



Opening Statement of Chairman Brian Babin

Full Committee Hearing

An Overview of the Department of Energy's Fiscal Year 2027 Budget Request

Wednesday, June 10, 2026

Thank you for joining us for today's hearing, "An Overview of the Department of Energy's Fiscal Year 2027 Budget Request." It is a pleasure to have Secretary Wright with us this morning as we examine the Department's priorities, ongoing reforms, and vision for America's energy future.

Over the past year, the Department of Energy (DOE) has undergone a dramatic transformation. The current Administration inherited a Department that had shifted away from its traditional focus on basic science toward a greater emphasis on applied research.

Basic research serves as the backbone of scientific and technological breakthroughs; however, because those breakthroughs are often years away from commercialization, industry frequently struggles to justify funding such work. Applied research, by contrast, focuses on solving specific challenges and bridging the gap between scientific discovery and practical application.

To address this imbalance, DOE announced a sweeping reorganization in November. Led by Secretary Wright, the effort sought to refocus the Department on its core mission and improve its ability to deliver for the American people. As a result, new offices were created, and the Under Secretary of Science and Under Secretary of Energy portfolios were rebalanced. By realigning offices and responsibilities, DOE established clearer priorities.

Current geopolitical tensions have only underscored the importance of this effort. Combating the Chinese Communist Party's (CCP) efforts to corner the market in emerging technologies should be a bipartisan and bicameral mission. We have seen the CCP implement its market-takeover playbook in sectors ranging from critical minerals to solar panels, wind turbines, and batteries. The U.S. cannot afford to rely on a single country for the technologies and infrastructure that power our future. We are in a global competition where energy is the common thread.

For decades, electricity demand in the U.S. remained relatively flat, but in recent years it has surged. Maintaining our technological advantage over China requires expanding reliable baseload power generation. In an effort to surpass us and dominate emerging technologies, the CCP races to add as much power as possible to its grid, including approximately 78 gigawatts of new coal-fired power generation last year alone.

The ongoing conflict in the Middle East has further strained global energy markets. Before the conflict, approximately one-fifth of the world's oil and liquefied natural gas (LNG) supply flowed through the Strait of Hormuz. More than 13 million barrels of oil per day are now at risk

due to the Iranian regime's harassment of shipping. Relying on foreign energy sources exposes our nation to macroeconomic volatility, national security risks, and supply chain bottlenecks.

I applaud Secretary Wright and the Trump Administration for championing domestic energy production to strengthen our energy security, support economic growth, and ensure the United States has the power needed to compete and win in the technologies of tomorrow.

Many factors contribute to rising electricity demands. While artificial intelligence (AI) and data centers receive much of the attention, the electrification of everyday American life and the return of manufacturing and industrial activity to the U.S. are also increasing the demand for reliable, affordable power. These challenges were compounded during the Biden Administration, which pushed regulations that accelerated the retirement of reliable power plants without ensuring adequate replacement generation was available. As demand grew, those policies placed grid stability at risk.

Simply put, America must produce more energy, not less.

I look forward to hearing from the Secretary about the steps taken over the past year to modernize the Department and how this budget request builds upon that progress.

Again, I would like to thank Secretary Wright for appearing before the Committee, and I yield back the balance of my time.