

1 Diversified Reporting Services, Inc.

2 RPTS EUELL

3 HIF106030

4

5

6 THE FISCAL YEAR 2027 DEPARTMENT OF ENERGY BUDGET

7 THURSDAY, APRIL 16, 2026

8 House of Representatives,

9 Subcommittee on Energy,

10 Committee on Energy and Commerce,

11 Washington, D.C.

12

13

14

15 The subcommittee met, pursuant to call, at 10:01 a.m. in
16 Room 2123, Rayburn House Office Building, Hon. Robert E.
17 Latta [chairman of the subcommittee], presiding.

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

24 Staff Present: Jessica Donlon, General Counsel; Sydney
25 Greene, Director of Finance and Logistics; Brittany Havens,
26 Chief Counsel; Calvin Huggins, Clerk; Megan Jackson, Staff
27 Director; Mary Martin, Chief Counsel; Joel Miller, Chief

28 Counsel; Ben Mullaney, Press Secretary; Lillian Noland, Staff
29 Assistant; Seth Ricketts, Clerk; Chris Sarley, Member
30 Services/Stakeholder Director; Arthur Speck, Professional
31 Staff Member; Peter Spencer, Senior Professional Staff
32 Member; Timothy Trimble, Staff Assistant; Katie West, Press
33 Secretary; Giancarlo Ceja, Minority Staff Assistant; Waverly
34 Gordon, Minority Deputy Staff Director and General Counsel;
35 Tiffany Guarascio, Minority Staff Director; Elizabeth Mellen,
36 Minority Intern; Kristopher Pittard, Minority Professional
37 Staff Member; Emma Roehrig, Minority Staff Assistant; Kylea
38 Rogers, Minority Policy Analyst; Andrew Souvall, Minority
39 Director of Communications, Outreach, and Member Services;
40 Medha Surampudy, Minority Professional Staff Member; and
41 Tuley Wright, Minority Staff Director, ENG.

42

43 *Mr. Latta. The Subcommittee on Energy and Commerce
44 will now come to order, and the chair recognizes himself for
45 five minutes for an opening statement.

46 Welcome to today's hearing on the Department of Energy's
47 Fiscal Year 2027 budget. And welcome back to you, Mr.
48 Secretary, to the Energy and -- Energy Subcommittee of the
49 Energy and Commerce Committee. Almost 14 months ago you
50 inherited a department that was not serving the strategic
51 needs of the nation. The previous administration lacked a
52 realistic national energy security strategy, they wasted
53 billions of dollars reducing reliable energy and making our
54 energy systems ill-prepared to meet this historic moment of
55 the next-generation economy.

56 After more than a year at the helm of our energy
57 department, things look very different. Under your
58 leadership our nation's energy strategy prioritizes core
59 responsibilities of energy and national security, reliable
60 power, affordability, and economic growth. You have charted
61 a path to ensure U.S. leadership in future technologies that
62 are reshaping the global order. Finite taxpayer resources
63 have been shifted to focus on abundant, reliable energy
64 expansion. You have harnessed DoE's computing power to AI to
65 use for societal benefit. You have accelerated work on
66 nuclear technologies, increased collaboration to secure the
67 grid during emergencies, and increased resources on our

68 nuclear deterrent. You have also refocused the department's
69 loan program on energy expansion and reliability.

70 Most of these actions are reflected in DoE's proposed
71 budget. These efforts couldn't come at a more important
72 time. International conflicts and decisive military actions
73 by the Trump Administration to protect our nation have put
74 increased pressure on ensuring a secure and reliable energy
75 system. While DoE has diligently worked to focus on
76 essential energy and security priorities, more work remains.
77 Affordability continues to be a key concern facing American
78 families.

79 We would like to get your perspective today on the
80 impacts on oil prices from the conflict with Iran and what
81 the prospects for more stable supplies would mean. And we
82 should also impact the forces behind higher energy costs
83 [sic]. Average utility bills rose by 11 percent in 2025
84 after increasing by 29 percent in 4 years prior, and
85 substantially higher across our nation's bluest states. In
86 fact, recent reports from the Lawrence Berkeley National Lab
87 confirmed that far-left policies are driving price increases
88 that are burdening households and businesses. We should
89 examine how misguided policies leave our communities
90 vulnerable when they need electricity the most, and what DoE
91 is doing about that.

92 Recent weather events during Winter Storm Fern exposed

93 the risk of over-reliance on weather-dependent energy. DoE's
94 decisive 2020 orders and effective emergency planning were
95 critical to protect against blackouts, ultimately saving
96 lives and preventing billions of dollars in economic damage.

97 While mismanaged public policies disrupt our power
98 sector, historic projections of demand growth from data
99 centers and reshoring manufacturing continue to climb. Data
100 centers alone could consume up to 17 percent of the total
101 electricity, which is also 60 percent higher than estimates
102 projected in 2024. Importantly, DoE has taken several steps
103 to ensure data centers can connect to the grid in a way that
104 drives down prices and does not burden ratepayers with
105 additional costs. This subcommittee has spent considerable
106 time examining this historic load growth and what type of
107 energy system is needed to fuel data center demand. Without
108 fail, experts across the field have testified that the answer
109 is dispatchable, reliable, and affordable supplies of
110 baseload power.

111 In recognition of these needs the department has
112 prioritized dispatchable resources that can power next-
113 generation technologies and can keep the lights on when we
114 most need it. Alongside these efforts the department has
115 focused on ushering in a nuclear renaissance. This ranges
116 from your work to accelerate the development of American
117 nuclear fuel infrastructure and of reprocessing used fuel to

118 your work to demonstrate more new reactor designs. We should
119 examine how your work will dovetail with the Nuclear
120 Regulatory Commission's commercial licensing to provide a
121 robust, safe process for nuclear expansion.

122 While the previous Administration sought to end the use
123 of fossil fuels, your department has unleashed American
124 energy like liquefied natural gas and reversed unnecessary
125 regulations that attack fossil fuel use. I look forward to
126 the discussion today on how your energy and technology
127 priorities will benefit the American people.

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

129

130 *****COMMITTEE INSERT*****

131

132 *Mr. Latta. And I yield back the balance of my time and
133 recognize the gentlelady from Florida, the ranking member of
134 the subcommittee, for five minutes for an opening statement.

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

136 Welcome, Mr. Secretary. Mr. Secretary, the policies of
137 the Trump Administration have made life very expensive for
138 our neighbors back home. It is truly soul crushing, what
139 they are experiencing right now. Electric bills are way up.
140 Under the Trump Administration household electric bills have
141 risen as much as 13 percent nationally, and utilities are
142 imposing massive rate hikes. Trump's war in Iran has sent an
143 energy shock rippling through the economy with huge price
144 spikes. Energy inflation is up 10.9 percent. That is the
145 highest in 20 years. Gas prices jumped 21 -- over 21 percent
146 in March alone, the biggest increase since records began in
147 1967. Americans are grappling with wildly higher gas and
148 diesel prices and, you know, consumer goods are transported
149 across the country by trucks running on diesel, so folks are
150 bracing for higher costs for consumer goods too.

151 The pain in the pocketbook comes at a rotten time for
152 hard-working Americans. They are already paying more due to
153 arbitrary and illegal Trump tariffs. And over the past few
154 days Republicans have been celebrating the big, ugly bill.
155 But the impact has been devastating when it comes to energy
156 bills for our neighbors back home because to pay for tax cuts

157 for billionaires, Republicans in Congress rolled back many of
158 the clean energy initiatives from the Inflation Reduction Act
159 which had been helping consumers save on energy costs. The
160 Trump Administration and the GOP eliminated tax credits for
161 solar, wind, electric vehicles, and home efficiency upgrades.

162 So all together, what is happening is you are really
163 sticking hard-working Americans with higher electric bills.
164 And despite -- on top of all that, despite higher energy
165 demand, the need to lower prices, the Department of Energy
166 has effectively killed cleaner, cheaper energy projects, some
167 fully permitted and under construction, to the point that the
168 country in many places is grappling with a shortage of power
169 and ratepayers are paying even higher electric bills. And it
170 is troubling that the DoE is making it all the more expensive
171 by forcing expensive, dirty coal plants to stay online,
172 counter to the plans of utilities, State regulators, and grid
173 operators due to the cost of ongoing operation.

174 But do you know who is making out like bandits through
175 all of this? Oil and gas executives. The Wall Street
176 Journal recently reported that Trump's war in Iran is
177 yielding a windfall for Americans' top oil executives,
178 particularly CEOs who have pocketed -- get this -- over the
179 past couple of months, \$1.4 billion. When the Chevron chief
180 executive sold shares he pocketed \$104 million.
181 ConocoPhillips's CEO netted about 54.3 million in March

182 alone. The CEO of Baker Hughes sold about \$33 million worth
183 of stock during the same month.

184 Trump -- the Trump Administration and fossil fuel
185 executives certainly have consumers over the barrel in more
186 ways than one. You know, this Trump energy crisis almost
187 seems intentional, and this is the context for the
188 President's proposed budget. Aside from the NNSA, you are
189 proposing an 11 percent cut in areas that help consumers
190 save, like full elimination of the Low-Income Home Energy
191 Assistance Program and the weatherization program that this
192 committee reauthorized in a bipartisan fashion last year.
193 You proposed to cut initiatives for critical minerals,
194 geothermal energy, and hydropower. Those are bipartisan that
195 we all support. That seems backwards.

196 As usual, the only thing that the Administration
197 reliably supports are polluters. The President's budget
198 proposes 23 million to subsidize the dying coal industry. It
199 requests over almost \$2 billion for a new baseload power
200 account to preserve coal, oil, and gas industries. At best,
201 the policy priorities from the DoE and the Administration are
202 incoherent. At worst, they post real risks to U.S. energy
203 reliability and resilience.

204 You know, you have lost a lot of employees. They were
205 DOGE'd, they were fired. Now DoE faces a historic labor
206 shortage. It calls into question whether you can administer

207 the law as Congress intended. You have now -- you have lost
208 so many people that now, rather than address it, you request
209 new power for political appointees alone to make these
210 decisions, and this opens the door to more corruption and
211 grift that has become the hallmark of the Trump
212 Administration.

213 This budget does nothing to help hard-working American
214 families. In fact, it actively hurts them. It is a budget
215 that will leave the United States further behind our
216 competitors in the global energy race while callously telling
217 Americans, "Good luck to you," as they continue to scrape
218 by. Our neighbors back home deserve better, Mr. Secretary.
219 They deserve cheaper, more affordable, reliable, clean
220 energy. I hope you can answer these questions because we
221 have a lot of them today.

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

223

224 *****COMMITTEE INSERT*****

225

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

227 *Mr. Latta. Thank you very much. The gentlelady's time
228 has expired and the chair now recognizes the gentleman from
229 Kentucky, the chairman of the full committee, for five
230 minutes for an opening statement.

231 *The Chair. Thank you, Mr. Chair, and thank you, Mr.
232 Secretary, for being here. I am glad to have you before us
233 today. Your testimony is especially important, given the
234 timely world events and the impact on energy markets.

235 As the Trump Administration came into being and our
236 committee reformed this last year, we were able to get the
237 energy policies in place that got oil down to about \$60 a
238 barrel. And that was never anywhere close during the Biden
239 Administration, where people had affordable access to energy.

240 What we do know, with Iran choking the flow of oil, gas,
241 and other critical markets, that has raised the price of
242 energy for us, products -- trouble getting products to
243 Europe, to Asia, and other markets. And we are facing a
244 crisis now of energy prices. But the stability and the place
245 we have is \$60 barrel oil. That is where we should get back
246 to when we get beyond where we are.

247 And we have been -- the Department of Energy was
248 organized for this specific reason right before the Islamic
249 revolution in Iran. And we have all long known about Iran's
250 explicit threat to America and to our allies, and we all knew

251 that it had to be addressed, and President Trump has
252 addressed it. But clearly, Iran's disruption of global
253 markets is increasing prices here at home. So understanding
254 how DoE is addressing supply constraints as a result and how
255 its work will help ensure long-term affordability will be
256 part of our discussion today.

257 And of course, there is but one of many pressing issues,
258 China. China still threatens to disrupt geopolitical
259 relationships around the world and to overtake technological
260 leadership, particularly in the race for AI dominance and
261 innovation.

262 And here at home our nation still faces tremendous new
263 demand for energy. There is a burning need to revitalize an
264 energy system long suffering from misguided policies that
265 undermine reliable, affordable power and prioritize
266 technologies that depend on taxpayer subsidies and handouts.
267 Success requires energy addition. Building the reliable,
268 affordable systems that leverage our abundant sources of
269 energy is critical.

270 So, Mr. Secretary, you testified last year that "access
271 to an abundant and reliable energy supply is a key ingredient
272 to unlocking prosperity and ensuring human flourishing and
273 innovation.'" That is refreshing and powerful message should
274 be at the center of our nation's energy policy and DoE's
275 technological work. Let's focus on how best to do this.

276 [The prepared statement of The Chair follows:]

277

278 *****COMMITTEE INSERT*****

279

280 *The Chair. I will yield back.

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

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

286 The Trump Administration's energy policy, Secretary
287 Wright, has been an absolute failure. Energy prices of all
288 kinds have skyrocketed. Energy reliability is under threat.
289 Pollution is getting worse for the first time in decades.
290 And Mr. Secretary, it is all the Trump Administration's
291 fault.

292 The list of disastrous policy failures from this
293 Administration is long, but one of the worst offenses has
294 been Trump's reckless war in Iran. Since day one there has
295 been no plan. In fact, the strategy changes by the day and
296 by each deranged social media post from the President. First
297 Trump says he wants to open the Straits of Hormuz, and the
298 next day he said he wants to blockade it. And his erratic
299 policies has sent global oil prices skyrocketing, and
300 American drivers are now paying more than \$4 per gallon each
301 time they fill up their tanks while diesel prices have
302 reached over \$5 per gallon. And Trump's war caused the
303 largest monthly increase in gas prices in nearly 60 years,
304 and there is no relief in sight. The average household is

305 expected to spend \$740 extra on gas this year.

306 And making matters worse, the Trump Administration's
307 initial response was to unleash sanctioned Russian and
308 Iranian crude upon the world, rewarding two of the worst
309 actors on the international stage, including the one the
310 Administration is actively fighting a war against. Even in
311 the last week the President has floated a plan that would
312 allow Iran to collect billions of dollars in tolls for
313 traversing the Straits of Hormuz. And the -- President Trump
314 started this war promising that the Iranian regime would
315 fall, but clearly that is not happening.

316 This war is an unequivocal disaster brought on by this
317 President. And throughout all this chaos and volatility in
318 the market, Secretary Wright, your social media account was
319 saying that the U.S. was escorting ships through the Strait
320 of Hormuz, and then the White House said it wasn't true. I
321 don't know, it just doesn't seem like anybody can get their
322 act together. And you seem more interested in increasing the
323 output of Venezuelan oil producers than addressing energy
324 security challenges here in the U.S.

325 And the Trump Administration's energy policy has firmly
326 put America last. So much for the promise of America first.
327 It is America last. And it hasn't just been foreign policy.
328 Republicans' disastrous domestic energy policies have put
329 America last, too. Electricity prices have increased at

330 twice the pace of inflation. Natural gas prices are up 12
331 percent since the President took office. Last month energy
332 prices caused inflation to reach its highest level in two
333 years, and tens of millions of Americans are already
334 struggling to afford their power bills. And last year
335 utilities requested \$31 billion in rate hikes.

336 And rather than trying to soften the blow for Americans,
337 the Department of Energy under your leadership has only made
338 things worse. DoE has attacked energy efficiency standards,
339 canceled or delayed clean energy projects, slowed down
340 important cost saving programs like the Home Rebates Program
341 and the Weatherization Assistance Program. Just 36 hours ago
342 my staff received a 40-page list of grants that DoE has
343 decided to retain or modify after leaving these grantees
344 hanging for over 15 months, and these are projects that would
345 strengthen the grid, build out clean energy manufacturing,
346 reduce our reliance on foreign supply chains. But many have
347 not heard a word from the department for over a year, and
348 this period of limbo has seriously jeopardized the viability
349 of many of these projects.

350 I mean, look, the bottom line is you can't rob a bank,
351 then give 90 percent of the money back and expect a thank
352 you. There isn't going to be any thank you from me.

353 Making matters worse, your Administration has directly
354 increased electricity prices by hundreds of millions of

355 dollars in certain regions of the country to keep coal plants
356 online. Unfortunately, as a report last week showed, three
357 of those plants you demand to stay online didn't produce a
358 single megawatt of power. And yet American families in those
359 areas are seeing their electricity shoot through the roof.
360 It is the perfect summary of the Trump Administration's
361 policies with high costs and zero benefits.

362 So, Secretary, during your time at the Department of
363 Energy there has been a drastic and unprecedented decline in
364 energy security and affordability for all Americans. And
365 today's hearing is about ensuring that you are held
366 accountable for what is happening on your watch and not
367 continuing the steep price increases that American families
368 face every day.

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

370

371 *****COMMITTEE INSERT*****

372

373 *Mr. Pallone. And so with that, Mr. Chairman, I yield
374 back the balance of my time.

375 *Mr. Latta. Well, thank you very much. The gentleman
376 yields back, and this concludes member opening statements.
377 The chair reminds members that, pursuant to committee rules,
378 all members' opening statements will be made part of the
379 record.

380 Also, just to -- you know, I think all the members
381 already know we have four vote series today. We have one
382 coming up at 11:30. They are anticipating not getting off
383 the floor until 12:15. We have a 1:30, a 3:15, and a 5:00.
384 And so, you know, as always, when we end the -- the second or
385 the first vote series on the last vote, we will be back in
386 our seats 10 minutes after the vote is called.

387 Also, as everyone knows, I am going to have to make sure
388 that I am cutting people off at five minutes so members can
389 keep getting their -- all members can get their questions in.
390 So be cognizant of that because I will gavel at five minutes
391 on your questions.

392 Again, we want to thank the Secretary for testifying
393 before us today.

394 And you will have an opportunity to give an opening
395 statement, followed by a round of questions from our members.

396 And our witnesses for today's hearing is the Honorable
397 Chris Wright, the Secretary of Energy at the U.S. Department

398 of Energy.

399 Mr. Secretary, we appreciate you being here today, and
400 you are recognized for five minutes for an opening statement.
401 So just pull that mike up close, and we appreciate you being
402 with us.

403

404 STATEMENT OF THE HON. CHRIS WRIGHT, SECRETARY, U.S.

405 DEPARTMENT OF ENERGY

406

407 *Secretary Wright. Chairman Latta, Ranking Member
408 Castor, and members of the committee, thank you for the
409 opportunity to testify today on the President's fiscal year
410 2027 budget for the Department of Energy.

411 Under President Trump's leadership we have put the
412 department back on mission, delivering affordable, reliable,
413 and secure energy for the American people. Let me highlight
414 what that looks like.

415 We have taken decisive steps to restore grid
416 reliability. Using emergency authorities under section 202©
417 of the Federal Power Act, we kept baseload-critical
418 generation online after DoE analysis warned outage risk could
419 increase by 100-fold by 2030 if we had continued the Biden
420 Administration policies. This action and the critical market
421 response to our action preserves 17 gigawatts of critical
422 dispatchable generation for the American people. Hundreds of
423 American lives were saved by these actions during Winter
424 Storm Fern. Historic cold drove record heating and
425 electricity demand. Dispatchable energy, natural gas, coal,
426 hydro, and nuclear were the MVPs of the grid.

427 In New England at peak demand, hydrocarbons, hydro, and
428 nuclear provided 95 percent of power. Wind, solar, and

429 batteries combined provided two percent, less than burning
430 wood and trash. The lesson? When reliability is on the
431 line, dispatchable energy shows up.

432 We have worked to establish American energy leadership
433 globally. Since President Trump ended the previous
434 Administration's reckless LNG export approval ban, the
435 department has approved more than 19 Bcf a day of new export
436 authorizations, which is more than the entire capacity the
437 United States had on Inauguration Day last January. The
438 United States is the global leader in LNG exports and will
439 become even more dominant under President Trump's leadership.
440 This is a win for America, a win for our allies, a win for
441 global energy security, and a blow to our adversaries.

442 We are advancing national security at home and abroad.
443 From day one President Trump is focused on delivering
444 prosperity at home and peace abroad. Occasionally, power
445 must be projected to create long-term peace. American
446 national security is anchored by our nuclear deterrent.
447 DoE's National Nuclear Security Administration is honored by
448 this mission to ensure a safe, secure, and effective
449 deterrent against new and evolving threats. Today NNSA is
450 delivering more new weapons, seven warhead modernization
451 programs, and plutonium pits than ever since the Cold War.

452 We are driving a nuclear power renaissance. Our efforts
453 span next-generation reactor pilot programs, reestablishing

454 American nuclear enrichment capacity, domestic nuclear fuel
455 fabrication, reprocessing, and a pathway to spent fuel
456 permanent storage. I am proud to share that we will have
457 multiple advanced reactor prototypes critical by America's
458 250th birthday this July 4. We are driving hard to meet
459 President Trump's goal of quadrupling nuclear capacity to 400
460 gigawatts by 2050. This ensures nuclear energy will play a
461 central role in powering America's reindustrialization and
462 leadership in AI.

463 Our budget request reaffirms our commitment to cleaning
464 up nuclear waste in communities that carried the weight of
465 America's earliest nuclear programs. We are bringing
466 professional management and innovation to enhance cleanup
467 efforts while seeking to redevelop cleaned up sites like
468 Portsmouth, Paducah, Hanford, and others.

469 We launched the Genesis Mission to bring AI's immense
470 promise to scientific and technological innovation. In our
471 nation's history there have been two great scientific
472 mobilizations: the World War II Manhattan Project, and the
473 Apollo Space Program. The Genesis Mission is the third.
474 Genesis Mission is focused on the most difficult scientific
475 challenges of our time: quantum computing, fusion energy,
476 advanced materials development, and human health. We are
477 partnering where industry alone cannot go, tackling long-term
478 challenges that require national commitment, bringing

479 together our national laboratories, universities, and private
480 industry to accelerate scientific discovery. We are winning
481 the AI race and lowering energy costs.

482 By leveraging department-owned land and assets we are
483 enabling rapid deployment of large-scale compute capacity
484 through public-private partnerships. We are working closely
485 with industry and communities to ensure these projects adhere
486 to the President's important Ratepayer Protection Pledge to
487 rapidly expand our nation's electricity grid and end the
488 Biden Administration's ruinous rise in electricity prices.

