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PROTECTING AMERICA'S ENERGY INFRASTRUCTURE IN TODAY'S CYBER AND PHYSICAL THREAT LANDSCAPE

TUESDAY, JANUARY 13, 2026

House of Representatives,

Subcommittee on Energy,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to call, at 10:15 a.m. in Room 2123, Rayburn House Office Building, Hon. Robert E. Latta [chairman of the subcommittee], presiding.

Present: Representatives Latta, Weber, Palmer, Allen, Balderson, Pfluger, Harshbarger, Miller-Meeks, James, Bentz, Lee, Langworthy, Rulli, Evans, Goldman, Fedorchak, Guthrie (ex officio); Castor, Peters, Menendez, McClellan, DeGette, Matsui, Tonko, Veasey, Schrier, Fletcher, Ocasio-Cortez, and Pallone (ex officio).

Also present: Representative Joyce.

Staff Present: Christian Calvert, Press Assistant; Clare Cargile, Professional Staff Member; Jessica Donlon,

General Counsel; Andrew Furman, Professional Staff Member; Sydney Greene, Director of Finance and Logistics; Calvin Huggins, Clerk; Megan Jackson, Staff Director; AT Johnson, Special Advisor; Sophie Khanahmadi, Deputy Staff Director; Mary Martin, Chief Counsel; Ben Mullaney, Press Secretary; Lillian Noland, Staff Assistant; Seth Ricketts, Special Assistant; Chris Sarley, Member Services/Stakeholder Director; Peter Spencer, Senior Professional Staff Member; Timothy Trimble, Staff Assistant; Matt VanHyfte, Communications Director; Waverly Gordon, Minority Deputy Staff Director and General Counsel; Tiffany Guarascio, Minority Staff Director; Kristopher Pittard, Minority Professional Staff Member; Emma Roehrig, Minority Staff Assistant; Kylea Rogers, Minority Policy Analyst; Kyle Wolf, Minority Press Intern; and Tuley Wright, Minority Staff Director, ENG.

*Mr. Latta. The Subcommittee on Energy will now come to order. The chair recognizes himself for five minutes for an opening statement.

Welcome to today's hearing, and thank you to our witness for appearing before us to inform our legislative efforts to secure and strengthen the nation's energy systems.

The reliable delivery of energy through our critical infrastructure is fundamental to the modern economy and the health and welfare of all of our communities. At a time of tremendous growth in our nation's energy demands, the need for effective security cannot be overstated. During a recent hearing examining cyber and physical threats, we heard directly from operators and experts about the capabilities of adversaries and the work to safeguard against efforts to exploit vulnerabilities to disrupt the everyday lives of hard-working Americans.

Addressing cyber and physical threats is no easy task. The avenues for malicious activity only widen as digitization, communications, and linkages of gas pipelines, new generating resources, and transmission take root to meet energy demands. The interconnected nature of our energy system requires constant intelligence sharing, clear visibility into threat landscapes, and sufficient resources to fill gaps in security protections for rural and small utility services alike. That is exactly what the legislation

before us seeks to accomplish.

Importantly, the Energy Emergency Leadership Act strengthens the Department of Energy's central energy sector security mission. It does so by requiring that its well-established energy emergency and cyber functions are led by an assistant secretary confirmed by the Senate. This will ensure the department has the focused and accountable leadership to more fully protect the public from fuel and electricity fuel supply disruptions, including emerging threats from our foreign adversaries to the nation's electric grid.

As the sector risk management agency for the energy sector, DoE requires visibility over the whole system, and actively collaborates not only with the power sector but also the oil and gas sector to prepare and respond appropriately to emergencies. DoE's central role in Federal coordination and providing technical assistance as needed is critical for a secure energy system. The Pipeline Cybersecurity Preparedness Act will enhance and formalize DoE's work in this area, so we will have a stronger, more resilient energy sector.

Alongside this bill, the Energy Threat Analysis Center Act would formally authorize a valuable program that improves information sharing and coordination on threat analysis. The Energy Threat Analysis Center, or ETAC, brings together key

public and private partners, including the intelligence community, to address vulnerabilities in critical infrastructure and provide operational support for energy sector resilience.

The Rural and Municipal Utility Cybersecurity Act will improve cybersecurity protocols and equipment for small utilities, electric cooperatives, and public power agencies by providing targeted funding and technical assistance. These small entities typically serve our most rural and remote communities that do not have the same resources as their larger, investor-owned counterparts.

States too play an essential role in protecting energy infrastructure within their borders. Last Congress this committee held a field hearing in North Carolina to examine the attack on a substation in Moore County that left 30,000 people without power. The Secure Grid Act, which I plan to sponsor with my colleague from California's 7th congressional district, builds upon the existing State Energy Security Plan framework to expand the visibility of potential threats to local distribution and supply chain networks.

All together, this package of security bills comes at a critical time. Our adversaries remain close on our heels to overtake the United States as a leading technological superpower on the world stage. Our communities cannot afford to endure disruptive, large-scale attacks that can be

prevented with common-sense solutions and collaborations.

The bills before us today present a bipartisan opportunity to secure our nation's energy system so we can fuel economic growth and job-creating industries across the country.

Today we will hear from the Department of Energy, which has been helpful, providing technical assistance to our bipartisan work today. Alex Fitzsimmons, acting undersecretary of energy, will provide a broad view of DoE's important energy sector work and how this legislation may advance our work.

Our second panel of witnesses will also inform our work from their perspectives on the front lines of cyber and physical threat protection.

[The prepared statement of Mr. Latta follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. I look forward to the discussion today and at this time yield back.

And the chair recognizes the gentlelady from Florida's 14th district, the subcommittee's ranking member, for five minutes for an opening statement.

*Ms. Castor. Well, thank you, Mr. Chairman, and good morning. I look forward to learning from our panels today about the ways we can make our grid more resilient and safe.

This is an area where the committee has a history of bipartisan success, and we should build on that. However, we cannot ignore that right now the greatest threat to grid reliability and security is the President and Republican policies. The arbitrary project cancellations, higher costs, and uncertainty have driven the country into an electricity crisis. Nearly a year after Donald Trump took office, the latest inflation data released this morning shows across the board that prices are higher than ever.

The chairman asks every panel that appears here, "Does American need more electricity?'' The answer is always yes, and we agree with that. But over the past year the President and Republicans in Congress have senselessly gone out of their way to ensure that America will have less electricity. And that comes at an unfortunate cost to everyday Americans.

In December the President terminated five offshore wind projects, which could supply six gigawatts of electricity.

He did not care that Federal courts had previously ruled that he acted unlawfully when he arbitrarily revoked their permits after years of planning and investment. Sunrise Wind and Empire Wind, both off the coast of New York; Vineyard Wind I off the coast of Massachusetts; and Coastal Virginia, offshore wind off Virginia represented $25 billion of investment and about 10,000 jobs to power more than 2.5 million homes and businesses. Revolution Wind is roughly 80 percent -- 87 percent complete, with 58 out of 65 wind turbines installed. It was scheduled to be fully operational by the second half of this year, delivering power to more than 350,000 homes and businesses in Connecticut and Rhode Island by the end of the year.

Well, thankfully, yesterday a Federal court again rejected the Administration's actions, deeming them arbitrary and capricious. But Trump's sabotage is very costly. Another court yesterday ruled that the Administration illegally canceled numerous Federal clean energy projects in a number of states just because they voted Democratic in the last election. That is not right. DoE also canceled what would have been the largest U.S. solar energy project in the Nevada desert, 7 connected solar farms that would have produced 6.2 gigawatts, which is 3 times the output of the Hoover Dam. A number of energy companies have been working towards approval since 2023.

And Members, Utah's Republican Governor Spencer Cox said this is how we lose the AI energy arms race with China, because solar with batteries can now be close to baseload power and we should keep these projects rolling until we get the gas, nuclear, geothermal plants we need.

Some of the most damaging and costly sabotage to America's electric grid at the hands of the Trump Administration have come to major transmission projects, especially the Grain Belt Express transmission line across Kansas, Missouri, Indiana, and Illinois. It has been in the works for 15 years to deliver power to homes and businesses and expand economic opportunity across that region. And Midwesterners will tell you that their aging energy infrastructure is struggling to keep pace with growing demand, but the Trump DoE arbitrarily canceled that transmission project last year. The Administration is miring scores of other projects with additional red tape.

So at a time that we need more energy that is affordable and reliable, Trump and Republican policies are sabotaging America's electric grid. All together, that is 266 gigawatts of planned electricity generation projects, grid resilience, and upgrades canceled in 2025. And that number does not include the prospective, higher cost and harm inflicted through the Republicans' big, ugly bill that ripped away savings to provide massive tax cuts to billionaires.

The U.S. has never faced this kind of self-inflicted energy crisis. We need a grid that can meet electricity demand and lower cost, which is under this committee's jurisdiction. That means policies that help the U.S. build out significant transmission infrastructure. So I hope our colleagues will work with this on this.

Unfortunately, the only Republican response to the energy crisis they have created is to turn to more expensive sources. When Republican policies get in the way of the cheapest, fastest, most reliable sources of energy, our grid is less secure, and that means that energy is more expensive for our neighbors. That is not right. The American people deserve a whole lot better.

[The prepared statement of Ms. Castor follows:]

**********COMMITTEE INSERT**********

*Ms. Castor. I yield back.

*Mr. Latta. Thank you very much. The gentlelady yields back. The chair now recognizes the gentleman from Kentucky, the chair of the full committee, for five minutes for an opening statement.

*The Chair. Thank you. Thank you, Chairman Latta, and thank to our witnesses. We have two panels, so we will thank our witness and then our witnesses for being here today. We appreciate you coming before our committee to discuss these legislative issues.

Energy underpins our entire economy, which makes it a key target for nefarious actors and adversarial nations. We have witnessed cyber attacks in Russia's invasion of Ukraine; AI-driven attacks in Europe; and relentless attacks on Taiwan from communist China. At home we experienced Chinese probes of critical infrastructure, cyber attacks on the Colonial Pipeline, and physical attacks on the grid in North Carolina and Washington, among other events.

The proposals before us come at an especially critical moment because of the growing power of advanced technologies to enable even more sweeping and sophisticated attacks than we have seen. The notion of large-scale threats on American energy infrastructure is no longer if, but when. As we seek to reaffirm our nation's energy and economic security, we must secure our energy systems to protect the nation from

efforts to sow chaos and cause harm. The legislation before us will ensure the energy and power providers and Federal partners alike remain vigilant and prepared to respond to potential attacks while energy supplies grow to meet those demands.

Effective cybersecurity measures require constant information sharing, clear leadership protocols, and key collaboration from operators across the energy sector to fill gaps in the threat -- in threat detection, prevention, and mitigation. Our bipartisan bills bolster the Department of Energy's role in sector-specific risk management agency and enhance state and energy sector visibility into the vulnerabilities of energy and power systems.

Importantly, legislation before us today will fill critical gaps in cybersecurity protections in areas of the country that do not have the resources of large, investor-owned utilities. And all together, the work of this committee will equip government and industry partners with necessary cybersecurity protections and establish more effective ability for the entire energy sector to prepare and defend against potential attacks.

[The prepared statement of The Chair follows:]

**********COMMITTEE INSERT**********

*The Chair. I look forward to the discussion, and I yield back the balance of my time.

*Mr. Latta. Thank you. The gentleman yields back and the chair now recognizes the gentleman from New Jersey, the ranking member of the full committee, for five minutes for an opening statement.

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

America's energy system is under increasing threat. Russia and China have developed sophisticated offensive cyber weapons, and the proliferation of artificial intelligence technology means that every day those offensive cyber weapons grow stronger.

It also means that less sophisticated adversaries, terrorist organizations without the backing of nation states, will be able to pull off devastating cyber attacks whether it is against the Federal Government, utilities, or directly against energy infrastructure assets themselves. So that is why I am pleased to see a suite of draft legislation in this hearing, including some bills reauthorizing important cybersecurity programs created by the Bipartisan Infrastructure Law. I am encouraged to see my Republican colleagues now acknowledge the importance and benefits of some of the provisions of that law. Others, like the Energy Threat Analysis Center Act, are completely new and are based off valuable testimony that the subcommittee received last

year.

Now, I look forward to hearing from our witnesses about these bills because it is critical that we work in a bipartisan fashion to secure our nation's energy infrastructure from cyber and physical threats. And as we consider the cybersecurity of our energy systems, we also have to recognize the importance that energy reliability plays in our way of life. But unfortunately, I am concerned that Secretary Wright's actions at the Department of Energy are undermining that reliability.

In October of last year the Trump Administration and Secretary Wright illegally canceled 300 energy projects across the country, stealing $8 billion in grants for energy projects when we desperately need more energy. In July the Administration put out an analysis desperately calling for every available megawatt of power, but Secretary Wright is directly responsible for killing projects that would have added enormous amounts of clean power to the grid. These projects were authorized by Congress and funded through bipartisan laws.

Thankfully, just yesterday a court reversed the termination notices for a number of the illegally canceled grants, and I am hopeful that more projects sue the department for its actions and get their funding restored.

Now, the problem is it doesn't end there. Since Trump

took office the Department of Energy has shed roughly 3,500 staff, and is so understaffed in some areas that its Office of Nuclear Energy is asking for volunteers from universities to help them review novel nuclear reactor designs. And that doesn't really sound like energy security to me. And late last year the Department of Energy underwent a reorganization, closing important offices like the Grid Deployment Office, the Office of Clean Energy Demonstrations, and the Office of Manufacturing and Energy Supply chains. Throughout the entire process Secretary Wright has refused to answer questions, leaving Congress with zero information and no opportunity as to what is happening at the department.

So I am hopeful -- Mr. Fitzsimmons, a number of your colleagues have appeared before us in the last year, but have given unsatisfactory answers or claimed to not have any information to share. So I am hoping that you will be more responsive today.

And let's also not forget the big, ugly bill -- or the Republicans call it the beautiful, I say it is the ugly bill -- which is slated to increase electricity prices by 61 percent and endanger more than 300 gigawatts of reliable, clean generation just when we need it most. Electricity prices are up 13 percent just since Trump took office, and companies have either delayed or canceled over 53 billion in investment in the energy sector. And we have lost over

165,000 jobs in this sector.

So these actions and the big ugly, beautiful bill are going to seriously undermine energy reliability. I am hopeful that these cybersecurity bills will be helpful, but to be honest -- and I am not taking away from them -- they are really just a drop in the bucket when you look at the energy reliability problems that Republicans are creating for the American people. And those problems are just getting worse every day.

In New Jersey the electricity bills are up over 20 percent. So, you know, this is a major problem for the public. And I hope we can deal with it more effectively on a bipartisan basis.

[The prepared statement of Mr. Pallone follows:]

**********COMMITTEE INSERT**********

*Mr. Pallone. With that, Mr. Chairman, I yield back.

*Mr. Latta. Well, thank you very much. The gentleman yields back the balance of his time. This concludes member opening statements.

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

The subcommittee wants to welcome our first witness for appearing today and also taking the time to testify before the subcommittee.

You have the opportunity to give an opening statement, followed by a round of questions from our members.

Mr. Alex Fitzsimmons is our first witness on our first panel, and he is the acting undersecretary of energy and director of Office of Cybersecurity, Energy Security, and Emergency Response at the Department of Energy.

We appreciate again you appearing before us. And before you start your opening statement, just a quick tutorial on the lights in front of you. You will have five minutes for your opening statement. They will be green for the first four minutes, turn yellow for the last minute, and then turn red. So if you could finish up, we would appreciate it. And if you could pull the mike up close, we would also appreciate that.

And Mr. Fitzsimmons, you are recognized for five minutes

for your opening statement.

STATEMENT OF ALEX FITZSIMMONS, ACTING UNDERSECRETARY OF ENERGY AND DIRECTOR OF THE OFFICE OF CYBERSECURITY, ENERGY SECURITY, AND EMERGENCY RESPONSE, U.S. DEPARTMENT OF ENERGY

*Mr. Fitzsimmons. All right. Thank you, Chairman Latta, Chairman Guthrie, Ranking Member Pallone, Ranking Member Castor, and distinguished members of the committee. I am Alex Fitzsimmons, and it is an honor to testify before you today as a representative of the U.S. Department of Energy.

Under President Trump and Secretary Wright's leadership, the Department of Energy and the Office of Cybersecurity, Energy Security, and Emergency Response -- CESER, for short -- have been hard at work restoring American energy dominance, lowering energy costs for Americans, and strengthening our national security. Secretary Wright has conveyed that ensuring the security and resilience of our nation's energy infrastructure is a top priority. This vital work falls under the CESER office. As the acting undersecretary of energy and director of CESER, I am honored to help lead this critical mission.

At CESER we ensure that Americans can count on a secure, affordable, and reliable energy supply under every circumstance. This means providing timely and actionable

information to the energy sector, developing world-class security technologies, hardening U.S. infrastructure, and responding to and recovering from incidents.

The U.S. energy grid faces persistent threats from nation-state threat actors with campaigns that target our economy, military readiness, and public health and safety. The Energy Threat Analysis Center is a public-private partnership that convenes experts from the Federal Government and industry to identify, analyze, and mitigate threats to America's critical energy infrastructure.

The ETAC Reauthorization Act of 2025 promotes improving operational collaboration between the government and industry, securing critical energy infrastructure from cyber threats, and protecting information sharing, thereby strengthening the nation's energy security.

The Energy Emergency Leadership Act aims to clarify the leadership required to carry out the department's energy, emergency, and energy security functions and improve the coordination performed with relevant Federal agencies. This language amends the DoE Organization Act to include the department's energy, emergency, and energy security functions as those assigned to one of the eight assistant secretary positions.

In addition, this legislation will permit the department to provide technical assistance to energy sector entities and

local governments upon request to protect against, detect, and respond to energy security threats, risks, and incidents.

The Rural and Municipal Utilities Cybersecurity Reauthorization Act will enable CESER to strengthen cybersecurity in electric, public power, and cooperative utilities. These utilities are targets for cyber attacks and can struggle to defend against advanced capabilities of nation-state adversaries, often due to a lack of funding and personnel. This legislation helps to ensure small, rural utilities have access to the resources necessary to protect national security and provide reliable energy to residents.

The Secure Grid Act will help states mitigate risks posed to the electric grid by empowering them to fully assess and respond to cyber and physical threats, severe weather, and other vulnerabilities. State energy security plans enable states to examine and respond to weaknesses in their own energy infrastructure. This legislation formalizes the inclusion of additional data to these reports, requiring states to consider threats posed to local facilities, as well as factors like increasing grid demands and vendor maintenance. Authorizing the department to continue to implement SESP duties will institutionalize the support for states to maintain, implement, and advance these important plans.

As automation drives pipeline owners and operators to

rely on an increasingly complex web of interconnected devices, they must also implement security measures to protect their pipeline operations from evolving and emerging cyber risks. The pipeline and LNG Facility Cybersecurity Preparedness Act authorizes DoE to coordinate a voluntary approach to make the nation's pipeline system more reliable, resilient, and secure.

As the sector risk management agency for the energy sector, DoE already works closely with all parts of the energy sector to prepare for, respond to, and recover from incidents. DoE coordinates closely with other agencies for an all-of-government response to emergencies.

DoE is adept at deploying innovative solutions to complex problems, and will continue to do so in service to the American people, ensuring the U.S. energy sector becomes more secure and resilient. As this legislation continues to be refined, CESER and the department stand ready to provide technical assistance to ensure the legislation meets congressional intent and rises to the challenges posed by today's threat landscape.

I appreciate the opportunity to appear before you today, and I look forward to working with you and your respective offices so that we can continue to strengthen American energy dominance and lower costs for hard-working American families.

I look forward to your questions.

[The prepared statement of Mr. Fitzsimmons follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Well, thank you very much, and this concludes our witness's opening statement, and we will move now to our members' questions, and I will begin with asking the first questions.

Mr. Fitzsimmons, many of the bills before us today would involve the department carrying out requirements to secure our energy systems. Will you discuss whether the department has sufficient staff and resources to carry out its energy security responsibilities, including any responsibilities in this legislation that we see -- have before us today?

*Mr. Fitzsimmons. I believe we do so, yes.

*Mr. Latta. Thank you. DoE is the sector risk management agency for the energy sector. When the Colonial Pipeline attack occurred shutting down this critical artery for fuel to the Mid-Atlantic into New York, DoE played a critical role coordinating industry and state partners to support response efforts. Why does DoE's deep expertise and institutional knowledge of the energy industry make it the appropriate agency to lead our nation's energy response efforts?

*Mr. Fitzsimmons. That is a great question, Chairman, thank you for asking it.

I think, as you pointed out, because DoE is a sector risk management agency for the energy sector and we have great technical resources both internally and at the DoE

National Laboratories, it allows us to collaborate productively with the private sector.

We are also not a regulator. So everything that -- at least in this space. So everything we do with the energy sector in the CESER office is done on a voluntary basis, so we have been able to build trust with the energy sector over time. And as a result of that, we host subsector coordinating councils with the power sector, with the oil and natural gas subsector, with our interagency partners. That convening authority, combined with our technical expertise, helps us collaborate productively with the energy sector.

*Mr. Latta. Well, thank you. Other agencies have responsibilities over transportation systems, but DoE has that role over the whole energy sector. Isn't that correct?

*Mr. Fitzsimmons. Yes.

*Mr. Latta. Will you work with the committee to make sure that DoE has the appropriate clarity to work to improve how the government supports our energy sector?

*Mr. Fitzsimmons. Absolutely.

*Mr. Latta. Thank you. State energy security plans are a key opportunity for states to comprehensively address vulnerabilities in their interconnected energy systems. The SECURE Act, of which I have sponsored, would ensure that states are holistically incorporating local distribution supply chain risks that are critical to secure -- to a secure

and resilient energy system. How might this SECURE Grid Act enhance the existing CEPT framework to ensure states address potential gaps in security protocols?

*Mr. Fitzsimmons. Yes, I appreciate your leadership on this issue because the state energy security plans are a vital component of the CESER mission. And it is one thing for us to sit here in Washington and talk about energy security and resilience, but a lot of the work happens on the ground in local communities at the state and local level, combined with the efforts of the private sector. And 80 percent of U.S. energy infrastructure is owned and operated by the private sector, state and local governments that are on the ground working with these energy companies every single day. So that is why the state energy security plans and programs are an important part of our mission.

And so this focus on the distribution system, I think, is important because it allows us to take a comprehensive view. I mean, CESER's mission is to strengthen the security and resilience of the entire energy sector. And so our foreign adversaries, threat actors are targeting the entire system, and so we need to make sure that the work that we do prioritizes the entire energy system.

*Mr. Latta. Thank you. The Trump Administration has undergone an extensive review of financial assistance awarded under the previous administration. These efforts were

undertaken to ensure that Federal dollars aligned with national and economic security goals, and to ensure the viability of potential projects using finite taxpayer resources. Will you discuss the department's process to review financial assistance to ensure Federal dollars fulfill the goals of the Trump Administration?

*Mr. Fitzsimmons. I am happy to do so. Thank you for the question.

So DoE continuously reviews all of the projects within our portfolio. We have a responsibility as stewards of taxpayer resources to do so. We continuously review all the projects in our portfolio to make sure that they are consistent with national security and that projects that we fund with taxpayer resources have a pathway to technical, financial, and economic feasibility. And that work will continue.

*Mr. Latta. Thank you. My last 22 seconds, just maybe a quick answer to this one.

Information sharing is really important because -- especially when you are talking about a lot of the smaller utilities out there. Is that information timely shared, so if there is threats to the system out there -- in my last seven seconds?

*Mr. Fitzsimmons. Yes, and I think there is more we can do in that department to strengthen our ability to share

information with the private sector. It is one of the most fundamental parts of the CESER mission.

*Mr. Latta. Okay, thank you very much. I want to follow up with you on that.

And I yield back, and at this time I recognize the gentlelady from Florida, the ranking member of the subcommittee, for five minutes for questions.

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

Thank you for appearing here, Mr. Fitzsimmons. It is good to see you.

*Mr. Fitzsimmons. Thank you.

*Ms. Castor. You know, while the Trump Administration and the Department of Energy has been very busy canceling energy projects across the country, last year DoE had forced six old, broken-down coal plants in Michigan, Pennsylvania, Indiana, Colorado, and Washington to stay online. This includes plants that were days away from retirement and some that have been offline for months because they are broken. These decisions already have cost customers over $163 million. And if the Department of Energy continues down this path, it -- estimates are it would cost customers nearly $6 billion a year.

Did you have a role in drafting the emergency orders under section 202© to keep these six coal plants online last year?

*Mr. Fitzsimmons. Thank you for the question. As the director of CESER, yes.

*Ms. Castor. On November 25, DoE ordered the Eddystone Gas and Oil Fuel Generation Facility in Pennsylvania to delay its scheduled retirement for a third time based on a potential shortage of electric energy. Do you believe that PJM -- the PJM region faces a potential energy shortage?

*Mr. Fitzsimmons. Thank you for the question. Yes.

*Ms. Castor. For the record, PJM itself determined that closing the Eddystone plant would not hurt grid reliability. And if you believe there is an energy shortage in PJM, why did you take the -- what the Federal court described as an arbitrary and capricious action to cancel offshore wind projects that were permitted and ready to go?

*Mr. Fitzsimmons. I appreciate the question. I think it is important to clarify that PJM requested the 202© order that you just referenced, and I think it is also important to recognize --

*Ms. Castor. But go -- you didn't -- you are not answering the question about canceling the offshore wind projects.

