

Chair Bill Johnson
**Opening Statement – Subcommittee on Environment,
Manufacturing, and Critical Materials:**
**"Protecting Clean American Energy Production and Jobs by
Stopping EPA's Overreach."**
January 10, 2024
As prepared for delivery

Good morning and welcome to today's hearing - "Protecting Clean American Energy Production and Jobs by Stopping EPA's Overreach."

And as many of you know this is my final hearing as Chairman of this subcommittee.

It is fitting, in a way, that my journey here in Congress is ending exactly the way it started, with oil & gas. I first visited a drilling rig in the heart of my district in September of 2011. The company told me they were just quote, "looking for oil." Not long after, they stumbled upon one of the largest natural gas reserves in the world...and the Shale Revolution was on.

This was before I joined this committee, but even then I knew I had to work to not only preserve these good paying oil & gas jobs in my district, but also work to advance policies to achieve American energy dominance...while **never** apologizing for our abundant, affordable, God-given natural resources.

13 years later, I'm proud of what my team and I have accomplished, but that work is far from over. There are serious threats on to American energy security, which affects both the economic freedom AND public health of the American people.

Today, it shouldn't come as a surprise that the United States not only leads the world in energy production but also has one of the lowest methane emission rates in the world.

As a valuable commodity, operators have a huge incentive to capture and sell as much methane as possible. And they are innovating constantly to lower unwanted emissions.

Additionally, methane emissions are already regulated by the states and the EPA's new proposal only serves to present duplicative and burdensome requirements.

Then, the EPA is expected to publish the rules for the IRA natural gas tax, or "fee" if you want to be technical about it, on top of their methane **rule** sometime in the next few weeks, though there is no guarantee of that.

The EPA is also expecting producers to collect information for 2024 that will be the basis for the tax collection in 2025, yet the rules of how that is intended to work are not even out yet.

This is an unworkable regulatory structure for American producers, particularly small and mid-size companies.

There about 9 thousand independent oil and natural gas producers in the United States. These companies are responsible for developing 91 percent of the wells in the US, producing 83 percent of America's oil, and 90 percent of America's natural gas.

These companies are not "big oil." On average they employ just 12 people, and this suite of methane regulations will crush these producers.

We will hear from three of these small producers on our second panel—Mr. Montalban from Montana whose third-generation family business employs 15 full time employees, Mr. Oestmann who employs about 35 people out of Midland Texas, and Mr. Martin from Michigan who started his company, Miller Energy, with his cousin in 2017.

These are not the "big guys," but we should listen to them. They employ our neighbors, and our constituents. They quite literally, help to keep the lights on. They will give their perspectives on how aggressive EPA's overreach is emblematic of this Administration's war on American energy.

Now to conclude, I want to take a moment to express my gratitude. First of all to my staff, the E&C team, and Mary Martin, and her energy & environment staff for doing the extensive legwork and working the long, late hours behind the scenes to make all of this important work happen.

It's been an honor to serve as this subcommittee's chairman, and while it's been contentious at times, I believe we collectively have fostered a productive conversation on an extensive, wide variety of issues that matter to the American people. From chemicals and supply chain to support our manufacturing sector, vehicles and transportation, fuels, energy production, and grid reliability, just to name a few. It just doesn't get more important than that.

I also want to thank my colleagues. It's been a pleasure to serve with you all. To my vice-chair, Dr. Joyce, my neighbor just to the east in Pennsylvania, thank you for your friendship and leadership. And Ranking Member Tonko, I've enjoyed our time here together, and I want to express my gratitude to you for your compassion, and collaboration, in our work on this subcommittee to respond quickly and get answers following the East Palestine train derailment in my district. And thank you for the occasional package of chocolate peanut butter treats.

And to the new members, a number of you are just starting your journey on the Energy & Commerce committee, I hope that you have felt listened to, and that you could make your mark on, in my view, the most consequential subcommittee on E&C. Please make the most of your time here. You never know when the policy debates here will hit close to home.

Mr. Goffman, thank you for being here. I know we disagree strongly on many issues, but I have enjoyed our working relationship together, and that goes for you, the EPA staff, and Administrator Regan.

I'd like to think our committee oversight has been tough, but fair. And I do believe at the end of the day we do share the same goal to keep the environment, and the American people safe and prosperous. I also want to believe that we may have had a breakthrough in collaboration that will benefit the American people as you do your job.

I look forward to the conversation today, and I now recognize Ranking Member Tonko for his opening statement.