

OPENING STATEMENT
The Honorable Rodney Frelinghuysen
Chairman, Energy and Water Development Subcommittee
House Committee on Appropriations
Hearing on the Fiscal Year 2013 Budget Request for
Energy Efficiency and Renewable Energy, Fossil Energy, and
Electricity Delivery and Energy Reliability
March 27, 2012

Good morning. I'd like to call this hearing to order. The Subcommittee on Energy and Water Development meets today to hear testimony on the fiscal year 2013 budget request for the Department of Energy's research and development programs for energy efficiency, renewable energy, fossil energy, and the electricity delivery system.

I'd like to welcome Henry Kelly, the Acting Assistant Secretary for Energy Efficiency and Renewable Energy; Patricia Hoffman, the Assistant Secretary for Electricity Delivery and Energy Reliability; and Charles McConnell, Acting Assistant Secretary for Fossil Energy.

It seems that each year at this time, this country faces the prospect of higher gasoline prices. While the public might think that the Department of Energy – and specifically the programs represented here today – might be responsible for setting this country's energy supplies on a more secure footing, our energy supply situation is not noticeably different than a year ago. We still import nearly two-thirds of the oil we use, and ninety six percent of our cars, trucks, and planes still depend on oil, while demand is skyrocketing in countries like China and India for the same energy sources we rely upon.

The President made a strong call in his State of the Union speech for an “all of the above” energy strategy, and I'd like to take him at his word. Unfortunately, the budget request is more ideological than practical – it cuts the very account, Fossil Energy, which could have the most immediate impact on our prices at the pump as well as on electricity prices. Nuclear Energy, which we considered before this subcommittee a few weeks ago, is the other major source for today's electricity. The request would cut its budget by more than 10%. At the same time, the request would increase Energy Efficiency and Renewable Energy by 28%. Even the rosier scenarios for renewable energy predict only a marginal contribution in the coming decades. In other words, the President's budget request would accept higher prices for gasoline and electricity today, in order to dump hundreds of millions of dollars into energy sources which will only provide a marginal amount of power for years to come. These priorities are raising questions among members of Congress, and across the country.

The story for American manufacturing – a top priority of mine, and I know of my ranking member – is more mixed. While the cuts to nuclear and fossil energy research and development would certainly be a setback for American innovation, and may likely continue the flight of companies to less regulated markets, the request would more than double funding for Advanced Manufacturing research and development within EERE. Precisely how that funding would be used, and to what advantage, is not fully clear in the budget request materials, and I expect we'll have time today to explore the merits of the proposal.

I ask that each of you please ensure that the hearing record, the questions for the record, and any supporting information requested by the Subcommittee are delivered in final form to the Subcommittee no later than four weeks from the time you receive them. Members who have additional questions for the record will have until close of business tomorrow to provide them to the Subcommittee office.

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