*Mr. Fitzsimmons. Sure, and I am happy to get to that, but I think it is important to clarify the facts. And the facts in this case are that PJM requested that order, and that those units that you referenced in --

*Ms. Castor. You are not --

*Mr. Fitzsimmons. -- PJM ran --

*Ms. Castor. You are still not answering the question. In a large swath of the Mid-Atlantic region, offshore wind has one of the highest resource adequacy scores among all energy types. In other words, when it comes to lowering the probability of blackouts, offshore wind out-competes all of the other sources of energy, and is even on par with gas-fired power plants. Right now PJM -- in PJM a six-hour battery contributes more to reliability than a gas-fired combustion turbine, thanks to the batteries' reliability during winter.

So what is coming out of DoE just simply doesn't make any sense when it comes to cost, when it comes to reliability. You are still not -- I think folks across the country and businesses large and small want to know why the Department of Energy is, like, making life so much more expensive and canceling these projects. What is it? What is your -- how do you justify this?

*Mr. Fitzsimmons. Well, thank you for the question.

Offshore wind is some of the most expensive energy that exists. I will say the energy system is designed to meet peak demand, and this is what the grid operators --

*Ms. Castor. You know what is --

*Mr. Fitzsimmons. -- the operators --

*Ms. Castor. -- expensive, Mr. Fitzsimmons? You know what is expensive? When a project and a business has invested billions of dollars, they have gone through and they have gotten permits, they have hired a bunch of people. And then, at the eleventh hour, a President who is focused on retribution, who -- what the court said, acts in an arbitrary and capricious manner, comes and takes a hatchet to it, and it is costing people a lot of money, and they are angry about it.

There are petitions online saying mercy. And then, when you add into it what the Republicans have done in the big, ugly bill to rip away savings, that is not making us more secure. It is not making the grid more reliable. It is not serving the best interests of this country. How do you answer that?

*Mr. Fitzsimmons. Well, I think on the specific issue of the offshore wind permits, those are DoI permits, and so I am sure that they would be happy to answer your question.

What I would say about the resource adequacy more generally is that on day one President Trump declared a national energy emergency. That position --

*Ms. Castor. And why are we in an energy emergency now? And they have made it worse. You have made it worse at the Department of Energy and the Trump Administration, because you have sabotaged it every step of the way.

I hope you will listen to the Federal courts that are calling your actions arbitrary and capricious, and they are costing folks a lot of money, and it has got to stop. People are concerned about their bottom line. Thanks.

I yield back.

*Mr. Latta. The gentlelady's time has expired and yields back. The chair now recognizes the vice chair of the subcommittee, the gentleman from Texas, for five minutes for questions.

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

Mr. Fitzsimmons, thanks for being here. The FAST Act of 2015 designated in law that the Department of Energy is the sector risk management agency, which allows it to coordinate with Federal and state agencies in identifying vulnerabilities, mitigating those vulnerabilities, and responding to incidents that may impact the energy sector. This is critical for a cohesive government response to energy sector critical infrastructure. Wouldn't you agree?

*Mr. Fitzsimmons. Yes, sir.

*Mr. Weber. I want to be a little philosophical, if I can. I like to tell people that the things that make America great are the things that America makes. Now, how do we do that? We do that with a reliable, dependable power system. Electric grids include all of those things that we need, everything that we need to make this country great.

And I would say it is the President's aim, it is the President's reason for doing all of the things he is doing that continues to make America great so that we have a dependable, reliable, affordable energy supply. Would you agree?

*Mr. Fitzsimmons. Yes, I would, sir. And I would add to that that the energy system has to be built to meet peak demand in the summer and the winter, when electricity is needed most, or people die.

And quite frankly, you look at what NERC has said. The head of NERC has called the situation facing the grid due to the disastrous energy subtraction policies of the previous administration as a five-alarm fire for the grid. And that is simply because of the premature retirement of too much reliable, dispatchable generation. That is what is needed. That is what grid operators accredit capacity.

Non-dispatchable resources do not get much capacity accreditation, so you can build as much non-dispatchable electricity generation as you want. It does not obviate the need for more reliable dispatchable generation, and that includes resources like nuclear and gas and coal and, yes, batteries and geothermal and hydropower. All of those resources are needed to meet peak demand.

We were, unfortunately, saddled with premature closures. We have had to come in and stabilize the energy system, and

that is what we are doing right now. Now we are focused on optimizing and growing the energy system so that we can have an affordable, reliable, and secure energy system for the American people.

*Mr. Weber. Well, we appreciate you all doing that. And I would have to add that pipelines are an -- one of the most important components of that energy sector or energy systems, are they not?

*Mr. Fitzsimmons. Yes, sir.

*Mr. Weber. So we appreciate that.

DoE and Homeland Security already work on the Oil and Natural Gas Subsector Coordinating Council. The authority for security standards over pipelines already resides with the TSA, the Transportation Security Administration. Do you see any reason why multiple agencies cannot work together on important elements of our energy systems to make sure that we get the kind of energy you just described?

*Mr. Fitzsimmons. No, of course we can work together, and we already do work together through the Oil and Gas Subsector Coordinating Council, as you mentioned, sir.

*Mr. Weber. So given DoE's role as the sector specific authority for energy, would you think Federal, state, and stakeholder work would benefit from DoE's efforts to improve and advance coordination, technical assistance, and other analysis consistent with its energy sector authorities?

*Mr. Fitzsimmons. Yes, I do.

*Mr. Weber. You are committed to working on that?

*Mr. Fitzsimmons. Absolutely.

*Mr. Weber. You all are doing a great job. Mr. Fitzsimmons, do you believe that any guidance or regulations issued by the Federal Government should be implementable -- say that 10 times -- by private industry without imposing an undue burden?

*Mr. Fitzsimmons. Yes.

*Mr. Weber. Absolutely. That is what energy needs. They need reliable, they need to know what the government is going to do, and exactly how to do it.

So how does the Office of Cybersecurity, Energy Security, and Emergency Response work with industry to ensure that any rules issued by DoE are practical and feasible to implement?

*Mr. Fitzsimmons. Yes, I think in my capacity as CESER director -- and the role of the CESER mission, as I mentioned, is a voluntary one -- I think that helps us build strong partnerships with the private sector because we know -- you know, we are -- within the CESER office, you know, we are not a regulator. Of course we partner with, you know, the interagency partners who do have that rulemaking authority, but our role is to partner proactively. We do that through information sharing, you know, as was mentioned

with the ETAC, we do that through unity of message, unity of effort, calls through the subsector councils, as I mentioned, and I think we can always be doing more to strengthen our partnership with the energy sector.

*Mr. Weber. Well, we appreciate that you are working with industry, and I guess I don't know if you have some training seminars. Maybe we need to teach our friends across the aisle that the dependable energy that we need is, let's face it, it is nuclear, fossil fuel. Yes, it is wind -- it is some wind energy and some solar. But I have tried to explain to them that the sun goes down at night, right? And so the solar panels aren't producing then. And have you ever noticed on the hottest day of the year the wind doesn't blow? That is why it is the hottest day of the year.

Mr. Chairman, I yield back.

*Mr. Latta. The gentleman yields back, and the chair now recognizes the gentleman from New Jersey, the ranking member of the full committee, for five minutes for questions.

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

Mr. Fitzsimmons, you heard me in my opening express my concern over the cancellation of grants to Democratic states. On December 23, the Department of Energy stipulated in court that the primary reason for its grant termination decisions in October was whether or not the awardee was in a Democratic state.

826 And in case my Republican colleagues have any doubt, I
827 will just ask unanimous consent to enter the court filing in
828 the record, Mr. Chairman, if you will.
829 *Mr. Latta. Without objection, so ordered.
830 [The information follows:]
831
832 **********COMMITTEE INSERT**********
833

*Mr. Pallone. Thank you.

So Mr. Fitzsimmons, do you believe that the energy projects that receive government grants or loans should be the ones in states that voted for President Trump?

*Mr. Fitzsimmons. Thank you for the question. No, we continuously review all of the projects in the DoE portfolio to ensure the projects are consistent with U.S. national security, and that they have a path to technical, financial, and economic feasibility. That is a responsibility that we have as stewards of taxpayer resources, and that work will continue.

*Mr. Pallone. Well, again, I appreciate you saying no, but I do want to read what it says in the court filing. It says the primary reason for the selection of which DoE grant termination decisions were included in the October 2025 notice tranche -- or tranche -- was whether the grantee was located in a blue state. So it kind of contradicts what is said. But thank you, I am glad you said no.

So unfortunately, it appears that the Secretary of Energy and the President disagree with you. But if you believe that was wrong, then shouldn't all those awardees have their grants restored?

*Mr. Fitzsimmons. Our positions are entirely consistent because the process is -- as I just explained it, we continuously review all of the projects in the DoE portfolio.

That is our job, that is our fundamental responsibility because we are stewards of taxpayer resources. We look at projects on an individualized basis, and we make decisions about whether they have a path to technical viability, economic and financial feasibility. That is our responsibility.

*Mr. Pallone. Well, I appreciate that, and I appreciate your saying that it is wrong to make the primary decision whether or not you are in a Democratic state. But I think it is quite clear that it is different from what -- what you are saying is different from what the President and Secretary had been saying.

But let me get to the second question, because the other thing that keeps bothering me here is that my colleagues on the committee constantly say that they believe in an all-of-the-above energy strategy. But I wanted to ask you whether, yes or no -- you don't have to get into it, but yes or no -- do you believe in an all-of-the-above energy strategy?

*Mr. Fitzsimmons. Yes, for resources that can compete on a level playing field.

*Mr. Pallone. Okay, well, Secretary of Energy Wright was very clear with us when he came before the subcommittee last year, and he said he does not believe in all-of-the-above energy strategy. I asked him a question, he said he doesn't. So again, you are saying something different. I am

glad, because I agree with you. I don't believe with the Secretary.

And I certainly don't think that the Secretary or the President have followed an all-of-the-above energy strategy because they continue to deny anything that involves clean energy, and then -- and they keep stressing that they are -- you know, that they want what I call dirty energy and prioritize fossil fuels. And they have moved the goalposts. They are canceling every single clean energy project they possibly can, no matter how helpful it might be to keeping electricity bills down or keeping the lights on.

I guess I am hoping that maybe your comments today have moved -- you know, maybe you can influence the Secretary and the President to have an all-above policy and to bring back these grants and not continue to prioritize grants that only go to Republican states.

But with that, Mr. Chairman, I will yield back.

*Mr. Latta. Well, thank you very much. The gentleman yields back the balance of his time. The chair now recognizes the gentleman from Kentucky, the chair of the full committee, for five minutes for questions.

*The Chair. Thank you, I appreciate that, and I remember the Secretary saying that. And I will let him clarify his own words, but to me they are not mutually exclusive. I am for all of the above, but I am also for best

of the above. So when you say all of the above, do you say, well, in Kentucky you need to have wind, solar, you have to have all of it, or is natural gas, is coal -- is that the best for your area, and in Arizona is it different? So I think all of the above is the right policy, but I think the best of the above to -- depending on when you implement the -- where you implement the policy is consistent. I just believe that.

So Mr. Fitzsimmons, during the first Trump Administration Secretary Perry prioritized energy security, created CESER, the Office of Cyber Energy Security and Emergency Response. Would you agree the current Administration is also prioritizing energy security, which is reflected in how you aligned department functions with CESER?

*Mr. Fitzsimmons. Yes, absolutely.

*The Chair. So it is no secret that our grid is under extreme distress. And so one of the things that we have talked about is -- all of the above -- is don't cancel projects that are -- take production that is already out of -- that is already -- if it is in production, don't take it out of production.

And so the CESER office under your leadership has issued several 202© orders in high-risk areas to ensure baseload and dispatchable power available to keep lights on and at an affordable price. Can you discuss the reason behind these

202© orders?

*Mr. Fitzsimmons. I would be happy to do so, and I would like to clarify there are --

*The Chair. And the impact on the bills, utility bills, by these orders. Okay.

*Mr. Fitzsimmons. Yes, Chairman. I would like to first clarify and say that our positions are entirely consistent with the Secretary and the President.

As -- you know, as you described, I think the energy system needs affordable, reliable, and secure energy. But, you know, certain things work in certain circumstances, and I think we had -- we have a strategic rebalancing of the -- of our priorities on the energy side. Secretary Wright calls it bringing back common sense to energy policy. I think that is because we had disastrous energy subtraction policies that led to what NERC has called a five-alarm fire for the grid, where we have prematurely shut down reliable, dispatchable generation that is needed to meet resource adequacy.

And with load growth, resource adequacy and reserve margins are shrinking in all of the major RTOs and ISOs. It is a serious concern. And so I think what the Secretary has rightly pointed out is that some forms of energy enjoyed 30 years of preferential tax treatment, and at some point it is time to let those sources compete.

And I think, look, you look at what EIA has said -- and

the Secretary has said this -- you will see more solar and storage capacity being added into the system. That is what EIA tells us. At the same time, in order to meet the reserve margin requirements that are necessary for future load growth and to win the AI race we need capacity that gets accredited by the grid operators, and that is dispatchable capacity. So you can build as much non-dispatchable capacity as you want. It does not obviate the need for more always-on electricity.

And so the Secretary has exercised his authority under the Federal Power Act 202© because President Trump declared a national energy emergency on day one. That has been validated by what NERC has called a five-alarm fire for the grid. It was also further validated by DoE's resource adequacy report from last year, which found that on the current course set by the previous administration, the U.S. was set to lose 100 gigawatts of dispatchable generation by 2030.

At the same time, we may have to build around 100 gigawatts of new generation and supporting infrastructure to win the AI race and onshore manufacturing, the result of which would have been 100 times more blackouts, 100 times -- not percent, 100 times -- more blackouts by 2030. That is an unacceptable outcome to the President and to the Secretary and to me, and should be for all of us. And so that is why the Secretary has exercised his authority under 202© to

prevent premature retirements of dispatchable resources that the grid operators have said are necessary to meet future load growth.

*The Chair. Thank you. So today we are also dealing with AI and the need of energy by adversaries like China. And would China be able to use AI to disrupt our energy systems? I have 20 seconds left. Could you talk about AI and how you are preparing for them disrupting our energy systems?

*Mr. Fitzsimmons. Yes, yes, we need, you know, way more than 20 seconds to get into that. But yes, it is -- increasingly sophisticated threat actors are investing in AI-enabled offensive cyber weapons. That is a real serious and growing challenge. We have seen a lot of that coming out into the public now.

So that is a core mission of CESER. In the fiscal year 2026 budget request we have talked about this AI FORTS program, AI for Operationally Resilient Technologies and Systems, that is prioritizing AI for cyber defense because, as threat actors invest in AI-enabled offensive cyber weapons, we need to be doing everything that we can to use AI and the technological advances of AI to protect the energy sector.

*The Chair. I am beyond my 20 seconds, so I appreciate it and I yield back.

*Mr. Fitzsimmons. Thank you.

*Mr. Latta. Thank you. The gentleman yields back his -- the balance of his time, and the chair now recognizes, I believe, the gentleman from California's 50th district for five minutes for questions.

*Mr. Peters. Thank you, Mr. Chairman. I just wanted to say I heard the phrase "level playing field,'' and I had to chuckle to myself because we could argue about whether you want to subsidize mature energy technologies or not, but the notion that you would have to approve 69 separate steps personally by the Secretary of the Interior, that is what is happening with wind projects now. That would never happen to any other energy source. The notion that that is some sort of level playing field is kind of a joke to me.

And I think the other thing I would point out, too, you talk about dispatchable power as if it is self-explanatory. But, you know, it is interesting to me that what Texas did when its natural gas system failed in their superstorm and people died from cold, what did they do to reduce their risk of blackout? They did not add more natural gas. They added solar and batteries to reduce the risk of blackouts and brownouts from 10 percent to 1 percent because batteries are how the grid is moving. And around the world other countries are moving towards solar and wind because it is the fastest to get on the grid, with batteries to help around the clock.

So this notion of the level playing field, that is BS. It is just not what is happening at all. We are also told in California that BLM is not even processing solar permits. So I am willing to join you in a real level playing field, where technologies get to compete. And around the world, where they are competing, places like China are adding a lot more renewables in. I think I would like to do that. But what you told me is just not right. There is not a level playing field in this Administration, period.

But I wanted to talk about something else, and that is wildfires. You know, the hearing was supposed to be about physical and cyber threats. Wildfire-related costs, including proactive investments in post-disaster recovery, make up 40 percent of California's utility rate increases. And it is clear we have to do more to work on that. We need to do more coordination and information sharing between Federal agencies and states that would unlock the full potential of any money and effort the Federal Government spends on wildfire mitigation.

We have the Fix our Forests Act which passed the House, which I did with Chairman Bruce Westerman of Natural Resources. I hope that will become law this Congress. And the House version of this bill created something called the Fireshed Center. The Senate version calls it the Wildlife Intelligence Center, but the goals are the same. It is a

national, one-stop shop for wildfire intelligence, coordination, and response. It would be empowered to work with states, utilities, and communities to mitigate fire threats. Consolidating real-time information on wildfires and wildfire risks through this Federal hub will promote preparedness, real-time decision-makers -- making, and wildfire response. And the National Science Foundation, national labs, and other departments, potentially including CESER, would be involved in the governance priorities.

So I wanted to see if you would talk a little bit about that, Mr. Fitzsimmons. Can you talk about how that Energy Threat Analysis Center, or ETAC, would help reduce the risk of wildfire to utility infrastructure and make the utility infrastructure less subject to that kind of risk?

*Mr. Fitzsimmons. Yes, thank you for the question.

I think one of CESER's fundamental missions is to provide timely and actionable information to the energy sector. ETAC is one of the mechanisms that we have to do that. I think the benefit of ETAC as a capability is that we are -- it is in a physical place, we are able to collocate cleared industry partners who are operating the energy system on a day-to-day basis and get them working collaboratively with DoE staff, with staff from the IC community, and working on analyzing threat information, cyber and physical threat information, in real time, figuring out what is real, what is

not, how big of a problem a specific threat is, figuring out how to mitigate it, and then getting that information back out to the private sector in a timely manner.

*Mr. Peters. Well, there is something we agree on. This is bipartisan legislation, I think widely supported. I think we have enough Democrats now in the Senate to get this passed. We appreciate the Administration's support and look forward to working with you to mitigate wildfire risks to the grid, but also the tremendous pollution impacts that result from not managing our forests correctly.

And I yield back.

*Mr. Latta. Thank you. The gentleman yields back the balance of his time. The chair now recognizes the gentleman from Alabama's 6th district for five minutes for questioning.

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

I wonder sometimes about the advocacy for renewables, if it is more about the radical climate change agenda. And the science on that is changing daily. But in regard to China and some of the other countries, China is building coal-fired power plants at a rapid, almost record pace. And they are also building nuclear small modular reactors. But particularly on the coal-fired side of things, one of the claims is that they are doing it to provide grid stability and security to back up their intermittent renewable grid, so I just think that is interesting.

I would like to try to get us back on topic somewhat, but part of the issue with grid security, obviously, is the risk of cyber attack. We saw that in Alabama in 2021 with the Colonial Pipeline ransomware attack. It is all part of that, that we need to harden our systems against that. But it is also going back to this displacement issue.

The MISO, the Midcontinent Independent System Operators, were predicting brownouts and blackouts because of the shutting down of hydrocarbon power plants and not making up the power generation that was needed. And as a matter of fact, back last summer there were 100,000 customers in New Orleans who went without power for a whole day, and that is one of the reasons why Secretary Wright kept the power -- the coal-fired power plant in Michigan open -- I think it was the J.W. Campbell facility -- so that that didn't happen to other customers in the Midcontinent region. Can you comment on that?

*Mr. Fitzsimmons. Yes, I would be happy to do so. I think it is an important issue and an important question, so thank you for asking it.

Absolutely. I mean, what you are talking about, the ability -- the necessary ability to provide -- to keep the lights on, to provide electricity to people when they need it is something that we, frankly, take for granted here in the United States. I mean, we are one of the lucky one billion

that have access -- that enjoy the way of life that we do, that are energy abundant. The energy grid works the vast majority of the time. There are many, many more billions of people around the world who are not as fortunate as us.

But unfortunately, we are putting that at risk if we do not prioritize the right forms of power that are necessary to meet resource adequacy. And the non-partisan grid operators are telling us -- they are practically yelling at this point, they are saying we have a five-alarm fire on the grid, our reserve margins are shrinking, energy demand is growing. And we need resources that they will accredit capacity for. It means resources that work when you need it, when they need it to meet peak demand, because that is what the system is built for. There is a lot of slack in the system the vast majority of the time, but energy is needed most during summer and winter peaks, and we are increasingly getting more winter peaks in the United States, and so that means we need the resources that are reliable and dispatchable because they are higher value to the system.

So it doesn't matter how much non-dispatchable resource you build, you still have to build non-dispatchable -- you still have to build more dispatchable resource. And otherwise, if you don't, and you are over-building in one and you are shutting down the other, you are going to result in higher energy prices. And that is what we have seen. Energy

prices rose 20 percent and a lot higher in a lot of places under the previous administration because, even if you shut down those reliable baseload dispatchable units, you still need them. It doesn't matter how much non-dispatchable you build.

*Mr. Palmer. I need to point this out, too, that cold weather is more dangerous for people than hot weather, and they found that out in Europe because they didn't have the -- the power bills were so high, people couldn't afford to keep their homes adequately warm. And I think it was reported 67,000 people died.

But the main thing that I want to say about our grid reliability is in the arms race that we are in with China, with AI, we will not be able to compete in that arms race if we do not have reliable, dispatchable power. And the demands for that power are enormous. It is going to be one of the greatest national security challenges that this country faces not just on the supply chain for rare Earth elements or critical minerals, but being able to provide the power that will allow us to compete.

And if he has time, he can respond. I yield back.

*Mr. Latta. Well, thank you very much. The gentleman yields back the balance of his time. The chair now recognizes the gentleman from New Jersey's 8th district for five minutes for questions.

*Mr. Menendez. Thank you, Chairman.

Mr. Fitzsimmons, yes or no, would you agree that cybersecurity threats from malicious actors are on the rise and worsening each year?

*Mr. Fitzsimmons. Yes, I think that is fair to say.

*Mr. Menendez. And would you agree that they represent a serious threat to the reliability of our energy grid? Yes or no?

*Mr. Fitzsimmons. Yes, I think that is fair.

*Mr. Menendez. Thank you. And would you agree that the Department of Energy has a vital and irreplaceable role to play in using its subject matter expertise to ensure energy stays reliable in the face of cyber threats?

*Mr. Fitzsimmons. Yes, I would.

*Mr. Menendez. And can you confirm that since the start of this Administration there have been 3,500 firings or layoffs or terminated roles at the Department of Energy?

*Mr. Fitzsimmons. Thank you for the question.

There have been a number all across the department, yes.

*Mr. Menendez. Roughly 3,500?

*Mr. Fitzsimmons. Sure, that is a fair number.

*Mr. Menendez. So that would be about a 20 percent reduction in the staff at the Department of Energy, which brings me to my next question.

So last week President Trump announced that the United

States will run Venezuela and control sales of Venezuelan oil indefinitely. The Department of Energy and Secretary Wright are heavily involved in this process, and Secretary Wright has already said that revenues would be used to stabilize Venezuela's economy and repay major oil companies. That is a massive undertaking, especially given that DoE has no special expertise in these areas.

Can you briefly explain the extent to which the DoE is involved in the running of Venezuela?

*Mr. Fitzsimmons. Thank you for the question.

We have a lot of extensive expertise in the energy sector, as you have just mentioned. I --

*Mr. Menendez. Of course you do, because you are the Department of Energy.

*Mr. Fitzsimmons. Yes --

*Mr. Menendez. What is the extent to which you are involved, the DoE is involved, with the running of Venezuela?

*Mr. Fitzsimmons. Thank you for the question.

Under President Trump's bold leadership, the people of Venezuela are now going to have a more prosperous --

*Mr. Menendez. I would really -- I only have five minutes. What is the DoE's role in the running of Venezuela?

*Mr. Fitzsimmons. I think what you have seen President Trump say is there is now a historic energy deal that Secretary Wright is helping to implement that will be a win-

win-win. It will be a win for the people of Venezuela --

*Mr. Menendez. So historic means unprecedented, right? So the DoE has never been involved in anything like this. Is that correct?

*Mr. Fitzsimmons. Anything like what?

*Mr. Menendez. Anything like the historic deal that you just mentioned in terms of running Venezuela and its oil program.

*Mr. Fitzsimmons. We have never run Venezuela before.

*Mr. Menendez. Yes, that is correct.

*Mr. Fitzsimmons. That would be a safe thing to say.

*Mr. Menendez. I agree. That is why it is unprecedented and historical.

So my question to you, is the DoE's involvement with Venezuela putting a strain on the department's capacity to address the number of domestic issues, including cyber issues?

*Mr. Fitzsimmons. No.

*Mr. Menendez. No? Okay. I find that hard to believe, because this undertaking comes at the same time as massive staffing cuts across the department. You said it is about 3,500 people, which is a 20 percent reduction compared to what the staff was in September of 2024.

I think it is easy to say the President is already asking the department to do more with fewer resources. So it

seems that we are diverting attention from our domestic issues to address what he wants to do in Venezuela, and doing so with a 20 percent reduction in the workforce. You have no concerns about the DoE's capacity and ability to run Venezuela and to deal with the issues that we hear -- we have here domestically in the United States?

*Mr. Fitzsimmons. More staff does not mean more success. Under the previous administration you saw a 20 percent increase in staff at DoE. And we are executing our mission. We are doing it well, and this is --

*Mr. Menendez. So you have no concerns.

*Mr. Fitzsimmons. I am sorry?

*Mr. Menendez. You have no concerns about being able to do all of these things with the current staff levels that you have at the DoE.

