OPENING STATEMENT RANKING MEMBER EDDIE BERNICE JOHNSON U.S. HOUSE COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY Full Committee Hearing

An Overview of the Department of Energy Research and Development Budget for Fiscal Year 2013

March 1, 2012

Thank you, Chairman Hall, for calling this hearing today to review the Administration's fiscal year 2013 budget request for the Department of Energy's civilian research programs. And, thank you, Secretary Chu for joining us today to provide your perspective on how these proposals were developed, and insight into the President's vision for both the Department and the role of energy in our economy.

I will be the first to say that, on balance, I am not particularly happy with this budget request. I think that too many worthwhile programs would be cut, while others will not be increased enough. Still, I applaud the Administration for making tough decisions and prioritizing in a time of fiscal austerity. It is undoubtedly a painful but useful exercise, and in better times these programs would receive the funding they need. However, I cannot help but lament the fact that we find ourselves in this position to begin with, and I feel that Congress has to accept its share of the blame.

We in Congress could acknowledge the immense challenges in energy that lie before us, and have the foresight to know that increased investment across the energy technology spectrum - from basic to applied research and demonstration - will pay untold dividends for future generations. We could recognize the role that truly fundamental discovery-driven research and large user facilities play in positioning the U.S. at the center of mankind's quest to better understand our universe.

Instead, unfortunately, this Congress seems content to put DOE in a corner and tell it to figure out how to do more with less. We say we want to run government more like business. Well, businesses need revenue or they don't grow, they don't

innovate, and they don't succeed. We could start to raise the needed revenue by pulling back the unnecessary tax breaks and subsidies enjoyed by the most profitable and wealthiest companies and individuals in this country. And we can use those resources to invest in our scientific talent and infrastructure, and in development of new, cleaner, more efficient and cheaper energy technologies.

I am under no illusion that change will come overnight. We are just beginning to chip away at a multi-generational energy problem, the scale and complexity of which few of us can grasp. But we have to start now if we want to make a positive impact for future generations.

We can begin by giving up on the notion that the energy market has ever been, or will ever be, a free market. In a perfect world, consumers would be empowered with the knowledge and resources to make informed choices about their energy use, and investors would be willing to take bigger risks on companies that are driven to create the cleanest and most efficient technologies. But we are just not there yet. Until we see more competition from emerging sectors, the energy markets will not be free.

Some of my colleagues on the other side of the aisle decry DOE's investment in clean energy technologies as somehow skewing the market by picking winners and losers and crowding out private investment. Yet, the very energy industries my colleagues hold out as exemplars of the free market – oil, gas, nuclear and coal - are the ones that have benefitted most from government largesse and, curiously, the ones they hold out as most deserving of continued taxpayer-funded research.

From high-efficiency gas turbines for coal plants, to nuclear reactors developed at federal labs with federal dollars, to the directional drilling and hydraulic fracturing practices that have led to the shale gas boom of today, we have seen how government research can pay off. But it required decades of federal investment, the overwhelming majority of which was focused on fossil and nuclear energy.

These technologies have kept energy costs low for consumers and our industrial base, and allowed the economy to grow to what it is today. But, it is time to level

the playing field and introduce real competition to the markets, and that is where the priorities set by this budget request come in to play. We have to find the greatest value for the taxpayer dollar, and today it is in the emerging energy technology sectors that can most benefit from government support.

We have seen how federal dollars can be the seed capital for private sector innovation, and how even small government investments can be leveraged to provide scientific breakthroughs and technological advances that private industry by itself cannot accomplish. We also know well that without federal sponsorship of fundamental research in the physical sciences, America will fall behind in these fields. These are investments in people and ideas that have paid off in the past, and I hope that we can demonstrate the foresight to know that they will continue to pay off in the future.

Thank you, and I yield back.