizes the
3965 gentleman from Louisiana's 2nd district for five minutes for
3966 questions.

3967 *Mr. Carter of Louisiana. Thank you, Mr. Chairman, and
3968 thank you, Mr. Secretary, for being here. I represent
3969 Louisiana, which has served as America's gas station for the
3970 past century. Drilling, refining, and shipping oil and gas
3971 worldwide.

3972 Just like our innovation, it is traditional energy
3973 resources _has become an economic boon for America.
3974 Investments and other forms of energy could transform
3975 Louisiana's economy. We must do so, and I think you will
3976 agree _because you have said comments to this effect _that we
3977 should do it in a way that we protect communities, that we
3978 recognize our number-one commodity are healthy communities,
3979 healthy people, making sure that they have access to clean
3980 water and clean air. So I appreciate your agreeing in that
3981 regard.

3982 Louisiana has the existing infrastructure and skilled
3983 energy workforce to be a leader in the 21st century energy.
3984 Our expertise can be leveraged to develop emerging energy
3985 sectors like offshore wind and hydrogen. Port Fourchon, our
3986 deepwater port in coastal Lafourche Parish, is ideal for
3987 building, deploying, and maintaining offshore wind projects.
3988 Additionally, abundant natural resources and pipeline access

3989 across Louisiana can support large-scale hydrogen production
3990 and distribution.

3991 However, the Trump Administration's actions has halted
3992 new offshore wind leases and permitted _permitting and
3993 approvals for existing projects. These decisions have cast
3994 uncertainty over hundreds of megawatts of planned offshore
3995 wind capacity. Meanwhile, according to a recent Bloomberg
3996 report, the current vision of the Republican reconciliation
3997 bill will severely limit the amount of renewable energy
3998 capacity the U.S. adds over the next decade, when solar and
3999 storage capacity would drop by 10 percent by 2035. The
4000 impact of wind power would be most severe, with new capacity
4001 shrinking by 35 percent and no offshore wind additions in
4002 2028.

4003 Secretary Wright, in your confirmation hearings you
4004 committed to an all-of-the-above energy strategy _and I
4005 applaud that _to include both conventional forms of energy as
4006 well as renewable energy. But you have appeared before the
4007 House Committee last month and said, "I have never been for
4008 all of the above myself.'" So which is it, sir? Can we
4009 count on you to be for all of the above?

4010 We know that this is important. We know what we have to
4011 do as Americans. We cannot do the same old thing expecting a
4012 different result. Our world is changing. Our climate is
4013 changing. Wouldn't you agree that we have to do better than

4014 what we have done?

4015 *Secretary Wright. Well, I have been about improvement
4016 and innovation in energy my whole life. As a 17-year-old kid
4017 I went to college to work on fusion energy. I worked on
4018 solar energy in graduate school and geothermal right after.
4019 I only got to oil and gas a little bit later.

4020 So Congressman, I appreciate your passion on these
4021 issues, but I have never been for all of the above. And if I
4022 said it at one point in time, I misspoke. I have always been
4023 _tried to always be very careful in my words, that energy is
4024 too important to mean everything, just do it all. My thing
4025 about energy _

4026 *Mr. Carter of Louisiana. Are you against solar?

4027 *Secretary Wright. What?

4028 *Mr. Carter of Louisiana. Are you against wind? Are
4029 you against wind?

4030 *Secretary Wright. I am against energy sources that
4031 make the energy system more expensive for less reliable.
4032 Solar has applications in many different energy systems
4033 around the world. Heck, there is probably even a few places
4034 where wind itself would be a positive for an energy system.

4035 *Mr. Carter of Louisiana. So these are these are all
4036 the above. These are _

4037 *Secretary Wright. In _

4038 *Mr. Carter of Louisiana. We are talking about _and we

4039 may have to do them in size and scale, but I think you will
4040 agree that we can't afford to leave meaningful opportunities
4041 on the table if we want to maximize healthy outcomes for
4042 communities while making sure that we remain a robust energy
4043 producer.

4044 *Secretary Wright. You come from a great energy-
4045 producing state, and I share your passion for more energy.
4046 But mostly what we have done with the subsidies through the
4047 Federal Government for wind and solar has mostly been
4048 negative. We have incentivized rich people and rich
4049 companies to build energy things that have _

4050 *Mr. Carter of Louisiana. I don't want to cut you off,
4051 sir, because there is so much that we have to say. I just
4052 want to _

4053 *Secretary Wright. All right, you go.

