

## **Committee on Energy and Commerce**

### **Opening Statement as Prepared for Delivery of Full Committee Ranking Member Frank Pallone, Jr.**

#### ***Hearing on “Scaling for Growth: Meeting the Demand for Reliable, Affordable Electricity”***

**March 5, 2025**

This hearing is on an important and timely topic – unfortunately, it’s happening in the midst of chaos and confusion for the energy industry because of the actions of President Trump and Congressional Republicans.

Grid operators around the country are begging Congress to take the challenges they’re facing seriously, and instead Republicans just passed a budget that would gut programs and incentives vital to electric reliability, while simultaneously cutting Medicaid to fund tax breaks for billionaires. President Trump’s Department of Energy continues to freeze and slow-walk billions of dollars of investments in the clean energy sector, which could result in higher energy costs on American families. It’s unacceptable.

And it’s frustrating because this Subcommittee has important policy decisions to consider. After a 20-year pause, demand for power in the United States is growing again. As I have repeatedly said, this is an opportunity. It means that companies are investing in America, that cutting edge technologies are being developed here, and that families are making investments in decarbonizing their homes and vehicles. These are good things – if the power sector can meet the challenge.

We need to act to make sure that our grid remains reliable and affordable over the next decade. That means removing unnecessary barriers to clean energy and making sure that we’re adequately planning for a 21st century grid.

Claims that this challenge can only be met with an endless fleet of natural gas power plants are completely misguided. For one, the gas turbine supply chain simply won’t allow it. Gas turbine manufacturers are backed up and cannot fulfill new orders until 2029. But, more importantly, we need a solution that won’t saddle homeowners and businesses with higher energy bills to pay for assets that may not be used in 20 years. We need to find a way to ensure that new “large loads,” like data centers powering AI, are paying for their fair share of grid infrastructure, regardless of whether they’re co-located with generation sources or pulling electricity directly from the grid itself.

And these aren’t speculative issues for the future – they’re happening now. Families in my home state of New Jersey are going to experience an egregious, nearly 25 percent increase in their power costs this June, in part because PJM seems incapable of getting its act together to quickly add renewable resources to its grid. The Texas grid operator, which serves less power demand than PJM, managed to add 11 gigawatts of generation and storage capacity last year. PJM only managed to add less than half of that, despite having a whopping 143 gigawatts in its queue.

We should be working together to develop solutions to address that problem. Unfortunately, the Trump Administration and Republicans have other ideas. The Bonneville Power Administration – which is absolutely vital for electric reliability in the Pacific Northwest – was forced to fire 20 percent of its workforce as part of Elon Musk’s dismantling of the federal workforce despite the fact that it doesn’t cost taxpayers a dime.

March 5, 2025

Page 2

Republicans are also taking aim at independent regulators vital for reliability and affordability, like FERC and the NRC. And, because the Trump Administration cut corners in its definition of “energy” in its executive orders, there is a lot of confusion about whether the tariff on electricity imports from Canada is zero, ten, or twenty-five percent. It’s a complete disaster and it’s going to likely lead to higher energy costs for American consumers, particularly in the northeast.

Trump and Republicans are trying to gut and repeal the Inflation Reduction Act and Bipartisan Infrastructure Law. These laws are critical to ensuring that new energy sources get built and that existing ones – especially nuclear plants – stay online. Two new studies – that I’ll ask unanimous consent to insert into the record – show that repealing the Inflation Reduction Act’s technology-neutral tax credits would increase prices on families and decrease the amount of power brought on to the grid.

The reality is that clean energy is the only source of new generation capable of meeting growing power demand at-scale. Clean energy sources and battery storage are 95 percent of the interconnection queue – they’re not going away. In fact, they’re the only thing that can come to the rescue and power our manufacturing and AI renaissance. Gutting the Inflation Reduction Act and illegally freezing funds will only ensure that our grid won’t be able to keep up with demand, all while radically increasing energy prices for our constituents.

Democrats will fight against Republicans’ radical agenda to make our electricity less reliable, more expensive, and dirtier.

Thank you and I yield back the balance of my time.