

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

Hearing on “Securing our Energy Infrastructure: Legislation to Enhance Pipeline Reliability”

January 19, 2022

Thank you, Chairman Rush, for holding today’s hearing on your important legislation to address the reliability and security of our nation’s energy infrastructure.

The need for today’s hearing and legislation is driven by recent events. We all watched with concern last February as Winter Storm Uri devastated natural gas infrastructure in Texas, contributing to widespread power outages and significant loss of life. Some members of this Committee even experienced the events first-hand.

In the wake of the Texas power crisis, we held multiple oversight hearings. We learned that the power outages were caused, in part, by inadequate natural gas fuel supply and delivery, as well as Texas’ failure to establish meaningful winterization and other standards to ensure reliable natural gas delivery. Those findings were corroborated by a recent joint report on Winter Storm Uri from the Federal Energy Regulatory Commission and the North American Electric Reliability Corporation. Among other things, this joint report concluded that “generating unit outages and natural gas fuel supply and delivery were inextricably linked” during the storm. The report recommended that a working group consider whether Congress should vest a single agency with responsibility for ensuring pipeline reliability.

I commend Chairman Rush for taking those recommendations seriously and introducing H.R. 6084, the “Energy Product Reliability Organization Act.” While members here today may have different perspectives on how to best protect our country from emerging threats, it’s clear to me that the status quo is insufficient, and Congress must act to ensure the reliability of our energy infrastructure. Given our current reliance on natural gas for power generation, it is critical we examine how we can best ensure our natural gas fuel delivery system does not again fail to keep the lights on.

Unfortunately, Winter Storm Uri did not cause the only major fuel supply reliability failure last year. In May, cyber criminals attacked the Colonial Pipeline Company’s business systems, ultimately halting delivery of more than 2.5 million barrels of petroleum products daily for several days. This major disruption caused gasoline shortages across 17 states and the District of Columbia. The pipeline was restarted within five days thanks to leadership from the Department of Energy but the cyberattack laid bare the vulnerability of our pipeline infrastructure.

Chairman Rush's bill places the authority to issue cybersecurity standards where it should be: with energy experts who have a vested stake in the security of our power infrastructure.

In 2005, after the California energy crisis and the 2003 blackout in the Northeast raised concerns about the continued reliability of our electric infrastructure, this Committee responded in a bipartisan manner. We worked to create an electric reliability organization to oversee the bulk power system. By all accounts, Americans enjoy greater electric reliability because of it.

Today, we are again confronted with events that shine a light on the inadequacy of our current regulatory regime. I hope we can respond in a similar, bipartisan manner by establishing a stakeholder-driven entity, like NERC, to maintain the reliable delivery of natural gas, petroleum, and other energy products until we fully transition away from volatile fossil fuels to carbon-free electricity and transportation sectors.

This legislation is of vital importance, and today's hearing provides Committee members an opportunity to learn more about the scope and necessity of an Energy Product Reliability Organization. This hearing is the beginning of the process, and I look forward to hearing from consumer advocates, industry stakeholders, and others about how we can best tailor this legislation to safeguard our nation's pipeline infrastructure. We must find common ground on reforms to bolster the reliability and security of our pipeline and power infrastructure.

This Committee has a long history of bipartisan cooperation on these issues, and I hope we can work together to ensure our nation's pipelines and related facilities are operable during extreme weather events, protected from cyber exploitation, and able to address the evolving reliability and security risks of a changing world.

I'd like to thank our two witnesses, Deputy Energy Secretary Turk and FERC Chairman Glick, for joining us today. I look forward to our discussion.