

For Immediate Release May 03, 2017 Media Contact: Kristina Baum (202) 225-6371

Statement of Energy Subcommittee Chairman Randy Weber (R-Texas)

Oil and Gas Technology Innovation

**Chairman Weber**: Today, we will have the opportunity to hear about exciting new research and development in oil and gas.

Fossil fuels continue to be America's dominant energy source, and provide over 80% of energy around the world. So it's no surprise that we have a robust industry here at home investing in developing the next generation of technologies to produce American fossil fuels more efficiently, more safely, and at a lower cost for American consumers.

Our hearing today will highlight individuals and private sector organizations taking a leading role in oil and gas technology innovation. Much like our Committee roster, we see a lot of Texas innovators on our panel today!

As we worked to put together today's hearing, I quickly learned we could fill this room with innovators from across Texas, and the country, who are exploring new ways to improve a broad range of technologies that can revolutionize this industry. My staff and I had the opportunity to talk to researchers from the University of Texas, Texas A&M, University of Houston, Rice University, and the DOE national labs – all of whom are conducting research that is driven by industry needs.

We heard about research in materials science, to develop materials resistant to the high temperature and pressure environments that occur particularly in offshore drilling. We learned about unique applications of nanotechnology to monitor the subsurface, and basic research in geology and computing that allows industry to make better decisions about when and where they drill.

I want to thank Dr. Ramanan Krishnamoorti from the University of Houston for testifying today and representing the incredible research going on in my home state. I look forward to hearing your insight on the nexus between this basic and fundamental research and how it applies in the oil and gas industry.

This brings us to the appropriate role for the Department of Energy. The Department has contributed valuable research in this field for decades. Congress first funded DOE's unconventional oil and gas research programs in 1976, and collaboration with industry has been a core part of DOE's research efforts. Historically, the Department has conducted basic and early stage research, collecting long term data and

maintaining expertise to provide industry with the tools necessary to achieve technology breakthroughs.

Industry then led the next step, building on DOE research to commercialize oil and gas technology. Using this collaborative approach, DOE research conducted by the national labs contributed to the development of key technology for hydraulic fracturing and revolutionized the American economy.

Today, DOE continues to make targeted investments in early stage unconventional oil and gas research, while efforts to deploy new technology are consistently led by the private sector. The Department also contributes funding to larger, industry-led projects measuring seismic data and analyzing geological formations, like the Gas Technology Institute's research to maximize the efficiency of hydraulic fracturing in the Permian basin, which we'll hear more about in testimony today.

As we approach budget season, it's our job as an authorizing committee to make sure we have a clear picture of what federal research investments provide the most bang for our buck.

We know that industry has the skills and resources to fund technology commercialization. But they often don't have the tools to conduct early stage research and maintain historical data like the DOE national labs can.

With that in mind, DOE should prioritize the basic and early stage research that provides data and analytical tools to researchers, and allows the private sector to commercialize ground breaking technology.

I want to thank our witnesses for testifying today, and I look forward to hearing more about your innovative research.

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