489 We are securing critical minerals. We have
490 strategically reorganized the department, consolidating five
491 offices into a single office of critical minerals and energy
492 innovation. This creates one hub across DoE, the national
493 labs, and external partners to manage the full supply chain,
494 from mining and processing to magnets and batteries.

495 *Mr. Latta. And pardon me, Mr. Secretary, if you could
496 just wrap up --

497 *Secretary Wright. Yes.

498 *Mr. Latta. -- I would appreciate it. Thank you.

499 *Secretary Wright. Yes. Finally, we are preparing for
500 the future. America is open for business. And again,
501 trillions of dollars are being invested in American
502 infrastructure for manufacturing and AI. As Secretary of
503 Energy, I am honored to lead this effort for President Trump

504 and to work with this committee to strengthen America's
505 energy future. Thank you.

506 [The prepared statement of Secretary Wright follows:]

507

508 *****COMMITTEE INSERT*****

509

510 *Mr. Latta. Well, thank you very much for your
511 testimony ,and we now move into the question-and-answer
512 portion of the hearing. I will begin the questioning and
513 would recognizing myself for five minutes.

514 Let me begin with our energy security and energy
515 affordability. Today the United States is not as vulnerable
516 to major oil disruptions as Europe or Asia or as it was up
517 into the early 2000s, and this is because of the U.S. oil and
518 natural gas production. Wouldn't you agree with that, Mr.
519 Secretary?

520 [Audio malfunction.]

521 *Mr. Latta. Thank you. Oh, and if you -- your mike,
522 please.

523 Clearly, impacts on global prices from the Iran conflict
524 have impacts at home. Prices for oil, gas, and gas products
525 have increased. What is DoE doing to mitigate impacts, and
526 how do you see this playing out in the coming months?

527 *Secretary Wright. Yes. Well, we have done a number of
528 actions in the short term, which is first to coordinate
529 globally the release of 400 million barrels of oil from
530 strategic reserve in over 30 nations. We did this because we
531 have an interruption of flows through the Straits of Hormuz.
532 That is what the petroleum reserves are for. The Biden
533 Administration, unfortunately, depleted our reserves to
534 almost half empty for economic reasons. There were no

535 disruptions in flows in 2022, yet they sold massive amounts
536 of oil out of our reserves. We are not selling oil. We are
537 trading barrels today when they are needed in exchange for
538 1.2 barrels at the -- later next year we will end with a
539 Strategic Petroleum Reserve fuller than it was when this
540 conflict started.

541 I am very proud of the President's effort to put to an
542 end a 47-year conflict with the largest state sponsor of
543 terrorism on the edge of developing nuclear weapons.

544 We have changed regulations for gasoline blending this
545 summer so we can increase the production of gasoline in our
546 country.

547 We have done all sorts of work with our refining
548 industry and our natural gas producers industry to accelerate
549 production to the extent we can.

550 While I don't like the escalation of prices we have
551 seen, today gasoline prices are a dollar a gallon cheaper
552 than they were four years ago in the midst of a Biden
553 Administration that was doing nothing to increase global
554 security or assure the long-term safety of energy flows.
555 This conflict with Iran, bringing it to an end to an end is
556 removing the largest global threat to future energy supplies.
557 Can we have a nuclear armed Iran with a massive missile
558 arsenal? No we cannot. I am proud of the President to not
559 kick this can down the road, to take long-term energy

560 security seriously, to take peace and prosperity in the
561 Middle East for the United States as the front of the agenda.

562 *Mr. Latta. Well, thank you. California is
563 experiencing the highest gas prices in the continental United
564 States, where it has limited its oil production, limited
565 pipelines, and relies on 30 percent of its oil from the
566 Straits of Hormuz. It also has closed many refineries over
567 the last several years. What does this mean for consumers in
568 California and across the West Coast?

569 *Secretary Wright. It is ruinous, what California -- I
570 lived in California for many years. Absolutely ruinous, what
571 they have done to create an enfeebled energy island in the
572 United States, as great a state, largest state. And the
573 largest collection, largest amount of our military resources
574 are in the State of California. Yes, it is over 50 percent
575 imported oil, even though the United States is a net exporter
576 of oil.

577 Over 50 percent of the price of gasoline in California
578 -- it is \$2 higher than the national average -- is because of
579 state policies. They have chosen to make energy expensive
580 for their people. The net result of that is this state of
581 amazing opportunity, amazing prosperity historically today
582 has the highest adjusted poverty rate in the nation. If the
583 United States had these policies, we would be completely
584 deindustrialized and on our knees.

585 *Mr. Latta. Thank you. Let me turn to the
586 prioritization -- I got one minute to go here -- of DoE
587 financial assistance.

588 Last year the department conducted a portfolio review
589 process. Will you explain the status of this process, and
590 how you see it improving energy reliability and
591 affordability? And I only got 50 seconds.

592 *Secretary Wright. Yes. Look, as I explained in my
593 testimony last year, it was heartbreaking to see that roughly
594 \$100 billion rushed out the door after the Biden
595 Administration lost the election. We had to review 2,240
596 projects, a number of them with no business plan, nothing
597 serious in them, but promises of grants of money. We
598 assembled a team to do it.

599 Unfortunately, the leaders of those teams, my Senate-
600 confirmed positions, the leaders of the departments across
601 Energy, the Democrats in the Senate for the first time in
602 American history filibustered every single one. I did not
603 get the leadership of the departments until late October last
604 year. Of course, I had to engage them in that process, but
605 we did a rigorous process to see what projects are aligned
606 with the mission to increase the supply of affordable,
607 reliable energy to the American people.

608 *Mr. Latta. Well, thank you very much. In keeping with
609 my five-minute rule, my time has expired and I recognize the

610 gentlelady from Florida, the ranking member of the
611 subcommittee, for five minutes for questions.

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

613 Mr. Secretary, one of the reasons that hard-working
614 Americans are grappling with higher energy bills right now is
615 what you did when you took office at the Department of Energy
616 in canceling so many clean energy projects and grid
617 reliability projects. When you took office you killed over
618 350 new energy projects and threatened over 300 more with
619 termination. You were sued because of this, and you lost in
620 court because of it.

621 This is -- this -- I don't think it has gotten enough
622 attention that many of the grants you canceled were done so
623 just because they were in states led by Democrats. Is that
624 fair in the United States of America for you just simply to
625 make a political decision to kill clean energy projects,
626 increase electric bills simply for political purposes?

627 *Secretary Wright. So the statement is false. All of
628 the 2,240 decisions we made did not involve politics at all.

629 *Ms. Castor. Mr. Secretary, there -- let me show you.
630 I am sure you have seen this. This is the district court
631 stipulation signed by your representatives of the Department
632 of Energy in Federal District Court that stipulates a -- the
633 primary -- a primary reason for the selection of which DoE
634 grant termination decisions were included in the October 2025

635 notice tranche was whether the grantee was located in a blue
636 state. This is signed by your attorneys, and it is -- of
637 course, it is true.

638 *Secretary Wright. Read your words more carefully.
639 Were included in the announcement, not in the decisions on
640 the projects. If you want to make accusations --

641 *Ms. Castor. Are you --

642 *Secretary Wright. -- please be accurate.

643 *Ms. Castor. Are you going -- well, talk about
644 accuracy, you just said that gas prices during the Biden
645 Administration were higher than they are now. They are not.
646 Boy, tell my folks back in Florida that are pulling up to the
647 gas pump at 4.29 today.

648 *Secretary Wright. Average was over \$5 during the Biden
649 Administration --

650 *Ms. Castor. This is the highest --

651 *Secretary Wright. -- at the peak of the Biden
652 Administration.

653 *Ms. Castor. And it is so arbitrary. You all have
654 inflicted such pain and damage. And you can try to bob and
655 weave on all this, but when a Federal district court calls
656 you out for your illegal cancellation of energy grants,
657 hopefully you are going back to the drawing board to say we
658 are now going to right the ship.

659 Are -- for the seven projects that prevailed, are you --

660 have you released the funds to those energy projects?

661 *Secretary Wright. Of course, we are appealing the
662 decision there.

663 *Ms. Castor. You are appealing the decision.

664 *Secretary Wright. We cannot appeal it yet because we
665 don't have a final decision on it.

666 But look --

667 *Ms. Castor. So then what about the other --

668 *Secretary Wright. Do you want an answer, or do you
669 just want to speak?

670 *Ms. Castor. Well, you said you are appealing the
671 decision. So that means that as of right now you are not.

672 What about the other hundreds of grants to stabilize the
673 grid, to help lower costs, to bring on new clean energy,
674 cheaper energy technologies? Do you intend now, since the
675 courts have said you acted illegally and arbitrarily, to
676 actually restore those grants that were appropriated by the
677 Congress?

678 *Secretary Wright. Of course, we follow the law, always
679 will and always have. But what you call clean energy, it is
680 exactly the subsidies on wind, solar, and batteries that
681 drove the 30 percent rise in electricity prices during the
682 Biden Administration and that drove the rise in electricity
683 prices last year because the only things that could be
684 permitted were energy sources that only work some of the

685 time, and you don't know when they work.

686 *Ms. Castor. Mr. Secretary --

687 *Secretary Wright. That is a surefire way to raise
688 electricity prices.

689 *Ms. Castor. You know, you think --

690 *Secretary Wright. And it did.

691 *Ms. Castor. You are going to hear from other
692 colleagues today about canceled projects that states and
693 communities were relying on to help lower energy bills. And
694 now you have said, no, we think it is more expensive to
695 double down on costly polluting plants. You know, the
696 unabated burning of oil and gas and coal also has an outsized
697 cost and impact. You can't turn a blind eye to the rising
698 cost of the heating climate, and you continue to kind of bury
699 your head in the sand on that.

700 And you go back to all of these businesses that had
701 fully permitted and even begun constructed projects. How
702 does a private sector ever trust you again when you
703 arbitrarily and illegally cancel these projects? How do you
704 rebuild that trust?

705 *Secretary Wright. They weren't arbitrary, and the
706 legality are being disputed.

707 You mentioned the rising costs of a warming climate.
708 Over the last 35 years, insured losses as a percent of global
709 GDP --

710 *Ms. Castor. Oh, I know insurance in Florida.

711 *Secretary Wright. -- it declined 20 percent.

712 *Ms. Castor. I know insurance in Florida.

713 *Secretary Wright. It declined, not risen.

714 *Ms. Castor. Yes.

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

716 *Ms. Castor. I will yield back my time.

717 *Mr. Latta. And the chair now recognizes the gentleman
718 from Kentucky, the chairman of the full committee, for five
719 minutes for questions.

720 *The Chair. So Mr. Secretary, did you want to respond
721 to more of what was just asked? I will give you some time to
722 answer some questions that you were just asked.

723 *Secretary Wright. I might -- I think I made most of
724 the main points.

725 She said I hide my head in the sand. No one has ever
726 accused me of that before. I am very outward, I am very
727 honest about what we are doing.

728 And to leave with this rising cost from climate, from a
729 warming climate, the climate has warmed, we have put 50
730 percent more plant food in the atmosphere. That is true.
731 But damages from extreme weather have been on a downward
732 trend as long as we have data as a percent of the economy.
733 So looked at realistically and honestly, we do -- there has
734 not been an increase in hurricanes, floods, droughts,

735 tornadoes, despite endless claims of it. And the losses as a
736 percent of our economy have been a downward trend because we
737 build stronger, more resilient things these days.

738 *The Chair. And you also start talking about by
739 subsidizing non-dispatchable power that only gave, what, two
740 percent -- less than garbage and burning wood in New England,
741 and people say, well, you just picked the worst day of the
742 year when you used that comment, and I say, well, we need it
743 the worst day of the year. That is when you need it the
744 most. That is when peak demand -- I said Churchill Downs has
745 100,000 seats for one day a year, but they need them that one
746 day a year, and so it is important.

747 So how did the -- so the subsidies of wind and solar
748 that some people claim will make power cheaper because you
749 are subsidizing it, so it is -- somebody is paying for it,
750 but it may be cheaper for the user -- actually makes it more
751 expensive because you can't permit it or they don't build
752 other dispatchable power. How do the subsidies wind and
753 solar make energy go up?

754 *Secretary Wright. Yes, great question. I would say a
755 subsidy is inefficient. If the government collects a dollar
756 of taxpayer money and makes something only \$0.50 cheaper, it
757 is a waste of \$0.50. The subsidies for wind and solar, the
758 government collects a dollar of taxes and makes electricity
759 more expensive so it costs another dollar.

760 The losses are amplified by these expenditures. And the
761 reason is -- and most of the time -- right now we have
762 hundreds of gigawatts of excess electricity capacity
763 generation on our grid. The only time delivery matters and
764 sets the capacity for grid is at peak demand time. How much
765 we can deliver an electricity grid is what we can deliver at
766 peak demand. Wind and solar -- and you saw it in Fern -- go
767 on vacation when you need them the most.

768 So if the wind picks up right now and it starts blowing,
769 the Federal Government sends a four-cent subsidy per kilowatt
770 hour to that wind farm developer. We take a natural gas
771 plant that is running and turn its power down because it has
772 got to accommodate the wind power. We save \$0.02 in the
773 natural gas that is not burnt. We are already down \$0.02.
774 Plus, the utility that contracted with that wind company pays
775 them whatever their contracted rate was for it.

776 We have added a whole bunch of new capacity, but we
777 haven't expanded the capacity of the grid. We just have to
778 operate two grids now and build all sorts of new transmission
779 infrastructure. The states that have passed renewable
780 portfolio standards and pushed what Representative Castor
781 calls clean energy, they have 50 percent higher average
782 electricity prices than the states that didn't force that.

783 So we talk about clean energy or cheap energy. You have
784 got to look at the system costs. We have got to look at

785 numbers. And we should look at facts. I know everybody
786 wants to scream and make unbased accusations, but let's just
787 talk about the facts today to the extent we can.

788 *The Chair. So I am going to go -- so over the next
789 minute -- I had a lot of questions. I will send them for the
790 record.

791 [The information follows:]

792

793 *****COMMITTEE INSERT*****

794

795 *The Chair. But talk about -- we know there is a
796 crisis, there is high prices in energy. People are hurting.
797 We can't have a nuclear Iran. I understand the decisive
798 action and the reason for it. But at the Department of
799 Energy, what is kind of going on -- in the next minute-and-a-
800 half -- that you are trying to -- we can tell the American
801 people we are trying to relieve energy prices?

802 *Secretary Wright. Oh, all sorts of things. On the
803 electricity grid we are doing everything we can to keep
804 dispatchable capacity that we have today on the grid.

805 *The Chair. I mean for gas prices today, for --

806 *Secretary Wright. Oh --

807 *The Chair. What are you guys doing, knowing that --
808 for this emergency, trying to do everything you can to make
809 gas prices today cheaper? I know we are going to get beyond
810 this, but what are you trying to do today?

811 *Secretary Wright. We meet every day with what are the
812 knobs we can turn there. I mentioned the Strategic Petroleum
813 Reserve. I mentioned working with EPA to change the blending
814 requirements so we can produce more gasoline this summer. We
815 are looking at how we can expedite American -- more American
816 oil production from wells we already have.

817 We mentioned the sanctions on the barrels of oil. There
818 are floating barrels of oil in the Pacific Ocean that are on
819 their way to China, Iran and Russian oil going into China,

820 where it will be parked in a Strategic Petroleum Reserve.
821 China banned the exports of gasoline and diesel to the rest
822 of the world. That oil doesn't help anyone. It is going to
823 be sold anyway.

824 So yes, we did talk to the -- our -- the whole
825 Administration and say let those barrels of oil flow into
826 India. They will go into Indian refineries. They will
827 produce more gasoline and diesel and jet fuel, and they will
828 export those products to the world. We have done everything
829 pragmatic and will continue to do more things to keep that
830 price of gasoline down.

831 I am disappointed it is up from the below \$3 a gallon we
832 were at --

833 *Mr. Latta. I am sorry --

834 *Secretary Wright. -- far lower than it ever --

835 *Mr. Latta. Mr. Secretary, I am sorry, the time is
836 expired.

837 *The Chair. I yield back.

838 *Secretary Wright. You bet.

839 *Mr. Latta. And the gentleman yields back. The chair
840 now recognizes the ranking member from -- for the full
841 committee, the gentleman from New Jersey, for five minutes
842 for questions.

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

844 And Mr. Secretary, you know, sometimes I almost feel

845 sorry for you, to be honest. I mean, you keep saying how the
846 President has to show strength. This is the weakest
847 President. He looks like a weakling. He is -- he talks
848 about victory. Meanwhile, Iran, China, Russia, they just eat
849 our lunch. That is the bottom line. Yes, I have the Chinese
850 intervene to get a cease fire. He wants to lift the
851 sanctions on Iran, lift the sanctions on Russia. How is it
852 that that is strength? That is weakness.

853 But more important than anything is my constituents
854 don't believe in this war. And the President keeps saying
855 that the reason that prices are -- for gas are going up and
856 probably going to go up even further is because we have to
857 fight this war. We don't have to fight this war. This war
858 must end. And no one here is willing to sacrifice higher
859 prices for everything for an unjust, illegal war. And I know
860 you can't say that the war is unjust or illegal because you
861 work for the President. I understand that. That is why I
862 almost feel sorry for you having to be here today to justify
863 what is going on here.

864 But let me just ask you this. I mentioned that you
865 tweeted -- and this is a tweet, and I quote -- "The U.S. Navy
866 successfully escorted an oil tanker through the Strait of
867 Hormuz to ensure oil remains flowing to global markets."
868 And as a result of that tweet, the stock market and oil
869 markets reacted sharply until the rest of the Trump

870 Administration had to come out and contradict your statement,
871 which was then deleted.

872 My concern is that the Trump Administration is trying to
873 influence the stock market, and that a lot of what they do
874 every day is to try to influence the stock market when it
875 comes to energy. And I am hopeful that that is not for
876 personal gain of the President or others in his
877 Administration, although I think there is a lot of evidence
878 that that is, in fact, what is going on because they don't
879 want the market -- they want to manipulate the market.

880 So let me ask you, Secretary Wright, did you post this
881 tweet yourself that I just mentioned?

882 *Secretary Wright. I did not post that tweet myself,
883 but I do take full responsibility for it.

884 *Mr. Pallone. Well, that is fair --

885 *Secretary Wright. I gave a speech --

886 *Mr. Pallone. -- and I appreciate -- again, I feel
887 sorry for you.

888 *Secretary Wright. It was a mistake.

889 *Mr. Pallone. Prices -- crude prices tumbled below \$80
890 a barrel after your tweet before jumping again after it was
891 deleted. If the post was an error by staff, have you done an
892 internal investigation to ensure that the DoE staff involved
893 were not trading on this activity?

894 In other words, you didn't do it. Somebody else did.

895 Did they then make a buck because of it? Have you
896 investigated that?

897 *Secretary Wright. I am not aware of an investigation
898 of that, but of course I did speak to the people in my
899 communications department that -- I spoke in Colorado. They
900 misquoted something I said. It was an honest mistake --

901 *Mr. Pallone. Okay.

902 *Secretary Wright. -- but it was my fault to not catch
903 it --

904 *Mr. Pallone. All right. Well --

905 *Secretary Wright. -- for not seeing it before it was
906 posted.

907 *Mr. Pallone. -- do a little investigation because I am
908 concerned that they are trying to manipulate the market so
909 they can make a buck, frankly. That is what I am concerned
910 about.

911 Now, let me ask you this. In your opening statement you
912 said you were very proud of the progress made on nuclear
913 energy by this Administration. Frankly, I don't see it at
914 all. I don't see why you think there is any progress.

915 But moving to nuclear energy, DoE has threatened the
916 independence of our country's nuclear safety regulator, the
917 Nuclear Regulatory Commission, according to press reports
918 which I will ask unanimous consent to insert into the record,
919 Mr. Chairman, if I can.

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

921 [The information follows:]

922

923 *****COMMITTEE INSERT*****

924

925 *Mr. Pallone. At a meeting at Idaho National Lab last
926 year, a DoE staffer named Seth Cohen said, and I quote, "The
927 NRC is going to do whatever we tell the NRC to do.'" And you
928 later promoted Mr. Cohen to be chief counsel for nuclear
929 policy, and he spent much of the last year trying to actively
930 undermine the NRC's safety rules.

931 So let me ask you, do you acknowledge the importance of
932 the NRC's independence? Do you think it is important that
933 they be independent?

934 *Secretary Wright. Oh, it is critically important that
935 the NRC is dependent [sic]. It is critically important that
936 we work closely together between --

937 *Mr. Pallone. Okay. Then why is Mr. Cohen still on the
938 job?

939 *Secretary Wright. Mr. Cohen is a passionate guy
940 working to advance nuclear power. He gets --

941 *Mr. Pallone. He is not doing too well.

942 *Secretary Wright. He gets a little over his skis, and
943 he made a comment he didn't actually mean, but he did say it.
944 He shouldn't have said it.

945 *Mr. Pallone. Okay. So you are --

946 *Secretary Wright. He understands that fully.

947 *Mr. Pallone. -- trying to say that he -- even though
948 he made that statement, he feels that the NRC should be
949 independent as well.

950 *Secretary Wright. Absolutely.

951 *Mr. Pallone. Oh. Well, I don't believe that for one
952 minute.

953 Look, I want to be clear. Your department has a
954 responsibility to uphold public confidence in nuclear energy.
955 But critical to upholding that public confidence is
956 maintaining an independent nuclear safety regulator, separate
957 from the arm of the government responsible for promoting
958 nuclear energy. And frankly, I don't think we are ever going
959 to see progress on nuclear power in this Administration
960 unless that independence is secure, and I don't think it is
961 today.

962 But thank you, Mr. Chairman, I yield back.

963 *Mr. Latta. Well, thank you very much. The gentleman
964 yields back the balance of the time. The chair now
965 recognizes the gentleman from Alabama's 6th district for five
966 minutes for questions.

967 *Mr. Palmer. Thank you, Mr. Chairman. I just want to
968 point out that gasoline prices under Biden hit over \$5 a
969 gallon. It was the highest in history. When he took office
970 it was 2.39 a gallon. That is a 200 percent increase, Mr.
971 Secretary, and I just wanted to point that out.

972 I want to ask you something. You are dealing with
973 people here who claim to have the best interest of the
974 country at heart, yet they are opposing policies that could

975 dramatically improve the lives of people. We have economic
976 injustice all over the country because of energy injustice
977 that has been imposed on them. I understand that, having
978 grown up pretty much dirt poor myself.