*Mr. Fitzsimmons. As I said, the historic energy deal that President Trump --

*Mr. Menendez. Yes or no, do you have --

*Mr. Fitzsimmons. -- brokered is going to be --

*Mr. Menendez. So you have no concerns, is that correct?

*Mr. Fitzsimmons. I think we are executing our mission.

*Mr. Menendez. All right. So you said that staff is not important. If the Administration's focus was on better protecting our country from cyber threats, why then did the

Trump Administration cancel more than $2 billion worth of funding for communities to harden their energy infrastructure against severe weather?

*Mr. Fitzsimmons. Thank you for the question.

As I have said, DoE has a responsibility to conduct a rigorous review process. We are continuously reviewing all of the projects in the portfolio.

*Mr. Menendez. Isn't there a sense of urgency to make sure that communities and our country has the resources that have been appropriated by Congress to go to work to harden our infrastructure and protect our communities?

*Mr. Fitzsimmons. And we have a responsibility to make sure that the projects that we are funding with taxpayer resources advance national security and have a path to technical, economic, and financial viability.

I would be happy to discuss -- we would be happy to discuss any specific projects in a separate setting, in a separate briefing with you. Today we are here to talk about your important cyber bills and the work that we can do together to strengthen the security and resilience of --

*Mr. Menendez. Yes, and that work is critically important, right? But I am concerned about a deviation of mission from the DoE to address those issues here domestically when the DoE is tasked with running Venezuela, as you confirmed earlier, with Secretary Wright's involvement

in doing -- as you said, historic, unprecedented involvement in a foreign country. As you said, we have never run Venezuela before, and now we are.

So it strikes me, as we have an immense amount of work to do here in this country, and the Administration is not focused on that work, not focused on driving down the cost for all American consumers, it is focused instead on Venezuela and the decision that the President made. I think it is ill advised.

I yield back.

*Mr. Latta. Thank you. The gentleman's time has expired and he yields back. The chair now recognizes the gentleman from Georgia's 12th district for five minutes for questions.

*Mr. Allen. Thank you, Mr. Chairman, for holding this important hearing on securing our energy infrastructure.

I come from the construction industry. I have a small townhouse here in D.C. and had to replace both of the heat pumps. I questioned why heat pumps were in the home in the first place because heat pumps don't work below 30 degrees. You cannot heat a home with a heat pump below -- so you have to go to direct electric heat, which is very expensive and requires a lot of power on your emergency heat side.

So I asked about gas, and I got a gas line -- I found a gas line. They marked it in front of my townhouse, and --

obviously, it used to be heated by gas. And I priced a gas unit. It was much less expensive than this -- and with a higher SEER rating on the air conditioning side, and -- but I couldn't get it permitted. That is what we are up against, sir.

I mean, these people don't know what they arere talking about. I mean, you know, I just use that as -- you know, the people of America need to understand what the heck is going on right before our eyes. And there are going to be people that are going to freeze to death because we don't -- we can't get gas pipelines in certain areas of this country.

So with that I am proud too that adjacent to my district is the Savannah River site located in South Carolina. There we have the Savannah River National Lab. It plays a critical role in grid security. How do you view the role of a -- of the national labs in general in grid security, and how are you working with them?

*Mr. Fitzsimmons. Thank you for the question.

I think the national labs are -- play an important role in DoE's mission and CESER's mission to strengthen the security and resilience of the energy sector. CESER, in particular, partners with a lot of the DoE national laboratories to do everything from sharing energy threat information with the private sector to supply chain testing.

We have a program called CyTRICS, where we will procure

grid components and test them for cyber vulnerabilities, figure out how to mitigate it, and then get back -- get that information back out to the private sector. That is only possible because of the expertise at -- you know, at the national labs. So they are -- you know, they play an important role.

*Mr. Allen. Well, I am glad that you have got them involved. Obviously, I hope we have also those who are responsible for generating this power and this incredible need we are going to -- we have before us in this AI race, and that you are talking with them about what they need to meet these demands because China is producing and providing production facilities that are lapping our capabilities currently. And these AI facilities, if they are not built here, guess where they are going? They are going to China. And that is a big problem.

In talking about this strategy of the previous administration, I challenge my colleagues. This -- the previous administration was not an all-out energy -- all-in energy. It was the transition of energy from the traditional process to a sustainable process. And obviously, we know what that has done to us because, like I said again, I know people who have homes in certain areas of this country that cannot use -- they can't get permitted gas heat.

*Mr. Fitzsimmons. Yes.

*Mr. Allen. And here is the deal. From 8:00 to 4:00 under very cold weather, they were told that their power would be cut off. So all those folks had to run out and buy a generator that is using LP gas. This is what is nuts.

And, you know, and here today you all are talking about this. You are an expert. What is the plan? We got 22 seconds.

*Mr. Fitzsimmons. Thank you for the question.

I think it is important that we preserve a wide range of options and consumer appliances, energy choices for the American people, especially from a regulatory standpoint. We should make sure we are not regulating products out of the marketplace. If people want to have a natural gas appliance, they have that right, I think, you know, as a U.S. citizen.

*Mr. Allen. Yes.

*Mr. Fitzsimmons. And I think your important focus on the facts is right, because we need to make sure that we are paying attention to the facts. I would say the congressman knows that I -- that we are not running Venezuela.

*Mr. Allen. Yes.

*Mr. Fitzsimmons. And we are happy to have a discussion about the historic energy deal that --

*Mr. Latta. Pardon me --

*Mr. Fitzsimmons. -- President Trump brokered in Venezuela.

*Mr. Latta. The gentleman's time has expired.

*Mr. Fitzsimmons. But it is --

*Mr. Allen. I am out of time.

*Mr. Latta. Yes --

*Mr. Fitzsimmons. Thank you, sir.

*Mr. Allen. And I yield back.

*Mr. Latta. The --

*Mr. Allen. Thank you, sir, for your service.

*Mr. Latta. The chair recognizes the gentlelady from Virginia's 4th district for five minutes for questions.

*Ms. McClellan. Thank you, Chairman and Ranking Member Castor, for holding this very important hearing today.

We all agree we must strengthen the security and reliability of our electric grid to ensure that it can weather a growing number of challenges and threats that can impact its operation and inflict devastating harm on the American people and the American economy, and that is why I have, frankly, been alarmed by many of the actions that the Trump Administration has taken to undermine our grid security, sabotage clean and renewable energy sources that would have increased energy capacity and reliability, and coddle outdated technologies whose persistence as part of our energy strategy creates more opportunities for risk. And as we see demand increase, energy prices have surged, rising 13 percent in 2025. So I am very concerned not only that we get

grid reliability right, but that we are managing our demand so that we can meet it affordably.

So Mr. Fitzsimmons, you told Representative Castor, Ranking Member Castor, that you believed that PJM faces a potential energy shortage. Yes or no, do you agree that efforts to mitigate the impact of [sic] data centers will have on regional and local grids will also help mitigate a potential energy shortage?

*Mr. Fitzsimmons. I think that is a question of supply and demand, and that is what the resource adequacy challenge boils down to, supply and demand.

*Ms. McClellan. So yes, you would agree that if we can help mitigate the impact data centers have on the grid, that will help to reduce an energy shortage. That is a good thing.

*Mr. Fitzsimmons. Yes. As I said, anything we can do on the load side --

*Ms. McClellan. Thank you.

*Mr. Fitzsimmons. -- as well as the generation side to balance supply and demand in the energy system is a good thing.

*Ms. McClellan. Thank you. I agree with that.

So you have overseen the cancellation of hundreds of previously-awarded grants under the Inflation Reduction Act and the Infrastructure Investment and Jobs Act. One of those

cancellations was in Virginia, the cancellation of an -- over $233 million in grants that focused on everything from energy efficiency to grid reliability. And one of those grants was an $85.4 million grant awarded to the Virginia Department of Energy to study ways grid-enhanced technology could be used to reduce the impacts of data centers on local and regional grids.

Virginia is the data capital center of the globe, and growing, so you can imagine how critically important it is to manage exploding energy demand resulting from the growth of data centers which will only get worse as AI use continues to grow. And as you have heard, one of this committee's priorities is to make sure that the United States wins the AI race with China. That means more and more demand is going to be put on the grid, and we have to take efforts to mitigate it. And so I am very concerned by those actions of the Administration.

Now, do you, Mr. Fitzsimmons, yes or no, do you agree that improved grid flexibility and efficiency will help mitigate energy demand?

*Mr. Fitzsimmons. Yes, it can, under the right circumstances.

*Ms. McClellan. Okay. Your office has also canceled a Virginia grant to develop and deploy a pioneering set of sensors and other devices to monitor and control grid

transmission and distribution. This technology would have increased grid flexibility, allowing for utilities to improve efficiency and mitigate the effects of localized outages. This is exactly the sort of technology that witnesses in prior hearings have told this committee that would be necessary to improve the overall security and resiliency and reliability of our grids. So I am concerned about that cancellation.

Mr. Fitzsimmons, witnesses in prior hearings have also told this committee that the hodgepodge of old, outdated technologies and modern cyber tools that comprise our grid create gaps that contribute to vulnerabilities in the grid security. Do you agree with that?

*Mr. Fitzsimmons. With -- can you ask that question again? Just the end part.

*Ms. McClellan. Do you agree that the hodgepodge of old, outdated technologies and modern cyber tools that comprise our grid creates gaps that contribute to vulnerabilities to the grid security, as other witnesses have told this committee?

*Mr. Fitzsimmons. Yes, I think it is important --

*Ms. McClellan. Yes or no.

*Mr. Fitzsimmons. -- that we invest --

*Ms. McClellan. Thank you.

*Mr. Fitzsimmons. -- in upgrading energy

infrastructure.

*Ms. McClellan. Reclaiming my time, because I only have 30 seconds. Thank you for that.

So I also just want to say that you have played a role in the recent reorganization of the Department of Energy that has led to 3,500 experienced career staffers departing the agency. And given the increasing complexity of the threats, especially cybersecurity threats that face our grid, this does not make sense. It doesn't make sense to pile an expanding and increasingly complicated and sensitive workload onto a shrinking and ever more stressed-out workforce.

With that I yield back.

*Mr. Latta. The gentlelady's time has expired and yields back. The chair now recognizes --

*Mr. Palmer. Mr. Chairman, I would like to enter something into the record.

*Mr. Latta. Oh, the gentleman is recognized.

*Mr. Palmer. I have a report here from the Department of Energy in regard to my colleague and friend's concerns about personnel changes at the Department of Energy. It points out that there is over 95,000 contractors that work with the Department of Energy. I think it verifies what Mr. Fitzsimmons was saying about their ability to do their job.

I yield back.

*Mr. Latta. Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. The chair now recognizes the gentleman from Ohio's 12th district for five minutes for questions.

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

Mr. Fitzsimmons, thank you for being here today. I would like to briefly start off and discuss the Reliability Insights report on the interconnected gas electric systems posted by NERC last year. While this report focuses on the physical and operational threats and concerns to the interconnected gas and electrical systems, the paper notes ensuring the reliance of natural gas storage, pipelines, compressor stations, and liquefied natural gas facilities is essential for the electric industry to meet its reliability obligations.

Mr. Fitzsimmons, can you expand on the cybersecurity risk specific to the production and delivery of natural gas to end users?

And then I will follow up with, furthermore, what do you think these threats mean to our constituents and the reliability of the bulk power system if bad actors take out or reduce the delivery of natural gas?

*Mr. Fitzsimmons. Yes, thank you for the question. I think there is only so much you can say about specific threats in this setting, in an unclassified setting. But I would say that the threats facing our energy infrastructure, growing energy infrastructure, natural gas infrastructure

included, is significant and is important, especially as we are using more abundant, affordable, reliable natural gas in our energy system.

You know, we know that, and that is a tremendous resource that we have. And threat actors also know that, and so threat actors will target the most critical subcomponents of the energy system because they know that that is where they can do damage.

*Mr. Balderson. Thank you. Mr. Fitzsimmons, we live in a world in which major cyber threats can have far-reaching implications for the entire sectors. The discovery of significant advanced persistent threats such as Salt Typhoon and Volt Typhoon requires rapid information sharing and immediate mitigation. DoE's Energy Threat Analysis Center, or ETAC, is a relatively new program, but a critical one for the electric sector to enhance cyber threat coordination across industry and government.

As ETAC continues to expand and mature, what are your strategic goals for the program in the coming years?

*Mr. Fitzsimmons. Yes, thank you for the question. As I mentioned, I think fundamental responsibility of CESER is to provide timely and actionable information to the energy sector. I think that is an asymmetric capability in the sense that, as Federal -- as the Federal Government, we have access to classified information that the majority of the

private sector does not, and yet we know that 80 percent of U.S. energy infrastructure is owned and operated by the private sector. So it is ultimately their responsibility to own and operate that infrastructure, and -- but we have access to threat information about the specific vulnerabilities and threats that our energy operators face on a day-to-day basis.

And so ETAC is one of the important capabilities that we have to reduce the amount of time and latency in -- when threat information comes in in a classified setting, getting tearlines that can be declassified, getting that information that is highly technical in front of cleared industry partners who work every day to operate the system in partnership with DoE staff, figure out what the most severe threats and vulnerabilities are, and then develop ways to mitigate that and get that out to the private sector as rapidly as possible.

*Mr. Balderson. Well done. Thank you. My last question, the SECURE Grid Act would ensure that state energy security plans consider threats to local distribution lines, as well as supply chain and weather-related vulnerabilities. Can you discuss why it is important that these plans consider threats to local electric distribution?

*Mr. Fitzsimmons. Absolutely. I think it is incredibly important, both on the cyber and the physical side.

As I have mentioned, CESER's mission is to strengthen security and resilience of the entire energy system. And so the state energy security plans need to reflect the entire threat landscape, and so not just the generation and transmission system but all the way down to the -- to that system level, you know, at that level where power, electricity is getting transmitted directly to homes and businesses. You know, that is often the front line in the fight. It is often some of the least secured part of the, you know, of the energy system. And so I think it is incredibly important, as we are taking a comprehensive approach to security and resilience, that the state energy security plans include that as well.

*Mr. Balderson. Thank you very much.

Mr. Chairman, I yield back.

*Mr. Latta. Thank you very much. The gentleman yields back the balance of his time. The chair now recognizes gentlelady from Colorado's 1st district for five minutes --

*Ms. DeGette. Thank --

*Mr. Latta. -- for questions.

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

Mr. Fitzsimmons, I have been listening with interest to your testimony today, and I heard you say -- first of all, you agreed that the department has an all-of-the-above energy policy in general, correct? Yes or no?

*Mr. Fitzsimmons. That is not necessarily what I said.

*Ms. DeGette. You don't believe in an all-of-the-above policy?

*Mr. Fitzsimmons. I said I believe in an all-of-the-above policy --

*Ms. DeGette. Right.

*Mr. Fitzsimmons. -- under the right conditions --

*Ms. DeGette. But -- right.

*Mr. Fitzsimmons. -- with a level playing field.

*Ms. DeGette. And one of the issues you look at is cost. Is that correct?

*Mr. Fitzsimmons. Of course.

*Ms. DeGette. And one of the issues, and why we are here today, is you look at the issue of national security. Is that correct?

*Mr. Fitzsimmons. Absolutely.

*Ms. DeGette. Now, in looking at what the department's policy is on an energy system and a grid, one of the criteria you look at is not political retribution in your policies. Is that right? Or is political retribution one of the factors you use when you determine grants and so on?

*Mr. Fitzsimmons. It is certainly not a factor --

*Ms. DeGette. Okay, great.

*Mr. Fitzsimmons. -- we use, as I talked about previously.

*Ms. DeGette. Thank you. Now, as -- thank you, sir. As acting undersecretary of energy, you oversee the Office of Energy Dominance Financing, formerly known as the Loan Program Office. Is that correct?

*Mr. Fitzsimmons. Yes.

*Ms. DeGette. And are you aware that DoE canceled over $600 million across 38 awards in Colorado? Yes or no?

*Mr. Fitzsimmons. I don't know the exact numbers, but I --

*Ms. DeGette. Okay, well --

*Mr. Fitzsimmons. -- certainly believe you.

*Ms. DeGette. -- they did cancel those projects, right? Were you aware that one of the canceled grants was for a project creating a zero-emission cooling, heating, and power system with the specific intent of enhancing flexibility and resiliency during grid outages?

*Mr. Fitzsimmons. Thank you for the question. I am not familiar --

*Ms. DeGette. No, you don't need to thank me for the questions, just answer them. Yes or no?

*Mr. Fitzsimmons. I am not familiar with that --

*Ms. DeGette. You are not --

*Mr. Fitzsimmons. -- particularly project.

*Ms. DeGette. -- familiar. Now, developing a more secure grid requires making the grid more resilient. Is that

correct?

*Mr. Fitzsimmons. I am just trying to be nice by --

*Ms. DeGette. Is that correct?

*Mr. Fitzsimmons. -- saying thank you for the question. I am sorry, can you repeat the question?

*Ms. DeGette. Developing a more secure grid requires making the grid more resilient.

*Mr. Fitzsimmons. Certainly.

*Ms. DeGette. And yet, DoE canceled grants awarded from the Grid Development Office to a Colorado utility for supporting rural electric co-ops and upgrading grid infrastructure. Were you aware of that?

*Mr. Fitzsimmons. If you would like to discuss any specific projects, I would be happy --

*Ms. DeGette. So you are not aware.

*Mr. Fitzsimmons. -- to have a follow-up discussion with you --

*Ms. DeGette. Okay.

*Mr. Fitzsimmons. -- and your staff about any --

*Ms. DeGette. Now, you told Mr. Allen that national labs pay an -- play an important role in developing your policies. Is that correct, the research?

*Mr. Fitzsimmons. Certainly.

*Ms. DeGette. Okay. Were you aware that the Administration canceled grants to Colorado universities and

targeted energy-efficient and renewable energy funds, which accounts for the majority of NREL's district?

Let me just give you the specifics. EERE accounts for 64 percent of NREL's budget in fiscal year 2024, but the President's budget would have reduced the funding by 74 percent, and under the proposed budget it would see its 2025 EERE funding zeroed out in 2026. Does that help us with the research that we are doing?

*Mr. Fitzsimmons. Well, first I would like to say it is the National Lab of the Rockies, NROC, and I think it has an important --

*Ms. DeGette. Oh, I am sorry.

*Mr. Fitzsimmons. -- renewed mission --

*Ms. DeGette. Right, you changed the name of it to take the renewable energy part out. You are correct. So go ahead.

*Mr. Fitzsimmons. And that was done to --

*Ms. DeGette. No, no, I don't need that.

*Mr. Fitzsimmons. -- recognize the expansion of the mission.

*Ms. DeGette. Do you think those cuts to the budget are going to help with the research that you need?

*Mr. Fitzsimmons. I think that more money does not necessarily mean more success. You need to look at --

*Ms. DeGette. Okay.

*Mr. Fitzsimmons. -- priorities, and you need to look at --

*Ms. DeGette. So you don't think it is going to --

*Mr. Fitzsimmons. -- how the money is being used.

*Ms. DeGette. Okay. I have one more question, and that is about the coal plant that at the end of last month the Administration offered to stay open in western Colorado. And that is the -- what is that plant called?

*Mr. Fitzsimmons. Craig?

*Ms. DeGette. Craig Unit 1. You know about that?

*Mr. Fitzsimmons. Yes, I am aware.

*Ms. DeGette. Were you aware that the Tri-State Power Association had been planning for five years to take that plant offline?

*Mr. Fitzsimmons. I am aware of the growing resource adequacy --

*Ms. DeGette. No, no. Yes or no.

*Mr. Fitzsimmons. -- needs in the region.

*Ms. DeGette. Were you aware that they had been planning to take that offline?

*Mr. Fitzsimmons. I am aware that we need as much dispatchable and reliable --

*Ms. DeGette. Okay, you --

*Mr. Fitzsimmons. -- generation as possible.

*Ms. DeGette. You are not answering my question. Are

you aware that Tri-State, in conjunction with the Colorado Public Utilities Commission, had determined that the grid would not be affected by taking it offline?

*Mr. Fitzsimmons. I just don't agree with that assessment.

*Ms. DeGette. But you know that they said --

*Mr. Fitzsimmons. As you have seen about the growing resource adequacy challenges that our nation is facing --

*Ms. DeGette. Okay.

*Mr. Fitzsimmons. The grid operators have called it a five-alarm fire.

*Ms. DeGette. So you know more than they do about their plant. Did you know it is going to cost them $21 million to bring that back up, open?

*Mr. Fitzsimmons. I am citing the non-partisan grid operators who have said that we need as much --

*Ms. DeGette. Did you know it is --

*Mr. Fitzsimmons. -- dispatchable resources --

*Ms. DeGette. -- going to cost $21 million?

*Mr. Latta. The --

*Mr. Fitzsimmons. Well, it is an incredibly valuable resource.

*Mr. Latta. Pardon me, the gentlelady's time --

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

*Mr. Latta. -- has expired. And if you would like, you

could submit the question in writing.

*Ms. DeGette. Mr. Chairman, I appreciate that, and I will.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Thank you, thank you. Thank you. The chair now recognizes the gentleman from Texas's 11th district for five minutes for questions.

*Mr. Pfluger. Thank you, Mr. Chairman. It is nice to have an Administration who believes in reliability and reality, and not butterflies and unicorns and things that are pie in the sky.

I want to ask about the supply chain risk to the electric grid, particularly a risk tied to foreign-manufactured equipment. Recent reporting has indicated that certain Chinese-manufactured solar and battery inverters deployed to the U.S. grid contained undisclosed communication devices that could potentially allow remote area access or disruption of grid operations. And in response to those concerns, I led a letter with my colleague, Mr. Balderson, to the Department of Commerce urging action to protect the grid from high-risk foreign technologies.

Mr. Chairman, with unanimous consent I would like to enter this letter for the record.

*Mr. Latta. Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Pfluger. Thank you. And given DoE's role as the energy sector risk management agency, I would like to ask how the department views and responds to these types of risks.

I will start with, from DoE's perspective, do foreign-manufactured grid components with undocumented communications or control capabilities present a legitimate cybersecurity and national security concern for the energy sector?

*Mr. Fitzsimmons. Yes.

*Mr. Pfluger. How does DoE, through CESER, access and monitor risks associated with inverter-based resources and other digitally-enabled grid equipment that may be manufactured or programed abroad?

*Mr. Fitzsimmons. Yes, that is a great question. I share your concern. I think it is a very important issue.

I mean, you know, as I have mentioned, country of origin matters, but I think what matters even more is our ability to test critical supply chain components, especially as more of these IBR resources are growing and being added to the energy system every day. And so I think there is only so much we can talk about specific vulnerabilities in this setting in an unclassified setting, but I think, suffice to say that CESER has a robust supply chain testing program that is called CyTRICS, where we can procure grid components. We have looked at some of the technologies that you are focused on. We can get them in front of experts at the DoE national labs,

tear them apart, find the cyber risks, find unknown or known issues with them, figure out how to mitigate it, and then figure out how to get that information back out to the private sector.

And I think we need to be doing a lot more of that work as we look on -- as we look to build out more components to meet load growth and win the AI race and onshore manufacturing.

*Mr. Pfluger. Well, that is a perfect segue into my next question. So when a potential vulnerability is identified in widely-deployed equipment, how does DoE coordinate with the various agencies, including DHS and Commerce and anyone else, in order to share that information, those vulnerabilities, and what you know in the appropriate setting with the private sector and with the utilities?

*Mr. Fitzsimmons. Yes, I think that is incredibly important because other agencies are involved in looking at specific cyber risks. They have intel that we may not have. That intel gets shared with DoE. And then, when it is energy-specific, we will get brought in to figure out, well, how severe is the risk and what can we do, from an engineering standpoint, to test and mitigate it.

So we are focused on looking at looking at various risks in context to figure out how we can best inform and mitigate those risks.

*Mr. Pfluger. Is that happening on a regular basis? Is there a regularly-scheduled meeting with stakeholders that are pre-identified? Can you kind of walk me through what that looks like?

*Mr. Fitzsimmons. Yes, our CyTRICS program is led by CESER. It is a multi-lab effort that is funded every year, and they meet on a regular basis and also on an as-needed basis. So I think that is one of the -- and I think we have to have that flexibility. So we have programs just kind of trying to look ahead at what the threat landscape is saying so we can figure out, well, what kinds of grid components should we be procuring for testing.

But then we also are able to respond rapidly. If we get specific real-time threat information about an active situation, we are able to go to cleared industry partners. We are able to find specific components and do some rapid testing on them. So I think having that flexibility is important.

*Mr. Pfluger. Would the legislation under consideration today help the Department of Energy improve coordination, information sharing, and response to emerging threats that cut across cybersecurity, supply chains, grid operations, et cetera?

*Mr. Fitzsimmons. Yes, I think it would.

*Mr. Pfluger. Are there any needed changes to that, or

is it in the form that we are looking at refined to meet the challenge and meet the vulnerabilities?

*Mr. Fitzsimmons. I think -- certainly, I think that the -- on a conceptual basis, I think it makes sense. I know we are providing specific TA, and we are happy to follow up with you about it.

*Mr. Pfluger. We have got 40 seconds left. Are there previous questions that you didn't get to that you wanted to expand on, either on our side of the aisle or on the other side of the aisle?

*Mr. Fitzsimmons. Thank you for the opportunity. I would say there were comments made about the situation in Venezuela. And I think the congressman who is no longer here knows that we are not running Venezuela. I think what President Trump and -- has said is he has brokered an historic energy deal that President Wright -- that Secretary Wright is now implementing. And that deal will be a win-win-win. It will be a win for the people of Venezuela, it will be a win for U.S. energy companies, and it will be a win for the American people in the form of lower energy prices. That is what we are focused on at DoE.

