

**Committee on Energy and Commerce**  
**Opening Statement as Prepared for Delivery**  
**of**  
**Subcommittee on Energy, Climate, and Grid Security**  
**Ranking Member Diana DeGette**

***Hearing on “Powering AI: Examining America’s Energy and Technology Future”***

**June 4, 2024**

After 20 years of stagnation, electricity demand is finally set to grow again. Driven by everything from data centers to a resurgence in domestic manufacturing to vehicle electrification, America is demanding more electricity. And before we get to the challenges and opportunities growth represents, I want to be very clear: this increasing desire for electricity is a great thing. It means more people are making things in America, whether that’s batteries, solar panels, or semiconductors. It means the critical industries that power the 21st century are going to be forged here at home, rather than outsourced abroad. It means more and higher-paying jobs for Americans.

And, in large part, it’s thanks to the investments President Biden and Congressional Democrats made two years ago through laws like the Inflation Reduction Act, Bipartisan Infrastructure Law, and CHIPS and Science Act. But as we celebrate these new industries being built in the United States (U.S.), we must make sure our power grid is up to the task. It will be, but only if we make necessary reforms to make sure it can rise to the challenge.

One of those reforms is making it easier to build power generation and batteries and connect those resources to the grid. It takes an inexcusably long time for resources to connect to the grid now. It’s gotten so bad some regional grids have had to pause accepting new requests while they deal with a backlog of existing requests. That is an unacceptable situation. Last year, the Federal Energy Regulatory Commission (FERC) made progress by issuing Order 2023, which mandated reforms, but those reforms have not gone far enough. Grid operators must examine more aggressive strategies to allow enough supply to come on to the grid to match the forecasted increase in demand.

Another, commonsense set of reforms would be to get more out of our existing grid infrastructure – making sure grid operators are getting the most out of their existing wires and optimizing existing inter-regional connections, allowing the grid to become more resilient at near-zero cost. These are easy, bipartisan solutions.

But we also must face the reality that the physical wires that comprise today’s grid may not be fit for the coming increase in power demand. We must make it easier to plan, permit, and pay for transmission lines in the U.S. if we want to maintain reliability in this new era of increasing power demand. Last month, FERC took an important first step in the right direction when it finalized Order 1920, mandating regional grids engage in long-term planning using a specific set of criteria. This rule was a bipartisan victory, and it gained applause from across the political spectrum, everyone from the R Street Institute to the Conservative Energy Network, to the former Chair of FERC under President Trump. Most importantly, the North American Electric Reliability Corporation, responsible for electric reliability in the U.S., said the rule was important for reliability.

But I want to be clear – that rule by itself is not enough. It only covers planning for regional power lines, not the interregional lines that will be so important in the years and decades to come, especially given the expected load growth from datacenters will be heavily concentrated in just a few regions. FERC – and Congress – should and must do more to make sure our nation’s grid will be ready for the coming increase in power demand. Planning for adequate transmission will improve reliability and reduce costs, and that should be something every member of this subcommittee can support. Before I yield back,

I also want to note this subcommittee has done some work already in preparing for load growth, by passing what was first the Atomic Energy Advancement Act and is now the ADVANCE Act. It has been my pleasure to work together with Chair Duncan, and I think that bill has important implications over the medium and long-term for allowing new nuclear reactors to play an important role in supporting power demand. The House has done its part by passing the bill – twice I might add. Now, we just need the Senate to pass the bill on the Senate floor. With that noted, and emphasizing again the most important thing we can do is to ensure our power grid is ready to face increasing demand for electricity, I yield back