979 These are the same people who voted against no taxes on
980 Social Security for 51.4 million Americans. They voted
981 against no taxes on tips that has added over \$2,000 to the
982 income of people that they can go out now and buy their kids
983 a new pair of shoes or pay for their school supplies, maybe
984 take a little vacation, maybe even have some money for
985 tuition for bettering their lives.

986 These are the same people that voted against the Rural
987 Health Transformation Fund that provided \$50 billion to
988 transform rural health care, particularly for expectant
989 mothers in what have become maternity care deserts. So I
990 just want you to know who you are dealing with.

991 I want to ask you about -- staying on the nuclear thing
992 -- China plans to build 100 nuclear reactors probably by
993 2035, but certainly over the next 20 years. Can China
994 compete in artificial intelligence only using renewable
995 power?

996 *Secretary Wright. Oh, absolutely not.

997 *Mr. Palmer. Can we?

998 *Secretary Wright. Absolutely not.

999 *Mr. Palmer. So when it comes to -- and you and I have

1000 had this conversation before, and you know how focused I am
1001 on small modular reactors -- China plans to open for
1002 operation the first small modular reactor sometime -- it may
1003 already be open --

1004 *Secretary Wright. Already operating.

1005 *Mr. Palmer. Already operating. Are we in a position,
1006 the way we are currently structured with the National Nuclear
1007 Regulatory Commission, to compete with China?

1008 *Secretary Wright. I think we are rapidly moving that
1009 direction. I am very, very proud of the commissioners we
1010 have on the NRC and the work they are doing, and we will have
1011 multiple reactors critical in the next few months. So I
1012 struggle with Representative Pallone's comment that we are
1013 not making any progress with nuclear. I think that is
1014 absolutely not the case.

1015 *Mr. Palmer. Haven't we had these discussions where we
1016 are very focused on our ability to compete in artificial
1017 intelligence to increase the baseload power available for
1018 this without raising rates on residential consumers and
1019 business consumers by using small modular reactors?

1020 *Secretary Wright. Absolutely, Representative Palmer.
1021 They are going to be a key part of what is going to power AI
1022 and allow us to reshore manufacturing. The Ratepayer
1023 Protection Pledge we have done with all the hyperscalers in
1024 President Trump's leadership will assure that electricity

1025 prices will not go up as we build data centers and we build
1026 new power generation. Nuclear is going to be a huge part of
1027 our electric --

1028 *Mr. Palmer. Isn't permitting --

1029 *Secretary Wright. -- electric future.

1030 *Mr. Palmer. -- absolutely essential to being able to
1031 build these facilities, along with critical infrastructure
1032 that we need to remove our reliance on China for refined
1033 critical minerals and rare earth elements?

1034 *Secretary Wright. Absolutely. Yes, it is.

1035 *Mr. Palmer. Are we making progress there?

1036 *Secretary Wright. In permitting reform?

1037 *Mr. Palmer. Right.

1038 *Secretary Wright. No. Well, there is dialogs but no,
1039 we haven't moved there yet. The -- at the agencies we have
1040 done NEPA reform. The Supreme Court came down and gave us a
1041 unanimous decision in sort of a parallel issue.

1042 But yes, we need Congress to move real permitting reform
1043 so it is easier to build things. Otherwise, China will keep
1044 leaving us in the dust in electricity production.

1045 *Mr. Palmer. And when we do permitting reform, when we
1046 expedite permitting, does that in any way undermine any of
1047 our environmental laws?

1048 *Secretary Wright. Absolutely not.

1049 *Mr. Palmer. So what confuses me a lot of times about

1050 my colleagues across the aisle is they are opposed to
1051 permitting reform that would allow -- if we do expedited
1052 permitting reform it allows us to build the critical
1053 facilities that are literally critical to our national
1054 security and our economic security, even though expediting
1055 permitting will no -- in no way undermine the environmental
1056 quality that we enjoy now or have many, many opportunities to
1057 improve upon, particularly if we go with small modular
1058 reactors. Yet they are in opposition to the very reforms
1059 that are going to improve our national security position, our
1060 economic security position, and make life better for
1061 Americans all over the country. Would you agree with that?

1062 *Secretary Wright. I agree with all you said.

1063 *Mr. Palmer. Thank you, Mr. Chairman. I yield back.

1064 *Mr. Latta. Thank you very much. The gentleman yields
1065 back the balance of his time, and the chair now recognizes
1066 the gentleman from California's 50th district for 5 minutes
1067 for questions.

1068 *Mr. Peters. Thank you, Mr. Chairman.

1069 Mr. Secretary, I want to thank you for coming here. And
1070 if it is okay with you, I would like to take a break from the
1071 presidential campaign to ask you about some things I think we
1072 can work together on.

1073 The first is fusion. I did read in your testimony some
1074 very positive comments about fusion, and I want to thank you

1075 for coming to -- recently to the DIII-D facility in San
1076 Diego. As you know, that facility is a world-leading
1077 facility in the development of nuclear fusion, and fusion has
1078 made tremendous progress over the last several years in part
1079 due to the work at DIII-D.

1080 The proposed budget request for fiscal year 2027 reduces
1081 funding to its lowest levels in 13 years, and at this level I
1082 just wanted to say it looks like DIII-D would need to lay off
1083 30 percent of its workforce, cease infrastructure
1084 development, and go into a warm shutdown. I just ask you,
1085 can we work together to see what we can do to keep that
1086 facility open?

1087 *Secretary Wright. Yes, absolutely I will work with you
1088 to keep that facility open. I would like to see our efforts
1089 in fusion grow. I believe our numbers are flat year over
1090 year.

1091 *Mr. Peters. Okay.

1092 *Secretary Wright. But do I have an interest in
1093 actually growing that funding? Absolutely.

1094 *Mr. Peters. And I want to call your --

1095 *Secretary Wright. And I would love to work with you on
1096 it.

1097 *Mr. Peters. attention to that. And I know this is a
1098 dynamic document, but I want to call your attention to that
1099 and hope we can work on that.

1100 The other -- thank you for Mr. Palmer, my friend,
1101 setting up permit reform. I think that is something I
1102 personally am interested in doing. And we have made a lot of
1103 progress in this Congress, and I will just tell you I think
1104 where the state of play is. Congress passed a NEPA reform,
1105 the SPEED Act, from the Natural Resources Committee. I think
1106 there is a lot of good things in that.

1107 We are interested in transmission. I think we have
1108 talked about this before. There is so much congestion. I
1109 mean, even if you built a gas plant in PJM today, you can't
1110 hook it up. Microsoft wants to reopen Three Mile Island,
1111 kind of a heroic thing around a data center. They can't
1112 apparently get hooked up until 2031. We have to build more
1113 transmission. And I think, you know, there are discussions
1114 going on, but we would really love the Administration's
1115 active support in getting a plan to build out transmission as
1116 part of this deal.

1117 I think I would just call your attention to there is
1118 concern around certainty. The notion that you -- I know you
1119 are not big fans of wind, we have disagreements about energy
1120 policy, but pulling a plug on a project like Revolution Wind
1121 that is already permitted scares off investors and scares off
1122 people, and I think we got to get away from that. We have
1123 some -- we just introduced a bill on certainty yesterday.

1124 I know the natural gas folks want relief from section

1125 401. Just for your information, that is a hard pull for
1126 Democrats, but it can't be done unless we write down the
1127 rules on methane. I think the industry is tired of being
1128 jerked back and forth on methane. Because of consumer
1129 demand, customer demand from the EU, from China, and from
1130 South Korea for clean gas, the industry has developed the
1131 technology it needs to be able to abide by methane
1132 restrictions. We need to write those down.

1133 Those are the kinds of things I would invite your
1134 attention to. And do you think you would be able to work
1135 with us to get a congressional deal this year?

1136 *Secretary Wright. I do believe so. I think you raised
1137 a number of the key issues, and I do believe that there is
1138 room for a bipartisan agreement that addresses all of the
1139 issues you raised, and I would like to see that happen and I
1140 would like to work with you on it.

1141 *Mr. Peters. Thank you. I would say that you have
1142 indicated before there would be value to permitting multi-
1143 state, multi-regional transmission lines similar to
1144 pipelines. So it is a one-stop-shop at FERC; the process for
1145 getting through lines is much harder. Can we talk about a
1146 parity problem so -- faster, more efficient transmission
1147 permitting paired with reforms to the environmental laws
1148 would reduce costs, improve grid reliability. Is the parity
1149 between permitting pipelines and permitting transmission

1150 lines something that you would consider?

1151 *Secretary Wright. Yes, I think it is very worthy of
1152 discussion.

1153 *Mr. Peters. Okay. We really need your help to help
1154 kick this committee into gear.

1155 On the House side, you know, frankly, we have a lot of
1156 Republicans who have been really willing to step out without
1157 knowing what the Trump Administration thinks and work in a
1158 constructive way. I think Senators are more intimidated to
1159 do that. You know, if you and President Trump can indicate,
1160 yes, you want permit reform and transmission planning has got
1161 to be part of it, I think we could come to a deal.

1162 *Secretary Wright. That is great to hear.

1163 *Mr. Peters. Okay.

1164 *Secretary Wright. Yes, I look forward to those dialogs
1165 moving forward in the next few weeks, I hope.

1166 *Mr. Peters. Thank you very much. I appreciate it.
1167 And I yield back.

1168 *Secretary Wright. Thank you, Representative Peters.

1169 *Mr. Latta. Thank you very much. The gentleman yields
1170 back the balance of his time. The chair now recognizes the
1171 gentleman from Texas's 11th district for five minutes for
1172 questions.

1173 *Mr. Pfluger. Thank you, Mr. Chairman.

1174 And Secretary, it is such a breath of fresh air to have

1175 an expert, somebody who knows the business of energy, and
1176 that represents all 50 states on affordable, reliable energy.
1177 And it is also nice to follow Mr. Peters from California, and
1178 I know that his heart is in the right place on wanting to
1179 work on permitting reform, which is a huge priority for us.

1180 And I will go to -- I will start kind of small in our
1181 district. Thank you for the work on nuclear. And you have
1182 made tremendous strides and gains. As opposed to the
1183 previous administration, you are working on this. And as you
1184 know, the project in Texas with Abilene Christian University,
1185 Natura Energy, I know that DoE has been working very closely
1186 with that, and there is a couple of benefits. Number one, it
1187 is the added dispatchable power that we, when scaled, are
1188 going to receive from that. But number two, it is also a
1189 water issue as well, that the heat from this reactor and the
1190 technology from this reactor can help on desalinization of
1191 water, especially in an area like west Texas, where water is
1192 so critical.

1193 And I just wanted to get your thoughts on that current
1194 project before going into some other ideas.

1195 *Secretary Wright. Yes, I think that reactor at Abilene
1196 Christian is a perfect example about why we are going to have
1197 a nuclear renaissance this time. A, I would say at the
1198 Federal Government we have commitment that we are going to do
1199 it, we are going to be more sensible on regulation. NRC is

1200 critical in that. We have great leadership at the NRC. I
1201 think they are doing great things.

1202 We are changing permit approvals in the DoE. We have
1203 used money appropriated by Congress -- thank you all,
1204 everyone here, for that -- to spur new uranium enrichment,
1205 new fuel fabrication in this country. So we are doing
1206 everything we can from the government end, but we have great
1207 private efforts at universities and at businesses that are
1208 trying different and novel technologies, putting their own
1209 capital at risk, their time, their emotional energy into it.

1210 If you combine capital, emotional energy, innovation
1211 with a reasonable regulatory environment, you get progress.
1212 And I am very excited about it. We are not betting on one
1213 horse, or one thing, or reviving something that was old.
1214 There is so much exciting innovation going on, one right
1215 there in your district. I have never -- I went to college to
1216 work on nuclear energy. I have never been more optimistic
1217 about the future of nuclear than I am today.

1218 *Mr. Pfluger. Well, thank you for that commitment. We
1219 need -- we do need the Idaho National Lab to deliver on their
1220 side of it to really finish out that project. And I think it
1221 is going to be tremendously helpful for our country.

1222 Let me switch to the crisis that we have. And you
1223 mentioned California earlier, and I would put the
1224 northeastern United States in the same category. But, I

1225 mean, California is going to end up importing from other
1226 countries because they won't allow via pipeline or via the
1227 refineries that are actually shutting down -- there are
1228 multiple refineries that are shutting down in California
1229 right now because the state has made it so tremendously
1230 difficult to work there to produce and provide for that
1231 population.

1232 So I want to tie that with the efforts that -- the
1233 Department of Energy is trying to do everything you possibly
1234 can, and maybe give us a sense of some of the solutions
1235 legislatively that we can be thinking about so that there
1236 isn't a disaster in those coastal areas.

1237 *Secretary Wright. It is a serious concern about
1238 national security in California. Again, massive military
1239 assets there. We supply our forward bases in the Pacific out
1240 of the west coast of the United States. But yet here we have
1241 a state -- not only does California have the most expensive
1242 electricity prices, they produce meaningfully less
1243 electricity today than they did 10 years ago, as does New
1244 York, as does Massachusetts.

1245 All the green energy states have expensive energy and
1246 declining output. California, 100 years ago, a little more
1247 than 100 years ago, produced 40 percent of America's oil.
1248 Today it produces two percent. Two percent of American oil
1249 comes out of California. Yes, and they consume closer to 10

1250 percent. So they are just wildly dependent not on imports
1251 from other states like Texas or New Mexico, they are
1252 importing oil from Iraq, you know, from Ecuador, from --

1253 *Mr. Pfluger. There is going to be a day where they
1254 import more oil from Iraq than they get from the United
1255 States. And if that is not already today, then --

1256 *Secretary Wright. They import over 60 percent of their
1257 oil from out of the United States. Over 60 percent of the
1258 oil consumed in California is imported from across the ocean
1259 on giant tanker ships, and they import gasoline and diesel
1260 and jet fuel refined products. They can't even make energy
1261 out of it. They had 40 refineries. Now they only have seven
1262 of any size. They are not going to be able to refine enough
1263 of their own products. So Pacific nations or some other
1264 state like Texas is going to have to make that quirky
1265 California gasoline blend designed to be expensive. I think
1266 that was the goal. Make it expensive.

1267 *Mr. Pfluger. And --

1268 *Mr. Latta. Sorry --

1269 *Mr. Pfluger. -- warning flag about being like
1270 California for the rest of the United States.

1271 I yield back.

1272 *Mr. Latta. The gentleman's time has expired and he
1273 yields back. The chair now recognizes the gentleman from New
1274 Jersey's 8th district for five minutes for questions.

1275 *Mr. Menendez. Thank you, Chairman.

1276 Secretary Wright, you state in your written testimony
1277 that the Department of Energy continues to be focused on
1278 turning our nation's abundance of resources into affordable,
1279 reliable, and secure energy for all Americans. What grade
1280 would you give yourself delivering on that promise?

1281 *Secretary Wright. I would have to grade the whole
1282 team, but I think the team has made massive --

1283 *Mr. Menendez. So what grade?

1284 *Secretary Wright. -- progress in the last 15 months.

1285 *Mr. Menendez. What grade would you give yourself or
1286 the Administration?

1287 *Secretary Wright. I would give the -- I can't give --

1288 *Mr. Menendez. Okay, I will answer the question for
1289 you. Gas is up a dollar per gallon since January, and diesel
1290 prices are now over \$5 per gallon. Electricity prices have
1291 risen as much as 13 percent nationwide since President Trump
1292 took office, and inflation tripled last month on the record
1293 gas spike due to the President's war with Iran. So I would
1294 give you an F, as I believe most Americans who are getting
1295 crushed by rising prices would.

1296 Let's talk about how we got here. Mr. Wright, following
1297 the Trump Administration and congressional Republicans'
1298 illegal war in Iran, the Trump Administration granted
1299 sanction waivers to both Russia and Iran that allowed both

1300 countries to temporarily sell oil. Is that correct? There
1301 were sanction waivers for both countries. Is that correct?
1302 Yes or no?

1303 *Secretary Wright. There were sanction waivers to bring
1304 that oil into Asian refineries, as opposed to being stored in
1305 Chinese --

1306 *Mr. Menendez. The answer is yes. And these waivers
1307 come while we are at war with Iran and Russia has continued
1308 its war with Ukraine. Is that correct?

1309 *Secretary Wright. Is your preference a nuclear arms --

1310 *Mr. Menendez. So the answer is yes.

1311 *Secretary Wright. -- Iran?

1312 *Mr. Menendez. Even though we are at war with Iran --

1313 *Secretary Wright. I guess the answer is yes.

1314 *Mr. Menendez. I am reclaiming my time. Even though we
1315 are at war with Iran, and Russia is still at war with our
1316 ally, Ukraine, we have allowed both countries to benefit
1317 financially from Trump's war with Iran.

1318 Before Trump's war with Iran, was the Strait of Hormuz
1319 open? Just yes or no.

1320 *Secretary Wright. Always at threat of being closed.

1321 *Mr. Menendez. But it was open. And now it is not open
1322 and Iran has operational control of it. And about 20 percent
1323 of global oil typically goes through the Strait, which is
1324 about 130 ships per day. So Iran has operational control of

1325 the Strait, and now a fraction of the number of ships are
1326 passing through.

1327 Prior to Trump's war with Iran, the average price of a
1328 gallon of gas was between \$2.87 and \$2.94. Is that correct?

1329 *Secretary Wright. Yes, much lower than ever during the
1330 Biden --

1331 *Mr. Menendez. And the average price of gas today is
1332 \$4.13. Is that correct?

1333 *Secretary Wright. Lower than the peak of the Biden
1334 Administration. Much lower.

1335 *Mr. Menendez. So that means that the cost of gas is up
1336 \$1.20 since the start of Trump's war with Iran, which equates
1337 to Americans collectively paying over \$20.5 billion at the
1338 pump.

1339 So let's do a quick recap. For the past month Russia
1340 and Iran have reaped the financial benefits of President
1341 Trump's waivers on oil sanctions. The Strait of Hormuz went
1342 from open to closed, and Iran maintains operational control
1343 over the Strait. Gas prices are up \$1.20 since the start of
1344 Trump's war.

1345 So Mr. Wright, from solely an energy perspective, would
1346 you agree that this war is an absolute failure that is being
1347 borne on the backs of hard-working Americans?

1348 *Secretary Wright. I adamantly disagree. Iran has been
1349 a threat to global energy supplies for 47 years, and we are

1350 finally going to end that threat. Yes, of course, there is
1351 some --

1352 *Mr. Menendez. How?

1353 *Secretary Wright. -- weeks of disruption.

1354 *Mr. Menendez. That has not been communicated to the
1355 American people. The goalpost keeps moving. And meanwhile,
1356 our constituents are paying at the pump every single day.

1357 Mr. Wright, as the Secretary of Energy one of your roles
1358 is to ensure the security of nuclear materials worldwide. Is
1359 that correct?

1360 *Secretary Wright. That is correct.

1361 *Mr. Menendez. What is the status of Iran's enriched
1362 uranium?

1363 *Secretary Wright. That -- we don't know exactly what
1364 the status of Iran's enriched uranium is today, and what I do
1365 know I won't share.

1366 *Mr. Menendez. Iran is believed to have about 960
1367 pounds of uranium enriched at 60 percent, which is enough to
1368 produce about 10 nuclear warheads. Is that your assessment?

1369 *Secretary Wright. Yes, it is. And apparently you want
1370 them to finish the job.

1371 *Mr. Menendez. Well, that is interesting because last
1372 summer President Trump initiated strikes on nuclear
1373 facilities in Iran, claiming that their program was "totally
1374 obliterated," and "set back the program for years." So if

1375 you agree that there is 960 pounds of uranium enriched and
1376 that Iran's nuclear program was totally obliterated, how
1377 obliterated, how can those two things be true?

1378 *Secretary Wright. Because they produced that enriched
1379 uranium before those strikes in their nuclear program.

1380 *Mr. Menendez. Okay, let's talk about that as well.
1381 The Trump Administration has used Venezuela's natural
1382 resources to exert control in the Western Hemisphere,
1383 including by cutting off the supply of oil to Cuba. And now
1384 Cuba has plunged into an energy crisis.

1385 The Trump Administration has threatened tariffs on
1386 countries like Mexico -- have historically provided fuel to
1387 Cuba, yet the President allowed a Russian oil tanker to reach
1388 Cuba. Is that correct?

1389 *Secretary Wright. That is correct.

1390 *Mr. Menendez. So the President allows Russia to give
1391 oil to Cuba while threatening everyone else who wants to
1392 help, and the President allowed Russia to profit off a
1393 temporary sanctions waiver even though they are still at war
1394 with Ukraine.

1395 Mr. Wright, in your assessment, why is this
1396 Administration so weak on Russia?

1397 *Secretary Wright. I don't believe this Administration
1398 is weak on Russia. This Administration has done the most
1399 efforts to get as close as possible to end the ruinous war in

1400 Ukraine --

1401 *Mr. Menendez. Listen, I disagree. And at the end of
1402 the day you can't tell the American people how they feel.
1403 And they are struggling right now because of this reckless
1404 war and this disastrous Administration.

1405 I yield back.

1406 *Mr. Latta. The gentleman's time has expired and yields
1407 back. The chair now recognizes the gentleman from Georgia's
1408 12th district for five minutes for questions.

1409 *Mr. Allen. Hey, Mr. Secretary. I want to thank Chair
1410 Latta for holding this important hearing with our Energy
1411 Secretary Wright, and I really appreciate your work, sir, and
1412 I thank you for being here to testify today, even under these
1413 circumstances.

1414 I want to thank you for unleashing American energy and
1415 for working on getting more reliable energy on our grid. You
1416 know, it is too bad that my friends on the other side of the
1417 aisle didn't get so upset about gas prices under the previous
1418 administration. I don't quite understand the hypocrisy. But
1419 anyway, we have to deal with it.

1420 As part of that, nuclear energy plays a vital role and I
1421 am proud to highlight that my district is home to Plant
1422 Vogtle, the nation's largest and most advanced clean nuclear
1423 energy facility with units 3 and 4 now fully operational.
1424 Nuclear energy is critical for our nation's energy security,

1425 and I am glad that the Trump Administration is promoting
1426 nuclear energy. I look forward to continuing to work with
1427 you on deploying our nuclear energy capabilities.