4054 *Mr. Carter of Louisiana. _get a few things in real
4055 quickly.

4056 The State of Louisiana Hubs for Energy Resilience
4057 Operation Hero Project won a \$250 million Federal award.
4058 There are programs like this that are so important for our
4059 communities. Projects for Together New Orleans, these
4060 communities will serve as residents for cooling off places.
4061 Their grants have been suspended. Can I get you to commit to
4062 at least revisiting them with me to see if there is a way to
4063 revive them and bring them in the mainstream? These programs

4064 matter to the people in my district, and they are ones that
4065 have been tested, they have gone through the appropriation
4066 process in a bipartisan way and survived.

4067 *Secretary Wright. Let's look into that together. I am
4068 not sure exactly what you are referring to, but let's look
4069 into that.

4070 *Mr. Carter of Louisiana. And Mr. Chairman, if I could
4071 have 10 seconds, I will just say _

4072 *Mr. Latta. Well, the gentleman's time has expired.
4073 Votes are going to be called in 10 minutes, and we have _

4074 *Mr. Carter of Louisiana. I just want to correct one
4075 record on Louisiana blackouts.

4076 *Mr. Latta. But if you could submit that _

4077 *Mr. Carter of Louisiana. I will submit it in writing.

4078 [The information follows:]

4079

4080 *****COMMITTEE INSERT*****

4081

4082 *Mr. Carter of Louisiana. There were some comments that
4083 were made about blackouts in Louisiana. I just want to
4084 correct the record _

4085 *Mr. Latta. Thank you.

4086 *Mr. Carter of Louisiana. _that they may not have been
4087 told _

4088 *Mr. Latta. The gentleman's time has expired.

4089 *Mr. Carter of Louisiana. Thank you, Mr. Chairman.

4090 *Mr. Latta. _and the chair now recognizes the gentleman
4091 from Pennsylvania, the vice chair of the full committee, for
4092 five minutes for questions.

4093 *Mr. Joyce. Thank you, Mr. Chairman, and thank you,
4094 Secretary Wright, for appearing here today.

4095 Right now the United States is in the pole position when
4096 it comes to advancing artificial intelligence. But just as
4097 in any race, competitors, and specifically China, is right
4098 behind us. By the end of the decade, the data centers
4099 necessary for this AI could consume almost 10 percent of all
4100 electricity in the United States.

4101 In Pennsylvania we have that necessary natural gas that
4102 you just mentioned to meet the increased demand and beat
4103 China in the AI race. If America wants to remain in the
4104 lead, it will require an all-of-government approach to follow
4105 through on President Trump's executive orders and restore
4106 American energy dominance.

4107 Secretary Wright, your department _you know this _will
4108 play a critical role in this work. One of the challenges
4109 that you will have to navigate is to balance between new
4110 energy demand for data centers and maintaining reliability
4111 for the electric grid. Recently, the DoE issued an emergency
4112 section 2028 order requiring the operation of two legacy
4113 generation units in the Commonwealth of Pennsylvania past
4114 their planned retirements, citing _dutifully noted, as well
4115 _concern with resource adequacy and reliability.

4116 Federal policy from the Biden Administration that
4117 disincentivizes the development of new, dispatchable energy
4118 generation made your actions ultimately necessary. Now, with
4119 the Trump Administration and your leadership, we need to
4120 expedite these long-delayed reliability measures. How can
4121 the DoE collaborate with state governments and authorities to
4122 ensure timely development and connection of new baseload
4123 power so that the legacy systems can be taken offline as
4124 planned?

4125 *Secretary Wright. Yes, that is a great question and
4126 comments, Congressman. And in fact, just last week I spent
4127 an hour or so with some developers trying to do a very large
4128 project in your state that would take a legacy coal plant,
4129 convert it to natural gas, expand the size of it far beyond
4130 where it was, collocate data centers there, and that is
4131 exactly what we want to see happen in this country.

4132 And as you said, winning the AI race isn't a nice to
4133 have. It is a have to have. This is a national security
4134 issue if China gets ahead of us in AI.

4135 And so what we are trying to do is get lists. And it is
4136 not just the Energy Department, it is the Federal Government.
4137 We are trying to get lists of what are the roadblocks for you
4138 to get this permit or to do that, what are your problems?
4139 And let us dig into the government and find out how we can
4140 address those issues.