*Mr. Pfluger. We will be taking a look at that.

And I yield back.

*Mr. Latta. The gentleman's time has expired -- pardon me -- and he yields back, and the chair now recognizes the

gentleman from New York's 20th district for five minutes for questions.

*Mr. Tonko. Thank you, Mr. Chair, and welcome, Mr. Fitzsimmons.

Do you agree that utilities all across our country are facing threats, whether that is cyber threats or physical threats, extreme weather events that can cause energy emergencies?

*Mr. Fitzsimmons. Yes, I would say that is fair.

*Mr. Tonko. And do you agree that utilities can make sensible investments in resilience to help prevent or mitigate some of those threats that they are facing or will face?

*Mr. Fitzsimmons. Yes, I think they should.

*Mr. Tonko. Well, I agree with your assessment, and it is why I am very excited that some smaller utilities in upstate New York have been taking steps to improve the resilience of their systems.

One municipality -- one municipal utility in upstate New York in particular has been pursuing a microgrid project that will help ensure that the local hospital, first responders, and other essential services can continue operating during a grid disruption. This project was being made possible by a $17.4 million Department of Energy GRIP grant. Unfortunately, this was one of those 321 awards terminated by

your agency in October.

According to DoE's own documents, essentially 100 percent of the terminated awards, representing 7.56 billion in funding, were led by a primary applicant located in a state that did not support President Trump in the 2024 election. That seems like more than just a coincidence. And on December 23, the Department of Energy confirmed to a Federal court that -- and I quote -- a primary reason for the selection of which DoE grant termination decisions were included in the October 2025 notice tranche was whether the grantee was located in a blue state.

So Mr. Fitzsimmons, we agreed just a minute ago that the potential for energy emergency is a serious risk all across the country. Can you explain the logic behind exclusively canceling awards with applicants located in states that did not vote for President Trump, even for projects that support grid resilience like the one that I previously described?

*Mr. Fitzsimmons. Thank you for the question.

We do not agree with the court's filing. As I have stated, we have an ongoing review process. We are continuously reviewing projects in the DoE portfolio, and the criteria we use are national security, and we need to see -- make sure that projects that are funded with taxpayer resources have a path to technical, economic, and financial viability. That is the criteria we use.

*Mr. Tonko. Well, but in the case of the upstate New York situation, do you believe that that investment would help with the resilience?

*Mr. Fitzsimmons. For the sake of the applicants involved, I am not going to comment on a potential project. I would be happy to discuss any particular project with you separately. But as I said, our -- as I said, those are the factors that we use in our portfolio.

*Mr. Tonko. Well, let me just say that this particular microgrid project was awarded to a small, not-for-profit public utility. So if they want to continue to pursue this project without Federal assistance, they will need to raise funds entirely from their ratepayer base, which is fewer than 20,000 customers.

So Mr. Fitzsimmons, at a time of rising utility bills across our country, what message does it send for the Trump Administration to yank a previously awarded multi-million-dollar grant, necessitating local ratepayers to fully foot the bill if they want to improve the reliability and the resilience of their system?

*Mr. Fitzsimmons. As I said, for the sake of that particular applicant I am not going to comment on the particulars in this setting. I would be happy to discuss separately.

And I will say we have rescoped many projects, and the

criteria that we are looking for that are consistent are national security and pathways to technical, economic, and financial feasibility.

*Mr. Tonko. Well, I want to be clear that the October grant terminations were not done haphazardly. They were clearly part of an effort to exact political retribution against entities located in states that didn't support the President.

So the Department of Energy funds very important work, including making certain that Americans can stay safe and operational during energy emergencies. It is going to be innocent people in upstate New York that suffer the consequences of Republicans' score-settling and take a hit to their wallets.

And you know, with that, Mr. Chair, I thank you for the opportunity. But, you know, this sort of logic is hard to legitimize and rationalize. So with that I want to get that concern expressed on the record here. With that I yield back.

*Mr. Latta. The gentleman yields back, and the chair now recognizes the gentlelady from Iowa's 1st district for five minutes for questions.

*Mrs. Miller-Meeks. Thank you, Chairman Latta and Ranking Member Castor, for holding this legislative hearing on grid security.

Last week arson attacks on Berlin's power structure left 27,000 homes without electricity for days in freezing temperatures. A far-left environmental group called Vulcan claimed responsibility, planting incendiary devices under cable bridges. Simple. Effective. Devastating. This attack illustrates an uncomfortable truth: the threat to our grid isn't just sophisticated nation-state actors; it is also ideologically-motivated domestic groups willing to destroy critical infrastructure. As energy prices rise and grid modernization costs mount, we see more radical actors attempting to take us back to the Stone Age, literally leaving families freezing in the dark.

The bills before us today recognize that defending the grid requires partnership across all threat sectors. Federal agencies cannot do it alone, and rural cooperatives can't compete with foreign hackers or defend against physical attacks independently. This is a team effort.

In Iowa I see this challenge daily. Dairyland Power and rural cooperatives serve massive rural territories with limited resources. Upgrading systems and hiring cybersecurity staff means costs fall directly on families already struggling with bills. It is why I am focused today on the Rural and Municipal Utility Cybersecurity program. RMUC has demonstrated results, but $80 million in awarded funds still hasn't reached grantees, and there is over 160

million to be disbursed.

We have learned that the competitive application processes create barriers for the smallest, most vulnerable utilities. Today's reauthorization fixes these problems, and I particularly want to thank you, Acting Undersecretary Fitzsimmons, and the team at CESER for their work on these programs. I know that you are managing complex threats while trying to get resources out as quickly as possible, and we appreciate your partnership and commitment to getting this right.

Recent intelligence assessments have identified that the People's Republic of China has pre-positioned cyber exploitation and attack capabilities in U.S. critical infrastructure. We are seeing tremendous growth in battery energy storage systems being deployed across our grid to support reliability and integrate renewables. However, many of these systems, particularly the battery management systems, rely on components manufactured in China. How is CESER working to assess and mitigate these supply chain risks as we rapidly deploy BESS across the country?

*Mr. Fitzsimmons. Thank you for the question, and thank you for your partnership and leadership on this issue.

As you mentioned, it is incredibly important that we understand the supply chain risks that we are facing, especially as we look to build out our energy infrastructure

to win the AI race and onshore manufacturing. That is a top priority for President Trump and Secretary Wright. And so CESER's mission is squarely within how do we work collaboratively with the energy sector to strengthen security and resilience, and the supply chain is incredibly important.

And so the first step is acknowledging that you have a problem, and there clearly is a single point of failure in many supply chains that we are facing, whether it is on the battery side, the solar side, critical minerals. We are actively working to build out the supply chains for those technologies here in the United States, while simultaneously recognizing that a lot of these systems are in the field today and so we need to be doing continuous testing of these systems to understand what the cyber vulnerabilities are so that we can equip the private sector, energy sector owners and operators with the tools they need to mitigate threats.

*Mrs. Miller-Meeks. Mr. Fitzsimmons, there is approximately 160 million remaining in the rural and municipal utility cybersecurity program, with less than a year left in its current authorization. Many cooperatives and municipal utilities have told us, while they appreciate DoE's creative efforts with programs like the ACT Prize, the competitive application process for technical assistance has created barriers for smaller, resource-constrained utilities. How do you expect to obligate the remaining 160 million in

RMUC funds before the program expires?

And then I will have some questions for the record.

*Mr. Fitzsimmons. Yes, it is a great question because, as you pointed out, these resources are incredibly important. Small, rural munis and co-ops might have one person working on IT, let alone a dedicated cybersecurity staffer, and yet they are expected to defend their networks against nation-state threat actors on a day-to-day basis.

I would point out -- and I think the timeline is very important here -- the IIJA was enacted by Congress in 2021. It took the previous administration three years to get any selections made for the RMUC program. That was three years that they -- that those organizations could have been elevating their collective security and resilience posture. We are moving forward with completing those contracts for the first batch of selectees. We have appreciated our partnerships with NRECA and APPA to make sure that those rural communities and co-ops have the resources they need, and --

*Mr. Latta. Pardon me.

*Mr. Fitzsimmons. -- and we are trying to do it as rapidly as possible.

*Mr. Latta. The gentlelady's --

*Mrs. Miller-Meeks. Thank you so much.

*Mr. Latta. The gentlelady's time has expired.

*Mrs. Miller-Meeks. My time has expired.

*Mr. Latta. The chair now recognizes the gentleman from Texas's 33rd district for five minutes for questions.

*Mr. Veasey. Mr. Chairman, thank you.

True energy security comes from resilient diversity and a modernized grid. And I am worried that, with the canceling of all the contracts that the Department of Energy is doing, it really is forcing the U.S. to rely on aging and outdated infrastructure that will make us more vulnerable to physical and -- physical failure and cyber attacks.

In Texas we know that we are the energy capital of the world, but this Administration has literally targeted our state's future. It has canceled $250 million for the Texas solar Allstar program. That is going to be something that directly impacts low-income communities in the district that I represent, and all across Dallas and Fort Worth.

We also are seeing a retreat from carbon capture, hydrogen, grid resilience, and all of this leads to Texas. This wasn't just pie-in-the-sky spending; these are projects that we are partnered with with companies like ExxonMobil and Eastman Chemical.

The bottom line is that you absolutely cannot protect the infrastructure unless you modernize.

And maybe the most damaging aspect of this DoE -- is the destruction of the regulatory certainty. We know that

investors like to work on 10 to 20-year horizons for these massive infrastructure projects. And when DoE pulls the rug out from signed contracts, it signals to the world that America is a high-risk environment for energy investment. For every $1 Federal funding canceled, we are seeing about $3 to $4 of private cost share go up into limbo or overseas. In Texas alone now we have billions in private-sector commitments that are now paralyzed.

And so, Mr. Fitzsimmons, I wanted to ask you if we are going to sort of, you know, tear up legal contracts just because the political winds change, you know, that worries me because that would be the type of thing that you would expect in some place like Venezuela, but not here. But I wanted to ask you, why would any rational investor put their capital into an American project if our word is now as unreliable as a dictator's? It just doesn't make any sense.

And let me give you a perfect example of that. You signed off on terminating $331 million for the ExxonMobil project in Baytown, and 375 million for the Eastman Chemical project down in East Texas, in Longview. How does gutting the manufacturing base of Texas protect our infrastructure?

*Mr. Fitzsimmons. Thank you for the question.

You know, the -- as I mentioned, we have a responsibility to effectively steward taxpayer resources. Sixty percent of the loan volume, whereabouts, that closed

under the previous administration closed between Election Day and January 20 of last year. So we had to conduct a comprehensive review of all of those projects and all of the rest of the DoE portfolio because we have a responsibility to make sure that the resources that taxpayers are providing meet certain criteria around national security, and that they have a pathway to technical, economic, and financial viability. That is the work that we have been doing since day one, and that work will continue.

*Mr. Veasey. Yes, but I don't understand how going backwards and not investing in new technology is -- makes you a good steward of the money.

How can you claim to be pro-energy while dismantling, actively dismantling, the tools that make energy more affordable for the people that need it the most? And I talked a little bit earlier about the -- some of the projects in Dallas-Fort Worth for low-income families.

*Mr. Fitzsimmons. As Secretary Wright has said, DoE is open for business. We have closed loans within this Administration. We have rescoped and moved forward with lots of grant projects. We are doing a lot of exciting things in the nuclear area, in natural gas, in coal, in critical minerals, next-generation geothermal. We are investing in a wide range of energy resources to make this country more affordable, reliable, and secure.

*Mr. Veasey. Mr. Fitzsimmons, I wanted to ask you, too, with the rest of the world -- let's take the United States and our market share when it comes to energy and the innovation behind a lot of the energy that people use for their everyday lives. If you look at places like India, you look at places like Europe, or places like Norway, where they have invested so much in their electric vehicle programs there, for instance, how do you think America is faring when it comes to the advancement and leading in the area of renewable energy?

Because we know that the rest of -- that these countries that I just named, that they want more and more renewable energy products. So regardless of how we may feel about it here in this country, how do you think we are doing when it comes to the competitiveness of us leading in innovation of -- in the renewable space?

*Mr. Fitzsimmons. I think you will --

*Mr. Latta. And also, the gentleman has 10 seconds to answer that.

*Mr. Fitzsimmons. Look, I think you will see more resources getting built. You look at EIA's assessments, you will see more solar and storage capacity. But I think, as I have said before, the most important resources are the ones that can help grid operators meet peak demand, and that is reliable and dispatchable generation. That is what we have

lost too much of in this country, and that is what the Trump Administration is working to fix.

*Mr. Veasey. Thank you, Mr. Chairman.

*Mr. Latta. Thank you.

The gentleman's time has expired and he yields back. The chair now recognizes the gentleman from Oregon's 2nd district for five minutes for questions.

*Mr. Bentz. Thank you, Mr. Chair, and thank you, Undersecretary, for being here today.

I am always interested in how much is left out of these five-minute conversations. And the concept of all the wind power off the East Coast suddenly being available is an interesting one. And I asked the mayor of New Haven years ago where the transmission was that would manage all of that wind power that was at one point planned. Have you studied that? Because the answer is there isn't, there isn't transmission available for that wind power.

And that would appear to be the case also in my state of Oregon, where there is -- there were literally hundreds of megawatts, if not gigawatts of solar planned and on the drawing board, but there is no way to get it to where it was going to be used.

*Mr. Fitzsimmons. Yes.

*Mr. Bentz. And so it gets us back to the incredible frailty of our grid.

But give me -- I am just curious about the Eastern seaboard for just a moment. What kind of shape is that grid in?

*Mr. Fitzsimmons. I think you raise an important point, which is that there are seen and unseen costs in the energy system. And so you look at, like, the levelized cost of electricity, and comparing dispatchable and non-dispatchable resources is not an apples-to-apples comparison because you have to look at the value that those resources provide to peak demand and you also have to look at the incremental cost of connecting non-dispatchable resources via transmission that is not factored into the LCOE, which can appear low. But if you do a balancing of cost and value, you will see that reliable, dispatchable generation is by far the most valuable generation that we have, and we know that because the non-partisan grid operators tell us that.

And so the -- we are in the largest RTO, ISO in the country at PJM. And this region, as with many others, is facing severe resource adequacy challenges due to the energy subtraction policies that we have seen over the years at both the state and Federal level. The Trump Administration is fixing those problems. We are stabilizing the existing energy system by preventing premature closure of generation. We are optimizing it, so we are upgrading in new transmission in key congestion areas, where you can actually reduce costs

for consumers and get more out of the existing system. We are uprating generation nuclear and natural gas and coal, and then we are going to be building and growing our overall energy system to meet future energy demands.

*Mr. Bentz. As a lifelong resident of Oregon and having spent 12 years in the Oregon legislature, I have heard lots of discussion about, I am going to say, wishful thinking about how, if we just have all of this intermittent power, then the rest of our problems will take care of themselves. And I saw it most clearly recently in going back and looking at the year that we are supposed to be all renewable in Oregon, which would be 2040. And then moving back this direction, it is 90 percent in 2035 and something like 80 percent in 2030. That is just a few years away. But right now we are using about 30 percent natural gas. And if you are going to use renewable, you have got to go to where it is, and that requires transmission.

So why people think that suddenly transmission is going to spring into place so that they can bring that renewable power in is unclear to me, and I have raised this issue many times. But it always seems to be, well, don't worry about it, somehow, someone will step up and, you know, fix this. But transmission, because of all of the environmental laws and protections we now have, takes forever to build.

So tell me, how do we overcome this, what I -- the

problem that I just called out with -- avoiding the wishful thinking we have been hearing a lot of today?

*Mr. Fitzsimmons. Yes, it is a great question. I think we need more transmission, but we don't need unconstrained transmission build-out. We need to be strategic about where it is being built. Otherwise, we are going to continue to put upward pressure on electricity prices. And electricity prices rose 20 percent under the previous administration, and a lot more in some areas. We have to be very strategic.

There are real system congestion costs in certain regions of this country that have sufficient generation but just don't have enough capacity on the wires to move the electrons from where they are generated to where they are needed. Those are imposing -- that system congestion is imposing billions of dollars of costs on American families.

And -- so we can strategically upgrade and we are starting to do that now. We have used our loan program to do that. We are looking at grant-making to do that not in unconstrained transmission build-out, but in strategic reconductoring, grid-enhancing technologies in areas of high system congestion costs where you can increase incremental load-serving capability because that is what the system operators need to keep the system.

*Mr. Bentz. I want to thank you for your time and for your work.

I yield back.

*Mr. Latta. Thank you very much. The gentleman's time --

*Ms. Castor. Mr. Chairman?

*Mr. Latta. Oh, I am sorry.

*Ms. Castor. Could I be recognized for unanimous consent request?

*Mr. Latta. A unanimous consent? Yes.

*Ms. Castor. Well, thank you. Since we have had a lot of discussion about offshore wind and PJM, which is the Mid-Atlantic operator, I just wanted to submit for the record their amicus brief in the Federal case where the Federal court ruled yesterday rejecting the Trump Administration's cancellation of the offshore wind projects. In part they say they advise that the extended delay of construction and operation of the Coastal Virginia offshore wind project will cause irreparable harm to the 67 million Americans served by PJM.

*Mr. Latta. Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Ms. Castor. Thank you, Mr. Chairman.

*Mr. Latta. The chair now recognizes the gentlelady from Washington's 8th district for five minutes for questions.

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

Thank you, Undersecretary Fitzsimmons, for being here. Like my colleagues mentioned, we are very disturbed by the choices this Administration is making regarding grant cancellations, pauses, or stop work orders on clean energy projects that are nearly complete, and indiscriminate staff reductions and more.

Most recently, Secretary Wright has brought uncertainty and delayed energy generation in Washington State by blocking the planned closure of the Centralia coal-fired power plant, forcing it to stay open for a supposed emergency. But 15 years ago the state and the power plant owners struck a deal to convert from coal to natural gas. The transition is in the works. The coal plant is not generating any energy right now, and yet it is now being forced to stay on stand-by. So time is ticking, and costs are rising, and energy production is stalled. And I just want to say that it is insane, and I hope you will change that immediately.

But of course, this is not the first time the Administration has meddled in Washington State energy reliability. The first was DOGEing the Bonneville Power

Administration, which is the largest power provider to the northwest United States. And it functions, by the way, at no cost to taxpayers. It is self-funded. We pay for it in our own utility bills. You fired staff and put our grid at risk. When we called you out and reminded you that this does not cost the government anything, you backpedaled, tried to rehire fired employees. Some came back, some didn't.

Last month, finally, you also stopped the hiring freeze. But Undersecretary, do you happen to know how many people Bonneville has actually hired since you lifted that freeze about six weeks ago?

*Mr. Fitzsimmons. I would be happy to get back to you with specific numbers, but they have a hiring plan --

*Ms. Schrier. I knew it.

*Mr. Fitzsimmons. -- in place, and they are actively working to execute it.

*Ms. Schrier. You actually don't have to get back to me. I will tell you. The number is zero.

So having a plan in place is nice, but I would like you to commit to me that you will work with me and my staff and my state to expedite this hiring process because we are talking about keeping the lights on in the northwest.

*Mr. Fitzsimmons. I fully support that. I agree with you. We are -- we have a hiring plan in place, I am happy to work with you to execute it.

*Ms. Schrier. Thank you, I appreciate that. We will be in touch.

I also have two-and-a-half minutes remaining, so I am going to dive into another topic that we have been talking a lot about during this hearing, which is Venezuela. And you just said -- I am going to quote you, I think I got this down right -- that DoE has a responsibility to carefully steward taxpayer dollars. So I am just going to jump off from there.

There is a lot to say about Venezuela, but we just saw oil executives, despite the President saying we are going to bring U.S. oil companies into Venezuela, and we are going to get the oil, and he said, you know, we are going to put it in this offshore account, the money, and he is unclear about where that money is going -- we just heard oil executives say they don't really see that as a positive move. We have plenty of oil here in the United States. It is an unstable place to be right now. It will require the U.S. military, which is funded by taxpayer dollars, to stabilize that area.

And oil is at about, I believe, $57 a barrel right now, so this is not profitable for oil companies. And it does not seem like -- your quote again -- careful stewardship of taxpayer dollars to invest in oil infrastructure and to put young lives at risk by putting our military there and to spend taxpayer dollars in that way.

Can you please elaborate on how you think this is good

for national security?

*Mr. Fitzsimmons. I think you see a lot of enthusiasm from the energy industry to execute the historic energy deal that President Trump brokered, which will be a win-win-win for the people of Venezuela who will rebuild their infrastructure for the U.S. energy industry that is interested --

*Ms. Schrier. I don't think --

*Mr. Fitzsimmons. -- and for the --

*Ms. Schrier. -- we are seeing that enthusiasm. I don't --

*Mr. Fitzsimmons. And for the --

*Ms. Schrier. -- think we are seeing it from the industry. And frankly, I am not convinced, based on this Administration's track record, that the people of Venezuela are going to see benefits from that. He has been very careful and sneaky in his wording about using that money to also compensate countries that have been hurt by this. That could mean compensating the oil companies, it could mean compensating the United States. I do not trust this Administration to have the best interests of the Venezuelan people in mind, or they would be arranging for upcoming elections.

So again, I am going to ask for accountability to the people of the United States and our taxpayer dollars to not

throw them away.

I yield back.

*Mr. Latta. The gentlelady's time has expired, and the chair now recognizes the gentlelady from Florida's 15th district for five minutes for questions.

*Ms. Lee. Thank you, Mr. Chairman, for holding this important hearing.

During my tenure as Florida's secretary of state and now my time with Congress, strengthening the cybersecurity of our critical infrastructure has been a priority of mine. Cybersecurity is a crucial component of our national security, and state-sponsored cyber threats such as Volt Typhoon continue to target U.S. critical infrastructure. It is important for this committee to continue our work bolstering the cybersecurity of our electric grid.

I appreciate you being here, and I appreciate the opportunity to discuss further the Department of Energy's role in protecting our grid, especially through the Office of Cybersecurity, Energy Security, and Emergency Response, the tools and resources available for information sharing on threats, and the role Congress can play in strengthening the security of our energy infrastructure.

I am particularly interested in the Energy Emergency Leadership Act, which would update the Department of Energy Organization Act to include energy emergency and energy

security functions assigned to an assistant secretary. Mr. Fitzsimmons, will elevating the DoE's emergency response to an assistant secretary elevate the level of communication and coordination with other agencies?

*Mr. Fitzsimmons. Thank you for your question, and thank you for your interest in this important topic, and thank you for asking a topical question, because the subject of the hearing is protecting our critical energy infrastructure, and there is a lot we can do on a bipartisan basis to strengthen the security and resilience of the U.S. energy sector. So thank you for that.

I would say over CESER's relatively short history -- CESER was started under, you know, then-Secretary Rick Perry in the first Trump Administration. And obviously, I am the CESER director now. I think history has proven that the CESER office can function either way. So I think what is more important than the particular title that the head of the office holds is the mission of the office. And that is incredibly important.

We have been working on refocusing and clarifying the CESER mission because it is so important, and it is a new office, and sometimes new offices can kind of struggle to figure out where they fit. But what we have said is CESER's mission is to provide timely and actionable information to the energy sector that is then used to inform, to develop

world-class cyber and physical security technologies. That information and that technology is used to harden and secure energy infrastructure. That hardening and security helps us prepare to respond and recover from cyber and physical incidents, the lessons learned from which help us provide timely and actionable information to the energy sector, and that is a continuous, virtuous cycle, and that is the CESER mission that I am so excited and honored to lead here at the department.

*Ms. Lee. You just touched on a couple of really important concepts when it comes to cybersecurity awareness, prevention, and growth. Now, I understand the DoE is the sector risk management agency for cyber within the energy sector, and I would appreciate if you would elaborate on why timely and secure information sharing on cybersecurity threats, as you just mentioned, is important for us both government, infrastructure, private sector. Why is that information sharing important?

*Mr. Fitzsimmons. It is a great question. I think that is the foundation of what CESER does. We have an asymmetric capability with the private sector. Despite the fact that private sector owns and operates more than 80 percent of U.S. energy infrastructure, we are the ones that have the clearances. We are the ones that have access to classified information. The vast majority of the private sector does

not.

And so we get real-time threat information about the threats that the energy sector owners and operators have to deal with on a day-to-day basis, and so we need to make sure that we have capabilities in place to strengthen our ability to rapidly share. And I use these words with meaning: timely and actionable. So it has to be done rapidly and it has to be -- the information has to be delivered in a usable form. And so that is why capabilities like ETAC are so important, where we are collocating cleared industry partners with the government.

It is one thing for us to analyze information rapidly. We can do that. If we have cleared industry partners in the room, they can bring the actionable part and figure out, well, how do we address this specific vulnerability? How do we make this make sense to the rest of the industry? And how can we get that mitigation back out to the private sector as quickly as possible to strengthen our collective security and resilience?

*Ms. Lee. Thank you, Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentlelady yields back the balance of her time. The chair now recognizes the gentlelady from New York's 14th district for five minutes for questions.

*Ms. Ocasio-Cortez. Thank you so much, Mr. Chairman.

Undersecretary Fitzsimmons, you served at the Department

of Energy during President Trump's first term, correct?

*Mr. Fitzsimmons. Yes, I did.

*Ms. Ocasio-Cortez. And you have also held a number of positions in this term, including chief of staff to Energy Secretary Wright, correct?

*Mr. Fitzsimmons. I did, yes.

*Ms. Ocasio-Cortez. Great. I am hoping if -- I am hoping that you could help me understand more about the agency's decision-making process.