1428 The refocused Office of Energy Dominance Financing, EDF,
1429 is committed to the responsibility of deploying capital to
1430 projects that meaningfully contribute to energy security and
1431 lower energy costs for Americans. These are projects that
1432 can be built quickly and start making a real difference,
1433 generating electricity and a return on investment alike. Mr.
1434 Secretary, how can the EDF be utilized to expand existing
1435 nuclear plants, gas generating plants, and grid components to
1436 build our capacity and usher forward the next-generation
1437 reactors?

1438 *Secretary Wright. Boy, I love your enthusiasm and,
1439 yes, congratulations for the huge nuclear resources in your
1440 district.

1441 Two of our early loans from the Energy Dominance Finance
1442 loan are for nuclear plant restarts, both the Palisades plant
1443 in Michigan and the formerly Three Mile Island that will be
1444 re-christened the Crane Clean Energy Center, those are EDF
1445 loans from the Department of Energy in partnership, you know,
1446 with solid corporate partners that are leading the effort and
1447 funding with equity. We are just -- they are debt partners
1448 coming along with them.

1449 EDF loans will almost certainly be part of the first 5

1450 or 10 new reactors that are built in this country.
1451 Commercial lenders will be right there along with us. And
1452 after we get that ball rolling again, I think the commercial
1453 capital markets will fill that role nicely. But there is an
1454 important role for us at the start. We need key --

1455 *Mr. Allen. Yes, all right.

1456 *Secretary Wright. -- equity partners, and we need the
1457 right projects. But the enthusiasm is high there, and I
1458 believe we will get the nuclear ball moving again.

1459 *Mr. Allen. Well, we know we have got to create a whole
1460 lot of energy in this country. We are way behind. And I
1461 appreciate your work with the public-private partnerships to
1462 get this done.

1463 EDF recently approved the largest loan in DoE history,
1464 \$26.5 billion for Southern Company that operates the
1465 utilities along with other utilities in our -- in my district
1466 to build new generating units and upgrade existing
1467 infrastructure. This includes six GW and nuclear power
1468 improved through up-rates and license renewals. What impact
1469 will this have on my constituents in Georgia's 12th district?

1470 *Secretary Wright. Maybe the most important thing it
1471 will have is it will stop the ruinous price rises that ran
1472 for the four years of the Biden Administration and, of
1473 course, last year as well. Everything that came onto the
1474 electricity grid, every impact on the grid last year was

1475 Biden policies. It takes longer to reverse those policies,
1476 those impacts.

1477 So it will stop the rise of electricity prices in
1478 Georgia and Alabama. It will grow massively the amount of
1479 deliverable electricity in those regions --

1480 *Mr. Allen. Yes.

1481 *Secretary Wright. -- which will allow new businesses,
1482 new manufacturing data centers, whatever it is the great
1483 people of Georgia want in that district, it will enable
1484 better futures, lower prices, higher wages.

1485 *Mr. Allen. And that is why this affordable issue is so
1486 full of hypocrisy. I mean, it baffles the mind.

1487 In February the House of Representatives passed my bill,
1488 the Home Appliance Protection and Affordability Act. This
1489 bill makes several energy -- several updates to the Energy
1490 Policy and Conservation Act to preserve consumer choice and
1491 affordability in household appliances. Should this bill be
1492 enacted, then how will the Department of Energy ensure that
1493 consumer choice and affordability and the fact that this
1494 stuff needs to work like it is supposed to be protected? And
1495 I got about 20 seconds, sir.

1496 *Secretary Wright. No, it is critical. We have got to
1497 allow Americans to purchase what Americans can afford and
1498 what they want to buy. This sort of arrogant paternalism
1499 that you have to buy the expensive, fancy one that my friends

1500 in Manhattan have, everyone has to buy it, that is what the
1501 Democrats did under the previous Administration. Not a
1502 single loan they gave mentioned affordability or cost in the
1503 applications and in the plan. Not one.

1504 *Mr. Latta. And I am sorry --

1505 *Mr. Allen. We have to reverse this HVAC problem too,
1506 sir.

1507 *Mr. Latta. The gentleman's time has expired.

1508 *Mr. Allen. Thank you.

1509 *Mr. Latta. And he yields back. The chair now
1510 recognizes the gentleman from California's 15th district for
1511 five minutes for questions.

1512 *Mr. Mullin. Thank you, Mr. Chair.

1513 Thank you, Mr. Secretary, for being here.

1514 The war in Iran has sent the price of gasoline soaring,
1515 with the national average over \$4 a gallon, up nearly \$1.50,
1516 \$1.50 per gallon, since the start of the year.

1517 Now, Mr. Secretary, prior to the President's attack on
1518 Iran, did the Department of Energy model potential increases
1519 in gas prices?

1520 *Secretary Wright. Oh, the Department of Energy has
1521 engaged in the Iran question since the Administration
1522 started, the risks from Iran, the risks from action against
1523 Iran, so absolutely.

1524 *Mr. Mullin. And did President Trump consult with you

1525 directly about the impact his war would have at the pump?

1526 *Secretary Wright. Absolutely.

1527 *Mr. Mullin. He did. So you are saying the President
1528 knew that this would trigger a 45 percent spike in gas prices
1529 for working families and proceeded anyway. So thank you.
1530 Thank you for putting that on the record.

1531 Do you have an estimate for how long the President's war
1532 will raise gas prices?

1533 *Secretary Wright. I think in the long term it will be
1534 meaningfully lower gas prices because we are removing the
1535 greatest threat to global energy security that has been here
1536 for decades and was rising to a new level. A nuclear-armed
1537 Iran with a massive weapons arsenal is an existential threat
1538 to the economies in that region, to the countries, to the
1539 United States, and certainly to global energy markets.

1540 *Mr. Mullin. Thank you for that.

1541 *Secretary Wright. This was a problem that needed to be
1542 fixed.

1543 *Mr. Mullin. Thank you, Mr. Secretary. It offers
1544 little comfort to families choosing between groceries and
1545 filling their gas tanks, but I appreciate that answer.

1546 I would like to move to a topic of innovation. My
1547 district in the San Francisco Bay area is a global leader in
1548 commercializing break-throughs. For nearly two decades the
1549 Advanced Research Projects Agency for energy, or ARPA-E, has

1550 been the Federal Government's primary engine for that same
1551 mission. It was designed to move at the speed of the private
1552 sector and bridge the gap between the lab and the market.

1553 You have talked about leading on critical minerals and
1554 AI and firm power generation. But instead of using ARPA-E to
1555 accelerate those goals, your budget proposes cutting its
1556 funding by 43 percent. This is at a time when China is
1557 spending over \$1 trillion on R&D. So why are you proposing
1558 such significant cuts to your agency's engine, really, for
1559 commercialization?

1560 *Secretary Wright. So our request this year was flat
1561 with our request from last year. Last year you worked with
1562 us to plus-up that request, and I hope we have a similar
1563 pathway this year.

1564 *Mr. Mullin. Okay. I would just like to note that we
1565 have heard about reorganizing and creating brand new offices
1566 to do the job ARPA-E is already doing. It is efficiency? I
1567 am concerned about the use of tax dollars with regard to
1568 that. And I just want to say that ARPA-E is tech neutral.
1569 Its mission is to overcome, and I quote, "long-term and high-
1570 risk technological barriers.'" If you want to change those
1571 priorities, you change the program directors, you don't fire
1572 staff and you don't get the budget. But I look forward to
1573 working with you on ARPA-E going forward.

1574 And with that I yield back.

1575 *Secretary Wright. Thank you. I am a fan of ARPA-E, as
1576 well, and look forward to working with you on it.

1577 *Mr. Latta. The gentleman yields back, and the chair
1578 now recognizes the gentleman from Ohio's 12th district for
1579 five minutes for questions.

1580 *Mr. Balderson. Thank you, Mr. Chairman.

1581 Thank you, Secretary Wright, for being here this
1582 morning. Mr. Secretary, in just the last few months the
1583 Department of Energy and the Department of Commerce announced
1584 a historic \$33 billion public-private partnership in the
1585 great State of Ohio. Thank you. As part of this
1586 partnership, SoftBank Energy will build out 10 gigawatts of
1587 new power generation, including 9.2 gigawatts of natural gas
1588 generation to power new data center development in Ohio.
1589 When completed, this project will include one of the largest
1590 natural gas generating facilities in the world, while at the
1591 same time protecting Ohio families and ratepayers from
1592 increased costs associated with new data centers.

1593 Can you discuss the department's role in establishing
1594 this partnership?

1595 And more broadly, how are you working with the
1596 Administration to win the AI race while protecting Americans
1597 from increasing energy costs as outlined in the President's
1598 Ratepayer Protection Pledge?

1599 *Secretary Wright. Thank you so much for the question,

1600 Representative Balderson, and thank you for your great State
1601 of Ohio, a key part of the American industrial heartland in
1602 the past, and I believe very much will be in the future as
1603 well.

1604 So artificial intelligence and reshoring of
1605 manufacturing are going to have huge new demand for
1606 electricity. Those plants, those facilities need to go
1607 places where you have got skilled workforce, a reasonable
1608 business environment, and energy resources, most importantly,
1609 the ability to grow and expand energy resources. We looked
1610 at the Department of Energy. We have over one million acres
1611 at our labs and facilities we otherwise manage that have
1612 land, and we reached out to developers of data centers and
1613 said, hey, who -- if you bring capital and compute to help
1614 our Genesis Mission advance AI, we want to work with you.

1615 And so we identified that facility in Portsmouth, Ohio,
1616 a former gaseous diffusion plant that was part of the United
1617 States weapons program but it had been decommissioned and has
1618 been in the process -- mostly through -- of cleaning up and
1619 reclaiming that area, so just a great location, a brownfield
1620 to develop large data centers and large new power generation.
1621 The main funding for the power generation part of it is
1622 coming from the trade deal President Trump negotiated with
1623 Japan. Japan wanted more favorable trade terms for the
1624 United States and, in exchange, agreed to invest hundreds of

1625 billions of dollars into the United States in assets that are
1626 funded by the Japanese Government but are ultimately owned by
1627 the United States.

1628 These will be managed by a great utility that serves
1629 that local area in Ohio. So we want to get going as quickly
1630 as we can, raise the power production in that area so we can
1631 build the data center, build other industrial facilities that
1632 will be around it, and freeze electricity prices at a
1633 minimum, and hopefully start to decline the rates in that
1634 area. That will spur all sorts of other businesses.

1635 *Mr. Balderson. Great.

1636 *Secretary Wright. We had a wonderful event there, and
1637 the people that used to work at that facility were so excited
1638 that they and their children are going to, again, be able to
1639 work at great American industrial facilities in the heartland
1640 of our country.

1641 *Mr. Balderson. I couldn't agree with you more, Mr.
1642 Secretary, thank you.

1643 In addition to the SoftBank project, Williams Companies
1644 is currently investing over \$7 billion to develop new natural
1645 gas-fired plants, including the Socrates Project in my
1646 congressional district that I am fortunate to represent, to
1647 help power data center facilities in central Ohio. I believe
1648 gas production in Ohio, West Virginia, and Pennsylvania are
1649 well positioned to support this new development and

1650 investment in co-located and behind-the-meter generation.

1651 Can you briefly discuss how the department's views the -
1652 - how the department views the Utica and Marcellus Shale as
1653 an asset in supporting your goals of American energy
1654 dominance?

1655 *Secretary Wright. Yes, again, fantastic. The shale
1656 revolution, as you know well, just transformed our country.
1657 It reset oil prices and natural gas prices massively lower.
1658 Oil prices in real terms were well over \$200 20 years ago in
1659 peace-time. But shale revolution exploded American
1660 production of oil and natural gas. The greatest natural gas
1661 shale producing area in the region is in your great state, is
1662 in Pennsylvania, West Virginia, and eastern Ohio. These
1663 resources are massive.

1664 And how much gas can be produced is limited by how much
1665 pipeline capacity there is, mostly to get it to the Gulf
1666 Coast where it is loaded as LNG and shipped abroad or
1667 pipelined around to demand centers across the country, but it
1668 is limited by pipeline capacity. So one of the beautiful
1669 ideas is -- a way to use more of that gas without having to
1670 build a very long-distance pipeline is to use it locally,
1671 build data centers, build manufacturing right there in Ohio.
1672 Short connection lines can take abundant gas from the Utica
1673 Shale in eastern Ohio and build new factories, build new data
1674 centers.

1675 And Williams Company, who is a pipeline developer, says,
1676 hey, we can develop a short pipeline here and build massive
1677 infrastructure in the great State of Ohio, who has the --

1678 *Mr. Latta. I am sorry to interrupt. The gentleman's
1679 time has expired.

1680 *Mr. Balderson. Thank you, Mr. Secretary.

1681 *Mr. Latta. And the chair now recognizes the gentlelady
1682 from Virginia's 4th district for five minutes for questions.

1683 *Ms. McClellan. Thank you, Chair Latta and Ranking
1684 Member Castor, for holding this very important hearing today.

1685 As the explosion and energy demand from an increasingly
1686 digital world and AI increases energy demand dramatically,
1687 faster than our energy infrastructure can keep up, meeting
1688 this demand affordably, reliably, and in a way that balances
1689 the health of our communities, planet, its ecosystems, while
1690 ensuring grid security, remains critically important to our
1691 national prosperity and our national security. And frankly,
1692 I have been very disappointed by this Administration's
1693 inability to advance a coherent energy strategy that
1694 sufficiently meets this moment.

1695 Rather than encouraging the growth of cheap, reliable,
1696 renewable energy sources, the Administration doubles down on
1697 increasingly expensive and inefficient fossil fuels,
1698 eliminates programs designed to reduce energy demands and
1699 help lower energy bills. And on top of this, this

1700 President's war of choice in Iran has sent energy prices
1701 soaring over the past month.

1702 Americans are now paying over \$4 a gallon for gas and
1703 diesel over \$5 per gallon, while 80 million Americans are
1704 struggling to pay their utility bills and many of them are
1705 forced to choose between paying for food, medicine, housing,
1706 or keeping the lights on as the price of each of those things
1707 have gone up and continue to rise, thanks to the policies of
1708 the Trump Administration.

1709 And it is this context, Mr. Secretary, that you are here
1710 to defend a budget that repeals \$15.2 billion in support of a
1711 clean, reliable, renewable, and affordable energy system,
1712 plows almost \$2 billion in funding to make costly upgrades to
1713 oil and natural gas plants, pipelines, and fuel storage
1714 infrastructure to extend the life of expensive-to-maintain,
1715 soon-to-be-retired gas plants, and a budget that cuts the
1716 funding for offices focused on energy innovation and novel
1717 technology to meet our energy demands.

1718 So, Mr. Secretary, yes or no, do you believe that the
1719 Federal Government should help ensure that rural localities
1720 and small municipal grid operators can protect their
1721 infrastructure from cyber attacks?

1722 *Secretary Wright. Yes, we have made many of the
1723 changes in our policy specifically aimed at stopping the
1724 price rises of the previous policies and moving to more

1725 sensible policies. And yes, cybersecurity is major on our
1726 electricity grid, and we need to continue to get smarter at
1727 doing that.

1728 *Ms. McClellan. And I agree with you that we need to
1729 help particularly rural and municipal utilities'
1730 cybersecurity programs. And yet your budget zeroes out the
1731 rural and municipal utility cybersecurity program, and that
1732 just makes no sense to me. This is a vital program that this
1733 committee recently voiced unanimous support for that helps
1734 small and rural municipalities protect themselves against an
1735 ever-multiplying number of cybersecurity threats that could
1736 prove severely disruptive to those communities, rural
1737 communities like the ones that I represent in Virginia. They
1738 are under-resourced, they are under-funded, and this --
1739 zeroing out of this budget is counterproductive to helping
1740 them keep their grid safe.

1741 Mr. Secretary, yes or no, do you agree that efforts to
1742 mitigate the impact that data centers have on regional and
1743 local grids will also help mitigate energy shortages and
1744 provide greater price stability for American families?

1745 *Secretary Wright. Yes, I agree with that.

1746 *Ms. McClellan. I agree with you. And I represent the
1747 data capital center of the globe, as well as the clean energy
1748 capital of the south. And yet, as Secretary, you have
1749 overseen the cancellation of hundreds of previously-awarded

1750 grants under the Inflation Reduction Act and the
1751 Infrastructure Investment and Jobs Act. And in Virginia that
1752 has jeopardized over \$233 million in grants that are focused
1753 on everything from energy efficiency to grid reliability.

1754 And one of those grants was to study ways that grid-
1755 enhancing technology could be used to reduce the impacts of
1756 data centers on local and regional grids. And being here in
1757 the DMV area, I am sure you have read the news how Virginia
1758 is struggling with how to balance the need for data centers,
1759 the impact that they are having on prices, the impact they
1760 are having on demand, and the impact they are having on our
1761 communities. And yet canceling this grant makes it difficult
1762 for the Commonwealth of Virginia to meet that challenge.

1763 And so these are just two of the cuts in this budget
1764 that cause me great concern. Based on everything we have
1765 heard today, there is a lot in that budget that causes great
1766 concern. And, you know, we are going to fight to ensure that
1767 our localities have what they need to keep the grid safe and
1768 that we meet this moment in a way that keeps energy prices
1769 affordable and reliable.

1770 I yield back.

1771 *Mr. Latta. Thank you very much. The gentlelady's time
1772 has expired, and the gentlelady from Tennessee's 1st district
1773 is recognized for five minutes for questions.

1774 *Mrs. Harshbarger. Thank you, Mr. Chairman, and thank

1775 you, Secretary Wright, for being here today.

1776 And I want to thank you for the department's leadership
1777 in building domestic uranium enrichment capacity through the
1778 NNSA's defense fuels programs in my district. And as part of
1779 that program, there is a site that has been elected to
1780 demonstrate DUECE centrifuge technology, which will
1781 ultimately support the production of highly-enriched uranium
1782 for the Naval Reactors Program. It is NFS.

1783 And I know we spoke about this last year, but I wondered
1784 if you could share any updates on the program and how
1785 important that is to national security.

1786 *Secretary Wright. Yes, it is -- we don't enrich
1787 meaningful uranium in the United States for commercial use or
1788 for defense program use.

1789 *Mrs. Harshbarger. Yes.

1790 *Secretary Wright. That has been true for a few
1791 decades. And, of course, it is just entirely unacceptable.

1792 *Mrs. Harshbarger. Yes.

1793 *Secretary Wright. You have been a champion of this for
1794 years. I have been here for a year-and-a-half as your
1795 partner in this endeavor --

1796 *Mrs. Harshbarger. Yes.

1797 *Secretary Wright. -- that we need to reestablish
1798 enrichment of uranium for commercial purposes, for military
1799 purposes --

1800 *Mrs. Harshbarger. Yes.

1801 *Secretary Wright. -- in the United States with
1802 American technology and American companies.

1803 *Mrs. Harshbarger. Yes.

1804 *Secretary Wright. I am happy to see that going. Funds
1805 that were granted by Congress, I think, over three years ago
1806 sat unused through the last years of the Biden
1807 Administration. We ran a competitive process to find the
1808 best way to deploy that in multiple different technologies,
1809 multiple companies, and targeted at multiple different
1810 outputs. But those awards have been given, we are
1811 negotiating final terms. We want to see shovels in the
1812 ground and construction growing --

1813 *Mrs. Harshbarger. Yes.

1814 *Secretary Wright. -- as fast as possible.

1815 *Mrs. Harshbarger. That is a big deal, so --

1816 *Secretary Wright. It is a really big deal.

1817 *Mrs. Harshbarger. Yes.

1818 *Secretary Wright. And, of course, that money goes as
1819 well to, you know, the right winners, the right companies.

1820 *Mrs. Harshbarger. Yes.

1821 *Secretary Wright. But they choose regions --

1822 *Mrs. Harshbarger. Yes.

1823 *Secretary Wright. -- like yours that have a long
1824 history in nuclear technology and nuclear innovation because

1825 the workforce is there, the regulatory regime --

1826 *Mrs. Harshbarger. Yes.

1827 *Secretary Wright. -- is there, and the ability to
1828 stand it back.

1829 Tennessee was absolutely critical during World War II --

1830 *Mrs. Harshbarger. Absolutely.

1831 *Secretary Wright. -- to the atomic -- to our Manhattan
1832 Project that brought the war to an earlier end than it
1833 otherwise would have, I think saved easily tens of thousands,
1834 likely hundreds of thousands of lives and ushered in a
1835 relatively safer world by America being this strong, powerful
1836 leader of the world. And we must do that again in the United
1837 States.

1838 *Mrs. Harshbarger. Yes, we have to.

1839 *Secretary Wright. We must have a strong deterrent, and
1840 we must have those capacities right here in our country. And
1841 a lot of it is going to be right there in your State of
1842 Tennessee.

1843 *Mrs. Harshbarger. Well, it is. We want that to be the
1844 next nuclear hub, is east and northeast Tennessee.

1845 And honestly -- let me go into the next question -- last
1846 month the trade deal with Japan, with GE Vernova and Hitachi,
1847 you know, when they announced plans to invest \$40 billion in
1848 Tennessee and Alabama building these SMRs --

1849 *Secretary Wright. Yes.

1850 *Mrs. Harshbarger. -- basically, that will generate
1851 three gigawatts of power. How is the department going to
1852 ensure these SMRs are deployed quickly and affordably?

1853 *Secretary Wright. So we are in close contact with the
1854 folks at GE at Hitachi. You know, where is the state of the
1855 technology? How can we initiate helping them get long lead
1856 time parts ordered --

1857 *Mrs. Harshbarger. Yes.

1858 *Secretary Wright. -- now, get permitting, and get that
1859 under construction as quickly as possible.

1860 *Mrs. Harshbarger. Yes.

1861 *Secretary Wright. But I do think that Japanese trade
1862 deal brought some critical money to make stuff happen faster
1863 than it otherwise would happen.

1864 *Mrs. Harshbarger. Well, \$40 billion.

1865 *Secretary Wright. But I think we got a great -- think
1866 of what three gigawatts does not just for Tennessee and your
1867 area, but for our country as far as reshoring,
1868 manufacturing --

1869 *Mrs. Harshbarger. Yes.

1870 *Secretary Wright. -- and leading in AI.

1871 *Mrs. Harshbarger. Really, because TVA is partner with
1872 Google for the data centers, and it won't be an increase in
1873 payer rates because of that.

