



Opening Statement of Energy Subcommittee Chairman Brandon Williams

Joint Energy & Investigations and Oversight Subcommittee Hearing

Return on Unprecedented Investment: An Analysis of the Department of Energy's Implementation of the IIJA, the IRA, and the CHIPS and Science Act

May 10, 2023

Good afternoon. Today, the Energy Subcommittee and the Investigations and Oversight Subcommittee are holding a joint hearing on the Department of Energy's implementation of recently-passed R&D legislation, including the Infrastructure Investment & Jobs Act (IIJA), the Inflation Reduction Act (IRA), and the CHIPS and Science Act.

With the passage of the IIJA and the IRA, the Department of Energy received an astonishing \$97 billion in additional funding outside of the regular appropriation process, of which \$45 billion falls under this Committee's jurisdiction.

According to the Department, this massive infusion of taxpayer dollars will be used to stand up over 70 new DOE programs and hire over 1,000 new employees. To facilitate this, DOE recently completed a Department-wide reorganization, which included the creation of the Office of the Under Secretary for Infrastructure to manage this expansion of programs. With this massive and historic public investment in our Energy future and with an overhaul of the Federal department tasked with administering these funds, I am astonished and concerned that the leader of this office has yet to be confirmed by the Senate.

The Department of Energy's recent facelift has rightfully received criticism from both industry and lawmakers. As members of Congress, we have a responsibility to conduct oversight of these immense new activities. I believe that we have a responsibility to question whether DOE has the protections, personnel, and expertise in place to carry out the IIJA and IRA appropriately.

Just last year, the DOE announced a \$200 million IIJA award to Microvast, a company with over 80% of its assets in China. Microvast is even listed on an SEC (SEC) watchlist of foreign companies not in compliance with the Holding Foreign Companies Accountability Act. I think we can all agree the Department's failure to adequately vet this company before making this \$200 million award is unacceptable and deeply alarming.

The committee is also seriously concerned about DOE's recent reorganization. Through the IIJA, the Department created the new Office of Clean Energy Demonstrations (OCED), which received \$27 billion in appropriations. Last week, Chairman Lucas and I sent a letter to the Secretary highlighting our concerns with this new office and the Department's lack of clear guidance for its coordination with existing DOE demonstration activities. Since tens of billions of taxpayer dollars are at stake, I look forward to receiving a response from the Department soon.

But we're not just here to talk about the IIJA and IRA. We're also here to review DOE's implementation of the CHIPS and Science Act, a House Science committee product, which correctly prioritizes fundamental and basic research carried out through the DOE Office of Science.

Unlike applied research, which the private sector is capable of funding and conducting, the Office of Science supports the kind of fundamental research and specialized research infrastructure that is uniquely stewarded by the federal government. Over the years, Office of Science research in areas like nuclear physics, basic energy sciences, and advanced scientific computing, has been instrumental to U.S. competitiveness and economic growth.

The CHIPS and Science Act authorizes critical program direction for these essential activities and includes robust funding profiles for user facilities such as the Electron Ion Collider (EIC) at Brookhaven National Laboratory in my state of New York, which I look forward to visiting this summer.

Set to be completed in 2034, the EIC will answer fundamental questions regarding the inner workings of protons, neutrons, and electrons. The innovations and discoveries gained from this facility may unlock a new age in computing, energy, and medicine, just as the discovery of the atom did for the last 100 years.

CHIPS and Science also leverages DOE's groundbreaking R&D capabilities to accelerate innovation in microelectronics and domestic chip production – work that has the potential to create tens of thousands of jobs in my district. It is critical that we prioritize our taxpayer dollars on these types of programs.

Yet, despite the impact of the Office of Science, many of the programs in the CHIPS and Science Act, have yet to receive adequate support in the President's Fiscal Year 2024 request. I find this odd, given DOE's recent IRA and IIJA windfall. It appears DOE is more interested in doubling down on extremely well-funded applied energy programs than supporting the Office of Science. These are the kind of misplaced priorities that could jeopardize our leadership in science and technology innovation.

I hope today's hearing will serve as one step in the right direction towards rebalancing these priorities. I look forward to hearing from our witnesses about their plans to respond to the committee's inquiries and how the Department intends to carry out congressional direction in a way that maximizes return on investment for the taxpayer.

I want to thank our witnesses for their testimony and look forward to our conversations.