You know, we have talked about how there have been many clean energy projects that have been canceled over the last year. In fact, since January of last year over 170,000 energy jobs across the country on clean energy projects have been lost or impacted due to the policy changes from your department. One company canceled plans for a battery manufacturing facility in Buckeye, Arizona. That cost 6,400 jobs to the local community. Glendale, Kentucky has lost over 150,000 jobs due to another manufacturing facility closure.

As chief of staff to Secretary Wright and as acting undersecretary, were there assessments done on how many jobs would be lost due to these decisions?

*Mr. Fitzsimmons. Well, my understanding is that when an applicant submits an application, there is a comprehensive assessment because --

*Ms. Ocasio-Cortez. I am not --

*Mr. Fitzsimmons. -- we need to understand what the jobs --

*Ms. Ocasio-Cortez. -- speaking to applications, I am talking about, you know, policy changes around tax credits, around other sorts of -- I mean, it can include applications, as well.

*Mr. Fitzsimmons. Yes.

*Ms. Ocasio-Cortez. But do -- did you do an assessment on how many American jobs would be lost prior to you making your policy conclusions?

*Mr. Fitzsimmons. I think we are always continuously assessing --

*Ms. Ocasio-Cortez. I think it is a pretty simple --

*Mr. Fitzsimmons. -- the impacts of the decisions that we made --

*Ms. Ocasio-Cortez. Did you do the assessment? Have you -- did you do the assessment on how many jobs would be lost before making a choice, or did you not do the assessment?

*Mr. Fitzsimmons. We review the applications as they come in, and --

*Ms. Ocasio-Cortez. I am going to assume --

*Mr. Fitzsimmons. -- part of that can be the jobs that they create.

*Ms. Ocasio-Cortez. That sounds like a no to me, Undersecretary, that 170,000 Americans have lost their job due to the policy changes implemented by you and your department, and you didn't even think about it. There was no assessment. One hundred and seventy thousand Americans out of a job, out of health insurance, out of any opportunity -- battery manufacturing plants in Georgia, Arizona, Kentucky, and you are telling me that there was not an assessment done on how many Americans were going to lose their job before you made your decisions and before this Administration made decisions on revoking tax credits, manufacturing credits that were going to affect these facilities. That is what I am being told today. Is that correct?

*Mr. Fitzsimmons. No. As I mentioned, we have a comprehensive review process for all applications that --

*Ms. Ocasio-Cortez. And does that process include how many jobs would be lost?

*Mr. Fitzsimmons. Job numbers are --

*Ms. Ocasio-Cortez. That sounds like a --

*Mr. Fitzsimmons. -- typically included in --

*Ms. Ocasio-Cortez. -- no to me.

*Mr. Fitzsimmons. -- the applications that we receive.

*Ms. Ocasio-Cortez. That sounds like a no to me, Undersecretary, Fitzsimmons.

Now I want to move forward. In Newnan, Georgia, a

company planning a battery manufacturing facility walked back a $2.6 billion investment in the State of Georgia. The company cited the clean energy tax credits that were critical to its decision to invest in the project, and the Trump Administration's reversal and decimation of these tax credits ended a $2.6 billion energy investment in the State of Georgia alone.

You must be aware that under President Trump the United States, in just a year, has lost $53 billion in clean energy investment in our infrastructure. So what I am trying to understand, since you have described yourself as spearheading the Department of Energy's dominance agenda, is why -- and under President Trump's energy dominance executive order, it talks about good-paying jobs. So how are we -- how is this Administration and how are you assessing these projects when we have resulted in a net loss of 170,000 jobs?

*Mr. Fitzsimmons. As I have mentioned, we have a comprehensive review process. President Trump is focused on restoring American energy dominance after years, four years, of disastrous energy subtraction policies. And so we are investing in an affordable, reliable --

*Ms. Ocasio-Cortez. So we are doing that --

*Mr. Fitzsimmons. -- and secure energy system --

*Ms. Ocasio-Cortez. -- by cutting American jobs and then --

*Mr. Fitzsimmons. -- for the American people.

*Ms. Ocasio-Cortez. -- trying to invade Venezuela to compensate?

Thank you, I yield back.

*Mr. Latta. The gentlelady's time has expired. The chair now recognizes the gentleman from New York's 23rd district for five minutes for questions.

*Mr. Langworthy. Thank you very much, Mr. Chairman.

I would like to start off, Undersecretary, to offer you some time to respond to -- in any way you want.

*Mr. Fitzsimmons. Thank you. Look, I think that it is important to recognize we have a real bipartisan opportunity here if we can focus on the purpose of the hearing, which is how we can work together, these important cybersecurity bills which I understand will be introduced on a bipartisan basis, and how we can work together to strengthen the security and resilience of the U.S. energy sector. That is what I focus on as CESER director.

And, of course, in my other position as the acting undersecretary I have a much broader remit over the entire energy dominance agenda, and you see, after years of energy subtraction policies that rapidly drove up electricity prices under the previous administration, we are stabilizing the energy system, we are optimizing it, we are investing in the future, and we are growing it because grid operators have

warned we are facing shrinking reserve margins all across the country because of a lack of reliable and dispatchable power at the same time that we have growing energy demand.

And we know that we need to invest in the most valuable resources that we have, and those are the resources that the grid operators can count on day or night, any time, because the energy system, as I mentioned at the beginning, is designed to meet peak demand during the summer and, increasingly, the winter. And if we cannot do that, people die, and that is our fundamental responsibility and we have a real bipartisan opportunity here to work on policies that will strengthen the security and resilience of the energy sector that we rely on every single day.

*Mr. Langworthy. Well, thank you very much, and it is music to my ears.

I mean, my signature piece of legislation is the Energy Choice Act, which should hopefully be coming to the floor soon and has been reported out of this committee, so that states and localities can no longer ban safe and reliable forms of energy in this country.

I represent a largely rural district with long transmission lines, significant agricultural production, and energy-intensive manufacturing. When energy systems fail in rural America, the impacts are immediate: farms can't operate, manufacturers shut down, and families lose heat in

very dangerous, cold winter conditions.

Undersecretary, how does your office work with smaller utilities especially in rural areas to help strengthen defenses and improve resilience before an incident occurs?

*Mr. Fitzsimmons. Yes, I think this is one of the most important things that we do. I mean, it is one thing to work with larger companies, and we do, we have strong partnerships all across the energy industry. But 56 percent of Americans are served by smaller rural munis and co-ops. We have strong partnerships with APPA and the NRECA. The RMUC program is -- it is crucial to CESER's mission to elevate the collective cybersecurity of small, rural munis and co-ops. As I mentioned earlier, a lot of these companies might have one person working on IT, not even a dedicated cybersecurity person, and yet they arere expected to defend their energy systems on the IT and the OT side from increasingly sophisticated threat actors, and nation-state threat actors.

So fortunately, there is a lot you can do with basic cyber hygiene. You can solve around 80 to 90 percent of most cyber vulnerabilities with basic cyber hygiene, multi-factor authentication, network segmentation, basic things that you can do on the IT and OT side. And you just need to have the tools and resources to do it, and I think that is one of the most exciting parts of this job, being CESER director, is that we have an opportunity to work directly with those

utilities who need the help the most.

*Mr. Langworthy. Well, thank you very much. Not only is my district rural, but we also experience severe winter storms that can threaten grid reliability, fuel delivery, and emergency response for days at a time. During Winter Storm Elliott in 2022, prolonged cold and high demand strained the electrical grid. It disrupted fuel supplies and it complicated restoration efforts. That storm underscored how weather alone can pose -- expose vulnerabilities across the entire energy system, even without a cyber or a physical attack.

Undersecretary Fitzsimmons, how does DoE evaluate and plan for severe weather risks?

And what steps does your office take to incorporate lessons from past severe weather events into preparedness, response, and coordination efforts?

*Mr. Fitzsimmons. That is a great question because, as I mentioned, the energy system is built to meet summer and winter peaks. That is our fundamental responsibility, to keep the lights on. And so one of the core capabilities that CESER has is a capability that is called Eagle Eye. It is run in partnership with Oak Ridge National Laboratory. And that -- what that allows us to do is we have real-time, situational awareness, weather-based, on power outages all across the country that are happening in real time. It is

updated every 15 minutes.

And so we have our -- we have a war room, essentially, you know, at the department where we have this Eagle Eye capability. And when there are, you know, severe weather events or cyber incidents and we activate -- because we are the sector risk management agency, we are the ESF 12 function -- when we do a FEMA activation, when -- and, you know, when there is severe weather, we have this capability that we can review in real time with the industry in areas, you know, where the energy infrastructure is impacted. We will do unity of effort, unity of message calls to make sure that the owners and operators in the impacted areas know what we know as quickly as --

*Mr. Latta. Pardon me.

*Mr. Fitzsimmons. -- we know it, and then we can all work together.

*Mr. Latta. Pardon me, the gentleman's time has expired, and the chair now recognizes the gentlelady from Texas's 7th district for five minutes for questions.

*Mrs. Fletcher. Thank you so much, Chairman Latta.

And Undersecretary Fitzsimmons, I want to follow up on a few of the things that have come up previously. And you were just testifying in response to questions about CESER's ability to monitor real-time threats, which is certainly important to the people that I represent in Houston and to

people across the country. And one of the things I want to know is whether those threats to our energy grid and to our energy security have increased in 2026.

*Mr. Fitzsimmons. In 2026?

*Mrs. Fletcher. In the last two weeks.

*Mr. Fitzsimmons. Like, within the last two weeks?

*Mrs. Fletcher. Yes.

*Mr. Fitzsimmons. I think that would be difficult to say in this setting. I think we could -- I mean, most of that would be classified.

I am not sure, you know, directionally, if compared to -- last year to this year, I wouldn't -- I am not sure, specifically.

*Mrs. Fletcher. Can you tell us, and can you tell us in another setting whether the threats to our energy security have increased since the military action in Venezuela?

*Mr. Fitzsimmons. I think we would be happy to discuss that in --

*Mrs. Fletcher. In another setting?

*Mr. Fitzsimmons. Yes, in another setting.

*Mrs. Fletcher. Okay. Well, and has CESER analyzed cyber vulnerabilities in Venezuela?

*Mr. Fitzsimmons. CESER has not, no.

*Mrs. Fletcher. Okay. Because one of the things that you were saying in response, initially I think, to some

questions in response to Mr. Menendez's questions, and then I think again in response to Congresswoman Schrier's questions, you mentioned there is a historic energy deal, right? That was your words, not mine. And I guess I am trying to wrap my arms around what exactly that is. In your understanding, what is that deal?

*Mr. Fitzsimmons. Well, as the President has said, and as he convened energy industry leaders at the White House, this energy deal is to bring a win-win-win for the people of Venezuela who will be able to rebuild their infrastructure that suffered for years. It will be a win for the U.S. energy industry that is looking to invest in country. And it will be a win for the American people in the form of lower energy prices, with more oil in the market.

*Mrs. Fletcher. Okay, so -- but what I am hearing you say is that is -- I mean, who are the parties to the deal?

*Mr. Fitzsimmons. Well, I just described the parties. The parties are the people of Venezuela and the government, the --

*Mrs. Fletcher. And who is negotiating --

*Mr. Fitzsimmons. -- U.S. energy industry.

*Mrs. Fletcher. -- on their behalf?

*Mr. Fitzsimmons. I am sorry?

*Mrs. Fletcher. I mean, you are saying there is a deal for the United States to be involved. And the Department of

Energy and CESER monitors risks to our grid security, to our energy infrastructure, to energy investments. And you are describing a deal. But as far as I know, I mean, is this a trade deal?

*Mr. Fitzsimmons. I wouldn't describe it as a trade deal in the traditional sense --

*Mrs. Fletcher. What kind of deal is it when you describe it as a deal?

I mean, there has been testimony under oath in this hearing that there is an existing deal, and I don't know what it is.

*Mr. Fitzsimmons. I would refer you to the comments that President Trump and Secretary Wright have made about working collaboratively with the people of Venezuela and the government, the U.S. energy industry, and that is going to bring tremendous benefits both to the people of Venezuela, who will rebuild their energy infrastructure --

*Mrs. Fletcher. I am sorry, just --

*Mr. Fitzsimmons. -- to the American people.

*Mrs. Fletcher. -- reclaiming my time, because we have very limited time here, and I have heard you describe it as a win-win-win. I am not sure who the winners are, I am not sure that that has been defined. But usually, with a deal you have parties who are negotiating. We saw a televised meeting last week that Congresswoman Schrier referenced.

But, you know, if it is a trade deal, it has to come to Congress. If we are talking about increasing trade with Venezuela relating to crude oil exports or other things, trade deals come to Congress. As I understand it, you are talking about statements the President has made, but we have seen no deal. No terms, no parties, no documentation. So how is the Department of Energy -- I mean, it sounds like this is sort of a potential deal, a potential agreement, but are you currently devoting any of your resources or efforts in your role at the Department of Energy to anything related to this "deal''?

*Mr. Fitzsimmons. Under President Trump's leadership, Secretary Wright is working with the interagency, yes. And if you would like to know more about this issue, we would be happy to talk to you in the right setting about it.

*Mrs. Fletcher. Well, I think a lot of people want to know a lot more about this issue. And certainly, the parties to the deal, the terms of the deal, the structure of the deal, the duration of the deal, all of those things are questions that are for the people of Venezuela in a democratic society, and certainly there are questions that emerge that are questions for the United States Congress, not the least of which is whether to send our fellow citizens, our sons and daughters, into military action. But certainly, there are a lot of questions relating to our priorities for

our own energy security, as well, and those come in the jurisdiction of this committee.

So I look forward to continuing that conversation and appreciate, Mr. Chairman, the opportunity to raise these issues.

*Mr. Latta. Thank you.

*Mrs. Fletcher. Thank you.

*Mr. Latta. The gentlelady's time has expired, and the chair now recognizes the gentleman from Colorado's 8th district for five minutes for questions.

*Mr. Evans. Thank you, of course, Mr. Chairman, to the ranking member, and to our witness for coming today for this important conversation. And I just want to clear up a couple of things.

Earlier you were asked by one of my colleagues on the other side of the aisle some specific questions about a coal plant in Colorado. And I think the question was asked to you, do you know that this plant has been scheduled for five years to go offline, and I just want the record to reflect that is because seven years ago the State of Colorado fell under complete and total control of my Democrat colleagues at the state level, who passed a law requiring that coal plant to go offline. So it has been scheduled to go offline for five years because seven years ago, not due to the science or anything, due to a political agenda the folks that controlled

the State of Colorado passed a law that said that it would have to go offline. And if you know a plant is going to go offline, of course there is going to be deferred maintenance to the tune of a couple of million dollars for a plant that is scheduled to go offline.

But I think that a couple of million dollars -- I think my colleague said $21 million -- is pennies compared to the $17 billion that the Colorado Energy Office found that was going to be charged additional to my constituents in Colorado for the 100 percent variable, with battery power, resource plan, which is what the State of Colorado is pushing. So 17 billion more. That is not my number, that is the number that the Democrat-controlled Colorado Energy Office came up with, the most expensive resource mix, and that is all going to be passed on to my constituents when things like the natural gas ban for residential heating is implemented.

When I was a state representative I asked a question: What would it cost to backfill all of the lost energy from natural gas with electricity? The answer I got was billions to the utility, and somewhere around 15 to $25,000 per household to upgrade their electric panel and all the wiring and appliances on their side of the meter. So I think it is very clear, from studies commissioned by my colleagues on the other side of the aisle, that they are pushing the most expensive form of energy.

And what is that costing? Well, in addition to higher cost to my constituents, that is costing a lack of focus on resilience. We recently had to turn off the electric grid for 100,000 Coloradans just a few weeks ago because of a windstorm. Why? Because billions of dollars are going to the most expensive resource mix in, really, in the State of Colorado that can't go to hardening our grid. And that is actually the topic before us today.

So in my life before I came to Congress, I was a cop and a U.S. Army and Colorado Army National Guard soldier, responded to countless state emergencies, served as the intelligence officer for my organization. And so in that world we had an entity called a fusion center. That was where we had the analysis to counter persistent or emerging threats. And in the energy world, the -- excuse me, the Energy Threat Analysis Center serves a very similar role.

And so my question to you is, can you discuss the role that national laboratories, specifically the National Lab of the Rockies, play in that Energy Threat Analysis Center and in other things like the Office of Cybersecurity, Energy, and Emergency Response -- CESER, as we have been talking about today -- can you talk about the benefits that ETAC and CESER are working with national labs like the National Lab of the Rockies provide to hardening our grid?

*Mr. Fitzsimmons. Absolutely, thank you for your

question and thank you for your service, as well, and your leadership on this important issue.

I would say the national labs play a key role for the reasons that you just mentioned. We have a lot of important capabilities on the information sharing side, because we have access to classified information that the vast majority of the private sector doesn't have. We need to figure out the best tools and mechanisms to get that information, that actionable threat information into the hands of private-sector owners and operators. That is what the ETAC capability does.

And I think it is it is an important one because it is one thing for us to work with the IC to analyze threat information, but it is another thing to actually do something about it. And I think that is what we are starting to change now, and do it in a timely and actionable way, and in a way that is collaborative with the private sector. And so I think partnerships like ETAC are a very important way that we are doing that.

*Mr. Evans. So with my remaining 35 seconds here, as Congress considers reauthorizing ETAC, are there particular things that you see that we need to address to be able to enhance that public-private partnership to make sure that our grid and our energy resources are hardened?

Twenty-three seconds.

*Mr. Fitzsimmons. Yes, it is a great question. I would just say with the time remaining that, you know, we have done a lot of important work on ETAC. It is operational, it is an important capability. I think part of it was figuring out what ETAC is and isn't. I think there may be a tendency in government programs to have mission creep, so I think it was important to clearly define the ETAC mission. And from our perspective, the ETAC mission is to provide timely and actionable information to the energy sector. And if they can do that and do it effectively, it will be a great success.

*Mr. Evans. Thank you, I yield back.

*Mr. Latta. Thank you. The gentleman's time has expired and yields back. The chair now recognizes the gentleman from Texas's 12th district for five minutes for questions.

*Mr. Goldman. Thank you, Mr. Chairman.

Mr. Fitzsimmons, thank you for being here. Texas leads the nation in liquefied natural gas export capacity, making it a strategic national asset. How does the Department of Energy assess the risk of cyber or physical attacks on liquefied natural gas terminals by state-sponsored actors like China?

Are those risks fully integrated in Federal energy emergency planning?

*Mr. Fitzsimmons. Thank you for the question. It is an

important risk factor that we need to consider. These are important national assets for our national security, for our economic security.

I would say DoE, as the sector risk management agency for the energy sector, our mandate is to increase security and resilience for the entire energy sector. We have a series of subsector coordinating councils. We have one with the oil and gas subsector. That represents the entire value chain upstream, midstream, downstream. I think it is important, and it is only growing in more importance as the United States becomes and has been the number-one producer of oil, natural gas, exporting our liquefied natural gas all around the world and keeping electricity prices low for American families and for manufacturers. It is a real competitive advantage that the United States has, our ability to produce abundant, low-cost natural gas.

Our electricity prices, even today, even after four years of energy subtraction policies, our electricity prices are still three times cheaper than Germany and the United Kingdom, who have been actively de-industrializing their country because they have not had common-sense energy policy. And that is what Secretary Wright and President Trump have brought back to this country, common-sense energy policy.

*Mr. Goldman. Yes, thank you for that. You are absolutely right, it makes no sense what those other

countries have been doing.

As a border state with major energy corridors, does Texas face unique physical or cyber risks related to transnational, criminal, or state-sponsored actors targeting infrastructure?

*Mr. Fitzsimmons. I think that is always something that we need to consider. I think if we were to have a more in-depth discussion about specific risks and challenges at the border, we would probably have to do it in a separate setting, and we would be happy to provide that for you.

*Mr. Goldman. That would be great. Thank you very much.

Mr. Chairman, I yield the balance of my time. Thank you.

*Mr. Latta. Thank you. The gentleman yields back the balance of his time. The chair now recognizes the gentlelady from Tennessee's 1st district for five minutes for questions.

*Mrs. Harshbarger. Thank you, Mr. Chairman, and thank you for being here today.

As we have seen from Volt Typhoon and Salt Typhoon, cyber attacks can span across multiple states and Federal jurisdictions. Can you provide more details on how the Energy Emergency Leadership Act can help implement pre-defined communication paths between lead agencies and their partners?

*Mr. Fitzsimmons. Yes, I think DoE, as the sector risk management agency for the energy sector, that is a role that we take very seriously. CESER leads that. We lead a series of subsector coordinating councils, you know, with the power sector, with the oil and natural gas subsector. That is the primary mechanism through which we coordinate and collaborate actively with the entire energy sector, and I think that is fundamental to what CESER does, and that mission will continue.

*Mrs. Harshbarger. Yes. The energy sector also faces threats from a variety of actors and a variety of threat vectors. This includes nation-state threats, directed attacks on energy infrastructure, attacks against vendors, and vulnerability with supply chains --

*Mr. Fitzsimmons. Yes.

*Mrs. Harshbarger. -- criminal actors, and a whole host of things. And the DoE's Energy Threat Analysis Center has been a key asset for industry and government in compounding these threats. What is the value of the intelligence community hearing from industry about how equipment may be used in the grid and in its energy systems?

*Mr. Fitzsimmons. I think it is incredibly important that we collaborate proactively with the IC, and we do. And ETAC is one of the ways through which we do it.

You know, we have access to classified information that

the vast majority of the private sector does not. We need to figure out how to close that gap because, as I have mentioned, the vast majority of U.S. energy infrastructure is privately owned and operated, and they are the ones on the front lines every day facing these risks, and so we need to make sure, as the government, that when we have access to threat information we can get that to the private sector as rapidly as possible.

And so with ETAC, as I have mentioned before, we have cleared industry partners working right alongside CESER staff, DoE, Office of Intelligence and Counterintelligence staff so that we can work collaboratively to identify threats quickly, figure out how to mitigate it, and then get that information back out to the private sector.

*Mrs. Harshbarger. Well, how does ETAC help facilitate that two-way collaboration?

*Mr. Fitzsimmons. Because we are physically collocated together, working on it in real time with cleared industry partners, so -- that are supposed to represent the entire energy industry. And so, obviously, not everyone from the energy sector can be there with us, but we get certain representatives from companies, companies that are volunteering their time and their resources to this important mission. And so they hire people full-time to reside at ETAC and be there and work alongside our staff, because that is

the only way we can do it. It is the only way we can get -- we can develop that information on a timely basis and get it out in an actionable way.

*Mrs. Harshbarger. You know, when I was on Homeland when I first came here, we had a hearing on Colonial Pipeline, and they were really beating them to death because of the cyber hygiene protocol that fell under TSA, that they did not do that. But people are reluctant to give you that information in a lot of cases because, if it is not required -- you know, and that would have been devastating to us because the operational side and -- you know, they don't own the gas or oil that they transport. We just have issues that we need to collaborate on.

Will this help defense critical electric infrastructure security, as well?

*Mr. Fitzsimmons. Yes, I think it will. I think it absolutely will.

I mean, as you think of -- the energy sector is a subsector of critical infrastructure.

*Mrs. Harshbarger. Yes.

*Mr. Fitzsimmons. There is 16 critical infrastructure sectors that have been designated by DHS. Energy infrastructure is, in my view, the single most important because it is the foundation of every other critical infrastructure sector. If you don't have energy, you don't

have health care or transportation or manufacturing. It is essential to everything we do.

And then DCEI, or the privately held energy infrastructure that supports the DOW mission, that supports our important national security missions is a particular subsector of the energy infrastructure that is under increasing threat.

*Mrs. Harshbarger. Well, I visited ORNL, you know, last year, and it is really exciting to see EAGLE-I and what they do to bring those comprehensive threats, especially with TVA being located there. So thank you for your time today.

And Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentlelady yields back, and the chair now recognizes the gentleman from Michigan's 10th district for five minutes for questions.

*Mr. James. Thank you, Mr. Chairman, and thank you, sir, for your time and your stamina.

Grid security is national security. If the lights go out, everything else follows: public safety, hospitals, manufacturing, water systems, our military readiness. Cyber threats are real and growing, but they are only a part of the risk. A fragile grid is an easy target, whether the threat is digital, physical, or policy-driven.

In Michigan we are seeing what happens when ideology outruns reality. Last year the Department of Energy was

forced to issue section 202© emergency order to keep the J.H. Campbell coal plant online. That plant was scheduled to close under Michigan's rush to meet a politically-driven net-zero mandate. DoE stepped in because closing it would have threatened grid reliability for millions of people across the MISO region.

Let's be clear about what that means. The Federal Government had to declare an emergency to keep the power on in Michigan. That is not a success story for energy policy. That is a warning sign. Governor Whitmer's Green New Deal mandates are forcing reliable baseload generation off the grid while championing unreliable, intermittent sources. As a result, MISO is operating dangerously thin reserve margins. When reserves are tight, operators have fewer options. That makes the grid more vulnerable to extreme weather, cyber attacks, and cascading failures. You cannot secure a grid that you have intentionally weakened.

Energy security requires an all-of-the-above approach, and we must ensure it is the strategy that actually works. We should be adding reliability before subtracting it. Instead, Michigan families and manufacturers are paying the price for policies that look good from university ivory towers, but fail in the real world.

Mr. Fitzsimmons, the department's section 202© order cites NERC's reliability assessment warning that the MISO

region faced elevated risk of operating reserve shortfalls, particularly among peak demand, and that the retirement of dispatchable thermal generation increased that risk. Is it true that the planned shutdown of J.H. Campbell coal plant, driven by Michigan's net-zero mandate under Governor Gretchen Whitmer, was a factor that forced DoE to declare this emergency?