1874 So I have got a minute-13 seconds, and I will tell you

1875 this. I have heard from several stakeholders that AI could
1876 be the key to addressing many of the challenges our grid
1877 system faces. And the department has budgeted over a billion
1878 dollars for AI and quantum. So can you speak to the
1879 potential for AI to help accelerate grid and transmission
1880 capacity and, in your view, what is holding that back?

1881 *Secretary Wright. Critical for the grid. The grid --
1882 and we heard a comment on this earlier, that Three Mile
1883 Island is being turned back on and the local utility, or the
1884 local --

1885 *Mrs. Harshbarger. Yes.

1886 *Secretary Wright. -- the local grid authority said,
1887 well, we will -- five or six years from now we will be ready
1888 to connect it up. We cannot do that. When these grid
1889 studies -- because the grid is complicated, it will take
1890 forever to do.

1891 *Mrs. Harshbarger. Yes.

1892 *Secretary Wright. AI is going to allow us to massively
1893 automate that process. We are just going to give it a model
1894 and send an agent there. It will be able to do these grid
1895 studies in 1/100 of the time, and we need that. We need
1896 quick answers --

1897 *Mrs. Harshbarger. We need that.

1898 *Secretary Wright. -- on how to optimize our grid and
1899 how to build new resources --

1900 *Mrs. Harshbarger. You know, I always worried about
1901 EMPs and things that -- you know, they had the EMP study, and
1902 I talked to a company today so I probably have some follow-up
1903 questions for you about the modernization and the hardening
1904 of the electric grid with E1 and AFS protection devices. It
1905 is -- that is a worry, too. Nobody talks about that.

1906 *Mr. Latta. Well, I am --

1907 *Secretary Wright. It is. Thank you.

1908 *Mr. Latta. Unfortunately, the gentlelady's time has
1909 expired --

1910 *Mrs. Harshbarger. Well, thanks --

1911 *Mr. Latta. -- and we will have to get that in --

1912 *Mrs. Harshbarger. Thanks, Chairman, for reminding me.
1913 I will yield back then.

1914 *Mr. Latta. I thank the gentlelady for yielding back.
1915 The chair now recognizes the gentlelady from Colorado's 1st
1916 district for five minutes for questions.

1917 *Ms. DeGette. Thank you so much, Mr. Chairman.

1918 Mr. Secretary, it has been a year since you were here
1919 last speaking to the committee, and I wanted to discuss a
1920 little bit about some of what the Administration has done
1921 with respect to our shared home state of Colorado.

1922 On October 1, 2025, DoE released this statement
1923 announcing, "Energy Department announces termination of 223
1924 projects, saving over \$7.5 billion.'" The Colorado Sun

1925 reported, "Trump Administration slashes \$550 million in
1926 Colorado clean energy grants.'" Conveniently, about 24 hours
1927 ago, before you were scheduled to testify, we received a list
1928 of grants set to be "retained or modified,'" some of which
1929 appear to be in Colorado. So we called the Colorado Energy
1930 Office, and we asked them if they knew about this. And they
1931 said they hadn't heard a thing.

1932 So I just want to ask you, is it true that some of those
1933 grants to Colorado that were cut have now been reinstated?

1934 *Secretary Wright. I think that is true.

1935 *Ms. DeGette. Okay. Can you provide me -- you probably
1936 don't know, off the top of your head -- can you provide me
1937 within, like, a week or so a list of those projects so that I
1938 can share it with our home state?

1939 *Secretary Wright. Yes, my teammates who are behind me
1940 will do that.

1941 *Ms. DeGette. Thank you.

1942 *Secretary Wright. And again, out of 2,241 projects,
1943 yes, I am not --

1944 *Ms. DeGette. And I understand.

1945 *Secretary Wright. Yes, thank you.

1946 *Ms. DeGette. But I think they would really like to
1947 know if and which grants have been reinstated.

1948 So are you aware that one of the affected grants was to
1949 be the Colorado Energy Office for Resilient and Efficient

1950 Codes implementation to adopt building codes that reduce
1951 pollution, and which DoE itself projects would save Americans
1952 \$182 billion on utility bills through 2040? That was one of
1953 the ones that was supposed to be cut.

1954 *Secretary Wright. Yes, look, Colorado has been leaning
1955 in on this. If you build buildings differently, you can have
1956 them consume less energy.

1957 *Ms. DeGette. So that is not my --

1958 *Secretary Wright. The problem is it --

1959 *Ms. DeGette. Right. That is not my question. Do you
1960 know if that grant was reinstated?

1961 *Secretary Wright. I do not know.

1962 *Ms. DeGette. Can you please let me know that? Because
1963 obviously, if you are going to try to have better efficiency
1964 and save money, that is a good thing, wouldn't you agree?

1965 *Secretary Wright. It is just a trade-off. If you make
1966 houses too expensive for people to buy them, then the fact
1967 that they would save energy if they could afford them -- so
1968 it depends. It is not --

1969 *Ms. DeGette. So are you guys --

1970 *Secretary Wright. It is not always a good idea.

1971 *Ms. DeGette. Are you now regulating the cost of
1972 housing?

1973 *Secretary Wright. I have never regulated the housing -
1974 - cost of housing, but --

1975 *Ms. DeGette. I didn't think so.

1976 *Secretary Wright. -- but I am concerned about the cost
1977 of everything, the cost of --

1978 *Ms. DeGette. Well, we all are.

1979 *Secretary Wright. -- energy, the cost of housing, the
1980 cost of vehicles --

1981 *Ms. DeGette. We -- so we all are, and that is why we
1982 are perplexed if you are cutting \$182 billion savings from
1983 utility bills.

1984 Let me ask you my next question. DoE suspended over \$25
1985 million in weatherization assistance to the state which
1986 helped low-income households reduce heating bills. So my
1987 question is, are those some of the grants that have been
1988 reinstated?

1989 *Secretary Wright. I will have to look into that. But
1990 those are things that we have looked at carefully. There
1991 were crazy things in these low-income heating things. You
1992 had to do the social cost of carbon. There was politics and
1993 nonsense in those things --

1994 *Ms. DeGette. Well, we certainly don't want politics in
1995 nonsense. But --

1996 *Secretary Wright. Great.

1997 *Ms. DeGette. But however, that doesn't mean you throw
1998 the baby out with the bathwater and you just eliminate the
1999 grant because, wouldn't you agree low-income households need

2000 help with their heating bills, especially when heating is
2001 going up so much in cost?

2002 *Secretary Wright. A lifelong passion of mine is energy
2003 affordability.

2004 *Ms. DeGette. Wait, yes, that is an easy question. You
2005 can say yes or no.

2006 *Secretary Wright. I am saying yes.

2007 *Ms. DeGette. Right.

2008 *Secretary Wright. I have been frustrated by Democrats'
2009 constant efforts to drive up prices.

2010 *Ms. DeGette. I am --

2011 *Secretary Wright. I want to make it more --

2012 *Ms. DeGette. Guess what?

2013 *Secretary Wright. -- affordable for low-income people.

2014 *Ms. DeGette. Okay.

2015 *Secretary Wright. Are we aligned?

2016 *Ms. DeGette. Well, we are aligned in theory. Let's
2017 see what the practice looks like.

2018 If the funding uncertainty wasn't bad enough, DoE also
2019 -- and we actually talked about this last year -- it actively
2020 meddled in the state's energy regulation. The Comanche Plant
2021 in Craig was forced to remain operational, despite plans
2022 beginning a decade ago to close at the start of this year.
2023 Are you aware that forcing that plant to stay operational for
2024 just one year is expected to cost 85 to \$150 million?

2025 *Secretary Wright. The cost of grid instability and
2026 blackouts --

2027 *Ms. DeGette. No. Are you --

2028 *Secretary Wright. -- in that particular region would
2029 be much larger.

2030 *Ms. DeGette. Okay. Did you know that the cost comes
2031 in addition to \$200 million for 145 megawatt solar project
2032 that now cannot come online due to the limited transmission
2033 from the coal plant?

2034 *Mr. Latta. And the gentlelady has six seconds left.

2035 *Ms. DeGette. Well, maybe he would answer it -- or is
2036 he just stalling?

2037 I will ask you my last question. Did you know the
2038 ratepayers are going to have to pay the increased cost?

2039 *Secretary Wright. Keeping coal plants on in America
2040 have kept our grid stable, and ultimately keep prices down.

2041 *Ms. DeGette. I can see why you don't want to have to
2042 answer that.

2043 I yield back.

2044 *Mr. Latta. And the gentlelady's time has expired. And
2045 just -- all members know, you have probably heard the bells,
2046 we have 11 minutes left in this vote.

2047 The chair recognizes the gentleman from Oregon's 2nd
2048 district for five minutes for questions.

2049 *Mr. Bentz. Thank you, Mr. Chair. Thank you for being

2050 here.

2051 I have been working with your team on the Bonneville
2052 Power Administration in the northwest, and we need a new
2053 administrator, and we are extremely interested in finding
2054 someone who can assist in taking advantage of the enormous
2055 asset that the BPA is for the northwest. I do not know how
2056 up to speed you are on this, but I am guessing you are up to
2057 speed because you are from that part of the world. But, you
2058 know, can you share with us what your thoughts are when it
2059 comes to Bonneville Power?

2060 *Secretary Wright. Yes, Bonneville Power is a critical
2061 utility and power asset in the northwest. It is a huge power
2062 marketer. It controls huge utility infrastructure,
2063 transmission infrastructure. It is very important. We need
2064 as strong as possible a leader of that organization as we can
2065 get.

2066 We have some requirements from government salary
2067 limitations that have made it harder to recruit people from -
2068 - with -- you know, existing utility executives in other
2069 areas, which is what I would like to do. But yes, we are
2070 focused on that. We need to find someone good who has the
2071 skills, who can manage that asset for the better -- for the
2072 best interests of the people and businesses in that area. It
2073 is a very important job. I share your concern.

2074 *Mr. Bentz. Yes. Well, so I am happy to hear you are

2075 enthused about trying to actually pay the new administrator
2076 what that job requires to attract a pool.

2077 *Secretary Wright. It would massively help us get a
2078 grade A leader.

2079 *Mr. Bentz. Right, and I have introduced a bill doing
2080 exactly that and giving you the authority to adjust the
2081 salary to meet the need for that space. So good news, it was
2082 introduced -- just dropped two weeks ago. So we will be
2083 pushing that bill through, I hope.

2084 *Secretary Wright. Well, thank you, thank you. That
2085 would be huge.

2086 *Mr. Bentz. I am going to shift for a moment from
2087 Bonneville Power to biomass. We have a terrific challenge in
2088 the West with fires. And we have had the inability to remove
2089 fuel from the woods because -- for many, many reasons. But
2090 part of the problem is the sheer scale of the problem. We
2091 have 30 million acres of trees just in Oregon. I think there
2092 is 35 million acres of trees in California and 32 in
2093 Washington State. No one understands how much wood is there.
2094 It is an enormous challenge. It is also a challenge because
2095 of environmental issues and other things.

2096 But one of the newest things that is happening is the
2097 possibility of converting some of that biomass into fuel,
2098 into the type of thing we now are getting from corn, and
2099 hurray for that. The cost is significant, but it is being

2100 driven down as people get better at turning cellulose into
2101 fuel. The reason this is so important is because we need
2102 some added value to the biomass that we are removing from the
2103 forests. And this -- in other words, if we can get the
2104 biomass out of the forest, we will drive down fire
2105 suppression costs.

2106 *Secretary Wright. Yes.

2107 *Mr. Bentz. What I would be asking is, is the
2108 Department of Energy working with the Department of Ag to
2109 coordinate and say, look, this is -- we can get together on
2110 this?

2111 There are a bunch of hurdles we have to overcome, but I
2112 see this as a huge solution on both sides of the equation.
2113 More fuel in the form of -- well, I think a lot of airlines
2114 are very, very interested in using this. What is your
2115 thought?

2116 *Secretary Wright. So I need to look into that. I am
2117 not aware of existing efforts right now, but I am very aware
2118 of that problem. As I have written in the past about
2119 wildfires in the West, when we stopped wildfires from the
2120 1920s, the Smokey the Bear campaign, we dramatically reduced
2121 fires in the West. It was a very successful program. And
2122 then we stopped the ability to thin and control the forest
2123 otherwise.

2124 So there is more than 30 percent more fuel per acre in

2125 western fires today than there was 40 years ago --

2126 *Mr. Bentz. Right.

2127 *Secretary Wright. -- which make wildfires burn so much
2128 hotter and so much bigger. We have to either let fires burn
2129 or manage the forests. And today we do neither.

2130 And so using that undergrowth or some of that -- and
2131 turn it into fuel is a very intriguing idea. Let me check
2132 into it with our team and with the ag department. If there
2133 is a viable pathway to kill two birds with one stone, that
2134 would be intriguing.

2135 *Mr. Bentz. I think there is. So -- I hope there is.

2136 And I wanted to thank you for your help. In my district
2137 we have the Warm Springs Indian Reservation, and there was a
2138 power line going over it, and you were -- helped us in
2139 preserving one of the grants that is going to help that power
2140 line be built. And that is going to inure into modest
2141 benefit to that tribe that is in my district. So I
2142 appreciate that.

2143 *Secretary Wright. Fantastic.

2144 *Mr. Bentz. And I appreciate the excellent job you are
2145 doing as Secretary.

2146 With that I yield back.

2147 *Secretary Wright. Thank you, Representative Bentz.

2148 *Mr. Latta. Well, thank you very much. The gentleman
2149 yields back. There is about six minutes left in this vote,

2150 and there is six votes in the series. As mentioned earlier,
2151 as soon as the last vote, number six, is called, will be
2152 resuming 10 minutes after that vote is called. So I -- we
2153 will recess until the -- after this vote series. And thank
2154 you very much.

2155 [Recess.]

2156 *Mr. Latta. We have a slight quorum.

2157 *Mr. Auchincloss. Yes, sir. Well, you are the chair.

2158 *Mr. Latta. I am going to recognize the gentleman from
2159 Massachusetts's 4th district for five minutes for questions.

2160 *Mr. Auchincloss. Secretary Wright, I appreciate your
2161 testimony today. I want to associate myself -- I won't
2162 recite them all -- with the comments from Congressman Scott
2163 Peters of California about energy permitting and about this
2164 potential win in what has been otherwise a historically
2165 unproductive and partisan Congress. This is something that
2166 we can get done.

2167 I believe profoundly in energy sovereignty as a matter
2168 of economic and national security and of prosperity. And key
2169 to energy sovereignty is that we have just got to make it
2170 easier to build stuff in this country. It can't take 10, 15
2171 years with simultaneous and also sequential litigation and
2172 red tape.

2173 We got close to the right bill. I think there was good
2174 faith action on both sides of the aisle. I think that good

2175 faith action continues, but might need a spark, and I would
2176 really encourage you to help be that spark.

2177 And what he said about methane, about, you know, 401, I
2178 associate myself with all of it.

2179 I want to focus on the department's loan program, the
2180 Office of Energy Dominance Financing. It is a powerful
2181 funding arm for commercializing technologies like nuclear and
2182 geothermal, both of which broadly we agree on, by the way.
2183 You know, for example, here in Massachusetts we should
2184 overturn the moratorium on nuclear and we should build
2185 nuclear power. Massachusetts right now, our swing supply is
2186 oil from Yemen that transits Trinidad and Tobago. That is
2187 not energy sovereignty. We need nuclear.

2188 By the way, we also need offshore wind. So, you know,
2189 we had just had the coldest winter in 20 years. Our grid is
2190 now moving towards a peak winter grid as opposed to a peak
2191 summer grid, and the wind blows hardest in the winter time,
2192 thousands of megawatts that could significantly reduce
2193 utility bills for my constituents. And this Administration's
2194 attacks on offshore wind have been arbitrary and capricious.
2195 And I know that Republicans don't want those attacks to then
2196 be mirrored in the future against other politically unfavored
2197 energy sources, so we need to allow all energy sources to
2198 benefit from rule of law and certainty, and stop this kind of
2199 tit for tat that is really just bad for energy sovereignty

2200 across the board.

2201 So I really ask for your support as Secretary in
2202 allowing offshore wind development to proceed according to
2203 due process and according to the state's wishes.

2204 *Secretary Wright. Yes, I agree that -- I think there
2205 is room to make compromises across the partisan aisle to make
2206 a bill so it is just easier to build things in America again.
2207 I agree with you. And I think now is the window to do that.

2208 *Mr. Auchincloss. But the attacks upon offshore wind
2209 are proving a major source of contention in getting there.
2210 And it is not because individuals are necessarily boosters or
2211 bears on offshore wind as a source. It is the precedent that
2212 it sets, that when people put long-term capital at risk and
2213 then they see permits ripped up because one guy doesn't like
2214 how his golf course in Scotland looks, it is a really bad
2215 sign and it makes -- it is going to make it harder for energy
2216 investors across the board. We need rule of law, and we need
2217 it for utility bills in Massachusetts and we need it,
2218 frankly, for energy abundance across the country.

2219 Let me return to the energy dominance financing, though.
2220 The office has roughly 200 billion in loan authority, over
2221 100 billion in obligations, requires competent staff, and
2222 really a apolitical, technically competent staff. Under the
2223 last administration, administrative expenses were \$120
2224 million annually. I know that this Administration wants to

2225 make cuts, but as Congress goes through the appropriations
2226 process I am hoping you can speak to the need for
2227 administrative funding so that the office can continue to
2228 function and help drive increased deployment of clean,
2229 baseload power like nuclear and geothermal.

2230 *Secretary Wright. Yes, the leadership we have there is
2231 from the professional lending world. So we want to run it
2232 more like a real professional bank and not a bureaucratic
2233 government agency.

2234 *Mr. Auchincloss. Well, those people have technical
2235 expertise that commands a premium in the private sector, and
2236 so they are going to need -- they need to be compensated,
2237 they need staff that is commensurate with that. We need
2238 competent people doing this work because it is -- otherwise,
2239 we are throwing bad money after bad if we don't.

2240 *Secretary Wright. I absolutely agree it needs to be
2241 administered competently, and I feel we have a very strong
2242 team there right now. I am open for any dialog about that.

2243 It is an important instrument, I agree with you. It is
2244 going to help launch nuclear. It is going to help launch
2245 next-generation geothermal.

2246 *Mr. Auchincloss. Can you speak also in my last 10
2247 seconds on the Federal support restriction, whereby certain
2248 EDF programs cannot loan to projects that are expected to get
2249 any form of Federal support?

2250 Obviously, if it is 100 percent Federal support it
2251 doesn't make sense. But any Federal support?

2252 *Secretary Wright. Yes, I am open certainly to a dialog
2253 on that. I wasn't around at the time that that rule -- those
2254 rules were created.

2255 *Mr. Auchincloss. Good. I yield back.

2256 *Mr. Latta. Well, thank you very much. The gentleman
2257 yields back and the chair now recognizes the gentlelady from
2258 Iowa's 1st district for five minutes for questions.

2259 *Mrs. Miller-Meeks. Thank you very much, Mr. Chair, and
2260 thank you, Secretary Wright.

2261 Secretary Wright, given something that my colleague on
2262 the other side of the aisle just said, I thought you might
2263 want to respond. He was talking about ripping up the rule of
2264 law. And would you consider canceling the Keystone pipeline
2265 in 2021 as perhaps considered ripping up -- and the law?

2266 *Secretary Wright. Oh, 100 percent, 100 percent. Look,
2267 a tax on energy and a tax on building big things in America
2268 have dominantly come from the left, dominantly come from the
2269 left. Desires to drive up the price of energy have been
2270 amazingly a political constituency. I don't say everyone is
2271 infected with it, but it has been rampant on the Democratic
2272 side of the aisle.

2273 *Mrs. Miller-Meeks. And certainly it is to the United
2274 States' benefit to have homegrown domestic energy. President

2275 Trump has certainly made it a pillar that we would have
2276 American energy dominance and American homegrown energy. And
2277 coming from a state such as Iowa in the Midwest and an
2278 agricultural state, biofuels to me emphatically fits into the
2279 President's agenda of homegrown domestic energy.

2280 So I would like to get your opinion of where you think
2281 biofuels fits into the mix of any of the above, and how that
2282 helps us, especially in this current global energy demand
2283 that we have, and a lack of supply or reduction in supply,
2284 given what is happening in the Middle East.

2285 *Secretary Wright. Yes. Look, the United States is a
2286 huge producer of biofuels. We produce about 40 percent of
2287 all the planet's biofuels. And, of course, your state, a
2288 huge leader in that.

2289 Our gasoline infrastructure today is basically based on
2290 having at least 10 percent of that liquid fuel content coming
2291 from ethanol. We don't have enough refining capacity to
2292 refine America's energy -- gasoline demand without ethanol.
2293 It is just part of the infrastructure now.

2294 And the question is, where does it go from here? Where
2295 are there areas for growth? Obviously, you need to have
2296 technology there. We need to have, you know, cost
2297 competitiveness and all that. But yes, but as you just said,
2298 biofuels is a major part of American energy. It is.

2299 *Mrs. Miller-Meeks. Yes. And given where Brazil is

2300 with three growing seasons, the carbon negativity, and
2301 already producing sustainable aviation fuel, I have some
2302 concerns with the alternative fuel and feedstocks now housed
2303 under the Office of Critical Minerals and Energy Innovation,
2304 which is historically responsible for liquid biofuels and
2305 SAF-related work. The account was reduced by about 98
2306 percent, from 400 million to just 10 million.

2307 So given how exposed jet fuel markets are to
2308 geopolitical disruptions, as we are seeing, can you help me
2309 understand how such a sharp reduction in liquid fuels
2310 innovation funding align with your vision and the President's
2311 vision of American energy dominance with homegrown American
2312 energy and energy security?

2313 *Secretary Wright. I think this is just figuring out
2314 scarce allocation of resource. This is an opening proposal
2315 from the Administration. We are certainly open to dialogs
2316 about where to -- where focuses might be changed, where some
2317 things might be increased, some things might be decreased.

2318 *Mrs. Miller-Meeks. We certainly appreciate that. And
2319 then, Mr. Secretary, again, thank you so much for coming to
2320 Iowa to visit the Ames National Laboratory. I think when we
2321 visited there we talked a lot about entrepreneurship. We
2322 talked about how you turn basic research into spin-offs and
2323 start-ups that reach high technology readiness levels and
2324 create new American companies.

2325 So I have a little concern over the ARPA-E funding, and
2326 I just wanted to get your take on ARPA-E's funding level, and
2327 then how you feel that the funding levels are going to
2328 improve the return on Federal research investments that then
2329 support an entrepreneurial innovation ecosystem and new
2330 energy generation, perhaps.

