

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

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

June 4, 2024

Before I get to the subject of today’s hearing, I want to express my disappointment that Committee Republicans have not scheduled a hearing on the shocking allegations of Big Oil colluding to drive up gas prices on hardworking American families.

The allegations were revealed by the Federal Trade Commission (FTC) as part of its probe of the Exxon and Pioneer merger. FTC alleges that Scott Sheffield, the CEO of Pioneer, colluded with OPEC and his competitors to artificially limit crude oil production and gouge Americans at the pump. An American CEO colluding with a cartel that counts Russia, Iran, and Venezuela among its members is a massive scandal. And I’ve opened an investigation demanding answers from seven companies, including Exxon, which recently acquired Pioneer.

Then, last week, I wrote to Chair Rodgers requesting a hearing so that we could all have an opportunity to question Mr. Sheffield. So Madam Chair, we must hold a hearing on these serious allegations immediately. If U.S. oil companies are colluding with each other and foreign cartels to manipulate global oil markets and harm American consumers who then pay more at the pump, Congress and the American people deserve to know. We must hold Big Oil accountable.

Moving to the subject of today’s hearing, after 20 years of stagnant electricity demand, we are now seeing the power sector transition to an era of increasing demand. Thanks to an American manufacturing renaissance – driven by the Biden Administration’s investments – electricity demand is projected to sharply increase in some corners of the nation over the next few years.

Data centers – some powering advancements in artificial intelligence technologies – are one component of the resurgence of American manufacturing. A report last week from the Electric Power Research Institute found that data center power usage could grow by 10 to 15 percent per year, meaning that their power consumption could nearly double by 2030.

And as vehicle and home electrification efforts begin to accelerate later in this decade spurred largely by the Inflation Reduction Act, the entire country will see a broad-based increase in power demand. But we cannot respond to the challenges of the power grid of the 2020s with the technology of the 1920s. Already, some utilities and Committee Republicans are saying that the only solution to this surge of power demand is to build more polluting gas power plants – or, even worse, keep old coal plants on the grid even longer. Those are false solutions that would lock consumers into decades of paying for outdated and polluting technologies.

Republicans are also using increased electricity demand as an excuse to baselessly attack environmental regulations. Instead, our goal should be to look forward and connect as many clean resources to the grid as quickly as we possibly can. A study from Lawrence Berkley National Laboratory shows that there is nearly as much capacity in the so-called “interconnection queue” as there is installed in the United States today. Ninety-four percent of that queue is comprised of zero-carbon resources, like

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solar, wind, and batteries. Even if a fraction of those generation and storage resources came online, that would be sufficient to deal with the increase in power demand. Our main priority should be accelerating the process of getting those resources connected to the grid.

It's also critical that we continue to encourage energy efficiency. By reducing the amount of energy used in homes and businesses through more efficient appliances, we can offset some of the anticipated demand increases from data centers while also continuing to lower energy bills for American families. If Republicans were serious about wanting to make the grid reliable and resilient in the face of increasing power demand, they would stop their illogical attacks on energy efficiency with ridiculous bills like the "Liberty in Laundry Act."

Throughout this Congress, Committee Democrats have put forward ideas to expand the grid in smart and efficient ways. If Republicans really want to tackle increased electricity demand, then they will look at moving some of the bills authored by our Democratic members.

I look forward to today's discussion and yield back the balance of my time.