*Mr. Fitzsimmons. Thank you for your question and your leadership on this issue. I think you nailed the crux of the issue, which is, you know, on day one President Trump declared a national energy emergency. As I mentioned before, that declaration has been validated by the non-partisan grid operator, NERC. As you mentioned, they have called the current situation created by the disastrous energy subtraction policies of the previous administration a five-alarm fire for the grid. And that is because any time you prematurely close reliable, dispatchable generation and do not replace it adequately with reliable, dispatchable generation, you will see shrinking reserve margin, growing resource adequacy challenges at a time when we are trying to build the infrastructure that we need to meet future load growth and win the AI race and onshore manufacturing.

So it makes absolutely no sense that you would subtract reliable -- some of the most valuable electricity that we have is that which the grid operators can accredit to meet

peak demand, because that is what the system is built for, to meet peak demand in the summer or the wintertime.

*Mr. James. That is exactly right. We all want clean air and clean water. We all want safety, but we also need affordability. We also need advancement. And making sure that we are operating in the realm of reality are essential to doing so.

Last question, Mr. Fitzsimmons. Again, DoE extending this emergency order because MISO continues to operate with dangerously thin reserve margins, limiting flexibility during extreme weather or cyber attack. From a grid reliability standpoint, grid security standpoint, do these net-zero agenda items prioritizing the shutdown of thermal baseload power directly increase the likelihood of future emergencies that make the grid more vulnerable to cyber attacks and physical threats?

*Mr. Fitzsimmons. I would say absolutely. If you are prematurely retiring reliable, dispatchable generation and you are not replacing it with reliable and dispatchable generation, the net result of that will be a weakened energy system and higher costs for the American people.

*Mr. James. Thank you. We want affordability and we want reliability, as well. Thank you for your time.

Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentleman yields back, and

the chair now recognizes the gentlelady, the at-large member from North Dakota, for five minutes for questions.

*Mrs. Fedorchak. Thank you, Mr. Chairman.

Well, I am so excited I got here for that great exchange, because that is exactly the reason why I ran for Congress was because of my concern over what Representative James just outlined, this five-alarm fire that we have in our country of being at dangerous risk of not having enough power to meet demand today. And we are still retiring -- we are still pursuing these mandates at, you know, at a rate that isn't supported by technology today. And we need to correct that policy, and we are working hard to do just that. You are working hard to do just that, so thank you, Mr. Fitzsimmons, for all your work there.

*Mr. Fitzsimmons. Thank you.

*Mrs. Fedorchak. Today's discussion about cybersecurity is one that, as a utility regulator, I always dreaded because it feels so, you know, like, impossible. It is tough. This is a tough, tough issue. So I want to thank you for all that you are doing to try to minimize the risk that we face on this side of the aisle -- issue of reliability, which is the cyber risk.

So can you tell me, how is DoE preparing the energy sector, particularly our grid operators, for a scenario where we have a cyber attack and it escalates alongside

geopolitical conflicts?

*Mr. Fitzsimmons. That is a great question, Congresswoman, and thank you for your leadership on this and other important issues for the security and resilience of the grid. I think that your question is an important one, and it is something that we take very seriously.

So I think part of CESER's core mission is, you know, we have to do blue sky training and exercises with relevant stakeholders, many of which you just mentioned: states, grid operators, local communities, and, of course, the energy sector. And we do that every year.

So we have an annual exercise series that is called ClearPath. And I was honored to attend last year's ClearPath session. It was -- it described the exact kind of scenario that you are talking about. It was based in -- the meeting was held in Boston. It looked at the northeast region, which, as you know, has a dangerously constrained natural gas pipeline capacity that, you know, due to political decisions is not only raising costs for people in the northeast and that region, but it is also resulting in a dangerously precarious situation during winter peak demand.

And so the scenario that we focused on and the types of scenarios that we need to focus on are just that. What happens if you have a severe weather event in a region that is known to get a lot of snow, the northeast, and you have

constrained pipeline capacity, and you have an opportunistic cyber attack from a nation-state threat actor? How do you deal with all of that cascading challenge all at once? You could only figure that out when you get in the room with all of the key decision-makers at the Federal, state, local level, and then the energy owners and operators and work through that in real time. You figure out, well, this system goes down, what impact -- what second and third-order effects does this have on the rest of the system?

And I think some of the challenges we find are around how do you ensure effective use of communications when you are operating in a -- after a weather event and a cyber attack, so you are not running on all cylinders? Now, all of a sudden, your main communications infrastructure goes down. So I think the interconnectedness of the energy sector with telecom and water and transportation are also a key component of this. I think you only start to understand all those contingencies in second and third-order effects when you do blue sky training and exercises like we do, and get all the stakeholders in the room together to work on it.

And so I would invite you to come to a future session, if you would like, because I think it is really valuable.

*Mrs. Fedorchak. I would love to do that.

So you do the exercises. Are there rule changes or requirements or standards that need to be set or are being

set as a result of those exercises?

And can Congress help in any way to make sure that the proper standards are being set, and those then push down through the system to the -- you know, even just the small rural electric providers?

*Mr. Fitzsimmons. Yes, I mean, I think, as you know, CESER's mission is not regulatory. We voluntarily proactively collaborate with the energy sector. But I -- you know, I would say there are existing standards that are in place at NERC.

As you know, a lot of states handle this issue differently. I think it is growing in importance. I think there is more work, at least in my purview as the CESER director, I think there is definitely more work we can do on our side, always more work that we can do to collaborate productively with the energy sector and those that have to make these key decisions.

*Mrs. Fedorchak. Excellent. Well, consider me a partner in that effort. If there is anything I can do to help, I am here for you.

*Mr. Fitzsimmons. Absolutely.

*Mrs. Fedorchak. Thank you for your work.

*Mr. Fitzsimmons. Thank you.

*Mr. Latta. The gentlelady's time has expired and yields back. The chair now recognizes the gentleman from

Pennsylvania's 13th district for five minutes for questions.

*Mr. Joyce. Thank you, Chairman Latta and Ranking Member Castor, for holding this important hearing, and to you, Mr. Fitzsimmons, for testifying.

Since taking office, President Trump has focused on American energy dominance. While bringing new generation online is certainly a critical component to establishing the dominance that we need, it will be equally important to upgrade and protect any new and existing infrastructure against threats, as you have outlined in your testimony today. We cannot maintain energy dominance over our adversaries if we fail to address vulnerabilities that leave our infrastructure exposed to attacks from outside sources that you have mentioned again today like China, and Russia, Iran, and North Korea.

Upgrading both the physical facilities and the cybersecurity measures throughout our electrical grid will also ensure reliable and affordable energy, especially during this period with increasing demand. Taking the necessary steps to protect our infrastructure now can help us to avoid the large costs that will be incurred in the event of a major disruption in the future.

The area of Pennsylvania that I represent is rural, and features many smaller utilities and rural electric co-ops. And while it is equally important to guard the infrastructure

under their control, these groups often do not have the same resources that larger utilities have to make those necessary investments. That is why I am happy to see the Rural and Municipal Utility Cybersecurity Act under consideration today. This bill would reauthorize a program providing technical and financial assistance to these smaller rural groups to help protect them against the threats that we have outlined.

Mr. Fitzsimmons, how does a program like this help ensure that rural areas don't lag behind, don't fall into that really vulnerable stage that you have outlined?

And how do these necessary cybersecurity improvements protect this critical infrastructure?

*Mr. Fitzsimmons. I think that is a great question, so thank you for asking it.

I mean, this is one of the most important programs that I think we have at CESER because more than half of Americans are served by small, rural munis and co-ops. And as you mentioned, they are under-resourced. They just do not have the same types of resources to devote to IT or to cybersecurity. They typically don't have, like, large security operations centers. They don't have a big group of people working on cybersecurity, and yet they face the same threats that better resource companies and organizations do. They are under threat just the same, and perhaps

opportunistically even more so because nation-state threat actors understand that they operate critical infrastructure and they don't always have the resources, they are under-resourced.

And so I think it is incredibly important. And I think what is promising is that there is a lot that we can do with the RMUC program to elevate the collective cybersecurity posture of rural munis and co-ops. You can solve 80 to 90 percent of basic -- of most cybersecurity intrusions and vulnerabilities with basic cyber hygiene, and so this is an area where a relatively small amount of Federal resources can have a huge impact.

*Mr. Joyce. Do you feel that the Federal Government can identify areas of need and leverage public-private partnerships and programs like these that will ultimately lower costs and provide that protection that you so eloquently outlined?

*Mr. Fitzsimmons. I certainly do, sir, yes.

*Mr. Joyce. I thank you. This has been a revealing and illuminating discussion today.

I thank you for allowing me to waive on, Mr. Chairman, and I yield the balance of my time.

*Mr. Latta. Well, thank you very much. The gentleman yields back the balance of his time.

The chair, seeing no further members wishing to ask

questions of the witness, we want to thank you very much for appearing before us today and giving us your testimony.

Members may have additional written questions for you. I remind members that they have 10 business days to submit additional questions for the record, and I ask our witness to do the best you can to submit those responses within 10 business days upon the receipt of the questions.

At this time we will now transition to the second panel of witnesses for today's hearing. And again, thanks very much for appearing.

[Pause.]

*Mr. Latta. Well, thank you very much. We will convene our second panel, and I want to thank our second panel again of witnesses for appearing today and taking the time to testify before the subcommittee. Each witness will have the opportunity to give an opening statement, followed by a round of questions from our members.

Our second panel of witnesses today are Mr. Scott Aaronson, the senior vice president of energy security and industrial operations at the Edison Electric Institute.

Thank you.

Dr. Nathaniel Melby, vice president and chief information officer at Dairyland Power, thanks for being with us.

Ms. Rebecca O'Neil, research principal in the energy and

environment directorate at the Pacific Northwest National Laboratory, thank you.

And Ms. Adrienne Lotto, the senior vice president of grid security, technical and operational services at the American Public Power Association.

And before we get started, if you didn't hear the -- just real brief, just pull the mikes up close when you speak.

And also, you will see the lights. You have four minutes in your first -- when it is green. Then it will turn yellow for the last minute, and then turns red. So we would like you to finish up, if you could, with your statement when it goes red.

And again, we appreciate you appearing before us today, and Mr. Aaronson, you are recognized for five minutes for an opening statement. Thank you.

STATEMENT OF SCOTT I. AARONSON, SENIOR VICE PRESIDENT, ENERGY SECURITY AND INDUSTRY OPERATIONS, EDISON ELECTRIC INSTITUTE; NATHANIEL J. MELBY, PH.D., VICE PRESIDENT AND CHIEF INFORMATION OFFICER, DAIRYLAND POWER, ON BEHALF OF NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION (NRECA); REBECCA O'NEIL, RESEARCH PRINCIPAL, INFRASTRUCTURE, ENERGY AND ENVIRONMENT DIRECTORATE, PACIFIC NORTHWEST NATIONAL LABORATORY; AND ADRIENNE LOTTO, SENIOR VICE PRESIDENT OF GRID SECURITY, TECHNICAL AND OPERATIONS SERVICES, AMERICAN PUBLIC POWER ASSOCIATION

STATEMENT OF SCOTT I. AARONSON

*Mr. Aaronson. Chairman Latta, Vice Chairman Weber, Ranking Member Castor, thank you so much for the opportunity to testify before the subcommittee on this important topic, protecting America's energy infrastructure in today's cyber and physical threat landscape. My name is Scott Aaronson, and I am senior vice president for energy security and industry operations at the Edison Electric Institute.

EEI is the trade association representing all of the nation's investor-owned electric companies. EEI's members provide the energy of every day to nearly 250 million Americans, operating in all 50 states and the District of Columbia. The services these companies provide are critical

to both national and economic security.

Ensuring the resilience of this most critical infrastructure is a responsibility the industry takes very seriously, and it is a responsibility that is only growing. With the proliferation of data centers for artificial intelligence and our digital economy, more advanced manufacturing and industrial processes relying on electricity, electrification of other sectors like transportation, and electricity increasingly used for home heating, America's electric companies are more important than ever to our nation's security, economic competitiveness, and the lives and safety of our customers and your constituents.

In addition to extraordinary growth, the grid is also changing. With more distributed resources, two-way flows, grid scale batteries, broad digitization enabling customer control and better visibility into this increasingly complex energy grid, this is an exciting time to be part of the electric power sector. But these changes also can bring new risks and an evolving attack surface.

As the Director of National Intelligence Worldwide Threat Assessment has said publicly since 2019, near-peer nation-states are targeting critical infrastructure to hold the United States at risk at a time of their choosing. To address these threats, the electric power sector uses a defense-in-depth approach. This seeks to protect our most

critical assets from compromise while also understanding that defenses are never infallible. So resilience, redundancy, and the ability to recover are integral to our defenses too.

This resilience comes from a diversity of resources and systems that limit single points of failure. It also comes from the development and exercising of plans to operate degraded or to restart systems known as blackstart and, perhaps most importantly, a culture of mutual assistance that supports response and recovery against all hazards. This is most apparent when storms hit, but has grown to include cyber mutual assistance capabilities and spare equipment sharing programs.

The energy grid is one big machine with thousands of owners and operators. This community has found common cause to work together and with government partners to address the risks posed by Mother Nature and man-made threats. This is why today's hearing the legislation the subcommittee is considering is so important.

Public policy has helped to shape the sector and its readiness. From Congress codifying mandatory, enforceable security standards in the Energy Policy Act of 2005 to the FAST Act that designated the Department of Energy as the sector risk management agency for the electric power sector to the Cyber Information Sharing Act of 2015 to several funding bills that have prioritized grid security, Congress

has helped advance regulations, industry-government partnerships, information-sharing regimes, and resilience initiatives. EEI and its members are grateful for this committee's bipartisan focus on helping industry and government continue to advance our security and resilience posture.

Industry can't do it alone, and the bills being considered today, as well as other bills you have passed in recent years -- Cyber Sense and the Enhancing Grid Security Through Public-Private Partnerships Act, specifically -- are further examples of the work Congress can do to improve preparedness and enhance coordination across industry and government at all levels.

The value of these partnerships can be seen in the response to the Chinese state-sponsored cyber threat known as Volt Typhoon, the work done to secure U.S. infrastructure at the beginning of the Russia-Ukraine war, and responses to the pandemic, any number of storms, substation shootings, and other threats to grid reliability. Fortunately, the electric power sector is able to address these risks collectively and proactively, thanks to initiatives like the Energy Threat Analysis Center which is being considered today as well.

ETAC has allowed a small, but growing subset of companies to work side by side with government to understand threats and to develop mitigation strategies with

intelligence analysts and grid security experts together. These lessons and -- are then shared with the broader sector through the Electricity Information Sharing and Analysis Center, or EISAC, showing a commitment to collective defense that will serve us well as the electric power sector adapts to the new threats and challenges facing critical infrastructure operators.

Other programs that are similarly leveraging government and industry expertise for a common good through national lab partnerships with the sector include the Cyber Risk Information Sharing Program, or CRISP, and Cyber Testing for Resilient Industrial Control Systems, or Cy-TRICS.

Again, EEI and its members are deeply committed to these programs, partnerships, regulatory constructs, and resilience strategies, and to working together as both the energy grid and geopolitical risks continue to evolve. And we are deeply appreciative of the focus this committee brings to these issues and for the legislation before the committee today. Thank you again for the opportunity to testify, and I look forward to your questions.

[The prepared statement of Mr. Aaronson follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Well, thank you very much.

And Dr. Melby, you are recognized for five minutes for your statement. Thank you.

STATEMENT OF NATHANIEL J. MELBY

*Dr. Melby. Thank you. Chairman Latta, Ranking Member Castor, and members of the subcommittee, good afternoon. Thank you for this committee's diligent and comprehensive work to provide the tools that electric cooperatives need to stay ahead of an evolving cyber threat landscape and strengthen our nation's grid security. I appreciate the opportunity to discuss the draft legislation before the committee, particularly the reauthorization of the Rural and Municipal Utility Cybersecurity program.

My name is Dr. Nate Melby, and I serve as the vice president and chief information officer at Dairyland Power Cooperative in La Crosse, Wisconsin. I am testifying today on behalf of Dairyland and the National Rural Electric Cooperative Association, our national trade association that represents America's nearly 900 electric cooperatives. Dairyland is a generation and transmission cooperative. We have supplied the power that 24 distribution cooperatives and 27 municipal utilities deliver to more than 750,000 people across 44,500 square miles of the upper Midwest.

The cyber threats facing our grid are real, sophisticated, and growing. As private, independent businesses operating without profit incentives and owned by the people that we serve, electric cooperatives are dedicated to protecting the 42 million Americans and critical military assets relying on our power. But securing this infrastructure is difficult. We operate in resource-constrained rural areas, defending lines and substations that are often remote and difficult to access. We operate on thin margins. Without profit incentives or shareholders, we must balance costly security needs against the financial reality of our members.

Every dollar we invest in cyber defense comes directly from our members' pockets. This is a difficult balance to strike when 1 in 4 cooperative households has an annual income below $35,000 per year. For electric cooperatives, the most effective cyber policy is the one that helps us overcome these fiscal hurdles. This is why the rural municipal cyber -- utility cybersecurity program is so critical. It provides the Federal resources necessary to close the rural resource gap not just by purchasing much-needed technology, but by building strong partnerships, collaboration mechanisms, and voluntary information sharing practices that keep our grid safe.

We are already seeing the impact of this program in two

specific ways. First, through direct investment. Last fall the Department of Energy announced $80 million in awards that will benefit over 400 cooperatives. This includes a $3.5 million award for Dairyland. This funding will allow us to deploy advanced security technologies across 20 of our distribution cooperatives, raising the baseline of defense for our entire system. Second, through shared resources. Separately, our trade association, NRECA, was awarded a $4 million cooperative agreement to launch Project Guardian. This initiative is developing shared tools, tabletop exercises, and workforce training frameworks that allow smaller cooperatives to access expertise that they could not afford individually.

However, to fully realize the potential of this problem -- program, we need to address two specific hurdles. First, the full implementation has been delayed. A portion of the awarded RMUC funds, including Dairyland's, have not been released yet. We encourage DoE to move more quickly so we may put these resources into action. Second, the application process is burdensome. Current law requires cooperatives to compete not just for funding, but also for basic technical assistance. Technical assistance should be about building capacity for those who need it, not rewarding those with the resources to write the best application. We strongly support the draft reauthorization bill before the committee because

it addresses these concerns by giving DoE greater flexibility to distribute the funds more quickly, and ensures the support reaches the most under-resourced utilities.

Beyond the RMUC program, we commend the Committee for the comprehensive approach reflected in the other measures before us today. These efforts underscore the importance of a holistic strategy to protect our critical infrastructure across every segment of the energy sector.

In conclusion, securing the grid is a shared responsibility. We are committed to doing our part, but we can't confront these threats alone. We urge you to advance the RMUC reauthorization to ensure that we have the resources to keep the lights on for 42 million Americans.

Thank you, and I look forward to your questions.

[The prepared statement of Dr. Melby follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Well, thank you very much for your testimony.

And Ms. O'Neil, you are recognized for five minutes for your statement.

You want to just turn the mike on there, please?

*Ms. O'Neil. Rule number one. Thank you.

STATEMENT OF REBECCA O'NEIL

*Ms. O'Neil. Chairman Latta, Ranking Member Castor, and members of the subcommittee, thank you for the opportunity to testify today. My name is Rebecca O'Neil. I execute and oversee research projects on energy security and infrastructure at the Department of Energy's Pacific Northwest National Laboratory, or PNNL, and I am here today because one of the proposals under consideration, the SECURE Grid Act, discusses state energy security plans. And since summer 2023 I have led a team of researchers at PNNL to support CESER in all 56 states and territories to deliver complete energy security plans that meet all requirements of the law, and this milestone was achieved in December 2024.

States have a critical role to play in the energy security of the United States. Due to the complex, interdependent character of energy infrastructure, services, and ownership, states have visibility at a very unique scale and understand the relationships and the operational realities to build energy security from the ground up. As my state colleague said to me last week, we are all safer and more secure because of these plans and the planning work that we did together.

So how did a national laboratory come to be involved here? CESER tapped PNNL to review the state energy security

plans, and we did two rounds. And when we tallied it up, it was 14,000 pages of energy security plans. We provided direct and specific recommendations in our reviews on steps to meeting requirements in the law. In between the two reviews, PNNL offered technical guidance through training, data, and tools, all in an essential partnership with the National Association of State Energy Officials, also called NASEO. This team even built state cohorts with monthly exercises on risk mitigation and risk assessment, and capped it with an in-person energy security event in Minnesota in June 2024.

And I brought props because I couldn't help myself. We have workbooks here on this topic, and these are the kinds of materials that we are talking about when we work directly with states to exercise the plans and the practices of risk assessment.

So I want to share a little bit more with you generally about what our state energy security plans. Unfortunately, they arere not public, but I can share some broad themes with you and, in particular, what energy security plans are not. So energy security plans are not just about electricity. Energy security plans are also about fuels. They are about home heating fuels, industrial fuels, transportation fuels, as well as natural gas and electricity systems. But some of the most difficult and valuable assessments in these plans

are about those relationships between the sectors.

As you might be able to tell, energy security plans are not a piece of cake. By the law, the plans are required to meet multiple elements. They have to provide an energy profile of all energy sectors, an inventory of threats and hazards, man-made and natural -- man-made, like what we are discussing today -- and a risk assessment that puts all of that together: hazards, threats, energy infrastructure, and then a responsive mitigation approach and a plan to collaborate across agencies and the private sector to respond.

Energy security plans are not a template of energy security -- excuse me -- emergency response protocols, they are not a one-for-one. As my colleague says, if you have read one plan, you have read one plan. Each state is unique.

Energy security plans are also not the same as an infrastructure owner's plan. States have a different perspective. They do not own or operate the assets. They have a wider outlook on consequences, and they imagine different strategies to respond.

So now that the states have these secure plans, energy security plans that are complete, we have learned these gaps and challenges in our review, and we are taking the next step with the plans. So under the continued leadership of CESER, which the undersecretary described in his testimony, our PNNL

research program supports regional risk guidance, technology assessments, mitigation, and in-depth technical studies. For example, we produce studies on refinery markets and fuel supply chain effects for Oregon, and worked with the Tennessee energy security leaders to document energy system performance in east Tennessee after Hurricane Helene.

So of particular interest to this committee, we want to empower state roles and expertise in cyber and in physical security of energy systems, and to this end we have held a state-focused cybersecurity conference in Utah, and we hope again in Wisconsin this spring. And I have another prop from our last conference. So once again, you can see that this is a deep technical work that we do with the states. And we have also initiated a working group on cyber and physical security in developing reference guides as we go.

So in closing, we cannot have national energy security without state energy security, and we look forward to advancing this important mission through the leadership of CESER and in partnership with the states.

Thank you for your attention, and I look forward to answering any questions you might have.

[The prepared statement of Ms. O'Neil follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Well, and thank you very much for your opening statement.

And Ms. Lotto, you are recognized for five minutes for your statement.

STATEMENT OF ADRIENNE LOTTO

*Ms. Lotto. Chairman Latta, Ranking Member Castor, and members of the committee, thank you for inviting me today to testify. My name is Adrienne Lotto, and I am the senior vice president for grid security, technical, and operations at the American Public Power Association, or APPA.

APPA is the voice of not-for-profit community-owned electric utilities that power 2,000 towns and cities nationwide. APPA represents public power before the Federal Government to protect the interests of more than 55 million people that public power utilities serve in 49 states and 5 territories. Public power utilities are load-serving entities with the primary goal of providing the communities they serve with safe and reliable service at the lowest cost.

A reliable grid is the lifeblood of the nation's economic and national security, and public power utilities take that and their responsibility very seriously. The three key pillars to grid security are, first, mandatory and enforceable standards; second, information sharing and public

private partnerships; and third, defense in depth and sector-wide exercises. To effectuate this, APPA strongly supports, first, the reauthorization of the RMUC program, or the Rural and Municipal Utility Advanced Cybersecurity Grant and Technical Assistance program; second, the replacement of CIPAC, or the Critical Infrastructure Partnership Advisory Council, by DHS; and third, regulatory harmonization.

The electric power industry works closely with the Federal Government, including NERC, FERC, DHS, and DoE's CESER, as the sector risk management agency, on matters of critical infrastructure protection. One important venue for this collaboration is the Electricity Subsector Coordinating Council, or the ESCC. The ESCC serves as the principal liaison between the Federal Government and the electric power sector, with the mission of coordinating efforts to prepare for and respond to national-level disasters or threats. APPA and public power utilities play a leadership role in the ESCC, which includes CEOs and trade association leaders. Their counterparts include senior administration officials from the White House, relevant cabinet agencies, Federal law enforcement, national security, and Director Fitzsimmons, who leads the CESER portfolio.

It must be noted that rescinding CIPAC protections in which the ESCC previously operated within -- without any replacement hinders the ability of industry to engage fully

with the Federal Government partners, and this includes information sharing program areas like ETAC, a matter before this committee today. Industry was apprised by DHS that the Administration's proposed CIPAC replacement is ready for publication in the Federal Register, and Public Power encourages the Administration to finalize it quickly.

Public power utilities also work very closely with state officials in the states in which we operate. As such, APPA is supportive of including distribution utilities in state energy security plans and in the Grid SECURE Act [sic].

And turning next to the RMUC legislation in detail, enacted in 2021, the RMUC program was authorized and appropriated $250 million in grants and technical assistance over 5 years to rural municipals and small, investor-owned electric utilities to enhance their security posture. APPA believes that this program is a once-in-a-generation opportunity to improve cybersecurity of under-resourced, not-for-profit utilities that should be extended and expanded.

