



## **Opening Statement of Chairman Frank Lucas**

*As Submitted for the Record*

Full Committee Hearing

*An Update on the Department of Energy's Science and Technology Priorities*

September 14, 2023

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Although I can't be there in person today, I'd like to thank Secretary Granholm for joining us to discuss the important work being done at the Department of Energy to advance American science and next generation energy technologies.

As the nation's largest federal supporter of research in the physical sciences, the Department of Energy plays a vital role in driving scientific discovery, advancing emerging technologies, improving domestic energy production, and supporting American competitiveness.

Today, DOE's work has never been more important. The United States faces a growing threat from the Chinese Communist Party, which is working to overtake us as the global leader in science and technology.

It's critical that as we work to combat this threat, we are investing our federal research dollars wisely and protecting them from misappropriation.

Over the past year, much of this Committee's oversight work has been focused on doing just that. While the Department has worked with us on some of these oversight inquiries, we're still waiting on a lot of answers.

My hope is that today's hearing will give us some of the information we need to ensure we're protecting taxpayer dollars.

These aren't small sums at stake. Through the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA), the Department received \$100 billion in additional funds outside of the regular appropriations process, as well as an expansion of its loan authorities to \$400 billion.

That's an astonishing amount of money, and I think we can all appreciate how challenging it is to ensure that the Department is scaling up efficiently and disbursing these funds appropriately.

Unfortunately, we've already seen some evidence of problems with DOE's process.

One issue we worked on extensively this year is probing the Department's decision to award \$200 million to Microvast, a company with known ties to the Chinese Communist Party.

While the Department ultimately decided to end contract negotiations with this company, DOE's vetting process has been opaque and confusing from the start, and we still lack clarity on why

the Department pulled this funding. I'm concerned by the possibility that a vetting process is being built as we go along. That's no way to handle taxpayer dollars.

This incident is deeply alarming and raises questions of broader research security issues across the Department. We need to know whether DOE has thorough guardrails in place to ensure that its grants aren't unintentionally funneling money to our adversaries.

What's worse, the DOE's Office of the Inspector General, tasked with overseeing DOE's work and the tens of billions in new IJJA and IRA activities, has received almost no additional funds to do so.

I'm very concerned about this imbalance of resources, especially given the Department's track record.

In addition to these issues with how the Department is scaling up and disbursing these funds, I'm also concerned that the Department's primary focus on its applied research programs is eroding support for its Office of Science and the critical basic research being done there.

Applied research and development programs are designed to advance specific technologies, many of which can be funded by industry, which has an incentive to do so.

On the other hand, the basic research done through the Office of Science and our national labs is responsible for breakthroughs that can only be supported by government resources, facilities, and coordination.

The milestone achievement of fusion ignition at Lawrence Livermore National Laboratory was made possible through the Office of Science.

Advances in exascale computing, quantum information sciences, and the energy technologies of the future are all supported by DOE's work on basic and fundamental research.

This work – which supports innovation at a wide range of Federal agencies like NSF, NASA, NOAA, and the USDA, is essential to the competitiveness of U.S. research enterprise.

So it's troubling that the Department hasn't been focusing on this work. While the Office of Science accounts for nearly 20% of DOE's annual funding profile, it received less than 2% of DOE's IJJA and IRA funding.

The President's budget request only exacerbates that disparity, and the Department's halfhearted approach to filling senior vacancies in the Office of Science further demonstrates the low priority being given to this work.

Congress, through the CHIPS and Science Act, made historic authorizations for DOE's Office of Science, providing a detailed roadmap for how the Department can prioritize cutting-edge R&D. I'd like to see DOE do more to focus on this critical work.

Those are just a handful of the wide range of topics I expect this hearing to cover today, and I look forward to hearing your testimony, Madame Secretary, and getting your responses to these key issues.

Thank you for your time.