



COMMITTEE ON
SCIENCE, SPACE, AND TECHNOLOGY
REPUBLICANS Frank Lucas, Ranking Member

Opening Statement of Investigations & Oversight Subcommittee Ranking Member Ralph Norman

Joint Investigations & Oversight and Energy Subcommittee Hearing *Management and Spending Challenges within the Department of Energy's Office of Energy Efficiency and Renewable Energy*

February 5, 2020

Thank you, Chairman Foster and Chairwoman Fletcher, for convening this hearing, and thank you to Assistant Secretary Daniel Simmons for your testimony this morning.

We are here today to discuss the Department of Energy's Office of Energy Efficiency and Renewable Energy. We will examine management and spending challenges at EERE, assess the actions it has taken to address and resolve these challenges, and explore its clean energy research, development, demonstration, and commercialization activities.

EERE's mission is to support U.S. leadership in the global clean energy economy through a wide variety of research and development initiatives. As such, EERE plays a significant role in opening the door for the widespread use of renewable energy technologies.

Having received \$2.85 billion in FY2020, EERE is the Department's largest applied energy research and development office. Its current spending levels are more than \$200 million higher than the total amount of R&D funding for all of DOE's other applied offices combined.

As Ranking Member of the Investigations and Oversight Subcommittee, I recognize the important role of congressional oversight and support this Committee's efforts to shine a light on instances of waste, fraud, and abuse in Federal departments and agencies. Given its historically high funding levels, oversight of EERE spending is certainly warranted. Unfortunately, it seems that the focus of today's oversight hearing is misguided.

We'll hear claims today about EERE not spending their carryover balance, inadequate staffing levels, and a Funding Opportunity Announcement that was "canceled." Yet each of these issues can be addressed in a single sentence.

Traditionally, EERE has carried over 25 to 35% of total available funding to the next fiscal year, and with their increased budget, they have continued this trend in each of fiscal years 2016 through 2019. Simple math shows that funding is dispensed at the same rate as a percentage of the total budget. In other words, it is business as usual at EERE.

For staffing, and in accordance with the FY 2020 appropriations package, EERE does owe us a plan to reach 675 to 700 full-time staff by the end of the fiscal year, but that won't occur until October. Maybe a hearing then would be more appropriate?

And finally, the assertion that a funding opportunity was influenced by political appointees. The Department has every right to revisit, review, and revise FOAs, and grantees fully understand this when submitting applications.

Yes, it is unfortunate that financial resources were used to revise this announcement and that applications had to be modified. But I would rather our federal dollars be spent on a comprehensive, effective funding opportunity than one that fails to align with the Department's mission. In other words, concerns of timeliness must yield to responsible spending.

Additionally, more applications were received for the revised FOA than the original. This fact cuts against the argument that DOE's actions somehow deterred applicants from reapplying for funding. With millions of dollars on the line, these applicants clearly recognized the value of patience and perseverance.

I appreciate Assistant Secretary Simmons for altering his schedule and, from what I understand, missing an important event with the Department.

To fully utilize his valuable time, I would encourage my colleagues to broaden their focus to the many successes EERE has achieved in his first year in office.

As the Co-Chair of the Solar Caucus, I fully believe in the benefits that renewable energy solutions can have on consumers, businesses, and the environment. However, it's important to stress that the Federal government should shift away from funding late-stage development for which there already exists a viable market, and instead focus on opportunities to fund early-stage research and development initiatives.

When the EERE was first established in 1981, renewables like Solar and Wind were neither technologically nor financially viable energy alternatives. Today, more than 250,000 Americans work in the \$17 billion-dollar solar industry. It is abundantly clear that consumer demand is already driving increased deployment of solar technologies. I want to help such technologies grow, but I am not prepared to pay them an allowance once they have reached maturity.

Ideally, a government program should be designed to address a concrete issue, tackle it head on, and work itself out of existence. However, as Reagan famously said: "The closest thing to immortality is a government program once established."

Yet to the dismay of some Members on this Committee, this Administration has previously asked for reductions to EERE's applied research funding. For my part, I applaud the Administration's decision to look take a dynamic look at where funding is most needed and will yield the highest gains.

Rather than subsidize established and successful technologies, we should be pursuing breakthrough discoveries in areas like materials, which can fundamentally improve the performance of solar energy technologies.

We can prioritize investments so that our research has broad applications in the energy sector and helps responsibly grow the American economy. I would like to thank DOE for understanding that role and for being here this morning to defend it.

Before I close, I want to take this opportunity to welcome Chairman Foster to the Investigations and Oversight Subcommittee. It's a pleasure to have you on board, Dr. Foster. I look forward to working with you during the remainder of this Congress.

I again want to thank the witnesses for being here today. I look forward to your testimony.

I yield back the balance of my time.