



COMMITTEE ON
SCIENCE, SPACE, & TECHNOLOGY
Lamar Smith, Chairman

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Media Contacts: Alicia Criscuolo, Thea McDonald
(202) 225-6371

Statement of Energy Subcommittee Chairman Randy Weber (R-Texas)

Department of Energy Oversight: Office of Fossil Energy

Chairman Weber: Good morning and welcome to today's Energy Subcommittee hearing examining the Department of Energy's Office of Fossil Energy.

Today, we will hear from the Department on the research, development, demonstration and commercialization activities in the Office of Fossil Energy, and the impact DOE's fossil energy programs have on the energy market and the U.S. economy.

Fossil fuels are America's dominant energy source, and provide over 80% of energy around the world. The International Energy Agency estimates that even if the aggressive regulations required to meet the Paris Climate agreement are implemented, fossil fuels will still account for over 40% of global energy use in 2050.

With those statistics in mind, DOE should prioritize the type of early stage research in fossil energy that will lead to next generation technology to access our natural resources, move fossil fuels safely to consumers, and use them more efficiently in our cars and power plants. Through the national labs, the Department should take the lead on fossil energy technology innovation, conducting the foundational research that allows the private sector to commercialize ground breaking technology. Unfortunately, that is not the type of budget proposal we're discussing today.

In the DOE fiscal year 2017 budget request, it is clear that fossil energy innovation is not the priority for the Obama Administration.

While the DOE budget proposal regularly offers aspirational goals backed by significant spending in renewable energy research and development, the budget for fossil energy is cut year after year.

This year is no exception, with a \$32 million cut to fossil energy R&D. When compared to the proposed \$2.1 billion increase to renewable energy, there's no question about where this administration wants to innovate.

And what's worse, instead of research designed to increase fossil energy production through innovation or cut the cost of electricity from fossil fuels with new technology,

the budget proposal for fossil energy is singularly focused on emissions management – or “impact mitigation” as the budget describes it.

Simply put, the vast majority of DOE Fossil Energy Research and Development programs have been reduced to managing emissions to comply with EPA regulations. But over-regulation isn't the right way to innovate. And the Department of Energy shouldn't be dedicating limited taxpayer resources to proving commercial scale technology to back up EPA rules.

DOE's research infrastructure should be used to develop groundbreaking technology, not move that technology to the commercial market. By focusing on justifying regulations and rushing to scale up today's technology, the Department has repeatedly put taxpayer dollars at risk on large scale projects that weren't ready for prime time. Even the few successful projects that make it into operation, like the Air Product and Chemicals CCS demonstration project in my district, are often completed at great cost to the American taxpayer.

DOE does not have adequate expertise or capacity to successfully manage commercial scale projects. Instead, the Department should focus limited federal dollars on the fundamental research to lay the foundation for the next technology breakthrough.

The Department of Energy has made significant contributions to fossil energy production by funding early stage research, and allowing the private sector to make the technology work in the energy market.

DOE research conducted by the national labs helped develop the technology for hydraulic fracturing that led to the shale revolution.

If the Department refocuses on technology research and development, I believe that American industry can capitalize on that research, and revolutionize the energy industry once again.

But that won't happen if DOE's limited resources remain stove-piped and focused on regulatory compliance.

I want to thank Assistant Secretary Smith for testifying to the Committee today, and I look forward to a review of the budget proposal, and a discussion about DOE priorities and research goals for fossil energy.

By funding early stage research and development, the Department of Energy could build a foundation for the private sector to bring innovative new fossil energy technologies to market, and grow the American economy.

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