



COMMITTEE ON DEMOCRATS
ENERGY & COMMERCE
RANKING MEMBER FRANK PALLONE, JR.

FOR IMMEDIATE RELEASE

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**Statement of Ranking Member Frank Pallone, Jr., as prepared for delivery
Committee on Energy and Commerce
Subcommittee on Energy and Power
Markup of H.R. ____, “To modernize energy infrastructure, build a 21st century
energy and manufacturing workforce, bolster America’s energy security and
diplomacy, promote energy efficiency and government accountability, and for other
purposes.”**

Thank you, Chairman Whitfield and Ranking Member Rush for holding this Subcommittee markup.

The legislation before us today represents an initial attempt to move forward on comprehensive energy legislation. It represents the combined effort of members and staff on both sides of the aisle.

Included in this legislation are provisions drafted by Representatives Eshoo, Doyle, Green, McNerney, Welch and Ranking Member Rush. Many of these provisions passed the House last Congress.

Chairman Upton and I have had discussions about this legislation and we have reached agreement on a few key points:

First, all provisions at both subcommittee and full committee need to be agreed upon by both sides. That is the only way for us to move forward, both at subcommittee and full committee.

That means that during August and into September, Members will have the ability to participate in the process and offer their ideas and suggestions for consideration.

Second, we agreed that we would need to find funding for infrastructure programs. We all know that we need to repair, replace and upgrade our nation’s aging infrastructure. Deteriorating, leaky gas pipelines are a public safety and environmental hazard, as well as wasteful and inefficient. That is why I have proposed, and Mr. Upton has agreed, that funding will be included in this legislation to help accelerate this process. One way to do so is to provide assistance to low income households served by utilities who are engaged in the costly

process of replacing and repairing their natural gas distribution lines. We will look to provide actual dollars to achieve that goal.

In addition, it is past time that we modernize our electricity grid. That is why we have also agreed to fund a program to help states and local government upgrade outdated electricity infrastructure in ways that enhance its reliability and resiliency.

Both of these ideas' funding are based on Department of Energy's Quadrennial Energy Review (QER) recommendations.

This bill is a reasonable start, but it is by no means complete. And there are provisions desired by members on both sides of the aisle that have been postponed for further discussion at full committee. And some provisions in the subcommittee mark are in brackets. I have concerns about many of these.

In particular, I note that both Sections 1108 and 4123 appear in brackets.

Section 1108 involves FERC in forward capacity markets in a new way and requires further study. Before we can agree to that section, we need to hear more from the Regional Transmission Operators and Independent System Operators who would be affected by it.

Section 4123, relating to DOE's efficiency standard for furnaces, is a bit different. I do not think we need legislation on this issue yet. We should let the regulatory process play out. The language in the print represents an agreement reached by the stakeholders, so I will not object to it at this time. But we cannot and will not wait any longer for a furnace efficiency standard

Finally, let me mention the area of hydro-electric licensing reform. The current set of provisions await further discussion and a number of our Members have been working to develop proposals that would help push us forward in this area. We will continue to work on those proposals.

I am willing to support this legislation at this point because I believe it holds the promise of a bill that we can all support at full committee. But that is by no means guaranteed.

Compromises have been made on both sides of the aisle and further, honest efforts to reach principled compromise will be necessary as we move forward.

I look forward to working on these issues with my colleagues on both sides of the aisle.

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