Through RMUC, APPA received a 4-year, $4 million cooperative agreement to establish the Cyber Pathways program. This program is designed to support public power utilities with cybersecurity assessments, training, and a new cyber designation program to recognize utilities implementing cybersecurity best practices. The Cyber Pathways program focuses on resource-limited public power utilities,

connecting them with resources and improving their maturity and incident response capabilities.

In addition, APPA has also been selected for negotiation of another financial assistance award of $2 million over 4 years to test and improve cybersecurity incident response capabilities at 19 public power utilities. APPA believes there is much more work to do to build on the successes achieved thus far in the program and, as such, we strongly support the RMUC Act, which would reauthorize the program through 2030. We believe this funding will yield dividends to the nation's security far exceeding the initial investment.

Thank you again for your leadership and holding this hearing. We appreciate the bipartisan support and look forward to your questions.

[The prepared statement of Ms. Lotto follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. Well, thank you very much for your testimony, and we will be moving into the question-and-answer portion of the hearing. But I know in a couple of minutes here they are going to call votes, so I think we can do -- we can probably get two sets of questions in here real quick. So I am going to recognize myself for five minutes.

And Ms. O'Neil, my bill, the SECURE Grid Act, ensures state energy security plans take a holistic approach in securing interconnected energy systems and the potential for supply chain disruptions to cause vulnerabilities and security protocols. The growing digitization of energy systems will only require more collaboration between all parties to ensure a secure and resilient network. In your view, how does the SECURE Grid Act ensure states are considering all potential vulnerabilities in an increasingly interconnected and digitized energy systems?

*Ms. O'Neil. Thank you for the question, Chairman Latta.

The states, through the energy security plans that they have just completed, had to address cybersecurity by the law. They had to address the risks, and they had to profile sort of the state of knowledge. I will say that they worked in close partnership with CESER, as the undersecretary outlined, to understand some of those risks and the shape of those risks, and that state roles in cybersecurity are still

variable. I believe Representative Fedorchak referenced that. So they are still in a -- very much a state of learning and emerging understanding. The -- that is part of the work that we were describing before about having more working groups and more trainings. And this is a state of growth right now for those communities.

So the SECURE Grid Act makes it very clear that Congress would like to see the states pay more attention. This clarifies some of the roles for the states, that this is imperative for them, and it also clarifies over which part of the system that additional work should occur. So I believe the SECURE Grid Act does clarify congressional intent for these plans going forward, and that should increase the security of those systems.

*Mr. Latta. Well, thank you.

Dr. Melby, I have quite a few electric cooperatives in my district. And in fact, I think I have more electric cooperatives than anybody else in the State of Ohio in a congressional district. You were talking about, you know, the money that is going to be needed out there. And I know when I go through my electric cooperatives for visits, the amount of money that is being invested just to make sure they are cyber secure and to protect them -- but a couple of things that always come up. You know, when you are talking about the -- sharing the expertise and the dollars they have

to -- you know, two things always come up. You need the personnel and you have to have the training. So could you touch on those two points?

*Dr. Melby. Sure. So as you mentioned, sir, we are not-for-profit, at-cost utility providers. And so it is challenging for us because we need to be very discerning with the money that we spend, and we are committed and focused to securing the grid. And so, in order to be able to effectively do that, we need to have advanced training, we need to have developed skill sets, and we also need the process and tools and technologies necessary for cyber hygiene so that we can provide that collective defense.

And so, although electric cooperatives are committed to that, the best pathway for us to achieve that is through partnership, partnership with Federal agencies, partnership with our national trade association to help not only develop those skill sets, but to have the additional skill sets available to back us up when we need them.

*Mr. Latta. Okay, thank you.

Mr. Aaronson, in this new era of rapidly increasing electricity demand growth, we need to ensure that pipelines that fuel power plants are secure. How might efforts of the DoE to enhance visibility over the supply and delivery of fuels for power inform pipeline -- informed on the pipeline security?

*Mr. Aaronson. So I am going to evade the question a little bit -- I will say it on the front end -- to say how government wants to organize, to handle these issues is very much the prerogative of all of you and the government.

I will say the interdependency and reliance on pipelines for power generation shows a -- we, the Edison Electric Institute, and we, the electric power sector, have a vested interest in their success.

As Director Fitzsimmons mentioned, the Electricity Subsector Coordinating Council and Oil and Natural Gas Subsector Coordinating Councils are both firmly over at the Department of Energy. And so, from an operational standpoint, with respect to sharing of intelligence, with coordination, with exercises -- in fact, we conducted an exercise with our gas partners just this past August, the Edison Electric Institute did -- there is a lot of really good coordination happening there.

From a regulatory and oversight standpoint, again, that is going to be the prerogative of government. But at this point we are very comfortable with how effective the partnership has been between the electric and gas sectors.

*Mr. Latta. Well, thank you very much. And I know I have about 20 seconds left, but I am going to submit my other questions to you all in writing.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. And I will now recognize the gentlelady from Florida, the ranking member of the subcommittee, for five minutes for questions.

*Ms. Castor. Thank you, Mr. Chairman, and thanks to all of you for your testimony and advice to the committee.

Ms. O'Neil, your testimony relating to the state energy security plans is very interesting. States don't have all the resources in the world, however, so I imagine they are having to make certain determinations on where they are going to invest to keep the grid safe and their systems safe. In your experience working with the states, what do they rely on from the Federal Government when it comes to their security plans or their -- talk to me about the grants or the technical expertise from the Department of Energy. What else?

*Ms. O'Neil. Pardon me, the states have a deeply interconnected relationship with the Department of Energy across all fronts, across all parts of the agencies. I have worked in my capacity at PNNL in technical assistance for states that support, you know, good regulatory decisions or technology assessments.

So in this particular piece of energy security, CESER has a division that is explicitly focused on state, local, tribal, and territorial relationships. I believe that is addressed in a different bill in more detail. And that

program is dedicated to those relationships and bringing states what they need, leveraging the power of the Federal complex.

So in my program, what we focused on mostly was everything from helping states have good data to baseline their information on -- and again, across all sectors. And the sectors are really different, right, very different ownership structures, very different levels of visibility and interaction. So the states already know quite a lot. I will say the states already have really deep expertise, and some of the work we were doing was providing more of an opportunity to share that knowledge and put it in a comprehensive framework so that they could learn something new, right, so that the exercise becomes possible.

The Federal Government supports not just the work of building the plan, right, but everything that comes after building the plan. So there is a deep investment in states being able to resource effectively to have, you know, adequate tools, techniques, even software systems, right? There are so many things that the Federal Government will do. Director -- excuse me -- Undersecretary Fitzsimmons mentioned, for example, Eagle Eye, which is a capability that the Federal Government funds so that states can have access to real-time outage information at Oak Ridge National Laboratory.

So there is a very large range of ways that the Federal Government provides direct resources to the states, yes.

*Ms. Castor. Okay.

*Ms. O'Neil. Thank you.

*Ms. Castor. The -- you are also the principal investigator for PNNL Connecting Transmission Corridors Initiative, looking at public benefits that can be enabled through investments in power line corridors. Here we have a very -- our transmission infrastructure is aging. Mr. Aaronson talks about the greater complexity with virtual power plants, digitization, different distributed sources. How can transmission infrastructure and more grid connections enhance the state's energy security and overall grid reliability?

*Ms. O'Neil. Thank you for the question. It is an interesting one because states, states actually are the dominant entity that authorize transmission. So every state in the country has a different strategy. It is -- it could be consolidated authority, they could have a separate board that determines authorizations. And so a lot of state policy for transmission is executed through the regulatory authorities over transmission.

The part about planning or oversight, that would be some of my other colleagues here that could talk more about the ways that utilities sort of recognize reliability and

economics and do the technical work of planning for new transmission.

*Ms. Castor. And in the -- when we were working on crafting the Inflation Reduction Act and the Bipartisan Infrastructure Law, experts told us it was a good idea to give states and energy providers the tools they need to do the advanced planning, choose those corridors in advance, focus on them, and that would save customers and providers a lot of money. Is that the case?

*Ms. O'Neil. Certainly, transmission development takes a long time and costs a lot of money, right? And I think no one enters into transmission permitting lightly. It is challenging.

We have seen states flex some of their requirements, let's say, around whether or not to be -- create kind of -- fast track. Some states have that for -- if it is a minor update to a line or reconductoring, or something that is relatively small in scale, they might -- that is some of the ways that the states do it.

The other ways are to create more understanding around what does a transmission line look like in your community. By our analysis, I mean, millions and millions of Americans live within one mile of a transmission line. It is a pretty ubiquitous piece of infrastructure in the United States. Most people know exactly what it is and what it does. So the

work of the pre-planning is more to help people understand what it would mean to have a transmission corridor, feel more confident in the science, understand the purpose of the line, those kinds of things. And that is part of the research project that you mentioned before.

*Ms. Castor. Thank you very much. I yield back.

*Mr. Latta. Thank you. The gentlelady's time has expired and yields back.

And what we will do right now, we are going to take a brief recess because we have about nine minutes left in this vote series. And so we will be back. We will reconvene 10 minutes after the second vote is called. So we will take a brief recess and be right back. Thank you.

[Recess.]

*Mr. Latta. The subcommittee will come to order and will now resume the business of the subcommittee hearing. And at this time we will recognize the gentleman from Texas, the vice chairman of the subcommittee, for five minutes for questions.

*Mr. Weber. Ms. Lotto, I am going to come to you. In your testimony you raised the importance of natural gas for U.S. electricity generation. Can you please elaborate on how enhancing collaboration and coordination between the natural gas pipeline regulating agencies can improve not just what they are producing in terms of energy safely, but can also

improve both cyber and physical security practices?

*Ms. Lotto. Thank you for the question.

Certainly, we enjoy a really robust collaboration with DoE and the ONG SCC on natural gas owners and operators, together with electric power utilities. So anything that we can do to enhance and share threat information, vulnerability information, that will ensure that our members, the utilities, are working and understanding those threats across the full generation fleet, including natural gas is something that we are supportive of. So it is definitely something that is a system of systems from generation and transmission to distribution. CESER plays an important role, as do the electric utilities.

*Mr. Latta. Glad to see you shaking your head yes, Mr. -- Dr. Melby, I am going to come to you next. Electric cooperatives -- of course, what we call co-ops -- are not-for-profit utilities uniquely governed by their members and customers. I know I am telling Noah about the flood, right? The question is, how can co-ops balance the need for cyber and physical security upgrades without placing undue financial burden on their members, particularly in rural communities?

You know, I am from Texas. You know, you can always tell a Texan, you just can't tell him much. But I am from Texas, and we have some of those in my district.

But how do you do the upgrades without placing undue financial burden on members, particularly in those rural communities?

And what role does the Rural and Municipal Utility Cybersecurity program play in supporting that kind of delicate balance?

*Dr. Melby. Yes, sir. So I will share one thing that maybe not everybody knows about electric cooperatives, and that is that 92 percent of the nation's persistent poverty counties are served by electric cooperatives. And so the fiscal reality of the costs and the challenges of the cost to serve our members is very real for us.

The answer to some of those challenges is in shared services, where generation and transmission cooperatives collaborate more closely with distribution cooperatives, or maybe with statewide organizations and, of course, with our national trade organizations. And we see that through programs that NRECA has, like the Threat Analysis Center program or the Cyber Goals program, and also with programs like the -- our MUC, where we can fund and elevate and collectively raise the bar together for cybersecurity.

*Mr. Weber. Mr. -- is it Aaronson? Is that how you say that?

*Mr. Aaronson. Yes, Aaronson.

*Mr. Weber. Aaronson, that was my next guess. What

would you add to that?

*Mr. Aaronson. So I have been called worse, by the way.

First of all, I would say that we are very supportive of things like RMUC funding. I think the fact that the energy grid of North America is -- has thousands of owners and operators, some of them investor-owned electric companies that EEI represents, but cooperatives, municipals, independent power generators, our friends in Canada, given that it is the North American grid, we need a rising tide that lifts all boats. And because of that interconnectedness and interdependency, having the resources and sophistication of all players, whether it is industry or government, working collectively for that common defense is invaluable.

*Mr. Weber. Ms. O'Neil, I am going to come to you. What would you add to that?

*Ms. O'Neil. Thank you, but I have nothing to add to my colleagues' comments. Thank you.

*Mr. Weber. How about those Houston Texans? No, no.

Ms. Lotto, I am going to come to you. What would you add to that?

*Ms. Lotto. I concur with everything that was previously said. Enhanced coordination makes the most sense, and continuing to enhance that coordination between industry and government is just common-sense, good legislation.

*Mr. Weber. Absolutely. And you all know this. In the

rural area of the United States, that is where farmers and ranchers live. And so, so much of this is so important because basically they feed America.

You probably heard me say in the previous panel that the things that make America great are the things that America makes. And how do they do that? With a safe, reliable, affordable, dependable power supply. So what you all do and what we are working on today is very, very important.

Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentleman yields back and the chair now recognizes the gentleman from New Jersey's 8th district for five minutes for questions.

*Mr. Menendez. Thank you, Chairman.

The Infrastructure Investment and Jobs Act was a historic investment that authorized several key cybersecurity programs, some of which we are discussing today. Ms. O'Neil, can you briefly highlight how the requirements IIJA provisions on state energy security plan strengthen states' preparedness?

*Ms. O'Neil. Yes, sir. Thank you for the question.

So the exercise that I was describing in my spoken and written testimony is that states not only have to gather the entire profile of all of the energy sectors, including the suppliers of energy -- so they have to kind of know their names, where they are based, how much energy they are

supplying to where in their state across all sectors, but then they have to do an inventory of hazards and threats, which includes cyber and physical threats, man-made threats. And then they have to analyze the relationship between the energy sectors and those risks, those hazards. Sorry, they analyze the risks. And that is a complicated exercise.

So just the work of planning is a big deal, so the gathering of information, the analysis of information, and then the conclusion around what priorities do you want to place on which risks, and then what kinds of mitigation. And again, these are states so they don't fix the infrastructure directly, right, but they can enact policies, they can do studies, they can convene working groups. All of those things can be done in response to those risks. We saw states that were able to secure more staff for energy security because of the production of the plans. We saw legislatures investing more because they could read a plan and understand what the issues were.

One of the big things that we saw is the -- that the state agencies worked together because, as you know, energy security is multi-agency. And so for the states this was involving new partnerships across emergency response, regulation, you know, environmental regulation as well as utility regulation. And then some of the more traditional operators, like the State Energy Office, who might be the ESF

manager for certain things like fuels.

*Mr. Menendez. So it would be fair to say that it is a lot of work for states, especially when threats that we see on a daily basis that you all deal with on a daily basis -- we are seeing an evolving landscape. It is resource intensive, I think everybody would agree. It requires coordination across -- even within a state, state agencies, across different state lines, and with the Federal Government.

And my concern is with this Administration we are seeing a rollback of support from this Administration with respect to states and operators, and that is deeply concerning. And I will touch on that in a minute.

But for all of our witnesses, would you characterize the Rural and Municipal Advanced Cybersecurity Grant and Technical Assistance Program as a success? Just a simple yes or no, and we will go down the line.

*Mr. Aaronson. I don't have a ton of experience with it, but my understanding of the value to the rural --

*Mr. Menendez. Meaning yes?

*Mr. Aaronson. Leaning, yes. There you go.

*Dr. Melby. Yes.

*Ms. O'Neil. I am not involved.

*Ms. Lotto. Yes, absolutely.

*Mr. Menendez. Okay, great. And, you know, there is

many successes of the Infrastructure Investment and Jobs Act, and we want to see those be the foundation to continue to grow and all the work that you are doing. But are you all aware with how many Republicans that were in Congress at the time of the law voted to pass it that serve on this committee? Because the answer is none of them did, which is concerning because we have seen this Administration, Republicans, try to roll back -- I think because it was signed into law by President Biden, and they don't really like acknowledging the good work that that administration did, unless there is funding.

So did you know this, that every single congressional district has a project that has been funded by the Infrastructure Investment and Jobs Act? Did you all know that? So even in districts where the Member of Congress didn't vote for it, those districts and those constituents still benefit from this incredible law, despite Republicans trying to undermine it and wind back its successes.

And I want to build on this because we talked about the resource-intensive nature of the work that you are all doing in this evolving threat landscape. Do you think it is helpful to what you all are trying to do and what communities are trying to do when this Administration canceled more than $2 billion worth of funding for communities to harden their energy infrastructure? Would you say it is a good thing or a

bad thing? And we are going to go down the line again.

*Mr. Aaronson. You will notice I am not very good at yes-or-no questions, but --

*Mr. Menendez. This actually is a good or bad.

*Mr. Aaronson. Or good-or-bad questions or binary questions. I will simply say I think --

*Mr. Menendez. It is $2 billion, right? And we said it is resource intensive.

*Mr. Aaronson. And security is a team sport. And the more that we can be funding those -- that teamwork, the better.

*Mr. Menendez. I agree.

*Dr. Melby. I agree with Mr. Aaronson, and I also believe that we are focused on securing the grid, and we will use the resources available to us to do that.

*Mr. Menendez. Right. And listen, I know that you go -- people stretch their dollars a long way. But the more dollars and the more resources you have, especially, again, in an evolving threat landscape, good or bad to have $2 billion canceled?

*Ms. O'Neil. PNNL does not have a position on that, I am sorry.

*Mr. Menendez. Well, I will just put you down for very bad.

*Ms. Lotto. It is my understanding none of the funding

was involved -- cyber and physical security. So from an APPA position --

*Mr. Menendez. Right, but dollars are fungible, right? So when you are thinking about all these agencies have to figure out all the different threats that they have, whether it is cybersecurity, whether it is to changes in environmental patterns, et cetera, like, the money needs to be there to prepare our communities to take on these threats.

*Ms. Lotto. Certainly, the Federal funding, particularly the RMUC funding, has been utilized by public power utilities and has been very helpful.

*Mr. Menendez. All right, I appreciate all the work that you guys do. Thanks so much.

I yield back.

*Mr. Latta. The gentleman's time has expired. The chair now recognizes the gentleman from Alabama's 6th district for five minutes for questions.

*Mr. Palmer. Thank you, Mr. Chairman, and I thank the witnesses. I want to focus a little bit on the fiscal security of the grid.

I think all of you may remember there was an attack on the transformers in North Carolina. There was two different facilities where someone who was obviously an expert marksman, also understood exactly where to place the shots took down several transformers. My concern about this is our

supply chain issues. I mean, this wasn't like you just go out and open up a garage somewhere and start pulling transformers out and put them back.

And one of the things that I have been looking at is the delay now in getting transformers. On the procurement side it is about four years. Mr. Aaronson, I would like for you to comment on this, because I am very concerned. And we had attacks in, I think, 15 or 16 -- maybe more than that -- attacks in the months leading up to the successful attack in North Carolina. Do you have the same concerns that some of us have about supply chain issues?

*Mr. Aaronson. It may surprise you to hear I have less concern about the supply chain, but more concerned about the proliferation of those attacks. You go back to 2013. There was the Metcalf substation shooting. You had the two in Moore County, North Carolina, and there were a couple others that I could refer to.

First of all, I think what is interesting about those is the Metcalf substation shooting did not result in any power outages. I think that shows the resilience of the system.

The Moore County incident with two separate substations, 40,000 people lost power for 4 days. That showed the extraordinary work to respond and recover.

Given these are soft targets that are all over the communities, it is going to be very hard to defend everything

from everything all of the time.

From a supply chain standpoint, what I would say is the electric power sector has built out some spare equipment sharing programs. EEI specifically started something called STEP, the Spare Transformer Equipment Program, and also built on that something called Spare Connect. So we have the capacity to move material and equipment to support response to these incidents while we then buy or procure these longer-lead-time assets.

So I do have some concern with the supply chain standpoint, just given all of the growth that we are seeing across the industry and the need for these very hard, long-lead-time -- hard-to-build, long-lead-time pieces of equipment. But from a response to physical incidents perspective --

*Mr. Palmer. Well, the --

*Mr. Aaronson. -- we are pretty well spared.

*Mr. Palmer. If all of those attacks that took place that year had been successful, we would have been in a really bad place because -- you call it equipment sharing programs, I call it scavenging for parts. That is basically what they had to do in North Carolina, and it was -- they did a remarkable job in restoring power in four days.

But the other thing about it is -- and I keep saying this over and over again -- we are in an arms race for

artificial intelligence with China, and whoever wins this will not be a superpower. They will be the superpower. And they have an inordinate amount of control over the supply chain for the very -- for the things that we have to have to build out our power grid. Ms. O'Neil, would you like to comment on that?

*Ms. O'Neil. Thank you for the question there. I was nodding my head because it is trade-offs, right? I mean, there is more accessible, cheaper materials in certain places, but they introduce new risks, right?

So we talk a lot about how to build a more cyber-aware system. You sort of have to start from the ground up, right? You have to build with security in mind and resilience in mind. But there is always these trade-offs you are managing between efficiency and security.

*Mr. Palmer. And you -- we are dependent on things, though, for our own -- for -- even on the cyber side. Refined rare Earth elements, for instance. China had said that they were going to impose an embargo that would have started December 1. We cut a deal with them, and they postponed that for a year. If we do not secure our own supply chain, our grid is in peril, as is -- as will be a number of other -- our military, our economies. And it is not just a U.S. problem, it is a Western Hemisphere problem.

So those are some of the things that I -- that we are

trying to address through this committee that we think are of paramount importance. Obviously, as I mentioned in the first panel, the attack on the Colonial Pipeline, the cyber threats. But we have also talked about the potential for an EMP event, which pretty much put everybody out of business. I just think we are not paying enough attention to the supply chain issues in the event of successful attacks against our grid and the ability to get things back up and running in a timely manner, and also in overall efforts in the data centers that we have got to build to compete in this artificial intelligence arms race.

Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentleman yields back the balance of his time. The chair now recognizes the gentlelady from California's 7th district for five minutes for questions.

*Ms. Matsui. Thank you very much, Mr. Chairman, and I want to thank all the witnesses for being here with us today. And I want to thank Chairman Latta also for holding this hearing and for working with my office to advance the SECURE Grid Act.

Our nation runs on electricity. Our economy, our standard of living, and sometimes our lives depend on a reliable electric grid. But our electric grid faces growing threats from cyber and physical attacks and from severe

weather and wildfire exacerbated by climate change. The SECURE Grid Act would reauthorize a section of the Bipartisan Infrastructure Law that requires states to develop state energy security plans to identify, assess, and mitigate risks to the electric grid and make contingency plans for grid emergencies. States can use the State Energy Program funding to develop, revise, and implement these plans.

It is crucial for the Federal Government to continue to support states in preparing for and hardening their electric grid against all cyber and physical threats. However, this section of the law lapsed in October 2025, so I am glad to work with Chairman Latta to reauthorize the state energy security plans and continue to support states' efforts to maintain the security and reliability of the electric grid.

Ms. O'Neil, PNNL helps states in developing their state energy security plans. Do you think this program has been effective in helping states to improve their risk awareness and readiness to respond to emergencies?

*Ms. O'Neil. Yes, Representative, I do think it has been effective. We see that in the way that the states are using the plans and the fact that, by a certain time of -- after two rounds of review and two years of effort, that they have -- all have completed plans. They did not start two years earlier with those plans being at that level of rigor. And after this review and this effort and the Federal

investment, they all have -- 56 plans are --

*Ms. Matsui. So you really do think it would be helpful to extend this program and to require states to maintain and regularly update their energy security plans?

*Ms. O'Neil. So the states -- you know, as I mentioned, it took a lot of work to do this plan. And so the regularity, you know, is a good question. Most states commit in their plans to revisiting them within five years because of this rate of change of energy information, among other things.

And there also are anticipated -- you know, through the plans they determine what trends that are of greatest concern to them, right, and so they do want to --

*Ms. Matsui. Sure.

*Ms. O'Neil. -- look again and make sure that they are tracking correctly. Or there might be other reasons why they need a more current plan in order to make a decision.

*Ms. Matsui. Absolutely.

*Ms. O'Neil. So there is a lot of need for regularly revisiting the plans.

*Ms. Matsui. Thank you.

Ms. Lotto, much of my district is served by public power: the Sacramento Municipal Utility District, or as we call it, SMUD. From your perspective, what value do state energy security plans provide for public power utilities?

*Ms. Lotto. They provide a tremendous amount of value. So the system is a system of systems, right, from generation to transmission to distribution. And so ensuring that the full community, the full -- all of the utilities that serve that area, including SMUD, have a seat at that table when state energy security plans are being drafted is critically important.

*Ms. Matsui. Absolutely. States have a particularly important role to play in protecting local distribution systems which are not regulated by the Federal Government. Ms. O'Neil, how do cyber threats to local distribution systems differ from threats to the bulk power system?

And what threat do cyber attacks on local distribution systems pose to the bulk power systems?

*Ms. O'Neil. Thank you for the question, Representative.

Well, the transmission infrastructure is really very different in a lot of ways. Yes, it conveys power, but of course the bulk power system is a network that is managed very closely and has very tight oversight distribution systems. I think this was described earlier by the undersecretary. It might have fewer points of oversight in them, and obviously carry, you know, sort of -- they don't -- they aren't the backbone of the nation's electrical grid.

However, that doesn't mean that they aren't an important

piece of the puzzle, as you point out, for cybersecurity, and so --

*Ms. Matsui. Sure.

*Ms. O'Neil. -- that is why we are revisiting some of the of the legislation today.

One of the things that we are aware of is that distribution systems also represent a really diverse, you would say, a tax base.

*Ms. Matsui. Right.