4141 But it is about permitting. It is about moving some of
4142 the regulatory morass out of the way. Ultimately, we are
4143 going to have to fix the Clean Power Plan 2.0 that requires
4144 this carbon sequestration, you know, 10 years out into the
4145 future. Like, that is just not going to happen. But if that
4146 law is in there, it is a huge disincentive to build new power
4147 infrastructure.

4148 So there is many things that need to be done. But you
4149 are right. Pennsylvania, you know, tremendous legacy as a
4150 coal mining state. Now it has got the greatest natural gas
4151 field in the world under your state. I think with common-
4152 sense government, the future of Pennsylvania could be very,
4153 very bright.

4154 *Mr. Joyce. Well, thank you. And I think that your
4155 ability to recognize that will allow those data centers to
4156 continue to be developed in previous _to your point _in

4157 previous settings that were coal-powered plants moving on.

4158 Part of ensuring a reliable power grid is creating an
4159 inviting and predictable environment for new infrastructure
4160 investment. While it is imperative that we ensure Federal
4161 dollars are only being used for a worthwhile process, the
4162 review of many of the grants and loans made by the last
4163 administration was truly a lengthy one. Even projects that
4164 align with Trump's Administration goals to unleash American
4165 energy can be left in an unsteady environment as the reviews
4166 continue to unfold. This dynamic can have a cooling effect
4167 on the desperately-needed investment in generation, in
4168 infrastructure, and in innovation.

4169 How can the DoE help provide more confidence to
4170 stakeholders who need to make time-sensitive investment
4171 decisions while working through the investigation of waste,
4172 fraud, and abuse?

4173 *Mr. Latta. Mr. Secretary, if you could, do that in 25
4174 seconds.

4175 *Secretary Wright. Very fair question, Representative,
4176 and we are moving as fast as we can. We have got a process
4177 in place. We have a team in place. We are getting through,
4178 you know, maybe a dozen or more projects a week, maybe more
4179 than a dozen projects a week. And so by the end of this
4180 summer or middle of this summer, we are going to have clarity
4181 on most of the big projects. I want to do it as fast as I

4182 can, but given that track record I got to do it responsibly.
4183 But I hear your concern, and let's stay in touch.

4184 *Mr. Joyce. Thank you again for your leadership in
4185 this.

4186 I yield back.

4187 *Mr. Latta. Thank you. The gentleman yields back and
4188 the chair now recognizes the gentlelady from Michigan's 6th
4189 district for five minutes for questions.

4190 *Mrs. Dingell. Thank you, Mr. Chairman.

4191 And Mr. Secretary, welcome. We haven't had a chance to
4192 really meet. I am from Michigan, and I am a car girl. I
4193 care deeply about the domestic auto industry. It has been my
4194 whole life.

4195 But since the Inflation Reduction Act was signed into
4196 law, Michigan has led the clean energy manufacturing boom.
4197 We have seen over \$40 billion in the private investment and
4198 more than 25,000 new jobs created, with projections for up to
4199 167,000 clean energy jobs over the next decade. And it is
4200 happening right now in re-tooled EV plants, battery
4201 factories, and in rural and underserved communities across my
4202 state.

4203 But six months into this Administration we have already
4204 seen \$14.2 billion in investments stalled or canceled in
4205 Michigan, jeopardizing over 2,600 jobs. This is troubling to
4206 me, but I _these spendings aren't _these investments aren't

4207 just about public spending. They have unlocked historic
4208 private capital.

4209 Repealing the Clean Energy Tax Credits risks nearly \$40
4210 billion in Michigan investment alone. And meanwhile, China
4211 is watching, and they are more than willing and ready to
4212 seize the market share we are giving up. And I am glad to
4213 hear you say you like EVs, and I don't want to ban the
4214 internal combustion engine. I think we need both. I am
4215 seasoned, not old enough to remember the 1970s, when the
4216 Japanese beat us. We weren't ready with small cars when
4217 gasoline prices went up.

4218 Well, here is a reality now. The global market wants
4219 EVs. That is a reality. And China is subsidizing the
4220 manufacturing of electric vehicles. They are manipulating
4221 their currency. They are using slave labor. And EVs have to
4222 be part of our product mix. Is forfeiting this market share
4223 to the Chinese Communist Party a smart manufacturing
4224 strategy? Do we have data that says canceling these
4225 investments helps America's competitiveness? And have we
4226 looked at how many jobs this is going to cost us?

4227 *Secretary Wright. So, Representative, I love your
4228 passion, and I want to see Michigan reindustrialize again.
4229 It has got such a proud, beautiful history, and I truly
4230 believe it has a proud, beautiful future, as well.