2331 *Secretary Wright. Look, I have spent my whole life in
2332 energy innovation, in investing and innovating in the energy
2333 space. So, of course, it is near and dear to my heart. I
2334 think the track record of ARPA-E has actually been quite
2335 good. A lot of great innovations have come out of that
2336 because we bring private capital in together. They are small
2337 grants to sort of seed new ideas. I just came back from San
2338 Diego last week addressing thousands, thousands of energy
2339 entrepreneurs and capital providers in the room.

2340 So I would say, look, I would look at the
2341 Administration's position as we requested the same funding we
2342 had last year. Last year you plussed up the funding of that
2343 quite a bit, and I would say I very much welcome that. I
2344 think we got into the program -- like a lot of the programs,
2345 if you looked at what was done in the Biden Administration,
2346 just an embarrassing number of things were funded in there
2347 that had nothing to do with affordable, reliable, secure
2348 energy or making lives better for Americans.

2349 So the program had a bad name, even though it had a good

2350 history. I think we have got it back on track, and we
2351 definitely want to work with you. I believe strongly in the
2352 program.

2353 *Mrs. Miller-Meeks. I enjoyed listening to you at
2354 CERAAweek in Houston.

2355 And I yield back.

2356 *Mr. Latta. Thank you. The gentlelady yields back and
2357 the chair now recognizes the gentlelady from California's 7th
2358 district for five minutes for questions.

2359 *Ms. Matsui. Thank you very much, Mr. Chairman.

2360 Secretary Wright, since President Trump dragged our
2361 country into yet another endless war in the Middle East, the
2362 average cost of a gallon of gas in America has risen over 30
2363 percent. Economy-wide inflation saw the biggest monthly
2364 increase since the COVID pandemic, and we haven't even begun
2365 to see many of the impacts. Fertilizer prices have risen
2366 nearly 50 percent because half of the global supply flows
2367 through the Strait of Hormuz. According to the Farm Bureau,
2368 66 percent of farmers in the western U.S. are unable to
2369 afford fertilizer for their crops. It doesn't take a genius
2370 to figure out what is going to happen to food prices.

2371 Secretary Wright, last month you called rising costs due
2372 to the war "a very small price to pay."

2373 When President Trump was asked about rising prices, he
2374 said, "I don't have any concern about it. If they rise, they

2375 rise.''

2376 Yes or no, do you stand by those words?

2377 *Secretary Wright. I serve in this Administration to
2378 drive down the price of energy. And when we arrived we had
2379 an energy emergency.

2380 *Ms. Matsui. Okay.

2381 *Secretary Wright. We have made enormous progress, but
2382 we are attempting to fix a 47-year --

2383 *Ms. Matsui. Well --

2384 *Secretary Wright. -- problem to energy supplies and
2385 global security.

2386 *Ms. Matsui. Let me -- reclaiming my time, you tried to
2387 downplay the long-term impacts of this war. But just this
2388 week President Trump said the cost of gas will remain high
2389 through at least November. Do you disagree with the
2390 President?

2391 *Secretary Wright. I don't think myself or the
2392 President know what the future prices of energy are. The
2393 length of the conflict -- during this conflict we have
2394 elevated energy prices. It is a very unfortunate cost.

2395 I would say I am proud. This is a massive conflict that
2396 is being resolved, and we are still \$1 --

2397 *Ms. Matsui. Okay.

2398 *Secretary Wright. -- a gallon cheaper gasoline than
2399 the Biden Administration --

2400 *Ms. Matsui. Well, it seems like the message is --

2401 *Secretary Wright. -- had without a conflict.

2402 *Ms. Matsui. -- pretty clear, though. The President
2403 doesn't care about the cost of this war anyway.

2404 *Secretary Wright. He cares.

2405 *Ms. Matsui. And the Secretary of Energy --

2406 *Secretary Wright. Every day we talk about the price of
2407 energy.

2408 *Ms. Matsui. -- doesn't care about the cost of energy
2409 for everyday Americans.

2410 Now, you can tell a lot about someone's priorities by
2411 looking at how they spend money. The President's budget
2412 proposes to steal \$15 billion from critical infrastructure
2413 projects to prop up old coal plants and subsidize new fossil
2414 fuel power plants. Secretary Wright, where exactly would the
2415 funding for these gas and coal plants come from?

2416 *Secretary Wright. There is funding from -- in previous
2417 allocations for work on coal plants. Coal during the --
2418 Fern, the cold weather event we had here, was the second
2419 largest source of electricity in the eastern half of the
2420 United States. It is critical to the American electric grid
2421 -- the closure of coal plants by the Biden Administration, if
2422 we had allowed that to continue, hundreds of Americans would
2423 have died in the eastern U.S. in January.

2424 *Ms. Matsui. Well, you are planning to reallocate

2425 almost 30 percent of your budget, and you can't tell me
2426 exactly where the money is coming from. Congress authorized
2427 that funding for specific purposes. You can't just do
2428 whatever you want with it. What authority are you using to
2429 repurpose this funding?

2430 *Secretary Wright. We have funding for coal. There is
2431 funding for carbon capture, which is a modernization of a
2432 coal plant. You have to have a working viable coal plant to
2433 add carbon capture onto it. We are trying to follow the rule
2434 of law and the allocations of funds, but actually do them to
2435 drive energy prices down instead of drive energy prices up.

2436 *Ms. Matsui. Okay.

2437 *Secretary Wright. And I think Americans are in favor
2438 of lower prices, not the higher prices the Democrats drove
2439 relentlessly --

2440 *Ms. Matsui. Well, you --

2441 *Secretary Wright. -- in the last administration.

2442 *Ms. Matsui. You said previously that you opposed
2443 subsidies. You said, "The wind subsidies and solar subsidies
2444 are 33 years old. So it is about time for industries to walk
2445 on their own.'" Well, the coal industry is well over 100
2446 years old, but you want to give them billions to prop up old,
2447 failing coal plants. Is that not a subsidy?

2448 *Secretary Wright. Not billions. There is a few
2449 hundred million dollars from the reconciliation bill last

2450 summer which is to help reverse the withering attacks coal
2451 has been under for the entire Obama Administration and the
2452 Biden Administration. And these are short-term modernization
2453 of plants. I don't want to have long-term subsidies for
2454 coal.

2455 *Ms. Matsui. Well, okay, but it is still a subsidy.
2456 Your budget proposes to reallocate \$750 million to
2457 upgrade our power grid with advanced conductors which can
2458 carry more energy and help meet rising energy demand
2459 affordably. I think that is a great idea. I fully support
2460 the use of advanced conductors.

2461 But the \$750 million is already being used for that
2462 purpose under the Biden Administration. In fact, that
2463 funding had already been awarded to California to support one
2464 of the largest advanced conductor projects in the country.
2465 California's CHARGE 2T project was awarded \$630 million to
2466 install more than 100 miles of advanced conductors and deploy
2467 other advanced transmission technologies. But you illegally
2468 canceled the project. Why?

2469 *Secretary Wright. We looked at the specifics of the
2470 project to say other -- is it going to benefit American
2471 taxpayers? California produces less electricity today than
2472 it did five --

2473 *Ms. Matsui. Well --

2474 *Secretary Wright. -- and eight years ago.

2475 *Ms. Matsui. Well --

2476 *Secretary Wright. California has done everything it
2477 can to raise the price of electricity and shrink the
2478 production of electricity.

2479 *Ms. Matsui. Okay, reclaiming my time --

2480 *Mr. Latta. The --

2481 *Ms. Matsui. -- you gave the same justification for
2482 canceling --

2483 *Mr. Latta. I am sorry, the gentlelady's time is
2484 expired, and --

2485 *Ms. Matsui. I will have --

2486 *Mr. Latta. If you would submit those in writing, then.

2487 *Ms. Matsui. -- submit questions for the record.

2488 [The information follows:]

2489

2490 *****COMMITTEE INSERT*****

2491

2492 *Mr. Latta. Thank you very much. The chair now
2493 recognizes the gentleman from Texas's 14th district, the vice
2494 chair of the subcommittee, for five minutes for questions.

2495 *Mr. Weber. Thank you, Mr. Chairman.

2496 Secretary Wright, we are delighted to have you here.
2497 Texas has a little bit of energy in it, you might have
2498 gathered. So thank you for that.

2499 On March 11, 2026 President Donald Trump authorized the
2500 Department of Energy, DoE, to release 172 million barrels of
2501 oil from the Strategic Petroleum Reserve. I am the upper
2502 Gulf coast of Texas. We start at the Louisiana border, come
2503 down on the curb all the way to Matagorda County. We have
2504 got seven ports. Sixty percent of the Strategic Petroleum
2505 Reserve is in my district, okay?

2506 So you authorized the release of that 172 million
2507 barrels from the SPR as part of the IEA collective drawdown.
2508 A portion of that drawdown has taken place in Bryan Mound --
2509 that is the name of the SPR, that portion -- in Brazoria
2510 County, which sits directly in my district.

2511 Now, can you tell us, Mr. Secretary, how much oil has
2512 been sold to date? I don't know if you have those figures or
2513 not.

2514 And can you confirm how much more we expect to sell?

2515 *Secretary Wright. I think in our original round we
2516 sold 42 million barrels, and we just had another one that

2517 sold, like 26. So we have probably sold about 70 of the 172
2518 million barrels that will be sold.

2519 *Mr. Weber. Okay.

2520 *Secretary Wright. And sorry, Congressman, if I can
2521 correct myself, we are not selling the barrels, we are
2522 trading the barrels. We are putting barrels into the
2523 marketplace now because the marketplaces need them.

2524 And all these deals are structured as swaps, so we get
2525 that oil back late next year.

2526 *Mr. Weber. Okay.

2527 *Secretary Wright. The first tranche we get 1.2 barrels
2528 back for every 1 barrel we released. In our last deals we
2529 got 1.25 barrels back for every one barrel we release. So at
2530 the end of next year we will have more oil in the SPR than
2531 when we started these releases.

2532 *Mr. Weber. Well, Texas is going to help with that,
2533 trust me.

2534 *Secretary Wright. Yes, yes, yes, you are.

2535 *Mr. Weber. Additionally, because it is in the interest
2536 of the Federal Government to be good financial stewards of
2537 the SPR -- and I don't mean to be picky, but can you tell us
2538 what authority the DoE has to authorize that oil to be
2539 replaced? Is it just authority from the White House to
2540 conduct this?

2541 *Secretary Wright. No, we are the managers of the

2542 Strategic -- it is like the Federal Energy Act. I am sorry,
2543 I am not a lawyer. I don't know the exact authority, but we
2544 are the managers of the SPR --

2545 *Mr. Weber. Okay.

2546 *Secretary Wright. -- and we are members of the
2547 International Energy Agency. We coordinated not just our
2548 release, but with 30 other countries.

2549 *Mr. Weber. Right. Well, I am glad to hear we are
2550 going to get the twofer, you know, that you describe. So
2551 that is good news.

2552 As you know, on March -- well, let me do it this way.
2553 As you know, the traditional oil market is global, making
2554 prices -- price shocks unavoidable. However, we have seen a
2555 relatively stable -- stability in the U.S. natural gas
2556 market. Can you explain why the U.S. natural gas prices have
2557 largely been basically unaffected by the ongoing conflicts in
2558 the Middle East with Iran? You know -- used to be at that
2559 helm.

2560 *Secretary Wright. You bet. And natural gas is --
2561 recently is now just passing oil as the largest energy source
2562 in the United States for consumption. Those two energy
2563 sources give 72 percent of U.S. energy. So they are the big
2564 two.

2565 Natural gas, we have just immense reserves in this
2566 country and immense production capacity. So to export it,

2567 you have to, you know, cool it and build these large LNG
2568 export terminals. We run those at capacity. So even though
2569 world demand -- you know, we are expanding our capacity so we
2570 will export more and more LNG. But domestic gas consumers in
2571 the United States are pretty much completely isolated from
2572 this rising price.

2573 *Mr. Weber. Well, that is a --

2574 *Secretary Wright. The price of natural gas is less
2575 than \$0.40 a diesel equivalent gallon today.

2576 *Mr. Weber. You are describing exactly what I am
2577 hitting at. On March 30, 2026, Golden Pass LNG, a company
2578 that operates in my congressional district over in the -- by
2579 Beaumont -- achieved its first production of LNG, which
2580 represents a major step forward toward fulfilling President
2581 Trump's goal of American independence.

2582 Companies like these provide thousands of direct jobs
2583 and billions of dollars back into our community. So how can
2584 we assure that economic opportunities like Golden Pass LNG
2585 coming online boosts LNG exports at the same time benefitting
2586 local communities like those in my congressional district?

2587 Any plans to make that even better for us, Mr.
2588 Secretary?

2589 *Secretary Wright. Absolutely. I visited a number of
2590 LNG export facilities. It is the fastest-growing U.S.
2591 export. I think it will soon be the largest export from the

2592 United States of America's natural gas. It is the fastest-
2593 growing energy source on the planet.

2594 *Mr. Weber. Yes.

2595 *Secretary Wright. The future of natural gas is
2596 dramatic.

2597 *Mr. Weber. Okay, well, let me --

2598 *Secretary Wright. We need to build these facilities to
2599 export it.

2600 *Mr. Weber. I have got 30 seconds. I would like to
2601 quickly go back to the SPR.

2602 Part of the rationale for drawing down the SPR is
2603 because we are experiencing an energy shortage. The
2604 President put in a 60-day hold on the Jones Act. I am sure
2605 you are familiar with that. So we would like to know what
2606 safeguards we are going to get put in place so that we can
2607 make sure that the integrity of the Jones Act stays in place,
2608 okay?

2609 *Secretary Wright. They are restricted to only energy
2610 products, as well. And frankly, the waiver on the Jones Act
2611 is to get states like California that have made themselves an
2612 energy island, so they can still get fuel during this crisis.
2613 The great energy sources from your region --

2614 *Mr. Latta. Sorry to interrupt, but the gentleman's
2615 time has expired.

2616 *Mr. Weber. Thank you, sir.

2617 And thank you, Mr. Chairman.

2618 *Mr. Latta. Thank you very much. The chair now
2619 recognizes the gentleman from New York's 20th district for
2620 five minutes for questions.

2621 *Mr. Tonko. Thank you, Mr. Chairman.

2622 Thank you, Secretary Wright, for your testimony before
2623 the committee -- subcommittee.

2624 I will be honest that I have serious concerns about the
2625 priorities and direction of the department in the past 15
2626 months, but I have limited time. So I would like to focus on
2627 a few areas where I think that you may be agreeable.

2628 We know that energy costs are on the rise, and one of
2629 those things individuals can do to protect themselves from
2630 these cost increases is to invest in residential energy
2631 efficiency. The Weatherization Assistance Program is the
2632 department's largest residential efficiency program, allowing
2633 low-income households that receive services to save an
2634 average of \$372 each year on their utility bill.

2635 It is my understanding that DoE still hasn't released
2636 the annual weatherization program notices which are needed
2637 for states to apply for previously appropriated fiscal year
2638 2026 funds. This guidance isn't controversial. It lays out
2639 things like how much funding will be allocated to each state
2640 and how much money may be spent to weatherize each home. But
2641 without it states can't develop their weatherization plans,

2642 and states' programs may be disrupted if it leads to
2643 significant delays in the release of funds.

2644 So Secretary Wright, historically this guidance would
2645 have been published by now. Can you commit to looking into
2646 the status of this guidance and publishing it as soon as
2647 possible?

2648 *Secretary Wright. Yes, I do. We have been working on
2649 the weatherization program. This year, as we did last year,
2650 we tried to remove the things that make it more expensive.
2651 There was a social cost of carbon. Like, it was a
2652 decarbonization plan, not a low-cost energy plan. Last year
2653 we removed some of those restrictions on the funding and
2654 released it last year. And it should be, I think, ready this
2655 year, as well.

2656 *Mr. Tonko. Well, I appreciate that, and I would like
2657 to see what changes you have made to the program, too, if you
2658 could outline that.

2659 Last month a new memorandum of agreement was signed
2660 between DoE and EPA regarding the Energy Star program. This
2661 voluntary labeling program helps consumers make informed
2662 decisions when purchasing energy-efficient appliances. After
2663 an initial proposal to eliminate the program last year, there
2664 was vocal opposition from consumer advocates and
2665 manufacturers.

2666 The Administration has now indicated that primary

2667 responsibility for the program will move from EPA over to
2668 DoE. I did not see any mention of Energy Star in the DoE
2669 budget request, but EPA's budget justification states, and I
2670 quote, "In fiscal year 2027 EPA will support the Energy Star
2671 program as administered by the Department of Energy. One FTE
2672 is allocated in this program project to support that work.'"

2673 Based on that, it seems that EPA is already preparing to
2674 end its responsibilities. Historically, the Energy Star
2675 program has required about \$35 million annually -- again, a
2676 very important program. In light of the MOA and EPA's
2677 budget, is DoE seeking that funding as part of its budget
2678 request?

2679 *Secretary Wright. I will have to get back to you on
2680 the details of that. But you started with saying voluntary
2681 ratings on appliances. We are all for that. We are all for
2682 data transparency --

2683 *Mr. Tonko. I am more concerned about the funding that
2684 is transferred to DoE. Can you point to me where 35 million
2685 or more, perhaps, is contained in the budget for DoE?

2686 *Secretary Wright. Sir, I will have to get back to you
2687 on that. I apologize.

2688 *Mr. Tonko. Okay. Well, right now I don't see anything
2689 in there, so it would be good to know where it is included.

2690 In light of the MOA and EPA's budget, we need to move
2691 forward and make certain that that request maintains its

2692 integrity. While my personal preference would be to continue
2693 Energy Star at EPA, can you at least give us some assurances
2694 that DoE is already working to put the people and resources
2695 in place to seamlessly transition and manage the Energy Star
2696 program?

2697 *Secretary Wright. I will have to get back to you on
2698 specifics on the plans for that transition --

2699 *Mr. Tonko. If we will have the resources.

2700 Well, finally, we know that electricity demand is
2701 projected to grow significantly, but uncertainty around the
2702 development of large load facilities like data centers is
2703 making it more challenging to accurately predict future
2704 demand. Forecasting methods across regions and utilities
2705 vary, making it harder for grid operators to plan
2706 effectively. We need accurate forecasts to ensure that
2707 generation and grid infrastructure are built at the right
2708 scale and speed to meet demand without risking unnecessary
2709 costs that will burden ratepayers.

2710 DoE has amazing analytical and modeling capabilities in
2711 its Office of Electricity and the National Labs. So
2712 Secretary Wright, do you believe that DoE could do more to
2713 support grid operators, states, and utilities to improve and
2714 harmonize their methods for forecasting electricity demand?

2715 *Secretary Wright. Absolutely. It is a major focus in
2716 this Administration, is the grid stability growing, the

2717 capacity of the grid, all of the things you talked about.
2718 That is a big focus.

2719 *Mr. Tonko. Well, then, I am concerned about the 21
2720 percent cut to the Office of Electricity's budget that might
2721 undermine that ability.

2722 But with that, Mr. Chair, I yield back.

2723 *Mr. Latta. Thank you very much. The gentleman's time
2724 has expired and he yields back. The chair now recognizes the
2725 gentleman from Colorado's 8th district for five minutes for
2726 questions.

2727 *Mr. Evans. Thank you, Mr. Chairman, Ranking Member.
2728 Mr. Secretary, always good to see a fellow Coloradan.
2729 We will just go through some quick stats here, and then I
2730 want to get your opinion on these.

2731 We know Colorado made less electricity in 2025 than
2732 2024: 58,000 gigawatt hours compared to 56,000 gigawatt
2733 hours. We know that that is because -- not my data -- the
2734 Colorado Energy Office's data via a study that they
2735 commissioned says that Colorado's far-left energy policies
2736 are going to cost the state about \$61 billion, and we know
2737 that is going to be passed on to ratepayers.

2738 And what is the result that we get out of all of that?
2739 Well, it is actually less reliable, more expensive
2740 electricity in the State of Colorado. You were out at our
2741 largest natural gas-generating station in the state in my

2742 district just a few short weeks ago, where we talked about
2743 that reliability issue. We have had multiple public safety
2744 power shut-offs because the state and the regulatory burden
2745 in the state can't get out of the way of making safe,
2746 affordable, reliable baseload generation, and instead want to
2747 pass \$61 billion in costs onto ratepayers in Colorado.

2748 Boulder, Colorado is telling their businesses, go buy a
2749 gas generator because the state can't keep the grid on and we
2750 can't keep the lights on. And so, Mr. Secretary, my first
2751 question to you when we visited that generating station in
2752 Colorado, we talked about that baseload, reliable, affordable
2753 energy. Talk about how important that is not just to
2754 national security, but also to the economy in terms of being
2755 able to keep the lights on and make rates affordable for
2756 ratepayers?

2757 *Secretary Wright. Yes. Look, the American electricity
2758 grid runs on natural gas, coal, nuclear, and in some places
2759 supplemented very nicely by hydro. That is how the lights
2760 stay on. That is how factories and things get built.

2761 But there has been a political and really a anti-
2762 mathematical desire to put on intermittent, unreliable
2763 resources onto our grid. And everywhere their penetration
2764 gets high the prices get more expensive, the grid gets less
2765 reliable. And the economics and, of course, as I discussed
2766 earlier, the subsidies that go into it undermine the

2767 economics of the reliable sources.

2768 So it is absolutely insane to see what the State of
2769 Colorado, the State of California and, under the Biden and
2770 Obama Administrations, their desire to follow western Europe
2771 and make electricity massively expensive and chase the
2772 industries out of our country and raise the prices on
2773 Americans. I still cannot believe these policies are still
2774 so passionately defended when we know the ruinous
2775 consequences of them.

2776 *Mr. Evans. Thank you, Mr. Secretary. I got three more
2777 questions, so I am going to go quick here.

2778 We know we have to use not just current technology, but
2779 invest in future technology. We have toured Xcimer, which is
2780 looking at fusion energy, so nuclear but fusion, not fission.
2781 Can you talk about the DoE's goals to align investments
2782 explicitly for commercial-scale fusion?