*Ms. O'Neil. So there is a lot about distribution systems that vary, where transmission systems might be a little bit more homogeneous. And so that is why you have models like RMUC and others.

*Ms. Matsui. Right. Thank you very much. I have a quick question here for Mr. Aaronson about after disasters.

Mr. Aaronson, how can utilities ensure they have enough spare equipment to rebuild after disasters?

*Mr. Aaronson. So the industry, as I mentioned earlier with respect to physical threats, does have a robust spare equipment sharing program. Many companies who operate in high-risk areas, whether it is wildfires or hurricanes or ice storms, will maintain storm stock with the anticipation that they are going to have to rebuild their system under duress. And so there is an extraordinary amount of planning that goes into that kind of emergency response.

*Ms. Matsui. Well, thank you very much.

And I ran out of time, so I yield back.

*Mr. Latta. Thank you. The gentlelady's time has expired. The chair now recognizes the gentleman from Kentucky, the chairman of the full committee, for five minutes for questions.

*The Chair. Great, nice to have you guys here. I appreciate you being here for the afternoon.

So this is -- I am going to ask each of the panel, but Ms. O'Neil, I am going to give you a specific way to address it when you -- when it gets to you, okay? But we can just start from left to right. So, you know, we have our race with China. It is critical for our economic and national security, and we must confront the use of AI by adversaries like China to be able to attack and disrupt our critical energy systems. They are able to do that. And these are fast-moving, evolving threats.

So would each of you briefly talk about your work with DoE and other agencies to stay on top of these threats, and how the bills today help advance energy sector? So how do we stay ahead of the threat of China using AI to attack our grid or other adversaries, and how do you work with Energy and what other things would you -- and Ms. O'Neil, when it gets to you, if you would, just what role the national laboratories play to share information about AI risk and

energy sector.

All right, you start.

*Mr. Aaronson. So I will start by saying that supply chain risk is a risk to national security. And I agree with the statements that have been made. We have a national security imperative to win at AI. AI needs data centers, data centers need electricity, electricity needs infrastructure, and infrastructure needs supply chains to support that.

I will very ironically borrow a Chinese proverb. The Chinese proverb is the best time to plant a tree was 30 years ago; the second best time is today. The best time to combat Chinese industrial policy was 30 years ago; the second best time is today. So when I think of security of supply chains, it is security, it is things like the CyTRICS program, which has been referenced today, which is looking at material and equipment to make sure it does not have backdoors or other latent malware that could potentially put us at risk. But I also think of it in terms of availability. Should China choose to stop sharing rare Earth minerals, for example, that puts a strain on our ability to operate the grid.

So we need to be thinking holistically about manufacturing capacity to support electricity, support data centers, to support AI as a national security imperative.

*The Chair. Dr. Melby, your answer on this.

*Dr. Melby. Yes, sir. So from the perspective of electric cooperatives, we are not-for-profit, at-cost providers of electricity. And our partnership with DoE is very valuable to us because it helps us gain access to information sharing, coordination at multiple levels, and it helps us to take a holistic approach to manage the risks, threats, and opportunities that it takes to be able to manage something like this in this threat environment. But we are indifferent to where the threat comes from. It is all threats. It is all nation-state actors, everything that we face. It helps us maintain a more resilient posture.

*The Chair. And again, the role natural laboratories can play in this.

*Ms. O'Neil. Thank you for the question.

The national laboratories have been working in artificial intelligence for a very long time, right? The supercomputers that we have, this is -- AI has been a kind of a cornerstone, bedrock. We have had a center for AI at PNNL for a very long time.

I will say that we are following the lead of the Department of Energy. The department has, I think the undersecretary mentioned, the AI FORTS program that has recently been initiated which is specifically about using AI in order to address energy risk and advance energy security. PNNL also operates programs that were mentioned, like

CyTRICS, and we do reviews of supply chains, to Representative Palmer's point. And then again, we provide technical assistance to states because it is impossible to have that level of expertise in computational skill everywhere, and so it is important that the national laboratories be made available to others that need that information.

*The Chair. Okay, thank you.

Ms. Lotto?

*Ms. Lotto. Thanks for the question. So a couple of things to mention here.

First, in terms of the ESCC, the ESCC regularly gets threat briefings. And for the last two years now that has included a threat briefing as it relates to artificial intelligence to keep the CEOs apprised of the risk and to stay ahead as they are making risk-informed decisions in their utilities.

We are also in regular communication with DoE and the DoE national labs on what work is being done in AI from the electric grid perspective, both offensive and defensive, to see if there is opportunity for partnership.

And then certainly last, but not least, programs like the RMUC enable utilities to protect against all threats and hazards, which also include supply chain risks.

*The Chair. Thank you. And I have another one for the

panel, but not enough time for you all to answer.

But -- so all the bills today reflect measures that would support constant learning and improvement, whether through improved leadership assistance and sharing coordination. How would these bills be useful to strengthen your work to safeguard and respond to threats, Mr. Aaronson and Dr. Melby? If we can --

*Mr. Aaronson. I will be quick.

*The Chair. -- go as fast as we can go.

*Mr. Aaronson. I will be super quick. They are all very valuable. In particular, the Energy Threat Analysis Center, codifying that particular function has been really -- it has already shown value, and I think giving it resources and that codification is only going to help.

*The Chair. Okay. Dr. Melby?

*Dr. Melby. Yes, I will also be brief. Anything that helps us have better information more quickly helps us respond faster and better and more broadly to the threats that we face.

*The Chair. Okay. I don't know if the indulgence for a couple more -- my time has expired. We may hopefully get to the answers as we go.

I yield back.

*Mr. Latta. Thank you. The gentleman yields back. The chair now recognizes the gentlelady from Washington's 8th

district for five minutes for questions.

*Ms. Schrier. Thank you, Mr. Chairman, and thank you to our witnesses today for this really important discussion.

Also, I have to say, Ms. O'Neil, thank you for being here. Thanks for making the trek from Washington. And I want to tell you just how impressed I was when I had the opportunity to visit PNNL and see the work that you do. And I think it is one of the greatest investments that our nation makes. So thank you.

Just last month this committee had a hearing on the status of U.S. grid security and resilience, and heard from experts about how the level of energy security varies not just from state to state, but from utility to utility, and how that presents vulnerabilities. And we really need to kind of get everybody up to the same level. And so I wanted to ask about these Federal efforts to ready states in the face of increasing cyber threats and physical threats, and possibly now even more coming up -- we had a question about that in our last panel.

Thanks to the Bipartisan Infrastructure Law, states developed the state energy security plans to establish an energy security and resilience blueprint which included a path to secure energy infrastructure against these kinds of threats. And that initiative just sunsetted this last September. And the SECURE Grid Act, which is what we are

discussing today, would reauthorize the program.

Ms. O'Neil, you have extensive experience. You talked about helping states do this. I am super happy to hear you just answer a question that this has been really successful and it has really illustrated a lot of what states need to be prepared for. So that is getting to the plan part. Next, of course, is the implementation. And I was wondering if you could talk about maybe some hurdles there, and how the Federal Government can help move this from a plan to done. Or to on the path to that.

*Ms. O'Neil. Yes, right, I mean, energy security, you are never done, right? Always the threat landscape is changing. And of course, the nature of hazards when they occur in the West, wildfire, everybody is paying a lot of attention to the threat landscape and the hazard landscape, and that is why we have threat sharing and so forth.

The energy systems that the states are very focused on, of course, also -- one of the things that they -- that is really technically difficult is to think about the interdependencies. But of course, that is one of the things we need the states to pay attention to because no one else does.

So some of the work that we are doing is to look at the seams. So because the asset owners themselves have a very good understanding of their own systems -- so the kinds of

questions that the states are interested in have to do with what is a cascading consequence, or what is the relationship between the water and the telecommunications sector and the energy sector that I need to be paying attention to?

So some of those interdependencies are actually very technical in nature, and some of the studies that we have done are everything from helping -- I mentioned before the State of Oregon is dependent entirely on Washington for its refining capacity, and so we have done a study with the State of Oregon to look at the supply chain limitations, transitions in refinery business situations, and just how to be more aware of not only whether something could happen, but what are the downstream effects, and then what is the kind of response that the state needs to take.

So all of those have -- you could paint a picture in your mind, I think, about all the ways that the Federal Government can support and enable some of those outcomes for the states.

*Ms. Schrier. And actually, this is not theoretical. We just had an issue with getting jet fuel to the SeaTac --

*Ms. O'Neil. Yes, we did.

*Ms. Schrier. -- airport, and that -- it was very dependent on one pipeline.

*Ms. O'Neil. Yes.

*Ms. Schrier. And it took a lot of effort to get it

together.

My other question -- and I talk about transformers a lot here, just because we have such a shortage. And Mr. Aaronson, you just talked about the kind of sharing program that -- like, one area needs it, another area can send. But we could have attacks in multiple places, and we have this shortage, and it turns out it is not as simple as just saying, oh, we are just going to invoke the Defense Production Act and make a whole bunch because it turns out, as you know, there is thousands, and these are all individualized to each independent utility.

And I was wondering -- I only have 39 seconds left, but could you talk about, like, have you thought about how we could address this in a way that could help nationwide?

Should we be working towards standardizing this issue?

And I can have both of you comment, but Mr. Aaronson first.

*Mr. Aaronson. So a couple of things. From a standardization standpoint, there is some value to standardization because then sharing is a little bit easier. But with standardization comes a lack of biodiversity. And biodiversity in and of itself actually creates some resilience, so it is not as simple as that.

You hit on something really important: moving these things around. Like, these -- so interdependencies -- talk

about interdependencies with transportation infrastructure. These things are the size of a school bus and weigh thousands of tons. It is not as simple as it sounds to move them around.

So we have spared to N minus one minus one, which means that you can lose one, share it, and still lose another part of your system and still be able to operate.

Another thing to think about is, on that really bad day, prioritization of who gets that resource. So there was an exercise many years ago -- I will just make one up. Pretend that Pittsburgh --

*Mr. Latta. I am sorry, the gentlelady's time has expired and she yields back.

*Mr. Aaronson. I will do this for the record.

[The information follows:]

**********COMMITTEE INSERT**********

*Ms. Schrier. I know what you are going to say, though.

*Mr. Latta. And the chair recognizes the gentleman --

*Ms. Schrier. Yes, yes, highly populated, less populated --

*Mr. Aaronson. Who makes the decision --

*Mr. Latta. In the conclusion I will also bring up about we are going to have a lot of written questions for you all, so thank you.

The gentleman from Georgia's 12th district is recognized for five minutes.

*Mr. Allen. Thank you, Chair Latta, for continuing this important hearing. I want to thank the witnesses for testifying on this second panel.

I mentioned the first panel how critical it is to secure our energy infrastructure from cyber and physical threats. Obviously, we are going to have a tremendous demand for electricity and the growth of electricity in this country if we are going to continue our efforts at national security and safety of the American people. We are considering many bills here today to ensure our energy infrastructure is protected against these threats.

Mr. Aaronson, let's talk about industrial control systems. How can the government work to assist in securing industrial control systems?

*Mr. Aaronson. That is a question we do not have enough

time to completely answer. But, look, the industry already has mandatory, enforceable cybersecurity standards for the bulk electric system, which includes many industrial control systems, and what I would say are probably the most valuable industrial control systems.

There is sort of a theory in security: you protect diamonds like diamonds; you protect pencils like pencils. There are aspects of the bulk electric system and some of the control systems that operate it that are those diamonds. Those are single points of failure that are the most important. And so our companies recognize that, and already are working or already have secured them extensively.

I will also say that this goes to there aren't single points of failure, and Ms. Lotto hit it really well. It is a system of systems, and so there are a lot -- there is a lot of redundancy inherent.

And then the last thing, as far as what government can do to support, it is all of this information sharing. It is all of this intel sharing. Undersecretary Fitzsimmons hit it, as well. The private sector is really good at operating the grid. We don't have intelligence-gathering capability, per se.

*Mr. Allen. Right.

*Mr. Aaronson. And so having government have that visibility and sharing it with us and us being able to tell

government what works and what doesn't to mitigate those threats has been an invaluable partnership that has grown up over the last decade or so.

*Mr. Allen. Well, the Cyber Center of Excellence, it is located at Fort Gordon in my district. So they have got an eyeball out there on everything. So I hope that, you know, the government is cooperating with all of our operators to make sure that we secure this.

Ms. Lotto and Mr. Melby, my district is home to many rural communities. And the Municipal Utility Advanced Cybersecurity Grant and technical assistance program and other programs help their work on protecting industrial control systems. Tell me how we are working together to get that done.

*Dr. Melby. So through the use of the funding from that program, Dairyland Power Cooperative is working with 20 distribution cooperatives to implement advanced security protection capabilities. Those collective capabilities help us raise the bar for defense of those utilities, and it brings us additional visibility and situational awareness.

*Mr. Allen. Okay. Ms. Lotto, any follow-up on that?

*Ms. Lotto. Yes, sir. Thank you for the question.

So in addition to the work that NRECA is doing, APPA likewise is doing work to protect the grid against cyber threats, including through the funding that the RMUC program

has provided.

So we have cybersecurity threat assessments that are taking place. This will enable our public power utilities to understand what areas of the grid are most vulnerable, and then aligning them to resources. That resources -- those resources could be in the form of training, it could be in the form of technical deployments, or it could be just helping with the cyber incident response playbook.

So to the point that was raised earlier, it should enable all boats to rise.

*Mr. Allen. Ms. O'Neil, Mr. Aaronson, and Ms. Lotto, the Savannah River National Lab is adjacent to my district. As I mentioned in the first panel, national labs play a critical role in grid security. How can national labs be leveraged to use their trained cyber operators to enhance security operating technologies?

Ladies first, I guess.

*Ms. Lotto. Sure, thank you for the question. So I think the most important part for the DoE national labs, whenever they are funding a particular program, is to continue to work with industry and -- so that industry can have a voice at the table.

Often times research can turn into a bit more of a research project, but when industry is at the table we can ensure that the voice of industry is well known, it is well

heard, we can bring our problems, and then the DoE national labs bring those -- that technical assistance and that expertise to bear so that we have the most impact to solve and mitigate risk.

*Mr. Allen. Okay, I am -- I got nine seconds. Could you all submit that in writing to me, the answer to that question, so we can continue on? Thank you so much.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Allen. And I yield back, Mr. Chairman.

*Mr. Latta. Thank you. The gentleman yields back, and the chair now recognizes the gentleman from Ohio's 12th district for five minutes for questions.

*Mr. Balderson. Thank you, Mr. Chairman, and thank you all for being here today. My first question is for Mr. Aaronson, and we talked a little bit about this with the first panel, Mr. Fitzsimmons.

The Department of Energy's Energy Threat Analysis Center, or ETAC, serves as a central hub for analyzing threats to America's critical energy infrastructure, yet only a small number of energy companies are direct participants in ETAC. Can you elaborate on how ETAC provides value to the energy sector as a whole, even for those utilities who don't directly participate in this program?

*Mr. Aaronson. Thanks for that. So a couple of things to say.

It started with four pilot companies. I believe it is up to about 17 participating right now. I don't know what its growth -- what its -- what the plan for growth is, but already with those 4 and 17 companies who maybe have more resources and the ability to participate, have found extraordinary information, have been able to then socialize it through the Electricity Information Sharing and Analysis Center.

So it is actually a great sort of model, where those who have the capacity to support ETAC are participating, and the things that they find are then able to be socialized to the rest of the industry so that they can take action on those findings.

*Mr. Balderson. Thank you, and that was going to be my follow-up, so you answered that. Thank you.

Switching gears here just a little bit because I wanted to get this question in because there are many co-ops in the congressional district that I represent, so Dr. Melby, this question is for you. Rural cooperatives face unique challenges, as your infrastructure can cover thousands of square miles with few customers per mile. Can you discuss the difficulties co-ops might face protecting your rural and remote infrastructure? So that is one.

And then, and how can Congress and relevant Federal agencies support your efforts to protect against physical and cyber attacks to your infrastructure?

*Dr. Melby. So when you talk about the thousands of miles of line in rural areas that we support, that challenge becomes a vulnerability and a resilience challenge.

From a cybersecurity standpoint, you know, really, the best way to help us increase our collective defense is through projects or programs like the RMUC program. It allows us, you know, with those $250 million, to help protect

many co-ops in our system, many co-ops nationwide. And at a broader level, NRECA, through Project Guardian, can help provide self-assessment tools, tabletop exercises, information sharing, and training. It becomes a high-impact, low-regret investment that helps us raise our bar.

*Mr. Balderson. Good. Okay. I want to do another question that will include you, Doctor, and then Ms. Lotto, and I will have you go first. Ladies first, as Mr. Allen said.

I would like to follow up on an issue I discussed with the undersecretary during this morning's first panel hearing. Last year NERC released a Reliability Insights report on the interconnector gas and electric systems. While this report focuses on the physical and operational threats and concerns to the interconnected gas and electric systems, the paper notes ensuring the resilience of natural gas storage, pipelines, compressor stations, and liquefied natural gas facilities is essential for the electric industry to meet its reliability obligations.

Dr. Melby, it is my understanding that the Dairyland Power portfolio includes several natural gas facilities that generate well over 1,000 megawatts of power. After Ms. Lotto, could you also, Dr. Melby, can you discuss the impacts to your customers and your operations if bad actors were able to take out -- significantly reduce the delivery of natural

gas to power plants and end users in Dairyland's footprint?

It might be easier for you to answer first, Dr. Melby.

I apologize, Ms. Lotto, so --

*Dr. Melby. So I will just be very clear, sir.

*Mr. Balderson. Thank you.

*Dr. Melby. I am an expert in technology. I am a chief information officer.

*Mr. Balderson. Okay.

*Dr. Melby. And to my knowledge, Dairyland does not own a pipeline ourselves, but we recognize that those pipelines are important for the operation of our plants that use natural gas.

*Mr. Balderson. Thank you. I appreciate that.

Ms. Lotto?

*Ms. Lotto. As we have spoken about earlier today, the grid is an interconnected system. So anything we can do to enhance the coordination between our natural gas plant facilities that may or may not be owned by different -- it depends on where you are in the sector, but by electric utilities and ourselves, APPA is fully supportive of.

So just understanding the threats against all of our critical infrastructure is critically important, and we are very grateful at APPA to have a good relationship with the ONG SCC, and are regularly invited to attend their meetings, as well.

*Mr. Balderson. All right. Thank you very much. Thank you all for being here today.

I yield back, Mr. Chairman.

*Mr. Latta. Thank you. The gentleman yields back, and the chair now recognizes the gentlelady from Tennessee's 1st district for five minutes for questions.

*Mrs. Harshbarger. Boy, I timed that perfectly. Thank you all for being here today. I want to start with Mr. Aaronson.

How quickly can ETAC analyze and distribute information in response to acute threats?

*Mr. Aaronson. So I am not intimately familiar with their operations, but I will say a couple of things. The industry and government sitting side by side allows them to be incredibly nimble. And there have been examples, as I said in my opening testimony, with respect to the beginning of the Russia-Ukraine war, some of the other incidents that have generated some concern about potential risk here at home for hunt guides and mitigation strategies coming out of government based -- or coming out of ETAC based on government intelligence very, very rapidly.

So I would say quickly for some information and then, you know, developing some just exquisite capabilities over the course of a little bit of time.

*Mrs. Harshbarger. Okay. Thank you, sir.

Ms. Lotto, can -- well, you mentioned there is still work to be done that could be supported by the RMUC program. Can you tell us what the members would like to see accomplished with this reauthorization?

*Ms. Lotto. Thank you for the question. Certainly.

So as I mentioned in my written testimony, we are awaiting to negotiate an additional $2 million award with the department. That award alone would help 19 public power utilities provide and create cyber incident response capabilities --

*Mrs. Harshbarger. Yes.

*Ms. Lotto. -- so that not if, but when a cyber incident attack occurs they will be able to provide reliable service and restore power as quickly as possible.

In addition, the work is already ongoing now to conduct cyber risk assessments at a number of public power utilities, and that is critically important so that we can identify where the resources are needed. And then APPA, working with our members and the DoE itself and the national labs, can create resources to help public power utilities mature in areas of cybersecurity. So the RMUC funding is greatly helpful.

*Mrs. Harshbarger. Okay. Thank you, ma'am.

Dr. Melby, we heard last month about how electric co-ops are working to secure the grid, and the importance of the

rural and municipal utility cybersecurity program. Can you tell us how Dairyland and other electronic -- or electric cooperatives are using the rural and municipal utility cybersecurity program to improve their cyber defenses?

*Dr. Melby. Yes, Congresswoman, thank you for your question.

So of the $250 million program, Dairyland Power Cooperative has been awarded $3.5 million. And with that $3.5 million, 20 of our member distribution cooperatives will be implementing advanced technology that will help us provide advanced cyber defenses. Those collective technologies are things like intrusion prevention, managed detection and response capabilities, the ability to do vulnerability assessments, and essentially to give us visibility across that entire footprint so that we can have real-time situational awareness of the threats that we are facing, and help us have a more rapid, better response to those threats.

*Mrs. Harshbarger. Yes. It is amazing. You don't know what the threats are when you go to some of these nuclear facilities, things like that, trying to get in is a fee, but it didn't used to be that way. It is a little bit crazy.

Ms. O'Neil, are energy technologies manufactured in the U.S., including battery energy storage systems, are less vulnerable to cyber threats and technologies manufactured by foreign adversaries?

*Ms. O'Neil. Thank you for that question.

I am very aware that there has been some excellent work to document not just assembly, but manufacturing and the entire supply chain for devices, everything from drones, all components of the grid, and then to understand the cyber implications and vulnerabilities of those systems.

So, you know, the Department of Energy has invested in American-made equipment, as well as even just sort of fundamental electrochemistries, how do we build those at home in order to be less reliant on the Chinese supply chain.

*Mrs. Harshbarger. You know, I have asked -- I am in Tennessee, where TVA is at.

*Ms. O'Neil. Yes.

*Mrs. Harshbarger. And you walk into some of their dams to look at some of those facilities, and I am, like, are you EMP-proof? They are, like, well, some places you could walk right in.

So -- but I know that it is the only place in the country, if everything goes to pot, you can look down in one place and see the lights on. So with that, Mr. Chairman, I yield back.

*Mr. Latta. Thank you. The gentlelady yields back, and the chair now recognizes the gentleman from Pennsylvania's 13th district for five minutes for questions.

*Mr. Joyce. Thank you, Chairman Latta and Ranking

Member Castor, for continuing this important hearing. And thanks, thanks to our witnesses for being here today as we examine this set of timely and necessary legislation to improve security across our energy infrastructure.

Earlier we heard from Mr. Fitzsimmons on how the Federal Government can work in coordination with local stakeholders to help mitigate the resource gap faced in rural areas, rural areas like I represent in central Pennsylvania. Now I would like to focus on how Federal programs can be responsive to the good work that rural utilities and cooperatives are already doing, and work to aid ongoing efforts rather than prescribing a one-size-fits-all approach, which all of you have testified will not work.

Dr. Melby, as it is currently organized, does the RMUC Grant and Technical Assistance program effectively coordinate with rural electric co-ops in order to provide the most relevant technical assistance?

*Dr. Melby. Yes.

*Mr. Joyce. Do you see any opportunities for improvement?

*Dr. Melby. From a programmatic standpoint, I think that it is addressing the right things. So I do not. I think that it is important for us to make sure that those funds are available to us to be able to implement the technologies that we have applied for.

*Mr. Joyce. Do you feel that the technologies that are applied -- that you have applied for, that with appropriate funding that you can keep up?

*Dr. Melby. Yes.

*Mr. Joyce. How does the technical and the financial assistance provided by the program allow for necessary security upgrades? Talk to us. Get into the weeds that the security is so necessary while protecting affordability at the same time for the customers.

*Dr. Melby. Yes. So as a not-for-profit, at-cost utility provider, everything that we spend money on comes out of the pockets of our members. And so we are known for doing a lot with what we have, and making do with what we have available to us.

When it comes to cybersecurity, there is a baseline that we need to maintain. And all electric cooperatives are not created equal. All electric cooperatives do not have the same fiscal capabilities.

*Mr. Joyce. So that one-size-fits-all does not work.

*Dr. Melby. That is correct. And we -- one-size-fits-all does not work. But if we can allow them the means to raise the bar to the same collective level so that we can achieve that baseline together, we will be successful together.

*Mr. Joyce. So by seeking out more opportunities to

leverage public-private partnerships, the Federal Government can be a partner, a partner in keeping the costs down while securing the grid, especially in rural areas.

As I mentioned earlier, south central Pennsylvania rural electric co-ops like the Adams Electric Co-op work hard to provide safe, reliable power at competitive rates, and I look forward to working with them and with this committee to help bolster their great work.

Thank you all again for being here today.

Mr. Chairman, I yield back.

*Mr. Latta. Well, thank you. The gentleman yields back the balance of his time.

And seeing no further members wishing to ask questions, to our witnesses, I want to thank you all again for appearing before us today. You can all tell from the -- you are -- just not your testimony, but also the questions that were asked by the subcommittee members how important this is. So we really appreciate your testimony today.

And members may have additional written questions for you, which I am sure they will, and I want to remind members that they have 10 business days to submit additional questions for the record. And I also ask the witness to do your best to get those responses back within 10 business days upon receipt of the questions.

The chair would ask unanimous consent to insert in the

record the documents included on the staff hearing documents list and those that were included earlier, and also the statement from the gentleman from North Carolina's 9th district, so -- for his statement that he has.

Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Latta. And without objection, the subcommittee is adjourned.

[Whereupon, at 1:22 p.m., the subcommittee was adjourned.]