4231 *Mrs. Dingell. We have to make _you and I got to work

4232 together to make sure we put the world on wheels, and we are
4233 going to keep the world on mobility. No other country can
4234 beat us.

4235 *Secretary Wright. I love it, and I agree. I agree.
4236 You said a lot of things I agree with 100 percent.

4237 Number one, EVs and internal combustion, we want them
4238 both. Consumers are going to decide. Electric vehicles are
4239 growing, and they are exciting, and they are going to keep
4240 growing, and that is awesome. And Americans should be the
4241 best builders of electric vehicles there are, period. And I
4242 want that wholeheartedly.

4243 China, as you said, illegally subsidizes their
4244 marketplaces. They are doing it to try to undermine your
4245 state and your industry. There is no question they are doing
4246 that.

4247 And the United States, I think a lot through tariffs, is
4248 going to stop these Chinese things that are not built in the
4249 same setting. You even mentioned slave labor. Literally,
4250 that is true.

4251 *Mrs. Dingell. I know.

4252 *Secretary Wright. So yes, we have got to re-energize,
4253 re-drive, re-advance American industry, and there is many
4254 ways to do that. I am in line with a lot of those, which is
4255 regulatory environment, bring capital _in fact, the trip we
4256 did to the Middle East, everyone thought we were over there

4257 talking about oil prices. We pretty much never talked about
4258 oil prices. We talked about, literally, the trillions of
4259 dollars that these countries are developing by developing
4260 their energy resources that they want to invest in the United
4261 States. And what do they want to invest in? They want to
4262 invest in energy infrastructure in the United States and
4263 manufacturing and industrialization of the United States.

4264 There is a ton of private capital that wants to come to
4265 our country and do the mission you just passionately went on
4266 about. So I will tell you, this Administration and myself
4267 personally are probably way more aligned with you than you
4268 think we are.

4269 *Mrs. Dingell. Well, we are out of time, and I know my
4270 chair is going to _we have 45 seconds. I want to invite you
4271 to come to Michigan. I want to work with you on EVs. We
4272 have to stop giving them a bad name, because we can't compete
4273 in the global marketplace if people don't know that we here
4274 in America are going to build those vehicles and out-build
4275 China. But they are competing with us. Communist China
4276 wants to destroy our auto industry, and you and I have to
4277 work together to make sure that doesn't happen.

4278 Thank you, Mr. Chair, and I will yield back.

4279 *Mr. Latta. The gentlelady yields back, and the chair
4280 recognizes the ranking member, I believe, for a couple of
4281 documents be put into the record.

4282 *Ms. Castor. Yes. Thank you, Mr. Chairman. I would
4283 like to ask unanimous consent to submit to the record.

4284 The first is an article from the New York Times from
4285 June 4. The Secretary said in general he supports _he thinks
4286 low prices are better. This is a great summary, electricity
4287 prices are surging, the GOP mega-bill could push them higher.
4288 I recommend that to you.

4289 And then _

4290 *Mr. Latta. Without objection, so ordered.

4291 [The information follows:]

4292

4293 *****COMMITTEE INSERT*****

4294

4295 *Ms. Castor. And then the reference to Florida's low
4296 electricity rates, just _this is _I also recommend for your
4297 reading. This is _right now, just over the past couple of
4298 months, they have asked for the largest rate hike request in
4299 U.S. history up in the panhandle, and we continue to grapple
4300 with higher rates. So I will recommend that to you.

4301 *Mr. Latta. And without objection, so ordered.

4302 [The information follows:]

4303

4304 *****COMMITTEE INSERT*****

4305

4306 *Ms. Castor. And I thank the Secretary for his
4307 appearance here today.

4308 I yield back.

4309 *Secretary Wright. Thank you for those materials.

4310 *Mr. Latta. And seeing no other members wishing to be
4311 recognized to ask questions today, Mr. Secretary, we
4312 appreciate you appearing before us today.

4313 Members have additional _may have additional questions
4314 for you. I will remind members that they have 10 business
4315 days to submit additional questions for the record, and I ask
4316 that you be able to submit responses within 10 business days
4317 upon response _or receipt of those questions.

4318 I ask unanimous consent to insert in the record the
4319 documents included on the staff hearing documents list.

4320 And without objection, that is so ordered.

4321 And without objection, the subcommittee will stand
4322 adjourned.

4323 [Whereupon, at 1:32 p.m., the subcommittee was
4324 adjourned.]