2783 *Secretary Wright. Yes. Look, the progress in fusion,
2784 something I worked on as a college student, I am super
2785 excited by. And what we are trying to do is use resources
2786 from the DoE, either in basic science at our laboratories,
2787 neutron survivability, which materials can we build -- heat
2788 transfer things that can survive the high-energy neutrons
2789 from fusion reactions, and then partnerships with various
2790 commercial businesses with milestone bases. Hey, if you can
2791 get to here, we will fund, you know, X amount. If you can

2792 achieve this milestone, we will file more so that we sort of
2793 -- the funds flow to the successful businesses.

2794 But Xcimer, I think, has a tremendous technology and
2795 idea, and I am excited to see fusion become a physical
2796 reality in the next few years.

2797 *Mr. Evans. Glad to hear it. Talking about looking
2798 forward to the future, we know there is a lot of threats to
2799 our grid and to energy here in Colorado. We have got the
2800 National Lab of the Rockies which houses the ETAC program,
2801 the Energy Threat Analysis Center. Can you just talk about
2802 what your department is doing to work with labs like the
2803 National Lab of the Rockies, that public-private partnership
2804 to protect our infrastructure?

2805 *Secretary Wright. So ETAC is critical because there is
2806 this facility we built in the lab where we have people from
2807 commercial utilities based there so that we can look at the
2808 grid on a broader scale, observe threats, see what we learn
2809 from how they are, and deploy lab technology to find ways to
2810 keep the grid more secure and more rapid grid studies to get
2811 interconnections done faster. So it is bringing together
2812 science, technology, and commercial enterprises to drive the
2813 progress forward of the electricity grid.

2814 *Mr. Evans. My last 10 seconds. You were talking about
2815 the Jones Act. I would love to hear your remaining thoughts
2816 on that.

2817 *Secretary Wright. Yes, I think it is a very necessary
2818 thing to help tamp down the price of energy during these
2819 interruptions of flows. In fact, if you look at the last two
2820 or three weeks, under the Trump Administration the price of
2821 energy has basically been flat. The flows are still cut off.
2822 I think we will be out of this in a few weeks, and I think
2823 the navigation --

2824 *Mr. Latta. And --

2825 *Secretary Wright. -- through it will be very
2826 successful.

2827 *Mr. Latta. I am sorry to interrupt, but the
2828 gentleman's time has expired, and the chair now recognizes
2829 the gentleman from Texas's 33rd district for five minutes for
2830 questions.

2831 *Mr. Veasey. Thank you, Mr. Chairman.

2832 Secretary, you are a very well prepared, man. I don't
2833 think that we have to worry about you quoting false scripture
2834 from Pulp Fiction today. I think that you will have good
2835 answers for everybody, but I am going to be direct. This
2836 budget does not lower costs for Americans. Gas prices have
2837 surged by more than a dollar per gallon since January, and
2838 diesel is now over \$5 per gallon. Electricity and
2839 residential natural gas are both up 13 percent, and that is
2840 happening against the backdrop of growing global instability.
2841 The Administration's war with Iran has injected real

2842 volatility in the global oil and gas markets, and it is
2843 really driving a lot of uncertainty and putting upward
2844 pressure on prices.

2845 Now, if you want to understand what that means on the
2846 ground, you don't have to look any further than my home State
2847 of Texas and the Permian Basin. The Permian Basin, as you
2848 already know, is the backbone of American energy production.
2849 About 40 percent of the oil and gas production in the
2850 country, hundreds of thousands of jobs across Texas, and tens
2851 of billions of dollars in state and local revenue that funds
2852 schools, roads, public safety, et cetera. But you cannot
2853 have energy dominance -- and we have talked about this before
2854 -- you can't have energy dominance if you don't have an
2855 energy workforce. I think that is something that we would
2856 agree on.

2857 And right now, if you look, according to the Permian
2858 Strategic Partnership the basin is facing a shortfall of
2859 about 175,000 jobs and workers that are going to be needed by
2860 2040. And instead of addressing the talent gap, this
2861 Administration's pursuit of mass deportations is actively
2862 hollowing out the oil field. You probably saw the video of
2863 the roofers in Midland that were being taken off the roof
2864 there by the fire department with ICE.

2865 In the Permian Basin immigration -- immigrant workers,
2866 including undocumented, are not on the margins. They account

2867 for about 20 percent of the workforce and are essential to
2868 operations. And when you round up workers from the Permian
2869 Basin, you are actually removing production capacity. And
2870 when capacity goes down, that means projects get delayed,
2871 costs go up, outputs tighten, and prices fall. It is really
2872 not that complicated.

2873 And so I want to make this very real. There was a
2874 worker in west Texas, an oil field services guy, years of
2875 experience, part of a crew responsible for maintaining wells,
2876 and he was detained during a routine traffic stop. Within a
2877 week his crew was shorthanded and missing deadlines,
2878 maintenance work was delayed, and his family and wife and two
2879 kids, U.S. citizens, lost their stable income. That is the
2880 reality behind the policy. And you are not policing the
2881 "worst of the worst" with rap sheets that are miles long;
2882 you are detaining hard workers. And we are telling these
2883 workers that they are essential when we need their labor to
2884 hit production targets but expendable when it comes to their
2885 families.

2886 So Secretary Wright, which is it? Are these workers
2887 essential, or are these workers expendable?

2888 *Secretary Wright. You and I have shared a lifelong
2889 passion about the American labor force and jobs and
2890 opportunity for people in oil fields, in rural areas, in all
2891 different industries. I employed thousands of workers whose

2892 native land -- were not born in this country and whose native
2893 language was Spanish. So immigration is critical to our
2894 country.

2895 The difference or the focus of our Administration is
2896 legal immigration, not illegal immigration.

2897 *Mr. Veasey. Okay, have you been given any directives
2898 to let oil and gas companies know that you all are only
2899 targeting individuals that are the worst of the worst, as the
2900 President says, or have committed crimes? Have you sent
2901 directives out to oil and gas companies in the basin to let
2902 them know that?

2903 *Secretary Wright. This is not my area of expertise. I
2904 am about energy production --

2905 *Mr. Veasey. Okay.

2906 *Secretary Wright. -- and not about labor force and
2907 immigration. I understand your passion for the issue, but it
2908 is just not in my --

2909 *Mr. Veasey. If you do understand that there are people
2910 that are undocumented that are working out in the base -- and
2911 you know that, as someone that has been a CEO in this -- in
2912 upstream energy production.

2913 *Secretary Wright. Yes, I know that it exists.

2914 *Mr. Veasey. Okay.

2915 *Secretary Wright. I would say it is a pretty small
2916 minority, though. You know, the vast majority of the workers

2917 that are from Mexico and Latin America that work in the
2918 Permian Basin and all across our country, the vast, vast
2919 majority of them are legal.

2920 *Mr. Veasey. And there are some jobs that they do that
2921 are actually -- that -- where they do a high percentage of
2922 some of the harder and more dangerous jobs there.

2923 I want to ask you this in closing. Being a CEO of a oil
2924 and gas company, you got to -- I mean, you probably had a
2925 Gulf Stream or a Lear. You probably was -- were doing pretty
2926 good. Do you care about all of the employees that help you
2927 live that lifestyle, whether they are undocumented or whether
2928 they were here that were out there working their ass off,
2929 busting it out there in the Texas heat or wherever? Do you
2930 care about all of those workers?

2931 *Secretary Wright. Absolutely. You go ask the people
2932 that worked with me -- and I flew coach class my entire
2933 business career. No company pays for me to fly private.

2934 *Mr. Veasey. Yes, okay. Thank you.

2935 Thank you, Mr. Chairman.

2936 *Mr. Latta. Thank you very much. The gentleman's time
2937 has expired and yields back. The chair now recognizes the
2938 gentleman from Texas's 12th district for five minutes for
2939 questions.

2940 *Mr. Goldman. Thank you, Mr. Chairman.

2941 Mr. Secretary, thank you very much for being here.

2942 Let's talk about affordability, as my friends across the room
2943 like to talk about. And it goes with gas prices but, more
2944 importantly, gas taxes. Every State is not equal, is it?

2945 *Secretary Wright. No, the differences are pretty
2946 dramatic. We have made maps on this, and they look like
2947 political maps. You want to know where gasoline is
2948 expensive, where electricity is expensive? Look in the blue
2949 states. Same energy resources in this country. They are
2950 political choices across this country in blue states to make
2951 electricity expensive and to make gasoline expensive.

2952 So yes, it is a little rich when I hear this preaching
2953 that we are -- we, the Trump Administration who came in here
2954 to drive down energy prices and have actually been enormously
2955 successful in that regard -- one of the biggest challenges we
2956 have is pushing against the blue state policies that insist
2957 on impoverishing their own people, insist on preventing
2958 resources from getting into their state.

2959 I am glad there are converts now to energy
2960 affordability. And if we can have the Trump Administration
2961 work together with politicians in blue states, wow, we can do
2962 great things. But this is a newfound conversion for me.

2963 *Mr. Goldman. And let's be more specific. The number-
2964 one state in the nation with the highest gas tax, California
2965 -- I actually was watching a TV show the other day, and the
2966 reporter was aghast of how high the tax -- or gas prices

2967 were, and it made the impression that it was a nationwide
2968 average.

2969 So, I mean, when you have policies like that,
2970 specifically in the State of California, the number-one state
2971 with the highest gas tax, it makes a difference to those
2972 Californians who are trying to make it every single day.

2973 *Secretary Wright. Oh, it does. And it is more than
2974 the gas tax. There is all sorts of regulations and overlays
2975 on the production of gasoline in California that drive it up.
2976 Yes, they have the biggest gas tax. But how do they achieve
2977 \$2 higher than the national average? That takes more than
2978 just high taxes. But they add on and add on. In fact, they
2979 are adding on a new carbon tax which is what has pushed out
2980 two of the refineries they have. Imagine what energy prices
2981 are going to have when you can't even refine enough and you
2982 have got to ask refiners in Vietnam, which they are, "Will
2983 you produce California blend gasoline? We have this weirdly
2984 expensive custom blend. We want to make it for us in Vietnam
2985 and then ship it across the ocean, and then we are going to
2986 call ourselves green as we sell our wildly expensive gasoline
2987 to our consumers, and are proud of our highest adjusted
2988 poverty rate in the nation.''

2989 My -- we heard Congressman Evans talking about my State
2990 of Colorado. And what is my home state of Colorado want to
2991 do? Full of abundant energy resources, everything they can

2992 to drive up the price of electricity, gasoline, and energy of
2993 all sorts? These are political choices, expensive energy.

2994 *Mr. Goldman. It is a choice. And therefore,
2995 affordability and the consumer at the end of the day is going
2996 to pay higher prices for all that when you have those
2997 policies in those states.

2998 *Secretary Wright. Reduce life opportunities, reduce
2999 health opportunities, reduce job opportunities.

3000 *Mr. Goldman. And you touched upon natural gas earlier.
3001 Of course, being from Texas, an incredible producer of
3002 natural gas. Talk about if we were able to expand that and
3003 put that in pipelines across the United States and when you
3004 don't -- when you -- when the Keystone pipeline is approved
3005 and then you don't build it, the effect of that on many of
3006 our colleagues, constituents up in the northeast.

3007 *Secretary Wright. Pipelines are a major part, a major
3008 part of energy affordability, a major part of where factories
3009 are going to be located, where data centers are going to be
3010 located. You are so right.

3011 I was in New York two days ago. We have not built a
3012 pipeline that crosses state boundaries in this country for
3013 something like eight years. That is outrageous. And there
3014 was a belief that, with the power Democrats have, we may
3015 never build another interstate pipeline. I came into this
3016 Administration saying we must fix that.

3017 And why must we fix it? Because New England, six
3018 states, and New York State have ridiculously high energy
3019 prices, and they are next to an amazingly abundant, low-cost
3020 supply of gas in Pennsylvania. But they have somehow put up
3021 their hands that they don't want a pipeline to bring them
3022 more of it. It is their largest source of electricity. It
3023 is their largest source of industrial fuel, and they want to
3024 pretend they don't like it and stand in the way of it.

3025 *Mr. Goldman. Well, but --

3026 *Secretary Wright. We could dramatically lower prices
3027 and create jobs --

3028 *Mr. Goldman. It is also leading the people of America
3029 to think that pipelines already don't exist across our
3030 country, when they actually do.

3031 *Secretary Wright. Yes.

3032 *Mr. Goldman. All over.

3033 *Secretary Wright. Millions of miles of pipelines. It
3034 is why America has the great industrial past we have had.
3035 The energy massively more affordable than European nations
3036 and so many nations around the world. But yet we -- yes.

3037 *Mr. Goldman. I have got 15 seconds and I wanted to
3038 follow up on Congressman Pfluger's -- real quick -- SMRs. Do
3039 we have any timeline of when you think the first SMR in
3040 America may come online?

3041 *Secretary Wright. Well, we will have -- reactor is

3042 critical -- SMRs running by July 4 of this year. They won't
3043 be plugged into the electricity grid selling electrons. That
3044 is probably still three years away. I hope we get electrons
3045 on the grid during the Trump Administration, but that is an
3046 aggressive goal.

3047 *Mr. Goldman. Thank you, sir.

3048 *Mr. Latta. Thank you very much. The gentleman yields
3049 back. The chair now recognizes the gentlelady from
3050 Washington's 8th district for five minutes for questions.

3051 *Ms. Schrier. Thank you, Mr. Chairman.

3052 Thank you, Mr. Secretary, for being here today.

3053 First, I respect the noble goals of making energy more
3054 affordable and more abundant. And so it pains me that, since
3055 you were last here making those promises, things have
3056 actually gotten worse from the perspective of my
3057 constituents. You have heard from nearly everybody in this
3058 room about how families are struggling to pay their bills,
3059 and much of that is because the price of utilities and gas
3060 are way up, especially in the last six weeks or so.

3061 Since this Administration took office, my constituents
3062 are paying 17 percent more on their utility bills in
3063 Washington State, outpacing even inflation which is at its
3064 highest level in two years. And this war, President Trump's
3065 war in Iran, continues to drive up costs not just at the gas
3066 pump, but also at the grocery store and with airline flights

3067 and everything else. And he continues to also put American
3068 lives at risk. And as the President has thrown us into this
3069 expensive and dangerous foreign war with no end in sight, our
3070 service members and my constituents are being forced to pay
3071 the price. It is really going to take all of us in this room
3072 to rein in this President and his erratic actions.

3073 As prices continue to climb, I was seeing -- hoping we
3074 would see more actions to make energy more abundant and lower
3075 prices. You have talked about some examples, but I will tell
3076 you that several months ago in this committee room I
3077 expressed some frustration about this Administration's policy
3078 of forcing coal plants to remain online, even if plans for
3079 closure or transitions were already underway. And
3080 specifically, I spoke about the Centralia coal plant in
3081 Washington State, a plant that had stopped energy production
3082 from coal, was in the process of transitioning to natural
3083 gas, and then had to pause.

3084 And so just yes or no, are you familiar with the
3085 Centralia power plant?

3086 *Secretary Wright. I am a little bit.

3087 *Ms. Schrier. Okay. It is a plant, like I just
3088 described, that was scheduled -- I mean, had already stopped
3089 producing energy from coal, and was in the process of
3090 transitioning. And now it has been sitting idle. It still
3091 costs money to keep it there and idle and keep the employees

3092 there. My constituents are paying the price, and it has
3093 contributed zero energy to the grid.

3094 Are you aware that it still is costing money to
3095 ratepayers, and that this power plant is producing zero
3096 energy?

3097 *Secretary Wright. What is -- the right way to
3098 transition a plant from coal to gas is to build the gas
3099 infrastructure and have the gas ready by the time the coal
3100 shuts down so you don't take firm, reliable electricity off
3101 the market. That is what drives blackouts. That is what
3102 drives electricity prices to go up.

3103 *Ms. Schrier. So it hasn't been producing. We rely on
3104 hydropower. We are getting by just fine. But there is a
3105 predicted need for this by 2028, which is when the gas power
3106 plant was scheduled to come online. Like, everything was
3107 well planned and underway.

3108 And, you know, I guess what I would like a commitment
3109 from you on is that you will look at this and you will stop
3110 the pause order on this because it was scheduled to come
3111 online when we predict to need that energy. And you may be
3112 -- your department may be actually putting us more at risk.

3113 *Secretary Wright. Of course, we will look at that
3114 again. But I will tell you, if there was an order to keep
3115 the plant open it was for a reason. It was because there was
3116 a grid reliability study or something that showed a risk of

3117 closing that coal plant.

3118 We would have had hundreds, hundreds of people dying in
3119 January of this year if we had carried out the coal plant
3120 closures that were needed and they were agreed to.

3121 *Ms. Schrier. So you should be selective. We did not
3122 have that crisis in Washington State. We have great energy
3123 planning. We knew it was -- you know, in 2028 we could be at
3124 risk. It was not producing energy. We rely on hydropower.
3125 In this particular case it should not be a blanket order, and
3126 I believe that this is because of our President's obsession
3127 with coal.

3128 And I just -- I am frustrated by the answer, and I hope
3129 you will consider not having a blanket rule, and allowing
3130 this --

3131 *Secretary Wright. We have been selective. It is not a
3132 blanket rule. And yes, we will look at it again.

3133 *Ms. Schrier. Thank you for looking at it again.

3134 But the other thing that I just wanted to mention with
3135 my 30 seconds left is that Hanford is a real priority in
3136 Washington State. We are worried. The process is underway
3137 for vitrification, and dealing with the cleanup of chemical
3138 toxic waste, radioactive waste. But one of the really
3139 important elements is that some of these tanks are leaking,
3140 and it is really important to monitor groundwater because
3141 those toxins, the chemicals and the radiation, are

3142 approaching the Columbia River, and that is the lifeblood of
3143 the northwest.

3144 The President's budget, your budget, zeroed out
3145 groundwater monitoring for safety there.

3146 *Mr. Latta. I am sorry, the gentlelady's time has
3147 expired.

3148 *Ms. Schrier. I would like you to look at that and
3149 repair the budget so that we can protect the Columbia River.

3150 Thank you, I yield back.

3151 *Mr. Latta. Submit that in writing.

3152 [The information follows:]

3153

3154 *****COMMITTEE INSERT*****

3155

3156 *Mr. Latta. Thank you very much. The gentlelady yields
3157 back. The chair now recognizes the gentleman from South
3158 Carolina's 7th district for five minutes of questions.

3159 *Mr. Fry. Thank you, Mr. Chairman.

3160 Secretary, thank you for being here today.

3161 South Carolina is a proud nuclear energy leader, and
3162 there is a strong interest in expanding nuclear power at
3163 existing sites such as the V.C. Summer plant, which was at
3164 one point a bad word, a four-letter word in South Carolina.
3165 It is now kind of undergoing a renaissance. They do that to
3166 support reliable baseload power and our state's growing
3167 economy. However, affordability obviously remains critical.

3168 The NRC licensing reforms under the ADVANCE Act are
3169 important. Yet cost supply chain issues, financing, and grid
3170 integration remain major barriers. As I know you are fully
3171 aware, the nuclear renaissance is here. And certainly, South
3172 Carolina is a leader in that effort.

3173 I understand that the DoE is planning to develop with a
3174 state or several states nuclear life cycle innovation
3175 campuses. This is a promising initiative to help secure our
3176 nuclear fuel supply and address our future disposition needs.
3177 There is a final disposition piece associated with the
3178 request for information, though. The Nuclear Waste Policy
3179 Act, as amended, clearly states that only Yucca Mountain can
3180 be considered for a final long-term repository for high-level

3181 waste and spent fuel.

3182 Would the DoE engage the Energy and Commerce Committee
3183 or Congress generally on statutory changes to expand that, or
3184 tell me about the parameters here on what the Department of
3185 Energy was thinking on that request for information.

3186 *Secretary Wright. Yes, I think it is likely there will
3187 be a necessary engagement on the statutory laws regarding
3188 long-term waste disposal. We are developing as a solution
3189 that will ameliorate or remove the need for Yucca Mountain,
3190 and I think there will be a comeback to say, hey, this is the
3191 right way to deal with the problem. And if there is
3192 necessary changes in the laws we will come to work with you
3193 to achieve those.

3194 *Mr. Fry. Okay, so you envision a scenario where it
3195 would expand beyond Yucca?

3196 *Secretary Wright. Absolutely.

3197 *Mr. Fry. All right.

3198 *Secretary Wright. I don't think the long-term waste
3199 depository in this country is going to be Yucca Mountain.
3200 The government decided to place it there and impose it on
3201 people, and they rebelled against it, as you as you know and
3202 laid out.

3203 We went out and said, who is interested in hosting these
3204 nuclear life cycle innovation campuses? Twenty-eight states
3205 came back and said, pick us, we are the place, we will do it.

3206 And it is great. We are going to have a strong competition
3207 for that. And we will have multiple, I think, locations
3208 where we have got strong public support, huge economic
3209 benefits for fuel fabrication, fuel enrichment, fuel
3210 reprocessing, and long-term storage of spent fuel rods.

3211 *Mr. Fry. Thank you for that. Customers of our
3212 nation's nuclear utilities, including many of the citizens in
3213 state -- half of them, actually -- have paid tens of billions
3214 of dollars to the Nuclear Waste Fund to pay for the disposal
3215 of nuclear fuel, and the balance of that fund is about \$50
3216 billion. Can you assure my fellow South Carolinians, and
3217 really the country, that the NWF dollars will be used for
3218 disposal-related activities strictly as they were intended?

3219 *Secretary Wright. Oh, yes, absolutely. That is the
3220 intention. You know, this is a growing problem. And a state
3221 like South Carolina that has so many nuclear resources, the
3222 Federal Government was supposed to have had a repository by
3223 the -- in the previous century. We need to get on that, we
3224 need to deliver that, we need to use the funds that were
3225 allocated for that to get the mission done.

3226 *Mr. Fry. Thank you, Secretary.

3227 Building off the ADVANCE Act, though, the NRC is moving
3228 to expedite licensing on existing sites, which is welcome.
3229 It is great news for predictable regulations. Licensing
3230 should not be a huge, major barrier to deployment of safe

3231 designs, but supply chain timing and cost can also be the
3232 barrier.

3233 Can you talk about the efforts of the loan office to
3234 help reduce those supply chain costs for long lead nuclear
3235 components? Is there a large role for the Department of
3236 Energy here?

3237 And additionally, how will DoE safety -- or safety
3238 authorizations work to assist NRC commercial licensing?

3239 *Secretary Wright. Yes, you know, we work very
3240 cooperatively with the NRC. In fact, on this advanced
3241 reactor test program, these small reactors, we are going to
3242 have critical -- this year we have a number of NRC employees
3243 detailed over to DoE working side by side with us. We have
3244 authorizations for safe operation of these plants, but not
3245 for long-term commercial operation to sell electricity. That
3246 is the business of the NRC. But we are working together to
3247 get test reactors going so the DoE and them can see them.

