

MG Opening Statement – O&I Hearing:
“Gouged at the Gas Station: Big Oil and America’s Pain at the Pump”
April 6, 2022
As Prepared for Delivery

Thank you, Chair DeGette, for holding this hearing today. I believe surging energy prices and their impact on American wallets is an important topic for this subcommittee, but the majority is laying blame for the problem at the wrong feet. When President Biden points to Vladimir Putin, or Big Oil, or other scapegoats as the culprit, I am reminded of the words of the Wizard of Oz: “Pay no attention to the man behind the curtain.” Rather than deflect blame, President Biden should consider his own culpability for high energy prices thanks to his relentless pursuit of policies that discourage domestic energy production, driving gas prices up to levels not seen since Mr. Biden was Vice President.

Over the past few decades, innovative and responsible development of American resources yielded a reliable, affordable, and secure domestic energy supply. This supply drew on all of the resources our country possesses – oil, natural gas, coal, nuclear, hydropower, and renewables.

Unfortunately, today we face an entirely different landscape. Since President Biden took office, the prices of crude oil and many other energy commodities have risen to the highest levels in more than a decade.

As a direct result of President Biden's anti-American energy agenda, prices have rapidly risen for more than a year. On day one, the Administration made clear that it would do all that it could to shut down America's energy production by canceling the Keystone XL pipeline. Later the President imposed a moratorium on fossil energy development on federal lands, and increased pressure from financial regulators to halt fossil fuel investments. And he has no plans of stopping his assault on the energy industry – even while gas prices skyrocket and allied countries cry out for new energy sources, President Biden continues to announce new taxes and initiatives that are designed to shut down domestic production.

One of the first actions of the Biden administration was a ban on new oil and gas leases on public lands or in offshore waters – signaling a desire to restrict growth in domestic oil production almost immediately. The administration made it clear that federal acreage is NOT open for business. It is impossible to generate confidence or investment in production today when future production is clearly being blocked by the administration.

President Biden’s “rush-to-green” agenda involves a whole-of-government approach that advises multiple federal agencies to play some part in making it more difficult for oil and gas production. For example, the administration has pressured companies to halt investments in fossil fuels. There is no denying the fact that the Biden administration has promoted an increasingly complex and challenging regulatory environment for energy companies.

While President Biden should have been working to encourage domestic energy production, he went to OPEC to ask for more oil. Since that failed, the administration is reportedly considering lifting sanctions so the anti-American regimes in Iran and Venezuela can increase production. It has become painfully clear that President Biden’s anti-American energy policies emboldened Putin, and in my opinion, invited the attack on Ukraine.

The words and deeds of the White House expose a fundamental misunderstanding of the operations of an industry it seeks to dissolve. After Russia's invasion of Ukraine, President Biden stressed the short-term need to increase oil and natural gas output and expedite LNG project development. The oil and gas industry does not operate well on short-term proposals. Due to the nature of the industry, companies like the ones before us today need long term certainty. A temporary green light to produce oil from the Biden administration will not undo the layers of red tape and aggressive anti-fossil fuel policies driving gas prices to new highs.

Given the interconnection of the global economy, the U.S. decreasing energy production also affects our trading partners. Thus, Biden's restrictions in the U.S. forced our allies to depend on Russia and other dictators to power their economies. We need to look for ways to increase our domestic production and export capacity – such as increasing our LNG exports to help our allies break free from Russia.

We need energy policy that promotes energy security, while also taking advantage of America's abundant, reliable, and affordable energy resources. In a time when it has never been so expensive to live in America, we need real solutions to disperse the geopolitical shock and provide certainty to the global market.

With that, I want to thank the witnesses for appearing before us today. I look forward to discussing the current barriers the oil and gas industry face and gaining your insight into suggested regulatory or legislative actions to restore American energy.

Thank you, I yield back.