3248 We were working to get enrichment stood up in this
3249 country, fuel fabrication up in this country. As you
3250 rightfully mention, the supply chain has just atrophied
3251 because we haven't built any nuclear plants in a long time in
3252 this country, with exception of Vogtle 3 and 4. And we need
3253 to get that industry stood back up. And the DoE is playing a
3254 very active role both with financial grants, with regulatory
3255 reforms, with loans, everything we can to get nuclear moving

3256 again.

3257 *Mr. Fry. And I think you are right.

3258 And Mr. Chairman, I know my time is expired, but there
3259 is a very excited ecosystem out there of people who are ready
3260 to see nuclear again in this country. And with that, Mr.
3261 Chairman, I yield back.

3262 *Mr. Latta. The gentleman's time has expired, and the
3263 chair now recognizes the gentlelady from Texas's 7th district
3264 for five minutes for questions.

3265 *Mrs. Fletcher. Well, thank you, Chairman Latta, and
3266 thanks to you and Ranking Member Castor for this hearing.

3267 Secretary Wright, I am glad to have the opportunity to
3268 ask you questions again today, and appreciate you being here
3269 to answer them and accommodating the kind of crazy schedule
3270 we have. I am really glad to get these questions in before
3271 the votes start again.

3272 And we have covered a lot of ground here today. I can't
3273 and won't have time to revisit all of it, but there are a few
3274 things that I have heard today in this hearing that I want to
3275 touch on briefly. And early on in the hearing, Secretary
3276 Wright, you testified that the Administration is releasing
3277 from the Strategic Petroleum Reserve in response to high
3278 prices, and contrasted it with the releases from the SPR
3279 during the Biden Administration.

3280 And I think you said that there were no disruptions in

3281 the market during the Biden Administration to justify
3282 releases from the SPR, in contrast to today. But I think you
3283 misspoke because, certainly, you know from your years of
3284 experience that it is a global market. And in 2022 there
3285 were disruptions after Russia invaded Ukraine that set off a
3286 series of supply disruptions in Europe and beyond that
3287 affected global prices, as did our decisions here in this
3288 country and in this Congress to sanction Russia for its
3289 illegal war.

3290 And so I do think that is important context. If I had a
3291 lot more time I would talk about how I had a bill that I
3292 introduced during the first Trump Administration in the early
3293 days of the COVID pandemic to fill up the SPR when oil prices
3294 were at record lows, but I have to move on. We did not do
3295 that then, and I do wish we had.

3296 I do want to touch briefly as well on part of your
3297 exchange with Congresswoman Castor, where she raised
3298 questions of trust and how industry can trust the process,
3299 right, and trust the government that they can make these
3300 investments that they want to make that we need them to make
3301 if grants are made and then revoked, if permits are made and
3302 revoked. Congressman Auchincloss talked about it a little
3303 bit, as well.

3304 And look, I disagreed with President Biden on revoking
3305 the Keystone pipeline permit. I disagree with President

3306 Trump on revoking the wind permits. And these issues
3307 transcend just one administration, right? I mean, the issue
3308 is whether folks in the industry can trust the United States
3309 Government to be a reliable partner. But we should be doing
3310 everything we can to make sure that that is the case because
3311 you know better than anyone we need these investments, and we
3312 need the U.S. Government to be a reliable partner and to know
3313 the rules no matter who is in charge.

3314 And so that is the issue you are hearing on this side of
3315 the aisle, is revoking all of these grants and these permits
3316 is a huge challenge. And I know this because of the people
3317 that I represent in Houston are a lot of the people doing a
3318 lot of this work. And, you know, as you and I have discussed
3319 in this room before, I am lucky to have their expertise in
3320 forming the work that I get to do here in Congress.

3321 So I know that for years, for decades energy
3322 professionals have been contemplating what would happen if
3323 Iran closed the Strait of Hormuz. And, you know, others have
3324 been talking already today about kind of the state of the
3325 world, so I am going to skip over where we are. But even the
3326 Dallas Federal Reserve Energy Survey industry executives were
3327 saying that the war in Iran is wreaking havoc in the
3328 industry, and that it feels like we have lost control of the
3329 Iran war. And if the State doesn't open soon, we are looking
3330 at oil at \$170 a barrel.

3331 So we have a real issue in front of us, and I was
3332 surprised to hear -- I am definitely going to run out of time
3333 for questions here -- but the President said twice that
3334 Iran's retaliatory strikes against the Gulf states and the
3335 state of -- Strait of Hormuz were a surprise to him. He said
3336 they weren't supposed to go after all these other countries
3337 in the Middle East. Nobody expected that, and we were
3338 shocked.

3339 Now, Secretary Wright, I saw your exchange with
3340 Representative DeLauro yesterday where she asked you that
3341 question, and you said you did anticipate this possibility.
3342 And frankly, that makes a lot more sense. I saw Secretary
3343 Clinton say this was in every war plan, every, you know,
3344 scenario they anticipated. So the President's statements
3345 make no sense.

3346 But I want to ask you a few questions about this -- I
3347 know I am going to have to submit some for the record -- but
3348 were you consulted about the possibilities and potential
3349 outcomes in invading Iran?

3350 *Secretary Wright. Yes, of course, I have been in
3351 dialog with the President across the Administration about the
3352 Iranian problem and potential solutions to the Iranian
3353 problem. So yes --

3354 *Mrs. Fletcher. And this --

3355 *Secretary Wright. of course, we have been in dialog

3356 about that.

3357 *Mrs. Fletcher. And the closure in particular of the
3358 Strait of Hormuz?

3359 *Secretary Wright. Yes.

3360 *Mrs. Fletcher. Okay. And did you know --

3361 *Secretary Wright. He did not think it was a surprise.
3362 He thought it was a surprise -- President Trump thought it
3363 was a surprise that Iran would attack Oman, that Iran would
3364 attack Azerbaijan. Iran attacked countries that have not
3365 been foes of them immediately. Nobody expected them
3366 attacking every country in the region.

3367 *Mrs. Fletcher. I am going to run out of time.

3368 *Secretary Wright. But the closure of the Strait of
3369 Hormuz was not a surprise to anyone.

3370 *Mrs. Fletcher. I am going to run out of time here, so
3371 I am going to have to yield back.

3372 *Mr. Latta. Pardon me, pardon me --

3373 *Mrs. Fletcher. I am going to submit questions for the
3374 record.

3375 [The information follows:]

3376

3377 *****COMMITTEE INSERT*****

3378

3379 *Mr. Latta. If the gentlelady would suspend, we are
3380 trying to get the other members in before votes start. So if
3381 the gentlelady would like to submit her questions to the
3382 record for the witness, we would appreciate it.

3383 She yields back. The chair now recognizes the
3384 gentlelady, the at-large member from North Dakota, for five
3385 minutes.

3386 *Mrs. Fedorchak. Excellent. Thank you, Mr. Chairman.
3387 I appreciate it.

3388 Secretary Wright, thank you for your leadership and for
3389 your clarity, your clarity on energy policy for our country.
3390 You are better able to express the connection between policy,
3391 cost, national security, and quality of life than just about
3392 anybody I have seen in this environment. So thank you for
3393 that.

3394 Every time we have one of these hearings I find myself
3395 sighing a lot over comments being made by my colleagues on
3396 the other side. And I am always reminded of the Ronald
3397 Reagan quote, and he said, "The trouble with our liberal
3398 friends is not that they are ignorant, it is just that they
3399 know so much that isn't so.'" And when it comes to the
3400 energy policy that they are advocating for, it just isn't so
3401 that a green energy grid is ever -- that is reliable, if you
3402 want it to be reliable, it will never be based on today's
3403 technology cheaper. It just can't happen. It just won't

3404 happen with today's technology.

3405 And so it is very frustrating to hear claims that the
3406 costs that are going up are the result of our policies, when
3407 we just absolutely know that it is the cost of the policies
3408 that have been pursued very aggressively by the left for the
3409 last 10 years that have resulted in -- that basically
3410 dismantled our power grid and are resulting in these
3411 significant price spikes across the country. So it is
3412 absolutely dishonest, and I really appreciate your
3413 consistency in pushing back on that.

3414 The solutions are pretty clear, though, and you guys are
3415 pursuing them. We need to stop retiring resources that are
3416 already on the grid. When we had Jim Robb here from NERC
3417 just a couple of weeks ago, he said still we are facing a
3418 reliability risk. We don't have enough power to meet demand
3419 as it is today, so we shouldn't be retiring -- stopping to
3420 retire. You guys are doing that with your efforts. Thank
3421 you for that.

3422 I am trying to back you up with some legislation that
3423 would do just as you had said in your conversation with the
3424 gentlelady from Washington. Before we retire existing
3425 resources, we should have the new ones connected to the grid
3426 and ready to go. That is just what Americans expect.

3427 We should optimize what we have already, which you are
3428 also doing with your investments in high-capacity grids, et

3429 cetera. Again, I have a piece of legislation to reinforce
3430 that. So I would appreciate your advocacy on that behalf.

3431 And then grow. I just want to -- I want you to talk a
3432 little bit about your efforts to help grow our energy
3433 production, especially as it relates to enhanced oil recovery
3434 in the Bakken, which -- you have been to North Dakota, thank
3435 you -- we have a declining curve of production. We need some
3436 new technology. We are investing in carbon capture and
3437 enhanced oil recovery.

3438 I would like to hear your thoughts on that and what kind
3439 of promise it has for places like the Bakken and other of our
3440 gas -- oil and gas resources in the country.

3441 *Secretary Wright. You bet. Thank you, Representative
3442 Fedorchak. And yes, you bet. As a fellow energy nerd, you
3443 have been a great partner on these dialogs because you care
3444 about energy and you do the math. And so that has been a
3445 great partnership.

3446 *Mrs. Fedorchak. Thank you.

3447 *Secretary Wright. So again -- I know you know this
3448 stuff -- but when we produce gas from shales, natural gas, we
3449 can get 40, 50, 60, 70 percent of the gas out of the rocks.
3450 It is awesome. When we produce oil, a more viscous, much
3451 more viscous substance through these very low permeability
3452 rocks, we under primary production, normal production, we
3453 only get about 10 percent out. Ninety percent is still in

3454 the rocks. You and I know we are not going to leave 90
3455 percent of that oil still in the rocks.

3456 I started my career in California, working in oil fields
3457 at the time that were from the 1910s and 1920s. Oh, they
3458 will be done in 20 years. No. Technology evolves and
3459 production continues to move along. And the same thing needs
3460 to happen and will happen in shale.

3461 How do we get the other 90 percent of the oil out?
3462 There is lots of different ideas. We are going to test them.
3463 North Dakota and the Bakken shale will be one of those key
3464 test areas. We are going to inject ethane gas. We are going
3465 to inject propane gas. We are going to inject CO2. We are
3466 going to find what is this right formula that is going to let
3467 us get another 5 or 10 percent, doubling the recovery of oil
3468 from the Bakken. Will it be injected in the same wells you
3469 produce or inject in offset wells? How will we -- you know,
3470 this is research and technology, but this is what America
3471 does. This is what North Dakotans do.

3472 *Mr. Latta. And pardon me, the gentlelady's time has
3473 expired.

3474 I will let members know we are with 10 minutes and 38
3475 seconds left in the vote, and the chair recognizes the
3476 gentleman from Ohio's 6th district for five minutes.

3477 *Voice. Mr. James.

3478 *Mr. Latta. No, he came in at 1:30.

3479 Okay, I am sorry. I am sorry, the chair recognizes the
3480 gentleman from Michigan's 10th district for five minutes for
3481 questions.

3482 *Mr. James. Ohio? That is blasphemous, Mr. Chairman.

3483 [Laughter.]

3484 *Mr. James. Blasphemous. Thank you, Mr. Chairman, for
3485 holding this very important meeting here today.

3486 And thank you, Mr. Secretary, for being here. What we
3487 saw during Winter Storm Fern should be a wake-up call for
3488 Michigan because, when the grid was under maximum stress, the
3489 truth became very clear: Reliability is not theoretical, it
3490 is tested in moments like these.

3491 Look at New England. At the peak of the storm they were
3492 relying on wind and solar. They were burning fuel, they
3493 weren't relying on wind and solar. They were burning fuel
3494 oil for 35 percent of their power, natural gas for 32
3495 percent, and even garbage and wood to keep the lights on.
3496 Wind just produced two percent, solar effectively zero. Now,
3497 think about that. Even if you doubled wind capacity, you are
3498 talking about four percent. If you doubled solar, you are
3499 still at zero percent when the sun isn't shining during a
3500 winter storm.

3501 These are not reliable sources when you need them the
3502 most. And let's be honest about the environmental reality.
3503 Burning archaic fuel oil, wood, and garbage for power is far

3504 worse for the environment than modern natural gas or nuclear
3505 energy. That is not the example that we want to follow in
3506 Michigan, but that is exactly the path that Lansing's net
3507 zero mandates are pushing us toward. They are forcing
3508 reliable thermal generation off the grid while flooding the
3509 interconnection queue with intermittent wind and solar that
3510 clearly don't perform during peak demand.

3511 At the same time, we are seeing those efforts to shut
3512 down critical pipeline infrastructure like Line 5, which
3513 would weaken energy supply and push Michigan closer to the
3514 same constraints that New England faces today, where limited
3515 pipeline capacity forces greater reliance on fuel, wood, and
3516 refuse during emergencies. So we are replacing dependable
3517 power with conditional power, and secure infrastructure with
3518 uncertainty. That is insane. That is how you create a
3519 reliability crisis.

3520 NERC has already called this a five-alarm fire, and
3521 Michigan is directly in the impact zone. We should be
3522 learning from what happened in New England, not repeating it.
3523 Because the next storm is going to hit, and it is not going
3524 to be about ideology, it is going to be about whether
3525 Michigan families have heat, whether Michigan families have
3526 lights, whether our grid holds up under pressure, and whether
3527 Michiganders can actually afford it. Right now we are moving
3528 in the wrong direction, and we are going to change course,

3529 hopefully, with your help, Mr. Secretary and the Trump
3530 Administration.

3531 So really quickly, during Winter Storm Fern we saw
3532 exactly which resources showed up when Americans needed that
3533 power the most. You have spoken about the importance of
3534 reliability during that storm. So my question is this: How
3535 do aggressive state net zero mandates, which are accelerating
3536 the retirement of dispatchable generation, align with your
3537 responsibility to ensure grid reliability, especially in
3538 regions like MISO that are already facing elevated risk?

3539 *Secretary Wright. So they are directly contrary to
3540 that objective, directly contrary to that. Thank you for
3541 your fantastic exposition of how energy actually works.

3542 And they are justified in the name of climate change or
3543 net zero. They are almost completely irrelevant in that
3544 world, as well, almost completely. California has gone way
3545 down this road. And what does it mean? It just means
3546 industry left California. The emissions just left California
3547 with the businesses and the jobs, and they -- and electricity
3548 overall in the country is about 20 percent of energy? In
3549 California it is less than 15 percent. So they reduced the
3550 carbon intensity of something they strangled, and it is still
3551 -- the biggest source of electricity is natural gas in
3552 California, hydro and imported power from other states. So
3553 thank you for your passionate championing of just let's do

3554 the math. Energy is about humans.

3555 *Mr. James. Yes, energy is about humans and we are
3556 about common sense.

3557 Something else that is about common sense, if you can
3558 expound on this really quickly. Your financing arm spent
3559 billions of dollars prioritizing intermittent energy projects
3560 like wind and solar in your predecessor's years. Now, as we
3561 move forward toward energy dominance under your leadership
3562 and the President's agenda, can you discuss the priorities of
3563 the department's financing programs to shift to firm support
3564 of dispatchable technologies and domestic critical minerals
3565 supply chain?

3566 *Secretary Wright. Yes, we want to support things that
3567 will lower costs and increase job opportunities. It is
3568 pretty common sense. So we are supporting the restart of two
3569 nuclear power plants, uprates on hydro plants, construction
3570 of new natural gas plants, extending the life of existing
3571 nuclear plants, making conductors so electricity can move
3572 around more efficiently.

3573 But in summary, the biggest objective when we evaluate
3574 these loan opportunities: what is the impact going to be on
3575 increasing the supply of electricity and decreasing the cost?
3576 Just those two objectives. Does give us more electricity?
3577 Does it lower the cost? The previous -- the Biden
3578 Administration, this same loan program office, never

3579 considered the cost impact of electricity, and almost
3580 everything they lent on was going to reduce the production of
3581 energy. So it is basically a 180.

3582 *Mr. James. Thank you for your leadership. My time has
3583 expired.

3584 Thank you, Mr. Chairman.

3585 *Mr. Latta. The gentleman's time expired, and he yields
3586 back. The chair now recognizes the gentleman from
3587 Pennsylvania's 13th district for five minutes for questions.

3588 *Mr. Joyce. Thank you, Chairman Latta.

3589 Two hundred fifty years ago, American freedom was
3590 founded in Pennsylvania. And now, 250 years later,
3591 Pennsylvania energy is allowing America to be once again
3592 energy dominant.

3593 I want to applaud you, Secretary Wright, for the work
3594 that you are doing at the Department of Energy because under
3595 your leadership Winter Storm Fern earlier this year, the use
3596 of emergency 202© orders during this extreme weather event,
3597 allowed our electrical grid to withstand significant spikes
3598 in demand.

3599 Make no mistake, our grids survived this most recent
3600 storm to -- due to generation from coal, from natural gas,
3601 and from oil. These reliable dispatchable power sources are
3602 essential, yes, essential to grid stability. That is why I
3603 was proud to see the recent DoE announcement, along with EPA

3604 and the Department of the Interior, on the groundbreaking of
3605 the Northeast Supply Enhancement Pipeline.

3606 You and I know that pipelines transmit energy safely.
3607 On this committee I have long advocated for the northeast to
3608 utilize the abundant natural gas that is underneath the feet
3609 of my constituents in Pennsylvania. For years political
3610 obstruction has prevented the build-out of the necessary
3611 infrastructure to make what is truly a common-sense solution.
3612 As a result, the northeast has suffered. They have suffered
3613 from high energy prices and, in cases of demand spikes, have
3614 been forced to import foreign LNG rather than relying on
3615 domestic energy produced in my home state.

3616 Lack of natural gas infrastructure even saw New England
3617 turn to burning trash for power when wind and solar proved
3618 unreliable during this recent winter storm. Your work and
3619 President Trump's work to secure the necessary permits to
3620 move this project forward corrects years of inaction. And as
3621 you can tell, I am excited to see the benefits of this
3622 completed project and what they will provide to the natural
3623 gas producers in Pennsylvania.

3624 Secretary Wright, can you talk about how the American
3625 energy dominance agenda aligns with our national security
3626 goals?

3627 *Secretary Wright. Yes, indeed, and thank you for your
3628 leadership in Pennsylvania, Congressman, and thank you for

3629 the great state of Pennsylvania. It has been, as you said,
3630 an energy powerhouse from the start of our country.

3631 The modern world began with the mining and harvesting of
3632 coal. Life expectancy grew. Life opportunities grew. Women
3633 were liberated. The world became a massively better place
3634 because of the arrival of coal changing the social structure
3635 and the economic opportunities of our world. And then today
3636 it has moved. Coal is still critical. During that Winter
3637 Storm Fern, as you said, it was the second-largest supplier
3638 of electricity after natural gas. Number one was natural
3639 gas, number two was coal. What is Pennsylvania big in?
3640 Number one and number two. Nuclear power, as well.

3641 So yes, if we can have affordable, reliable, secure
3642 energy in our country, we can reshore the industries pushed
3643 overseas. Everything that we import from China and overseas
3644 in Asia during COVID, well, we can't get that stuff, that is
3645 because we pushed that manufacturing out of our country.
3646 With affordable, reliable not just electricity but home
3647 heating and process heat, we can reindustrialize our country,
3648 bring those jobs in critical manufacturing back into our
3649 country. We can lead in the next energy-intensive
3650 manufacturing industry which is artificial intelligence.

3651 And Pennsylvania, of course, is perfectly suited to be a
3652 leader of that because of your energy resources. And if you
3653 can bring common sense to energy policy and reasonable

3654 permitting, wow, I think you are going to see a boom in your
3655 home state.

3656 *Mr. Joyce. Secretary Wright, what further steps do you
3657 feel should take -- should be taken specifically regarding
3658 natural gas that allow the abundant reserves in Pennsylvania
3659 to be utilized in the northeast?

3660 *Secretary Wright. Well, as you said, the reserves and
3661 the technology and the workers are there. Oh my God, you
3662 could double production in Pennsylvania. Right now the limit
3663 is pipelines. There is only so much gas that can be moved.
3664 That is how much can be produced.

3665 So this NESE pipeline is going to help New York City and
3666 Long Island. We also need the Constitution pipeline. That
3667 would also come from your State of Pennsylvania and bring gas
3668 to upstate New York and all six New England states, lower the
3669 cost of electricity, allow jobs and manufacturing in the New
3670 England states and upstate New York using gas from
3671 Pennsylvania.

3672 And of course, you could have all sorts of manufacturing
3673 and other demand centers in Pennsylvania to use this, you
3674 know, God-given resource you sit on top of.

3675 *Mr. Joyce. Thank you again, Secretary Wright. Thank
3676 you for your leadership at the Department of Energy. I look
3677 forward to working with my colleagues on this committee to
3678 continue to advance our shared energy goals.

3679 Thank you, Mr. Chairman, and I yield back.

3680 *Mr. Latta. Well, thank you very much. The gentleman
3681 yields back.

3682 And seeing no other members wishing to ask questions,
3683 Mr. Secretary, thank you very much for appearing before the
3684 subcommittee today. Members may have additional written
3685 questions for you.

3686 And I remind members that they have 10 business days to
3687 submit additional questions for the record, and I ask that
3688 you could respond and do the best you could in 10 business
3689 days upon receipt of the questions.

3690 I ask unanimous consent to insert in the record the
3691 documents included on the staff hearing documents list.

3692 Without objection, so ordered.

3693 [The information follows:]

3694

3695 *****COMMITTEE INSERT*****

3696

3697 *Mr. Latta. And without objection, the subcommittee is
3698 adjourned.

3699 [Whereupon, at 2:00 p.m., the subcommittee was
3700 adjourned.]